

FOURTH ROUND HOUSING ELEMENT AND FAIR SHARE PLAN

Union City
Hudson County, New Jersey

June 12, 2025

Adopted by the Planning Board on June 24, 2025

Prepared By:



Heyer, Gruel & Associates
Community Planning Consultants
236 Broad Street, Red Bank, NJ 07701
(732) 741-2900

FOURTH ROUND HOUSING ELEMENT AND FAIR SHARE PLAN

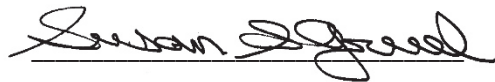
Union City
Hudson County, New Jersey

June 12, 2025
Adopted by the Planning Board on June 24, 2025

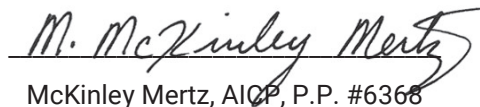
Prepared By:

Heyer, Gruel & Associates
Community Planning Consultants
236 Broad Street, Red Bank, NJ 07701
(732) 741-2900

The original of this report was signed and
sealed in accordance with N.J.S.A. 45:14A-12



Susan S. Gruel P.P. #1955



McKinley Mertz, AICP, P.P. #6368

With contributing content by Brooke Schwartzman, Associate Planner

Table of Contents

APPENDICES	4
EXECUTIVE SUMMARY	5
INTRODUCTION	6
First and Second Rounds	7
Third Round	7
Fourth Round	9
UNION CITY'S HISTORY OF AFFORDABLE HOUSING	10
PLANNING FOR AFFORDABLE HOUSING	11
PART 1: HOUSING ELEMENT	13
DEMOGRAPHIC CHARACTERISTICS	13
Population	13
Population Composition by Age	14
Households	15
Income	18
Poverty Status	19
Household Costs	20
EXISTING HOUSING CONDITIONS	21
Housing Unit Data	21
Housing Type and Size	23
Housing Growth and Projections	24
Housing Values and Contract Rents	26
Housing Conditions	28
EMPLOYMENT DATA	29
Employment Status	31
Class of Worker and Occupation	31
Commuting to Work	33
Covered Employment	34
In-City Establishments and Employees by Industry: 2022	34
Probable Future Employment Opportunities	36
PART 2: FAIR SHARE PLAN	37
INTRODUCTION	37
CURRENT STANDARDS	37
Age-Restricted Housing	37
Transitional Housing	37
Veterans Housing	37
Families with Children	37
Rental Units	38
Very-Low Income Requirement	38
Low/Moderate Income Split	38
Affordability Controls	38

Affirmative Marketing	38
Uniform Housing Affordability Controls (UHAC).....	38
Unit Adaptability	38
Bonus Credits	39
UNION CITY’S AFFORDABLE HOUSING OBLIGATIONS.....	40
REVIEW OF PREVIOUS ROUND COMPLIANCE	40
Prior Round Compliance 1987-1999	40
Third Round Compliance 1999-2025	40
FOURTH ROUND OBLIGATION.....	43
Fourth Round Present Need / Rehabilitation Obligation.....	44
Additional Mechanisms	47
CONSISTENCY WITH STATE PLANNING REQUIREMENTS	49
State Plan.....	49
Multigenerational Family Housing	50
CONSIDERATION OF LANDS OFFERED FOR INCLUSIONARY DEVELOPMENT	50
SUMMARY OF FAIR SHARE COMPLIANCE	50

APPENDICES

Appendix A: 2017 Settlement Agreement FSH

Appendix B: 2017 May Order Approving Settlement Agreement

Appendix C: 2018 Final Third Round JOR

Appendix D: 2025 Order Granting Waiver from UHAC Bedroom Requirements

Appendix E: Resolution 1/21-27 Adopting 4th Round Obligation

Appendix F: 2025 Court Order Affixing the City’s Present and Prospective Need Obligations

Appendix G: 8th Street Senior Redevelopment Agreement

Appendix H: Teamsters Building Documentation

- Ordinance Acquiring Property
- Resolution designating AINOR

Appendix I: 2025 Order Amending Development Fee Ordinance

Appendix J: HOME Program Manual

EXECUTIVE SUMMARY

The following Fourth Round Housing Element and Fair Share Plan has been prepared for the City of Union City in the County of Hudson in accordance with the Fair Housing Act as most recently amended (P.L.2024, c.2).

Union City is a 1.3 square mile community located in northeast New Jersey, within the northeastern portion of Hudson County that abuts the Hudson River. The City shares municipal boundaries with Jersey City to the south, North Bergen Township to the west, Weehawken Township and Hoboken City to the east, and West New York Town to the north. Primary County and State routes, including NJ Route 495 and Hudson County Routes 691, 685, 681, and 501, run through the City.

The City can be characterized as an urban municipality and, according to the State Development and Redevelopment Plan (SDRP), is located in Metro Planning Area 1.

According to the 2020 Census, Union City's population was 68,589, which represents an increase of 3.2% from 2010. In 2020, the City's median age was 35.9 years, representing a 5.9% increase from the median age of 33.9 years in 2010. The City's average household size in 2020 was 2.56 persons, which was slightly higher than the average at the County level (2.38 persons).

The housing stock of the City is predominantly multifamily structure with over 20 units or structures with 3-9 units. Approximately 62% of the housing stock was built prior to 1970, making these dwellings older than fifty years. According to the guidelines originally established by COAH, the City is located in Housing Region 1, a region that consists of Bergen, Hudson, Passaic, and Warren counties. Based on the 2025 Regional Income Limits (released by Affordable Housing Professionals of New Jersey on May 5, 2025), the median income in Region 1 for a four-person household is \$127,200, the moderate-income is \$101,760, the low-income is \$63,600, and the very-low-income level is \$38,160.

Affordable housing obligations in New Jersey are divided into "housing rounds," as will be discussed in detail later in this Plan. Each municipality in New Jersey has a constitutional obligation to provide their fair share of the calculated regional need for affordable housing within the respective housing round. These obligations to construct new affordable housing are known as the "Prospective Need" obligation. Municipalities also have an obligation to rehabilitate units that are deemed substandard, pursuant to the criteria of the Fair Housing Act. This obligation is known as the Present Need, or Rehabilitation Share. The housings rounds are as follows: Prior Round (1987-1999), Third Round (1999-2025), and Fourth Round (2025-2035).

Union City is officially designated as an "Urban Aid" municipality, meaning that it has been identified by the State as being particularly distressed across several measures of economic and social wellbeing. The designation relates to affordable housing in that qualified urban aid municipalities are exempt from

prospective need obligations for all housing rounds during which the urban aid designation remains. To qualify, municipalities must meet at least one of the following criteria:

- The ratio of substandard existing deficient housing units currently occupied by low- and moderate-income households within the municipality, compared to all existing housing in the municipality, is greater than the equivalent ratio in the region
- The municipality has a population density greater than 10,000 persons per square mile of land area
- The municipality has a population density of more than 6,000, but less than 10,000 persons per square mile of land area, and less than five percent vacant parcels not used as farmland

The City of Union City did not participate in the Prior Round. In the Third Round, the City entered into a Settlement Agreement with Fair Share Housing Center in spite of having no Prior Round or Third Round affordable housing obligations due to its Urban Aid status. The subsequent compliance efforts were approved by the Court in a Judgement of Compliance and Repose, dated October 23, 2018. The City has still made significant efforts to establish credit-worthy units that are either existing, under construction, or proposed.

As a designated urban aid municipality, Union City is exempt from any prospective need obligation for the Fourth Round but still has a Present Need (rehabilitation) obligation as calculated by DCA:

Rehabilitation Share: 2,088

Prospective Need: 0

INTRODUCTION

The need to provide a realistic opportunity for the construction of affordable housing in New Jersey, the country's most densely populated state, has been recognized for decades. In the case of Southern Burlington County NAACP v. the Township of Mount Laurel 67 N.J. 151 (1975), (commonly known as Mount Laurel I), the New Jersey Supreme Court established the doctrine that developing municipalities in New Jersey have a constitutional obligation to create a realistic opportunity for their fair share of low and moderate income housing.

In Southern Burlington County NAACP v. Township of Mount Laurel, 92 N.J. 158, 456 A.2d 390 (1983), decided on January 20, 1983 (commonly known as Mount Laurel II), the Supreme Court responded to the response of municipalities to Mount Laurel II. The builder's remedy created a mechanism for developers to sue non-compliant municipalities and force them to comply. Mount Laurel II also created the Judgment of Repose to incentivize municipalities to comply. A Judgment of Repose protected municipalities from potential lawsuits and those who would claim entitlement to a builder's remedy or other relief based upon the claim that the municipality was noncompliant.

In the wake of Mount Laurel II, developers sued municipalities seeking builder's remedies. The wave of builder's remedy lawsuits created the impetus for legislation to protect municipalities from builder's remedies. A decision by Judge Serpentelli, one of three judges appointed by Chief Justice Wilentz to implement Mount Laurel II, increased the need for a legislative cure. More specifically, in 1984, Judge Serpentelli issued the "AMG decision" (AMG Realty Co. v. Warren Twp), which established a formula for any developer to determine the fair share obligation of any municipality.

The pressure of builder's remedy suits, combined with the ease in determining the fair share of any municipality through the AMG formula, culminated in the enactment of the New Jersey Fair Housing Act in 1985. The Fair Housing Act (FHA) is found at N.J.S.A. 52:270-301, et seq. The FHA established the Council on Affordable Housing (COAH) as an administrative alternative to builder's remedy lawsuits and the concomitant jurisdiction of the courts. COAH was given the responsibility of dividing the state into housing regions, determining regional and municipal fair share affordable housing obligations, and adopting regulations that would establish the guidelines and approaches that municipalities may use in addressing their affordable housing need.

In 2008, the Legislature amended the FHA to add requirements for very low-income housing. Very low-income households are those in which the gross household income is 30% or less than the region's median household income. Low-income households are those with incomes no greater than 50% of the region's median household income. Moderate-income households are those with incomes no greater than 80% and no less than 50% of the region's median household income. Each is adjusted for household size and is in relation to the median gross income of the housing region in which the municipality is located.

FIRST AND SECOND ROUNDS

The First and Second Rounds under COAH are collectively referred to as the "Prior Round." The Prior Round obligation is the cumulative 1987-1999 fair share obligation. The First Round consists of the six-year period between 1987 and 1993 for which COAH first established a formula for determining municipal affordable housing obligations (N.J.A.C. 5:92-1 *et seq.*). Then in 1994, COAH established amended regulations (N.J.A.C. 5:93-1.1 *et seq.*) and produced additional municipal affordable housing obligations for the years 1993 to 1999. This second round of obligations is known as the Second Round. When COAH adopted regulations for Round 2, it made the Round 1 and 2 obligations cumulative for both periods.

THIRD ROUND

Housing rounds were originally established by the Fair Housing Act as six-year periods, but in 2001 the Legislature extended the rounds to 10-year periods. This should have meant that the Third Round ran from 1999 to 2009. However, COAH didn't establish new rules for the Third Round until the end of 2004 (N.J.A.C. 5:94-1 and 95-1 *et seq.*). The Third Round time period was therefore extended to 2014. The Third Round rules established a new method for calculating a municipality's affordable housing obligation, known as

“growth share.” This method required municipalities to project future residential and non-residential development, and then derive their obligation from that growth.

After the New Jersey Appellate Court invalidated several components of the Third Round rules, COAH released revised rules in 2008. The Third Round was once again extended to 2018 to provide municipalities with the time to apply the amended rules and establish mechanisms to meet their obligations. The revised Third Round rules, like the initial Third Round, rules established the obligations based on a growth share approach.

On October 8, 2010, in response to numerous legal challenges to the second iteration of COAH’s Third Round regulations, the Appellate Divisions ruled that COAH could not allocate obligations through a “growth share” formula and directed COAH to use similar methods to those used in the First and Second Rounds. COAH proposed Third Round regulations a third time in 2014 using a formula similar to the ones it had used in the first and second rounds. However, when COAH met to consider adopting these rules on October 20, 2014, it deadlocked.

On March 10, 2015, the New Jersey Supreme Court decided In re Adoption of N.J.A.C. 5:96 & 5:97 by the N.J. Council on Affordable Housing, 221 N.J. 1 (2015) (Mount Laurel IV), wherein it responded to COAH’s failure to adopt defensible rules for Round 3. This decision changed the landscape by which municipalities are required to comply with their constitutional obligation to provide their fair share of affordable housing. The Supreme Court held that since COAH was no longer functioning, trial courts were to resume their role as the forum of first instance for evaluating municipal compliance with Mount Laurel obligations, and also established a transitional process for municipalities to seek temporary immunity and ultimately a Judgment of Compliance and Repose (“JOR”) from a Court, which was the “judicial equivalent” of Substantive Certification from COAH.

On January 18, 2017, the Supreme Court decided In Re Declaratory Judgment Actions Filed by Various Municipalities, County of Ocean, Pursuant To The Supreme Court’s Decision In In re Adoption of N.J.A.C. 5:96, 221 N.J. 1 (2015) (“Mount Laurel V”), which held that need having accrued during the Gap Period (1999-2015) was part of the Present Need, not Prospective Need. The Supreme Court held that there is an obligation with respect to that period for households that came into existence during that gap that are eligible for affordable housing, that are presently (as of 2015) in need of affordable housing, and that are not already counted in the traditional present need.

As the methodology and obligations from the Gap and Prospective Need had not been fully adjudicated at that time, various trial judges issued opinions on the appropriate methodology and 354 municipalities reportedly settled with Fair Share Housing Center wherein they negotiated the obligations for Round 3.

Municipal obligations were therefore broken down in Round Three Housing Element and Fair Share Plans as Present Need/Rehabilitation, Prior Round (1987-1999), and Third Round and Gap Period (1999-2015).

Municipalities that received their Final Judgement of Compliance and Repose were guaranteed immunity from builders' remedy lawsuits through the end of the Third Round, June 30, 2025.

FOURTH ROUND

On March 18, 2024, the affordable housing legislation known jointly as Senate Bill S50 and Assembly Bill A4 passed both houses of the legislature. Governor Murphy signed the bill (P.L.2024, c.2) into law on March 20, 2024, establishing a new methodology for determining municipalities' affordable housing obligations for the Fourth Round and beyond. The new legislation, which comprehensively amends the FHA, overhauled the process that municipalities undertake to establish and plan for their constitutionally mandated affordable housing obligation. Most notably, this legislation formally abolished COAH while transferring its functions to the New Jersey Department of Community Affairs (DCA) and Housing Mortgage and Finance Agency (HMFA). As a result, the legislation codified the method for calculating regional and municipal affordable housing needs and returned most of the process from the Courts to state administrative departments.

The amended FHA called on the DCA to issue a non-binding report on the new Present Need Obligation (commonly referred to as the rehab obligation) and the Prospective Need for Round 4 and subsequent rounds. The amended FHA requires the DCA to base its analysis of the obligations for each municipality based upon the standards set forth in the amended FHA. Accordingly, on October 18, 2024 the DCA released a report outlining the Fourth Round (2025-2035) Fair Share methodology and its calculations of low- and moderate-income obligations for each of the State's municipalities. The amended FHA gave municipalities until January 31, 2025, to review the obligation reported by the DCA and perform their own analysis of their obligation based on the methodology in the legislation and previously established by the Courts. If any municipality wished to commit to an obligation different from the one reported by the DCA, the amended FHA required the municipality to adopt a resolution by January 31, 2025, committing to the number that it contended was the appropriate obligation. If a municipality wished to commit to the numbers that the DCA reported, the amended FHA required the municipality to adopt a resolution committing to the DCA numbers.

The amended FHA required any municipality that wished to participate in the new process that the Act created to file a declaratory relief action within 48 hours of adopting the resolution committing to the numbers the municipality deemed appropriate.

The amended FHA gave any interested party who wished to oppose the numbers to which any municipality committed to file an Answer by February 28, 2025 which included a particularized objection to the numbers to which the municipality committed.

The amended FHA gave "the program" until March 31, 2025, to try to resolve any disputes over the fair share numbers to which a municipality committed through an "Affordable Housing Dispute Resolution

Program.” The program is a new entity created by the amended FHA. It is staffed with seven current or retired judges and the judges have the authority to use adjudicators to assist it in mediating disputes over the obligations of municipalities.

The amended FHA gives municipalities until June 30, 2025, to file a Housing Element and Fair Share Plan and related documents showing how the municipality will comply with its obligations. The Fourth Round Plans will follow the same general format as they have with certain updates to their requirements dealing with various types of housing and the bonus credit calculation system. Notably, HEFSPs are required to be consistent with the State Development and Redevelopment Plan (SDRP) (a new draft SDRP was released in late 2024 and has yet to be adopted) and the Highlands Regional Master Plan for conforming municipalities. As part of the HEFSP, municipalities shall include an assessment of the degree to which the municipality has met its fair share obligation from the prior rounds of affordable housing (i.e. First, Second, and Third Rounds).

UNION CITY’S HISTORY OF AFFORDABLE HOUSING

The Union City Planning Board adopted a Round 3 Housing Element and Fair Share Plan in 2009 (the “2009 Plan”) and on April 8th, 2009 petitioned COAH for substantive certification. Substantive Certification was never received, however, because the Appellate Division deemed the growth share methodology invalid. In response to Mount Laurel IV, Union City filed a Declaratory Judgment Action on July 6, 2015. The Court appointed Christine A. Nazzaro-Coffone, AICP, PP, to serve as the Court’s Special Adjudicator.

Even though Union City is a designated Urban Aid community, the City determined it was in the best interest of the City and residents to engage in negotiations with the Fair Share Housing Center. On May 2, 2017, the City executed a settlement agreement (dated April 26, 2017) with the Fair Share Housing Center (Appendix A). A Fairness Hearing was conducted before the Court on April 26, 2017 and on May 17, 2017, the Court entered an Order approving the draft Housing Element and Fair Share Plan, the Spending Plan, and the settlement agreement with Fair Share Housing Center (Appendix B). The Union City Planning Board subsequently adopted a new Round 3 Housing Element and Fair Share Plan on September 18, 2017 and on October 23, 2018, the Honorable Mary K. Costello entered a Final Judgment of Compliance and Repose for the City of Union City (Appendix C).

An amendment to the 2017 HEFSP was approved by Honorable Joseph A. Turula on January 3, 2025 (Appendix D). The amendment incorporates the Teamster’s Building, an affordable housing development proposed to provide 25 affordable units. More specifically, the amendment grants a waiver from the Uniform Housing Affordability Controls (UHAC) bedroom count requirements. Due to the irregular shape of the building, providing 3-bedroom units as required by UHAC would decrease the overall number of units to the point that the project would no longer be financially viable.

On January 2, 2025, in accordance with the standards established by the amended FHA and described above, the City adopted Resolution 1/21-27. This resolution maintained the Fourth Round DCA-generated Prospective Need obligation of 0 and Present Need obligation of 2,088 units (Appendix E). The Court issued an order on April 11, 2025 affirming and fixing the City's Present and Prospective Need obligations at 2,088 units and 0 units, respectively (Appendix F).

This Fourth Round HEFSP sets forth mechanisms implemented to address the City's affordable housing obligations and has been prepared in accordance with the Fair Housing Act as most recently amended (P.L.2024, c.2).

PLANNING FOR AFFORDABLE HOUSING

Pursuant to both the FHA (N.J.S.A. 52:27D-310, et seq.) and the Municipal Land Use Law (MLUL) (N.J.S.A. 40:55D-28), municipalities in New Jersey are required to include a housing element in their master plans. The principal purpose of the housing element is to describe the specific, intended methods that a municipality plans to use in order to meet its low- and moderate-income housing needs. Further, the housing element is meant to demonstrate the existing zoning or planned zoning changes that will allow for the provision of adequate capacity to accommodate household and employment growth projections, to achieve the goal of access to affordable housing for present and future populations. The statutorily required contents of the housing element are:

- a. An inventory of the municipality's housing stock by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low and moderate-income households and substandard housing capable of being rehabilitated;
- b. A projection of the municipality's housing stock, including the probable future construction of low- and moderate-income housing, for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;
- c. An analysis of the municipality's demographic characteristics, including but not necessarily limited to, household size, income level and age;
- d. An analysis of the existing and probable future employment characteristics of the municipality;
- e. A determination of the municipality's present and prospective fair share for low- and moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low- and moderate-income housing, as established pursuant to section 3 of P.L.2024, c.2 (C.52:27D-304.1);
- f. A consideration of the lands that are most appropriate for construction of low- and moderate-income housing and of the existing structures most appropriate for conversion to, or rehabilitation

for, low- and moderate-income housing, including a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing;

- g. An analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of section 1 of P.L.2021, c.273 (C.52:27D-329.20);
- h. For a municipality located within the jurisdiction of the Highlands Water Protection and Planning Council, established pursuant to section 4 of P.L.2004, c.120 (C.13:20-4), an analysis of compliance of the housing element with the Highlands Regional Master Plan of lands in the Highlands Preservation Area, and lands in the Highlands Planning Area for Highlands conforming municipalities. This analysis shall include consideration of the municipality's most recent Highlands Municipal Build Out Report, consideration of opportunities for redevelopment of existing developed lands into inclusionary or 100 percent affordable housing, or both, and opportunities for 100 percent affordable housing in both the Highlands Planning Area and Highlands Preservation Area that are consistent with the Highlands regional master plan; and
- i. An analysis of consistency with the State Development and Redevelopment Plan, including water, wastewater, stormwater, and multi-modal transportation based on guidance and technical assistance from the State Planning Commission.

PART 1: HOUSING ELEMENT**DEMOGRAPHIC CHARACTERISTICS****Population**

Table 1 below depicts the population trends experienced in Union City, Hudson County, and the State of New Jersey in the 93-year period between 1930 and 2023. In 2023, there were 66,375 residents in Union City, which indicates a decrease of 2,214 people (-3.2%) from 2023. Union City has experienced steady growth over the past 93 years, with the greatest increase occurring between 58,012 and 67,088 residents (15.6%) between 1990 and 2000. Overall, the City has seen a growth of 7,716 residents during this time frame, reflecting a 13.2% increase in its population. These trends are reflected at the County and State level, as well, which saw a similarly significant increase in population from 1990 and 2000 but had bigger increases throughout the 1900s. The City's overall growth (13.2%) has proportionally exceeded that of the County (2.9%), but not the State (129.3%).

Table 1: Population Trends, 1930-2023 Union City, Hudson County, and New Jersey									
	Union City			Hudson County			New Jersey		
Year	Population	Change		Population	Change		Population	Change	
		Number	Percent		Number	Percent		Number	Percent
1930	58,659	-	-	690,730	-	-	4,041,334	-	-
1940	56,173	-2,486	-4.2%	652,040	-38,690	-5.6%	4,160,165	118,831	2.9%
1950	55,537	-636	-1.1%	647,437	-4,603	-0.7%	4,835,329	675,164	16.2%
1960	52,180	-3,357	-6.0%	610,734	-36,703	-5.7%	6,066,782	1,231,453	25.5%
1970	57,305	5,125	9.8%	607,839	-2,895	-0.5%	7,171,112	1,104,330	18.2%
1980	55,593	-1,712	-3.0%	556,972	-50,867	-8.4%	7,365,011	193,899	2.7%
1990	58,012	2,419	4.4%	553,099	-3,873	-0.7%	7,730,188	365,177	5.0%
2000	67,088	9,076	15.6%	608,975	55,876	10.1%	8,414,350	684,162	8.9%
2010	66,455	-633	-0.9%	634,266	25,291	4.2%	8,791,894	377,544	4.5%
2020	68,589	2,134	3.2%	724,854	90,588	14.3%	9,288,994	497,100	5.7%
2023	66,375	-2,214	-3.2%	710,478	-14,376	-2.0%	9,267,014	-21,980	-0.2%
Total Change	-	7,716	13.2%	-	19,748	2.9%	-	5,225,680	129.3%

Source: U.S. Census Bureau, Decennial Census and 2023: ACS 5-Year Estimates Table S0101

Population Composition by Age

The median age of the residents in Union City in 2023 was 35.9 years, which shows a 5.9% increase from the 2010 median age of 33.9 years. Analysis of age group characteristics provides insight into the actual changes in population. This comparison is helpful in determining the impact these changes have on housing needs, community facilities and services for the municipality. As detailed in Table 2 below, the entire composition of Union City experienced notable shifts in the years between 2010 and 2020. The most significant shift occurred in the population aged 55 and over, which collectively saw a 2,914-person (45.5%) increase. Simultaneously, the City experienced a slight decrease in its population under 14 years old (-5.5%). This data suggests that a larger portion of the City's residents are transitioning into the senior citizen age range, which will require the City to consider planning tools and approaches that encourage aging-in-place.

Table 2: Population by Age, 2010 to 2020						
Union City						
Population	2010		2020		Change (2010 to 2020)	
	Number	Percent	Number	Percent	Number	Percent
Under 5 years	4,845	7.3%	3922	5.7%	-923	-19.1%
5 to 14	8,255	12.4%	8921	13.0%	666	8.1%
15 to 24	9,736	14.7%	9,051	13.2%	-685	-7.0%
25 to 34	11,559	17.4%	11276	16.4%	-283	-2.4%
35 to 44	9,958	15.0%	10374	15.1%	416	4.2%
45 to 54	9,066	13.6%	9095	13.3%	29	0.3%
55 to 64	6,078	9.1%	7,843	11.4%	1765	29.0%
65 and over	6,958	10.5%	8,107	11.8%	1149	16.5%
Total population	66,455	100.00%	68,589	100.00%	2134	3.2%
Median Age	33.9	-	35.9	-	2	5.9%

Source: U.S. Census Bureau, Decennial Census, Tables DP1, P12 and P13

Hudson County experienced population fluctuation as well. The County also saw the greatest shift of roughly 47.3% in its population aged 55 and over, which was proportionally slightly higher than the increase experienced at the City level. However, the County experienced an increase in its population aged 14 and below (9.8%) as well as those aged 35 to 54 (20.9%), which differs from age trends occurring in the City. This data is displayed in Table 3 below.

Table 3: Population by Age, 2010 to 2020						
Hudson County						
Population	2010		2020		Change (2000 to 2010)	
	Number	Percent	Number	Percent	Number	Percent
Under 5 years	42,586	6.7%	44,816	6.2%	2,230	5.2%
5 to 14	66,584	10.5%	76,168	10.5%	9,584	14.4%
15 to 24	85,641	13.5%	83,663	11.5%	-1,978	-2.3%
25 to 34	131,508	20.7%	161,172	22.2%	29,664	22.6%
35 to 44	96,716	15.2%	115,232	15.9%	18,516	19.1%
45 to 54	82,985	13.1%	85,205	11.8%	2,220	2.7%
55 to 64	62,180	9.8%	76,308	10.5%	14,128	22.7%
65 and over	66,066	10.4%	82,290	11.4%	16,224	24.6%
Total population	634,266	100.0%	724,854	100.0%	90,588	14.3%
Median Age	34.2	-	34.8	-	0.6	1.8%

Source: U.S. Census Bureau, Decennial Census, Tables DP1, P12 and P13

Households

A household is defined as one or more persons, either related or not, living together in a housing unit. In 2023 there was a total of 24,511 households in Union City. Over half of the City's households comprised two or less people. In fact, Two-person households were the most common household size at both the City (27%) and County (30.8%) levels, followed by one-person households. The average household size of the City in 2020 was 2.56, which was slightly higher than that of the County's average of 2.38.

