



## VERNON TOWNSHIP COUNCIL MEETING AGENDA

MARCH 25, 2024

7:00 PM REGULAR SESSION (OPEN TO THE PUBLIC)

### 1. CALL TO ORDER

2. **STATEMENT:** Adequate Notice of this Regular Meeting was provided to the public and the press on January 17, 2024 and was posted at the Municipal Building in accordance with the Open Public Meetings Act, N.J.S.A.10:4-7.

### 3. SALUTE THE FLAG

### 4. ROLL CALL

### 5. MAYOR COMMENTS

### 6. PUBLIC COMMENT (For Current Agenda Items Only, Limited to 3 Minutes Per Person)

### 7. REVIEW OF BILLS LIST

### 8. APPROVAL OF MINUTES

March 11, 2024 – Executive Session

March 11, 2024 – Regular Meeting

### 9. CONSENT AGENDA

**Resolution #24-56:** Resolution of the Township Council of the Township of Vernon Amending Resolution #22-77 in Support of an Adult-Use Cannabis Retailer License for Castle of Greens

**Resolution #24-96:** Resolution Accepting Bid of Campbell Supply Co Inc for Fire Apparatus and Ambulance Repair Bid #2-2024

**Resolution #24-98:** Resolution Authorizing a Mutual Aid and Assistance Agreement Between the County of Sussex and the Township of Vernon

**Resolution #24-99:** A Resolution of the Township of Vernon, in the County of Sussex, New Jersey Referring a Redevelopment Plan for Property Located in the Township Identified as 151 to 161 Route 94 - Block 525, Lots 18 and 19, to the Land Use Board Pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 ET SEQ.

**Resolution #24-100:** Resolution of the Township of Vernon, County of Sussex, State of New Jersey, Authorizing the Disposition or Salvage of Obsolete Equipment in the Possession of the Township at Auction on Municibid.com

**Resolution #24-101:** Resolution of the Township of Vernon, County of Sussex, State of New Jersey Supporting a Future New Jersey Department of Transportation Roadway Improvements Project, Route 94 Pleasant Valley Drive to Maple Grange Road

**Resolution #24-102:** Resolution Authorizing the Hiring of a Grants Writing Vendor Through the Competitive Contracting Process

**Resolution #24-103:** Authorizing Contracts with Certain Approved State Contract Vendors Firefighter One for Purchase of Volunteer Fire Department Turnout Gear and Bailout Systems

**Resolution #24-104:** Refund Overpayment Due to State Tax Court Judgement

## **10. PUBLIC HEARING/2<sup>ND</sup> READING OF ORDINANCES**

**Ordinance #24-04:** Ordinance to Exceed the Municipal Budget Appropriation Limits and to Establish a Cap Bank (N.J.S.A. 40A: 4-45.14)

**Ordinance #24-06:** Ordinance of the Township of Vernon, County of Sussex, New Jersey Approving an Application for a Long-Term Tax Exemption and Authorizing the Execution of a Financial Agreement with Oneill Group Vernon I Urban Renewal, LLC

## **11. PUBLIC COMMENT (Limited to 5 Minutes On Any Topic)**

## **12. COUNCIL COMMENTS**

## **13. COUNCIL PRESIDENT COMMENTS**

## **14. ADJOURNMENT**



Totals by Year-Fund Fund Description	Fund	Budget Total	Revenue Total	G/L Total	Total
CURRENT FUND	3-01	316,280.87	0.00	0.00	316,280.87
CURRENT FUND	4-01	1,976,215.13	0.00	0.00	1,976,215.13
CAPITAL FUND	C-04	14,597.76	0.00	0.00	14,597.76
ESCROW	E-12	450.00	0.00	0.00	450.00
GRANT FUND	G-02	27,002.00	0.00	0.00	27,002.00
OTHER TRUST	T-14	15,423.72	0.00	0.00	15,423.72
RECREATION TRUST	T-16	700.00	0.00	0.00	700.00
BARRY LAKES DAM	T-23	507.07	0.00	0.00	507.07
BARRY LAKES (2)	T-24	3,850.58	0.00	0.00	3,850.58
Year Total:		20,481.37	0.00	0.00	20,481.37
Total of All Funds:		2,355,027.13	0.00	0.00	2,355,027.13

March 21, 2024  
09:33 AM

Township of Vernon  
Check Register By Check Date

Page No: 1

Range of Checking Accts: First to Last      Range of Check Dates: 03/07/24 to 03/20/24  
Report Type: All Checks      Report Format: Condensed      Check Type: Computer: Y Manual: Y Dir Deposit: Y

Check #	Check Date	Vendor	Amount Paid	Reconciled/Void	Ref Num
PO #		Description			Contract
10-001		GENERAL/CENTRAL CHECKING			508
61379	03/12/24	ACEWA005 ACE WALCO TERMITE & PEST CONTR			508
		23-00220 DPW - pest control services	74.44		
		24-00034 PEST CONTROL SERVICES	74.44		
			<u>148.88</u>		
61380	03/12/24	ACMEM005 ACME MARKETS, INC			508
		24-00086 Senior Center Kitchen Supplies	277.16	\$233.72 charged to T-14-56-813-00 Senior Trust	
61381	03/12/24	AIRGA010 AIRGAS			508
		24-00091 WELDING SUPPLIES & ANNUAL LEAS	4.95		
61382	03/12/24	ALLIE020 ALLIED OIL			508
		24-00237 Municipal Gas Fuel	4,634.51		
61383	03/12/24	AMAZO005 AMAZON.COM SERVICES LLC			508
		24-00106 Police Supplies	18.49		
		24-00135 SC Programs & Events	22.09		
		24-00144 Rec Programs & Events	161.20		
			<u>201.78</u>		
61384	03/12/24	AMYHA005 AMY HACKETT			508
		24-00349 MAC Grant Alliance Coord 2nd Q	250.00		
61385	03/12/24	ARKELO05 ARKEL MOTORS INC			508
		24-00065 PARTS TO REPAIR INTER'L VEH	2,654.64		
61386	03/12/24	ASSOC020 Associated Appraisal Group Inc			508
		23-00459 2024 Reassessment Blanket	17,200.00		
61387	03/12/24	BOLES005 ALLAN BOLES			508
		24-00398 DJ Services Rec Events	250.00		
61388	03/12/24	BRIDG005 BRIDGESTONE RETAIL OPERATIONS,			508
		24-00169 RE-STOCKING OF TIRES ON VES	948.48		
61389	03/12/24	BRIGH010 BRIGHTSPEED			508
		24-00295 Blanket - Telephone Service	844.61		
61390	03/12/24	CAMPB010 CAMPBELL SUPPLY CO, LLC,			508
		24-00162 PARTS NEEDED TO REPAIR VES VEH	128.08		
		24-00179 FREIGHTLINER TRUCK PARTS	1,361.92		
			<u>1,490.00</u>		
61391	03/12/24	CANNI005 THE CANNING GROUP LLC			508
		24-00187 Qualified Purchasing Services	791.67		
61392	03/12/24	CETIRO05 C & E TIRES			508
		24-00160 VARIOUS TIRE REPAIRS	85.00		

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PO #	Description				Contract
10-001		GENERAL/CENTRAL CHECKING	Continued		
61393	03/12/24	CIVIL015 CIVIL SOLUTIONS			508
23-00461	2023	Tax Map Maintenance	120.00		
61394	03/12/24	CLUTC005 DOVER BRAKE & CLUTCH			508
24-00063		PARTS TO REPAIR DPW VEHICLES	395.54		
61395	03/12/24	COPYC005 COPY CENTER OF VERNON LLC			508
24-00282		Office Supplies Mayor	66.00		
61396	03/12/24	CREAT025 CREATIVE MANAGEMENT INC			508
24-00238		Municipal Fuel Diesel	25,044.24		
61397	03/12/24	CRYST005 CRYSTAL MOUNTAIN SPRINGS			508
24-00022		WATER COOLER SERVICE	205.49		
61398	03/12/24	CUSTO005 CUSTOM BANDAG INC			508
24-00154		VARIOUS AUTOMOTIVE TIRES DPW	1,406.34		
61399	03/12/24	DO000005 WILLIAM J MARION, D.O.			508
24-00318		Blanket DPW -CDL Physicals	175.00		
61400	03/12/24	DONNE015 RR DONNELLEY			508
24-00254		Office Supplies	213.00		
24-00317		Township Envelopes	504.95		
			<u>717.95</u>		
61401	03/12/24	ELAVO005 ELAVON, INC			508
24-00352		2024/Court/ Credit Card Fees	70.60		
61402	03/12/24	FIREF010 FIREFIGHTER ONE LLC			508
23-01622		OSHA MASK FIT TESTING	2,975.00		
61403	03/12/24	FUNEX005 FUN EXPRESS			508
24-00369		SC Events	122.65		
61404	03/12/24	GAETA005 GAETA RECYCLING CO., INC			508
24-00016		CONTAINER SERVICE	1,927.02		
61405	03/12/24	GENER010 ICC GENERAL CODE, INC.			508
24-00435		Annual Maintenance	1,195.00		
61406	03/12/24	GIANA005 MARCY GIANATTASIO			508
24-00425		Zoom webinar 2-25-24/3-24-24	59.70		
61407	03/12/24	GPCNA005 NAPA Auto Parts			508
24-00062		PARTS TO REPAIR DPW VEHICLES	1,606.49		
61408	03/12/24	HAROL005 HAROLD E PELLOW AND ASSOC, INC			508
23-00118		Work Performed	138.00		
24-00440		Mun Eng Roads, Parks, LDP	6,062.64		
			<u>6,200.64</u>		

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PO #	Description				Contract
10-001		GENERAL/CENTRAL CHECKING	Continued		
61409	03/12/24	HERAL005 NEW JERSEY HERALD			508
		24-00279 LUB Various Advertisements	75.02		
		24-00397 TAX SALE ADVERTISEMENT	32.46		
			<u>107.48</u>		
61410	03/12/24	HHAUT005 H & H AUTO PARTS OF VERNON			508
		24-00060 PARTS TO REPAIR VES VEHICLES	91.27		
		24-00061 PARTS TO REPAIR DPW VEHICLES	614.19		
			<u>705.46</u>		
61411	03/12/24	HIGHL025 HIGHLAND LAKES VOLUNTEER FIRE			508
		24-00438 Fire Dept Reimbursements Feb24	15,025.84		
61412	03/12/24	HOOVE005 HOOVER TRUCK CENTERS, INC			508
		24-00178 PARTS TO REPAIR FREIGHTLINER	72.00		
61413	03/12/24	INFIN005 INFINITY CREATIVE ARTS			508
		24-00371 Rec Program Supplies	216.00		
61414	03/12/24	INTEG010 INTEGRATED MICRO SYSTEMS, INC			508
		24-00231 IT Services February 2024	2,400.00		
61415	03/12/24	JCPL0005 JCP&L			508
		24-00401 Electric Muni Facil Dec 2023	9,332.18		
61416	03/12/24	KONIC005 KONICA MINOLTA BUSINESS SOLUTI			508
		24-00305 Copier Lease Finance Office	92.83		
61417	03/12/24	KRAFT010 KRAFT POWER CORP			508
		23-00490 GENERATOR REPAIRS & MAINT	1,170.00		
61418	03/12/24	KUNZO005 APRIL A KUNZ-OLEKSY			508
		24-00140 SC Exercise Programs	640.00	charged to T-14-56-813-00 Senior Trust	
61419	03/12/24	LANDS015 NOTCHWOOD LANDSCAPE			508
		24-00181 SNOW REMOVAL FOR BARRY LAKES	10,350.00		
61420	03/12/24	LANGU005 LANGUAGE LINE SERVICE			508
		24-00351 2024/Court/Interpreters	154.70		
61421	03/12/24	LAWSO005 LAWSOFT, INC			508
		24-00378 Annual Recurring Support	13,840.00		
61422	03/12/24	LAWSO010 LAWSON PRODUCTS			508
		24-00066 VARIOUS SHOP SUPPLIES	417.80		
61423	03/12/24	LEIDI005 CRAIG LEIDIG			508
		24-00436 BOOT REIMBURSEMENT	150.00		
61424	03/12/24	MCAFE010 MC AFEE HARDWARE CO., INC.			508
		24-00012 PARKS SUPPLIES	31.98		
		24-00039 SIGN SUPPLIES	30.97		

Check #	Check Date	Vendor	Amount Paid	Reconciled/Void	Ref Num
PO #	Description				Contract
10-001		GENERAL/CENTRAL CHECKING	Continued		
61424		MC AFEE HARDWARE CO., INC.	Continued		
24-00130		VARIOUS HARDWARE NEEDS	54.99		
			117.94		
61425	03/12/24	MCMAN005 MC MANIMON SCOTLAND & BAUMANN, 24-00313 Theta Drive Redevelopment	4,200.00		508
61426	03/12/24	MICRO015 MICROSYSTEMS-NJ.COM, LLC 24-00396 2024 EMAIL SERVICE	120.00		508
61427	03/12/24	MONTA015 MONTAGUE TOOL & SUPPLY 24-00076 PARTS TO REPAIR SMALL ENGINES	480.60		508
61428	03/12/24	MORTO005 MORTON SALT, INC 24-00042 ROAD SALT	1,918.07		508
61429	03/12/24	NJDMV005 NJDMVC 24-00412 TITLE THE NEW CHIPPER	60.00		508
61430	03/12/24	NJMEB005 NJMEBF 24-00421 DECEMBER 2023	280,732.15		508
61431	03/12/24	NORTH010 NORTH CHURCH GRAVEL, INC 24-00256 ROAD GRIT	4,411.08		508
61432	03/12/24	NORTH015 NORTH EAST PARTS GROUP LLC 24-00058 PARTS TO REPAIR DPW VEHICLES	362.68		508
61433	03/12/24	OPRAN005 OPRANDY'S FIRE & SAFETY INC 24-00101 Police- Oxygen Tank Refill	642.46		508
61434	03/12/24	OPTIM005 Optimum 24-00327 DPW & Sr Ctr Cable Services	34.85		508
61435	03/12/24	OTISE005 OTIS ELEVATOR COMPANY 24-00024 ELEVATOR SERVICE	200.00		508
61436	03/12/24	PENTE005 PENTELEDATA LP 24-00383 Blanket - Muni Cable Services	507.80		508
61437	03/12/24	PERAL005 PEARL OBSERVATORY 24-00428 Solar Viewing Event	700.00	charged to T-16-56-803-00	508 Recreation Trust
61438	03/12/24	POCHU010 POCHUCK VALLEY FIRE DEPT. 24-00439 Fire Dept Reimbursement Feb'24	1,204.77		508
61439	03/12/24	PRINC010 PRINCETON HYDRO LLC 23-00538 Lake/Watershed Management Plan	23,780.00		508
61440	03/12/24	ROUTE005 ROUTE 23 AUTO MALL LLC 24-00069 PARTS TO REPAIR FORD VES VEH	113.64		508

Check #	Check Date	Vendor	Amount Paid	Reconciled/Void	Ref Num
PO #		Description			Contract
10-001		GENERAL/CENTRAL CHECKING	Continued		
61441	03/12/24	ROUTE010 ROUTE 23 PATIO & MASON CENTER			508
		24-00342 DRAINAGE SUPPLIES	2,694.13		
61442	03/12/24	SCHEN010 SCHENCK PRICE SMITH & KING LLP			508
		24-00337 Tax Appeal Legal Dec 2023	3,208.28		
61443	03/12/24	SPACE005 SPACE WILD ANIMAL FARM INC			508
		24-00025 DEER CARCASS REMOVAL	58.00		
61444	03/12/24	SPEID005 SPEIDEL & SONS CONTRACTING INC		03/12/24 VOID	0
61445	03/12/24	SPEID005 SPEIDEL & SONS CONTRACTING INC			508
		24-00182 SNOW REMOVAL LAKE PANORAMA	10,930.00		
		24-00183 SNOW REMOVAL LAKE WALLKILL	8,515.00		
		24-00185 SNOW REMOVAL LAKE GLENWOOD	5,325.00		
			<u>24,770.00</u>		
61446	03/12/24	STAND005 STANDARD INSURANCE CO.			508
		24-00355 FEBRUARY 2024	2,927.58		
		24-00375 MARCH 2024	2,925.18		
			<u>5,852.76</u>		
61447	03/12/24	STAPL010 Staples Contract & Commercial			508
		23-01523 OFFICE SUPPLIES - Tax Collector	388.30		
61448	03/12/24	SUEZW005 VEOLIA WATER NEW JERSEY, INC.			508
		24-00341 Blanket - water Serv 21 Church	1,027.51		
61449	03/12/24	SUSSE030 SUSSEX CO CHAMBER OF COMMERCE			508
		24-00472 Registration for EDAC Chair	100.00		
61450	03/12/24	SUSSE080 SUSSEX COUNTY CLERK			508
		23-01592 RECORDING MUNICIPAL CERTS	540.00		
61451	03/12/24	SUSSE095 SUSSEX COUNTY M.U.A.			508
		24-00014 PLASTIC DISPOSAL	230.10		
61452	03/12/24	TCTA0015 TC/TA OF NEW JERSEY			508
		24-00413 2024 MEMBERSHIP LISA & NICOLE	200.00		
61453	03/12/24	TELEP005 WARWICK VALLEY TELEPHONE			508
		24-00088 Police-Livescan	83.16		
		24-00089 Police-Digital Radio	78.04		
		24-00260 Municipal Phone Service	3,712.60		
			<u>3,873.80</u>		
61454	03/12/24	THEFU005 The Fuel Ox LLC			508
		24-00411 FUEL ADDITIVE ALGAE PREVENTATI	890.27		
61455	03/12/24	TILCO005 TILCON NEW YORK, INC			508
		24-00333 WINTERPATCH	1,113.45		



Check #	Check Date	Vendor	Amount Paid	Reconciled/Void	Ref Num
PO #	Description				Contract
10-001		GENERAL/CENTRAL CHECKING	Continued		
61456	03/12/24	TINAK005 TINA KRAUS			508
24-00403		Mileage-Statewide Ins Mtg 2/8	27.40		
61457	03/12/24	TREES005 TREES PLUS, LLC			508
24-00047		TREE REMOVAL	1,450.00		
61458	03/12/24	TURN005 TURN OUT UNIFORMS			508
24-00316		New Hire Uniforms	550.41		
61459	03/12/24	UNIVE005 UNIVERSAL COMPUTING SERVICES I			508
24-00372		2024/Municipal Court	342.60		
61460	03/12/24	UPAND005 UP AND ABOVE CONTRACTORS, LLC			508
23-01469		ROOF SNOW RETENTION SYSTEM	11,400.00		
61461	03/12/24	USBAN025 U.S. BANK NATIONAL ASSOCIATION			508
24-00431		Ricoh Map Copier Lease Mar 24	428.56		
61462	03/12/24	VAN00005 O'TOOLE SCRIVO FERNANDEZ WEINE			508
24-00186		Township Attorney Retainer	5,000.00		
24-00395		Twp Attorney Litigation 2024	2,050.20		
			<u>7,050.20</u>		
61463	03/12/24	VERIZ010 VERIZON WIRELESS			508
24-00257		Blanket-Municipal Cell Phone	753.44		
61464	03/12/24	VERIZ035 VERIZON CONNECT FLEET USA LLC			508
24-00027		GPS SERVICE DPW	724.60		
61465	03/12/24	VERNO065 VERNON POLICE ATHLETIC LEAGUE			508
24-00348		MAC Grant Latch Key 2nd Qtr	2,972.00		
61466	03/12/24	VERNO120 VERNON TWP BOARD OF EDUCATION			508
24-00449		March Current Expense 24	1,821,462.00		
61467	03/12/24	WBMAS005 W B MASON CO INC			508
23-01522		SUPPLY ORDER	370.06		
24-00379		office supplies	377.42		
			<u>747.48</u>		
61468	03/12/24	WEINE005 WEINER LAW GROUP LLP			508
24-00277		General File	726.00		
61469	03/12/24	WELLS035 WELLS FARGO REAL ESTATE TAX SE			508
24-00387		TAX REFUND OVERPAYMENT	635.49		
61470	03/12/24	WELLS050 WELLS FARGO VENDOR FINANCIAL			508
24-00244		Copier Lease Clerk Office	243.43		
61471	03/12/24	WELLS055 WELLS FARGO VENDOR FINANCIAL			508
24-00245		Municipal Copier Lease (6)	1,631.13		

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10-001		GENERAL/CENTRAL CHECKING	Continued																										
61472	03/12/24	WILLI065 WILLIAM MIKLOVIC			508																								
24-00382	100% EXEMPT TAX REFUND		6,538.47																										
61473	03/12/24	WTHTE005 WTH TECHNOLOGY, INC			508																								
24-00384	Think GIS 911 Annual Support		1,260.00																										
61474	03/14/24	Alignment Check		VOID																									
61475	03/14/24	ACCT0015 VERNON TWP DEVELOPER'S BONDS A		03/14/24 VOID	509 (Void Reason: printing issue)																								
24-00477	2 home paid in full lcpoa		507.07																										
61476	03/14/24	Alignment Check		VOID																									
61477	03/14/24			03/14/24 VOID	0																								
61478	03/14/24	ACCT0015 VERNON TWP DEVELOPER'S BONDS A			510																								
24-00477	2 home paid in full lcpoa		507.07																										
61479	03/14/24	ACCT0015 VERNON TWP DEVELOPER'S BONDS A			510																								
24-00478	9 home paid in full lcpoa2		3,850.58																										
<table border="0" style="width:100%"> <tr> <td>Checking Account Totals</td> <td></td> <td><u>Paid</u></td> <td><u>Void</u></td> <td><u>Amount Paid</u></td> <td><u>Amount Void</u></td> </tr> <tr> <td>Checks:</td> <td>96</td> <td>5</td> <td></td> <td>2,354,577.13</td> <td>507.07</td> </tr> <tr> <td>Direct Deposit:</td> <td>0</td> <td>0</td> <td></td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td>Total:</td> <td>96</td> <td>5</td> <td></td> <td>2,354,577.13</td> <td>507.07</td> </tr> </table>						Checking Account Totals		<u>Paid</u>	<u>Void</u>	<u>Amount Paid</u>	<u>Amount Void</u>	Checks:	96	5		2,354,577.13	507.07	Direct Deposit:	0	0		0.00	0.00	Total:	96	5		2,354,577.13	507.07
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12-001		PLANNING/ZONING																											
4563	03/20/24	WEINE005 WEINER LAW GROUP LLP			511																								
24-00497	various lub payments		450.00																										
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Direct Deposit:	0	0		0.00	0.00																								
Total:	1	0		450.00	0.00																								
<table border="0" style="width:100%"> <tr> <td>Report Totals</td> <td></td> <td><u>Paid</u></td> <td><u>Void</u></td> <td><u>Amount Paid</u></td> <td><u>Amount Void</u></td> </tr> <tr> <td>Checks:</td> <td>97</td> <td>5</td> <td></td> <td>2,355,027.13</td> <td>507.07</td> </tr> <tr> <td>Direct Deposit:</td> <td>0</td> <td>0</td> <td></td> <td>0.00</td> <td>0.00</td> </tr> <tr> <td>Total:</td> <td>97</td> <td>5</td> <td></td> <td>2,355,027.13</td> <td>507.07</td> </tr> </table>						Report Totals		<u>Paid</u>	<u>Void</u>	<u>Amount Paid</u>	<u>Amount Void</u>	Checks:	97	5		2,355,027.13	507.07	Direct Deposit:	0	0		0.00	0.00	Total:	97	5		2,355,027.13	507.07
Report Totals		<u>Paid</u>	<u>Void</u>	<u>Amount Paid</u>	<u>Amount Void</u>																								
Checks:	97	5		2,355,027.13	507.07																								
Direct Deposit:	0	0		0.00	0.00																								
Total:	97	5		2,355,027.13	507.07																								

**Action Data Services**  
**0577 Township of Vernon**

**Payroll Summary**

Run: 05772405 Pay Date: Friday 3/15/24 Pay Period: 05 Type: Regular Schedule: 1

	Current	Qtr To Date	Year To Date	
Taxable Wages				
Federal Income	346,333.12	1,759,992.83	1,759,992.83	
FICA - Social Security	381,966.38			
FICA - Medicare	381,966.38	1,939,724.71	1,939,724.71	
State Income	407,305.85	2,067,008.21	2,067,008.21	
State Unemployment	399,324.98	2,043,776.10	2,043,776.10	
State FLI / DIS	403,581.19	2,048,032.31	2,048,032.31	
<b>Amount Your Account Will Be Debited:</b>			<b>153,876.77</b>	
	Employer Share	Employee Share	Total	ADS
<b>Federal Taxes</b>				
Federal Income Tax		39,821.32	39,821.32	*
Social Security 6.200% / 6.200%	23,681.95	23,681.95	47,363.90	*
Medicare 1.450% / 1.450%	5,538.49	5,538.49	11,076.98	*
<b>Total Federal Taxes</b>	<b>29,220.44</b>	<b>69,041.76</b>	<b>98,262.20</b>	
<b>NJ State Taxes</b>				
NJ State Income Tax		16,586.50	16,586.50	*
NJ Unemployment / 0.425%		1,697.09	1,697.09	*
NJ Family Leave / 0.090%		363.26	363.26	*
<b>Total NJ State Taxes</b>		<b>18,646.85</b>	<b>18,646.85</b>	
<b>Public Employees Retirement System</b>				
PERS Pension		13,300.84	13,300.84	*
PERS Back Deduction		131.33	131.33	*
PERS Pension Loan		3,128.85	3,128.85	*
PERS Contributory Insurance		886.79	886.79	*
<b>Total PERS Pension</b>		<b>17,447.81</b>	<b>17,447.81</b>	
<b>Police And Firemans Retirement System</b>				
P&F Pension		16,357.75	16,357.75	*
P&F Back Deduction		654.60	654.60	*
P&F Pension Loan		2,475.72	2,475.72	*
P&F Pension Arrears		373.10	373.10	*
P&F Supplemental Annuity		56.91	56.91	*
<b>Total P&amp;F Pension</b>		<b>19,918.08</b>	<b>19,918.08</b>	
<b>DCRP Contribution</b>				
DCRP Contribution	168.40	228.69	397.09	
<b>Total DCRP Contribution</b>	<b>168.40</b>	<b>228.69</b>	<b>397.09</b>	
<b>Agency / Deductions</b>				
Pension Shortage		373.28-	373.28-	*
C/I Shortage		24.89-	24.89-	*
Child Support		727.46	727.46	
Aflac Post Tax		201.22	201.22	
Trans Wo		510.00	510.00	
POL/FIRE		49.17	49.17	
Dues AFSCME D		486.60	486.60	
Dues UAW		345.60	345.60	
Valic 457		4,733.33	4,733.33	
Lincoln 457		600.00	600.00	
Dues PBA		825.00	825.00	
AFLAC Pre Tax		541.97	541.97	
FSA Dependent Care		228.34	228.34	

**Action Data Services**  
**0577 Township of Vernon**

**Payroll Summary**

Run: 05772405 Pay Date: Friday 3/15/24 Pay Period: 05 Type: Regular Schedule: 1

	Employer Share	Employee Share	Total	ADS
<b>Agency / Deductions Continued</b>				
Medical Pre Tax		23,559.99	23,559.99	
FSA Medical		1,009.17	1,009.17	
<b>Total Agency / Deductions</b>		<u>33,419.68</u>	<u>33,419.68</u>	
<b>Net Pay</b>				
Net Checks		8,288.50	8,288.50	
Net Deposits Checking		229,424.09	229,424.09	
Net Deposits Savings		1,870.73	1,870.73	
Partial Checking		5,225.00	5,225.00	
Partial Savings 1		1,750.00	1,750.00	
Partial Savings 2		270.00	270.00	
<b>Total Net Pay</b>		<u>246,828.32</u>	<u>246,828.32</u>	
<b>Grand Totals</b>				
Taxes, Pension, Agency, & Net Pay	29,388.84	405,531.19	434,920.03	
<b>Payroll Funding</b>				
Gross Payroll		405,531.19		
<b>Total Payroll Funding</b>	29,388.84	<u>405,531.19</u>	<u>434,920.03</u>	
<b>Gross Earnings</b>				
Regular		368,742.68	368,742.68	
Overtime		14,429.80	14,429.80	
Rec Sec		100.00	100.00	
Sgnt Pay		440.58	440.58	
Benefit		1,468.17	1,468.17	
Meals		240.00	240.00	
On Call		350.00	350.00	
Dispatch Lunch		487.22	487.22	
Outside		16,988.00	16,988.00	
Wed Pay		75.00	75.00	
Health Care Stipend		1,805.57	1,805.57	
Stipend		104.17	104.17	
Cell Phone		300.00	300.00	
<b>Total Gross Earnings</b>		<u>405,531.19</u>	<u>405,531.19</u>	
<b>Taxable / Non Taxable / Other</b>				
Group Life		1,774.66	1,774.66	
<b>Total Txbl/Non Taxable/Other</b>		<u>1,774.66</u>	<u>1,774.66</u>	
<b>Deductions Summary</b>				
Total Taxes	29,220.44	87,688.61	116,909.05	
Total Pension		37,365.89	37,365.89	
Total DCRP	168.40	228.69	397.09	
Total Agency		33,419.68	33,419.68	
<b>Total Deductions</b>	<u>29,388.84</u>	<u>158,702.87</u>	<u>188,091.71</u>	

**Township of Vernon**

**Resolution #24-56**

**RESOLUTION OF THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF VERNON  
AMENDING RESOLUTION #22-77 IN SUPPORT OF AN ADULT-USE CANNABIS  
RETAILER LICENSE FOR CASTLE OF GREENS**

**WHEREAS**, adult-use cannabis is authorized in the State of New Jersey (“State”) pursuant to the New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act (the “Act”) and N.J.A.C. 17:30 *et seq.*, (collectively, “New Jersey Cannabis Laws”), which legalized the adult use of marijuana by adults 21 years of age or older and established a comprehensive regulatory and licensing scheme for commercial adult-use cannabis operations, use, and possession; and

**WHEREAS** the State of New Jersey recognizes the need for additional cannabis licenses, both in medical and adult-use programs, both of which are collectively regulated by the New Jersey Cannabis Regulatory Commission (“CRC”); and

**WHEREAS** on September 13, 2021, the Township Council of Vernon Township (the “Township”) adopted Ordinance 21-25 (the “Ordinance”) which authorized a maximum of three Cannabis Retailers within the Township; and

**WHEREAS** the Township recognizes that while the ultimate decision to approve new cannabis licensees is guided by the standards identified by the New Jersey Cannabis Laws and vested to the discretion of the CRC; and

**WHEREAS** the New Jersey Cannabis Laws recognize the necessity of ensuring that any potential licensee/permittee has the support of the local community, as evidenced by a resolution adopted by said municipality’s governing body indicating that the intended location is appropriately located or otherwise suitable for activities related to the operations of the proposed cannabis business; and

**WHEREAS** the New Jersey Cannabis Laws also require, in addition to the resolution identifying support of the local community, a letter from the Township’s governing body entrusted with zoning or land use that the proposed cannabis business location will conform to municipal zoning requirements allowing for activities related to the operations of the proposed cannabis business to be conducted at the location, and any variances granted as necessary; and

**WHEREAS**, on March 28, 2022 the Vernon Township Council approved resolution #22-77 approving Castle of Greens desire to operate as a cannabis retailer, as that term is defined by the New Jersey Cannabis Laws, at the property identified as 218 Route 94, Vernon, NJ 07461, Block 385, Lots 12 and 13 on the official tax map of the Township; and

**WHEREAS**, Castle of Green is requesting to amend resolution #22-77 to the property identified as 224 Route 94, Vernon, NJ 07461, Block 385, Lot 16 on the official tax map of the Township; and

**WHEREAS**, Castle of Greens has requested proof of local support in accordance with the New Jersey Cannabis Laws and the CRC's Notice of Application Acceptance for Personal Use Cannabis Licenses; and

**WHEREAS**, issuance of a license to Castle of Greens would not exceed the limitation on licenses set forth in the Ordinance; and

**WHEREAS**, the Mayor and Township Council recognize ample benefits to the Township and its residents associated with permitting a cannabis retailer site to be located within its border, including, but not limited to, job creation and use of local vendors for operational needs as well as anticipated dedicated tax revenues; and

**WHEREAS**, this Resolution may be used by Castle of Greens as proof of local support required by the New Jersey Cannabis Laws and the CRC's Notice of Application Acceptance for Personal Use Cannabis Licenses.

**NOW THEREFORE BE IT RESOLVED**, by the Township Council of the Township of Vernon, in the County of Sussex, State of New Jersey, as follows:

1. The Township Council believes that the Township of Vernon will benefit from the location of an adult-use cannabis retailer within the Township's boundaries, subject to compliance with the Ordinance.
2. Cannabis Retailing is a conditional use in all commercial and retail zones within the Township and subject to the limitations set forth in accordance with the Ordinance.
3. Castle of Greens has submitted information regarding its business plan, including, but not limited to, its proposed location at the property identified as 224 Route 94, Vernon, NJ 07461, Block 385, Lot 16 on the official tax map of the Township and its intended use and operation of said property as a cannabis retailer, as that term is defined by New Jersey Cannabis Laws, subject to licensure by the CRC.
4. This Resolution should be viewed by the State as support by the Township of Castle of Greens' application, and an indication that the proposed location is appropriately located or otherwise suitable for the activities related to cannabis retailing as will be conducted at the proposed facility.
5. The zoning official, or his/her designee, is hereby authorized and directed to issue a letter and/or affidavit, as appropriate, identifying that the subject property will conform to local zoning requirements allowing for activities related to the operation of a cannabis retailer, as outlined in the Ordinance, and subject to the understanding and agreement with Castle of Greens that it will comply with any and all conditions required by the Ordinance.

6. This Resolution may be used by Castle of Greens as proof of local support required by the New Jersey Cannabis Laws and the CRC's Notice of Application Acceptance for Personal Use Cannabis Licenses.
7. This Resolution shall take effect immediately.

**CERTIFICATION**

I certify that this is a true copy of the Resolution adopted by the Council of the Township of Vernon at their Regular Meeting held on March 25, 2024 at 7:00 pm in the Vernon Municipal Center.

\_\_\_\_\_  
 Marcy Gianattasio, RMC, CMR  
 Municipal Clerk

**VERNON TOWNSHIP COUNCIL**

NAME	MOTION	SECOND	YES	NO	ABSTAIN	ABSENT
Buccieri, N.						
DeBenedetto, J.						
Higgins, W.						
Sparta, B.						
Rizzuto, P.						

**Township of Vernon**

**Resolution #24-56**

**RESOLUTION OF THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF VERNON  
AMENDING RESOLUTION #22-77 IN SUPPORT OF AN ADULT-USE CANNABIS  
RETAILER LICENSE FOR CASTLE OF GREENS**

**WHEREAS**, adult-use cannabis is authorized in the State of New Jersey (“State”) pursuant to the New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act (the “Act”) and N.J.A.C. 17:30 *et seq.*, (collectively, “New Jersey Cannabis Laws”), which legalized the adult use of marijuana by adults 21 years of age or older and established a comprehensive regulatory and licensing scheme for commercial adult-use cannabis operations, use, and possession; and

**WHEREAS** the State of New Jersey recognizes the need for additional cannabis licenses, both in medical and adult-use programs, both of which are collectively regulated by the New Jersey Cannabis Regulatory Commission (“CRC”); and

**WHEREAS** ~~on September 13, 2021~~ in 2021 and 2022, the Township Council of Vernon Township (the “Township”) adopted Ordinances 21-16, 21-25, and 22-11 Ordinance 21-25 (the “Ordinance”) ~~which authorized and regulated the operation of Cannabis Retailers within the Township, which authorized a maximum of three Cannabis Retailers within the Township;~~ and

WHEREAS in 2023, the Township adopted Ordinances 21-21 and 23-22 updating and revising the regulation and licensing of Cannabis Retailers within the township and explicitly repealing Ordinances 21-16, 21-25 and 22-11 in their entirety; and

**WHEREAS** the Township recognizes that while the ultimate decision to approve new cannabis licensees is guided by the standards identified by the New Jersey Cannabis Laws and vested to the discretion of the CRC; and

**WHEREAS** the New Jersey Cannabis Laws recognize the necessity of ensuring that any potential licensee/permittee has the support of the local community, as evidenced by a resolution adopted by said municipality’s governing body indicating that the intended location is appropriately located or otherwise suitable for activities related to the operations of the proposed cannabis business; and

**WHEREAS** the New Jersey Cannabis Laws also require, in addition to the resolution identifying support of the local community, a letter from the Township’s governing body entrusted with zoning or land use that the proposed cannabis business location will conform to municipal zoning requirements allowing for activities related to the operations of the proposed cannabis business to be conducted at the location, and any variances granted as necessary; and

**WHEREAS**, on March 28, 2022 the Vernon Township Council approved resolution #22-77 ~~approving~~ supporting Castle of Greens’ desire to operate as a cannabis retailer, as that term is



defined by the New Jersey Cannabis Laws, at the property identified as 218 Route 94, Vernon, NJ 07461, Block 385, Lots 12 and 13 on the official tax map of the Township; and

**WHEREAS**, Castle of Green is requesting to amend resolution #22-77 to the property identified as 224 Route 94, Vernon, NJ 07461, Block 385, Lot 16 on the official tax map of the Township; and

**WHEREAS**, Castle of Greens has requested proof of local support in accordance with the New Jersey Cannabis Laws and the CRC's Notice of Application Acceptance for Personal Use Cannabis Licenses; and

**WHEREAS**, issuance of a license to Castle of Greens would not exceed the limitation on licenses set forth in the Ordinance; and

~~**WHEREAS**, the Mayor and Township Council recognize ample benefits to the Township and its residents associated with permitting a cannabis retailer site to be located within its border, including, but not limited to, job creation and use of local vendors for operational needs as well as anticipated dedicated tax revenues; and~~

**WHEREAS**, this Resolution may be used by Castle of Greens as proof of local support required by the New Jersey Cannabis Laws and the CRC's Notice of Application Acceptance for Personal Use Cannabis Licenses.

**NOW THEREFORE BE IT RESOLVED**, by the Township Council of the Township of Vernon, in the County of Sussex, State of New Jersey, as follows:

- ~~1. The Township Council believes that the Township of Vernon will benefit from the location of an adult-use cannabis retailer within the Township's boundaries, subject to compliance with the Ordinance.~~
- ~~2.1~~ Cannabis Retailing is a conditional use in all commercial and retail zones within the Township and subject to the limitations set forth in accordance with the Ordinance current effective ordinances.
- ~~3.2~~ Castle of Greens has submitted information regarding its business plan, including, but not limited to, its proposed location at the property identified as 224 Route 94, Vernon, NJ 07461, Block 385, Lot 16 on the official tax map of the Township and its intended use and operation of said property as a cannabis retailer, as that term is defined by New Jersey Cannabis Laws, subject to licensure by the CRC.
- ~~4.3~~ This Resolution should be viewed by the State as support by the Township of Castle of Greens' application, and an indication that the proposed location is appropriately located or otherwise suitable for the activities related to cannabis retailing as will be conducted at the proposed facility.

~~5.4.~~ The zoning official, or his/her designee, is hereby authorized and directed to issue a letter and/or affidavit, as appropriate, identifying that the subject property will conform to local zoning requirements allowing for activities related to the operation of a cannabis retailer, as outlined in the current effective Ordinances, and subject to the understanding and agreement with Castle of Greens that it will comply with any and all conditions required by the ~~Ordinance~~current effective ordinances.

~~6.5.~~ This Resolution may be used by Castle of Greens as proof of local support required by the New Jersey Cannabis Laws and the CRC's Notice of Application Acceptance for Personal Use Cannabis Licenses.

~~7.6.~~ This Resolution shall take effect immediately.

**CERTIFICATION**

I certify that this is a true copy of the Resolution adopted by the Council of the Township of Vernon at their Regular Meeting held on ~~February 15, 2024~~March 11, 2024 at 7:00 pm in the Vernon Municipal Center.

\_\_\_\_\_  
 Marcy Gianattasio, RMC, CMR  
 Municipal Clerk

**VERNON TOWNSHIP COUNCIL**

NAME	MOTION	SECOND	YES	NO	ABSTAIN	ABSENT
Buccieri, N.						
DeBenedetto, J.						
Higgins, W.						
Sparta, B.						
Rizzuto, P.						

