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DB:dh
09-10-24

**ORDINANCE APPROVING AN APPLICATION FOR EXEMPTION AND EXECUTION
OF A FINANCIAL AGREEMENT BETWEEN THE CITY OF CAMDEN AND
ALFRED CRAMER URBAN RENEWAL, LLC, PURSUANT TO N.J.S.A.
40A:20-1 ET SEQ.**

WHEREAS, Alfred Cramer Urban Renewal LLC, a New Jersey limited liability company (hereinafter referred to as the "Sponsor") has or will own the land comprising Block 818, Lots 14,16,17,30,31,48,49,51,53,57,59; and Block 814, Lot 2 on the official Tax Map of the City of Camden and more particularly described in Exhibit "A" hereto (the "Property") from the City of Camden Housing Authority; and

WHEREAS, Sponsor proposes to construct two new affordable rental communities consisting of a total of 73 affordable housing units (hereinafter referred to as the "the Project") pursuant to the provisions of the New Jersey Long Term Exemption Law, (N.J.S.A. 40A:20-1 et seq.) (hereinafter referred to as the "Act") in the Cramer Hill neighborhood within the City of Camden (hereinafter referred to as the "Municipality"); and

WHEREAS, in order to implement the development, financing, rehabilitation, preservation, operation and management of the Project, the Sponsor received Low Income Housing Tax Credits from the New Jersey Housing Mortgage Finance Agency which will provide the required equity to allow this US HUD CHOICE Neighborhoods Implementation neighborhood revitalization project to proceed; and

WHEREAS, in accordance with the Act, Sponsor has submitted a written application ("Application") to the City for approval of a tax exemption for the land and improvements to be constructed on the Property; and

WHEREAS, City Council has heretofore determined that there is a need for affordable housing in the Cramer Hill neighborhood and that such housing will be beneficial to the City of Camden; and

WHEREAS, City Council finds and determines that Sponsor will not be able to proceed with the Project without the tax exemption because the Project would not be financially feasible; and

WHEREAS, the Acts permits a municipality to enter into a financial agreement exempting real property from taxation and accepting payment in lieu of taxes where the project meets an affordable housing need; and

WHEREAS, the Sponsor, has presented to City Council a revenue projection for the Project which sets forth the anticipated revenue to be received by the Sponsor from the operation of the Project as estimated by the Sponsor, a copy of which is attached hereto and made a part hereof as Exhibit "B"; now therefore

BE IT ORDAINED, by the City Council of the City of Camden as follows:

SECTION 1. The Council finds and determines that the proposed Project will meet or meets an existing housing need.

SECTION 2. The Council finds and determines that Sponsor will not be able to proceed with the Project without the tax exemption because the Project will not be financially feasible.

SECTION 3. The Council does hereby adopt the within Ordinance and makes the determinations and findings contained herein by virtue of, pursuant to, and in the conformity with the provisions of the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1.

SECTION 4. The Council does hereby approve Sponsor's application for tax exemption pursuant to the Long Term Tax Exemption Law.

SECTION 5. The Council does hereby adopt the within Ordinance with the further intent and purpose that from the date that the Project obtains its Certificate of Occupancy, the land and improvements of the Project will be exempt from real property taxation for a period of thirty (30) years as provided in the Act, provided that payments in lieu of taxes for municipal services supplied to the Project in the amount of five (5%) percent of the Gross Shelter Rents are made to the City of Camden as more particularly set forth the Financial Agreement attached hereto as Exhibit "C".

SECTION 6. The Council hereby authorizes and directs the Mayor of the City of Camden to execute, on behalf of the City of Camden the Financial Agreement in substantially the form annexed hereto as Exhibit "C" upon the review and approval of the City Attorney.

SECTION 7. The Council understands and agrees that the revenue projections set forth in Exhibit "B" are estimates and that the actual payments in lieu of taxes to be paid by the Sponsor to the City of Camden shall be determined pursuant to the Financial Agreement executed between the Sponsor and the City of Camden.

SECTION 8. This ordinance shall take effect twenty (20) days after its final passage and publication as provided by law.

BE IT FURTHER ORDAINED, that pursuant to N.J.S.A. 52:27BBB-23 and N.J.S.A. 40:69A-41, a true copy of this Ordinance shall be forwarded to the Mayor, who shall have ten (10) days from the receipt thereof to approve or veto this Ordinance. Additionally, pursuant to N.J.S.A. 52:27BBB-23, a true copy of this Ordinance shall be forwarded to the State Commissioner of Community Affairs, who shall have ten (10) days from the receipt thereof to veto this Ordinance, and the action by the Commissioner regarding this Ordinance shall supersede any action by the Mayor on the same Ordinance. All notices of approval and/or veto shall be filed in the Office of the Municipal Clerk.

Date of Introduction: September 10, 2024


The above has been reviewed
and approved as to form.




DANIEL S. BLACKBURN
City Attorney



ANGEL FUENTES
President, City Council



VICTOR CARSTARPHEN
Mayor



LUIS PASTORIZA
MUNICIPAL CLERK

Alfred Cramer Urban Renewal, LLC

CITY OF CAMDEN

TAX ABATEMENT APPLICATION



SUBMITTED BY:

ALFRED CRAMER URBAN RENEWAL LLC
THE HOUSING AUTHORITY OF THE CITY OF CAMDEN &
MICHAELS DEVELOPMENT COMPANY

2 COOPER STREET

CAMDEN, NEW JERSEY 08001

NICHOLAS J. CANGELOSI

NCangelosi@TMO.com

(856) 355-1573



April 29, 2024

Dr, Edward Williams, Director
Department of Planning and Zoning
City of Camden
520 Market Street
City Hall, Suite 224
Camden, NJ 08101

RE: Alfred Cramer (Ablett Village Phase IV)
Seventy-Three (73) Rental Homes
CHOICE Neighborhood Implementation Program

Dear Dr. Williams:

Enclosed please find the following Tax Abatement Application. We are excited to work with you and the City on this transformation effort within the Cramer Hill Neighborhoods utilizing the resources afforded to the city under the CHOICE Neighborhoods program

If you have any questions, please do not hesitate to contact me.

Sincerely,

Nicholas J. Cangelosi
Vice President
Michaels Development Company

THE Michaels ORGANIZATION

DEVELOPMENT | MANAGEMENT | CONSTRUCTION | FINANCE
PO Box 90708, Camden, NJ 08101 | 856 596 0500 | www.TMO.com

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- l. Certificate of Incorporation
- m. Copy of Good Standing Certificate
- n. Certified copy of resolution authorizing application, execution of Financial Agreement, designating authorized signatories

APPLICATION UNDER THE LONG-TERM TAX EXEMPTION LAW

Alfred Cramer Urban Renewal LLC

April 26, 2024

To: Mayor Vic Carstarphen,
City of Camden
City Hall, 4th Floor
P.O. Box 95120
Camden, NJ 08101-5120

Dear Sir or Madam:

Alfred Cramer Urban Renewal LLC an Urban Renewal Entity, (the "Applicant") does hereby make application for approval under the provisions of the NJ Long Term Tax Exemption for a project more particularly described hereunder:

1. General Description of the Project and the Applicant

- Proposed improvements

The Applicant is working in partnership with The Housing Authority of the City of Camden and various other stakeholders to promote a City of Camden lead initiative to revitalize areas of the Cramer Hill Neighborhood under US HUD's CHOICE Neighborhoods funding initiative. This program centrally focuses on three (3) major elements of community revitalization, (i) Housing, (ii) People and (iii) Neighborhood to promote holistic change that fundamentally improves neighborhoods and the quality of life for current residents.

