

**AMENDMENT TO FINANCIAL AGREEMENT PURSUANT TO N.J.S.A. 40:55C-40,
ET. SEQ., BETWEEN THE CITY OF NEW BRUNSWICK AND
FIRST BAPTIST DEVELOPMENT AND URBAN RENEWAL CORPORATION,
A NOT-FOR-PROFIT CORPORATION OF THE STATE OF NEW JERSEY
AND A QUALIFIED URBAN RENEWAL ENTITY OF THE STATE OF
NEW JERSEY, SUCCESSOR IN INTEREST TO HAMPTON CLUB CONDOMINIUM
URBAN RENEWAL ASSOCIATES BY RESOLUTION**

1. Paragraph 2(a) is amended to read as follows:

2(a). The City has granted and does hereby grant its approval for an urban renewal project whose nature, magnitude and description is disclosed in the accompanying application to be built under the provisions of the Law on the land described in said Application and in Resolution R-119850, commonly known as the Official Tax Map of the City of New Brunswick as Block 596.03, a portion of former Lot 1.03 and 1.04 and now known as Lot 1.06. A subdivision has been approved by the City of New Brunswick which has resulted in the reconfiguration of the lot line between former Lots 1.03 and 1.04 further resulting in a renumbering of the two lots. The remaining portion of former Lots 1.03 and 1.04, now known as Lot 1.07, has been deleted from the provisions of this Financial Agreement.

2. Paragraph 4 is amended to read as follows:

4. In consideration of the aforesaid exemption from taxation on improvement(s), the Entity, its successors and assigns shall make payment to the City of an annual service charge for municipal services supplied to said project of a sum equal to 15% of the "Annual Gross Revenue" of the condominium units determined pursuant to N.J.S.A. 40:55C-58.1 and N.J.S.A. 40:55C-65, calculated from the first day of the month following the substantial completion of that condominium unit. In no event shall the annual service charge attribute to any one unit be less than the following:

Until January 1, 2000:

<u>MODEL</u>	<u>MINIMUM ANNUAL SERVICE CHARGE</u>	
	<u>Owner Occupied Units</u>	<u>Rental Units</u>
1 Bedroom	1,400.00	1,400.00
2 Bedroom	1,800.00	1,800.00
3 Bedroom	2,100.00	2,100.00
2 Bedroom with Loft	2,200.00	2,200.00

AFFORDABLE HOUSING UNITS

1 Bedroom (Low Income)	525.00	525.00
1 Bedroom (Moderate Income)	925.00	925.00
2 Bedroom (Low Income)	575.00	575.00
2 Bedroom (Moderate Income)	1,100.00	1,100.00
3 Bedroom (Low Income)	650.00	650.00
3 Bedroom (Moderate Income)	1,225.00	1,225.00

January 1, 2000 and Thereafter:

MODEL**MINIMUM ANNUAL SERVICE CHARGE**

	<u>Owner Occupied Units</u>	<u>Rental Units</u>
1 Bedroom	925.00	1,400.00
2 Bedroom	1,100.00	1,800.00
3 Bedroom	1,225.00	2,100.00
2 Bedroom with Loft	1,325.00	2,200.00

AFFORDABLE HOUSING UNITS

1 Bedroom (Low Income)	925.00	N/A
1 Bedroom (Moderate Income)	925.00	
2 Bedroom (Low Income)	1,100.00	
2 Bedroom (Moderate Income)	1,100.00	
3 Bedroom (Low Income)	1,225.00	
3 Bedroom (Moderate Income)	1,225.00	

The minimum annual service charge provided for herein for affordable housing units shall remain in existence so long as the unit is subject to the resale controls and/or restrictions provided for in the deed of conveyance to the initial affordable housing unit purchaser, but in no event for a period in excess of ten years from the date of the deed of conveyance to the initial affordable housing unit purchaser. Thereafter the minimum annual service charge as otherwise provided for herein shall apply.

However, it is nevertheless provided that in no event shall the annual service charge payment for the entire project, together with the taxes on the land in any year after the substantial completion of the project (determined in the manner set forth in paragraph 5(b) below), be less than the total taxes assessed on all real property in the area covered by the project in the calendar year immediately preceding the acquisition of the said area by the owner from whom the Equity acquired the land. The agreed minimum annual service charge shall no wise be reduced through any tax appeal on land and/or

building(s), during the period that this Agreement shall be in force.

3. Paragraph 5(b) is amended to read as follows:

5(b). Said annual service charge commenced for each unit from the first day of the month after the "substantial completion" of the unit, except that as to unsold units (a) from and after July 1, 1998 the effective date of the minimum service charge shall be the first day of the month following closing of sale to a third party, or January 1, 2001, whichever is sooner; and (b) from and after July 1, 1998 all unsold units shall pay land taxes only at an annual rate of \$125 per unit until sale to and occupancy by a third party as provided in (a) above or January 1, 2001, whichever is sooner.

The phrase "substantial completion" denotes the issuance by the City's Central Permit Office of any valid temporary or permanent certificate of occupancy for the unit.

It shall be the primary responsibility of the Entity to forthwith file with both the tax assessor and tax collector of the City a copy of such certificate.

