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AMENDMENT TO FINANCIAL AGREEMENT

This Amendment to Financial Agreement (the "Amendment"), dated July 17, 2020, among PROVIDENCE SQUARE HOUSING URBAN RENEWAL ASSOCIATES, L.P., a limited partnership existing under the laws of the State of New Jersey (the "Entity") and the CITY OF NEW BRUNSWICK, a municipal corporation in the County of Middlesex and State of New Jersey (the "City").

WHEREAS, the Entity and the City entered into a certain Financial Agreement on June 1, 1993 pursuant to the Long Term Tax Exemption Law (N.J.S.A. §40A:20-1 et seq.), as amended and supplemented (the "Original Agreement"), as amended by the First Amendment to Financial Agreement between the Entity and the City dated January 1, 1996 (the "First Amendment") and as further amended by the Second Amendment to Financial Agreement between the Entity and the City dated January 2000 (the "Second Amendment" and together with the Original Agreement and the First Amendment, the "Financial Agreement") in connection with the low and moderate income housing project located on property designated as a portion of Block 418, Lot 52.01 in the City of New Brunswick, Middlesex County, and known as Providence Square I (the "Project"); and

WHEREAS, the balance of Lot 52.01 contains an existing affordable housing project for senior citizens and is known as Providence Square II (the "Providence Square II Project"), and the Providence Square II Project is subject to a separate financial agreement (the "PSII Financial Agreement"); and

WHEREAS, pursuant to N.J.S.A. §40A:20-13.2, the Parties now desire to amend the Financial Agreement to extend the term of the Financial Agreement for a period of twenty (20) years from the date hereof; and

NOW, THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, it is mutually covenanted and agreed as follows:

1. Section 5 of the Financial Agreement is hereby amended to read as follows:

"5. The project shall be exempt from taxation on improvements in accordance with the provisions of the Law and in the manner provided by this Agreement for a term of twenty (20) years from July 17, 2020 (the "Commencement Date"), and only so long as the Entity and its project remain subject to the provisions of the Law and complies with this Agreement."

2. Section 6 of the Financial Agreement is hereby amended to read as follows:

"6. In consideration of the aforesaid exemption from taxation on improvement(s), the Entity, its successors and assigns, shall make payment to the City of an annual service charge for the municipal services supplied to the project of a sum equal to the amount of (i) ten percent (10%) if seventy percent (70%) or more of the project units are low and moderate income housing units, (ii) eleven percent (11%) if between fifty percent (50%)

and seventy percent (70%) of the project units are low and moderate income housing units, (iii) twelve percent (12%) if between thirty percent (30%) and fifty percent (50%) of the project units are low and moderate income housing units, or (iv) thirteen percent (13%) if at least ten percent (10%) of the project units are low and moderate income housing units, of the annual gross revenue determined pursuant to N.J.S.A. 40A 20-1 et seq. calculated from the Commencement Date. It is hereby established a schedule of annual services charges to be paid over the term of the twenty (20) year exemption period which shall be in stages as follows:

(a) For the first stage of the exemption period, fifteen years from the Commencement Date, the Entity shall pay the City an annual service charge equal to (i) ten percent (10%) if seventy percent (70%) or more of the project units are low and moderate income housing units, (ii) eleven percent (11%) if between fifty percent (50%) and seventy percent (70%) of the project units are low and moderate income housing units, (iii) twelve percent (12%) if between thirty percent (30%) and fifty percent (50%) of the project units are low and moderate income housing units, or (iv) thirteen percent (13%) if at least ten percent (10%) of the project units are low and moderate income housing units, of the annual gross revenue. For the remainder of the period of the exemption, the annual service charge shall be determined as follows:

(b) For the second stage of the exemption period, which shall be for years sixteen (16) through seventeen (17) of the exemption period, the Entity shall pay the City an amount equal to either the amount determined pursuant to Paragraph 6(a) of this Agreement or twenty percent (20%) of the amount of taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(c) For the third stage of the exemption period, which shall be for year eighteen (18) of the exemption period, the Entity shall pay the City an amount equal to either the amount determined pursuant to Paragraph 6(a) of this Agreement or forty percent (40%) of the amount of taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(d) For the fourth stage of the exemption period, which shall be for year nineteen (19) of the exemption period, the Entity shall pay the City an amount equal to either the amount determined pursuant to Paragraph 6(a) of this Agreement or sixty percent (60%) of the amount of taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(e) For the final stage of the exemption period, which shall be for year twenty (20) of the exemption period, the Entity shall pay the City an amount equal to either the amount determined pursuant to Paragraph 6(a) of this

Agreement or eighty percent (80%) of the amount of taxes otherwise due on the value of the land and improvements, whichever shall be greater."

3. By its execution of this Amendment, the City hereby agrees that the Entity shall not have any liability for any PILOT payments or real estate taxes that may be due in connection with the Providence Square II Project or the PSII Financial Agreement and that any default by the Providence Square II Project under the PSII Financial Agreement or in connection with any taxes that may be owed to the City with respect to the Providence Square II Project shall not affect the validity of this Financial Agreement and that the City shall not have any rights against the Entity or the land upon which the Project is located in connection with a default under the PSII Financial Agreement.

4. Except as specifically amended herein, the original terms and conditions of the Financial Agreement as amended will remain in full force and effect.

5. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

[THIS SPACE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Entity and City have executed this Amendment as of the day and year first above written.

WITNESS/ATTEST:

Melissa Miller

Name:

PROVIDENCE SQUARE URBAN RENEWAL ASSOCIATES, L.P.,
a Pennsylvania limited partnership
By: Pennrose Properties, Inc., its general partner

By:______________________________
Richard K. Barnhart, President

WITNESS/ATTEST:

____
Name:

CITY OF NEW BRUNSWICK
By:______________________________
James M. Cahill, Mayor

IN WITNESS WHEREOF, the Entity and City have executed this Amendment as of the day and year first above written.

WITNESS/ATTEST:

____
Name:

PROVIDENCE SQUARE URBAN RENEWAL ASSOCIATES, L.P.,
a Pennsylvania limited partnership
By: Pennrose Properties, Inc., its general partner

By:__________________________
Richard K. Barnhart, President

WITNESS/ATTEST:

Leslie R Zeledón
Name: Leslie R. Zeledón
City Clerk

CITY OF NEW BRUNSWICK

By: J M Cahill /lw
James M. Cahill, Mayor

DEBT MODIFICATION AGREEMENT

This Debt Modification Agreement (the "Agreement") is entered into this 17th day of July, 2020 by and between Providence Square Urban Renewal Associates, L.P. (the "Borrower") and the City of New Brunswick, New Jersey (the "Lender") with respect to the three debt instruments hereinafter defined as the "Loans".

Reference is made to three promissory notes in the amounts of $1,537,189.10 (the "RCA Note"), $1,508,201 (the "UDAG Note I") and $806,914 (the "UDAG Note II", collectively, the "Loans"), each evidencing obligations of the Borrower to the Lender the proceeds of which were used to develop, and secured by a mortgage upon, certain property located in New Brunswick, New Jersey as more specifically identified on Exhibit A attached hereto generally known as the Providence Square Apartments (the "Project"). The RCA Note was originally delivered by the Borrower to New Brunswick Development Corporation, a New Jersey nonprofit corporation, and was assigned by New Brunswick Development Corporation to the Lender pursuant to an Assignment Agreement dated July 8, 1993. UDAG Note I and UDAG Note II were each dated December 31, 1993.

The maturity date of the RCA Loan, the UDAG Note I and the UDAG Note II Loans is December 31, 2023. As of the date of this Agreement, no portion of the principal balance of any of the Loans has been paid and there is accrued but unpaid interest with respect to each of the Loans that will be due and payable on December 31, 2023.