This particular housing redevelopment effort will transform three (3) vacant and underutilized blocks into beautiful, energy efficient homes for families of moderate income. The Michaels Organization and the Housing Authority of the City of Camden will utilize the US HUD Rental Assistance Demonstration program to leverage tax credit equity, permanent debt, US HUD Choice Neighborhoods Loan, NJHMFA Urban Preservation Program Funds, City Funds and Housing Authority capital to effectuate material improvements to this existing neighborhood.

- Size of site

73 apartment homes

- Address

Various

- Block & Lot

Various – See Attached

- Statement that the undertaking conforms to all applicable municipal ordinances

The redevelopment effort will make application to conform with all applicable municipal ordinances.

- Statement that the project in accord with the redevelopment plan and master plan of the City

This redevelopment project will make application to be consistent with the redevelopment plan and the master plan of the City.

- Anticipated construction schedule

April 1, 2025 through July 1, 2026.

- How applicant is organized

Urban Renewal Entity / Limited Liability Company

- When applicant was organized

6/8/2022

- Description of applicant's experience

The applicant is an affiliate of The Michaels Organization which is among the leading private sector affordable housing owners and developers in the nation. From small scale properties to massive neighborhood transformations, Michaels Development has created high-quality, environmentally conscious and financially successful communities that offer affordable housing opportunities to more than 145,000 residents in 36 states, Washington, D.C., and the U.S. Virgin Islands.

- Benefits of project to the City of Camden

Significant investment to support the transformation of blighted and dilapidated public housing in the Cramer Hill Neighborhood.

- Why the tax exemption is necessary for the project.

To secure project financing from New Jersey Housing and Mortgage Finance Agency and various other capital and debt providers.

2. Legal Description

- Land description of Project site

Forthcoming

- Copy of architectural and site plans (sealed by New Jersey licensed engineer)

Attached

3. Project Costs.

- Statement prepared by qualified architect or engineer of the estimated cost of the proposed project in detail required, including the estimated cost of each unit to be undertaken.
- Include development budget
- Include projected operational budget
- Include projected income & expense statement

Attached

4. Source of Equity Funds.

- Describe amount, source and method of money to be subscribed through the investment of private capital, setting forth the amount of stock or other securities to be issued therefor or the extent of capital invested and the proprietary or ownership interest obtained in consideration therefor.

The project includes a capital stack that permits the Sponsor the ability to apply for financing at New Jersey Housing and Mortgage Finance Agency. The project includes;

- **Construction Loan from TD Bank;**
- **NJHMFA Permanent Mortgage;**
- **Low Income Housing Tax Credit Equity syndicated by Berkadia Affordable Tax Credit Solutions;**
- **US HUD Choice Neighborhoods Implementation Loan;**
- **NJHMFA Urban Preservation Program Funds (UPP); and**
- **Deferred Developer Fee.**

5. Fiscal Plan

- Fiscal plan for the project outlining a schedule of annual gross revenue, the estimated expenditure for operation and maintenance, payments for interest, amortization of debt and reserves, and payments to the municipality to be made pursuant to a financial agreement to be entered into with the City.

Attached

- Fiscal Impact Analysis, i.e. an analysis of the costs and benefits of the proposed project.

Attached

6. Proposed Financial Agreement

- Copy of proposed financial agreement.

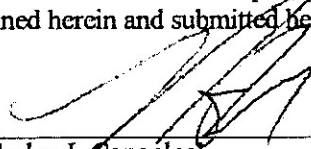
Attached

7. Organizational Documents

- Copy of Certificate of Incorporation
- Copy of Good Standing Certificate
- Certified copy of resolution authorizing application, execution of financial agreement, designating authorized signatories.

Attached

I Nicholas J. Cangelosi, Vice President of The Michaels Development Company do hereby certify that the facts and data contained herein and submitted herewith are true and accurate.



Nicholas J. Cangelosi

TAX ABATEMENT WORKSHEET

Name of Project: Alfred Cramer

Address of Project: State Street & 16th Street

Sponsor: Alfred Cramer Urban Renewal LLC

Type of Project: Affordable / New Construction

Statutory Authority for Exemption: N.J.S.A. 40A:20-1 ET. SEQ.

Type of Exemption requested: Long Term Tax Exemption Law

Length of Exemption: Thirty Years

Calculation of PILOT payment:
(does income include subsidy income?)

Yes

Projected Annual Gross Revenue	\$1,317,840
Proforma Vacancy at 5%	(\$87,408)
Projected Annual Utility Costs	(\$96,775)
Project Revenues	\$1,133,657
Payment in Lieu Percentage	5.00%
Annual Projected Payment in Lieu Amount	\$57,817

New Jersey Housing and Mortgage Finance Agency analysis of PILOT payments relative to their competitive point system for the award of Low-Income Housing Tax Credits specifically review *NET* payment to the municipality and tie break as it relates to the amount of the tax credits a job will require. The current properties do not generate any taxes for the City of Camden. Higher taxes require HACC and its development partner to request more tax credit financing thus deeming the request for credits less competitive.

Yes, income includes subsidy.

What percentage of income is to be paid? The Sponsor will pay 5% in year 1 – 10 and 5.00% thereafter.

Will PILOT increase after 20 years? The PILOT percentage will remain at 5% from years 10 through 30.

Define Gross Income: Total Annual Income (inclusive of tenant paid rent, rental subsidies, laundry fees, parking fees, late fees and all other fees) less utilities

Vacancy Allowance: Shall be the lesser of the actual vacancy or 5% notwithstanding any and all issues relative to force majeure, certain delays from 3rd parties reviewing resident files and providing qualified residents to the project, delayed construction schedule, and deficiencies related to the design or construction of the property that results in prolonged vacancy levels.

Where notices should be sent?

Nicholas Cangelosi
Vice President
Alfred Cramer Urban Renewal LLC
P.O. Box 90708
Camden, NJ 08101
P. (856) 355-1573
ncangelosi@TMO.com

Specific Terms to be Agreed to at Meeting:

Date: _____

[Attach copy of attendance sheet]

ATTACHMENTS

Alfred Cramer (Ablett Village Phase IV) Narrative

The Alfred Cramer redevelopment effort by the Housing Authority of the City of Camden and their development partner, The Michaels Organization, represents the new construction of seventy-three (73) new rental homes on two (2) strategic sites within the Cramer Hill Neighborhood. Representing the fifth and final phase of the Cramer Hill/Ablett Village US HUD Choice Neighborhood Transformation plan, this community will continue to incorporate and promote the goals and objectives of a three-year community engagement effort to revitalize the city's oldest public housing community.