**Township of Vernon**

**Resolution #22-77**

**RESOLUTION OF THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF VERNON IN  
SUPPORT OF AN ADULT-USE CANNABIS RETAILER LICENSE  
FOR CASTLE OF GREENS**

**WHEREAS**, adult-use cannabis is authorized in the State of New Jersey (“State”) pursuant to the New Jersey Cannabis Regulatory, Enforcement Assistance, and Marketplace Modernization Act (the “Act”) and N.J.A.C. 17:30 *et seq.*, (collectively, “New Jersey Cannabis Laws”), which legalized the adult use of marijuana by adults 21 years of age or older and established a comprehensive regulatory and licensing scheme for commercial adult-use cannabis operations, use, and possession; and

**WHEREAS** the State of New Jersey recognizes the need for additional cannabis licenses, both in medical and adult-use programs, both of which are collectively regulated by the New Jersey Cannabis Regulatory Commission (“CRC”); and

**WHEREAS** on September 13, 2021, the Township Council of Vernon Township (the “Township”) adopted Ordinance 21-25 (the “Ordinance”) which authorized a maximum of three Cannabis Retailers within the Township; and

**WHEREAS** the Township recognizes that while the ultimate decision to approve new cannabis licensees is guided by the standards identified by the New Jersey Cannabis Laws and vested to the discretion of the CRC; and

**WHEREAS** the New Jersey Cannabis Laws recognize the necessity of ensuring that any potential licensee/permittee has the support of the local community, as evidenced by a resolution adopted by said municipality’s governing body indicating that the intended location is appropriately located or otherwise suitable for activities related to the operations of the proposed cannabis business; and

**WHEREAS** the New Jersey Cannabis Laws also require, in addition to the resolution identifying support of the local community, a letter from the Township’s governing body entrusted with zoning or land use that the proposed cannabis business location will conform to municipal zoning requirements allowing for activities related to the operations of the proposed cannabis business to be conducted at the location, and any variances granted as necessary; and

**WHEREAS**, Castle of Greens has indicated a desire to operate as a cannabis retailer, as that term is defined by the New Jersey Cannabis Laws, at the property identified as 218 Route 94, Vernon, NJ 07461, Block 385, Lots 12 and 13 on the official tax map of the Township; and

**WHEREAS**, Castle of Greens has requested proof of local support in accordance with the New Jersey Cannabis Laws and the CRC’s Notice of Application Acceptance for Personal Use Cannabis Licenses; and

**WHEREAS**, issuance of a license to Castle of Greens would not exceed the limitation on licenses set forth in the Ordinance; and

**WHEREAS**, the Mayor and Township Council recognize ample benefits to the Township and its residents associated with permitting a cannabis retailer site to be located within its border, including, but not limited to, job creation and use of local vendors for operational needs as well as anticipated dedicated tax revenues; and


**WHEREAS**, this Resolution may be used by Castle of Greens as proof of local support required by the New Jersey Cannabis Laws and the CRC's Notice of Application Acceptance for Personal Use Cannabis Licenses.

**NOW THEREFORE BE IT RESOLVED**, by the Township Council of the Township of Vernon, in the County of Sussex, State of New Jersey, as follows:

1. The Township Council believes that the Township of Vernon will benefit from the location of an adult-use cannabis retailer within the Township's boundaries, subject to compliance with the Ordinance.
2. Cannabis Retailing is a conditional use in all commercial and retail zones within the Township and subject to the limitations set forth in accordance with the Ordinance.
3. Castle of Greens has submitted information regarding its business plan, including, but not limited to, its proposed location at the property identified as 218 Route 94, Vernon, NJ 07461, Block 385, Lots 12 and 13 on the official tax map of the Township and its intended use and operation of said property as a cannabis retailer, as that term is defined by New Jersey Cannabis Laws, subject to licensure by the CRC.
4. This Resolution should be viewed by the State as support by the Township of Castle of Greens' application, and an indication that the proposed location is appropriately located or otherwise suitable for the activities related to cannabis retailing as will be conducted at the proposed facility.
5. The zoning official, or his/her designee, is hereby authorized and directed to issue a letter and/or affidavit, as appropriate, identifying that the subject property will conform to local zoning requirements allowing for activities related to the operation of a cannabis retailer, as outlined in the Ordinance, and subject to the understanding and agreement with Castle of Greens that it will comply with any and all conditions required by the Ordinance.
6. This Resolution may be used by Castle of Greens as proof of local support required by the New Jersey Cannabis Laws and the CRC's Notice of Application Acceptance for Personal Use Cannabis Licenses.
7. This Resolution shall take effect immediately.

**CERTIFICATION**

I hereby certify that the above resolution is a true copy of the resolution adopted by the Council of the Township of Vernon at their Meeting held on March 28, 2022 at 7:00 p.m.in the Vernon Municipal Center.

  
Marcy Gianattasio, RMC, CMR  
Municipal Clerk

**VERNON TOWNSHIP COUNCIL**

<b>NAME</b>	<b>MOTION</b>	<b>SECOND</b>	<b>YES</b>	<b>NO</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
Buccieri, N				X		
Furrey, M	X		X			
Lynch, B		X	X			
Shortway, H			X			
Rizzuto, P				X		

# CASTLE OF GREENS BUSINESS PLAN

PREPARED FOR



Plan Date: February 06, 2024

This is a **CONFIDENTIAL DOCUMENT** and is to be redacted from public access documents. It sets forth details of the issuer's Confidential Business Plan. It should not be copied, disseminated, shared, or otherwise disclosed without the issuer's prior written approval or used for any other purpose other than regulatory review.

**CASTLE OF GREENS**  
**NEW JERSEY CLASS 5 RETAILER**  
**Business Plan and Management Profile**

**Company Introduction and Description**

Castle of Greens (our “Company”) will be led by a team of skilled professionals with the goal of selling the safest, purest, and highest quality cannabis possible for the adult-use market in New Jersey. Our proposition is simple - we believe that the highest quality cannabis is found at the intersection of agricultural expertise and facility optimization. As such, our management team was structured with that goal in mind. We found individuals that have already achieved incredible success in the fields of various highly regulated industries, specifically manufacturing, utilities & indoor cultivation, combined them with trailblazers from the cannabis industry, and got to work.

We will carefully balance professionalism with consumer and industry education as a foundational part of our brand image, while always maintaining compliance with state and municipal requirements for cannabis businesses, including all regulations from the New Jersey Cannabis Regulatory Commission (“the Commission”). N.J.A.C. 17:30.

We will apply for a Class 5 Retailer license which will allow us to sell exemplary cannabis products to New Jersey adult-use consumers. Our retail facility will be located in a location approved by local municipality resolution and selected for ease of access to local customers. We also qualify as a Diversely Owned Business, as our business is majority owned by minority individuals, meeting the 51% required by regulation. N.J.A.C. 17:30-6.4(a)(1) (please note, not a certified MBE by the State of New Jersey - yet). We are also majority women owned as well. (please note, not a certified WBE by the State of New Jersey – unfortunately this certification takes 3-4 months for initial approval, we are working with the New Jersey Department of the Treasury to secure as such.). Most importantly however, in the spirit of community engagement, Castle of Greens qualifies as a Social Equity owned business. To be certain that our business properly represents and is inclusive of the people of New Jersey, we will also enter into a Collective Bargaining Agreement and Project Labor Agreement according to requirements noted in state regulations, including: (i) an agreement with New Jersey labor organization representing cannabis workers, specifically with Mr. Ferraino at UFCW 360; (ii) an agreement with other state labor org representing cannabis workers; (iii) a project labor agreement for construction or retrofit of our facility, specifically with Mr. Laughlin at the South Jersey Building and Construction Trades Council; and (iv) a project labor agreement for another applicable project. N.J.A.C. 17:30-7.10 (b)(13)(i-iv), wherein we have reached out to a variety of associated unions regarding engagement on waste disposal, pest control, etc.

Finally, we will develop and make available for inspection by the Commission an operations manual detailing the processes and policies of our retail facility. N.J.A.C. 17:30-9.6(a)(6)(b). To further this and to guarantee complete transparency, we will permanently allow the Commission or its designees to conduct scheduled or unscheduled inspections of our physical property and buildings, our documents and records, all computers and equipment, and any cannabis items. N.J.A.C. 17:30-17.3(a)(1); N.J.A.C. 17:30-17.3(b)(2); N.J.A.C. 17:30-17.3(d)(1)(2)(3)(6).

*Industry*

In 2019, the worldwide cannabis industry generated total sales of nearly \$15 billion, and the United States portion came in at over \$12 billion, with previous projections for U.S. sales in 2020 anticipating 23% growth to over \$16 billion.<sup>1</sup> We are now seeing that 2020 surpassed that estimate with sales totaling nearly \$18 billion and the bulk of that increase occurring in the adult-use markets.<sup>2</sup>

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<sup>1</sup> Arcview Market Research/BDS Analytics, *The State of Legal Cannabis Markets*, 7<sup>th</sup> Edition (2018 Update).

<sup>2</sup> Arcview Market Research/BDSA, *The State of Legal Cannabis Markets*, 8<sup>th</sup> Edition (2020 Update).

We plan to capitalize on this nascent industry by obtaining a retail license in the State of New Jersey wherein we feel that our desire to both serve and educate the local population can best be secured. The citizens of New Jersey passed a ballot initiative legalizing adult-use cannabis in the 2020 election and lawmakers subsequently passed legalization legislation. Having legalized medicinal cannabis for use by registered patients following legislative action in 2010, New Jersey is an older cannabis market. Since 2018, the state has witnessed exponential growth in both medicinal cannabis patient count and total sales, with total spending for 2019 surpassing \$107 million.<sup>3</sup>

### *Business Development*

As one of a select number of licensed cannabis retailers in New Jersey, we will have the privilege of speaking to a captive market of a large adult population that has been eagerly awaiting the launch of the new adult-use industry. We will take a multi-faceted approach to building our brand, growing our market share, and ultimately reaching long-term sustainability. Our initial focus will be to build brand awareness in the adult market through robust business to business (“B2B”) and business to consumer (“B2C”) marketing campaigns. Utilizing a wide variety of marketing formats, we will position our company as an industry thought-leader, educational resource, and premier retailer. These strategies will be critical to creating a consistent and sustainable loyal adult customer base.

We will create a website geared towards educating both new users and those looking to expand their knowledge. It is our intent to engage in academic research partnerships for the benefit of improving the quality & accessibility of cannabis. Castle of Greens supports an R&D program focused on institutional review board approved research involving substance abuse. We also intend to enter into a research collaboration with an accredited U.S. university with experience conducting research into cannabis and/or hemp – in fact, several of the groups affiliated with Castle of Greens have already partnered with such universities looking into various research possibilities into the effect of cannabis on epilepsy and other neurological disorders.

Most importantly, at Castle of Greens we believe engaging with customers in the recreational marijuana market requires more than a simple business to consumer relationship. As such, as part of our engagement with the local community of Vernon Township, we intend to build and operate a cannabis education center next to our dispensary. This is not the first time we have done this – the members of Castle of Greens believe that given the limited information available to customers as to the appropriate use, understanding and restrictions surrounding marijuana, it is our responsibility to hold variety of classes, seminars and conferences on site to educate the local populace. The education center will be managed by one of our affiliate non-profits, and is actively looking for addiction centers and other social engaged organizations in the Vernon Township area to partner with.

### *Management*

Unlike other MSOs where large state operators with little ties to the community win licenses, our ownership is owned 100% by a local resident. Castle of Greens will remain a Women Owned Business Enterprise. It is important that we stress this ownership structure. Many MSOs are circling around New Jersey to add a few more retail centers to their already intensive list of states that they loosely manage.

### *Business Location & Facility*

We have identified property for our retail location located at 224 Route 94 in Vernon. Regardless of location, we believe that operating in this area will afford us the opportunity to have a positive impact on surrounding communities in New Jersey that have been disproportionately affected by cannabis prohibition. N.J.S.A. 24:6I-36(e). N.J.A.C. 17:30-6.5(1). Our target location has roughly 10,000 – 20,000 SF of space for our operations.

<sup>3</sup> Arcview Market Research/BDS Analytics, *The State of Legal Cannabis Markets*, 6<sup>th</sup> Edition (2019 Update).



with final building floor plan to be dependent on local zoning approval. If possible, in locations with limited space, we intend to build a two-tier facility, to better allow for parking space and potential room from future drive throughs.

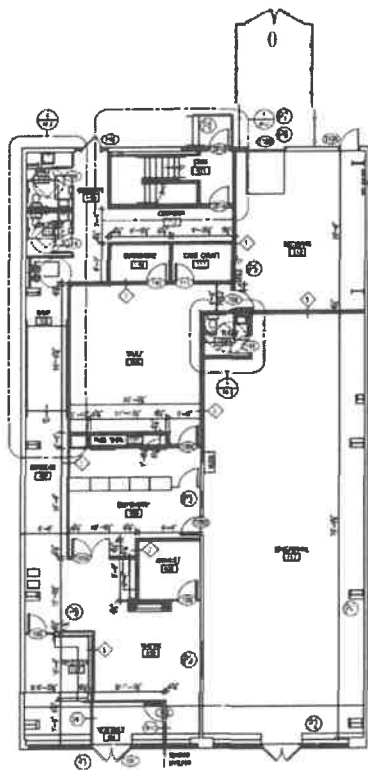
Option #1 for our building will involve placing an approximate 10,000 SF parking lot on the ground level. We will then put our dispensary area underground beneath the parking lot, allowing for a significantly larger dispensary area than would be built by other dispensary operators on only one level. Our team has built such a facility before, in Denver, Colorado, and found such a floor plan to be enormously successful. Option #2 for our building will involve placing the same 10,000 SF parking lot on the ground level, with the dispensary area built on a second level above the parking lot.

In either option, customers are provided with stairs and elevators in the corner of the lot for which to access the retail level. Customers must first pass through a security booth on the parking level to access the stairs or elevators, providing additional security to those persons already on the retail floor and separating paying customers or persons attending the education center from the security area. It is our belief that all customers, whether those seeking product for medical or recreational purposes, are afforded the highest levels of privacy and security while visiting our location, and we believe that Options #1 & #2 are the best strategies for delivering such a commitment to customers in heavily dense areas. Furthermore, by keeping our overall facility footprint to a minimum on the parking level, we are able to more efficiently oversee our parking area from a security approach, providing protection to our customers as they traverse the parking lot to and from the security booth.

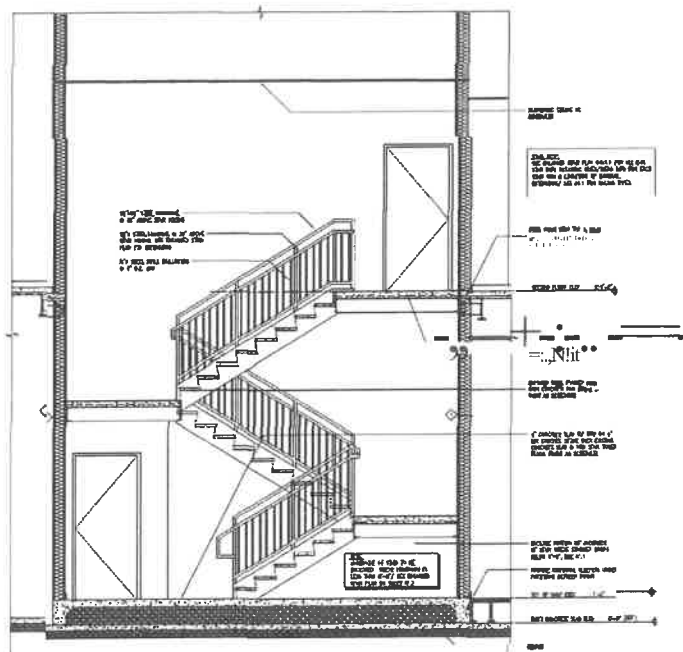
Furthermore, the larger parking lot allows for much higher access and ease to our customers, without placing undue burdens on the local community in regards to street parking or overcrowded parking lots. Many dispensary operators will put in parking lots with a maximum 10-15 parking spaces, claiming to the local municipality that they are adhering to code and as such should be permitted – only to come back six (6) months later requesting that dispensary customers be allowed to park down the street, in front of residential neighborhoods, in the parking lots of surrounding businesses, etc. Or, they fill the parking lots with so many spaces that entry and exit is practically impossible, thus causing traffic issues at all points of access to the parking lot, causing issues to the surrounding transit routes. It is our belief that such congestion is a danger to local consumers and should be mitigated at all costs, both for the benefit of surrounding small businesses as well as the safety of our visitors as they exit and return to their vehicles.

Our initial building will be approximately 4,000 – 5,000 SF, with a 2,000 SF education center attached to the building. We believe this is an adequate size to assess the initial demand in New Jersey before expanding into larger operations. By strategizing our expansion around the demand that actually exists in the market, we will be able to maintain steady cash flow for our business without exhausting funds on a larger operation should demand be initially weak.

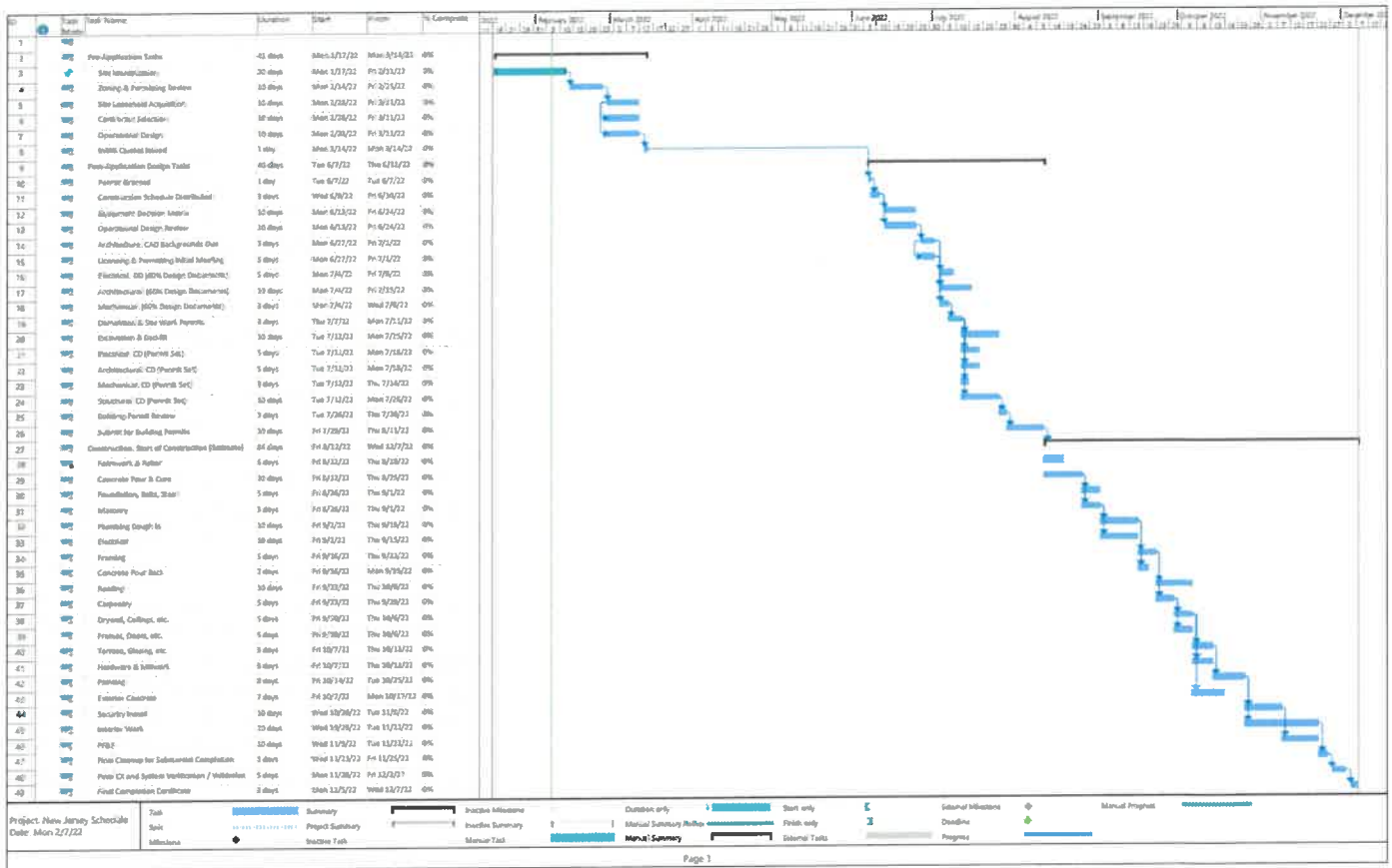
It is the Company intent to fully buildout the facility (with an approximate buildout price of around \$3M) and commence necessary site work proceedings as soon as the New Jersey CRC provides us with the necessary approval post-submission of our conversion application (pending satisfactory ESA-2 Analysis performed by local PE team to analyze air & water quality). While we have constructed an Option contract to secure the necessary real estate, team members from Castle of Greens have created an engineering narrative based on ambient New Jersey weather conditions for this building detailing our facility agnostic performance metrics, MEP designs and equipment options, all of which can be applied to any building.



① FIRST FLOOR BAY  
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SECTION 1001/0102 SHR.



The HVAC system shall consist of a high efficiency, variable flow capacity, heat rejection loop connected to a cooler located outside of the building. Each zone within the building, requiring active temperature and/or humidity control, will be served by an appropriate HVAC unit type based on the room's use. To demonstrate a commitment to resource efficiency, all spaces will be equipped with high efficiency LED fixtures specifically designed for indoor use. All fixtures will be connected to the Building Automation/Energy Management control system to ensure optimized control and operation.

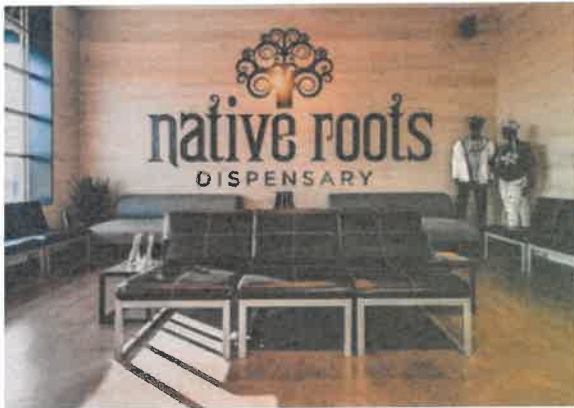
The HVAC units will be connected via a common single-pipe glycol/water distribution loop with decentralized circulation pumps and a high efficiency hybrid, adiabatic, closed loop fluid cooler for heat rejection. The glycol/water loop will be designed to ensure operation down to 0F ambient conditions without electric strip heaters or other similar energy consuming technologies. The use of a common water distribution loop allows waste heat generated in the grow rooms to be recycled and reused for space heating in other areas without the use of burning fossil fuels thereby substantially increasing the system's efficiency and minimizing its carbon footprint. By utilizing a decentralized pumping system, the system's flow rate can be modulated based on the capacity requirements to further reduce the energy consumption of the system at part load and/or part ambient conditions.

Construction of a new facility allows our team a design that best meets the needs of local customers, and is based on the collective knowledge of all our team members from a variety of operations in some of the most competitive cannabis market in the US. By using a free-standing building, we eliminate the security risk of common walls or roofs, permitting 24/7, 360 degree exterior and interior surveillance and the ability to identify all vehicles leaving the premises through the use of an LPR (License Plate Reader).

The newly constructed building will be delivered with pre-fabricated panelized walls and trusses to expedite construction efficiency and timeline. Our parking lot will have an integrated secure lot system to reduce intrusion. The building itself will have four (4) main man-trap areas in entrance, exit, receiving and vault. Additionally, there will be a variety of locked Employee Only access points through the facility. The customers access door is controlled by a front desk receptionist to ensure a secure entry into the retail areas as well as an engaged personalized experience for all customers. Our HVAC system will be unique in the New Jersey cannabis market, wherein the system will be zoned to accommodate various aspects of the building. The DEA-UL rated walk in vault will be on its own temperature and humidity-controlled system to best maintain cannabis quality at all times. The furnace shall be 95% efficient, Energy Star, with intelligent thermostat system, MERV 13 type air cleaners, and most importantly, CDC recommended HEPA + UV Lights + microbial air purifiers to address the recent risks of bacteria, mold, and most importantly, COVID, for all persons that enter the building.

Any required outdoor air and exhaust air for the facility shall be handled by an energy recovery ventilator (ERV) that harvests otherwise wasted exhaust air energy and transfers it to the incoming outdoor air to maximize system efficiency, minimize HVAC equipment sizing, and minimize project first cost. While retail facilities rarely, if ever, display odor issues similar to those of grow facilities, all exhaust air systems will have carbon filters and well as other proprietary odor mitigating technologies to remove any potential effect on the local residential area. Finally, our company shall apply to install a rainwater collection system on the roof of the building to further minimize water usage. While we are not a grow facility and will only have minimal water usage through the use of basic plumbing, it is our intent to be a dispensary that embraces a sustainable approach to dispensary operations, both through our packaging and energy usage. It is our desire to have all water used onsite to be rainwater, and therefore sustainably, based. To ensure optimal facility water quality and to minimize the environmental impact of discharged wastewater, a combination of Controlled Hydrodynamic Cavitation (CHC) and Reverse Osmosis (RO) technologies will be used. The use of CHC technology for the first stage of water treatment eliminates the need for chemical water treatment typically required to prevent scaling, corrosion, and biological growth while providing superior sustainability compared to competing technologies. Utilizing RO technology for the final stage of water treatment extends the life of the RO membranes and minimizes the amount of potential pollutants discharged to the wastewater system by first capturing them and separating them via the CHC process. Designed as a zero-liquid discharge facility, Castle of Greens shall endeavor that no waste from our facility should qualify as hazardous waste.

While we are still working on rendering of the exact building to be developed in Vernon Township, we wanted to insert other facilities our team has built and operated below, to give the local community an idea as to our approach to floor plans and interior design. The intent is to take designs already used by other local businesses and use a similar façade in our design and construction. We hope you enjoy perusing the below images.



## *Retail Methodologies*

We intend to offer the people of New Jersey a wide variety of cannabis flower and full-spectrum cannabis products to provide the market with a broad selection of effective and enjoyable phytochemical profiles that can satisfy a wide range of needs. We have identified a lack of selection, minimal proprietary genetics, minimal product offerings, and underwhelming plant care to be major shortcomings of New Jersey's existing Alternative Treatment Centers and see this as a great opportunity to set ourselves apart from the outset of the adult use market.

For the initial inventory of immature cannabis plants or seeds, to the extent allowed by law, we will establish wholesale purchase agreements with state-licensed suppliers to secure preferred pricing. We will provide a wide variety of cannabis chemovars to match market demand, and our cannabis products will reflect our company vision, with truly elevated craft products for our New Jersey community.

Where possible, we intend to work with cultivators that place product quality above all else. Our team has strong relationships with different certification programs in the US, focused on a variety of product types already provided to customers in the food and beverage industries. Where possible, we will offer cannabis that has been grown organically, or in the sun, or using vegan farming methods, to provide our customers with the best of options when choosing product. We understand that cannabis is a new market, and as such, it is our responsibility to provide customers with the highest quality product possible – any less would be a disservice to the local community.

Our product selection will prioritize producers that uphold the 8 guiding principles of Good Agricultural Practices (GAP). In addition to encouraging GAP certification for our producers, we will encourage the distributors we work with to be certified in Good Handling Processes (GHP) to ensure product quality from seed to final customer. Notably, we will maintain records of tracking of seeds and other details for four years. N.J.A.C. 17:30-12.5.

Castle of Greens will follow the New Jersey Indoor Air Quality standard, N.J.A.C. 12:100-13 (2007), which sets standards for indoor air quality. To minimize the odor pollution potential of the facility, and to improve the building's indoor air quality (IAQ), a combination of bi-polar ionization and MERV 13 filtration technologies will be implemented. Bi-polar ionization reduces the risk of pathogens, VOCs, molds and mildews from impacting the quality of air in our facility.

## *Quality Control & Inventory Tracking*

Our team will be consulted by officers that previously developed/operated cleanroom facilities for Intel semiconductor chip fabrication. These facilities were built consistent with the Institute of Environmental Science and Technology (IEST) recommended practices for contamination control and the ISO 14644 series of international standards for cleanrooms, which we have integrated into our retail procedures.

Our quality plan is based on Six Sigma principles designed to maintain the quality-guide our ability to identify and remove the causes of defects and minimize variability in customer experience. To accomplish appropriate controls through the Six Sigma processes, our plan has specific analytical targets: ensure adequate customer engagement through surveys and feedback, maintain clarity of inventory through proper labeling, and track/manage disputes appropriately as they arise. Customer feedback will be analyzed leveraging artificial intelligence and machine learning algorithms to identify both positive and negative trends in experiences.

For inventory management, we will implement a seed-to-sale system to monitor/track our medicine from seed-to-sale, plus tracking system on our Hyperledger blockchain platform, allowing full traceability and reverse logistics. We will voluntarily use MedWatch (FDA Adverse Event Reporting). Note: we only contract with producers that adhere/surpass our QC/chain-of-custody requirements – this helps in external recall events. ). Our staff will be trained to follow both FDA and U.S. Consumer Product Safety Commission (CPSC) recall

regulations and will respond based on the significance of the event. Our recall process can be broken into two pieces: internal (pre-release per QC/3rd party audit) and external, (verified consumer feedback). Both recall processes are scheduled for semi-annual tabletop testing.

As a subcategory of inventory management, we have a proprietary chain of custody system. The chain of custody (CoC) for our products is a chronological audit trail documenting when, how, and by whom the inventory of our facility was procured, cultivated, harvested, dried and cured, stored, transported, sold or otherwise controlled throughout all stages of the supply chain processes. Establishing /maintaining proper CoC procedures is essential to ensuring business SOPs are compliant with state law and prevent diversion/inversion or product misplacement. We have a zero-tolerance policy for breaches of CoC protocol or diversion. Our onboarding orientation training and continued development of our employees is weighed toward safe and secure operations and handling of our products. Our facility utilizes a dual inventory management system (regulatory/operations) to maintain CoC.

### *Environmental Impact*

Our proposal for the retail facility's construction is to be as close to a self-sustaining energy plant as possible. The experience of our team will be leveraged to implement an energy usage control system at the plant that optimizes the use of energy inputs across numerous sources, including utility time-of-use rates/net-metering, on-site renewables such as solar panels/wind generators/mounted batteries, and other on-site storage. Incentive programs related to energy usage such as renewable credits/rebates will also be utilized. Other monthly expenses and material input costs can be minimized through our use of an on-site blockchain-guarded and closely managed inventory tracking system, allowing us to optimize purchases of consumed necessities on-schedule and with little waste.

Energy management will be a component of our sustainability KPI as mentioned above. Additionally, we are committed to conserving energy through the adoption of best practices that reduce overall demand, as well as investing in renewable energy solutions as discussed below.

### *Licensing and Regulation*

Upon receiving our conditional retail license, we will quickly endeavor apply for all local permitting requirements to operate within the municipality. This will include building permits for constructing/retrofitting our facility, safety inspections from the police and fire departments, as well as the renewal of all permits throughout operations in order to maintain compliance. We have rigorously planned our startup timeline to minimize time spent waiting for these permits or approvals. Upon commencing operations, we will maintain a record of the duration of all permits received and set reminders for their renewal to ensure they never lapse.

Our Director of Compliance primary function will be to guarantee that our retail facility maintains compliance with all federal, state, and local requirements for cannabis and other businesses, and we will keep meticulous records of these efforts. Our CCO will guide us on renewing all licenses, permits, and certifications ahead of their expiration date, and we will consistently review our policies and practices to make certain that we never grow complacent.

### *Supply and Distribution Channels*

Integral to our plan for safe and effective distribution is a network of cannabis licensee partners who match our standards for professionalism and compliance. We will focus on building trustworthy, lasting, and fruitful relationships with our distribution network partners. By building a supportive group of licensees, we will establish a connected and prosperous distribution network.

As all licenses have not been issued at this time, our goal is to build a network with other social equity license holders to create an organization focused on increasing access to reasonably priced personal use cannabis. We have already reached out to a bevy of other social equity applicants that intend to apply for cannabis business licenses and have begun negotiations regarding pricing models and product variety.

### *Community Impact & Industry Involvement*

As a community-first business, we understand the need for ongoing reinvestment into our host community. In addition to the planned investment in new technology, security, labor, and facility space, we plan to continue reinvesting in the community through support of local community organizations with annual donations going to CASA, Hispanic Chamber of Commerce, local Police, Fire & EMS department, as well as scholarships for local high schools focused on minority students. Where possible, we would like insight from our local government entities as to other community organizations that we may partner with to best serve the community. In addition to our monetary donations, we plan to donate employee time and efforts to better understand and assist our partners. By getting our employees involved in hands-on volunteer work, we hope to instill a sense of fulfillment and pride in them, and in the community that supports us all. Additionally, we will develop and disseminate education about cannabis and its potential therapeutic benefits when appropriate and applicable.

By connecting with community organizations at the local level, we can have a direct impact on the wellbeing of our community and more efficient business operations. Our plan for continued local job creation, economic impact, community charitable giving, investing in public safety programs, and involvement in the New Jersey cannabis industry community will all help us to secure licenses at the local level and provide significant fulfillment and purpose to our company and its employees.

The company considers the EEOC (Equal Employment Opportunity Commission) guidelines a minimum requirement, and we will go above and beyond. We will utilize transparent processes to engage with potential employees from a variety of backgrounds. We will partner with organizations such as local universities, legal aid and veteran support organizations, nonprofits, cultural institutions, and minority professional associations

We will employ good neighbor principles as described by the United States General Services Administration ("GSA") in facility operations and community outreach efforts. These principles have informed the facility location, design, construction, management, and participation within the community.

Castle of Greens believes the Social Equity Excise Fee applied to the sale or transfer of cannabis by cultivators to any other cannabis establishments (except other cultivators) [N.J.A.C 17:30-3.4] will contribute to a meaningful revenue stream to make important investments for residents in the state.

Most importantly, we will open an Education Center next to our dispensary with the intent of serving the local community. The center will host speakers, provide training seminars, education classes, private consultants, and a variety of other offerings to best engage with the local community as the benefits and possibilities of cannabis use. This is not our first time doing this, we believe such a center is the best way to engage with the community as well as local leadership. A short list of the intended classes is as such below, with an example schedule included as well. We are happy to provide a short summary of each class upon request:

- Cannabis: Clinical Considerations (2 hours)
- Introduction to Budtending: From Seed to Sale (1 hour)
- Budtending Orientation: New Hire Onboarding (2 hours)
- Cannabis Cultivation: Methodologies & Certifications (4 hours)
- Consumer Know-How: What to Know for Your First Visit (1 hour)
- Patient Know-How: What to Know for You First Visit (2 hours)
- Private Appointments (30 minutes)
- Addiction 101: How Cannabis Helps (1 hour)



- Cannabis 101: History to Present Day (1 hour)
- Law Enforcement: Education Seminar (2 hours)
- Cannabis Regulation: A Local Approach (1 hour)
- Cannabis Education for Veterans (1 hour)
- Legalize & Equalize: Led by VOWD (2 hours)
- Re-Entry Training (8 hours)
- Cannabis Career Event (4 hours)
- Cannabis in the Kitchen (2 hours)



**Value Proposition for Consumers**

A value proposition is a socially conscious promise of value to be delivered, communicated, and acknowledged. It is also a belief from the customer about how value will be delivered, experienced, and acquired. Our direct purchasers will be individual cannabis consumers.

Our product line offerings coupled with our targeted marketing strategies will allow us to capture both target consumers while maintaining a consistent brand image and message. As a quality-focused organization, we will offer unique and effective cannabis products with exclusive genetic profiles. We will develop strategic partnerships with cultivators with rare and unique cannabis varieties that focus on plant health, vigor, and therapeutic impact (including rare, CBD-only strains). The product strategy is predicated on heirloom, rare, and number of modern “boutique” strains, further implementing craft level drying and curing management that will ensure product quality of dried flower.

As many cannabis consumers continue to learn, most industry nutrients are rife with heavy metals and barely pass testing protocols. As such, Castle of Greens shall prioritize product sourcing from producers with the Clean Green Certification, the only nationally recognized third-party cannabis certification program for organic compliance. The goal of Castle of Greens is to provide products that meet or exceed the New Jersey organic

program standards as defined in NJAC 2:78. This shall be a strong differentiator from other licensed retailers, as the extra expense to use prioritize organic products is rarely if ever covered by large MSOs.

It is our intent to establish Castle of Greens as the company that truly cares for its consumer and the surrounding community. Our ideal product suppliers will use grow methodologies that reduce water usage by 95% from typical grows, ideally combing grow procedures with rainwater collection to we intend to eliminate municipal water intake.

We will prioritize packaging and labeling made of recyclable and/or biodegradable material. Ideally, this will be packaging from a company like GPA Global, which conducts audits of suppliers to ensure that sustainability objectives encompass the entire Chain of Custody: Sustainable Forestry, Water Stewardship, Reduction of Emissions, Waste Management, Energy Efficiencies, Social Responsibility, Community Outreach. If possible, we will source from product packaging and labeling that is highly automated, using a system like Canapa Solutions to reduce potential for human contamination and error and improve consistency across all products.

Our goal is to not only serve our customers, but the surrounding community. We plan to establish a reputation for being a trusted source of information and education by providing resources addressing common industry FAQs, and by presenting digestible information on the endocannabinoid system and how cannabis compounds interact with the mind and body. We will go above and beyond in displaying full cannabinoid and terpene profile information for all of our strains and products, and we will help customers understand the differentiating qualities of product types and varieties to allow them the opportunity to identify what is right for them. N.J.A.C. 17:30-13.1; N.J.A.C. 17:30-13.2; N.J.A.C. 17:30-13.3.

To truly ally with our production partners, we will focus on educating our producers on the types of products the market desires, and also learn about the products being provided for sale by conducting in-store training and providing useful materials for store managers and budtenders. Additionally, we will provide in-store marketing and pop-up events. We will also offer products at competitive prices, allowing a broad range of New Jersey consumers to enjoy the highest quality available.

We will position ourselves as one of the most recognized and sought-after retailers, with top-of-the-line quality and effect. We have budgeted heavily for online and print advertising, plus swag, in-store displays, industry events, premium, recyclable, and compostable packaging development, and sales and training tools. By providing comprehensive sales and training tools to our team, we will ensure our messaging is being conveyed accurately and consistently to consumers.

More than anything else, we believe that our proposal of providing a product that is organic, high quality and environmentally conscious will resonate resoundingly with the State of New Jersey.

### Overview of Proposed Financing for the Business

To establish a detailed financial plan for our proposed retail center, we have analyzed the current adult use cannabis market in four developed states (California, Colorado, Washington, and Nevada). With this data we built a set of market forecasts to project our financial statements. We have obtained funding commitments that are in excess of the projected capital expenditures and operating expenses that will be required to achieve profitability.

We have compiled supporting financial documents to demonstrate the actual availability of these funds to our business through a family office. These documents include letters of intent which establish that we have the community and financial support needed to sustain our business. N.J.A.C. 17:30-7.4. Our starting capital is significant enough to ensure that our minimum cash position is positive after all capital outlays and operating losses have been accounted for until the point at which the business funds itself, reaching profitability in perpetuity. Our financial plan accounts for the costs of construction, equipment, utilities, maintenance, compensation of employees, and other operating costs.

### *Initial Investment*

We estimate that our retail center will account for a large share of the local adult-use cannabis market share. Using initial construction estimates that we have requested to ensure adequate capital coverage, we estimate the facility will cost around \$2.5M when fully built out, assuming a square foot development rate of ~\$300/sq. ft. We have budgeted an extra 25% for local construction conditions, meaning that the Company has committed \$3.0M to the buildout of this facility. These funds will be used for pursuing licensure, building out facilities, and payroll processes. As can be seen of our team members have already been quite successful in the cannabis industry (example: Josh Ginsberg, a founding member of Native Roots, the original single state vertical cannabis company with over 60 dispensaries and a valuation in excess of \$500M), and as such are looking for new opportunities in the New York and New Jersey markets to insert capitalMoney committed through our financial source will be held in escrow until our license is awarded and returned to the individuals if our application does not move forward. We confirm that all individuals and entities with financial interest will cooperate with the background check investigation, including submitting to fingerprinting and providing other documentation requested by the Commission. N.J.A.C. 17:30-7.12.

### *Business Expenses*

We intend to keep our overhead expenses as low as possible in order to reach profitability quickly. Our projections indicate approximately \$3.0M in startup costs, including licensure, property procurement, insurance, and predicted marketing and operating expenses for the first twelve (12) months of operations (calculated as the necessary funding to cover initial inventory, plus operating expenses for Year 1). While some other retailers tend to run their facilities on skeleton crews in the perpetual pursuit of lower expenses, we believe that given the current price structure in New Jersey, our Company can afford to pay its full-time staff more than just a living wage to work for Castle of Greens. We will use these increased wages to hire and train the best talent from within our Impact Zone.

