BOROUGH OF OCEANPORT

MAYOR & COUNCIL

AGENDA ● APRIL 16, 2019

Regular Meeting **Maple Place School** **7:00 PM**

2 Maple Place, Oceanport, NJ 07757

1. Call to Order

2. Statement of Compliance with Open Public Meetings Act:

This meeting complies with the Open Public Meetings Act by notification on January 9, 2019 of this location, date and time to the Asbury Park Press and the LINK News and by the posting of same on the municipal bulletin board and Borough Web Site.

3. Flag Salute

4. Invocation

5. Roll Call

6. Administrators Report

7. Consent Agenda

#2019-97 1. Resolution authorizing payment of BILL LIST 04-16-2019
#2019-98 2. Resolution authorizing Tax Sale Redemption #17-00012
#2019-99 3. Resolution authorizing Tax Sale Redemption #18-00005
#2019-100 4. Resolution authorizing waiver of Street Opening Moratorium for 97 Bridgewaters Dr
#2019-101 5. Resolution authorizing waiver of Street Opening Moratorium for 78 Shrewsbury Ave
#2019-102 6. Resolution amending the 2019 Meeting Schedule
#2019-103 7. Resolution approving Special Event Permit for Triumphant Life Carnival
#2019-104 8. Resolution authorizing Intra-County Mutual Aid Assistance Agreements
#2019-105 9. Resolution authorizing contract for purchase and repair of playground equipment
10. Approval of First Aid Membership, Karen Clores
11. Approval of First Aid Membership, Erika Covert

8. Minutes

1. Approval of Workshop Minutes, March 7, 2019
2. Approval of Regular Minutes, March 21, 2019
3. Approval of Executive Session Minutes, March 21, 2019

9. 2019 Municipal & Capital Budget

Ordinance Establishing a CAP Bank for CY2019
#2019-106 Resolution Approving Introduction of the 2019 Municipal Budget
#2019-107 Resolution authorizing self-examination of the 2019 Municipal Budget
2019 Capital Bond Ordinance

10. RESOLUTIONS

#2019-108 Resolution appointing a Street Sweeper Operator

11. First Reading Ordinances

Introduction of Ordinance to establish Shore Little League as a Borough-approved recreation sports association

12. Second Reading & Public Hearing Ordinances

2nd Reading and PUBLIC HEARING of Ordinance Approving a Financial Agreement with Oceanport Urban Renewal Preservation

13. Committee Reports

1. Councilman Proto, Planning and Development Liaison
2. Councilman Irace, Finance and Administration Liaison
3. Councilman Gallo, Public Works and Engineering Liaison
4. Councilman O'Brien, Health and Human Services Liaison
5. Council President Solan, Public Safety Liaison
6. Councilman Deerin, Parks and Recreation Liaison

a. Results of RFP for 2019 Operator for the Oceanport Pool & Snackbar

14. Mayor Coffey's Report

15. Petitions from the public

16. Executive Session

#2019-109 Resolution authorizing an Executive Session

Litigation, Negotiations and Attorney Client Privilege - N.J.S.A. 10:4-12(b)(7)
Borough Right of Way Encroachment - Shore Road adjacent to Block 74, Lot 5
Update on Oceanport Section of Fort Monmouth
Shawn Hopkins vs. Borough of Oceanport, GRC Complaint #2014-42

17. Adjournment

RESOLUTION OF THE BOROUGH OF OCEANPORT
AUTHORIZING PAYMENT OF BILL LIST FOR APRIL 16, 2019

Resolution #2019-97
04/16/19

WHEREAS, the Governing Body has considered the payment of said bills as set forth on the bill list at its public meeting of April 16, 2019.

BE IT RESOLVED, by the Mayor and Council that the bills be paid as on the attached bill list dated April 16, 2019 totaling $262,576.03.

CERTIFICATION OF FUNDS

I, Catherine D. LaPorta, Chief Financial Officer, of the Borough of Oceanport, do hereby certify that funds are available for the purpose stated herein.

Catherine D. LaPorta, CFO

I certify that the foregoing Resolution #2019-97 was adopted by the Oceanport Governing Body at the Regular Meeting held April 16, 2019

_____
JEANNE SMITH, RMC
BOROUGH CLERK

BOROUGH OF OCEANPORT
BILL LIST

16-Apr-19

PAYEE	AMOUNT
PAYROLL ACCOUNT	$112,947.39
DCRP	$421.32
CAPITAL TRUST TOTAL	$33,198.44
DOG REGISTRY TOTAL	$26.00
TRUST OTHER TOTAL	$3,073.50
ESCROW TRUST TOTAL	$125.00
OPEN SPACE TRUST TOTAL	$17,436.40
SUI	$0.00
UCC TRUST	$1,909.30
2018 VOUCHERS PAID THIS MEETING	$3,998.01
2019 VOUCHERS PAID THIS MEETING	$89,440.67
TOTAL	**$262,576.03**

I CERTIFY THAT THE ABOVE ITEMS ARE TRUE AND CORRECT AS PRESENTED TO THE MAYOR AND COUNCIL FOR PAYMENT

Donna M. Phelps

List of Bills - (All Funds)

Vendor		Description	Payment	Check Total
		Current Fund		
1017 - **AMERICAN WEAR, INC**	PO 3106	MARCH UNIFORMS 2019	215.60	**215.60**
1039 - **BOYNTON & BOYNTON- AGENCY BILL**	PO 3149	FIRE INSUR - ACCIDENT & SICKNESS 4/	2,073.00	**2,073.00**
1516 - **CANON FINANCIAL SERVICES, INC**	PO 3085	IMAGE RUNNER ADVANCE 400if LEASE 3/	57.00	**57.00**
1049 - **CERTIFICATION UNIT - DLGS**	PO 3195	CMR Renewal - LaPorta	50.00	**50.00**
1054 - **CITY OF LONG BRANCH**	PO 3049	GASOLINE & DIESEL 2/19	3,735.46	**3,735.46**
1059 - **COMCAST BUSINESS**	PO 3202	DPW PHONE/INTERNET 4/8/19 - 5/7/19	139.56	**139.56**
1062 - **CONSTELLATION NEW ENERGY, INC**	PO 3143	STREET LIGHTING - 2/19/19 - 3/19/19	861.04	**861.04**
1069 - **CRYSTAL SPRINGS**	PO 3183	WATER SERVICE - 3/8/19 & 3/22/19	103.88	**103.88**
1446 - **DIRECT ENERGY BUSINES**	PO 3170	900 MURPHY & 282 HILDRETH 2/15/19 -	1,068.35	
	PO 3171	2 PEMBERTON 2/14/19 - 3/18/19	417.31	
	PO 3140	433 MYRTLE 2/14/19 - 3/18/19	354.30	
	PO 3191	21 MAIN ST - HOOK & LADDER 02/14-03	335.14	**2,175.10**
1099 - **EUROFINS QC INC**	PO 3067	WATER WATCH COMMITTEE TESTING - 7/1	230.00	
	PO 3066	WATER WATCH COMMITTEE TESTING - 10/	210.50	**440.50**
1109 - **FMERA**	PO 3186	STREET LIGHTS ROUTE 537 - 3/19	273.26	
	PO 3185	BLD 900 WATER & ELECTRIC- 3/19	608.03	
	PO 3184	282 HILDRETH WATER & ELECTRIC 3/19	969.98	**1,851.27**
1153 - **JERSEY CENTRAL POWER & LIGHT**	PO 3144	JCPL #007 - 2/19/19 - 3/19/19	3,928.34	**3,928.34**
1159 - **JOSEPH FAZZIO - WALL LLC**	PO 3075	TWO TIRES FOR TRAILER	179.96	**179.96**
1166 - **KIMBERLY WOODS HOMEOWNERS**	PO 3065	STREET LIGHTING SEPT - DEC 2018	796.59	**796.59**
1199 - **MCAA OF NJ**	PO 3090	MCAA - NJ SPRING CONF; COURT ADMIN	245.00	**245.00**
1218 - **MONMOUTH COUNTY POLICE ACADEMY**	PO 2982	Training for Petrillo (MOI)	75.00	**75.00**
1580 - **NEWPORT MEDIA HOLDINGS LLC dba TWO RIVER TIMES**	PO 3099	2 YEAR SUBSCRIPTION		45.00
1245 - **NJ AMERICAN WATER CO**	PO 3139	136 HYDTS FIREH 2/26/19 - 3/25/19	6,256.00	**6,256.00**
1248 - **NJ LEAGUE OF MUNICIPALITIES**	PO 3134	Classified Advertising - Inspectors	230.00	**230.00**
1279 - **PL CUSTOM BODY & EQUIPMENT INC**	PO 2922	UNIT 3856 - REPAIR & MAINTENANCE #2	1,280.50	
	PO 3058	AMBULANCE REPAIR	464.88	**1,745.38**
1286 - **PRO JANITORIAL SERVICES, LLC**	PO 3181	CLEANING SERVICES - 3/19	1,735.00	**1,735.00**
1576 - **SKIP'S SPORTS**	PO 3023	T-SHIRTS/VESTS FOR FIRST AID	240.00	**240.00**
1330 - **STATE OF NEW JERSEY**	PO 3175	REIMBURSE CHARGE FOR 12/31/18	39.88	**39.88**
1334 - **STAVOLA ASPHALT COMPANY, INC**	PO 3057	HOT ASPHALT	320.84	**320.84**
1337 - **SUBURBAN DISPOSAL**	PO 3142	COLLECTION FEES - 3/19	17,400.00	
	PO 3141	DISPOSAL FEE & RECYCLING & CONTAINE	17,023.22	**34,423.22**
1346 - **THE ARNETTE LAW FIRM LLC**	PO 3196	BOROUGH ATTORNEY FEES - 2/19	5,502.50	**5,502.50**
1348 - **THE HOME DEPOT**	PO 3159	HAND TAMPER FOR POTHOLES	29.98	
	PO 3163	ASPHALT REMOVER	59.96	**89.94**
1358 - **TREASURER: COUNTY OF MONMOUTH**	PO 3150	FIRST QUARTER 2019	1,860.00	**1,860.00**
1372 - **TRYSTONE CAPITAL ASSETS**	PO 3174	LIEN 17-00012; B65, L3.05 Resolutio	659.95	**659.95**
1380 - **US BANK OPERATIONS CENTER**	PO 3148	2014 BOND/OPEN SPACE DEBT SERVICE	11,696.36	
	PO 3146	BOND INTEREST (2011B GOV'T POOLED L	2,498.75	
	PO 3145	BOND INTEREST (2013B GOV'T POOLED L	8,848.39	**23,043.50**
1389 - **VERIZON WIRELESS (OEM)**	PO 3198	OEM AIR CARD 3/2/19 - 4/1/19	38.01	**38.01**
1392 - **W.B. MASON CO, INC**	PO 3043	SUPPLIES FOR VARIOUS DEPT.	32.16	**32.16**
1571 - **William White**	PO 3176	PUBLIC WORKS MANAGER SERVICE	250.00	**250.00**
		Capital Fund		
1565 - **ALBERT MARINE CONSTRUCTION**	PO 3194	DEAL AVE BULKHEAD REPLACEMENT	21,288.30	**21,288.30**
1157 - **JOHNNY ON THE SPOT INC**	PO 3030	PORTA WATER 900 MURPHY - 2/26/19	103.41	
	PO 2976	PORTA WATER 2019 - DRAWDOWN - PUBLI	229.23	**332.64**
1347 - **THE GOLDSTEIN PARTNERSHIP**	PO 3193	ARCHITECT SERVICE 3/1/19 - 3/31/19	10,877.50	**10,877.50**
1391 - **VIRTUAL FX, LLC**	PO 2065	PUBLIC WORKS TRUCKS - GRAPHICS	700.00	**700.00**
		DOG TRUST FUND		
1034 - **BORO PRINTING, INC**	PO 3054	DOG LICENSE POST CARDS 2019	26.00	**26.00**
		OPEN SPACE TRUST		

List of Bills - (All Funds)

Vendor		Description		Payment	Check Total
1487 - **BSN Sports**	PO 2989	SOCCER EQUIPMENT - GOALS		3,977.98	**3,977.98**
1348 - **THE HOME DEPOT**	PO 3153	FISH REMOVAL		135.41	**135.41**
1380 - **US BANK OPERATIONS CENTER**	PO 3148	2014 BOND/OPEN SPACE DEBT SERVICE		11,825.00	
	PO 3147	BOND INTEREST (2012A GOV'T POOLED L		1,498.01	**13,323.01**
UCC Trust					
1361 - **TREASURER: STATE OF NJ**	PO 3207	FIRST QUARTER CONSTRUCTION FEE 1/1/		1,729.24	**1,729.24**
1559 - **Verizon Wireless**	PO 3197	AIR CARD 3/2/19 - 4/1/19		180.06	**180.06**
OTHER TRUST					
1394 - **WASTE MANAGEMENT OF NJ, INC**	PO 3041	RECYCLING NEWSPAPER 2/18/19		461.00	
	PO 3040	RECYCLING MIXED PAPER - 2/12/19		312.50	
	PO 3064	COMMINGLE ACCT 33000 - JAN 2019		723.50	
	PO 3074	COMMINGLE ACCT 33000 - FEB 2019		351.50	
	PO 3070	RECYCLING CENTER - ACCT 33004 DEC 2		980.00	
	PO 3069	RECYCLING CENTER - ACCT 33004 DEC 2		245.00	**3,073.50**
DEVELOPERS ESCROW TRUST					
1195 - **MASER CONSULTING, P.A.**	PO 3121	PLOT PLAN - 39 WYANDOTTE		125.00	**125.00**
TOTAL					**149,207.32**

Summary By Account

ACCOUNT	DESCRIPTION	CURRENT YR	APPROP. YEAR	NON-BUDGETARY	CREDIT
01-101-01-000-011	CASH OPERATING			0.00	93,438.68
01-201-20-100-200	ADMINISTRATIVE & EXECUTIVE OE	436.57			
01-201-20-130-200	FINANCIAL ADMINISTRATION OE	24.47			
01-201-20-155-200	LEGAL SERVICES OE	5,502.50			
01-201-23-210-200	INSURANCE PREMIUMS OTHER	2,073.00			
01-201-25-240-200	POLICE OE	132.00			
01-201-25-252-200	EMERGENCY MANAGEMENT OE	38.01			
01-201-25-255-200	FIRE HYDRANT SERVICE OE	6,256.00			
01-201-25-260-200	FIRST AID ORGANIZATION OE	2,402.69			
01-201-26-300-200	STREETS & ROADS OTHER EXPENSES	250.00			
01-201-26-300-272	TIRES	179.96			
01-201-26-300-273	SUPPLIES	89.94			
01-201-26-300-277	BITUMINOUS CONCRETE	320.84			
01-201-26-300-281	UNIFORM RENTAL	215.60			
01-201-26-305-200	SANITATION-TRASH REMOVAL OE	14,566.67			
01-201-26-306-200	RECYCLING OE	2,833.33			
01-201-26-310-200	PUBLIC BUILDINGS & GROUNDS OE	1,735.00			
01-201-31-430-201	ELECTRICITY	1,280.08			
01-201-31-430-203	TELEPHONE/INTERNET	139.56			
01-201-31-430-204	WATER/SEWER	297.93			
01-201-31-430-205	NATURAL GAS	1,757.79			
01-201-31-430-207	STREET LIGHTING	7,937.06			
01-201-31-465-200	SANITATION DUMPING FEES	17,023.22			
01-201-43-490-200	MUNICIPAL COURT OE	245.00			
01-201-45-920-200	DEBT SERVICE OE	23,043.50			
01-203-20-100-200	(2018) ADMINISTRATIVE & EXECUTIVE OE		1,860.00		
01-203-20-130-200	(2018) FINANCIAL ADMINISTRATION OE		39.88		
01-203-27-335-300	(2018) WATER WATCH COMMITTEE-OTHER		440.50		
01-203-31-430-201	(2018) JCPL-Buildings		796.59		
01-203-31-430-207	(2018) STREET LIGHTING		861.04		
01-214-55-000-003	DUE 3RD PARTY LIEN HOLDERS			659.95	

7.1.a

ACCOUNT	DESCRIPTION	CURRENT YR	APPROP. YEAR	NON-BUDGETARY	CREDIT
TOTALS FOR	**Current Fund**	**88,780.72**	**3,998.01**	**659.95**	**93,438.68**
04-101-01-100-011	CAPITAL CASH - TD			0.00	33,198.44
04-215-55-474-000	MUNICIPAL COMPLEX ORD #970			11,210.14	
04-215-55-973-A00	2017 #973 VARIOUS CAPITAL EQUIPMENT			700.00	
04-215-55-988-A00	ROADS, DRAINAGE, TRAFFIC SIGNAL, BULKHEA			21,288.30	
TOTALS FOR	**Capital Fund**	**0.00**	**0.00**	**33,198.44**	**33,198.44**
05-101-00-100-011	CASH - TD			0.00	26.00
05-270-00-500-020	RESERVE FOR EXPENDITURES			26.00	
TOTALS FOR	**DOG TRUST FUND**	**0.00**	**0.00**	**26.00**	**26.00**
06-101-01-100-011	OPEN SPACE CASH - TD			0.00	17,436.40
06-270-00-500-020	RESERVE FOR OPEN SPACE			17,436.40	
TOTALS FOR	**OPEN SPACE TRUST**	**0.00**	**0.00**	**17,436.40**	**17,436.40**
18-101-01-100-101	CASH UCC TRUST			0.00	1,909.30
18-270-55-600	RESERVE FOR UCC TRUST			1,909.30	
TOTALS FOR	**UCC Trust**	**0.00**	**0.00**	**1,909.30**	**1,909.30**
60-101-01-100-101	CASH-OTHER TRUST - TD			0.00	3,073.50
60-270-55-600-206	RES FOR RECYCLING			3,073.50	
TOTALS FOR	**OTHER TRUST**	**0.00**	**0.00**	**3,073.50**	**3,073.50**
61-101-01-100-101	CASH-DEV.ESCROW/TD			0.00	125.00
61-270-55-600-205	RES.FOR DEV.ESCROW			125.00	
TOTALS FOR	**DEVELOPERS ESCROW TRUST**	**0.00**	**0.00**	**125.00**	**125.00**

Total to be paid from Fund 01 Current Fund	93,438.68
Total to be paid from Fund 04 Capital Fund	33,198.44
Total to be paid from Fund 05 DOG TRUST FUND	26.00
Total to be paid from Fund 06 OPEN SPACE TRUST	17,436.40
Total to be paid from Fund 18 UCC Trust	1,909.30
Total to be paid from Fund 60 OTHER TRUST	3,073.50
Total to be paid from Fund 61 DEVELOPERS ESCROW TRUST	125.00
	149,207.32

Report Printed *2019-04-10 13:53:25* **BOROUGH OF OCEANPORT**Click here to save CSV (Excel) Version

7.1.a

Pending Payments (*Not Finalized*) - (..) ALL FUNDS

From 04/10/2019 to 04/30/2019 With a Line Amount > 10000

DATE	ENTRY #	PO#	CHECK #	ACCOUNT	VENDOR/EXPLANATION	DEBIT	CREDIT	ACCOUNT
4/10/2019	3194			04-215-55-988-A01	DEAL AVE BULKHEAD REPLACEMENT, PAYMENT #2	21,288.30		
					ALBERT MARINE CONSTRUCTION		21,288.30	04-101-01-100-011
4/10/2019	3193			04-215-55-474-006	ARCHITECT SERVICES - NEW MUNICIPAL COMPLEX	10,877.50		
					THE GOLDSTEIN PARTNERSHIP		10,877.50	04-101-01-100-011

APRIL SUMMARY BY ACCOUNT:

ACCOUNT	ACCOUNT DESCRIPTION	APR RESERVE	CURRENT	NON-BUDGETARY	PENDING CR
04-101-01-100-011	CAPITAL CASH - TD				32,165.80
04-215-55-474-006	ARTHITECTURAL SERVICES			10,877.50	
04-215-55-988-A01	BULKHEAD - DEAL AVENUE			21,288.30	
APRIL TOTALS (FOR RANGE):				32,165.80	32,165.80

SUMMARY BY ACCOUNT FOR RANGE:

ACCOUNT	ACCOUNT DESCRIPTION	APR RESERVE	CURRENT	NON-BUDGETARY	DISBURSED
04-101-01-100-011	CAPITAL CASH - TD				32,165.80
04-215-55-474-006	ARTHITECTURAL SERVICES			10,877.50	
04-215-55-988-A01	BULKHEAD - DEAL AVENUE			21,288.30	
TOTALS (FOR RANGE):				32,165.80	32,165.80

RESOLUTION OF THE BOROUGH OF OCEANPORT
AUTHORIZING REDEMPTION OF TAX SALE CERTIFICATE #17-00012 FOR
BLOCK 65, LOT 3.05 (3.09) KNOWN AS 255 PORT AU PECK AVENUE

Resolution #2019-98
04/16/19

WHEREAS, at the Borough Tax Sale held on September 14, 2017, a lien was sold on Block 65 Lot 3.05 (3.09) otherwise known as 255 Port au Peck Ave; and

WHEREAS, this lien, known as Tax Sale Certificate 17-00012 was sold to Trystone Capital Assets LLC at an interest rate of 0% and;

WHEREAS, the owner's representative has redeemed certificate 17-00012 in the amount of $ 659.95.

NOW, THEREFORE, BE IT RESOLVED that the CFO be authorized to issue a check in the amount of $659.95 payable to Trystone Capital Assets LLC, PO Box 1030, Brick NJ 08723 for the redemption of Tax Sale Certificate 17-00012.

I certify that the foregoing Resolution #2019-98 was adopted by the Oceanport Governing Body at the Regular Meeting held April 16, 2019

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JEANNE SMITH, RMC
BOROUGH CLERK

RESOLUTION OF THE BOROUGH OF OCEANPORT
AUTHORIZING REDEMPTION OF TAX SALE CERTIFICATE #18-00005 FOR
BLOCK 83, LOT 7 KNOWN AS 388 MYRTLE AVE

Resolution #2019-99
04/16/19

WHEREAS, at the Borough Tax Sale held on August 23, 2018, a lien was sold on Block 83 Lot 7 otherwise known as 388 Myrtle Ave; and

WHEREAS, this lien, known as Tax Sale Certificate 18-00005 was sold to Anne O Hedde at an interest rate of 0% and;

WHEREAS, the owner's representative has redeemed certificate 18-00005 in the amount of $ 1,004.85.

NOW, THEREFORE, BE IT RESOLVED that the CFO be authorized to issue a check in the amount of $1,004.85 payable to Anne O Hedde, 785 South Dr, Brick NJ 08724 for the redemption of Tax Sale Certificate 18-00005.

BE IT FURTHER RESOLVED, that the CFO be authorized to issue a check in the amount of $1,500 (Premium) to the aforementioned lienholder.

I certify that the foregoing Resolution #2019-99 was adopted by the Oceanport Governing Body at the Regular Meeting held April 16, 2019

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JEANNE SMITH, RMC
BOROUGH CLERK

RESOLUTION OF THE BOROUGH OF OCEANPORT
AUTHORIZING A STREET OPENING PERMIT FOR PORTION OF
BRIDGEWATERS DRIVE UNDER MORATORIUM

Resolution #2019-100
04/16/19

WHEREAS, New Jersey Natural Gas has been ordered by the Board of Public Utilities to retire idle gas connections that have been inactive for more than two (2) years; and

WHEREAS, NJNG has requested a street opening permit for the retirement of services at 97 Bridgewaters Drive; and

WHEREAS, this portion of Bridgewaters Drive is presently under moratorium which expires December 31, 2022; and

WHEREAS, the Borough Engineer has reviewed and recommended that the permit be issued to NJ Natural Gas subject to the "The trench shall be backfilled with Dense Graded Aggregate starting 6" above the pipe to subgrade level. Pavement shall be removed for 1 foot beyond the trench limits in all directions. Six Inches of HMA Base Course shall be installed to be flush with existing pavement. Trench shall be permitted to settle for 3 months at which time the based area shall be milled out 2" and HMA Surface course shall be installed. Tack coat shall be placed on all edges of the milled area and over the base course. If the Borough determine that the patch is not acceptable then infrared pavement repair will be required".

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of the Borough of Oceanport that a street opening application by New Jersey Natural Gas for an opening on behalf 97 Bridgewaters Drive is hereby authorized based on the Borough Engineer's recommendation and subject to repair of said openings as follows: "The trench shall be backfilled with Dense Graded Aggregate starting 6" above the pipe to subgrade level. Pavement shall be removed for 1 foot beyond the trench limits in all directions. Six Inches of HMA Base Course shall be installed to be flush with existing pavement. Trench shall be permitted to settle for 3 months at which time the based area shall be milled out 2" and HMA Surface course shall be installed. Tack coat shall be placed on all edges of the milled area and over the base course. If the Borough determine that the patch is not acceptable then infrared pavement repair will be required"

I certify that the foregoing Resolution #2019-100 was adopted by the Oceanport Governing Body at the Regular Meeting held April 16, 2019

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JEANNE SMITH, RMC
BOROUGH CLERK

RESOLUTION OF THE BOROUGH OF OCEANPORT
AUTHORIZING A STREET OPENING PERMIT FOR PORTION OF
SHREWSBURY AVENUE UNDER MORATORIUM

Resolution #2019-101
04/16/19

WHEREAS, New Jersey Natural Gas has been ordered by the Board of Public Utilities to retire gas connections that have been inactive for more than two (2) years; and

WHEREAS, NJNG has requested a street opening permit for the retirement of services at 78 Shrewsbury Avenue; and

WHEREAS, this portion of Shrewsbury Avenue is presently under moratorium which expires December 31, 2019; and

WHEREAS, the Borough Engineer has reviewed and recommended that the permit be issued to NJ Natural Gas subject to the patch being milled, re-paved approximately 90 days later with an infrared treatment used to blend the patch and the perimeter is to be crack sealed.

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of the Borough of Oceanport that a street opening application by New Jersey Natural Gas for an opening on behalf 78 Shrewsbury Avenue is hereby authorized based on the Borough Engineer's recommendation and subject to repair of said openings with the patch being milled, re-paved approximately 90 days later with an infrared treatment used to blend the patch and the perimeter is to be crack sealed.

I certify that the foregoing Resolution #2019-101 was adopted by the Oceanport Governing Body at the Regular Meeting held April 16, 2019

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JEANNE SMITH, RMC
BOROUGH CLERK

RESOLUTION OF THE BOROUGH OF OCEANPORT
AMENDING THE 2019 ANNUAL MEETING SCHEDULE

Resolution #2019-102
04/16/19

WHEREAS, the Open Public Meetings Act directs public bodies to give adequate written advance notice of regular meetings and to establish and post an annual schedule of regular public meetings; and

WHEREAS, on January 3, 2019 the Borough Council adopted Resolution #2019-020 in which a schedule of public meetings for the year 2019 was established, posted and since amended by Resolution #2019-093; and

WHEREAS, the Borough Council has determined that the 2019 schedule for regular public meetings needs to be amended further as the meeting location is also hosting the Maple Place School Spring Concert thereby reducing parking and challenges with sound recording.

NOW, THEREFORE, BE IT RESOLVED that the Borough Council of the Borough of Oceanport hereby further modifies the 2019 annual meeting schedule as follows:

1. The Council meeting scheduled for May 16, 2019 be rescheduled for May 21, 2019
2. All other terms of the annual meeting schedule shall remain unchanged.

BE IT FURTHER RESOLVED that the Borough Clerk is hereby directed to post and maintain posted a copy of this resolution in the place designated for the posting of notices and forward a copy of same to the LINK News and the Asbury Park Press.

I certify that the foregoing Resolution #2019-102 was adopted by the Oceanport Governing Body at the Regular Meeting held April 16, 2019

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JEANNE SMITH, RMC
BOROUGH CLERK

**RESOLUTION OF THE BOROUGH OF OCEANPORT
AUTHORIZING A SPECIAL EVENTS PERMIT TO BE ISSUED TO
TRIUMPHANT LIFE CHURCH FOR A CARNIVAL TO BE HELD MAY 1-5,
2019 WITHIN THE BOROUGH OF OCEANPORT**

Resolution #2019-103
04/16/19

WHEREAS, Triumphant Life Church made application for a Special Events Permit to hold a carnival that requires traffic control; and

WHEREAS, as required by ordinance the Police Department has reviewed the application and have recommended that the application be approved.

NOW THEREFORE BE IT RESOLVED, by the Mayor and Council that a Special Events Permit be issued to Triumphant Life Church for a carnival to be held on their grounds May 1-5, 2019 in accordance with the application made and recommendation by the Traffic Safety Unit upon receipt of appropriate permit fee to be paid by Applicant.

I certify that the foregoing Resolution #2019-103 was adopted by the Oceanport Governing Body at the Regular Meeting held April 16, 2019

_____
JEANNE SMITH, RMC
BOROUGH CLERK

Michael P. Kelly
Chief of Police

Michael S. Chenoweth
Captain of Police

Michael Fagliarone
Lieutenant

BOROUGH OF OCEANPORT
POLICE DEPARTMENT

P.O. BOX 370, OCEANPORT, NEW JERSEY 07757

732.222.6300
Main
732.222.6301 ext 1015
Records
732.222.0945
Fax

March 29, 2019

Mayor Jay Coffey
Oceanport Borough Council Members
Borough of Oceanport
315 East Main Street
Oceanport, N.J. 07757

Re: Special Events Application (Carnival) -Triumphant Life Church-Fort Monmouth, May 1st-May 5th 2019

Dear Mayor Coffey,

As per Borough Code 326-3, I have reviewed the Special Event Permit application for Triumphant Life Church at Fort Monmouth in regards to a carnival they are planning to host from May 1st thru May 5th[h], 2019.
As was the case last year, the Church plans on having the event each night from 6 pm to 10pm, Wednesday thru Friday and 2pm to 10pm on Saturday and 2 to 8pm on Sunday. The carnival will be held on the church property off of Malterer Avenue on Fort Monmouth.
They expect over 2, 000 people in total throughout the 5 day event. The Carnival will consist of rides, games, food vendors and music.
There will be no direct impact on traffic and parking will be contained to the church property and immediate surrounding parking areas.
1 Police officer will be assigned to the Carnival and others will be assigned if needed. The Church will pay for police services.
Based on the information obtained in regards to security, traffic and crowd control; I am recommending that the Mayor and Council approve the application.

Respectfully Submitted,

Michael P. Kelly
Chief of Police

CC: Donna Phelps, Oceanport Borough Administrator
Jeanne Smith, Oceanport Borough Clerk
Steve Solan, Councilman-Public Safety Chair
Captain Michael Chenoweth, Oceanport Police Chief
Paul Van Brunt, Oceanport Fire Chief
Kathy Kenny, Captain, Oceanport First Aid
Traci Akins, Triumphant Life Church

BOROUGH OF OCEANPORT

Monmouth County, New Jersey

SPECIAL EVENT PERMIT APPLICATION

Event Name: Spring Carnival Event Date(s): May 1 -5

Event Type: Carnival

Event Location: Triumphant Life Church 500 Malterer Ave. Oceanport (Ft. Monmouth Base)

Event Start Time: 6-10 pm (may 1-3) 2-10 pm (May 4) Event End Time: 2-8pm (May 5)

Organization Name: Triumphant Life Church

Contact Name: Rev. Lyddale Akins Contact Phone #: 732-456-3640

Billing Contact: Traci Akins Billing Phone #: 732-774-0303

Billing Address: 500 Malterer Ave. Oceanport, NJ Billing Fax #:

Number of Roads to be utilized: _____ Number of officers requested: 1

Applicants must return this application to the Borough Clerk's Office, after which it will be forwarded to the Oceanport Police Department Traffic Safety Bureau for review. Once received, the event contact person will be contacted to meet or speak with the Traffic Safety Officer to discuss what will be required, prior to approval of the event.

NOTE: A map of the area, course or event may be required by Oceanport Police Department Traffic Safety Officer.

The number of officers required will be determined by the Oceanport Police Department based upon the type of event and the roadways affected.

Application fees listed at the end of this form do not include the fees required for traffic/security control officers as required by the Oceanport Police Department. Any traffic/security control fees required shall be submitted into escrow prior to the event date. An escrow sheet will be provided with the estimated cost for traffic/security control. If, during the course of the event, additional traffic control and or security is required, the event billing contact shall be required to submit the additional fees without delay. Any unused fees will be returned to the event billing contact.

APPLICABLE BOROUGH CODES:

§ 326-1: Road closure or traffic control; permit required.

Any event requesting or requiring the closure of any road or requiring traffic control within the Borough for any amount of time shall be required to apply for a permit.

A. Events shall include, but not be limited to: sporting events, concerts, sales, and/or any other type that would cause traffic to be increased or altered.
B. It shall be the determination of the Oceanport Police Department Traffic Safety Bureau, hereafter referred to as Traffic Safety, whether the closure of a road, traffic controls or traffic officers are required.
C. The number of roads closed or requiring traffic control shall be determined by Traffic Safety.
D. The method and number of traffic control devices and/or officers shall be determined by Traffic Safety.

RESOLUTION OF THE BOROUGH OF OCEANPORT AUTHORIZING PARTICIPATION IN INTRA-COUNTY MUTUAL AID AND ASSISTANCE AGREEMENTS WITH PARTICIPATING UNITS IN THE COUNTY OF MONMOUTH

Resolution #2019-104
04/16/19

WHEREAS, the Uniform Shared Services and Consolidation Act, N.J.S.A. 40A:65-1 et. Seq., ("Act") provides that any local governmental unit may enter into a contract with any other local governmental unit to provide or receive any service that each local unit is empowered to provide or receive within its own jurisdiction; and

WHEREAS, mutual aid and assistance agreements between municipalities, counties, law enforcement agencies, police, emergency medical service, fire departments, fire companies, or EMS organizations and fire departments situated in fire districts operated by a Board of Fire Commissioners, are permitted pursuant to N.J.S.A. 40A: 14-26 and 40A: 14-156.1; and

WHEREAS, the President in Homeland Security Directive (HSPD-5), directed the Secretary of the Department of Homeland Security to develop and administer a National Incident Management System ("NIMS"), which would provide a consistent nationwide approach to Federal, State, local and tribal governments to work together more effectively and efficiently to prevent, prepare for, respond to and recover from domestic incidents, regardless of cause, size or complexity; and

WHEREAS, "The New Jersey Civilian Defense and Disaster Control Act" App.A9-33 et. seq., provides for the health, safety and welfare of the people of the State of New Jersey during any emergency by centralizing control of all civilian activities having to do with such emergency giving the Governor control over the resources of each and every political subdivision to cope with any condition that shall arise out of such emergency; and

WHEREAS, The Director of the Division of Fire Safety in the Department of Community Affairs promulgated rules in accordance with the "Fire Service Resource Emergency Deployment Act," N.J.A.C. 52:14E-11 et. seq., commonly referred to as the "Fire Service Resource Emergency Deployment Regulations" N.J.A.C. 5:75A et. seq.; and

WHEREAS, the Borough Council of the Borough of Oceanport deem it to be in the best interests of the Borough of Oceanport to enter into Mutual Aid and Assistance Agreements with governmental entities throughout Monmouth County and all of their departments, authorities, boards, commissions and other functions under the auspices of each participating governmental entity including but not limited to, law enforcement, public works, emergency medical services, emergency management, human services, hazardous materials response units technical or special operations teams, Community Emergency Response Team ("CERT") members, Medical Reserve Corps ("MRC") members or other volunteers and other jurisdictions defined "local governments" in the Homeland Security Act of 2002; and

WHEREAS, N.J.S.A. 40A: 14-26 AND 156.1 et seq. has authorized interjurisdictional mutual aid; and

WHEREAS, the Borough Council of the Borough of Oceanport and the Participating Units recognize the benefit of entering into an Agreement for mutual aid and assistance with each other to protect against loss, damage or destruction by fire, civil unrest, hazardous material, major criminal or emergency events, natural and man-made disaster or catastrophe and to address those situations when additional aid and assistance is needed to protect the best interests of the persons and property of each individual jurisdiction.

