

TOWNSHIP OF VERONA  
COUNTY OF ESSEX, STATE OF NEW JERSEY

RESOLUTION No. 2026-186

A motion was made by Councilman Schor; seconded by Councilman Roman that the following resolution be adopted:

**DESIGNATING GOMES CONSULTING LLC AS REDEVELOPER OF  
BLOCK 701, LOT 3 ON THE TAX MAP OF THE TOWNSHIP, COMMONLY  
KNOWN BY THE STREET ADDRESS 420 BLOOMFIELD AVENUE, AND  
AUTHORIZING THE EXECUTION OF A REDEVELOPMENT AGREEMENT  
WITH RESPECT THERETO**

**WHEREAS**, the Local Redevelopment and Housing Law, *N.J.S.A. 40A:12A-1 et seq.* (as amended and supplemented, the “**Redevelopment Law**”), authorizes municipalities to determine whether certain parcels of land in the municipality constitute “areas in need of redevelopment,” as such term is defined in the Redevelopment Law, and to adopt redevelopment plans for areas so designated; and

**WHEREAS**, the Township Council (the “**Township Council**”) of the Township of Verona (the “**Township**”), by Resolution No. 2025-294, authorized and directed the Planning Board of the Township (the “**Planning Board**”) to conduct a preliminary investigation to determine whether Block 701, Lot 3, more commonly known as 420 Bloomfield Avenue (the “**Project Site**”), met criteria set forth in the Redevelopment Law to be designated as a non-condemnation redevelopment area; and

**WHEREAS**, the Planning Board, after providing due notice, conducted a public hearing in accordance with the Redevelopment Law, at which hearing it determined that the Project Site qualified as an area in need of redevelopment and recommended that the Township Council designate the Project Site as a non-condemnation redevelopment area; and

**WHEREAS**, on February 9, 2026, by Resolution No. 2026-028, the Township Council designated the Project Site as a non-condemnation area in need of redevelopment; and

**WHEREAS**, Gomes Consulting LLC (the “**Redeveloper**”) is the contract purchaser of the Project Site and has submitted to the Township a proposal to undertake the development of a four story mixed-use project including approximately 4,775 square feet of publicly available ground-floor non-residential space, approximately 65 residential rental units, ten (10) of which shall be affordable housing units, as well as approximately 123 parking spaces (inclusive of 19 EV charging spaces), associated amenities for the residential tenants, and other improvements (collectively, the “**Project**”); and

**WHEREAS**, on March 9, 2026, pursuant to Ordinance No. 2026-05, the redevelopment plan entitled “Township of Verona 420 Bloomfield Ave” was adopted by the Township Council for the Project Site (the “**Redevelopment Plan**”); and

**WHEREAS**, pursuant to *N.J.S.A. 40A:12-4*, the Township has determined to act as the “redevelopment entity” (as such term is defined at *N.J.S.A. 40A:12A-3* of the Redevelopment Law) for the Project Site; and

**WHEREAS**, the Township has determined that Redeveloper meets all necessary criteria, including financial capabilities, experience, and expertise, and, as a result, has determined to designate Redeveloper as the exclusive “redeveloper” (as such term is defined at *N.J.S.A. 40A:12A-3* of the Redevelopment Law) of the Project Site; and

**WHEREAS**, in order to effectuate the redevelopment of the Project Site, the Township has determined to enter into a redevelopment agreement with the Redeveloper, a copy of which is on file with the Township Clerk, which shall establish the Redeveloper as the redeveloper of the Project Site and the terms and conditions for the development of the Project (the “**Redevelopment Agreement**”),

**NOW, THEREFORE, BE IT RESOLVED** by the Township Council of the Township of Verona, in the County of Essex, New Jersey, as follows:

**SECTION 1.** The foregoing recitals are hereby incorporated by reference as if fully set forth herein.

**SECTION 2.** Gomes Consulting LLC is hereby designated as the redeveloper of the Project Site.

**SECTION 3.** The Mayor of the Township is hereby authorized to execute the Redevelopment Agreement, subject to such additions, deletions, modifications or amendments deemed necessary by the Township in consultation with counsel, which additions, deletions, modifications or amendments do not alter the substantive rights and obligations of the parties thereto, and to take all other necessary and appropriate action to effectuate the Redevelopment Agreement.

**SECTION 4.** This resolution shall take effect immediately.

**ROLL CALL:**

**AYES:** Schor, Roman, McEvoy, Tamburro

**NAYS:**

**ABSENT:** McGrath

**THIS IS TO CERTIFY THAT THE FOREGOING IS A TRUE AND EXACT COPY OF A RESOLUTION ADOPTED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF VERONA AT A REGULAR MEETING HELD ON AUGUST 17, 2026.**

  
JENNIFER KIERNAN, RMC, CMC  
MUNICIPAL CLERK



**REDEVELOPMENT AGREEMENT**

**By and Between**

**THE TOWNSHIP OF VERONA**

**As Redevelopment Entity**

**and**

**GOMES CONSULTING LLC**

**as Redeveloper**

**Dated: \_\_\_\_\_, 2026**

**THIS REDEVELOPMENT AGREEMENT** (the “**Redevelopment Agreement**”) is made this \_\_\_\_ day of \_\_\_\_\_, 2026 (the “**Effective Date**”) by and between **THE TOWNSHIP OF VERONA**, a municipal corporation of the State of New Jersey, having its offices at 600 Bloomfield Avenue, Verona, New Jersey 07044, in its capacity as a “redevelopment entity” pursuant to *N.J.S.A. 40A:12A-4(c)* (the “**Township**”); and **GOMES CONSULTING LLC**, a New Jersey limited liability company, having its offices at 91 Kossuth Street, Newark, New Jersey 07105, together with permitted successors or assigns as hereinafter provided, (the “**Redeveloper**”, together with the Township, the “**Parties**” or each a “**Party**”).

**WITNESSETH**

A. The Township is authorized to determine whether certain parcels of land within the Township constitute an area in need of redevelopment pursuant to the Local Redevelopment and Housing Law, *N.J.S.A. 40A:12A-1 et seq.* (as amended and supplemented the “**Redevelopment Law**”).

B. By Resolution 2025-294, the municipal council of the Township (the “**Township Council**”) authorized and directed the Township’s Planning Board (the “**Planning Board**”) to conduct a preliminary investigation to determine whether the property located at 420 Bloomfield Avenue in the Township, as shown on the Township’s official tax maps as Block 701, Lot 3 and as further described in **Exhibit A** hereto (the “**Property**”) qualifies as area in need of redevelopment pursuant to the Redevelopment Law.

C. The Planning Board held a duly noticed public hearing and gave an opportunity to be heard to all persons interested in or affected by a determination that the Property is an area in need of redevelopment.

D. The Planning Board thereafter concluded that the Property satisfied the criteria under the Redevelopment Law and recommended that the Township Council designate the Property as an area in need of redevelopment.

E. By Resolution No. 2026-028, the Township Council designated the Property as an area in need of redevelopment.

F. On March 9, 2026, pursuant to Ordinance No. 2026-05, the redevelopment plan entitled “Township of Verona 420 Bloomfield Ave” was adopted by the Township Council for the Property (the “**Redevelopment Plan**”).

G. Pursuant to the Redevelopment Law, the Township is acting as the “redevelopment entity” (as such term is defined at *N.J.S.A. 40A:12A-3* of the Redevelopment Law) for the Property.

H. The Redeveloper is the contract purchaser of the Property and has submitted to the Township a proposal to undertake the development of a four story mixed-use project including approximately 4,775 square feet of publicly available ground-floor non-residential space,

approximately 65 residential rental units, ten (10) of which shall be affordable housing units (the “**Affordable Housing Units**”), as well as approximately 123 parking spaces (inclusive of 19 EV charging spaces), associated amenities for the residential tenants, and other improvements included in the Redevelopment Agreement (the “**Project**”).

I. The Township has determined that the Redeveloper possesses the proper qualifications and experience to implement and complete the Project in accordance with the Redevelopment Plan, and all other applicable laws, ordinances and regulations.

J. In order to effectuate the Redevelopment Plan, the Project and the redevelopment of the Property, the Township Council has determined to enter into this Redevelopment Agreement with the Redeveloper, which designates Redeveloper as the “redeveloper” of the Project as that term is defined in the Redevelopment Law, and which specifies the respective rights and responsibilities of the Parties with respect to the Project.

**NOW THEREFORE**, in consideration of the promises and mutual covenants herein contained, the Parties hereto do hereby covenant and agree, each with the other, as follows:

## **ARTICLE 1** **DEFINITIONS**

1.1 **Definitions.** As used in this Redevelopment Agreement the following terms shall have the meanings ascribed to such terms below. Terms listed below in the singular form shall include the plural and words listed in the plural shall include the singular. Whenever the context may require, any pronoun that is used in this Redevelopment Agreement shall include the corresponding masculine, feminine and neuter. All references to Sections, Articles or Exhibits shall refer to Sections, Articles or Exhibits in this Redevelopment Agreement unless otherwise specified.

(a) The following terms shall have the meanings ascribed to them in the Recitals to this Redevelopment Agreement:

**Affordable Housing Units**  
**Effective Date**  
**Parties**  
**Party**  
**Project**  
**Property**  
**Redeveloper**

**Redevelopment Agreement**  
**Redevelopment Law**  
**Redevelopment Plan**  
**Township**  
**Township Council**

(b) The following terms shall have the definitions ascribed to them herein:

“**Affiliate**” means with respect to any Person, any other Person directly or indirectly Controlling or Controlled by, or under direct or indirect common Control with such Person.

**“Affordability Controls”** means the restrictions set on rents and tenant income limits on the Affordable Housing Units to be administered by the Redeveloper or its designee, compliance with which will be enforced by the Township.

**“Appeal Period”** shall mean the period specified by statute or court rule within which an appeal may be taken by any party from the grant of any Governmental Approval.

**“Applicable Laws”** means all federal, State and local laws, ordinances, approvals, rules, regulations and requirements applicable thereto including, but not limited to, the Redevelopment Law, the MLUL, relevant construction codes including construction codes governing access for people with disabilities, and such other applicable zoning, sanitary, pollution and other environmental safety ordinances, laws and such rules and regulations promulgated thereunder, and all applicable Environmental Laws and applicable federal and state labor standards.

**“Bond”** means performance and maintenance guarantees and review escrows pursuant to the provisions of *N.J.S.A. 40:55D-53 et seq.* of the MLUL and all Applicable Laws.

**“Building Permit”** means a building permit issued by or on behalf of the Township for construction of the Project, excluding a demolition permit but including a footings and foundation permit.