As planned, the development will include seventy-three (73) total townhomes over flats styled units and a three-story garden style over flats building developed on two (2) separate parcels within the Cramer Hill Neighborhood. Of the 73 total homes, there will be thirty (30) two-bedroom units, and forty-three (43) three-bedroom units. Twenty-nine (29) of the 73 units will serve as CNI replacement units.

The development of this affordable rental community will sit on three non-contiguous underutilized parcels located in the city of Camden, and are within close proximity to the current Ablett Village community. The assemblage includes Block 814, Lot 2, and Block 818, Lots 14, 16, 17, 30, 31, 48, 49, 51, 53, 57, and 59.

Block 814, is bordered by Harrison Ave and N. 24th Street. This site will consist of thirty-six (36) newly constructed homes and is conveniently located across the street from the Salvation Army Kroc Center. The neighborhood revitalization of vacant parcels, and new streetscape improvements will provide residents with the access to safe and quality housing options.

Block 818 is bordered by E. State Street and Pierce Ave, and will consist of thirty-seven (37) newly constructed homes. This currently deteriorated and underutilized parcel is located within walking distance to the current Ablett Village community and the Cramer Hill Mastery School;

There is a plethora of new amenities throughout the community that are within close proximity to each of the three previously mentioned sites. The Mastery Schools of Camden Cramer Hill Elementary, the new state of the art Salvation Army Kroc Center, and the 60-acre Cramer Hill Waterfront Park are just a few of the incredible amenities located within the Cramer Hill neighborhood. This development will tremendously improve the neighborhood, and build around the recent world class community investments. The homes will revitalize the neighborhood blocks containing overgrown vegetation, debris, vacant buildings, and poor sidewalk conditions. The sites also provide easy commuter access via Route 676, Route 30 and Route 130. These highways will provide access to the Ben Franklin and Betsy Ross Bridges.

The new construction and design will have a positive impact on the neighborhood, providing residents with access to safe, decent, and affordable housing. There is currently a strong demand for affordable housing in the City of Camden, and individuals are faced with limited options. Occupants will enjoy large units and proximity to several schools, parks and shops, in addition to forthcoming amenities on-site designed to lift residents' lives.

Alfred Cramer (Ablett Village Phase IV) Block & Lots

Block	Lot	Address
818	14	1558 Pierce Avenue
818	16	NW Wayne & 16th Street
818	17	N 16th 200 N Wayne Ave
818	30	SS Pierce 100 W 16th Street
818	31	1115 N 16th St
818	48	NW East State & Wayne Avenue
818	49	1590 Pierce Avenue
818	51	NS Wayne 140 W 16th Street
818	53	1568 Pierce Avenue
818	57	SS Pierce 80 W 16th Street
818	59	1114 East State Street
814	2	NS Harrison 24th to 25th

urbanpractice

PO BOX 90708 | CAMDEN NJ 08101
www.urbanpractice.com

April 24, 2024

Nicholas Cangelosi
Alfred Cramer Urban Renewal, LLC
2 Cooper Street
Camden, NJ 08101

RE: Alfred Cramer (Ablett Village Phase IV)
Estimated Construction Cost

Dear Mr. Cangelosi:

Per your request, we have reviewed the estimated construction cost from the Alfred Cramer (Ablett Village Phase IV) Community development in Camden, NJ. To the best of our professional knowledge, the estimated construction cost of \$21,000,000 or \$287,671 per unit, proposed by Michaels Development Company, is reasonable for the construction of these seventy-eight (73) units family housing development located within the Cramer Hill Neighborhood.

Sincerely,



Jack Curran
Senior Project Manager - Preconstruction

USES OF FUNDS

Alfred Cramer

Total Development Costs		Federal LIHTC Basis		
		Acquisition	New/Rehab	Non - Eligible
Acquisition Costs				
Land	3,199,000	-	-	3,199,000
Subtotal	3,199,000			
Construction Costs				
Construction New (On-Site)	17,421,907	-	17,421,907	-
GC - General Requirements	1,045,314	-	1,045,314	-
GC - Overhead	348,438	-	348,438	-
GC - Profit	1,045,314	-	1,045,314	-
Tax Credit/PA/AB/BA	139,027	-	139,027	-
Constr. Contingency	5.00% 1,000,000	-	1,000,000	-
Subtotal	21,000,000			
Site Work (Not in GC Contract)				
Earth Work	-	-	-	-
Lawns & Plantings	-	-	-	-
On-Site Improvements	-	-	-	-
Utility Connection Fees	-	-	-	-
Roads and Walks	-	-	-	-
Site Work (General)	-	-	-	-
Environmental Remed. Allowance	-	-	-	-
Other	-	-	-	-
Other	-	-	-	-
Subtotal	-			
Personal Property				
FF&E	72,000	-	72,000	-
Subtotal	72,000			
Soft Costs				
Accounting	15,000	-	15,000	-
Appraisal	15,000	-	15,000	-
Architectural Design	337,500	-	337,500	-
Architectural Supervision	112,500	-	112,500	-
Construction Monitoring	20,000	-	20,000	-
Cost Certification	15,000	-	15,000	-
Civil Engineering	185,000	-	185,000	-
Impact Fees & Zoning	25,000	-	25,000	-
Insurance	135,098	-	135,098	-
Legal - Taxable Constr/Bridge Loan	60,000	-	39,000	21,000
Legal - Permanent Loan	15,000	-	-	15,000
Legal - Developer	350,000	-	227,500	122,500
Legal - Other	100,000	-	65,000	35,000
Market Study & RCS	10,000	-	10,000	-
Marketing (Rent Up)	20,000	-	-	20,000
Organizational Fees	1,000	-	-	1,000
Permits	325,000	-	325,000	-
Phase I Environmental	5,000	-	5,000	-
Soft Cost Contingency	125,221	-	62,611	62,610
Soils Tests / Geotech	25,000	-	25,000	-
Survey	50,000	-	50,000	-
Tap Fees	450,000	-	450,000	-
Tax Credit Fees	269,704	-	-	269,704
Lease Up Fee	36,000	-	-	36,000
Title & Recording	125,000	-	125,000	-
Working Cap/Stabilization Reserves	372,322	-	-	372,322
Subtotal	3,199,345			