NOW, THEREFORE, BE IT RESOLVED that the Intra-County Mutual Aid and Assistance Agreements between the Borough of Oceanport and Participating Units be and are hereby accepted.

BE IT FURTHER RESOLVED that the Mayor of the Borough of Oceanport and Coordinator of the Oceanport Office of Emergency Management are authorized to execute the Intra-County Mutual Aid and Assistance Agreements once they have been authorized and executed by each Participating Unit.

BE IT FURTHER RESOLVED that the Coordinator of the Oceanport Office of Emergency Management forward a certified true copy of this resolution to the Monmouth County Sheriff; Office of Emergency Management Coordinator; and all departments within the Borough of Oceanport and the Oceanport Board of Education.

I certify that the foregoing Resolution #2019-104 was adopted by the Oceanport Governing Body at the Regular Meeting held April 16, 2019

_____
JEANNE SMITH, RMC
BOROUGH CLERK

RESOLUTION OF THE BOROUGH OF OCEANPORT
AUTHORIZING THE PURCHASE OF PLAYGROUND EQUIPMENT

Resolution #2019-105
04/16/19

WHEREAS, the Borough of Oceanport has need to purchase playground equipment for the replacement and/or repair of playground facilities for Blackberry Bay, Charles and Community Center Parks available only through Whirl Construction Inc., originator of the existing equipment; and

WHEREAS, the Borough of Oceanport desires to procure said equipment and services by means of a non-fair and open contract pursuant to the provisions of N.J.S.A. 19:44A-20.B; and,

WHEREAS, the Borough has determined that the value of the services will exceed $17,500.00.

WHEREAS, the anticipated term of this contract is the period January 1, 2019 through December 31, 2019; and

WHEREAS, Whirl Construction Inc. shall submit a Business Entity Disclosure Certification and Political Contribution Disclosure Form which certifies that Whirl Construction Inc. has not made any reportable contributions to a political or candidate committee in the Borough of Oceanport in the previous one year, and the contract will prohibit Whirl Construction Inc from making any reportable contributions through the term of the contract, and;

NOW THEREFORE, BE IT RESOLVED, by the Mayor and Council of the Borough of Oceanport, County of Monmouth, State of New Jersey that:

1. Whirl Construction Inc. be awarded a contract for the provision of repairs and replacement of various playground equipment for Blackberry Bay, Charles and Community Center Parks for CY2019 an amount not to exceed $40,000.00 subject to receipt of the required certifications.
2. Whirl Construction Inc. is prohibited from making any contribution to a political or candidate committee during the term of this appointment.
3. The Mayor and Borough Clerk are hereby authorized to enter into a contract on behalf of the Borough of Oceanport.
4. That the within Resolution shall be subject to the Borough CFO confirming that funds are available for the stated purpose.

BE IT FURTHER RESOLVED that the Business Disclosure Entity Certification and Political Contribution Disclosure Form be placed on file with said contract.

BE IT FURTHER RESOLVED that a summary of the above shall be published in The Link News as required by law within 10 days of its passage.

CERTIFICATION OF FUNDS

As required by N.J.A.C. 5:34-5.1 et. seq., I, Catherine D. LaPorta, Chief Financial Officer of the Borough of Oceanport, hereby certify sufficient funds are available in Account **#06-270-00-500-020** for the purposes stated herein.

Catherine D. LaPorta, CFO

I certify that the foregoing Resolution #2019-105 was adopted by the Oceanport Governing Body at the Regular Meeting held April 16, 2019

_____
JEANNE SMITH, RMC
BOROUGH CLERK

Whirl
Construction, Inc.
ESTABLISHED 1982

194 Main Street, P.O. Box 110, Port Monmouth, NJ 07758
Phone (732) 495-3715 • Fax (732) 495-6133
Email: info@whirlconstruction.net
www.whirlconstruction.net

PROPOSAL/ AGREEMENT

Borough of Oceanport DPW	**Ph: 848-459-2146 Publicworks@oceanportboro.com**	**3-15-19**
PROPOSAL SUBMITTED TO	*PHONE*	*DATE*
315 E Main Street	**Oceanport, New Jersey 07757**	**032419**
STREET	*CITY STATE ZIP*	*QUOTE#*
Max Lopez	**Charles Park - swings**	**Oceanport**
ATTN	*JOB NAME*	*LOCATION*

We hereby submit specifications and estimates for:

Install Only-

Two (2) expression swings #5128 on existing swing frame.....$600.00

THIS FORM MUST BE SIGNED AND RETURNED TO SCHEDULE INSTALLATION

Notes: Unless otherwise stated, Whirl is not responsible for accepting delivery or storage of equipment, or site preparation. Permit(s) and permit fees, if required, are the responsibility of the customer . Site security for rubber safety surface installation by others. Sharp objects (i.e., sports spikes, heeled shoes, etc.) will damage rubber surface and void surface warranties. Unforeseen subsurface obstructions may incur additional charges. The owner or general contractor shall hold Whirl harmless in the event of injury due to lack of, or insufficient, resilient surface. Customer is responsible for disposal of packing material. All excavated material is to remain on site. Unless otherwise stated, it is assumed that we are working on a flat, dirt surface. Owner is responsible for direct access to site for large trucks. All work is to be done in one move. Customer is responsible for locating any privately owned utilities. Any unmarked utilities damaged during contracted work will be the responsibility of the owner or his representative. **ALL** Equipment Installed Per Manufacturers' Specifications. Finance charge of 1.5% will be added where applicable on payments rec'd after net 30 days. Add tax where applicable.

We propose: hereby to furnish material and labor - complete in accordance with above specifications, for the sum of:
Six Hundred Dollars..... DOLLAR **$600.00**

Payment to be made as follows:

Purchase order due with signed proposal.

All material is guaranteed specified. All work is to be completed in a workmanlike manner according to standard practice. Any alteration or division from above specifications involving extra costs will be executed upon written orders, and will become an extra charge over and above the estimate. All agreements are contingent upon strikes, accidents or delays beyond our control. Owner is to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workman's Compensation Insurance.

Authorized Signature: *Jim Davis*
Jim Davis

Note: This proposal maybe withdrawn by us if not accepted within 30 days.

Acceptance of proposal: The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payments will be made as outlined above.

WARRANTY OF AUTHORITY- Each person who executes this contract on behalf of any entity represents and warrants that he or she has the authority of the shareholders, and/or members, and/ or officers, to execute on behalf of said entity, and agrees to indemnify and hold harmless each other party from any claim that such authority did not exist.

APPLICABLE LAW- All parties to this contract hereby agree that this cointract is to be deemed accepted, executed and delivered in the Township of Middletown, County of Monmouth, State of New Jersey and that this contract shall be governed by, construed, and enforced in accordance with the laws of the State of New Jersey, without giving effect to the principles of conflicts of law.

AMENDMENTS- Any amendments to this contract shall be in writing and signed by both parties.
CAPTIONS- The captions, headings, and arrangements used in this contract are for the convenience only and do not in any way effect, limit, amplify, or modify the terms and provisions hereof.

NOTICES- Any notice required or desired to be given pursuant to this contract shall be in writing and mailed certified mail to the respective parties.

BINDING EFFECT- This contract shall be in binding on all parties hereto, and shall insure to the benefit of the successors and assigns of the parties hereto.

CONSTRUCTION- Each party to this contract has reviewed this contract prior to execution. Accordingly, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party and shall not be employed in the interpretation of this contract.

EFFECT OF BREACH OF CONTRACT- In the event either party breaches this contract, either party may avail itself of all remedies provided by law or equity.

ATTORNEY'S FEES- In the event of a breach of this contract, the prevailing party shall be entitled to reasonable attorney's fees in connection with the enforcement, and/or defense of this contract.

ENTIRE CONTRACT- This contract constitutes the parties complete and exclusive statement of their contract on the subject matter covered by this contract, and it supersedes all previous contracts, promises, and/or representations regarding the subject matter.

Date of acceptance: 4-5-19

Signature: Max Lopez

Title: Foreman
Borough of Oceanport

Print name: Max Lopez

Whirl Construction, Inc.
ESTABLISHED 1982

194 Main Street, P.O. Box 110, Port Monmouth, NJ 07758
Phone (732) 495-3715 • Fax (732) 495-6133
Email: info@whirlconstruction.net
www.whirlconstruction.net

PROPOSAL / AGREEMENT

Borough of Oceanport DPW	**Ph: 848-459-2146** **Publicworks@oceanportboro.com**	**4-5-19**
PROPOSAL SUBMITTED TO	*PHONE*	*DATE*
315 E Main Street	**Oceanport, New Jersey 07757**	**074018B**
STREET	*CITY STATE ZIP*	*QUOTE#*
Max Lopez	**Charles Park - repairs**	**Oceanport**
ATTN	*JOB NAME*	*LOCATION*

We hereby submit specifications and estimates for:

Install only :

One (1) "Whale" Saddle Mate only.....$410.00
One (1) Coil Spring Mount
Hardware only package for Saddlemate: top and bottom
mounting plates, foot petals, spring and hardware complete.....$256.25
One (1) Gametime Telescope on existing Boat Bow..... $256.25
Four (4) Ganzas - under Gametime warranty.....$256.25
*(Please Note: Gametime will provide replacement Ganzas.)

THIS FORM MUST BE SIGNED AND RETURNED TO SCHEDULE INSTALLATION

Notes: Unless otherwise stated, Whirl is not responsible for accepting delivery or storage of equipment, or site preparation. Permit(s) and permit fees, if required, are the responsibility of the customer . Site security for rubber safety surface installation by others. Sharp objects (i.e., sports spikes, heeled shoes, etc.) will damage rubber surface and void surface warranties. Unforeseen subsurface obstructions may incur additional charges. The owner or general contractor shall hold Whirl harmless in the event of injury due to lack of, or insufficient, resilient surface. Customer is responsible for disposal of packing material. All excavated material is to remain on site. Unless otherwise stated, it is assumed that we are working on a flat, dirt surface. Owner is responsible for direct access to site for large trucks. All work is to be done in one move. Customer is responsible for locating any privately owned utilities. Any unmarked utilities damaged during contracted work will be the responsibility of the owner or his representative. **ALL** Equipment Installed Per Manufacturers' Specifications. Finance charge of 1.5% will be added where applicable on payments rec'd after net 30 days. Add tax where applicable.

We propose: hereby to furnish material and labor - complete in accordance with above specifications, for the sum of:

One Thousand One Hundred Seventy-Eight Dollars and Seventy-five cents..... DOLLAR **$1,178.75**

Payment to be made as follows:

Purchase order due with signed proposal.

All material is guaranteed specified. All work is to be completed in a workmanlike manner according to standard practice. Any alteration or division from above specifications involving extra costs will be executed upon written orders, and will become an extra charge over and above the estimate. All agreements are contingent upon strikes, accidents or delays beyond our control. Owner is to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workman's Compensation Insurance.

Authorized Signature: *Jim Davis*
Jim Davis

Note: This proposal maybe withdrawn by us if not accepted within 30 days.

Acceptance of proposal: The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payments will be made as outlined above.

WARRANTY OF AUTHORITY- Each person who executes this contract on behalf of any entity represents and warrants that he or she has the authority of the shareholders, and/or members, and/ or officers, to execute on behalf of said entity, and agrees to indemnify and hold harmless each other party from any claim that such authority did not exist.

APPLICABLE LAW- All parties to this contract hereby agree that this contract is to be deemed accepted, executed and delivered in the Township of Middletown, County of Monmouth, State of New Jersey and that this contract shall be governed by, construed, and enforced in accordance with the laws of the State of New Jersey, without giving effect to the principles of conflicts of law.

AMENDMENTS- Any amendments to this contract shall be in writing and signed by both parties.
CAPTIONS- The captions, headings, and arrangements used in this contract are for the convenience only and do not in any way effect, limit, amplify, or modify the terms and provisions hereof.

NOTICES- Any notice required or desired to be given pursuant to this contract shall be in writing and mailed certified mail to the respective parties.

BINDING EFFECT- This contract shall be in binding on all parties hereto, and shall insure to the benefit of the successors and assigns of the parties hereto.

CONSTRUCTION- Each party to this contract has reviewed this contract prior to execution. Accordingly, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party and shall not be employed in the interpretation of this contract.

EFFECT OF BREACH OF CONTRACT- In the event either party breaches this contract, either party may avail itself of all remedies provided by law or equity.

ATTORNEY'S FEES- In the event of a breach of this contract, the prevailing party shall be entitled to reasonable attorney's fees in connection with the enforcement, and/or defense of this contract.

ENTIRE CONTRACT- This contract constitutes the parties complete and exclusive statement of their contract on the subject matter covered by this contract, and it supersedes all previous contracts, promises, and/or representations regarding the subject matter.

Date of acceptance: _____ Signature: _____

Title: _____ Print name: _____

Whirl Construction, Inc.
ESTABLISHED 1982

194 Main Street, P.O. Box 110, Port Monmouth, NJ 07758
Phone (732) 495-3715 • Fax (732) 495-6133
Email: info@whirlconstruction.net
www.whirlconstruction.net

PROPOSAL / AGREEMENT

Borough of Oceanport DPW	**Ph: 848-459-2146** **Publicworks@oceanportboro.com**	**03-25-19**
PROPOSAL SUBMITTED TO	*PHONE*	*DATE*
315 E Main Street	**Oceanport, New Jersey 07757**	**073718A**
STREET	*CITY STATE ZIP*	*QUOTE#*
Max Lopez	**Blackberry Bay Park -repairs**	**Oceanport**
ATTN	*JOB NAME*	*LOCATION*

We hereby submit specifications and estimates for:

Blackberry Bay Park -
Remove and Dispose: One (1) Triangle Deck; One (1) Clatterbridge
One (1) 32" deck with steps; One (1) 16" square transfer deck with steps;

Supply and Install: One (1) 32" Triangle Deck; Two (2) Pipe Barriers to close off Clatterbridge; One (1) 32" square deck with steps;
One (1) 16" Square Deck with steps and hardware.....$10,916.25

Option A:
Remove and dispose of existing Clatterbridge;
Supply and Install: One (1) new Clatterbridge.....$ 7,641.37

THIS FORM MUST BE SIGNED AND RETURNED TO SCHEDULE INSTALLATION
Notes: Unless otherwise stated, Whirl is not responsible for accepting delivery or storage of equipment, or site preparation. Permit(s) and permit fees, if required, are the responsibility of the customer . Site security for rubber safety surface installation by others. Sharp objects (i.e., sports spikes, heeled shoes, etc.) will damage rubber surface and void surface warranties. Unforeseen subsurface obstructions may incur additional charges. The owner or general contractor shall hold Whirl harmless in the event of injury due to lack of, or insufficient, resilient surface. Customer is responsible for disposal of packing material. All excavated material is to remain on site. Unless otherwise stated, it is assumed that we are working on a flat, dirt surface. Owner is responsible for direct access to site for large trucks. All work is to be done in one move. Customer is responsible for locating any privately owned utilities. Any unmarked utilities damaged during contracted work will be the responsibility of the owner or his representative. **ALL** Equipment Installed Per Manufacturers' Specifications. Finance charge of 1.5% will be added where applicable on payments rec'd after net 30 days. Add tax where applicable.

We propose: hereby to furnish material and labor - complete in accordance with above specifications, for the sum of:
Please select and initial above option(s) DOLLAR _____

Payment to be made as follows:
Purchase order due with signed proposal.

All material is guaranteed specified. All work is to be completed in a workmanlike manner according to standard practice. Any alteration or division from above specifications involving extra costs will be executed upon written orders, and will become an extra charge over and above the estimate. All agreements are contingent upon strikes, accidents or delays beyond our control. Owner is to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workman's Compensation Insurance.

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ESTABLISHED 1982

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www.whirlconstruction.net

PROPOSAL / AGREEMENT

Borough of Oceanport DPW	**Ph: 848-459-2146 Publicworks@oceanportboro.com**	**03-25-19**
PROPOSAL SUBMITTED TO	*PHONE*	*DATE*
315 E Main Street	**Oceanport, New Jersey 07757**	**073818A**
STREET	*CITY STATE ZIP*	*QUOTE#*
Max Lopez	**Evergreen Park - repairs**	**Oceanport**
ATTN	*JOB NAME*	*LOCATION*

We hereby submit specifications and estimates for:

Remove and Replace : Four (4) Coated Chains and Two (2) pull up chains;
Supply and Install :
Four (4) Coated chains.....$991.42
Two (2) Pull up chains.....$256.25

THIS FORM MUST BE SIGNED AND RETURNED TO SCHEDULE INSTALLATION
Notes: Unless otherwise stated, Whirl is not responsible for accepting delivery or storage of equipment, or site preparation. Permit(s) and permit fees, if required, are the responsibility of the customer . Site security for rubber safety surface installation by others. Sharp objects (i.e., sports spikes, heeled shoes, etc.) will damage rubber surface and void surface warranties. Unforeseen subsurface obstructions may incur additional charges. The owner or general contractor shall hold Whirl harmless in the event of injury due to lack of, or insufficient, resilient surface. Customer is responsible for disposal of packing material. All excavated material is to remain on site. Unless otherwise stated, it is assumed that we are working on a flat, dirt surface. Owner is responsible for direct access to site for large trucks. All work is to be done in one move. Customer is responsible for locating any privately owned utilities. Any unmarked utilities damaged during contracted work will be the responsibility of the owner or his representative. **ALL** Equipment Installed Per Manufacturers' Specifications. Finance charge of 1.5% will be added where applicable on payments rec'd after net 30 days. Add tax where applicable.

We propose: hereby to furnish material and labor - complete in accordance with above specifications, for the sum of:
Please select and initial above option(s) DOLLAR _____

Payment to be made as follows:

Purchase order due with signed proposal.

All material is guaranteed specified. All work is to be completed in a workmanlike manner according to standard practice. Any alteration or division from above specifications involving extra costs will be executed upon written orders, and will become an extra charge over and above the estimate. All agreements are contingent upon strikes, accidents or delays beyond our control. Owner is to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workman's Compensation Insurance.

Authorized Signature: _____*Jim Davis*_____ Note: This proposal maybe withdrawn by us if not accepted within 30 days.
Jim Davis

Acceptance of proposal: The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payments will be made as outlined above.

Whirl Construction, Inc.
ESTABLISHED 1982

194 Main Street, P.O. Box 110, Port Monmouth, NJ 07758
Phone (732) 495-3715 • Fax (732) 495-6133
Email: info@whirlconstruction.net
www.whirlconstruction.net

PROPOSAL / AGREEMENT

Borough of Oceanport DPW	**Ph: 848-459-2146** **Publicworks@oceanportboro.com**	**03-25-19**
PROPOSAL SUBMITTED TO	*PHONE*	*DATE*
315 E Main Street	**Oceanport, New Jersey 07757**	**073918A**
STREET	*CITY STATE ZIP*	*QUOTE#*
Max Lopez	**Oceanport Community Center**	**Oceanport**
ATTN	*JOB NAME*	*LOCATION*

We hereby submit specifications and estimates for:

Supply and Install - Little Tikes equipment as follows:	Parts	Labor
Two (2) Transfer Decks	$ 984.00	$ 615.00
One (1) ½ Hex Deck	$1,860.37	$ 410.00
One (1) Tri Deck	$ 845.62	$ 410.00
One (1) Steering Wheel, panel mount	$ 333.12	$ 256.25
Touch up		$ 15.37
Four (4) Chains – 68" long	$ 123.00	$ 102.50
	$ 4,146.11	$1,809.12

THIS FORM MUST BE SIGNED AND RETURNED TO SCHEDULE INSTALLATION

Notes: Unless otherwise stated, Whirl is not responsible for accepting delivery or storage of equipment, or site preparation. Permit(s) and permit fees, if required, are the responsibility of the customer . Site security for rubber safety surface installation by others. Sharp objects (i.e., sports spikes, heeled shoes, etc.) will damage rubber surface and void surface warranties. Unforeseen subsurface obstructions may incur additional charges. The owner or general contractor shall hold Whirl harmless in the event of injury due to lack of, or insufficient, resilient surface. Customer is responsible for disposal of packing material. All excavated material is to remain on site. Unless otherwise stated, it is assumed that we are working on a flat, dirt surface. Owner is responsible for direct access to site for large trucks. All work is to be done in one move. Customer is responsible for locating any privately owned utilities. Any unmarked utilities damaged during contracted work will be the responsibility of the owner or his representative. ALL Equipment Installed Per Manufacturers' Specifications. Finance charge of 1.5% will be added where applicable on payments rec'd after net 30 days. Add tax where applicable.

We propose: hereby to furnish material and labor - complete in accordance with above specifications, for the sum of:

Please select and initial above option(s) DOLLAR _____

Payment to be made as follows:

Purchase order due with signed proposal.

All material is guaranteed specified. All work is to be completed in a workmanlike manner according to standard practice. Any alteration or division from above specifications involving extra costs will be executed upon written orders, and will become an extra charge over and above the estimate. All agreements are contingent upon strikes, accidents or delays beyond our control. Owner is to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workman's Compensation Insurance.

ORDINANCE

AN ORDINANCE OF THE BOROUGH OF OCEANPORT, COUNTY OF MONMOUTH, STATE OF NEW JERSEY ESTABLISHING A CAP BANK FOR 2019 CALENDAR YEAR (N.J.S.A. 40A:4-45.14)

WHEREAS, the Local Government Cap Law, N.J.S. 40A:4-45.1 et.seq., provides that in the preparation of its annual budget, a municipality shall limit any increase in said final budget appropriations to 2.50% unless authorized by ordinance to increase it to 3.5% over the previous years final appropriations; and,

WHEREAS, a municipality may, by ordinance, bank the difference between its final budget appropriations and the 3.5% increase authorized by this ordinance when said difference is not appropriated as part of the final budget; and,

WHEREAS, the Borough Council of the Borough of Oceanport, County of Monmouth, hereby determines that this difference in the amount of $63,980.48 that is not appropriated as part of the final 2019 budget shall be retained as an exception to the final appropriations in either of the next two succeeding years.

NOW THEREFORE BE IT ORDAINED, that any amount authorized herein above that is not appropriated as part of the final budget shall be retained as an exception to final appropriation in either of the next two succeeding years; and,

BE IT FURTHER ORDAINED, that a certified copy of this ordinance as introduced be filed with the Director of the Division of Local Government Services within 5 days of introduction; and

BE IT FURTHER ORDAINED, that a certified copy of this ordinance upon adoption, with the recorded vote included thereon, be filed with said Director within 5 days after such adoption.

APPROVED ON FIRST READING
DATED: April 16, 2019

JEANNE SMITH
Clerk of the Borough of Oceanport

ADOPTED ON SECOND READING
DATED: April 16, 2019

JEANNE SMITH
Clerk of the Borough of Oceanport

APPROVAL BY THE MAYOR ON THIS _____DAY OF _____.

JOHN F. COFFEY, II
Mayor

RESOLUTION OF THE BOROUGH OF OCEANPORT
INTRODUCING THE MUNICIPAL BUDGET FOR THE YEAR 2019

Resolution #2019-106
04/16/19

BE IT RESOLVED that the following statements of revenues and appropriations shall constitute the municipal budget for the year 2019.

BE IT FURTHER RESOLVED that a summary of said budget be published in The Link News in the issue of April 18, 2019**,** and that a public hearing on the Budget will be held on May 16, 2019 at 7:00pm in the Maple Place School, 2 Maple Place, Oceanport, New Jersey.

BE IT FURTHER RESOLVED, that the governing body does hereby approve the following as the Budget for the Year 2019.

I certify that the foregoing Resolution #2019-106 was adopted by the Oceanport Governing Body at the Regular Meeting held April 16, 2019

_____
JEANNE SMITH, RMC
BOROUGH CLERK

RESOLUTION OF THE BOROUGH OF OCEANPORT
AUTHORIZING CONDUCTING ANNUAL BUDGET EXAMINATION

Resolution #2019-107
04/16/19

WHEREAS, N.J.S.A. 40A:4-78b has authorized the Local Finance Board to adopt rules that permit municipalities in sound fiscal condition to assume the responsibility, normally granted to the Director of the Division of Local Government Services, of conducting the annual budget examination, and

WHEREAS, N.J.A.C. 5:30-7 was adopted by the Local Finance Board on February 11, 1997, and

WHEREAS, pursuant to N.J.A.C. 5:30-7.2 thru 7.5 the Borough of Oceanport has been declared eligible to participate in the program by the Division of Local Government Services, and the Chief Financial Officer has determined that the Borough meets the necessary conditions to participate in the program for the 2019 budget year, so now therefore

BE IT RESOLVED, by the Mayor and Council of the Borough of Oceanport that in accordance with N.J.A.C. 5:30-7.6a & b and based upon the Chief Financial Officers certification. The governing body has found the budget has met the following requirements:

1. That with reference to the following items, the amounts have been calculated pursuant to law and appropriated as such in the budget:

    a. Payment of interest and debt redemption charges
    b. Deferred charges and statutory expenditures
    c. Cash deficit of preceding year
    d. Reserve for uncollected taxes
    e. Other reserves and non-disbursement items
    f. Any inclusions of amounts required for school purposes

2. That the provisions relating to limitation on increases of appropriations pursuant to N.J.S.A. 40A:4-45.2 and appropriations for exceptions to limits on appropriations found at 40A:4-45.3 et seq. are fully met. (Complies with the "CAP" law.)

3. That the budget is in such form arrangement, and content as required by the Local Budget Law and N.J.A.C. 5:30-4 and 5:30-5.

4. That pursuant to the Local Budget Law:

    a. All estimates of revenue are reasonable, accurate, and correctly stated
    b. Items of appropriation are properly set forth
    c. In itemization, form, arrangement, and content the budget will permit the exercise of the comptroller function within the municipality.

5. The budget and associated amendments have been introduced, publicly advertised, and adopted in accordance with the relevant provisions of the Local Budget Law, except that failure to meet the deadlines of N.J.S.A. 40A:4-5 shall not prevent such certification.

6. That all other applicable statutory requirements have been fulfilled.

BE IT FURTHER RESOLVED, that a copy of this resolution be forwarded to the Director of the Division of Local Government Services.

CERTIFICATION OF APPROVED BUDGET

It is hereby certified that the Approved Budget complies with the requirements of law and approval is given pursuant to N.J.S.A. 40A:4-78(b) and NJAC 5:30-7.

It is further certified that the municipality has met the eligibility requirements of NJAC 5:30-7.4 and 7.5, and that I, as Chief Financial Officer, have completed the local examination in compliance with NJAC 5:30-7.6.

Catherine D. LaPorta, CFO

I certify that the foregoing Resolution #2019-107 was adopted by the Oceanport Governing Body at the Regular Meeting held April 16, 2019

JEANNE SMITH, RMC
BOROUGH CLERK

ORDINANCE

BOND ORDINANCE PROVIDING FOR VARIOUS 2019 GENERAL CAPITAL IMPROVEMENTS, BY AND IN THE BOROUGH OF OCEANPORT, IN THE COUNTY OF MONMOUTH, STATE OF NEW JERSEY; APPROPRIATING $1,132,000 THEREFOR (INCLUDING A GRANT FROM THE NEW JERSEY DEPARTMENT OF TRANSPORTATION IN THE AMOUNT OF $200,000) AND AUTHORIZING THE ISSUANCE OF $875,400 BONDS OR NOTES TO FINANCE PART OF THE COST THEREOF

BE IT ORDAINED AND ENACTED BY THE BOROUGH COUNCIL OF THE BOROUGH OF OCEANPORT, IN THE COUNTY OF MONMOUTH, STATE OF NEW JERSEY (not less than two-thirds of all the members thereof affirmatively concurring), **AS FOLLOWS:**

SECTION 1. The improvements or purposes described in Section 3 of this bond ordinance are hereby authorized to be undertaken by the Borough of Oceanport, in the County of Monmouth, State of New Jersey (the "Borough") as general capital improvements. For the said improvements or purposes stated in Section 3, there is hereby appropriated the sum of $1,132,000, which appropriation is inclusive of a grant from the New Jersey Department of Transportation in the amount of $200,000 (the "Grant") and $56,600 as the aggregate amount of down payment for said improvements or purposes required by the Local Bond Law, N.J.S.A. 40A:2-1 et seq. (the "Local Bond Law"). Said down payment is now available therefor by virtue of a provision or provisions in a previously adopted budget or budgets of the Borough for down payment or for capital improvement purposes.

SECTION 2. For the financing of said improvements or purposes described in Section 3 hereof and to meet the part of said $1,132,000 appropriation not provided for by application hereunder of said down payment or the Grant, negotiable bonds of the Borough are hereby authorized to be issued in the principal amount of $875,400 pursuant to the Local Bond Law. In anticipation of the issuance of said bonds and to temporarily finance said improvements or purposes, negotiable notes of the Borough in a principal amount not exceeding $875,400 are hereby authorized to be issued pursuant to and within the limitations prescribed by the Local Bond Law.

SECTION 3. (a) The improvements hereby authorized and purposes for the financing of which said bonds or notes are to be issued, include, but are not limited to, as follows:

Description	Appropriation	Authorization	Down Payment	Useful Life
(i) **Roads** - Various Road	$1,094,000	$839,300	$54,700	15 years

Improvements Throughout The Borough, Including, But Not Limited To, Improvements To Main Street (Phase 3) And Bridgewater Drive, Winhar Place, Relwof Avenue, Milton Avenue, and Hedge Drive, Which Improvements Shall Include, But Not Be Limited To, As Applicable, Excavation, Milling, Paving, Reconstruction And Boxing Out And Resurfacing Or Full Depth Pavement Replacement, And Where Necessary, The Sealing Of Pavement Cracks, And Associated Repairing And/Or Installation Of Curb, Curb Ramps, Sidewalks, Driveway Aprons, Resetting Of Utility Castings, Drainage Work And Aesthetic Improvements; And	(inclusive of the Grant)			
(ii) **Equipment** - Acquisition and Installation, As Applicable, of Self-Contained Breathing Apparatus For First Responders.	$38,000	$36,100	$1,900	5 years
TOTALS	$1,132,000	$875,400	$56,600	

(b) All such improvements or purposes set forth in Section 3(a) shall include, but are not limited to, as applicable, all engineering and design work, surveying, construction planning, preparation of plans and specifications, permits, bid documents, construction inspection and contract administration, and all work, materials, equipment, labor and appurtenances necessary therefor or incidental thereto and all in accordance with the plans and specifications therefor on file in the Office of the Clerk of the Borough and available for public inspection and hereby approved.

(c) The estimated maximum amount of bonds or notes to be issued for said improvement or purpose is $875,400.

(d) The aggregate estimated cost of said improvements or purposes is $1,132,000, the excess thereof over the said estimated maximum amount of bonds or notes to be issued therefor is the down payment available for said purposes in the aggregate amount of $56,600, and the Grant in the amount of $200,000.

SECTION 4. Except for the Grant, in the event the United States of America, the State of

New Jersey, the County of Monmouth and/or a private entity, make a contribution or grant in aid to the Borough for the improvements and purposes authorized hereby and the same shall be received by the Borough prior to the issuance of the bonds or notes authorized in Section 2 hereof, then the amount of such bonds or notes to be issued shall be reduced by the amount so received from the United States of America, the State of New Jersey, the County of Monmouth and/or a private entity. Except for the Grant, in the event, however, that any amount so contributed or granted by the United States of America, the State of New Jersey, the County of Monmouth, and/or a private entity shall be received by the Borough after the issuance of the bonds or notes authorized in Section 2 hereof, then such funds shall be applied to the payment of the bonds or notes so issued and shall be used for no other purpose.

SECTION 5. All bond anticipation notes issued hereunder shall mature at such time as may be determined by the Chief Financial Officer of the Borough, provided that no note shall mature later than one (1) year from its date unless such bond anticipation notes are permitted to mature at such later date in accordance with applicable law. The notes shall bear interest at such rate or rates and be in such form as may be determined by the Chief Financial Officer. The Chief Financial Officer of the Borough shall determine all matters in connection with the notes issued pursuant to this bond ordinance, and the signature of the Chief Financial Officer upon the notes shall be conclusive evidence as to all such determinations. All notes issued hereunder may be renewed from time to time in accordance with the provisions of the Local Bond Law. The Chief Financial Officer is hereby authorized to sell part or all of the notes from time to time at public or private sale and to deliver them to the purchaser thereof upon receipt of payment of the purchase price and accrued interest thereon from their dates to the date of delivery thereof. The Chief Financial Officer is directed to report in writing to the governing body at the meeting next succeeding the date when any sale or delivery of the notes pursuant to this bond ordinance is made. Such report must include the principal amount, the description, the interest rate, the maturity schedule of the notes so sold, the price obtained and the name of the purchaser.

SECTION 6. The capital budget of the Capital Fund of the Borough is hereby amended to conform with the provisions of this bond ordinance, and to the extent of any inconsistency herewith, a resolution in the form promulgated by the Local Finance Board showing full detail of the amended Capital

Fund capital budget and capital programs as approved by the Director of the Division of Local Government Services in the New Jersey Department of Community Affairs will be on file in the Office of the Clerk and will be available for public inspection.

SECTION 7. The following additional matters are hereby determined, declared, recited and stated:

(a) The improvements or purposes described in Section 3 of this bond ordinance are not current expenses and are improvements or purposes which the Borough may lawfully undertake as general improvements or purposes, and no part of the cost thereof has been or shall be specially assessed on property specially benefited thereby.

(b) The average period of usefulness of said improvements or purposes within the limitations of said Local Bond Law, according to the reasonable life thereof computed from the date of the said bonds authorized by this bond ordinance, is 14.59 years.

(c) The supplemental debt statement required by the Local Bond Law has been duly made and filed in the Office of the Clerk of the Borough and a complete executed duplicate thereof has been filed in the Office of the Director of the Division of Local Government Services in the New Jersey Department of Community Affairs, and such statement shows that the gross debt of the Borough as defined in the Local Bond Law is increased by the authorization of the bonds or notes provided for in this bond ordinance by $875,400 and the said obligations authorized by this bond ordinance will be within all debt limitations prescribed by said Local Bond Law.

(d) An aggregate amount not exceeding $226,400 for items of expense listed in and permitted under N.J.S.A. 40A:2-20 is included in the estimated cost indicated herein for the purposes or improvements hereinbefore described.

SECTION 8. Unless paid from other sources, the full faith and credit of the Borough are hereby pledged to the punctual payment of the principal of and the interest on the obligations authorized by this bond ordinance. Unless paid from other sources, the obligations shall be direct, unlimited obligations of the Borough, and the Borough shall be obligated to levy *ad valorem* taxes upon all the taxable property within the Borough for the payment of the obligations and the interest thereon without

limitation as to rate or amount.

SECTION 9. The Borough hereby declares the intent of the Borough to issue the bonds or bond anticipation notes in the amount authorized in Section 2 of this bond ordinance and to use proceeds to pay or reimburse expenditures for the costs of the purposes described in Section 3 of this bond ordinance. This Section 9 is a declaration of intent within the meaning and for purposes of Treasury Regulations §1.150-2 or any successor provisions of federal income tax law.