**“Business Days”** means all days except Saturdays, Sundays and the days observed as public holidays by the Township.

**“Certificate of Completion”** means written acknowledgement by the Township in recordable form that the Redeveloper has Completed Construction of the Project in accordance with the requirements of this Redevelopment Agreement and the Redevelopment Plan.

**“Certificate of Occupancy”** means a temporary or permanent certificate of occupancy as defined in the applicable ordinances of the Township and the applicable provisions of the Uniform Construction Code.

**“Commencement,” “Commence Construction,” “Commencement of Construction,”** or **“Commencement Date”** means the undertaking of any actual physical construction of any portion of the Project, including demolition, site preparation, environmental remediation, construction of Improvements or construction or upgrading of infrastructure. However, exploratory testing and/or investigation normally conducted during the design and planning phase of the Project shall not constitute Commencement or Commencement of Construction.

**“Completion,” “Completion of Construction,” “Complete Construction,”** or **“Completion Date”** means the completion of construction of the Project, in accordance with the Redevelopment Plan, this Redevelopment Agreement, and Governmental Approvals, sufficient for issuance of a Certificate of Occupancy and subject only to installation of landscaping, if the delay in completion thereof is necessitated by seasonal concerns.

**“Completion Notice”** means written notification to the Township of Completion of Construction of the Project and request by Redeveloper for the issuance by the Township of a Certificate of Completion for the Project.

**“Control”** (including the correlative meanings of the terms “controlled by” and “under common control with”), as used with respect to the Redeveloper, the power, directly or indirectly, to direct or cause the direction of the management policies of the Redeveloper, whether through the ownership of an interest in the Redeveloper, or by contract or otherwise.

**“County”** means Essex County, New Jersey.

**“Declaration of Covenants and Restrictions”** or **“Declaration”** means a written instrument to be executed by the Redeveloper and recorded in the Essex County Clerk’s Office, substantially in the form annexed hereto as **Exhibit B**, intended to encumber the Property and to run with the land until a Certificate of Completion has been issued for the Project, except as otherwise expressly provided therein, setting forth certain statutory and contractual undertakings of and restrictions applicable to the Redeveloper and its successors and assigns in connection with the ownership, redevelopment or rehabilitation of the Project.

**“Deed-Restriction Period”** is defined in Section 4.7(b).

**“Environmental Laws”** means all federal, State, regional, and local laws, statutes, ordinances, regulations, rules, codes, consent decrees, judicial or administrative orders or decrees, directives or judgments relating to pollution, damage to or protection of the environment, environmental conditions, or the use, handling, processing, distribution, generation, treatment, storage, disposal, manufacture or transport of Hazardous Materials, presently in effect or hereafter amended, modified, or adopted including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act (**“CERCLA”**) (42 U.S.C. §§ 9601- 9675); the Resource Conservation and Recovery Act of 1976 (**“RCRA”**) (42 U.S.C. § 6901 *et seq.*); the Clean Water Act (33 U.S.C. § 1251 *et seq.*); the Hazardous Material Transportation Act, as amended, (49 U.S.C. § 180, *et seq.*); the New Jersey Spill Compensation and Control Act (the **“Spill Act”**) (*N.J.S.A. 58:10-23.11 et seq.*); the Industrial Site Recovery Act, as amended (**“ISRA”**) (*N.J.S.A. 13:1K-6 et seq.*); the New Jersey Underground Storage of Hazardous Substances Act (*N.J.S.A. 58:10A-21 et seq.*), the New Jersey Water Pollution Control Act (*N.J.S.A. 58:10A-1 et seq.*); the New Jersey Environmental Rights Act (*N.J.S.A. 2A:35A-1 et seq.*); the New Jersey Site Remediation Reform Act (*N.J.S.A. 58:10C-1 et seq.*); the New Jersey Solid Waste Management Act, as amended (**“SWMA”**) (*N.J.S.A. 13:1E-1, et seq.*); the Brownfield and Contaminated Site Remediation Act (*N.J.S.A. 58:10B-1, et seq.*); the Administrative Requirements for the Remediation of Contaminated Sites (*N.J.A.C. 7:26C, et seq.*); the NJDEP Remediation Standards (*N.J.A.C. 7:26D, et seq.*); the Technical Requirements for Site Remediation (*N.J.A.C. 7:26E, et seq.*); and any other rules and regulations promulgated under any of the foregoing.

**“Escrow Account”** means an account established by the Township in a banking institution or savings and loan association in the State of New Jersey insured by an agency of the federal government, or in any other fund or depository approved for such deposits by the State of New Jersey, in a segregated, non-interest bearing account referenced to this Redevelopment Agreement, to hold the Escrow Deposit(s).

**“Escrow Deposit”** means all deposits paid by Redeveloper into the Escrow Account in accordance with this Redevelopment Agreement.

**“Estoppel Certificate”** means a written certificate stating that (i) this Redevelopment Agreement is in full force and effect, and (ii) there is no Event of Default under this Redevelopment Agreement (nor any event which, with the passage of time and the giving of Notice would result in an Event of Default under this Redevelopment Agreement) or stating the nature of the Event of Default or other such event, if any.

**“Event of Default”** is defined in Section 5.1.

**“Existing Members”** means the Persons owning a ten (10%) or greater membership interests in the Redeveloper as of the date of this Agreement, which Persons are set forth in **Exhibit C** annexed hereto.

**“Fair Housing Act”** means the Fair Housing Act of 1985, *N.J.S.A. 52:27D-301 et seq.*

**“Final and Unappealable”** means with respect to any Governmental Approval or other governmental approval or action, that all applicable appeal periods have expired without the filing of appeal, or if an appeal has been filed, that such appeal has been resolved in a manner that permits the Project to be implemented and, by final action as to which all appeal periods have expired without the filing of an appeal or which is otherwise not subject to further appeal.

**“Financial Agreement”** is defined in Section 8.1.

**“Force Majeure Event”** means 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, third-party litigation that enjoins implementation of the Project; 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 or pandemics; 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.

**“Foreclosure”** is defined in Section 6.3(b).

**“Governmental Approvals”** means all Final and Unappealable governmental approvals required for the Commencement of Construction, Completion of Construction, and use and occupancy of the Project, including, without limitation, the Planning Board Approvals; County planning board approvals, if and to the extent required; Building Permits; environmental permits, approvals, consents or authorizations from NJDEP and any other applicable governmental agencies; sewerage capacity approvals, utilities-related permits and any and all other necessary governmental permits, licenses, consents and approvals.

**“Hazardous Materials”** shall mean any substance which is or contains (i) any “hazardous substance” as now or hereafter defined in §101(14) of CERCLA or any regulations promulgated under CERCLA; (ii) any “hazardous waste” as now or hereafter defined in the RCRA or regulations promulgated under RCRA; (iii) any substance regulated by ISRA or any regulations promulgated under ISRA, the Spill Act, or any regulations promulgated under the Spill Act, the SWMA, or any regulations promulgated under the SWMA; (iv) any substance regulated by the Toxic Substances Control Act (15 U.S.C. §2601, *et seq.*); (v) gasoline, diesel fuel, or other petroleum hydrocarbons; (vi) asbestos and asbestos containing materials, in any form, whether friable or non-friable; (vii) polychlorinated biphenyls; (viii) radon gas; and (ix) any additional substances or materials which are now or hereafter classified or considered to be hazardous or toxic under any Environmental Law, ordinance, rule or regulation, now or hereinafter enacted, or the common law, or any other Applicable Laws relating to the Property.

**“Immediate Family Member”** shall mean a spouse, child or grandchild of an Existing Member of the Redeveloper.

**“Institution”** shall mean any savings and loan association, savings bank, commercial bank or trust company (whether acting individually or in any fiduciary capacity), an insurance company, a real estate investment trust, an educational institution or a state, municipal or similar public employee’s welfare, pension or retirement system.

**“Improvements”** shall mean all improvements constructed as part of the Project.

**“MLUL”** means the Municipal Land Use Law, *N.J.S.A. 40:55D-1 et seq.*, as amended from time to time.

**“Mortgage”** means any security interest, evidenced by a written instrument, encumbering the Project, the Property, or any portion thereof, or interest therein, that secures the performance of obligations or the payment of debt, including, without limitation, any grant of, pledge of, or security interest in, any collateral, or any grant, directly or indirectly, of any deed of trust, mortgage or similar instrument or any other security whatsoever.

**“Mortgagee”** shall mean the holder of any Mortgage and any Affiliate(s) of such holder, including entities affiliated with such holder that own or exercise control over real property.

**“NJDEP”** means the New Jersey Department of Environmental Protection, and any successors in interest.

**“Notice”** means written notice, demand or other communication required to be given under this Redevelopment Agreement by any Party to the other.

**“Permitted Transfers”** is defined in Section 3.5(b).

**“Person”** means any individual, sole proprietorship, corporation, partnership, joint venture, limited liability company, trust, unincorporated association, urban renewal entity, institution, or any other entity.

“**PILOT**” is defined in Section 8.1.

“**Planning Board Approvals**” means preliminary and final site plan approval to be obtained from the Township Planning Board.

“**Remediate**” or “**Remediation**” means the performance and completion of all investigations and cleanup, and any and all other activities necessary or required for the cleanup or containment of Hazardous Materials, known or unknown, on, under, or migrating to or from the Property, in accordance with Applicable Laws, Environmental Law and Governmental Approvals, including but not limited to any “Preliminary Assessment”, “Site Investigation”, “Remedial Investigation” or “Remedial Action” (as such terms are defined under *N.J.S.A. 7:26E-1.8*).

“**State**” means the State of New Jersey.

“**Tax Exemption Law**” means the Long Term Tax Exemption Law, *N.J.S.A. 40A:20-1* et seq., as may be amended from time to time.

“**Transfer**” means, prior to Completion of the Project, (i) a sale or conveyance of all or any portion of the Property or Project, or interest therein, by the Redeveloper to any other Person; (ii) a sale, pledge, joint venture, equity investment, or any other act or transaction involving or resulting in a change in Control of the Redeveloper as it exists on the date of this Redevelopment Agreement, or (iii) any assignment of this Redevelopment Agreement to any other Person.