USES OF FUNDS

Alfred Cramer

Total Development Costs		Federal LIHTC Basis		
		Acquisition	New/Rehab	Non - Eligible
Financing Costs				
Construction Interest Capitalized	1,235,957	-	1,235,957	-
Construction Interest Expensed	863,600	-	-	863,600
Permanent Loan Fees	74,108	-	-	74,108
All TEB & TEL Fees	360,000	-	153,648	206,352
Negative Arbitrage (Form 10) / Reserve for NJHMFA Amort Pmts	360,000	-	-	360,000
Syndication Costs	75,000	-	-	75,000
Subtotal	2,968,665			
Developer Costs				
Developer Fee	3,999,527	-	3,999,527	-
Subtotal	3,999,527			
Reserves (Long Term Only)				
Operating Reserve [4 mos.]	236,380	-	-	236,380
Escrow 1st yr RE Tax & Insurance	54,481	-	-	54,481
Debt Service Reserve [1 mos.]	48,380	-	-	48,380
Subtotal	339,241			
TOTAL USES	34,777,778	-	28,705,341	6,072,437

50% Test:

TEB + TEL 18,000,000
\$ 18,000,000

Divided by sum of:

Land 3,199,000
 Construction 4% Basis for LIHTC Calculation 28,705,341
 Possible Additional Land or Depreciable Costs not in 4% B: 651,015 ← See attached schedule for details
32,555,356

TEB / TEL % 55.30%

Development Costs - 95% Good/5% Bad Costs:

Good Costs highlighted in green above \$ 3,999,527

Portion of other costs highlighted in yellow above

14,016,240 < See Supporting Schedules for details and calculation

Total Potential Good Costs \$ 18,006,767
 Divided by Total of Tax-Exempt Bonds 18,000,000
 Equals Good Costs % 100.04%

Total TEB + TEL \$ 18,000,000
 Times Needed Good Costs % 95%
 Minimum Good Costs needed \$ 17,100,000
 Less Current Potential Good Costs (18,000,000)
 (Surplus) of Good Costs \$ (900,000)

TEB + TEL Funding - 95% Good/5% Bad Costs:

TEB/TEL max potential funding of Good Costs per Draw Schedule	\$ 18,006,767	100.04%
Minimum Good Costs needed	17,100,000	95.00%
Surplus of Good Costs	\$ 906,767	5.04%

BASE YEAR OPERATING BUDGET

REVENUE	Proforma	PUPA	PUPM	Vacancy	Trending	Notes
LIHTC Tenant- Paid Rents	641,839	8,792	733	7%	102.0%	
Subsidized Rents	502,409	6,882	574	5%	102.0%	
Affordable Vacancy	(70,049)	(960)	(80)			
Non-LIHTC Rents	173,592	2,378	198	10%	102.0%	
Non-LIHTC Vacancy	(17,359)	(238)	(20)			
Miscellaneous, Net	-	-	-			
All Other Income, Net	-	-	-			
	1,230,432	16,855	1,405			
				Base Year:	2027	Underwritten Occ: 93.4% Breakeven Occ: 86.7%

EXPENSES	Proforma	PUPA	PUPM	Vacancy	Trending	Notes
Administrative	34,277	470	39		103.0%	
Management Fee	48,180	660	55		103.0%	Management Fee: \$55.00 PUPM
Utilities	96,775	1,326	110		103.0%	
Operating & Maint	43,817	600	50		103.0%	
Payroll & Benefits	168,844	2,313	193		103.0%	
Insurance	80,300	1,100	92		103.0%	
Real Estate Taxes	57,322	785	65		N/A*	*PILOT of 5.00% of Sheltered Rents assumed
Total Opex Not Including R4R	529,515	7,254	604		2027	
NOI Before DS & RR	700,917					
R4R Deposits	32,120	440	37		103.0%	annual
NOI available for Debt Svc	668,797	7,694	641			

Hard Debt Service + Must-Pay Fees 580,558

Base Year DSCR 1.15

Opex + R4R + Debt Service / Month 95,183

Alfred Cramer (Ablett Village Phase IV)

Estimated Annual Payments in Lieu of Taxes

	Estimated PILOT Payment
Year 1	\$ 57,817
Year 2	\$ 58,684
Year 3	\$ 59,564
Year 4	\$ 60,457
Year 5	\$ 61,364
Year 6	\$ 62,285
Year 7	\$ 63,219
Year 8	\$ 64,167
Year 9	\$ 65,130
Year 10	\$ 66,107
Year 11	\$ 67,098
Year 12	\$ 68,105
Year 13	\$ 69,126
Year 14	\$ 70,163
Year 15	\$ 71,216
Year 16	\$ 72,284
Year 17	\$ 73,368
Year 18	\$ 74,469
Year 19	\$ 75,586
Year 20	\$ 76,720
Year 21	\$ 77,870
Year 22	\$ 79,039
Year 23	\$ 80,224
Year 24	\$ 81,427
Year 25	\$ 82,649
Year 26	\$ 83,889
Year 27	\$ 85,147
Year 28	\$ 86,424
Year 29	\$ 87,720
Year 30	\$ 89,036
	\$ 2,170,355

FISCAL IMPACT ANALYSIS

Taxes payable on the property are currently \$16,000 per year. The proposed developments annual taxes payable on the property would be \$57,817. Alfred Cramer represents the new construction of seventy-three (73) new rental homes, providing families access to safe, decent and affordable housing in the City of Camden.

Redeveloping vacant, underutilized land into beautiful, energy efficient homes for families within the Cramer Hill neighborhood will stimulate future economic development in and around the neighborhood which will provide for positive ratables to the City of Camden in perpetuity.

The CHOICE Neighborhood redevelopment effort will leverage \$150,000,000 to help revitalize the Ablett Village public housing site and improve various other components of the Cramer Hill neighborhood.

The applicant will be required, pursuant to Housing and Urban Development Section 3 regulation, to hire local employees for this construction project which will result in temporary jobs for City of Camden residents. The applicant has also demonstrated significant investment into local business from supplier, contractors and professional services which will help promote Camden business.

**FINANCIAL AGREEMENT PURSUANT TO
THE LONG TERM TAX EXEMPTION LAW
N.J.S.A. 40A:20-1 ET. SEQ.**

**BETWEEN THE CITY OF CAMDEN
AND
ALFRED CRAMER URBAN RENEWAL, LLC.**

This Financial Agreement (this "Agreement") is made and entered into as of this _____ day of _____, 2024, by and between the **City of Camden**, a Municipal Corporation of the County of Camden and State of New Jersey, hereinafter referred to as the "City" and **Alfred Cramer Urban Renewal, LLC**, a New Jersey limited liability company having its principal office at 2 Cooper Street, 14th Floor, Camden, New Jersey 08102, hereinafter referred to as the "ACAC, LLC", which is qualified to do business under the provisions of the "Long Term Tax Exemption Law of 1998", as amended, said law being set forth in N.J.S.A. 40A:20-1 through 20 (hereinafter referred to as the "Act").