1. In consideration for the agreement of the Borrower to encumber the Project with a new deed restriction described in Section 3 hereof, the City has agreed to forgive the repayment of 50% of all accrued but unpaid interest with respect to each of the Loans and to forgive 50% of the original principal balance of each of the Loans provided that on or before July 17, 2020 the Borrower repays the other 50% of the principal balance of each of the Loans (the "50% Payment"). The portion of accrued but unpaid interest that is not forgiven shall be paid to Lender in accordance with the terms and conditions of a Promissory Note given by Borrower to Lender dated as of the date hereof (the "Interest Note"), a form of which is attached hereto as Exhibit C.

2. Upon receipt of the 50% Payment and the executed Interest Note, the City shall provide releases and mortgage satisfaction pieces with respect to any and all mortgages that encumber the Project as security for the Loans together with any existing deed restrictions.

3. At the time of the 50% Payment and the execution and delivery of the Interest Note and simultaneous with the recording of the releases and mortgage satisfaction pieces referred to in Section 2 hereof (the "Closing Date"), a new restrictive covenant shall be delivered by the Borrower and recorded against the Project in the form attached hereto as Exhibit B providing specifically that all of the units in the Project will be occupied or available for occupancy by low income families as such term is defined in 24 C.F.R. §5.603 until December 31, 2033, a period of 10 years from the maturity date of the Loans.

4. It is anticipated that on the Closing Date new financing will be put in place and secured by the Project and the Lender shall execute all such documents as may reasonably be

required by the new lender to the Borrower to facilitate the closing of the new financing, provided that such documents are consistent with the substance and spirit of this Agreement. The Borrower shall execute any further documents that may be required by the Lender to confirm or clarify the intent of the parties to this Agreement, provided such documents are consistent with the substance and spirit of this Agreement.

5. The terms of this Agreement shall be construed in accordance with the laws of the State of New Jersey.

6. This Agreement may be executed in one or more counterparts.

Intending to be legally bound hereby, the parties hereto have executed this Agreement as of the date first above written.

THE CITY OF NEW BRUNSWICK

By:______________________________
Name: James M. Cahill
Title: Mayor

PROVIDENCE SQUARE URBAN RENEWAL ASSOCIATES, L.P.

By: Pennrose Properties, Inc., its general partner

By:______________________________
Richard K. Barnhart, President

Intending to be legally bound hereby, the parties hereto have executed this Agreement as of the date first above written.

THE CITY OF NEW BRUNSWICK

By:______________________________
Name: James M. Cahill
Title: Mayor

PROVIDENCE SQUARE URBAN RENEWAL ASSOCIATES, L.P.

By: Pennrose Properties, Inc., its general partner

By:______________________________
Richard K. Barnhart, President

EXHIBIT A

Description of Property

PHASE A OF BLOCK 418, PART OF LOT 52.01, CITY OF NEW BRUNSWICK, NEW JERSEY

BEGINNING at the intersection of the Easterly side line of Harvey Street (52' ROW), and the Northerly side line of Somerset Street (66' ROW), thence;

1) Coincident with said side Line of Harvey Street, North 33°-50'-25" West, a distance of 338.37 feet to a point, thence;

2) Departing from said side line, North 55°-13'-04" East, a distance of 59.62 feet to an angle point, thence;

3) North 25°-42'-45" East, a distance of 100.57 feet to an angle point, thence;

4) South 64°-17'-15" East, a distance of 15.09 feet to an angle point, thence;

5) North 46°-43'-45" East, a distance of 22.02 feet to an angle point , thence;

6) North 33°-53'-10" West, a distance of 14.00 feet to an angle point, thence;

7) North 56°-06'-50" East, a distance of 42.00 feet to an angle point, thence;

8) South 33°-53'-10" East, a distance of 19.64 feet to an angle point, thence;

9) North 56°-06*-50" East, a distance of 34.01 feet to a point in the division line of Block 418, Lots 53 and 52 and Lots 36-43, thence;

10) Coincident with said division line, South 33°-53'-10" East, a distance of 374.70 feet to a point in the Northerly sideline of Somerset Street, thence;

11) Coincident with said sideline, South 56°-00'50" West, a distance of 252.00 feet to the point and place of beginning.

CONTAINING 92,328 S.F. or 2.119 Acres.

EXHIBIT B

Form of Restrictive Covenant

[Attached]

<u>PROMISSORY NOTE</u>

$651,907.00 July 17, 2020

FOR VALUE RECEIVED, PROVIDENCE SQUARE URBAN RENEWAL ASSOCIATES, L.P., a New Jersey limited partnership ("**Maker**"), with an address of c/o Pennrose, LLC, 230 Wyoming Avenue, Kingston, Pennsylvania 18704, hereby promises to pay to the order of the CITY OF NEW BRUNSWICK, New Jersey, with offices at 78 Bayard Street, New Brunswick, New Jersey 08901 (the "**Lender**"), the principal amount of **SIX HUNDRED FIFTY-ONE THOUSAND NINE HUNDRED SEVEN DOLLARS ($651,907.00)**. This Promissory Note (the "**Note**") is delivered from Maker in favor of Lender in connection with the refinancing of an apartment development known as Providence Square Apartments (the "**Project**") located at 217 Somerset Street, New Brunswick, Middlesex County, New Jersey (the "**Property**).

As of the date hereof, Maker is indebted to the Lender for the principal amount of **SIX HUNDRED FIFTY-ONE THOUSAND NINE HUNDRED SEVEN DOLLARS ($651,907.00)** (the "**Loan**").

The Loan shall not bear interest. This Note shall be payable on an annual basis out of the Net Cash Flow (as defined below) of the Maker. "**Net Cash Flow**" shall mean, with respect to any period, any revenues of the Maker remaining after paying, or setting aside funds for paying, all of the following: (i) all sums due or currently required to be paid under that Senior Loan (as defined below), including, but not limited to any tax and insurance escrows required pursuant to the Senior Loan, (ii) all deposits to any replacement reserve, completion/repair reserve or other reserve or escrow required pursuant to the Senior Loan that are due or currently payable, (iii) all reasonable operating expenses of the Project and the Property, including but not limited to real estate taxes, insurance premiums, utilities, building maintenance, painting and repairs, commercially reasonable management fees (and no other related party charges), payroll, administrative expenses, legal expenses and audit expenses.

The principal amount of this Note shall be paid to the Lender from Net Cash Flow in equal annual payments of $65,190.70 amortized over ten (10) years. Annual payments from Net Cash Flow shall be due within 120 days of the end of each operating year of the Project. To the extent Net Cash Flow is not sufficient to pay all or a portion of an annual payment, then any such unpaid amount shall accrue and payment thereon shall be deferred until the next annual payment date where there is sufficient Net Cash Flow to pay such accrued but deferred amount. In the event Net Cash Flow is not sufficient to pay such accrued but deferred amounts, then any such outstanding amounts shall be paid on the Maturity Date (as defined below)

All unpaid principal of the Loan shall be repaid in full upon the "**Maturity Date**" which shall be November 1, 2036.

This Note may be prepaid, in part or in full, at any time without penalty.

All amounts payable by Maker to Lender hereunder shall be paid directly to Lender at 78

Bayard Street, New Brunswick, New Jersey 08901 (or at such other address of which Lender shall give written notice to Maker), in immediately available United States funds.

This Note is subject and subordinate in all respects to the Multifamily Note to Truist Bank, a North Carolina banking corporation, in the original principal amount of $4,200,000, which is secured by a first mortgage on the Property (the "**Senior Loan**").

