

**DRAFT**

**THIS FIRST AMENDMENT TO THE REDEVELOPMENT AGREEMENT** (the “First Amendment”) is made on or as of the \_\_\_\_ day of \_\_\_\_\_, 2017 by and between the **CITY OF ORANGE TOWNSHIP**, a public body corporate and politic of the State of New Jersey having its offices at 29 North Day Street, Orange New Jersey 07050 (the “City”), acting as the redevelopment entity pursuant to N.J.S.A. 40A:12A-4(c), the **HOUSING AUTHORITY OF THE CITY OF ORANGE**, a public body corporate and politic of the State of New Jersey having its offices at 340 Thomas Boulevard, Orange, New Jersey 07050 (the “OHA”), and the **ORANGE HOUSING DEVELOPMENT CORPORATION**, a New Jersey not-for-profit corporation (the “Redeveloper”)(collectively, the “Parties”).

**WHEREAS**, the City previously determined that the properties formerly identified on the City’s official tax map as Tax Blocks 82 (all lots except 2 and 11), 83, 84, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 118, 119 and 120, which have subsequently been re-numbered due to a City-wide revaluation and are now identified on the City’s official tax map as Block 2905, Lot 1; Block 3001, Lot 1; Block 3101, Lot 1; Block 3102, Lots 1, 2, 3, and 4; all of Block 2704, except Lots 2 and 3; Block 2705, except Lot 8; and all of Blocks 2701, 2702, 2703, 2706, 3201, 3202, 3203, 3301, 3302, 3303, 3304, 3401, 3402, 3403, 3404, 3405, 3501, 3502, 3503, 3601, 3702, 3703, 3704 (the “Redevelopment Area”), are an area in need of redevelopment under the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the “LRHL”); and

**WHEREAS**, the City adopted the Central Orange Redevelopment Plan (the “Redevelopment Plan”) to govern the redevelopment of the properties located within the Redevelopment Area; and

**WHEREAS**, the City designated the Redeveloper, acting on behalf and as an affiliate of the OHA, to implement a portion of the Redevelopment Plan within the Redevelopment Area and entered into a Redevelopment and Land Disposition Agreement with the Redeveloper and the OHA on September 30, 2009 (the “2009 Redevelopment Agreement”); and

**WHEREAS**, the 2009 Redevelopment Agreement provides that the Redeveloper shall redevelop certain properties within the Redevelopment Area, which are collectively defined within the 2009 Redevelopment Agreement as the Project Property, with approximately 165 to 200 units of mixed income residential units to be constructed in three phases (the “Redevelopment Project” or the “Project”); and

**WHEREAS**, the Redeveloper has completed the construction of the three phases of mixed income residential units on the Project Property and these completed residential units are now known as the Walter G. Alexander I, II and III communities; and

**WHEREAS**, the OHA and the Redeveloper are proposing to construct an additional project within the Redevelopment Area called the Walter G. Alexander IV project consisting of the construction of forty-four (44) units of low and moderate income housing, including five (5) units of supportive housing (the “Phase IV Project”), on the following additional properties located within the Redevelopment Area: 137 Central Place (Block 3301, Lot 43); 139 Central Place (Block 3301, Lot 44); 143 Central Place (Block 3301, Lot 45); 155 Central Place (Block 3301, Lot 50); 159 Central Place (Block 3301, Lot 51); 204 Central Place (Block 3304, Lot 5); 200 Central Place (Block 3304, Lot 6); 198 Central Place (Block 3304, Lot 7); 196 Central Place (Block 3304, Lot 8); 194 Central Place (Block 3304, Lot 9); 188 Central Place (Block 3304, Lot 10); 186 Central Place (Block 3304, Lot 11); 184 Central Place (Block 3304, Lot 12); 182 Central Place (Block 3304, Lot 13); 180 Central Place (Block 3304, Lot 14); 187 Parrow Street (Block 3405, Lot 20); 189 Parrow Street (Block 3405, Lot 21); 191 Parrow Street (Block 3405, Lot 22); 192 South Street (Block 3405, Lot 9); 196-198 South Street (Block 3405, Lot 8); 197 Parrow Street (Block 3405, Lot 23); 199 Parrow Street (Block 3405, Lot 24); 201 Parrow Street (Block 3405, Lot 25); 203 Parrow Street (Block 3405, Lot 26); 205 Parrow Street (Block 3405, Lot 27); and 206 Parrow Street (Block 3405, Lot 7)(the “Phase IV Properties”); and