As established above, we believe a highly efficient facility of 4,000 – 5,000 SF to be the ideal floor plan for the Vernon Township areas. We are confident this will be of adequate size needed to supply our anticipated share of the market, and have planned our facility layout with future sales volumes in mind. All expenditures will be tracked by our accounting department and can be audited at any time by the Commission. N.J.A.C. 17:30-17.3(b)(2).

### *Financial Statements*

We have and will maintain a positive relationship with BCB Bank in North New Jersey in accordance with the Federal Deposit Insurance Corporation regulations. Our banking relationship includes open candor of our cannabis transactions. Castle of Greens owners will commit \$100,000 in personal funds, along with \$3,000,000 in rolling promissory notes from key Owners of Castle of Greens to finance the starting costs of the business from the beginning of construction until it reaches cash flow break-even.

Estimated Earnings - New Jersey Average Dispensary (conservative)

*** PER LOCATION	Year 1	Year 2	Year 3	Year 4
<b>REVENUE</b>	\$ 10,000,000	\$ 10,500,000	\$ 11,025,000	\$ 11,576,250
Flower	\$ 6,250,000	\$ 6,562,500	\$ 6,890,625	\$ 7,235,156
Concentrates	\$ 3,906,250	\$ 4,101,563	\$ 4,306,641	\$ 4,521,973
Kitchen	\$ 2,441,406	\$ 2,563,477	\$ 2,691,650	\$ 2,826,233
Other	\$ 1,525,879	\$ 1,602,173	\$ 1,682,281	\$ 1,766,396
<b>COGS</b>	\$ (5,000,000)	\$ (5,250,000)	\$ (5,512,500)	\$ (5,788,125)
<b>GROSS PROFIT</b>	\$ 5,000,000	\$ 5,250,000	\$ 5,512,500	\$ 5,788,125
<b>OPEX</b>	\$ (2,865,000)	\$ (2,865,000)	\$ (2,865,000)	\$ (2,865,000)
Admin & General	\$ (105,000)	\$ (105,000)	\$ (105,000)	\$ (105,000)
Credit Card Fees	\$ (150,000)	\$ (150,000)	\$ (150,000)	\$ (150,000)
IT Costs	\$ (45,000)	\$ (45,000)	\$ (45,000)	\$ (45,000)
Insurance	\$ (60,000)	\$ (60,000)	\$ (60,000)	\$ (60,000)
Legal & Accounting	\$ (60,000)	\$ (60,000)	\$ (60,000)	\$ (60,000)
Licensing	\$ (10,000)	\$ (10,000)	\$ (10,000)	\$ (10,000)
Payroll	\$ (2,000,000)	\$ (2,000,000)	\$ (2,000,000)	\$ (2,000,000)
Rent	\$ (240,000)	\$ (240,000)	\$ (240,000)	\$ (240,000)
Repairs & Maintenance	\$ (15,000)	\$ (15,000)	\$ (15,000)	\$ (15,000)
Sales & Marketing	\$ (105,000)	\$ (105,000)	\$ (105,000)	\$ (105,000)
Security	\$ (15,000)	\$ (15,000)	\$ (15,000)	\$ (15,000)
Utilities	\$ (60,000)	\$ (60,000)	\$ (60,000)	\$ (60,000)
<b>NET OPERATING INCOME</b>	\$ 2,135,000	\$ 2,385,000	\$ 2,647,500	\$ 2,923,125
<b>TAXABLE INCOME</b>	\$ 5,000,000	\$ 5,250,000	\$ 5,512,500	\$ 5,788,125
<b>TAXES (CORP)</b>	\$ (1,050,000)	\$ (1,102,500)	\$ (1,157,625)	\$ (1,215,506)
<b>NET PROFIT</b>	\$ 1,085,000	\$ 1,282,500	\$ 1,489,875	\$ 1,707,619

Notes

0. Projecting revenue for new states in volatile regulatory environments is very difficult. This projection is based on other similar Adult Use markets.
1. This projected cash flow sheet assumes that Year 1 begins as of full operations after ramp up period of 3-4 months
2. Revenue is projected purely off of average revenue per dispensary across the state; \$18 market, 200 dispensaries >>> \$5M per dispensary
3. High revenue dispensaries require significant parking, drive throughs sufficient retail space to create a boutique environment
4. Operating expenses are based of New Jersey market conditions applied to functioning dispensaries in most competitive retail markets in US: Washington & Colorado
5. NOI is greatly influenced by COGS (Cost of Inventory); if New Jersey begins permitting large number of growers, COGS will drop to 40% of Revenue from 50% of revenue
6. If there is some way to have 20+ parking spaces and a drive through.... Revenue starts to look very very attractive - closer to \$15M a year.

*Financial Projections*

Our Director of Accounting will maintain an operating budget, control company expenditures, and approve expenses. Our goal is to be cash flow positive as quickly as possible. We will keep startup overhead expenses low and rely on lean startup methodologies. Sales will begin approximately six (6) months after the licensure award, following facility build out. Per state projections, we believe that personal use sales will begin in January 2023, with New Jersey quickly reaching a market valuation of \$1.5B by 2024. While current prices at medical dispensaries in New Jersey are averaging between \$8,000 and \$10,000, we believe this price point is utterly uneconomical for the average person. However, if every cultivator does their part, this will dramatically decrease the price for the average consumer, bringing New Jersey closer to the US industry average of \$2,500 per retail pound of dried cannabis flower. As such, we have built our projections assuming that, meaning that we intend to break even during the year 2023. Furthermore, we have constructed our financial projections (see above) to include the necessary drops in price required to make Personal Use available to all consumers in the State of New Jersey.

## *Hiring*

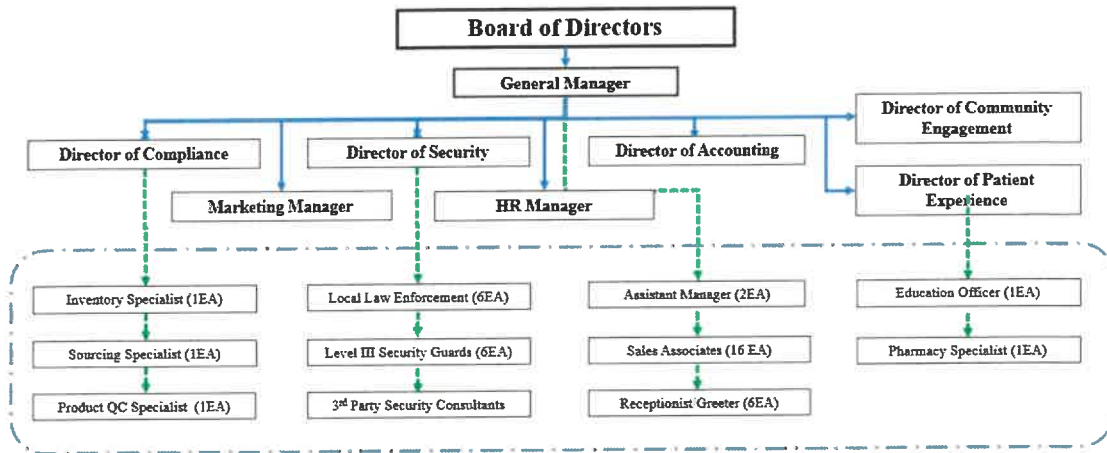
We will hire many new individuals and a majority of jobs we create will be held by local hires. We will focus our hiring efforts on members of our community and prioritize applications from social equity individuals, minorities, women, veterans, and persons with disabilities. The number and nature of these positions are based upon conservative estimates of job creation needed to staff our retail facility at its minimum operational capacity. If product demand increases faster than anticipated, we are prepared to immediately begin hiring procedures for the additional staff necessary to increase our sales output. We will need approximately 30-40 full time employees for the facility, not including part-time hires. We plan to target these employees from select areas and organizations, broken down as such: 25% labor force lives in closest impact zone (facility is in impact zone), 25% full time female employees, with the remaining dependent on our association partnerships. We intend to work with multiple Re-Entry programs as offered in New Jersey, specifically focused on reentry veterans, as well as former offenders in need of job opportunities with intensive training with a path for upward mobility in a burgeoning industry. Any reentry employees that are identified by Castle of Greens will be required to meet all restrictions imposed by the NJ CRC in regard to limitations for reentry employees.

Our Director of Human Resources will develop two programs for new hires who have cleared the required background checks and are approved to work by the CRC. One program will be for all employees, including those with experience, and the other will be an additional 8-12 week intensive training program designed to train those without prior experience to work in retail. The training program for all new hires will involve going over the company rules, procedures, expectations, success in the long term, team building, and CRC regulations. The goal would be to reduce employee turnover while complying with the rules and regulations mandated by the state statute and CRC.

In the additional 8-12 week program, we will partner with local staffing organizations to recruit and train new employees with no prior retail experience. The program will be a comprehensive introduction to cannabis retail operations, including the history of cannabis, local regulations, customer interaction, addiction references, first time cannabis user recommendations and other necessary retail knowledge. We will also train new employees in grow methods, including cannabis plant botany/genetics, proper growth techniques, drying, trimming and curing, and how all of these factor into the quality and effect of products that we sell so that our employees can be best prepared to serve our customers. After the formal training, new trainees will spend the rest of the time with hands-on the job training.

For a scenario in which the market adoption rate is half of what we anticipate it to be, remaining far below that of Colorado and Nevada, the only operations adjustment we would need to make would be delaying our planned rate of hiring. Since overwhelming economic success can also lead to supply-and-demand complications, we studied a scenario in which adoption rates and market demand combine for sales that double what we anticipate. In this case, we achieve positive cash flow earlier and are prepared to accelerate hiring.

Please see the below provided organizational structure for a fully functioning dispensary with a high traffic market. Such a dispensary will typically employ at least thirty (30) full time employees, with a variable number of part time employees providing various services both during and after operating hours.



*Community Contributions:* As a community-first business, we understand the need for ongoing reinvestment in our host community. In addition to the planned investment in new technology, security, and facility space, we plan to contribute 10% of net profits to local community organizations to fund youth education, scholarships, and substance abuse programs in an ongoing effort to give back to the people and communities of New Jersey. We plan to work with the Vernon Township Police Department regarding programs we can support and donations we can make towards supplies & scholarships. We intend to hire part-time and off-duty officers, with the intent of forming a symbiotic relationship with our local law enforcement. We intend to work with various other local organizations, educational organizations, Vernon Township Volunteer Fire Department, Vernon Township Fire Department, Vernon Township Ambulance Squad, Glenwood Pochuck Volunteer Ambulance Corps, and Vernon Township Board of Education.

### Product and Pricing Plan

Consumers on average spend \$150-200 per transaction at a cannabis retail facility. We will share with purchasers the philosophies and processes regarding how the cannabis was grown, nurtured, harvested, and prepared. Extensive laboratory testing results will also be detailed, showing at a minimum the cannabinoid and other phytochemical content. N.J.A.C. 17:30-16.6(d).

#### *Products*

We will provide a vast variety of cannabis chemovars, introducing a robust product offering to the New Jersey marketplace. All of our products will be presented in professionally designed and distinctive packaging with a to-be-determined universal symbol, and labels that include information on genetic lineage, terpene profile, and experiential qualities associated with that particular chemovar. N.J.A.C. 17:30-13.2(c); N.J.A.C. 17:30-13.3(11). Our labeling will highlight the differentiating aspects of our cannabis products and why those aspects should be considered by the purchaser. We will maintain a consistently high standard of efficiency, volume, and quality with our products.

Smoking flower is still the most common form of cannabis consumption, making up about 50% or more of all retail sales. We will immediately begin offering cannabis with a variety of chemovar profiles to provide dry flower to customers in the state. We will offer neatly manicured and thoroughly tested cannabis flower in various pre-packaged sizes. We intend for our flower and their genetic profiles to set the stage in the budding New Jersey market. Average prices of flower are still increasing, at a rate of 16% year over year in established markets, and cannabis flower is still the most cost-effective consumption method.

## *Pricing Schedule*

We aim to position ourselves as one of the most reputable retailers for premium flower and derivative products including pre-rolls. We will sell a variety of strains, introducing a robust product offering to the New Jersey marketplace. We will establish strong distribution channels to ensure consistent supply of top-of-market products. We will maintain a high standard of efficiency, volume, and quality for our products.

- **Dry Flower** - We will offer a variety of rare and desirable cannabis genetics in order to provide dry flower to customers in the state. We will offer pristine, manicured, and thoroughly lab-tested cannabis flower in various pre-packaged sizes. Our beautifully packaged flower will attract the end consumer at the point of sale and our extensive information and execution of quality will leave consumers boasting about their recent experience with our rare genetics. We intend for our flower and genetics to generate interest and demand for all of our other product lines to follow.
- **Pre-rolls** – We will offer strain-specific pre-rolls to complement our line of premium flower. Because our growers will be producing very high-quality plants, our trim material will be exceptional and extremely desirable to the end consumer. Our pre-rolls will be packaged in packs of five units for a total of 3.5 grams of material per pack. Utilizing high quality trim in this way provides the consumer with a convenient and easily consumable product, while also allowing growers to maximize their margins on all of the plant material they produce.

Though current New Jersey prices for medical marijuana are sometimes in excess of \$4,000 per pound from the cultivator, the cost is too expensive for some patients to handle; when recreational comes online, the price may be higher than medical cannabis. The high price point will result in many individuals being unable to afford access and turning to the black market instead.

As such, we intend to ultimately sell to customers for between \$1,000-\$2,000 from our cultivation partners). The goal is to foster a competitive environment that produces the best product for consumers while providing an economically priced product.

However, we realize that this could mean lost revenue for the state or municipality if the demand supports the higher price and have a solution in mind if the CRC will approve it. We will work with like-minded cultivation partners that operate intending to serve disadvantaged communities and consumers. Instead of lowering the price, we will offer a rebate program to customers for credits against sales made to qualified customers. Qualified customers would be socially or economically disadvantaged or those that qualifying medical conditions. New Jersey, despite the best efforts of the CRC does not have enough medicinal dispensaries. Town and nearby residents should have access to quality products at reduced cost and without having to drive for an extended period of time. The dispensary would sell at the full retail price generating the proper tax revenue by offering a store credit against the total cost in the end instead of a discount. This program ensures those in need can access high-quality cannabis at an affordable price without impacting market price, tax revenue, or causing financial strain on those in need.

## *Product Labeling*

For consumer safety all of our usable cannabis products will contain affixed labels with the following information according to N.J.A.C. 17:30-13.3(b):

1. Name, address, license number and phone number of our cannabis cultivator;
2. Quantity and net weight of the cannabis contained in the package;
3. Production or harvest date;
4. Expiration date, consistent with the requirements at N.J.A.C. 17:30-11.8;
5. A sequential serial number, batch or lot number, and bar code to identify the batch or lot associated with cultivation or manufacturing;

6. A list of any other inactive or excipient ingredients besides usable cannabis or cannabis concentrate used to manufacture a cannabis product or contained within the package;
7. List of all potential allergens within the product;
8. If refrigeration is required
9. Serving size and total numbers of servings within a package, the cannabinoid and terpene profile as well as the milligrams in the package.
10. The strain/cultivar name, listed by scientific terms, if available, and generic or “slang” names
11. For usable cannabis, the chemotype, growth method, an indication whether the cannabis was grown using all-organic materials, and a list of any allowable pesticides, fungicides, and herbicides used in cultivation pursuant to N.J.A.C. 17:30-10.9.
  - a. Chemotypes will be displayed as:
    - i. "High THC, Low CBD," where the THC to CBD ratio is greater than 5:1 and the total THC percentage is 15 percent or greater;
    - ii. "Moderate THC, Moderate CBD," where the THC to CBD ratio is between 5:1 and 1:5 and the total THC percentage is between five percent and 15 percent;
    - iii. "Low THC, High CBD," where the THC to CBD ratio is less than 1:5 and the total THC percentage is less than or equal to five percent; or
    - iv. Where usable cannabis does not conform to one of the three chemotypes, it will be listed as the closest chemotype determined by mathematical analysis of the ratio of THC to CBD.
  - b. Cultivation methods include, but are not limited to:
    - i. Indoor; Outdoor; Soil-grown; Hydroponic; or Aquaponic;
12. A summary of the written report detailing the results of the testing laboratory testing, including, but not limited to:
  - a. Potency of all major cannabinoids detected and listed in the written report; and
  - b. A list of major terpenes and terpenoids detected and listed in the written report;
13. Directions for inhalable, ingestible, or topical administration, as applicable; and
14. Requirements for proper storage. N.J.A.C. 17:30-13.3(b)(1-14).

Furthermore, all labels affixed to our cannabis products will contain the following consumer warnings, as applicable, in no less than 6-point font unless otherwise noted:

- For all cannabis items:
  - “This product contains cannabis;”
  - “This product is intended for use by adults 21 years of age or older and not for resale. Keep out of the reach of children;”
  - “There may be health risks associated with the consumption of this product, including for women who are pregnant, breastfeeding, or planning on becoming pregnant;”
  - “Do not drive a motor vehicle or operate heavy machinery while using this product;” and
  - The nationwide toll-free telephone number used to access poison control centers that is maintained in accordance with 42 U.S.C. s.300d-71.
- For any cannabis item that contains a total THC percentage greater than 40%:
  - “This is a high potency product and may increase your risk for psychosis” printed in no less than 10-point font.
  - This warning will appear complete on the front of the package and will not be wrapped around multiple sides of the package.
- Should any of our products contain any statements about the product other than those specified in regulation will contain the following statement prominently displayed, and in boldface type: "This statement has not been evaluated by the Food and Drug Administration. This product is not intended to diagnose, treat, cure, or prevent any disease." N.J.A.C. 17:30-13.3(c)(1-5).

A core value of ours will be not to sell products that are attractive to kids. Castle of Greens will take add an additional layer of scrutiny to packaging beyond that provided by the original producers. We will sell child-proof



medical grade packaging, similar to that used in the pharmaceutical industry regarding pressure-sensitive lids and squeeze tops. We plan to request our product providers use an automated packaging system such as Canapa to individually package in different 1oz drams with child-proof elements incorporated into them. We intend offer our customers the option to purchase child-proof safes that can store cannabis products just to be on the side in case of any customers negligence in storage of purchased products. (I would say we would give these for free, and promote use by a social media based contest where customers post pictures of using the safe)

Providing accurate and sufficient information on product labels and advertisements while making them unattractive to children is key to preventing improper use or accidental ingestion by children. The colors, images, graphics, features, and design of all labels will reflect the adult use nature of package contents. Also, no labels or advertisements will feature any product names or wording that are attractive to children, including any references to cartoons, toys, or food or candy marketed to or commonly consumed by children. Product names or label text will take care to not use any language that could lead a child to mistake the cannabis product for a commercially available product intended for children. All product labels will bear the following warning: “Keep out of the reach of children.”

### **Market Analysis**

The US cannabis industry grew by more than 23% in 2020, most of which was in adult-use markets. In the past few years, the population of New Jersey has experienced rapid growth. We will capitalize on both of these points by obtaining a cultivation license at the onset of adult-use legalization, which is expected to generate over \$1 billion in annual revenue.

#### *Market Forecast: New Jersey*

The 2017 National Survey on Drug Use and Health—commissioned by a branch of the US Department of Health and Human Services—found that 2.5% of adult respondents were daily or almost daily cannabis users, nearly 8% had used cannabis within the past month, and 15% had used cannabis within the past year. Assuming these national figures hold true at the state level, New Jersey contains nearly 250 thousand daily cannabis users, 769 thousand additional monthly users, and over 1.3 million annual users (not inclusive of monthly and daily users).

From the analysis of survey data on the consumption habits of cannabis users, the most recent studies indicate heavy non-medical users consume an average of 1.3-1.9 grams per day of cannabis flower. Our market analysis assumes a convergence to a daily consumption rate significantly below this range in establishing an eventual market size estimate. This accounts for the fact that as the number of cannabis users in the population increases infrequent consumers will be a part of this, which will lower the average demand per adult cannabis consumer.

We look to Colorado’s relatively mature adult-use statistics for baseline market measurements. In 2017, with a population of 5,700,000, Colorado realized sales of 55,437 pounds of cannabis per month. This translates to a per capita consumption level of 1.867 ounces per year, or 0.156 ounces per month. In order to be conservative, we have estimated New Jersey's consumption levels in excess of this rate, 0.2 ounces per capita per month. Allowing for such projections prevents cultivators from potentially producing too little cannabis and inflating prices unnecessarily. Moreover, as the market matures, we assume that per capita demand per month will increase significantly. This implies a monthly statewide demand of around 2,000,000 ounces by the end of the first year of the program. With only 37 initial cultivation centers being awarded licensure, we expect to produce a minimum of 60,000 ounces of cannabis annually to meet state needs.

Even while building in conservative practices at multiple levels of our market analysis, these estimates suggest an extremely healthy market outlook for our proposed cultivation business. We believe that the demand for adult-use cannabis in New Jersey will support a competitive market for many years to come. Many adult-use states like Colorado and California rely heavily on national and international tourism to provide a consistent source of

revenue. Additionally, our state welcomes an average of 100 million tourists annually, according to the New Jersey Economics Division.

### *Risks and Risk Tolerance*

Consistent availability and quality of products has been a concern among New Jersey medical cannabis patients as evidenced by online reviews throughout the state. This may lead to skepticism in the New Jersey cannabis market at large. We will combat this with our strong marketing plan, focused on building trustworthy and lasting relationships with our distribution network partners.

New Jersey is likely to have an overwhelming number of applications. We have full confidence that the CRC will do everything in its power to award licenses as soon as possible. The overwhelming number of applicants combined with a continuing pandemic may result in delays. If we experience these delays, securing a property indefinitely may prove more difficult. To offset this risk, we will maintain ongoing relationships with realtors in the area and have contracts with understanding landowners who will not financially drain us in case of delays.

### *Marketing Strategies*

Utilizing a wide variety of marketing formats, we will position ourselves as an industry thought-leader, educational resource, and premier retailer. This will be key in creating a long-term and loyal customer base. Our initial focus will be building brand awareness in the market through robust business to business marketing campaigns. We will craft our distinctive packaging to include symbols provided by the State, and without plant depictions. N.J.A.C. 17:30-13.5. N.J.A.C. 17:30-13.6.

We will establish business relationships with state-licensed suppliers upon license awarding to secure purchase agreements and market share. Integral to safe and effective distribution is a network of cannabis licensee partners who match our standards for professionalism and compliance. We will focus on building trustworthy, lasting, and fruitful relationships with our distribution network partners.

## **Barriers to Entry**

### *Federal regulation*

Prospective Recreational Cannabis Stores industry operators must navigate a variety of legal issues before beginning operation. The classification of cannabis as a Schedule I controlled substance, and the possibility of federal prosecution poses a significant barrier to entry, as the Drug Enforcement Administration has the requisite power to close dispensaries and seize their cannabis products. Four states legalized recreational marijuana through ballot initiatives in 2020. Only New Jersey achieved supermajority approval, and just barely, with 67% voting in favor. South Dakota, which has a tax supermajority provision and "one subject" provision in its constitution, had its legalization initiative declared unconstitutional, with the South Dakota Supreme Court currently considering the appeal.

### *State regulation*

Three states have legalized cannabis in 2021 via the legislative process; New York, Virginia, and New Mexico. As many as three more states could follow suit this year; Connecticut, Delaware, and Rhode Island, and many other cannabis policy reform bills are under consideration. State regulations have mixed effects. In general, the passage of new legislation has largely benefited industry operators by legalizing medical cannabis. Over the five years to 2021, entry barriers have decreased as 34 states have passed legislation legalizing some level of medical cannabis sales, with 15 states and Washington, DC,

have legalized recreational cannabis. While states provide a legal avenue for operators to open dispensaries, regulations are extensive and costly for prospective operators

### *Capital requirements*

Although cannabis stores incur limited capital costs because of the low-tech nature of the industry, operators are impeded by their relative inability to obtain financing from traditional sources. Several startups are receiving increased funding, such as Nabis, a software-enabled cannabis distributor that seeks to link farmers, manufacturers, brands, and vendors to improve the distribution process. With the continuing improvement in laws around cannabis, the industry has nowhere to go but up. In fact, the U.S. cannabis industry alone is expected to reach \$30 billion in market value annually by 2025. But with any budding industry, there are always challenges to overcome. Furthermore, the current Biden administration has expressed views that support federal cannabis reform, which will benefit the industry. Consequently, obtaining access to capital is anticipated to become somewhat more accessible for potential operators over the five years to 2026.

## **SWOT Analysis**

### *Strengths*

Strengths include the fact that our owner and vendor contractor teams have beyond adequate experience to establish a successful retail dispensary operation. Retail cannabis will be a huge growing market potential in New Jersey. We will sell high-quality products at affordable and competitive pricing all while giving back to the local community. Our business product uniqueness and branded products will set us apart from the rest.

### *Weaknesses*

Our biggest weakness is the uncertainty about being awarded our Retail license, but we believe our hard work, research, experience, and strategic partnerships will position us as a frontrunner. Another weakness is that our brand is not currently established in other existing markets and will be competing with multi-state operators (“MSOs”). These entities have existing footprints in multiple mature markets and may be able to subsidize operating losses in New Jersey with profits from existing revenue streams. That being said, most MSOs have a reputation for very poor quality, using their monopoly ability to corner markets and offer limited options to consumers with no other choice. Our growers have experience everywhere from California to Colorado - we will be selling highly prized heritage strains from the Emerald Triangle that very few MSOs have access to. We will need to ensure that our team, finances, and planning maintains our company’s competitiveness when pitted against such larger entities.

### *Opportunities*

Our business has a remarkable opportunity to become one of the early licensed personal-use cannabis businesses in the state of New Jersey, and with high demand from residents and visitors, we anticipate little difficulty locating retail partners for our operations.

With our team’s experience, we can strategize business operations around and anticipate regulatory changes. Combining our efficiency with the quality of our offerings, we will stand above the mass of mediocre products that will flood the New Jersey market in the first few years of the program. We also see an opportunity to be a trusted source of information and education, to spread our message about the therapeutic benefits of cannabis, and to inspire the future generation of cannabis community leaders. Finally, we see this as an overall opportunity to get a foothold in an extraordinarily competitive and restrictive market. The previous licensing rounds evidence the fact that earning a cannabis license in New Jersey is extremely difficult. By entering at the earliest possible moment in a personal-use round, we plan to secure a position in the market at the onset, before competition becomes too dense to navigate.

## *Threats*

The federal illegality of cannabis poses challenges to marketability, community support, banking, inventory tracking, information management, and most importantly the licensing application process itself.

As cannabis is a relatively new industry without a large body of legal precedent, courts can oftentimes pose barriers to cannabis businesses that do not exist for other traditional businesses. For example, courts can refuse to enforce contracts between businesses if the court views the business' activities as illegal, so we plan to navigate contractual obligations with careful consideration. The inability to receive federal trademarks for our brand and business and inability to receive bankruptcy protection also presents complications. However, ancillary service trademarks remain available at the federal level, and state level trademarks are usually available for cannabis businesses in states that have medical or personal-use cannabis programs. Furthermore, we have outlined a business and financial plan that avoids the possibility of bankruptcy, as we will not be seeking funding from an institutional bank.

Due to the increased risk caused by federal illegality, insurance providers generally charge a higher rate due to the nature of a cannabis cultivation business. We have already engaged with a New Jersey insurance provider to get a complete quote for insuring our business.

Until the passage of the SAFE Act (or similar legislation) in the United States Congress, we will face additional challenges to secure financing and establish transaction procedures. IRC 280E tax burdens also pose a significant threat. Without the tax deductions for business expenses that are traditionally available, the company's margins may be relatively slimmer than those of non-cannabis businesses. Through careful contingency planning and thorough financial preparedness, we will be well equipped to face these potential threats.

## *Risk Analysis*

The U.S. legal cannabis industry has been booming as more states legalize medical and recreational use. In its U.S. Cannabis Report 2019 Industry Outlook, cannabis research firm NewFrontier Data found that total legal sales will have a compound annual growth rate of 14% in the next six years, totaling almost \$30 billion in 2025.

But with this growth comes severe operational risks throughout the industry. Cannabis businesses need to ensure that they comply with relevant regulations and that consumers are getting a safe product and accurate information when making a purchase. However, the complex regulatory landscape and relatively uncharted territory of legal cannabis make compliance significantly more difficult than in other industries.

## *Regulations and Violations*

Cannabis industry regulations address every aspect of the "seed-to-sale" process, including growing, dispensing, lab testing, and marketing. Falling afoul of regulators can

have significant consequences for legal cannabis producers and the businesses that depend on them, including supply chain disruption and reputation damage. Violations can mean hefty fines as well as the risk of losing licenses, a significant sunk cost totaling tens of thousands of dollars in some states.

Dispensaries are routinely fined for violations. In 2019, Massachusetts cannabis company, Cultivate agreed to pay a \$75,000 fine after a surprise inspection showed 3,000 improperly labeled products. The products examined reportedly did not include required labels stating that they contained THC, that they were not safe for children, or showing serving size, identification numbers, and directions for use.

Quality control also poses risks for cannabis businesses. In November, Colorado warned consumers that several batches of medical and recreational cannabis were contaminated. The state's Department of Public Health and Environment blamed the "microbial contamination" on a computerized tracking system called Metrc, which a dozen states use to track legal cannabis. Similarly, in February, Nevada's Department of Taxation warned the public about 20 cannabis products it said were contaminated with various types of mold or bacteria. In this case, the state blamed a Las Vegas lab for failing to catch the contaminations and advised consumers not to purchase the affected products.

### *Managing the Risks*

Testing products can significantly help manage operational risks. Ensure that facilities do not have mice, mildew, and mold and that product is not tainted. Addressing these risks can include general risk management practices, like providing adequate training and institutional knowledge to staff, implementing systems to prevent disgruntled employees from contaminating products, and ensuring that a business's I.T. infrastructure, including that of third-party partners, is safe and secure.

### **Keren Gonen, Owner**

Keren was born in Israel and moved to the USA in her early teens. Having lived in NJ, CA and FL throughout her life, Keren has a true passion for living a balanced life and helping others. She has been a foster parent for animal rescues and has volunteered for different charities. Keren sits on the Sussex County Association of Realtors, as this year's current Vice President. She is also a Trustee for NAMI Sussex (National Alliance for Mental Illness) as well as VP for Team Up for Hope (Non-profit organization whose sole purpose is to raise funds & awareness for various charity organizations). Keren also volunteers her time at Vernon Beautification Committee, Vernon Economic Development Advisory Committee and often at Vernon Senior Citizen Center (Pre-COVID). This year, Keren has also joined Vernon High School SCA as her son entered High School. Keren can often be seen around Vernon as she is one of the Top Real Estate Agents in the County. She has credentials & designations in both Seller & Buyer transactions and has often assisted in Short Sales & Bank Owned Property sales as well. Because of her career, Keren is often supporting local businesses as she purchases all her closing gifts from local shops such as florists, cafes, local farms & artists. Keren also started a local Networking Group a few years ago where local entrepreneurs gather on a weekly basis and learn about each other's businesses and support. This group has grown from 6 members to over 30 in less than 3 years and has referred almost \$1,000,000 in 2021 during covid in closed sales alone. Keren believes that Vernon is the "Sleeping Giant" and has often said that she will find a way to "wake it up". All Vernon needs, Keren says, is for people to come together and work towards a common ground. This is her mission.

### **Complete Profile of the Vendor Contractors**

#### **Mike Cleary**

Mike Cleary is a certified accountant with over 40 years of experience in the highest echelons of manufacturing & utilities industries, stretching from projects in Singapore & Sydney to Texas & New Jersey. Mike has served in senior positions at Ernst & Young, Deloitte and Accenture, and is responsible for the construction & subsequent operation of three (3) of Intel's largest semiconductor manufacturing plants in the world. Closer to home, Mike served as Executive Director for PJM, the original grid operator for all of PA, NJ & MD (PJM). While at PJM, Mike developed & directed the \$500M expansion of PJM from a 3-state to a 13-state region, covering all of the mid-Atlantic. Mike specializes in inventory control and management, chain of custody of units (pre- and post-assembly) to ensure regulatory traceability and process optimization (including reverse logistics for potential recalls). Whilst working for Intel, Mike created his own Hyperledger blockchain tracking software, which he has applied to the management of cannabis cultivation facilities. Since 2015, Mike has applied this unique level of expertise to the indoor cultivation industry, directing the construction and operation of facilities in four (4) states and two (2) countries. Due to his incredible connections with the New Jersey utility industry, Mike has

already begun crafting partnerships between Castle of Greens and local utility providers such as PSEG. This symbiotic relationship will allow Castle of Greens to operate at a lower price point, enabling us to accomplish our long-term business objectives as environmentally responsible license holders, while reducing the incipient electric provider risks of power brownouts or blackouts in the New Jersey market by shifting electric usage to off-peak times and doing our part to maintain a completely green operational methodology.

### **Josh Ginsberg**

Josh Ginsberg has a Bachelor of Science degree in Economics, Finance and Computer Science from Bucknell University. He is an accomplished executive with proven experience in revenue generating, multi-channel product distribution, innovation, and marketing in both start-up and hyper growth organizations. As the CEO and Co-Founder of Native Roots Dispensaries, the premier marijuana retailer for the State of Colorado since 2010, Josh provided executive leadership managing over 750 employees spread across 25 retail stores. Under Josh's guidance, Native Roots grew to annual revenues in excess of \$100 million per year, with locations all across the state of Colorado. As CEO of Native Roots, Josh also managed approximately 250,000 square feet of indoor cultivation, extraction and manufacturing facilities. Most importantly, Josh was CEO of one of the largest 1st generation cannabis companies in the world during the early years of the Colorado market, when regulators and entrepreneurs were working hand-in-hand to develop what today is heralded as the first successful marijuana market in the United States. Since leaving Native Roots in 2017, has advised various applications on the securements of licenses and the construction of cultivation facilities in marijuana markets in Ohio, Missouri and Illinois. Josh believes that the future of the United States cannabis market lies in the East Coast, and is committed toward leading Castle of Greens as a New Jersey brand that will nationally recognized on the East Coast as a company devoted to not just ultra high quality cannabis products, but embracing a company philosophy of using efficient process, green energy, and local community partnerships that creates more than just another cannabis grow operation. In short, Josh wants to create another Native Roots in the state of New Jersey. Josh's experience in leadership positions within the cannabis industry will be quintessential to the success of Castle of Greens.

### **Shannon Noelle Crow**

Shannon Crow is a graduate of St. Edward's University and is currently pursuing a fellowship at Cornell. She combines luxury product management and regulatory compliance experience with a high-tech agricultural expertise Shannon co-founded Aquasprouts, a B2C aquaponics product in 2013, after which she worked at the Austin based, high-tech indoor equipment startup Fluence Bioengineering, the current leading cannabis LED manufacturer. Shannon is a Master Grower with five (5) years of experience in cannabis and over twelve (12) years of experience in commercial agriculture, managing everything from vineyards in the Napa Valley to cannabis grows in the Emerald Triangle. She is comfortable with a variety of growing techniques, from organic outdoor in soil to indoor aeroponics. She has certifications in Aquaponics Cultivation from the Aquaponics institute of Puerto Rico and is badged to advise on marijuana operations in multiple states, including the Colorado Marijuana Enforcement Division (MED). Her labor management and facility emergency response and labor certifications include OSHA 30 General Labor and the Dept. of Homeland Security's Incident Command System certification.



Currently, Shannon is the Director of the Agricultural Operations Department at Bowery Farming in New York City, where she has seventeen (17) managers under her direct supervision. As a team they work together to lead the heart of the Bowery organization, all while working directly with local and state regulators to adhere to the incredibly complex world of urban farming in New York City. Bowery is the PREMIER indoor vertical farming company in the world, valued at over \$2 billion, with clients ranging from Walmart to Whole Foods. The company designs, builds and operates smart indoor vertical farms in urban environments with over 10 tiers of produce per facility, using automation technology decades ahead of cannabis cultivation. The company has optimized indoor growing so much that they use 95% less water than traditional farms and zero pesticides, all while growing under cutting edge LED lights specifically manufactured for urban farming. In her capacity as Director of Agriculture, Shannon must work at the immediate intersection of regulatory compliance and grow optimization, coordinating with regulators and officials to ensure that Bowery adheres to any and all regulations applied to a hybrid company such as Bowery (manufacturing, industrial, agriculture, city & county)... all while increasing grow performance. Shannon recently opened a new Bowery facility in New England, for which she won the Bowery Science Team's Excellence Award, and is currently designing two (2) more indoor facilities for the southeastern United States. Shannon is very excited to return to indoor cannabis cultivation in her home state, and looks forward to combining her regulatory knowledge and cutting edge grow techniques with her private portfolio of heritage cannabis strains from Northern California. Castle of Greens is very lucky to have her.

#### **Daniel Word**

Daniel Word holds dual Bachelor of Science degrees in Mathematics and Chemistry from Harding University. He also has a PhD in Chemical Engineering, with a thesis focused on modeling and parameter estimation of infectious disease dynamics and developed and implemented parallel numerical solvers for dynamic optimization. Daniel has served in senior control positions at several companies, from ExxonMobil and Chevron to Roche Diagnostics, leading efforts to align design standards with industry standards and internal initiatives, deploying Advanced Process Control across all departments. As CTO, Daniel is responsible for working directly with the operation & quality control departments, integrating operational KPIs and productivity measures with cultivation specific processes. Daniel has over five (5) years of experience in the cannabis industry, working with multiple cultivation operations to optimize process flow using Six Sigma Principles. Daniel is also a certified Master Aquaponic Grower with formal training in aquaponic methods and applications, crop choices and recommendations, water quality, daily operation and mitigating impacts from non-organic nutrients and foliar feeds. Since 2015, Daniel has overseen creation of standard operating procedures for three (3) different grow facilities across the country, leading employee development programs to maximize performance and professional development. Daniel is the so-called lynchpin of the Castle of Greens team, integrating processes from our various industry experts to create a seamless company focused on maximizing performance and professional development of our employees – we are lucky to have him.

#### **Ricardo Luis**

Ricardo Luis will be of tremendous value to Castle of Greens by bringing a proven expertise of over a decade of cannabis cultivation and grow facility design & management experience in the medical cannabis industry. He served as the Director of Cultivation at Greenleaf Compassion Center, the first Dispensary/Grow facility to be awarded a medicinal cannabis cultivation and dispensing license in the state of New Jersey, from 2012 until its acquisition by Ascend NJ in September of 2020. He has demonstrated experience in designing grow facilities and grow room layouts combined with a deep knowledge of cultivation requirements, climate controls, nutrients, pest prevention/ management, vegetative and flowering cycles, cloning, tissue culture, genetics, breeding, drying, curing and overall grow management. Ricardo played an integral role in the growth and success of Greenleaf by designing and building their cultivation facility, as well as training and directing a team of over 20 grow technicians and processors while managing all aspects of cannabis grow operations in a facility with 10 grow rooms and over 3,000 plants. In his capacity as Director of Cultivation, Ricardo has been recognized for improving systems, streamlining processes, optimizing production, and achieving increased cannabis yields. He is well versed in all the regulatory and compliance requirements necessary to excel.

### **Emely Chavez**

Emely Chavez will assist in developing the Director of Social Equity and Inclusion (“DoSEI”). Emely is a graduate of Rutgers University with a Bachelor of Arts degree in Psychology and the New Jersey City University with a Master of Arts degree in Special Education. Bilingual in both English and Spanish, Emely has served as a Special Education Teacher for over a decade. She has effectively led education teachers and liaises with other teams to facilitate high quality, equitable teaching, particularly for underserved and marginalized students. Emely will be ideal at Castle of Greens thanks in no small part to her years of experience and passion for social equity and inclusion.

### **Irina Gaister**

Irina Gaister spent over 15 years working in Financial Services. She started her career in Operations Management and Risk & Control until she found her calling for Employee Engagement & Development as part of HR. Working as an Operations Professional in Risk Management for many years provides her with a unique perspective on employees' needs and motivations at all levels of an organization.

Irina is an SHRM-Senior Certified Professional - a coveted and difficult to obtain certification earned by few human resource professionals. She has experience working with large, established financial institutions like Barclays and Goldman Sachs and FinTech startups like AxiomSL and Ark Mortgage, a small but up-and-coming mortgage company. Her contribution to the organization has been integrating an authentically sustainable culture of growth and development. She has worked with senior leadership to set high ethical and operational standards starting from the leadership team and across all levels using onboarding, Performance Management, and coaching strategies.

In addition to her experience in Operations, Risk, and HR, Irina is a certified Health Coach, Meditations, and Yoga instructor. Her interest in wellbeing guides her approach to people and

organizations as it revolves around the idea that healthy and fulfilled individuals operate healthy and fulfilled companies.