It shall be an event of default ("**Event of Default**") hereunder if the Maker fails to pay the outstanding balance of the Loan at the Maturity Date. Upon the happening of an Event of Default, Lender may immediately declare due and payable, by giving written notice of such declaration to the Maker at the address set forth above, the entire unpaid principal balance of the Loan.

Payment of any and all amounts due and owing by Maker hereunder may be enforced and recovered in whole or in part at any time at law or in equity, as limited as provided herein, and in any case the Lender may also recover all costs of suit and other expenses in connection therewith, together with reasonable attorneys' fees for the collection.

Lender shall not be deemed by any act or omission to have waived any of its rights or remedies hereunder unless such waiver of any of its rights or remedies is stated to be such in writing signed by the Lender, and then only to the extent specifically set forth in writing.

The parties to this Note hereby waive, to the event legally waiveable, presentment for payment, protest, and demand for notice of protest, demand for and notice of dishonor and notice of nonpayment of this Note, and consent that Lender may extend the time of payment and, at the request of Maker and with the consent of Maker, otherwise modify the terms of payment of any part or the whole of the debt evidenced by this Note and such consent shall not alter or diminish the rights and liability of any person hereunder.

If any provision hereof is found by a court of competent jurisdiction to be prohibited or unenforceable, it shall be ineffective only to the extent of such prohibition or unenforceability, and such prohibition or unenforceability shall not invalidate the balance of the provision to the extent it is not prohibited or unenforceable, nor invalidate the other provisions hereof, all of which shall be liberally construed in favor of Lender in order to effect the provisions hereof.

The Maker and Lender agree that this Note shall be governed by the internal substantive laws of the State of New Jersey.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the undersigned has hereunto executed this Promissory Note as of the day and year first above written.

WITNESS:

Melissa Miller

Providence Square Urban Renewal Associates, L.P., a New Jersey limited partnership

By: Pennrose Properties, Inc., its general partner,

By:________________________
Name: Richard K. Barnhart
Title: President

PHI 316,896,596v1
319,806v4

Prepared By:

Berman Indictor LLP
30 N. 41st Street, Suite 450
Philadelphia, PA 19104
Michael J. Robins, Esq.

DEED RESTRICTION

THIS DEED RESTRICTION, entered into as of this the 17th day of July, 2020, by and between The City of New Brunswick, New Jersey, with offices at 78 Bayard Street, New Brunswick, New Jersey 08901 (the "Municipality"), and Providence Square Urban Renewal Associates, L.P. whose mailing address is 230 Wyoming Avenue, Kingston, PA 18704, the owner (the "Owner"), of a residential rental housing project known as Providence Square (the "Project"):

WITNESSETH

Article 1. Consideration

In consideration for the forgiveness by the Municipality of a portion of the debt secured by the Project, the Owner hereby agrees to abide by the covenants, terms and conditions set forth in this Deed Restriction, with respect to the land and improvements more specifically described in Article 2, hereof (the "Property").

Article 2. Description of Property and Conditions

The Property consists of all of the land, and the housing improvements thereon, that are located within the municipality of New Brunswick and County of Middlesex, State of New Jersey, and described more specifically as Phase A of Block No. 418, Part of Lot 52.01 and located at 217 Somerset Street, New Brunswick, Middlesex County, New Jersey.

Article 3. Affordable Housing Covenants

The following covenant (the "Covenant") shall run with the land for the period of time (the "Control Period") commencing upon the date hereof and expiring on December 31, 2033.

A. The Property shall be used solely for the purpose of providing rental dwelling units for low income households as defined in 24 C.F.R. §5.603, and no commitment for any such dwelling unit shall be given or implied to any person who has not been certified for that unit by the Owner.

B. So long as the Project remains within the Control Period, sale of the Property must be expressly subject to this Deed Restriction, deeds of conveyance must have this Deed

Restriction appended thereto, and absent the satisfaction of those conditions no sale of the Property shall be lawful, unless approved in advance and in writing by the Municipality.

C. The Owner shall notify the Municipality of any foreclosure actions filed with respect to the Property, within five (5) business days of service upon Owner.

D. The Owner shall notify the Municipality within five (5) business days of the filing of any petition for protection from creditors or reorganization filed by or on behalf of the Owner.

Article 4. Remedies for Breach of Affordable Housing Covenants

A breach of these Covenants will cause irreparable harm to the Municipality. In the event of a threatened breach of any of the Covenants by the Owner, or any successor in interest of the Property, the Municipality shall have all remedies provided at law or equity, including the right to seek injunctive relief or specific performance.

[Space intentionally left blank, signatures begin on the following pages]

IN WITNESS WHEREOF, the Municipality and the Owner have executed this Deed Restriction in triplicate as of the date first above written.

THE CITY OF NEW BRUNSWICK

By: ________________________

Name: James M. Cahill

Title: Mayor

Attest:

Leslie R. Zeledon

City Clerk

Dated: June 23, 2020

ACKNOWLEDGEMENT

STATE OF NEW JERSEY

SS:

COUNTY OF MIDDLESEX

On this the 23rd day of June, 2020, before me came James M. Cahill known and known to me to be the Mayor of The City of New Brunswick, the Municipality identified as such in the foregoing Deed Restriction, who states that (s)he is duly authorized to execute said Deed Restriction on behalf of said Municipality, and that (s)he has so executed the foregoing Deed Restriction for the purposes stated therein.

Karen B. Cipot

Notary of the State of New Jersey

KAREN B. CIPOT
NOTARY PUBLIC
STATE OF NEW JERSEY
MY COMMISSION EXPIRES February 27, 2025

OWNER:

Providence Square Urban Renewal Associates, L.P.

By: Pennrose Properties, Inc., its general partner

By:____________________________
Richard K. Barnhart, President

Attest:

Melissa Miller

Dated: 6-22-20

ACKNOWLEDGEMENT

COMMONWEALTH OF PENNSYLVANIA
SS:
COUNTY OF PHILADELPHIA

On this the 22ND day of June, 2020, before me came Richard K. Barnhart known to be the President of Pennrose Properties, Inc., the general partner of Providence Square Urban Renewal Associates, L.P., the owner of the Property, who states that he has signed said Deed Restriction for the purposes stated therein.

Myrus I. Wardlaw
Notary Public

Commonwealth of Pennsylvania - Notary Seal
MYRUS I WARDLAW - Notary Public
Philadelphia County
My Commission Expires Dec 10, 2022
Commission Number 1341944

Record and return to:

Berman Indictor LLP
30 N. 41st Street, Suite 450
Philadelphia, PA 19104
Michael J. Robins, Esq.

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FINANCIAL AGREEMENT PURSUANT TO N.J.S.A. 40A:20-1, ET SEQ., BETWEEN THE CITY OF NEW BRUNSWICK AND PROVIDENCE SQUARE URBAN RENEWAL ASSOCIATES, L.P.

THIS FINANCIAL AGREEMENT (hereinafter Agreement) made this 1st day of June, 1993, between Providence Square Urban Renewal Associates, L.P., an urban renewal limited partnership of the State of New Jersey having its principal office at c/o Blank, Rome Comisky & McCauley, 210 Lake Drive East, Woodland Falls Corporate Park, Cherry Hill, NJ 08002, herein designated as the "Entity", and the City of New Brunswick, a municipal corporation in the County of Middlesex and the State of New Jersey, hereinafter designated as the "City".

