

FIRST AMENDMENT TO THE REDEVELOPMENT AGREEMENT

THIS REDEVELOPMENT AGREEMENT, made as of the ___ day of March, 2017, by and between **THE BOROUGH OF PARK RIDGE**, a public body corporate and politic of New Jersey, acting as redevelopment entity pursuant to N.J.S.A. 40A:12A-1 et seq., having its principal office at 53 Park Avenue, Park Ridge, New Jersey 07656 (the “**Borough**”), and **PARK RIDGE TRANSIT URBAN RENEWAL, LLC**, a New Jersey limited liability company organized under the laws of the State of New Jersey, having its offices at P.O. Box 86, Park Ridge, New Jersey 07656 (the “**Redeveloper**”). The Borough and the Redeveloper are hereinafter individually referred to as a “**Party**” and collectively referred to as the “**Parties**”.

WITNESSETH:

WHEREAS, the Borough is authorized pursuant to the Local Redevelopment and Housing Law of the State of New Jersey, N.J.S.A. 40A:12A-1 et seq. (the “**Redevelopment Law**”), to determine whether certain parcels of land within the Borough constitute an area in need of redevelopment; and

WHEREAS, on September 5, 2015, the municipal council of the Borough (the “**Borough Council**”) adopted Resolution Number 015-234 designating the property commonly known as Block 1516, Lot 2; Block 1801, Lots 1, 2, 3, 4 and 5; and Block 1802, Lots 1, 2, 3, 4, 5, 6 and 7 on the tax map of the Borough as an area in need of redevelopment (the “**Redevelopment Area**”) pursuant to the provisions of the Redevelopment Law; and

WHEREAS, Redeveloper is the owner of the portion of the Redevelopment Area shown as Block 1801, Lots 3, 4 and 5, and Block 1802, Lots 1, 2, 3, 4, 5, 6 and 7 on Tax Map of the Borough; and

WHEREAS, in order to implement the development, financing, construction, operation and management of the Project, the Borough and the Redeveloper executed a Redevelopment Agreement dated December 27, 2016 (the “**Redevelopment Agreement**”). All capitalized terms used in this Amendment that are not defined herein shall have the meanings set forth in the Redevelopment Agreement; and

WHEREAS, Section 3.04 of the Redevelopment Agreement requires that the Borough and the Redeveloper work collaboratively to analyze and resolve certain utility-related issues

through a formal agreement entered into within ninety (90) days of the execution of the Redevelopment Agreement; and

WHEREAS, the time period for resolving the utility issues was extended by mutual agreement of the Borough and Redeveloper until June 30, 2017; and

WHEREAS, the Borough and Redeveloper have worked collaboratively since the execution of the Redevelopment Agreement to resolve all outstanding utility-related issues in good faith, and have reached an agreement; and

WHEREAS, the Borough and Redeveloper desire to amend the Redevelopment Agreement to document the agreements reached and to update and revise certain exhibits to the Redevelopment Agreement.

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

1. The recitals are incorporated herein as if set forth in full.
2. Section 2.03 of the Redevelopment Agreement is deleted in its entirety and replaced by the following:

The project is the redevelopment of the Project Premises, including, but not limited to, (a) obtaining of all Governmental Approvals required for the Project; (b) acquisition of the Project Premises; (c) environmental remediation of the Project Premises, if necessary, as required by Legal Requirements; (d) construction of all Project Improvements, including but not limited to, site improvements to the Project Premises, all Infrastructure Improvements, and improvements as depicted in the project description and concept plans attached hereto as Exhibit E (the "Project") The Project will be developed in two separate and distinct phases. Phase I consists of the Kinderkamack Road development, as shown on the concept plans to be attached as part of Exhibit E of this Agreement. Phase II will be developed subsequently on the Borough owned property at Block 1516, Lot 2 situated at the corner of Madison Street and Hawthorne Avenue. The scope of Phase II of this development, namely the community center and surface parking, is the subject of a concept plan attached hereto as part of Exhibit K. The