“**Township Costs**” shall mean (i) all reasonable outside professional and consultant fees, out of pocket costs or expenses incurred by the Township arising out of or in connection with the preparation, performance, administration, or enforcement of this Redevelopment Agreement or arising out of or in connection with the Project, except that costs associated with the negotiation, preparation, and adoption of the Redevelopment Plan and any costs associated with the Township’s efforts, including litigation, to obtain substantive certification of its Fourth Round Housing Element and Fair Share Plan including, but not limited to, its lawsuit docketed as ESX-L-594-25; (ii) subject to the Redeveloper’s termination rights pursuant to Section 5.7, litigation costs arising out of or in connection with a dispute with a third party with respect to this Redevelopment Agreement or the Project; and (iii) any other out of pocket fee, cost or expense reasonably incurred by the Township, after the date of this Redevelopment Agreement, to satisfy its obligations under this Redevelopment Agreement or in furtherance of the Project, but shall not include any and all costs incurred in connection with the Redeveloper’s site plan application to the Planning Board and governed by the escrow deposited by the Redeveloper in connection with such application in accordance with the MLUL.

“**UHAC**” means Uniform Housing Affordability Controls, *N.J.A.C. 5:80-26.1*, et seq., as same may be amended, or any successor laws or regulations.

1.2 Interpretation and Construction. In this Redevelopment Agreement, unless the context otherwise requires:

(a) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this Redevelopment Agreement, refer to this Redevelopment Agreement,

and the term “hereafter” means after, and the term “heretofore” means before the date of delivery of this Redevelopment 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 Redevelopment 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 Redevelopment Agreement, nor shall they affect its meaning, construction or effect.

(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.

## **ARTICLE 2**

### **REPRESENTATIONS AND WARRANTIES**

2.1 Designation as Redeveloper. The Township hereby designates and appoints the Redeveloper as redeveloper of the Project on the Property. For so long as this Redevelopment Agreement and the designation hereunder remain in effect, the Redeveloper shall have the exclusive right to redevelop the Property in accordance with the Redevelopment Plan, the Governmental Approvals, the Redevelopment Law and all other Applicable Laws, and the terms and conditions of this Redevelopment Agreement.

2.2 Representations and Warranties of the Township. The Township hereby makes the following representations and warranties:

(a) The Property has been duly investigated and designated as an area in need of redevelopment in compliance with the Redevelopment Law and all Applicable Laws and is currently in full force and effect;

(b) The Redevelopment Plan has been duly adopted in compliance with the Redevelopment Law and all Applicable Laws and is currently in full force and effect;

(c) The Township is a municipal corporation, duly organized and existing under the laws of the State, and as such, has the legal power, right and authority pursuant to the Redevelopment Law to enter into this Redevelopment Agreement and the instruments and documents referenced herein to which the Township is a party, to consummate the transactions contemplated hereby, to take any steps or actions contemplated hereby, and to perform its obligations hereunder;

(d) The Township has authorized the execution of this Redevelopment Agreement by resolution, and has duly executed this Redevelopment Agreement;

(e) To the best of the Township's knowledge, there are no writs, injunctions, orders or decrees of any court or governmental body that would be violated by the Township entering into or performing its obligations under this Redevelopment Agreement;

(f) This Redevelopment Agreement has been duly executed by the Township, and is valid and legally binding upon the Township and enforceable in accordance with its terms on the basis of laws presently in effect and the execution and delivery thereof shall not, with due effect and the execution and delivery thereof shall not, with due notice or the passage of time, constitute a default under or violate the terms of any indenture, agreement or other instrument to which the Township is a party;

(g) The Township represents that, to the best of its knowledge and belief, there is no action, proceeding or investigation now pending, known or believed to exist which questions the validity of the Redevelopment Plan or this Redevelopment Agreement or any action or act taken or to be taken by the Township pursuant to the Redevelopment Plan or Redevelopment Agreement; and

(h) The uses of the Property, as contemplated by this Redevelopment Agreement, are authorized by the Redevelopment Law, Applicable Laws and the Redevelopment Plan.

2.3 Representations and Warranties of Redeveloper. The Redeveloper hereby makes the following representations and warranties:

(a) The Redeveloper has the legal capacity to enter into this Redevelopment Agreement and perform each of the undertakings set forth herein and in the Redevelopment Plan as of the Effective Date of this Redevelopment Agreement.

(b) The Redeveloper is a duly organized and validly existing legal entity under the laws of the State and all necessary consents have been duly adopted to authorize the execution and delivery of this Redevelopment Agreement and to authorize and direct the Persons executing this Redevelopment Agreement to do so for and on the Redeveloper's behalf.

(c) No receiver, liquidator, custodian or trustee of the Redeveloper shall have been appointed as of the Effective Date, and no petition to reorganize the Redeveloper pursuant to the United States Bankruptcy Code or any similar statute that is applicable to the Redeveloper shall have been filed as of the Effective Date;

(d) No adjudication of bankruptcy of the Redeveloper or a filing for voluntary bankruptcy by the Redeveloper under the provisions of the United States Bankruptcy Code or any other similar statute that is applicable to the Redeveloper has been filed;

(e) No indictment has been returned against the Redeveloper or any officer or shareholder of the Redeveloper;

(f) The Redeveloper's execution and delivery of this Redevelopment Agreement and its performance hereunder will not constitute a violation of any operating, partnership and/or stockholder agreement of the Redeveloper or of any agreement, mortgage, indenture, instrument or judgment, to which the Redeveloper is a party;

(g) Subject to obtaining construction financing, the Redeveloper is financially and technically capable of developing, designing, financing, constructing, operating, and maintaining the Project;

(h) To the best of the Redeveloper's knowledge and belief, after diligent inquiry, there is no action, proceeding or investigation now pending, known or believed to exist which (i) questions the validity of this Redevelopment Agreement or any action or act taken or to be taken by the Redeveloper pursuant to this Redevelopment Agreement; or (ii) is likely to result in a material adverse change in the Redeveloper's property, assets, liabilities or condition which will materially and substantially impair its ability to perform pursuant to the terms of this Redevelopment Agreement;

(i) The Redeveloper's execution and delivery of this Redevelopment Agreement and its performance hereunder will not constitute a violation of any agreement, mortgage, indenture, instrument or judgment, to which the Redeveloper is a party;

(j) All information and statements included in any information submitted to the Township and its agents, are true and correct in all respects. The Redeveloper acknowledges that the facts and representations contained in the information submitted by the Redeveloper are a material factor in the decision of the Township to enter into this Redevelopment Agreement; and

(k) To the best of the Redeveloper's knowledge and belief after diligent inquiry, the Redeveloper is not delinquent with respect to any taxes, payments in lieu of tax, service charge, or similar obligations owed to the Township for any property situated in the Township.

### **ARTICLE 3**

#### **COVENANTS AND RESTRICTIONS**

3.1 Covenants and Restrictions. The Township shall record the Declaration of Covenants and Restrictions with the Essex County Clerk's Office promptly upon the Effective Date, at the cost and expense of the Redeveloper.

3.2 Description of Covenants. The following covenants and restrictions are imposed upon the Redeveloper, its successors and assigns, and are intended to run with the land until a Certificate of Completion has been issued for the Project, except as otherwise provided. They shall be recorded substantially in the form of a Declaration of Covenants and Restrictions annexed hereto as Exhibit B.

(a) The Redeveloper shall construct the Project on the Property in accordance with, and subject to the terms of, the Redevelopment Plan, this Redevelopment Agreement, and all Applicable Laws and Governmental Approvals;

(b) Except for Permitted Transfers, which shall not require written consent of the Township, and subject to the terms of Section 3.5(a) hereof, prior to the issuance of a Certificate of Completion for the Project, the Redeveloper shall not effect a Transfer without the written consent of the Township, which shall not be unreasonably withheld, conditioned or delayed;

(c) In connection with its use or occupancy of the Project, the Redeveloper shall not effect or execute any covenant, agreement, lease, conveyance or other instrument whereby the Property is restricted upon the basis of age, race, color, creed, religion, ancestry, national origin, sexual orientation, sex or familial status, and the Redeveloper, its successors and assigns, shall comply with all Applicable Laws prohibiting discrimination or segregation by reason of age, race, color, creed, religion, ancestry, national origin, sexual orientation, sex or familial status;

(d) Subject to and in accordance with the terms hereof, upon Completion of Construction, Redeveloper shall obtain a Certificate of Occupancy and all other Government Approvals required for the occupancy and uses of the Project; and the Redeveloper shall use the Property and/or Project only for the purposes contemplated by this Redevelopment Agreement and the Redevelopment Plan;

(e) Subject to and in accordance with the terms hereof, the Redeveloper shall cause the Project to be developed, financed, constructed, operated and maintained at its sole cost and expense;

(f) Subject to and in accordance with the terms hereof, the Redeveloper shall develop, finance, construct, operate and maintain the Project consistent with Applicable Laws, Governmental Approvals, the Redevelopment Plan, and this Redevelopment Agreement including the obligation to use commercially reasonable efforts to meet all deadlines and timeframes set forth in this Redevelopment Agreement;

(g) Prior to the issuance of a Certificate of Completion, Redeveloper shall not encumber, hypothecate or otherwise use the Property, or any part thereof as collateral for any transaction unrelated to the Project; and

(h) The Redeveloper will promptly pay any and all taxes, assessments, service charges, or similar obligations when owed with respect to the Property and any other property owned by the Redeveloper situated in the Township.

3.3 Effect and Duration of Covenants. It is intended and agreed that the covenants and restrictions set forth in Section 3.2 shall be covenants running with the land. All covenants in Section 3.2, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in this Redevelopment Agreement, shall be binding, to the fullest extent permitted by law and equity, for the benefit and in favor of, and enforceable by the Township and its successors and assigns, and any successor in interest to the Property, the Project, or any part thereof, against the Redeveloper, its successors and assigns and every successor in interest therein, and any party in possession or occupancy of the Property or any part thereof. Notwithstanding the foregoing, the agreements and covenants set forth in Section 3.2 shall cease and terminate as to the Project automatically and without further action upon the issuance

of a Certificate of Completion for the Project, except for those covenants which survive in accordance with the terms of the Declaration. Upon the request of Redeveloper or any successor owner at any time after the issuance of a Certificate of Completion, the Township shall execute and deliver a discharge of the Declaration of Restriction in recordable form for the Project.

3.4 Enforcement by Township. In amplification, and not in restriction of the provisions of this Article 3, it is intended and agreed that the Township and its successors and assigns shall be deemed beneficiaries of the agreements and covenants set forth in Section 3.2 both for and in their own right but also for the purposes of protecting the interests of the community and other parties, public or private, in whose favor or for whose benefit such agreements and covenants shall run in favor of the Township for the entire period during which such agreements and covenants shall be in force and effect, without regard to whether the Township has at any time been, remains, or is an owner of any land or interest therein to or in favor of which such agreements and covenants relate.