WITNESSETH:

WHEREAS, the projects will be situated on three parcels of land currently designated as Block 818, Lots 14,16,17,30,31,48,49,51,53,57,59; Block 822, Lot 35; and Block 814, Lot 2 shown on the Official Assessment Map of the City of Camden, and will be comprised of seventy-three (73) total rental units located on three (3) non-contiguous parcels within the Cramer Hill Neighborhood (the "Project"). In the event the property constituting the Project is subdivided, AC, LLC agrees to amend this Agreement to reflect the correct block, lots and addresses; and

WHEREAS, the City of Camden is authorized pursuant to the Act to grant a real property tax exemption for low to moderate income housing projects located within the City; and

WHEREAS, in accordance with the Act, AC, LLC has heretofore made written application to the City for approval of a tax exemption for the Project (“Application”), a copy of which application is attached hereto as Exhibit C; and

WHEREAS, City Council by Ordinance MC-_____, hereby incorporated into this Agreement and made a part hereof, adopted on _____, 2024, approved said Application and the instant Financial Agreement, and a certified copy of such Ordinance of approval is attached hereto as Exhibit “B”; and

WHEREAS, the City believes that the in lieu of tax consideration to be given the Project pursuant to this Agreement affords maximum redevelopment of the Property and is, therefore, in the best interest of the City and the health, safety, morals and welfare of its residents and is in accordance with the provisions of the Act and the public purposes pursuant to which the redevelopment of Project’s area of the City has been undertaken and is being assisted in accordance with the applicable provisions of State law:

NOW THEREFORE, it is mutually agreed as follows:

1. This Agreement shall be governed by the provisions of the Act, it being expressly understood and agreed that the City relies upon the facts, data and representations contained in the Application, and Redeveloper covenanting and agreeing to use its reasonable best efforts to conform in the development, construction and operation of the Project to the matters and things set forth in the Application; that is, the manner in which AC, LLC proposes to develop, manage and operate the Project and the plans for financing the Project, it being understood, however, with respect to the Project costs, interest rate, financing terms and mortgage amortization, rents and lease terms, that the same are projected and estimated and may be modified as particular circumstances may require, but that in all material respects it is the intent of AC, LLC to comply

as closely as shall be practicable with the information and representations set forth in the said Application. This Agreement shall be subject to the US Department of Housing and Urban Development Davis-Bacon wage requirements.

2. (a) The City hereby grants to AC, LLC to the extent provided in this Agreement exemption from real property taxation on the land comprising the Property and the improvements thereon for a period of not more than thirty (30) years from the "Date of Completion of the Project" (as hereinafter defined). Such tax exemption shall be claimed and allowed in the same or similar manner as in the case of other real property exemptions. In the event that the exemption status changes during a tax year, the procedure for the apportionment of taxes for said year shall be the same as in the case of other changes in the tax exemptions status during the tax year.

(b) As used herein, the term "Date of Completion of the Project" is defined as the date of issuance by the City of a Certificate of Occupancy or Temporary Certificate of Occupancy for the Project. If the City issues more than one Certificate of Occupancy for the Project, the parties stipulate that for purposes of establishing the term of the exemption and for ease of administration, the Date of Completion of the Project will be the date on which the City issues the Certificate of Occupancy or Temporary Certificate of Occupancy for the last unit of the Project. AC, LLC shall promptly provide copies of all Certificates of Occupancy or the Temporary Certificates of Occupancy to the Tax Assessor and the Tax Collector along with a request that the tax exemption be implemented. The tax exemption shall commence for each parcel of the Project on the Date of Completion of the Project (the "Effective Date") notwithstanding different parcels or units may be occupied earlier than others. This Agreement shall run for the full thirty (30) years from the Date of Completion of the Project but in no event longer than thirty-five (35) years from the date of

execution of this Agreement, so that the tax exemption for all parcels within the Project shall terminate simultaneously.

3. (a) In consideration for the tax exemption, AC, LLC shall make an annual PILOT payment, as defined below, for municipal services supplied to the Project based on a percentage of the "Gross Shelter Rents" of the Project. The Annual PILOT Payment shall be adjusted from time to time following the submission by AC, LLC's annual Auditor's Report as provided in Section 3(b) below. AC, LLC and the City specifically agree that, in the interpretation and administration of this paragraph:

(i) Gross Shelter Rents shall be calculated by taking the Annual Gross Revenue (defined below) and subtracting therefrom (a) a five percent (5%) vacancy allowance as set forth in Exhibit "D" attached hereto and (b) the costs of the Common Utilities (defined below) paid by AC, LLC;

(ii) the computation of "Annual Gross Revenue" means the total annual gross rental or carrying charge or other income of the Sponsor from the Project less the costs of utilities furnished by the Project, which shall include the costs of gas, electricity, heating fuel, water supplied, and sewage charges, and less vacancies if any. Annual Gross Revenues shall not include any rental subsidy contributions received from any federal or state program.

(iii) AC, LLC and the City acknowledge that the figures contained in Exhibits B and D are projections only and that the calculation of Gross Shelter Rents will be based on actual income and expenses.

(b) The Annual PILOT Payment, as defined herein, shall be calculated as follows (the "Annual PILOT Payment") :

- (1) Commencing on the Effective Date and continuing for a period of fifteen (15) years thereafter, the Annual PILOT Payment shall be five (5%) of the Project's Annual Gross Shelter Rents;
- (2) Commencing on the fifteenth (15th) anniversary of the Effective Date and continuing for a period of five (5) years thereafter, the Annual PILOT Payment shall be the greater of: (i) five percent (5%) of the Project's Annual Gross Shelter Rents, or (ii) twenty percent (20%) of the amount of taxes on the land and improvements otherwise due according to the general law applicable to non-exempt property in the City;
- (3) Commencing on the twentieth (20th) anniversary of the Effective Date and continuing for a period of four (4) years thereafter, the Annual PILOT Payment shall be the greater of: (i) five percent (5%) of the Project's Annual Gross Shelter Rents, or (ii) forty percent (40%) of the amount of the taxes on the land and improvements otherwise due according to the general law applicable to non-exempt property in the City;
- (4) Commencing on the twenty-fourth (24th) anniversary of the Effective Date and continuing for a period of four (4) years thereafter, the Annual PILOT Payment shall be the greater of: (i) five percent (5%) of the Project's Annual Gross Shelter Rents; or (ii) sixty percent (60%) of the amount of the taxes on the land and improvements otherwise due according to the general law applicable to non-exempt property in the City;
- (5) Commencing on the twenty-eighth (28th) anniversary of the Effective Date and continuing for a period of two (2) years thereafter, the Annual PILOT

Payment shall be the greater of: (i) five percent (5%) of the Project's Annual Gross Shelter Rents, or (ii) eighty percent (80%) of the amount of the taxes on the land and improvements otherwise due according to the general law applicable to non-exempt property in the City.