**WHEREAS**, the City is willing to designate the Redeveloper, acting on behalf and as an affiliate of the OHA, to serve as the redeveloper under the LRHL for the Phase IV Project in the Redevelopment Area, subject to the terms and conditions set forth within this First Amendment.

**NOW, THEREFORE**, for and in consideration of the mutual promises, covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties, and for the benefit of the Parties hereto and general public and to implement the purposes of the LRHL and the Redevelopment Plan, the Parties do hereby covenant and agree each with the other as follows:

1. Section 1.1 of the 2009 Redevelopment Agreement is hereby amended as follows (to the extent that the terms below were also defined within the 2009 Redevelopment Agreement, the definitions below shall replace and supersede the definitions within the 2009 Redevelopment Agreement):

**“2009 Redevelopment Agreement:** Shall mean the Redevelopment and Land Disposition Agreement between the City, the OHA, and the Redeveloper dated September 30, 2009.

**“Commence Construction”, “Commencement of Construction”, or “Commencement Date”:** Shall mean the date on which the construction force and machinery are mobilized for construction of the Phase IV Project and physical construction begins, which may include clearing and grading, as applicable in accordance

with Governmental Approvals.

**“Completion of Construction”, “Complete Construction” or “Completion Date”:** Shall mean the date on which the Redeveloper has completed construction of the Phase IV Project as evidenced by the issuance of Certificates of Completion for the Phase IV Project by the City.

**First Amendment:** Shall mean this First Amendment to the 2009 Redevelopment Agreement.

**LRHL:** Shall mean the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq.

**Parties:** Shall mean the City, the OHA, and the Redeveloper.

**Phase IV Project:** Shall mean the project to construct forty-four (44) units of low and moderate income housing, including five (5) units of supportive housing, on the Phase IV Properties.

**Phase IV Properties:** Shall mean the following additional properties located within the Redevelopment Area: 137 Central Place (Block 3301, Lot 43); 139 Central Place (Block 3301, Lot 44); 143 Central Place (Block 3301, Lot 45); 155 Central Place (Block 3301, Lot 50); 159 Central Place (Block 3301, Lot 51); 204 Central Place (Block 3304, Lot 5); 200 Central Place (Block 3304, Lot 6); 198 Central Place (Block 3304, Lot 7); 196 Central Place (Block 3304, Lot 8); 194 Central Place (Block 3304, Lot 9); 188 Central Place (Block 3304, Lot 10); 186 Central Place (Block 3304, Lot 11); 184 Central Place (Block 3304, Lot 12); 182 Central Place (Block 3304, Lot 13); 180 Central Place (Block 3304, Lot 14); 187 Parrow Street (Block 3405, Lot 20); 189 Parrow Street (Block 3405, Lot 21); 191 Parrow Street (Block 3405, Lot 22); 192 South Street (Block 3405, Lot 9); 196-198 South Street (Block 3405, Lot 8); 197 Parrow Street (Block 3405, Lot 23); 199 Parrow Street (Block 3405, Lot 24); 201 Parrow Street (Block 3405, Lot 25); 203 Parrow Street (Block 3405, Lot 26); 205 Parrow Street (Block 3405, Lot 27); and 206 Parrow Street (Block 3405, Lot 7).

**PILOT:** Shall have the meaning set forth within Section 13.21 of this Redevelopment Agreement.

**Project:** See the definition for “Redevelopment Project” below. The terms “Project” and “Redevelopment Project” are used interchangeably within the 2009 Redevelopment Agreement and this First Amendment.

**Project Property:** Shall be revised to collectively mean the Project Property as defined in the 2009 Redevelopment Agreement and the Phase IV Properties.

**Redevelopment Agreement:** Shall collectively mean the 2009 Redevelopment

Agreement and this First Amendment.