Irina earned a degree from Baruch College—CUNY where she graduated in the top 5% of her class with a Bachelor of Business Administration degree in Economics. She speaks Russian, Hebrew, and Spanish and is a mother of two. She will serve as an exemplary Director of Human Resources at Castle of Greens.

### **Zachary Pringnitz**

Zach earned his Bachelor of Science in Electrical Engineering with highest honors from the University of Texas with a secondary focus in biology. Thereafter, he earned his Masters degree in Electrical Engineering from Stanford University, specializing in solid state electronics such as LEDs and solar cells, with an emphasis on energy efficiency and renewable energy. His interest in energy ultimately led him to design efficient cooling systems for a variety of off grid industrial sites. Zach later combined this experience with his background in biology, conducting research into various LED spectrums on rate of photosynthesis in plants and the subsequent effects on transpiration and VPD. This work has provided him with a unique insight into how plants use light and the challenges of artificial lighting in agriculture.

Furthermore, Zach has considerable experience in software design, algorithms, and the development of neuromorphic artificial intelligence networks for use in advanced robotics. He has held automation jobs in defense, energy, and cannabis, and most recently has served as a facility engineer designing and constructing instrumentation and power systems in facilities for the petrochemical and cannabis industries. Zach has been heavily involved in the design, building, and testing of pilot grow systems for development of new cultivation technologies. He has also overseen design and layout of new facilities, including the evaluation of candidate facilities for renovation, and leads all research and development of new technologies.

Most recently, Pringnitz has worked with Blue Ridge Botanicals and Blue Ridge Pharmaceuticals to collaborate with the University of Virginia and Virginia Tech University on two separate research projects. The first project goals are broken down into four objectives: 1. Assess multiple cannabis strains for amenability to tissue culture, 2. Establish a reproducible protoplast regeneration protocol in at least one variety, 3. Develop CRISPR/Cas9 InDel formation by transient transformation of protoplasts, and 4. Apply gene editing together with protoplast regeneration to obtain edited lines. Each objective has value in itself and successful development of each one will advance our knowledge and capabilities in the cannabis industry. The ultimate outcome is the establishment of methods for generation of plants with improved traits. This work will impact researchers, breeders, growers, processors, and consumers. The second project aims to develop a better understanding of the impacts of broad spectrum cannabinoids versus isolated cannabinoids. With over 120 different cannabinoids currently known within the cannabis plant, there is significant uncertainty of the overall impacts of each individual cannabinoid versus the effects of multiple cannabinoids together. The goals of this project are to (1) to better inform medicinal marijuana patients about the products they are using; (2) to provide a more effective medicinal product than isolated extracts; (3) to provide a more reliable product than full-spectrum

extracts; and (4) to advance the scientific understanding of cannabis, its therapeutic properties, and safety profile and treatment limitations.

With his extensive background and knowledge in engineering and research, Pringnitz will be critical to ensuring facility build out and processes support all the companies' objectives and goals in both business execution as well as community benefit. Pringnitz will be sure to keep the team is educated on industry advancements, guaranteeing the business stays abreast of the latest improvements in the industry.

### **Rudy Chavez**

Rudy Chavez is a graduate of Rutgers University where he received a Bachelor of Science degree in Accounting and a Master of Business Administration degree in Taxation. With over 11 years of experience, Rudy has worked extensively in the business sector. He currently works at Ernst & Young U.S. LLC as a Senior Associate where he prepares federal and state K-1 schedules for partners at the firm. He is well versed in tax regulations, payroll requirements, and QuickBooks and ADP Run. Thanks to his educational background and experience, Rudy will make help the Castle of Greens team and the CFO stay in financial and tax compliance.

### **Ilya Zarankin**

Ilya has extensive experience working in the medical device industry under strict quality control regulations. Throughout his tenure, he held multiple roles with responsibilities in quality assurance, manufacturing, and equipment design with leading companies such as Allergan, Maquet, and General Electric. The skills and knowledge Ilya possesses will ensure the quality of our product.

Currently, Ilya holds a position in the Quality Assurance and Regulatory Compliance department of Dentsply Sirona, a foremost manufacturer of dental equipment. His responsibilities include quality assurance of incoming materials, internal and external audits of the quality system, regulatory compliance of manufactured products, and improving the efficiency of inspection operations. To achieve his current objectives, Ilya uses his past experiences optimizing manufacturing processes and improving product quality. Ilya's responsibilities demand intimate familiarity with quality regulatory requirements posed by various standards and regulations such as EU MDR, FDA, ISO, AATB, GMP, ISO13485 to name a few.

His qualifications will translate well to our retail operations, where he will help us maintain regulatory compliance and ensure that we produce safe products of the highest quality for New Jersey customers. Ilya earned a Master of Science in Engineering from Polytechnic Institute of NYU, meaning that his education and career thus far have been entirely focused on quality assurance, making him extremely well suited for this role with our cultivation company.

### **Timothy Torell**

Timothy Torell has made security and policing his life's work. Since 1980, Timothy has worked for the Englewood City Police Department in northern New Jersey, achieving the rank of Detective Captain. His experience includes serving as the city's Municipal Counterterrorism Coordinator, Domestic Violence Expert, Press & Public Information Officer, while also taking active leadership roles in Crisis Management and Policy Development. Timothy is the highest decorated officer in the history of the Englewood Police Department, has won the Medal of Valor, and is a two-time recipient of the Combat Cross. In addition to his decades-long work as a police officer, Timothy is also a member of the Policemen's Benevolent Association, the National Association of Police Organizations, the NJ/NY Detectives Crime Clinic Association, and many other law enforcement and civic groups dedicated to public safety. This lifetime of experience will ensure the safety and well-being of our staff, customers, and neighbors.

### **Anthony Gallo**

Anthony Gallo will assist in developing the Director of Security ("DoS") and the security plan once the architectural plans are complete. Anthony is a graduate of New Jersey City University with a degree in Criminal Justice. Anthony has nearly 40 years of experience with extensive knowledge in safety, security, and risk management. For fifteen years, Anthony worked as the Director of Loss Prevention and Safety at EZCORP, INC. In this role, Anthony was accountable for all corporate and field loss prevention, safety, and risk management for both retail and financial loan service for 1,300 stores in 30+ states and in Mexico and Canada. He was responsible for developing talent in the areas of loss prevention, safety, and audit as well as leading the company's Emergency Management Team and managing its program. Since 2013, Anthony has served as a Managing Partner at Sapphire Risk Advisory Group, LLC where he has focused on loss prevention and safety consulting for high-risk business owners. His clients in this role have ranged from retail and financial loan services to the cannabis industry. He has published articles on loss prevention, armed robbery awareness, and safety in various industry publications. Anthony will make an exemplary addition to Castle of Greens.

## **Conclusion**

The cannabis industry is changing rapidly, and New Jersey's market is poised to take the lead on the east coast. The expansion of the New Jersey market to include adult-use sales presents an interesting business opportunity for those willing to work hard, plan, understand the landscape of the market, and bear the risks of working in the cannabis industry. With a strong team, local connections, and extensive planning, we will put ourselves ahead of the curve to ensure the success of our proposed cannabis retail facility. As can be seen in our business plan, our team is comprised almost entirely of individuals from the State of New Jersey, with track records of success in launching cannabis retail facilities, both in New Jersey and around the United States. We believe that our approach to retail, combining regulatory knowledge, facility engineering, safety procedures, security processes and community engagement will allow us to rapidly execute upon our plan for a craft cannabis retailer in the New Jersey personal use market. Furthermore, we have already begun to clear many of the barriers to entry into the market and are well positioned to obtain licensure from the state. We are optimistic for New Jersey's burgeoning adult-use market and hope to obtain the support of Vernon Township in our goal to become a preeminent cannabis retail operation in the New Jersey market.

We look forward to making you and the residents of Vernon Township and New Jersey proud.

**TOWNSHIP OF VERNON**

**RESOLUTION #24-96**

**Resolution Accepting Bid of Campbell Supply Co Inc  
for Fire Apparatus and Ambulance Repair Bid #2-2024**

**WHEREAS**, there is a need for a Fire Apparatus and Ambulance Repair Bid contractor in the Township of Vernon; and

**WHEREAS**, the Township of Vernon publicly advertised for bids and received in a public manner on March 6, 2024 at 11:00A.M. for Fire Apparatus and Ambulance Repair Bid under bid 2-2024; and

**WHEREAS**, the Township received two (2) quotes for service:

<b>NAME OF BIDDER</b>	<b>Campbell Supply Company</b>	<b>Firefighter One</b>
<b>YEAR 1 HOURLY RATE</b>	\$156.00	\$125.00
<b>YEAR 1 MIN HOURS</b>	0	2
<b>YEAR 1 MARKUP PARTS</b>	20.00%	20.00%
<b>YEAR 2 HOURLY RATE</b>	\$156.00	\$125.00
<b>YEAR 2 MIN HOURS</b>	0	2
<b>YEAR 2 MARKUP PARTS</b>	20.00%	20.00%

**WHEREAS**, the Qualified Purchasing Agent has reviewed the bid submitted by Campbell Supply Company Inc. and found them to be the lowest responsible bidder in accord with N.J.S.A. 40A:11-4(a).

**NOW, THEREFORE, BE IT RESOLVED** by the Township Council of the Township of Vernon that:

1. The contract for Fire Apparatus and Ambulance Repair Bid is hereby awarded to Campbell Supply Co Inc.
2. The Mayor and Township Clerk are hereby authorized and directed to execute a two (2) year contract with Campbell Supply Co Inc. for Fire Apparatus and Ambulance Repair Bid in accord with the tenets of contract found within Bid 2-2024, commencing upon passage of resolution and execution of contract.

**BE IT FURTHER RESOLVED**, that the governing body of Vernon Township pursuant to NJAC 5:30-5.5(b) (the certification of available funds), states that the Chief Finance Officer shall either certify the full maximum amount against the budget at the time the contract is awarded, or no contract amount shall be chargeable or certified until such time as the goods or services are ordered or otherwise called for prior to placing the order, and a certification of availability of funds is made by the Chief Finance Officer.

CERTIFICATION OF FUNDS	
Fleet Maintenance-	
Account 4-01-26-316-20	\$60,000.00
5-01-26-316-20	\$60,000.00
CFO Signature: 	
Subject to the adoption of 2024/2025 Municipal Budget	

**CERTIFICATION**

I certify that this is a true copy of the Resolution adopted by the Council of the Township of Vernon at their Regular Meeting held on March 25, 2024 at 7:00 pm in the Vernon Municipal Center.

\_\_\_\_\_  
 Marcy Gianattasio, RMC, CMR  
 Municipal Clerk

**VERNON TOWNSHIP COUNCIL**

NAME	MOTION	SECOND	YES	NO	ABSTAIN	ABSENT
Buccieri, N.						
DeBenedetto, J.						
Higgins, W.						
Sparta, B.						
Rizzuto, P.						



BID 6-2022

BID DATE

NUMBER OF VENDORS

ORGANIZATION:

<b>2-2024 FIRE APPARATUS REPAIR BID</b>	<b>Vernon Twp</b>
<b>3/6/2024 AT 11:00AM</b>	
<b>2</b>	



<b>NAME OF BIDDER</b>	Campbell Supply Company	Firefighter One
<b>ADDRESS</b>	PO Box 7588	34 Wilson Drive
<b>CITY, STATE, ZIP</b>	Monroe Township, New Jersey, 08831	Sparta, New Jersey, 07871
<b>CONTACT</b>		
<b>TELEPHONE</b>		973-940-3061 ext. 210
<b>EMAIL</b>	<a href="mailto:jpryslak@campbellsupply.com">jpryslak@campbellsupply.com</a>	<a href="mailto:ldefelice@ff1.com">ldefelice@ff1.com</a>
<b>NAME OF BIDDER</b>		
<b>YEAR 1 HOURLY RATE</b>	\$156.00	\$125.00
<b>YEAR 1 MIN HOURS</b>	0.00	2.00
<b>YEAR 1 MARKUP PARTS</b>	20.00%	20.00%
<b>YEAR 2 HOURLY RATE</b>	\$156.00	\$125.00
<b>YEAR 2 MIN HOURS</b>	0.00	2.00
<b>YEAR 2 MARKUP PARTS</b>	20.00%	20.00%
<b>OWNERSHIP DISCLOSURE</b>	x	x
<b>IRAN CERT</b>	x	x
<b>NEW JERSEY BRC</b>	x	x
<b>EXPERIENCE AND QUALIFICATIONS</b>	x	x
<b>EQUIPMENT CERT</b>	x	x
<b>PAY TO PLAY ADVISORY</b>	x	x
<b>ADA</b>	x	x

**THIS AGREEMENT made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2024  
BETWEEN:**

**TOWNSHIP OF VERNON,**

a municipal corporation of the State of New Jersey, with offices located at the Municipal Building, 21 Church Street, Vernon, N.J. 07462, party of the first part, and hereinafter designated as the “TOWNSHIP”, and:

**vendor name and address:**

**WHEREAS,** the TOWNSHIP duly received public bids for

**Bid 2-2024 Fire Apparatus Repair**

**WHEREAS,** the Mayor and TOWNSHIP Council have accepted the bid of the contractor and authorized the execution of this Agreement as cited below.

**NOW THEREFORE THE CONTRACTOR AND THE TOWNSHIP,** in consideration of the mutual covenants herein, **DO HEREBY AGREE AND CONTRACT** as follows:

1. The Contractor shall and will provide all materials and perform all work required to complete all work in accordance with the Specifications and Contract Documents cited above to provide the following:

**Bid 2-2024**

**For the Term of \_\_\_\_\_ Years from \_\_\_\_\_, 2024 through \_\_\_\_\_ 20,\_\_\_**

The above documents, supplements and addenda are incorporated by reference and made a part of this contract. All documents are intended to supplement each other and together constitute a complete set of Specifications.

2. The Contractor declares and agrees that he will be responsible for the full performance and completion of all work to be done under this contract and by the execution hereof admits that he has carefully informed himself respect all conditions at the site and pertaining to the work to be done. All work shall be done in a workmanlike manner and in accordance with all applicable laws and regulations.
3. The TOWNSHIP will pay by Voucher and the Contractor will accept in full payment and consideration for performance of the Contractor’s obligations hereunder:

**Bids as attached**

4. All increases in labor rates and material costs that may develop during the performance of the work contemplated by this contract shall be assumed by the Contractor.
5. It is expressly understood that the parties hereof that this contract includes where applicable, the tenets, general conditions and legal requirements as complete within proposal November 21, 2023, as the source of the scope of work and measures of successful performance of the contract.

6. In addition to all other remedies and relief provided by other contract documents, including the Specifications, the Contract shall indemnify, hold and save harmless the Owner, its agents and all representatives thereof, from and against all loss, injury, cause of action, damage and liability to person or property in whatever form and will forever defend in the name of and on behalf of the Owner every suit or cause of action, even if groundless, seeking to enforce any such loss, injury, cause of action, damages and liability to person and property by reason of, arising out of, or in connection with this contract or contract documents, or the failure or neglect or conditions, the aforesaid being in addition to any other right or remedy which the Owner may have against the contractor in law or equity or otherwise.
  
7. The Contractor covenants and agrees that anything in this contract or in the contract documents to the contrary notwithstanding, or regardless of any matter, thing, contingency or conditions, unforeseen, or otherwise, present or future, the Contractor shall not be entitled to receive any additional or further sums of money than the amounts in said contract documents provided, and the failure of the Owner to insist upon strict performance of any terms, covenants, agreements, provisions or conditions in this contractor in the contract documents, in any one or more instances, shall not be construed as a waiver or relinquishment, for the future of any such terms, covenants, agreements, provisions and conditions, the same shall be the remain in full force and effect with power and authority on the part of the Owner to enforce the same or cause the same to be enforced at any time, without prejudice to the other rights which the Owner may have against the Contractor under this contract or the contract documents.
  
8. This contract shall inure to the benefit of and be binding to the parties hereto, their respective heirs, executors, administrators, successors and assigns, but it is expressly understood, covenanted, and agreed that this contract shall not be assigned, sold, subcontracted, pledged, mortgaged or set over the Contractor to any person, firm, corporation or association, except upon the expressed written consent of the Owner.
  
9. During the performance of this contract the Contractor agrees that he will fully comply with the Affirmative Action Requirements as outlined in the Specifications annexed to and incorporated in full in this contract document (P.L. 1975, c.127.).

**IN WITNESS WHEREOF**, the said party of the first part has caused this instrument to be signed by its Mayor, attest by its Clerk and its official seal to be hereto affixed, and the said party of the second part has hereunto set his hand and seal or caused these presents to be signed by its proper officers and its corporate seal to be hereto affixed, the day and year first above written.

**ATTEST:**

**TOWNSHIP OF VERNON**

\_\_\_\_\_

\_\_\_\_\_

**ATTEST:**

**VENDOR NAME**

\_\_\_\_\_

\_\_\_\_\_

## **TOWNSHIP OF VERNON**

### **RESOLUTION #24-98**

#### **RESOLUTION AUTHORIZING A MUTUAL AID AND ASSISTANCE AGREEMENT BETWEEN THE COUNTY OF SUSSEX AND THE TOWNSHIP OF VERNON**

**WHEREAS**, Homeland Security Directive (HSPD-5) (February 28, 2003) directs the Secretary of the Department of Homeland Security to develop and administer a National Incident Management System (NIMS), which would provide a consistent nationwide approach to Federal, State, local and tribal governments to work together more effectively and efficiently to prevent, prepare for, respond to and recover from domestic incidents, regardless of cause, size or complexity; and

**WHEREAS**, “The New Jersey Civilian Defense and Disaster Control Act,” N.J.S.A. App.A:9-33 et seq., provides for the health, safety and welfare of the people of the State of New Jersey during any emergency by centralizing control of all civilian activities having to do with such emergency and gives the Governor control over the resources of each and every political subdivision to cope with any condition that shall arise out of such emergency; and

**WHEREAS**, the State of New Jersey adopted the “Fire Service Resource Emergency Deployment Act,” N.J.S.A. 52:14E-11 et seq., to establish a mechanism for the coordination of fire service resources throughout the State to facilitate a quick and efficient response to any emergency, incident or situation that requires the immediate deployment of those resources in order to protect life and property from the danger or destruction of fire, explosion or other disaster; and

**WHEREAS**, the Director of the Division of Fire and Safety in the Department of Community Affairs promulgated rules commonly referenced as the “Fire Service Resource Emergency Deployment Rules,” N.J.A.C. 5:75A-1.1 et seq., and N.J.A.C. 5:75A-2.2 specifically requires each municipality or fire district to adopt a local fire mutual aid plan; and

**WHEREAS**, the Fire Service Rules at N.J.A.C. 5:75A-2.4 requires each County in the State to prepare and adopt a county fire mutual aid plan in coordination with applicable local mutual aid plans; and

**WHEREAS**, the County of Sussex has expressed a desire to enter into an agreement for mutual aid and assistance with the municipalities in the County of Sussex, including the Township of Vernon, to protect against loss, damage or destruction by fire, catastrophe, civil unrest, major emergency or other extraordinary devastation and to address those situations when additional aid and assistance is necessary; and

**WHEREAS**, a determination has been made that it is in the best interests of the Township of Vernon to enter a mutual aid and assistance agreement with the County of Sussex; and

**NOW, THEREFORE, BE IT RESOLVED** by the Council of the Township of Vernon that the Mayor and/or Business Administrator are hereby authorized to execute a mutual aid and assistance agreement between the Township of Vernon and the County of Sussex in a form similar to the document attached hereto. The Township Attorney may make applicable language changes deemed in the best interest of the Township.

**CERTIFICATION**

I certify that this is a true copy of the Resolution adopted by the Council of the Township of Vernon at their Regular Meeting held on March 25, 2024 at 7:00 pm in the Vernon Municipal Center.

\_\_\_\_\_  
 Marcy Gianattasio, RMC, CMR  
 Municipal Clerk

**VERNON TOWNSHIP COUNCIL**

<b>NAME</b>	<b>MOTION</b>	<b>SECOND</b>	<b>YES</b>	<b>NO</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
Buccieri, N.						
DeBenedetto, J.						
Higgins, W.						
Sparta, B.						
Rizzuto, P.						

# COUNTY OF SUSSEX

Clerk of the Board of County Commissioners  
Sussex County Administrative Center  
One Spring Street  
Newton, NJ 07860  
Tel: 973-579-0240  
Fax: 973.383-1124



Christina Marks  
Clerk of the Board/Confidential Aide  
Email: [cmarks@sussex.nj.us](mailto:cmarks@sussex.nj.us)  
Linda Miller  
Confidential Assistant/Clerk Pro Tem  
Email: [lmiller@sussex.nj.us](mailto:lmiller@sussex.nj.us)

RECEIVED

MAR 15 2024

Township Clerk

March 12, 2024

Vernon Township  
Attention: Marcy Gianattasio, Municipal Clerk  
21 Church Street  
Vernon, NJ 07462

**RESOLUTION RE:** AUTHORIZING A FORM OF MUTUAL AID AND ASSISTANCE AGREEMENT WITH THE MUNICIPALITIES IN SUSSEX COUNTY TO EXPIRE DECEMBER 31, 2028

Dear Ms. Gianattasio:

The above-captioned Resolution was adopted by the Sussex County Board of County Commissioners at its meeting held on February 14, 2024.

Enclosed please find a certified copy of the Resolution for your files and (2) Agreements. Please return one fully executed Agreement to our office. If I can be of further assistance, please do not hesitate to contact me.

Sincerely,

Christina Marks  
Clerk of the Board/Confidential Aide  
Sussex County  
Board of County Commissioners

Encl.



**RESOLUTION RE: AUTHORIZING A FORM OF MUTUAL AID AND ASSISTANCE AGREEMENT WITH THE MUNICIPALITIES IN SUSSEX COUNTY TO EXPIRE DECEMBER 31, 2028**

**WHEREAS**, Homeland Security Directive (HSPD-5) (February 28, 2003) directs the Secretary of the Department of Homeland Security to develop and administer a National Incident Management System (NIMS), which would provide a consistent nationwide approach to Federal, State, local and tribal governments to work together more effectively and efficiently to prevent, prepare for, respond to and recover from domestic incidents, regardless of cause, size or complexity; and

**WHEREAS**, "The New Jersey Civilian Defense and Disaster Control Act," N.J.S.A. App.A0-33 et seq. provides for the health, safety and welfare of the people of the State of New Jersey during any emergency by centralizing control of all civilian activities having to do with such emergency and gives the Governor control over the resources of each and every political subdivision to cope with any condition that shall arise out of such emergency; and

**WHEREAS**, the State of New Jersey adopted the "Fire Service Resource Emergency Deployment Act," N.J.S.A. 52:14E-11 et seq., to establish a mechanism for the coordination of fire service resources throughout the State to facilitate a quick and efficient response to any emergency, incident or situation that requires the immediate deployment of those resources in order to protect life and property from the danger or destruction of fire, explosion or other disaster; and

**WHEREAS**, the Director of the Division of Fire Safety in the Department of Community Affairs promulgated rules commonly referred to as the "Fire Service Resource Emergency Deployment Regulation at N.J.A.C. 5:75A-1.1 et seq., and N.J.A.C. 5:75A-2.2 specifically requires each municipality or fire district to adopt a local fire mutual aid plan; and

**WHEREAS**, the Fire Service Regulations at N.J.A.C. 5:75A-2.4 requires each County in the State to prepare and adopt a county fire mutual aid plan in coordination with applicable local mutual aid plans; and

**WHEREAS**, the County of Sussex recognizes that entering into an agreement for mutual aid and assistance with the municipalities located in the County of Sussex to protect against loss, damage or destruction by fire,

catastrophe, civil unrest, major emergency or other extraordinary devastation and to address those situations when additional aid and assistance is necessary.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of County Commissioners of the County of Sussex that it hereby authorizes the Sussex County Emergency Management Coordinator and Deputy Coordinators to execute the attached form of Agreement with the municipalities located in the County of Sussex, as set forth in the Agreement; and

**BE IT FURTHER RESOLVED** that the Sussex County Sheriff's Office, Division of Emergency Management is hereby authorized and directed to file a certified copy of this Resolution and an executed copy of the Agreement with the New Jersey Office of Emergency Management, North Regional Unit and the New Jersey Department of Community Affairs.

Certified as a true copy of the Resolution adopted by the Board of County Commissioners on the 14<sup>th</sup> day of February, 2024



Christina Marks, Clerk of the Board  
Board of County Commissioners  
County of Sussex, New Jersey

RECORD OF VOTE						
COMMISSIONER	AYE	NAY	ABST	ABS	MOVE	SEC
Carney	✓				✓	
DeGroot	✓					
Hayden				✓		
Schick	✓					✓
Space	✓					

ABST - Abstain

ABS - Absent

MOVE - Moved

SEC - Seconded



**COUNTYWIDE  
MUTUAL AID AND ASSISTANCE AGREEMENT  
BETWEEN PARTICIPATING UNITS**

**THIS AGREEMENT**, having a term which expires December 31, 2028 shall commence upon signing of the parties set forth herein, all of which are either the **COUNTY OF SUSSEX**, a body corporate and politic of the State of New Jersey having an address at One Spring Street, Newton, New Jersey 07860 (hereinafter referred to as the "County") and all of its departments, divisions, bureaus, offices, agencies, authorities, boards, commissions and other functions under the auspices of the County including, but not limited to, fire, rescue, law enforcement, public works, emergency medical services, emergency management, public health, hazardous materials, human services, Community Emergency Response Team (CERT) members, Medical Reserve Corps (MRC) members or other volunteers and other jurisdictions defined as "local governments" in the Homeland Security Act of 2002, P.L. 107-296, Section 2(10) at 6 U.S.C. §101(13)1 (hereinafter the parties may be referred to as "Participating Units", "Requesting Units" or "Responding Units" as appropriate, and may be collectively referred to as the "Parties.")

**WHEREAS**, President Bush in Homeland Security Directive (HSPD - 5) (February 28, 2003), directed the Secretary of the Department of Homeland Security to develop and administer a National Incident Management System (NIMS), which would provide a consistent nationwide approach to Federal, State, local and tribal governments to work together more effectively and efficiently to prevent, prepare for, respond to and recover from domestic incidents, regardless of cause, size or complexity; and

**WHEREAS**, "The New Jersey Civilian Defense and Disaster Control Act," N.J.S.A. App.A9-33 et. seq., provides for the health, safety and welfare of the people of the State of New Jersey during any emergency by centralizing control of all civilian activities having to do with such emergency and gives the Governor control over the resources of each and every political subdivision to cope with any condition that shall arise out of such emergency, and

**WHEREAS**, the State of New Jersey adopted the "Fire Service Resource Emergency Deployment Act", N.J.S.A. 52:14E-11 et. seq., to establish a mechanism for the coordination of fire service resources throughout the State to facilitate a quick and efficient response to any emergency incident or situation that requires the immediate deployment of those resources in order to protect life and property from the danger or destruction of fire, explosion or other disaster, and

**WHEREAS**, the Director of the Division of Fire Safety in the Department of Community Affairs promulgated rules commonly referred to as the "Fire Service Resource Emergency Deployment Regulations" ("Fire Service Regulations") at N.J.A.C. 5:75A-1.1 et. seq., and N.J.A.C. 5:75 A-2.2 specifically requires each municipality or fire district to adopt a local fire mutual aid plan, and

**WHEREAS**, the Fire Service Regulations at N.J.A.C. 5:75A-2.4 requires each County in the State to

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1 the term "local government" means (A) a county, municipality, city, town, township, local public authority, school district, special district, intrastate district, council of governments, . . . regional or interstate government entity, or agency or instrumentality of a local government; (B) an Indian tribe or authorized tribal organization, or in Alaska a Native village or Alaska Regional Native Corporation; and (C) a rural community, unincorporated town or village, or other public entity. 6 U.S.C. 101(13).

prepare and adopt a county fire mutual aid plan in coordination with applicable local mutual aid plans; and

**WHEREAS**, an emergency responder is defined as anyone employed by, contracted to provide services to or otherwise affiliated with the Participating Units and possessing special skills, qualifications, training, knowledge and experience beneficial to the mitigation of disaster situations. An emergency responder includes, but is in no way limited to, the following: law enforcement officers, fire fighters, emergency medical services personnel, physicians, nurses, other public health personnel, emergency management personnel, public works personnel, those persons with specialized equipment operations skills or training or any other skills needed to provide aid in a declared emergency; and

**WHEREAS**, the Participating Units recognize that entering into an agreement for mutual aid and assistance with each other to protect against loss, damage or destruction by fire, catastrophe, civil unrest, major emergency or other extraordinary devastation and to address those situations when additional aid and assistance is needed to protect the best interests of the persons and property in each individual jurisdiction.

**NOW, THEREFORE, BE IT RESOLVED** that in consideration of the mutual promises herein contained, the Participating Units respectively agree as follows:

1. **Mutual Aid and Assistance.** Upon the request as provided herein, the Participating Units shall provide mutual aid and assistance to each other. Mutual Aid and Assistance shall include the following:
  - a. Rendering of aid and assistance, including pre-established immediate response or other support, i.e. providing sheltering of the Requesting Units' population, by one or more Participating Units to an emergency scene under the control and/or jurisdiction of another Participating Unit; said emergency may include but not to be limited to fire, civil unrest, major criminal or emergency events, natural and man-made disaster or catastrophe affecting the environment.
  - b. Rendering of aid and assistance by one or more Participating Units to another Participating Unit to serve as supplemental reserve protection in the Requesting Unit's jurisdiction while the Requesting Unit is on an emergency call and/or otherwise currently unable to address the emergency service needs in its jurisdiction.
  - c. Participating in training exercises with other Participating Units, where the purpose of such training exercises is to coordinate and prepare for fire, civil unrest, major emergency, natural disaster, environmental disaster and/or other emergency situations that are a threat to life or property.
  - d. Participating Units shall provide any and all resources of the Participating Unit including police and fire personnel, equipment and other resources available to the Participating Unit, including but not limited to public works, public health and emergency medical services.
2. **Requests for Mutual Aid and Assistance.** All requests for mutual aid and assistance shall be initiated through the Requesting Unit's Office of Emergency Management, or their designee, in accordance with all procedures in effect at the time of the request. The Participating Unit shall immediately summon the Requested Units to the scene of an emergency in accordance with the pre-

established policies and procedures in effect at the time of the request.

All Fire asset requests shall be approved by the Sussex County Fire Coordinator during a County State of Emergency. The Sussex County Office of Emergency Management through the Sussex County Fire Coordinator shall coordinate the deployment of participating fire units to the scene of the emergency in accordance with the pre-established policies and procedures in effect at the time of the request.

The Sussex County Office of Emergency Management shall coordinate the deployment of all other non-fire Participating Units to the scene of the emergency or non-emergency in accordance with the pre-established policies and procedures in effect at the time of the request.

- a. Each Participating Unit shall develop a Mutual Aid Plan to include mutual aid assistance to the levels they deem acceptable when measured against potential risks. Said information shall be submitted annually to the Sussex County Office of Emergency Management, for review by the appropriate coordinator prior to the first day of June each year.
  1. All Local Fire Mutual Aid Plans shall be in compliance with the New Jersey Fire Service Emergency Deployment Rules N.J.A.C. 5:75A-1.1 et seq., specifically N.J.A.C. 5:75A-2.2.
  2. The County Fire Coordinator, the County EMS Coordinator or the County Prosecutor, where appropriate, will implement the Mutual Aid Plan for jurisdictions/agencies failing to submit plans as required in Section 2(a) above.
3. **Tactical Command and Authority at Emergency.** The Incident Commander of the Requesting Unit shall have overall command authority of all Participating Units at the scene of the emergency. Participating Units of the fire service shall operate in compliance with the State Incident Management System N.J.A.C. 5:73-1.6(b). All other participating agencies shall operate in compliance with the National Incident Management System (NIMS).
4. **Request for Mutual Aid and Assistance during a non-County State of Emergency.** In the event of an unforeseen emergency which prevents prior notification to Sussex County Office of Emergency Management, and equipment of the Participating Unit has been deployed to another Participating Unit with a pre-existing agreement for service and is a contiguous jurisdiction, the Sussex County Office of Emergency Management shall be notified by the deployed Participating Unit which sends the equipment when the incident permits, and the Participating Unit shall report exactly what equipment has been deployed and the location of said equipment. Nothing within this Agreement shall prohibit a Participating Unit from requesting assistance from another Participating Unit, as long as there is a pre-existing agreement for services and contiguous jurisdiction, and provided that the Sussex County Office of Emergency Services has been notified of the deployment and the whereabouts of the equipment.
5. **Reimbursement of Expenses and Use of Personnel or Equipment.**
  - a. This mutual aid agreement is an agreement between the Parties to provide services across boundaries in an emergency or major disaster. To be eligible for reimbursement by FEMA or through State appropriations, the mutual aid assistance should have been requested by a Requesting Unit in accordance with paragraph 2; be directly related to a presidentially or gubernatorially declared state of emergency or major disaster, or declared fire; used in the performance of eligible work; and the

costs must be reasonable. This written agreement between the Requesting Unit and Providing Unit stipulates the Providing Unit may be reimbursed through the Requesting Unit. The Requesting Unit should document and claim eligible costs of the Providing Unit, pursuant to the terms and conditions of the mutual aid agreement and requirements of FEMA Recovery Policy 9523.6, Mutual Aid Agreements for Public Assistance and Fire Management, on its sub grant application and agree to disburse the federal share of funds to the Providing Unit.

- b. If fuel, chemical substances, crowd control gases, water additives, sterilized medical equipment or other disposable goods are used for mitigation of the incident by a Responding Unit at a mutual aid and assistance response which will cause the Responding Unit to incur an expenditure to replace the same, and/or portable equipment requires repair or is lost, the Requesting Unit shall replace or, upon receipt of an appropriate voucher, reimburse the Responding Unit for the expenditure involved. Said reimbursement or replacement shall not be construed as payment or consideration for making the mutual aid and assistance response but only as an effort to compensate a Responding Unit for its actual cost outlay in replacing these expendable materials.
- c. This agreement does not supersede any agreement either formal or informal between jurisdictions (e.g. state or federal governments) or between Responding Units (e.g. fire departments of different municipalities).
- d. Participating Units, when possible, will be reimbursed in accordance with the Spill Compensation Control Act (N.J.A.C. 7:1E-5.3/N.J.S.A. 58:10-23.11e). Any reimbursement will be as set forth by the State of New Jersey and shall only be paid when the State submits funds accordingly.
- e. This agreement recognizes the provisions as required by New Jersey Civilian Defense & Control Act, N.J.S.A. App.9-33 et seq. and the Emergency Medical Technician Training Fund Act, N.J.S.A. 26:2K-54 et seq.
- f. When a Requesting Unit does not have sufficient resources to respond to an incident or event, the Requesting Unit may request resources from another Party through a "mutual aid" agreement that must be enacted immediately to save lives, protect improved property, protect public health and safety, or avert or lessen the threat of a disaster. The Requesting Unit may, subject to appropriations and certification of available funds, reimburse the Responding Unit for each of the following categories of costs incurred during an incident or event as agreed in whole or in part by both parties; provided, that any Responding Unit may assume in whole or in part such loss, damage, expense, or other cost, or may loan such equipment or donate such services to the Requesting Unit without charge or cost.
- g. Personnel: The Responding Unit may, subject to appropriations and certification of available funds, be reimbursed by the Requesting Unit for personnel costs incurred for work performed during an incident or event. Responding Unit personnel costs shall be calculated according to the terms provided in their employment contracts or other conditions of employment. The Responding Unit's designated supervisor(s) must keep accurate records of work performed by personnel during an incident or event. Requesting Unit reimbursement to the Responding Unit should consider all personnel costs, including salaries or hourly wages, costs for fringe benefits, and indirect costs.
- h. Equipment: The Requesting Unit may, subject to appropriations and certification of available funds,

reimburse the Responding Unit for the use of equipment during an incident or event, including, but not limited to, reasonable rental rates, all fuel, lubrication, maintenance, transportation, and loading/unloading of loaned equipment. All equipment shall be returned to the Responding Unit in good working order as soon as is practicable and reasonable under the circumstances. At a minimum, rates for equipment use must be based on the Federal Emergency Management Agency's (FEMA's) Schedule of Equipment Rates. Reimbursement for equipment not reference on the FEMA Schedule of Equipment Rates must be developed based on actual recovery of costs. If Responding Unit must lease a piece of equipment while its equipment is being repaired, Requesting Unit may reimburse the Responding Unit for such rental costs.

- i. If the Incident Commander of the Requesting Unit is operating on an additional emergency scene, the Incident Commander shall designate a person from the Requesting Unit, if possible, to help assist, manage or direct the scene of the secondary emergency. This person shall be charged with the responsibility of managing all requests for Personnel, Equipment or cost to mitigate the emergency that the units are operating on.
- j. Materials and Supplies: The Requesting Unit, subject to appropriations and certification of available funds, must reimburse the Responding Unit in kind or at actual replacement cost, plus handling charges, for use of expendable or non-returnable supplies. The Responding Unit must not charge direct fees or rental charges to the Requesting Unit for other supplies and reusable items that are returned to the Responding Unit in a clean, damage-free condition. Reusable supplies that are returned to the Responding Unit damaged must be treated as expendable supplies for purposes of cost reimbursement.
- k. Payment Period: The Responding Unit may provide an itemized bill to the Requesting Unit for all expenses incurred by the Responding Unit while providing assistance under this Agreement. The Responding Unit must send the itemized bill not later than ninety (90) days following the end of an incident or event. The Responding Unit may request additional periods of time within which to submit the itemized bill, and Requesting Unit shall not unreasonably withhold consent to such request. The Requesting Unit must pay the bill in full on or before the forty-fifth (45<sup>th</sup>) day following the billing date. The Requesting Unit may request additional periods of time within which to pay the itemized bill, and Responding Unit shall not unreasonably withhold consent to such request, provided, however, that all payment shall occur not later than one year after the date a final itemized bill is submitted to the Requesting Unit. If the incident or event is a federally or State declared disaster, this timeline may be extended.
- l. Records: Each Responding Unit and their duly authorized representatives shall have access to a Requesting Units' books, documents, notes, reports, papers and records which are directly pertinent to this Agreement for the purposes of reviewing the accuracy of a cost bill or making a financial, maintenance or regulatory audit. Such records shall be maintained for at least three (3) years or longer where required by law.

6. **Limitation of Providing Mutual Aid and Assistance.** Nothing contained in this Agreement shall be construed to require a Participating Unit to make a mutual aid and assistance response if the response will leave the Participating Unit's jurisdiction without sufficient police, fire, ambulance and/or emergency protection.

7. **Death or Disability.** If any member of a Participating Unit suffers injury or death at the scene of a mutual aid and assistance emergency or training exercise, the member or the member's designee or legal representative shall be entitled to all salary, pension rights, worker's compensation and other benefits to which the member would be entitled if injury or death occurred in the performance of duties within the jurisdiction of the Participating Unit in accordance to N.J.S.A.40A: 14-26. Said rights, benefits and compensation shall be paid by the Participating Unit and not by the Requesting Unit. Each Participating Unit shall be individually responsible for providing adequate medical benefits, insurance coverage and worker's compensation for its members.

8. **Members Authority.** The members of each Participating Unit making a mutual aid and assistance response shall have the same powers and authority as the members of a Requesting Unit at the scene of the emergency in accordance with N.J.S.A. 40A: 14-156.2. Said members of a Participating Unit shall also have, while so acting, such rights and immunities as they would otherwise enjoy in the performance of their normal duties within their own jurisdiction.

9. **Liability Insurance.** Each Participating Unit shall maintain adequate liability insurance, the minimum limits of which shall be \$3 million. Additionally, at all times during the term of this Agreement, the Parties shall maintain or cause to be maintained with responsible insurers who are authorized to do business in the State of New Jersey, or in such other manner as may be required or permitted by law, casualty, all-risk and comprehensive general liability insurance with respect to the assistance or to be performed pursuant to this Agreement. Additionally, the Requesting Unit agrees to defend, indemnify and hold harmless a Participating Unit in the event of any lawsuit arising out of such assistance, as provided by N.J.S.A 2A:62A-1 et seq., Liability of Volunteer Fire Company and Civil Defense Unit. No individual, partnership, corporation, association, or other entity shall be liable for civil damages as a result of acts taken with respect to the assistance to be provided or service to be performed pursuant to this Agreement, with protections available to the fullest extent of the New Jersey Tort Claims Act, N.J.S.A. 59:1-1 et seq.