(c) Notwithstanding the provisions of this Agreement to the contrary, the Annual PILOT Payment shall in no case be less than the amount of the total taxes levied against all real property in the area covered by the Project in the last full tax year in which the area was subject to taxation. Notwithstanding the foregoing, the Minimum Annual PILOT Payment shall be \$10,000.00 ("Minimum Annual PILOT Payment"). The Minimum Annual PILOT Payment shall be paid in each year in which the Annual PILOT Payment calculated pursuant to paragraph 3(b) above is less than the Minimum Annual PILOT Payment.

(d) In each year during the term hereof, the Minimum Annual PILOT Payment will be increased as follows commencing on the first anniversary of the first full year after the Date of Completion of the Project: the prior year's Gross Shelter Rents shall be multiplied by 1.5% and that product shall then be multiplied by 5.0% and the amount by which that product shall exceed the prior year's Minimum Annual PILOT Payment shall then be added to the prior year's Minimum Annual PILOT Payment (the "New Minimum Annual PILOT Payment") for that year. Provided, however, in resetting the New Minimum Annual PILOT Payment annually, in no case may the New Minimum Annual PILOT Payment ever exceed the actual Gross Shelter Rents for the prior year utilizing a vacancy allowance of ten (10%) percent in place of the allowance set forth in Paragraph 3(a)(i)(a). Examples of how this shall operate are set forth on Exhibit "E" attached hereto.

(e) The Annual PILOT Payment shall be paid to the City on a quarterly basis, pro rata, in a manner consistent with the City's tax collection schedule.

(f) Water, sewer, gas and electric charges that are for common areas within the Project and not for a specific unit within the Project and water and sewer charges for tenant units (the "Common Utilities") shall be paid by AC, LLC. Each tenant within the Project will pay their own utility charges. The Landlord will pay all water and sewer charges.

(g) The City acknowledges that the rents at the Property are subject to the jurisdiction of HUD, and are not subject to any rent control or rent leveling ordinance of the City.

4. A Financial Plan, showing the anticipated Project funding, and a Fiscal Plan, computing the estimated Annual PILOT Payment, are attached hereto as Exhibit "E" and made a part hereof.

5. AC, LLC further covenants and agrees as follows:

(a) To limit its profits and dividends from operations payable in accordance with the provisions of the Act.

(b) During the period of tax exemption, AC, LLC shall distribute any excess profits earned by it in accordance with N.J.S.A. 40A:20-15. AC, LLC shall have the right to establish and maintain reserves against vacancies, unpaid rentals and contingencies in an amount not exceeding 10% of the gross revenues of AC, LLC for the last full fiscal year preceding the year for which a determination is being made with respect to allowable net profit; and, AC, LLC may retain such part of any excess net profit as may be necessary to eliminate the deficiency, if any, in such reserves.

(c) To pay the Annual PILOT Payment as provided for in paragraph 3 hereof, pro rata on a quarterly basis, in a manner consistent with the municipality's tax collection schedule. In the

event AC, LLC fails to so pay within the time set forth in (d) below, the amount unpaid shall bear the same rate of interest permitted in the case of the unpaid taxes or tax liens on land until paid ("Late Fee"). For the first year after the Effective Date, the Tax Collector shall issue quarterly bills based on the Minimum Annual PILOT Payment set forth in Paragraph 3(d) on a pro-rata basis. Thereafter, pro rata quarterly bills will be based on five percent (5%) of the actual Gross Shelter Rents of the prior year, if same has been provided to the Tax Collector, or five percent (5%) of the prior year's projection of Gross Shelter Rents. Within ninety (90) days after the City's receipt and review of the Auditor's Report described in Paragraph 6(e), the City shall adjust the Annual PILOT Payment to reconcile with AC, LLC's actual Gross Shelter Rents. The City will promptly issue a credit where it is determined that there has been an overpayment or an invoice where it is determined that there has been an underpayment of the Annual PILOT Payment.

(d) The failure of AC, LLC to pay any quarterly installment of the Annual PILOT Payment and/or sewer and water charge payments, in a timely manner shall constitute a violation and breach of this Agreement. With respect to delinquent water and sewer charges, the City shall retain all rights reserved to municipalities under New Jersey law and the Code of the City of Camden, New Jersey Chapters 840 and 675, including the right to proceed against AC, LLC's interest in the property and its ownership interest in the improvements pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:55-1, et seq. In the event that AC, LLC shall fail to pay the Annual PILOT Payment within 30 (thirty) days after said payment is due, then the City shall send written notice to AC, LLC and any Lender entitled to Notice hereunder that said payment is overdue and AC, LLC is in Default under the terms of this Agreement (the "Default Notice"). In the event that AC, LLC fails to make payment of the delinquent installment of the Annual PILOT Payment and/or sewer and water charges together with the Late Fee within sixty (60) days after the date of

the Default Notice, then this Agreement shall terminate on the sixtieth (60th) day after the date of the Default Notice.

(e) To submit annually, within ninety (90) days after the close of each of AC, LLC's fiscal years, to the City's Chief Financial Officer and the Municipal Clerk, a financial audit, which audit shall include a note disclosure which both defines and calculates the amount of Annual PILOT Payment due for that audit year, which calculations shall be attested to by the Certified Public Accountant of AC, LLC as to the accuracy of the computation and the compliance with this Agreement. AC, LLC's fiscal year runs from January 1 to December 31. Such auditor's report shall include, but not be limited to, a rental schedule of the improvements, the terms and interest rate on any mortgage associated with the Property and the improvements, and such details as may relate to the financial affairs of AC, LLC and its operation of the improvements and performance under this Agreement.

(f) Following receipt of the annual audit and transmittal letter required by subsection (e) above, the Chief Financial Officer shall modify the Annual PILOT Payment for the then-current calendar year. The remaining amount due on the Annual Pilot payment for the then-current calendar year, following receipt of the audit and transmittal letter, shall be increased (or decreased) by the difference between the audited amount and the Annual Pilot payment being utilized for that year with the intention that, by the end of that calendar year, AC, LLC will have paid an Annual PILOT Payment equal to the amount identified in the most recent audit.

Upon initial review of the audit and schedule of payments stated in the cover letter, the Chief Financial Officer or designee may acknowledge acceptance of the audit and payment schedule while reserving the Chief Financial Officer's right to contest or modify the audit and payment schedule upon a more detailed examination of the audit. The City may undertake its

audit, if at all, not later than 90 days after delivery of AC, LLC's audit above. Should the Chief Financial Officer not issue its preliminary acceptance of the audit and proposed payment schedule before the next quarterly payment is due, then AC, LLC shall continue to make quarterly payments equal to the first quarter payment.

Upon finalizing the audit for the previous year, AC, LLC will have thirty (30) days from receipt of an invoice or other written notice from the City to pay any additional amounts owed for the previous year or that would have been owed in the previous quarters of the current year if the audit had been accepted before those payments were made. Interest and penalties shall not be imposed upon any shortfall for the previous year or previous quarters if payment is made within thirty (30) days of receipt of an invoice or other written notice from the Chief Financial Officer.