WITNESSETH

In consideration of the mutual covenants herein contained and for other good and valuable consideration, it is mutually covenanted and agreed as follows:

1. This Agreement shall be governed by the provisions of the Long Term Tax Exemption Law as amended and supplemented (N.J.S.A. 40A:20-1, et seq.), being sometimes herein referred to as the "Law". It being expressly understood and agreed that the City relies upon the facts, data, and representations contained in the Application attached hereto. The Entity shall at all times prior to the expiration or other termination of this Financial Agreement remain bound by the provisions of the Law. Operation under this Financial Agreement shall be terminable by the Entity in the manner provided by the Law.

2. Incorporated by reference and restated into this Financial Agreement are the terms, covenants, representations and conditions of a certain Agreement for Disposition of Urban Development Action Grant Funds Under Section 119 of The Housing and Community Development Act of 1974 (Public Law 93-383, as Amended) and Construction of a Senior Citizen Redevelopment Project (hereinafter the "Project") in the City of New Brunswick,

Middlesex County, New Jersey by and among City of New Brunswick, The Housing Authority of the City of New Brunswick, acting as Redevelopment Agency, Providence Square Urban Renewal Associates, L.P., Pennrose Properties, Inc., New Brunswick Development Corporation, Richard K. Barnhart and John B. Rosenthal dated May 7, 1993 which Agreement (hereinafter the "Disposition Agreement") sets forth the manner in which the Entity proposes to use, manage and operate the Project.

3. The City has granted and does hereby grant its approval for an urban renewal project whose nature, magnitude and description is disclosed in the accompanying application to be built under the provisions of the Law on the land described in said Application, commonly known on the Official Tax Map of the City of New Brunswick as Block 418, Lots 52 and 53 and located at the intersection of Harvey and Somerset Streets (hereinafter the "Property"). The City finds that the benefit from the redevelopment of the Project are a substantial benefit to the City when compared to costs, if any, associated with the tax exemption granted herein and, further, finds that such tax exemption is of significant importance in obtaining the development of the Project and in influencing the locational decisions of probable occupants of the Project.

4. Approval hereunder is granted to the Entity for the undertaking of the project on the lands referred to above, which shall in all respects comply and conform to all applicable Statutes and Municipal Ordinances, and the lawful regulations made pursuant thereto, governing land, building(s) and the use thereof, and which project is more particularly described in the accompanying Application.

5. The project to be constructed by the Entity shall be exempt from taxation on improvements in accordance with the provisions of the Law and in the manner provided by this Agreement for a term of thirty (30) years from the completion of

the entire Project but not more than thirty-five (35) years from the execution of this Financial Agreement, and only so long as the Entity and its project remain subject to the provisions of the Law and complies with this Agreement.

6. In consideration of the aforesaid exemption from taxation on improvement(s), the Entity, its successors and assigns shall make payment to the City of an annual service charge for municipal services supplied to the Project of a sum equal to fifteen (15%) percent of the annual gross revenue determined pursuant to N.J.S.A. 40A:20-1 et seq. calculated from the first day of the month following the substantial completion of the Project. There is hereby established a schedule of annual service charges to be paid over the term of the thirty (30) year exemption period which shall be in stages as follows:

(a) For the first stage of the exemption period, fifteen (15) years, commencing from the date of substantial completion of the Project, the Entity shall pay the City an annual service charge equal to Fifteen (15%) Per Cent of the annual gross revenue. For the remainder of the period of the exemption the annual service charge shall be determined as follows:

(b) For the second stage of the exemption period which shall be for years sixteen (16) through twenty (20) of the exemption period the Entity shall pay the City an amount equal to either the amount determined pursuant to Paragraph 6(a) of this Agreement or Twenty (20%) Per Cent of the amount of taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(c) For the third stage of the exemption period which shall be for years twenty-one (21) through twenty-five (25) of the exemption period the Entity shall pay the City an amount equal to either the amount determined pursuant to Paragraph 6(a) of this Agreement or Forty (40%) Per Cent of the amount of taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(d) For the fourth stage of the exemption period which shall be for years twenty-six (26) through twenty-eight (28) of the exemption period the Entity shall pay the City an amount equal to either the amount determined pursuant to Paragraph 6(a) of this Agreement or Sixty (60%) Per Cent of the amount of taxes otherwise due on the value of the land and improvements, whichever shall be greater;

(e) For the final stage of the exemption period which shall be for years twenty-nine (29) through thirty (30) of the exemption period the Entity shall pay the City an amount equal to either the amount determined pursuant to Paragraph 6(a) of this Agreement or Eighty (80%) Per Cent of the amount of taxes otherwise due on the value of the land and improvements, whichever shall be greater.

The annual service charge shall be paid to the City on a quarterly basis in a manner consistent with the City's tax collection schedule.

Against the annual service charge the Entity shall be entitled to credit for the amount, without interest, of the real estate taxes on land paid by it or by the owner of the land in the last four (4) preceding quarterly installments. Notwithstanding the provisions of this section of the Financial Agreement, the minimum annual service charge shall be the amount of the total taxes levied against all real property in the area covered by the Project in the last full tax year in which the area was subject to taxation, and the minimum annual service charge shall be paid in each year in which the annual service charge calculated pursuant to this section or the Financial Agreement would be less than the minimum annual service charge.

7. "The Annual Service Charge" for the first year of tax exemption shall be on a pro rata basis, from the date of

commencement of the exemption to the close of the calendar year, and, for the last calendar year of the tax exemption, from the first day of the calendar year to the date of termination of the exemption. Upon the termination of the exemption granted pursuant to the provisions of the Law, the Project, all affected parcels, and all improvements made thereto shall be assessed and subject to taxation as are other taxable properties in the municipality. After the date of termination, all restrictions and limitations upon the Entity shall terminate and be at an end upon the Entity's rendering its final accounting to and with the municipality.

8. In the event of a dispute arising between the parties in reference to the terms and provisions of this Financial Agreement the matters in controversy shall be resolved by arbitration by submission thereof to the American Arbitration Association for resolution.

In the event of a default on the part of the Entity pursuant to its obligation to pay the annual service charge as defined in Paragraph 6 above, the City may terminate the tax abatement if the default is not remedied within ninety (90) days of the due date of the Annual Service Charge or in the alternative it reserves the right to proceed against the Entity's land premises, the subject of this Agreement, in the manner provided by N.J.S.A. 54:5-1 to 54:5-129 and any act supplementary or amendatory thereof, it being understood and agreed by the parties hereto that throughout N.J.S.A. 54:5-1 to 54:5-129 and any act supplementary or amendatory thereof, whenever the word "taxes" appears, or is applied, directly or impliedly to mean taxes or municipal liens on land, such statutory provisions shall be read, as far as is pertinent to this Agreement, as if the Annual Service Charge were taxes or municipal liens on land. In any event, however, the Entity does not waive any defense it may have to contest the right of the City to proceed in the above mentioned manner by conventional or in rem tax foreclosure.

9. It is agreed between the parties that the Entity, at any time after the expiration of one (1) year from the completion of the Project, may notify the Municipal Council of the City that, as of a certain date designed in the notice, it relinquishes its status under the Law, and that the Entity has obtained the consent of the Commissioner of Community Affairs to such a relinquishment. As of that date, the tax exemption, the service charges, and the profit and dividend restrictions shall terminate. The date of termination of tax exemption, whether by relinquishment by the Entity or by terms of this Financial Agreement, shall be deemed the close of the fiscal year of the Entity. Within ninety (90) days of that date, the Entity shall pay to the City the amount of reserve, if any maintained, pursuant to section 15 or 16 of the Law, as well as the excess net profits, if any, payable as of that date.