10. **Negligence/Misconduct Clause.** N.J.S.A. 2A:62A-9 Gross Negligence, Intentional Misconduct. Section 1 of this act shall not preclude liability for civil damages as the result of gross negligence or intentional misconduct. Reckless, willful, or wanton misconduct constitutes gross negligence for the purposes of this act.

11. **Term; Withdrawal.** This Agreement shall commence upon signing by each of the Participating Units and shall continue in full force and effect through December 31, 2028. Any Participating Unit may withdraw from this Agreement by providing all other Participating Units and the Sussex County Office of Emergency Management, with ten (10) days advanced written notice of withdrawal, clearly specifying the applicable date of withdrawal. In the event of withdrawal by any Participating Unit, this Agreement will continue in full force and effect for all remaining Participating Units.

12. **Legal Authority.** This Agreement shall not be construed to designate any Participating Unit as an Agent of the County or vice versa. All Parties shall be deemed as independent contracting units and no employer-employee status or relationship shall be construed as flowing from this Agreement. This Agreement for mutual aid and assistance is expressly made in accordance with N.J.S.A. 40A:14-26 and 40A:14-156.1 et seq. and with New Jersey and Federal law.

13. **Entire Agreement.** This Agreement constitutes the entire understanding between the Participating Units. This Agreement supersedes all communications, representations or prior agreements, oral or written, between Participating Units with respect to the subject matter hereof.

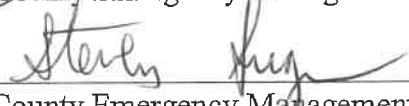
14. **Counterparts.** This Agreement may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were upon the same instrument.

IN WITNESS WHEREOF, the duly authorized signatories of the Parties have executed this Agreement on the date indicated. By executing this agreement, each Participating Unit acknowledges that said execution has been duly authorized by proper Resolution, a copy of which is annexed to this agreement.

The County of Sussex has executed this Agreement on the 14<sup>th</sup> day of February, 2024

By:   
Sussex County Emergency Management Coordinator

By:   
Sussex County Emergency Management Deputy Coordinator

By:   
Sussex County Emergency Management Deputy Coordinator

The Township of Vernon has executed this Agreement this

\_\_\_\_\_ Day of \_\_\_\_\_, **20**

Authorized Signature: \_\_\_\_\_  
Title

Official \_\_\_\_\_

Authorized Signature: \_\_\_\_\_  
Title

Official \_\_\_\_\_



## TOWNSHIP OF VERNON

### RESOLUTION #24-99

**A RESOLUTION OF THE TOWNSHIP OF VERNON, IN THE COUNTY OF SUSSEX, NEW JERSEY REFERRING A REDEVELOPMENT PLAN FOR PROPERTY LOCATED IN THE TOWNSHIP IDENTIFIED AS 151 TO 161 ROUTE 94 - BLOCK 525, LOTS 18 AND 19, TO THE TOWNSHIP LAND USE BOARD PURSUANT TO THE LOCAL REDEVELOPMENT AND HOUSING LAW, N.J.S.A. 40A:12A-1 ET SEQ.**

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

**WHEREAS**, on July 18, 2005, the Council (the “**Township Council**”) of the Township of Vernon, in the County of Sussex, New Jersey (the “**Township**”), authorized and directed the Land Use Board of the Township of Vernon (the “**Land Use Board**”) to examine whether all or a portion of the McAfee Village area (the “**Initial Study Area**”), meet the criteria set forth in the Redevelopment Law for redevelopment area designation and to make a recommendation as to whether such Initial Study Area should be designated as an area in need of redevelopment; and

**WHEREAS**, on May 31, 2006, the Land Use Board, after providing due notice, conducted a public hearing in accordance with the Redevelopment Law, at which hearing it determined that the Initial Study Area qualified as an area in need of redevelopment and recommended that the Township Council designate the Initial Study Area as an area in need of redevelopment pursuant to the criteria and requirements of the Redevelopment Law; and

**WHEREAS**, on June 12, 2006, in accordance with the provisions of the Redevelopment Law, the Township Council adopted Resolution #06-106 that designated a portion of the Initial Study Area as an area in need of redevelopment (the “**Initial Redevelopment Area**”) which included Block 525, Lot 18 (the “**Parcel**”); and

**WHEREAS**, on March 13, 2008, the Township Council adopted Ordinance #08-04 adopting a redevelopment plan for the Initial Redevelopment Area (the “**Initial Redevelopment Plan**”); and

**WHEREAS**, on April 9, 2018, the Township Council adopted Resolution #18-127 ratifying and reaffirming Resolution #06-106 designating the Initial Redevelopment Area; and

**WHEREAS**, on June 13, 2022, the Township Council adopted Resolution #22-159 authorizing the Land Use Board to undertake a preliminary investigation of property located at 161 NJSH Route 94 and known as Block 525, Lot 19 (the “**Study Area**”) to determine whether that parcel constitutes a non-condemnation area in need of redevelopment in accordance with the Redevelopment Law; and

**WHEREAS**, on August 24, 2022, the Land Use Board, after providing due notice, conducted a public hearing in accordance with the Redevelopment Law, at which hearing it determined that the Study Area qualified as an area in need of redevelopment and recommended that the Township Council designate the Study Area as an area in need of redevelopment pursuant to the criteria and requirements of the Redevelopment Law; and

**WHEREAS**, on October 13, 2022, in accordance with the provisions of the Redevelopment Law, the Township Council adopted Resolution #22-241 which designated the Study Area as an area in need of redevelopment (together with the Parcel, the “**Redevelopment Area**”) and authorized Jessica Caldwell, PP, AICP of J. Caldwell & Associates, LLC (the “**Planning Consultant**”) to draft a redevelopment plan for the Redevelopment Area; and

**WHEREAS**, the Planning Consultant prepared a redevelopment plan entitled, “151-161 NJSH Route 94 Redevelopment Plan” for Block 525, Lots 18 and 19 (in the form on file in the office of the Township Clerk and available for public inspection, the “**Redevelopment Plan**”); and

**WHEREAS**, the Township Council desires to have the Land Use Board review and make recommendations concerning the Redevelopment Plan in accordance with Section 7(e) of the Redevelopment Law.

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

**Section 1.** The aforementioned recitals hereof are incorporated herein as though fully set forth at length.

**Section 2.** The Land Use Board is hereby authorized and directed to review the Redevelopment Plan and to advise the Township Council of its recommendations in connection therewith in accordance with N.J.S.A. 40A:12A-7(e). The Land Use Board shall prepare a report containing its recommendations concerning the Redevelopment Plan and submit same to the Township Council within 45 days of the date hereof, as required by Section 7(e) of the Redevelopment Law.

**Section 3.** The Township Clerk shall immediately forward a certified copy of this Resolution and the Redevelopment Plan to the Township Planning Board for review.

**Section 4.** This Resolution shall take effect immediately.

**CERTIFICATION**

I certify that this is a true copy of the Resolution adopted by the Council of the Township of Vernon at their Regular Meeting held on March 25, 2024 at 7:00 pm in the Vernon Municipal Center.

\_\_\_\_\_  
Marcy Gianattasio, RMC, CMR  
Municipal Clerk

**VERNON TOWNSHIP COUNCIL**

<b>NAME</b>	<b>MOTION</b>	<b>SECOND</b>	<b>YES</b>	<b>NO</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
Buccieri, N.						
DeBenedetto, J.						
Higgins, W.						
Sparta, B.						
Rizzuto, P.						

# 151-161 NJSH Route 94 Redevelopment Plan

Township of Vernon  
Sussex County, New Jersey

Block 525, Lots 18 & 19  
151-161 NJSH Route 94

February 23, 2024



Jessica Caldwell, P.P., A.I.C.P., Township Planner, P.P. #5944

The original of this document was signed and sealed in accordance with Chapter 41 of Title 13 of the State Board of Professional Planners.



**J Caldwell  
& Associates, LLC**  
Community Planning Consultants

145 Spring Street, Suite E  
Newton, New Jersey 07860

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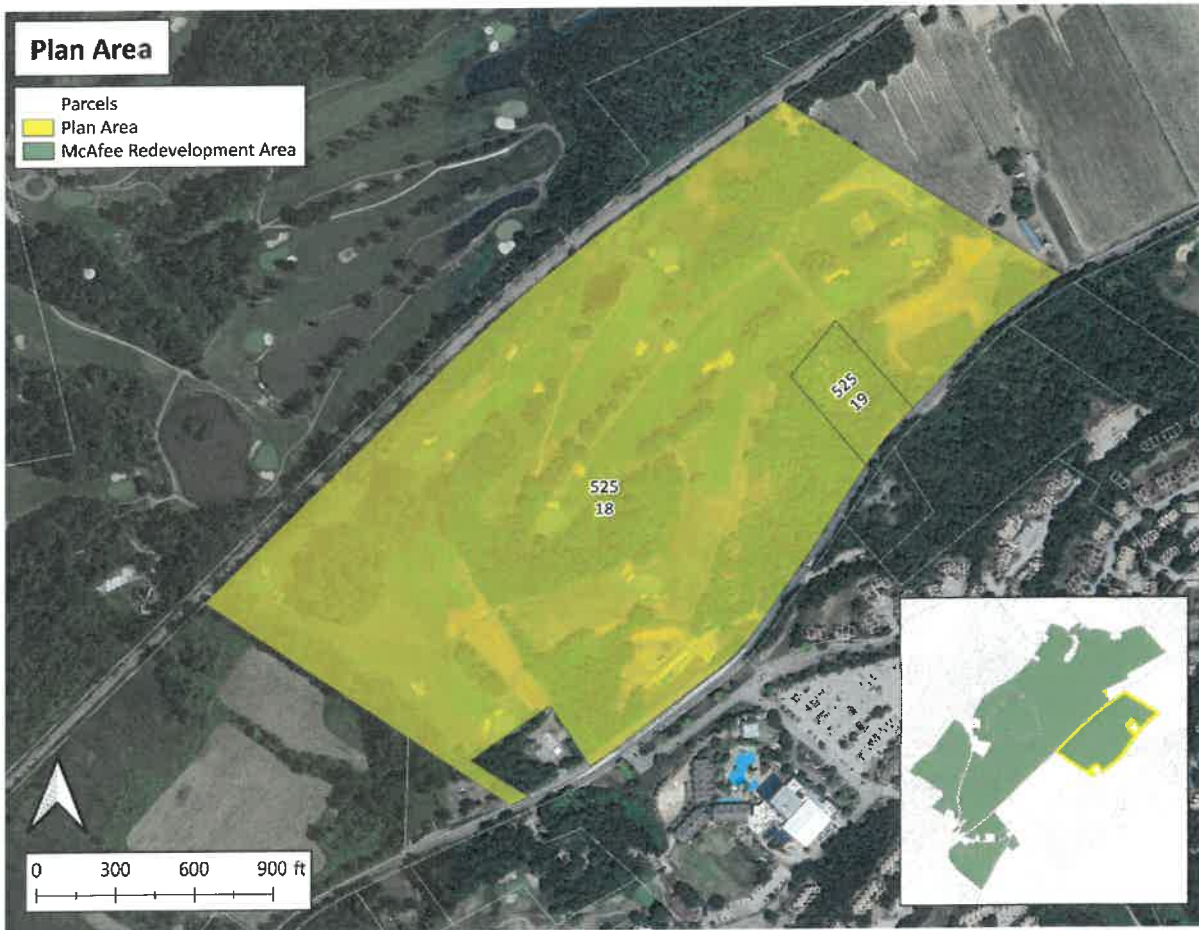
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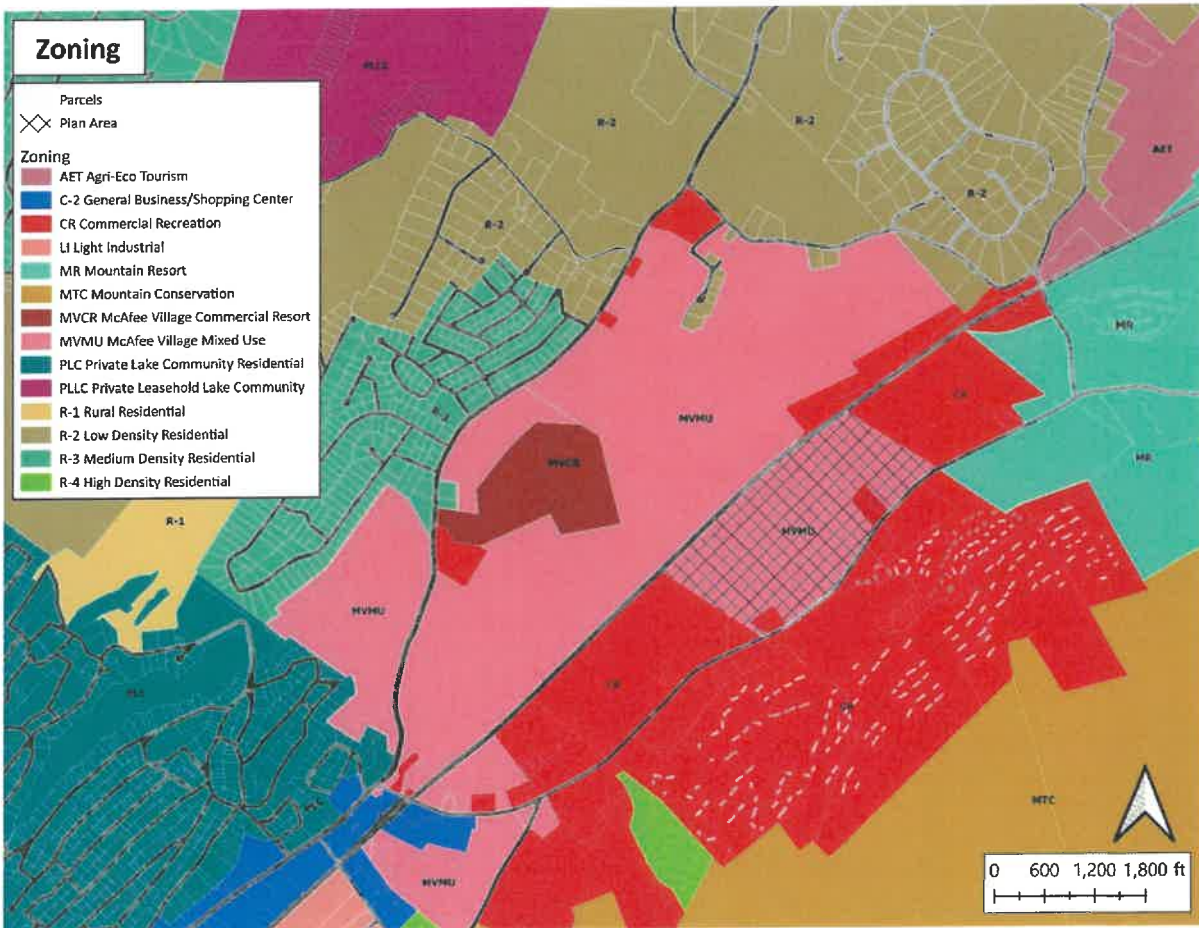
## Introduction

The 151-161 NJSH Route 94 Redevelopment Plan (the “Plan”) governs two (2) parcels including Block 525, Lots 18 and 19 (the “Plan Area”). Block 525, Lot 18, is within the McAfee Redevelopment Area which was designated as an Area in Need of Redevelopment by a resolution adopted by the Township Council of the Township of Vernon (the “Council”) on April 25<sup>th</sup>, 2006, pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the “Redevelopment Law”). Block 525, Lot 19, was designated as an Area in Need of Redevelopment by a resolution adopted by the Council on October 13, 2022. A redevelopment Plan, Ordinance 08-04, was adopted by the Township Council on May 8, 2008. This Plan will supersede Ordinance 08-04 for the Plan Area shown below.



## Plan Context

The Plan Area occupies approximately 90.41 acres in Vernon Township, Sussex County. Lot 18 is 87.61 acres and Lot 19 is 2.80 acres. A large portion of the Plan Area is located in the McAfee Redevelopment Area, specifically in the McAfee Village Mixed Use Zone as illustrated in the Zoning Map below. The remainder is in the Commercial Recreation Zone. The Plan Area is bound by: the New York, Susquehanna, and Western Railway to the northwest; Block 525, Lot 17 to the northeast; Block 634, Lots 1 and 3 to the southwest; and Block 525, Lot 20, and New Jersey State Route 94/McAfee Vernon Road to the southeast. Lot 18 currently contains seven (7) holes that are a part of the Great Gorge Golf Club, which consists of 27 holes and three (3) courses in total. In addition to the golf uses, Lot 18 also contains Legends Riding Stables, which is accessed from Route 94. Lot 19 is entirely undeveloped, forested land. The primary goal of this Redevelopment Plan is to increase the quantity and variety of housing opportunities within the Plan Area while retaining the mountain resort atmosphere that the Township desires. This could include adaptive reuse of the Horse Stables for commercial opportunities.



## Purpose

This Plan is designed to serve as the zoning for the Plan Area, provide guidelines for new construction, and establish permitted land uses and building requirements for the Plan Area. The Plan permits single-family detached residences, townhouses, stacked condo units and a variety of neighborhood commercial and resort-oriented uses. All development is required to follow the design standards of the Town Center and Resort Areas to promote the Township's desired mountain resort atmosphere. Furthermore, the Plan is designed to encourage the integration of enhanced building designs, parking, landscape, and signage elements in order to improve the appearance of the streetscape along NJSH Route 94 (McAfee Vernon Road) and to support the specific goals and policy statements set forth in the Township Master Plan.

## Plan Consistency Review

### Township Master Plan Consistency

The Redevelopment Law requires that this Plan define its relationship to local master plan goals and objectives such as appropriate land uses, population densities, improvements to traffic, public utilities, recreational and community facilities, and other improvements. The Redevelopment Law also requires that this Plan be substantially consistent with the municipal master plan or designed to effectuate the master plan.

The Township's Master Plan was adopted by the Vernon Township Land Use Board on December 27, 1995, and a Master Plan amendment was adopted in November 2003. The 1995 Master Plan was then updated in July 2010 with a new Land Use Element, Historic Element and Recycling Plan. Most recently, the Township completed a Reexamination Report in February 2022. The following Master Plan goals and objectives relate to the Redevelopment Plan and further enhance the Land Use Goals of the Township of Vernon's Master Plan.

1. To ensure adequate infrastructure to accommodate the projected level of intensity and development;
2. To direct the majority of future growth in the Township to the Vernon Center, Redevelopment Areas, and appropriate existing resort areas of the Township; and
3. To create land use and development plans, policies, and ordinances that are predominantly consistent with the goals and policies of the State Development and Redevelopment Plan.

The 2022 Reexamination Report also affirmed that the Township's housing policies supporting a variety of housing opportunities are appropriate given 2020 Census data. Additionally, the Reexamination Report recommended that the Township continue to promote redevelopment and infill as well as increase housing. This Plan is consistent with these goals and objectives of the Township's Master Plan.



### Local, Regional, and State Plan Consistency

The relationship of this Plan with surrounding communities' master plans is also reviewed to determine whether any significant relationship exists. Its relationship to the State Development and Redevelopment Plan must also be reviewed. The Plan Area is located in the southwestern portion of the Township but is not bordered by another municipality and does not create any significant issues with surrounding municipalities or their respective Master Plans.

The Sussex County Strategic Growth Plan (SGP) divides the County into six (6) "landscapes," and this Plan's parcel is classified as "Rural/Agricultural," where there is a combined sense of openness and human presence. These areas are characterized by large tracts of land with low-density residential development, active and fallow farmlands and small commercial service groups, natural resource development, golf courses, and ski areas. This Plan is consistent with the Sussex County Strategic Growth Plan because the Plan calls for low-density housing and agricultural uses as permitted uses.

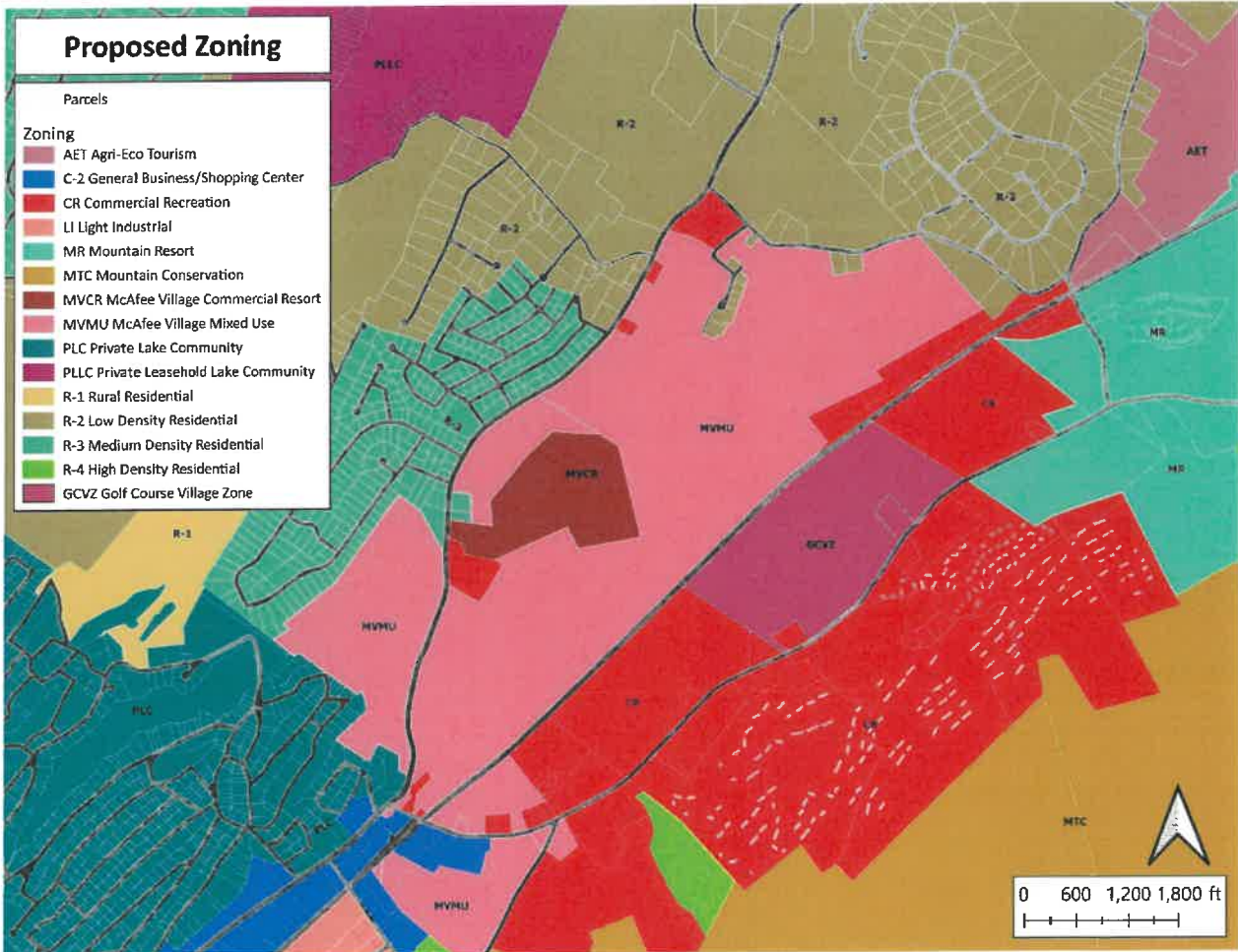
The Plan Area is located in the State Development and Redevelopment Plan designated Vernon Town Center. The Town Center designation acknowledges that the development proposed within this area is generally consistent with the State Plan. The Township, overall, falls within three (3) planning areas, according to the State Plan. These areas include the Rural Planning Area (PA4), Rural/Environmentally Sensitive Planning Area (PA4b), and the Environmentally Sensitive Planning Area (PA5). The Plan Area is in two (2) of the three (3) planning areas, which includes the Rural Planning Area (PA5) and Environmentally Sensitive Plan Area (PA4), which enables areas for limited growth. Given the constraints of the Planning Areas in the Township overall, the Town Center is the primary area where the State Plan encourages growth in the Township and has access to water and sewer utilities. As a result, this Plan is consistent with the State Development and Redevelopment Plan.

Vernon Township falls mostly in the Highlands Preservation Area (approximately two-thirds of the land area) with a smaller area in the Highlands Planning Area (approximately one-third of the land area). The Highlands Regional Master Plan (RMP) was adopted by the Highlands Council in 2008. The Township has conformed to the Highlands Regional Master Plan in the Preservation Area of the Township. The Plan Area is located in the Planning Area of the Highlands Region, and is therefore an area that is appropriate for redevelopment. The Redevelopment Plan is consistent with the Highlands Regional Master Plan.

### Golf Course Village Zone - Application of Regulations

Vernon Township will seek a Redeveloper, or Redevelopers, for all or portions of the Plan Area based on developer interest and ability to assemble parcels. The Redeveloper will acquire, or work with the Township to acquire, all or portions of the Plan Area in order to redevelop it according to the following land use regulations. This Plan shall serve as the zoning for the Redevelopment Area. Where conflicts exist between this Plan and the Township's Land Development Ordinance, this plan shall supersede. Where a standard is not addressed by this Plan, the Land Development Ordinance shall supersede.

Golf Course Village Zone (GCVZ)



## Golf Course Village Zone - Permitted Uses

The following uses are permitted in the Golf Course Village Zone (GCVZ). Uses not identified below are prohibited. Multiple principal uses and structures, along with multiple accessory uses and structures are permitted subject to the regulations below.

### A. Principal permitted uses.

1. Dwellings, single-family, detached;
2. Townhouses and stacked condo units;
3. Farmer's Market/Farm Related-Retail Sales;
4. Resort lodging;
5. Bakeries;
6. Banks and financial institutions, including ATMs, either with a banking facility or as a standalone machine;
7. Barber and beauty shops;
8. Bars, Brewpubs, craft breweries or distilleries;
9. Bookstore/newsstand/card shops;
10. Childcare facilities;
11. Conference centers and support services, including stationery and supplies sales kiosks or small shops not exceeding 1,000 square feet;
12. Delicatessens/coffee shops;
13. Drug stores and pharmacies;
14. Galleries;
15. Golf courses;
16. Grocery and convenience stores;
17. Health clubs;
18. Hospitals, having a 24-hour emergency room facility and/or other medical facilities including medical education facilities (colleges);
19. Indoor and outdoor recreation facilities, including but not limited to, indoor tennis, basketball, soccer and youth sports (gymnastics, softball, etc.) activities. This may include a limited number of mechanized rides and attractions (e.g., amusements, roller coasters, arcades, miniature golf parks);
20. Learning centers;
21. Liquor stores;
22. Indoor and outdoor ice skating, water park and related recreation facilities;
23. Nightclubs/dance clubs;
24. Offices, including medical offices and/or urgent medical care facility;
25. Outdoor festivals and art shows, commercial retail, food and beverage;
26. Restaurants;
27. Resort support services (e.g., aerial transportation system, water park resort sales and operation centers, skier information services, transit center, lift ticket offices, event areas);
28. Spas and personal services;
29. Indoor and outdoor theaters and amphitheaters;
30. Clothing and other merchandise sales;
31. Temporary uses which are customary and incidental to a resort, including but not limited to festivals, concerts, events, picnics, shows, games and other temporary gatherings or events provided that such temporary uses shall be limited by a Redevelopment Agreement;
32. Other commercial, retail, and service uses of similar character normally associated with a resort;
33. Wineries/breweries and associated services; and
34. Above- and below-grade parking decks.

**B. Accessory uses and structures.**

1. Recreational facilities including but not limited to clubhouses, lobbies, fitness facilities, outdoor barbecues, fire pits, gazebos, club rooms, lounges, libraries, game rooms, pool rooms, community gardens, recreation rooms, children's play rooms, private theater rooms, community bath houses and locker rooms.
2. Tenant amenities including but not limited to leasing and management offices, business centers, mail rooms, package storage areas, general storage areas and/or enclosure areas, kitchens for tenant use and related mechanical equipment, shared work space and similar interior tenant amenities.
3. Sports facilities, including but not limited to sports fields, courts, putting greens and swimming pools.
4. Park facilities including but not limited to playground facilities, picnic areas; walking paths, dog parks and dog runs.
5. Home Occupations complying with Section 165-95J.
6. Generators.
7. Sheds on commercial lots (not on residential lots)
8. Interior and/or exterior waste and recycling receptacles.
9. Signs.
10. Fences.
11. Parking.
12. Retaining walls.
13. Decks and patios.
14. Temporary model homes and units.
15. Temporary sales and construction offices and trailers.
16. Above and/or below ground detention basins, retention basins, and/or stormwater management uses and/or structures including green infrastructure.
17. Utilities.
18. Any use customary and incidental to a permitted principal use.

Golf Course Village Zone Area and Bulk Requirements

The following regulatory controls apply to properties located within the Plan Area:

Bulk Regulations	Townhouses/Condos	Residential	Non-Residential Uses
Minimum Lot Area	N/A	6,000 SF	N/A
Minimum Lot Width	20 feet	50 feet	500 feet
Minimum Lot Depth	75 feet	100 feet	700 feet
Front Yard Setback	15 feet	15 feet	80 feet
Side Yard Setback			
One Side	5 feet	5 feet	100 feet
Both Sides	15 feet	15 feet	
Rear Yard Setback	15 feet	15 feet	100 feet
Maximum Building Height	35 feet / 2 ½ stories	35 feet/ 2 ½ stories	45 feet / 3 stories
Maximum Building Coverage	N/A	50%	35%
Maximum Lot Coverage	65%	65%	50%
Maximum Number of Units	100	150	N/A
Affordable Housing Set-Aside	20%*	20%*	N/A

\*Affordable set-aside is based on total unit count which may be satisfied by any permitted unit type.

Accessory uses and structures shall be permitted in side and rear yards and five (5) feet shall be the minimum side or rear yard setback for accessory structures and uses.

Parking Standards

Residential parking shall comply with Residential Site Improvement Standards, N.J.A.C. 5:21-1 et seq., (RSIS) as listed below, except where the Land Use Board grants de minimis exceptions as permitted by RSIS. The number of parking spaces required per use in the Plan Area are as displayed on the table below:

Use	Required Parking Spaces
	<i>Per N.J.A.C. 5.21-4.14 Table 4.4, unless otherwise noted</i>
Market-rate single-family detached dwelling	2.0 spaces per 3 BR dwelling unit 2.5 spaces per 4 BR dwelling unit
1-bedroom stacked condo	1.8 spaces per dwelling unit
2-bedroom stacked condo	2.1 spaces per dwelling unit
3-bedroom stacked condo	2.3 spaces per dwelling unit
3-bedroom townhouse	2.4 spaces per dwelling unit
Other Residential	Per N.J.A.C. 5.21-4.14 Table 4.4
Non-Residential Uses	Refer to § 330 Land Development of Vernon Township Code, Attachment 8, Schedule D: Minimum Parking Requirements

1. Parking Layout shall follow the Land Development Ordinance for Commercial uses and RSIS for residential uses including the following:
  - a. Parking space sizes shall be 9 feet by 18 feet.
  - b. Parking lots shall meet New Jersey ADA requirements for handicapped parking.
  - c. Electric Vehicle Supply/Service Equipment (EVSE) and/or Make-Ready Spaces shall be provided pursuant to P.L. 2021, c. 171 signed into law on July 9, 2021.

### Screening Requirements

1. Wherever possible, natural screening shall be used to achieve privacy. However, where a privacy fence appears to offer a better alternative than the absence of such fence or natural screening due to circumstances involving the characteristics of the affected properties, fences conforming to § 330-178.C shall be required by the Land Use Board.
2. Fences and screen walls shall be limited to a maximum height of four (4) feet in front yards except they must be six (6) feet in height when used as a buffer for refuse area enclosures. Fences and screen walls in rear and side yards may be up to six (6) feet in height. The Land Use Board may increase height up to eight (8) feet where it deems necessary for screening purposes.

### Landscaping Requirements

Landscaping shall be provided in all non-developed graded areas to promote a desirable and cohesive natural environment for residents, commercial/resort patrons, employees, and the public. Landscaping shall enhance the particular identity and character of the site. Landscaping must also be utilized to screen parking and loading areas, provide windbreaks for winter winds and summer cooling for building, streets, and parking, according to the following standards:

1. Landscaping plans shall be submitted as part of the site plan review process in both map and written form and shall indicate the types of trees and shrubs to be used.
2. Ornamental trees should be provided throughout the Plan Area, particularly at key locations such as site entrances and along existing roadway frontages along the property lines.
3. Hedges, shrubs, and ground cover must be used to define space and provide privacy along the perimeter of the property.
4. All landscaping must have a two-year maintenance guarantee. If any planting material dies within two years of planting, it must be replaced by the following planting season.
5. Within the overall Landscape Plan, a Hardscape and Streetscape Plan shall be required. The Hardscape and Streetscape Plan shall be submitted to the Vernon Township Land Use Board for its review and approval in conjunction with the project site Plan application and implemented contemporaneously with the construction of the redevelopment project. The Streetscape Plan shall include sidewalks on all street frontages.

### Street Trees

Street trees should have a minimum of a three (3) inch caliper at the time of planting. The bottom branches shall be trimmed to a minimum of seven (7) feet from the group to allow pedestrian passage. Tree spacing shall be generally fifty (50) feet apart with variation for driveways, lighting, and other streetscape impediments.

### Mobility Regulations

Thoroughfares are an important aspect of public space. Streets and their surrounding development form our primary sense of place. The design of the Plan Area plays a key role in forming this sense of place for the neighborhood. Streets and circulation shall comply with RSIS and the following:

1. Streets and circulation:
  - a. Appropriate traffic control signs must be installed to ensure the safe flow of traffic into and through the redeveloped area.
  - b. Street configurations shall be designed to meet projected vehicular traffic and circulation needs.
  - c. Bicycle racks are encouraged.
2. Pedestrian circulation:
  - a. The streetscape shall include sidewalk, brick paver or landscaped area, street trees, and street lights.
  - b. Sidewalk areas shall be minimum width of four (4) feet wide; grass strips or paver areas shall be a minimum of two (2) feet wide.

### Building Design Standards

Building design should meet, to the maximum extent practicable, the requirements of Section 330-204.A-B (Architecture) of the Township Code.

1. Buildings in the Plan Area shall be designed to evoke the architectural attributes of mountain village architecture, alpine architecture, or the colonial architectural elements of historic Vernon buildings. Building materials shall contain mountain resort architectural elements such as timber framing, cedar shake shingles and field stone, or traditional architectural elements such as clapboard siding, gable roofs and window shutters.

Noise

- Noise levels at any property shall meet NJDEP standards.

Lighting

Lighting standards for the Redevelopment Plan are regulated by § 330-80 of the Township Code. In the Plan Area, residential uses shall adhere to levels stated for the R-1 zone and farmstand/produce uses should adhere to the levels stated for the CR zone.

Signage

The following standards shall apply to signage in the Plan Area.

Sign Type	Required
<i>Freestanding or Ground Sign</i>	
Maximum Number of Signs	Two (2) per business occupancy. One (1) per entrance for residential development
Maximum Area of Sign	100 square feet
Maximum Height	20 feet
Minimum Setback to Property Line or Right-of-Way Line, whichever is closer	5 feet
<i>Wall Signs</i>	
Maximum Area of Signs (Lesser of 10% of Wall Area or 40 Square Feet per sign)	Building: 40 Square Feet
	Canopy: 2 Square Feet
Maximum Sign Extension Beyond Wall	12 Inches

All signs may be internally illuminated. Additional signs not regulated by this Section are regulated by Section 330-180 of the Township Code.

Site Plan Design Standards

Site Plan Design Standards not addressed by this Plan shall be governed by Article VII Design and Development Principles and Standards of the Township’s Land Development Ordinance.

Affordable Housing

The Township of Vernon is in the Highlands Region with two-thirds of the municipality located in the Preservation Area, and one-third in the Planning Area. With most of the land in the Preservation Area, developing affordable housing in the Township is challenging and the bulk of new development will occur within the Town Center Area and sewer service area. As a result, an affordable housing set-aside within this Redevelopment Plan, will provide for a mix of housing choices consistent with the Township’s goals to provide for a variety of housing types including affordable housing. Any housing proposed within this Plan Area shall provide a 20 percent set-aside for affordable housing. Those units shall meet N.J.A.C. 5:80-26.1 et seq., Uniform Housing Affordability Controls as well as N.J.A.C. 5:93 Council on Affordable Housing Regulations. Affordable units may be satisfied using any permitted unit type.



### Submittal Requirements

The Redeveloper(s) will submit a site plan, and subdivision application if applicable, for all, or a portion of, the Plan Area. The site plan approval process will occur as per the Land Use Board's site plan review requirements.

### Projects Governed by a Redevelopment Agreement

For developments within the Plan Area that are governed by a redevelopment agreement between the developer and the Township (each, a "Redevelopment Agreement"), such Redevelopment Agreement must be fully executed prior to submission of a development application to the Township Land Use Board. The Township Land Use Board shall deem any application for redevelopment subject to this Redevelopment Plan incomplete if the applicant has not yet entered into such Redevelopment Agreement with the Borough. After entering into a Redevelopment Agreement with the Township, a redeveloper shall submit to the Township Land Use Board a development application for all, or a portion of, the Plan Area. The development application must be consistent with this Redevelopment Plan and the Redevelopment Agreement. The approval process for the development application will proceed in accordance with the Township's Land Use Board's rules and requirements.

## Legal Provisions

### The Validity of the Plan

If any section, subsection, paragraph, division, subdivision, clause or provision of this Plan is deemed by a court of competent jurisdiction to be invalid, such adjunction will only apply to the particular section, subsection, paragraph, division, subdivision, clause, or provision in question, and the balance of the Plan will be adjudged valid and effective.

### Zoning Map Revisions

Upon final adoption of this Redevelopment Plan by the Township Council, the Zoning Map of the Township of Vernon is hereby amended and must be revised to show the boundaries of the 151-161 NJSH Route 94 Redevelopment Area and identify the district as the "Multi-family Residential Redevelopment Zone." All provisions of this Plan apply, and upon final adoption of this Redevelopment Plan by the Borough Council, this Redevelopment Plan will supersede all provisions of the Mount Arlington Zoning Ordinance for the Plan Area. Any zoning-related issue that is not addressed herein will refer to the Mount Arlington Zoning Ordinance for guidance. No variance from the requirements herein will be cognizable by the Land Use Board. The Land Use Board alone will have the authority to grant deviations from the requirements of this Plan, as provided herein.

### Amendment to the 151-161 NJSH Route 94 Redevelopment Plan

This Plan may be amended from time to time in compliance with the requirements of the Redevelopment Law.

As development occurs within the Plan Area, development priorities and market demands may change. This Plan should have the adaptability to meet the changing needs of market demand, the Township of Vernon and its citizens. Amendments may be required in order to accommodate these changes.

### Variations in Site Plan Design

Modifications from standards that are expressly stated to be “mandatory” under the Land Use Regulations of this Plan, may be approved by the Land Use Board only by formal grant of a deviation as provided.

The Land Use Board may grant deviations from the regulations contained within the Plan, where by reason of exceptional narrowness, shallowness, or shape of a specific piece of property, or by reason of exceptional topographic conditions, pre-existing structure, or physical features uniquely affecting a specific piece of property, the strict application of any area, yard, bulk, or design objective or regulation adopted pursuant to this Plan, would result in peculiar and exceptional practical difficulties to, or exceptional and undue hardship upon, the owner of such property. The Land Use Board may also grant a deviation from the regulations within this Plan related to a specific piece of property where the purposes of this Plan would be advanced by such deviation from the strict application of the requirements of this plan, and the benefits of granting the deviation would outweigh any detriments. The Land Use Board may grant exceptions or waivers from design standards, from the requirements for site plan or subdivision approval as may be reasonable and within the general purpose and intent of the provisions for site plan review, and/or subdivision approval within this Plan, if the literal enforcement of one or more provisions of the Plan is impracticable or would exact undue hardship because of peculiar conditions pertaining to the site. No deviations may be granted under the terms of this section unless such deviations can be granted without resulting in substantial detriment to the public good, and will not substantially impair the intent and purpose of this Plan.

De minimis exceptions from RSIS may be granted by the Land use Board as permitted by N.J.A.C. 5:21-3.1 et seq.

An application requesting deviation from the requirements of this Plan must provide a public notice of such application in accordance with the public notice requirements set forth in N.J.S.A. 40:55D-12.a. & b.

No deviations may be granted which will result in permitting:

1. A use or principal structure not permitted in this Plan;
2. An expansion of a nonconforming use; and
3. An increase in height of a principal structure which exceeds by ten (10) feet or ten (10%) percent the maximum height permitted in this Plan.

Any party seeking a deviation from this Plan which cannot be granted by the Land Use Board as set forth above may apply to the Governing Body to request an amendment to this Plan.