Table 4: Household Size of Occupied Housing Units, 2023				
Union City and Hudson County				
	Union City		Hudson County	
	Number	Percent	Number	Percent
1-person household	6,177	25.2%	86,330	29.8%
2-person household	6,627	27.0%	89,247	30.8%
3-person household	4,587	18.7%	50,455	17.4%
4-person household	3,704	15.1%	36,286	12.5%
5-person household	1,877	7.7%	15,807	5.5%
6-person household	943	3.8%	7,012	2.4%
7-or-more-person household	596	2.4%	4,271	1.5%
Total Households	24,511	100.0%	289,408	100.0%
Average Household Size (2023)	2.56		2.38	

Source: US Census Bureau 2020, H9 and 2023 ACS 5_year Table S1101

According to the United States Census, family households are defined as two or more persons living in the same household, related by birth, marriage, or adoption. As shown in Table 5, most (66%) of all households in the City in 2023 were categorized as family households. Of all households, approximately 17% were married-couple families with children under the age of 18. In providing more detail on American households, the 2020 Census includes the sub-groups of non-traditional households, including “Other Family” and “Non-Family” households. “Other Family” households accounted for 30% of all households, broken down into 21% female householders with no spouse or partner present and 9% male householders with no spouse or partner present. “Non-Family” households are defined as those that consist of a householder living alone or sharing the home exclusively with people to whom he/she is not related. Non-family households comprised approximately 34% of all households in the City. Approximately 26% of the City’s households were one-person households and is split almost evenly between female householders (14%) and male householders (12%).

Table 5: Household Size and Type, 2023		
Union City		
	Total	Percent
Total Households	25,782	100%
Family Households	16932	66%
Married couple family	9174	36%
With children	4377	17%
Without children	4,797	19%
Other Family	7758	30%
Male householder, no spouse	2247	9%
With children	1174	5%
Without children	1073	4%
Female householder, no spouse	5511	21%
With children	2763	11%
Without children	2748	11%
Nonfamily household	8850	34%
Male householder	4112	16%
Living alone	3116	12%
Not living alone	996	4%
With children	50	0%
Female householder	4738	18%
Living alone	3733	14%
Not living alone	1005	4%
With children	18	0%

Union City, Hudson County
Fourth Round Housing Element and Fair Share Plan

June 12, 2025

Source: 2023 ACS 5-Year B11005 and B11010

Income

As measured in 2023, Union City had a significantly lower median household income compared to Hudson County and the State of New Jersey. The median income in Union City was \$65,369, which was roughly \$25,000 less than that of the County and \$35,000 less than that of the State. The per capita income in Union City was much lower than that of the County and State. This data is outlined in Table 6 below.

Table 6: Per Capita Household Income, 2023 Union City, Hudson County, and New Jersey		
	Per Capita Income	Median Household Income
Union City	\$34,036	\$65,369
Hudson County	\$53,998	\$90,032
New Jersey	\$140,299	\$101,050

Source: 2023 ACS 5-year Estimates, Table S1902

In 2023, 59.4% percent of all households in the City earned an income of \$50,000 or more, as compared to 70.7% of households in the County. The income range that accounted for the most City households was the \$100,000 to \$149,999 bracket, which comprised nearly 16.6% of households in Union City. The second largest income bracket in the City was \$50,000 to \$74,999, comprising 15% of households. At the County level, the most common income range was \$200,000 or more (19.5%), with the second most common being the \$100,000 to \$149,999 range (16.6%). This suggests that the City's household income distribution is slightly skewed toward lower income brackets as compared to the County, which may at least partially help explain the stark difference between the median income reported at the City (\$65,369) and County (\$90,032) levels.

Table 7: Household Income, 2023 Union City and Hudson County				
	Union City		Hudson County	
	Number	Percent	Number	Percent
Less than \$10,000	1,676	6.50%	15,664	5.30%
\$10,000 to \$14,999	1,238	4.80%	13,004	4.40%
\$15,000 to \$24,999	2,346	9.10%	17,438	5.90%
\$25,000 to \$34,999	2,398	9.30%	17,142	5.80%
\$35,000 to \$49,999	2,759	10.70%	23,349	7.90%
\$50,000 to \$74,999	3,867	15.00%	39,604	13.40%
\$75,000 to \$99,999	3,558	13.80%	33,397	11.30%
\$100,000 to \$149,999	4,280	16.60%	49,062	16.60%
\$150,000 to \$199,999	1,444	5.60%	29,260	9.90%
\$200,000 or more	2,166	8.40%	57,633	19.50%
Total Households	25,782	100.0%	295,552	100.0%
Median Household Income	\$65,369		\$90,032	

Source: 2023 ACS 5-Year Estimates, Table S1901

Poverty Status

Of the 65,818 people in Union City for which poverty status was determined, 14,020 (21.3%) individuals lived in poverty in 2023; this was considerably higher than the County's poverty rate of 14.8%. Of Union City's population that fell below the poverty level in 2023, over half were between the ages of 18 to 64; this trend was mirrored at the County level as well. Proportionally the City and County had similar percentages of children and elderly living in poverty. This data is presented in Table 8 below.

Table 8: Poverty Status, 2023 Union City and Hudson County				
	Union City		Hudson County	
	Number	Percent	Number	Percent
Total persons	65,818	100.0%	701,665	100.0%
Total persons below poverty level	14,020	21.3%	103,860	14.8%
Under 18	4,263	6.5%	29,616	4.2%
18 to 64	7,898	12.0%	57,370	8.2%
65 and over	1,859	2.8%	16,874	2.4%

Source: 2023 American Community Survey 5-Year Estimate, Table S1701

Household Costs

Tables 9 and 10 below show the expenditures for housing as a percentage of household income for those who own and rent in Union City and Hudson County. In 2023, most City residents lived in homes they rent, which was the same at the County level as well. General affordability standards set a limit at 30% of gross income to be allocated for owner-occupied housing costs and 28% of gross income to be allocated for renter-occupied housing costs. Approximately 36.5% of City residents who owned the units they occupied spent 30% or more of their household income on housing, as compared to 51.3% of City residents who rented the units they occupied. Percentages at the County level are lower, 33.8% for home-owners and 44.1% for renters, but still reflect the same trends as at the City level.

Table 9: Selected Monthly Owner Costs as a Percentage of Household Income, 2023				
Union City and Hudson County				
	Union City		Hudson County	
	Number	Percent	Number	Percent
Total Owner-Occupied Housing Units	5,271	100.0%	92,160	100.0%
Less than 20.0%	2,299	43.6%	41,646	45.2%
20.0 to 24.9%	542	10.3%	10,714	11.6%
25.0 to 29.9%	455	8.6%	7,984	8.7%
30.0 to 34.9%	254	4.8%	5,361	5.8%
35.0% or more	1669	31.7%	25,825	28.0%
Not computed	52	1.0%	630	0.7%

Source: 2023 American Community 5-Year Estimates, Table DP04

Table 10: Gross Rent as a Percentage of Household Income, 2023				
Union City and Hudson County				
	Union City		Hudson County	
	Number	Percent	Number	Percent
Total Renter-Occupied Housing Units	20,511	100.00%	203,392	100.00%
Less than 10%	967	4.7%	9,130	4.5%
10.0 to 14.9%	1,639	8.0%	20,730	10.2%
15.0 to 19.9%	2,525	12.3%	28,038	13.8%
20.0 to 24.9%	2,045	10.0%	25,735	12.7%
25.0 to 29.9%	2,120	10.3%	22,986	11.3%
30.0 to 34.9%	1,412	6.9%	17,061	8.4%
35.0 to 39.9%	1,475	7.2%	12,391	6.1%
40.0 to 49.9%	1,788	8.7%	15,095	7.4%
50% or more	5,843	28.5%	45,116	22.2%
Not computed	697	3.4%	7,110	3.5%

Source: 2023 American Community 5-Year Estimates, Table B25070

EXISTING HOUSING CONDITIONS**Housing Unit Data**

Union City's housing stock is largely comprised of structures built prior to the year 2000. In 2023, Union City had a total of 27,442 occupied housing units, 74.7% of which were owner-occupied and 19.2% of which were renter-occupied. The City experienced steady growth of housing from 1940 up to 1990, with the housing inventory being relatively evenly split between each decade in that timeframe. One third of all housing in Union City was built before 1939. According to 2023 American Community Survey Estimates, the City has seen very few housing structures built between 2010 and 2020. The median year of construction for the housing stock in Union City is 1958. This data is outlined in Tables 11 and 12 below.

Table 11: Housing Data, 2023			
Union City			
	Number	% of Total Housing Units	% of Occupied Housing Units
Total Housing Units	27,442	100.00%	-
Occupied Housing Units	25,782	94.0%	100.00%
Owner Occupied	5,271	19.2%	20.4%
Renter Occupied	20,511	74.7%	79.6%
Vacant Housing Units	1,660	6.0%	-

Source: 2023 American Community Survey 5-Year Estimates, Table DP04

Table 12: Year Structure Built, 2023		
Union City		
	Number	Percent
Total Housing Units	27,442	100.00%
Built 1939 or earlier	9103	33.2%
Built 1940 to 1949	2,487	9.1%
Built 1950 to 1959	2,588	9.4%
Built 1960 to 1969	2,929	10.7%
Built 1970 to 1979	2,694	9.8%
Built 1980 to 1989	2,559	9.3%
Built 1990 to 1999	2,138	7.8%
Built 2000 to 2009	1,888	6.9%
Built 2010 to 2019	1,026	3.7%
Built 2020 or later	30	0.1%
Median Year Structure Built	1958	

Source: 2023 American Community Survey 5-Year Estimates, Tables B25034 and B25035

According to the 2023 American Community Survey, Union City has a high occupancy rate, with very few of their housing units vacant. Of Union City's 27,442 housing units, 25,782 (94%) were occupied and only 1,660 (6%) were vacant. Eighty-eight percent (88%) of vacant units could be attributed to "For Rent/Rented Not Occupied" and "Other Vacant" categories, with "For Seasonal, Recreational or Occasional Use", "For Sale Only", and "Sold, Not Occupied" accounting for the remaining 12%. This data is represented in Table 13 below.

Table 13: Housing Occupancy, 2023			
Union City			
	Total	% of Total Housing Units	% of Vacant Housing Units
Total Housing Units	27,442	100.00%	-
Occupied	25,782	94.0%	-
Vacant Housing Units	1,660	6.0%	100.0%
For Rent/Rented Not Occupied	759	2.8%	45.7%
For Sale Only	79	0.3%	4.8%
Sold, not occupied	71	0.3%	4.3%
For Seasonal, Recreational or Occasional Use	48	0.2%	2.9%
For migrant workers	0	0.0%	0.0%
Other Vacant	703	2.6%	42.3%

Source: ACS 5-Year DP04 and B25004

Housing Type and Size

In 2023, the most common housing type in Union City were structures with 20 units or more, at 23.5%. Multi-unit housing made up most of the City's housing stock, with structures housing 3 units or more accounting for 76.1%. Single-family attached homes (2.2%) and single-family detached homes (4.7%) were not a common housing type across the City. The median number of rooms within housing structures in the City was 3.8, with over 72% of housing units having a maximum of 4 rooms.

Table 14: Housing Type and Size, 2023		
Union City		
Units in Structure	Total	Percent
1, detached	1,292	4.7%
1, attached	612	2.2%
2	4,616	16.8%
3 or 4	5,495	20.0%
5 to 9	4,865	17.7%
10 to 19	4,088	14.9%
20 or more	6,461	23.5%
Mobile home	7	0.0%
Boat, RV, van, etc.	6	0.0%
Total Housing Units	27,442	100.00%
Rooms	Total	Percent
1 room	2,064	7.5%
2 rooms	1,911	7.0%
3 rooms	7,218	26.3%
4 rooms	8,604	31.4%
5 rooms	4,734	17.3%
6 rooms	1,343	4.9%
7 rooms	615	2.2%
8 rooms	432	1.6%
9 or more rooms	521	1.9%
Total Housing Units	27,442	100.00%
Median number of rooms	3.8	

Source: 2023 ACS 5-Year Estimates, Tables DP04

Housing Growth and Projections

In terms of residential growth, the issuance of building permits serves as one of the indicators that help to determine housing needs in a given municipality. Table 15 below illustrates the number of building permits that were issued over the 10-year period between January 2014 through December 2024, when the City issued building permits authorizing the development of 628 housing units. Within this time frame, the busiest years for building permits occurred between 2015 and 2018, with roughly 80% of all building permits since 2013 having been issued in those years. Most permits issued during this time frame were for single- and two-family homes and multi-family structures, while only 3 permits were issued for mixed-use structures.

Further, throughout the same 10-year period, Union City issued permits authorizing the demolition of 92 units, which averages approximately 9.2 units per year. The average demolition rate is approximately 14.6% of the abovementioned development rate (i.e., a home net increase of around 85.4%). If the demolition rate were to remain relatively constant over the next approximately 10-year period, an additional 92 residential units could be expected to be demolished between January 2025 and the end of 2035, resulting in a projected net increase of 536 units.

Table 15: Housing Units Authorized by Building Permits, 2014-2024				
Union City				
Year	1 & 2 Family	Multi Family	Mixed-Use	Total
2014	0	31	0	31
2015	0	175	0	175
2016	3	73	0	76
2017	1	154	0	155
2018	3	96	0	99
2019	2	48	0	50
2020	2	0	0	2
2021	6	22	3	31
2022	0	0	0	0
2023	6	3	0	9
2024	-	-	-	-
Total 2014-2024				628
10-Year Average				62.8
10-Year Permit Projection (2025-2035)				628

Source: State of New Jersey Department of Community Affairs Building Permits: Yearly Summary Data

Table 16: Housing Units Demolished by Building Permits, 2014-2024				
Union City				
Year	1 & 2 Family	Multi Family	Mixed-Use	Total
2014	9	24	0	33
2015	2	0	0	2

Union City, Hudson County
Fourth Round Housing Element and Fair Share Plan

June 12, 2025

2016	2	10	0	10
2017	11	2	0	13
2018	4	3	0	7
2019	3	0	0	3
2020	2	0	0	2
2021	1	1	0	2
2022	10	0	0	10
2023	2	8	0	10
2024	-	-	-	-
Total 2014-2024				92
10-Year Average				9.2
10-Year Demolition Projection (2025-2035)				92

Source: State of New Jersey Department of Community Affairs Building Permits: Yearly Summary Data

Housing Values and Contract Rents

According to the 2023 American Community Survey, more than three-quarters (78.8%) of the owner-occupied housing stock in Union City in 2023 was valued at over \$300,000, which is slightly lower than that of the County's housing stock (83.5%). In addition, the City's median home value (\$446,800) is lower than that of the County (\$508,600) by an estimated \$62,000. This data is outlined in Table 17 below.

Table 17: Value for Owner-Occupied Housing Units, 2023 Union City and Hudson County				
	Union City		Hudson County	
	Number	Percent	Number	Percent
Total	5,271	100.0%	92,160	100.0%
Less than \$50,000	161	3.1%	2,633	2.9%
\$50,000 to \$99,999	59	1.1%	703	0.8%
\$100,000 to \$149,999	194	3.7%	1,065	1.2%
\$150,000 to \$199,999	108	2.0%	2,362	2.6%
\$200,000 to \$299,999	600	11.4%	8,531	9.3%
\$300,000 to \$499,999	2,118	40.2%	29,911	32.5%
\$500,000 to \$999,999	1,944	36.9%	37,116	40.3%
\$1,000,000 and greater	87	1.7%	9,839	10.7%
Median Value	\$446,800		\$508,600	

Source: 2023 American Community Survey 5-Year Estimates, Tables B25075 and B25077

As shown in Table 18 below, it is estimated that 3,303 (62.7%) of owner-occupied units in the City were financed by a mortgage, contract to purchase, or similar debt. Of those units with a mortgage, 94.2% did not have any additional lines of credit associated with the unit, while 4.5% were associated with multiple mortgages, and 1.3% were associated with a home equity loan without a primary mortgage. There were more owner-occupied housing units with a mortgage at the County level; more specifically, 60,723 (65.9%) of such units had a primary mortgage, contract to purchase, or similar debt. Of those units in the County tied to a mortgage 90.7% did not have any additional lines of credit associated with the unit, while 7.9% were associated with multiple mortgages, and 1.4% were associated with a home equity loan without a primary mortgage.

Table 18: Mortgage Status, 2023
Harrison and Hudson County

	Harrison			Hudson County		
	Number	% of Total Units	% of Units with Mortgage	Number	% of Total Units	% of Units with Mortgage
Total Owner-Occupied Units	1,697	100.00%	-	92,160	100.00%	-
Housing units with a mortgage, contract to purchase, or similar debt:	1,001	59.0%	100.00%	60,723	65.9%	100.00%
Housing units with no second mortgage and no home equity loan	858	50.6%	85.7%	55,066	59.8%	90.7%
Housing units with multiple mortgages:	104	6.1%	10.4%	4,791	5.2%	7.9%
Mortgage with both second mortgage and home equity loan	22	1.3%	2.2%	215	0.2%	0.4%
Mortgage, with only home equity loan	82	4.8%	8.2%	3,688	4.0%	6.1%
Mortgage, with only second mortgage	0	0.0%	0.0%	888	1.0%	1.5%
Home equity loan without a primary mortgage	39	2.3%	3.9%	866	0.9%	1.4%
Housing units without a mortgage	696	41.0%	-	31,437	34.1%	-

Source: 2023 American Community Survey 5-Year Estimates, Table B25081

As shown in Table 19 below, the median contract rent in Union City in 2023 was \$1,352, which was roughly \$320 lower than the County median rent of \$1,673. Within the City, the highest percentage of renters paid between \$1,000 to \$1,499 for monthly rent (37.7%), followed by \$1,500 to \$1,999 (26.6%). Overall, 87.4% of renters in the City paid under \$2,000 for monthly rent in 2023. At the County level, 63.6% of renters paid between under \$2,000 for monthly rent, and there was a significantly higher occurrence of renters paying \$3,000 or more for rent (14.8%). This data suggests that rent in the City more affordable than it is throughout the County as a whole.

Table 19: Contract Rent, 2023
Union City and Hudson County

	Union City		Hudson County	
	Number	Percent	Number	Percent
Total Renter-Occupied Units	20,511	100.0%	203,392	100.0%
Less than \$500	670	3.3%	13608	6.7%
\$500 to \$999	4060	19.8%	21841	10.7%
\$1,000 to \$1,499	7,725	37.7%	49,214	24.2%
\$1,500 to \$1,999	5,448	26.6%	44,740	22.0%
\$2,000 to \$2,499	1,508	7.4%	25,091	12.3%
\$2,500 to \$2,999	668	3.3%	15,714	7.7%
\$3,000 or More	137	0.7%	30007	14.8%
No Rent Paid	295	1.4%	3,177	1.6%
Median Contract Rent	\$1,352		\$1,673	

Source: 2023 American Community Survey 5-Year Estimates, Table B25056 and B25058

Housing Conditions

Table 20 below details the conditions of the City's housing stock in 2023. Overcrowding and age, plumbing, and kitchen facilities are used to determine housing deficiency. In 2023, nearly three-quarters (70.1%) of the City's housing stock relied on utility gas for heating, followed by electricity (19.8%). A total of 3,701 (14.3%) occupied housing units experienced overcrowding (more than one person per room). Throughout the City, there were 1,543 (5.6%) occupied housing units that lacked complete kitchen facilities (1.1%) 305 that lacked plumbing facilities, and 551 (2.1%) units lacked telephone service.

Table 20: Housing Conditions, 2023		
Union City		
	Number	Percent
House Heating Fuel-Occupied Housing Units		
Total	25,782	100.0%
Utility gas	18,073	70.1%
Bottled, tank, or LP gas	1,025	4.0%
Electricity	5,115	19.8%
Fuel oil, kerosene, etc.	690	2.7%
Coal or coke	0	0.0%
Wood	0	0.0%
Solar energy	0	0.0%
Other fuel	294	1.1%
No fuel used	585	2.3%
Occupants per Room – Occupied Housing Units		
Total	25,782	100.0%
1.00 or Less	22,081	85.6%
1.01 to 1.50	2,408	9.3%
1.51 or More	1,293	5.0%
Facilities – Total Units		
Total	27,442	100.0%
Lacking complete plumbing facilities	305	1.1%
Lacking complete kitchen facilities	1,543	5.6%
Telephone Service – Occupied Housing Units		
Total	25,782	100.0%
No Service	551	2.1%

Sources: 2023 ACS 5-Year Estimates DP04, B25047, and B25051

EMPLOYMENT DATA

Tables 21, 22, and 23 below detail the changes in employment between the years 2010 and 2023 in Union City, Hudson County, and New Jersey, respectively. Throughout this thirteen-year period, the City saw an overall 6.8% decrease in its unemployment rate. Although the City experienced a 9.6% spike in unemployment between 2019 and 2020 due to the COVID-19 pandemic, it has rebounded to a considerably lower unemployment rate in recent years. This overall trend is mirrored at both the County and State level as well, although in comparison the City has consistently exhibited a higher unemployment rate throughout this period. In 2023, the City's unemployment rate was 4.7%, which was 0.3% higher than the County (4.4%) and the State (4.4%).

Table 21: Employment and Residential Labor Force, 2010 to 2023				
Union City				
Year	Labor Force	Employment	Unemployment	Unemployment Rate
2010	35,274	31,222	4,052	11.5%
2011	35,536	31,661	3,875	10.9%
2012	35,635	31,830	3,805	10.7%
2013	35,108	31,774	3,334	9.5%
2014	34,815	32,102	2,713	7.8%
2015	34,771	32,532	2,239	6.4%
2016	34,707	32,771	1,936	5.6%
2017	35,723	33,927	1,796	5.0%
2018	35,199	33,656	1,543	4.4%
2019	35,667	34,359	1,308	3.7%
2020	36,005	31,210	4,795	13.3%
2021	35,189	32,066	3,123	8.9%
2022	35,342	33,859	1,483	4.2%
2023	36,057	34,369	1,688	4.7%

Source: NJ Dept. of Labor & Workforce Development Labor Force Estimates

Table 22: Employment and Residential Labor Force, 2010 to 2023 Hudson County				
Year	Labor Force	Employment	Unemployment	Unemployment Rate
2010	354,033	319,761	34,272	9.7%
2011	357,688	325,075	32,613	9.1%
2012	360,326	328,212	32,114	8.9%
2013	358,402	329,693	28,709	8.0%
2014	358,235	335,556	22,679	6.3%
2015	359,627	340,535	19,092	5.3%
2016	360,852	344,126	16,726	4.6%
2017	373,664	357,779	15,885	4.3%
2018	370,168	356,342	13,826	3.7%
2019	376,568	364,570	11,998	3.2%
2020	372,954	335,061	37,893	10.2%
2021	370,608	344,250	26,358	7.1%
2022	377,810	363,504	14,306	3.8%
2023	385,860	368,978	16,882	4.4%

Source: NJ Dept. of Labor & Workforce Development Labor Force Estimates

Table 23: Employment and Residential Labor Force, 2010 to 2023 New Jersey				
Year	Labor Force	Employment	Unemployment	Unemployment Rate
2010	4,559,800	4,119,000	440,800	9.7%
2011	4,561,800	4,134,700	427,100	9.4%
2012	4,576,300	4,147,200	429,100	9.4%
2013	4,528,000	4,147,700	380,400	8.4%
2014	4,493,900	4,191,300	302,600	6.7%
2015	4,494,600	4,237,900	256,700	5.7%
2016	4,492,800	4,271,200	221,600	4.9%
2017	4,615,000	4,406,200	208,800	4.5%
2018	4,604,800	4,420,700	184,100	4.0%
2019	4,686,300	4,524,300	162,000	3.5%
2020	4,650,300	4,212,400	437,900	9.4%
2021	4,666,100	4,357,200	308,900	6.6%
2022	4,739,800	4,564,100	175,700	3.7%
2023	4,829,671	4,615,722	213,949	4.4%

Source: NJ Dept. of Labor & Workforce Development Labor Force Estimates

Employment Status

It is estimated that over two-thirds (68.3%) of Union City's population over the age of 16 was in the labor force in 2023, which was slightly lower than the County's rate of 70.3%. Of the City's labor force, 99.9% of workers were civilians and a vast majority (91.5%) were employed. At the County level, 99.9% of workers were civilians and 94% of the labor force was employed, indicating that the City and County exhibited similar trends. This data is shown in Table 24 below.

Table 24: Employment, 2023 Union City and Hudson County						
	Union City			Hudson County		
	Number	% of 16+ Population	% of Labor Force	Number	% of 16+ Population	% of Labor Force
Population 16 years and over	53,739	100.0%	-	582,051	100.0%	-
In labor force	36,713	68.3%	100.0%	408,999	70.3%	100.0%
Civilian Labor Force	36,668	68.2%	99.9%	408,443	70.2%	99.9%
Employed	33,540	62.4%	91.4%	384,403	66.0%	94.0%
Unemployed	3,128	5.8%	8.5%	24,040	4.1%	5.9%
Armed Forces	45	0.1%	0.1%	556	0.1%	0.1%
Not in labor force	17,026	31.7%	-	173,052	29.7%	-

Source: 2023 American Community Survey 5-Year Estimates, Table DP03

Class of Worker and Occupation

According to the 2023 American Community Survey Estimates, the majority of workers (78.9%) living in Union City were a part of the private wage and salary worker group. This group includes people who work for wages, salary, commission, and tips for a private for-profit employer or a private not-for-profit, tax-exempt or charitable organization. The next largest category was local government workers (6.4%), followed by those who were self-employed or an unpaid family worker (6.3%). This data is outlined in Table 25 below.

Table 25: Class of Worker, 2023 Union City		
	Number	Percent
Total Civilian Employed Workers (Age 16+)	33,540	100.0%
Private Wage and Salary Worker	26,478	78.9%
Private not-for-profit wage and salary workers	1,788	5.3%
Local Government Worker	2,131	6.4%
State Government Worker	727	2.2%
Federal Government Worker	293	0.9%
Self-Employed Worker or Unpaid Family Worker	2,123	6.3%

Source: 2023 American Community Survey 5-Year Estimates, Table S2408

The occupational breakdown shown in Table 26 below includes only private wage and salary workers. City residents who worked within the private wage field were concentrated heavily in Management, Business, Science, and Arts occupations as well as Service occupations. Collectively, the two fields accounted for 51% of the entire resident workforce over the age of 16.

Table 26: Resident Employment by Occupation, 2023		
Union City		
	Number	Percent
Employed Civilian population 16 years and over	33,540	100.0%
Management, business, science and arts occupations	9,767	29.1%
Service occupations	7,345	21.9%
Sales and office occupations	6,197	18.5%
Natural resources, construction and maintenance occupations	3,367	10.0%
Production Transportation and material moving occupations	6,864	20.5%

Source: 2023 American Community Survey 5-Year Estimates, Table DP03

As portrayed in Table 27, the industry that employed the greatest number of Union City residents in 2020 was the Educational Services, and Health Care and Social Assistance sector, which accounted for 17.7% of the City's resident workforce. The second most common industry during this time was the Professional, Scientific, and Management, and Administrative and Waste Management Services sector, which accounted for 12% of jobs occupied by City residents.

Table 27: Employment by Industry, 2023		
Union City		
Industry	Number	Percent
Employed Civilian Population 16 Years and Over	33,540	100.00%
Agriculture, forestry, fishing and hunting, mining	12	0.0%
Construction	2,931	8.7%
Manufacturing	2,578	7.7%
Wholesale Trade	1,211	3.6%
Retail Trade	3,814	11.4%
Transportation and Warehousing, and Utilities	3,402	10.1%
Information	1,029	3.1%
Finance and insurance, and real estate and rental and leasing	2,590	7.7%
Professional, scientific, and management, and administrative and waste management services	4,022	12.0%
Educational services, and health care and social assistance	5,946	17.7%
Arts, entertainment, and recreation, and accommodation and food services	3,846	11.5%
Other Services, except public administration	1,460	4.4%
Public administration	699	2.1%

Source: 2023 American Community Survey 5-Year Estimates, Table DP03

Commuting to Work

In 2023, it is estimated that nearly two-thirds (60.3%) of the employed population that did not work from home commuted up to 35 minutes to their place of work. Approximately 85.1% of the City's workers commuted for up to an hour, with the remaining population traveling between an hour to an hour and a half to get to work. A majority (35.4%) of the City's working population took public transportation as their primary means of travel to work. Roughly 42.1% of workers drove alone or carpooled, while 11.4% walked, 4% took a taxicab, motorcycle, bike, or other means of transportation to commute to work, while the remaining 7.1% of the population worked from home. This data is outlined in Tables 28 and 29 below.