10. The Entity shall be subject, during the period of the financial agreement and tax exemption under the Law, to a limitation of its profits and in addition, in the case of a corporation, of the dividends payable by it. Whenever the net profits of the entity for the period, taken as one accounting period, commencing on the date on which the construction of the Project is completed and terminating at the end of the last full fiscal year, shall exceed the allowable net profits for the period, the Entity shall, within ninety (90) days of the close of the fiscal year, pay the excess net profits to the City as an additional service charge. The Entity may maintain during the term of this Financial Agreement a reserve against vacancies against unpaid rentals, reasonable contingencies and/or vacancies in an amount not exceeding ten (10%) percent of the gross annual revenues of the Entity for the fiscal year preceding the year in which a determination is being made with respect to permitted net profits as provided in N.J.S.A. 40A:20-16.

11. Within ninety (90) days after the date of such termination, the Entity shall pay the City a sum equal to the amount of the reserve, if any, maintained pursuant to N.J.S.A. 40A:20-15 and 40A:20-16, as well as the excess net profits, if any, payable as of that date. This provision shall not apply, however, to reserves required to be established pursuant to the Disposition Agreement.

12. The Entity shall submit annually, within ninety (90) days after the close of each of its fiscal years, its auditor's reports of income and expenses related to the Project to the Mayor and Municipal Council of the City and to the Director of Local Government Services in the Department of Community Affairs having a mailing address of CN-805, Trenton NJ 08625-0805.

13. The Entity shall, upon request, permit inspection of the property, equipment, buildings, and other facilities of the Entity by authorized representatives of the City or the State. The Entity shall also permit examination and audit of its books, contracts, records, documents and papers by authorized representatives of the City or the State at the Entity's expense. Such inspection or examination shall be made during the reasonable hours of the business day, in the presence of an officer or agent of the Entity.

14. After examination of the books, contracts, etc. as set forth Paragraph 12, the City, in its reasonable discretion, may, within ninety (90) days after the close of any fiscal or calendar year (depending on the Entity's accounting basis) in which this Agreement remains in effect, require the Entity to submit an auditor's report for the preceding fiscal or calender year, certified by a certified public accountant, to the Mayor, the City Council, the Finance Director and the City Clerk of the City. Said Auditor's report shall include, but not be limited to, such details as may relate to the project's cost and to the financial affairs of the Entity and to its operation and

performance hereunder, pursuant to the Law, as amended and supplemented, and this Agreement, and shall be prepared in a manner consistent with the current standards of the Financial Accounting Standard Board. Said auditor's report shall be submitted to the representatives of the City mentioned above within 90 days of receipt by the Entity of the City's request for said auditor's report.

15. The failure on the part of the Entity to make timely payment of all municipal obligations, taxes, fees and charges arising out of this agreement or in any way arising out of the affected project, its land and/or improvements, or failure on the part of the Entity to comply with the requirements of the aforementioned audit, or with any other substantive condition of this agreement shall permit the City to exercise such remedies as may be provided by the Law or this agreement provided that this Entity shall have received from the City a Notice of Default and Intent to Terminate in which case the Entity shall have ninety (90) days in which to cure any default and avoid such termination. In the event of any dispute between the parties matters in controversy shall be resolved by arbitration as provided in this Financial Agreement.

16. Any notice required hereunder to be sent by either party to the other, shall be sent by certified mail, return receipt requested, or by a nationally recognized overnight delivery service, addressed as follows:

(a) When sent by the City to the Entity it shall be addressed to: Providence Square Urban Renewal Associate, L.P., c/o Blank, Rome, Comisky & McCauley, 210 Lake Drive East, Woodland Falls Corporate Park, Cherry Hill, NJ 08002, unless prior to the giving of such notice the Entity shall have notified the City otherwise, in writing.

(b) When sent by the Entity to the City, it shall be addressed to the City Clerk, City Hall, 78 Bayard Street, New

Brunswick, New Jersey 08903 unless prior to giving such notice the City shall have notified the Entity otherwise in writing.

17. It is understood and agreed that in the event the City shall be named as a party defendant in any action brought against the "Entity" by reason of any breach, default, or a violation of any of the provisions of the within Agreement and/or the provisions of N.J.S.A. 40A:20-1 et seq. (the "Act") the Entity shall indemnify and hold the City harmless and shall, further, defend the suit at their own expense. Notwithstanding anything in the Agreement to the contrary, the Entity's liability under this Agreement shall be limited to its interest in the Property. However, the City maintains the right to intervene as a party thereto, to which intervention the Entity consents; the expense thereof to be borne by the City.

18. The Entity shall have and may exercise such of the powers conferred by law on limited partnerships as shall be necessary for the operation of the business of the Entity and as shall be consistent with the provisions of the Law, and, in addition, shall have and may exercise the powers set forth in the Law, but only so long as its financial agreement is in effect with the City of New Brunswick pursuant to the Law.

19. The City consents to a sale of the Project by the Entity to another urban renewal entity organized pursuant to the Law, their successors, assigns, all owning no other project at the time of the transfer and that, upon assumption by the transferee urban renewal entity of the transferor's then remaining obligations under this Financial Agreement, the tax exemption of the improvement shall continue and inure to the transferee urban renewal entity, its respective successors or assigns.

However, any change made in the ownership of the project which, as determined by the City in its reasonable discretion, would materially affect the terms of the Agreement shall render this Agreement voidable unless approved by the Municipal Council by resolution. It is understood and agreed that the City may on written application by the Entity consent to a sale of the project and the transfer of the Financial Agreement to an urban renewal corporation or association eligible to function under the Law provided the Entity is not in default as respects any performance required of it hereunder and full compliance with the terms and conditions of N.J.S.A. 40A:20-1 et seq. has occurred and the Entity's obligation under its agreement with the City is assumed by the transferee.

If the Entity has, with the consent of the municipality in which the Project is located, transferred its Project to another urban renewal entity which has assumed the then remaining contractural obligations of the transferor entity with the municipality, the transferor entity shall be discharged from any further obligation under this Financial Agreement, and shall be qualified to undertake another project with the same or a different municipality.

The City recognizes and acknowledges that the Entity is a New Jersey Limited Partnership and as such intends to sell limited partnership interests in the Entity through syndication. The City specifically recognizes and consents to such syndication and sale or resale of limited partnership interests in the Entity.

20. The Entity or its assignee where the approval or consent of the City is sought for an assignment of the Agreement shall be required to pay to the City, as determined by its Director of Law, a reasonable fee for the legal services of the City's Law Department, related to the review, preparation, and/or submission of papers to the Municipal Council for its appropriate action on the requested assignment.

21. Reference to the Long Term Tax Exemption Law shall mean N.J.S.A. 40A:20-1 et seq. as amended and supplemented.

22. The Entity shall from the time the annual service charge becomes effective, and on the same due dates as scheduled for the payment of land taxes, pay the City the estimated 1/4 of the annual service charge on improvements until the correct amount due from the Entity as the annual service charge on improvements is determined after any review and examination by the City of the Entity's books and records and for submission to the City of any auditor's reports pursuant to Paragraphs 12 and 13, above.

Within 90 days after the correct amount due and from the Entity as the annual service charge on improvements has been determined by the City's Finance Director and notice of same given to the Entity, the City and the Entity will adjust and pay any over or under payment so made, or needed to be made.

23. All conditions in the Ordinance of the Municipal Council approving this Agreement are hereby incorporated in this Agreement and made a part hereof.

IN WITNESS WHEREOF, the parties have caused these presents to be executed the date and year first above written.

PROVIDENCE SQUARE URBAN RENEWAL ASSOCIATES, L.P.

ATTEST:

____

By:
PENNROSE PROPERTIES, INC.