### Acquisition Plan

There is no property acquisition by the Township anticipated by this Plan.

### Relocation Plan

Because there is no property acquisition by the Township anticipated by this Plan, no Relocation Plan is necessary.

**TOWNSHIP OF VERNON**

**RESOLUTION #24-100**

**RESOLUTION OF THE TOWNSHIP OF VERNON,  
COUNTY OF SUSSEX, STATE OF NEW JERSEY, AUTHORIZING  
THE DISPOSITION OR SALVAGE OF OBSOLETE EQUIPMENT IN THE POSSESSION OF  
THE TOWNSHIP AT AUCTION ON MUNICIBID.COM**

**WHEREAS**, the Township has requested that the Township Council authorize the disposition of equipment currently in the possession of Vernon Township and also request to salvage the equipment should the asking price and second offer be rejected; and,

**WHEREAS**, such surplus items may be sold at public auction to the highest bidder in accordance with N.J.S.A. 40A:11-36; and

**WHEREAS**, the Township Council has reviewed a request which describes the items aforesaid to be sold at the auction; and

**WHEREAS**, the items to be sold are:

1992 Woodchuck wood chipper	VIN# 1W9CE8919154D7052 hours 506
1995 Leroi air compressor	VIN# 3217X107 hours 505
2003 10KW Generac generator	Model 3409380100 hours 169
L-TEC Plasma cutter PCM-82	S/N A88A-78650
2008 Kioti DK40SE loader/backhoe	VIN# HT6500028 hours 1288
2018 Smitchco Sandstar 1 ballfield groomer	VIN# 1CSO272 hours unknown
1999 New Holland TS100 tractor 72" mid mount flail mower	VIN# 1198988618320 hours 6,569
2003 Ford E-350 Ambulance 7.3 Liter Quigly 4x4	VIN# 1FDWE35F43HB51659 miles 54,786
24-inch Honda gas powered box fan	
Partner 14-inch K1200 portable cut-off saw	
Husqvarna 371K 14inch portable cut-off saw	S/N 968-27-44-01
Super vac ventilating fan	Model 5KC39JN113S

**NOW, THEREFORE, BE IT RESOLVED** by the Township Council of the Township of Vernon, County of Sussex, State of New Jersey, as follows:

1. That the Division of Purchasing, or its designee, be and hereby is authorized to sell at auction to the highest bidder, any and all surplus items as described.
2. The sale of the surplus property shall be conducted through Municibid in accordance with the terms and conditions at <https://municibid.com/Home/Terms>: and
3. The sale will be conducted online, and the address of the auction site is [www.Municibid.com](http://www.Municibid.com)
4. The sale is being conducted pursuant to Local Finance Notice 2019-15.
5. The surplus property as identified shall be sold in an “as-is” condition without express or implied warranties with the successful bidder required to execute a Hold Harmless and Indemnification Agreement concerning use of said surplus property.
6. The Township reserves the right to accept or reject any bid submitted. That the Division of Purchasing, or its designee, be and hereby is authorized to sell at auction to the highest bidder, any and all surplus items as described.

**BE IT FURTHER RESOLVED**, pursuant to N.J.S.A. 40A:11-36 that formal public notification will be provided by the publication of a Legal Notice in the official newspaper, the New Jersey Herald, not less than seven (7) or more than fourteen (14) days prior to the scheduled auction.

**CERTIFICATION**

I certify that this is a true copy of the Resolution adopted by the Council of the Township of Vernon at their Regular Meeting held on March 25, 2024 at 7:00 pm in the Vernon Municipal Center.

\_\_\_\_\_  
 Marcy Gianattasio, RMC, CMR  
 Municipal Clerk

**VERNON TOWNSHIP COUNCIL**

NAME	MOTION	SECOND	YES	NO	ABSTAIN	ABSENT
Buccieri, N.						
DeBenedetto, J.						
Higgins, W.						
Sparta, B.						
Rizzuto, P.						

## SPRING 2024 AUCTION

Lot #1

1992 Woodchuck wood chipper

VIN# 1W9CE8919154D7052

506 HRS

Fixed asset 9510003

Lot #2

1995 Leroi air compressor

VIN# 3217X107

505 HRS

Fixed asset 95100099

Lot# 3

2003 10KW Generac Generator (lake panorama)

Model: 3409380100

169 HRS

Lot# 4

L-TEC Plasma Cutter

Model: PCM-82

S/N A88A-78650

Fixed asset 821

Lot# 5

2008 Kioti DK40SE loader backhoe tractor

VIN# HT6500028

1288 HRS

Fixed asset 2419

Lot# 6

2018 Smithco ballfield groomer

Model: Sandstar 1 2wd

VIN# 1CSO272

Hours unknown

Fixed asset 3719

Lot# 7

1999 New Holland 2wd tractor

Model: TS100

72" mid mount Alamo flail mower

VIN# 1198988618320

HRS 6,569

Fixed asset 819

Lot# 8

2003 Ford E350 Ambulance

Quigly 4x4

7.3 liter Diesel

Miles: 54,786

VIN# 1FDWE35F43HB51659

Lot# 9

Partner K1200 14" portable cut-off saw

Lot# 10

Super Vac portable fan

Model# 5KC39JN1135

Lot# 11

Husqvarna 371K 14" portable cut-off saw

S/N 968 27 44-01



**TOWNSHIP OF VERNON**

**RESOLUTION #24-101**

**RESOLUTION OF THE TOWNSHIP OF VERNON, COUNTY OF SUSSEX,  
STATE OF NEW JERSEY SUPPORTING A FUTURE NEW JERSEY  
DEPARTMENT OF TRANSPORTATION ROADWAY IMPROVEMENTS  
PROJECT, ROUTE 94 PLEASANT VALLEY DRIVE TO MAPLE GRANGE  
ROAD**

**WHEREAS**, the New Jersey Department of Transportation ("NJDOT") has identified a potential future project along Route 94 Pleasant Valley Drive to Maple Grange Road; and

**WHEREAS**, a Local Officials briefing on April 21, 2023 introduced the project to various local officials of the Township; and

**WHEREAS**, the NJDOT indicated that the project is only in the Concept Development Phase at this time but will move to the next phase with support from the municipality; and

**WHEREAS**, the NJDOT has identified the next step of the conceptual project is a Resolution of Support by the Township of Vernon to support the Route 94 Pleasant Valley Drive to Maple Grange Road Roadway Improvements Project.

**NOW, THEREFORE, BE IT RESOLVED** that the Mayor and Township Council of the Township of Vernon formally support a New Jersey Department of Transportation Route 94 Pleasant Valley Drive to Maple Grange Road Roadway Improvements Project.

**CERTIFICATION**

I certify that this is a true copy of the Resolution adopted by the Council of the Township of Vernon at their Regular Meeting held on March 25, 2024 at 7:00 pm in the Vernon Municipal Center.

\_\_\_\_\_  
Marcy Gianattasio, RMC, CMR  
Municipal Clerk

**VERNON TOWNSHIP COUNCIL**

<b>NAME</b>	<b>MOTION</b>	<b>SECOND</b>	<b>YES</b>	<b>NO</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
Buccieri, N.						
DeBenedetto, J.						
Higgins, W.						
Sparta, B.						
Rizzuto, P.						



1800 Route 34, Suite 101  
 Wall Township, New Jersey 07719  
 T: 732.312.9800  
 F: 732.312.9801  
 fpaengineers.com

## MEETING MINUTES

**Project Name:** Route 94 Pleasant Valley Drive to Maple Grange Road, MP 38.0 to 43.0  
**Project Location:** Vernon Township, NJ  
**Date(s):** Friday, April 21, 2023, 10:00am  
**Location:** Microsoft Teams  
**FPA Job No.:** 14152.001

Name	Organization	Email
Bhavesh Shah	NJDOT (Project Manager)	<a href="mailto:Bhavesh.Shah@dot.nj.gov">Bhavesh.Shah@dot.nj.gov</a>
Omar Elhowary	NJDOT (Asst. Project Manager)	<a href="mailto:Omar.Elhowary@dot.nj.gov">Omar.Elhowary@dot.nj.gov</a>
Anthony Sytko	NJDOT	<a href="mailto:Anthony.Sytko@dot.nj.gov">Anthony.Sytko@dot.nj.gov</a>
Daniel Young	Vernon Police Chief	<a href="mailto:Dbyoung43@vernonpolice.com">Dbyoung43@vernonpolice.com</a>
Tom Drabic	Sussex County	<a href="mailto:Tdrabic@sussex.nj.us">Tdrabic@sussex.nj.us</a>
Ron Tappan	Sussex County	<a href="mailto:Rtappan@sussex.nj.us">Rtappan@sussex.nj.us</a>
Michael Drobny	FPA	<a href="mailto:Michael.Drobny@fpaengineers.com">Michael.Drobny@fpaengineers.com</a>
Sarah Steib	FPA	<a href="mailto:Sarah.Steib@fpaengineers.com">Sarah.Steib@fpaengineers.com</a>
Addie Case	FPA	<a href="mailto:Adeline.Case@fpaengineers.com">Adeline.Case@fpaengineers.com</a>

A Local Officials Briefing was held on Friday, April 21, 2023, at 10:00 AM via Microsoft Teams, between representatives from NJDOT, Vernon Township and Sussex County officials, and French & Parrello Associates (FPA). The meeting was held to brief the local officials on the project and gather site specific information which may be incorporated into the project design. The following items were discussed:

### I. INTRODUCTION

- Bhavesh (BS) made introductions to the meeting participants and of the project.
- FPA representatives presented a PowerPoint presentation reviewing the project history, proposed improvements, anticipated construction staging, and schedule. Michael Drobny (MD) gave an overview of the project history and how the design has changed since it initially started, as well as the proposed roadway improvements, and Sarah Steib (SS) presented the structural improvements. Both discussed the anticipated construction staging and work schedules of the different aspects of the project.

### II. COMMENTS, QUESTIONS, AND ANSWERS

- Daniel Young (DY) mentioned Mountain Creek Resort and that they have events primarily on weekends so the project will need to coordinate with them to make sure there isn't an event planned during one of the weekend detours. Anthony Sytko (AS) confirmed that the Department will set up a separate meeting with Mountain Creek to give them information about the project and coordinate schedules.



- Tom Drabic (TB) asked if the traffic signal upgrades will be smart or adaptive signals. MD said no since the signals are so far apart and would typically only see smart signals in a corridor where the signals are closer together.
- DY mentioned significant increases in traffic during the fall apple season, particularly from CR 517 north. He noted that traffic backs up along Route 94 to the center of town so any work on the northern portion of the project should be done in the spring/summer. BS advised that the Department can put restrictions on which weekends the closures would be allowed and would write them into the project specifications.
- DY noted that there is an existing park on Maple Grange Road that has games on weekends and backs up traffic at intersection of 517 and Maple Grange Road. He noted that intersection has one of the highest crash rates in town due to its geometry and indicated they would have to station a police officer at that intersection in the event of weekend construction/detours during sports seasons.
- DY asked about a culvert that was washed out during Superstorm Sandy near Vernon Crossing Road. MD confirmed that replacement of that culvert wasn't part of this project.
- DY said when they replaced the culvert on Route 94 near Mountain Creek South a few years ago, temporary traffic signals were utilized, but when the signals would malfunction, they weren't able to get in touch with anyone in construction to fix them, causing them to have to use police officers to direct traffic until someone responded. AS and MD noted that normally back-up generators are provided for the temporary signals to keep them running. BS also indicated that the police, county, and township officials will be invited to the pre-construction meeting to give them contact information of the contractors who will be available 24/7.
- AS advised that the Department requests a Resolution of Support for the project be adopted by the Township.

### III. ACTION ITEMS / NEXT STEPS

- DY to provide a general list of events/dates to avoid for weekend closures.
- AS to schedule a separate meeting with Mountain Creek Resort.
- Vernon Township Council to pass a Resolution of Support for the project.



LOCAL OFFICIALS BRIEFING

## Route 94 Pleasant Valley Drive to Maple Grange Road

Vernon Township, Sussex County



April 21, 2023



# Agenda

- Introductions
- Project Overview
- Proposed Improvements
  - Roadway
  - Structures
- Construction Staging / Detours
- ROW / Access Impacts
- Utility Impacts
- Environmental Permitting
- Schedule / Next Steps
- Questions/Comments



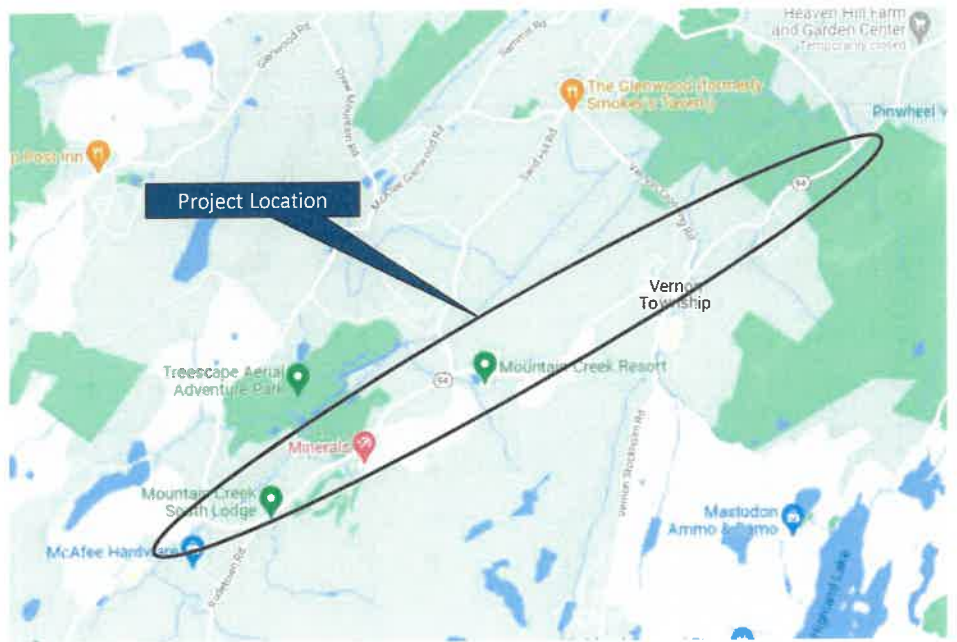
# Project Overview

- Project was initiated as a Limited Scope Resurfacing Project
- Limited Scope CD Study completed by JMT in 2020
- FPA awarded Limited Scope FD contract in 2021
- During CD the pavement was identified as being in such bad condition that the roadway was resurfaced under a maintenance contract in 2021
  - Full resurfacing of the roadway was removed from scope, so contract to focus on roadside safety, ADA compliance and culvert repairs
- Following field investigations, FPA issued a report in March 2021 recommending culvert replacement rather than repairs due to size and condition
  - Several rounds of meetings were held with Structures and BLAES/H&H, with concurrence for replacement obtained and scope change approved by CCB in July 2022
  - Project restarted in September 2022 under revised scope



# Project Location

- Route 94, Pleasant Valley Drive to Maple Grange Road
  - MP 37.98 to 43.27



# Aerial View



Route 94, Pleasant Valley Drive to Maple Grange Road  
April 21, 2023



# Roadway Improvements

- Existing Conditions
  - 2 lane section with double yellow stripe
    - 12ft wide lanes
    - 3ft & varies wide outside shoulder
  - ADT = 9,000-11,000vpd
  - Posted Speed Limit = 35mph & varies
  - No sidewalks present in most areas
  - Winding geometry in hilly terrain
  - Signalized intersections
    - CR 517 (McAfee Road) – MP 38.23
    - South Mountain Ski Resort – MP 38.7+/-
    - Sand Hill Road – MP 40.16
    - Church Street – MP 41.61
    - CR 515 (Stockholm Road) – MP 41.76
  - Mountain Creek Ski Resorts major tourist destination in area



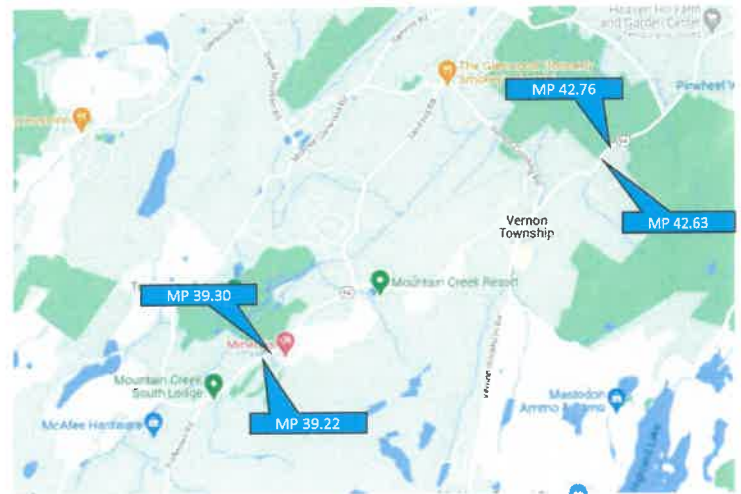
# Roadway Improvements

- Proposed Improvements
  - Replace substandard guide rail
    - Include embankment stabilization in areas where visible erosion occurring
  - Traffic signal replacements
    - CR 517 (McAfee Road) – MP 38.23
    - CR 515 (Stockholm Road) – MP 41.76
  - Traffic signal upgrades for ADA compliance
    - South Mountain Ski Resort – MP 38.7+/-
    - Church Street – MP 41.61
  - Creation of northbound right turn only lane at Stonehill Drive
  - Upgrade curb ramps in areas where sidewalk is present and at signalized intersections
  - Install sidewalk along frontage of Dunkin Donuts site at Church Street
  - Limited areas of milling/resurfacing around intersections at CR 515 and CR 517



# Structural Improvements

- Existing Conditions
  - During CD, 4 structures recommended for inclusion in this project
    - #1910-153 – MP 39.22 (replacement)
    - No # - MP 39.30 (scour repairs)
    - No # - MP 42.63 (replacement)
    - No # - MP 42.76 (replacement)
  - Each of the 4 structures are a pipe or box culvert
  - Original scope called for various repairs at each
  - Due to age, poor conditions, culverts comprised of mixed materials and sections, and confined working spaces, FPA recommended full replacement of 3 using precast concrete
  - Downstream scour repairs only are recommended at the structure at MP 39.30



# Structural Improvements



Str. 1910-153 – MP 39.22



No # – MP 39.30

# Structural Improvements



No # – MP 42.63



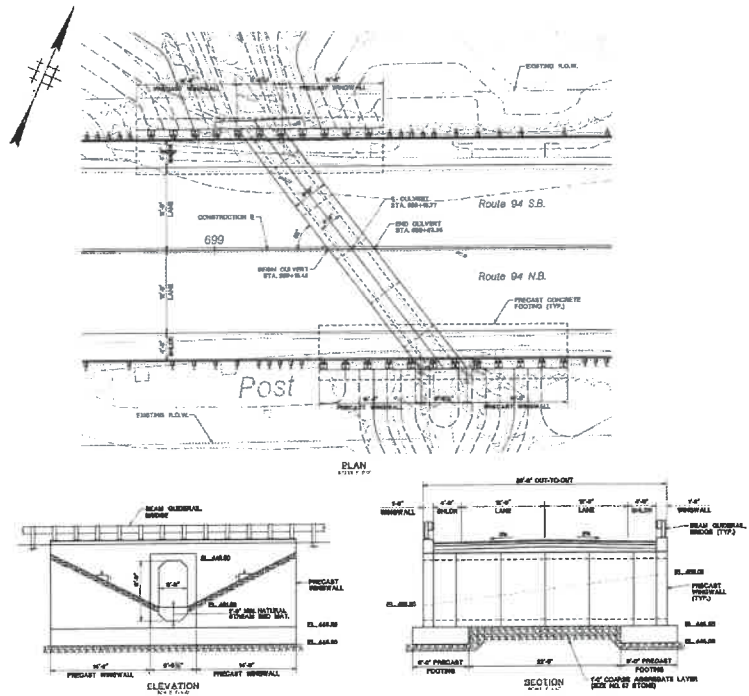
No # – MP 42.78

# Structural Improvements

- Structure No. 1910-153 at MP 39.22
  - Replace existing skewed stone masonry and concrete box culvert with 3'-3" x 8'-9" concrete box culvert
- Structure No. N/A at MP 39.30
  - Stabilize downstream headwall and install permanent scour countermeasures
- Structure No. N/A at MP 42.63
  - Replace existing combination box culvert and CMP with 3'-0" x 5'-0" concrete box culvert
- Retaining Wall at MP 42.63
- Structure No. N/A at MP 42.76
  - Replace existing combination box culvert and CMP with 3'-0" x 6'-8" concrete box culvert
- General Improvements
  - 2ft minimum of native fill to be placed in bottom of new box culverts
  - Opening heights are oversized to account for hydraulic opening
  - Due to pending revisions to NJDEP FHA regulations, culverts analyzed for new flow values
  - Scour analysis dictates large scour holes with extensive environmental and ROW impacts. As a result anticipate mitigating scour at toe with gabion baskets and embankment stabilization only
  - Install new precast headwalls/wingwalls on upstream and downstream ends
  - Minor roadway improvements to provide 4ft shoulders over the new structures
  - Install new guide rail mounted to the top of the headwalls/wingwalls
  - Weekend closure to replace culvert entirely with precast elements and detour traffic

# Structural Improvements

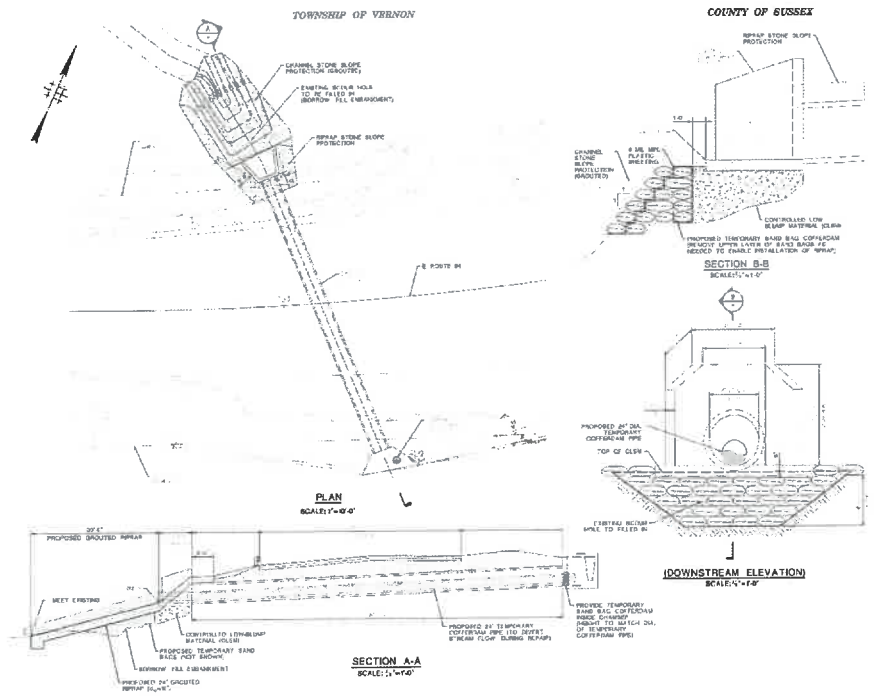
- Structure No. 1910-153 at MP 39.22



Route 94, Pleasant Valley Drive to Maple Grange Road  
 April 21, 2023

# Structural Improvements

- Structure No. N/A at MP 39.30



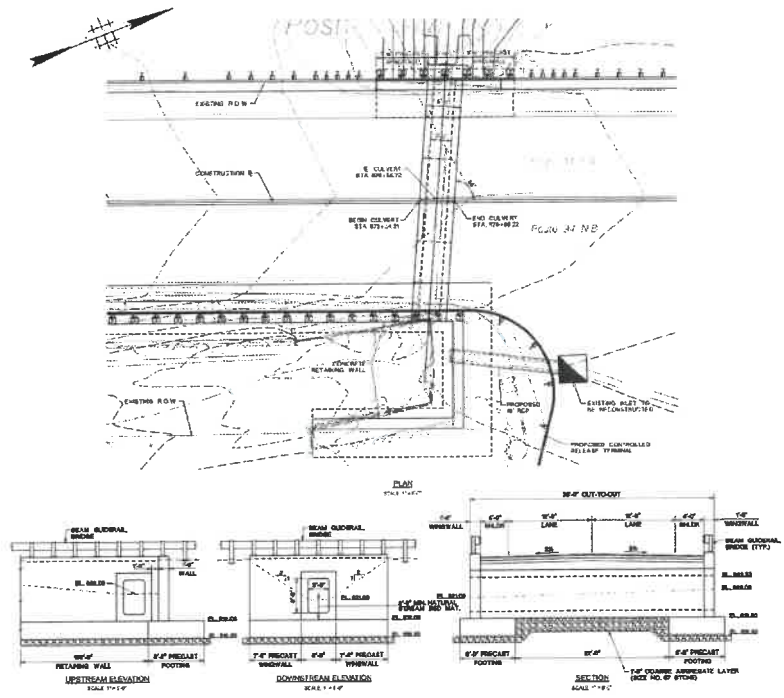
Route 94, Pleasant Valley Drive to Maple Grange Road  
 April 21, 2023





# Structural Improvements

- Structure No. N/A at MP 42.63

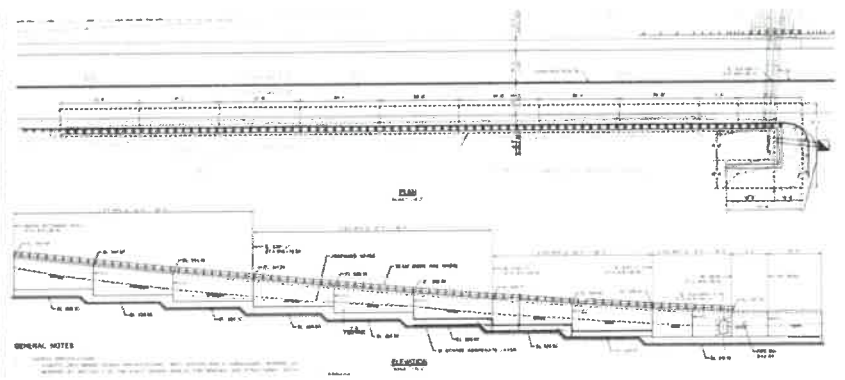


Route 94, Pleasant Valley Drive to Maple Grange Road  
 April 21, 2023



# Structural Improvements

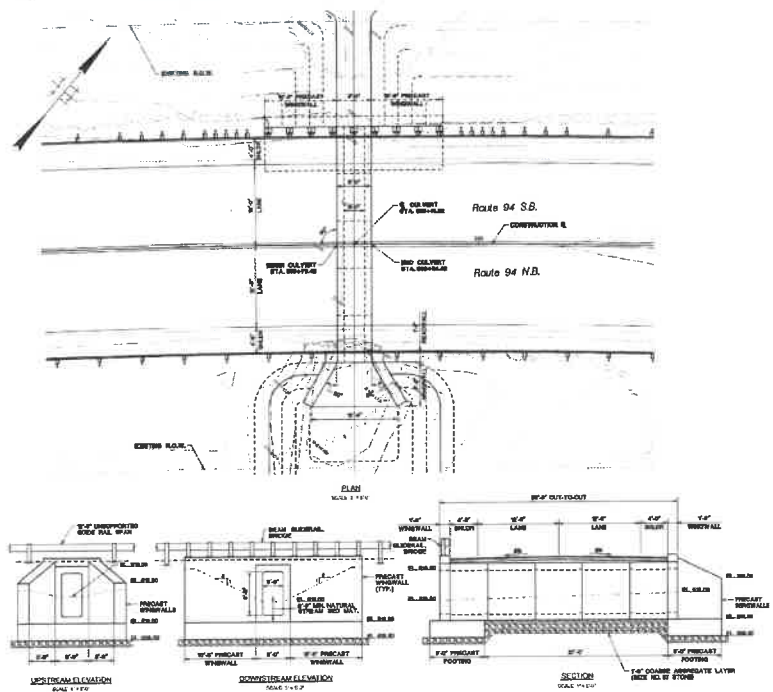
- Proposed Retaining Wall
  - Replace existing gabion basket retaining wall on northbound Route 94 near MP 42.6
    - Wall is directly adjacent to the culvert at MP 42.63
  - Existing wall and embankment shows signs of settlement and shifting
  - New wall will be reinforced concrete to withstand erosion from water runoff at toe of wall



Route 94, Pleasant Valley Drive to Maple Grange Road  
April 21, 2023

# Structural Improvements

- Structure No. N/A at MP 42.76



Route 94, Pleasant Valley Drive to Maple Grange Road  
 April 21, 2023



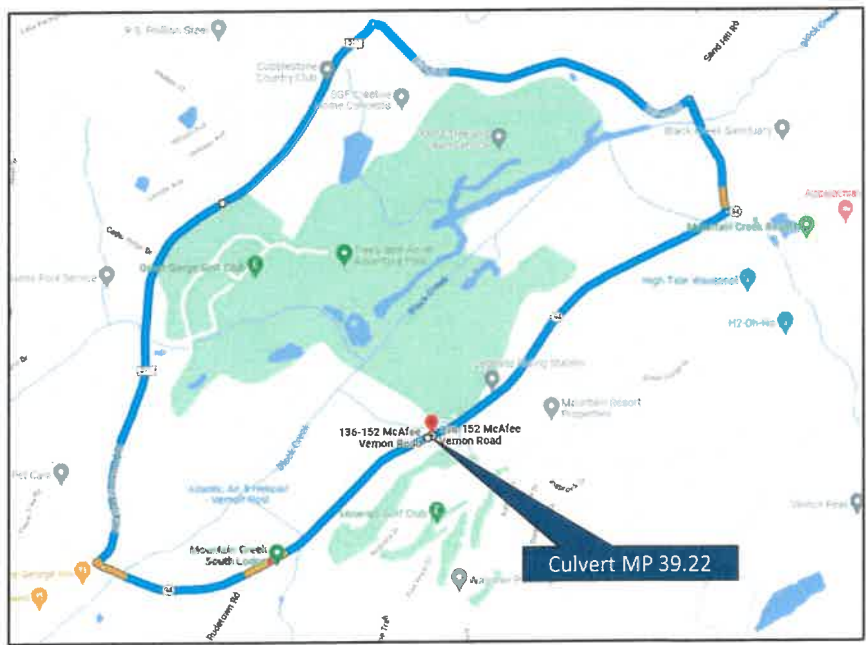
## Construction Staging / Detours

- Utility and road work to be completed during daytime hours
  - Short term lane shifts and/or flagging operations anticipated
- Weekend closures for culvert replacements
  - 1 culvert replaced each weekend (3 weekends total)
  - Hours to be limited to Friday night through Monday early morning
- Temporary traffic signal for retaining wall replacement
  - Single lane of alternating traffic



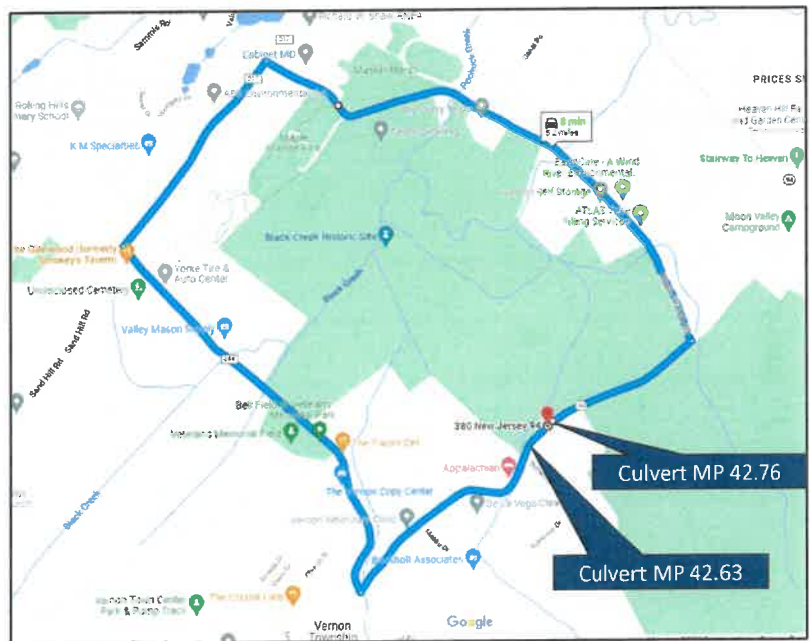
# Construction Staging / Detours

- Detour for Culvert Replacement at MP 39.22
  - CR 517 (McAfee Glenwood Rd) to McPeek Road to Sand Hill Road
  - Total length 4.7 miles



# Construction Staging / Detours

- Detour for Culvert Replacements at MP 42.63 and 42.76
  - Maple Grange Road to CR 517 (McAfee Glenwood Road) to CR 644 (Vernon Crossing Road)
  - Total length 5.2 miles
  - Each culvert replacement would be in completed in a separate weekend
  - North intersection of Butternut Drive closed at Route 94 for replacement of culvert at MP 42.63



# ROW / Access Impacts

- 26 parcels require takings
  - 12 partial fee takings
    - Sidewalks
    - Traffic signal equipment
    - Guide rail
  - 3 permanent easements
    - Upstream end of culvert at MP 39.30
    - Guide rail end treatments
  - 16 temporary easements
    - Grading
    - Embankment stabilization
- 3 properties have access impacts
  - 2 Adjustment
    - Dunkin Donuts & Taco Bell driveways for sidewalk installations
  - 1 Revocation
    - Parcel near culvert at MP 42.63 to close driveway next to culvert



# Utility Impacts

- 14 utility pole relocations
  - Primarily due to offset issues with guide rail
  - Additional impacts from culvert replacements will be confirmed
- Minimal impact to underground utilities anticipated, even with culvert work
  - Tennessee gas pipeline near Stonehill Drive





# Environmental Permitting

- Freshwater Wetlands General Permit
- Flood Hazard Area Individual Permit
  - Stream passing through the culvert at MP 42.78 is a direct tributary to a Category 1 waterway
- NJ Highlands Applicability Determination
  - Anticipate exemption as an improvement to an existing roadway
- Categorical Exclusion Document (CED)
  - Needs to be redone to incorporate culvert replacements
- Stormwater Management
  - No net increase in impervious coverage by using pervious pavement for non-vegetative surfaces

## Schedule / Next Steps

- Project Schedule
  - Upcoming Tasks
    - NJDEP permit applications – July 2023
    - Secure ROW funding – June 2023
    - Authorize ROW acquisition – November 2023
    - Final Design Submission – July 2024
    - PS&E Submission – January 2025
  - Construction – Summer 2025
    - Estimated 1-year total duration

# Thank You!

PROJECT TEAM



Project Contacts:

**BHAVESH SHAH**

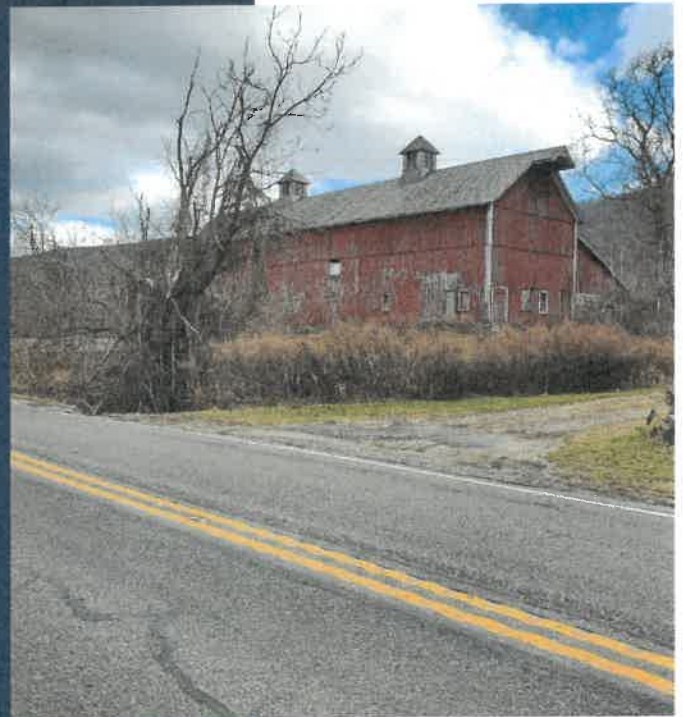
PROJECT MANAGER – NJDOT

[Bhavesh.Shah@dot.nj.gov](mailto:Bhavesh.Shah@dot.nj.gov)

**MICHAEL DROBNY, PE**

PROJECT MANAGER – FRENCH & PARRELLO ASSOCIATES

[Michael.Drobny@fpaengineers.com](mailto:Michael.Drobny@fpaengineers.com)



**TOWNSHIP OF VERNON**

**RESOLUTION #24-102**

**RESOLUTION AUTHORIZING THE HIRING  
OF A GRANTS WRITING VENDOR  
THROUGH THE COMPETITIVE CONTRACTING PROCESS**

**WHEREAS**, the Township has a desire to provide for grants writing services; and

**WHEREAS**, such services are currently available to be provided through the competitive contracting process under the New Jersey Local Publics Contract Law, N.J.S.A. 40A:11-4.1(b)(4)(q).; and

**WHEREAS**, the Township desires to evaluate such service offerings from Vendors within the procedures as set forth in the New Jersey Local Publics Contract Law (N.J.S.A.40A:11-4.1 et. seq. and N.J.A.C. 5:34-4 et. Seq.); and

**WHEREAS**, the Township desires to enter into a contract for up to a five (5) year contract that will satisfy the needs of the Township; and

**WHEREAS**, as per statute the process will be administered by the Qualified Purchasing Agent (N.J.S.A 40A:11-4.5(d));

**NOW, THEREFORE, BE IT RESOLVED** by the Governing Body of the Township of, County of Sussex, State of New Jersey, as follows:

The Qualified Purchasing Agent is hereby authorized to commence the competitive contract/ procurement as allowable under the New Jersey Local Publics Contract Law for a Grants Writer, allowing for a minimum of 20 days' notice after advertisement to receive responses, per Local Publics Contract Law.

**CERTIFICATION**

I certify that this is a true copy of the Resolution adopted by the Council of the Township of Vernon at their Regular Meeting held on March 25, 2024 at 7:00 pm in the Vernon Municipal Center.

---

Marcy Gianattasio, RMC, CMR  
Municipal Clerk

**VERNON TOWNSHIP COUNCIL**

<b>NAME</b>	<b>MOTION</b>	<b>SECOND</b>	<b>YES</b>	<b>NO</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
Buccieri, N.						
DeBenedetto, J.						
Higgins, W.						
Sparta, B.						
Rizzuto, P.						

**PROJECT MANUAL**

**For CC# 5-2024**

**GRANTS WRITER**

**COMPETITIVE CONTRACT**

**Vernon Township, Sussex County New Jersey**

**August 15, 2023 at 11:00 A.M.**



**Vernon Township  
21 Church Street Vernon, N.J.**

**Mayor Anthony Rossi  
Council Members  
Patrick Rizzuto, President  
Natalie Buccieri, Vice President  
Bradley Sparta  
Jessica DeBenedetto  
William Higgins  
Marcy Gianattasio RMC, Municipal Clerk  
Donelle Bright, CMFO, Chief Financial Officer  
Tina Kraus, Business Administrator**

## Competitive Contract Request for Proposals

Notice is hereby given by the Township of Vernon that a Competitive Contract in accord with N.J.S.A. 40A:11-4.1 will be received by the Township on **August 15, 2023 at 11:00 A.M.** prevailing time conducted on electronic platform, in accord with N.J.A.C. 5:34-1 et. Seq., on BIDNET at [www.bidnetdirect.com//vernontownship](http://www.bidnetdirect.com//vernontownship)

### CC #5-2024 Grants Writer Competitive Contract

**NOTE:**

**it is the bidder's responsibility to ensure that the bid package is uploaded onto the e-procurement site by the bid opening date and time. Any bid document received after the deadline established by the Department of Purchasing will not be accepted, regardless of the method of delivery.**

Bidders must comply with the requirements of N.J.S.A. 10:5-31 et seq., and N.J.A.C. 17:27 et. Seq.,

The Township of Vernon will award this Competitive Contract in accord with Price and Other Factors as outlined within N.J.S.A 40A:11-4.1 et. Seq., and N.J.A.C. 5:34-4.1 et. Seq.,

**Report of Competitive Contract:**

In accord with N.J.S.A. 40A:11-4.4(d) the summary report will be posted on the Township procurement website at [www.bidnetdirect.com//vernontownship](http://www.bidnetdirect.com//vernontownship) at least 48 hours prior to the governing body taking action on award.