(g) If the City and AC, LLC dispute either (i) the correctness of the audit, or (ii) the calculation of the Annual PILOT Payment, either party may, pursuant to N.J.S.A. 40A:20-9f, submit this dispute to the American Arbitration Association in Camden, New Jersey to be determined in accordance with its rules and regulations in such a fashion as to accomplish the purposes of the Act.. The arbitration shall be before one neutral arbitrator to be selected in accordance with the AAA Rules and whose decision shall be rendered in writing. The results of the arbitration shall be final and binding upon the parties, with each party paying its own costs of the arbitration and 50% of the costs of the neutral arbitrator, and judgment on the award may be entered in any court having jurisdiction thereof. In rendering the award, the arbitrator shall determine the rights and obligations of the parties according to the laws of the State of New Jersey.

(h) Upon request of the City, to permit inspection of the property, equipment, buildings and other facilities of AC, LLC at the Project, and to permit examination and audit of any of its books, contracts, records, documents and papers relating to this Agreement or the Project, by duly

authorized representatives of the City, provided same are at reasonable hours on reasonable notice and in the presence of designated representatives of AC, LLC.

(i) At all times prior to the expiration or other termination of this Financial Agreement, to remain bound by the provisions of the Act and other applicable laws of the State of New Jersey, including N.J.S.A. 52:15C-1 et seq.

(j) Not to effect or execute any agreement, lease, conveyance, or other instrument, whereby the Project, or any part thereof, or the use thereof, is restricted upon the basis of race, color, creed, religion, ancestry, national origin, sex, or marital status, in sale, lease or occupancy thereof, nor to discriminate upon the basis of race, color, creed, religion, ancestry, national origin, sex, or marital status, in the sale, lease, or rental, or in the use or occupancy of the Project or any improvement erected or to be erected thereon, or any part thereof, and to comply with all State and local laws prohibiting discrimination or segregation by reason of race, color, creed, religion, ancestry, national origin, sex or marital status.

(k) That operation under this Agreement shall be terminable by AC, LLC in the manner provided for under the Act.

(l) That AC, LLC's agreement to pay: (i) the Annual PILOT Payment, including the methodology of computation thereof; (ii) water and sewer charges, and (iii) any interest payments due pursuant this Agreement (collectively the "Material Conditions") are material conditions of the Agreement. The Material Conditions shall be deemed independent and severable, and the invalidity or unenforceability of any other provision or portion of this Agreement shall not affect the enforceability or validity of the Material Conditions.

(m) It shall be the obligation of AC, LLC to make application for and make all reasonable efforts to obtain Certificates of Occupancy for the improvements in a timely manner as

identified in the Application. The failure of AC, LLC to use reasonable efforts to secure and obtain the Certificate of Occupancy for the improvements shall constitute a Default by AC, LLC provided the City has reasonably cooperated in processing AC, LLC's request for the issuance of such Certificate of Occupancy. In the event that AC, LLC does not obtain a Certificate of Occupancy within five (5) years after the date hereof then this Agreement will terminate.

6. It is understood and agreed that, commencing on the thirty-first (31st) anniversary of the Effective Date, the tax exemption upon the Project shall thereupon absolutely cease, and the property and improvements comprising the Project shall thereupon be assessed and taxed according to general law as other property in the City is assessed and taxed and, on the date on which the tax exemption upon the Project absolutely ceases, as described above, all restrictions and limitations herein contained as provided by law shall absolutely terminate and be at an end and AC, LLC shall thereupon render its final account to the City.

7. (a) The City, on written application by AC, LLC, will not unreasonably withhold, delay or condition its consent to a transfer of AC, LLC's interest in the Property, the improvements and this Agreement to an entity eligible to operate the Project under the Act (a "Permitted Transferee"), provided: (i) there is at the time of the request no uncured event of default by AC, LLC regarding any performance required of it under this Agreement; (ii) AC, LLC has fully complied with the Act at the time of the request; and (iii) the Permitted Transferee fully assumes AC, LLC's obligations under this Agreement. Notwithstanding the foregoing, upon written notice by any lender advancing funds to AC, LLC for the development of the Project (a "Lender"), whether or not there is an uncured event of default by AC, LLC under this Agreement, the City will consent to a transfer of AC, LLC's interest in the Property, the improvements, and this Agreement to a Lender or any entity organized, controlled or designated by the Lender (a

“Lender Transferee”) which succeeds to the interest of AC, LLC in the Property and the improvements as a result of the foreclosure of the leasehold mortgage held by the Lender or by assignment of such interest to the Lender Transferee in lieu of foreclosure, provided that the Lender Transferee complies with the requirements of the Act and continues to operate the improvements as contemplated by this Agreement. Upon the assumption by the Permitted Transferee and/or Lender Transferee of the remaining obligations under this Agreement, the tax exemption of the improvements of the Project shall continue and inure to the Permitted Transferee and/or Lender Transferee, their respective successors or assigns.

(b) The City and AC, LLC acknowledge that subsequent changes or expansions within the area of the Project may occur which may not now be in the contemplation of the parties. In connection with such changes or expansions, the City agrees that unimproved portions of the Project area (including surface parking areas) may be withdrawn by AC, LLC from the coverage of this Agreement upon written notice to the City. Any such withdrawals shall not affect the continued applicability of the Agreement to the remainder of the Project.

(c) The City recognizes and acknowledges that AC, LLC is a New Jersey limited liability company and as such intends to sell ownership interests in AC, LLC through syndication of certain low income housing tax credits allocated to AC, LLC. The City specifically recognizes and consents to such syndication and sale or resale of ownership interests in AC, LLC.

8. AC, LLC may at any time after the expiration of one (1) year from the Date of Completion of the Project notify the City that, as of a certain date designated in said notice, it relinquishes its tax exemption status as to all or any designated portion of the Project. As of the date so set, the tax exemption, the service charges, the profit restrictions and all other restrictions

and limitations imposed by this Agreement or by the Act shall terminate as to the Project or any designated portion of the Project, as applicable.

9. Upon any termination of such tax exemption, obligations and restrictions, whether by affirmative action of AC, LLC as provided in paragraph 8 above or by the provisions of the Act or pursuant to this Agreement, and subject to paragraph 5(d) above, the date of such termination shall be deemed to be the end of the fiscal year of AC, LLC, and within ninety (90) days after the date of such termination AC, LLC shall pay to the City a sum equal to the amount of the reserve described in Section 6(b) above, if any, maintained pursuant to N.J.S.A. 40A:20-16, as well as the excess profit, if any, payable pursuant to N.J.S.A. 40A:20-16, and pursuant to paragraph 5 of this Financial Agreement by reason of the treatment of such date as the end of the fiscal year.

10. Unless otherwise provided by law, neither AC, LLC nor any of its partners (or members of any of its partners), officers, employees, members, or Trustees shall be personally liable under this Agreement for the payment of the Annual PILOT Payment nor for the payment of any tax or assessment which may be levied or assessed against any land or building now or hereafter constituting all of or a portion of the Project.