SECTION 10. The Borough Chief Financial Officer is hereby authorized to prepare and to update from time to time as necessary a financial disclosure document to be distributed in connection with the sale of obligations of the Borough and to execute such disclosure document on behalf of the Borough. The Borough Chief Financial Officer is further authorized to enter into the appropriate undertaking to provide secondary market disclosure on behalf of the Borough pursuant to Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") for the benefit of holders and beneficial owners of obligations of the Borough and to amend such undertaking from time to time in connection with any change in law, or interpretation thereof, provided such undertaking is and continues to be, in the opinion of a nationally recognized bond counsel, consistent with the requirements of the Rule. In the event that the Borough fails to comply with its undertaking, the Borough shall not be liable for any monetary damages, and the remedy shall be limited to specific performance of the undertaking.

SECTION 11. The Borough covenants to maintain the exclusion from gross income under Section 103(a) of the Code of the interest on all bonds and notes issued under this ordinance.

SECTION 12. This bond ordinance shall take effect twenty (20) days after final adoption, and approval by the Mayor, as provided by the Local Bond Law.

APPROVED ON FIRST READING
DATED: April 16, 2019

JEANNE SMITH
Clerk of the Borough of Oceanport

ADOPTED ON SECOND READING
DATED: April 16, 2019

JEANNE SMITH
Clerk of the Borough of Oceanport

APPROVAL BY THE MAYOR ON THIS _____DAY OF _____.

JOHN F. COFFEY, II
Mayor

RESOLUTION OF THE BOROUGH OF OCEANPORT
APPOINTMENT OF A STREET SWEEPER OPERATOR

Resolution #2019-108
04/16/19

WHEREAS, there is a need in the Department of Public Works for an operator of the Borough's street sweeper on an as-needed basis and a minimum of one sweep per month of the State mandated areas of the borough taking approximately 3 days per month; and

WHEREAS, the Public Works & Engineering Committee has recommended the appointment of Joseph "Wes" Sherman to fill the position and Mr. Sherman is willing and able to accept the position.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the Borough of Oceanport, that Joseph "Wes" Sherman is hereby appointed to the Department of Public Works for the position of Street Sweeper Operator at a rate of $20.00 per hour in accordance with the Borough's salary ordinance.

BE IT RESOLVED, that a copy of this resolution shall be forwarded to the Public Works Foreman, Borough Administrator, Chief Financial Officer and the Payroll Clerk.

I certify that the foregoing Resolution #2019-108 was adopted by the Oceanport Governing Body at the Regular Meeting held April 16, 2019

_____
JEANNE SMITH, RMC
BOROUGH CLERK

ORDINANCE

AN ORDINANCE OF THE BOROUGH OF OCEANPORT, COUNTY OF MONMOUTH AND STATE OF NEW JERSEY AMENDING CHAPTER 279 OF THE CODE OF THE BOROUGH OF OCEANPORT, ENTITLED "PARKS AND RECREATION AREAS" PASSED AND APPROVED ON AUGUST 7, 2014 FOR THE RECOGNITION OF SHORE REGIONAL LITTLE LEAGUE BASEBALL AND SOFTBALL AS A BOROUGH-APPROVED RECREATION SPORTS ASSOCIATION

SECTION 1. BE IT ORDAINED by the Mayor and Council of the Borough of Oceanport that Chapter 279 entitled "Parks and Recreation Areas" be amended as follows:

NOTE: Additions are underlined and deletions are marked by strike through.

§ 279-7 Fee schedule.

B. Borough-approved recreation sports associations.

(1) Notwithstanding anything to the contrary set forth within the ordinances of the Borough of Oceanport, the Borough of Oceanport hereby recognizes the following entities as "Borough-approved recreation sports associations" and further recognizes that these entities are charged with the responsibility of planning, promoting, organizing and operating specific recreation sports programs on behalf of the Borough, for the benefit of the Borough, its residents and, in certain instances, the residents of neighboring communities:

a) Oceanport Soccer Association.
b) Oceanport Basketball Association.
c) Oceanport Roller Hockey Association.
d) Oceanport Baseball Association.
e) Oceanport Adult Athletic Association.
f) Oceanport Old Timers Softball Association (teams playing in the Two Rivers Softball League).
g) Shore Youth Lacrosse Association.
h) <u>Shore Regional Little League Baseball and Softball</u>

SECTION 2. All ordinances and resolutions or parts of ordinances and resolutions, inconsistent with this amending ordinance be and the same are hereby repealed.

SECTION 3. This amending ordinance shall become effective upon due passage and publication according to law.

APPROVED ON FIRST READING
DATED: April 16, 2019

JEANNE SMITH
Clerk of the Borough of Oceanport

ADOPTED ON SECOND READING
DATED: April 16, 2019

JEANNE SMITH
Clerk of the Borough of Oceanport

APPROVAL BY THE MAYOR ON THIS _____DAY OF _____.

JOHN F. COFFEY, II
Mayor

ORDINANCE

ORDINANCE OF THE BOROUGH OF OCEANPORT, IN THE COUNTY OF MONMOUTH, NEW JERSEY APPROVING AN APPLICATION FOR A LONG TERM TAX EXEMPTION AND AUTHORIZING THE EXECUTION OF A FINANCIAL AGREEMENT WITH OCEANPORT URBAN RENEWAL PRESERVATION, L.P.

WHEREAS, Oceanport Urban Renewal Preservation, L.P. (the "**Entity**") is the contract purchaser of the property identified on the official tax maps of the Borough of Oceanport (the "**Borough**") as Block 121, Lot 5 and commonly known as 274-278 East Main Street, Oceanport, New Jersey (the "**Property**"); and

WHEREAS, the Entity will acquire the Property and rehabilitate a 101-unit affordable, residential rental apartment building, including one non-revenue employee unit, for elderly and non-elderly residents with disabilities, which rehabilitation shall include façade repairs, roof replacement, concrete/paving repairs, additional site lighting, accessibility modifications, upgrades to common areas and renovation of all of the apartment units, as set forth in more detail in Exhibit C to the hereinafter defined Financial Agreement (collectively, the "**Project**"); and

WHEREAS, in order to enhance the economic viability of and opportunity for a successful Project, the Entity submitted to the Mayor an application (the "**Application**"), which is on file with the Borough Clerk, seeking tax exemption in connection with the Project pursuant to the Long Term Tax Exemption Law, *N.J.S.A.* 40A:20-1 *et seq.* (the "**Exemption Law**"), in exchange for which the Entity proposes to make payments to the Borough in lieu of taxes; and

WHEREAS, the Mayor submitted the Application and the financial agreement attached hereto as Exhibit A (the "**Financial Agreement**") to the Borough Council with his recommendation for approval, a copy of which recommendation is on file with the Borough Clerk; and

WHEREAS, the Borough Council has determined that the Project represents an undertaking permitted by the Exemption Law,

NOW, THEREFORE, BE IT ORDAINED BY THE BOROUGH COUNCIL OF THE BOROUGH OF OCEANPORT, NEW JERSEY AS FOLLOWS:

Section 1. The Application for tax exemption and Financial Agreement are hereby approved.

Section 2. The Mayor is hereby authorized to execute the Financial Agreement substantially in the form attached hereto as Exhibit A, subject to modification or revision as deemed necessary and appropriate after consultation with counsel.

Section 3. The Clerk of the Borough is hereby authorized and directed, upon execution of the Financial Agreement by the Mayor, to attest to the signature of the Mayor and to affix the corporate seal of the Borough upon such document.

Section 4. The Borough Clerk shall file certified copies of this ordinance and the Financial Agreement with the Tax Assessor of the Borough in accordance with Section 12 of the Exemption Law.

Section 5. In accordance with P.L. 2015, c. 247, within ten (10) calendar days following the later of the effective date of this ordinance or the execution of the Financial Agreement by the Entity, the Borough Clerk also shall transmit a certified copy of this ordinance and the Financial Agreement to the chief financial officer of Monmouth County and to the Monmouth County Counsel for informational purposes.

Section 6. The Mayor and Borough Clerk are hereby authorized to take such action and to execute such other documents, on behalf of the Borough, in consultation with Borough counsel, as is necessary to effectuate the terms of the Financial Agreement.

Section 7. If any part(s) of this ordinance shall be deemed invalid, such part(s) shall be severed and the invalidity thereby shall not affect the remaining parts of this ordinance.

Section 8. This ordinance shall take effect in accordance with applicable law.

APPROVED ON FIRST READING
DATED: April 4, 2019

JEANNE SMITH
Clerk of the Borough of Oceanport

ADOPTED ON SECOND READING
DATED: April 16, 2019

JEANNE SMITH
Clerk of the Borough of Oceanport

APPROVAL BY THE MAYOR ON THIS _____DAY OF _____.

JOHN F. COFFEY, II
Mayor

EXHIBIT A

FORM OF FINANCIAL AGREEMENT

FINANCIAL AGREEMENT FOR LONG TERM TAX EXEMPTION N.J.S.A. 40A:20-1 et seq.

by and between

BOROUGH OF OCEANPORT

and

OCEANPORT URBAN RENEWAL PRESERVATION, L.P.

Dated: April [25], 2019

THIS FINANCIAL AGREEMENT is made this [25th] day of April, 2019 (hereinafter this "Agreement" or "Financial Agreement") by and between **OCEANPORT URBAN RENEWAL PRESERVATION, L.P.** (the "Entity") a New Jersey limited partnership and an urban renewal entity qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, N.J.S.A. 40A:20-1 *et seq.*, as amended and supplemented (the "Exemption Law"), with offices at c/o Related Affordable, LLC, 60 Columbus Circle, New York, New York 10023; and the **BOROUGH OF OCEANPORT**, County of Monmouth, State of New Jersey, having an address at 313 East Main Street, Oceanport, New Jersey 07757 (the "Borough"; and together with the Entity, the "Parties" or "Party").

W I T N E S S E T H:

WHEREAS, the Entity is under contract to purchase that certain property identified as Block 121, Lot 5 on the official Tax Maps of the Borough and commonly known as 274-278 East Main Street, Oceanport, New Jersey 07757; and

WHEREAS, said Block 121, Lot 5 is as depicted in that certain metes and bounds description attached hereto as Exhibit A and hereby made a part hereof (the "Property"); and

WHEREAS, the Entity will acquire and rehabilitate the Property which rehabilitation shall include façade repairs, roof replacement, concrete/paving repairs, additional site lighting, accessibility modifications, upgrades to common areas and renovation of all of the apartment units, as set forth in more detail in Exhibit C (collectively, the "Project"); and

WHEREAS, in accordance with the Exemption Law, the Entity filed an application with the Borough for approval of a long term tax exemption (the "Long Term Tax Exemption") for the Project (the "Application"), a copy of which is annexed hereto and made a part hereof as Exhibit B; and

WHEREAS, on March 22, 2019, the Mayor recommended to the Governing Body that the Application be approved, provided that all legal prerequisites are met; and

WHEREAS, on April 18, 2019, by Ordinance No. [•] (the "Ordinance"), the Governing Body approved the Application, subject to the terms and conditions of this Financial Agreement and authorized the execution of this Financial Agreement; and

WHEREAS, pursuant to this Financial Agreement, the Borough and the Entity desire to set forth in detail their mutual rights and obligations with respect to the Long Term Tax Exemption; and

WHEREAS, the Governing Body has reviewed the Application and has made the following findings:

A. **Benefits of Project v. Costs.**

i. The development and construction of the Project will be beneficial to the overall community; will provide, maintain and improve quality affordable housing; will help revitalize the Property; will improve the quality of life for the community; will serve as a catalyst for further private investment in areas surrounding the Property and will enhance the economic development of the Borough.

ii. It is anticipated that the development of the Project will create approximately twenty-five (25) full-time equivalent construction jobs over the duration of the construction of the Project, as well as approximately two (2) full-time permanent job in connection with the operation of the Project.

iii. Prior to entry into this Financial Agreement, the Property was subject to a tax exemption pursuant to an Agreement for Annual Service Charge in Lieu of Property Taxation dated as of August 17, 1978, under the Limited Dividend Non-Profit Housing Corporation or Associations Law, as amended (N.J.S.A. 55:16 et seq.) (the "Prior Exemption"). In 2018, pursuant to the Prior Exemption, the Property, including the improvements thereon, generated at least $57,200 in municipal revenue. The Property has not been subject to conventional taxation since at least the year of commencement of the Prior Exemption. Pursuant to this Financial Agreement, in addition to the maintenance and improvement of affordable rental housing within the Borough, the Project is projected to generate revenue for the Borough in the first year of approximately $251,798, well in excess of the municipal revenue previously generated by the Property. The benefits to the Borough accruing as a result of the Project, including the provision of affordable housing, the generation of jobs, and the generation of municipal revenues, will substantially outweigh any incremental costs to the Borough resulting from the Long Term Tax Exemption granted herein.

B. **Importance of Long Term Tax Exemption.**

The Governing Body's approval of the Long Term Tax Exemption set forth herein is essential to the success of the Project because:

i. The relative stability and predictability of the Annual Service Charge (as defined herein) associated with the Project will make it more attractive to financial institutions whose participation is necessary in order to finance the Project.

ii. The relative stability and predictability of the Annual Service Charge will allow the Entity to provide a high level of maintenance for the Property and will have a positive impact on the surrounding area and community.

iii. The financial benefit conferred by the Long Term Tax Exemption supports the inclusion of affordable rental units on terms affordable to a mix of households with low and moderate incomes.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties to this Agreement mutually covenant and agree as follows:

ARTICLE I - GENERAL PROVISIONS

Section 1.1 Governing Law

This Financial Agreement shall be governed by the provisions of the Exemption Law, the Ordinance, and all other Applicable Laws (as defined herein). It is expressly understood and agreed that the Borough has relied upon the facts, data, and representations contained in the Application in granting the Long Term Tax Exemption and the Application is hereby incorporated into this Financial Agreement by reference.

Section 1.2 General Definitions and Construction

The recitals and exhibits to this Agreement are hereby incorporated by reference herein as if set forth at length. Unless specifically provided otherwise or the context otherwise requires, when used in this Agreement, the following terms and phrases shall have the following respective meanings:

a. **Affiliate** – With respect to any person or entity, any other person or entity directly or indirectly Controlling or Controlled by, or under direct common Control with, such person or entity.

b. **Agreement or Financial Agreement** – Shall have the meaning specified in the preamble hereof.

c. **Allowable Net Profit (also referred to as "ANP")** – The amount arrived at by applying the Allowable Profit Rate pursuant to the provisions of N.J.S.A. 40A:20-3.

d. **Allowable Profit Rate (also referred to as the "APR")** - The greater of twelve (12%) percent or the percentage per annum arrived at by adding one and one-quarter (1.25%) percent to the annual interest percentage rate payable on the Entity's initial permanent mortgage financing for the Project. If the initial permanent mortgage is insured or guaranteed by a governmental agency, the mortgage insurance premium or similar charge, if payable on a per annum basis, shall be considered as interest for this purpose. If there is no permanent mortgage financing or if the financing is internal or undertaken by a related party, the APR shall be the greater of twelve (12%) percent or the percentage per annum arrived at by adding one and one-quarter (1.25%) percent to the prevailing per annum interest rate on mortgage financing on comparable improvements within Monmouth County. The provisions of N.J.S.A. 40A:20-3(b) are incorporated herein by reference.

e. **Annual Gross Revenue (also referred to as the "AGR")** – Annual gross shelter rents actually collected by the Property, and other income, including income from parking,

laundry and other services, and State or Federal tenant subsidies and excluding the costs of gas, electricity, fuel, water, sewer, garbage removal and other utilities.

f. **Annual Service Charge (also referred to as the "ASC")** – The total annual amount that the Entity has agreed to pay the Borough for municipal services supplied to the Project, which sum is in lieu of any taxes on the Property and the Improvements pursuant to the Exemption Law, which amount shall be prorated in the year in which the Annual Service Charge begins and the year in which the Annual Service Charge terminates. The Annual Service Charge shall be calculated pursuant to Article IV hereof.

g. **Annual Audited Statement** - Shall mean a complete financial statement outlining the financial status of the Project, which shall also include a computation of Net Profit, Allowable Net Profit, and Annual Gross Revenue, prepared annually by the Entity's certified public accountant. The contents of each Annual Audited Statement shall be prepared in conformity with Generally Accepted Accounting Principles, the Exemption Law and this Financial Agreement.

h. **Applicable Law**: Shall mean any and all federal, State and local laws, rules, regulations, rulings, court orders, statutes and ordinances applicable to the Project and the Long Term Tax Exemption.

i. **Application** – Shall have the meaning specified in the recitals of this Financial Agreement.

j. **ASC Commencement Date** – The first day of the month immediately following the Substantial Completion of the Project.

k. **Control** – As used with respect to any person or entity, shall mean possession, directly or indirectly, of the power to direct or cause the direction of the management and operation of such person or entity, whether through the ownership of voting securities or by contract or other written agreements.

l. **Days** - Whenever the word "Days" is used to denote time, it shall mean calendar days.

m. **Debt Service** – The amount required to make annual payments of principal and interest or the equivalent thereof on any construction mortgage, permanent mortgage or other financing including returns on institutional equity financing and market rate related party debt for the Project for a period equal to the term of the Long Term Tax Exemption granted by this Financial Agreement.

n. **Default** - A breach or failure of the Borough or the Entity to perform any obligation imposed by the terms of this Financial Agreement, or under the Exemption Law, beyond any applicable grace or cure periods set forth in this Financial Agreement.

o. **Effective Date** – The date that this Agreement has been executed by both Parties.

p. **Entity** – Shall mean the entity specified in the preamble of this Financial Agreement, which is qualified and shall remain qualified as an urban renewal entity under the Exemption Law. Unless the context provides otherwise, it shall also include any permitted Transferee, which shall also be qualified as an urban renewal entity under the Exemption Law as set forth in Section 8.1 hereof.

q. **Excess Net Profits** – The amount of Net Profits that exceeds the Allowable Net Profits (ANP) for the applicable accounting period as determined in accordance with the Exemption Law.

r. **Exemption Law** - Shall have the meaning specified in the preamble of this Financial Agreement.

s. **Governing Body**- Shall have the meaning specified in the recitals of this Financial Agreement.

t. **Improvements** - Shall mean any building, structure or fixture comprising the Project which is permanently affixed to the Property to be constructed and exempt under this Agreement.

u. **Long Term Tax Exemption** – Shall have the meaning specified in the recitals of this Financial Agreement.

v. **Minimum Annual Service Charge** – The Parties acknowledge and agree that the Minimum Annual Service Charge for purposes of this Agreement shall be $59,900.

w. **Net Profit** - Annual Gross Revenue (AGR) less all operating and non-operating expenses and costs of the Entity, all determined in accordance with Generally Accepted Accounting Principles and the provisions of N.J.S.A 40A:20-3(c), but: (1) there shall be included in expenses: (a) all annual service charges paid pursuant to N.J.S.A. 40A:20-12; (b) all payments to the municipality of excess profits pursuant to N.J.S.A. 40A:20-15 or N.J.S.A. 40A:20-16; (c) an annual amount sufficient to amortize the Total Project Cost and all capital costs determined in accordance with generally accepted accounting principles, of any other entity whose revenue is included in the computation of excess profits, over the term of the abatement as set forth in this Financial Agreement; (d) all reasonable annual operating expenses of the Entity and any other entity whose revenue is included in the computation of Excess Profits, including the cost of all management fees, brokerage commissions, insurance premiums, all taxes or service charges paid, legal, accounting, or other professional service fees, utilities, building maintenance costs, building and office supplies, and payments into repair or maintenance reserve accounts; (e) all payments of rent including, but not limited to, ground rent by the Entity (if applicable); (f) all Debt Service; and (2) there shall not be included in expenses either depreciation or obsolescence, interest on debt, except interest which is part of Debt Service, income taxes, or salaries, bonuses or other compensation paid, directly or indirectly to directors, officers and stockholders of the Entity, or officers, partners or

other persons holding any proprietary ownership interest in the Entity.

x. **Ordinance** – Shall have the meaning specified in the recitals of this Financial Agreement.

y. **Party or Parties** – Shall have the meaning specified in the preamble of this Financial Agreement.

z. **Payment Default** – Shall have the meaning specified in Section 5.4 of this Financial Agreement.

aa. **Project** - Shall have the meaning specified in the recitals of this Financial Agreement.

bb. **Property** - Shall have the meaning specified in the recitals of this Financial Agreement.

cc. **Rental Unit** – A residential unit or retail unit within the Project made available for rent to the public.

dd. **Reserve** – Shall have the meaning defined in Section 6.2 of this Financial Agreement.

ee. **Secured Party or Secured Parties** – Shall have the meaning defined in Section 8.3(a) of this Financial Agreement.

ff. **Security Arrangements** – Shall have the meaning defined in Section 8.3(a) of this Financial Agreement.

gg. **State** – The State of New Jersey.

hh. **Substantial Completion** – The determination by the Borough construction official that the improvements described in this Agreement have been completed and that the Project, is ready for the use intended.

ii. **Tenant** – Any tenant of a Rental Unit.

jj. **Termination Date** – The earlier to occur of (i) the thirty-fifth (35^{th}) anniversary of the Effective Date; (ii) the thirtieth (30^{th}) anniversary date of the ASC Commencement Date; or (iii) such other date as this Financial Agreement may terminate pursuant to the terms hereof or pursuant to Applicable Law.

kk. **Total Project Cost (also referred to as "TPC")** - Shall be as calculated in accordance with Section 3(h) of the Exemption Law.

ll. **Borough** – Shall have the meaning specified in the preamble of this Financial Agreement.

mm. **Transferee** – Shall have the meaning specified in Section 8.1 of this Financial Agreement.

Section 1.3 Interpretation and Construction.

In this Agreement, unless the context otherwise requires:

A. The terms "hereby," "hereof," "hereto," "herein," "hereunder" and any similar terms, as used in this Agreement, refer to this Agreement, and the term "hereafter" means after, and the term "heretofore" means before the date of delivery of this Agreement.

B. Words importing a particular gender mean and include correlative words of every other gender and words importing the singular number mean and include the plural number and vice versa.

C. Words importing persons mean and include firms, associations, partnerships (including limited partnerships), trusts, corporations, limited liability companies and other legal entities, including public or governmental bodies, as well as natural persons.

D. Any headings preceding the texts of the several articles and sections of this Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect. All references to articles, sections or exhibits in this Agreement shall, unless indicated otherwise, refer to the articles, sections or exhibits in this Agreement.

E. Unless otherwise indicated, all approvals, consents and acceptances required to be given or made by any person or Party hereunder shall not be unreasonably withheld, conditioned, or delayed.

F. All notices to be given hereunder and responses thereto shall be given, unless a certain number of days is specified, within a reasonable time, which shall not be less than ten (10) days nor more than twenty (20) days, unless the context dictates otherwise.

G. All exhibits referred to in this Agreement and attached hereto are incorporated herein and made part hereof.

ARTICLE II - PROJECT AND PROPERTY

Section 2.1. Borough's Findings

Pursuant to the Exemption Law, the Borough finds that the Long Term Tax Exemption granted pursuant to this Financial Agreement will benefit the Borough and the community by assuring the success of the rehabilitation of the Property. The development and construction of the Project will be beneficial to the overall community; will preserve and improve quality affordable rental housing; will help revitalize the Property; will improve the quality of life for the

community; is expected to generate twenty-five (25) construction jobs and two (2) permanent job; will serve as a catalyst for further private investment in areas surrounding the Property and will enhance the economic development of the Borough. The benefits to the Borough accruing as a result of the Project, including the preservation and improvement of affordable housing, the generation of jobs, and the generation of municipal revenues, will substantially outweigh any incremental costs to the Borough resulting from the Long Term Tax Exemption granted herein.

The Long Term Tax Exemption is important to the Borough and the Entity because without the incentive of the Long Term Tax Exemption, it is unlikely that the Project would be undertaken. The Long Term Tax Exemption will allow the Entity to provide a high level of maintenance for the Property, as well as the preservation and improvement of affordable rental units on terms affordable to a mix of households with low and moderate incomes.

Section 2.2 Approval of Agreement

The Borough hereby approves a Long Term Tax Exemption for the Project, which is to be rehabilitated, operated and maintained on the Property in accordance with the terms and conditions set forth herein, the provisions of the Exemption Law and other Applicable Law.

Section 2.3 Approval of the Entity

The Borough hereby approves of the Entity in reliance upon the Entity's representation that its certificate of formation contains all the requisite provisions of law, has been reviewed and approved by the Commissioner of the New Jersey State Department of Community Affairs, and has been filed with, as appropriate, the New Jersey State Department of Treasury, all in accordance with N.J.S.A. 40A:20-5.

Section 2.4 Rehabilitation of the Property

The Entity agrees that it will rehabilitate, construct, operate and maintain the Project.

Section 2.5 Entity's Relationship to Property

The Entity is the contract purchaser of the Property.

ARTICLE III – OWNERSHIP, MANAGEMENT AND CONTROL

Section 3.1 Entity's Representation

The Entity represents that it shall acquire the Property and remain the fee title owner of the Property throughout the rehabilitation and operation of same, subject to its right of transfer in accordance with Section 8.1 hereof.

Section 3.2 Required Provisions of Financial Agreement

To the extent not otherwise set forth herein, those items required by N.J.S.A. 40A:20-9 to be included in this Financial Agreement are set forth in the Application attached hereto as

Exhibit C, which is incorporated herein as if set forth at length, and the Entity represents and warrants as to the accuracy of the contents thereof.

Section 3.3 Fiscal Plan

The Entity represents that the Project shall be financed in accordance with the representations set forth in the Application, including the Fiscal Plan attached thereto, which is also attached hereto as Exhibit D. The Application and Fiscal Plan set forth, among other things, the estimated Total Project Cost, amortization rates on the Total Project Cost, the source of funds, the interest rates to be paid on construction financing, the source and amount of paid in capital, and the terms of any mortgage amortization.

Section 3.4 Estimated Rental Schedule

The Entity sets forth its good faith projections of the Annual Gross Revenue from the Project in the Fiscal Plan annexed to and made a part of this Financial Agreement at Exhibit D.

ARTICLE IV - TAX EXEMPTION; ANNUAL SERVICE CHARGE

Section 4.1 Term

Subject to compliance with this Agreement, this Agreement shall be in effect from the Effective Date through the Termination Date. However, in no case shall this Agreement remain in effect longer than 35 years from the Effective Date. Upon the expiration of this Agreement (i) the tax exemption for the Project shall expire and the Property and the Improvements thereon shall thereafter be assessed and taxed according to the general law applicable to other non-exempt property in the Borough and (ii) any restrictions and limitations upon the Entity shall terminate upon such Entity's rendering and the Borough's acceptance of its final accounting to the Borough, pursuant to N.J.S.A. 40A:20-13.

Section 4.2 Calculation of Annual Service Charge

In consideration of the Borough granting the Entity the Long Term Tax Exemption set forth in this Financial Agreement, the Entity shall pay to the Borough for municipal services supplied to the Project, as provided in the Exemption Law, an Annual Service Charge as follows:

(a) **Stage One**: From the ASC Commencement Date until the fifteenth anniversary of the ASC Commencement Date, the Annual Service Charge shall be (i) fifteen (15.0%) percent of AGR for the first year; (ii) six (6.0%) percent of AGR for the second year; (iii) four and one-half (4.5%) percent of AGR for the third through tenth years and (iv) six and twenty-eight one-hundredths (6.28%) of AGR for the eleventh through fifteenth years; and

(b) **Stage Two**: From the first day after the fifteenth anniversary of the ASC Commencement Date until the twentieth anniversary of the ASC Commencement Date, the Annual Service Charge shall be equal to the greater of six and twenty-eight one-hundredths (6.28%) percent of AGR or twenty (20%) percent of the amount of the taxes otherwise due on the value of the Property and the Improvements.

(c) **Stage Three**: From the first day after the twentieth anniversary of the ASC Commencement Date under the twenty-fourth anniversary of the ASC Commencement Date, the Annual Service Charge shall be equal to the greater of six and twenty-eight one-hundredths (6.28%) percent of AGR or forty (40%) percent of the amount of the taxes otherwise due on the value of the Property and the Improvements;

(d) **Stage Four**: From the first day after the twenty-fourth anniversary of the ASC Commencement Date until the twenty-seventh anniversary of the ASC Commencement Date, the Annual Service Charge shall be equal to the greater of six and twenty-eight one-hundredths (6.28%) percent of AGR or sixty (60%) percent of the amount of the taxes otherwise due on the value of the Property and the Improvements;

(e) **Final Stage**: From the first day after the twenty-seventh anniversary of the ASC Commencement Date until the thirtieth anniversary of the ASC Commencement Date, the Annual Service Charge shall be equal to the greater of six and twenty-eight one-hundredths (6.28%) percent of AGR or eighty (80%) percent of the amount of the taxes otherwise due on the value of the Property and the Improvements.

Section 4.3 Minimum Annual Service Charge

Notwithstanding anything to the contrary in this Financial Agreement, including, without limitation, Section 4.2 hereof, the Annual Service Charge for the Project shall not be less than the Minimum Annual Service Charge.

Section 4.4 Intentionally Omitted

Section 4.5 Quarterly Installments

The Annual Service Charge or the Minimum Annual Service Charge, as the case may be, shall be paid in quarterly installments on those dates when *ad valorem* real estate tax payments on other properties within the Borough are due, subject to adjustment for over payment or underpayment within thirty (30) days after the close of each calendar year. If the Entity fails to so pay, the amount unpaid shall bear the highest rate of interest permitted in the case of the unpaid taxes or tax liens on the Property until paid. The Entity's failure to make the requisite payments of Annual Service Charge or Minimum Annual Service Charge, in a timely manner shall constitute a Default under this Agreement and the Borough may, among its other remedies as provided in this Financial Agreement, proceed against the Project pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1 et seq. In addition, the Borough may terminate this Agreement with respect to the Project in accordance with Section 5.4 hereof. Any Default arising out of the Entity's failure to pay the Annual Service Charge or Minimum Annual Service Charge, shall not be subject to the dispute resolution remedies provided in Section 5.1.

Section 4.6 Rights and Obligations Related to Long Term Tax Exemption

(a) All Annual Service Charge or Minimum Annual Service Charge payments, as the case may be, made pursuant to this Financial Agreement shall be in lieu of taxes and, as set forth above, the Borough shall have the rights and remedies of tax enforcement granted to a municipality by Applicable Law, including those of in rem tax foreclosure pursuant to N.J.S.A. 54:5-1, just as if said payments constituted regular real property tax obligations on other real properties within the Borough.

(b) If the ASC Commencement Date occurs on a date other than the last day of a quarter, the amount of *ad valorem* real estate taxes for such period up to the ASC Commencement Date shall be based on a per diem basis for such quarter.

(c) Any lease of a Rental Unit to a Tenant shall be subject to the terms of this Financial Agreement and shall not require the consent or approval of the Borough. The Borough shall look solely to the Entity and not any Tenant with respect to the collection of the unpaid portion of the Annual Service Charge imputed to a particular unit.

Section 4.7 Remittance to County

The Borough shall remit to the County of Monmouth five percent (5%) of the Annual Service Charge received each year from the Entity, pursuant to N.J.S.A. 40A:20-12(b)(2)(e).

Section 4.8 Payment Prior to ASC Commencement Date

The Parties agree that payments in lieu of taxes on existing Improvements as charged prior to the date of this Agreement are due from time to time in accordance with Applicable Law prior to the ASC Commencement Date.

Section 4.9 Other Municipal Services.

Nothing herein shall exempt the Entity from the payment of any applicable municipal services. The Entity shall timely pay for municipal services rendered to the Project and/or to the Property.

ARTICLE V - DISPUTE RESOLUTION; DEFAULT

Section 5.1 Agreement to Arbitrate

If the Borough or the Entity breaches this Financial Agreement (other than with respect to a Payment Default), or a dispute arises between the Parties regarding the terms and provisions set forth herein, then the Parties shall submit the dispute to arbitration, which shall utilize State law and the arbitration rules of the American Arbitration Association in the State, to be resolved in accordance with its rules and regulations in such fashion as to accomplish the purposes of the Exemption Law and this Financial Agreement. The costs of arbitration shall be borne equally by

the Parties involved in the arbitration. The demand for arbitration shall be filed in writing and shall be made within a reasonable time after a dispute or breach occurs. (Section 1.3(F) hereof shall not apply for purposes of the foregoing sentence.) The arbitrator(s) shall make written findings of fact and conclusions of law. Any arbitration award may be appealed by either party to the New Jersey Superior Court, Law Division, with respect to asserted errors of fact or law, and the outcome of such appeal may be further appealed in the State courts, and shall not be limited in any way due to the origin of the action in arbitration.

Notwithstanding the foregoing, if the Entity fails to pay the Annual Service Charge or Minimum Annual Service Charge, the Borough, among its other remedies, reserves the right to proceed against the Project, pursuant to N.J.S.A. 54:5-1 to 54:5-129, and any Act supplementary or amendatory thereof, and shall not be required to submit such matters to arbitration. Whenever the word "Taxes" appears or is applied, directly or implied, 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 are taxes or municipal liens on land.

Section 5.2 Covenant to Make Payments

The Entity agrees that the timely payment of the Minimum Annual Service Charge or the Annual Service Charge, to the Borough, as well as continued compliance with Applicable Laws, are material conditions of this Financial Agreement. The failure to make any of the aforesaid payments in timely fashion shall constitute both a breach of this Financial Agreement and a tax payment delinquency under Applicable Law.

Section 5.3 Remedies upon Default

All of the remedies provided in this Agreement, and all rights and remedies granted to the Parties by law and equity, shall be cumulative and concurrent. No termination of any provision within this Agreement shall deprive the Borough of any of its remedies in accordance with law or actions against the Entity because of its failure to pay the Annual Service Charge, and/or the water and sewer charges with interest payments. The bringing of any action due to a Default under this Agreement shall not be construed as a waiver of the right to enforce any other remedy provided in this Agreement. Nothing in this Agreement shall be deemed to create personal liability on the part of any Entity for any of the provisions of this Agreement, the Borough's rights and remedies to collect any obligation due and owing hereunder to be the same as the Borough's rights and remedies with respect to collection of real estate taxes generally under Applicable Law.

Section 5.4 Notification of Breach Required

Other than with respect to the nonpayment or late payment of all or a portion of the Annual Service Charge or Minimum Annual Service Charge (any of the foregoing a "Payment Default"), the Borough shall notify the Entity in writing of any breach relating to the terms of this Financial Agreement. If the Entity fails to cure a Payment Default within ten (10) days of its occurrence, or fails to cure any other breach within thirty (30) Days after the actual delivery of notice by the Borough, or within any additional periods to which the Parties may agree to, in

writing (with respect to defaults other than Payment Defaults, the Borough shall not unreasonably refuse to grant a reasonable extension of the cure period, not to exceed sixty (60) days after the Notice unless the Borough in its sole discretion shall agree to a longer cure period), the Borough may invalidate the Long Term Tax Exemption by providing thirty (30) Days' written notice to the Entity, which shall inform the Entity that the Long Term Tax Exemption shall terminate at the expiration of said thirty (30) Day notice period due to the breach of the terms of this Financial Agreement.

Section 5.5 Force Majeure

Neither Party shall be liable to the other for failure to perform its obligations under this Agreement due to causes that are beyond the reasonable control and not substantially due to the fault or negligence of the party seeking to excuse delay or failure of performance of an obligation hereunder by reason thereof, including, but not limited to, declarations of public emergency; acts of nature (as to weather-related events, limited to severe and unusual events or natural occurrences such as hurricanes, tornadoes, earthquakes, and floods); acts of the public enemy; acts of terrorism; acts of war; fire; epidemics; quarantine restrictions; blackouts, power failures, or energy shortages; governmental embargoes; strikes or similar labor action by equipment or material suppliers or transporters, or unavailability of necessary building materials. Notwithstanding the foregoing, the payment of Land Taxes, Annual Service Charge and Minimum Annual Service Charge are material conditions of this Agreement which shall not be excused by the occurrence of a force majeure event.