3.5 Prohibition Against Transfers of Interests in Redeveloper.

(a) The Redeveloper recognizes the importance of this redevelopment Project to the general welfare of the community and that the identity of the Redeveloper and its qualifications are critical to the Township in entering into this Redevelopment Agreement. The Township considers that a change in Control in Redeveloper or a transfer of thirty percent (30%) or more of the ownership interest in the Redeveloper is for practical purposes a Transfer or disposition of the Project. The Redeveloper recognizes that it is because of such qualifications and identity that the Township is entering into this Redevelopment Agreement with the Redeveloper, and, in so doing, the Township is relying on the obligations of the Redeveloper and not some other Person for the faithful performance of all undertakings and covenants to be performed by the Redeveloper hereunder. As a result, except for Permitted Transfers, prior to Completion of the Project, as evidenced by the issuance of a Certificate of Completion, and without the prior written approval of the Township, which shall not be unreasonably withheld, conditioned or delayed, the Redeveloper agrees for itself and all successors in interest that there shall be no change in Control of the Redeveloper, nor shall there be any transfer of thirty percent (30%) or more of the ownership interest in the Redeveloper.

(b) Consent to Permitted Transfers. The Township hereby consents, without the necessity of further approvals, to the following Transfers (each, a “**Permitted Transfer**”):

(i) a Mortgage or related security granted by the Redeveloper to a Mortgagee for the purpose of obtaining the financing necessary to enable the Redeveloper to perform its obligations under this Agreement, including any Mortgage or Mortgages and other liens and encumbrances granted by the Redeveloper to a Mortgagee for the purpose of financing costs associated with the acquisition, development, construction, or marketing of the Project and not any transaction or project unrelated to the Project; provided, however, that the Redeveloper shall give the Township at least thirty (30) days prior written notice of such Permitted Transfer, including a description of the nature of such Transfer, and the name(s) and address(es) of the Mortgagee;

(ii) transfers of easements or dedications of portions of interests in the Property as may be required for utilities for the Project or otherwise as conditions of Governmental

Approvals, including but not limited to any sanitary sewer easement required by the Planning Board Approvals;

(iii) environmental covenants and restrictions imposed by a regulatory agency as a condition of any permit or approval;

(iv) a lease agreement to a tenant or end user of the Project; and

(v) any conveyance of the Project, and the assignment of this Redevelopment Agreement and the rights and obligations arising hereunder, to an entity Controlled by Redeveloper or its Existing Members, including an urban renewal entity duly formed in accordance with the Tax Exemption Law, provided such assignee expressly assumes in writing all of Redeveloper's obligations hereunder with respect to the Project.

(vi) transfer pursuant to a Foreclosure, any transfer by a mortgagee's successor and or assigns after Foreclosure.

(vii) any direct or indirect transfers of any interest in Redeveloper to a Person not presently holding an interest in Redeveloper, provided that the transfer is for less than ten percent (10%) of the ownership interest of Redeveloper and otherwise does not change the control of Redeveloper

(viii) transfers by means of inheritance, devise or bequest or by operation of law upon an Immediate Family Member, or a trust established for the benefit of such Immediate Family Members;

(ix) any contract or agreement which effectuates any of the foregoing exceptions.

(c) Approval of Transfer. Except for Permitted Transfers, with respect to any Transfer that requires the Township's consent pursuant to the terms of this Section 3.5, the Township shall not unreasonably withhold, condition or delay its consent to such Transfer to a Transferee that has the same or greater experience and technical capability to carry out the Project as Redeveloper, and has the same or greater wherewithal to obtain financing for the Project as Redeveloper. The Township shall notify the Redeveloper in writing whether the Township consents to a Transfer within forty-five(45) after Redeveloper's written request to the Township for such consent, and if such consent is denied the notice shall contain the reasonable rationale for withholding consent.

(d) Any other Transfer, including without limitation, any Transfer of a portion of the Project shall be deemed a default hereunder.

### 3.6 Township Covenants. The Township hereby covenants and agrees that:

(a) The Township shall fully cooperate with the Redeveloper to ensure that all Governmental Approvals are obtained for the Project. Furthermore, the Township agrees to support any applications for Governmental Approvals that are consistent with the terms of the Redevelopment Plan and this Agreement, and to execute and deliver any documents required to obtain such approvals and otherwise to cooperate with the Redeveloper (at no cost to the Township) with respect to the Governmental Approvals; provided that nothing contained in this Section 3.6(a)

shall be deemed: (i) to constitute an approval of all or any portion of the Project for which applications have been submitted or are required or (ii) a waiver of the ability of any governmental authority, to exercise its statutorily authorized responsibilities with respect to such applications or Governmental Approvals. Without limiting the generality of the foregoing, the Township shall (A) request that all agencies of the Township having jurisdiction over any of the Governmental Approvals expedite the processing of all applications for Governmental Approvals, (B) schedule, convene and conclude all required public hearings in a manner consistent with Applicable Laws, without undue delay, and (C) request that all planners, engineers and other consultants engaged by the Township or any of its agencies review and comment on all submittals by the Redeveloper in an expeditious manner.

(b) The Township shall undertake and complete, with due diligence, all of its obligations under this Redevelopment Agreement.

#### **ARTICLE 4** **PROJECT DETAILS**

##### **4.1 Timeline and Implementation of the Project.**

(a) Project Timeline.

(i) The Redeveloper shall submit its application for Planning Board Approvals within nine (9) months after the adoption of the Redevelopment Agreement;

(ii) The Redeveloper shall use commercially reasonable efforts to obtain all Governmental Approvals required for the commencement of construction of the Project other than Building Permits within twelve (12) months after receiving Final and Unappealable Planning Board Approvals;

(iii) The Redeveloper shall use commercially reasonable efforts to Commence Construction of the Project within twelve (12) months after obtaining all Final and Unappealable Governmental Approvals; and

(iv) The Redeveloper shall use commercially reasonable efforts to Complete Construction of the Project on or before twenty-four (24) months after the Commencement of Construction.

(b) If, subject to the provisions of this Agreement, the Redeveloper fails, or determines that it will fail, to meet any relevant date for the completion of a task set forth in the Project timeline set forth above, for any reason, the Redeveloper shall promptly provide notice to the Township stating: (i) the reason for the failure or anticipated failure, (ii) the Redeveloper's proposed method for correcting such failure, (iii) the Redeveloper's proposal for revising the timeline and (iv) the method or methods by which the Redeveloper proposes to achieve subsequent tasks by the relevant dates set forth in the revised Project timeline. Redeveloper's proposed revisions to the Project timeline shall be subject to the Township's approval, which shall not be unreasonably withheld, conditioned or delayed.

(c) In the event that Redeveloper does not obtain all necessary Governmental Approvals for the Project on terms and conditions acceptable to Redeveloper in its sole discretion, or if Redeveloper determines that the Governmental Approvals for the Project cannot be obtained on terms and conditions acceptable to Redeveloper in its sole discretion, then Redeveloper shall have the right to terminate this Agreement upon written notice to the Township. No Governmental Approval shall be deemed to have been obtained (i) until the Appeal Period relating thereto has expired and no appeal has been taken, or (ii) if an appeal is filed within the applicable Appeal Period, until such appeal shall have been finally resolved in a manner sustaining the challenged Governmental Approval.

(d) If the Redeveloper fails to receive a construction loan for the construction of the Project with terms acceptable to the Redeveloper in its sole discretion, then the Redeveloper shall have the right to terminate this Redevelopment Agreement upon written Notice to the Township. If this Redevelopment Agreement is terminated pursuant to the terms of this Section 4.1(d), then, except as expressly set forth herein to the contrary, this Redevelopment Agreement shall be of no further force and effect, and the Parties hereto shall have no further rights, liabilities and/or obligations hereunder.

(e) Redeveloper shall have the right, but not the obligation, to undertake litigation in order to obtain Governmental Approvals with conditions reasonably satisfactory to Redeveloper. Any litigation filed by Redeveloper to obtain Governmental Approvals or challenge to a Governmental Approval, shall toll the relevant time periods set forth in the Project Schedule until such time that the litigation is resolved in Redeveloper's favor and the applicable time periods for an appeal have expired without any further appeals being filed.

#### 4.2 Construction of the Project.

(a) Construction Hours. Construction practices and hours shall be in accordance with Township Ordinances, which are available at the Township Building Department or through the Township Clerk.

(b) Maintenance. The Property will be cleaned on a regular basis by Redeveloper; provided, however, that Redeveloper agrees to clean up the Property within forty-eight (48) hours of a specific, reasonable request by the Township that Redeveloper do so or the close of the following Business Day, whichever is later. Should Redeveloper fail to comply with this obligation, the Township will undertake street cleaning and charge Redeveloper for the costs of same. The Redeveloper shall repair, at Redeveloper's cost, any damage to the streets or sidewalks caused by Redeveloper during the construction of the Project.

(c) Pedestrian Access and Safety. The Township acknowledges that for safety reasons, the sidewalks adjacent to the Property may need to be closed from time to time during construction of the Project. Notwithstanding the foregoing, the Redeveloper will provide appropriate signage and crosswalks to ensure the continued flow of pedestrian traffic. The Redeveloper shall supply to the Township Building Department plans and specifications providing for pedestrian safety at and across the Property as applicable. The Redeveloper shall keep the sidewalks abutting the Property clean and free of debris, ice and snow during the construction of the Project.

(d) Construction Parking. The Redeveloper shall make arrangements with the Township Construction Official and the Township Police Department for off-street parking for construction vehicles and construction worker's vehicles, if such vehicles cannot be parked on the Project site itself. The Township agrees to place from time to time temporary "emergency, no parking" signs on the adjacent street as reasonably requested by the Redeveloper to accommodate the Redeveloper's construction activities.

(e) Preconstruction Meeting. There shall be a preconstruction meeting held at least seven (7) days prior to the Commencement of Construction, which meeting shall include the Township Construction Official, the Township Engineer, a representative from the Township Police Department, a representative from the Township Fire Department and representatives from the various utility companies.

(f) Construction Sign. The Redeveloper shall provide and erect a construction sign at the Property prior to the Commencement of Construction and shall maintain the sign until the Completion of Construction. The sign shall comply with the dimensional requirements of the Township's Land Use and Development requirements for "Temporary Signs," in accordance with the design provided by the Township and shall be separate from any sign erected by the Redeveloper to advertise the Project.

#### 4.3 Certificates of Occupancy and Certificates of Completion.

(a) Upon Completion of Construction of the Project, the Redeveloper shall diligently apply to the appropriate Township construction code official for a Certificate of Occupancy. For purposes of clarity, the Parties agree that upon the issuance of a Certificate of Occupancy, the Project, shall be eligible to be occupied (in whole or in part) in accordance with the terms thereof.