For zoom information for public viewing of the opening contact Sean P. Canning, QPA at [scanning@thecanninggroup.org](mailto:scanning@thecanninggroup.org).

This procurement has been advertised in accordance with the "Fair and Open Basis"

Date: **July 18, 2023**

Tina Kraus  
Business Administrator  
Township of Vernon

Applicable to Bid if marked "X"	DOCUMENTATION REQUIRED OR REVIEWED	Initials	When Due
	Bid Guarantee (Bid Bond or Certified/Cashier's Check) (with POA for full amount of Bid Bond)		With Bid Submission
	Consent of Surety (Certificate from Surety company)		With Bid Submission
	Performance Bond and Labor and Material Payment Bond (Required from the Awarded Contractor)		At signing of contract
	Maintenance Bond in the Amount of 100 % for a period indicated in "General Conditions" Required from the Awarded Contractor Upon Acceptance of Project		Upon Acceptance of Project
	Acknowledgement of Receipt of Addenda (To be Completed if Addenda are Issued)		With Bid Submission
X	Ownership Disclosure Form		With Bid Submission
	Named Subcontractors in Bid for Listed Specialty Trades		With Bid Submission
	Public Works Contractor Registration Certificate(s) for the Bidder and all Sub Contractors		Prior to Award, but effective at time of bid
X	Business Registration Certificate – Bidder and all Sub Contractors		Prior to Contract Award
	Non-Collusion Affidavit		With Bid Submission
X	Experience and Qualifications		With Bid Submission
X	Insurance and Indemnification Certificate		Prior to Contract Award
X	Disclosure of Investment Activities in Iran Form		Prior to Contract Award
	Federal debarment Form		Prior to Contract Award
	Prevailing Wage Certification (PL 2021, C301)		Prior to Contract Award
	Equipment Certification		With Bid Submission
	EEO/AA Form AA-201		After Notice of Award, Prior to Signing Contract
X	EEO/AA Form AA-302 or Letter of Federal Approval or Certificate of Employee Information Report		After Notice of Award, Prior to Signing Contract
X	Bidder's Checklist		With Bid Submission



**This checklist is provided for bidder's use in assuring compliance with required documentation; however, it does not include all specifications requirements and does not relieve the bidder of the need to read and comply with the specifications.**

Bidder Name: \_\_\_\_\_ Date: \_\_\_\_\_

Authorized Representative: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Name & Title: \_\_\_\_\_

CC# 5-  
2024

Year 1 Monthly retainer fee \_\_\_\_\_

Year 1 Hourly Grant Writing Services \_\_\_\_\_

Year 1 Monthly/Annual Portal/Database fee \_\_\_\_\_

Year 2 Monthly retainer fee \_\_\_\_\_

Year 2 Hourly Grant Writing Services \_\_\_\_\_

Year 2 Monthly/Annual Portal/Database fee \_\_\_\_\_

Year 3 Monthly retainer fee \_\_\_\_\_

Year 3 Hourly Grant Writing Services \_\_\_\_\_

Year 3 Monthly/Annual Portal/Database fee \_\_\_\_\_

Year 4 Monthly retainer fee \_\_\_\_\_

Year 4 Hourly Grant Writing Services \_\_\_\_\_

Year 4 Monthly/Annual Portal/Database fee \_\_\_\_\_

Year 5 Monthly retainer fee \_\_\_\_\_

Year 5 Hourly Grant Writing Services \_\_\_\_\_

Year 5 Monthly/Annual Portal/Database fee \_\_\_\_\_

*Inclusive of all travel time and expenses as well as attendance at all designated meetings.*

\_\_\_\_\_  
Company Name

Federal ID # or Social Security #

\_\_\_\_\_  
Address

\_\_\_\_\_  
Signature of Authorized Agent

Type or Print Name

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

\_\_\_\_\_  
Telephone Number

\_\_\_\_\_  
Date

\_\_\_\_\_  
Fax Number

\_\_\_\_\_  
E-mail address

## **GRANT WRITING SERVICES**

### **1.0 PURPOSE**

- 1.1 The Township of Vernon is seeking Qualifications from qualified grant writing companies/firms for grant writing services for the Township to include hourly rates in addition to monthly retainers/fees for administrative services/support and/or access to online grant search portals/databases.
- 1.2 The services consist of providing grant writing and support within the municipal boundaries of the Township of Vernon in all aspects of municipal related grant funding.

### **2.0 RESPONSES**

- 2.1 All respondents must provide the following in order to be considered:
- 2.2 Documented past listing of references and successes at obtaining grant funding in a municipal setting.
- 2.3 Evidence of capability, experience and skill:
- 2.4 Respondents shall provide a summary of the firm's capability, experience and skill to provide the requested services.
- 2.5 Resumes and history of all key personnel.
- 2.6 Evidence of adequate personnel to perform.

### **3.0 SCOPE OF SERVICES**

- 3.1 The Grant Writer shall prepare grant applications and supporting documentation to ensure compliance with funding requirements.
- 3.2 The Grant Writer coordinates with Township staff to identify projects that are compatible with available funding sources.
- 3.3 The Grant Writer tracks the status of grant applications and provides additional information as required.
- 3.4 The Grant Writer works with appropriate personnel to expedite internal processing of grant proposals and maintains a positive, proactive relationship with community organizations, county and Township officials, non-profit agencies and other entities to assist in compliance and process efficiency.
- 3.5 Depending on the complexity of the data requirements for each grant application, the Grant Writer creates and distributes standard and special reports, studies, summaries and analyses as required by the grant application and the users.

#### **4.0 Compensation response**

- 4.1 In response vendors are asked to respond in one or all of the following manners for compensation per grant:
  - 4.1.A Hour rate (minimum hours per project).
  - 4.1.B Percentage of grant or funding achieved.
  - 4.1.C Total project cost per grant or funding project.
  - 4.1.D Monthly/Annual cost for grant portal/database access.

#### **5.0 PROCUREMENT AND METHOD OF AWARD**

- 5.0.1 This procurement is being conducted in accord with the laws governing competitive contracting at N.J.S.A40A:11-4.1 et.seq.,
- 5.0.2 Method of award shall be ratings upon responses of Price and Other Factors more fully described within N.J.A.C. 5:34-4.3(d)
  - 5.0.2.1 Managerial Weighted Percent\_\_\_\_\_%
  - 5.0.2.2 Technical Weighted Percent\_ %
  - 5.0.2.3 Cost Weighted Percent\_\_\_\_\_%

#### **6.0 CONTACTS/ QUESTIONS**

- 6.0.1 All questions pertaining to process or technical questions shall be submitted through Bidnet Direct

<b>Technical criteria:</b>			
(Max Points)	1 Pt = Poor Response, 3 Points = Average Response, 5 Pts = Concise and Superior Response		
<b>Vendor Name:</b>			
Does the vendor's proposal demonstrate a clear understanding of the scope of work and related objectives?			
(2) Is the vendor's proposal complete and responsive to the specific RFP requirements?			
(3) Has the past performance of the vendor's proposed methodology been documented?			
(4) Does the vendor's proposal use innovative technology and techniques?			
<b>Sub Total Technical</b>	0	0	0
<b>Management criteria:</b>			
(Max Points)	1 Pt = Poor Response, 3 Points = Average Response, 5 Pts = Concise and Superior Response		
<b>Vendor Name:</b>			
(1) Does the vendor document a record of reliability of timely delivery and on-time and on- budget implementation?			
(2) Does the vendor document industry or program experience?			
(3) Are the availability of in- house and contract resources documented?			
<b>Sub Total Managerial</b>	0	0	0
<b>Cost criteria:</b>			
(Max Points)	1 Pt = Poor Response, 3 Points = Average Response, 5 Pts = Concise and Superior Response		
<b>Vendor Name:</b>			
(1)Relative cost: How does the cost compare to other similarly scored proposals?			
(2)Full explanation: Is the price and its component charges, fees, etc. adequately explained or documented?			
(3) Does the proposal include quality control and assurance programs?			
<b>SUB TOTAL COST</b>	0	0	0
<b>Final Rater Score</b>	0	0	0

**EXHIBIT A**

**MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE**

**N.J.S.A. 10:5-31 et seq. (P.L.1975, c.127)**

**N.J.A.C. 17:27 et seq.**

**GOODS, GENERAL SERVICES, AND PROFESSIONAL SERVICES CONTRACTS**

During the performance of this contract, the contractor agrees as follows:

The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Except with respect to affectional or sexual orientation and gender identity or expression, the contractor will ensure that equal employment opportunity is afforded to such applicants in recruitment and employment, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex.

Such equal employment opportunity shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this nondiscrimination clause.

The contractor or subcontractor, where applicable will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex.

The contractor or subcontractor will send to each labor union, with which it has a collective bargaining agreement, a notice, to be provided by the agency contracting officer, advising the labor union of the contractor's commitments under this chapter and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The contractor or subcontractor, where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to N.J.S.A. 10:5-31 et seq., as amended and supplemented from time to time and the Americans with Disabilities Act.

The contractor or subcontractor agrees to make good faith efforts to meet targeted county employment goals established in accordance with N.J.A.C. 17:27-5.2.

The contractor or subcontractor agrees to inform in writing its appropriate recruitment agencies including, but not limited to, employment agencies, placement bureaus, colleges, universities,

and labor unions, that it does not discriminate on the basis of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

The contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personnel testing conforms with the principles of job related testing, as established by the statutes and court decisions of the State of New Jersey and as established by applicable Federal law and applicable Federal court decisions.

In conforming with the targeted employment goals, the contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and layoff to ensure that all such actions are taken without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions. The contractor shall submit to the public agency, after notification of award but prior to execution of a goods and services contract, one of the following three documents:

**Letter of Federal Affirmative Action Plan Approval; Certificate of Employee Information**

**Report; or**

**Employee Information Report Form AA-302 (electronically provided by the Division and distributed to the public agency through the Division's website at: [http:// www.state.nj.us/treasury/contract\\_compliance](http://www.state.nj.us/treasury/contract_compliance).**

The contractor and its subcontractors shall furnish such reports or other documents to the Division of Purchase & Property, CCAU, EEO Monitoring Program as may be requested by the office from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Division of Purchase & Property, CCAU, EEO Monitoring Program for conducting a compliance investigation pursuant to N.J.A.C. 17:27-1.1 et seq

**NEW JERSEY ANTI-DISCRIMINATION PROVISIONS**  
**N.J.S.A. 10:2-1 ET SEQ.**

Pursuant to N.J.S.A. 10:2-1, if awarded a contract, the contractor agrees that:

- a. In the hiring of persons for the performance of work under this contract or any subcontract hereunder, or for the procurement, manufacture, assembling or furnishing of any such materials, equipment, supplies or services to be acquired under this contract, no contractor, nor any person acting on behalf of such contractor or subcontractor, shall, by reason of race, creed, color, national origin, ancestry, marital status, gender identity or expression, affectional or sexual orientation or sex, discriminate against any person who is qualified and available to perform the work to which the employment relates;
- b. No contractor, subcontractor, nor any person on his behalf shall, in any manner, discriminate against or intimidate any employee engaged in the performance of work under this contract or any subcontract hereunder, or engaged in the procurement, manufacture, assembling or furnishing of any such materials, equipment, supplies or services to be acquired under such contract, on account of race, creed, color, national origin, ancestry, marital status, gender identity or expression, affectional or sexual orientation or sex;
- c. There may be deducted from the amount payable to the contractor by the contracting public agency, under this contract, a penalty of \$50.00 for each person for each calendar day during which such person is discriminated against or intimidated in violation of the provisions of the contract; and
- d. This contract may be canceled or terminated by the contracting public agency, and all money due or to become due hereunder may be forfeited, for any violation of this section of the contract occurring after notice to the contractor from the contracting public agency of any prior violation of this section of the contract.



# SAMPLE CERTIFICATE OF EMPLOYEE INFORMATION REPORT

Certification 111XX

## CERTIFICATE OF EMPLOYEE INFORMATION REPORT

### INITIAL

This is to certify that the contractor listed below has submitted an Employee Information Report pursuant to N.J.A.C. 17:27-1.1 et. seq. and the State Treasurer has approved said report. This approval will remain in effect for the period of 15-DEC-20XX to 15-DEC-20XX

SAMPLE COMPANY, INC.  
33 WEST STATE STREET  
TRENTON, NJ 08625

**VOID**



State Treasurer

**STATE OF NEW JERSEY**  
Division of Purchase & Property  
Contract Compliance Audit Unit  
EEO Monitoring Program

**EMPLOYEE INFORMATION REPORT**

**IMPORTANT: READ INSTRUCTIONS CAREFULLY BEFORE COMPLETING FORM. FAILURE TO PROPERLY COMPLETE THE ENTIRE FORM AND TO SUBMIT THE REQUIRED \$ HOLIDAY FEE MAY DELAY ISSUANCE OF YOUR CERTIFICATE. DO NOT SUBMIT EEO-1 REPORT FOR SECTION B, ITEM 11. For instructions on completing the form, go to [State Agency of Professional Regulation - compliance/contract-compliance/aa302.htm.pdf](#)**

**SECTION A - COMPANY IDENTIFICATION**

1. FED. NO. OR SOCIAL SECURITY	2. TYPE OF BUSINESS <input type="checkbox"/> 1. MFG <input type="checkbox"/> 2. SERVICE <input type="checkbox"/> 3. WHOLESALE <input type="checkbox"/> 4. RETAIL <input type="checkbox"/> 5. OTHER	3. TOTAL NO. EMPLOYEES IN THE ENTIRE COMPANY
1. COMPANY NAME		COMPANY E-MAIL
2. STREET	CITY	COUNTY STATE ZIP CODE
3. NAME OF PARENT OR AFFILIATED COMPANY (IF NONE, SO INDICATE)		CITY STATE ZIP CODE
7. CHECK ONE: IS THE COMPANY: <input type="checkbox"/> SINGLE-ESTABLISHMENT EMPLOYER <input type="checkbox"/> MULTI-ESTABLISHMENT EMPLOYER		
8. IF MULTI-ESTABLISHMENT EMPLOYER, STATE THE NUMBER OF ESTABLISHMENTS IN NJ		
9. TOTAL NUMBER OF EMPLOYEES AT ESTABLISHMENT WHICH HAS BEEN AWARDED THE CONTRACT		
10. PUBLIC AGENCY AWARDED CONTRACT		CITY COUNTY STATE ZIP CODE
Official Use Only	DATE RECEIVED	IN AUG. DATE ASSIGNED CERTIFICATION NUMBER

**SECTION B - EMPLOYMENT DATA**

11. Report all permanent, temporary and part-time employees ON YOUR OWN PAYROLL. Enter the appropriate figures on all lines and in all columns. Where there are no employees in a particular category, enter a zero. Include ALL employees, not just those in minority/non-minority categories, in columns 1, 2, & 3. **DO NOT SUBMIT AN EEO-1 REPORT.**

JOB CATEGORIES	ALL EMPLOYEES	PERMANENT MINORITY/NON-MINORITY EMPLOYEE BREAKDOWN													
		***** MALE *****			***** FEMALE *****										
		COL. 1	COL. 2	COL. 3											
	Total	Male	Female	BLACK	HISPANIC	AMER INDIAN	ASIAN	NON MIN	2 OR MORE RACES	BLACK	HISPANIC	AMER INDIAN	ASIAN	NON MIN	2 OR MORE RACES
Officials/Managers	(Col. 2 & 3)														
Professionals															
Technicians															
Sales Workers															
Office & Clerical															
Craftworkers (Skilled)															
Operatives (Semi-skilled)															
Laborers (Unskilled)															
Service Workers															
TOTAL															
Total employment from previous report (if any)															
The data below shall NOT be included in the figures for the appropriate categories above.															
Temporary & Part-Time Employees															

12. HOW WAS INFORMATION AS TO RACE OR ETHNIC GROUP BY SECTION B OBTAINED? <input type="checkbox"/> 1. Visual Survey <input type="checkbox"/> 2. Employment Record <input type="checkbox"/> 3. Other (Specify)	14. IS THIS THE FIRST Employee Information Report Submitted? 1. YES <input type="checkbox"/> 2. NO <input type="checkbox"/>	15. IF NO, DATE LAST REPORT SUBMITTED MO. DAY YEAR
13. DATES OF PAYROLL PERIOD USED From: _____ To: _____		

**SECTION C - SIGNATURE AND IDENTIFICATION**

16. NAME OF PERSON COMPLETING FORM (Print or Type)	SIGNATURE	TITLE	DATE MO   DAY   YEAR
17. ADDRESS NO. & STREET	CITY	COUNTY	STATE ZIP CODE PHONE (AREA CODE, NO. EXTENSION)

## *New Jersey Business Registration Certification*

Pursuant to N.J.S.A. 52:32-44, **The Township of Vernon** ("Contracting Agency") is prohibited from entering into a contract with an entity unless the bidder/proposer/contractor, and each subcontractor that is required by law to be named in a bid/proposal/contract has a valid Business Registration Certificate on file with the Division of Revenue and Enterprise Services within the Department of the Treasury.

Prior to contract award or authorization, the contractor shall provide the Contracting Agency with its proof of business registration and that of any named subcontractor(s).

Subcontractors named in a bid or other proposal shall provide proof of business registration to the bidder, who in turn, shall provide it to the Contracting Agency prior to the time a contract, purchase order, or other contracting document is awarded or authorized.

During the course of contract performance:

- (1) the contractor shall not enter into a contract with a subcontractor unless the subcontractor first provides the contractor with a valid proof of business registration.
- (2) the contractor shall maintain and submit to the Contracting Agency a list of subcontractors and their addresses that may be updated from time to time.
- (3) the contractor and any subcontractor providing goods or performing services under the contract, and each of their affiliates, shall collect and remit to the Director of the Division of Taxation in the Department of the Treasury, the use tax due pursuant to the Sales and Use Tax Act, (N.J.S.A. 54:32B-1 et seq.) on all sales of tangible personal property delivered into the State. Any questions in this regard can be directed to the Division of Taxation at (609)292-6400. Form NJ-REG can be filed online at <http://www.state.nj.us/treasury/revenue/busregcert.shtml>.

Before final payment is made under the contract, the contractor shall submit to the Contracting Agency a complete and accurate list of all subcontractors used and their addresses.

Pursuant to N.J.S.A. 54:49-4.1, a business organization that fails to provide a copy of a business registration as required, or that provides false business registration information, shall be liable for a penalty of \$25 for each day of violation, not to exceed \$50,000, for each proof of business registration not properly provided under a contract with a contracting agency.

### **Emergency Purchases or Contracts**

For purchases of an emergent nature, the contractor shall provide its Business Registration Certificate within two weeks from the date of purchase or execution of the contract or prior to payment for goods or services, whichever is earlier.

### **SAMPLE BUSINESS REGISTRATION CERTIFICATE**

STATE OF NEW JERSEY BUSINESS REGISTRATION CERTIFICATE FOR STATE AGENCY AND CASINO SERVICE CONTRACTORS		DEPARTMENT OF TREASURY 3-915 ONE OF CENTER PO BOX 282 TRENTON NJ 08646-0282
TAXPAYER NAME: <b>TAX REGISTRATION TEST ACCOUNT</b>	TRADE NAME: <b>CLIENT REGISTRATION</b>	
TAXPAYER IDENTIFICATION#: 970-087-382/500	SEQUENCE NUMBER: <b>0107</b>	
ADDRESS: 847 ROEBLING AVE TRENTON NJ 08611	ISSUANCE DATE: 07/14/04	
EFFECTIVE DATE: 01/01/01		<i>John S. Teally</i> Act. Director
FORM-BRC(06-01)	This Certificate is NOT assignable or transferable. It must be conspicuously displayed at above address.	



## STATE OF NEW JERSEY BUSINESS REGISTRATION CERTIFICATE

**Taxpayer Name:** TAX REG TEST ACCOUNT

**Trade Name:**

**Address:** 847 ROEBLING AVE  
TRENTON, NJ 08611

**Certificate Number:** 1093907

**Date of Issuance:** October 14, 2004

**For Office Use Only:**  
20041014112823533

**PAY TO PLAY ADVISORY**  
**Disclosure Requirement**  
**P.L. 2005, Chapter 271, Section 3 Reporting**  
**(N.J.S.A. 19:44A – 20.27)**

Any business entity that has received \$50,000 or more in contracts from government entities in a calendar year will be required to file an annual disclosure report with ELEC.

The report will include certain contributions and contract information for the current calendar year.

At a minimum, a list of all business entities that file an annual disclosure report will be listed on ELEC's website at [www.elec.state.nj.us](http://www.elec.state.nj.us).

If you have any questions please contact ELEC at:  
1-888-313-ELEC (toll free in NJ) or  
609-292-8700

An analyst from ELEC's Special Programs Section will assist you.

Initials \_\_\_\_\_

**STATEMENT OF OWNERSHIP DISCLOSURE**

N.J.S.A. 52:25-24.2 (P.L. 1977, c.33, as amended by P.L. 2016, c.43)

**This statement shall be completed, certified to, and included with all bid and proposal submissions. Failure to submit the required information is cause for automatic rejection of the bid or proposal.**

**Name of Organization:** \_\_\_\_\_

**Organization Address:** \_\_\_\_\_

**Part I Check the box that represents the type of business organization:**

- Sole Proprietorship (skip Parts II and III, execute certification in Part IV)
- Non-Profit Corporation (skip Parts II and III, execute certification in Part IV)
- For-Profit Corporation (any type)     Limited Liability Company (LLC)
- Partnership         Limited Partnership         Limited Liability Partnership (LLP)
- Other (be specific): \_\_\_\_\_

**Part II**

The list below contains the names and addresses of all stockholders in the corporation who own 10 percent or more of its stock, of any class, or of all individual partners in the partnership who own a 10 percent or greater interest therein, or of all members in the limited liability company who own a 10 percent or greater interest therein, as the case may be. **(COMPLETE THE LIST BELOW IN THIS SECTION)**

OR

No one stockholder in the corporation owns 10 percent or more of its stock, of any class, or no individual partner in the partnership owns a 10 percent or greater interest therein, or no member in the limited liability company owns a 10 percent or greater interest therein, as the case may be. **(SKIP TO PART IV)**

(Please attach additional sheets if more space is needed):

Name of Individual or Business Entity	Address

**Part III DISCLOSURE OF 10% OR GREATER OWNERSHIP IN THE STOCKHOLDERS, PARTNERS OR LLC MEMBERS LISTED IN PART II**

If a bidder has a direct or indirect parent entity which is publicly traded, and any person holds a 10 percent or greater beneficial interest in the publicly traded parent entity as of the last annual federal Security and Exchange Commission (SEC) or foreign equivalent filing, ownership disclosure can be met by providing links to the website(s) containing the last annual filing(s) with the federal Securities and Exchange Commission (or foreign equivalent) that contain the name and address of each person holding a 10% or greater beneficial interest in the publicly traded parent entity, along with the relevant page numbers of the filing(s) that contain the information on each such person. **Attach additional sheets if more space is needed.**

Website (URL) containing the last annual SEC (or foreign equivalent) filing	Page #'s

Please list the names and addresses of each stockholder, partner or member owning a 10 percent or greater interest in any corresponding corporation, partnership and/or limited liability company (LLC) listed in Part II **other than for any publicly traded parent entities referenced above**. The disclosure shall be continued until names and addresses of every noncorporate stockholder, and individual partner, and member exceeding the 10 percent ownership criteria established pursuant to N.J.S.A. 52:25-24.2 has been listed. **Attach additional sheets if more space is needed.**

Stockholder/Partner/Member and Corresponding Entity Listed in Part II	Address

**Part IV Certification**

I, being duly sworn upon my oath, hereby represent that the foregoing information and any attachments thereto to the best of my knowledge are true and complete. I acknowledge: that I am authorized to execute this certification on behalf of the bidder/proposer; that the **Township** is relying on the information contained herein and that I am under a continuing obligation from the date of this certification through the completion of any contracts with **Township** to notify the **Township** in writing of any changes to the information contained herein; that I am aware that it is a criminal offense to make a false statement or misrepresentation in this certification, and if I do so, I am subject to criminal prosecution under the law and that it will constitute a material breach of my agreement(s) with the, permitting the **Township** to declare any contract(s) resulting from this certification void and unenforceable.

Full Name (Print):		Title:	
Signature:		Date:	

## Experience & Qualifications Questionnaire

This questionnaire must be filled out and submitted as a part of the Proposal. Failure to complete this form or to provide any of the requested information will be grounds for the rejection of the bid proposal. If additional space is required, the respondent shall add additional sheets, which identify the question being answered.

Number of years in business under present name & address:

\_\_\_\_\_

If less than 5 years, list previous names and address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Within the last 5 years has the business or any officer/partner failed to complete a contract awarded to them: \_\_\_\_. If yes, provide the details in on a separate page.

Have any liens and lawsuits been filed against the company in the past 5 years: \_\_\_\_

If yes, please provide details:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

List similar services you are now providing for which you have signed contract, but not yet started work:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

List all major subcontractors to be used to complete the service and the area of their responsibility:



## Experience & Qualifications Questionnaire

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Please provide at least 3 references below:

**Name:** \_\_\_\_\_ **Phone:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**Equipment/Service Provided:** \_\_\_\_\_

**Contract Amount:** \_\_\_\_\_

**Name:** \_\_\_\_\_ **Phone:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**Equipment/Service Provided:** \_\_\_\_\_

**Contract Amount:** \_\_\_\_\_

**Name:** \_\_\_\_\_ **Phone:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**Equipment/Service Provided:** \_\_\_\_\_

**Contract Amount:** \_\_\_\_\_

**Name:** \_\_\_\_\_ **Phone:** \_\_\_\_\_

## *Experience & Qualifications Questionnaire*

**Address:** \_\_\_\_\_

**Equipment/Service Provided:** \_\_\_\_\_

**Contract Amount:** \_\_\_\_\_

*Americans with Disabilities Act of 1990*

The CONTRACTOR and the OWNER do hereby agree that the provisions of Title 11 of the Americans With Disabilities Act of 1990 (the "ACT") (42 U.S.C~ S12101 et seq.), which prohibits discrimination on the basis of disability by public entities in all services, programs, and activities provided or made available by public entities, and the rules and regulations promulgated pursuant thereto, are made a part of this contract. In providing any act benefit, or service on behalf of the OWNER pursuant to this contract, the CONTRACTOR agrees that the performance shall be in strict compliance with the Act. In the event that the Contractor, its agents, servants, employees, or subcontractors violate or are alleged to have violated the Act during the performance of this contract, the CONTRACTOR shall defend the OWNER in any action or administrative proceeding commenced pursuant to this Act. The Contractor shall indemnify, protect, and save harmless the OWNER, its agents, servants, and employees from and against any and all suits, claims, losses, demands, or damages, of whatever kind or nature arising out of or claimed to arise out of the alleged violation. The CONTRACTOR shall, at its own expense, appear, defend, and pay any and all charges for legal services and any and all costs and other expenses arising from such action or administrative proceeding or incurred in connection therewith. In any and all complaints brought pursuant to the OWNER grievance procedure, the CONTRACTOR agrees to abide by any decision of the OWNER which is rendered pursuant to said grievance procedure. If any action or administrative proceeding results in an award of damages against the OWNER or if the OWNER must any expense to cure a violation of the ADA which has been brought pursuant to its grievance procedure, the CONTRACTOR shall satisfy and discharge the same at its OWN expense.

The OWNER shall, as soon as practicable after a claim has been made against it, give written notice thereof to the CONTRACTOR along with full and complete particulars of the claim. If any action or administrative proceedings is brought against the OWNER or any of its agents, servants, and employees, the OWNER shall expeditiously forward or have forwarded to the CONTRACTOR every demand, complaint, notice, summons, pleading, or other process received by the OWNER or its representatives.

It is expressly agreed and understood that any approval by the OWNER of the services provided by the CONTRACTOR pursuant to this contract will not relieve the CONTRACTOR of the obligation to comply with the Act and to defend, indemnify, protect, and save harmless the OWNER pursuant to this paragraph.

It is further agreed and understood that the OWNER assumes no obligation to indemnify or save harmless the CONTRACTOR, its agents, servants, employees and subcontractors for any claim which may arise out of their performance of this Agreement. Furthermore, the CONTRACTOR expressly understands and agrees that the provisions of this indemnification clause shall in no way limit the CONTRACTOR'S obligations assumed in this Agreement, nor shall they be construed to relieve the CONTRACTOR from any liability, nor preclude the OWNER from taking any other actions available to it under any other provisions of the Agreement or otherwise at law.

Furthermore, the contractor expressly understands and agrees that the provisions of this indemnification clause shall in no way limit the contractor's obligations assumed in this Agreement, nor shall they be construed to relieve the contractor from any liability, nor preclude the owner from taking any other actions available to it under any other provisions of the Agreement or otherwise at law.

**Business Name (Print):** \_\_\_\_\_

**Representative's Name (Print): Representative's** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Representative's Signature:** \_\_\_\_\_

**Phone:** \_\_\_\_\_ **Date:** \_\_\_\_\_

### Prohibited Russia-Belarus Activities & Iran Investment Activities

Pursuant to law, any person or entity that is a successful bidder or proposer, or otherwise proposes to enter into or renew a contract for goods or services, must complete the certification below prior to contract award to attest, under penalty of perjury, that neither the person or entity, nor any parent entity, subsidiary or affiliate, is identified on the Department of Treasury's Russia-Belarus list or Chapter 25 list as a person or entity engaging in prohibited activities in Russia, Belarus or Iran. Before a contract for goods or services can be amended or extended, a person or entity, parent entity, or a subsidiary must certify that they are not on the lists. The lists can be found on the following web addresses:

<http://www.nj.gov/treasury/administration/pdf/RussiaBelarusEntityList.pdf>,  
[www.state.nj.us/treasury/purchase/pdf/chapter25list.pdf](http://www.state.nj.us/treasury/purchase/pdf/chapter25list.pdf)

The above lists must be reviewed prior to completing the below certification.

A person or entity unable to make the certification must provide a detailed, accurate and precise description of the activities of the person, or of a parent entity, subsidiary or affiliate, engaging in prohibited activities in Russia, Belarus and/or investment activities in Iran. The person or entity must cease engaging in any prohibited activities and provide an updated certification before the contract can be entered into.

If a vendor or contractor is found to be in violation of law, action may be taken as appropriate and as may be provided by law, rule or contract, including but not limited to imposing sanctions, seeking compliance, recovering damages, declaring the party in default and seeking debarment or suspension of the party.

#### Part 1: Certification

**INSTRUCTIONS: CHECK ONE OF THE THREE BOXES BELOW**

##### CONTRACT AWARDS AND RENEWALS

- I certify, pursuant to law, that neither the person or entity listed above, nor any parent entity, subsidiary, or affiliate appears on the N.J. Department of Treasury's lists of entities engaged in prohibited activities in Russia or Belarus pursuant to P.L. 2022, c.3 or in investment activities in Iran pursuant to P.L. 2012 c. 25 ("Chapter 25 List"). I further certify that I am the person listed above or I am an officer or representative of the entity listed above and am authorized to make this certification on its behalf.  
*(IF APPLIES, CHECK THIS BOX, SKIP PART 2 AND PROCEED TO PART 3)*

##### CONTRACT AMENDMENTS AND EXTENSIONS

- I certify, pursuant to law, that neither the person or entity listed above, nor any parent entity, subsidiary, or affiliate appears on the N.J. Department of Treasury's lists of entities engaged in prohibited activities in Russia or Belarus pursuant to P.L. 2022, c.3 or in investment activities in Iran pursuant to P.L. 2012 c. 25 ("Chapter 25 List"). I further certify that I am the person listed above or I am an officer or representative of the entity listed above and am authorized to make this certification on its behalf.  
*(IF APPLIES, CHECK THIS BOX, SKIP PART 2 AND PROCEED TO PART 3)*

##### IF UNABLE TO CERTIFY

- I am unable to certify as above because the person or entity and/or a parent entity, subsidiary or affiliate is listed on the Department's Russia-Belarus list and/or Chapter 25 Iran list. I will provide a detailed, accurate and precise description of the activities as directed in Part 2 below, and sign and complete the Certification below. Failure to provide such will prevent the award of contract to the person or entity, and appropriate penalties, fines and/or sanctions will be assessed as provided by law.  
*(IF APPLIES, CHECK THIS BOX AND PROCEED TO PART 2)*

#### Part 2: Additional Information



State of New Jersey

PHILIP D. MURPHY  
Governor

DEPARTMENT OF THE TREASURY  
DIVISION OF PURCHASE AND PROPERTY  
OFFICE OF THE DIRECTOR  
33 WEST STATE STREET  
P. O. BOX 039  
TRENTON, NEW JERSEY 08625-0039

ELIZABETH MAHER MCGO  
State Treasurer

TARENHA L. WAY  
Lt. Governor

<https://www.njstart.gov>  
Telephone (609) 292-4826 / Facsimile (609) 984-2575

AMY F. DAVIS  
Acting Director

The following list represents entities determined, based on credible information available to the public, to be engaged in prohibited activities in Iran pursuant to P.L. 2012, c. 25 ("Chapter 25"):

1. AK Matina Ltd.
2. Anona
3. Bank Markazi Iran (Central Bank of Iran)
4. Bank Mellat
5. Bank Melll Iran
6. Bank Saderat PLC
7. Bank Sepah
8. Bank Tejarat
9. China International United Petroleum & Chemicals Co., Ltd. (Unipeco)
10. China National Offshore Oil Corporation (CNOOC)
11. China National Petroleum Corporation (CNPC)
12. China National United Oil Corporation (ChinaOIL)
13. China Offfield Services Limited
14. China Petroleum & Chemical Corporation (Sinopec)
15. China Precision Machinery Import-Export Corp. (CPMIEC)
16. Iranian Oil Corporation
17. Kingstream PLC
18. National Intertrade Company (NICO)
19. National Iranian Tanker Company (NITC)
20. Oil and Natural Gas Corporation (ONGC)
21. Oil Infa Limited
22. Persia International Bank
23. Petroleos de Venezuela (PDVSA Petróleo, SA)
24. PetroChina Company, Ltd.
25. Sameh Atzar Tajik Co. (SATCO)
26. Shandong Fin Cnc Machine Company, Ltd.
27. Sinohydro Co., Ltd.
28. SK Energy Co. Ltd.
29. SKS Ventures
30. Som Petro AS
31. Zhuhai Zhewang Company

List Date: January 1, 2024



representatives thereof, from and against all loss, injury, cause of action, damage and liability to person or property in whatever form and will forever defend in the name of and on behalf of the Owner every suit or cause of action, even if groundless, seeking to enforce any such loss, injury, cause of action, damages and liability to person and property by reason of, arising out of, or in connection with this contract or contract documents, or the failure or neglect or conditions, the aforesaid being in addition to any other right or remedy which the Owner may have against the contractor in law or equity or otherwise.

7. The Contractor covenants and agrees that anything in this contract or in the contract documents to the contrary notwithstanding, or regardless of any matter, thing, contingency or conditions, unforeseen, or otherwise, present or future, the Contractor shall not be entitled to receive any additional or further sums of money than the amounts in said contract documents provided, and the failure of the Owner to insist upon strict performance of any terms, covenants, agreements, provisions or conditions in this contractor in the contract documents, in any one or more instances, shall not be construed as a waiver or relinquishment, for the future of any such terms, covenants, agreements, provisions and conditions, the same shall be the remain in full force and effect with power and authority on the part of the Owner to enforce the same or cause the same to be enforced at any time, without prejudice to the other rights which the Owner may have against the Contractor under this contract or the contract documents.
8. This contract shall inure to the benefit of and be binding to the parties hereto, their respective heirs, executors, administrators, successors and assigns, but it is expressly understood, covenanted, and agreed that this contract shall not be assigned, sold, subcontracted, pledged, mortgaged or set over the Contractor to any person, firm, corporation or association, except upon the expressed written consent of the Owner.
9. During the performance of this contract the Contractor agrees that he will fully comply with the Affirmative Action Requirements as outlined in the Specifications annexed to and incorporated in full in this contract document (P.L. 1975, c.127.).
10. Either party may terminate this agreement without cause, upon 30 days written notice.

**IN WITNESS WHEREOF**, the said party of the first part has caused this instrument to be signed by its Mayor, attest by its Clerk and its official seal to be hereto affixed, and the said party of the second part has hereunto set his hand and seal or caused these presents to be signed by its proper officers and its corporate seal to be hereto affixed, the day and year first above written.

**ATTEST:**  
\_\_\_\_\_

**TOWNSHIP OF VERNON**  
\_\_\_\_\_

**ATTEST:**  
\_\_\_\_\_

**VENDOR NAME**  
\_\_\_\_\_

**TOWNSHIP OF VERNON**

**RESOLUTION #24-103**

**AUTHORIZING CONTRACTS  
WITH CERTAIN APPROVED STATE CONTRACT VENDORS  
FIREFIGHTER ONE FOR PURCHASE OF VOLUNTEER FIRE DEPARTMENT  
TURNOUT GEAR AND BAILOUT SYSTEMS**

**WHEREAS**, as provided for within the New Jersey Local Publics Contract Law (N.J.S.A.40A:11-12 et. Seq.,) the Township of Vernon may by resolution, and without advertising for bids or obtaining quotations, purchase any goods or services under State Contract; and

**WHEREAS**, the Township has the need on a timely basis to purchase goods and services utilizing State contracts; and

**WHEREAS**, the Township intends to enter into contract with Firefighter One 34 Wilson Dr. Sparta, NJ 07871, for the procurement of turnout gear at a cost of \$66,782.10 and bailout systems at a cost of \$33,883.04 under New Jersey State Contract17-FLEET-00811/ T0790; and

**WHEREAS**, the Chief Financial Officer certifies funding is available in the amount of \$100,665.14 from Line-Item C-04-23-014 Capital Ordinance 23-14 in the amount of \$52,474.64, Line-Item C-04-22-009 Capital Ordinance 22-09 in the amount of \$24,190.50, and Line-Item C-04-22-010 Bond Ordinance 22-10 in the amount of \$24,000.00.

**NOW THEREFORE BE IT RESOLVED**, that the Township Council of the Township of Vernon, authorizes the Qualified Purchasing Agent to purchase certain goods and services from Firefighter One, through New Jersey State Contract17-FLEET-00811/ T0790 pursuant to all conditions of the individual State contracts.

**CERTIFICATION**

I certify that this is a true copy of the Resolution adopted by the Council of the Township of Vernon at their Regular Meeting held on March 25, 2024 at 7:00 pm in the Vernon Municipal Center.

\_\_\_\_\_  
Marcy Gianattasio, RMC, CMR  
Municipal Clerk

**VERNON TOWNSHIP COUNCIL**

<b>NAME</b>	<b>MOTION</b>	<b>SECOND</b>	<b>YES</b>	<b>NO</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
Buccieri, N.						
DeBenedetto, J.						
Higgins, W.						
Sparta, B.						
Rizzuto, P.						



**TOWNSHIP OF VERNON**

**RESOLUTION #24-104**

**REFUND OVERPAYMENT DUE TO STATE TAX COURT JUDGMENT**

**(Jones (Prior Owner) Block 451 Lot 72)**

**WHEREAS**, a Tax Court Judgment has been favorably awarded for the year 2019: and,

**WHEREAS**, such Judgment has resulted in an overpayment of 2019 property taxes for Block 451 Lot 72 also known as 14 Village Way, Unit 2, Vernon, New Jersey.

**NOW, THEREFORE BE IT RESOLVED** by the Council of the Township of Vernon, to authorize the Tax Collector to refund the 2019 overpayment in the amount of \$1,693.62 to Spiotti & Associates, Attorneys for Plaintiff

**BE IT FURTHER RESOLVED**, that a certified copy of this resolution be forwarded to the Township Treasurer and Tax Collector.

**CERTIFICATION**

I certify that this is a true copy of the Resolution adopted by the Council of the Township of Vernon at their Regular Meeting held on March 25, 2024 at 7:00 pm in the Vernon Municipal Center.

\_\_\_\_\_  
Marcy Gianattasio, RMC, CMR  
Municipal Clerk

**VERNON TOWNSHIP COUNCIL**

<b>NAME</b>	<b>MOTION</b>	<b>SECOND</b>	<b>YES</b>	<b>NO</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
Buccieri, N.						
DeBenedetto, J.						
Higgins, W.						
Sparta, B.						
Rizzuto, P.						