Table 28: Travel Time to Work, 2023		
Union City		
	Number	Percent
Workers who did not work at home	30,144	100.0%
Less than 5 minutes	197	0.7%
5 to 9 minutes	1,286	4.3%
10 to 14 minutes	2,206	7.3%
15 to 19 minutes	3,706	12.3%
20 to 24 minutes	4,020	13.3%
25 to 29 minutes	1,381	4.6%
30 to 34 minutes	5,372	17.8%
35 to 39 minutes	1,044	3.5%
40 to 44 minutes	2,296	7.6%
45 to 59 minutes	4,122	13.7%
60 to 89 minutes	3,904	13.0%
90 or more minutes	610	2.0%
Mean Travel Time to Work (minutes)	32.9	

Source: 2023 American Community Survey 5-Year Estimates, Table B08303 and DP03

Table 29: Means of Travel to Work, 2023		
Union City		
	Number	Percent
Workers 16 years and over	32,460	100.0%
Car, truck, van - Drove Alone	10,408	32.1%
Car, truck, van - Carpooled	3,248	10.0%
Public Transportation	11,488	35.4%
Walked	3,701	11.4%
Taxicab, Motorcycle, Bike, or Other	1,299	4.0%
Worked at home	2,316	7.1%

Source: 2023 American Community Survey 5-Year Estimates, Table DP03

Covered Employment

There is currently very limited information available on actual job opportunities within municipalities. The Department of Labor and Workforce Development collects information on covered employment, which is employment and wage data for private employees covered by unemployment insurance. The following table provides a snapshot of private employers located within Union City. The first table reflects the number of jobs covered by private employment insurance from 2013 through 2023.

According to data from the New Jersey Department of Labor and Workforce Development, the highest number of jobs covered in Union City between 2013 and 2023 was in 2022 when 9,805 jobs were covered by unemployment insurance. Private employment has remained relatively steady in Union City since 2013, with its largest loss occurring between 2019 and 2020 (-9.5%), and largest gain occurring between 2020 and 2021 (14.4%). Union City City experienced a decrease of 25 jobs in 2023, representing a decrease of -0.3% percent from 2022.

Table 30: Private Wage Covered Employment 2013 - 2023			
Union City			
Year	Number of Jobs	# Change	% Change
2013	7,117	-	-
2014	7,444	327	4.6%
2015	8,071	627	8.4%
2016	8,477	406	5.0%
2017	8,573	96	1.1%
2018	8,730	157	1.8%
2019	8,849	119	1.4%
2020	8,012	-837	-9.5%
2021	9,162	1151	14.4%
2022	9,830	668	7.3%
2023	9,805	-25	-0.3%

Source: NJ Dept. of Labor & Workforce Development Labor Force Estimates

In-City Establishments and Employees by Industry: 2022

Table 31 below depicts the average annual number of establishments and employees by industry sector that exist within the City, as reported in the Quarterly Census of Employment and Wages (QCEW) published by the New Jersey Department of Labor and Workforce Development (NJDLWD). The QCEW provides a quarterly accounting of employment, establishments, and wages throughout the State of New Jersey, and accounts for over 95% of available jobs in the state. The annual municipal reports group data according to the North American Industry Classification System (NAICS). The QCEW considers an establishment to be a single economic unit, which is located at one physical location and engaged in one type of economic

activity. The NJDLWD specifies that establishments differ from firms or companies in the sense that the latter can have multiple establishments.

In 2023, the City had an annual average of 1,761 establishments employing an average of 9,805 persons in the private sector. In the private sector, the annual averages were broken out as follows: healthcare and social services (Health/Social) sector was the City's predominant private sector, accounting for approximately 27.5% of employees employed by establishments in Union City, Admin/Waste Remediation accounted for 20.9%, Accommodations/Food accounted for 12.7%, and Retail Trade accounted for another 12.7%.

Table 31: Average Number of Establishments and Employees by Industry, 2023			
Union City			
Industry ID and Description		2023 Average	
		Units	Employment
11	Agriculture		
23	Construction	70	212
31	Manufacturing	34	151
42	Wholesale Trade	38	197
44	Retail Trade	242	1,242
48	Transportation/Warehousing	67	305
51	Information	21	88
52	Finance/Insurance	45	248
53	Real Estate	46	145
54	Professional/Technical	129	460
56	Admin/Waste Remediation	55	2,048
61	Education	18	188
62	Health/Social	633	2,692
71	Arts/Entertainment	-	-
72	Accommodations/Food	153	1,244
81	Other Services	136	357
	Unclassified	61	72
	Private Sector Totals	1,761	9,805
	Local Government Totals	24	3,488

Source: NJ Dept. of Labor & Workforce Development Labor Force, Quarterly Census of Employment and Wages (QCEW), Municipal Report by Sector (NAICS Based), 2022

Data have been suppressed (-) for industries with few units or where one employer is a significant percentage of employment or wages of the industry.

Probable Future Employment Opportunities

The North Jersey Transportation Planning Authority (NJTPA) completes regional forecasts for the New York/New Jersey metropolitan area every four years for population, households, and employment. The most recent report was released in 2021, documenting projections between 2015 and 2050. The 2021 report predicts that the City's population (0.24%), households (0.25%), and employment (0.77%) will see steady annualized growth through 2050. It is estimated that the population will see an overall 8.7% increase, while households will increase by 9.2% and employment will increase by 30.9%.

Table 32: Population and Employment Projections, 2015 to 2050					
Union City					
Category	2015	2050 (Projected)	Annualized	Overall Projected Change	
			Percent Change	Number	Percent
Population	68,169	74,099	0.24%	5,930	8.7%
Households	23,822	26,019	0.25%	2,196	9.2%
Employment	13,533	17,718	0.77%	4,185	30.9%

Source: NJTPA Municipal Forecasts, dated 9/13/2021

PART 2: FAIR SHARE PLAN

INTRODUCTION

The following Fair Share Plan ("Plan") details the City's Prior Round (1987-1999), Third Round (1999-2025), and Fourth Round (2025-2035) Prospective Need obligations, as well as Union City's Fourth Round Present Need. This Plan proposes mechanisms by which the City can realistically provide opportunities for affordable housing for those moderate-, low-, and very low- income households.

Prior Round Obligation	0
Third Round Obligation	0
Fourth Round Prospective Need	0
Fourth Round Present Need / Rehabilitation Obligation	2,088

CURRENT STANDARDS

The amended Fair Housing Act includes a number of changes associated with the application of various categories of credits. The below walks through the current standards applicable to the City's Fourth Round obligation.

Age-Restricted Housing

A municipality may not satisfy more than 30% of the affordable units, exclusive of bonus credits, to address its prospective need affordable housing through the creation of age-restricted housing.

Transitional Housing

Transitional housing units, which will be affordable for persons of low- and moderate-income, were not previously categorized by the Fair Housing Act as a standalone housing type. The amended legislation includes such transitional housing units as a new category which may be included in the HEFSP and credited towards the fulfillment of a municipality's fair share obligations. This is limited to a maximum of 10% of the municipality's obligations, however.

Veterans Housing

Up to 50% of the affordable units in any particular project may be prioritized for low- and moderate-income veterans.

Families with Children

A minimum of 50% of a municipality's actual affordable housing units, exclusive of bonus credits, must be made available to families with children.

Rental Units

A minimum of 25% of a municipality's actual affordable housing units, exclusive of bonus credits, shall be satisfied through rental units. At least half of that number shall be available to families with children.

Very-Low Income Requirement

At least 13% of the housing units made available for occupancy by low-income and moderate-income houses shall be reserved for low-income households earning 30% or less of the median income pursuant to the Fair Share Housing Act, N.J.S.A. 52:27D-301, et seq. Half of the very low-income units will be made available to families with children.

Low/Moderate Income Split

At least 50% of the units addressing the City's obligation shall be affordable to very-low income and low-income households, and the remaining may be affordable to moderate-income households.

Affordability Controls

Newly created rental units shall remain affordable to low-and moderate-income households for a period of not less than 40 years, 30 years for for-sale units, and 30 years for housing units for which affordability controls are extended for a new term of affordability, provided that the minimum extension term may be limited to no less than 20 years as long as the original and extended terms, in combination, total at least 60 years.

Affirmative Marketing

The affordable units shall be affirmatively marketed in accordance with UHAC and applicable law, to include the community and regional organizations identified in the agreement as well as the posting of all affordable units on the New Jersey Housing Resource Center website in accordance with applicable law.

Uniform Housing Affordability Controls (UHAC)

All affordable units created through the provisions of this Plan shall be developed in conformance with the Uniform Housing Affordability Controls (UHAC) pursuant to N.J.A.C. 5:80-26.1 et seq. as amended.

Unit Adaptability

All new construction units shall be adaptable in conformance with P.L.2005, c.250/N.J.S.A. 52:27D-311a and -311b and all other applicable laws.

Bonus Credits

Bonus credits shall not exceed 25% of a municipality's prospective need obligation, nor shall a municipality receive more than one type of bonus credit for any one unit. Bonus credits may be granted on the following schedule:

Unit Type	Unit Credit	Bonus Credit
Each unit of low- or moderate-income housing for individuals with special needs or permanent supportive housing, as those terms are defined in section 2 of P.L. 2004, c.70 (C.34:1B-21.24).	1	1
Each low- or moderate-income ownership unit created in partnership sponsorship with a non-profit housing developer.	1	0.5
Each unit of low- or moderate-income housing located within a one-half mile radius, or one-mile radius for projects located in a Garden State Growth Zone, as defined in section 2 of P.L.2011, c.149 (C.34:1B-243), surrounding a New Jersey Transit Corporation, Port Authority Transit Corporation, or Port Authority Trans-Hudson Corporation rail, bus, or ferry station, including all light rail stations. ¹	1	0.5
A unit of age-restricted housing, provided that a bonus credit for age-restricted housing shall not be applied to more than 10 percent of the units of age-restricted housing constructed in compliance with the Uniform Housing Affordability Controls promulgated by the New Jersey Housing and Mortgage Finance Agency in a municipality that count towards the municipality's affordable housing obligation for any single 10-year round of affordable housing obligations.	1	0.5
A unit of low- or moderate-income housing constructed on land that is or was previously developed and utilized for retail, office, or commercial space.	1	0.5
Each existing low- or moderate-income rental housing unit for which affordability controls are extended for a new term of affordability, in compliance with the Uniform Housing Affordability Controls promulgated by the New Jersey Housing and Mortgage Finance Agency, and the municipality contributes funding towards the costs necessary for this preservation.	1	0.5
Each unit of low- or moderate-income housing in a 100 percent affordable housing project for which the municipality contributes toward the costs of the project. ²	1	1
Each unit of very low-income housing for families above the 13 percent of units required to be reserved for very low-income housing pursuant to section 7 of P.L.2008, c.46 (C.52:27D-329.1).	1	0.5
Each unit of low- or moderate-income housing created by transforming an existing rental or ownership unit from a market rate unit to an affordable housing unit. ³	1	1

¹ The distance from the bus, rail, or ferry station to a housing unit shall be measured from the closest point on the outer perimeter of the station, including any associated park-and-ride lot, to the closest point of the housing project property.

² This contribution may consist of: (a) real property donations that enable siting and construction of the project or (b) contributions from the municipal affordable housing trust fund in support of the project, if the contribution consists of no less than three percent of the project cost.

³ A municipality may only rely on this bonus credit as part of its fair share plan and housing element if the municipality demonstrates that a commitment to follow through with this market to affordable agreement has been made and: (a) this agreement has been signed by the property owner; or (b) the municipality has obtained ownership of the property.

UNION CITY'S AFFORDABLE HOUSING OBLIGATIONS

The City's affordable housing obligations are as follows:

Prior Round Obligation	0
Third Round Obligation	0
Fourth Round Prospective Need	0
Fourth Round Present Need / Rehabilitation Obligation	2,088

REVIEW OF PREVIOUS ROUND COMPLIANCE

As part of any Housing Element and Fair Share Plan, a municipality shall include an assessment of the degree to which the municipality has met its fair share obligation from the previous rounds of affordable housing obligations as established by prior court approval or approval by COAH and determine to what extent this obligation is unfulfilled or whether the municipality has credits in excess of its previous round obligations. If a previous round obligation remains unfulfilled, or a municipality never received an approval from the court or COAH for any previous round, the municipality shall address such unfulfilled previous round obligation in its Housing Element and Fair Share Plan.

In addressing previous round obligations, the municipality shall retain any sites that, in furtherance of the previous round obligation, are the subject of a contractual agreement with a developer, or for which the developer has filed a complete application seeking subdivision or site plan approval prior to the date by which the Housing Element and Fair Share Plan are required to be submitted, and shall demonstrate how any sites that were not built in the previous rounds continue to present a realistic opportunity.

Prior Round Compliance 1987-1999

The City had a Prior Round obligation of 0 units due to it being deemed an Urban Aid municipality.

Third Round Compliance 1999-2025

As an Urban Aid municipality, the City had a Third Round Prospective Need obligation of 0 units. Regardless, a series of affordable housing initiatives have been conducted in Union City over the past several decades, including the construction of new developments and the rehabilitation of existing ones. They range in size, length of affordability controls, the percentage of units designated as affordable, and their target populations. The table below summarizes the housing initiatives applied towards the City's Third Round Present Need obligation.

Summary Union City's Third Round Compliance	
Developed Housing:	
Horizon Heights (HOME)	26
551 40 th Street (HOME)	18
The Palisades (HOME)	45
St. Michael's Pavilion (HOME)	70
The Renaissance (HOME)	36
Bella Vista Apartments	230
Holy Rosary Housing (HOME)	60
Garden State Episcopal Community Development Corp.	9
1401 Bergenline Avenue (HOME)	12
311-317 8 th Street (HOME)	32
PERC Shelter (HOME)	N/A
CDBG Rehabilitated Units	21
UCHA Rental Units:	
Columbian Court	96
Hillside Terrace I	147
Hillside Terrace II	112
Palisade Plaza	101
UCHA Veteran Units:	
136-147 Cantello Street	40
405 5 th Street	12
509-513 5 th Street	8
520 5 th Street & 500 West Street	12
118-120 39 th Street and 115 40 th Street	18
309-311 44 th Street	22
<i>UCHA Rehabilitated Units*</i>	52
Total Units	1,075*

* Final number does not include the 52 units of rehabilitated Union City Housing Authority Units

Horizon Heights

Horizon Heights is located at 4906 Broadway. Half of the building is located in West New York and half in Union City. The half that is in Union City contains 26 affordable family rental units. The development was completed in 2011.

551 40th Street

The property at 551 40th Street contains 18 affordable rental units available for veterans with physical and mental disabilities. The development contains twelve one-bedroom units and six two-bedroom. The development received HOME funding and was opened in December 2013.

The Palisades

The Palisades is located at 3900 Palisade Avenue. In partnership with the Union City Housing Authority, the development received low-income tax credits in 1999. The project created 45 affordable family rental housing units and was constructed in 2001.

St. Michael's Pavilion

St. Michael's Pavilion is located at 1901 West Street, and is the former location of the St. Michael's Monastery. In 1994, the monastery was ravaged by a fire, which destroyed its roof and much of its interior. The developer, Monastery Urban Renewal, applied for and received low-income tax credits in 1997. St. Michael's contains 70 affordable family rental units and was built in 1999.

The Renaissance

The Renaissance is located at 26th Street and Central Avenue. Developed by the North Hudson Community Action Corporation, the development was completed in 2001 and created 36 affordable family rental units. The development received low-income tax credits in 1999.

Bella Vista Apartments

The Bella Vista Apartments is located at 522 22nd Street and provides a total of 230 Section 8 federally subsidized apartments. The 230 units are divided among senior residents and legally handicapped or disabled persons. Bella Vista was completed post 1980.

Holy Rosary Housing

Holy Rosary Housing, located at 1501-09 Bergenline Avenue contains 60 affordable senior rental units. The project was built in 2004. The project received Section 202 Supportive Housing for the Elderly funding.

Garden State Episcopal Community Development Corporation

The Garden State Episcopal Community Development Corporation received approval from the City's Zoning Board of Adjustment in September 2014 to construct a 9-unit supportive housing development at 1514-1518 Palisade Avenue.

1401 Bergenline Avenue

The property at 1401 Bergenline Avenue contains 12 affordable rental units that received HOME funding and affordability controls in 2006. The development is managed by SERVE Properties and Management, a branch of the non-profit SERV Behavioral Health System who specializes in planning, development, and management of housing for special needs populations.

311, 315, 317 8th Street

These three properties (Block 37, Lots 9, 10, and 11) on 8th Street make up a total of 32 affordable rental units. These projects received funding from HOME and contains a 15-year deed restriction in 2006.

PERC Shelter

The Palisades Emergency Residence Corp (PERC) is a shelter that provides emergency housing to homeless individuals. The shelter contains 8 beds. Residents also receive case management and support services upon finishing the intake process.

CDBG Rehabilitated Units

Since April 1, 2010 CDBG funding has been used to rehabilitate 21 units.

Union City Housing Authority Units

The Union City Housing Authority manages 456 affordable housing rental units across the City. These units are located within four developments: Columbian Court (96 units), Hillside Terrace I (147 units), Hillside Terrace II (112 units), and Palisade Plaza (101 units).

Veterans Housing

The Housing Authority of Union City also manages 112 veterans housing units located within 22 buildings across the City.

Rehabilitated Units from the City's Affordable Housing Trust Fund

In total 52 units have been rehabilitated with money from the City's Affordable Housing Trust. The rehabilitation work was concentrated into two developments.

The properties at 110-448 Cantello Street are of post-WWII construction and consist of 40 two-bedroom apartment units, dedicated to veterans, and spread across four buildings under control of the Union City Housing Authority. The Union City Housing Authority requested the money from the City's Affordable Housing Trust fund to rehabilitate the 40 units and then received Court approval in 2018. The property at 519-521 Summit Avenue consists of a three-story building containing 12 residential units under control of the Union City Housing Authority. The City was approved by the Court in 2018 to provide the Housing Authority with monies from the Affordable Housing Trust Fund to rehabilitate the building and bring all 12 units up to all applicable building code standards

8th Street Senior

The development located at 720 8th Street (Block 42 Lot 9) was included in the City's Third Round HEFSP. At the time, an RFP had been issued for a qualified affordable housing developer. Due to various factors, including the COVID-19 pandemic, progress on this development moved slowly. Construction began in 2024, and therefore, this Plan will address the 8th Street Senior development in its Fourth Round discussion.

FOURTH ROUND OBLIGATION

On January 2, 2025, the City adopted Resolution 1/21-27, accepting their Fourth Round Prospective Need obligation of 0. On October 20, 2024, the New Jersey Department of Community Affairs ("DCA") released a report outlining the Fourth Round (2025-2035) Fair Share methodology and its calculations of low- and

moderate-income obligations for each of the State’s municipalities. The obligations were calculated in alignment with the formulas and criteria found in P.L.2024, c.2.

The amended Fair Housing Act affirms that the DCA report is not binding on any municipality and that “a municipality shall determine its present and prospective fair share obligation for affordable housing in accordance with the formulas established in sections 6 and 7 of P.L.2024, c.2...by resolution...” The 1/21-27 resolution adopted by the City determined a Rehabilitation Obligation of 2,088 and a Prospective Need of 0, the same as the obligations determined by DCA.

Fourth Round Present Need / Rehabilitation Obligation

Present Need was previously determined in N.J.A.C. 5:93-1.3 to be the sum of a municipality’s indigenous need, the deficient housing units occupied by low- and moderate-income households, and the reallocated present need, which is the portion of a housing region’s present need that is redistributed throughout the housing region. Under the Second Round rules, evidence for deficient housing included: year structure was built, persons per room, plumbing facilities, kitchen facilities, heating fuel, sewer service, and water supply. (N.J.A.C. 5:92).

The Third Round Rules (N.J.A.C. 5:97-1.1 et seq.) reduced the number of criteria of evidence of deficient housing to three: pre-1960 over-crowded units, which are units that have more than 1.0 persons per room; incomplete plumbing, and incomplete kitchen facilities. (N.J.A.C. 5:97). This reduction in the number of criteria was found to be by the Appellate Division to be within the Council’s discretion and was upheld in the Supreme Court’s decision in Mount Laurel IV.

The previously discussed Mount Laurel IV decision found that the reallocated need is no longer a component in the determination of Present Need. Therefore, the Present Need now equates to indigenous need, which means the obligation is based on deficient housing as determined by pre-1960 over-crowded units, incomplete plumbing, and incomplete kitchen facilities.

The City intends to address its 2,088-unit Fourth Round Rehabilitation Obligation through the following mechanisms:

8th Street Senior

The 8th Street Senior development was envisioned as part of the City’s Third Round Housing Element and Fair Share Plan. The City released a request for proposals for the development of the site and ultimately awarded the contract to the RPM Development Group (“RPM”) who was then established as the designated redeveloper of the site. A Redevelopment Plan for the site was prepared by Community Housing & Planning Associates, allowing for the development of a 100% affordable age-restricted project at this site.

Construction on this site began in 2024 and is expected to be completed by summer 2026. The development will consist of 89 units of affordable senior housing units and another 11 units for special-

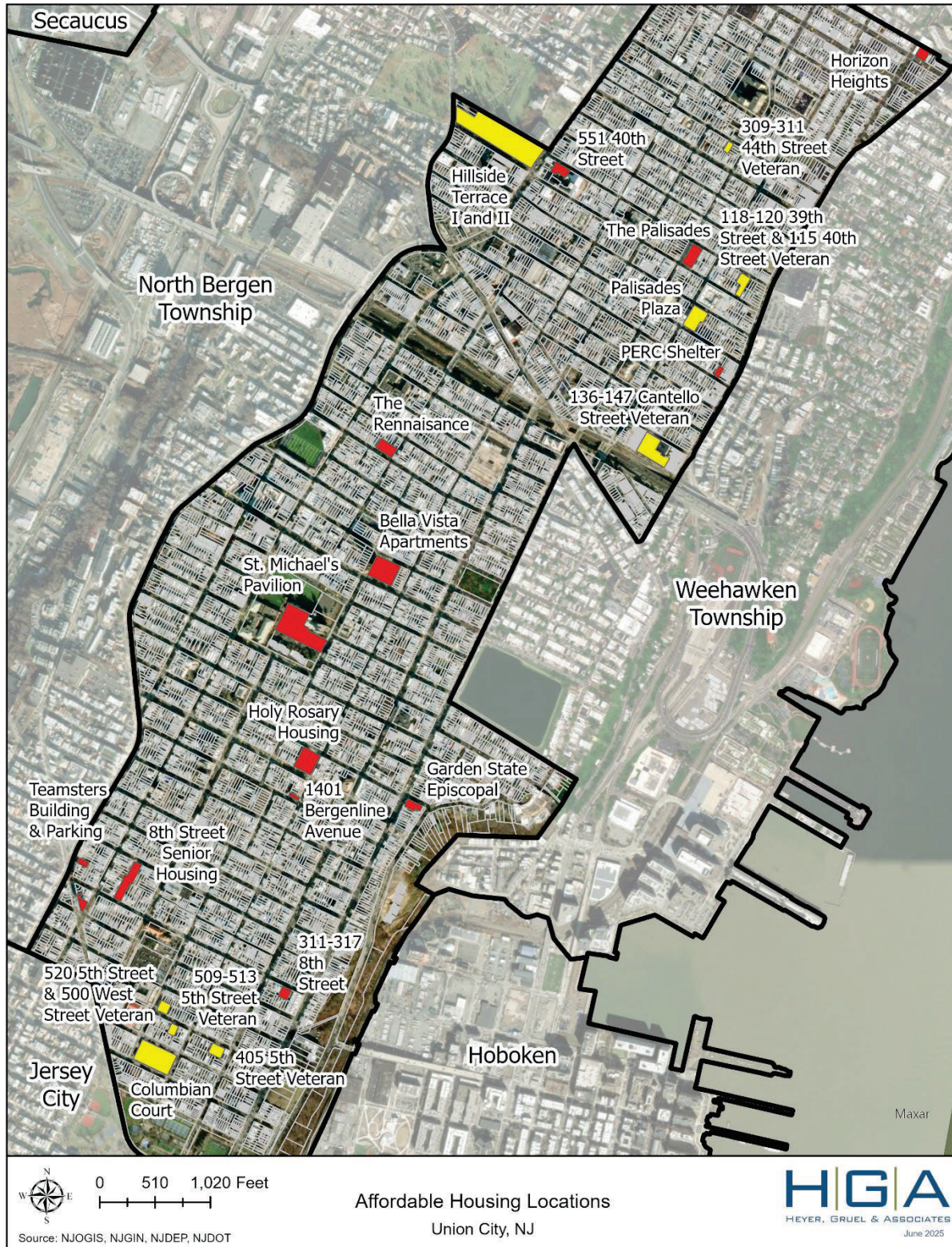
needs individuals. The building will also contain a parking garage, ground floor commercial spaces, and various amenities. RMP harnessed a number of funding opportunities to fund the development, including \$850,000 from the City's Affordable Housing Trust Fund ("AHTF"). As part of the redevelopment agreement, the rent for 26 of the affordable units will be limited to \$800 per month. The monies from the Union City AHTF are earmarked for this affordability assistance. Documentation associated with 8th Street Senior can be found in Appendix G.

Teamsters Building

The historic Teamsters Building at 707 Summit Avenue is proposed to be adaptively reused for the purpose of providing affordable housing. The City purchased the property in 2023, and the site was designated as an "area in need of redevelopment" pursuant to N.J.S.A.. 40A:12A-6 by the Board of Commissioners on April 2, 2024. A subsequent Redevelopment Plan was prepared and adopted by the Board of Commissioners on February 18, 2025, establishing new zoning standards for the Area. Specifically, the building is required to be rehabilitated to create a 100% affordable residential development. The Redevelopment Plan permits up to 25 affordable housing units with a mix of studio, one-bedroom, and two-bedroom residences. As space allows, the ground floor will be dedicated to municipal uses. Approximately 1.5 blocks north of the Teamsters Building is the JFK Parking District of the Redevelopment Area, which will maintain off-site parking for residents of the building.

On January 3, 2025, the Honorable Joseph A. Turula P.J.Cv. entered an Order (Appendix D) granting the Teamsters Building a waiver from the Uniform Housing Affordability Controls ("UHAC") bedroom count requirements. Due to the irregular shape of the building, providing three-bedroom units as required by UHAC would decrease the overall number of units to the point that the project would no longer be financially viable.

And RFP was issued, and the contract was ultimately awarded to M&M Development & ALM Consulting Group, LLC. The redevelopers have been in close contact with the City regarding site design and funding. The final site plan application was submitted to the City's Planning Board and is on the agenda for a Planning Board hearing in late June. Documentation for the Teamsters Building can be found in Appendix H.