(b) Following Completion of the Project and receipt of a Completion Notice from Redeveloper, the Township agrees to issue a Certificate of Completion. The Certificate of Completion shall constitute a recordable, conclusive determination of the satisfaction and termination of the agreements and covenants with respect to the Project, in this Redevelopment Agreement and the Redevelopment Plan. Within thirty (30) days after receipt of the Completion Notice, the Township shall provide Redeveloper with the Certificate of Completion or a written statement setting forth in detail the reasons why it believes that Redeveloper has failed to Complete the Project, in accordance with the provisions of this Agreement or is otherwise in default hereunder, and describing the measures or acts reasonably necessary, in the opinion of the Township, that the Redeveloper must take or perform in order to obtain such Certificate of Completion, which reasons shall be consistent with the requirements of this Agreement. Upon issuance of the Certificate of Completion, the conditions determined to exist at the time the Redevelopment Area was determined to be an area in need of redevelopment shall be deemed to no longer exist, and the Declaration of Covenants and Restrictions for the Project shall be released to the extent set forth herein.

#### 4.4 Project Costs, Financing and Performance and Maintenance Guarantees.

(a) The Redeveloper agrees that the costs and financing for the Project are the sole responsibility of the Redeveloper, not the Township.

(b) Redeveloper shall post Bonds in the following manner:

(i) Prior to the Commencement of Construction, a performance bond or irrevocable letter of credit (or such other form of guarantee allowed in accordance with the MLUL) for those Improvements for which a performance guarantee may be required pursuant to the MLUL and as may be required pursuant to the approved site plan and Planning Board resolution, in an amount to be determined by the Township Engineer pursuant to the MLUL.

(ii) A maintenance guarantee in respect of those Improvements required to be bonded in accordance with the MLUL, in the form of a surety bond (or such other form of guarantee allowed in accordance with the MLUL) for a period not to exceed two (2) years after final acceptance of the Improvement, in an amount determined by the Township Engineer according to the method of calculation set forth in *N.J.S.A. 40:55D-53* of the MLUL.

(iii) If applicable, the Bond must name the Township as an obligee and Redeveloper shall deliver a copy of the Bond to the Township prior to Commencement of Construction. To the extent that a surety bond is provided, it shall be provided by a company licensed by the New Jersey Department of Banking and Insurance or otherwise authorized by the New Jersey Department of Banking and Insurance to do business in the State. In the event any insurance company, financial institution or other entity issuing a performance guarantee herein, shall be insolvent or shall declare bankruptcy or otherwise be subject to reorganization, rehabilitation, or other action, whereby state or federal agencies have taken over the management of the entity, within thirty (30) days after notice from the Township, Redeveloper shall replace the Bond.

(iv) In the event any Bond should lapse, be canceled or withdrawn, or otherwise not remain in full force and effect as a result of any act or omission by Redeveloper, then until an approved replacement of the lapsed Bond has been deposited with the Township, the Township may require Redeveloper to cease and desist any and all work on the Project, unless the Improvements required to be bonded have been completed and approved by the Township. In the event any Bond should lapse, be canceled or withdrawn, or otherwise not remain in full force and effect through no act or omission of Redeveloper, then unless Redeveloper fails to replace the Bond within ten (10) Business Days of notice given to Redeveloper by the Township, the Township may require Redeveloper to cease and desist work on the Project unless the Improvements required to be bonded have been completed and approved by the Township.

4.5 Environmental Obligations and Indemnification. The Parties hereby expressly acknowledge that the Township has made no representation as to the environmental condition of any part of the Property. The Parties hereto further expressly acknowledge and agree that to the extent any portion of the Property requires Remediation, or causes any other property to require Remediation, the Township shall have no responsibility therefor. The Parties hereto expressly agree and acknowledge that it shall be the sole responsibility of the Redeveloper to undertake and pay the cost of any and all Remediation, compliance, environmental testing, and/or other analyses for the Property, and that the Township has no obligation or liability whatsoever with respect to the environmental condition of the Property, or any other parcels which may claim contamination arising from the Property. The Redeveloper shall defend, protect, indemnify and hold harmless the Township and its agents from any claims which may be sustained as a result of

any environmental conditions on, in, under or migrating to or from the Property, including, without limitation, claims against the Township and its agents by any third party.

4.6 No Rights in Third-Party Beneficiaries. This Agreement does not and will not confer any rights, remedies or entitlements upon any third person or entity other than the Parties, and their respective successors and assigns. This Agreement is for the exclusive benefit and convenience of the Parties hereto.

4.7 Affordable Housing Units. (a) Redeveloper shall construct the Affordable Housing Units in conformity with all applicable affordable housing regulations and all other Applicable Laws, including but not limited to UHAC and the Fair Housing Act.

(b) The requirement to construct the Affordable Housing Units and the construction thereof will be tracked on an ongoing basis as construction of the Project is implemented. The Redeveloper shall deed restrict the Affordable Housing Units for a period of thirty (30) years (the “**Deed-Restriction Period**”). The commencement and termination of the Deed-Restriction Period shall be calculated pursuant to UHAC, the Fair Housing Act, and Applicable Laws. Upon reaching the termination of the Deed-Restriction Period, the Township shall promptly take formal action as may be required for the releasing of the Affordable Housing Units from any and all restrictions.

(c) The Redeveloper shall record a deed restriction for the Affordable Housing Units for the Deed-Restriction Period. The deed restriction for the Affordable Housing Units shall be approved by the City’s Administrative Agent prior to recordation. Redeveloper’s obligation regarding the Affordable Housing Units includes, but is not limited to, income split requirements, pricing requirements, affirmative marketing requirements, candidate qualification and screening requirements and deed restriction requirements, all as set forth in the affordable housing regulations, UHAC, the Fair Housing Act, and as further described herein. The Affordable Housing Units shall be a three-bedroom unit. The affordability levels for the Affordable Housing Units (as determined by UHAC, the Fair Housing Act, and Applicable Laws) shall be subject to the Township’s sole and absolute discretion to verify the eligibility of the Affordable Housing Units for affordable housing credit and, upon determination and assignment, shall not be modified for the Deed-Restriction Period.

## **ARTICLE 5**

### **EVENTS OF DEFAULT; TERMINATION**

5.1 Events of Default. Any one or more of the following shall constitute an “**Event of Default**” hereunder, subject to Force Majeure Event extension and tolling as provided elsewhere in this Redevelopment Agreement:

(a) If at any time the Redeveloper shall: (i) generally not pay its debts as such debts become due, within the meaning of such phrase under Title 11 of the United States Code (or any successor to such statute), or admit in writing that it is unable to pay its debts as such debts become due; or (ii) make an assignment for the benefit of creditors; or (iii) file a voluntary petition under Title 11 of the United States Code, as the same may be amended, or any successor to such statute; or (iv) file any petition or answer seeking, consenting to or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present

or future federal bankruptcy code or any other present or future applicable federal or State or other statute or law; or (v) seek or consent to or acquiesce in the appointment of any custodian, trustee, receiver, sequestrator, liquidator or other similar official of the Redeveloper or of all or any substantial part of its property or of the Project or any interest of the Redeveloper therein; or (vi) take any corporate action in furtherance of any action described in this subsection or (vii) if at any time any proceeding against the Redeveloper seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future applicable federal or state or other statute or law shall not be dismissed within ninety (90) days after the commencement thereof, or if, within ninety (90) days after the appointment without the consent of the Redeveloper of any custodian, trustee, receiver, sequestrator, liquidator or any other similar official of the Redeveloper, or of all or any substantial part of its properties or of the Project or any interest of the Redeveloper therein, such appointment shall not have been vacated or stayed on appeal or otherwise, or if any such appointment shall not have been vacated within forty-five (45) days after the expiration of any such stay.

(b) The Redeveloper's failure to pay or delinquency in the payment of real property taxes, payments in lieu of taxes, if applicable, or assessments, which failure or delinquency is not cured within ten (10) days after Notice by the Township. No Notice by the Township shall be required. Redeveloper's failure to make any other payment due to the Township hereunder, which is not cured within thirty (30) days after Notice by the Township.

(c) Cancellation or termination by reason of any act or omission of the Redeveloper of any insurance policy, performance or completion bond, letter of credit, guaranty or other surety required hereunder to be provided by the Redeveloper for the benefit of the Township, which failure or delinquency is not cured within thirty (30) days after Notice by the Township.

(d) Any Transfer (except for Permitted Transfers), without the written approval of the Township.

(e) If the Redeveloper fails to Commence Construction within the time frame specified in this Redevelopment Agreement (as same may be modified pursuant to the terms hereof and subject to Force Majeure Events) and any extensions granted hereunder, subject to delays caused by the Township's failure to timely perform its obligations under this Agreement.

(f) Subject to Force Majeure Events, if the Redeveloper abandons the Project or substantially suspends work on the Project after the Commencement of Construction for a period of more than ninety (90) days and fails to recommence work within thirty (30) days after receipt by the Redeveloper of a Notice of such failure, abandonment or suspension; provided, however, that if the failure, abandonment or suspension is one that cannot be completely cured within thirty (30) days after receipt of such notice, Redeveloper shall have up to sixty (60) additional days to cure so long as the Redeveloper promptly undertakes actions to correct the failure, abandonment or suspension upon its receipt of notice and is proceeding with due diligence to remedy same.

(g) Any other default or breach by the Redeveloper or the Township in the observance or performance of any covenant, condition, representation, warranty or agreement hereunder and, except as otherwise specified, the continuance of such default or breach for a period of thirty (30) days after Notice from the non-defaulting Party specifying the nature of such default or

breach and requesting that such default or breach be remedied; provided, however, with respect to any non-monetary default or breach, if the default or breach is one that cannot be completely remedied within thirty (30) days after such Notice, it shall not be an Event of Default as long as the defaulting Party is proceeding in good faith and with due diligence to remedy the same as soon as practicable, but in no event later than ninety (90) days after such Notice unless this Redevelopment Agreement specifically provides otherwise.

5.2 Remedies Upon Event of Default by the Redeveloper. Whenever any Event of Default by the Redeveloper occurs and continues beyond any applicable cure or grace period, the Township may, on written notice to the Redeveloper (after applicable Notice and cure periods shall have expired), pursue all remedies at law or equity available to it by reason of the Redeveloper's default, including, but not limited to, the termination of this Redevelopment Agreement and the Redeveloper's designation as redeveloper hereunder. In the event of such termination, except as expressly provided for herein, this Redevelopment Agreement shall be of no further force and effect and neither Party shall have any further rights, liabilities and/or obligations hereunder. Notwithstanding the foregoing, Redeveloper shall be, and shall remain, fully responsible for payment of any outstanding Township Costs, including costs and/or damages (including, but not limited to, reasonable counsel fees) incurred by the Township on account of such Event of Default.