11. (a) Any notice, demand or other communication under this Agreement by any party to any other shall be sufficiently given or delivered if sent registered or certified mail, postage prepaid and return receipt requested, or delivered personally and, in the case of AC, LLC, addressed to: Alfred Cramer Urban Renewal, LLC, 2 Cooper Street, P.O. Box 90708, Camden, NJ 08101; and, in the case of the City, addressed to the Municipal Clerk of Camden, New Jersey, with a copy to the City Attorney, each of the foregoing having an address for this purpose at City Hall, 520 Market Street, Room 419, P.O. Box 95120, Camden, New Jersey 08101-5120; or to any such

other address with respect to any such party as that party may, from time to time, designate in writing and forward to the others as provided in this paragraph.

(b) Whenever the City shall deliver any notice or demand to AC, LLC with respect to any breach or default by AC, LLC in its obligations or covenants under this Agreement, the City shall at the same time forward a copy of such notice or demand to each Lender, provided the City has received notice of the name and address of such Lender.

(c) (1) After any breach or default under this Agreement, each Lender shall (insofar as the rights of the City are concerned) have the right, at its option, to cure or remedy such breach or default in accordance with Section 6(d) above.

(2) Any such Lender who shall cure or remedy any breach or default under this Agreement shall be entitled to the benefits of the tax exemption previously granted to AC, LLC pursuant to the Act and this Agreement, to the same extent that AC, LLC would then have been if no default had occurred.

12. (a) Except as set forth in Paragraph 5(g), in the event of a breach of the within Agreement by either of the parties hereto or a dispute arising between the parties in reference to the terms and provisions as set forth herein, either party may apply to the Superior Court of New Jersey by an appropriate proceeding to settle and resolve said dispute in such fashion as will tend to accomplish the purpose of the Act, including the termination of the exemption. In the event that the Superior Court shall not entertain jurisdiction, then the parties shall submit the dispute to the American Arbitration Association in Camden, New Jersey utilizing the arbitration process as set forth in paragraph 5(g) above.

(b) Anything in the foregoing to the contrary notwithstanding: (i) any dispute between the parties hereto concerning any provision of this Agreement shall be governed by the laws of the

State of New Jersey; and (ii) no arbitrator shall have the power or authority to amend, alter, or modify any part of this Agreement, in any way. In the event of any inconsistency between the terms of this Agreement and the Act, such ambiguity or inconsistency shall be rendered in favor of the Act.

13. AC, LLC agrees to enter into an agreement with the Housing Authority to submit an Affirmative Action Plan prior to the execution of this Agreement to the Housing Authority for approval if determined satisfactory by the Housing Authority Section 3 Compliance Officer and to thereafter comply with said Plan during the construction phase, including submitting such documents as are requested from the Housing Authority's Section 3 Compliance Officer for the purpose of determining AC, LLC's compliance with its Affirmative Action Plan. If AC, LLC fails to comply with the Affirmative Action Plan, such failure could lead to sanctions by the Housing Authority for failing to comply with Section 3 and/or NJ HMFA Affirmative Action requirements and/or constitute an event of default and be cause for the City to implement paragraph 12 of this Agreement.

14. It is understood and agreed that in the event the City shall be named as a party defendant by a third party in any action brought against AC, LLC by reason of any breach, default, or a violation of any of the provisions of this Agreement and/or the provisions of N.J.S.A. 40A:20-1, et seq., as a result of the actions or inaction of AC, LLC, AC, LLC shall indemnify and hold the City harmless and shall further defend any such action at its own expense.

15. If any clause, sentence, subdivision, paragraph, section or part of this Agreement be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder hereof, but shall be confined in its operation to the clause,

sentence, subdivision, paragraph, section or part hereof directly involved in the controversy in which said judgment shall have been rendered.

16. This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument.

17. This Agreement shall be binding upon and inure to the benefit of AC, LLC, the City, and their respective successors and permitted assigns.

[Signature Page Follows]

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed in its name and on its behalf by the Mayor, and AC, LLC has caused this Agreement to be duly executed on its behalf by duly authorized officers, all as of the day and year first above written.

WITNESS:

ALFRED CRAMER URBAN RENEWAL,
LLC

By: MM Alfred Cramer -Michaels, LLC
Its Managing Member

John J. O'Donnell, President

ATTEST:

Name: Luis Pastoriza
Title: City Clerk

Authorized by Ordinance
MC-_____. This Agreement has
been approved as to form:

City Attorney

CITY OF CAMDEN

By: _____
Name: Victor Carstarphen
Title: Mayor

**EXHIBIT A
PROPERTY**

EXHIBIT B
ORDINANCE APPROVING THE APPLICATION AND FINANCIAL AGREEMENT

**EXHIBIT C
APPLICATION**

EXHIBIT D
FISCAL PLAN AND GROSS REVENUE PROFORMA

EXHIBIT E
EXAMPLES OF MINIMUM ANNUAL PILOT PAYMENT

Angel Fuentes, President
Councilperson-at-Large

Sheila Davis, Vice-President
Councilperson-at-Large

Nohemi Soris-Perez
Councilperson-at-Large

Luis Pastoriza, RMC, CMR
Municipal Clerk

Yenise E. Valdez
Assistant Municipal Clerk

Howard McCoach
Counsel-To-Council

Arthur Barclay
Councilperson, 1st Ward

Chris Collins
Councilperson, 2nd Ward

Falio Leyba-Martinez
Councilperson, 3rd Ward

Jannette Ramos
Councilperson, 4th Ward



**MUNICIPAL CLERK
CITY OF CAMDEN
NEW JERSEY**

PO Box 95120
Room 105, City Hall
Camden, NJ 08101
Tele: (856) 757-7223 / Fax: (856) 757-7220
Email: clerk@ci.camden.nj.us Website: www.ci.camden.nj.us

MEMORANDUM

DATE: *October 10, 2024*

TO: *Victor Carstarphen, Mayor*

FROM: *Luis Pastoriza, Municipal Clerk*

RE: *Ordinance Final Passage – (MC-5524)*

Ordinance Approving An Application For Exemption And Execution Of A Financial Agreement Between The City of Camden And **Alfred Cramer Urban Renewal, LLC**, Pursuant To N.J.S.A. 40A:20-1 Et Seq.

In accordance with Rule XIX of the Administrative Code of the City of Camden (Rules of Procedure governing the City Council), I am delivering to you the attached ordinance adopted by City Council at a **Regular** meeting held on **10-8-2024**. Said article provides that "each ordinance shall be returned by the Mayor to the Municipal Clerk after the Mayor has affixed his /her signature thereto or after the expiration of **ten (10) days** from the date of its delivery to the Mayor in any event."

OFFICE OF THE MAYOR	
Received by: <u><i>[Signature]</i></u>	Date: <u><i>10/10/24</i></u>
Date of Approval: <u><i>10/23/24</i></u>	