Borough, working in collaboration with the Redeveloper, at Redeveloper's cost, shall reach a final decision as to the scope of the Phase II Development. Once the scope and conceptual design of Phase II has been determined by the Borough, if any amendment is required to the Redevelopment Plan, then the Parties agree to work collaboratively to prepare and adopt such an amendment. Redeveloper shall retain, at its cost, the architect who shall design Phase II, including, but not limited to, preparation of the architectural concept plans and architectural design plans and civil engineering drawings for Phase II, at a cost to Redeveloper not to exceed \$250,000. Construction drawings will be prepared at the cost of the Borough, by Redeveloper's architect or other architect selected by the Borough. The scope of Phase II and the mutual obligations of the Parties shall be memorialized by way of an amendment to this Agreement, which both Parties agree to negotiate in good faith. The terms of the Phase II Amendment to this Agreement shall include, but not be limited to, the following provisions:

- Redeveloper or an affiliated entity having adequate financial worth, acceptable to the Borough, shall build the community center as general contractor under a Construction Management agreement with the Borough (to be finalized after the scope of the community center is fully defined).
- CM Fee would be 3% of hard construction costs.
- Standard general conditions (e.g., insurance, jobsite supervision, project management, jobsite cleanup, temporary utilities, etc.) would be reimbursed to the Redeveloper/CM by the Borough at cost.
- Redeveloper shall build the community center on an "open-book" basis with all bids presented to the Borough for review/approval prior to award.
- Redeveloper shall obtain a minimum of 3 bids for all Major Scopes (to be defined as any scopes with a cost exceeding \$100,000).
- Redeveloper shall requisition the Borough on a monthly, percentage of completion

3. ~~2.~~ **Section 3.04** of the Redevelopment Agreement is deleted in its entirety and replaced by the following:

Municipal Utilities. Redeveloper and the Borough have reviewed the issues regarding electric and water capacity and service for Phase 1, the costs of necessary upgrades in capacity and to provide service to Phase 1, and the amount of a fair and reasonable contribution by Redeveloper for the cost of such upgrades. Redeveloper and the Borough have agreed that upgrades to the existing electric utility and water systems are required in order to provide service to Phase 1, and the Redeveloper agrees to pay to the Borough the amount of One Hundred Five Thousand (\$105,000) Dollars for upgrades required to provide electric service to Phase 1 and the amount of Two Hundred Thousand (\$200,000) Dollars for upgrades required to provide water service to Phase 1, which amounts are in lieu of any other connection charges (collectively, the “**Water and Electric Upgrade Contributions**”). Redeveloper and the Borough agree that Water and Electric Upgrade Contributions amounts are fair and reasonable. The Water and Electric Upgrade Contributions shall be due and payable by Redeveloper pursuant to a supplement to this Amendment which shall be recommended by the Board of Public Works and subject to agreement by the Mayor and Council.

Section 5.04 of the Redevelopment Agreement is amended by adding the additional sentence:

Redeveloper and the Borough acknowledge that in agreeing to a tax exemption for the Project and the terms of the Financial Agreement, the Borough has relied upon the obligation of Redeveloper to pay the Redevelopment Fee as provided in **Section 2.13** of the Redevelopment Agreement and the Water and Electric Utility Upgrade Contributions, and that the terms of Financial Agreement are premised upon such payments being made. Accordingly, the tax abatement and Financial Agreement will be contingent upon payment of the Redevelopment Fee and the Water and Electric Utility Upgrade Contributions by Redeveloper.

4. ~~3.~~ The form of Financial Agreement attached as **Exhibit H** to the Redevelopment Agreement is deleted and replaced by the updated Financial Agreement attached hereto as **Exhibit H**.

5. ~~4.~~ The form of Parking Agreement attached as **Exhibit I** to the Redevelopment Agreement is deleted and replaced by the updated Parking Agreement attached hereto as **Exhibit I**.

6. ~~5.~~ In the event of a conflict between this First Amendment and the terms of the Redevelopment Agreement, the terms of this First Amendment shall control. Except as expressly modified by this First Amendment, all terms and conditions of the Redevelopment Agreement shall remain in full force and effect.

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7. ~~6.~~

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