5.3 Remedies Upon Event of Default by the Township. If an Event of Default by the Township occurs and continues beyond any applicable cure or grace period, then the Redeveloper may pursue all remedies at law or equity available to it by reason of the Township's default; provided, however, that under no circumstances shall the Township be liable for consequential, indirect or special damages or loss of profits or business opportunities of any kind. Notwithstanding the foregoing, failure of the Township Council to authorize or approve this Redevelopment Agreement shall not constitute an Event of Default by the Township.

5.4 Force Majeure Extension. For the purposes of this Redevelopment Agreement, neither the Township nor the Redeveloper shall be considered in breach or in default with respect to its obligations hereunder because of a delay in performance arising from a Force Majeure Event. It is the purpose and intent of this provision that in the event of the occurrence of any such delay, the time or times for performance of the obligations of the Township or the Redeveloper shall be extended for the period of the delay; provided, however, that such delay is actually caused by or results from the Force Majeure Event. The time for completion of any specified obligation hereunder shall be tolled for a period of time up to but not exceeding the period of delay resulting from the occurrence of a Force Majeure Event. During any Force Majeure Event that affects only a portion of a Project, the Redeveloper shall, to the maximum extent feasible, continue to perform its obligations for the balance of the Project unaffected by the Force Majeure Event. The existence or occurrence of a Force Majeure Event shall not prevent the Township or the Redeveloper from declaring a default or the occurrence of an Event of Default by the other Party if the event that is the basis of the Event of Default is not a result of the Force Majeure Event. To invoke the tolling provisions hereunder, the party invoking the provisions hereof must give written Notice to the other party of the occurrence of a Force Majeure as soon as practicable but in no event more than ten (10) Business Days (or such longer period as is reasonably necessary) after the occurrence thereof.

5.5 No Waiver. Except as otherwise expressly provided in this Redevelopment Agreement, any failure or delay by either Party hereunder in asserting any of its rights or

remedies as to any default by the other Party, shall not operate as a waiver of such default, or of any such rights or remedies, or to deprive the Township or the Redeveloper, as the case may be, of its right to institute and maintain any actions or proceedings in accordance with this Redevelopment Agreement, which it may deem necessary to protect, assert or enforce any such rights or remedies.

5.6 Remedies Cumulative. No remedy conferred by any of the provisions of this Redevelopment Agreement is intended to be exclusive of any other remedy and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder.

5.7 Termination Rights Related to Litigation. If third-party litigation is commenced challenging the validity of (i) the designation of the Property as an area in need of redevelopment, (ii) the Redevelopment Plan, or (iii) execution of this Redevelopment Agreement by the Township, the commencement of such litigation shall be a Force Majeure Event effective as of the date of the filing of the summons and complaint if the Redeveloper invokes the Force Majeure provisions this Redevelopment Agreement; provided, however, that (a) if such litigation is not resolved within twelve (12) months of inception, then the Redeveloper may terminate this Redevelopment Agreement by written Notice to the Township; and (b) if such litigation is finally determined in favor of the plaintiff with no further opportunity for appeal, then either Party may terminate this Redevelopment Agreement by written Notice to the other. Upon such termination, except as expressly provided herein, this Agreement shall be of no further force and effect and neither Party hereto shall have any rights, liabilities and/or obligations hereunder.

## **ARTICLE 6** **FINANCING**

### **6.1 Mortgage Financing.**

(a) During the term of this Agreement, the Redeveloper shall not engage in any financing or any other transaction creating any Mortgage on the Project other than with respect to the cost of acquiring the Property and developing the Project (including designing, permitting and constructing the Project).

(b) In the event that the Redeveloper is unable to obtain financing for the Project, on terms and conditions acceptable to the Redeveloper in its sole discretion, or if the Redeveloper determines that financing for the Project cannot be obtained on terms and conditions acceptable to the Redeveloper in its sole discretion, the Redeveloper shall have the right to terminate this Redevelopment Agreement upon written Notice to the Township.

(c) If this Redevelopment Agreement is terminated pursuant to the terms of this Section 6.1, then, except as expressly set forth herein to the contrary and upon full payment of all Township Costs accruing until the date of such termination, this Redevelopment Agreement (including, without limitation, all the covenants contained herein) shall be of no further force and effect and the Parties hereto shall have no further rights, liabilities and/or obligations hereunder.

(d) If the Mortgagee reasonably requires any change(s) or modification(s) to the terms of this Redevelopment Agreement, the Township shall reasonably cooperate with the

Mortgagee and the Redeveloper in reviewing such proposed change(s) or modification(s) and shall consider them in good faith; provided, however, that any such proposed change or modification shall not materially and adversely alter or modify the rights and obligations of the Redeveloper or the Township, as provided in this Redevelopment Agreement.

(e) To the extent reasonably requested by the Redeveloper, the Township shall execute such other agreements and/or documents (to the extent same are in form and content reasonably acceptable to the Township) as may be requested or required by any Mortgagee (or any equity participant of the Redeveloper); provided, however, that any such agreement or document shall not materially and adversely alter any of the rights, liabilities or obligations of the Redeveloper or the Township under this Redevelopment Agreement.

6.2 Notice of Default to the Mortgagee and Right to Cure. Whenever the Township shall deliver any Notice or demand to the Redeveloper with respect to any breach or default by the Redeveloper under this Redevelopment Agreement, the Township shall at the same time deliver to each Mortgagee a copy of such Notice or demand; provided that the Redeveloper has delivered to the Township a written Notice of the name and address of such Mortgagee. Each such Mortgagee (insofar as the rights of the Township are concerned) has the right at its option within sixty (60) days after the receipt of such Notice to cure or remedy, or to commence to cure or remedy, any such default which is subject to being cured and to add the cost thereof to the debt and the lien which it holds. The Township shall not seek to enforce any of its remedies under this Agreement during the period in which any such Mortgagee is proceeding diligently and in good faith to cure a Redeveloper Event of Default. If the Mortgagee elects to cure the Event of Default within such 60-day period but has not completed such cure, then, not later than every sixty (60) days thereafter until such Event of Default is cured, Redeveloper shall inform the Township that the Mortgagee is proceeding diligently to cure the Redevelopment Event of Default, and shall briefly describe the course of action being pursued to effectuate such cure. Notwithstanding the foregoing, the Township may seek to enforce any of its remedies under this Agreement with respect to a monetary Event of Default if such monetary Event of Default is not cured within such sixty (60) day period after Notice thereof. If possession of the Project is necessary to cure any default or breach, any Mortgagee will be allowed to complete any proceedings required to obtain possession of the Project. Notwithstanding anything contained herein to the contrary, the Township shall retain at all times all statutory rights to enforce the payment of property taxes, payments in lieu of taxes, if applicable, sewer charges, and other municipal charges, including but not limited to those rights granted by the Tax Sale Law, *N.J.S.A. 54:5-1 et seq.*, and/or the In Rem Tax Foreclosure Act, *N.J.S.A. 54:5-104.29 et seq.*

6.3 No Guarantee of Construction or Completion by Mortgagee.

(a) A Mortgagee shall in no manner be obligated by the provisions of this Redevelopment Agreement to construct or Complete the Project or to guarantee such construction or Completion; nor shall any covenant or any other provisions be construed so as to obligate a Mortgagee. Nothing contained in this Redevelopment Agreement shall be deemed to permit or authorize such Mortgagee to undertake or continue the construction or Completion of the Project (beyond the extent necessary to conserve or protect the Mortgagee's security, including the Improvements or construction already made) without the Mortgagee or Affiliate of Mortgagee first

having expressly assumed the Redeveloper's obligations to the Township with respect to the Project by written agreement reasonably satisfactory to the Township.

(b) If a Mortgagee forecloses its Mortgage secured by the Project, or takes title (in its name or the name of an Affiliate) to the Project by deed-in-lieu of foreclosure or similar transaction (collectively, a “**Foreclosure**”), the Mortgagee or its Affiliate shall have the option to either (i) sell the Project to any Person, provided Mortgagee gives the Township Notice of such sale at least thirty (30) days prior to closing and provided such Person assumes the obligations of the Redeveloper under this Redevelopment Agreement in accordance with Applicable Law, and/or (ii) assume the obligations of the Redeveloper under this Redevelopment Agreement in accordance with Applicable Law. Any such Mortgagee or other entity assuming such obligations of the Redeveloper, upon Completing the Project shall be entitled, upon written request made to the Township, to a Certificate of Occupancy in accordance with the terms of this Redevelopment Agreement and under Applicable Laws. Nothing in this Redevelopment Agreement shall be construed or deemed to permit or to authorize any Mortgagee, or such other entity assuming such obligations of the Redeveloper, to devote the Property, or any part thereof, to any uses, or to construct any improvements thereon, other than those uses or Improvements provided for or authorized by this Redevelopment Agreement and the Redevelopment Plan. The Mortgagee or such other entity that assumes the obligations of the Redeveloper shall be entitled to develop the Property or Project in accordance herewith.

## **ARTICLE 7** **ESCROW ACCOUNT**

7.1 Escrow Account to Cover Township Costs. (a) Concurrent with the execution of this Redevelopment Agreement, the Redeveloper has established an Escrow Account having an initial balance of Twenty-Five Thousand Dollars (\$25,000.00) to cover the Township Costs.

7.2 Escrow Deposit. Escrow Deposits to be made are separate from and in addition to all other application fees and escrow deposits that may be required by the Township pursuant to the terms of this Redevelopment Agreement, including any applications for land use approvals that may be needed to implement the Redevelopment Plan. Additional Escrow Deposits to the Escrow Account may subsequently become necessary to cover all reimbursable expenses incurred by the Township pursuant to the terms of this Redevelopment Agreement.

7.3 Deposit and Administration of Escrow Funds. All Escrow Deposits shall be held by the Township in the Escrow Account.

7.4 Payments from the Escrow Funds.

(a) The Township shall use Escrow Account to pay Township Costs in accordance with the provisions of this Redevelopment Agreement.