Failure of the Entity to file such issued certificate, as required by the proceeding paragraph shall not militate against any action or non-action, taken by the City's assessor in the absence of such filing by the Entity.

Dated: 2/2, 2000

WITNESS: WILLIS F. SUMTER
NOTARY PUBLIC OF NEW JERSEY
My Commission Exp. May 21, 2004

[Signature]

FIRST BAPTIST DEVELOPMENT AND
URBAN RENEWAL CORPORATION

BY: *[Signature]*
_____ LARRY WILLIAMS, Chairman

Dated: 2/14, 2000

ATTEST:

[Signature]
_____ DANIEL A. TORRISI, City Clerk

FIRST BAPTIST DEVELOPMENT AND
CITY OF NEW BRUNSWICK

BY: *[Signature]*
_____ JAMES M. CAHILL, Mayor

R-119850

BY THE MUNICIPAL COUNCIL:

WHEREAS, pursuant to Ordinance O-088802, the Financial Agreement (hereafter "Agreement") dated September 7, 1988 was executed by and between the CITY OF NEW BRUNSWICK (hereafter "CITY") and HAMPTON CLUB CONDOMINIUM URBAN RENEWAL ASSOCIATES (hereafter "HAMPTON CLUB") affording tax abatement to individual housing units to be constructed on land known as Block 596.03, Lots 1.03 and 1.04; and

WHEREAS, since the execution of said Agreement, the terms of the Agreement have become applicable to certain of the units in HAMPTON CLUB; and

WHEREAS, since the execution of said Agreement, the project has experienced a number of problems including the bankruptcy of Edpas New Brunswick L.P. the original developer, the consequent failure to complete construction of a number of units and to commence construction of other units, extensive defaults in the payment of taxes and annual service charges on many units and the consequent imposition of liens thereon; and

WHEREAS, FIRST BAPTIST DEVELOPMENT URBAN RENEWAL CORPORATION (hereafter "FIRST BAPTIST") and the CITY have sought in various ways to revitalize the project, to protect the viability of the units that have been sold and occupied, to complete units that had been partially constructed and generally to promote the completion of the project on a financially sound basis; and

WHEREAS, FIRST BAPTIST is a qualified urban renewal entity of the State of New Jersey pursuant to the Long Term Tax Abatement Law, N.J.S.A. 40A:20-1, et seq.; and

WHEREAS, in order to achieve the purposes set forth above, FIRST BAPTIST has requested CITY to transfer to it the Agreement and to approve certain changes in the existing Agreement,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of New Brunswick that the Financial Agreement dated September 7, 1988 between the CITY OF NEW BRUNSWICK and HAMPTON CLUB CONDOMINIUM URBAN RENEWAL ASSOCIATES be and hereby is transferred to FIRST BAPTIST DEVELOPMENT AND URBAN RENEWAL CORPORATION subject to the agreement of FIRST BAPTIST DEVELOPMENT AND URBAN RENEWAL CORPORATION to assume the rights and obligations of HAMPTON CLUB thereunder; and

BE IT FURTHER RESOLVED that the Mayor and City Clerk are authorized to execute and attest an Amended Financial Agreement to provide the following:

(a) deletion from the Agreement of Lot 1.04 as delineated in minor subdivision map on file with and pending approval by the City Planning Board, said Lot 1.04 would then be subject to conventional taxation;

(b) adjust as of January 1, 2000 the minimum service charges of all units to reflect the actual market value of the several types of units as provided in the attached Schedule A;

(c) to provide for a differential in the minimum service charges for owner-occupied units and rental units, the minimum charges for non-owner occupied units to be as established in the original agreement; and

(d) to provide, as to unsold units, that the effective date of the minimum service charge shall be the first day of the month following closing of sale to a third party or January 1, 2001, whichever is sooner; and

(e) that as of July 1, 1998 all unsold units shall pay land taxes only at an annual rate of \$125 per unit until sale to and occupancy by a third party as provided in paragraph (d) above,

I, Daniel A. Torrist, City Clerk of the City of New Brunswick, N.J., do hereby certify that this is a true and correct copy of a resolution adopted at the regular meeting of the Council of the City of New Brunswick on November 17, 1998.

Daniel A. Torrist
Daniel A. Torrist, City Clerk

Countdown member	Y	N	NV	Ab	Construction member	Y	N	NV	AS
Cook	X				Recine	X			
Egan				X	Valenti	X			
Schram									

M- Moved
S- Second

the form of such Amended Financial Agreement to be approved by the City Attorney; and

BE IT FURTHER RESOLVED that certified copies of this Resolution be sent by the City Clerk to the following:

- First Baptist Development and Urban Renewal Corporation
- Hampton Club Condominium Urban Renewal Associates
- Thomas F. Kelso, Esq.
- Glenn Patterson, Director, Department of Planning, Community and Economic Development

ADOPTED: November 17, 1998

ATTEST:

Blangita Valente

 JOSEPH V. EGAN
 Council President

Daniel A. Torrisi

 DANIEL A. TORRISI
 City Clerk

APPROVALS:

Thomas A. Loughlin, 3rd

 THOMAS A. LOUGHLIN, 3rd
 Business Administrator

William J. Hamilton, Jr.

 WILLIAM J. HAMILTON, JR.
 City Attorney