Additional Mechanisms

Affordable Housing Ordinance

An Affordable Housing Ordinance establishing the criteria for implementing affordable housing units in conformance with the Uniform Housing Affordability Controls (UHAC) was adopted by Union City originally in 2009 and then amended in 2018. While this Plan acknowledges that an amendment to the UHAC was released on an emergency basis in December 2024, those rules are set to expire in December 2025. It is also the understanding that the Housing Mortgage and Finance Agency (HMFA), the entity currently responsible for the UHAC regulations, is in the process of establishing further amendments to those rules. Because of the uncertainty with the UHAC regulations, the Borough will refrain from adopting an updated ordinance until such rules are finalized, acknowledging that the December 2024 UHAC rules adopted under emergency measures are the current governing regulations. Should there be any discrepancy between the Borough's adopted ordinance and the current UHAC regulations, the current UHAC regulations shall govern.

Development Fee Ordinance and Affordable Housing Trust Fund (AHTF)

In conformance with the City's development fee ordinance (§40-24) that was established in 2009, most recently amended in 2025, and approved by COAH, developers must deposit an affordable housing development fee into the City's Affordable Housing Trust Fund. Monies generated by the development fees will be the primary source of funding for rehabilitation projects within the City. As detailed in Union City's Spending Plan, the City projects sufficient funding to rehabilitate at least another 60 units between 2025 and 2035.

An amendment to the development fee ordinance was approved on January 30, 2025 by Honorable Joseph A. Turula. Developers can opt for a payment-in-lieu (PIL) to Union City's AHTF rather than provide affordable units. Previously, there was a cap on developments of 50 or more units; no more than 50% of the required affordable units could be traded for a PIL. As a result of the ordinance, there is no longer a cap. Also, the PIL fee was increased from \$180,000 per unit to \$220,000 per unit (Appendix

Silk Mill District

The Silk Mill District is a designated Area in Need of Redevelopment at 540 39th Street with an adopted Redevelopment Plan to adaptive reuse several buildings that were once used as a silk mill. It is expected the complex will be redeveloped into a mixed-use campus containing over 250 residential units. There are ongoing negotiations between the City and the redeveloper and it is unclear at this time whether the developer will be providing the affordable units on-site or will be opting into the payment-in-lieu option.

4700 Bergenline Avenue - State Theatre

The dilapidated State Theatre at 4700 Bergenline Avenue and the adjoining CVS were designated as an area in need of redevelopment on April 1, 2025. The site is proposed to be redeveloped with a mixed-use building consisting of commercial and approximately 165 residential units. A redevelopment plan is

currently being written. It has not yet been determined whether the redeveloper will provide market-rate units or opt for a payment-in-lieu of units.

HOME Investment Partnership Program (HOME)

The HOME Investment Partnership Program (HOME) works with communities to provide assistance in funding a wide range of affordable housing projects. The Hudson County Consortium (the "Consortium") for the HOME Program is comprised of eleven municipalities within Hudson County including the City of Union City. The City has aggressively worked with the Consortium, which has provided substantial funding for various projects throughout the City and will continue to apply for funding. The HOME Program Manual can be found in Appendix J of this HEFSP.

Community Development Block Grant (CDBG) Program

Hudson County, along with seven of its municipalities, including Union City, receives CDBG funds on an entitlement basis as an Urban County Consortium member. The County administers the program, which provides funding to communities, non-profits, and public agencies to help address a range of development needs, mainly involving affordable housing projects and developments. Through the CDBG program, Union City has previously completed 21 rehabilitation projects since 2010.

City-Wide Housing Rehabilitation Program

In total 52 units have been rehabilitated using Affordable Housing Trust Fund monies. All of these units have been under control of the Union City Housing Authority. The City will continue to make funds available from its trust fund for future rehabilitation projects.

Mandatory Sliding Scale Set-Aside

Per the agreed upon settlement, the City will also establish a mandatory sliding scale set-aside requirement created through any Planning Board and/or Zoning Board of Adjustment action on subdivision or site plan applications, rezoning, use variance redevelopment plan, or rehabilitation plan that provides for an increase in density above what is currently permitted as of the date of this Plan:

1. 5% set-aside for any multi-family development of twenty to 49 units;
2. 10% set-aside for any multi-family development of fifty to 199 units; and
3. 15% set-aside for any multi-family development of 200 or more units.

The City agrees that for projects in redevelopment areas involving less than fifty units a 1 for 1 density bonus will be applied for each affordable unit required.

Additionally, in lieu of constructing affordable units, a developer may request that the Planning Board or Zoning Board of Adjustment permit the developer to provide a payment in lieu of affordable housing. A payment in lieu of affordable housing, if permitted, shall be in the sum of \$220,000.00 per unit made to the City's Affordable Housing Trust Fund.

Municipal Housing Liaison and Administrative Agent

The City will continue to ensure that it annually appoints an Administrative Agent to conduct monitoring activities and administer future housing affordability programs. Additionally, the City will ensure that a municipal employee is designated as the Municipal Housing Liaison in accordance with the Fair Housing Act.

CONSISTENCY WITH STATE PLANNING REQUIREMENTS

State Plan

In accordance with the amended Fair Housing Act, Housing Elements and Fair Share Plans shall provide an analysis of consistency with the State Development and Redevelopment Plan (SDRP), including water, wastewater, stormwater, and multi-modal transportation based on guidance and technical assistance from the State Planning Commission.

Sites that are located in the Metropolitan Planning Area 1 or Suburban Planning Area 2 of the SDRP, or are located in an existing sewer service area, are the preferred location for municipalities to address their fair share obligation.

The 2001 State Plan describes Planning Area 1 as "a variety of communities that range from large Urban Centers such as Newark, to 19th century towns shaped by commuter rail and post-war suburbs, such as Englewood and Cherry Hill. As the name implies, the communities in this Planning Area often have strong ties to, or are influenced by, major metropolitan centers" These communities often exhibit traits like mature settlement patterns, diminished supply of vacant land, infrastructure systems beyond or approaching their reasonable life expectancy; housing stock in need of rehabilitation; positioned for redevelopment, and the need for regionalized services.

Planning Area 1 is delineated in the 2024 Preliminary State Plan by:

- Density of more than 1,000 people per square mile.
- Existing public water and sewer systems, or physical accessibility to those systems, and access to public transit systems.
- Land area greater than one (1) square mile.
- A population of not less than 25,000 people.

A draft SDRP was approved by the New Jersey State Planning Commission December 4, 2024. This draft does not include mapping alterations. Instead, the Planning Commission is relying on municipalities to propose where Planning Areas should change. The Planning Commission has final say on whether to accept the proposed changes.

Union City is entirely within Planning Area 1 due to its intensive urban development. It is highly unlikely that the City would be recategorized as something other than a Planning Area 1 or 2 during the Fourth

Round. Consequently, all possible housing sites in the municipality are within a Planning Area that the State Plan deems preferable for affordable development. By placing affordable housing in Union City, low-resource households are co-located with job opportunities, public transit, and social service providers. Further, established municipalities like Union City already possess the infrastructure necessary to physically support additional housing. Affordable housing developments can be utilized to refresh Union City's aging housing stock and to redevelop the municipality's underutilized properties, as is encouraged by the State Plan.

Multigenerational Family Housing

A previous amendment to the Fair Housing Act requires "an analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of section 1 of P.L.2021, c.273 (C.52:27D-329.20)." As of the date of this Housing Plan there have been no recommendations by the Multigenerational Family Housing Continuity Commission in which to provide an analysis.

CONSIDERATION OF LANDS OFFERED FOR INCLUSIONARY DEVELOPMENT

During the preparation of this Fourth Round Plan, there were no developers who expressed interest in putting forth a piece of land for affordable development, nor did any property owner offer a parcel.

SUMMARY OF FAIR SHARE COMPLIANCE

Union City continues to pursue the creation of affordable housing units in spite of its Urban Aid status and resulting exemption from Prospective obligations. The addition of the 8th Street Senior and Teamster's Building units further build out the robust network of affordable housing developments in the City. Union City remains committed to rehabilitation as well and seeks future funding opportunities through CDBG, HOME, and the affordable housing trust fund.

APPENDIX A

2017 Settlement Agreement with Fair Share Housing Center



Peter J. O'Connor, Esq.
 Kevin D. Walsh, Esq.
 Adam M. Gordon, Esq.
 Laura Smith-Denker, Esq.
 David T. Rammler, Esq.
 Joshua D. Bauers, Esq.

April 26, 2017

Patrick J. McNamara, Esq.
 Scarinci Hollenbeck
 1100 Valley Brook Ave.
 PO Box 790
 Lyndhurst, New Jersey 07071

**Re: In the Matter of the City of Union City, County of Hudson
 Docket No. HUD- L-2862-15**

Dear Mr. McNamara:

This letter memorializes the terms of an agreement reached between the City of Union City (the "City" or "Union City"), the declaratory judgment plaintiff, and Fair Share Housing Center (FSHC), a Supreme Court-designated interested party in this matter in accordance with In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1, 30 (2015)(Mount Laurel IV).

Background

Union City filed the above-captioned matter on July 6, 2015 seeking a declaration of its compliance with the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 53:27D-301 et seq. in accordance with In re N.J.A.C. 5:96 and 5:97, supra. FSHC and the City with the assistance of Special Master Christine Cofone, PP, AICP, discussed the rehabilitation obligation/present need of Union City. Through that process, the City and FSHC agreed to certain matters addressed in this agreement and to present this agreement to the trial court with jurisdiction over this matter to review, recognizing that the settlement of Mount Laurel litigation is favored because it avoids delays and the expense of trial and results more quickly in the construction of homes for lower-income households.

Settlement terms

The City and FSHC hereby agree to the following terms:

1. FSHC and the City recognize that the City, through the adoption of a Housing Element and Fair Share Plan ("the Plan"), that conforms to the terms of this agreement and through the implementation of the Plan and this agreement, satisfies its obligations under the Mount Laurel doctrine and Fair Housing Act of 1985, N.J.S.A. 52:27D-301 et seq., for the Prior Round (1987-1999) and Third Round (1999-2025).
2. At this time and at this particular point in the process resulting from the Supreme Court's Mount Laurel IV decision, when fair share obligations have yet to be definitively determined, it is appropriate for the parties to arrive at a settlement regarding a municipality's Third Round present and prospective need instead of doing so through plenary adjudication of the present and prospective need.
3. FSHC and Union City hereby agree that Union City's affordable housing obligations are as follows:

Rehabilitation Share (per Kinsey Report ¹)	1442
Prior Round Obligation (pursuant to N.J.A.C. 5:93)	0
Third Round (1999-2025) Prospective Need (per Kinsey Report, as adjusted through this settlement agreement)	0

The parties to this agreement agree that the Third Round Prospective Need, which has been determined to be zero, shall not increase based on the Gap Period Present Need, which is a measure of households formed from 1999 to 2015 that need affordable housing, as recognized by the Supreme Court in its January 18, 2017 decision In re Declaratory Judgment Actions Filed by Various Municipalities, 227 N.J. 508 (2017). The Third Round Prospective Need shall not increase based on the Gap Period Present Need because the Third Round Prospective Need has already included consideration of the period 1999-2015.

4. The City agrees to the following in order to meet its rehabilitation share/present need obligation of 1442 units:
 - a. The City will continue to participate in County-funded rehabilitation programs available to homes occupied by renters and by homeowners.
 - b. The City agrees to establish a mandatory sliding scale set-aside requirement created through any Planning Board and/or Zoning Board of Adjustment action on subdivision or site plan applications, rezoning, use variance, redevelopment plan, or rehabilitation plan that provides for an increase in density above what is currently permitted as of the date of this agreement or a change in use and that develops at densities at or above six (6) units per acre as follows: (1) 5% set-aside for any multi-family development of twenty or more units; (2) 10% set-aside for any multi-family development of fifty or more units; and (3) 15% set-aside for any multi-family development of 200 or more units. The City agrees that for projects involving less than fifty units a 1 for 1 density bonus will be applied for each affordable unit required. This does not give any developer the right to any such rezoning, variance or other relief, or establish any obligation on the part of Union City to grant such rezoning, variance or other relief.

These efforts are sufficient to address the City's present need obligation of 1442 units.

5. As noted above, the City has a Prior Round prospective need of zero units and a Third Round prospective need of zero units and thus is not required to take any steps to satisfy a prospective need obligation.
6. In lieu of constructing units a developer may request that Planning or Zoning Board permit the developer to provide a payment in lieu of affordable housing. A payment in lieu of affordable housing, if permitted, shall be in the sum of \$175,000.00 per unit to the City's Affordable Housing Trust Fund. For those projects of 50 or more units the developer shall not be permitted by the Planning or Zoning Boards to make payments in lieu for more than one half the units to be constructed as affordable units.

¹ David N. Kinsey, PhD, PP, FAICP, NEW JERSEY LOW AND MODERATE INCOME HOUSING OBLIGATIONS FOR 1999-2025 CALCULATED USING THE NJ COAH PRIOR ROUND (1987-1999) METHODOLOGY, July 2015.

7. The City agrees to affirmatively market new units that are required to be affordable in accordance with paragraph 4b of this agreement and shall add to the list of community and regional organizations in its affirmative marketing plan, pursuant to N.J.A.C. 5:80-26.15(f)(5), Fair Share Housing Center, the New Jersey State Conference of the NAACP, the Latino Action Network, and the Supportive Housing Association, and shall, as part of its regional affirmative marketing strategies during its implementation of this agreement and the plan adopted in accordance with it, provide notice to those organizations of all such affordable housing units. The City also agrees to require any other entities, including developers or persons or companies retained to do affirmative marketing, to comply with this paragraph.
8. All new units that are required to be affordable in accordance with paragraph 4b of this agreement shall include the required bedroom distribution, be governed by controls on affordability and affirmatively marketed in conformance with the Uniform Housing Affordability Controls, N.J.A.C. 5:80-26.1 et. seq. or any successor regulation, with the exception that in lieu of 10 percent of affordable units in rental projects being required to be at 35 percent of median income, 13 percent of affordable units in such projects shall be required to be at 30 percent of median income, and all other applicable law. The City as part of its Housing Element and Fair Share Plan shall adopt and/or update appropriate implementing ordinances in conformance with standard ordinances and guidelines developed by COAH to ensure that this provision is satisfied.
9. All new construction units shall be adaptable in conformance with P.L.2005, c.350/N.J.S.A. 52:27D-311a and -311b and all other applicable law.
10. Within one hundred and twenty (120) days of Court's approval of this agreement, the City shall introduce and adopt an ordinance or ordinances providing for the amendment of the City's Affordable Housing Ordinance and Zoning Ordinance and shall adopt a housing element and fair share plan to implement the terms of this settlement agreement and the requirements herein.
11. The City has prepared a spending plan that is attached hereto as Exh. A. The parties to this agreement agree that this spending plan is valid and should be approved by the Court, and that the expenditures of funds contemplated under the agreement constitute "commitment" for expenditure pursuant to N.J.S.A. 52:27D-329.2 and -329.3, with the four-year time period for expenditure designated pursuant to those provisions beginning to run with the entry of a final judgment approving this settlement in accordance with the provisions of In re Tp. Of Monroe, 442 N.J. Super. 565 (Law Div. 2015) (aff'd 442 N.J. Super. 563). On the first anniversary of the execution of this agreement, and every anniversary thereafter through the end of this agreement, the City agrees to provide annual reporting of trust fund activity to the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services, or other entity designated by the State of New Jersey, with a copy provided to Fair Share Housing Center and posted on the municipal website, using forms developed for this purpose by the New Jersey Department of Community Affairs, Council on Affordable Housing, or Local Government Services. The reporting shall include an accounting of all housing trust fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.

12. The Fair Housing Act includes two provisions regarding action to be taken by the City during the ten-year period of protection provided in this agreement. The City agrees to comply with those provisions as follows:
 - a. For the midpoint realistic opportunity review due on July 1, 2020, as required pursuant to N.J.S.A. 52:27D-313, the City will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its implementation of its Plan. Such posting shall invite any interested party to submit comments to the municipality, with a copy to Fair Share Housing Center, regarding the implementation of the Plan.
 - b. For the review of very low income housing requirements required by N.J.S.A. 52:27D-329.1, within 30 days of the third anniversary of this agreement, and every third year thereafter, the City will post on its municipal website, with a copy provided to Fair Share Housing Center, a status report as to its satisfaction of its very low income requirements, including the family very low income requirements referenced herein. Such posting shall invite any interested party to submit comments to the municipality and Fair Share Housing Center on the issue of whether the municipality has complied with its very low income housing obligation under the terms of this settlement.
13. This settlement agreement must be approved by the Court following a fairness hearing as required by Morris Cty. Fair Hous. Council v. Boonton Twp., 197 N.J. Super. 359, 367-69 (Law Div. 1984), aff'd o.b., 209 N.J. Super. 108 (App. Div. 1986); East/West Venture v. Borough of Fort Lee, 286 N.J. Super. 311, 328-29 (App. Div. 1996). The City shall present its planner as a witness at this hearing. In the event the Court approves this proposed settlement, the parties contemplate the municipality will receive "the judicial equivalent of substantive certification and accompanying protection as provided under the FHA," as addressed in the Supreme Court's decision in In re N.J.A.C. 5:96 & 5:97, 221 N.J. 1, 36 (2015). The "accompanying protection" shall remain in effect through July 1, 2025. If the settlement agreement is rejected by the Court at a fairness hearing it shall be null and void.
14. If an appeal is filed of the Court's approval or rejection of the Settlement Agreement, the Parties agree to defend the Agreement on appeal, including in proceedings before the Superior Court, Appellate Division and New Jersey Supreme Court, and to continue to implement the terms of the Settlement Agreement if the Agreement is approved before the trial court unless and until an appeal of the trial court's approval is successful at which point, the Parties reserve their right to rescind any action taken in anticipation of the trial court's approval. All Parties shall have an obligation to fulfill the intent and purpose of this Agreement.
15. This agreement may be enforced through a motion to enforce litigant's rights or a separate action filed in Superior Court, Hudson County.
16. Unless otherwise specified, it is intended that the provisions of this Agreement are to be severable. The validity of any article, section, clause or provision of this Agreement shall not affect the validity of the remaining articles, sections, clauses or provisions hereof. If any section of this Agreement shall be adjudged by a court to be invalid, illegal, or unenforceable in any respect, such determination shall not affect the remaining sections.
17. This Agreement shall be governed by and construed by the laws of the State of New Jersey.

18. This Agreement may not be modified, amended or altered in any way except by a writing signed by each of the Parties.
19. This Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same Agreement.
20. The Parties acknowledge that each has entered into this Agreement on its own volition without coercion or duress after consulting with its counsel, that each party is the proper person and possess the authority to sign the Agreement, that this Agreement contains the entire understanding of the Parties and that there are no representations, warranties, covenants or undertakings other than those expressly set forth herein.
21. Each of the Parties hereto acknowledges that this Agreement was not drafted by any one of the Parties, but was drafted, negotiated and reviewed by all Parties and, therefore, the presumption of resolving ambiguities against the drafter shall not apply. Each of the Parties expressly represents to the other Parties that: (i) it has been represented by counsel in connection with negotiating the terms of this Agreement; and (ii) it has conferred due authority for execution of this Agreement upon the persons executing it.
22. Any and all Exhibits and Schedules annexed to this Agreement are hereby made a part of this Agreement by this reference thereto. Any and all Exhibits and Schedules now and/or in the future are hereby made or will be made a part of this Agreement with prior written approval of both Parties.
23. This 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 except as otherwise provided herein.
24. No member, official or employee of the Borough shall have any direct or indirect interest in this Settlement Agreement, nor participate in any decision relating to the Agreement which is prohibited by law, absent the need to invoke the rule of necessity.
25. Anything herein contained to the contrary notwithstanding, the effective date of this Agreement shall be the date upon which all of the Parties hereto have executed and delivered this Agreement.
26. All notices required under this Agreement ("Notice[s]") shall be written and shall be served upon the respective Parties by certified mail, return receipt requested, or by a recognized overnight or by a personal carrier. In addition, where feasible (for example, transmittals of less than fifty pages) shall be served by facsimile or e-mail. All Notices shall be deemed received upon the date of delivery. Delivery shall be affected as follows, subject to change as to the person(s) to be notified and/or their respective addresses upon ten (10) days notice as provided herein:

TO FSHC:

Kevin D. Walsh, Esq.
Fair Share Housing Center
510 Park Boulevard
Cherry Hill, NJ 08002
Phone: (856) 665-5444
Telecopier: (856) 663-8182

E-mail: kevinwalsh@fairsharehousing.org

TO THE CITY:

Patrick J. McNamara, Esq.
Scarinci Hollenbeck, LLC
1100 Valley Brook Avenue
Lyndhurst, NJ 07071
Phone: (201) 896-4100
Telecopier: (201) 896-8660
Email: pmcnamara@sh-law.com

**WITH A COPY TO THE
MUNICIPAL CLERK:**

Erin Knoedler, Deputy City Clerk
City Hall
3715 Palisade Avenue
Union City, NJ 07087

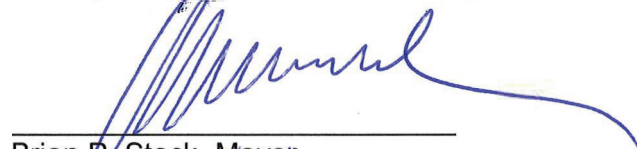
Please sign below if these terms are acceptable.

Sincerely,



Joshua D. Bauers, Esq.
Counsel for Interested Party
Fair Share Housing Center

On behalf of the City of Union, with the authorization
of the governing body and Planning Board:



Brian P. Stack, Mayor

Dated: 5/2/2017

APPENDIX B

2017 Order Approving Settlement Agreement with Fair Share Housing Center

PATRICK J. McNAMARA, ESQ.
Attorney I.D. No. 003611987
SCARINCI & HOLLENBECK, LLC
ATTORNEYS AT LAW
One River Centre, 331 Newman Springs Road
Building 3, Suite 310, Red Bank, NJ 07701-5692
T: (732) 780-5590
F: (732) 695-8108
Attorneys for: **CITY OF UNION CITY**
Our File No. 102.9110

FILED

MAY 10 2017

MARYK. COSTELLO, P.J. Civil

IN THE MATTER OF THE APPLICATION :
OF THE CITY OF UNION CITY, :
COUNTY OF HUDSON, :

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION
HUDSON COUNTY

: DOCKET NO. HUD-L-2862-15

CIVIL ACTION
ORDER APPROVING HOUSING ELEMENT
AND FAIR SHARE PLAN, SPENDING PLAN
AND SETTLEMENT AGREEMENT
BETWEEN THE CITY OF UNION CITY
AND FAIR SHARE HOUSING CENTER

The above captioned matter having been open to the Court upon the application of Scarinci Hollenbeck, with Patrick J. McNamara appearing on behalf of the declaratory Plaintiffs City of Union City (here and after the “City”) with Joshua Bauers, Esq., appearing on behalf of the Fair Share Housing Center as an “interested party” and not as a formal intervenor, and all parties and counsel listed on the combined general service and notice list pursuant to and in the Matter of Adoption of NJAC 5:96 and 5:97 by the NJ Council on Affordable Housing, 221 NJ 1(2015), commonly referred to as Mount Laurel IV, having been notified of the Fairness Hearing conducted before the Court on April 26, 2017, and whereas at said Hearing, testimony was provided by Susan Gruel, who was sworn and gave testimony as a licensed professional planner, concerning the contents of

the City's proposed Housing Element and Fair Share Plan and Spending Plan that had been presented to the Court previously, and further, that the City engaged in settlement discussions with Fair Share Housing Center, represented before the Court by Joshua Bauers, and the terms and conditions in that proposed settlement agreement having been amicably reached between the City and Fair Share Housing Center,

And the Special Master, Christine Cofone, licensed professional planner, having submitted a report to this Court confirming her acceptance to the terms of both the proposed settlement with the Fair Share Housing Center and the Housing Element and Fair Share Plan and Spending Plan Proposal by the City,

And that at the Fairness Hearing no objectors or other persons came forward to testify or had submitted comments or objections as per the notice previously published by the City in advance of this hearing,

IT IS **ORDERED** on this 10th day of May, 2017

1. The Court finds and determines pursuant to the judicial standards prescribed by the Appellate Division in East/West Venture v. Borough Of Fort Lee, 286 N.J. Super. 311 (App. Div. 1996), and through analysis of the FSHC Agreement and the Court Master's report, and on the basis of the testimony taken during a Fairness Hearing conducted on April 26, 2017; that the settlement between the FSHC and the City is fair, reasonable and adequately protects the interest of low and moderate income households, and the Court hereby approves the FSHC Settlement Agreement.

2. The City of Union City shall proceed to have the Board of Commissioners adopt a resolution authorizing entry into the Settlement Agreement reached with Fair Share Housing Center.

3. The City shall proceed to, by actions of its Planning Board and its Board of Commissioners, adopt the requisite resolutions and/or ordinances as necessary so as to effectuate the adoption of the Housing Element and Fair Share Plan that has been previously presented to this Court and found favorable by the Special Master, and its terms having been agreed to as noted in the aforesaid Settlement Agreement.

4. The temporary immunity previously afforded to the City is hereby extended; such protections shall remain in full force and effect through and including July 31, 2017;

5. A case management conference will be scheduled upon the Court having been advised that the requisite Ordinances and or Resolutions have been adopted by the Planning Board and/ Board of Commissioners of the City

6. A copy of this Order shall be served by the Court upon counsel for the City of Union City by email at pmcnamara@sh-law.com, who shall then serve a copy upon all parties named on the service list within 7 calendar days of receipt.


MARY K. COSTELLO, P.J., Cv.

APPENDIX C

2018 Final Third Round JOR

PATRICK J. McNAMARA, ESQ.
Attorney I.D. No. 003611987
SCARINCI & HOLLENBECK, LLC
ATTORNEYS AT LAW
One River Centre, 331 Newman Springs Road
Building 3, Suite 310, Red Bank, NJ 07701-5692
T: (732) 780-5590
F: (732) 695-8108
Attorneys for: **CITY OF UNION CITY**
Our File No. 102.9110

FILED
OCT 22 2018
MARY K. COSTELLO, J.S.C.

IN THE MATTER OF THE APPLICATION

OF THE CITY OF UNION CITY,
COUNTY OF HUDSON

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION: HUDSON COUNTY
DOCKET NO. HUD-L-2862-15

**CIVIL ACTION
ORDER OF JUDGMENT OF
COMPLIANCE AND REPOSE**

THIS MATTER, having been opened to the Court on September 19, 2018 upon the application of Scarinci Hollenbeck, LLC, Patrick J. McNamara appearing on behalf of the declaratory Plaintiff City of Union City (hereinafter the “City”); with notice and participation by telephone by Kevin Walsh, Esq. on behalf of the Fair Share Housing Center as an “interested party” and not as a formal intervenor, and the Special Master, Christine N. Cofone, and also appearing telephonically; and Gerard D. Pizzillo, Esq., appearing on behalf of the Union City Housing Authority; and

WHEREAS, the Court previously entered an Order dated May 10, 2017 approving the Housing Element and Fair Share Plan, Spending Plan and Settlement Agreement between the City of Union City and Fair Share Housing Center, and, since the previous Order of the Court, the City has, through its Planning Board on September 8, 2017 adopted the City’s Housing Element and Fair Share Plan as an element of the City’s Master Plan, which was subsequently endorsed by resolution of the Union City Board of Commissioners at a meeting held on January 30, 2018; and

WHEREAS, the City has subsequently appointed Erin Knoedler as municipal housing liaison for the City of Union City, in a resolution memorialized on August 8, 2018; adopted a resolution adopting the “Affirmative Marketing Plan” for the City of Union City on August 8, 2018; adopted a resolution appointing Stuart Portnoy, P.P., administrative agent for the City of Union City; and adopted an Ordinance amending and replacing Chapter 40 of the code of the City of Union City, Hudson County, “Affordable Housing”, said ordinance adopted on July 24, 2018, and all of which have been submitted to the Court and FSHC; and

WHEREAS, the Court had received a report from the special master, supporting the entry of an order of judgment of compliance and repose, having noted the efforts made by the City since the initiation of these proceedings to comply with the requirements of the March 10, 2015 decision In Re Adoption of NJAC5:96 and 5:97 by NJ Counsel of Affordable Housing, 221 NJ 1(2015)(Mt Laurel IV”) and the Court having entered an order granting the City of Union City temporary immunity and carried that temporary immunity forward through and including these proceedings, and no party having objected to the terms of the settlement agreement with Fair Share Housing Center; and

WHEREAS, the Court finds that the notice given in advance to the hearing meets the required 30 days, and neither the City nor Special Master, Fair Share Housing Center or the Court having received any objections to the Housing Element and Fair Share Plan, the Spending Plan as amended, or the aforesaid subsequent resolutions and ordinance adopted to implement same; and the Court having considered the report of the Special Master, the comments of counsel for the City at the compliance hearing, the comments of counsel for Fair Share Housing Center at

said hearing, and the Court having reviewed all documentation, having been submitted previously to the Court and good cause having been shown.