(b) Each payment for professional services charged to the Escrow Account shall be pursuant to a voucher from the professional or consultant, identifying the personnel performing services, each date the services were performed, the hours spent in not greater than one-tenth (1/10) hour increments, the hourly rate, and specifying the services performed. All professionals shall

submit the required vouchers or statements to the Township monthly in accordance with the schedule and procedures established by the Township. The professionals or the Township shall simultaneously send an informational copy of each voucher or statement submitted to the Township to the Redeveloper; provided, that each such informational voucher or statement may be redacted if and as necessary to prevent disclosure of privileged or otherwise confidential matters.

7.5 Accounting and Additional Deposits. Within three (3) business days after a written request by the Redeveloper is received by the Township Attorney, the Township shall prepare and send to the Redeveloper a statement which shall include an accounting of funds listing all deposits, disbursements and the cumulative balance of the Escrow Account. If at any time the balance in the Escrow Account is less than Five Thousand Dollars (\$5,000.00) the Township shall provide the Redeveloper with a notice of the insufficient Escrow Account balance. The Redeveloper shall deposit to the Escrow Account additional funds such that the total amount on deposit shall be not less than Fifteen Thousand Dollars (\$15,000.00), such deposit to be made within ten (10) Business Days after the Township's notice, failing which the Township may unilaterally cease work without liability to the Redeveloper.

7.6 Close Out Procedures. Upon the issuance of a Certificate of Completion or other termination of this Redevelopment Agreement, the Redeveloper shall send written Notice by certified mail to the Township requesting that the remaining balance of the Escrow Account be refunded or otherwise applied in accordance with the provisions of this Redevelopment Agreement. After receipt of such notice, the professional(s) shall render a final bill to Township within thirty (30) days and shall send an informational copy simultaneously to the Redeveloper. Within thirty (30) days after receipt of the final bill the Township shall pay all outstanding bills and render a written final accounting to the Redeveloper. The Redeveloper will not be responsible for any additional charges once the final accounting has been rendered by the Township in accordance with this section. This Section 7.6 shall survive issuance of a Certificate of Completion or other termination of this Redevelopment Agreement.

7.7 Disputed Charges.

(a) The Redeveloper may dispute the propriety or reasonableness of Township Costs paid out of the Escrow Account by written Notice to the Township. A copy of such Notice shall be sent simultaneously to the professional(s) whose charges or estimated costs are the subject of the dispute. Such written Notice of a disputed charge shall be given within thirty (30) days after the Redeveloper's receipt of the informational copy of the professional's voucher, invoice, statement or bill, except that if the professional has not supplied the Redeveloper with an informational copy of the voucher, invoice, statement or bill, then the Redeveloper shall send Notice within thirty (30) days after receipt of the first statement of activity against the Escrow Account containing the disputed charge. Failure to dispute a charge in writing within the prescribed time shall constitute the Redeveloper's acceptance of the charge and a waiver by the Redeveloper of all objections to the charge and to payment thereof out of the Escrow Account. The terms of this Section shall survive termination of this Redevelopment Agreement.

(b) If the Township and the Redeveloper cannot agree on the resolution of a disputed charge, the parties agree to arbitrate the matter, with a retired judge mutually agreeable to the parties acting as arbitrator. During the pendency of a dispute, the Township shall not pay

the disputed charges out of the escrow account but may continue to pay undisputed charges out of the Escrow Account.

The terms of this Article 7 shall survive termination of this Redevelopment Agreement.

## **ARTICLE 8**

### **PILOT & FINANCIAL AGREEMENT**

8.1 PILOT Contingency & Financial Agreement. The Redeveloper intends to apply to the Township for approval of a financial agreement (the “**Financial Agreement**”) providing for, among other things, payments in lieu of taxes pursuant to the Tax Exemption Law (the “**PILOT**”). If and to the extent available under Applicable Laws, and as requested by the Redeveloper, the Township agrees to consider the Redeveloper’s PILOT application in good faith, but the Redeveloper acknowledges that the Township retains full discretion whether to grant the PILOT.

## **ARTICLE 9**

### **MISCELLANEOUS**

9.1 No Consideration for Agreement. The Redeveloper warrants it has not paid or given, and will not pay or give, any third person any money or other consideration for obtaining this Redevelopment Agreement, other than normal costs of conducting business and costs of professional services such as architects, engineers, financial consultants and attorneys. The Redeveloper further warrants it has not paid or incurred any obligation to pay any officer or official of the Township, any money or other consideration for or in connection with this Redevelopment Agreement.

9.2 Non-Liability of Officials and Employees.

(a) No member, official or employee of the Township shall be personally liable to the Redeveloper, or any successor in interest, in the event of any default or breach by the Township, or for any amount which may become due to the Redeveloper or its successor, or on any obligation under the terms of this Redevelopment Agreement.

(b) No member, officer, shareholder, director, partner or employee of the Redeveloper shall be personally liable to the Township, or any successor in interest, in the event of any default or breach by the Redeveloper or for any amount which may become due to the Township, or their successors, on any obligation under the terms of this Redevelopment Agreement.

9.3 Modification of Agreement. No modification, waiver, amendment, discharge, or change of this Redevelopment Agreement shall be valid unless the same is in writing, duly authorized, and signed by the Redeveloper and the Township.

9.4 Recitals and Exhibits. The Recitals and all Exhibits annexed to this Redevelopment Agreement are hereby made a part of this Redevelopment Agreement by this reference thereto.

9.5 Entire Agreement. This Redevelopment Agreement constitutes the entire agreement between the Parties hereto and supersedes all prior oral and written agreements between the Parties with respect to the subject matter hereof.

9.6 Severability. The validity of any Article and Section, clause or provision of this Redevelopment Agreement shall not affect the validity of the remaining Articles and Sections, clauses or provisions hereof.

9.7 Indemnification. The Redeveloper, for itself and its successors and assigns, covenants and agrees, at its sole cost and expense, to indemnify, defend and hold harmless the Township, its governing body, their respective officers, employees, agents, attorneys and consultants, representatives and respective successors and assigns from any third-party claims, liabilities, losses, costs, damages, penalties and expenses (including reasonable attorney's fees) resulting from or in connection with the acts or omissions of the Redeveloper or of the Redeveloper's agents, employees, or consultants in connection with the development, financing, design, construction, operation, or maintenance of the Project; provided, however, that no indemnification shall be required pursuant to this Section 9.7 in the event that the indemnification otherwise due pursuant to this Section 9.7 is attributable to the gross negligence or willful misconduct of the Township, its governing body, or any agency of the Township or any of their respective officers, employees, agents, attorneys, consultants, representatives and employees. This Section shall survive termination of this Redevelopment Agreement.

9.8 Notices. Notices 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), or by facsimile transmission (with a hard copy and a transmission confirmation sent by a recognized overnight national carrier service for next business day delivery) 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.

As to the Township:

Township of Verona  
600 Bloomfield Avenue  
Verona, New Jersey 07044  
ATTN: Township Manager Kevin O'Sullivan

With a copy to:

Joseph Baumann, Esq.  
McManimon, Scotland & Baumann, LLC  
75 Livingston Avenue, Second Floor  
Roseland, New Jersey 07068

As to the Redeveloper:

Gomes Consulting LLC  
91 Kossuth Street  
Newark, New Jersey 07105  
ATTN: Pedro Gomes

With a copy to:

Marsha M. Moore, Esq.  
Post Polak, P.A.  
425 Eagle Rock Avenue, Suite 200  
Roseland, New Jersey 07068

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, provided, that any Notice delivered by telecopy shall be deemed to have been received by such Party at the time of transmission, provided that a hard copy and transmission confirmation is simultaneously sent by a recognized overnight national carrier service for next business day delivery. Any Notice given by an attorney for a Party shall be effective for all purposes.

9.9 Further Assurances/Cooperation. The Parties shall cooperate with each other as reasonably necessary to effectuate the Project. From time to time at the request of either the Redeveloper or the Township, the other Party shall execute, acknowledge and deliver such other and further documents as the requesting Party may reasonably request to better effectuate the provisions of this Redevelopment Agreement.

9.10 Governing Law, Forum Selection, and Waiver of Jury Trial. The Parties agree that this Redevelopment Agreement shall be governed by and interpreted according to the laws of the State of New Jersey, without reference to the choice of law principles thereof. Each of the Parties hereto irrevocably submits to the jurisdiction of the Superior Court of New Jersey, Essex County, for the purpose of any suit, action, proceeding or judgment relating to or arising out of this Redevelopment Agreement and the transactions contemplated thereby. Each of the Parties hereto irrevocably consents to the jurisdiction of the Superior Court of New Jersey, Essex County, in any such suit, action or proceeding and to the laying of venue in such Court. Each Party hereto irrevocably waives any objection to the laying of venue of any such action or proceeding brought in said Court and irrevocably waives any claim that any such suit, action or proceeding brought in said Court has been brought in any inconvenient forum. The Parties further agree that any claims relating to or arising out of this Redevelopment Agreement and the transactions contemplated thereby shall be tried before a judge and without a trial by jury.

9.11 Counterparts. This Redevelopment Agreement may be executed in one or more counterparts (which may be copies delivered electronically or by facsimile), each of which shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement.

9.12 Estoppel Certificates. Within fourteen (14) days following written request therefore by a Party hereto, the other Party shall issue an Estoppel Certificate. No more than three (3) Estoppel Certificates per year may be requested by each Party. This Agreement authorizes the Mayor, Township Manager or its designated representative to execute the Estoppel Certificate without further consent or approval of the Township Council.

**THE BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK**

**IN WITNESS WHEREOF**, the Parties have executed this Redevelopment Agreement effective as of the latest date of the signatures affixed hereto.

ATTEST:

**TOWNSHIP OF VERONA**

\_\_\_\_\_  
Name:  
Title:

By:

\_\_\_\_\_  
Kevin O'Sullivan  
Township Manager

SEAL

Dated: \_\_\_\_\_

WITNESS:

**GOMES CONSULTING LLC**

\_\_\_\_\_  
Name:  
Title:

By:

\_\_\_\_\_  
Name: Pedro Gomes  
Title: Authorized Signatory

Dated: \_\_\_\_\_

**Exhibit A**

Legal Description

**Exhibit B**

**Form of Declaration of Covenants and Restrictions**

**RECORD AND RETURN TO:**

Joseph Baumann, Esq.  
McManimon, Scotland & Baumann, LLC  
75 Livingston Avenue, Second Floor  
Roseland, New Jersey 07068

**DECLARATION OF COVENANTS AND RESTRICTIONS**

With respect to property identified as Block 701, Lot 3 on the official Tax Maps of the Township of Verona as more specifically delineated in the metes and bounds description attached to the Redevelopment Agreement (as defined herein) as Exhibit A.