BY: ______________________
RICHARD K. BARNHART, President

ATTEST:

____
ROCCO J. CATANESE, CLERK
Deputy

CITY OF NEW BRUNSWICK

BY: ______________________
JAMES M. CAHILL, Mayor

#2

R-052010

BY THE MUNICIPAL COUNCIL:

WHEREAS, an application for an amended Financial Agreement has been submitted by Providence Square Urban Renewal Associates, L.P. (Owner) for the Providence Square I Complex located on a portion of Block 418, Lot 52.01, in connection with the refinancing of the low-income housing complex; and

WHEREAS, the City Council has previously reviewed and approved the original application for tax exemption for this complex submitted by Providence Square Urban Renewal Associates, L.P. and the City entered into a Financial Agreement dated June 1, 1993; and

WHEREAS, in connection with the original financing for this complex, UDAG and RCA funding was provided by the City of New Brunswick, which funding matures on December 31, 2023; and

WHEREAS, in order for the refinancing of the complex to proceed, the City will be required to enter into a Debt Modification Agreement with the Owner for the existing UDAG and RCA funding previously provided by the City; and

WHEREAS, an amendment to the Financial Agreement and entering into a Debt Modification Agreement with the Owner will ensure that the housing complex will continue to be low-income housing for a minimum of ten (10) years for up to twenty (20) years.

NOW, THEREFORE, BE IT RESOLVED, by the New Brunswick City Council that Council does hereby approve the amendment to the long-term tax exemption and Debt Modification Agreement as has been submitted by Providence Square Urban Renewal Associates, L.P. for the Providence Square I Complex located on a portion of Block 418, Lot 52.01; and

BE IT FURTHER RESOLVED, that City Council authorizes the City of New Brunswick to enter into an amended Financial Agreement pursuant to N.J.S.A. 40A:20-1 et seq. and Debt Modification Agreement with Providence Square Urban Renewal Associates, L.P. both in a form to be approved by the City Attorney; and

BE IT FURTHER RESOLVED, that Certified Copies of this Resolution shall be forwarded by the City Clerk to the following:

- City Administrator
- City Attorney
- Chief Financial Officer
- Director of Planning, Community and Economic Development
- Tax Assessor
- Providence Square Urban Renewal Associates, L.P.

ADOPTED: May 6, 2020

COUNCIL PRESIDENT

CITY CLERK

APPROVALS:

CITY ADMINISTRATOR

CITY ATTORNEY

TKS/kc

COUNCILMEMBER	YES	NO	NO VOTE	ABSENT
KEVIN EGAN M	X			
REBECCA ESCOBAR	X			
GLENN FLEMING S	X			
SUZANNE SICORA LUDWIG	X			
JOHN ANDERSON, PRES	X			

M=Moved S=Second

I, Leslie R. Zeledon, City Clerk of the City of New Brunswick, N.J., do hereby certify the forgoing resolution is a true copy of the original resolution adopted at the regular meeting of the New Brunswick City Council at its meeting on:
May 6, 2020

Leslie R. Zeledon, City Clerk

Any reproduction of the original resolution must contain the raised seal of the City of New Brunswick to be legally certified

#2

R-029605

BY THE MUNICIPAL COUNCIL:

WHEREAS, the City has heretofore approved by Ordinance a Redevelopment Plan in connection with Providence Square Urban Renewal Associates, L.P.'s development of the Cigar Factory renewal area; and

WHEREAS, the aforesaid redevelopment was undertaken in accordance with and consistent with the provisions of N.J.S.A.40:55C-1, et seq., on land formerly declared "in need of redevelopment" by the City Council of the City of New Brunswick; and

WHEREAS, Providence Square Urban Renewal Associates, L.P. (the developer) which qualified to do business under the provisions of N.J.S.A. 40A:20-5, et seq., submitted to the Mayor and application and financial agreement for approval of the construction, rehabilitation, renovation and other improvements to the property referenced above on the Tax Map of the City of New Brunswick, more particularly described in said application which is on file in the Office of the City Clerk; and

WHEREAS, said application was approved by Ordinance O-049312, and the Financial Agreement authorized by said Ordinance was executed; and

WHEREAS, circumstances anticipated to occur in relation to the project regarding project-based rental assistance certificates to be provided through the New Brunswick Housing Authority did not in fact occur; and

WHEREAS, the non-receipt of the project-based rental assistance certificates has caused the project to have a significant cash flow shortage after the payment of project debt and operating costs; and

WHEREAS, the developer has requested that the long-term tax abatement Financial Agreement between the Developer and the City of New Brunswick be amended to reflect that the anticipated circumstances for the project have not materialized and despite numerous efforts to obtain the rental assistance certificates it is not anticipated that they are likely to occur in the future; and

WHEREAS, N.J.S.A. 40A:20-9 permits a long-term tax abatement financial agreement to be amended with the mutual consent of the municipality and the developer upon recommendation by the Mayor and approval by resolution of the City Council; and

WHEREAS, a request has been made by the developer and reviewed by the Mayor to amend the payment in lieu of taxes percentage to ten percent of rents while maintaining in force all other provisions of the abatement agreement as previously approved; and

WHEREAS, the Mayor has submitted said application to the City Council of the City of New Brunswick along with his recommendation for approval, a copy of which is attached to this Resolution and by reference made a part hereof; and

WHEREAS, if project based rental assistance payments are committed and received at a future date, this amendment shall be null and void and the original terms of the agreement reinstated; and

WHEREAS, if a portion of the project based rental assistance certificates are granted to the project or if other anticipated funding in lieu of the rental assistance certificates is forthcoming, the Financial Agreement shall be reviewed and revised to achieve a fair final allocation of the burden caused by the non-receipt of the full amount of the rental assistance certificates, which approval shall be subject to the approval of City Council; and

WHEREAS, the City Council of the City of New Brunswick has determined that the requested amendment to the Financial Agreement is in the best interest of the health, safety and welfare of the public and the economic well-being and progress of the City of New Brunswick,

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of New Brunswick that the Financial Agreement between the developer and the City of New Brunswick for the property known as Providence Square, which is more full

R-029605

described in said Financial Agreement, be amended as described hereinabove; and

BE IT FURTHER RESOLVED, that the Mayor and City Clerk are hereby authorized to execute and attest said amendment to the Financial Agreement to the Financial Agreement; and

BE IT FURTHER RESOLVED, that Certified Copies of this Resolution shall be provided by the City Clerk to the following persons:

- Providence Square Urban Renewal Associates, L.P.
- Tax Collector
- Tax Assessor
- Director - DPCED

ADOPTED: February 7, 1996

BLANQUITA VALENTI, Council President

CITY CLERK

APPROVALS:

CITY ADMINISTRATOR

CITY ATTORNEY

WJH

[illegible] PREVITE, City Clerk of [illegible] New Brunswick, N.J., [illegible] certify that the above is a true [illegible] copy of a resolution adopted [illegible] regular meeting of the Council [illegible] City of New Brunswick held on the 7th day of February 1996

City Clerk

#2

R-129991

this is a true and correct copy of a resolution adopted at the regular meeting of the Council of the City of New Brunswick on December 29, 1999.