It is hereby **ORDERED** on this 23rd day of October, 2018 as follows:

1. The Court, having previously approved the Housing Element and Fair Share Plan, and subsequent amendment to the Spending Plan, reaffirms that these submissions, as well as those subsequent resolutions and ordinances, are consistent with the overall Settlement Agreement previously entered in to between City of Union City and Fair Share Housing Center, and are in compliance with the Fair Housing Act (N.J.S.A. 52:27D-301 et. sec.,) the Uniform Housing Affordability Controls (N.J.A.C. 5:80-26.1, et sec.,) the applicable Council On Affordable Housing substantive regulations, and body of case law including the NJ Supreme Court Mt. Laurel IV decision.

2. The judgment of compliance and repose given to the City will remain in effect for ten years beginning retroactively to July 1, 2015 and ending on July 1, 2025 and during this period the City shall have immunity from all Mt. Laurel builders remedy type law suits, as well as any other law suits challenging the terms set forth herein the Settlement Agreement or subsequent resolutions and ordinances, plans, reports, ordinances and resolutions.

3. Counsel for the City of Union City shall forward a copy of this order to the special master and counsel on behalf of Fair Share Housing Center within 7 days of receipt from the Court.

4. A copy of the Housing Element and Fair Share Plan and the other documents submitted to the Court shall be retained by the City Clerk in the City of Union City and shall be made available upon request for inspection by any interested party at the offices of the City Clerk during normal business hours of the City of Union City.


MARY K. COSTELLO, P.J., Cv.

SCARINCI | HOLLENBECK
ATTORNEYS AT LAW

New Jersey | New York | Washington, D.C.

PATRICK J. McNAMARA | Partner
pmcnamara@sh-law.com

October 17, 2018

Via Overnight Mail and Email

Honorable Mary K. Costello, J.S.C.
Hudson County Courthouse
583 Newark Avenue
Jersey City, NJ 07306

Re: In The Matter of the Application of Union City, County of Hudson
Docket No. HUD-L-2862-15
Our File No. 102.9110

Dear Judge Costello:

Please accept this letter on behalf of the Borough of Union City whom we represent in the above entitled action. We have enclosed, pursuant to the 5 Day Rule, a form of proposed Order of Judgment of Compliance and Repose on behalf of the City. Copies of this are also being transmitted via email to Josh Bauers, Esq. and Christine Cofone, PP, Special Master; it will also be uploaded to E-Courts.

If any questions or issues arise concerning the content of the proposed form of Order, or if other issues concerning this matter arise, we stand ready to respond at the convenience of the Court.

Respectfully Submitted,



Patrick J. McNamara

PJM:gg
Enc.

cc: Christine A. Nazzaro-Cofone, PP, Special Master (via email)
Joshua Bauers, Esq. Fair Share Housing Center (via email)

APPENDIX D

2025 Order Granting a Waiver from UHAC Bedroom Requirements

FILED

JAN 30 2025

PATRICK J. McNAMARA, ESQ.
 Attorney I.D. No. 003611987
 SCARINCI & HOLLENBECK, LLC
 Attorneys at Law
 One River Centre, 331 Newman Springs Road
 Building 3, Suite 310, Red Bank, NJ 07701-5692
 T: (732) 780-5590 | F: (732) 695-8108
 Attorneys for: **CITY OF UNION CITY**
 Our File No. 102.9110

JOSEPH A. TURULA, J.S.C.

IN THE MATTER OF THE APPLICATION OF THE CITY OF UNION CITY, COUNTY OF HUDSON	SUPERIOR COURT OF NEW JERSEY LAW DIVISION: HUDSON COUNTY DOCKET NO. HUD-L-2862-15 Granted. CIVIL ACTION *AMENDED* ORDER APPROVING AMENDMENT TO HOUSING ELEMENT AND FAIR SHARE PLAN OF THE CITY OF UNION CITY
--	--

This matter having come before the Court via Declaratory Judgment Complaint filed by the City of Union City (“City”) (hereinafter “DJ Action”), seeking among other things, the Court’s approval of the City’s Housing Element and Fair Share Plan (“Fair Share Plan”); and Fair Share Housing Center (“FSHC”) having participated as an interested party in the City’s DJ Action; and the City and FSHC having entered into a Settlement Agreement in 2017 (“FSHC Settlement Agreement”); and the Court having entered an Order approving the Settlement Agreement in 2017, after a properly noticed Fairness hearing was held and the City having adopted a Housing Element and Fair Share Plan to implement the FSHC Settlement Agreement, along with other implementing resolutions and ordinances; and the Court having entered a Final Judgment of Compliance and Repose Order on October 23, 2018, after a properly noticed Compliance Hearing was held during which the City’s Fair Share Plan was approved; and

WHEREAS, the City Board of Commissioners adopted its Spending Plan in April 2017, pursuant to N.J.A.C. 5:97 - 2.1(a); and

WHEREAS the City now wishes to provide for the development of a proposed 25-unit affordable housing project to be developed in what is known as the “Teamsters Building” Block 32.01, Lots 4 and 9, and Block 43, Lots 6 and 7; and

WHEREAS the City now wishes to proceed with the redevelopment and adaptive reuse of the Teamsters building, as is commonly known, to provide for 25 affordable units of housing in the City; and

WHEREAS as part of this, the proposed redeveloper, who has experience in production of affordable housing, has advised that the inclusion of 3-bedroom units will be impracticable to construct without a significant reduction in the number of units, thus seriously jeopardizing the financial viability of the project; and

WHEREAS the waiver that is being sought is from the bedroom count requirements under the Uniform Housing Affordability Controls (“UHAC”) requirements, and consent to this waiver has been given by the Special Master and FSHC: and

WHEREAS the City believes that is in the best interest to provide the additional 25 affordable housing units rather than attempting to have a reduced number of units with the inclusion of three bedroom units, which will jeopardize the financial viability of the project; the City will make its best effort to include three bedroom units in other development projects to make up for those granted in this waiver; and

WHEREAS this requested UHAC waiver would be limited strictly to the redevelopment of the Teamsters Building site and will be included in the text of the redevelopment plan and redevelopment agreement that will ultimately be approved by the Board of Commissioners of the City in order to proceed with this affordable housing development.

IT IS ORDERED on this 30th day of January, ²⁰²⁵~~2024~~ as follows:

1. The Housing Element and Fair Share Plan of the City is amended to provide for 25 units of 100% affordable housing to be developed as part of the redevelopment of the Teamsters building.
2. The Teamsters Building Concept Plan, with the UHAC waiver is hereby approved so the development can proceed with the mix of studio, one and two-bedroom 100% affordable units (Exhibit A).
3. A copy of this Consent Order shall be served upon counsel for all interested parties through electronic filing and the Court Master via email within seven (7) days from the date thereof.



~~Joseph A. Turula, P.J.Cv.~~

Hon. Joseph A. Turula, P.J.Cv.

We hereby consent to the form and entry of the within Order.

FAIR SHARE HOUSING CENTER

By: 
Laura Denker, Esq.
On behalf of Fair Share Housing Center

Dated: 12/03/, 2024

CITY OF UNION CITY

By: 
Hon. Brian P. Stack, Mayor
On behalf of the City of Union City

Dated: 12/3, 2024

By: 
Christine Nazzaro-Cofone, AICP/PP
Special Master

Dated: 12/03/, 2024

APPENDIX E

Resolution 1/21-27 Adopting 4th Round Obligation

**CITY OF UNION CITY
COUNTY OF HUDSON, STATE OF NEW JERSEY**

R# 1/21-27

**RESOLUTION COMMITTING TO DCA'S FOURTH ROUND AFFORDABLE
HOUSING PRESENT NEED AND PROSPECTIVE NEED NUMBERS**

WHEREAS, on March 20, 2024, Governor Murphy signed into law an Amendment to the Fair Housing Act (N.J.S.A. 52:27D-301 *et seq.*) (hereinafter "Amended FHA"); and

WHEREAS, the Amended FHA requires the Department of Community Affairs ("DCA") to produce non-binding estimates of fair share obligations on or before October 20, 2024; and

WHEREAS, the DCA issued a report on October 18, 2024 ("DCA Report") wherein it reported its estimate of the obligation for all municipalities based upon its interpretation of the standards in the Amended FHA; and

WHEREAS, the DCA Report calculates the City of Union City's Round 4 (2025-2035) obligations as follows: a Rehabilitation Obligation of 2,088 and a Prospective Need or New Construction Obligation of 0; and

WHEREAS, the Amended FHA provides that the DCA Report is non-binding, thereby inviting municipalities to demonstrate that the Amended FHA would support lower calculations of Round 4 affordable housing obligations; and

WHEREAS, the Amended FHA further provides that "[a]ll parties shall be entitled to rely upon regulations on municipal credits, adjustments, and compliance mechanisms adopted by COAH unless those regulations are contradicted by statute, including P.L. 2024, c.2, or biding court decisions" (N.J.S.A. 52:27D-311(m)); and

WHEREAS, COAH regulations authorize vacant land adjustments as well as durational adjustments; and

WHEREAS, based on the foregoing, the City of Union City accepts the DCA calculations of the City of Union City's fair share obligations and commits to its fair share of 2,088 units present need (Rehabilitation) and 0 units prospective need subject to any vacant land and/or durational adjustments it may seek as part of the Housing Plan element and Fair Share Plan element it subsequently submits in accordance with the Amended FHA; and

WHEREAS, the City of Union City reserves the right to comply with any additional amendments to the FHA that the Legislature may enact; and

WHEREAS, the City of Union City also reserves the right to adjust its position in the event of any rulings in the *Montvale* case (MER-L-1778-24) or any other such action that alters the deadlines and/or requirements of the Amended FHA; and

WHEREAS, in the event that a third party challenges the calculations provided for in this Resolution, the City of Union City reserves the right to take such position as it deems appropriate in response thereto, including that its Round 4 Present or Prospective Need Obligations should be lower than described herein; and

WHEREAS, in light of the above, the Mayor and the Board of Commissioners for the City of Union City find that it is in the best interest of the City of Union City to declare its commitment to the obligations reported by the DCA on October 18, 2024, subject to the reservations set forth herein; and

WHEREAS, in addition to the above, the Acting Administrative Director issued Directive #14-24, dated December 13, 2024, and made the directive available later in the week that followed; and

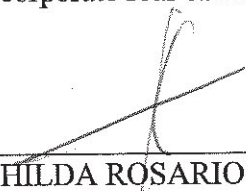
WHEREAS, pursuant to Directive #14-24, “a municipality seeking a certification of compliance with the FHA shall file an action in the form of a declaratory judgment complaint . . . in the county in which the municipality is located . . . within 48 hours after adoption of the municipal resolution of fair share obligations, or by February 3, 2025, whichever is sooner”; and

WHEREAS, the City of Union City seeks a certification of compliance with the FHA and, therefore, directs its legal counsel to file a declaratory relief action within 48 hours of the adoption of this resolution in XX County.

NOW, THEREFORE, BE IT RESOLVED on this 21st day of January, 2025 that the Mayor and the Board of Commissioners for the City of Union City as follows:

1. All of the above recitals are incorporated into the operative clauses of this resolution.
2. the City of Union City hereby commits to the DCA Round 4 Present Need (Rehabilitation) Obligation of 2,088 units and the Round 4 Prospective Need Obligation of 0 units described in this resolution, subject to all reservations of rights set forth above.
3. the City of Union City hereby directs its legal counsel to file a declaratory judgment complaint in Hudson County within 48 hours after adoption this resolution, attaching this resolution.
4. the City of Union City authorizes its legal counsel to attach this resolution as an exhibit to the declaratory judgment action that is filed and to submit and/or file this resolution with the Program or any other such entity as may be determined to be appropriate.
5. This resolution shall take effect immediately, according to law.

I, Hilda Rosario, Acting City Clerk for the City of Union City, in the County of Hudson, New Jersey, DO HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution adopted by the Board of Commissioners of the City of Union City, New Jersey, at a meeting held on January 21, 2025. IN WITNESS THEREOF, I, the said Acting City Clerk, have hereunto set my hand and affixed the corporate seal of the City, on this 21st day of January, 2025.



HILDA ROSARIO, ACTING CITY CLERK

APPENDIX F

2025 Court Order Affixing the City's Present and Prospective Need Obligations

FILED

April 11, 2025

JOSEPH A. TURULA, P.J.Cv.

ANGELO AUTERI, ESQ.
Attorney I.D. No. 023712011
SCARINCI HOLLENBECK, LLC
ATTORNEYS AT LAW
150 Clove Road, 9th Floor.
Little Falls, New Jersey, 07424
Telephone: (201) 896-7023
Attorneys for Petitioner, the City of Union City

In the Matter of

the City of Union City,

Petitioner.

SUPERIOR COURT OF NEW JERSEY

AFFORDABLE HOUSING DISPUTE
RESOLUTION PROGRAM

DOCKET NO. HUD-L-290-25

**ORDER AFFIRMING AND FIXING
PRESENT AND PROSPECTIVE NEED
AFFORDABLE HOUSING OBLIGATION**

This matter having been opened to the Court by way of Complaint for Declaratory Judgment as authorized under Directive #14-24 of the Administrative Office of the Courts, dated December 13, 2024, implementing the Affordable Housing Dispute Resolution Program by Scarinci Hollenbeck, LLC, counsel for the City of Union City, in this matter, for good cause shown and for the reasons set forth on the record;

It is on this 11th day of April, 2025

ORDERED that:

1. The City of Union City has established Jurisdiction for the Program by the filing of this DJ Action within forty-eight hours of adopting a binding resolution, Resolution #1/21-27 adopted on January 21, 2025, to confirm its present and prospective affordable housing obligations;

2. The City of Union City's present and prospective affordable housing obligations are as follows: (i) Present Need (Rehabilitation Obligation) as 2,088 and (ii) the Prospective Need Obligation (New Construction) as 0, as calculated by the DCA and as set forth in Resolution #1/21-27; and

3. The City of Union City will prepare and adopt a Fourth Round Housing Element and Fair Share Plan, in accordance with its present and prospective affordable housing obligations and the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301 to -329, which will be adopted by the City's Planning Board and subsequently endorsed by the Board of Commissioners of the City of Union City, no later than June 30, 2025; and

4. The City of Union City shall be immune from all exclusionary zoning litigation, including but not limited to the builder's remedy lawsuits, during the pendency of the process outlined in the Act.

A handwritten signature in black ink, appearing to read "Joseph A. Turula", is written over a horizontal line.

Hon. Joseph A. Turula, ~~P.J.S.C.~~

P.J.C.v.

APPENDIX G

8th Street Senior Redevelopment Agreement

REDEVELOPMENT AGREEMENT

By and Between

THE CITY OF UNION CITY

as Redevelopment Entity

and

720 8TH STREET UNION CITY, L.P.

as Redeveloper

Dated as of July __, 2023

TABLE OF EXHIBITS

EXHIBIT A	DESCRIPTION OF THE PROJECT AREA
EXHIBIT B	APPROVED SITE PLAN AND BOARD RESOLUTIONS
EXHIBIT C	PROJECT SCHEDULE
EXHIBIT D	FORM OF DECLARATION OF REDEVELOPER COVENANTS AND RESTRICTIONS
EXHIBIT E	FORM OF CERTIFICATE OF COMPLETION
EXHIBIT F	INCUMBENCY CERTIFICATE
EXHIBIT G	AGREEMENT FOR PAYMENT IN LIEU OF TAXES
EXHIBIT H	RESOLUTION OF CITY AUTHORIZING ENTRY INTO REDEVELOPMENT AGREEMENT
EXHIBIT I	PROJECT COSTS
EXHIBIT J	DESCRIPTION OF MUNICIPAL LOT FOR USPS
EXHIBIT K	REDEVELOPER FUNDING COMMITMENTS

THIS REDEVELOPMENT AGREEMENT, (this “Agreement”) made as of the ___ day of July, 2023, by and between **THE CITY OF UNION CITY**, a public body corporate and politic of the State of New Jersey, having its principal office at 3715 Palisade Avenue, Union City, New Jersey 07087 (the “City”), and **720 8TH STREET UNION CITY, L.P.**, a New Jersey limited partnership organized under the laws of the State of New Jersey, having its principal office at 77 Park Street, Montclair, New Jersey 07042 (the “Redeveloper”). The City and Redeveloper may individually be referred to herein as a “Party” and collectively referred to as the “Parties.”

W I T N E S S E T H:

WHEREAS, the City and Redeveloper initially entered into a Development Agreement in or about March 2018 with regard to the development of the property located at 720 8th Street and designated as Block 42, Lot 9 on the City’s official tax map (the “Property”) as affordable housing for senior citizens (the “2018 Development Agreement”); and

WHEREAS, the City, acting through its Board of Commissioners (the “Board”), pursuant to and in accordance with the requirements of the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the “Redevelopment Law”), may contract with redevelopers for the planning, re-planning, construction, or undertaking of any project or redevelopment work; and

WHEREAS, on October 2, 2018, the Board adopted Resolution No. 2018-R-445 authorizing and directing the Union City Planning Board (the “Planning Board”) to undertake a preliminary investigation to determine if the Property (the “Study Area”) met the criteria for designation as a redevelopment area pursuant to N.J.S.A. 40A:12A-6; and

WHEREAS, pursuant to and in accordance with the requirements of the Redevelopment Law, the Planning Board conducted a public hearing on April 23, 2019 during which the Planning Board reviewed and considered the findings contained in the Non-Condensation Redevelopment Area Report prepared by David Spatz, AICP, PP, of Community Housing and Planning, Inc. (the “Planning Consultant”); and

WHEREAS, on May 28, 2019, the Planning Board adopted a resolution which recommended that the Study Area be designated a Non-Condensation Redevelopment Area; and

WHEREAS, pursuant to and in accordance with the Redevelopment Law, the Board accepted the findings and recommendations of the Planning Board and on February 18, 2020, adopted Resolution No. 2020-R-62 designating the Study Area as a Non-Condensation Redevelopment Area (hereinafter, the “Redevelopment Area” or “Project Area”); and

WHEREAS, the Board directed the Planning Consultant to prepare a redevelopment plan for the Redevelopment Area, after which the Board referred the

redevelopment plan to the Planning Board for its review and consideration pursuant to N.J.S.A. 40A:12A-7.e.; and

WHEREAS, the City adopted and implemented the Non-Condensation Redevelopment Plan for 720 Eighth Street Redevelopment Area dated February 7, 2019 (the “Redevelopment Plan”); and

WHEREAS, the Redeveloper submitted a proposal in response to a request for proposals issued by the City seeking proposals from qualified developers for the redevelopment of the Redevelopment Area; and

WHEREAS, the City accepted the Redeveloper’s proposal which provided for the construction of a six-story senior affordable housing project consisting of one hundred and one (101) affordable housing units consisting of ninety-six (96) one-bedroom units and five (5) two-bedroom units, two levels of parking and ground floor retail (the “Project”), as more fully depicted under Exhibit B (the “Site Plan”); and

WHEREAS, the City has determined that the Redeveloper possesses the proper qualifications, financial resources, and capacity to implement and complete the Project in accordance with the Redevelopment Plan, any Government Approvals and all other Applicable Laws, and wishes to designate Redeveloper as the exclusive redeveloper of the Redevelopment Area; and

WHEREAS, the City has further determined that the Project is consistent with and furthers the goals and objectives of the Redevelopment Plan, promotes the public health, safety, morals and general welfare of the City’s residents, and therefore, it is in the vital and best interests of the City to enter into this Agreement with the Redeveloper for the purpose of setting forth each Party’s respective undertakings, rights and obligations in connection with the development and construction of the Project; and

WHEREAS, the Redeveloper obtained final site approval from the Union City Zoning Board of Adjustment (the “Zoning Board”) for the Project on September 13, 2018, whereby such approval has been extended through September 13, 2023 pursuant to extensions sought by the Redeveloper and approved by the Zoning Board in accordance with the Resolutions attached hereto under Exhibit B; and

WHEREAS, the City approved entry into this Redevelopment Agreement by Resolution 2023, attached hereto at Exhibit H.

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:

ARTICLE 1

DEFINITIONS AND INTERPRETATIONS

Section 1.01. Definitions. In this Agreement, words that are capitalized, and which are not the first word of a sentence, are defined terms. The capitalized terms defined in the Preamble and Recitals hereto shall have the meanings assigned to such terms. Unless specifically provided otherwise or the context otherwise requires, the following terms when used in this Agreement shall have the meanings ascribed below.

“Affiliate” means with respect to the Redeveloper, any other Person directly or indirectly controlling or controlled by, or under direct or indirect common control with the Redeveloper. For purposes of this definition, the term “control” (including the correlative meanings of the terms “controlled by” and “under common control with”) shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of the Redeveloper, whether through the ownership of voting securities or by contract or otherwise.

“Appeal Period” means the period of time specified by statute or court rule within which an appeal may be taken by any Party from the grant of any Governmental Approval (as defined herein), and includes the period for filing an appeal to an appellate court after entry of a judgment or decision by a lower court or administrative agency.

“Applicable Laws” means any statute, law, constitution, charter, ordinance, resolution, judgment, order, decree, rule, regulation, directive, interpretation, standard or similarly binding authority which, in any case, shall be enacted, adopted, promulgated, issued or enforced by any Governmental Authority (as defined herein), and/or court of competent jurisdiction that relates to or affects the Parties or either of them, the Project Area, the Project, or any portion thereof, the performance by the Parties of their respective obligations or the exercise by the Parties of their respective rights under this Agreement, including without limitation, the Municipal Land Use Law and the Redevelopment Law.

“Aspire Program” is defined in Section 2.06.

“Board” shall have the meaning set forth in the Recitals.

“Certificate of Completion” means a certificate issued by the City upon Completion of the Project pursuant to Section 8.01.

“Certificate of Occupancy” means a Certificate of Occupancy (temporary or permanent), as such term is defined in the New Jersey Administrative Code, issued with respect to the Project.

“City Indemnified Parties” is defined in Section 10.01.

“Commence[ment of] Construction” means the undertaking by the Redeveloper of any actual physical construction of any portion of the Project including site preparation, environmental remediation, construction of new structures or construction or upgrading of infrastructure.

“Comple[t]e, [ed] or [ion]” means with respect to the Project, or any portion thereof, that (a) all work related to the Project, or a portion thereof, or any other work or actions to which such term is applied has been completed, acquired and/or installed in accordance with this Agreement and in compliance with Applicable Laws so that (i) the Project, or any portion thereof that has been completed, as the case may be, may, in all respects, be used and operated under the applicable provisions of this Agreement, or (ii) with respect to any other work or action to which such term is applied, that the intended purpose of such work or action has been completed, (b) all permits, licenses and approvals that are required in order that a Certificate of Completion can be issued for the Project, or any portion thereof that has been completed, or such other work or action to which such term is applied are in full force and effect, and (c) such “Completion” has been evidenced by a written notice provided by the Redeveloper.

“Completion Date” means the date that the Project is Completed and a Certificate of Completion has been issued.

“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.

“Declaration” is defined in Section 7.04.

“Effective Date” means the date on which this Agreement is executed by the last of the Parties to so execute same, or such other date as may be agreed to by the Parties.

“Environmental Laws” means all federal, state, regional, and local laws, statutes, ordinances, regulations, rules, codes and administrative orders or decrees, directives or judgments relating to environmental contamination or damage to or protection of the environment, 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 New Jersey Spill Compensation and Control Act (the “Spill Act”) (N.J.S.A. 58: 10-23.11, et seq.); ISRA; 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-I et seq.); the New Jersey Environmental Rights Act (N.J.S.A. 2A:35A-1 , et seq.); and the rules and regulations promulgated thereunder.

“Escrow Account” is defined in Section 2.02(b).

“Escrow Agent” is defined in Section 2.02(b)

“Estoppel Certificate” is defined in Section 3.07.

“Event of Default” or “Default” means the occurrence of any Redeveloper Event of Default or City Event of Default, as the case may be, and as further defined in Section 12.01.

“Force Majeure” is defined in Section 12.02.

“Foreclosure” is defined in Section 11.03(b).

“Governmental Applications” is defined in Section 6.01(a).

“Governmental Approvals” means all final and unappealable local, state or federal government approvals necessary for the implementation and completion of the Project in accordance with the terms of this Agreement, including, but not limited to, Redevelopment Plan amendments (if required), preliminary and final site plan approval, preliminary and final subdivision approval, if and as applicable, environmental permits and approvals, including, but not limited to, Soil Erosion and Sediment Control Plan certification from the Hudson County Soil Conservation District, Hudson County Planning Board Approval, wetlands and storm water drainage permits, permits, consents, permissions or approvals relating to historic preservation matters, Utilities-related permits, including permits related to water supply and sewer service, and all other necessary permits, licenses, consents, permissions or approvals from or required by governmental agencies.

“Governmental Authority” means the federal government, the State, Hudson County, the City, any state or other political subdivision thereof, and any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any other governmental entity with authority or jurisdiction over any part of the permitting, Remediation, construction or operation of the Project or the Project Area, or pursuant to Environmental Laws including without limitation, the Planning Board and the NJDEP.

“Hazardous Substance” means any element, compound, material, mixture, substance, chemical or waste that is listed as hazardous or toxic, or a pollutant or contaminant, whether solid, liquid or gas (a) defined as a hazardous substance, hazardous waste, hazardous material, toxic substance, pollution, a pollutant, contamination or a contaminant in any law, (b) that consists, in whole or in part, of asbestos, urea formaldehyde or polychlorinated biphenyls or (c) the presence of which may cause liability under common law, including, but not limited to, any substance defined as a hazardous substance by the New Jersey Department of Environmental Protection

“Holder(s) is defined in Section 11.01(a).

“Improvements” means all buildings, structures and appurtenances, including, but not limited to, facilities and amenities, telecommunications equipment, surface parking or structured parking facility, infrastructures, roads, fill, utilities, catch basins, curbs, site lighting, traffic striping, signage and demarcations, fire hydrants, retaining walls, sidewalks, walkways, landscaping, open space treatment and all other improvements constructed on or installed upon or within, or to be constructed on or installed upon or within, the Project Area and the streets immediately adjacent to the Project Area.

“Losses” is defined in Section 10.01.

“ISRA” means the Industrial Site Recovery Act, as amended (N.J.S.A. 13:1K-6 et seq.).

“Municipal Land Use Law” or “MLUL” means N.J.S.A. 40:55D-1 et seq., as amended and supplemented.

“NJDEP” means the New Jersey Department of Environmental Protection.

“NJEDA” means the New Jersey Economic Development Authority.

“NJHMF” means the New Jersey Housing and Mortgage Finance Agency.

“Notice” is defined in Section 14.01.

“Official” means all elected and appointed officials of the City including, but not limited to, the Mayor, Commissioners, and all City department directors.