Section 5.6 Certificate of Occupancy

It is understood and agreed that it shall be the obligation of the Entity to obtain any Certificates of Occupancy required by law in a reasonably timely manner. The Borough shall reasonably cooperate in processing Entity's request(s) for the issuance of any Certificate(s) of Occupancy.

Section 5.7 Filing of Certificate of Occupancy

It shall be the responsibility of the Entity to forthwith file with both the Tax Assessor and the Tax Collector a copy of any Certificate of Occupancy issued for the Project.

Failure of the Entity to file such issued Certificate of Occupancy as required by the preceding paragraph shall not militate against any action or non-action taken by the Borough, including, if appropriate, retroactive billing with interest for any charges determined to be due, in the absence of such filing by the Entity.

ARTICLE VI - LIMITATION ON PROFITS

Section 6.1 Entity's Covenant of Limitation on Profits

During the period of tax exemption as provided herein, the Entity shall be subject to a limitation of its profits pursuant to the provisions of *N.J.S.A.* 40A:20-15. Pursuant to *N.J.S.A.*

40A:20-3(c), this calculation is completed in accordance with generally accepted accounting principles.

Section 6.2 Permitted Reserves

The Entity shall have the right to establish a reserve against vacancies, unpaid rentals, and reasonable contingencies in an amount up to ten percent (10%) of the Annual Gross Revenues of the Entity for the prior fiscal year (hereinafter referred to as the "Reserve") and may retain such part of the Excess Net Profits as is necessary to eliminate a deficiency in that Reserve, as provided in *N.J.S.A.* 40A:20-15.

Section 6.3 Payment of Dividend and Excess Profit Charge

In accordance with N.J.S.A. 40A:20-15, if the Net Profits of the Entity shall exceed the Allowable Net Profits in any accounting period, then the Entity, within ninety (90) days after the end of the accounting period, shall pay such Excess Net Profits to the Borough as an additional Annual Service Charge; provided, however, that the Entity may maintain a Reserve as determined pursuant to Section 6.2.

Section 6.4 Payment of Reserve/Excess Net Profit Upon Termination, Expiration or Sale.

The Termination Date of this Agreement, or the date of sale or transfer of the Improvements, shall be considered to be the close of the fiscal year of the Entity. Within ninety (90) days after such date, the Entity shall pay to the Borough the amount of the Reserve, if any, maintained by it pursuant to Section 6.2, and the Excess Net Profits, if any.

ARTICLE VII - TERMINATION OF AGREEMENT AND INSPECTIONS

Section 7.1 Voluntary Termination of the Financial Agreement by Entity

Pursuant to the Exemption Law, the Entity or any Transferee may at any time after the expiration of one (1) year from the ASC Commencement Date, notify the Borough in writing that, as of a certain date designated in the notice, it relinquishes its status as an urban renewal entity under the Exemption Law and that the Entity, or Transferee, has obtained the consent of the Commissioner of the Department of Community Affairs, if required by Applicable Law. As of that date, all of the obligations and requirements contained in this Financial Agreement shall terminate. Notwithstanding the foregoing, such relinquishment shall not impact the obligation of the Entity or the Transferee, as applicable, to make payment of any Annual Service Charge or Minimum Annual Service Charge that has accrued up to and including the Termination Date, or the obligation of the Entity or the Transferee, as applicable, to perform the final accounting required by the Exemption Law and Section 7.2 below.

Section 7.2 Termination and Final Accounting

Within ninety (90) Days after the Termination Date, whether by affirmative action of the Entity or by virtue of the provisions of the Applicable Law or pursuant to the terms of this

Financial Agreement, the Entity shall provide a final accounting and pay to the Borough the Reserve, if any, pursuant to N.J.S.A. 40A:20-15, as well as any Excess Net Profits, if any payable as of that date. For purposes of rendering a final accounting, the Termination Date of the Financial Agreement shall be deemed to be the end of the fiscal year for the Entity.

Section 7.3 Taxes After Termination Date

After the Termination Date, the Long Term Tax Exemption shall expire, and the Property and the Improvements constructed thereupon shall thereafter be assessed and conventionally taxed according to Applicable Law as other real property in the Borough.

Section 7.4 Rights of Inspection

The Entity shall permit the inspection of its property, equipment, buildings and other facilities of the Project by representatives duly authorized by the Borough and Division of Local Government Services in the Department of Community Affairs pursuant to N.J.S.A. 40A:20-9(e). The Entity shall also permit, upon written request, examination and audit of its books, contracts, records, documents and papers relating to the Project by representatives duly authorized by the Borough and Division of Local Government Services in the Department of Community Affairs pursuant to N.J.S.A. 40A:20-9(e). Such inspection shall be made upon five (5) days' prior written notice, in the presence of an officer or agent designated by the Entity. To the extent reasonably possible, the inspection will not materially interfere with construction or operation of the Project. Nothing in this section shall be construed to affect, limit or restrict the powers of municipal, county, State or other officials from carrying out those inspections that are generally applicable outside of the Exemption Law context, including, but not limited to, inspections by fire officials, construction code officials, etc.

ARTICLE VIII - SALE OR LEASE OF PROJECT

Section 8.1 Approval of Sale of Project to Entity Formed and Eligible to Operate Under Applicable Law

The Entity shall not transfer all or any portion of the Project without the prior written approval of the Borough, except that after completion of the Project, the Entity shall be permitted to transfer all or any portion of the Project to another urban renewal entity, qualified and organized under the Exemption Law (a "Transferee"), and approved by the Borough under the conditions set forth herein. As permitted by N.J.S.A. 40A:20-10(a), it is understood and agreed that the Borough, on written application by the Entity after completion of the Project, shall consent to a sale of the Project and the transfer of this Agreement provided: (i) the transferee entity does not own or lease any other Project subject to long term tax exemption at the time of transfer; (ii) the transferee entity is formed and eligible to operate under the Exemption Law; (iii) the Entity is not then in Default of this Agreement or the Exemption Law; (iv) the Entity's obligations under this Agreement are fully assumed by the transferee entity; (v) the transferee entity agrees to abide by all terms and conditions of this Agreement including, without limitation, the filing of an application pursuant to N.J.S.A. 40A:20-8, and any other terms and conditions of the Borough in regard to the Project; (vi) the transferee entity possesses the

requisite experience, qualifications, and financial capacity to operate and manage the Project; and (vii) the principal owners of the transferee entity possess the same business reputation, financial qualifications and credit worthiness as the Entity and are otherwise reputable.

Notwithstanding the above, it is expressly understood and agreed that the Entity is permitted, without the prior approval of the Borough, to effect the following transfers with respect to the Project:

A. Encumber the Project, e.g., mortgage financing, development easements, etc., provided that any such encumbrance is subordinate to the lien of the Annual Service Charges.

B. Transfer the ownership interest in the Entity to an Affiliate.

C. Lease any portion of the Project to an end user, with such tenant not being required to be an entity eligible to operate under the Exemption Law.

Notwithstanding anything to the contrary contained in A. through C., above, or elsewhere in this Agreement, the Parties expressly agree and acknowledge that the Entity shall not enter into any lease, whether or not with an Affiliate or related entity, that shall operate to minimize or remove revenues properly includable in the calculation of Annual Gross Revenue.

Section 8.2 Obligations of Entity and Transferee after Conveyance

If the Entity transfers the Project to a Transferee with the consent of the Borough and the Transferee has assumed the contractual obligations of the transferor Entity with the Borough, pursuant to Section 8.1 hereof, then the Entity shall be absolutely discharged from any further obligations regarding the Project and shall be qualified to undertake another project pursuant to the Exemption Law. Within ninety (90) Days after the date of a transfer, the Entity shall pay to the Borough any Reserve maintained by it pursuant to this Financial Agreement, as well as any Excess Net Profits payable to the Borough pursuant to this Financial Agreement and the Exemption Law.

Section 8.3 Collateral Assignment

It is expressly understood and agreed that the Entity has the right, to the extent permitted by the Exemption Law to encumber and/or assign its fee title to the Property and/or Improvements for purposes of (i) financing the design, development and construction of the Project and (ii) permanent mortgage financing with respect to the Project.

(a) The Borough acknowledges that the Entity and/or its affiliates intend to obtain secured financing in connection with the acquisition, development and construction of the Project. The Borough agrees that the Entity and or its affiliates may, subject to compliance with the Exemption Law, assign, pledge, hypothecate or otherwise transfer its rights under this Agreement and/or its interest in the Project to one or more secured parties or any agents therefore (each, a "Secured Party" and collectively, the "Secured Parties") as security for obligations of the Entity, and/or its affiliates, incurred in connection with such secured financing (collectively, the "Security Arrangements"). The Entity shall give the Borough written notice of any such Security

Arrangements, together with the name and address of the Secured Party or Secured Parties. Failure to provide such notice waives any requirement of the Borough hereunder to provide any notice of Default or notice of intent to enforce its remedies under this Agreement.

(b) If the Entity shall Default in any of its obligations hereunder, the Borough shall give written notice of such Default to the Secured Parties and the Borough agrees that, in the event such Default is not waived by the Borough or cured by the Entity, its assignee, designee or successor, within the period provided for herein, before exercising any remedy against the Entity hereunder, the Borough will provide the Secured Parties a reasonable period of time to cure such Default, but in any event not less than twenty (20) days from the date of such notice to the Secured Parties with regard to a Payment Default by the Entity and ninety (90) days from the date the Entity was required to cure any other Default.

(c) In the absence of a Default by the Entity, the Borough agrees to consent to any collateral assignment by the Entity to any Secured Party or Secured Parties of its interests in this Agreement and to permit each Secured Party to enforce its rights hereunder and under the applicable Security Arrangement and shall, upon request of the Secured Party, execute such documents as are typically requested by secured parties to acknowledge such consent. This provision shall not be construed to limit the Borough's right to payment from the Entity, nor shall the priority of such payments be affected by the Secured Party exercising its rights under any applicable Security Arrangement.

ARTICLE IX - ENTITY'S COVENANTS AND REPRESENTATIONS

Section 9.1 Management and Operation

Subject to its right to transfer the Project pursuant to Section 8.1 of this Financial Agreement, the Entity represents and covenants that the Entity will manage the Project or will contract with a third party management company. The Entity shall be free to enter into leases with Tenants for the Rental Units without the consent of the Borough.

Section 9.2 Computation of Gross Revenue

The Entity shall, for the duration of this Agreement, calculate the Annual Gross Revenue in accordance with the Exemption Law and this Financial Agreement and the computation of Annual Gross Revenue shall be shown on the Entity's Annual Audited Statement.

Section 9.3 Annual Audit Report

For so long as the Entity owns the Project and within ninety (90) Days after the close of each fiscal or calendar year (depending on the Entity's accounting basis) that this Financial Agreement shall continue in effect, the Entity shall submit to the Mayor of the Borough, the Governing Body, the CFO of the Borough, and the New Jersey Division of Local Government Services within the New Jersey Department of Community Affairs, its Annual Audited Statement for the preceding fiscal or calendar year in accordance with the Exemption Law. The report shall clearly identify and calculate the Net Profit for the Entity during the previous fiscal

year. The Entity assumes all costs associated with preparation of the Annual Audited Statements. Except to the extent required by Applicable Law, all financial information provided hereunder shall remain confidential and not subject to public disclosure.

Section 9.4 Total Project Cost Audit

Within ninety (90) days after the final Certificate of Occupancy is issued for the Project, the Entity shall submit to the Mayor and Governing Body an audit of Total Project Cost certified as to actual construction costs by the Entity's architect.

Section 9.5 Disclosure Statement

On each anniversary date of the execution of this Agreement, the Entity shall submit to the Mayor and Governing Body, who shall advise those municipal officials required to be advised, a disclosure statement listing the persons having an ownership interest in the Project, and the extent of the ownership interest of each and such additional information as the Borough may request from time to time.

ARTICLE X - INDEMNIFICATION

Section 10.1 Indemnification

It is understood and agreed that in the event the Borough shall be named as a party defendant in any action brought against the Borough or the Entity by allegation of any breach, Default or a violation of any of the provisions of this Agreement and/or the provisions of the Exemption Law or any other Applicable Law, the Entity shall indemnify and hold the Borough harmless from and against all liability, losses, damages, demands, costs, claims, actions or expenses (including reasonable attorneys' fees and expenses) of every kind, character and nature arising out of or resulting from the action or inaction of the Entity and/or by reason of any breach, Default or a violation of any of the provisions of this Agreement, the provisions of the Exemption Law and/or any other Applicable Law except for any willful misconduct by the Borough or any of its officers, officials, employees or agents, and the Entity shall defend the suit at its own expense. The Borough shall be entitled to intervene in any such suit, and retain attorneys of its choosing, whether as party defendant or intervener, the cost of such attorneys to be borne by the Entity in accordance with this Section.

ARTICLE XI - MISCELLANEOUS PROVISIONS

Section 11.1 Governing Law

This Financial Agreement shall be governed by the provisions of Applicable Law including but not limited to the Exemption Law. This Agreement shall be construed and enforced in accordance with the laws of the State, without regard to or aid of any presumption or other rule requiring construction against the party drawing or causing this Agreement to be drawn since counsel for both the Entity and the Borough have combined in their review and approval of same.

Section 11.2 Oral Representation

Neither Party hereto has made any oral representation that is not contained in this Financial Agreement. This Financial Agreement and the Application, including all of the Exhibits attached and annexed hereto and thereto, constitute the entire Financial Agreement by and between the Parties.

Section 11.3 Modification

There shall be no modification of this Financial Agreement except by virtue of a written instrument executed by and between both Parties.

Section 11.4 Notices

A notice, demand or other communication required to be given under this Agreement by any Party to the other shall be in writing and shall be sufficiently given or delivered if dispatched by United States Registered or Certified Mail, postage prepaid and return receipt requested, or delivered by overnight courier or delivered personally (with receipt acknowledged) to the parties at their respective addresses set forth herein, or at such other address or addresses with respect to the parties or their counsel as any party may, from time to time, designate in writing and forward to the others as provided in this Section:

a) <u>When sent by the Borough to the Entity:</u>

Oceanport Urban Renewal Preservation, L.P.
c/o Related Affordable, LLC
60 Columbus Circle
New York, New York 10023
Attention: Matthew Finkle

with a copy to:

Sills Cummis & Gross P.C.
One Riverfront Plaza
Newark, New Jersey 07102
Attn: Michael R. Leighton, Esq.

b) When sent by the Entity to the Borough:

Borough of Oceanport
313 East Main Street
Oceanport, New Jersey 07757
Attn: Borough Clerk

with a copy to:

McManimon, Scotland & Baumann, LLC
75 Livingston Avenue, 2nd Floor
Roseland, NJ 07068
Attn: Matthew D. Jessup, Esq.

From time to time either Party may designate a different person or address for all the purposes of this Notice provision by giving the other Party no less than ten (10) days' notice in advance of such change of address in accordance with the provisions hereof. Notices shall be effective upon the earlier of receipt or rejection of delivery by the addressee. Any notice given by an attorney for a Party shall be effective for all purposes. In addition, if the Entity delivers formal written notice to the Borough in accordance with this Agreement, of the name and address of Entity's mortgagee, then the Borough shall provide such mortgagee with a copy of any notice required to be sent to the Entity.

Section 11.5 Severability

If any term, covenant or condition of this Financial Agreement shall be judicially declared to be invalid or unenforceable, the remainder of this Financial Agreement or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Financial Agreement shall be valid and be enforced to the fullest extent permitted by Applicable Law.

If any portion of this Financial Agreement shall be judicially declared to be invalid and unenforceable and provided that a Default has not been declared pursuant to this Financial Agreement, the Parties shall cooperate with each other to take the actions reasonably required to restore the Financial Agreement in an manner contemplated by the Parties, including, but not limited to the authorization and amendment of this Financial Agreement in a form reasonably drafted to effectuate the original intent of the Parties.

Section 11.6 Good Faith

The Entity and the Borough agree to act in good faith in all of their dealings with each other.

Section 11.7 Certification

The Borough Clerk shall certify to the Tax Assessor, pursuant to N.J.S.A. 40A:20-12, that a Financial Agreement with an urban renewal entity, i.e., the Entity, for the development of the Project, has been entered into and is in effect as required by the Exemption Law. Delivery by the Borough Clerk to the Tax Assessor of a certified copy of the Ordinance and this Financial Agreement shall constitute the required certification. Upon certification as required hereunder and upon the ASC Commencement Date, the Tax Assessor shall implement the tax exemption and continue to enforce that tax exemption without further certification by the Borough Clerk

until the expiration of the entitlement to tax exemption by the terms of this Financial Agreement or until the Tax Assessor has been duly notified by the Borough Clerk that the tax exemption has been terminated.

Further, within 10 calendar days following the later of the effective date of the Ordinance or the execution of the Financial Agreement by the Entity, the Borough Clerk shall transmit a certified copy of the Ordinance and the Financial Agreement to the chief financial officer of Monmouth County and to the Monmouth County Counsel for informational purposes.

Section 11.8 Estoppel Certificate

Within thirty (30) days following written request therefore by the Entity, or any mortgagee, purchaser, tenant or other party having an interest in the Project, the Borough shall issue a signed estoppel certificate in reasonable form stating that (i) this Financial Agreement is in full force and effect, (ii) to the best of the Borough's knowledge, no Default has occurred under this Agreement (nor any event which, with the passage of time and/or the giving of notice would result in the occurrence of a Default) or stating the nature of any Default, and (iii) stating any such other reasonable information as may be requested. In the event the estoppel certificate discloses a Default, it shall also state the manner in which such Default may be cured.

Section 11.9 Application Fee

The Borough and Entity agree that the Entity has paid to the Borough an amount equal to $13,500 as a fee for processing the Application.

Section 11.8 Counterparts

This Agreement may be simultaneously executed in counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Financial Agreement to be executed the day and year first above written.

Attest:

BOROUGH OF OCEANPORT

_____
Borough Clerk

By: _____
Name: John F. Coffey, II
Title: Mayor

SEAL

Dated: _____

OCEANPORT URBAN RENEWAL PRESERVATION, L.P.

Dated:_____

By: _____
Name:
Title:

STATE OF)
) SS.:
COUNTY OF)

Be it remembered that on the ___ day of _____, 2019, _____ personally appeared before me, and this person acknowledged under oath, to my satisfaction that:

(a) he is the _____ of Oceanport Urban Renewal Preservation, L.P., the general partner of the Entity in the attached Financial Agreement;

(b) he is authorized to execute the attached Financial Agreement on behalf of the Entity;

(c) he executed the attached Financial Agreement on behalf of and as the act of the Entity; and

(d) the attached Financial Agreement was signed and made by the Entity as its duly authorized and voluntary act.

_____

STATE OF)
) SS.:
COUNTY OF)

Be it remembered that on the ____ day of _____, 2019, John F. Coffey, III, personally appeared before me, and this person acknowledged under oath, to my satisfaction that:

(a) he is the Mayor of the Borough of Oceanport, New Jersey, the Borough in the attached Financial Agreement;

(b) he is authorized to execute the attached Financial Agreement on behalf of the Borough;

(c) he executed the attached Financial Agreement on behalf of and as the act of the Borough; and

(d) the attached Financial Agreement was signed and made by the Borough as its duly authorized and voluntary act.

_____

EXHIBIT A – PROPERTY DESCRIPTION

EXHIBIT A

THE PROPERTY

Description

ALL THAT CERTAIN plot, piece or parcel of land, situate, lying and being in the Borough of Oceanport, County of Monmouth and State of New Jersey, and being more particularly described as follows:

BEGINNING at a point in the westerly line of East Main Street (formerly known as Oceanport Avenue) said point being distant 22.1 feet on a course of North 28 degrees 30 minutes 30 seconds West from the point of intersection of the said westerly line of East Main Street (formerly known as Oceanport Avenue) with the northerly line of Lake Avenue projected in a westerly direction; thence

(1) South 58 degrees 21 minutes 00 seconds West a distance of 236.79 feet to a point; thence

(2) North 27 degrees 50 minutes 10 seconds West a distance of 92.00 feet to a point; thence

(3) North 27 degrees 01 minutes 40 seconds West a distance of 59.97 feet to a point; thence

(4) South 65 degrees 56 minutes 40 seconds West a distance of 246 feet more or less to a point in the mean high water line of a creek; thence

(5) Running again from the above described point of beginning, South 28 degrees 30 minutes 30 seconds East along the westerly line of East Main Street (formerly known as Oceanport Avenue), a distance of 441.62 feet to a point; thence

(6) South 61 degrees 30 minutes 10 seconds West a distance of 350 feet more or less to a point in the mean high water line of a creek; thence

(7) In a northerly direction following the mean high water line of the creek, the various courses as it flows, a distance of 752 feet more or less to a point at the end of the fourth course above described.

For Information Only: Said premises are known as 274-278 East Main Street, Oceanport, NJ and designated as Block 121 Lot 5 as shown on the Tax Map of the Borough of Oceanport, County of Monmouth.

EXHIBIT B – APPLICATION

RELATED

March 22, 2019

Mayor John F. Coffey II
Borough of Oceanport, NJ

Re: Oceanport Gardens PILOT Application – Update

Dear Mayor Coffey:

Enclosed please find updates to the PILOT Application for Oceanport Gardens that was submitted in July 2018. Oceanport Gardens is a 101-unit affordable apartment community located at 274 East Main Street, occupied by elderly and non-elderly residents with disabilities. The property consists of a 6-story brick building with 90 one- and 11 two-bedroom units, including 1 two-bedroom employee unit, as well as a management office, laundry, and community spaces. The property sits on a 4.4-acre lot with off-street parking in the Village Center area of Oceanport.

Built in 1980, the property is aging and in need of rehabilitation to preserve the units as quality affordable housing. Oceanport Urban Renewal Preservation, L.P. (the "Applicant"), an affiliate of Related Affordable, LLC, is working with the New Jersey Housing and Mortgage Finance Agency ("NJHMFA") to obtain financing to acquire and renovate the property to preserve an important affordable housing resource for the long term. In connection with the proposed rehabilitation, we plan to renew the Section 8 Housing Assistance Payment contract and enter into regulatory agreements with NJHMFA to maintain the affordability of the property for current and future residents.

In order to obtain the financing necessary for the acquisition and rehabilitation of the property, the Applicant proposes to enter into a new 30-year PILOT agreement under the Long-Term Tax Exemption Law.

Thank you for the opportunity to submit this application and please let me know if we can provide any additional information.

Sincerely,

David Pearson
Vice President, General Partner
Oceanport Urban Renewal Preservation, L.P.

Long Term Tax Exemption Application

Borough of Oceanport

315 East Main Street

Oceanport, New Jersey 07757

This application should be addressed and submitted to the Mayor of the Borough of Oceanport with copies to the Borough Administrator, Borough Clerk, Borough Attorney and Borough Tax Assessor at the above address. Discussion and negotiations with respect to the financial plan are typically performed by and best discussed with the Borough Administrator who confers with other interested parties as required prior to any recommendation to the governing body.

Updates to the Oceanport Gardens PILOT Application submitted in July 2018, as of March 22, 2019

Exhibit 8 Narrative Description of the Project / Exhibit 13 Project Financing Plan

The Applicant has applied for tax-exempt bonds and 4% low income housing tax credits ("LIHTCs") from New Jersey Housing and Mortgage Finance Agency (NJHMFA) to finance the acquisition and rehabilitation of Oceanport Gardens. The proposed financing structure is short-term conduit tax-exempt bonds from NJHMFA collateralized by a permanent Fannie Mae mortgage-backed securities (MBS) loan serviced by The Community Preservation Corporation (CPC). The anticipated permanent loan amount is approximately $18.5 million. Other sources of funding for the project include equity raised from the sale of the LIHTCs allocated by NJHMFA in the approximate amount of $7.9 million, income from operations and/or sponsor equity in the approximate amount of $893,000, and deferred developer overhead and fee in the approximate amount of about $878,000. As the proposed LIHTC investor, Wells Fargo would own the 99.99% investor limited partner interests in the project.

The property currently has a PILOT agreement with the Borough of Oceanport that runs through 2028. The Applicant proposes to enter into a new 30-year PILOT agreement under the Long-Term Tax Exemption Law.

Exhibit 11 Total Project Cost Estimate / Exhibit 19 Redevelopment Plan for the Property

The proposed construction budget has been increased since the submission of the application in July 2018. The current approximate anticipated costs associated with the rehabilitation are listed below and the updated scope of work is attached.

Construction Costs	$4,399,000
Project Soft Costs	$1,193,000
Legal Costs	$234,000
Financing Issuance Costs	$1,255,000
Reserves and Escrows	$694,000
Developer Overhead and Fee	$1,557,000
TOTAL	$9,332,000

Exhibit 12 Project Financial Pro-forma

HUD approved Housing Assistance Payment (HAP) contract rents to be effective at closing based on the proposed renovation scope. These approved rents were modified slightly compared to the rents projected in the initial application. The annual service charge schedule has also been updated as outlined in the updated form of financial agreement.

An updated 30-year projection of revenue and expenses for the project, including reserves, debt service payments, and the annual service charge to the Borough per the proposed PILOT is attached. Also attached is an updated comparison of the historical annual service charge and the projected annual service charge based on the proposed post-rehabilitation HAP contract rents and annual service charge schedule.

Exhibit 14 Explanation of the Need for a PILOT Agreement

The project currently has a PILOT agreement with the Borough of Oceanport under the Limited Dividend Law. Per the current PILOT agreement, the owner pays to the Borough an amount of 4.5% of annual rent less the cost of utilities. The Applicant proposes to enter into a 30-year PILOT agreement under the Long-Term Tax Exemption Law with an annual service charge based on a percentage of annual gross revenue as outlined in the updated financial agreement.

Approval of the proposed PILOT is necessary for the project to receive the allocation of NJHMFA volume cap and Fannie Mae / CPC loan proceeds that (1) make up the primary source of funds for the proposed acquisition and renovation and (2) make the project eligible for an allocation of 4% LIHTCs, the sale of which make up the second largest source of funds for the project. Without the PILOT, the Applicant would not be able to secure sufficient financing for the acquisition and rehabilitation of the property.

Exhibit 15 Project Schedule Estimate

The Applicant plans to close on the acquisition of the property, with all financing and approvals in place, in mid-2019. The rehabilitation will commence within 30 days of closing to be completed by mid-2020.

Exhibit 17 Form of Financial Agreement

Updated form of financial agreement provided separately

Exhibit 18 Ordinance

Updated ordinance provided separately

Section I Identification of the Applicant

A: Name of Applicant: Oceanport Urban Renewal Preservation, L.P.

B. Principal Address: 60 Columbus Circle, 18th Floor, New York, NY 10023

C. Type of Entity: Limited Partnership

D. Contact Information:

Primary: David Pearson, dpearson@related.com, 212-801-3738

Secondary: Alison Carey, acarey@related.com, 212-419-8508

E. Name and Address of Applicant's Statutory Agent:

Corporation Service Company, Princeton South Corporate Ctr, Suite 160, 100 Charles Ewing Blvd, Ewing, New Jersey 08628

F. Federal Tax Identification Number: 82-5209262

G. Disclosure of Ownership: Exhibit1

H. Certificates of Incorporation and Approval: Exhibit 2

I. Certificate of approval of the urban renewal entity: Exhibit 3

J. Authorization to Submit Application: Exhibit 4

Section II Project Description and Statutory Requirements

Exhibit 1 **Disclosure of Ownership**
Exhibit 2 **Certificate of Incorporation**
Exhibit 3 **NJ DCA URE Disclosure Form**
Exhibit 4 **Authorizing Resolution**
Exhibit 5 **Property Metes and Bounds Description**
Exhibit 6 **Property Survey**
Exhibit 7 **Deed Agreement (if Applicable)**
Exhibit 8 **Narrative Description of the Project**
Exhibit 9 **Site Plan as Approved by the Borough Planning Board**
Exhibit 10 **Site Plan Approval Resolution**
Exhibit 11 **Total Project Cost Estimate**
Exhibit 12 **Project Financial Pro-forma**
Exhibit 13 **Project Financing Plan**
Exhibit 14 **Explanation of the Need for a PILOT Agreement**
Exhibit 15 **Project Schedule Estimate**
Exhibit 16 **Summary of Project Benefits**
Exhibit 17 **Form of Financial Agreement**
Exhibit 18 **Ordinance Adopting the Redevelopment Plan for the Property (If Applicable)**
Exhibit 19 **Redevelopment Plan for the Property (If Applicable)**
Exhibit 20 **Current Tax Assessment for the Property**

Section III CERTIFICATION OF APPLICANT

In submitting the application, the Applicant certifies that all of the information herein and in the attached exhibits is true and accurate to the best of his or her knowledge and further certifies the following:

A. The Project either 1) conforms to the Master Plan of the Municipality; or 2) to the extent that the Redevelopment Plan is inconsistent with the Master Plan, the Project conforms to the Redevelopment Plan the Borough Council, in adopting the Redevelopment Plan, set forth its reasons for adopting a Redevelopment Plan with such inconsistencies.

B. The Project will conform to and the applicant(s) agrees to comply with all Federal and State laws and to all applicable municipal ordinances.

C. Construction of the project has not commenced as of the time of the submission of this application. The applicant understands that the Borough Council is under no obligation to approve this tax abatement application. Any work done on the assumption of receipt of a tax abatement following the submission of the application and before final approval is undertaken at the risk of the developer. Note: under no circumstances will an abatement or an exemption be granted for a project that has already reached substantial completion.

D. No officer or employee of the Municipality has any interest, directly or indirectly, in the project that is subject of this application.

By my signature below, I hereby submit this application on behalf of the Applicant and certify that I have full authority to do so. I further certify that all of the information is true and accurate to the best of my knowledge and belief.

For the Applicant

Signature

David Pearson, Vice President of General Partner

Print Name and Title

Exhibit 1 Disclosure of Ownership

See attached organizational chart. Wells Fargo is the expected 99.99% Investment Limited Partner.

Acquisition entity for:
Oceanport Gardens Apartments

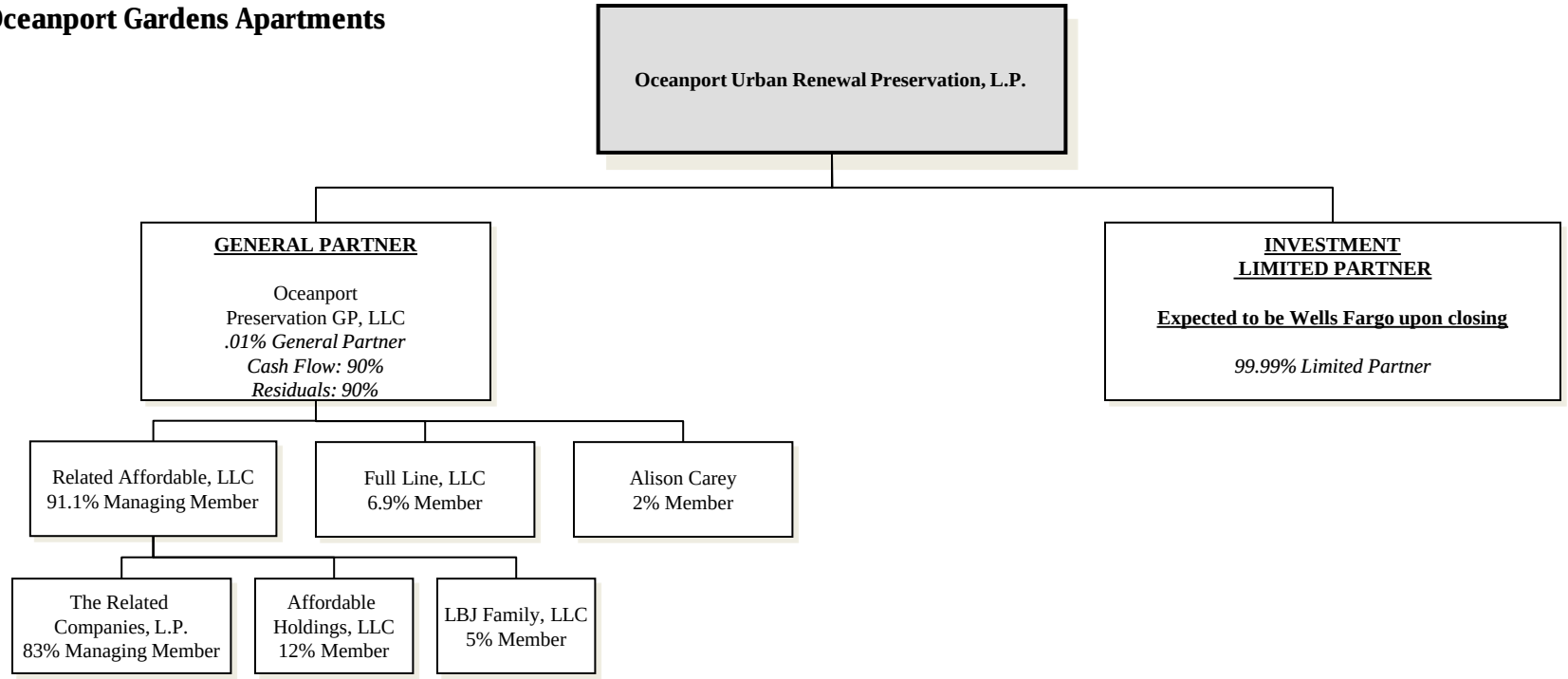


Exhibit 2 Certificate of Incorporation

See attached

12.1.a

STATE OF NEW JERSEY
DEPARTMENT OF TREASURY
FILING CERTIFICATION (CERTIFIED COPY)

OCEANPORT URBAN RENEWAL PRESERVATION, L.P.
0600450877

I, the Treasurer of the State of New Jersey, do hereby certify, that the above named business did file and record in this department a Certificate of Formation on May 8th, 2018 and that the attached is a true copy of this document as the same is taken from and compared with the original(s) filed in this office and now remaining on file and of record.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal at Trenton, this 9th day of May, 2018

Elizabeth Maher Muoio
State Treasurer

Certificate Number: 140495865

Verify this certificate online at
https://www1.state.nj.us/TYTR_StandingCert/JSP/Verify_Cert.jsp

12.1.a

LP

FILED
MAY 08 2018
STATE TREASURER

CERTIFICATE OF

LIMITED PARTNERSHIP OF

OCEANPORT URBAN RENEWAL PRESERVATION, L.P.

THE UNDERSIGNED, being authorized to execute and file this Certificate of Limited Partnership Certificate, hereby certifies as follows: 0600450877

FIRST: The name of the limited partnership is OCEANPORT URBAN RENEWAL PRESERVATION, L.P., (the "Partnership").

SECOND: The address of the limited partnership is 60 Columbus Circle, New York, New York 10023.

THIRD: The name of the limited partnership's initial registered agent and the address of the initial registered office is:

Corporation Service Company
Princeton South Corporate Ctr., Suite 160
100 Charles Ewing Blvd.
Ewing, New Jersey 08628

FOURTH: The purpose for which the Partnership is organized shall be to operate under P.L. 1991, c. 431 (C.40A:20-1 *et seq.*) and to initiate and conduct projects for the redevelopment of a redevelopment area pursuant to a redevelopment plan, or projects necessary, useful, or convenient for the relocation of residents displaced or to be displaced by the redevelopment of all or part of one or more redevelopment areas, or low and moderate income housing projects, and, when authorized by financial agreement with the municipality, to acquire, plan, develop, construct, alter, maintain or operate housing, senior citizen housing, business, industrial, commercial, administrative, community, health, recreational, educational or welfare projects, or any combination of two or more of these types of improvement in a single project, under such conditions as to use, ownership, management and control as regulated pursuant to P.L. 1991, c.431 (C.40A:20-1 *et seq.*).