Daniel A. Torrisi, City Clerk

Cook	S	x
Egan	M	x
Recine		x
Schrum		x
Valenti		x

M= Moved S= Second

BY THE MUNICIPAL COUNCIL:

WHEREAS, the City has heretofore approved by Ordinance a Redevelopment Plan in connection with the Providence Square Urban Renewal Associates, L.P.'s development of the Cigar Factory renewal area; and

WHEREAS, the aforesaid redevelopment was undertaken in accordance with and consistent with the provisions of N.J.S.A. 40A:55C-1 et seq. on land formerly declared "in need of redevelopment" by the City Council of the City of New Brunswick; and

WHEREAS, Providence Square Urban Renewal Associates, L.P. (the Redeveloper) which qualified to do business under the provisions of N.J.S.A. 40A:20-5 et seq., submitted to the Mayor an application and financial agreement for approval of the construction, rehabilitation, renovation and other improvements to the property referenced above on the Tax Map of the City of New Brunswick, more particularly described in said application which is on file in the Office of the City Clerk; and

WHEREAS, said application was approved by Ordinance O-049312 and the financial agreement authorized by said Ordinance was executed; and

WHEREAS, the circumstances anticipated to occur in relation to the project regarding project-based rental assistance certificates to be provided through the New Brunswick Housing Authority was delayed for a period of several years and when approved did not occur as anticipated; and

WHEREAS, the receipt of project based rental assistance to the project was approved at lower amounts than anticipated; and

WHEREAS, the Redeveloper previously requested that the financial agreement between Redeveloper and the City be amended to reflect the delay in receipt of the rental assistance certificates; and

WHEREAS, N.J.S.A. 40A:20-9 permits a financial agreement to be amended with the mutual consent of the municipality and the redeveloper upon recommendation by the Mayor and approval by Resolution of the City Council; and

WHEREAS, the City Council through Resolution R-029605 approved an amendment of the financial agreement to provide for a payment in lieu of taxes equal to ten (10%) percent of rents while maintaining in force all other provisions of the financial agreement as previously approved until such time as the rental assistance certificates were committed to the project and for the review and revision of the financial agreement after the receipt of rental assistance certificates in order to achieve a fair final allocation of the burden of payments if less than the full amount originally anticipated in rental assistance was approved for the project; and

WHEREAS, the Mayor has reviewed the final award of rental assistance payments to the project and determined that the approved award was less than the anticipated amount of the award at the time the financial agreement was originally executed; and

WHEREAS, the City and Redeveloper have mutually consented to a final amendment of the financial agreement as permitted by N.J.S.A. 40A:20-9 whereby the amendments approved by Resolution R-029605 regarding the payment in lieu of tax percentage be made permanent; and

WHEREAS, the City Council of the City of New Brunswick has determined that the requested amendment to the financial agreement is in the best interest of the health, safety and welfare of the public and the economic well-being and progress of the City of New Brunswick,

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of New Brunswick that the financial agreement between the City of New Brunswick and the Redeveloper for the property known as Providence Square, which is also designated as Block Lot on the Tax Map of the City of New Brunswick is hereby amended to permanently incorporate the amendments approved in Resolution R-029605 relating to the payment in lieu of taxes; and

BE IT FURTHER RESOLVED, that Certified Copies of this Resolution are sent by the City Clerk to the following:

- City Attorney
- Director of Planning, Community and Economic Development
- Providence Square Urban Renewal Associates, L.P.

ADOPTED: December 29, 1999

R-129991

COUNCIL PRESIDENT

Daniel Rossi

CITY CLERK

APPROVALS:

Thomas A Lough 3+

CITY ADMINISTRATOR

CITY ATTORNEY

WJH

#2

O-0493 12

AN ORDINANCE APPROVING APPLICATION AND FINANCIAL AGREEMENT OF PROVIDENCE SQUARE URBAN RENEWAL ASSOCIATES, L.P., FOR THE CONSTRUCTION, RENOVATION AND REHABILITATION AND OTHER IMPROVEMENTS AT PREMISES SITUATE ON PROPERTY KNOWN AS BLOCK 418, LOTS 52 AND 53 ON THE TAX MAP OF THE CITY OF NEW BRUNSWICK, MORE PARTICULARLY DESCRIBED IN THE APPLICATION, AND GRANTING EXEMPTION FROM TAXATION FOR A PERIOD OF NOT MORE THAN THIRTY-FIVE (35) YEARS, IN COMPLIANCE WITH AND SUBJECT TO THE PROVISIONS AND CONDITION OF N.J.S.A. 40A:20-1, ET SEQ.

WHEREAS, the City has approved a redevelopment plan in connection with the Providence Square Urban Renewal Associates, L.P.'s proposed redevelopment of the Cigar Factory renewal area;

WHEREAS, the aforesaid redevelopment is being undertaken in accordance with and consistent with the provisions of N.J.S.A. 40:55C-1, et seq., on land formally declared "blighted" by the Municipal Council of the City of New Brunswick; and

WHEREAS, Providence Square Urban Renewal Associates, L.P. which has qualified to do business under the provisions of N.J.S.A. 40A:20-5, et seq., has submitted to the Mayor an application and financial agreement for the approval of the construction, rehabilitation, renovation and other improvements to the property as referenced above on the Tax Map of the City of New Brunswick, more particularly described in said application which accompanies, and by reference, is made a part of this Ordinance; and

WHEREAS, the Mayor has submitted such application to the Municipal Council of the City of New Brunswick with his approval thereof, a copy of which approval accompanies and by reference, is made a part hereof; and

WHEREAS, the Municipal Council of the City of New Brunswick has determined that in lieu of tax consideration to be granted to the project pursuant to the financial agreement is in the best interest of the health, safety and welfare of the public, and the economic and sound progress of the City of New Brunswick;

NOW, THEREFORE, BE IT ORDAINED by the Municipal Council of the City of New Brunswick, New Jersey as follows:

SECTION I

That the application and the financial agreement of Providence Square Urban Renewal Associates, L.P., for the redevelopment of the project be and is hereby approved, in accordance with the recommendation of the Mayor, and that the Mayor and City Clerk are hereby authorized to execute and attest the annexed Financial Agreement.

SECTION II

That the tax exemption shall take effect for a period of not more than thirty (30) years from the completion of the entire project and not more than thirty-five (35) years from the execution of the Financial Agreement in compliance with and subject to the provisions and conditions of N.J.S.A. 40A:20-1, et seq., and in accordance with the provisions of the Financial Agreement.

SECTION III

All ordinances or parts of ordinances inconsistent herewith are hereby repealed.

SECTION IV

This Ordinance shall take effect twenty (20) days following final passage and publication according to law.

ADOPTED ON FIRST READING
DATED: April 8 , 1993

KATHLEEN McKENZIE CUPANO
Council President

ADOPTED ON SECOND READING
DATED: April 21 , 1993

KATHLEEN McKENZIE CUPANO
Council President

ATTEST:

ROCCO J. CATANESE
Acting City Clerk

APPROVAL OF THE MAYOR ON THIS 22nd DAY OF APRIL, 1993.