“Permitted Transfers” is defined in Section 9.03.

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

“PILOT” is defined in Section 2.05.

“PILOT Agreement” is defined in Section 2.05.

“PILOT Application” is defined in Section 2.05.

“PILOT Contingency” is defined in Section 2.05.

“Planning Board” shall have the meaning set forth in the Recitals.

“Planning Consultant” shall have the meaning set forth in the Recitals.

“Plans and Specifications” means all plans, drawings, specifications and related documents needed to obtain Governmental Approvals and to implement and Complete Construction of the Project or Project Section, as applicable, in accordance with this Redevelopment Agreement and all applicable Governmental Approvals.

“Progress Report” is defined in Section 5.02.

“Project” shall have the meaning set forth in the Recitals and as depicted in the Site Plan attached hereto under **Exhibit B**.

“Project Area” shall have the meaning set forth in the Recitals.

“Project Costs” means the costs of designing, permitting and constructing the Project or Project Section, as applicable attached hereto as **Exhibit I**.

“Project Schedule” means the schedule for the design, permitting, financing, construction and Completion of the Project by the Redeveloper, as set forth in **Exhibit C** attached hereto.

“Property” shall be known as Block 42, Lot 9 as shown on the Tax Map of the City.

“Purchase Price” means the amount of money the Redeveloper paid or will pay to purchase the Property.

“Redeveloper” shall be 720 8th Street Union City L.P.

“Redeveloper Covenants” shall have the meaning set forth in Section 7.04.

“Redeveloper Escrow Funds” is defined in Section 2.02(b).

“Redeveloper Event of Default” means, with respect to the Redeveloper, an Event of Default as defined in Section 12.01.

“Redevelopment Area” shall have the meaning set forth in the Recitals.

“Redevelopment Law” shall have the meaning set forth in the Recitals.

“Redevelopment Plan” shall have the meaning set forth in the Recitals.

“Reimbursable City Costs” is defined in Section 2.02(a).

“Remediat[e], [ed], Ling] or [ion]” means the investigation, study, planning, design, cleanup, removal, containment, disposal, dispersal, treatment (including, but not limited to, in-situ and ex-situ treatment), management, remediation (including, but not limited to, the use of institutional controls, stabilization, neutralization of Hazardous Substances required by Governmental Authority and/or pursuant to Environmental Laws which allows for the

Project, including, but not limited to any operations, maintenance, and monitoring activities that may be required after completion of the foregoing. The responsibility for completion of remediation and securing a remedial action outcome from the NJDEP shall be the Redeveloper.

“Section” means a section or subsection of this Agreement.

“Scheduled Completion Date” means the anticipated Completion Date as set forth in the Project Schedule attached hereto as Exhibit C, subject to any extensions granted in accordance with this Agreement.

“Site Plan” means the approvals secured by the Redeveloper from the Union City Zoning Board of Adjustment for this Project as included under Exhibit B.

“State” means the State of New Jersey.

“Substantial Completion” or “Substantially Completed” means that the requirements set forth in clauses (a) through (c), inclusive of the definition of “Completion,” have been satisfied, with the exception of certain immaterial portions of the work relating to the Project, as applicable, that have been Completed, or such other work remains to be Completed as long as (a) the Redeveloper, with respect to the Project, as applicable, has prepared and delivered to the City a “punch list” of items requiring completion or correction in order for the Redeveloper to fully comply with the terms of this Agreement, (b) “punch list” items have been reasonably agreed to by the City, and (c) such “punch list” items are capable of being Completed within ninety (90) days of the date that Completion is certified, as set forth in the written notice provided under (c) of the definition of Completion, or such later date as is mutually acceptable to the Parties, as long as the public health, welfare or safety is not impaired by such additional time for Completion; and provided further however, that all such “punch list” items shall be Completed under all circumstances within (i) one hundred eighty (180) days following the date that Completion is certified, as provided above, with respect to the exterior of any buildings and (ii) three hundred sixty-five (365) days following the date that Completion is certified, as provided above, with respect to the interiors of any buildings. “Substantial Completion” shall be evidenced by issuance of a temporary Certificate of Occupancy for the Project, or any portion thereof that has been Substantially Completed and a Certificate of Completion issued.

“Transfer” is defined in Section 9.02.

“Utilities” means municipal water, sanitary sewer and storm water facilities and natural gas, electric, and voice and data transmission facilities.

“USEPA” means the United States Environmental Protection Agency.

“Zoning Board of Adjustment” shall have the meaning set for in the Recitals.

Section 1.02. Interpretation and Construction. In this Agreement, unless the context otherwise requires:

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

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

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

(d) Any headings preceding the texts of the several Articles and Sections of this Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

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

(f) Each right of the City to review or approve any actions, plans, specifications, or other obligations of the Redeveloper hereunder shall be made by the City official(s) with legal authority to conduct such review or grant such approvals. Any review contemplated by this Agreement shall be made in a timely manner. Upon request of the Redeveloper, the City shall inform the Redeveloper of all officials with the required authority.

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

(h) Unless otherwise indicated, any “fees and expenses” shall be required to be actual, out of pocket, customary and reasonable.

Section 1.03. Affirmation of Agreement and Incorporation of Recitals. The terms of this Agreement shall supersede and replace the 2018 Development Agreement and any other prior Agreement or documents related to or in connection with the Project

or the Property. The “Introduction” and “Recitals” of this Agreement are incorporated herein and made a part of this Agreement.

ARTICLE II FINANCIAL OBLIGATIONS; COMMUNITY BENEFITS AGREEMENT; PILOT CONTINGENCY

Section 2.01. Redeveloper’s Financial Commitment. The Redeveloper represents and warrants that it has the requisite financing in an amount necessary to implement and complete the Project as contemplated by this Agreement. Attached hereto at **Exhibit K** are funding commitments from public and private entities along with a project budget that demonstrates the Redeveloper’s financial ability to complete the Project. The City’s obligation to close title on the property is contingent upon the Redeveloper obtaining financing to Complete the Project.

Section 2.02. Reimbursement of City Costs.

(a) In addition to the Redeveloper’s estimated costs for the Project, the Redeveloper agrees to reimburse the City for all reasonable and documented out-of-pocket costs and expenses incurred by the City in connection with the Project (the “Reimbursable City Costs”). The Reimbursable City Costs shall include all reasonable fees and costs of the City’s engineer necessary for the City’s evaluation of the construction of the Project. The Reimbursable City Costs shall not include the costs of wages, salaries and benefits paid to the City’s employees providing services relative to and in furtherance of the Project.

(b) The City will establish and administer an interest-bearing escrow account (the “Escrow Account”) into which Redeveloper shall deposit an amount of Twenty Thousand and 00/100 Dollars (\$20,000.00) (the “Redeveloper Escrow Funds”) to pay for the City Reimbursable Costs. The City shall serve as the escrow agent for the Escrow Account and the custodian of the Escrow Account shall be the City’s Chief Financial Officer (collectively, the “Escrow Agent”). Subject to the following sentence, the Parties agree that any charges received by the Escrow Agent for Reimbursable City Costs shall be transferred to the general fund of the City for City approval and disbursements. At least fifteen (15) calendar days prior to transferring such funds to the general fund for disbursement, written notice of the proposed transfer shall be sent to the Redeveloper, setting forth: (a) the amount of the proposed disbursement; (b) the name of the person or entity designated to receive the payment; and (c) a description, in reasonable detail, of the particular cost to be paid or reimbursed in accordance hereunder (including documentation detailing hours worked/billed and billing rates). If the Redeveloper does not object to such transfer within fifteen (15) calendar days of its receipt of such notice, the Redeveloper will be deemed to have acquiesced to the same. Should a dispute arise between the Parties as to the amount of the Escrow Account, or any proposed disbursements therefrom, said dispute shall be adjudicated pursuant to N.J.S.A. 40:55D-53.2(a) of the Municipal Land Use Law.

(c) Any interest earned on the Redeveloper Escrow Funds, for the benefit of Redeveloper, may be applied by Escrow Agent to satisfy any unfunded balances for Reimbursable City Costs. If any interest earned on Redeveloper Escrow Funds is not applied in the manner set forth in the preceding sentence, such interest shall be returned to the Redeveloper along with any unexpended Redeveloper Escrow Funds in accordance with paragraph (f) of this Section.

(d) In the event the balance of the Escrow Account drops below Five Thousand and 00/100 Dollars (\$5,000.00), Redeveloper shall replenish the Escrow Account to the original balance of Twenty Thousand and 00/100 Dollars (\$20,000.00) within thirty (30) calendar days of the City's written request.

(e) The City shall provide Redeveloper with a quarterly (every 3 months) accounting report setting forth all expenditures of Redeveloper Escrow Funds, which shall include at a minimum (i) the individual or entity to whom payments were disbursed, (ii) the date and amount of such disbursements, and (iii) the remaining balance in the Escrow Account.

(f) Upon the issuance of a Certificate of Completion by the City for the Project, any Redeveloper Escrow Funds not expended shall be returned to Redeveloper by the Escrow Agent, including any interest earned thereon that has not been applied as set forth in subsection (c) of this Section.

Section 2.03. Governmental Approval Fees. Except for as otherwise set forth hereunder, the Redeveloper will pay all customary fees for permits required by any Governmental Authority for the Construction of the Project as permitted by law.

Section 2.04. Performance Guarantees. Prior to the date for the Commencement of Construction of the Project, the Redeveloper shall, as may be required by the MLUL, submit a guaranty of completion. In addition, as may be required by the City, a personal guaranty of Edward G. Martoglio shall be provided in an amount not to exceed the face amount of a performance bond if same had been provided in lieu of the personal guaranty.

Section 2.05. PILOT Contingency. In order to enhance the economic viability of and opportunity for a successful Project, Redeveloper has applied or anticipates applying to the City (the "PILOT Application") for approval of a tax exemption agreement (the "PILOT Agreement") for the Project pursuant to Section 37 of the New Jersey Housing and Mortgage Finance Agency Law of 1983, N.J.S.A. 55:14K-1 et seq. (the "Agency Law"), or any other Applicable Law that would allow the Redeveloper to make payments in lieu of taxes ("PILOT") to the City with respect to the Project in lieu of paying conventional real estate taxes. Among other things, the PILOT Agreement shall provide that the Redeveloper shall make payments to the City in an amount equal to one (1%) percent of the Project's revenues on an annual basis. The terms and conditions of the PILOT Agreement, the proposed form of which is attached hereto as **Exhibit G**, shall be

negotiated in good faith by the Parties and shall contain terms mutually acceptable to the Parties.

In the event that the City (i) does not approve Redeveloper's PILOT Application, or (ii) does not approve a PILOT Agreement as contemplated herein (or, having approved a PILOT Agreement, an appeal is filed challenging such approval and is finally resolved against the City and/or Redeveloper), Redeveloper may elect to terminate this Agreement by providing written notice to City (the "PILOT Contingency"). Upon such termination, this Agreement shall be void and of no further force and effect and neither Party hereto shall have any rights, liabilities and/or obligations hereunder.

Section 2.06. Community Benefits Agreement Under ASPIRE Program.

(a) The Redeveloper intends to pursue gap financing under the NJEDA's Aspire Program, which was established under the New Jersey Economic Recovery Act of 2020 and set forth under N.J.S.A. 34:1B-322 et seq. and N.J.A.C. 19:31-23.1 et seq. (collectively, the "Aspire Program"). In accordance with and in satisfaction of the requirements set forth in N.J.A.C. 19:31-23.8(e) for the implementation of a community benefits agreement ("CBA"), this Section 2.06 includes all of the requisite provisions that meet or exceed the standards for a CBA pursuant to N.J.A.C. 19:31-23.8(e)(2). The Parties agree that the Project serves underserved communities within the City, and improves community health, safety, access to opportunity, recreational opportunity, environmental resilience and environmental quality, and enhances the overall quality of life for the City's residents. The Parties further agree that the following factors achieve the aforementioned CBA objectives:

(i) The Project provides eighty-nine (89) affordable apartment units for seniors 55 and up, to meet the needs of the City;

(ii) The Project provides eleven (11) affordable units targeting the physically and/or developmentally disabled residents;

(iv) The Project's sixty-three (63) Project Based Vouchers provided by Union City Housing Authority further enhances the Project's affordability; and

(v) The Project has limited rents to \$800/month for twenty-six (26) affordable units as an effort to enhance affordability for the Project as a whole;

(vi) The Project provides social services programming that promotes senior independent living, healthy lifestyles, financial management, and an on-site part-time wellness nurse, for which the developer will escrow approximately \$693,750. The Parties acknowledge, understand and agree that RPM Management II, L.L.C. will be the management company for the Project which will oversee the day-to-day operations of the Project once completed; and

(vii) The Project provides a minimum of six (6) hours per week of case management services to special needs residents.

(b) In furtherance of the requirements under the Aspire Program, a community advisory committee (the “Advisory Committee”) shall be created to oversee the implementation of the CBA objectives set forth herein, monitor successes, ensure compliance with the terms and conditions of this Section 2.06, and produce an annual report. Pursuant to and in accordance with requirements of N.J.A.C. 19:31-23.8(e)(5), the members of the Advisory Committee shall be appointed by the Mayor of the City and shall be comprised of representatives from diverse community groups and residents of the City as prescribed therein.

(c) The Advisory Committee shall produce an annual report on a date certain of each calendar year, including an evaluation of whether the Redeveloper is in compliance with the terms of this Section 2.06. If the annual report indicates that the Redeveloper is not in compliance with the terms of this Section 2.06, the Advisory Committee, City and Redeveloper shall enter into non-binding mediation as set forth in N.J.A.C. 19:31-23.8(e)(6)(ii) and (iii). In an effort to ensure that the Redeveloper completes the objectives of this Section 2.06, a personal guaranty from Edward G. Martoglio shall be submitted to the City guaranteeing the completion of said objectives. The personal guaranty shall cover a period of five (5) years following issuance of a Certificate of Completion.

(d) If Redeveloper is not in compliance as determined pursuant to N.J.A.C. 19:31-23.8(e)(6), the amount of tax credits that Redeveloper may apply in the relevant tax period shall be reduced in accordance with N.J.A.C. 19:31-23.8(e)(7). Redeveloper’s noncompliance for any reason other than as set forth in N.J.A.C. 19:31-23.8(e)(7) shall result in the Redeveloper’s forfeiture of its credit amount for that tax period and each subsequent tax period, until the first tax period for which documentation demonstrating compliance has been received and approved by NJEDA. The full amount of the credit shall be allowed for the first tax period in which NJEDA has approved compliance and each subsequent tax credit for which NJEDA approves compliance. Redeveloper’s forfeiture of its tax credits pursuant to this Subsection (d) for two (2) successive years shall constitute an event of default under this Section 2.06.

Section 2.07. City’s Financial Commitments.

(a) In order to provide financial assistance for the construction of the affordable units, the City shall contribute to the Project from its Affordable Housing Trust Fund the sum of Eight Hundred Fifty Thousand and 00/100 (\$850,000.00) Dollars for affordability assistance in order to maintain a maximum rent per unit not to exceed \$800.00 per month subject to the approval of the City’s Special Master for Affordable Housing and the entry of an appropriate Consent Order. The City agrees that such funds shall constitute an inferior lien to all other financing liens and mortgages of the Project as may be required by Redeveloper’s lenders and investors. Should there be any funds remaining from the monies used to finance this Project, the funds shall be refunded back to the City.

The City's contribution under Section 2.07(a) shall be made at construction closing or during the construction period at a time mutually acceptable to the City and Redeveloper. The Redeveloper and the City acknowledge and agree that the City's contribution at this point in time as set forth in this Section 2.07(a) will reduce the Redeveloper's capital costs such that the Redeveloper will be able to provide a portion of approximately 26 number of units as affordable housing at below market rates (not to exceed \$800.00 per month).

ARTICLE III CONSTRUCTION OF PROJECT

Section 3.01. Construction of Project.

(a) The City hereby affirms and agrees that the Redeveloper is designated as the exclusive redeveloper of the Redevelopment Area. In connection with such designation, Redeveloper has the exclusive right to perform and to have others perform on its behalf (with the consent of the City) any and all redevelopment activities on and about the Redevelopment Area consistent with the Concept Plan and the Redevelopment Plan (as the same may be amended from time to time). To that end, the City agrees that, absent an Event of Default by Redeveloper, it will not negotiate or entertain for the provision of another redeveloper for the Redevelopment Area or any portion thereof.

(b) The City agrees to reasonably utilize any authority it may have under Applicable Laws to assist the Redeveloper in the approval and construction of infrastructure improvements required for the Project. The City further agrees to cooperate with and assist the Redeveloper, to the extent permissible under Applicable Laws, with the waiver or reduction of connection fees as part of a wider effort to enhance the Project's financial feasibility. The Parties agree that the Redeveloper shall pay the negotiated rates for water and sewer connection fees, if any, due to the City or other governmental entity or authority under the control of the City.

(c) To the extent it is capable of doing so, the City agrees to cooperate with the Redeveloper to furnish an evaluation to determine the adequacy of existing infrastructure. The City further agrees to provide access to and permit connection to all such infrastructure and shall permit the Redeveloper to improve and/or expand such infrastructure as may be deemed necessary by the Redeveloper, subject to the City's approval, which approval shall not be unreasonably withheld, conditioned or delayed.

Section 3.02. Redeveloper's Scope of Undertakings. The services and responsibilities undertaken by the Redeveloper, as more particularly set forth in this Agreement, shall include, but not be limited to, the following: all aspects of the design, Remediation if required by Environmental Laws, the preparation, construction and operation of the Project, including, but not limited to, engineering, permitting, and the performance of or contracting for and administration and supervision of all construction required in connection with the Project; arrangement for interim and final inspections and any other actions required to satisfy the requirements of all Governmental Approvals necessary to develop the Project; all aspects of the financing of the Project, including

equity financing and construction, interim and permanent financing; and ongoing maintenance of the Project.

Section 3.03. Project Description. The Project shall consist of a six-story senior affordable housing project consisting of one hundred and one (101) units, two levels of parking and ground floor retail, as depicted on the Site Plan attached hereto under **Exhibit B.**

Section 3.04. Amendment of Development and Design Concepts. Design concepts for the Project may be modified by Redeveloper from time to time, as approved by the Parties, to reflect additional detail and information, as such detail and information becomes available, or to reflect or accommodate the requirements of any Applicable Law, or to take into account engineering/construction considerations which render the then-existing design concepts physically or economically impractical. Such modifications shall be subject to the prior review and approval of the City, which approval shall not be unreasonably withheld, conditioned or delayed. Any modification which triggers the need to amend any site plan and/or subdivision approval secured by Redeveloper shall be reviewed by the City for consistency with the Redevelopment Plan. Prior to submitting the site plan for the Project to the Planning Board, the Redeveloper agrees to provide a copy of the submission to the City for consistency review of the submission with the Redevelopment Plan and this Agreement. The City agrees to promptly review and approve the submission provided it is materially consistent with the requirements of the Redevelopment Plan and this Agreement. The City agrees to undertake such consistency review within thirty (30) days of the receipt of the submission by the Redeveloper to the City.

Section 3.05. Project Schedule. Unless otherwise adjusted as provided for in this Agreement, the Redeveloper agrees to Commence Construction and diligently Complete Construction of the Project in accordance with the Project Schedule attached hereto as **Exhibit C.** The Redeveloper agrees that the Project shall not be constructed in phases. Subject to the provisions of this Agreement, any material change in the scope of the Project, changes or updates to the Project Schedule, or extension of the projected Completion Date, shall require the City's prior written approval, which the City will not unreasonably withhold, condition or delay. The Redeveloper acknowledges and understands that the City will require Redeveloper's adherence to the schedule for Commencement of Construction and Completion of Construction, interim deadlines or milestones and time periods for the various activities and actions to be taken by the Redeveloper hereunder, subject only to the occurrence of a Force Majeure Event and any extensions granted by the City.

Section 3.06. Relocation of Utilities. The Redeveloper acknowledges that providers of Utilities may have certain rights with respect to the Redevelopment Area and may own certain facilities located therein. The Redeveloper agrees that it is its sole responsibility to undertake the appropriate measures to negotiate with, acquire, relocate or otherwise address the existence of these Utilities and improvements and easements therefore, in order to complete Construction of the Project, as provided by this Agreement.

To the extent reasonably requested by the Redeveloper, the City shall cooperate in facilitating the installation and/or relocation of any such affected Utilities.

Section 3.07. Estoppel Certificates. Within fourteen (14) days following written request by a Party, or of any Holder (as defined herein), purchaser, tenant or other party having an interest in the Project Area, the other Party shall issue a signed certificate (“Estoppel Certificate”) stating that (i) this Agreement is in full force and effect, (ii) there is no default or breach under this Agreement (nor any event which, with the passage of time and the giving of notice would result in a default or breach under this Agreement), or stating the nature of the default or breach or event, if any, and (iii) any other matter reasonably requested. In the event the Estoppel Certificate discloses such a default, breach or event, it shall also state the manner in which such default, breach and/or event may be cured. No more than three (3) Estoppel Certificates may be requested per year.

ARTICLE IV ACQUISITION OF PROPERTIES

Section 4.01. Acquisition of the Properties by Redeveloper.

(a) The City represents, warrants and agrees that it will convey the Property in fee to the Redeveloper for nominal consideration in accordance with Applicable Laws. The Redeveloper agrees and acknowledges that the City will take ownership of the Property solely for the purpose of serving as a conduit for transfer of the Property to the Redeveloper and shall not be consider an owner of the Property or part of the chain of title for any other purpose. The Parties agree that the Redeveloper’s obligation to close on the purchase of the Property is expressly contingent upon (i) Redeveloper’s receipt of final site plan approval, and subdivision approval, if necessary, (ii) the satisfaction of the PILOT Contingency, (iii) the Redeveloper’s receipt of adequate financing to Construct and Complete the Project, (iv) the satisfaction of the requirements under subsection (b) of this Section; and (v) the City being able to convey the Property with clear and marketable title, such closing occurring no later than thirty (30) calendar days after completion and satisfaction of all of the above-referenced contingencies.

(b) The City agrees that prior to the conveyance of the Property to the Redeveloper as contemplated above, the City shall deliver to Redeveloper copies of any surveys, plans, title reports, soil or environmental tests, environmental reports, approvals or other documents from the NJDEP and/or USEPA, other environmental information or other pertinent information related to the Property which the City has in its possession or in the possession of the City’s consultants.

(c) Physical Condition of the Property. Subject to and in light of the representations and disclosures set forth herein, the Property shall be conveyed to the Redeveloper, including the buildings located thereon, in “as is” condition and with “all faults” as of the Effective Date, subject to reasonable use, wear, tear and natural deterioration between the date of this Agreement and the closing date.

(d) Except for the representations, warranties and covenants expressly made by City in this Agreement, Redeveloper acknowledges and agrees that City has not made, does not make, shall not make and specifically negates any representations, warranties, promises, covenants, agreement or guarantees of any kind or character whatsoever, whether express or implied (except as expressly set forth in this Agreement, no responsibility has been or is assumed by City or by any member, partner, officer, person, firm, agent or representative acting or purporting to act on behalf of City) as to (i) the condition or repair of the Property, (ii) the presence or absence of Hazardous Substances on, at, under or migrating from the Property, (iii) the value, nature, quality or condition of the Property, (iv) the expense of operation of the Property, or the income potential thereof, (v) the suitability, fitness, marketability or developability of the Property for any and all activities which Redeveloper may desire to conduct thereon, (vi) the compliance of or by the Property or its operation with any Applicable Law, or (vii) any other fact or condition which has or might affect the Property or any portion thereof.

(e) To the extent that City has provided or will provide the Redeveloper with information from any inspection, engineering or environmental reports or copies of any documents relating to the Property, including, without limitation, matters pertaining to the environmental condition (including, without limitation, the presence of Hazardous Substances on, at, under or migrating from the Property), intended use or redevelopment of the Property, City makes no representations or warranties with respect to the accuracy or completeness of same or otherwise concerning the contents of such reports or documents relating to the environmental condition (including, without limitation, the presence of Hazardous Substances on, at, under or migrating from the Property), intended use or redevelopment of the property.

(f) All notices of violations of Applicable Law, whether or not noted or issued by any governmental authorities having jurisdiction of any type or character whatsoever against or affecting the Property or any part thereof, shall from and after the transfer of the Property to the Redeveloper be the sole responsibility of Redeveloper, who shall expressly undertake the duty and obligation to investigate the existence of any such violations, and City shall have no responsibility therefor.

(g) Environmental Indemnification. After closing on the Property, the Redeveloper hereby agrees, at its sole cost and expense, to unconditionally indemnify, defend and hold harmless the City, its employees and agents from any injuries, losses, liabilities, damages, liens, expenses (including, without limiting the generality of the foregoing, the costs of any environmental testing, remediation and the costs of attorney fees), charges, costs penalties, fines, actions, injunctions, suits, claims, judgments, or demands imposed, at any time, upon the Property and/or imposed upon, or incurred by the City, directly or indirectly, at any time as a result or in connection with violation(s) of any or all of the Applicable Laws (including, without limitation, Environmental Laws) by the Redeveloper. Except for the representations and warranties of the City contained in this Agreement, Redeveloper, by acquiring the Property, shall be deemed to release the City from, and to waive all claims of liability against the City for or attributable to, any environmental condition on, in, under or migrating from the Property, including any

liability which may arise against the City as a result of its temporary ownership of the Property solely for the purpose of serving as a conduit for the transfer of the Property to the Redeveloper. This Section 4.01(g) shall survive each respective closing and shall be in addition to, and not instead of, the Indemnification provisions set forth in Section 10.01.

(h) Relocation of United States Post Office (USPS). With respect to the relocation of the USPS currently leasing a portion of the Property, the Parties agree as follows:

(i) Subject to the approval of the USPS, Redeveloper will provide trailers for the USPS to temporarily occupy during construction and will collect rent from the USPS upon the conveyance of the Property by the City to the Redeveloper;

(ii) Subject to the approval of the USPS, the City will provide a municipal lot as located and depicted at Exhibit J, upon which the USPS can operate in the trailers during construction of the Project;

(iii) If there should be a delay in the relocation of the USPS such that the USPS remains on the Property after Commencement of Construction, the Parties agree to consider whether the Project Schedule shall be amended to extend the Project Schedule commensurate with such delay.

(iv) To the extent permitted by Applicable Law, the City shall work cooperatively and in good faith to support the Redeveloper's efforts in its efforts to relocate the USPS.

ARTICLE V PROJECT OVERSIGHT

Section 5.01. Progress Meetings. The Parties agree to attend and participate in progress meetings ("Progress Meetings") as may be reasonably requested by either Party (but not more than monthly) to report on the status of the Project and to review the progress under the Project Schedule. The Party requesting such a Progress Meeting shall give the other Party no less than seven (7) days advance written notice of any such meetings. The Progress Meetings shall be held in the offices of the City or such other place as the Parties may agree. Prior to the meeting, representatives of the City may visit the Project Area to inspect the progress of the work on the Project, in accordance with Section 5.03.

The agenda for the Progress Meetings shall include, but not be limited to, (a) a status report with regard to Governmental Approval submissions and approvals, (b) financial commitments, (c) construction of the Project, and (d) compliance with the Redevelopment Plan. At the Progress Meetings, this information will be evaluated by the City to determine compliance with the terms and conditions of this Agreement and the Project Schedule. The City shall have the right to require the Progress Meetings in order to ensure completion of the Project in accordance with the Project Schedule; provided, however,

Section 5.02. Progress Reports. The Redeveloper shall submit to the City a detailed written progress report (“Progress Report”) on a quarterly basis by the City. Each Progress Report shall include, but not be limited to, a description of activities completed, the status of all Governmental Approvals, an explanation of each activity, if any, which is causing a delay, a description of problem areas, current and anticipated delaying factors and their estimated impact on performance of other activities, and completion dates in the Project Schedule and an explanation of corrective action taken or proposed. The Progress Report shall also include a budget detailing funds spent on the Project, and shall be submitted in a form acceptable to the City and Redeveloper.