FIFTH: The Partnership shall continue until December 31, 2065, unless sooner terminated in accordance with the limited partnership agreement.

SIXTH: So long as the Partnership is obligated under financial agreement with a municipality made pursuant to P.L. 1991, c. 431 (C.40A:20-1 *et seq.*), the Partnership shall engage in no business other than the ownership, operation and management of the housing project.

SEVENTH: The Partnership has been organized to serve a public purpose and its operations shall be directed toward: (i) the redevelopment of redevelopment areas, the facilitation of the relocation of residents displaced or to be displaced by redevelopment, or the conduct of low and moderate income housing projects; and (ii) the acquisition, management and operating of a project, redevelopment relocation housing project, or low and moderate income housing project under P.L. 1991, c. 431 (C.40A-20-1 *et seq.*). The Partnership shall be subject to

regulation by the municipality in which the project is situated and to a limitation or prohibition, as appropriate, on profits or dividends for so long as it remains the owner of a project subject to P.L. 1991, c. 431 (C.40A-20-1 *et seq.*).

EIGHTH: The Partnership shall not voluntarily transfer more than ten (10%) percent of the ownership of the project or any portion thereof undertaken by it under P.L. 1991, c. 431 (C.40A-20-1 *et seq.*), until it has first removed both itself and the project from all restrictions of P.L. 1991, c. 431 (C.40A-20-1 *et seq.*) in the manner required by P.L. 1991, c. 431 (C.40A-20-1 *et seq.*) and, if the project includes housing units, has obtained the consent of the Commissioner of Community Affairs to such transfer, with the exception of transfer to another urban renewal entity, as approved by the municipality in which the project is situated, which other renewal entity shall assume all contractual obligations of the transferor entity under the financial agreement with the municipality. The Partnership shall file annually with the municipal governing body of a disclosure of the persons having an ownership interest in the project and the extent of the ownership held by each. Nothing herein shall prohibit any transfer of the ownership interest in the urban renewal entity itself provided that transfer, if greater than ten (10%) percent, is disclosed to the municipal governing body in the annual disclosure statement or in correspondence sent to the municipality in advance of the annual disclosure statement referred to above.

NINTH: The Partnership is subject to the provisions of Section 18 of P.L. 1991, c. 431 (C.40A-20-1 *et seq.*) respecting the powers of the municipality to alleviate financial difficulties of the urban renewal entity or to perform actions on behalf of the entity upon a determination of financial emergency.

TENTH: Any housing units constructed or acquired by the Partnership shall be managed subject to the supervision of, and rules adopted by, the Commissioner of Community Affairs.

ELEVENTH: In furtherance of the foregoing, the Partnership is formed to acquire (in fee or by lease), own or lease, operate, maintain and manage the project under P.L. 1991, c. 431 (C.40A-20-1 *et seq.*) in accordance with a Financial Agreement with the City of Paterson (the "Financial Agreement").

TWELFTH: Except as otherwise provided in the New jersey Limited Partnership Act, N.J.S.A. 42:2A-1 et seq., the debts, obligations and liabilities of the Partnership, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Partnership, and no partner, manager, employee or agent of the Partnership shall be obligated personally for any such debt, obligation or liability of any other member, manager, employee or agent of the Partnership, by reason of being a member, or acting as a manager, employee or agent of the Partnership.

THIRTEENTH: The name and address of each General Partner is Oceanport Preservation GP, LLC, 60 Columbus Circle, New York, NY 10023; and

Oceanport Preservation GP II, LLC, 60 Columbus Circle, New York, NY 10203.

FOURTEENTH: The partners shall contribute a total of $100.00 of cash to the capital of the partnership.

FIFTEENTH; The limited partners shall have a right to assign their interest in the partnership only with the consent of the general partners of the partnership.

SIXTEENTH: The limited partners do not have the right to receive distributions from a partner which includes a return of all or any part of the partner's contribution.

SEVENTEENTH: The general partners do not have the right to make distributions to a partner which includes a return of all or any part of the partner's contribution.

EIGHTEENTH: Upon the occurrence of an event giving rise to the withdrawal of a general partner any remaining general partner, if any, of if there be no remaining general partner, the withdrawal general partner or its legal representatives shall promptly notify the limited partner(s) of such withdrawal. The partnership shall be dissolved or terminated unless the then general partner of all of the then general partners elect to continue the business of the partnership.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the undersigned has set his hand as of the 8th day of February, 2013.

OCEANPORT URBAN
RENEWAL PRESERVATION, L.P.

By: _____
Michael R. Leighton, Esq.
Authorized Representative

State of New Jersey
DEPARTMENT OF COMMUNITY AFFAIRS
101 SOUTH BROAD STREET
PO BOX 805
TRENTON, NJ 08625-0805

PHILIP D. MURPHY
Governor

LT. GOVERNOR SHEILA Y. OLIVER
Commissioner

DEPARTMENT OF COMMUNITY AFFAIRS

TO: State Treasurer
RE: Oceanport Urban Renewal Preservation, L.P.
File #2230
An Urban Renewal Entity

This is to certify that the attached CERTIFICATE OF LIMITED PARTNERSHIP OF AN URBAN RENEWAL ENTITY has been examined and approved by the Department of Community Affairs, pursuant to the power vested in it under the "Long Term Tax Exemption Law," P.L. 1991, c.431.

Done this 12th day of March 2018 at Trenton, New Jersey.

DEPARTMENT OF COMMUNITY AFFAIRS

BY
Edward M. Smith, Director
Division of Codes and Standards

Exhibit 3 NJ DCA URE Disclosure Form

See attached

Sills Cummis & Gross
A Professional Corporation

The Legal Center
One Riverfront Plaza
Newark, New Jersey 07102
Tel: (973) 643-7000
Fax (973) 643-6500

101 Park Avenue
New York, NY 10178
Tel: (212) 643-7000
Fax: (212) 643-6500

Michael R. Leighton
Member
Admitted In NJ, NY
Direct Dial: 973-643-4747
Email: mleighton@sillscummis.com

600 College Road East
Princeton, NJ 08540
Tel: (609) 227-4600
Fax: (609) 227-4646

February 7, 2018

Via Fax: (609) 292-2839

Ms. Karen Schwacha
N.J. Dept. of Community Affairs
Division of Codes and Standards
Bureau of Homeowner Protection
P.O. Box 805
Trenton, New Jersey 08625-0805

Re: Oceanport Urban Renewal Preservation L.P.

Dear Ms. Schwacha:

Attached please find the application for approval for the above-referenced Urban Renewal entity. Please do not hesitate to contact me if you have any questions.

Thank you very much for your attention to this matter.

Very truly yours,

Michael R. Leighton

Michael R. Leighton

MRL/ml
Enclosure

cc: Ms. Allison Kunis
Mr. Peter Liuzzo

NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS
DIVISION OF CODES AND STANDARDS
BUREAU OF HOMEOWNER PROTECTION
PO BOX 805
TRENTON, NEW JERSEY 08625-0805

URBAN RENEWAL ENTITIES
DISCLOSURE INFORMATION

Instructions for Completion: You have filed an application for approval of an urban renewal entity pursuant to the Long Term Tax Exemption Law (N.J.S.A. 40A:20-1 et seq.). In order for us to process the application, we require that you provide the following information and forward this form to the above address or fax it to (609)292-2839. This form must be completed prior to Division approval of the entity. If you have any questions, please call Karen Schwacha at (609)984-5831.

Name of Urban Renewal Entity: Oceanport Urban Renewal Preservation, L.P.

SECTION 1: TYPE OF APPROVAL REQUESTED (check one):

X Original certificate (of incorporation, limited partnership, formation, etc.)

_____ Amendment to original certificate (of incorporation, limited partnership, formation, etc.). Note: In the case of amendments, please forward a copy of original certificate marked "filed, State Treasurer" or "filed, Secretary of State" with this form.

_____ Other (please specify)_____

SECTION 2: PROJECT INFORMATION

Project Name: Oceanport Gardens

Project Street Address: 274-278 East Main Street

Project Block Number(s) 121 Project Lot Numbers 5

Municipality in which the Project is located Oceanport

County in which the Project is located Monmouth

SECTION 3 (for project listed in **SECTION 2.**)

(Check one)

___1. This project is solely a commercial project (with no housing units) developed in a redevelopment area pursuant to a municipal redevelopment plan.

-next-

URBAN RENEWAL ENTITIES
DISCLOSURE INFORMATION, PAGE 2

NAME OF URBAN RENEWAL ENTITY: Oceanport Urban Renewal Preservation, L.P.

SECTION 3 (cont.)

___2. This project consists solely of market rate housing units developed in a redevelopment area pursuant to a municipal redevelopment plan.

NOTE: If you checked 1 or 2, complete **SECTIONS 4, 6, and 7.**

_X_3. The project consists of low and moderate income housing units, which may include senior citizen low and moderate income housing units.

NOTE: If you checked 3, complete **SECTION 5, 6, and 7.**

___4. This project consists of mixed uses.
Specify type:
___Market rate and low and moderate income housing.
___Commercial and market rate housing.
___Commercial and low and moderate income housing.
___Other (please describe). _____

NOTE: If you checked 4, complete **SECTIONS 4, 5, 6, and 7.**

SECTION 4:REDEVELOPMENT PLAN INFORMATION

Name of Municipal Redevelopment Agency _____

Citation of municipal ordinance adopting the redevelopment plan _____

For housing projects, complete the following:
Specify type and number of units as applicable:
___Condominium units _____
___Market rate rental _____
___Low and moderate income in mixed use projects _____
___Senior citizen in mixed use projects_____
___Other (please specify) _____
Total number of units _____

SECTION 5: PROJECT FUNDING SOURCES

The low and moderate income housing project will be financed or insured by which of the following (check all applicable):
___ Private funds(Please specify) _____
_X_ State or Federal financing or insuring agencies (Please specify below)
___Other (Please specify) Tax exempt bonds and low income housing tax credits.

-next-

URBAN RENEWAL ENTITIES
DISCLOSURE INFORMATION, PAGE 3

NAME OF URBAN RENEWAL ENTITY: Oceanport Urban Renewal Preservation L.P.

SECTION 5: PROJECT FUNDING SOURCES (cont.)

State or Federal Financing or Insuring Agencies for the Project (check all that apply):

NJ Department of Community Affairs:
___Neighborhood Preservation Balanced Housing
___Downtown Living Initiative Program
___HOME – Housing Production Investment Fund
___HOME – Neighborhood Preservation
___HOME – Rental Rehabilitation

NJ Housing and Mortgage Finance Agency:
___NJ Community Housing Demo Program (developmental disabilities)
___ NJ Supportive Housing Program
___Shared Residence Rental Housing Program (community residence)
___Transitional Housing Revolving Loan Program
_x_Multifamily Rental Housing Program
___Public Housing Construction and Permanent Loan Program
___Rental Housing Incentive Finance Fund
___100% Mortgage Program
___Urban Home Ownership Recovery Program
_X_Low-Income Housing Tax Credit Allocation Program

NJ Redevelopment Authority:
___NJ Urban Site Acquisition Program

US Department of Housing and Urban Development (HUD)
___Section 811 Supportive Housing for Persons with Disabilities
___Section 202 Supportive Housing for the Elderly
___HOPE VI Grants
___HOME Program

US Department of Agriculture
___Rural Resources Administration (formerly Farmers' Home Administration)

___Other (Please specify)_____

List the information of the State or Federal financing or insuring agency's contact person:
Name: Tanya Hudson-Murray
Title: Director of Multifamily Programs and Lending
Department/Agency: NJHMFA
Address: 637 S. Clinton Avenue
Trenton, NJ 08650
Telephone Number 609-278-7582

-next-

URBAN RENEWAL ENTITIES
DISCLOSURE INFORMATION, PAGE 4

NAME OF URBAN RENEWAL ENTITY: Oceanport Urban Renewal Preservation, L.P.

SECTION 6: PROJECT CONSTRUCTION/OWNERSHIP

___1. The project is new construction.

__X__2. An existing project is being rehabilitated.
If rehab, specify name of individual, entity, etc. who is the current owner of the project.
Oceanport Associates

__X__3. Ownership of an existing project is being transferred to the new urban renewal entity.
If transfer, specify name of individual, entity, etc. from whom the project is being or has been transferred. Oceanport Associates

Is the transferor entity a limited dividend corporation or association, established pursuant to the Limited Dividend and Nonprofit Housing Corporations and Associations Law, N.J.S.A.55:16-1 et seq.? (yes or no) Yes

Is the transferor entity an existing urban renewal entity established pursuant to the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq.? (yes or no) No

___4. Has this project caused or will this project cause displacement of individuals or businesses? (yes or no) No

SECTION 7:CERTIFICATION

NOTE: This certification must be completed by an individual authorized to execute the certificate of incorporation (incorporator), the certificate of limited partnership (general partner), or other similar certificate or statement as may be required by law.

CERTIFICATION

I attest that the information stated herein is truthful and accurate to the best of my knowledge and understand that failure to fully and accurately disclose any information may delay processing the application while the Department investigates the application and project. Further, I understand that any project of the urban renewal entity may be subject to additional Department review and approval, pursuant to the requirements of the Limited Dividend and Nonprofit Corporations or Associations Law, N.J.S.A. 55:16-1 et seq., the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq., and/or rules governing Limited Dividend and Nonprofit Housing Corporations and Associations and Urban Renewal Entities, N.J.A.C. 5:13-1 et seq.

Sworn to me and subscribed before me this day of (mo/day/year) 2/7/18

X _____
(authorized individual's signature)

_____
(notary public/attorney)

Allison H. Kunis
(print name of authorized individual)

Rev. 6/2011

ALEX DEIXLER
Notary Public, State of New York
Registration #01DE6362285
Qualified In New York County
Commission Expires July 31, 2021

Exhibit 4 Authorizing Resolution

See attached

WRITTEN CONSENT OF THE GENERAL PARTNER OF OCEANPORT URBAN RENEWAL PRESERVATION, L.P.

The undersigned, being the general partner (the "GP") of Oceanport Urban Renewal Preservation, L.P., a New Jersey limited partnership (the "Partnership"), does hereby consent (this "Consent") to the adoption of the following resolutions:

WHEREAS, the Partnership intends to acquire and rehabilitate (the "Acquisition") that certain multifamily rental development commonly known as Oceanport Gardens, located in Oceanport, New Jersey (collectively, the "Property");

WHEREAS, in connection with the Acquisition, the Partnership intends to, among other things, (a) obtain from the New Jersey Housing and Mortgage Finance Agency tax-exempt volume cap and 4% tax credits to finance the Acquisition, and (b) terminate the existing PILOT Agreement with the Borough of Oceanport (the "Borough") and enter into a new 20 year PILOT Agreement (the "New Pilot Agreement") under the Long-Term Tax Exemption Law; and

WHEREAS, in connection with the New Pilot Agreement, the Partnership intends to submit a Long Term Tax Exemption Application to the Borough, along with supporting documentation (collectively, the "Application"); and

WHEREAS, the GP, in its capacity as the general partner of the Partnership, deems it advisable and in the best interest of the Partnership to obtain the New Pilot Agreement and to submit the Application to the Borough.

NOW, THEREFORE, BE IT

RESOLVED, that the Partnership is hereby authorized and directed to execute and submit the Application to the Borough, in connection with obtaining the New Pilot Agreement; and be it further

RESOLVED, that any officer, including but not limited to Matthew Finkle and David Pearson, each in their capacity as a Vice President of the GP (collectively, the "Authorized Officers" and each individually, an "Authorized Officer"), is hereby authorized and directed to execute, acknowledge, if required, and deliver the Application, on behalf of the GP, in its capacity as the general partner of the Partnership, and to make all such arrangements, to do, and perform all such acts and things, and to execute and deliver such certificates and all other instruments, agreements and documents as such Authorized Officer may deem necessary or appropriate in order to effectuate the purpose of the foregoing resolution; and be it further

RESOLVED, that any and all actions heretofore or hereinafter taken by the Authorized Officers in connection with the matters covered by this Consent are hereby ratified, confirmed, adopted and approved.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned has executed this Consent as of the ____ day of July, 2018.

GENERAL PARTNER:

OCEANPORT PRESERVATION GP, LLC,
a Delaware limited liability company

By: Related Affordable, LLC,
a Delaware limited liability company,
its managing member

By: The Related Companies, L.P.,
a New York limited partnership,
its managing member

By: The Related Realty Group, Inc.,
a Delaware corporation,
its sole general partner

By: _____
Name: Michael J. Brenner
Title: Executive Vice President

Exhibit 5 Property Metes and Bounds Description

See attached

Chicago Title Insurance Company

Title No: 600008

SCHEDULE A
DESCRIPTION OF PREMISES PAGE 1 OF 1

Description

ALL THAT CERTAIN plot, piece or parcel of land, situate, lying and being in the Borough of Oceanport, County of Monmouth and State of New Jersey, and being more particularly described as follows:

BEGINNING at a point in the westerly line of East Main Street (formerly known as Oceanport Avenue) said point being distant 22.1 feet on a course of North 28 degrees 30 minutes 30 seconds West from the point of intersection of the said westerly line of East Main Street (formerly known as Oceanport Avenue) with the northerly line of Lake Avenue projected in a westerly direction; thence

(1) South 58 degrees 21 minutes 00 seconds West a distance of 236.79 feet to a point; thence

(2) North 27 degrees 50 minutes 10 seconds West a distance of 92.00 feet to a point; thence

(3) North 27 degrees 01 minutes 40 seconds West a distance of 59.97 feet to a point; thence

(4) South 65 degrees 56 minutes 40 seconds West a distance of 246 feet more or less to a point in the mean high water line of a creek; thence

(5) Running again from the above described point of beginning, South 28 degrees 30 minutes 30 seconds East along the westerly line of East Main Street (formerly known as Oceanport Avenue), a distance of 441.62 feet to a point; thence

(6) South 61 degrees 30 minutes 10 seconds West a distance of 350 feet more or less to a point in the mean high water line of a creek; thence

(7) In a northerly direction following the mean high water line of the creek, the various courses as it flows, a distance of 752 feet more or less to a point at the end of the fourth course above described.

For Information Only: Said premises are known as 274-278 East Main Street, Oceanport, NJ and designated as Block 121 Lot 5 as shown on the Tax Map of the Borough of Oceanport, County of Monmouth.

Exhibit 6 Property Survey

See attached

RECORD DESCRIPTION

ALL THAT CERTAIN PLOT, PIECE OR PARCEL OF LAND, SITUATE, LYING AND BEING IN THE BOROUGH OF OCEANPORT, COUNTY OF MONMOUTH AND STATE OF NEW JERSEY,A ND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE WESTERLY LINE OF EAST MAIN STREET (FORMERLY KNOWN AS OCEANPORT AVENUE) SAID POINT BEING DISTANT 22.1 FEET ON A COURSE OF NORTH 28 DEGREES 30 MINUTES 30 SECONDS WEST FROM THE POINT OF INTERSECTION OF THE SAID WESTERLY LINE OF EAST MAIN STREET (FORMERLY KNOWN AS OCEANPORT AVENUE) WITH THE NORTHERLY LINE OF LAKE AVENUE PROJECTED IN A WESTERLY DIRECTION; THENCE

(1) SOUTH 58 DEGREES 21 MINUTES 00 SECONDS WEST A DISTANCE OF 236.79 FEET TO A POINT; THENCE

(2) NORTH 27 DEGREES 50 MINUTES 10 SECONDS WEST A DISTANCE OF 92.00 FEET TO A POINT; THENCE

(3) NORTH 27 DEGREES 01 MINUTES 40 SECONDS WEST A DISTANCE OF 59.97 FEET TO A POINT; THENCE

(4) SOUTH 65 DEGREES 56 MINUTES 40 SECONDS WEST A DISTANCE OF 246 FEET MORE OR LESS TO A POINT IN THE MEAN HIGH WATER LINE OF A CREEK; THENCE

(5) RUNNING AGAIN FROM THE ABOVE DESCRIBED POINT OF BEGINNING, SOUTH 28 DEGREES 30 MINUTES 30 SECONDS EAST ALONG THE WESTERLY LINE OF EAST MAIN STREET (FORMERLY KNOWN AS OCEANPORT AVENUE), A DISTANCE OF 441.62 FEET TO A POINT; THENCE

(6) SOUTH 61 DEGREES 30 MINUTES 10 SECONDS WEST A DISTANCE OF 350 FEET MORE OR LESS TO A POINT IN THE MEAN HIGH WATER LINE OF A CREEK; THENCE

(7) IN A NORTHERLY DIRECTION FOLLOWING THE MEAN HIGH WATER LINE OF THE CREEK, VARIOUS COURSES AS IT FLOWS, A DISTANCE OF 752 FEET MORE OR LESS TO A POINT AT THE END OF THE FOURTH COURSE ABOVE DESCRIBED.

FOR INFORMATION ONLY: SAID PREMISES ARE KNOWN AS 274-278 EAST MAIN STREET, OCEANPORT, NJ AND DESIGNATED AS BLOCK 121 LOT 5 AS SHOWN ON THE TAX MAP OF THE BOROUGH OF OCEANPORT, COUNTY OF MONMOUTH.

SCHEDULE B-2 EASEMENT NOTES

13. RIGHT OF WAY AGREEMENT MADE BY EDWARD C. WILSON SR. AND MURIEL E. WILSON TO JERSEY CENTRAL POWER & LIGHT COMPANY, OR NEW JERSEY BELL TELEPHONE COMPANY, DATED 12/29/1975 AND RECORDED 2/3/1976 IN DEED BOOK 3955 PAGE 725. THIS ITEM DOES REFER TO THE SUBJECT PROPERTY BUT IS BLANKET IN NATURE OVER THE ENTIRETY OF THE PROPERTY AND THEREFORE CANNOT BE PLOTTED.

14. REGULATORY AGREEMENT FOR INSURED MULTI-FAMILY HOUSING PROJECTS MADE BY OCEANPORT ASSOCIATES, DATED 1/19/1979 AND RECORDED 1/26/1979 IN MORTGAGE BOOK 3360 PAGE 221. THIS ITEM DOES REFER TO THE SUBJECT PROPERTY BUT IS BLANKET IN NATURE OVER THE ENTIRETY OF THE PROPERTY AND THEREFORE CANNOT BE PLOTTED.

15. RIGHT OF WAY AGREEMENT (UNDERGROUND) MADE BY OCEANPORT ASSOCIATES TO JERSEY CENTRAL POWER & LIGHT COMPANY, OR NEW JERSEY BELL TELEPHONE COMPANY, DATED 8/22/1979 AND RECORDED 9/18/1979 IN DEED BOOK 4195 PAGE 250. THIS ITEM DOES REFER TO THE SUBJECT PROPERTY BUT IS BLANKET IN NATURE OVER THE ENTIRETY OF THE PROPERTY AND THEREFORE CANNOT BE PLOTTED.

16. RIGHT OF WAY AGREEMENT (UNDERGOUND) MADE BY OCEANPORT ASSOCIATES TO JERSEY CENTRAL POWER & LIGHT COMPANY, OR NEW JERSEY BELL TELEPHONE COMPANY, DATED 1/24/1980 AND RECORDED 3/23/1980 IN DEED BOOK 4234 PAGE 299. THIS ITEM IS LOCATED ON THE SUBJECT PROPERTY AND IS PLOTTED AND SHOWN HEREON.

17. DEED OF EASEMENT FOR SIDEWALK PURPOSE MADE BY OCEANPORT ASSOCIATES TO BOROUGH OF OCEANPORT, DATED 7/12/2010 AND RECORDED 7/26/2010 IN DEED BOOK 8842 PAGE 2801. THIS ITEM IS LOCATED ON THE SUBJECT PROPERTY AND IS PLOTTED AND SHOWN HEREON.

GENERAL SURVEY NOTES:

1. THIS SURVEY WAS MADE IN ACCORDANCE WITH LAWS AND/OR MINIMUM STANDARDS OF THE STATE OF NEW JERSEY.
2. THE BASIS OF BEARINGS FOR THIS SURVEY IS THE SAME AS CONTAINED IN DEED BOOK 8826, PAGE 4680.
3. THE PROPERTY DESCRIBED HEREON IS THE SAME AS THE PROPERTY DESCRIBED IN CHICAGO TITLE INSURANCE COMPANY COMMITMENT NO. 600008 WITH AN EFFECTIVE DATE OF JANUARY 17, 2018 AND THAT ALL EASEMENTS, COVENANTS AND RESTRICTIONS REFERENCED IN SAID TITLE COMMITMENT OR APPARENT FROM A PHYSICAL INSPECTION OF THE SITE OR OTHERWISE KNOWN TO ME HAVE BEEN PLOTTED HEREON OR OTHERWISE NOTED AS TO THEIR EFFECT ON THE SUBJECT PROPERTY.
4. SAID DESCRIBED PROPERTY IS LOCATED WITHIN AN AREA HAVING A ZONE DESIGNATION AE & X BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA), ON FLOOD INSURANCE RATE MAP NOS. 34025C0184F & 34025C0192F, EACH WITH A DATE OF IDENTIFICATION OF SEPTEMBER 25, 2009, IN MONMOUTH COUNTY, STATE OF NEW JERSEY WHICH IS THE CURRENT FLOOD INSURANCE RATE MAP FOR THE COMMUNITY IN WHICH SAID PREMISES IS SITUATED.
5. THE PROPERTY HAS DIRECT ACCESS TO EAST MAIN STREET, BEING A DEDICATED PUBLIC STREET OR HIGHWAY.
6. THE TOTAL NUMBER OF STRIPED PARKING SPACES ON THE SUBJECT PROPERTY IS 63, INCLUDING 3 DESIGNATED HANDICAP SPACES.
7. THERE IS NO OBSERVED EVIDENCE OF CURRENT EARTH MOVING WORK, BUILDING CONSTRUCTION OR BUILDING ADDITIONS.
8. THERE ARE NO PROPOSED CHANGES IN STREET RIGHT OF WAY LINES, ACCORDING TO THE MUNICIPALITY. THERE IS NO OBSERVED EVIDENCE OF RECENT STREET OR SIDEWALK CONSTRUCTION OR REPAIRS.
9. THERE IS NO OBSERVED EVIDENCE OF SITE USE AS A SOLID WASTE DUMP, SUMP OR SANITARY LANDFILL.
10. UTILITY NOTE: OBSERVED EVIDENCE OF UTILITIES HAS BEEN SHOWN PURSUANT TO SECTION 5 PARAGRAPH E (IV) OF THE ALTA/NSPS MINIMUM STANDARD DETAIL REQUIREMENTS. THE SURVEYOR MAKES NO GUARANTEE THAT THE UNDERGROUND UTILITIES SHOWN COMPRISE ALL SUCH UTILITIES IN THE AREA, EITHER IN SERVICE OR ABANDONED. THE SURVEYOR FURTHER DOES NOT WARRANT THAT THE UNDERGROUND UTILITIES SHOWN ARE IN THE EXACT LOCATION INDICATED ALTHOUGH HE DOES CERTIFY THAT THEY ARE LOCATED AS ACCURATELY AS POSSIBLE FROM INFORMATION AVAILABLE. THE SURVEYOR HAS NOT PHYSICALLY LOCATED THE UNDERGROUND UTILITIES.
11. PURSUANT TO TABLE A ITEM 18, AT THE TIME OF THE SURVEY, NO DELINEATION MARKERS WERE OBSERVED ON THE SUBJECT PROPERTY.
12. THE BUILDING HEIGHT, SHOWN HEREON, WAS MEASURED BETWEEN THE HIGHEST POINT OF THE BUILDING AND THE FINISHED FLOOR ELEVATION IN THE APPROXIMATE LOCATION AS DEPICTED ON THE DRAWING.
13. CERTIFICATIONS SHALL RUN ONLY TO THOSE NAMED INDIVIDUALS AND/OR INSTITUTIONS FOR WHOM THE SURVEY WAS PREPARED. CERTIFICATIONS ARE NOT TRANSFERABLE TO ADDITIONAL INDIVIDUALS, INSTITUTIONS OR SUBSEQUENT OWNERS.

LAND AREA:

AREA = 191,407 SQ. FT. OR 4.394 ±ACRES

LIST OF POSSIBLE ENCROACHMENTS

THE FOLLOWING LIST OF ENCROACHMENTS IS ONLY THE OPINION OF THIS SURVEYOR AND SHOULD NOT BE INTERPRETED AS COMPLETE LISTING.

A. TRAILER AND METAL SHED ARE LOCATED ON THE SUBJECT PROPERTY FROM ADJACENT LOT 4, A MAXIMUM DISTANCE OF 10.9' TO THE WEST.

VICINITY MAP

VICINITY MAP
1"=200'

LEGEND OF SYMBOLS

MONUMENT		UNKNOWN MANHOLE		WATER VALVE	
IRON PIPE/REBAR		ELECTRIC MANHOLE	E	WATER METER	
BOOK	BK	SANITARY MANHOLE	S	FIRE HYDRANT	
PAGE	PG	CLEAN OUT		WATER SHUT OFF	
FILED MAP	F.M.	TELEPHONE MANHOLE	T	WELL	
RIGHT OF WAY	R.O.W.	STORM MANHOLE	D	IRRIGATION CONTROL VALVE	
SIGN		CATCH BASIN		GAS VALVE	
FLAGPOLE		LIGHT POLE		GAS METER	
MAILBOX	MBX	WALL-MOUNTED LIGHT		UTILITY POLE	
DUMPSTER	DMPSTR	BOLLARD		GUY WIRE	
HANDICAP SYMBOL		TREE		ELECTRIC METER	ELEC

PROPERTY LINE (PQ)		WATER LINE	W
PROPERTY LINE		GAS LINE	G
SETBACK LINE		ELECTRIC LINE	E
WETLANDS BOUNDARY		TELEPHONE LINE	T
STREAM OR BROOK		OVERHEAD WIRES	OH WIRES
TREE LINE		SANITARY SEWER	SAN
CHAIN LINK FENCE	X X	STORM SEWER	ST
WOOD FENCE	o o	GUIDE RAIL	

SURVEYOR'S CERTIFICATE

TO: CHICAGO TITLE INSURANCE COMPANY:

THIS IS TO CERTIFY THAT THIS MAP OR PLAT AND THE SURVEY ON WHICH IT IS BASED WERE MADE IN ACCORDANCE WITH THE 2017 MINIMUM STANDARD DETAIL REQUIREMENTS FOR ALTA/NSPS LAND TITLE SURVEYS, JOINTLY ESTABLISHED AND ADOPTED BY ALTA AND NSPS, AND INCLUDES ITEMS 1, 2, 3, 4, 6a, 6b, 7a, 7b1, 7c, 8, 9, 10a, 13, 14, 16, 17, 18 AND 20 OF TABLE A THEREOF. THE FIELD WORK WAS COMPLETED ON MARCH 15, 2018.

DATE OF PLAT OR MAP: MARCH 27, 2018

_____
MATTHEW M. WEBB, PLS
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 24GS04330200
WITHIN THE STATE OF NEW JERSEY

COORDINATED BY:

No.	REVISIONS	Date
1	CORRECTED HATCHING	5/4/18
2	UPDATED WETLANDS NOTE	5/9/18

510 E Memorial Road, Suite A-1
Oklahoma City, OK 73114
800.411.2010
www.emgcorp.com

SURVEY REFERENCES:

1. DEED BOOK 8826, PAGE 4680
2. MAP ENTITLED "ALTA/ACSM LAND TITLE SURVEY, BLOCK 121, LOT 5 SITUATED IN BOROUGH OF OCEANPORT, MONMOUTH COUNTY, NEW JERSEY" PREPARED BY CHARLES C. WIDDIS AND DATED JULY 20, 2000.
3. TAX MAP, SHEET 12, OF THE BOROUGH OF OCEANPORT, MONMOUTH COUNTY, NEW JERSEY.
4. CHICAGO TITLE INSURANCE COMPANY COMMITMENT NO. 600008 WITH AN EFFECTIVE DATE OF JANUARY 17, 2018 AND THE SUPPLEMENTAL DOCUMENTATION REFERRED TO THEREIN.

ZONING INFORMATION

A ZONING REPORT WAS NOT PROVIDED TO THE SURVEYOR PURSUANT TO TABLE A ITEMS 6a AND 6b.