**Redevelopment Area:** Shall mean the properties formerly identified on the City's official tax map as Tax Blocks 82 (all lots except 2 and 11), 83, 84, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 118, 119 and 120, which have subsequently been re-numbered due to a City-wide revaluation and are now identified on the City's official tax map as Block 2905, Lot 1; Block 3001, Lot 1; Block 3101, Lot 1; Block 3102, Lots 1, 2, 3, and 4; all of Block 2704, except Lots 2 and 3; Block 2705, except Lot 8; and all of Blocks 2701, 2702, 2703, 2706, 3201, 3202, 3203, 3301, 3302, 3303, 3304, 3401, 3402, 3403, 3404, 3405, 3501, 3502, 3503, 3601, 3702, 3703, 3704, which were determined to be an area in need of redevelopment by the City in accordance with the requirements of the LRHL.

**Redevelopment Plan:** Shall mean the Central Orange Redevelopment Plan.

**Redevelopment Project:** Shall be revised to collectively mean the Redevelopment Project as defined within the 2009 Redevelopment Project and the Phase IV Project.

**Shelter Rent:** Shall mean the total of all charges to all tenants of a project for dwelling rents and non-dwelling rents (including all other income of such project), less the costs to the owner of the project of all dwelling and non-dwelling utilities.

**Tax Credit Award:** Shall have the meaning set forth within Section 9.6 of the Redevelopment Agreement.”

2. Section 5.3 of the 2009 Redevelopment Agreement is hereby rescinded and replaced by the following:

“**5.3 Project Phasing.** It is anticipated that the Redeveloper shall construct the Project in multiple phases. Phases I, II, and III shall constitute 64, 35, and 65 units, respectively. Phase IV shall consist of the construction of forty-four (44) units of low and moderate income housing, including five (5) units of supportive housing, on the Phase IV Properties. Subject to the provisions of Section 9.6 below, the phases may be undertaken out of sequence and in the order in which the Redeveloper determines, in its sole discretion, is most amenable to an efficient, cost-effective completion of the overall Redevelopment Project.”

3. Exhibit A to the 2009 Redevelopment Agreement shall be amended to reflect and include the Phase IV Properties and the new lot and block designations for the properties in Phases I, II and III of the Project.

4. The following new Section 9.6 is hereby added to the Redevelopment Agreement within Article XI (Completion of Projects):

**“9.6 Phase IV Project Deadlines.** The Redeveloper is seeking an award of nine percent (9%) tax credits for the Phase IV Project (the “Tax Credit Award”). The Redeveloper has represented that it cannot proceed with the Phase IV Project without the Tax Credit Award. For that reason, the Redeveloper’s obligation to Commence Construction of the Phase IV Project shall not be begin until it receives a Tax Credit Award for the Phase IV Project. Once the Redeveloper receives a Tax Credit Award for the Phase IV Project, the Redeveloper shall Commence Construction of the Phase IV Project as soon as practicable and shall Complete Construction of the Phase IV Project by no later than twenty (20) months from the date of the Tax Credit Award; provided, however, that nothing herein shall prevent the Redeveloper from electing to Commence Construction of the Phase IV Project earlier than the time period set forth herein and, if it does so, it shall then Complete Construction of the Phase IV Project by no later than twenty (20) months from the date of Commencement of Construction.”

5. The following new Section 13.21 is hereby added to the Redevelopment Agreement in Article XII (Miscellaneous):

**“13.21 Payments In Lieu Of Taxes.** The OHA and the Redeveloper acknowledge that they are the owners of multiple other projects located within the City of Orange Township (excluding Walter G. Alexander I, II, III, and IV) and that they do not currently pay the City a payment in lieu of taxes (a “PILOT”) for all of these projects. Since the City is providing municipal services to all of these projects, it is the goal of the Parties that the OHA or the Redeveloper, as the case may be, should ultimately pay the City an annual PILOT for all projects which they own that are located within the City of Orange Township. To implement that goal, the Parties hereby agree as follows:

- (i) for all projects owned by the OHA located within the City of Orange Township where the OHA does not currently pay the City an annual PILOT, the OHA shall begin to pay the City an annual PILOT starting as of the fifth anniversary of the date of completion of the applicable project (as shown by the issuance of a Certificate of Occupancy for the buildings constructed for the project), and shall continue to pay the City an annual PILOT on each subsequent anniversary date for as long as the OHA owns the project. The PILOT shall be in the amount of ten percent (10%) of the aggregate Shelter Rent charged by the OHA during the applicable fiscal year.
- (ii) for all projects owned by the Redeveloper located within the City of Orange Township where the Redeveloper does not currently pay the City an annual PILOT, the Redeveloper shall begin to pay the City an annual PILOT starting as of the fifth anniversary of the date of completion of the applicable project (as shown by the issuance of a Certificate of Occupancy for the buildings constructed for the project), and shall continue to pay the City an annual PILOT on each subsequent anniversary date for as long as the Redeveloper owns the project. The PILOT shall be in the amount of

ten percent (10%) of the aggregate Shelter Rent charged by the Redeveloper during the applicable fiscal year.

Nothing herein is intended to amend, nor shall it amend, any agreements which are already in place between the City and the OHA or the Redeveloper which provide for the payment of a PILOT by the OHA or the Redeveloper to the City for any project. Additionally, nothing herein shall prevent the Parties from entering into agreements in the future governing the payment of a PILOT by the OHA or the Redeveloper to the City for any particular project.”

6. The following new Section 13.22 is hereby added to the Redevelopment Agreement in Article XII (Miscellaneous):

**“13.22 Provision Of IP Addresses For Security Cameras.** The OHA and the Redeveloper agree that they shall provide the City with the IP addresses for all security cameras for all projects that they own located within the City of Orange Township. The OHA and the Redeveloper shall provide these IP addresses to the City no later than fourteen (14) days from the date that this First Amendment is fully executed by the Parties. Once the OHA and the Redeveloper make this initial disclosure to the City, the OHA and the Redeveloper shall have a continuing obligation to (i) provide the City with any changes to these IP addresses, (ii) provide the City with the IP addresses of any additional security cameras that are added to any of the projects owned by the OHA or the Redeveloper, and (iii) to provide the City with any other information regarding the security cameras as reasonably requested by the City.”

7. The following new Section 13.23 is hereby added to the Redevelopment Agreement in Article XII (Miscellaneous):

**“13.23 Provision Of Deeds For Phase IV Properties.** The OHA and the Redeveloper agree that they will provide the City with copies of the deeds for all of the Phase IV Properties showing the ownership of such properties by the OHA and/or the Redeveloper. Such deeds shall be submitted to the City by no later than fourteen (14) days from the date that this First Amendment is fully executed by the Parties. To the extent, if at all, that the OHA or the Redeveloper have not closed yet on any of the Phase IV Properties, they shall provide the City with any documents showing the property rights that they currently hold on the properties, and shall thereafter have a continuing obligation to submit the deeds for any Phase IV Properties that are acquired by the OHA or the Redeveloper after the initial disclosure required herein.”

8. Except as explicitly modified herein, all of the terms and conditions of the 2009 Redevelopment Agreement shall remain in full force and effect.

9. Each of the Parties hereto which are business entities represent and warrant that each has complied with all necessary formalities and the undersigned signatory has been duly authorized to execute this First Amendment on behalf of such

entity.

**IN WITNESS WHEREOF**, the Parties hereto have caused this Redevelopment Agreement to be properly executed and their corporate seals affixed and attested as of the date first written above.

WITNESS:

CITY OF ORANGE TOWNSHIP

\_\_\_\_\_

By: \_\_\_\_\_

Name: Dwayne D. Warren

Title: Mayor

WITNESS:

HOUSING AUTHORITY OF THE CITY OF  
ORANGE

\_\_\_\_\_

By: \_\_\_\_\_

Name: Dr. Walter D. McNeil, Jr.

Title: Executive Director

WITNESS:

ORANGE HOUSING DEVELOPMENT  
CORPORATION

\_\_\_\_\_

By: \_\_\_\_\_

Name: Avram D. White, Esq.

Title: Chairman