Section 5.03. Access to the Project Area. The City and its authorized representatives shall have the right, to enter the Project Area in accordance with Applicable Law to inspect the Project and any and all work in progress for the purpose of furthering its interest in this Agreement. In no event shall the City’s inspection of the Project Area (or any construction activities related thereto) be deemed acceptance of the work or be deemed to waive any right the City has under this Agreement. The City acknowledges hereby that the Project Area will be an active construction site and that the Redeveloper shall not be liable or responsible to the City, its employees, consultants or agents for injury to person or property sustained in connection with any such inspection, except to the extent that the Redeveloper’s negligent, willful or grossly negligent conduct violates its standard of due care owed to invitees. To the extent permitted by law, the City shall defend, indemnify and hold harmless Redeveloper and its officers, agents, employees, contractors, and consultants from any claims, investigations, liability, loss, injury, damage, lawsuits, civil proceedings, and expenses including reasonable attorney’s fees and disbursements which result, wholly or partially, from the willful or grossly negligent conduct of City’s representatives in relation to any visit and inspection of the Project Area.

ARTICLE VI APPLICATIONS FOR GOVERNMENTAL APPROVALS; WAIVER OF FEES AND COSTS

Section 6.01. Applications for Governmental Approvals.

(a) The Redeveloper (at its sole cost and expense) shall apply for and obtain all Governmental Approvals (the “Governmental Approvals”) necessary to Construct and use the Project, including approval to subdivide the Project Area, if such subdivision is necessary, all in accordance with the Project Schedule. Upon request by the City, the Redeveloper shall provide the City with (i) an electronic copy of each Governmental Application at such time as such Governmental Applications are submitted, and (ii) electronic copy of each Governmental Approval received by the Redeveloper with respect to the Project.

(b) To the extent reasonably requested by the Redeveloper, and to the extent applicable, the City shall provide assistance and support to the Redeveloper in connection with any applications for any Governmental Approvals required to be obtained for or with respect to the Project.

(c) In the event that all necessary Governmental Approvals for the Project are not obtained from the required Governmental Authorities by the date set forth in the Project Schedule, 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 reasonably acceptable to Redeveloper, then Redeveloper shall have the right to terminate this Agreement upon written notice to the City. 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. If this Agreement is terminated pursuant to the terms of this Section 6.01(c), then, except as expressly set forth herein to the contrary, this Agreement (including, but not limited to, 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) Notwithstanding anything hereunder to the contrary, the City agrees to waive any portion of escrow, permit and application fees and costs which are issued and controlled by the City (“City Fees”), and to work in good faith to assist in having other non-City fees and costs for Governmental Approvals waived or reduced, which shall include, but not be limited to, any utility connection fees and costs required by other governmental body or entity with jurisdiction over the Project. The Redeveloper shall be responsible for any and all reasonable costs associated with Improvements required by all other governmental bodies or entities.

Section 6.02. City Cooperation. To the extent reasonably requested by the Redeveloper and, to the extent permitted by Applicable Laws (and without violating its obligations as a governmental entity or regulatory body having competent jurisdiction over the Project), the City shall provide its support and assistance to the Redeveloper in facilitating the review of all plans, issuance of all permits, request for inspections and the conduct of such inspections through the appropriate boards, bodies or departments, as applicable. The foregoing shall specifically include, but not be limited to, the City’s agreement to cooperate with any reasonable request of Redeveloper relating to the need for an amendment to the Redevelopment Plan so that the Project can be approved by the Planning Board without the need for use or bulk variances, the City’s cooperation and use of good faith and diligent efforts to expedite the Commencement of Construction of the Project in the review by the City Engineer and Building Department of the Redeveloper’s plans for compliance with Applicable Laws. .

ARTICLE VII

REPRESENTATIONS AND WARRANTIES; REDEVELOPER COVENANTS

Section 7.01. Representations and Warranties by the Redeveloper. The Redeveloper hereby represents and warrants the following to the City for the purpose of inducing the City to enter into this Agreement and to consummate the transactions contemplated hereby, all of which shall be true as of the date hereof:

(a) The Redeveloper is a limited partnership organized under the laws of the State of New Jersey, is in good standing under such laws, and has all requisite power and authority to carry on its business as now and whenever conducted, and to enter into and perform its obligations under this Agreement.

(b) The Redeveloper has the legal power, right and authority to enter into this Agreement and the instruments and documents referenced herein to which the Redeveloper is a party, to consummate the transactions contemplated hereby, to take any steps or actions contemplated hereby, and to perform their obligations hereunder.

(c) This Agreement has been duly authorized, executed and delivered by the Redeveloper, and is valid and legally binding upon the Redeveloper and enforceable in accordance with its terms. The execution and delivery thereof shall not constitute a default under or violate the terms of any indenture, agreement or other instrument to which the Redeveloper is a party.

(d) No receiver, liquidator, custodian or trustee of the Redeveloper has 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 has been filed as of the Effective Date.

(e) 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 as of the Effective Date.

(f) No indictment has been returned against any member of the Redeveloper with respect to any transaction related to the transactions contemplated by the terms of this Agreement or otherwise.

(g) There are no suits, other proceedings or investigations pending or, to the best of the Redeveloper's knowledge, threatened against the Redeveloper that would have a material adverse effect on the financial condition of the Redeveloper.

(h) All materials and documentation submitted by the Redeveloper and its agents to the City and its agents were, to the best of Redeveloper's knowledge, at the time of such submission, and as of the Effective Date, materially accurate, and the Redeveloper shall inform the City of any material and adverse changes in the documentation submitted. 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 City to enter into this Agreement.

(i) Subject to obtaining construction and permanent financing, the Redeveloper is financially and technically capable of developing, designing, financing and constructing the Project.

(j) Subject to Section 2.07, the cost and financing of the Project is the responsibility of the Redeveloper. The City shall not be responsible for any cost whatsoever in respect to same. If reasonably requested by the City, the Redeveloper shall, from time to time, reaffirm the representations and warranties set forth in this Section 7.01. As used herein, the phrases “knowledge of Redeveloper”, “Redeveloper's knowledge”, and similar phrases shall refer to the actual knowledge of the members of Redeveloper, without further inquiry, as of the date such representation or warranty was made.

Section 7.02. Representations and Warranties and Covenants of the City. The City hereby represents and warrants the following to the Redeveloper for the purpose of inducing the Redeveloper to enter into this Agreement and to consummate the transactions contemplated hereby, all of which shall be true as of the date hereof:

(a) The City has the legal power, right and authority to enter into this Agreement and the instruments and documents referenced herein to which the City is a party, to consummate the transactions contemplated hereby, and to perform its obligations hereunder.

(b) This Agreement has been duly authorized, executed and delivered by the City and is valid and legally binding upon the City 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 notice or the passage of time, constitute a default under or violate the terms of any indenture, agreement or other instrument to which the City is a party.

(c) There is no pending or, to the best of the City’s knowledge, threatened litigation that would in any way (i) contest or seek to invalidate the Redeveloper’s ability to commence performance of its obligations under the Agreement, or (ii) prevent the City from performing its duties and obligations hereunder.

(d) There are no suits, other proceedings or investigations pending or, to the best of the City’s knowledge, threatened against the City that would have a material adverse effect on the City’s financial condition.

If reasonably requested by the Redeveloper, the City shall, from time to time, reaffirm the representations and warranties set forth in this Section 7.02.

Section 7.03. Redeveloper Covenants. Redeveloper covenants and agrees that, subject to the terms hereof, and except as explicitly provided herein (collectively, the “Redeveloper Covenants”):

(a) The Redeveloper shall use diligent efforts to obtain all Government Approvals necessary for the construction and development of the Project. The Redeveloper shall construct, improve, operate and maintain the Project in compliance with all Governmental Approvals, and other laws, ordinances, approvals, rules, regulations and requirements applicable thereto including, but not limited to, such zoning, sanitary,

pollution and other environmental safety ordinances, laws and such rules and regulations thereunder as shall be binding upon the Redeveloper under applicable laws.

(b) The Redeveloper shall use commercially reasonable efforts to (i) obtain financing for the Project, if and as needed, (ii) construct and develop the Project with all due diligence, and (iii) commence and Complete each item in the Project Schedule on or prior to the applicable date set forth in the Project Schedule and, for those items for which commencement dates only are given, such items shall be completed in a commercially reasonable period. All activities performed under this Agreement shall be performed in accordance with the level of skill and care ordinarily exercised by reputable developers of similar developments of the character, scope and composition of the Project.

(c) In accordance with the terms and conditions set forth in Article IV hereunder, the Redeveloper shall acquire the Properties in the Project Area.

(d) The Redeveloper shall construct the Project in accordance with this Agreement, the Redevelopment Law, the Redevelopment Plan (as the same may be amended from time to time), and all other Applicable Laws and, in the event that the Redeveloper wishes to materially change or modify the Project, notwithstanding the fact that such material change or modification is authorized by the Redevelopment Plan, the City's written approval (which shall not be unreasonably withheld, conditioned or delayed) must be secured prior to proceeding with any activities relating to such proposed material modifications. The Redeveloper acknowledges that the City has relied on the Site Plan and Project Schedule in entering into its obligations under this Agreement.

(e) The Redeveloper shall Complete the Project on or prior to the date set forth in the Project Schedule at its sole cost and expense (subject to Section 2.07).

(f) Upon Completion of the development and construction of the Project, the Redeveloper shall use diligent efforts to obtain all Governmental Approvals authorizing the occupancy and uses of the Project for the purposes contemplated hereby.

(g) The Redeveloper shall not discriminate against or segregate any person, or group of persons, on account of race, color, religion, creed, national origin, ancestry, physical handicap, age, marital status, affectional preference or gender in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Project, nor shall the Redeveloper itself, or any Person claiming under or through the Redeveloper, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the Project.

(h) The Redeveloper shall not restrict the sale, lease, sublease, rental, transfer, use, occupancy, tenure, or enjoyment of the Project on the basis of race, color, religion, creed, national origin, ancestry, physical handicap, age, marital status, affectional preference or gender of any person.

(i) The Redeveloper shall immediately notify the City of any material change in its financial condition from the information provided to the City by the Redeveloper indicating the Redeveloper's financial capability to develop, finance and construct the Project in furtherance of the City's consideration in designating the Redeveloper as the redeveloper of the Project Area.

(j) The Redeveloper shall not use the Project Area, Project, or any part thereof, for which a Certificate of Completion has not been issued, in a manner that is inconsistent with the Redevelopment Plan and this Agreement.

(k) The Redeveloper shall not use the Project Area, Project, or any part thereof for which a Certificate of Completion has not been issued, as collateral for an unrelated transaction.

Section 7.04. Declaration of Redeveloper Covenants and Restrictions. The Redeveloper shall execute and record a declaration of project covenant in form of **Exhibit D**, attached hereto (the "**Declaration**"), imposing on the Project and the Project Area, the Redeveloper Covenants set forth in this Section 7.04, and those other matters indicated in this Agreement to be included in the Declaration. Such Declaration shall provide that upon the issuance of a Certificate of Completion for the Project or a Project Section, (a) the agreements restrictions and covenants set forth in this Section 7.04 shall cease and terminate, except for those covenants and restrictions set forth in Section 7.04 hereof which shall survive in accordance with the terms of this Section 7.04, (b) the conditions determined to exist at the time the Project Area or applicable portion thereof was determined to be in need of redevelopment shall be deemed to no longer exist, and (c) the land and improvements constituting the Project, and the Project Area or applicable portion thereof, shall no longer be subject to eminent domain based upon such conditions.

Section 7.05. Effect and Duration of the Redeveloper Covenants. It is intended and agreed, and the Declaration shall so expressly provide, that the agreements and covenants set forth in Section 7.04 hereof and those elsewhere in this Agreement designated for inclusion in the Declaration shall be covenants running with the land until the Project or applicable portion thereof is Completed, and such covenants shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in this Agreement, be binding, to the fullest extent permitted by Applicable Laws and equity, for the benefit and in favor of, and enforceable by, the City, its successors and assigns, and any successor-in-interest to the Project, or any portion thereof, the Redeveloper, its successors and assigns and every successor-in-interest therein, and any Party in possession or occupancy of the Project, or any portion thereof; provided, however, that such covenants shall not be binding on any Mortgagee except in accordance with the terms of Article XI hereof. Such agreements and covenants, however, shall be binding on the Redeveloper itself, each successor-in-interest to the Redeveloper and each party in possession or occupancy, respectively, only for such period as the Redeveloper or such successor or party shall be in possession or occupancy of the Project Area, the buildings and structures thereon, or any part thereof.

Section 7.06. Enforcement of Redeveloper Covenants by the City. In amplification, and not in restriction of, the provisions of this Article VIII, it is intended and agreed that the City and any successor shall be deemed beneficiaries of the agreements and covenants set forth in this Agreement, 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 have been provided. The City shall have the right, in the event of any breach of any such agreement or covenant, to terminate this Agreement in accordance with the terms of Section 12.03 hereof. This Section is not intended to confer standing to sue on any party other than the City. Upon Completion of the Project (as evidenced by the issuance of a Certificate of Completion), the conditions that were found and determined to exist at the time the Project Area was determined to be in need of redevelopment shall be deemed to no longer exist, and the conditions and requirements of N.J.S.A. 40A:12A-9 shall be deemed to have been satisfied with respect to the Project.

ARTICLE VIII CERTIFICATES OF OCCUPANCY AND COMPLETION

Section 8.01. Certificate of Occupancy and Certificate of Completion. Upon the Completion of the Project, in accordance with the Governmental Approvals and Applicable Laws, the Redeveloper shall apply to the appropriate governmental officer or body for a temporary or permanent Certificate of Occupancy. Following the issuance of a permanent Certificate of Occupancy and the satisfaction of the terms and conditions of this Agreement, the City agrees to issue a Certificate of Completion in substantially the form attached hereto as **Exhibit E**, which shall acknowledge that the Redeveloper has performed all of its duties and obligations under this Agreement, and has completed construction of the Project, in accordance with the requirements of this Agreement and shall constitute a determination that the conditions that were found to exist when the Project Area (or applicable portion thereof) was determined to be an “area in need of redevelopment” no longer exist. The Certificate of Completion shall constitute a recordable, conclusive determination of the satisfaction and termination of the agreements and covenants in this Agreement, Declaration, and the Redevelopment Plan with respect to the obligations of the Redeveloper to construct the Project, as applicable, within the date for the completion of same.

Within thirty (30) days after written request by the Redeveloper, the City shall provide the Redeveloper with the Certificate of Completion or a written statement setting forth in detail the reasons why it believes that the Redeveloper has failed to Complete the Project in accordance with the provisions of this Agreement or is otherwise in default under this, or any other, applicable agreement and what reasonable measures or acts will be necessary in the opinion of the City in order for the Redeveloper to be entitled to the Certificate of Completion.

ARTICLE IX TRANSFERS

Section 9.01. Prohibition Against Speculative Development. The Redeveloper covenants that its undertakings pursuant to this Agreement shall be for the purpose of developing and constructing the Project and not for speculation in land holding.

Section 9.02. Prohibition Against Transfers. The Redeveloper recognizes the importance of the Project to the general welfare of the community. The Parties acknowledge and agree that a change in control of the Redeveloper is for practical purposes a transfer or disposition of the property interest then owned by the Redeveloper, and that, therefore, the qualifications and identity of the Redeveloper and its principals are of particular concern to the City. In light of the foregoing, except for Permitted Transfers set forth in Section 9.03 hereof, during the term of this Agreement, the Redeveloper shall not, without the prior written consent of the City, which shall not be unreasonably withheld, conditioned or delayed: (a) effect or permit any change, directly or indirectly, in the control of the Redeveloper prior to the issuance of the final Certificate of Completion for the Project, (b) assign or attempt to assign this Agreement or any rights herein, or (c) make any total or partial sale, transfer, or conveyance of the whole or any part of the Project Area or Project (individually and collectively, a “Transfer”).

Section 9.03. Permitted Transfers. The Redeveloper, without violating the provisions of Section 9.02 hereof, may affect the following Transfers, to which the City hereby consents upon receipt of written notice thereof, without the necessity of further action by the City (“Permitted Transfers”):

- (a) security for the purpose of obtaining the financing necessary to enable the Redeveloper to perform its obligations under this Agreement with respect to completing the Project and any other purpose authorized by this Agreement;
- (b) a total or partial sale, transfer or conveyance of the whole or any portion of the Project that has received a Certificate of Completion;
- (c) a mortgage or mortgages and other liens and encumbrances (but not including mechanic’s liens) for the purposes of financing costs associated with the acquisition, development, construction and marketing of the Project;
- (d) utility and other development easements;
- (e) environmental covenants and restrictions imposed by a regulatory agency as a condition of any permit or approval;
- (f) a lease, rental agreement, sale or other similar agreement with any end user of the Project, which shall be defined as any individual or entity that utilizes any residential or retail space for its intended use;

(g) a Transfer and total or partial assignment of this Agreement to an Affiliate of the Redeveloper or a transfer among members of the Redeveloper and/or trustees for their benefit;

(h) a Transfer pursuant to a foreclosure or deed in lieu of foreclosure, and any Transfer by any Holder or any Holder's successor and/or assigns after foreclosure;

(i) any contract or agreement with respect to any of the foregoing exceptions;

(j) transfer of the Redeveloper limited partnership interest to a newly admitted or replacement limited partner as required to implement an award of Low Income Housing Tax Credits; and

(k) replacement of the general partner interest in accordance with the terms and conditions of the Redeveloper's Limited Partnership Agreement, as may be amended or restated from time to time.

Section 9.04. Notice of Permitted Transfers. With respect to any Permitted Transfers (except for a Permitted Transfer pursuant to Section 9.03 (b) or (f)), the Redeveloper shall provide to the City written notice at least fourteen (14) days prior to such Transfer, including a description of the nature of such Permitted Transfer, and the name(s) and address(es) of the transferee and any parties, individuals and/or entities comprising such transferee. The Redeveloper shall cause the transferee to execute such documentation as is reasonably requested by the City in order to assure that the transferee has assumed all of the Redeveloper's obligations under this Agreement and the Declaration as to the Project (if the Redeveloper's right, title and interest in the Project is being transferred).

Section 9.05. Transfers Void. Any transfer of the Redeveloper's interest in violation of this Agreement shall be a Redeveloper Event of Default and shall be null and void *ab initio*. Such default shall entitle the City to seek all remedies available under the terms hereof, and those available pursuant to law or equity, including termination of this Agreement. In the absence of specific written consent by the City, or a deemed approval in accordance with the terms hereof, no such sale, transfer, conveyance or assignment or approval thereof by the City, shall be deemed to relieve the Redeveloper from any obligations under this Agreement. The Declaration shall contain a restriction against transfers as set forth in this Article and, in addition, shall provide that in the event of any attempted transfer in violation of the restrictions in this Article, the City shall be entitled to the *ex parte* issuance of an injunction restraining such transfer, and the award of legal fees and related expenses of the City in connection with any such legal action. Upon recording of the Certificate of Completion, the provisions of the Declaration set forth in this Article shall be deemed terminated, and the Declaration shall so state.

Section 9.06. Approval of Transfer. Notwithstanding anything to the contrary contained herein, with respect to any Transfer that requires the City's consent pursuant to the terms of this Article IX, the City shall not unreasonably withhold, condition or delay

its consent to such Transfer. The City shall notify the Redeveloper in writing whether the City consents to a Transfer within thirty (30) calendar days after Redeveloper's written request to the City for such consent. The City shall not withhold, condition or delay its consent to any Transfer to a transferee that has the same or greater experience and technical capability to carry out the Project as the Redeveloper, and has the same or greater wherewithal to obtain financing for the Project as the Redeveloper.

Section 9.08. Information as to Ownership of Redeveloper. In order to assist in the effectuation of the purpose of this Article IX, Redeveloper represents that the certificate attached to this Agreement as **Exhibit F** is an incumbency certificate of Redeveloper as of the Effective Date, subscribed and sworn to by a manager member or other authorized member of Redeveloper, setting forth the name(s) and address(es) of all entities owning at least a 10% interest in Redeveloper.

(a) At such times as reasonably requested by the City, Redeveloper will update the incumbency certificate and keep **Exhibit F** current as to Redeveloper.

(b) Redeveloper will immediately notify the City in writing of any and all changes in the ownership of Redeveloper resulting in any change in such ownership or in the relative distribution thereof, or with respect to the identity of the parties in control of Redeveloper or the degree thereof, of which it or any of its officers or members have been notified or otherwise have knowledge or information.

(c) Redeveloper shall, at such time or times as the City may reasonably request, furnish the City with a complete statement subscribed and sworn to by the managing member or other authorized member of Redeveloper, setting forth the names of all managing members, or other owners of equity interests of Redeveloper, and the extent of their respective holdings.

ARTICLE X INDEMNIFICATION

Section 10.01. Redeveloper Indemnification.

(a) The Redeveloper covenants and agrees, at its expense, to pay and to indemnify, protect, defend and hold the City, its Officials, employees, servants, designees and agents (for the purposes of this Section 10.01, the "**City Indemnified Parties**") harmless from and against all liability, losses, damages, demands, costs, claims, lawsuits, administrative proceedings, fines, penalties, and expenses (including reasonable attorneys' fees and court costs)(collectively, "**Losses**"), resulting, wholly or partially, from the condition, use, possession, conduct, management, planning, design, acquisition, construction, installation, financing, leasing or sale of the Project , including, but not limited to, any lawsuit or proceeding relating to the death of any person or any accident, injury, loss, and damage whatsoever to any person or to the property of any person which shall occur on the Project Area and which results from any negligence or willful misconduct of Redeveloper, its agents, servants, employees, or contractors, but excluding

Losses to the extent that same may result, wholly or partially, from the negligence or willful misconduct of the City, its employees, contractors, representatives or agents. Moreover, such obligation to indemnify shall not apply to the actions or inactions of third-parties over whom the Redeveloper does not exercise control, as long as the Redeveloper maintains and enforces commercially reasonable security measures and commercial liability insurance to protect against such third-party actions or inactions. Redeveloper shall provide copies of said insurance policies and demonstrate that the City is listed as an additional named insured for so long as the policies are being maintained throughout the Project and for an additional year following issuance of Certificate of Completion.

(b) In any situation in which a City Indemnified Party is entitled to receive and desires indemnification by the Redeveloper, the City Indemnified Party shall give prompt notice of such situation to the Redeveloper. Failure to give prompt notice to the Redeveloper shall not relieve the Redeveloper of any liability to indemnify the City Indemnified Party, unless such failure to give prompt notice materially impairs the Redeveloper's ability to defend such party. Upon receipt of such notice, the Redeveloper shall resist and defend any action or proceeding on behalf of the City Indemnified Party, including the employment of counsel reasonably acceptable to the City Indemnified Party, the payment of all expenses and the right to negotiate and consent to settlement. All of the City Indemnified Parties shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such separate counsel shall be at the expense of such City Indemnified Party. The Redeveloper shall not be liable for any settlement of any such action effected without its consent, but if settled with the consent of the Redeveloper or if there is a final judgment against the City Indemnified Party in any such action, the Redeveloper agrees to indemnify and hold harmless the City Indemnified Party from and against any loss or liability by reason of such settlement or judgment for which the City Indemnified Party is entitled to indemnification hereunder. The Redeveloper shall have the right to settle any such action on terms it deems appropriate provided that a full release of the City Indemnified Party is obtained and no admission of liability by the City Indemnified Party is required. In the event the City Indemnified Party fails or refuses to provide a release of such action, and a final judgment is rendered against the Redeveloper, the City shall be responsible for the Redeveloper's counsel fees and costs incurred subsequent to the City Indemnified Party's refusal to release the action and for that amount of the judgment which is in excess of the sum for which the Redeveloper would have otherwise settled the action.

(c) The Redeveloper's indemnity provided under this Section 10.01 shall survive the termination of this Agreement and shall run with the land and be referenced in the Declaration but shall terminate upon the issuance of the last Certificate of Completion for the Project.

ARTICLE XI
MORTGAGE FINANCING; NOTICE OF DEFAULT
TO MORTGAGEE; RIGHT TO CURE

Section 11.01. Mortgage Financing.

(a) Neither the Redeveloper nor any successor-in-interest to the Project, or any portion thereof, shall engage in any financing or any other transaction creating any mortgage or other encumbrance or lien upon the Project, as applicable, whether by express agreement or operation of law, or suffer any encumbrance or lien (other than liens for governmental impositions) to be made or attach to the Project, as applicable, in excess of ninety (90%) percent of Project Costs, except as may be approved by the City (which approval shall not be unreasonably withheld, conditioned or delayed) for the purpose of obtaining funds in connection with the construction of the Project, as applicable; provided, however, that upon the issuance of a Certificate of Completion for the Project, or any portion thereof, such prohibition shall no longer apply with respect to the corresponding parcel of land and Improvements. The Redeveloper, or its successor-in-interest, shall notify the City in advance of any such financing secured by a mortgage or other lien instrument which it proposes to enter into with respect to the Project, or any portion thereof (a “Holder”) and, in any event, the Redeveloper shall promptly notify the City of any encumbrance or lien (other than liens for governmental impositions) that has been created on or attached to any portion of the Project, whether by voluntary act of the Redeveloper or otherwise, upon obtaining knowledge or notice of same.

(b) In the event that the Redeveloper is unable to obtain financing for the Project on terms and conditions acceptable to Redeveloper in its reasonable discretion, after reasonable and good faith attempts to do so, or if Redeveloper determines that financing for the Project cannot be obtained on terms and conditions acceptable to Redeveloper in its sole discretion, after reasonable and good faith attempts to do so, then Redeveloper shall have the right to terminate this Agreement upon written notice to the City. City hereby agrees to cooperate with the reasonable requirements of Redeveloper’s selected lender(s) and investor(s).

(c) If this Agreement is terminated pursuant to the terms of this Section 11.01 then, except as expressly set forth herein to the contrary and upon full payment of all City Costs accruing until the date of such termination, this 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) To the extent reasonably requested by the Redeveloper, the City shall execute such other agreement and/or documents (in the form as reasonably acceptable to the City) including, but not limited to, Estoppel Certificates as reasonably requested or required by Redeveloper or Holder. In addition, if the Redeveloper or a Holder requires changes in the terms of the Agreement, the City shall reasonably cooperate with the Redeveloper in approving such change, so long as such change, if any, does not modify or materially change the rights or obligations of the Parties set forth in this Agreement.

Section 11.02. Notice of Default to the Redeveloper and Right to Cure.

Whenever the City shall deliver any notice or demand to the Redeveloper with respect to any breach or default by the Redeveloper under this Agreement, the City shall at the same time deliver to each Holder a copy of such notice or demand, provided that the Redeveloper has delivered to the City a written notice of the name and address of such Holder. Each such Holder shall (insofar as the rights of the City are concerned) have the right at its option within ninety (90) calendar days after the receipt of such notice (and the expiration of all applicable cure periods), 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 City shall not seek to enforce any of its remedies under this Agreement during the period in which any such Holder is proceeding diligently and in good faith to cure a Redeveloper Event of Default. If possession of the Project Area or a portion thereof is necessary to cure any default or breach, any Holder will be allowed to complete any proceedings required to obtain possession of the Project Area or such portion thereof, provided such Holder is proceeding diligently to so obtain possession.

Section 11.03. No Guarantee of Construction or Completion by Holder.