ALTA/NSPS LAND TITLE SURVEY

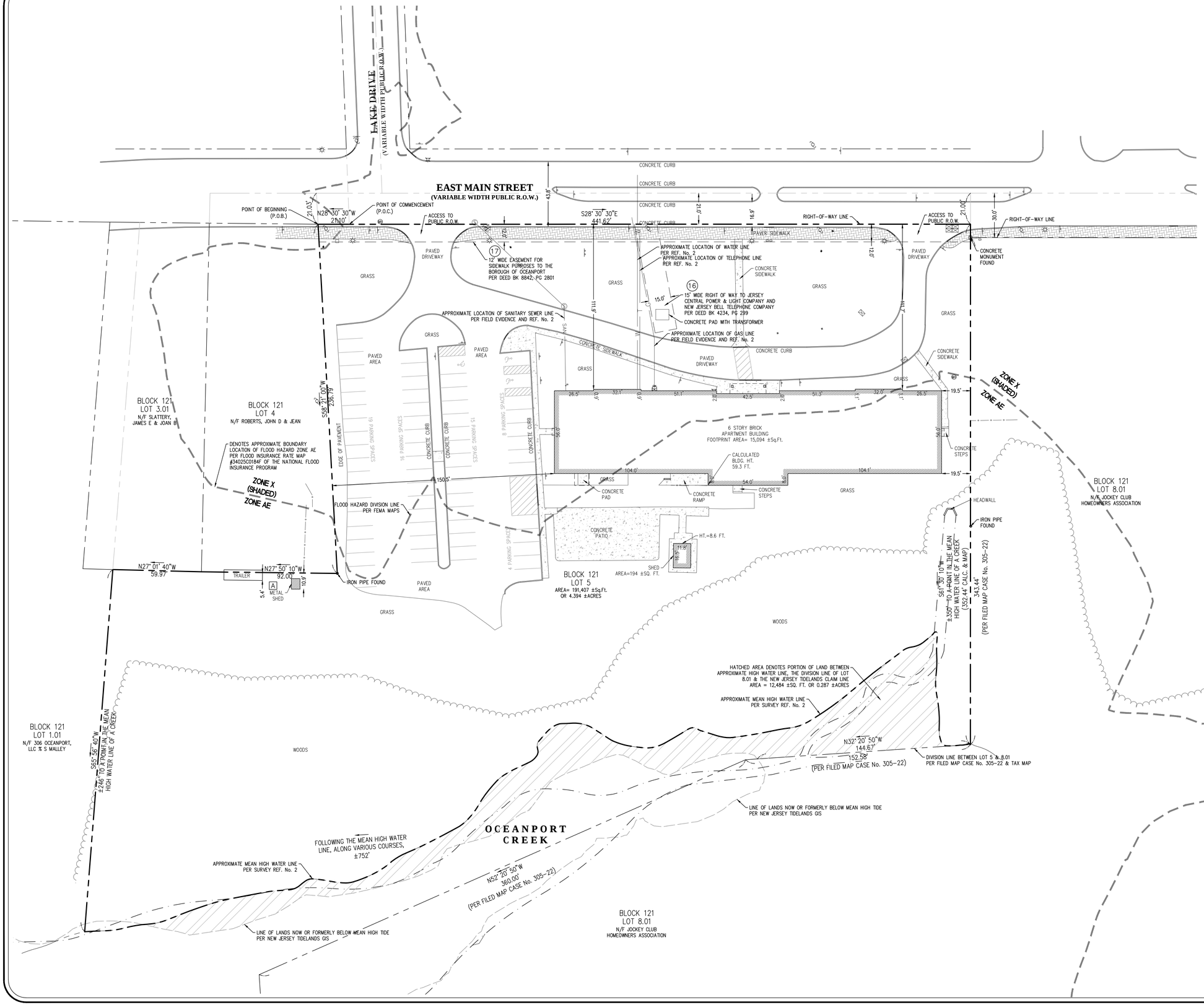
EMG VISION NUMBER: 131019.18R000-001.220
Oceanport Gardens - NJ
274-280 East Main Street
Oceanport, NJ 07757

LAN ASSOCIATES
engineering • planning • architecture • surveying INC
445 GODWIN AVENUE, STE. 9, MIDLAND PARK, N.J. 07432 (201)447-6400
NJ Certificate of Authorization | Eng'r. Nos. 24GA27937500 | Arch. Nos. 21AC00012400 | LAN JOB No. 2.80046.17

LEGEND OF SYMBOLS

MONUMENT		UNKNOWN MANHOLE		WATER VALVE	
IRON PIPE/REBAR		ELECTRIC MANHOLE		WATER METER	
BOOK	BK	SANITARY MANHOLE		FIRE HYDRANT	
PAGE	PG	CLEAN OUT		WATER SHUT OFF	
FILED MAP	F.M.	TELEPHONE MANHOLE		WELL	
RIGHT OF WAY	R.O.W.	STORM MANHOLE		IRRIGATION CONTROL VALVE	
SIGN		CATCH BASIN		GAS VALVE	
FLAGPOLE		LIGHT POLE		GAS METER	
MAILBOX	MAIL	WALL-MOUNTED LIGHT		UTILITY POLE	
DUMPSTER		BOLLARD		GUY WIRE	
HANDICAP SYMBOL		TREE		ELECTRIC METER	

PROPERTY LINE (PQ)		WATER LINE	W
PROPERTY LINE		GAS LINE	G
SETBACK LINE		ELECTRIC LINE	E
WETLANDS BOUNDARY		TELEPHONE LINE	T
STREAM OR BROOK		OVERHEAD WIRES	OH WIRES
TREE LINE		SANITARY SEWER	SAN
CHAIN LINK FENCE	X X	STORM SEWER	ST
WOOD FENCE	O O	GUIDE RAIL	



No.	REVISIONS	Date
1	CORRECTED HATCHING	5/4/18
2	UPDATED WETLANDS NOTE	5/9/18

COORDINATED BY:

emg
510 E Memorial Road, Suite A-1
Oklahoma City, OK 73114
800.411.2010
www.emgcorp.com

ALTA/NSPS LAND TITLE SURVEY

EMG VISION NUMBER: 131019.18R000-001.220
Oceanport Gardens - NJ
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445 GODWIN AVENUE, STE. 9, MIDLAND PARK, N.J. 07432 (201)447-6400
NJ Certificate of Authorization | Eng'r. Nos. 24GA27937500 | Arch. Nos. 21AC00012400 | LAN JOB No. 2.80046.17

Exhibit 7 Deed Agreement (if Applicable)

Not applicable

Exhibit 8 Narrative Description of the Project

Oceanport Gardens is a 101-unit affordable apartment community located at 274-278 East Main Street, Oceanport, New Jersey, occupied by elderly and non-elderly residents with disabilities. The property consists of a 6-story brick building with 90 one- and 11 two-bedroom units, including 1 two-bedroom employee unit, as well as a management office, resident services office, laundry room, community room, and library. The property sits on a 4.4-acre lot with off-street parking along the main thoroughfare in the Village Center area of Oceanport, across from a mixed-use development including retail, healthcare services, and market-rate apartments. The property is located on a bus route and within walking distance to a local park.

Built in 1980, the property has been well-maintained but is aging and in need of rehabilitation to preserve the units as quality affordable housing. Oceanport Urban Renewal Preservation, L.P. (the "Applicant"), an affiliate of Related Affordable, LLC ("Related"), intends to work with the New Jersey Housing and Mortgage Finance Agency ("NJHMFA") to obtain tax-exempt volume cap and 4% tax credits to finance the acquisition and rehabilitation of the property. The proposed financing structure is a Freddie tax-exempt loan (TEL) serviced by Wells Fargo.

The proposed scope includes façade repairs, roof replacement, concrete/paving repairs, landscaping, signage, additional site lighting, accessibility modifications, and upgrades to the leasing office, laundry, and other common areas, as well as renovation in 100% of units to include new cabinets and fixtures in kitchens and baths, new appliances, new flooring, and painting.

A project-based Section 8 Housing Assistance Payment ("HAP") contract funded by the U.S. Department of Housing and Urban Development ("HUD") covers 100 units. Rents are below market for the area and the Applicant intends to obtain a new 20-year Mark-Up-To-Market HAP Renewal Contract.

As an affordable housing property, the preserved housing units will be restricted to occupation by low-income households per tax-exempt financing, tax credit, and Section 8 guidelines. These restrictions will be governed by regulatory agreements signed with NJHMFA in connection with the tax-exempt volume cap and tax credit financing, as well as the HAP contract and HUD use agreement, to be executed at closing.

The proposed project will conform to all applicable municipal ordinances. Moreover, the project aligns with the Borough's Zoning and Master Plan. The project is located in the V-C-Village Center zone. Per the zoning ordinance, "This zone encompasses the Borough's downtown area and was created to

enhance the image and vitality of the Village Center by encouraging mixed use infill development with strong pedestrian elements." The development will upgrade the property aesthetically, including façade work, new signage, improved landscaping, and sidewalk / paving repair, contributing to the image, vitality, and walkability of the Village Center area.

The 2016 Draft Reexamination of the Master Plan states the goal of "providing a variety of housing types affordable to households with a range of incomes, particularly within walking distance of transit, service centers, and employment." The Draft also states affordable senior housing as a challenge. The 2008 Approved Reexamination of the Master Plan recognized the need to promote senior housing. This development will preserve affordable housing for seniors and non-senior residents with disabilities that is accessible to transit (bus stop in front of property), health services, and retail by addressing the physical needs of an aging building and by extending the affordability commitment for an additional 30 years, aligning with the Master Plan.

The property currently has a PILOT agreement with the Borough of Oceanport that runs through 2028. The Applicant proposes to terminate the existing PILOT and enter into a new 20-year PILOT agreement under the Long-Term Tax Exemption Law.

Exhibit 9 Site Plan as Approved by the Borough Planning Board

Not Applicable

Exhibit 10 Site Plan Approval Resolution

Not Applicable

Exhibit 11 Total Project Cost Estimate

See attached

PresCon II, LLC
60 Columbus Circle
18th Floor
New York, NY 10023

July 18, 2018

Oceanport Urban Renewal Preservation, L.P.
60 Columbus Circle
New York, NY 10023

Re: Oceanport Gardens 274 East Main Street, Oceanport, NJ 07757

Ladies and Gentlemen:

You have asked me to review the plans, construction documents and cost estimates to determine the anticipated costs per unit of the proposed rehabilitation project. Below is a breakdown of construction, soft and other costs associated with the rehabilitation with an additional breakdown of construction costs attached.

			Total	Per Unit
(i)	Construction Costs		$ 3,640,640	$36,046
(ii)	Project Soft Costs		$ 851,500	$8,431
(iii)	Legal Costs		$ 195,000	$1,931
(iv)	Financing Issuance Cost		$ 552,400	$5,469
(v)	Reserves and Escrows		$ 493,800	$4,889
(vi)	Developer Overhead and Fee		$ 1,505,500	$14,906
		TOTAL	$7,248,840	$71,672

Very truly yours,

Michael Antonik, Vice President

Oceanport

Proposed Scope/Budget

Item	Quantity	Unit Cost	Sub-Total
Bathrooms			
Vanity with single lever faucet	100	425.00	**42,500.00**
Medicine Cabinet	100	75.00	**7,500.00**
Toilet Replacement	100	450.00	**45,000.00**
New GFI Outlet	100	125.00	**12,500.00**
Lighting upgrade	100	100.00	**10,000.00**
Kitchens			
Cabinet Replacement	100	3,500.00	**350,000.00**
Counters	100	450.00	**45,000.00**
Refrigerators-EnergyStar	100	575.00	**57,500.00**
Stoves	100	450.00	**45,000.00**
Range Hood	100	150.00	**15,000.00**
Lighting Replacement	100	100.00	**10,000.00**
New GFI Outlet	100	125.00	**12,500.00**
Stainless steel sink	100	140.00	**14,000.00**
Faucets-single lever	100	135.00	**13,500.00**
		-	
General Interior (BR/LR/DR)			
ADA Unit upgrades	5	15,000.00	**75,000.00**
Flooring - vinyl plank	100	2,500.00	**250,000.00**
Smoke/CO detectors	100	150.00	**15,000.00**
Window Treatments	100	160.00	**16,000.00**
Interior Doors	100	500.00	**50,000.00**
Common Lighting	100	100.00	**10,000.00**
Unit Painting	100	1,200.00	**120,000.00**
Common Areas			
Office/Community Room/Laundry	1	75,000.00	**75,000.00**
Hallways - Paint/Floor Lighting	6	20,000.00	**120,000.00**
Lobby/Storefront	1	75,000.00	**75,000.00**
Building Envelope			
Roofing	13000	25.00	**325,000.00**
Entry Canopy	1	50,000.00	**50,000.00**
Parapet Repairs	600	500.00	**300,000.00**
Façade Repairs	100	5,500.00	**550,000.00**
Site Improvements			
Landscaping	Allow	30,000.00	**30,000.00**
Exterior Lighting	Allow	10,000.00	**10,000.00**
Parking Lot-Repair Fill Pot Holes - Top Coat	Allow	100,000.00	**100,000.00**
Security	Allow	30,000.00	**30,000.00**
Concrete-repair damaged walks and curbs; add ramps	Allow	25,000.00	**25,000.00**
General Signage Upgrade	Allow	30,000.00	**30,000.00**
TOTAL	**100**	**29,360.00**	**2,936,000.00**
Cost Breakdown		Per Unit (100)	
Units		12,160.00	**1,216,000.00**
Common Areas		2,700.00	**270,000.00**
Site Improvements		2,250.00	**225,000.00**
Building Envelope		12,250.00	**1,225,000.00**
Full Rehabilitation Budget			
Hard Costs			**2,936,000.00**
General Conditions (6%)			**176,160.00**
Overhead (6%)			**176,160.00**
Profit (2%)			**58,720.00**
Construction Contingency (10%)			**293,600.00**
Total			**3,640,640.00**

Exhibit 12 Project Financial Pro-forma

See attached for a 20-year projection of revenue and expenses for the project, including reserves, debt service payments and NJHMFA annual servicing fees, and the annual service charge to the Borough per the proposed PILOT. Also attached is a comparison the historical annual service charge and the projected annual service charge based on the proposed post-rehabilitation HAP contract rents.

OPERATING PROFORMA - Oceanport Gardens

Revenue	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Year 6**	**Year 7**	**Year 8**	**Year 9**	**Year 10**	**Year 11**	**Year 12**	**Year 13**	**Year 14**	**Year 15**	**Year 16**	**Year 17**	**Year 18**	**Year 19**	**Year 20**	**Year 21**	**Year 22**	**Year 23**	**Year 24**	**Year 25**	**Year 26**	**Year 27**	**Year 28**	**Year 29**	**Year 30**
Rental Revenue	1,951,200	1,990,224	2,030,028	2,070,629	2,112,042	2,154,282	2,197,368	2,241,315	2,286,142	2,331,865	2,378,502	2,426,072	2,474,593	2,524,085	2,574,567	2,626,058	2,678,579	2,732,151	2,786,794	2,842,530	2,899,381	2,957,368	3,016,516	3,076,846	3,138,383	3,201,150	3,265,173	3,330,477	3,397,086	3,465,028
Vacancy	58,536	59,707	60,901	62,119	63,361	64,628	65,921	67,239	68,584	69,956	71,355	72,782	74,238	75,723	77,237	78,782	80,357	81,965	83,604	85,276	86,981	88,721	90,495	92,305	94,151	96,035	97,955	99,914	101,913	103,951
Other Revenue	9,500	9,690	9,884	10,081	10,283	10,489	10,699	10,913	11,131	11,353	11,580	11,812	12,048	12,289	12,535	12,786	13,041	13,302	13,568	13,840	14,117	14,399	14,687	14,981	15,280	15,586	15,897	16,215	16,540	16,871
Total Revenue	**1,902,164**	**1,940,207**	**1,979,011**	**2,018,592**	**2,058,963**	**2,100,143**	**2,142,146**	**2,184,989**	**2,228,688**	**2,273,262**	**2,318,727**	**2,365,102**	**2,412,404**	**2,460,652**	**2,509,865**	**2,560,062**	**2,611,264**	**2,663,489**	**2,716,759**	**2,771,094**	**2,826,516**	**2,883,046**	**2,940,707**	**2,999,521**	**3,059,511**	**3,120,702**	**3,183,116**	**3,246,778**	**3,311,714**	**3,377,948**
Expenses																														
Admin Expenses	46,950	48,359	49,809	51,304	52,843	54,428	56,061	57,743	59,475	61,259	63,097	64,990	66,939	68,948	71,016	73,147	75,341	77,601	79,929	82,327	84,797	87,341	89,961	92,660	95,440	98,303	101,252	104,290	107,418	110,641
Repair and Maintenance	68,000	70,040	72,141	74,305	76,535	78,831	81,196	83,631	86,140	88,725	91,386	94,128	96,952	99,860	102,856	105,942	109,120	112,394	115,765	119,238	122,816	126,500	130,295	134,204	138,230	142,377	146,648	151,048	155,579	160,246
Contract Security	300	309	318	328	338	348	358	369	380	391	403	415	428	441	454	467	481	496	511	526	542	558	575	592	610	628	647	666	686	707
Utilities	135,160	139,215	143,391	147,693	152,124	156,687	161,388	166,230	171,217	176,353	181,644	187,093	192,706	198,487	204,442	210,575	216,892	223,399	230,101	237,004	244,114	251,437	258,981	266,750	274,752	282,995	291,485	300,229	309,236	318,513
Payroll	161,000	165,830	170,805	175,929	181,207	186,643	192,242	198,010	203,950	210,068	216,371	222,862	229,548	236,434	243,527	250,833	258,358	266,108	274,092	282,314	290,784	299,507	308,493	317,747	327,280	337,098	347,211	357,628	368,356	379,407
Mgmt Fee	66,660	68,660	70,720	72,841	75,026	77,277	79,596	81,983	84,443	86,976	89,585	92,273	95,041	97,892	100,829	103,854	106,970	110,179	113,484	116,889	120,395	124,007	127,727	131,559	135,506	139,571	143,758	148,071	152,513	157,089
Insurance	34,000	35,020	36,071	37,153	38,267	39,415	40,598	41,816	43,070	44,362	45,693	47,064	48,476	49,930	51,428	52,971	54,560	56,197	57,883	59,619	61,408	63,250	65,148	67,102	69,115	71,188	73,324	75,524	77,790	80,123
Annual Service Charge	265,051	108,060	82,603	84,190	85,808	87,455	89,134	90,844	92,586	94,361	134,209	136,779	139,397	142,064	144,781	147,548	150,367	153,238	156,162	159,141	230,774	235,389	240,097	244,899	374,695	382,189	389,833	530,173	540,776	551,592
Borough	*251,798*	*102,657*	*78,473*	*79,981*	*81,517*	*83,083*	*84,677*	*86,302*	*87,957*	*89,643*	*127,498*	*129,940*	*132,427*	*134,961*	*137,542*	*140,170*	*142,848*	*145,576*	*148,354*	*151,184*	*219,235*	*223,620*	*228,092*	*232,654*	*355,960*	*363,080*	*370,341*	*503,664*	*513,737*	*524,012*
County	*13,253*	*5,403*	*4,130*	*4,210*	*4,290*	*4,373*	*4,457*	*4,542*	*4,629*	*4,718*	*6,710*	*6,839*	*6,970*	*7,103*	*7,239*	*7,377*	*7,518*	*7,662*	*7,808*	*7,957*	*11,539*	*11,769*	*12,005*	*12,245*	*18,735*	*19,109*	*19,492*	*26,509*	*27,039*	*27,580*
Total Cost of Operations	**777,121**	**635,492**	**625,858**	**643,743**	**662,147**	**681,085**	**700,572**	**720,626**	**741,261**	**762,496**	**822,388**	**845,604**	**869,486**	**894,056**	**919,332**	**945,336**	**972,089**	**999,611**	**1,027,927**	**1,057,059**	**1,155,629**	**1,187,990**	**1,221,276**	**1,255,513**	**1,415,628**	**1,454,350**	**1,494,158**	**1,667,628**	**1,712,355**	**1,758,318**
Replacement Reserve Deposits	30,000	30,900	31,827	32,782	33,765	34,778	35,822	36,896	38,003	39,143	40,317	41,527	42,773	44,056	45,378	46,739	48,141	49,585	51,073	52,605	54,183	55,809	57,483	59,208	60,984	62,813	64,698	66,639	68,638	70,697
Release of Tax Escrow	(185,535)	(27,015)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Operating Income	**1,280,579**	**1,300,831**	**1,321,326**	**1,342,067**	**1,363,051**	**1,384,280**	**1,405,752**	**1,427,467**	**1,449,424**	**1,471,623**	**1,456,022**	**1,477,971**	**1,500,145**	**1,522,540**	**1,545,155**	**1,567,987**	**1,591,034**	**1,614,292**	**1,637,759**	**1,661,430**	**1,616,703**	**1,639,247**	**1,661,948**	**1,684,800**	**1,582,900**	**1,603,538**	**1,624,259**	**1,512,511**	**1,530,721**	**1,548,933**
Debt Service																														
First Mortgage																														
Interest Payments	870,128	859,907	849,191	837,956	826,176	813,826	800,878	787,302	773,069	758,147	742,501	726,097	708,899	690,868	671,963	652,142	631,362	609,574	586,731	562,782	537,672	511,346	483,744	454,805	424,465	392,655	359,303	324,336	287,676	249,239
Principal Payments	210,985	221,206	231,922	243,157	254,937	267,287	280,235	293,811	308,044	322,967	338,612	355,016	372,214	390,245	409,150	428,971	449,752	471,539	494,382	518,332	543,441	569,768	597,369	626,308	656,648	688,458	721,810	756,777	793,438	831,874
Total First Mortgage Paymen	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**
Hard Debt DSCR:	1.18	1.20	1.22	1.24	1.26	1.28	1.30	1.32	1.34	1.36	1.35	1.37	1.39	1.41	1.43	1.45	1.47	1.49	1.51	1.54	1.50	1.52	1.54	1.56	1.46	1.48	1.50	1.40	1.42	1.43
Capital Expenditures																														
Capital Expenditures	15,000	15,000	15,000	25,000	25,000	30,000	30,000	30,000	30,000	50,000	50,000	50,000	50,000	50,000	50,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	100,000	100,000	100,000	100,000	100,000	100,000
Cash Required for Capital Expenditures	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**7,567**	**23,927**	**22,395**	**20,817**	**19,191**	**17,517**	**15,792**	**39,016**	**37,187**	**35,302**	**33,361**	**31,362**	**29,303**
Before Tax Cash Flow	**199,466**	**219,717**	**240,213**	**260,954**	**281,938**	**303,166**	**324,638**	**346,354**	**368,311**	**390,510**	**374,909**	**396,858**	**419,031**	**441,427**	**464,042**	**486,874**	**509,921**	**525,612**	**532,718**	**557,922**	**514,774**	**538,943**	**563,318**	**587,895**	**462,770**	**485,239**	**507,844**	**398,037**	**418,245**	**438,517**

ANNUAL SERVICE CHARGE (ACTUAL AND PROJECTED) - Oceanport Gardens

	Actual 2016	Actual 2017	Projected Post-Rehab Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15
Revenue	1,458,601	1,479,327	1,902,164	1,940,207	1,979,011	2,018,592	2,058,963	2,100,143	2,142,146	2,184,989	2,228,688	2,273,262	2,318,727	2,365,102	2,412,404	2,460,652	2,509,865
Utilities	147,260	147,544	135,160	139,215	143,391	147,693	152,124	156,687	161,388	166,230	171,217	176,353	181,644	187,093	192,706	198,487	204,442
Revenue less Utilities	1,311,341	1,331,783	1,767,004	1,800,992	1,835,620	1,870,899	1,906,840	1,943,455	1,980,758	2,018,759	2,057,472	2,096,909	2,137,084	2,178,009	2,219,698	2,262,165	2,305,423
Annual Service Charge	58,803	59,868	265,051	108,060	82,603	84,190	85,808	87,455	89,134	90,844	92,586	94,361	134,209	136,779	139,397	142,064	144,781
Borough (95%)			*251,798*	*102,657*	*78,473*	*79,981*	*81,517*	*83,083*	*84,677*	*86,302*	*87,957*	*89,643*	*127,498*	*129,940*	*132,427*	*134,961*	*137,542*
County (5%)			*13,253*	*5,403*	*4,130*	*4,210*	*4,290*	*4,373*	*4,457*	*4,542*	*4,629*	*4,718*	*6,710*	*6,839*	*6,970*	*7,103*	*7,239*

Projected Post-Rehab Continued	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28	Year 29	Year 30
Revenue	2,560,062	2,611,264	2,663,489	2,716,759	2,771,094	2,826,516	2,883,046	2,940,707	2,999,521	3,059,511	3,120,702	3,183,116	3,246,778	3,311,714	3,377,948
Utilities	210,575	216,892	223,399	230,101	237,004	244,114	251,437	258,981	266,750	274,752	282,995	291,485	300,229	309,236	318,513
Revenue less Utilities	2,349,487	2,394,371	2,440,090	2,486,658	2,534,090	2,582,402	2,631,609	2,681,726	2,732,771	2,784,759	2,837,707	2,891,631	2,946,549	3,002,477	3,059,434
Annual Service Charge	147,548	150,367	153,238	156,162	159,141	230,774	235,389	240,097	244,899	374,695	382,189	389,833	530,173	540,776	551,592
Borough (95%)	*140,170*	*142,848*	*145,576*	*148,354*	*151,184*	*219,235*	*223,620*	*228,092*	*232,654*	*355,960*	*363,080*	*370,341*	*503,664*	*513,737*	*524,012*
County (5%)	*7,377*	*7,518*	*7,662*	*7,808*	*7,957*	*11,539*	*11,769*	*12,005*	*12,245*	*18,735*	*19,109*	*19,492*	*26,509*	*27,039*	*27,580*

Exhibit 13 Project Financing Plan

The Applicant has applied for tax-exempt volume cap and 4% low income housing tax credits ("LIHTCs") from NJHMFA to finance the acquisition and rehabilitation of the property. Subject to NJHMFA approval of tax-exempt volume cap, the Applicant intends to execute a conduit financing structure using a Freddie Mac tax-exempt loan (TEL) serviced by Wells Fargo in the approximate amount of $17.5 million. Other sources of funding for the project include equity raised from the sale of the LIHTCs allocated by NJHMFA in the approximate amount of $7.4 million, income from operations in the approximate amount of $400,000, and deferred developer overhead and fee in the approximate amount of about $700,000. As the proposed LIHTC investor, Wells Fargo would own the 99.99% investor limited partner interests in the project.

Exhibit 14 Explanation of the Need for a PILOT Agreement

The project currently has a PILOT agreement with the Borough of Oceanport under the Limited Dividend Law that expires in 2028. Per the current PILOT agreement, the owner pays to the Borough an amount of 4.5% of annual rent less the cost of utilities.

The Applicant proposes to terminate the existing PILOT and enter into a new 20-year PILOT agreement under the Long-Term Tax Exemption Law with payment amount set at 4.5% of rent less utilities consistent with the existing PILOT.

Approval of the proposed PILOT is necessary for the project to receive the allocation of NJHMFA volume cap and Freddie Mac / Wells Fargo loan proceeds that (1) make up the primary source of funds for the proposed acquisition and renovation and (2) make the project eligible for an allocation of 4% LIHTCs, the sale of which make up the second largest source of funds for the project. Without the PILOT, the Applicant would not be able to secure sufficient financing for the acquisition and rehabilitation of the property.

The rehabilitation of the property using tax-exempt financing and LIHTCs is important to preserve an affordable housing resource that meets demand for affordable housing for low-income seniors and residents with disabilities in the Borough of Oceanport.

Exhibit 15 Project Schedule Estimate

The Applicant plans to close on the acquisition of the property, with all financing and approvals in place, in early Fall 2018 and no later than early October 2018. The rehabilitation will commence within 30 days of closing and will occur over 9-12 months, to be completed by mid-2019.

The Applicant requests approval of the new PILOT agreement by September 1, 2018 so that all parties, including the Applicant, state agency, lender, and investor, can complete underwriting and provide approvals to close within the timeframe outlined above.

Exhibit 16 Summary of Project Benefits

Built in 1980, the property has been reasonably maintained but is aging and in need of rehabilitation to preserve the units as quality affordable housing for low-income elderly and non-elderly disabled residents of the Borough. This project is one of few affordable housing properties in the area and is important to meet the demand for housing available to low-income residents of the Borough.

The proposed project will provide a capital infusion into the property that will preserve these units for the long-term. The renovation will improve the property functionally and aesthetically, minimizing maintenance concerns and enhancing livability for residents.

The site improvements will also support the goals outlined in the Borough's zoning ordinance and Master Plan by contributing to the image, vitality, and walkability of the Village Center area and ensuring the availability of affordable housing within walking distance of amenities such as transit, health services, and retail.

In addition to physical improvements to the site, the Applicant will commit to maintaining the property as affordable by entering into a new Section 8 HAP rental subsidy contract and entering into regulatory agreements with NJHMFA in connection with project financing to maintain the Property as affordable for a minimum of 30 years. This commitment to maintain the affordability will protect an important affordable housing resource for the long term.

In connection with the renovation, the property is expected to receive an increase in Section 8 HAP contract rents to adjust the current below-market rents to post-rehabilitation market rents. This rent adjustment will result in a projected 33% increase in the annual service charge paid under the PILOT.

Exhibit 17 Form of Financial Agreement

See attached

FINANCIAL AGREEMENT FOR LONG TERM TAX EXEMPTION N.J.S.A. 40A:20-1 et seq.

by and between

BOROUGH OF OCEANPORT

and

OCEANPORT URBAN RENEWAL PRESERVATION, L.P.

Dated: April [25], 2019

THIS FINANCIAL AGREEMENT is made this [25th] day of April, 2019 (hereinafter this "Agreement" or "Financial Agreement") by and between **OCEANPORT URBAN RENEWAL PRESERVATION, L.P.** (the "Entity") a New Jersey limited partnership and an urban renewal entity qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, N.J.S.A. 40A:20-1 *et seq.*, as amended and supplemented (the "Exemption Law"), with offices at c/o Related Affordable, LLC, 60 Columbus Circle, New York, New York 10023; and the **BOROUGH OF OCEANPORT**, County of Monmouth, State of New Jersey, having an address at 313 East Main Street, Oceanport, New Jersey 07757 (the "Borough"; and together with the Entity, the "Parties" or "Party").

W I T N E S S E T H:

WHEREAS, the Entity is under contract to purchase that certain property identified as Block 121, Lot 5 on the official Tax Maps of the Borough and commonly known as 274-278 East Main Street, Oceanport, New Jersey 07757; and

WHEREAS, said Block 121, Lot 5 is as depicted in that certain metes and bounds description attached hereto as Exhibit A and hereby made a part hereof (the "Property"); and

WHEREAS, the Entity will acquire and rehabilitate the Property which rehabilitation shall include façade repairs, roof replacement, concrete/paving repairs, additional site lighting, accessibility modifications, upgrades to common areas and renovation of all of the apartment units, as set forth in more detail in Exhibit C (collectively, the "Project"); and

WHEREAS, in accordance with the Exemption Law, the Entity filed an application with the Borough for approval of a long term tax exemption (the "Long Term Tax Exemption") for the Project (the "Application"), a copy of which is annexed hereto and made a part hereof as Exhibit B; and

WHEREAS, on March 22, 2019, the Mayor recommended to the Governing Body that the Application be approved, provided that all legal prerequisites are met; and

WHEREAS, on April 18, 2019, by Ordinance No. [•] (the "Ordinance"), the Governing Body approved the Application, subject to the terms and conditions of this Financial Agreement and authorized the execution of this Financial Agreement; and

WHEREAS, pursuant to this Financial Agreement, the Borough and the Entity desire to set forth in detail their mutual rights and obligations with respect to the Long Term Tax Exemption; and

WHEREAS, the Governing Body has reviewed the Application and has made the following findings:

A. **Benefits of Project v. Costs.**

i. The development and construction of the Project will be beneficial to the overall community; will provide, maintain and improve quality affordable housing; will help revitalize the Property; will improve the quality of life for the community; will serve as a catalyst for further private investment in areas surrounding the Property and will enhance the economic development of the Borough.

ii. It is anticipated that the development of the Project will create approximately twenty-five (25) full-time equivalent construction jobs over the duration of the construction of the Project, as well as approximately two (2) full-time permanent job in connection with the operation of the Project.

iii. Prior to entry into this Financial Agreement, the Property was subject to a tax exemption pursuant to an Agreement for Annual Service Charge in Lieu of Property Taxation dated as of August 17, 1978, under the Limited Dividend Non-Profit Housing Corporation or Associations Law, as amended (N.J.S.A. 55:16 et seq.) (the "Prior Exemption"). In 2018, pursuant to the Prior Exemption, the Property, including the improvements thereon, generated at least $57,200 in municipal revenue. The Property has not been subject to conventional taxation since at least the year of commencement of the Prior Exemption. Pursuant to this Financial Agreement, in addition to the maintenance and improvement of affordable rental housing within the Borough, the Project is projected to generate revenue for the Borough in the first year of approximately $251,798, well in excess of the municipal revenue previously generated by the Property. The benefits to the Borough accruing as a result of the Project, including the provision of affordable housing, the generation of jobs, and the generation of municipal revenues, will substantially outweigh any incremental costs to the Borough resulting from the Long Term Tax Exemption granted herein.

B. **Importance of Long Term Tax Exemption.**

The Governing Body's approval of the Long Term Tax Exemption set forth herein is essential to the success of the Project because:

i. The relative stability and predictability of the Annual Service Charge (as defined herein) associated with the Project will make it more attractive to financial institutions whose participation is necessary in order to finance the Project.

ii. The relative stability and predictability of the Annual Service Charge will allow the Entity to provide a high level of maintenance for the Property and will have a positive impact on the surrounding area and community.

iii. The financial benefit conferred by the Long Term Tax Exemption supports the inclusion of affordable rental units on terms affordable to a mix of households with low and moderate incomes.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties to this Agreement mutually covenant and agree as follows:

ARTICLE I - GENERAL PROVISIONS

Section 1.1 Governing Law

This Financial Agreement shall be governed by the provisions of the Exemption Law, the Ordinance, and all other Applicable Laws (as defined herein). It is expressly understood and agreed that the Borough has relied upon the facts, data, and representations contained in the Application in granting the Long Term Tax Exemption and the Application is hereby incorporated into this Financial Agreement by reference.

Section 1.2 General Definitions and Construction

The recitals and exhibits to this Agreement are hereby incorporated by reference herein as if set forth at length. Unless specifically provided otherwise or the context otherwise requires, when used in this Agreement, the following terms and phrases shall have the following respective meanings:

a. **Affiliate** – With respect to any person or entity, any other person or entity directly or indirectly Controlling or Controlled by, or under direct common Control with, such person or entity.

b. **Agreement or Financial Agreement** – Shall have the meaning specified in the preamble hereof.

c. **Allowable Net Profit (also referred to as "ANP")** – The amount arrived at by applying the Allowable Profit Rate pursuant to the provisions of N.J.S.A. 40A:20-3.

d. **Allowable Profit Rate (also referred to as the "APR")** - The greater of twelve (12%) percent or the percentage per annum arrived at by adding one and one-quarter (1.25%) percent to the annual interest percentage rate payable on the Entity's initial permanent mortgage financing for the Project. If the initial permanent mortgage is insured or guaranteed by a governmental agency, the mortgage insurance premium or similar charge, if payable on a per annum basis, shall be considered as interest for this purpose. If there is no permanent mortgage financing or if the financing is internal or undertaken by a related party, the APR shall be the greater of twelve (12%) percent or the percentage per annum arrived at by adding one and one-quarter (1.25%) percent to the prevailing per annum interest rate on mortgage financing on comparable improvements within Monmouth County. The provisions of N.J.S.A. 40A:20-3(b) are incorporated herein by reference.

e. **Annual Gross Revenue (also referred to as the "AGR")** – Annual gross shelter rents actually collected by the Property, and other income, including income from parking,

laundry and other services, and State or Federal tenant subsidies and excluding the costs of gas, electricity, fuel, water, sewer, garbage removal and other utilities.

f. **Annual Service Charge (also referred to as the "ASC")** – The total annual amount that the Entity has agreed to pay the Borough for municipal services supplied to the Project, which sum is in lieu of any taxes on the Property and the Improvements pursuant to the Exemption Law, which amount shall be prorated in the year in which the Annual Service Charge begins and the year in which the Annual Service Charge terminates. The Annual Service Charge shall be calculated pursuant to Article IV hereof.

g. **Annual Audited Statement** - Shall mean a complete financial statement outlining the financial status of the Project, which shall also include a computation of Net Profit, Allowable Net Profit, and Annual Gross Revenue, prepared annually by the Entity's certified public accountant. The contents of each Annual Audited Statement shall be prepared in conformity with Generally Accepted Accounting Principles, the Exemption Law and this Financial Agreement.

h. **Applicable Law**: Shall mean any and all federal, State and local laws, rules, regulations, rulings, court orders, statutes and ordinances applicable to the Project and the Long Term Tax Exemption.

i. **Application** – Shall have the meaning specified in the recitals of this Financial Agreement.

j. **ASC Commencement Date** – The first day of the month immediately following the Substantial Completion of the Project.

k. **Control** – As used with respect to any person or entity, shall mean possession, directly or indirectly, of the power to direct or cause the direction of the management and operation of such person or entity, whether through the ownership of voting securities or by contract or other written agreements.

l. **Days** - Whenever the word "Days" is used to denote time, it shall mean calendar days.

m. **Debt Service** – The amount required to make annual payments of principal and interest or the equivalent thereof on any construction mortgage, permanent mortgage or other financing including returns on institutional equity financing and market rate related party debt for the Project for a period equal to the term of the Long Term Tax Exemption granted by this Financial Agreement.

n. **Default** - A breach or failure of the Borough or the Entity to perform any obligation imposed by the terms of this Financial Agreement, or under the Exemption Law, beyond any applicable grace or cure periods set forth in this Financial Agreement.

o. **Effective Date** – The date that this Agreement has been executed by both Parties.

p. **Entity** – Shall mean the entity specified in the preamble of this Financial Agreement, which is qualified and shall remain qualified as an urban renewal entity under the Exemption Law. Unless the context provides otherwise, it shall also include any permitted Transferee, which shall also be qualified as an urban renewal entity under the Exemption Law as set forth in Section 8.1 hereof.

q. **Excess Net Profits** – The amount of Net Profits that exceeds the Allowable Net Profits (ANP) for the applicable accounting period as determined in accordance with the Exemption Law.

r. **Exemption Law** - Shall have the meaning specified in the preamble of this Financial Agreement.

s. **Governing Body**- Shall have the meaning specified in the recitals of this Financial Agreement.

t. **Improvements** - Shall mean any building, structure or fixture comprising the Project which is permanently affixed to the Property to be constructed and exempt under this Agreement.

u. **Long Term Tax Exemption** – Shall have the meaning specified in the recitals of this Financial Agreement.

v. **Minimum Annual Service Charge** – The Parties acknowledge and agree that the Minimum Annual Service Charge for purposes of this Agreement shall be $59,900.

w. **Net Profit** - Annual Gross Revenue (AGR) less all operating and non-operating expenses and costs of the Entity, all determined in accordance with Generally Accepted Accounting Principles and the provisions of N.J.S.A 40A:20-3(c), but: (1) there shall be included in expenses: (a) all annual service charges paid pursuant to N.J.S.A. 40A:20-12; (b) all payments to the municipality of excess profits pursuant to N.J.S.A. 40A:20-15 or N.J.S.A. 40A:20-16; (c) an annual amount sufficient to amortize the Total Project Cost and all capital costs determined in accordance with generally accepted accounting principles, of any other entity whose revenue is included in the computation of excess profits, over the term of the abatement as set forth in this Financial Agreement; (d) all reasonable annual operating expenses of the Entity and any other entity whose revenue is included in the computation of Excess Profits, including the cost of all management fees, brokerage commissions, insurance premiums, all taxes or service charges paid, legal, accounting, or other professional service fees, utilities, building maintenance costs, building and office supplies, and payments into repair or maintenance reserve accounts; (e) all payments of rent including, but not limited to, ground rent by the Entity (if applicable); (f) all Debt Service; and (2) there shall not be included in expenses either depreciation or obsolescence, interest on debt, except interest which is part of Debt Service, income taxes, or salaries, bonuses or other compensation paid, directly or indirectly to directors, officers and stockholders of the Entity, or officers, partners or

other persons holding any proprietary ownership interest in the Entity.

x. **Ordinance** – Shall have the meaning specified in the recitals of this Financial Agreement.

y. **Party or Parties** – Shall have the meaning specified in the preamble of this Financial Agreement.

z. **Payment Default** – Shall have the meaning specified in Section 5.4 of this Financial Agreement.

aa. **Project** - Shall have the meaning specified in the recitals of this Financial Agreement.

ab. **Property** - Shall have the meaning specified in the recitals of this Financial Agreement.

ac. **Rental Unit** – A residential unit or retail unit within the Project made available for rent to the public.

ad. **Reserve** – Shall have the meaning defined in Section 6.2 of this Financial Agreement.

ae. **Secured Party or Secured Parties** – Shall have the meaning defined in Section 8.3(a) of this Financial Agreement.

af. **Security Arrangements** – Shall have the meaning defined in Section 8.3(a) of this Financial Agreement.

gg. **State** – The State of New Jersey.

ah. **Substantial Completion** – The determination by the Borough construction official that the improvements described in this Agreement have been completed and that the Project, is ready for the use intended.

ai. **Tenant** – Any tenant of a Rental Unit.

aj. **Termination Date** – The earlier to occur of (i) the thirty-fifth (35^{th}) anniversary of the Effective Date; (ii) the thirtieth (30^{th}) anniversary date of the ASC Commencement Date; or (iii) such other date as this Financial Agreement may terminate pursuant to the terms hereof or pursuant to Applicable Law.

ak. **Total Project Cost (also referred to as "TPC")** - Shall be as calculated in accordance with Section 3(h) of the Exemption Law.

al. **Borough** – Shall have the meaning specified in the preamble of this Financial Agreement.

am. **Transferee** – Shall have the meaning specified in Section 8.1 of this Financial Agreement.