This Declaration of Covenants and Restrictions is made this \_\_\_\_\_ day of \_\_\_\_\_, 2026 by and between the **TOWNSHIP OF VERONA** (the “**Township**”), a municipal corporation of the State of New Jersey having its offices at 600 Bloomfield Avenue, Verona, New Jersey 07044, in its capacity as redevelopment entity pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-4(c) (the “**Redevelopment Law**”), and **GOMES CONSULTING LLC**, a New Jersey limited liability company, having its offices at 91 Kossuth Street, Newark, New Jersey 07105 (together with permitted successors or assigns, the “**Redeveloper**”)

**W I T N E S S E T H**

A. The Township is authorized to determine whether certain parcels of land within the Township constitute an area in need of redevelopment pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 *et seq.* (as amended and supplemented the “**Redevelopment Law**”).

B. By Resolution 2025-294, the municipal council of the Township (the “**Township Council**”) authorized and directed the Township’s Planning Board (the “**Planning Board**”) to conduct a preliminary investigation to determine whether the property located at 420 Bloomfield Avenue in the Township, as shown on the Township’s official tax maps as Block 701, Lot 3 (the “**Property**”) qualifies as area in need of redevelopment pursuant to the Redevelopment Law.

C. The Planning Board held a duly noticed public hearing and gave an opportunity to be heard to all persons interested in or affected by a determination that the Property is an area in need of redevelopment.

D. The Planning Board thereafter concluded that the Property satisfied the criteria under the Redevelopment Law and recommended that the Township Council designate the Property as an area in need of redevelopment.

E. By Resolution No. 2026-028, the Township Council designated the Property as an area in need of redevelopment.

F. On March 30, 2026, pursuant to Ordinance No. 2026-05, the redevelopment plan entitled “Township of Verona 420 Bloomfield Ave” was adopted by the Township Council for the Property (the “**Redevelopment Plan**”).

G. Pursuant to the Redevelopment Law, the Township is acting as the “redevelopment entity” (as such term is defined at *N.J.S.A. 40A:12A-3* of the Redevelopment Law) for the Property.

H. The Redeveloper is the contract purchaser of the Property and has submitted to the Township a proposal to undertake the development of a four story mixed-use project including approximately 5,000 square feet of publicly available ground-floor non-residential space, approximately 65 residential rental units, ten (10) of which shall be affordable housing units (the “**Affordable Housing Units**”), as well as approximately 118 parking spaces (inclusive of 18 EV charging spaces), associated amenities for the residential tenants, and other improvements included in the Redevelopment Agreement (the “**Project**”).

I. The Township has determined that the Redeveloper possesses the proper qualifications and experience to implement and complete the Project in accordance with the Redevelopment Plan, and all other applicable laws, ordinances and regulations.

J. In order to effectuate the Redevelopment Plan, the Project and the redevelopment of the Property, the Township Council entered into a Redevelopment Agreement with the Redeveloper, which designates Redeveloper as the “redeveloper” of the Property as that term is defined in the Redevelopment Law, and which specifies the respective rights and responsibilities of the Parties with respect to the Project (the “**Redevelopment Agreement**”).

K. *N.J.S.A. 40A:12A-9(a)* of the Redevelopment Law requires that all agreements, leases, deeds and other instruments between a municipality and a redeveloper shall contain a covenant running with the land requiring, among other things, that “the owner shall construct only the uses established in the current redevelopment plan.”

L. The Redevelopment Agreement contains such a covenant by the Redeveloper and its successor or assigns for as long as the Redevelopment Agreement remains in effect, as well as a perpetual covenant by the Redeveloper and its successor or assigns not to unlawfully discriminate upon the basis of age, race color creed, religion, ancestry, national origin, sex or familial status in the sale, lease, rental, use or occupancy of the Property or any building or structures erected thereon.

M. The Redevelopment Agreement also provides that the Property, the Redevelopment Agreement, and Redeveloper’s interest therein shall not be transferable, subject to certain conditions, prior to the issuance of a Certificate of Completion and further provides certain remedies to the Township for violations of the covenants and defaults under the Redevelopment Agreement.

N. The Redevelopment Agreement requires that such covenants be memorialized in a Declaration of Restrictions and said declaration be recorded in the Essex County Clerk’s Office.

**NOW THEREFORE, IT IS AGREED AS FOLLOWS:**

Section 1. Defined terms not otherwise defined herein shall have the meaning assigned to such terms in the Redevelopment Agreement.

Section 2. Redeveloper covenants and agrees that subject to the terms of the Redevelopment Agreement:

(a) The Redeveloper shall construct the Project in accordance with, and subject to the terms of, the Redevelopment Plan, the Redevelopment Agreement, and all Applicable Laws and Governmental Approvals;

(b) Except for Permitted Transfers, and subject to the terms of the Redevelopment Agreement, prior to the issuance of a Certificate of Completion, the Redeveloper shall not effect a Transfer without the written consent of the Township, which shall not be unreasonably withheld, conditioned or delayed. Furthermore, the Redeveloper shall not, prior to the issuance of a Certificate of Completion, sell or transfer all or any portion of the Property;

(c) In connection with its use or occupancy of the Project, the Redeveloper shall not effect or execute any covenant, agreement, lease, conveyance or other instrument whereby the Property is restricted upon the basis of age, race, color, creed, religion, ancestry, national origin, sexual orientation, sex, or familial status, and the Redeveloper, its successors and assigns, shall comply with all Applicable Laws prohibiting discrimination or segregation by reason of age, race, color, creed, religion, ancestry, national origin, sexual orientation, sex or familial status;

(d) Subject to and in accordance with the terms of the Redevelopment Agreement, upon Completion of Construction, the Redeveloper shall obtain a Certificate of Occupancy and all other Government Approvals required for the occupancy and uses of the Property. The Redeveloper shall use the Property and/or Project only for the purposes contemplated by the Redevelopment Agreement and the Redevelopment Plan;

(e) Subject to and in accordance with the terms hereof, the Redeveloper shall cause the Project to be developed, financed, constructed, operated and maintained at its sole cost and expense;

(f) Subject to and in accordance with the terms of the Redevelopment Agreement, the Redeveloper shall develop, finance, construct, operate and maintain the Project consistent with Applicable Laws, Governmental Approvals, the Redevelopment Plan, and the Redevelopment Agreement, including the obligation to use commercially reasonable efforts to meet all deadlines and timeframes set forth in the Redevelopment Agreement;

(g) Prior to the issuance of a Certificate of Completion for the Project, the Redeveloper shall not encumber, hypothecate or otherwise use the Property, or any part thereof, as collateral for any transaction unrelated to the Project;

(h) The Redeveloper will promptly pay any and all taxes and service charges, special assessments or similar obligations when owed, with respect to the Property and any other property owned by Redeveloper situated in the Township; and

(i) Redeveloper will comply with all obligations of Redeveloper under Section 8.7 entitled “Indemnification” and Article 7 of the Redevelopment Agreement.

Section 3. It is intended and agreed that the covenants and restrictions set forth in Section 2 shall be covenants running with the land. All covenants in Section 2, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in the Redevelopment Agreement, shall be binding, to the fullest extent permitted by law and equity, for the benefit and in favor of, and enforceable by the Township and its successors and assigns, and any successor in interest to the Property, or any part thereof, against the Redeveloper, its successors and assigns and every successor in interest therein, and any party in possession or occupancy of the Property or any part thereof. Notwithstanding the foregoing, the agreements and covenants set forth in Section 2 shall cease and terminate upon the issuance of a Certificate of Completion, provided, however, that the covenants in Section 2(c) shall remain in effect without limitation as to time.

Section 4. In amplification, and not in restriction of the provisions of this Declaration, it is intended and agreed that the Township and its successors and assigns shall be deemed beneficiaries of the agreements and covenants set forth in Section 2 and Section 3 both for and in their own right but also for the purposes of protecting the interests of the community and other parties, public or private, in whose favor or for whose benefit such agreements and covenants shall run in favor of the Township for the entire period during which such agreements and covenants shall be in force and effect, without regard to whether the Township has at any time been, remains, or is an owner of any land or interest therein to or in favor of which such agreements and covenants relate.

Notary or Attorney at Law  
The State of New Jersey

**GOMES CONSULTING LLC,**  
a New Jersey limited liability company

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

Name:

Title: Authorized Signatory

ACKNOWLEDGEMENT

STATE OF NEW JERSEY :  
: ss.:  
COUNTY OF :

BE IT REMEMBERED, that on this \_\_\_\_ day of \_\_\_\_\_, 2026 before me, the subscriber, a Notary Public of New Jersey, personally appeared \_\_\_\_\_ who, being by me duly sworn on his/her oath, deposes and makes proof to my satisfaction that he/she is an Authorized Signatory of **GOMES CONSULTING LLC**, the entity named in the within instrument; that the execution, as well as the making of this instrument, have been duly authorized by the entity, and said instrument was signed and delivered by said Authorized Signatory as and for the voluntary act and deed of said entity.

\_\_\_\_\_  
Notary or Attorney at Law  
The State of New Jersey

**Exhibit C**

**Existing Members**

| <b>Name</b> | <b>Address</b>                              | <b>% Owner</b> |
|-------------|---------------------------------------------|----------------|
| Pedro Gomes | 91 Kossuth Street, Newark, New Jersey 07105 | 100%           |

|                                                                                                                               |    |
|-------------------------------------------------------------------------------------------------------------------------------|----|
| <b>Summary report:</b><br><b>Litera Compare for Word 11.14.1.3 Document comparison done on</b><br><b>6/18/2026 1:29:33 PM</b> |    |
| <b>Style name:</b> Default Style                                                                                              |    |
| <b>Intelligent Table Comparison:</b> Active                                                                                   |    |
| <b>Original DMS:</b> nd://4900-2189-6106/1/Redevelopment Agreement - 420<br>Bloomfield Avenue.docx                            |    |
| <b>Modified DMS:</b> nd://4900-2189-6106/2/Redevelopment Agreement - 420<br>Bloomfield Avenue.docx                            |    |
| <b>Changes:</b>                                                                                                               |    |
| <u>Add</u>                                                                                                                    | 61 |
| <u>Delete</u>                                                                                                                 | 28 |
| <u>Move From</u>                                                                                                              | 0  |
| <u>Move To</u>                                                                                                                | 0  |
| <u>Table Insert</u>                                                                                                           | 0  |
| <u>Table Delete</u>                                                                                                           | 3  |
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| Embedded Graphics (Visio, ChemDraw, Images etc.)                                                                              | 0  |
| Embedded Excel                                                                                                                | 0  |
| Format changes                                                                                                                | 0  |
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