(a) A Holder shall in no manner be obligated by the provisions of this Agreement to construct or complete the Project, as applicable, or to guarantee such construction or completion, nor shall any covenant or any other provisions be construed to obligate a Holder. Nothing contained in this Agreement shall be deemed to permit or authorize such Holder to undertake or continue the construction or completion of the Project, as applicable (beyond the extent necessary to conserve or protect the Holder's security, including the improvements or construction already made) without the Holder or Affiliate of Holder first having expressly assumed the Redeveloper's obligations to the City with respect to the Project, as applicable by written agreement reasonably satisfactory to the City.

(b) If a Holder forecloses its mortgage secured by the Project, as applicable, or takes title (in its name or the name of an Affiliate) to the Project, as applicable, by deed-in-lieu of foreclosure or similar transaction (collectively a "Foreclosure"), the Holder or its Affiliate shall have the option to either (i) sell the Project, as applicable, to a responsible entity reasonably acceptable to the City, which entity shall assume the obligations of the Redeveloper under this Agreement in accordance with Applicable Law, and/or (ii) itself, or its Affiliate, assume the obligations of the Redeveloper under this Agreement in accordance with Applicable Law. In the event of a Foreclosure and provided the Holder or the purchaser is in compliance with this Agreement, the City shall not seek to enforce against the Holder or purchaser of the parcel any of the remedies available to the City pursuant to the terms of this Agreement available in connection with the events preceding the Foreclosure. The Holder, or the entity assuming the obligations of the Redeveloper as to the parcel affected by such Foreclosure or sale, in that event must agree to complete the Project, as applicable, in accordance with the terms of this Agreement, but subject to reasonable extensions of the Project Schedule, and shall submit evidence reasonably satisfactory to the City that it has the qualifications and financial responsibility necessary to perform such obligations. Any such Holder, or other entity assuming such

obligations of the Redeveloper, properly completing the Project, as applicable, shall be entitled, upon written request made to the City, to Certificates of Completion. Nothing in this Agreement shall be construed or deemed to permit or to authorize any Holder, or such other entity assuming such obligations of the Redeveloper, to devote the Project Area, 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 Agreement and the Redevelopment Plan. The Holder or such other entity that assumes the obligations of the Redeveloper shall be entitled to develop the Project, or in each case a portion thereof, in accordance herewith.

ARTICLE XII EVENTS OF DEFAULT AND REMEDIES; REPLACEMENT REDEVELOPER

Section 12.01. Events of Default. Any one or more of the following shall constitute an event of default hereunder ("Event of Default"), subject to the occurrence of an event of Force Majeure (with none of the following to be construed as a limitation on any other):

(a) Redeveloper Events of Default.

(i) Failure of Redeveloper to observe or perform any material covenant, condition, representation, warranty or agreement hereunder and any other failure, act or omission by Redeveloper designated elsewhere in this Agreement as a default, and except as otherwise specified below the continuance of such default for a period of thirty (30) calendar days after Notice from the City specifying the nature of such default and requesting that such default be remedied; provided, however, if the default is one that cannot be completely remedied within thirty (30) calendar days after such notice, it shall not be an Event of Default as long as Redeveloper is proceeding in good faith and with diligence to remedy same as soon as practicable, but in no event later than ninety (90) calendar days after such notice unless this Agreement or the City specifically provides otherwise;

(ii) Redeveloper's failure or refusal to make any payment or deposit of funds required hereunder as and when required, and the failure to make such payment or deposit within fifteen (15) business days after Notice from the City, including, but not limited to, any failure or refusal to initially provide or subsequently replenish the Redeveloper Escrow Funds;

(iii) (a) Redeveloper shall have applied for or consented to the appointment of a custodian, receiver, trustee or liquidator of all or a substantial part of its assets; (b) a custodian shall have been legally appointed with or without consent of Redeveloper; (c) Redeveloper (1) has made a general assignment for the benefit of creditors, or (2) has filed a voluntary petition in bankruptcy or a petition or an answer seeking an arrangement with creditors or has taken advantage of any insolvency law; (d) Redeveloper has filed an answer admitting the material allegations of a petition in any

bankruptcy or insolvency proceeding; (e) Redeveloper shall take any action for the purpose of effecting any of the foregoing; (f) a petition in bankruptcy shall have been filed against Redeveloper, and shall not have been dismissed for a period of ninety (90) consecutive days; (g) an Order for Relief shall have been entered with respect to or for the benefit of Redeveloper, under the Bankruptcy Code; (h) an Order, judgment or decree shall have been entered, without the application, approval or consent of Redeveloper, by any court of competent jurisdiction appointing a receiver, trustee, custodian or liquidator of Redeveloper, or a substantial part of its assets and such order, judgment or decree shall have continued unstayed and in effect for any period of ninety (90) consecutive days; or (i) Redeveloper shall have suspended the transaction of its usual business.

(iv) Redeveloper (a) except as otherwise permitted hereunder, fails to perform its material obligations with respect to the implementation of the Project in accordance with this Agreement and the Project Schedule, the Redevelopment Plan, Governmental Approvals or Applicable Laws, including, but not limited to, failure to Commence Construction or Complete Construction in accordance with the Project Schedule; or (b) abandons the Project or suspends construction work for three (3) consecutive months without the prior knowledge and consent of the City (unless such suspension arises out of a Force Majeure Event), and any such failure, abandonment or suspension shall not be cured, ended, or remedied within thirty (30) days after Notice by the City; provided, however, if the default is one that cannot be completely remedied within thirty (30) days after such Notice has been given, it shall not be an Event of Default as long as the Redeveloper 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;

(v) There is a prohibited Transfer, immediately upon such Transfer with no Notice or opportunity to cure;

(vi) Material breach of any warranty or representation made by Redeveloper;

(vii) Material violation by Redeveloper of any covenant or restriction contained in the Declaration;

(viii) Redeveloper's failure to pay or delinquency in the payment of real property taxes or assessments, which failure or delinquency is not cured within thirty (30) days of Notice by the City; or

(ix) Cancellation or termination by reason of any act or omission of Redeveloper of any insurance policy, performance or completion bond, letter of credit, guaranty or other surety required hereunder to be provided by Redeveloper for the benefit of the City, immediately upon cancellation or termination thereof if not replaced with no resulting gaps in coverage.

(b) City Events of Default.

(i) Failure of the City to perform its obligations hereunder, and the continuance of such Default for a period of thirty (30) calendar days after Notice from the Redeveloper specifying the nature of such Default and requesting that such Default be remedied; provided, however, if the Default is one that cannot be completely remedied within thirty (30) calendar days after such Notice, it shall not be an Event of Default as long as the City 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) calendar days after such Notice unless this Agreement specifically provides otherwise;

(ii) Material breach of any warranty or representation made by the City and the continuance thereof for a period of thirty (30) calendar days after Notice from the Redeveloper specifying the nature of such Default and requesting that such Default be remedied; provided, however, if the Default is one that cannot be completely remedied within thirty (30) calendar days after such Notice, it shall not be an Event of Default as long as the City 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) calendar days after such Notice unless this Agreement specifically provides otherwise.

Section 12.02. Force Majeure. Performance by either Party shall not be deemed to be in default hereunder where delays or failure to perform are the result of events or conditions beyond the reasonable control of the Party relying thereon as justification for not performing an obligation or complying with any condition required of such Party under the terms of this Agreement, including, but not limited to, the following (a “Force Majeure” event):

(a) An act of God, lightning, blizzards, hurricane, tornado, earthquake, acts of public enemy, war (whether or not declared), terrorism, blockade, insurrection, riot or civil disturbance, sabotage or similar occurrence, the declaration of a state of an emergency by any governmental entity which results in the stoppage or shut down of the development of the Project, but not including reasonably anticipated weather conditions for the geographic area of the Project Area, other than those set forth above (such events being required to physically affect a Party’s ability to fulfill its obligations hereunder; and the consequential effect of such events (e.g., impact on market conditions) shall not be considered a Force Majeure event);

(b) A landslide, fire, explosion, flood, release of nuclear radiation, damage to or theft of any part of the Improvements, or any casualty not created by the willful misconduct or grossly negligent act or omission of the Party claiming Force Majeure;

(c) The order, judgment, action or inaction and/or determination of any Governmental Authority (other than the City when acting in conformance with this Agreement) excepting decisions interpreting federal, State and local tax laws generally applicable to all similar taxpayers; provided, however, that such order, judgment, action

or inaction and/or determination shall not be the result of the willful misconduct or grossly negligent action or inaction of the Party relying thereon. Neither the contesting of any such order, judgments, action or inaction and/or determination, in good faith, nor the reasonable failure to so contest, shall constitute or be construed as willful misconduct or grossly negligent action or inaction by such Party;

(d) The suspension, termination, interruption, denial, or failure of or delay in renewal or issuance of any Governmental Approval (including due to any appeal); provided, however, that such suspension, termination, interruption, denial, or failure of or delay in renewal or issuance shall not be the result of the willful misconduct or grossly negligent action or inaction of the Party relying thereon. Neither the contesting of any such suspension, termination, interruption, denial or failure of renewal or issuance, in good faith, nor the reasonable failure to so contest, shall constitute or be construed as willful misconduct or grossly negligent action or inaction by such Party. Delay in issuance of a Governmental Approval resulting from the Redeveloper's failure to make an administratively complete submission for a Governmental Approval in accordance with Applicable Law shall not be a Force Majeure event;

(e) An inability to procure goods or services for any reason not caused by the willful misconduct or grossly negligent act or omission of the Party claiming Force Majeure, including, but not limited to, the limited manufacturing capacity of any suppliers, a general shortage of labor, equipment, facilities, energy, materials or supplies in the open market, failure of transportation, strikes, lockouts, slowdowns or similar labor action by trade unions or any of their members, equipment manufacturers, suppliers of material and/or transporters of same, or any other economic condition that may adversely affect the Project, or the real estate markets; or

(f) Acts or omissions of the other Party, except in conformance with this Agreement or Applicable Law, or as to the Redeveloper, acts or omissions of the City.

Any Force Majeure event affecting any counterparty to an agreement with either or both of the Parties hereto shall be considered a Force Majeure event hereunder. Notice by the Party claiming an extension shall be sent to the other Party within thirty (30) calendar days of the commencement of the cause. During any Force Majeure event that affects a portion of the Project, to the extent reasonably practicable, the Redeveloper shall continue to perform its obligations for the rest of the Project. The existence of a Force Majeure event shall not prevent a Party from declaring the occurrence of an Event of Default by the Party relying on such Force Majeure event; provided, however, that the event that is the basis of the Event of Default is not a result of the Force Majeure event. Except for a Force Majeure event(s) resulting from acts or omissions of the City, any Force Majeure event(s) will be deemed to have ceased to exist as of a date twenty-four (24) months from its initial occurrence.

Section 12.03. Remedies Upon Event of Default by the Redeveloper. If an Event of Default by the Redeveloper occurs which is not cured under Section 12.01(a) and

subject to the rights of a Holder under Section 11.01 hereof, the City shall have the right, in its sole and absolute discretion, to the following:

- (a) Termination of this Agreement, in whole or in part, upon the expiration of the applicable cure period with respect to the Project, or to otherwise de-designate the Redeveloper;
- (b) The withholding of the issuance of any Certificate(s) of Occupancy and/or Certificate(s) of Completion as to the Project until the Event of Default has been cured;
- (c) To declare and direct the appropriate City official to enforce the forfeiture of the performance guarantees if such Event of Default is with respect to an obligation for which such performance guarantee was furnished; or
- (d) All other remedies at law or in equity.

Section 12.04. Termination of the Agreement; Resale of the Property. If, prior to the conveyance of the Property to the Redeveloper and, in violation of this Agreement, the Redeveloper (or any successor in interest) assigns or attempts to assign this Agreement or any rights in the Project or the Property contrary to the provisions of this Agreement, or, subject to the prior satisfaction of all conditions precedent, does not accept the Deed(s) to the Property upon tender thereof by the City pursuant to this Agreement, or if any other Event of Default occurs and all applicable cure periods have expired, then this Agreement, and any rights of the Redeveloper or its assignee or transferee hereunder arising therefrom with respect to the City or the Property, shall, at the option of the City, be terminated and there shall be no further rights or obligations of the parties, except as expressly set forth this Agreement. In the event of such termination, the City shall terminate the Redeveloper's designation as the redeveloper of the Project and shall have the right to withdraw, to the extent possible, from a purchase agreement or condemnation proceeding heretofore undertaken. In the event of such termination, the Redeveloper shall remain fully responsible for payment of any outstanding Reimbursable City Costs. The Redeveloper shall pay to the City all costs and/or damages (including reasonable counsel fees) incurred by the City on account of the default of the Redeveloper and/or arising out of or resulting from the withdrawal of the City from any purchase agreement and/or condemnation proceeding. The City shall have the right to apply to the aforementioned costs or damages incurred by the City as aforesaid, any of the Redeveloper Escrow Funds in the hands of the City at the time of such default and termination or any funds returned to the City as the result of the City's termination or withdrawal from any condemnation action or purchase agreement entered into in connection therewith. In the event of a termination of this Agreement pursuant to this Section, upon the resale of the Property, the proceeds from the resale of the Property, as well as the consideration, if any, received by the City for the Property, shall be applied as follows:

- (a) First, to all reasonable costs and expenses incurred by the City including, but not limited to, (i) reasonable legal fees and related costs and expenses incurred by the City in connection with the acquisition, possession, management and resale of the Property;

(ii) all taxes, assessments, and water and sewer charges with respect to the Property or any part thereof incurred after the termination of this Agreement and prior to the resale of the Property; and (iii) any amounts otherwise owed to the City by Redeveloper and its successors, assigns or transferees in accordance with the terms of this Agreement;

(b) Second, to reimburse the Redeveloper, its successors, assigns or transferees up to the amount equal to the Redeveloper's actual costs (exclusive of profit and development or management fees paid to Redeveloper or its Affiliates, if any) associated with the Project, for land acquisition, engineering, site improvement, developer costs and other costs required by this Agreement and the actions contemplated thereby. Any balance remaining after such reimbursements shall be retained by the City as its property; and

(c) Any remaining balance after such reimbursements shall be remitted to the City.

Section 12.05. City's Remedies; Re-vesting Title in City. Subsequent to the City's conveyance of the Property to the Redeveloper and prior to the Completion of the Project, upon the occurrence of any material Event of Default by the Redeveloper and after all applicable cure periods have expired, the City shall have the right at its sole and absolute option, upon thirty (30) calendar days' written notice to Redeveloper and any mortgagee of the Redeveloper, to re-enter and take possession of the Property and to terminate (and re-vest in City) the estate conveyed by the Deed(s) of the City to the Redeveloper and thereupon all title and rights and interests in and to the Property shall revert to the City. At the same time that the City enters onto and takes possession of the Property, Redeveloper shall execute and deliver a deed to the City for the Property subject to the rights of any mortgage holder as set forth in Article V herein. If Redeveloper fails to deliver an executed deed to the City within fifteen (15) calendar days after written demand by the City, the City shall have the right as the attorney-in-fact for Redeveloper to execute and deliver such a deed to the City for the Property. The Redeveloper hereby irrevocably appoints the City as its attorney-in-fact for the purpose of making this conveyance, the power of attorney being a power coupled with an interest. Upon the occurrence of any such conveyance, this Agreement shall be deemed terminated and there shall be no further rights or obligations of the parties. This provision shall be entered in the Deeds. Any vesting of title in the City under this Section shall always be subject to and limited by, and shall not defeat, render invalid, or limit in any way, the lien of any mortgage permitted by this Agreement for the protection of the holders of such mortgage.

Section 12.06. Remedies Upon Event of Default by the City. In the event that an Event of Default by the City occurs, which is not cured under Section 12.01(b) hereof, then the Redeveloper may take whatever action at law or in equity as may appear necessary or desirable to enforce the performance or observance of any rights, remedies, obligations, agreements, or covenants of the City, as applicable, under this Agreement, including, but not limited to, an action for specific performance and/or damages. Further, but subject to any cure provisions afforded the City hereunder, the Redeveloper shall have the right, in its sole and absolute discretion, to terminate this Agreement.

Section 12.07. Failure or Delay. Except as otherwise expressly provided in this Agreement, any failure or delay by either Party in asserting any of its rights or remedies as to any default, shall not operate as a waiver of any default, or of any such rights or remedies, or deprive either such Party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

Section 12.08. Remedies Cumulative. No remedy in favor of Redeveloper conferred by any of the provisions of this 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 or now or hereafter existing at law or in equity or by statute or otherwise. The election of any one or more remedies by Redeveloper shall not constitute a waiver of the right to pursue other available remedies.

Section 12.09. Continuance of Obligations. The occurrence of an Event of Default shall not relieve the defaulting party of its obligations under this Agreement unless this Agreement is terminated as a result of such Event of Default, as and to the extent permitted hereunder.

Section 12.10. Mitigation. The Parties shall act reasonably to mitigate any damages that may be incurred as a result of an Event of Default hereunder; provided, however, that the costs of any mitigation efforts shall be at the sole cost of the defaulting Party.

Section 12.11. Replacement of Redeveloper. Upon termination of this Agreement by the City due to an Event of Default by the Redeveloper, the City shall have the right at its sole and absolute option, pursuant to its responsibilities and obligations under Applicable Law, to designate a replacement redeveloper for the Project. Such replacement redeveloper shall be designated as soon and in such a manner as the City shall find feasible and consistent with the objectives of Applicable Law and of the Redevelopment Plan. Consistent with this Agreement, Redeveloper shall deliver to the City originals of all Plans and Specifications and other Project documents to the extent in the possession and control of the Redeveloper or its consultants, contractors, engineers, architects or agents, and shall upon request execute assignments of all Project documents and other rights and agreements pertaining to the Project in favor of the City. Any proceeds resulting from the designation of the replacement redevelopment shall be applied as follows:

- (a) First, to all Reimbursable City Costs;
- (b) Second, to reimburse the Redeveloper, its successors or transferees up to the amount equal to the Redeveloper's actual costs (exclusive of profit and development or management fees paid to Redeveloper or its Affiliates) associated with the Project, for land acquisition, engineering, site improvement, developer costs and other costs required by this Agreement and the actions contemplated thereby; and

(c) Any remaining balance after such reimbursements shall be remitted to the City.

ARTICLE XIII INSURANCE

Section 13.01. Insurance — General Requirements. At all times during the construction of the Project, as applicable, and until such time as the City shall issue a Certificate of Completion for the Project, as applicable, in accordance with the provisions of this Agreement, the Redeveloper shall maintain, or cause to be maintained by its contractors, who shall name the City as an additional named insured and provide proof of same, insurance for the mutual benefit of the City and the Redeveloper as their interests may appear:

(a) Loss or damage by fire, and such other risks as may be included in the standard form of extended coverage insurance from time to time available, in amounts sufficient to prevent the City or Redeveloper from becoming a co-insurer within the terms of the applicable policies, and in any event, in amounts not less than 100% of the then full insurable value of the Project or Project Section, as applicable;

(b) All claims for bodily injury and property damage, under a policy of comprehensive general public liability insurance, with such limits as may be reasonably required by the City from time to time, but not less than \$1 million per occurrence in respect of injury or death and \$2 million per occurrence for property damage, plus excess (“umbrella”) liability policies with coverage not less than \$5 million;

(c) Works compensation insurance in an amount not less than \$1 million or as statutorily may be required under Applicable Laws for employees of Redeveloper and its contractors; and

(d) Builder's risk insurance.

The Redeveloper's obligation to provide insurance, or to arrange for its contractors to provide insurance, as to the Project, as applicable, shall cease upon the issuance of a Certificate of Occupancy as to the Completion of Construction undertaken by the Redeveloper.

The Redeveloper shall furnish the City with satisfactory proof that it has obtained all applicable insurance as described in this Section from insurance companies or underwriters reasonably satisfactory to the City. The Redeveloper shall furnish to the City certificates of the preceding types of insurance showing the type, amount, and class of operations insured and the effective and expiration dates of the policies. Until construction of the Project, as applicable, is completed and a Certificate of Completion issued, the Redeveloper shall, upon request, provide the City with proof that the aforesaid insurance policies are being maintained. All insurance policies obtained pursuant to this Article XIII must include waivers of subrogation against the City and the Redeveloper.

ARTICLE XVI MISCELLANEOUS

Section 14.01. Notices. Formal notices, demands and communications between the City and the Redeveloper (“Notice”) shall be in writing and deemed given if dispatched to the addresses set forth below by registered or certified mail, postage prepaid, return receipt requested, or by a commercial overnight delivery service with packaging tracking capability and for which proof of delivery is available. In this case such Notice is deemed effective upon delivery. Such Notice may be sent in the same manner to such other addresses as either Party may from time to time designate by written notice. Copies of all Notices shall be sent as follows:

If to the City:

City of Union City
Office of the Mayor
3715 Palisade Avenue
Union City, New Jersey 07087

City of Union City
Office of the Clerk
3715 Palisade Avenue
Union City, New Jersey 07087

With a copy to:

Angelo Auteri, Esq.
Scarinci Hollenbeck
1100 Valley Brook Avenue
P.O. Box 790
Lyndhurst, New Jersey 07071

If to the Redeveloper:

720 8th Street Union City, L.P.
77 Park Street
Montclair, New Jersey 07042
ATTN: Edward G., Martoglio

With a copy to:

720 8th Street Union City, L.P.
77 Park Street

Montclair, New Jersey 07042
ATTN: Frank D. Casciano, Esq.

Section 14.02. Non-Liability of Officials and Employees of the City. No member, Official, agent, or employee of the City shall be personally liable to the Redeveloper, or any successor-in-interest, in the event of any default or breach by the City, or for any amount which may become due to the Redeveloper or its successor, or on any obligation under the terms of this Agreement.

Section 14.03. Non-Liability of Officials and Employees of Redeveloper. No member, officer, shareholder, director, partner or employee of the Redeveloper shall be personally liable to the City, 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 City, or their successors, on any obligation under the terms of this Agreement.

Section 14.04. No Brokerage Commissions. The City and the Redeveloper each represent one to the other that no real estate broker initiated, assisted, negotiated or consummated this Agreement as broker, agent, or otherwise acting on behalf of either the City or the Redeveloper, and the City and the Redeveloper shall indemnify each other with respect to any claims made by any person, firm or organization claiming to have been so employed by the indemnifying party.

Section 14.05. Provisions Not Merged With Deeds. To the extent that the provisions of this Agreement are intended to bind the Redeveloper's assigns and successors, its provisions shall not be merged by reason of any deeds transferring title to any portion of the Project Area from the Redeveloper or any successor-in-interest, and any such deeds shall not be deemed to affect or impair the provisions and covenants of this Agreement.

Section 14.06. Successors and Assigns. This Redevelopment Agreement shall be binding upon and inure to the benefit of the permitted successors and assigns of the Parties hereto, and their heirs, executors, and administrators. Consistent with Section 9.03, Redeveloper may assign this Redevelopment Agreement, in full or in part, to an Affiliate.

Section 14.07. Titles of Articles and Sections. The titles of the Articles and Sections of this Agreement are inserted for the convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 14.08. Severability. If any term or provision of this Agreement or the application thereof shall to any extent be held to be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to circumstances other than those to which it is invalid or unenforceable, shall not be affected thereby, and each other term and provision of this Agreement shall be valid and shall be enforced to the extent permitted by law.

Section 14.09. Executiun of Counterparts. This Agreement may be executed in one or more counterparts (which may be copies delivered electronically or by facsimile) and when each Party has executed and delivered at least one counterpart, this Agreement shall become binding on the Parties and such counterparts shall constitute one and the same instrument.

Section 14.10. Prior Agreements Superseded. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes any prior agreement and all negotiations or previous agreements between the Parties with respect to all or any part of the subject matter hereof.

Section 14.11. Waivers and Amendments in Writing. All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the City and the Redeveloper and all amendments hereto must be in writing and signed by the appropriate authorities of the City and the Redeveloper.

Section 14.12. Drafting Ambiguities and Interpretation. In interpreting any provision of this Agreement, no weight shall be given to, nor shall any construction or interpretation be influenced by, the fact that counsel for one of the Parties drafted this Agreement, each Party acknowledging that it and its counsel have had an opportunity to review this Agreement and have contributed to the final form of same.

Section 14.13. Governing Law. This Agreement shall be governed by and construed in accordance with the Applicable Laws of the State, and any disputes arising hereunder shall be resolved in the Superior Court, State of New Jersey, Hudson County Vicinage.

Section 14.14. Incorporation of Recitals. The recitals set forth in this Agreement are hereby incorporated by reference and are considered part of this Agreement.

[SIGNATURE PAGE FOLLOWS]

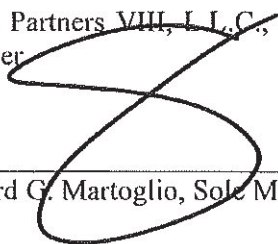
IN WITNESS WHEREOF, this Agreement is made and entered by the Parties hereto, intending to be legally bound, on the day and year first above written.

Witness/Attest:

720 8TH STREET UNION STREET, L.P.

By: RPM Partners VIII, L.L.C., its General Partner

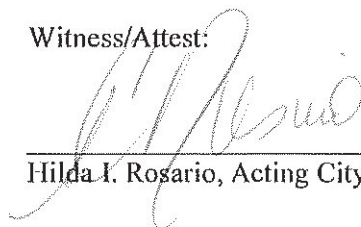


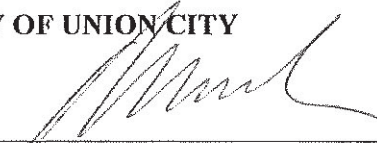
By: 
Edward G. Martoglio, Sole Member

Dated: 7/12/2023

Witness/Attest:

CITY OF UNION CITY


Hilda I. Rosario, Acting City Clerk

By: 
Brian P. Stack, Mayor

Dated: _____

EXHIBIT A

DESCRIPTION OF THE PROJECT AREA

Block 42, Lot 9 as designated on the Official Tax Map of the City of Union City, commonly known as 720 8th Street, Union City, New Jersey.

EXHIBIT B

APPROVED SITE PLAN AND BOARD RESOLUTIONS

**RESOLUTION
CITY OF UNION CITY
BOARD OF ADJUSTMENT**

**720 8TH STREET UNION CITY URBAN RENEWAL ASSOCIATION, LP
720 8TH STREET, UNION CITY, NJ
BLOCK 42, LOT(S) 9**

WHEREAS, an application has been made by 720 8th Street Union City Urban Renewal Association, LP, to the Union City Zoning Board of Adjustment seeking a third one year extension of the site plan approval and variances memorialized by resolution of the Board dated September 13, 2018 for premises commonly known as 720 8th Street, Union City, NJ 07087. The property is also known as Lots 9; Block 42 on the Tax Map of the City of Union City, New Jersey; and

WHEREAS, after compliance with all requirements of the Zoning Ordinance of the City of Union City and State Statute in such cases made and provided, a public hearing was held by the Board of Adjustment in the Council Chambers, City Hall, Union City, New Jersey on February 09, 2023; and

WHEREAS, the applicant was represented by Michael Hong, Esq. from the Weiner Law Group LLP; and

WHEREAS, the Applicant has applied to the Zoning Board of Adjustment of the City of Union City, County of Hudson and State of New Jersey seeking a third one year extension of the site plan approval and variances memorialized by resolution of the Board dated September 13, 2018. Michael Hong, Esq., made the following comment to the Board in support of his request:

“We're here to seek an extension of approvals. This is our third extension request, and what will be our final. This project has been faced with the COVID supply chain issues and most recently the interest rates have not been helpful to the financing of the project. We have all the problems of a market rate development with affordable since we are a 100 percent affordable project. And we do have -- we've been working with Union City Housing Authority and we have vouchers that are helpful in trying to expand affordability. And we've been working with the