Section 1.3 Interpretation and Construction.

In this Agreement, unless the context otherwise requires:

A. The terms "hereby," "hereof," "hereto," "herein," "hereunder" and any similar terms, as used in this Agreement, refer to this Agreement, and the term "hereafter" means after, and the term "heretofore" means before the date of delivery of this Agreement.

B. Words importing a particular gender mean and include correlative words of every other gender and words importing the singular number mean and include the plural number and vice versa.

C. Words importing persons mean and include firms, associations, partnerships (including limited partnerships), trusts, corporations, limited liability companies and other legal entities, including public or governmental bodies, as well as natural persons.

D. Any headings preceding the texts of the several articles and sections of this Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect. All references to articles, sections or exhibits in this Agreement shall, unless indicated otherwise, refer to the articles, sections or exhibits in this Agreement.

E. Unless otherwise indicated, all approvals, consents and acceptances required to be given or made by any person or Party hereunder shall not be unreasonably withheld, conditioned, or delayed.

F. All notices to be given hereunder and responses thereto shall be given, unless a certain number of days is specified, within a reasonable time, which shall not be less than ten (10) days nor more than twenty (20) days, unless the context dictates otherwise.

G. All exhibits referred to in this Agreement and attached hereto are incorporated herein and made part hereof.

ARTICLE II - PROJECT AND PROPERTY

Section 2.1. Borough's Findings

Pursuant to the Exemption Law, the Borough finds that the Long Term Tax Exemption granted pursuant to this Financial Agreement will benefit the Borough and the community by assuring the success of the rehabilitation of the Property. The development and construction of the Project will be beneficial to the overall community; will preserve and improve quality affordable rental housing; will help revitalize the Property; will improve the quality of life for the

community; is expected to generate twenty-five (25) construction jobs and two (2) permanent job; will serve as a catalyst for further private investment in areas surrounding the Property and will enhance the economic development of the Borough. The benefits to the Borough accruing as a result of the Project, including the preservation and improvement of affordable housing, the generation of jobs, and the generation of municipal revenues, will substantially outweigh any incremental costs to the Borough resulting from the Long Term Tax Exemption granted herein.

The Long Term Tax Exemption is important to the Borough and the Entity because without the incentive of the Long Term Tax Exemption, it is unlikely that the Project would be undertaken. The Long Term Tax Exemption will allow the Entity to provide a high level of maintenance for the Property, as well as the preservation and improvement of affordable rental units on terms affordable to a mix of households with low and moderate incomes.

Section 2.2 Approval of Agreement

The Borough hereby approves a Long Term Tax Exemption for the Project, which is to be rehabilitated, operated and maintained on the Property in accordance with the terms and conditions set forth herein, the provisions of the Exemption Law and other Applicable Law.

Section 2.3 Approval of the Entity

The Borough hereby approves of the Entity in reliance upon the Entity's representation that its certificate of formation contains all the requisite provisions of law, has been reviewed and approved by the Commissioner of the New Jersey State Department of Community Affairs, and has been filed with, as appropriate, the New Jersey State Department of Treasury, all in accordance with N.J.S.A. 40A:20-5.

Section 2.4 Rehabilitation of the Property

The Entity agrees that it will rehabilitate, construct, operate and maintain the Project.

Section 2.5 Entity's Relationship to Property

The Entity is the contract purchaser of the Property.

ARTICLE III – OWNERSHIP, MANAGEMENT AND CONTROL

Section 3.1 Entity's Representation

The Entity represents that it shall acquire the Property and remain the fee title owner of the Property throughout the rehabilitation and operation of same, subject to its right of transfer in accordance with Section 8.1 hereof.

Section 3.2 Required Provisions of Financial Agreement

To the extent not otherwise set forth herein, those items required by N.J.S.A. 40A:20-9 to be included in this Financial Agreement are set forth in the Application attached hereto as

Exhibit C, which is incorporated herein as if set forth at length, and the Entity represents and warrants as to the accuracy of the contents thereof.

Section 3.3 Fiscal Plan

The Entity represents that the Project shall be financed in accordance with the representations set forth in the Application, including the Fiscal Plan attached thereto, which is also attached hereto as Exhibit D. The Application and Fiscal Plan set forth, among other things, the estimated Total Project Cost, amortization rates on the Total Project Cost, the source of funds, the interest rates to be paid on construction financing, the source and amount of paid in capital, and the terms of any mortgage amortization.

Section 3.4 Estimated Rental Schedule

The Entity sets forth its good faith projections of the Annual Gross Revenue from the Project in the Fiscal Plan annexed to and made a part of this Financial Agreement at Exhibit D.

ARTICLE IV - TAX EXEMPTION; ANNUAL SERVICE CHARGE

Section 4.1 Term

Subject to compliance with this Agreement, this Agreement shall be in effect from the Effective Date through the Termination Date. However, in no case shall this Agreement remain in effect longer than 35 years from the Effective Date. Upon the expiration of this Agreement (i) the tax exemption for the Project shall expire and the Property and the Improvements thereon shall thereafter be assessed and taxed according to the general law applicable to other non-exempt property in the Borough and (ii) any restrictions and limitations upon the Entity shall terminate upon such Entity's rendering and the Borough's acceptance of its final accounting to the Borough, pursuant to N.J.S.A. 40A:20-13.

Section 4.2 Calculation of Annual Service Charge

In consideration of the Borough granting the Entity the Long Term Tax Exemption set forth in this Financial Agreement, the Entity shall pay to the Borough for municipal services supplied to the Project, as provided in the Exemption Law, an Annual Service Charge as follows:

(a) **Stage One**: From the ASC Commencement Date until the fifteenth anniversary of the ASC Commencement Date, the Annual Service Charge shall be (i) fifteen (15.0%) percent of AGR for the first year; (ii) six (6.0%) percent of AGR for the second year; (iii) four and one-half (4.5%) percent of AGR for the third through tenth years and (iv) six and twenty-eight one-hundredths (6.28%) of AGR for the eleventh through fifteenth years; and

(b) **Stage Two**: From the first day after the fifteenth anniversary of the ASC Commencement Date until the twentieth anniversary of the ASC Commencement Date, the Annual Service Charge shall be equal to the greater of six and twenty-eight one-hundredths (6.28%) percent of AGR or twenty (20%) percent of the amount of the taxes otherwise due on the value of the Property and the Improvements.

(c) **Stage Three**: From the first day after the twentieth anniversary of the ASC Commencement Date under the twenty-fourth anniversary of the ASC Commencement Date, the Annual Service Charge shall be equal to the greater of six and twenty-eight one-hundredths (6.28%) percent of AGR or forty (40%) percent of the amount of the taxes otherwise due on the value of the Property and the Improvements;

(d) **Stage Four**: From the first day after the twenty-fourth anniversary of the ASC Commencement Date until the twenty-seventh anniversary of the ASC Commencement Date, the Annual Service Charge shall be equal to the greater of six and twenty-eight one-hundredths (6.28%) percent of AGR or sixty (60%) percent of the amount of the taxes otherwise due on the value of the Property and the Improvements;

(e) **Final Stage**: From the first day after the twenty-seventh anniversary of the ASC Commencement Date until the thirtieth anniversary of the ASC Commencement Date, the Annual Service Charge shall be equal to the greater of six and twenty-eight one-hundredths (6.28%) percent of AGR or eighty (80%) percent of the amount of the taxes otherwise due on the value of the Property and the Improvements.

Section 4.3 Minimum Annual Service Charge

Notwithstanding anything to the contrary in this Financial Agreement, including, without limitation, Section 4.2 hereof, the Annual Service Charge for the Project shall not be less than the Minimum Annual Service Charge.

Section 4.4 Intentionally Omitted

Section 4.5 Quarterly Installments

The Annual Service Charge or the Minimum Annual Service Charge, as the case may be, shall be paid in quarterly installments on those dates when *ad valorem* real estate tax payments on other properties within the Borough are due, subject to adjustment for over payment or underpayment within thirty (30) days after the close of each calendar year. If the Entity fails to so pay, the amount unpaid shall bear the highest rate of interest permitted in the case of the unpaid taxes or tax liens on the Property until paid. The Entity's failure to make the requisite payments of Annual Service Charge or Minimum Annual Service Charge, in a timely manner shall constitute a Default under this Agreement and the Borough may, among its other remedies as provided in this Financial Agreement, proceed against the Project pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1 et seq. In addition, the Borough may terminate this Agreement with respect to the Project in accordance with Section 5.4 hereof. Any Default arising out of the Entity's failure to pay the Annual Service Charge or Minimum Annual Service Charge, shall not be subject to the dispute resolution remedies provided in Section 5.1.

Section 4.6 Rights and Obligations Related to Long Term Tax Exemption

(a) All Annual Service Charge or Minimum Annual Service Charge payments, as the case may be, made pursuant to this Financial Agreement shall be in lieu of taxes and, as set forth above, the Borough shall have the rights and remedies of tax enforcement granted to a municipality by Applicable Law, including those of in rem tax foreclosure pursuant to N.J.S.A. 54:5-1, just as if said payments constituted regular real property tax obligations on other real properties within the Borough.

(b) If the ASC Commencement Date occurs on a date other than the last day of a quarter, the amount of *ad valorem* real estate taxes for such period up to the ASC Commencement Date shall be based on a per diem basis for such quarter.

(c) Any lease of a Rental Unit to a Tenant shall be subject to the terms of this Financial Agreement and shall not require the consent or approval of the Borough. The Borough shall look solely to the Entity and not any Tenant with respect to the collection of the unpaid portion of the Annual Service Charge imputed to a particular unit.

Section 4.7 Remittance to County

The Borough shall remit to the County of Monmouth five percent (5%) of the Annual Service Charge received each year from the Entity, pursuant to N.J.S.A. 40A:20-12(b)(2)(e).

Section 4.8 Payment Prior to ASC Commencement Date

The Parties agree that payments in lieu of taxes on existing Improvements as charged prior to the date of this Agreement are due from time to time in accordance with Applicable Law prior to the ASC Commencement Date.

Section 4.9 Other Municipal Services.

Nothing herein shall exempt the Entity from the payment of any applicable municipal services. The Entity shall timely pay for municipal services rendered to the Project and/or to the Property.

ARTICLE V - DISPUTE RESOLUTION; DEFAULT

Section 5.1 Agreement to Arbitrate

If the Borough or the Entity breaches this Financial Agreement (other than with respect to a Payment Default), or a dispute arises between the Parties regarding the terms and provisions set forth herein, then the Parties shall submit the dispute to arbitration, which shall utilize State law and the arbitration rules of the American Arbitration Association in the State, to be resolved in accordance with its rules and regulations in such fashion as to accomplish the purposes of the Exemption Law and this Financial Agreement. The costs of arbitration shall be borne equally by

the Parties involved in the arbitration. The demand for arbitration shall be filed in writing and shall be made within a reasonable time after a dispute or breach occurs. (Section 1.3(F) hereof shall not apply for purposes of the foregoing sentence.) The arbitrator(s) shall make written findings of fact and conclusions of law. Any arbitration award may be appealed by either party to the New Jersey Superior Court, Law Division, with respect to asserted errors of fact or law, and the outcome of such appeal may be further appealed in the State courts, and shall not be limited in any way due to the origin of the action in arbitration.

Notwithstanding the foregoing, if the Entity fails to pay the Annual Service Charge or Minimum Annual Service Charge, the Borough, among its other remedies, reserves the right to proceed against the Project, pursuant to N.J.S.A. 54:5-1 to 54:5-129, and any Act supplementary or amendatory thereof, and shall not be required to submit such matters to arbitration. Whenever the word "Taxes" appears or is applied, directly or implied, 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 are taxes or municipal liens on land.

Section 5.2 Covenant to Make Payments

The Entity agrees that the timely payment of the Minimum Annual Service Charge or the Annual Service Charge, to the Borough, as well as continued compliance with Applicable Laws, are material conditions of this Financial Agreement. The failure to make any of the aforesaid payments in timely fashion shall constitute both a breach of this Financial Agreement and a tax payment delinquency under Applicable Law.

Section 5.3 Remedies upon Default

All of the remedies provided in this Agreement, and all rights and remedies granted to the Parties by law and equity, shall be cumulative and concurrent. No termination of any provision within this Agreement shall deprive the Borough of any of its remedies in accordance with law or actions against the Entity because of its failure to pay the Annual Service Charge, and/or the water and sewer charges with interest payments. The bringing of any action due to a Default under this Agreement shall not be construed as a waiver of the right to enforce any other remedy provided in this Agreement. Nothing in this Agreement shall be deemed to create personal liability on the part of any Entity for any of the provisions of this Agreement, the Borough's rights and remedies to collect any obligation due and owing hereunder to be the same as the Borough's rights and remedies with respect to collection of real estate taxes generally under Applicable Law.

Section 5.4 Notification of Breach Required

Other than with respect to the nonpayment or late payment of all or a portion of the Annual Service Charge or Minimum Annual Service Charge (any of the foregoing a "Payment Default"), the Borough shall notify the Entity in writing of any breach relating to the terms of this Financial Agreement. If the Entity fails to cure a Payment Default within ten (10) days of its occurrence, or fails to cure any other breach within thirty (30) Days after the actual delivery of notice by the Borough, or within any additional periods to which the Parties may agree to, in

writing (with respect to defaults other than Payment Defaults, the Borough shall not unreasonably refuse to grant a reasonable extension of the cure period, not to exceed sixty (60) days after the Notice unless the Borough in its sole discretion shall agree to a longer cure period), the Borough may invalidate the Long Term Tax Exemption by providing thirty (30) Days' written notice to the Entity, which shall inform the Entity that the Long Term Tax Exemption shall terminate at the expiration of said thirty (30) Day notice period due to the breach of the terms of this Financial Agreement.

Section 5.5 Force Majeure

Neither Party shall be liable to the other for failure to perform its obligations under this Agreement due to causes that are beyond the reasonable control and not substantially due to the fault or negligence of the party seeking to excuse delay or failure of performance of an obligation hereunder by reason thereof, including, but not limited to, declarations of public emergency; acts of nature (as to weather-related events, limited to severe and unusual events or natural occurrences such as hurricanes, tornadoes, earthquakes, and floods); acts of the public enemy; acts of terrorism; acts of war; fire; epidemics; quarantine restrictions; blackouts, power failures, or energy shortages; governmental embargoes; strikes or similar labor action by equipment or material suppliers or transporters, or unavailability of necessary building materials. Notwithstanding the foregoing, the payment of Land Taxes, Annual Service Charge and Minimum Annual Service Charge are material conditions of this Agreement which shall not be excused by the occurrence of a force majeure event.

Section 5.6 Certificate of Occupancy

It is understood and agreed that it shall be the obligation of the Entity to obtain any Certificates of Occupancy required by law in a reasonably timely manner. The Borough shall reasonably cooperate in processing Entity's request(s) for the issuance of any Certificate(s) of Occupancy.

Section 5.7 Filing of Certificate of Occupancy

It shall be the responsibility of the Entity to forthwith file with both the Tax Assessor and the Tax Collector a copy of any Certificate of Occupancy issued for the Project.

Failure of the Entity to file such issued Certificate of Occupancy as required by the preceding paragraph shall not militate against any action or non-action taken by the Borough, including, if appropriate, retroactive billing with interest for any charges determined to be due, in the absence of such filing by the Entity.

ARTICLE VI - LIMITATION ON PROFITS

Section 6.1 Entity's Covenant of Limitation on Profits

During the period of tax exemption as provided herein, the Entity shall be subject to a limitation of its profits pursuant to the provisions of *N.J.S.A.* 40A:20-15. Pursuant to *N.J.S.A.*

40A:20-3(c), this calculation is completed in accordance with generally accepted accounting principles.

Section 6.2 Permitted Reserves

The Entity shall have the right to establish a reserve against vacancies, unpaid rentals, and reasonable contingencies in an amount up to ten percent (10%) of the Annual Gross Revenues of the Entity for the prior fiscal year (hereinafter referred to as the "Reserve") and may retain such part of the Excess Net Profits as is necessary to eliminate a deficiency in that Reserve, as provided in *N.J.S.A.* 40A:20-15.

Section 6.3 Payment of Dividend and Excess Profit Charge

In accordance with N.J.S.A. 40A:20-15, if the Net Profits of the Entity shall exceed the Allowable Net Profits in any accounting period, then the Entity, within ninety (90) days after the end of the accounting period, shall pay such Excess Net Profits to the Borough as an additional Annual Service Charge; provided, however, that the Entity may maintain a Reserve as determined pursuant to Section 6.2.

Section 6.4 Payment of Reserve/Excess Net Profit Upon Termination, Expiration or Sale.

The Termination Date of this Agreement, or the date of sale or transfer of the Improvements, shall be considered to be the close of the fiscal year of the Entity. Within ninety (90) days after such date, the Entity shall pay to the Borough the amount of the Reserve, if any, maintained by it pursuant to Section 6.2, and the Excess Net Profits, if any.

ARTICLE VII - TERMINATION OF AGREEMENT AND INSPECTIONS

Section 7.1 Voluntary Termination of the Financial Agreement by Entity

Pursuant to the Exemption Law, the Entity or any Transferee may at any time after the expiration of one (1) year from the ASC Commencement Date, notify the Borough in writing that, as of a certain date designated in the notice, it relinquishes its status as an urban renewal entity under the Exemption Law and that the Entity, or Transferee, has obtained the consent of the Commissioner of the Department of Community Affairs, if required by Applicable Law. As of that date, all of the obligations and requirements contained in this Financial Agreement shall terminate. Notwithstanding the foregoing, such relinquishment shall not impact the obligation of the Entity or the Transferee, as applicable, to make payment of any Annual Service Charge or Minimum Annual Service Charge that has accrued up to and including the Termination Date, or the obligation of the Entity or the Transferee, as applicable, to perform the final accounting required by the Exemption Law and Section 7.2 below.

Section 7.2 Termination and Final Accounting

Within ninety (90) Days after the Termination Date, whether by affirmative action of the Entity or by virtue of the provisions of the Applicable Law or pursuant to the terms of this

Financial Agreement, the Entity shall provide a final accounting and pay to the Borough the Reserve, if any, pursuant to N.J.S.A. 40A:20-15, as well as any Excess Net Profits, if any payable as of that date. For purposes of rendering a final accounting, the Termination Date of the Financial Agreement shall be deemed to be the end of the fiscal year for the Entity.

Section 7.3 Taxes After Termination Date

After the Termination Date, the Long Term Tax Exemption shall expire, and the Property and the Improvements constructed thereupon shall thereafter be assessed and conventionally taxed according to Applicable Law as other real property in the Borough.

Section 7.4 Rights of Inspection

The Entity shall permit the inspection of its property, equipment, buildings and other facilities of the Project by representatives duly authorized by the Borough and Division of Local Government Services in the Department of Community Affairs pursuant to N.J.S.A. 40A:20-9(e). The Entity shall also permit, upon written request, examination and audit of its books, contracts, records, documents and papers relating to the Project by representatives duly authorized by the Borough and Division of Local Government Services in the Department of Community Affairs pursuant to N.J.S.A. 40A:20-9(e). Such inspection shall be made upon five (5) days' prior written notice, in the presence of an officer or agent designated by the Entity. To the extent reasonably possible, the inspection will not materially interfere with construction or operation of the Project. Nothing in this section shall be construed to affect, limit or restrict the powers of municipal, county, State or other officials from carrying out those inspections that are generally applicable outside of the Exemption Law context, including, but not limited to, inspections by fire officials, construction code officials, etc.

ARTICLE VIII - SALE OR LEASE OF PROJECT

Section 8.1 Approval of Sale of Project to Entity Formed and Eligible to Operate Under Applicable Law

The Entity shall not transfer all or any portion of the Project without the prior written approval of the Borough, except that after completion of the Project, the Entity shall be permitted to transfer all or any portion of the Project to another urban renewal entity, qualified and organized under the Exemption Law (a "Transferee"), and approved by the Borough under the conditions set forth herein. As permitted by N.J.S.A. 40A:20-10(a), it is understood and agreed that the Borough, on written application by the Entity after completion of the Project, shall consent to a sale of the Project and the transfer of this Agreement provided: (i) the transferee entity does not own or lease any other Project subject to long term tax exemption at the time of transfer; (ii) the transferee entity is formed and eligible to operate under the Exemption Law; (iii) the Entity is not then in Default of this Agreement or the Exemption Law; (iv) the Entity's obligations under this Agreement are fully assumed by the transferee entity; (v) the transferee entity agrees to abide by all terms and conditions of this Agreement including, without limitation, the filing of an application pursuant to N.J.S.A. 40A:20-8, and any other terms and conditions of the Borough in regard to the Project; (vi) the transferee entity possesses the

requisite experience, qualifications, and financial capacity to operate and manage the Project; and (vii) the principal owners of the transferee entity possess the same business reputation, financial qualifications and credit worthiness as the Entity and are otherwise reputable.

Notwithstanding the above, it is expressly understood and agreed that the Entity is permitted, without the prior approval of the Borough, to effect the following transfers with respect to the Project:

A. Encumber the Project, e.g., mortgage financing, development easements, etc., provided that any such encumbrance is subordinate to the lien of the Annual Service Charges.

B. Transfer the ownership interest in the Entity to an Affiliate.

C. Lease any portion of the Project to an end user, with such tenant not being required to be an entity eligible to operate under the Exemption Law.

Notwithstanding anything to the contrary contained in A. through C., above, or elsewhere in this Agreement, the Parties expressly agree and acknowledge that the Entity shall not enter into any lease, whether or not with an Affiliate or related entity, that shall operate to minimize or remove revenues properly includable in the calculation of Annual Gross Revenue.

Section 8.2 Obligations of Entity and Transferee after Conveyance

If the Entity transfers the Project to a Transferee with the consent of the Borough and the Transferee has assumed the contractual obligations of the transferor Entity with the Borough, pursuant to Section 8.1 hereof, then the Entity shall be absolutely discharged from any further obligations regarding the Project and shall be qualified to undertake another project pursuant to the Exemption Law. Within ninety (90) Days after the date of a transfer, the Entity shall pay to the Borough any Reserve maintained by it pursuant to this Financial Agreement, as well as any Excess Net Profits payable to the Borough pursuant to this Financial Agreement and the Exemption Law.

Section 8.3 Collateral Assignment

It is expressly understood and agreed that the Entity has the right, to the extent permitted by the Exemption Law to encumber and/or assign its fee title to the Property and/or Improvements for purposes of (i) financing the design, development and construction of the Project and (ii) permanent mortgage financing with respect to the Project.

(a) The Borough acknowledges that the Entity and/or its affiliates intend to obtain secured financing in connection with the acquisition, development and construction of the Project. The Borough agrees that the Entity and or its affiliates may, subject to compliance with the Exemption Law, assign, pledge, hypothecate or otherwise transfer its rights under this Agreement and/or its interest in the Project to one or more secured parties or any agents therefore (each, a "Secured Party" and collectively, the "Secured Parties") as security for obligations of the Entity, and/or its affiliates, incurred in connection with such secured financing (collectively, the "Security Arrangements"). The Entity shall give the Borough written notice of any such Security

Arrangements, together with the name and address of the Secured Party or Secured Parties. Failure to provide such notice waives any requirement of the Borough hereunder to provide any notice of Default or notice of intent to enforce its remedies under this Agreement.

(b) If the Entity shall Default in any of its obligations hereunder, the Borough shall give written notice of such Default to the Secured Parties and the Borough agrees that, in the event such Default is not waived by the Borough or cured by the Entity, its assignee, designee or successor, within the period provided for herein, before exercising any remedy against the Entity hereunder, the Borough will provide the Secured Parties a reasonable period of time to cure such Default, but in any event not less than twenty (20) days from the date of such notice to the Secured Parties with regard to a Payment Default by the Entity and ninety (90) days from the date the Entity was required to cure any other Default.

(c) In the absence of a Default by the Entity, the Borough agrees to consent to any collateral assignment by the Entity to any Secured Party or Secured Parties of its interests in this Agreement and to permit each Secured Party to enforce its rights hereunder and under the applicable Security Arrangement and shall, upon request of the Secured Party, execute such documents as are typically requested by secured parties to acknowledge such consent. This provision shall not be construed to limit the Borough's right to payment from the Entity, nor shall the priority of such payments be affected by the Secured Party exercising its rights under any applicable Security Arrangement.

ARTICLE IX - ENTITY'S COVENANTS AND REPRESENTATIONS

Section 9.1 Management and Operation

Subject to its right to transfer the Project pursuant to Section 8.1 of this Financial Agreement, the Entity represents and covenants that the Entity will manage the Project or will contract with a third party management company. The Entity shall be free to enter into leases with Tenants for the Rental Units without the consent of the Borough.

Section 9.2 Computation of Gross Revenue

The Entity shall, for the duration of this Agreement, calculate the Annual Gross Revenue in accordance with the Exemption Law and this Financial Agreement and the computation of Annual Gross Revenue shall be shown on the Entity's Annual Audited Statement.

Section 9.3 Annual Audit Report

For so long as the Entity owns the Project and within ninety (90) Days after the close of each fiscal or calendar year (depending on the Entity's accounting basis) that this Financial Agreement shall continue in effect, the Entity shall submit to the Mayor of the Borough, the Governing Body, the CFO of the Borough, and the New Jersey Division of Local Government Services within the New Jersey Department of Community Affairs, its Annual Audited Statement for the preceding fiscal or calendar year in accordance with the Exemption Law. The report shall clearly identify and calculate the Net Profit for the Entity during the previous fiscal

year. The Entity assumes all costs associated with preparation of the Annual Audited Statements. Except to the extent required by Applicable Law, all financial information provided hereunder shall remain confidential and not subject to public disclosure.

Section 9.4 Total Project Cost Audit

Within ninety (90) days after the final Certificate of Occupancy is issued for the Project, the Entity shall submit to the Mayor and Governing Body an audit of Total Project Cost certified as to actual construction costs by the Entity's architect.

Section 9.5 Disclosure Statement

On each anniversary date of the execution of this Agreement, the Entity shall submit to the Mayor and Governing Body, who shall advise those municipal officials required to be advised, a disclosure statement listing the persons having an ownership interest in the Project, and the extent of the ownership interest of each and such additional information as the Borough may request from time to time.

ARTICLE X - INDEMNIFICATION

Section 10.1 Indemnification

It is understood and agreed that in the event the Borough shall be named as a party defendant in any action brought against the Borough or the Entity by allegation of any breach, Default or a violation of any of the provisions of this Agreement and/or the provisions of the Exemption Law or any other Applicable Law, the Entity shall indemnify and hold the Borough harmless from and against all liability, losses, damages, demands, costs, claims, actions or expenses (including reasonable attorneys' fees and expenses) of every kind, character and nature arising out of or resulting from the action or inaction of the Entity and/or by reason of any breach, Default or a violation of any of the provisions of this Agreement, the provisions of the Exemption Law and/or any other Applicable Law except for any willful misconduct by the Borough or any of its officers, officials, employees or agents, and the Entity shall defend the suit at its own expense. The Borough shall be entitled to intervene in any such suit, and retain attorneys of its choosing, whether as party defendant or intervener, the cost of such attorneys to be borne by the Entity in accordance with this Section.

ARTICLE XI - MISCELLANEOUS PROVISIONS

Section 11.1 Governing Law

This Financial Agreement shall be governed by the provisions of Applicable Law including but not limited to the Exemption Law. This Agreement shall be construed and enforced in accordance with the laws of the State, without regard to or aid of any presumption or other rule requiring construction against the party drawing or causing this Agreement to be drawn since counsel for both the Entity and the Borough have combined in their review and approval of same.

Section 11.2 Oral Representation

Neither Party hereto has made any oral representation that is not contained in this Financial Agreement. This Financial Agreement and the Application, including all of the Exhibits attached and annexed hereto and thereto, constitute the entire Financial Agreement by and between the Parties.

Section 11.3 Modification

There shall be no modification of this Financial Agreement except by virtue of a written instrument executed by and between both Parties.

Section 11.4 Notices

A notice, demand or other communication required to be given under this Agreement by any Party to the other shall be in writing and shall be sufficiently given or delivered if dispatched by United States Registered or Certified Mail, postage prepaid and return receipt requested, or delivered by overnight courier or delivered personally (with receipt acknowledged) to the parties at their respective addresses set forth herein, or at such other address or addresses with respect to the parties or their counsel as any party may, from time to time, designate in writing and forward to the others as provided in this Section:

a) <u>When sent by the Borough to the Entity:</u>

Oceanport Urban Renewal Preservation, L.P.
c/o Related Affordable, LLC
60 Columbus Circle
New York, New York 10023
Attention: Matthew Finkle

with a copy to:

Sills Cummis & Gross P.C.
One Riverfront Plaza
Newark, New Jersey 07102
Attn: Michael R. Leighton, Esq.

b) When sent by the Entity to the Borough:

Borough of Oceanport
313 East Main Street
Oceanport, New Jersey 07757
Attn: Borough Clerk

with a copy to:

McManimon, Scotland & Baumann, LLC
75 Livingston Avenue, 2nd Floor
Roseland, NJ 07068
Attn: Matthew D. Jessup, Esq.

From time to time either Party may designate a different person or address for all the purposes of this Notice provision by giving the other Party no less than ten (10) days' notice in advance of such change of address in accordance with the provisions hereof. Notices shall be effective upon the earlier of receipt or rejection of delivery by the addressee. Any notice given by an attorney for a Party shall be effective for all purposes. In addition, if the Entity delivers formal written notice to the Borough in accordance with this Agreement, of the name and address of Entity's mortgagee, then the Borough shall provide such mortgagee with a copy of any notice required to be sent to the Entity.

Section 11.5 Severability

If any term, covenant or condition of this Financial Agreement shall be judicially declared to be invalid or unenforceable, the remainder of this Financial Agreement or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Financial Agreement shall be valid and be enforced to the fullest extent permitted by Applicable Law.

If any portion of this Financial Agreement shall be judicially declared to be invalid and unenforceable and provided that a Default has not been declared pursuant to this Financial Agreement, the Parties shall cooperate with each other to take the actions reasonably required to restore the Financial Agreement in an manner contemplated by the Parties, including, but not limited to the authorization and amendment of this Financial Agreement in a form reasonably drafted to effectuate the original intent of the Parties.

Section 11.6 Good Faith

The Entity and the Borough agree to act in good faith in all of their dealings with each other.

Section 11.7 Certification

The Borough Clerk shall certify to the Tax Assessor, pursuant to N.J.S.A. 40A:20-12, that a Financial Agreement with an urban renewal entity, i.e., the Entity, for the development of the Project, has been entered into and is in effect as required by the Exemption Law. Delivery by the Borough Clerk to the Tax Assessor of a certified copy of the Ordinance and this Financial Agreement shall constitute the required certification. Upon certification as required hereunder and upon the ASC Commencement Date, the Tax Assessor shall implement the tax exemption and continue to enforce that tax exemption without further certification by the Borough Clerk

until the expiration of the entitlement to tax exemption by the terms of this Financial Agreement or until the Tax Assessor has been duly notified by the Borough Clerk that the tax exemption has been terminated.

Further, within 10 calendar days following the later of the effective date of the Ordinance or the execution of the Financial Agreement by the Entity, the Borough Clerk shall transmit a certified copy of the Ordinance and the Financial Agreement to the chief financial officer of Monmouth County and to the Monmouth County Counsel for informational purposes.

Section 11.8 Estoppel Certificate

Within thirty (30) days following written request therefore by the Entity, or any mortgagee, purchaser, tenant or other party having an interest in the Project, the Borough shall issue a signed estoppel certificate in reasonable form stating that (i) this Financial Agreement is in full force and effect, (ii) to the best of the Borough's knowledge, no Default has occurred under this Agreement (nor any event which, with the passage of time and/or the giving of notice would result in the occurrence of a Default) or stating the nature of any Default, and (iii) stating any such other reasonable information as may be requested. In the event the estoppel certificate discloses a Default, it shall also state the manner in which such Default may be cured.

Section 11.9 Application Fee

The Borough and Entity agree that the Entity has paid to the Borough an amount equal to $13,500 as a fee for processing the Application.