JAMES M. CAHILL, Mayor

APPROVALS:

GREGORY C. FEHRENBACH
City Administrator

WILLIAM J. HAMILTON, JR.
City Attorney

GLENN S. PATTERSON
Director - DPCED

ALICE ANNE PARETI
Finance Director

RECORD OF VOTE

First Reading:

Council	AYE	NAY	ABSTAIN	ABSENT	ORD	SEC
BROWN	X					
CUPANO	X					
EGAN	X				X	
HENDRICKS				X		
VALENTI	X					X

Second Reading:

Council	AYE	NAY	ABSTAIN	ABSENT	ORD	SEC
BROWN	X					
CUPANO	X					
EGAN	X					
HENDRICKS	X				X	
VALENTI	X					X

X = Indicates Vote
ORD = Moved SEC = Second

\wp\nbk\provsqfn.ord/A/

R-029605

BY THE MUNICIPAL COUNCIL:

WHEREAS, the City has heretofore approved by Ordinance a Redevelopment Plan in connection with Providence Square Urban Renewal Associates, L.P.'s development of the Cigar Factory renewal area; and

WHEREAS, the aforesaid redevelopment was undertaken in accordance with and consistent with the provisions of N.J.S.A.40:55C-1, et seq., on land formerly declared "in need of redevelopment" by the City Council of the City of New Brunswick; and

WHEREAS, Providence Square Urban Renewal Associates, L.P. (the developer) which qualified to do business under the provisions of N.J.S.A. 40A:20-5, et seq., submitted to the Mayor and application and financial agreement for approval of the construction, rehabilitation, renovation and other improvements to the property referenced above on the Tax Map of the City of New Brunswick, more particularly described in said application which is on file in the Office of the City Clerk; and

WHEREAS, said application was approved by Ordinance O-049312, and the Financial Agreement authorized by said Ordinance was executed; and

WHEREAS, circumstances anticipated to occur in relation to the project regarding project-based rental assistance certificates to be provided through the New Brunswick Housing Authority did not in fact occur; and

WHEREAS, the non-receipt of the project-based rental assistance certificates has caused the project to have a significant cash flow shortage after the payment of project debt and operating costs; and

WHEREAS, the developer has requested that the long-term tax abatement Financial Agreement between the Developer and the City of New Brunswick be amended to reflect that the anticipated circumstances for the project have not materialized and despite numerous efforts to obtain the rental assistance certificates it is not anticipated that they are likely to occur in the future; and

WHEREAS, N.J.S.A. 40A:20-9 permits a long-term tax abatement financial agreement to be amended with the mutual consent of the municipality and the developer upon recommendation by the Mayor and approval by resolution of the City Council; and

WHEREAS, a request has been made by the developer and reviewed by the Mayor to amend the payment in lieu of taxes percentage to ten percent of rents while maintaining in force all other provisions of the abatement agreement as previously approved; and

WHEREAS, the Mayor has submitted said application to the City Council of the City of New Brunswick along with his recommendation for approval, a copy of which is attached to this Resolution and by reference made a part hereof; and

WHEREAS, if project based rental assistance payments are committed and received at a future date, this amendment shall be null and void and the original terms of the agreement reinstated; and

WHEREAS, if a portion of the project based rental assistance certificates are granted to the project or if other anticipated funding in lieu of the rental assistance certificates is forthcoming, the Financial Agreement shall be reviewed and revised to achieve a fair final allocation of the burden caused by the non-receipt of the full amount of the rental assistance certificates, which approval shall be subject to the approval of City Council; and

WHEREAS, the City Council of the City of New Brunswick has determined that the requested amendment to the Financial Agreement is in the best interest of the health, safety and welfare of the public and the economic well-being and progress of the City of New Brunswick,

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of New Brunswick that the Financial Agreement between the developer and the City of New Brunswick for the property known as Providence Square, which is more full

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described in said Financial Agreement, be amended as described hereinabove; and

BE IT FURTHER RESOLVED, that the Mayor and City Clerk are hereby authorized to execute and attest said amendment to the Financial Agreement to the Financial Agreement; and

BE IT FURTHER RESOLVED, that Certified Copies of this Resolution shall be provided by the City Clerk to the following persons:

- Providence Square Urban Renewal Associates, L.P.
- Tax Collector
- Tax Assessor
- Director - DPCED

ADOPTED: February 7, 1996

BLANQUITA VALENTI, Council President

CITY CLERK

APPROVALS:

CITY ADMINISTRATOR

CITY ATTORNEY

WJH

RECORD OF VOTE

COUNCIL	AYE	NAY	ABSTAIN	[illegible]	RES.	SEC.
BROWN	X					
[illegible]	X				X	
EGAN				X		
HENDRICKS	X					X
VALENTI	X					

X = Indicates Vote   Res. = Moved   Sec. = Seconded

CERTIFICATE

NEW JERSEY UNIFORM CONSTRUCTION CODE

Date Issued 4/13/95
Control # 893-108
Permit # 6394

IDENTIFICATION

Block 418 Lot 52 & 53
Work Site Location 217 Somerset Street
New Brunswick, NJ
Owner in Fee Providence Square Urban Renewal Assoc. LP
Address c/o Penrose Property, Inc.
2030 Race Street
Philadelphia, PA
Tele. (215) 564-4491
Contractor A.J.D. Construction Co. Inc.
Address 8 Highway 36
Leonardo, NJ 07737
Tele. ( ) 291-9800
Lic. No. or Bldrs. Reg. No.
Federal Emp. No. 22-216-9800
or Social Security No.

Home Warrantly No. N/A
Use Group B
Maximum Live Load N/A
Description of Work/Use:

Senior citizens apartment complex w/medical screening room as an "Accessory Use".

Type of Warranty Plan: [ ] State [ ] Private
Construction Classification 3A
Maximum Occupancy Load

CERTIFICATE OF OCCUPANCY/APPROVAL

☒ CERTIFICATE OF OCCUPANCY

☐ CERTIFICATE OF APPROVAL

This serves notice that said building, structure, or equipment has been constructed or installed in accordance with the New Jersey Uniform Construction Code, and is approved for use and/or occupancy.

☐ CERTIFICATE OF CONTINUED OCCUPANCY

This serves notice that based on a general inspection of the visible parts of the building there are no imminent hazards and the building is approved for continued occupancy.

☐ TEMPORARY CERTIFICATE OF OCCUPANCY

If this is a Temporary Certificate of Occupancy the following conditions must be met no later than ____________, 19____ or the owner will be subject to a fine or order to vacate:

Fee $ PAID
Paid [XX] Check No. 3211
Collected by: TRF

CONSTRUCTION OFFICIAL

U.C.C. Form F-260A

1 WHITE—APPLICANT 2 CANARY—OFFICE 3 PINK—TAX ASSESSOR

CERTIFICATE

NEW JERSEY UNIFORM CONSTRUCTION CODE

Date Issued 12/8/93
Control # 893-108
Permit # 6394

IDENTIFICATION

Block 418 Lot 52 & 53
Work Site Location 217 Somerset Street
New Brunswick, NJ
Owner in Fee Providence Sq. Urban Renewal, Ass. LP
Address C/O Penrose Property, Inc.
2030 Race Street, Philadelphia, PA
Tele. (215) 564-4491
Contractor A.J.D. Construction Co. Inc.
Address 5 Highway 36
Leonardo, NJ 07737
Tele. (____) 291-9800
Lic. No. or Bldrs. Reg. No. [illegible]
Federal Emp. No.
or Social Security No.

Home Warrantly No. N/A
Use Group R-2
Maximum Live Load N/A
Description of Work/Use: Construction of new building and alteration to existing building.

PROVIDENCE SQUARE

Type of Warranty Plan: [ ] State [ ] Private
Construction Classification 3A
Maximum Occupancy Load 496

CERTIFICATE OF OCCUPANCY/APPROVAL

☒ **CERTIFICATE OF OCCUPANCY**

This serves notice that said building, structure, or equipment has been constructed or installed in accordance with the New Jersey Uniform Construction Code, and is approved for use and/or occupancy.

☐ **CERTIFICATE OF APPROVAL**

☐ **CERTIFICATE OF CONTINUED OCCUPANCY**

This serves notice that based on a general inspection of the visible parts of the building there are no imminent hazards and the building is approved for continued occupancy.

☐ **TEMPORARY CERTIFICATE OF OCCUPANCY**

If this is a Temporary Certificate of Occupancy the following conditions must be met no later than ____________, 19____ or the owner will be subject to a fine or order to vacate:

Fee $ PAID
Paid [X] Check No. [illegible]
Collected by: ____________

Bernard Schran
CONSTRUCTION OFFICIAL

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