Section 11.8 Counterparts

This Agreement may be simultaneously executed in counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Financial Agreement to be executed the day and year first above written.

Attest:

BOROUGH OF OCEANPORT

_____
Borough Clerk

By: _____
Name: John F. Coffey, II
Title: Mayor

SEAL

Dated: _____

OCEANPORT URBAN RENEWAL PRESERVATION, L.P.

Dated:_____

By: _____
Name:
Title:

STATE OF)
) SS.:
COUNTY OF)

Be it remembered that on the ___ day of _____ ____, 2019, _____ personally appeared before me, and this person acknowledged under oath, to my satisfaction that:

(a) he is the _____ of Oceanport Urban Renewal Preservation, L.P., the general partner of the Entity in the attached Financial Agreement;

(b) he is authorized to execute the attached Financial Agreement on behalf of the Entity;

(c) he executed the attached Financial Agreement on behalf of and as the act of the Entity; and

(d) the attached Financial Agreement was signed and made by the Entity as its duly authorized and voluntary act.

_____ _____ _____ _____ _____ _____

STATE OF)
) SS.:
COUNTY OF)

Be it remembered that on the ____ day of _____ _, 2019, John F. Coffey, III, personally appeared before me, and this person acknowledged under oath, to my satisfaction that:

(a) he is the Mayor of the Borough of Oceanport, New Jersey, the Borough in the attached Financial Agreement;

(b) he is authorized to execute the attached Financial Agreement on behalf of the Borough;

(c) he executed the attached Financial Agreement on behalf of and as the act of the Borough; and

(d) the attached Financial Agreement was signed and made by the Borough as its duly authorized and voluntary act.

_____ _____ _____ _____ _____ _____

EXHIBIT A – PROPERTY DESCRIPTION

EXHIBIT A

THE PROPERTY

Description

ALL THAT CERTAIN plot, piece or parcel of land, situate, lying and being in the Borough of Oceanport, County of Monmouth and State of New Jersey, and being more particularly described as follows:

BEGINNING at a point in the westerly line of East Main Street (formerly known as Oceanport Avenue) said point being distant 22.1 feet on a course of North 28 degrees 30 minutes 30 seconds West from the point of intersection of the said westerly line of East Main Street (formerly known as Oceanport Avenue) with the northerly line of Lake Avenue projected in a westerly direction; thence

(1) South 58 degrees 21 minutes 00 seconds West a distance of 236.79 feet to a point; thence

(2) North 27 degrees 50 minutes 10 seconds West a distance of 92.00 feet to a point; thence

(3) North 27 degrees 01 minutes 40 seconds West a distance of 59.97 feet to a point; thence

(4) South 65 degrees 56 minutes 40 seconds West a distance of 246 feet more or less to a point in the mean high water line of a creek; thence

(5) Running again from the above described point of beginning, South 28 degrees 30 minutes 30 seconds East along the westerly line of East Main Street (formerly known as Oceanport Avenue), a distance of 441.62 feet to a point; thence

(6) South 61 degrees 30 minutes 10 seconds West a distance of 350 feet more or less to a point in the mean high water line of a creek; thence

(7) In a northerly direction following the mean high water line of the creek, the various courses as it flows, a distance of 752 feet more or less to a point at the end of the fourth course above described.

For Information Only: Said premises are known as 274-278 East Main Street, Oceanport, NJ and designated as Block 121 Lot 5 as shown on the Tax Map of the Borough of Oceanport, County of Monmouth.

EXHIBIT B – APPLICATION

EXHIBIT C – PROPOSED SCHEDULE OF IMPROVEMENTS

EXHIBIT C

PROPOSED SCHEDULE OF IMPROVEMENTS

OCEANPORT GARDENS - IMPROVEMENTS	
Item	**Quantity**
Bathrooms	
Vanity with Single Lever Faucet	100 units
Medicine Cabinet	100 units
Toilet Replacement	100 units
New GFI Outlet	100 units
Lighting upgrade	100 units
Kitchens	
Cabinet Replacement	100 units
Counters	100 units
Refrigerators - EnergyStar	100 units
Stoves	100 units
Range Hood	100 units
Lighting Replacement	100 units
New GFI Outlet	100 units
Sinks - Stainless Steel	100 units
Faucets - Single Lever	100 units
General Unit Interiors	
ADA Unit upgrades	5 units
Flooring - Vinyl Plank - Living room, kitchen and bath	100 units
Smoke/CO Detectors	100 units
Window Treatments	100 units
Interior Doors	100 units
Common Lighting	100 units
Unit Painting	100 units
Common Areas	
Office/Community Room/Laundry Upgrades	Allowance
Hallway Upgrades	6 Hallways
Lobby/Storefront Upgrades	Allowance
Building Envelope	
Roofing Repairs	Allowance
Entry Canopy	Allowance
Parapet Repairs	Allowance
Façade Repairs	Allowance
Window Repairs	100%
Site Improvements	
Landscaping Improvements	Allowance
Exterior Lighting Upgrades	Allowance
Parking Lot Repair	Allowance
Security Upgrades	Allowance
Concrete Repair	Allowance
General Signage Upgrade	Allowance
Electronic Crosswalks Installation per Borough Engineer	2

Note: Unit renovations to be completed in 100% of affordable rental units.

EXHIBIT D - FISCAL PLAN AND ESTIMATED RENTAL SCHEDULE

OPERATING PROFORMA - Oceanport Gardens

Revenue	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Year 6**	**Year 7**	**Year 8**	**Year 9**	**Year 10**	**Year 11**	**Year 12**	**Year 13**	**Year 14**	**Year 15**	**Year 16**	**Year 17**	**Year 18**	**Year 19**	**Year 20**	**Year 21**	**Year 22**	**Year 23**	**Year 24**	**Year 25**	**Year 26**	**Year 27**	**Year 28**	**Year 29**	**Year 30**
Rental Revenue	1,951,200	1,990,224	2,030,028	2,070,629	2,112,042	2,154,282	2,197,368	2,241,315	2,286,142	2,331,865	2,378,502	2,426,072	2,474,593	2,524,085	2,574,567	2,626,058	2,678,579	2,732,151	2,786,794	2,842,530	2,899,381	2,957,368	3,016,516	3,076,846	3,138,383	3,201,150	3,265,173	3,330,477	3,397,086	3,465,028
Vacancy	58,536	59,707	60,901	62,119	63,361	64,628	65,921	67,239	68,584	69,956	71,355	72,782	74,238	75,723	77,237	78,782	80,357	81,965	83,604	85,276	86,981	88,721	90,495	92,305	94,151	96,035	97,955	99,914	101,913	103,951
Other Revenue	9,500	9,690	9,884	10,081	10,283	10,489	10,699	10,913	11,131	11,353	11,580	11,812	12,048	12,289	12,535	12,786	13,041	13,302	13,568	13,840	14,117	14,399	14,687	14,981	15,280	15,586	15,897	16,215	16,540	16,871
Total Revenue	**1,902,164**	**1,940,207**	**1,979,011**	**2,018,592**	**2,058,963**	**2,100,143**	**2,142,146**	**2,184,989**	**2,228,688**	**2,273,262**	**2,318,727**	**2,365,102**	**2,412,404**	**2,460,652**	**2,509,865**	**2,560,062**	**2,611,264**	**2,663,489**	**2,716,759**	**2,771,094**	**2,826,516**	**2,883,046**	**2,940,707**	**2,999,521**	**3,059,511**	**3,120,702**	**3,183,116**	**3,246,778**	**3,311,714**	**3,377,948**
Expenses																														
Admin Expenses	46,950	48,359	49,809	51,304	52,843	54,428	56,061	57,743	59,475	61,259	63,097	64,990	66,939	68,948	71,016	73,147	75,341	77,601	79,929	82,327	84,797	87,341	89,961	92,660	95,440	98,303	101,252	104,290	107,418	110,641
Repair and Maintenance	68,000	70,040	72,141	74,305	76,535	78,831	81,196	83,631	86,140	88,725	91,386	94,128	96,952	99,860	102,856	105,942	109,120	112,394	115,765	119,238	122,816	126,500	130,295	134,204	138,230	142,377	146,648	151,048	155,579	160,246
Contract Security	300	309	318	328	338	348	358	369	380	391	403	415	428	441	454	467	481	496	511	526	542	558	575	592	610	628	647	666	686	707
Utilities	135,160	139,215	143,391	147,693	152,124	156,687	161,388	166,230	171,217	176,353	181,644	187,093	192,706	198,487	204,442	210,575	216,892	223,399	230,101	237,004	244,114	251,437	258,981	266,750	274,752	282,995	291,485	300,229	309,236	318,513
Payroll	161,000	165,830	170,805	175,929	181,207	186,643	192,242	198,010	203,950	210,068	216,371	222,862	229,548	236,434	243,527	250,833	258,358	266,108	274,092	282,314	290,784	299,507	308,493	317,747	327,280	337,098	347,211	357,628	368,356	379,407
Mgmt Fee	66,660	68,660	70,720	72,841	75,026	77,277	79,596	81,983	84,443	86,976	89,585	92,273	95,041	97,892	100,829	103,854	106,970	110,179	113,484	116,889	120,395	124,007	127,727	131,559	135,506	139,571	143,758	148,071	152,513	157,089
Insurance	34,000	35,020	36,071	37,153	38,267	39,415	40,598	41,816	43,070	44,362	45,693	47,064	48,476	49,930	51,428	52,971	54,560	56,197	57,883	59,619	61,408	63,250	65,148	67,102	69,115	71,188	73,324	75,524	77,790	80,123
Annual Service Charge	265,051	108,060	82,603	84,190	85,808	87,455	89,134	90,844	92,586	94,361	134,209	136,779	139,397	142,064	144,781	147,548	150,367	153,238	156,162	159,141	230,774	235,389	240,097	244,899	374,695	382,189	389,833	530,173	540,776	551,592
Borough	*251,798*	*102,657*	*78,473*	*79,981*	*81,517*	*83,083*	*84,677*	*86,302*	*87,957*	*89,643*	*127,498*	*129,940*	*132,427*	*134,961*	*137,542*	*140,170*	*142,848*	*145,576*	*148,354*	*151,184*	*219,235*	*223,620*	*228,092*	*232,654*	*355,960*	*363,080*	*370,341*	*503,664*	*513,737*	*524,012*
County	*13,253*	*5,403*	*4,130*	*4,210*	*4,290*	*4,373*	*4,457*	*4,542*	*4,629*	*4,718*	*6,710*	*6,839*	*6,970*	*7,103*	*7,239*	*7,377*	*7,518*	*7,662*	*7,808*	*7,957*	*11,539*	*11,769*	*12,005*	*12,245*	*18,735*	*19,109*	*19,492*	*26,509*	*27,039*	*27,580*
Total Cost of Operations	**777,121**	**635,492**	**625,858**	**643,743**	**662,147**	**681,085**	**700,572**	**720,626**	**741,261**	**762,496**	**822,388**	**845,604**	**869,486**	**894,056**	**919,332**	**945,336**	**972,089**	**999,611**	**1,027,927**	**1,057,059**	**1,155,629**	**1,187,990**	**1,221,276**	**1,255,513**	**1,415,628**	**1,454,350**	**1,494,158**	**1,667,628**	**1,712,355**	**1,758,318**
Replacement Reserve Deposits	30,000	30,900	31,827	32,782	33,765	34,778	35,822	36,896	38,003	39,143	40,317	41,527	42,773	44,056	45,378	46,739	48,141	49,585	51,073	52,605	54,183	55,809	57,483	59,208	60,984	62,813	64,698	66,639	68,638	70,697
Release of Tax Escrow	(185,535)	(27,015)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Operating Income	**1,280,579**	**1,300,831**	**1,321,326**	**1,342,067**	**1,363,051**	**1,384,280**	**1,405,752**	**1,427,467**	**1,449,424**	**1,471,623**	**1,456,022**	**1,477,971**	**1,500,145**	**1,522,540**	**1,545,155**	**1,567,987**	**1,591,034**	**1,614,292**	**1,637,759**	**1,661,430**	**1,616,703**	**1,639,247**	**1,661,948**	**1,684,800**	**1,582,900**	**1,603,538**	**1,624,259**	**1,512,511**	**1,530,721**	**1,548,933**
Debt Service																														
First Mortgage																														
Interest Payments	870,128	859,907	849,191	837,956	826,176	813,826	800,878	787,302	773,069	758,147	742,501	726,097	708,899	690,868	671,963	652,142	631,362	609,574	586,731	562,782	537,672	511,346	483,744	454,805	424,465	392,655	359,303	324,336	287,676	249,239
Principal Payments	210,985	221,206	231,922	243,157	254,937	267,287	280,235	293,811	308,044	322,967	338,612	355,016	372,214	390,245	409,150	428,971	449,752	471,539	494,382	518,332	543,441	569,768	597,369	626,308	656,648	688,458	721,810	756,777	793,438	831,874
Total First Mortgage Paymen	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**
Hard Debt DSCR:	1.18	1.20	1.22	1.24	1.26	1.28	1.30	1.32	1.34	1.36	1.35	1.37	1.39	1.41	1.43	1.45	1.47	1.49	1.51	1.54	1.50	1.52	1.54	1.56	1.46	1.48	1.50	1.40	1.42	1.43
Capital Expenditures																														
Capital Expenditures	15,000	15,000	15,000	25,000	25,000	30,000	30,000	30,000	30,000	50,000	50,000	50,000	50,000	50,000	50,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	100,000	100,000	100,000	100,000	100,000	100,000
Cash Required for Capital Expenditures	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**7,567**	**23,927**	**22,395**	**20,817**	**19,191**	**17,517**	**15,792**	**39,016**	**37,187**	**35,302**	**33,361**	**31,362**	**29,303**
Before Tax Cash Flow	**199,466**	**219,717**	**240,213**	**260,954**	**281,938**	**303,166**	**324,638**	**346,354**	**368,311**	**390,510**	**374,909**	**396,858**	**419,031**	**441,427**	**464,042**	**486,874**	**509,921**	**525,612**	**532,718**	**557,922**	**514,774**	**538,943**	**563,318**	**587,895**	**462,770**	**485,239**	**507,844**	**398,037**	**418,245**	**438,517**

Exhibit 18 Ordinance Adopting the Redevelopment Plan for the Property (If Applicable)

To be provided by Borough counsel.

Exhibit 19 Redevelopment Plan for the Property (If Applicable)

Oceanport Gardens is a 101-unit affordable apartment community located at 274-278 East Main Street, Oceanport, New Jersey. The property consists of a 6-story brick building with a mix of 1- and 2-bedroom units, as well as a management office, resident services office, laundry room, community room, and library. The property sits on a 4.4-acre lot that includes off-street parking.

Over the course of 9-12 months, the proposed renovation will include improvements to the building interior, building exterior, and site. The proposed scope includes renovation in 100% of units to include new cabinets and fixtures in kitchens and baths, new appliances, new flooring, and painting. Other interior work will include improvements to the leasing office, laundry facilities, corridors, and community spaces, as well as building system upgrades and modifications to increase accessibility and security. Building exterior and site work will include façade repairs, roof replacement, additional site lighting, landscaping, signage, and concrete/paving repairs. A detailed scope is enclosed.

The renovation will not require permanent relocation of residents. The renovation within the units will be phased such that residents will need to be out of their units during the daytime while the renovation is taking place in their unit. In most cases, they can return in the evenings and sleep in their unit. However, some residents may need to temporarily relocate for several days up to two weeks for the period of time that work will occur in their unit and others may choose to do so for convenience. The Applicant and its management team will work closely with residents to identify optimal housing arrangements during the renovation.

In addition to the physical renovation planned for the property, the Applicant intends work with the on-site management staff and local partners to expand upon the existing resident programming and provide services such as health care and financial assistance to residents.

Oceanport

Proposed Scope/Budget

Item	Quantity	Unit Cost	Sub-Total
Bathrooms			
Vanity with single lever faucet	100	425.00	**42,500.00**
Medicine Cabinet	100	75.00	**7,500.00**
Toilet Replacement	100	450.00	**45,000.00**
New GFI Outlet	100	125.00	**12,500.00**
Lighting upgrade	100	100.00	**10,000.00**
Kitchens			
Cabinet Replacement	100	3,500.00	**350,000.00**
Counters	100	450.00	**45,000.00**
Refrigerators-EnergyStar	100	575.00	**57,500.00**
Stoves	100	450.00	**45,000.00**
Range Hood	100	150.00	**15,000.00**
Lighting Replacement	100	100.00	**10,000.00**
New GFI Outlet	100	125.00	**12,500.00**
Stainless steel sink	100	140.00	**14,000.00**
Faucets-single lever	100	135.00	**13,500.00**
		-	
General Interior (BR/LR/DR)			
ADA Unit upgrades	5	15,000.00	**75,000.00**
Flooring - vinyl plank	100	2,500.00	**250,000.00**
Smoke/CO detectors	100	150.00	**15,000.00**
Window Treatments	100	160.00	**16,000.00**
Interior Doors	100	500.00	**50,000.00**
Common Lighting	100	100.00	**10,000.00**
Unit Painting	100	1,200.00	**120,000.00**
Common Areas			
Office/Community Room/Laundry	1	75,000.00	**75,000.00**
Hallways - Paint/Floor Lighting	6	20,000.00	**120,000.00**
Lobby/Storefront	1	75,000.00	**75,000.00**
Building Envelope			
Roofing	13000	25.00	**325,000.00**
Entry Canopy	1	50,000.00	**50,000.00**
Parapet Repairs	600	500.00	**300,000.00**
Façade Repairs	100	5,500.00	**550,000.00**
Site Improvements			
Landscaping	Allow	30,000.00	**30,000.00**
Exterior Lighting	Allow	10,000.00	**10,000.00**
Parking Lot-Repair Fill Pot Holes - Top Coat	Allow	100,000.00	**100,000.00**
Security	Allow	30,000.00	**30,000.00**
Concrete-repair damaged walks and curbs; add ramps	Allow	25,000.00	**25,000.00**
General Signage Upgrade	Allow	30,000.00	**30,000.00**
TOTAL	**100**	**29,360.00**	**2,936,000.00**
Cost Breakdown		Per Unit (100)	
Units		12,160.00	**1,216,000.00**
Common Areas		2,700.00	**270,000.00**
Site Improvements		2,250.00	**225,000.00**
Building Envelope		12,250.00	**1,225,000.00**
Full Rehabilitation Budget			
Hard Costs			**2,936,000.00**
General Conditions (6%)			**176,160.00**
Overhead (6%)			**176,160.00**
Profit (2%)			**58,720.00**
Construction Contingency (10%)			**293,600.00**
Total			**3,640,640.00**

Exhibit 20 Current Tax Assessment for the Property

See attached

New Jersey's Monmouth County
The Place You Want To Be

Open Public Records Search System

Consolidated Records Search

Consolidated Records Search

Property Information

Township Name	Oceanport
Block	121
Lot	5
Qualifier	
Owner Name	OCEANPORT ASSOCIATES
Property Location Address	274-278 E MAIN ST, Oceanport, NJ
Year Built	0000
Square Feet	0
Book	5458
Page	29

Display Assessment Details

Sales Information

	Sale Date	Recorded	Book	Page	
View	03/29/2010	04/05/2010	8826	4680	Deed

Property Basic Information

Block:	121	Prop Loc:	274-278 E MAIN ST	Owner:	OCEANPORT ASSOCIATES	Square Ft:	
Lot:	5	District:	1338 Oceanport	Street:	377 OAK STREET, SUITE 110	Year Built:	0000
Qual:		Class:	15F	City State:	GARDEN CITY, NY 11530	Style:	

Additional Information

Prior Block:		Acct Num:		Addl Lots:		EPL Code:	20
Prior Lot:		Mtg Acct:		Land Desc:	7.30	Statute:	54:4-3.6
Prior Qual:		Bank Code:		Bldg Desc:	6CBA	Initial:	110169 Further: 110194
Updated:	12/18/2017	Tax Codes:		Class4Cd:		Desc:	316
Zone:	V-C	Map Page:	12	Acreage:	8.090000152588	Taxes:	$0/$0/$0/$0/

Tax-List History

Year	Owner Info	Land/Imp/Tot	Exemption	Assessed
2018	OCEANPORT ASSOCIATES, 377 OAK STREET, SUITE 110, GARDEN CITY, NY 11530	$5,050,000/$8,445,800/$13,495,800	$0	$13,495,800
2017	OCEANPORT ASSOCIATES, 377 OAK STREET, SUITE 110, GARDEN CITY, NY 11530	$4,040,000/$5,913,500/$9,953,500	$0	$9,953,500
2016	OCEANPORT ASSOCIATES, 377 OAK STREET, SUITE 110, GARDEN CITY, NY 11530	$4,040,000/$5,913,500/$9,953,500	$0	$9,953,500
2015	OCEANPORT ASSOCIATES, 8360 OLD YORK ROAD, ELKINS PARK, PA 19117	$4,040,000/$5,913,500/$9,953,500	$0	$9,953,500
2014	OCEANPORT ASSOCIATES, 8360 OLD YORK ROAD, ELKINS PARK, PA 19117	$4,040,000/$5,913,500/$9,953,500	$0	$9,953,500
2013	OCEANPORT ASSOCIATES, 8360 OLD YORK ROAD, ELKINS PARK, PA 19117	$4,040,000/$5,913,500/$9,953,500	$0	$9,953,500
2012	OCEANPORT ASSOCIATES, 8360 OLD YORK ROAD, ELKINS PARK, PA 19117	$4,040,000/$5,913,500/$9,953,500	$0	$9,953,500
2011	OCEANPORT ASSOCIATES, 8360 OLD YORK ROAD, ELKINS PARK, PA 19117	$4,040,000/$5,913,500/$9,953,500	$0	$9,953,500
2010	OCEANPORT ASSOCIATES, 8360 OLD YORK ROAD, ELKINS PARK, PA 19117	$4,040,000/$5,913,500/$9,953,500	$0	$9,953,500
2009	OCEANPORT ASSOCIATES, 8360 OLD YORK ROAD, ELKINS PARK, PA 19117	$4,040,000/$5,913,500/$9,953,500	$0	$9,953,500

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EXHIBIT C – PROPOSED SCHEDULE OF IMPROVEMENTS

EXHIBIT C

PROPOSED SCHEDULE OF IMPROVEMENTS

OCEANPORT GARDENS - IMPROVEMENTS	
Item	**Quantity**
Bathrooms	
Vanity with Single Lever Faucet	100 units
Medicine Cabinet	100 units
Toilet Replacement	100 units
New GFI Outlet	100 units
Lighting upgrade	100 units
Kitchens	
Cabinet Replacement	100 units
Counters	100 units
Refrigerators - EnergyStar	100 units
Stoves	100 units
Range Hood	100 units
Lighting Replacement	100 units
New GFI Outlet	100 units
Sinks - Stainless Steel	100 units
Faucets - Single Lever	100 units
General Unit Interiors	
ADA Unit upgrades	5 units
Flooring - Vinyl Plank - Living room, kitchen and bath	100 units
Smoke/CO Detectors	100 units
Window Treatments	100 units
Interior Doors	100 units
Common Lighting	100 units
Unit Painting	100 units
Common Areas	
Office/Community Room/Laundry Upgrades	Allowance
Hallway Upgrades	6 Hallways
Lobby/Storefront Upgrades	Allowance
Building Envelope	
Roofing Repairs	Allowance
Entry Canopy	Allowance
Parapet Repairs	Allowance
Façade Repairs	Allowance
Window Repairs	100%
Site Improvements	
Landscaping Improvements	Allowance
Exterior Lighting Upgrades	Allowance
Parking Lot Repair	Allowance
Security Upgrades	Allowance
Concrete Repair	Allowance
General Signage Upgrade	Allowance
Electronic Crosswalks Installation per Borough Engineer	2

Note: Unit renovations to be completed in 100% of affordable rental units.

EXHIBIT D - FISCAL PLAN AND ESTIMATED RENTAL SCHEDULE

OPERATING PROFORMA - Oceanport Gardens

Revenue	**Year 1**	**Year 2**	**Year 3**	**Year 4**	**Year 5**	**Year 6**	**Year 7**	**Year 8**	**Year 9**	**Year 10**	**Year 11**	**Year 12**	**Year 13**	**Year 14**	**Year 15**	**Year 16**	**Year 17**	**Year 18**	**Year 19**	**Year 20**	**Year 21**	**Year 22**	**Year 23**	**Year 24**	**Year 25**	**Year 26**	**Year 27**	**Year 28**	**Year 29**	**Year 30**
Rental Revenue	1,951,200	1,990,224	2,030,028	2,070,629	2,112,042	2,154,282	2,197,368	2,241,315	2,286,142	2,331,865	2,378,502	2,426,072	2,474,593	2,524,085	2,574,567	2,626,058	2,678,579	2,732,151	2,786,794	2,842,530	2,899,381	2,957,368	3,016,516	3,076,846	3,138,383	3,201,150	3,265,173	3,330,477	3,397,086	3,465,028
Vacancy	58,536	59,707	60,901	62,119	63,361	64,628	65,921	67,239	68,584	69,956	71,355	72,782	74,238	75,723	77,237	78,782	80,357	81,965	83,604	85,276	86,981	88,721	90,495	92,305	94,151	96,035	97,955	99,914	101,913	103,951
Other Revenue	9,500	9,690	9,884	10,081	10,283	10,489	10,699	10,913	11,131	11,353	11,580	11,812	12,048	12,289	12,535	12,786	13,041	13,302	13,568	13,840	14,117	14,399	14,687	14,981	15,280	15,586	15,897	16,215	16,540	16,871
Total Revenue	**1,902,164**	**1,940,207**	**1,979,011**	**2,018,592**	**2,058,963**	**2,100,143**	**2,142,146**	**2,184,989**	**2,228,688**	**2,273,262**	**2,318,727**	**2,365,102**	**2,412,404**	**2,460,652**	**2,509,865**	**2,560,062**	**2,611,264**	**2,663,489**	**2,716,759**	**2,771,094**	**2,826,516**	**2,883,046**	**2,940,707**	**2,999,521**	**3,059,511**	**3,120,702**	**3,183,116**	**3,246,778**	**3,311,714**	**3,377,948**
Expenses																														
Admin Expenses	46,950	48,359	49,809	51,304	52,843	54,428	56,061	57,743	59,475	61,259	63,097	64,990	66,939	68,948	71,016	73,147	75,341	77,601	79,929	82,327	84,797	87,341	89,961	92,660	95,440	98,303	101,252	104,290	107,418	110,641
Repair and Maintenance	68,000	70,040	72,141	74,305	76,535	78,831	81,196	83,631	86,140	88,725	91,386	94,128	96,952	99,860	102,856	105,942	109,120	112,394	115,765	119,238	122,816	126,500	130,295	134,204	138,230	142,377	146,648	151,048	155,579	160,246
Contract Security	300	309	318	328	338	348	358	369	380	391	403	415	428	441	454	467	481	496	511	526	542	558	575	592	610	628	647	666	686	707
Utilities	135,160	139,215	143,391	147,693	152,124	156,687	161,388	166,230	171,217	176,353	181,644	187,093	192,706	198,487	204,442	210,575	216,892	223,399	230,101	237,004	244,114	251,437	258,981	266,750	274,752	282,995	291,485	300,229	309,236	318,513
Payroll	161,000	165,830	170,805	175,929	181,207	186,643	192,242	198,010	203,950	210,068	216,371	222,862	229,548	236,434	243,527	250,833	258,358	266,108	274,092	282,314	290,784	299,507	308,493	317,747	327,280	337,098	347,211	357,628	368,356	379,407
Mgmt Fee	66,660	68,660	70,720	72,841	75,026	77,277	79,596	81,983	84,443	86,976	89,585	92,273	95,041	97,892	100,829	103,854	106,970	110,179	113,484	116,889	120,395	124,007	127,727	131,559	135,506	139,571	143,758	148,071	152,513	157,089
Insurance	34,000	35,020	36,071	37,153	38,267	39,415	40,598	41,816	43,070	44,362	45,693	47,064	48,476	49,930	51,428	52,971	54,560	56,197	57,883	59,619	61,408	63,250	65,148	67,102	69,115	71,188	73,324	75,524	77,790	80,123
Annual Service Charge	265,051	108,060	82,603	84,190	85,808	87,455	89,134	90,844	92,586	94,361	134,209	136,779	139,397	142,064	144,781	147,548	150,367	153,238	156,162	159,141	230,774	235,389	240,097	244,899	374,695	382,189	389,833	530,173	540,776	551,592
Borough	*251,798*	*102,657*	*78,473*	*79,981*	*81,517*	*83,083*	*84,677*	*86,302*	*87,957*	*89,643*	*127,498*	*129,940*	*132,427*	*134,961*	*137,542*	*140,170*	*142,848*	*145,576*	*148,354*	*151,184*	*219,235*	*223,620*	*228,092*	*232,654*	*355,960*	*363,080*	*370,341*	*503,664*	*513,737*	*524,012*
County	*13,253*	*5,403*	*4,130*	*4,210*	*4,290*	*4,373*	*4,457*	*4,542*	*4,629*	*4,718*	*6,710*	*6,839*	*6,970*	*7,103*	*7,239*	*7,377*	*7,518*	*7,662*	*7,808*	*7,957*	*11,539*	*11,769*	*12,005*	*12,245*	*18,735*	*19,109*	*19,492*	*26,509*	*27,039*	*27,580*
Total Cost of Operations	**777,121**	**635,492**	**625,858**	**643,743**	**662,147**	**681,085**	**700,572**	**720,626**	**741,261**	**762,496**	**822,388**	**845,604**	**869,486**	**894,056**	**919,332**	**945,336**	**972,089**	**999,611**	**1,027,927**	**1,057,059**	**1,155,629**	**1,187,990**	**1,221,276**	**1,255,513**	**1,415,628**	**1,454,350**	**1,494,158**	**1,667,628**	**1,712,355**	**1,758,318**
Replacement Reserve Deposits	30,000	30,900	31,827	32,782	33,765	34,778	35,822	36,896	38,003	39,143	40,317	41,527	42,773	44,056	45,378	46,739	48,141	49,585	51,073	52,605	54,183	55,809	57,483	59,208	60,984	62,813	64,698	66,639	68,638	70,697
Release of Tax Escrow	(185,535)	(27,015)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Operating Income	**1,280,579**	**1,300,831**	**1,321,326**	**1,342,067**	**1,363,051**	**1,384,280**	**1,405,752**	**1,427,467**	**1,449,424**	**1,471,623**	**1,456,022**	**1,477,971**	**1,500,145**	**1,522,540**	**1,545,155**	**1,567,987**	**1,591,034**	**1,614,292**	**1,637,759**	**1,661,430**	**1,616,703**	**1,639,247**	**1,661,948**	**1,684,800**	**1,582,900**	**1,603,538**	**1,624,259**	**1,512,511**	**1,530,721**	**1,548,933**
Debt Service																														
First Mortgage																														
Interest Payments	870,128	859,907	849,191	837,956	826,176	813,826	800,878	787,302	773,069	758,147	742,501	726,097	708,899	690,868	671,963	652,142	631,362	609,574	586,731	562,782	537,672	511,346	483,744	454,805	424,465	392,655	359,303	324,336	287,676	249,239
Principal Payments	210,985	221,206	231,922	243,157	254,937	267,287	280,235	293,811	308,044	322,967	338,612	355,016	372,214	390,245	409,150	428,971	449,752	471,539	494,382	518,332	543,441	569,768	597,369	626,308	656,648	688,458	721,810	756,777	793,438	831,874
Total First Mortgage Payme	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**	**1,081,113**
Hard Debt DSCR:	1.18	1.20	1.22	1.24	1.26	1.28	1.30	1.32	1.34	1.36	1.35	1.37	1.39	1.41	1.43	1.45	1.47	1.49	1.51	1.54	1.50	1.52	1.54	1.56	1.46	1.48	1.50	1.40	1.42	1.43
Capital Expenditures																														
Capital Expenditures	15,000	15,000	15,000	25,000	25,000	30,000	30,000	30,000	30,000	50,000	50,000	50,000	50,000	50,000	50,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	100,000	100,000	100,000	100,000	100,000	100,000
Cash Required for Capital Expenditures	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**7,567**	**23,927**	**22,395**	**20,817**	**19,191**	**17,517**	**15,792**	**39,016**	**37,187**	**35,302**	**33,361**	**31,362**	**29,303**
Before Tax Cash Flow	**199,466**	**219,717**	**240,213**	**260,954**	**281,938**	**303,166**	**324,638**	**346,354**	**368,311**	**390,510**	**374,909**	**396,858**	**419,031**	**441,427**	**464,042**	**486,874**	**509,921**	**525,612**	**532,718**	**557,922**	**514,774**	**538,943**	**563,318**	**587,895**	**462,770**	**485,239**	**507,844**	**398,037**	**418,245**	**438,517**

BOROUGH OF OCEANPORT
- COUNTY OF MONMOUTH -
MUNICIPAL BUILDING
315 E. MAIN STREET • OCEANPORT, N.J. 07757
(732) 222-8221 • FAX (732) 222-0904

March 22, 2019

Jeanne Smith, Borough Clerk
Borough of Oceanport
315 East Main Street
Oceanport, New Jersey 07757

Re: Long Term Tax Exemption Application
Oceanport Urban Renewal Preservation, L.P.

Dear Ms. Smith:

In accordance with the requirements of the Long Term Tax Exemption Law, *N.J.S.A.* 40A:20-1 *et seq*. (the "Long Term Tax Exemption Law"), I have received the application, financial agreement and related documents submitted by Oceanport Urban Renewal Preservation, L.P. (the "Applicant") for the proposed acquisition and rehabilitation of a 101-unit affordable, residential rental apartment building (the "Project") on property commonly known on the tax maps of the Borough as Block 121, Lot 5. The Project will provide both short and long term economic development advantages to the Borough inasmuch as it will create both construction and permanent jobs in the Borough and will allow the Borough to continue to provide affordable residential units to elderly and non-elderly residents with disabilities.

I believe the Project is a desirable and beneficial improvement in the Borough and that the use of the Long Term Tax Exemption Law will assist the Borough in advancing the provision of affordable housing for elderly and non-elderly residents with disabilities. Therefore, I recommend that the Long Term Tax Exemption application be favorably considered by the Borough Council for the Applicant, provided that all legal prerequisites have been met.

Very truly yours,

John F. Coffey II
Mayor, Borough of Oceanport

RESOLUTION OF THE BOROUGH OF OCEANPORT
AUTHORIZING THE GOVERNING BODY TO ENTER EXECUTIVE SESSION

Resolution #2019-109
04/16/19

WHEREAS, the Open Public Meetings Act provides that the Borough Council may go into executive session to discuss matters that may be confidential or listed pursuant to N.J.S.A. 10:4-12; and

WHEREAS, it is recommended by the Borough Attorney that the Borough Council go into executive session to discuss matters set forth hereinafter which are permissible for discussion in executive session.

NOW, THEREFORE, BE IT RESOLVED by the Borough Council of the Borough of Oceanport that the Council shall go into executive session to discuss the following items:

Litigation, Negotiations and Attorney Client Privilege - N.J.S.A. 10:4-12(b)(7)
Borough Right of Way Encroachment - Shore Road adjacent to Block 74, Lot 5
Update on Oceanport Section of Fort Monmouth
Shawn Hopkins vs. Borough of Oceanport, GRC Complaint #2014-42

BE IT FURTHER RESOLVED that formal action may be taken after the Executive Session.

I certify that the foregoing Resolution #2019-109 was adopted by the Oceanport Governing Body at the Regular Meeting held April 16, 2019

_____
JEANNE SMITH, RMC
BOROUGH CLERK