Submitted by: Lisa A. Kimkowski  
Tax Collector

**TONWSHIP OF VERNON**

**ORDINANCE #24-04**

**ORDINANCE TO EXCEED THE MUNICIPAL BUDGET APPROPRIATION LIMITS  
AND TO ESTABLISH A CAP BANK  
(N.J.S.A. 40A: 4-45.14)**

**WHEREAS**, the Local Government Cap Law, N.J.S. 40A: 4-45.1 et seq., provides that in the preparation of its annual budget, a municipality shall limit any increase in said budget up to 2.5% unless authorized by ordinance to increase it to 3.5% over the previous year's final appropriations, subject to certain exceptions; and,

**WHEREAS**, N.J.S.A. 40A: 4-45.15a provides that a municipality may, when authorized by ordinance, appropriate the difference between the amount of its actual final appropriation and the 3.5% percentage rate as an exception to its final appropriations in either of the next two succeeding years; and,

**WHEREAS**, the Township of Vernon in the County of Sussex finds it advisable and necessary to increase its CY 2024 budget by up to 3.5% over the previous year's final appropriations, in the interest of promoting the health, safety and welfare of the citizens; and,

**WHEREAS**, the governing body hereby determines that a 1% increase in the budget for said year, amounting to \$197,710.49 in excess of the increase in final appropriations otherwise permitted by the Local Government Cap Law, is advisable and necessary; and,

**WHEREAS** the governing body hereby determines that any amount authorized hereinabove that is not appropriated as part of the final budget shall be retained as an exception to final appropriation in either of the next two succeeding years.

**NOW THEREFORE BE IT ORDAINED**, by the Township of Vernon, in the County of Sussex, a majority of the full authorized membership of this governing body affirmatively concurring, that, in the CY 2024 budget year, the final appropriations of the Township of Vernon shall, in accordance with this ordinance and N.J.S.A. 40A: 4-45.14, be increased by 3.5%, amounting to \$691,986.72, and that the CY 2024 municipal budget for the Township of Vernon be approved and adopted in accordance with this ordinance; and,

**BE IT FURTHER ORDAINED**, that any that any amount authorized hereinabove that is not appropriated as part of the final budget shall be retained as an exception to final appropriation in either of the next two succeeding years; and,

**BE IT FURTHER ORDAINED**, that a certified copy of this ordinance as introduced be filed with the Director of the Division of Local Government Services within 5 days of introduction; and,

**BE IT FURTHER ORDAINED**, that a certified copy of this ordinance upon adoption, with the recorded vote included thereon, be filed with said Director within 5 days after such adoption.

**CERTIFICATION**

This is to certify that the above Ordinance was introduced and passed on first reading at the Meeting of the Township Council held on March 11, 2024, and the same came up for final passage and was adopted at the Meeting of the Township Council held on March 25, 2024 at which time all persons interested were given an opportunity to be heard. The above ordinance will be in full force and effect in the Township of Vernon according to law.

\_\_\_\_\_  
Marcy Gianattasio, Clerk  
Township of Vernon

\_\_\_\_\_  
Anthony Rossi, Mayor

**Township of Vernon**

**INTRODUCED: March 11, 2024**

NAME	M	S	YES	NO	ABSTAIN	ABSENT
Buccieri, N.	X		X			
DeBenedetto, J.				X		
Higgins, W.				X		
Sparta, B.		X	X			
Rizzuto, P.			X			

**ADOPTED:**

NAME	M	S	YES	NO	ABSTAIN	ABSENT
Buccieri, N.						
DeBenedetto, J.						
Higgins, W.						
Sparta, B.						
Rizzuto, P.						

**TOWNSHIP OF VERNON**

**ORDINANCE #24-06**

**ORDINANCE OF THE TOWNSHIP OF VERNON, COUNTY OF SUSSEX, NEW JERSEY APPROVING AN APPLICATION FOR A LONG-TERM TAX EXEMPTION AND AUTHORIZING THE EXECUTION OF A FINANCIAL AGREEMENT WITH ONEILL GROUP VERNON I URBAN RENEWAL, LLC**

**WHEREAS**, on April 23, 2018, pursuant to Resolution 18-135, the Vernon Township Council (the “**Township Council**”) designated a total of 173 lots, including that certain property identified as Block 403, Lots 4, 5 and 6 on the official Tax Maps of the Township of Vernon (the “**Township**”), as a non-condemnation “area in need of redevelopment” (collectively, the “**Redevelopment Area**”) in accordance with the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq., as amended and supplemented (the “**Redevelopment Law**”); and

**WHEREAS**, on April 26, 2021, pursuant to Ordinance No. 21-10, the Township Council duly adopted a redevelopment plan for the Redevelopment Area, entitled, “*Town Center Redevelopment Plan*” (as the same may be amended and supplemented from time to time, the “**Redevelopment Plan**”); and

**WHEREAS**, Oneill Group Vernon I Urban Renewal LLC (the “**Entity**”) is the owner of certain property within the Redevelopment Area identified as Block 403, Lot 4 (formerly Lots 4, 5 and 6) on the official Tax Maps of the Township (the “**Property**”); and

**WHEREAS**, the Entity proposes to redevelop the Property by constructing thereon a four-story building, containing fifty-five (55) residential age-restricted units, and fifty-five (55) off-street parking spaces, along with associated on-site and off-site improvements (collectively, the “**Project**”); and

**WHEREAS**, in order to enhance the economic viability of and opportunity for a successful project, the Entity submitted to the Mayor an application (the “**Application**”), which is on file with the Township Clerk, seeking a tax exemption in connection with the Project pursuant to the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. (the “**Exemption Law**”), in exchange for which the Entity proposes to make payments to the Township in lieu of taxes; and

**WHEREAS**, the Entity also submitted to the Mayor a form of financial agreement referenced in the Application, establishing the rights, responsibilities and obligations of the Entity (the “**Financial Agreement**”); and

**WHEREAS**, upon review of the Application and the Project, the Township has made the following findings:

- A. Relative Benefits of the Project:

The Property is currently underutilized and will benefit from the construction of the Project, which will generate revenue and create jobs. Furthermore, the Property currently generates approximately \$21,000 annually in real estate taxes. Upon completion, the Project would generate an initial annual service charge of approximately \$160,000 at stabilization, as well as total annual service charges of approximately \$9,265,000 over the thirty (30) year term of the tax exemption.

B. Assessment of the importance of the tax exemption in obtaining development of the Project and influencing the locational decisions of probable occupants:

The Entity is making a significant equity contribution toward the cost of the Project. In order to improve the economic viability of the development of the Project so that the Project can compete on an equitable footing with comparable projects within the Township and surrounding market, the Township has agreed to provide the tax exemption for the Project pursuant to the Financial Agreement. The stability and predictability of the tax exemption and payment of the annual service charge will make the Project more competitive thereby contributing to the overall success of the Project; and

**WHEREAS**, the Entity has represented to the Township that the Project would not be feasible in its intended scope but for the provision of financial assistance by the Township; and

**WHEREAS**, after review of the Application, the Mayor recommended that the Application be approved; and

**WHEREAS**, after review of the Application, the Township Council now desires to approve the Application and to authorize the execution of the proposed form of Financial Agreement; and

**WHEREAS**, the Township hereby determines that the assistance provided to the Project pursuant to the Financial Agreement will be a significant inducement for the Entity to proceed with the Project and that based on information set forth in the Application, the Project would not be feasible without such assistance,

**NOW, THEREFORE**, be it ordained by the Township Council of the Township of Vernon, New Jersey, as follows:

**I. GENERAL**

The aforementioned recitals are incorporated herein as though fully set forth at length.

**II. APPLICATION FOR EXEMPTION APPROVED**

The Application, which is on file with the Township Clerk and which has been recommended for approval to the Township Council by the Mayor, is hereby accepted and approved.

### **III. EXECUTION OF FINANCIAL AGREEMENT AUTHORIZED**

- (a) The Mayor is hereby authorized to execute the Financial Agreement, substantially in the form on file with the Township Clerk, subject to modification or revision deemed necessary or appropriate by the Township in consultation with counsel, and to take all other necessary or appropriate action to effectuate such Financial Agreement.
- (b) The Township Clerk is hereby authorized and directed, upon the execution of the Financial Agreement in accordance with the terms of Section III(a) hereof, to attest to the signature of the Mayor upon such document and is hereby further authorized and directed to affix the corporate seal of the Township upon such document.
- (c) In accordance with N.J.S.A. 40A:20-12, within ten (10) calendar days following the later of the effective date of this Ordinance or the execution of the Financial Agreement by the Entity, the Township Clerk shall transmit a certified copy of this Ordinance and the Financial Agreement to the chief financial officer of Sussex County and to the Sussex County Counsel for informational purposes, as well as to the Tax Assessor of the Township.

### **IV. SEVERABILITY**

If any part of this Ordinance shall be deemed invalid, such parts shall be severed and the invalidity thereby shall not affect the remaining parts of this Ordinance.

### **IV. AVAILABILITY OF THE ORDINANCE**

A copy of this Ordinance shall be available for public inspection at the offices of the Township.

### **V. EFFECTIVE DATE**

This Ordinance shall take effect according to law.

### **CERTIFICATION**

This is to certify that the above Ordinance was introduced and passed on first reading at the Meeting of the Township Council held on March 11, 2024, and the same came up for final passage and was adopted at the Meeting of the Township Council held on March 25, 2024 at which time all persons interested were given an opportunity to be heard. The above ordinance will be in full force and effect in the Township of Vernon according to law.

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Marcy Gianattasio, Clerk  
Township of Vernon

---

Anthony Rossi, Mayor

**Township of Vernon**

**INTRODUCED: March 11, 2024**

NAME	M	S	YES	NO	ABSTAIN	ABSENT
Buccieri, N.	X		X			
DeBenedetto, J.			X			
Higgins, W.			X			
Sparta, B.		X	X			
Rizzuto, P.			X			

**ADOPTED:**

NAME	M	S	YES	NO	ABSTAIN	ABSENT
Buccieri, N.						
DeBenedetto, J.						
Higgins, W.						
Sparta, B.						
Rizzuto, P.						



## MEMORANDUM

To: Donelle Bright, Chief Financial Officer

From: Bryan Morris, Phoenix Advisors, LLC

CC: Matthew D. Jessup, Esq., McManimon, Scotland & Baumann, LLC

Subject: Review of Application for Long-Term Tax Exemption –  
O’Neill Group Vernon I Urban Renewal LLC

Date: November 8, 2023

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### Introduction

At the request of the Township of Vernon (the “Township”), Phoenix Advisors, LLC has reviewed and analyzed preliminary financial information in connection with an anticipated Application for Long-Term Tax Exemption for an age-restricted, residential redevelopment project by O’Neill Group Vernon I Urban Renewal LLC (the “Developer”) located in the Town Center Commercial Zone.

The Developer is proposing to undertake the redevelopment of an approximately 1.2-acre parcel located on Theta Drive and identified as Block 403, Lot 4 (the “Project”). As proposed, the Project will consist of 55 one-bedroom age-restricted, residential rental units with associated amenities, parking and site improvements. The subject properties are currently underutilized and generate approximately \$21,000 in total tax revenue, of which the Township receives approximately \$5,000. The current aggregate assessment is \$742,500, which is fully allocated to the land.

The Developer has requested a 30-year tax exemption pursuant to the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. (the “Law”). In lieu of paying conventional taxes on the project, the Developer would make a Payment in Lieu of Taxes (“PILOT”), or an Annual Service Charge (“ASC”) on annual gross revenue (“AGR”) of the Project, which the Developer is proposing as: (i) 10% of AGR for years 1-6, (ii) 11% of AGR for years 7-11; (iii) 12% of AGR for years 12-16; and (iv) 13% of AGR for years 17-30. For reference, the Law sets the statutory minimum percentage at 10% of AGR.

To complete our review, we were provided with: (i) a financial pro forma; (ii) a Project cost budget; (iii) supporting market information; and (iv) various resolutions and legal approvals. We obtained additional information, as needed, from various available public sources, discussions with the Township administration and information on file.





### Project Information

The total cost of the Project, which includes land acquisition, soft costs, construction costs and all associated site work/improvements, is estimated to be approximately \$17.9 million. This is further broken down into: (i) \$750,000 for land acquisition; (ii) \$11.9 million for construction costs and site improvements; and (iii) \$5.3 million for soft costs and financing costs. On a per square foot basis, the constructions costs equal about \$270, which in our experience is modestly high as compared to other residential projects, but not unreasonable considering increased project costs due to recent levels of inflation and supply chain concerns for building materials (30-35%). The total Project costs equate to \$408 per square foot or approximately \$325,000 per unit.

Estimated Project Costs		
<u>Project Costs</u>	<u>Per SF</u>	<u>Total</u>
Construction Cost	\$270	\$11,895,000
Land Acquisition	17	750,000
Other Costs (soft/financing)	<u>121</u>	<u>5,310,000</u>
<b>Total</b>	<b>\$408</b>	<b>\$17,955,000</b>

Based on a cursory review of comparable rents in the area, the Developer's projected average monthly market rents of \$2,500 appear to be reasonable and in line with the market for new construction. The following table presents a breakdown of the rental units by type and estimated rental income.

Projected Rental Income Details				
<u>Unit Type</u>	<u>No. of Units</u>	<u>Unit Size (Sq. Ft.)</u>	<u>Est. Monthly Average Rent</u>	<u>Gross Rental Income</u>
Unit A (1-BR)	6	850	\$2,535	\$182,520
Unit B (1-BR)	36	765	2,450	1,058,400
Unit C (1-BR)	2	720	2,305	55,320
Unit D (1-BR)	6	860	2,565	184,680
Unit E (1-BR)	5	960	2,700	162,000
Storage & Misc	<u>55</u>	1	<u>62</u>	<u>40,800</u>
<b>Total</b>	<b>55</b>		<b>\$12,617</b>	<b>\$1,683,720</b>

For presentation purposes, no phasing of Project completion has been included in our analysis, so we assumed Project completion in 2024 with year 1 of the PILOT beginning in 2025. Accordingly, the various ASC projections presented in our analysis are based on the 2022 tax rate escalated to Project year 1 and an estimated assessed valuation of approximately \$10.9 million. The estimated assessed valuation is based on an NOI-based market value and application of the 99.74% equalization ratio. We confirmed this figure with the Township's Tax Assessor. For the purposes of this analysis, we assumed the total tax rate would increase at 2% annually.



Per our discussions with the Township administration, we assumed that the land portion of the assessment will also be exempted and, accordingly, the Developer will not pay land taxes and the Township will not be required to provide an annual land tax credit to the Developer against the ASC. The elimination of the land tax credit provides a substantial increase in revenue to the Township, as it would receive 95% of the ASC instead of receiving only 95% of the remaining ASC (after deduction of the prior year's total land tax which is projected to be approximately \$25,000 in Project year 1). In our experience, the Developer and municipality have typically agreed to exempt the land and waive the applicable land tax credit for most residential projects.

After reviewing the materials provided by the Developer and conducting our own independent analysis of the Project, we offer the following summary of our analysis and commentary.

### Need for Tax Abatement

The Developer has requested a PILOT in order to offset the costs of delivering age-restricted housing in the current real estate market environment. Under a conventional tax scenario, based upon the information available to us and our independent analysis, the Project does not produce sufficient cash flow to generate reasonable returns and deliver the financial returns needed to warrant such investment and secure private lending. These factors, along with the real estate taxes that would otherwise be levied upon the Project, operate as a disincentive to the redevelopment of the subject property. The relative stability and predictability of the ASC payments under the financial agreement assist in the long-term success and viability of the Project. Further, projects often need more support in the early years and then can sustain a higher PILOT once the project is stabilized and operating efficiently, which is the case for this project as evidenced by the increase in the ASC over time.

In our experience, a typical Internal Rate of Return ("IRR") for a residential redevelopment project, including affordable or age-restricted housing units, would be roughly 8-14%. Based on our analysis and methodology, at the proposed terms of the Developer, the IRR would be approximately 13%, whereas under a conventional tax scenario, the returns would be approximately 8.5%. The unlevered return, which measures the expected NOI to total Project costs, is approximately 6.7%, as compared to a 6% target. As mentioned above, at an 8.5% IRR, the Project cannot support conventional taxes while delivering the financial returns needed to warrant such investment and secure private lending. If the Project were conventionally taxed, the Developer would generate returns well below expectations and would likely not proceed with the Project. In our opinion, these returns are reasonable as compared to PILOTs we have reviewed in other municipalities.

### Financial Impact of the Developer's Proposal

As mentioned above, the Developer has requested a 30-year tax exemption with ASC calculated at (i) 10% of AGR for years 1-6, (ii) 11% of AGR for years 7-11; (iii) 12% of AGR for years 12-16; and (iv) 13% of AGR for years 17-30. Further, the ASC is subject to certain statutory conventional tax phase-ins as described in the Law, which ensure that the ASC in any given year



is not less than the follow amounts: (i) no statutory minimum in years 1-6; (ii) 20% of conventional taxes in years 7-11; (iii) 40% of conventional taxes in years 12-16; (iv) 60% of conventional taxes in years 17-21; and (v) 80% of conventional taxes in years 22-30. These statutory minimums, as proposed by the Developer, are significantly more favorable to the Township than the minimums required under the Law and are subject to further negotiation. A comparison of the projected PILOT cash flow to estimated conventional taxes, based on the assumptions described in this memorandum, is attached hereto as Exhibit I.

Based on the expected rents provided by the Developer, the ASC in the first stabilized year is projected to be **\$160,000**. After accounting for the 5% payment to the County and the 2% administrative fee payable to the Township, the net revenue to the Township in the first stabilized year is projected to be **\$155,000**. This figure is projected to increase annually over the 30-year term of the tax exemption in conjunction with rent increases and the aforementioned ASC increases. In aggregate, the projected net revenue to the Township over the life of the PILOT would be **\$8.9 million**.

Summary of PILOT Cash Flow at Developer's Proposal		
	<u>Year 1</u>	<u>30-Yr Total</u>
Gross Rental Income (Proposed Rents)	\$1,685,000	\$80,105,000
Vacancy Factor (5.00%)	<u>85,000</u>	<u>4,005,000</u>
Effective Annual Gross Revenue (AGR)	1,600,000	76,100,000
Annual Service Charge (ASC)	160,000	9,265,000
Plus: Administrative Fee (2.00% of ASC)	5,000	185,000
Less: County Payment (5.00% of ASC)	10,000	465,000
Less: Land Tax Credit	<u>0</u>	<u>0</u>
Net ASC to Municipality	155,000	8,985,000
Plus: Municipal share of Land Tax	<u>0</u>	<u>0</u>
<b>Aggregate Revenue to Municipality</b>	<b>\$155,000</b>	<b>\$8,985,000</b>

*Figures may not add due to rounding.*

If the Project were conventionally taxed, the total tax revenue is projected to be approximately \$320,000 in the first stabilized year. This amount would be split between the Township (24%), the County (20%) and the school district (56%). The Township's share of theoretical conventional taxes would be approximately \$75,000. Based on this proposal, the ASC is equal to approximately 50-85% of otherwise applicable conventional taxes throughout the 30-year period. However, as previously established, if the Project were conventionally taxed, it would likely not be built, so these tax amounts are hypothetical. The more relevant figure to compare to is the Township's share of current taxes, which would be approximately \$5,000 in the first stabilized year and total approximately \$210,000 over the proposed 30-year term of the PILOT.



### Municipal/School Costs

An important consideration in the evaluation of a residential redevelopment project is the expected costs of municipal services and school children. As age-restricted housing, the Project is not expected to generate any school children or have any financial impact on the school district. With respect to municipal costs, we generally find the incremental budgetary impact of new residential development, especially at this scale, to be relatively minor so the Project will likely have no material impact on the Township's budget.

### Conclusion/Recommendation

Upon initial review, the Developer's financial pro forma, assumptions and Project budget generally appear reasonable and do not contain any material omissions, major errors or misleading information. Based on the Developer's initial proposal and as discussed above, the net revenue to the Township is projected to be approximately **\$155,000** in the first stabilized year (estimated to be 2025). Over the 30-year term, the Township is projected to collect a total of **\$8.9 million** in revenue from the Project, which is approximately **\$8.8 million** higher than what it would otherwise receive from current taxes. The net revenue should be more than sufficient to cover any incremental municipal costs and, importantly, the PILOT will enable the private development of senior housing in the Township.

As mentioned above, the Developer's proposed PILOT terms are significantly more favorable to the Township than the statutory minimums and, in our opinion, deliver a reasonable financial return to the Developer while providing numerous benefits to the Township (financial and otherwise). We believe that this PILOT arrangement is fair to both parties as it offers the Developer more financial assistance in the early years when the Project is most stressed and escalates in the later years once the project is stabilized and operating efficiently. That said, while there may be some additional room to negotiate more favorable financial terms, through our discussions with the Township, we understand that the Project is the first stage of a larger redevelopment initiative and that the current proposal meets the goals of the Township. Either way, this proposal is likely near the Developer's financial limitations. We look forward to discussing this important Project with you in greater detail.

# **EXHIBIT I**



**Township of Vernon**  
**Theta Redevelopment Project - PILOT Analysis**  
**PILOT Comparison to Traditional Tax Scenario**

**\*Preliminary Projection For Discussion Purposes Only - Subject to Change\***

Year <sup>(1)</sup>	AGR	PROPOSED ANNUAL SERVICE CHARGE (ASC) <sup>(2)(4)</sup>								THEORETICAL CONVENTIONAL TAXES <sup>(3)</sup>			
	Annual Gross Revenue: -AGGREGATE	GREATER ASC Basis (% of AGR)	Proposed ASC (Before Stages)	Statutory Stages (% of Conv. Taxes)	Gross Projected ASC	ASC as a % of Conv. Taxes	Plus: 2.00% Admin. Fee	Less: 5.00% to County	Net ASC to Municipality	Total	Municipal	County	School
Year 1	\$1,599,534	10.00%	\$159,953	0.00%	\$159,953	50.03%	\$3,199	(\$7,998)	\$155,155	\$319,685	\$76,547	\$63,506	\$179,631
Year 2	1,647,520	10.00%	164,752	0.00%	164,752	50.53%	3,295	(8,238)	159,809	326,078	78,078	64,776	183,224
Year 3	1,696,946	10.00%	169,695	0.00%	169,695	51.02%	3,394	(8,485)	164,604	332,600	79,640	66,072	186,888
Year 4	1,747,854	10.00%	174,785	0.00%	174,785	51.52%	3,496	(8,739)	169,542	339,252	81,233	67,393	190,626
Year 5	1,800,290	10.00%	180,029	0.00%	180,029	52.03%	3,601	(9,001)	174,628	346,037	82,857	68,741	194,439
Year 6	1,854,298	10.00%	185,430	0.00%	185,430	52.54%	3,709	(9,271)	179,867	352,958	84,515	70,116	198,327
Year 7	1,909,927	11.00%	210,092	20.00%	210,092	58.36%	4,202	(10,505)	203,789	360,017	86,205	71,518	202,294
Year 8	1,967,225	11.00%	216,395	20.00%	216,395	58.93%	4,328	(10,820)	209,903	367,217	87,929	72,948	206,340
Year 9	2,026,242	11.00%	222,887	20.00%	222,887	59.51%	4,458	(11,144)	216,200	374,562	89,688	74,407	210,467
Year 10	2,087,029	11.00%	229,573	20.00%	229,573	60.09%	4,591	(11,479)	222,686	382,053	91,481	75,896	214,676
Year 11	2,149,640	11.00%	236,460	20.00%	236,460	60.68%	4,729	(11,823)	229,367	389,694	93,311	77,413	218,970
Year 12	2,214,129	12.00%	265,695	40.00%	265,695	66.84%	5,314	(13,285)	257,725	397,488	95,177	78,962	223,349
Year 13	2,280,553	12.00%	273,666	40.00%	273,666	67.50%	5,473	(13,683)	265,456	405,438	97,081	80,541	227,816
Year 14	2,348,970	12.00%	281,876	40.00%	281,876	68.16%	5,638	(14,094)	273,420	413,546	99,022	82,152	232,372
Year 15	2,419,439	12.00%	290,333	40.00%	290,333	68.83%	5,807	(14,517)	281,623	421,817	101,003	83,795	237,020
Year 16	2,492,022	12.00%	299,043	40.00%	299,043	69.50%	5,981	(14,952)	290,071	430,254	103,023	85,471	241,760
Year 17	2,566,783	13.00%	333,682	60.00%	333,682	76.03%	6,674	(16,684)	323,671	438,859	105,083	87,180	246,595
Year 18	2,643,786	13.00%	343,692	60.00%	343,692	76.78%	6,874	(17,185)	333,381	447,636	107,185	88,924	251,527
Year 19	2,723,100	13.00%	354,003	60.00%	354,003	77.53%	7,080	(17,700)	343,383	456,589	109,329	90,702	256,558
Year 20	2,804,793	13.00%	364,623	60.00%	364,623	78.29%	7,292	(18,231)	353,684	465,720	111,515	92,516	261,689
Year 21	2,888,936	13.00%	375,562	60.00%	375,562	79.06%	7,511	(18,778)	364,295	475,035	113,745	94,367	266,923
Year 22	2,975,604	13.00%	386,829	80.00%	387,628	80.00%	7,753	(19,381)	375,999	484,535	116,020	96,254	272,261
Year 23	3,064,873	13.00%	398,433	80.00%	398,433	80.62%	7,969	(19,922)	386,480	494,226	118,341	98,179	277,706
Year 24	3,156,819	13.00%	410,386	80.00%	410,386	81.41%	8,208	(20,519)	398,075	504,111	120,708	100,143	283,260
Year 25	3,251,523	13.00%	422,698	80.00%	422,698	82.21%	8,454	(21,135)	410,017	514,193	123,122	102,145	288,926
Year 26	3,349,069	13.00%	435,379	80.00%	435,379	83.01%	8,708	(21,769)	422,318	524,477	125,584	104,188	294,704
Year 27	3,449,541	13.00%	448,440	80.00%	448,440	83.83%	8,969	(22,422)	434,987	534,966	128,096	106,272	300,598
Year 28	3,553,027	13.00%	461,894	80.00%	461,894	84.65%	9,238	(23,095)	448,037	545,666	130,658	108,398	306,610
Year 29	3,659,618	13.00%	475,750	80.00%	475,750	85.48%	9,515	(23,788)	461,478	556,579	133,271	110,566	312,742
Year 30	3,769,407	13.00%	490,023	80.00%	490,023	86.32%	9,800	(24,501)	475,322	567,710	135,936	112,777	318,997
<b>Total</b>	<b>\$76,098,495</b>		<b>\$9,262,059</b>		<b>\$9,262,858</b>		<b>\$185,257</b>	<b>(\$463,143)</b>	<b>\$8,984,973</b>	<b>\$12,968,996</b>	<b>\$3,105,382</b>	<b>\$2,576,317</b>	<b>\$7,287,297</b>

(1) Year 1 assumed to be 2025  
(2) Assumes full stabilization in Year 1 for presentation purposes.  
(3) Assumes a 2.00% increase to the tax rate each year and an assessed valuation of \$10,900,000.  
(4) Assumes no land tax, or resulting credit, on the project due to the residential nature of the project.



# Township of Vernon

Telephone 973-764-4055

21 Church Street  
Vernon, New Jersey 07462

[www.vernontwp.com](http://www.vernontwp.com)

March 6, 2024

Marcy Gianattasio, Township Clerk  
Township of Vernon  
21 Church Street  
Vernon, New Jersey 07462

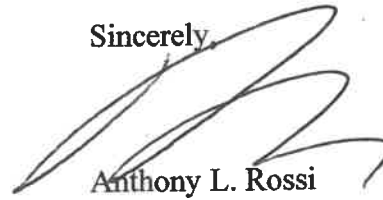
**Re: Long Term Tax Exemption Application  
Oneill Group Vernon I Urban Renewal, LLC**

Dear Ms. Gianattasio:

In accordance with the requirements of the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. (the "Exemption Law"), I have reviewed the application, proposed financial agreement and related documents (collectively, the "Application") submitted by Oneill Group Vernon I Urban Renewal, LLC (the "Entity") for the proposed redevelopment of the property currently identified as Block 403, Lot 4 (formerly Lots 4, 5 and 6) on the Official Tax Map of the Township of Vernon (the "Property"). The Entity proposes to redevelop the Property with a four-story building, containing fifty-five (55) residential age-restricted units, fifty-five (55) off-street parking spaces, along with associated on-site and off-site improvements (the "Project"). The Project will provide both short and long term economic development advantages to the Township inasmuch as it will create 30 full-time temporary jobs, and 29 full-time permanent jobs in the Township.

I believe that the Project is a desirable and beneficial improvement in the Township and that the use of the Exemption Law will assist the Township in advancing the revitalization of the redevelopment area. Therefore, I recommend that the Application be favorably considered by the Township Council, provided that all legal prerequisites have been met.

Sincerely,



Anthony L. Rossi  
Mayor

**FINANCIAL AGREEMENT FOR  
LONG TERM TAX EXEMPTION  
N.J.S.A. 40A:20-1 et seq.**

by and between

**TOWNSHIP OF VERNON**

and

**ONEILL GROUP VERNON I URBAN RENEWAL, LLC**

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



**THIS FINANCIAL AGREEMENT** is made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ (hereinafter this “Agreement”) by and between **ONEILL GROUP VERNON I URBAN RENEWAL, LLC** (the “Entity”) a New Jersey limited liability company and an urban renewal entity qualified to do business under the provisions of the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 *et seq.*, as amended and supplemented (the “Exemption Law”), with offices at 241 Hudson Street, Hackensack, New Jersey 07601; and the **TOWNSHIP OF VERNON**, a municipal corporation of the State of New Jersey, having an address at 21 Church Street, Vernon, New Jersey 07462 (the “Township”; and together with the Entity, the “Parties” or “Party”).

**WITNESSETH:**

**WHEREAS**, on April 23, 2018, pursuant to Resolution 18-135, the Vernon Township Council (the “Township Council”) designated a total of 173 lots, including that certain property identified as Block 403, Lots 4, 5 and 6 the official Tax Maps of the Township, as a non-condemnation “area in need of redevelopment” (collectively, the “Redevelopment Area”) in accordance with the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 *et seq.*, as amended and supplemented (the “Redevelopment Law”); and

**WHEREAS**, by the adoption of Ordinance No. 21-10 on April 26, 2021, the Township Council duly adopted a redevelopment plan for the Redevelopment Area, entitled, “Town Center Redevelopment Plan” (as the same may be amended and supplemented from time to time, the “Redevelopment Plan”); and

**WHEREAS**, the Entity is the owner of certain property within the Redevelopment Area identified as Block 403, Lot 4 (formerly Lots 4, 5 and 6) on the official Tax Maps of the Township, as more particularly described in that certain metes and bounds description attached hereto as Exhibit A and hereby made a part hereof (the “Property”); and

**WHEREAS**, the Entity proposes to redevelop the Property by constructing thereon a four-story building, containing fifty-five (55) residential age-restricted units, fifty-five (55) off-street parking spaces, along with associated on-site and off-site improvements (collectively, the “Project”); and

**WHEREAS**, in accordance with the Exemption Law, the Entity filed an application with the Township for approval of a tax exemption (the “Tax Exemption”) for the Project (the “Application”), a copy of which is annexed hereto and made a part hereof as Exhibit B; and

**WHEREAS**, on March 6, 2024, the Mayor recommended to the Township Council that the Application be approved, provided that all legal prerequisites are met; and

**WHEREAS**, on March 11, 2024 by Ordinance No. \_\_\_\_\_ (the “Ordinance”), the Township Council approved the Application, authorized the Tax Exemption, subject to the terms and conditions of this Agreement, and authorized the execution of this Agreement; and

**WHEREAS**, pursuant to this Agreement, the Township and the Entity desire to set forth in detail their mutual rights and obligations with respect to the Tax Exemption; and

**WHEREAS**, the Township Council has reviewed the Application and has made the following findings:

**A. Benefits of Project v. Costs.**

i. The development and construction of the Project, as set forth in this Agreement and Redevelopment Plan, will be beneficial to the overall community; will achieve the goals and objectives of the Redevelopment Plan; will help revitalize the Property; will improve the quality of life for the community; will serve as a catalyst for further private investment in areas surrounding the Property and will enhance the economic development of the Township.

ii. It is anticipated that the development of the Project will create approximately thirty (30) full-time temporary jobs and twenty nine (29) full-time permanent jobs as a result of the Project.

iii. In 2022, the Property, including the improvements thereon, generated approximately \$20,931 in total real estate taxes to all government units, including \$5,012 to the Township. Pursuant to this Agreement, the Project is projected to generate revenue for the Township in the first year of approximately \$155,000, well in excess of the municipal revenue generated by *ad valorem* taxes in 2022. The benefits to the Township accruing as a result of the Project, including the generation of jobs, the revitalization of the Redevelopment Area, and the generation of municipal revenues, will substantially outweigh any incremental costs to the Township resulting from the Tax Exemption granted herein. It is anticipated that the benefits projected above will be realized, however, it is understood and agreed that these benefits are speculative and not guaranteed outcomes of the Project.

**B. Importance of Tax Exemption.**

The Township Council's approval of the Tax Exemption set forth herein is essential to the success of the Project because:

i. The relative stability and predictability of the Annual Service Charge (as defined below) associated with the Project will make it more attractive to financial institutions whose participation is necessary in order to finance the Project.

ii. The relative stability and predictability of the Annual Service Charge will allow the Entity to provide a high level of maintenance for the Property and will have a positive impact on the surrounding area and community.

iii. The financial benefit conferred by the Tax Exemption assists in the undertaking of an age-restricted development.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties to this Agreement mutually covenant and agree as follows:

**ARTICLE I - GENERAL PROVISIONS**

**Section 1.1 Governing Law**

This Agreement shall be governed by the provisions of the Exemption Law, the Redevelopment Law, the Ordinance, and all other Applicable Laws, as defined below. It is expressly understood and agreed that the Township has relied upon the facts, data, and representations contained in the Application in granting the Tax Exemption and the Application is hereby incorporated into this Agreement by reference.

**Section 1.2 General Definitions and Construction**

The recitals and exhibits to this Agreement are hereby incorporated by reference herein as if set forth at length. Unless specifically provided otherwise or the context otherwise requires, when used in this Agreement, the following terms and phrases shall have the following respective meanings:

- a. **Affiliate** – With respect to any person or entity, any other person or entity directly or indirectly Controlling or Controlled by, or under direct common Control with, such person or entity.
- b. **Agreement** – Shall have the meaning specified in the preamble hereof.
- c. **Allowable Net Profit (also referred to as “ANP”)** – The amount arrived at by applying the Allowable Profit Rate pursuant to the provisions of N.J.S.A. 40A:20-3.
- d. **Allowable Profit Rate (also referred to as the “APR”)** – The greater of twelve percent (12%) or the percentage per annum arrived at by adding one and one-quarter percent (1.25%) to the annual interest percentage rate payable on the Entity's initial permanent mortgage financing for the Project. If the initial permanent mortgage is insured or guaranteed by a governmental agency, the mortgage insurance premium or similar charge, if payable on a per annum basis, shall be considered as interest for this purpose. If there is no permanent mortgage financing or if the financing is internal or undertaken by a related party, the APR shall be the greater of twelve percent (12%) or the percentage per annum arrived at by adding one and one-quarter percent (1.25%) to the prevailing per annum interest rate on mortgage financing on comparable improvements within Sussex County. The provisions of N.J.S.A. 40A:20-3(b) are incorporated herein by reference.
- e. **Annual Administrative Fee** – Shall have the meaning specified in Section 4.9 hereof.
- f. **Annual Gross Revenue (also referred to as the “AGR”)** – Annual gross revenue for the Project, as determined pursuant to the Exemption Law and the terms of this Agreement.

- g. **Annual Service Charge (also referred to as the “ASC”)** – The total annual amount that the Entity has agreed to pay the Township for municipal services supplied to the Project, which sum is in lieu of any taxes on the Land and the Improvements pursuant to the Exemption Law, which amount shall be prorated in the year in which the Annual Service Charge begins and the year in which the Annual Service Charge terminates. The Annual Service Charge shall be calculated pursuant to Article IV hereof.
- h. **Annual Audited Statement** – Shall mean a complete financial statement outlining the financial status of the Project, which shall also include a computation of Net Profit, Allowable Net Profit, and Annual Gross Revenue, prepared annually by the Entity’s certified public accountant. The contents of each Annual Audited Statement shall be prepared in conformity with Generally Accepted Accounting Principles, the Exemption Law, and this Agreement.
- i. **Applicable Law** – Shall mean any and all federal, state and local laws, rules, regulations, rulings, court orders, statutes and ordinances applicable to the Project, the Property and the Tax Exemption.
- j. **Application** – Shall have the meaning specified in the recitals of this Agreement.
- k. **ASC Commencement Date** – The first day of the month immediately following the Substantial Completion of any portion of the Project.
- l. **Certificate of Occupancy** – A temporary or permanent certificate of occupancy issued by the appropriate Township official, pursuant to N.J.S.A. 52:27D-133.
- m. **Control** – As used with respect to any person or entity, shall mean possession, directly or indirectly, of the power to direct or cause the direction of the management and operation of such person or entity, whether through the ownership of voting securities or by contract or other written agreements.
- n. **Commencement of Construction** – The undertaking of any actual physical construction of any portion of the Project, including demolition, site preparation, environmental remediation, construction of Improvements or construction or upgrading of infrastructure.
- o. **Completion of Construction** – The completion of construction of the Project, in accordance with the Redevelopment Plan and Governmental Approvals, sufficient for issuance of a Certificate of Occupancy and subject only to installation of landscaping, if the delay in completion thereof is necessitated by seasonal concerns.
- p. **Days** – Whenever the word “Days” is used to denote time, it shall mean calendar days.
- q. **Debt Service** – The amount required to make annual payments of principal and interest or the equivalent thereof on any construction mortgage, permanent mortgage or other financing including returns on institutional equity financing and market rate related party

debt for the Project for a period equal to the term of the Tax Exemption granted by this Agreement.

- r. **Default** – A breach or failure of the Township or the Entity to perform any obligation imposed by the terms of this Agreement, or under the Exemption Law, beyond any applicable grace or cure periods set forth in this Agreement.
- s. **Effective Date** – The date that this Agreement has been executed by both Parties.
- t. **Entity** – Shall mean the entity specified in the preamble of this Agreement, which shall be qualified as an urban renewal entity under the Exemption Law. Unless the context provides otherwise, it shall also include any permitted Transferee, which shall also be qualified as an urban renewal entity under the Exemption Law as set forth in Section 8.1 hereof.
- u. **Excess Net Profits** – The amount of Net Profits that exceeds the Allowable Net Profits (ANP) for the applicable accounting period as determined in accordance with the Exemption Law.
- v. **Exemption Law** – Shall have the meaning specified in the preamble of this Agreement.
- w. **Governmental Approvals** – All governmental consents, approvals, licenses or permits required for Commencement of Construction, Completion of Construction, and use and occupancy of the Project.
- x. **Improvements** – Any building, structure or fixture comprising the Project which is permanently affixed to the Property to be constructed and exempt under this Agreement.
- y. **Land Taxes** – The amount of any real estate taxes levied on the Property, exclusive of any Improvements related thereto.
- z. **Minimum Annual Service Charge** – The amount of the total taxes levied against the Property in the last full tax year in which the Property was subject to taxation.
- aa. **Net Profit** – Annual Gross Revenue (AGR) less all operating and non-operating expenses and costs of the Entity, all determined in accordance with Generally Accepted Accounting Principles and the provisions of N.J.S.A 40A:20-3(c), but: (1) there shall be included in expenses: (a) all annual service charges paid pursuant to N.J.S.A. 40A:20-12; (b) all payments to the municipality of excess profits pursuant to N.J.S.A. 40A:20-15 or N.J.S.A. 40A:20-16; (c) an annual amount sufficient to amortize the Total Project Cost and all capital costs determined in accordance with generally accepted accounting principles, of any other entity whose revenue is included in the computation of excess profits, over the term of the abatement as set forth in this Agreement; (d) all reasonable annual operating expenses of the Entity and any other entity whose revenue is included in the computation of Excess Net Profits, including the cost of all management fees, brokerage commissions, insurance premiums, all taxes or service charges paid, legal,

accounting, or other professional service fees, utilities, building maintenance costs, building and office supplies, and payments into repair or maintenance reserve accounts; (e) all payments of rent including, but not limited to, ground rent by the Entity (if applicable); (f) all Debt Service; and (2) there shall not be included in expenses either depreciation or obsolescence, interest on debt, except interest which is part of Debt Service, income taxes, or salaries, bonuses or other compensation paid, directly or indirectly to directors, officers and stockholders of the Entity, or officers, partners or other persons holding any proprietary ownership interest in the Entity.

- bb. **Ordinance** – Shall have the meaning specified in the recitals of this Agreement.
- cc. **Party or Parties** – Shall have the meaning specified in the preamble of this Agreement.
- dd. **Payment Default** – Shall have the meaning specified in the Section 5.4 of this Agreement.
- ee. **Project** – Shall have the meaning specified in the recitals of this Agreement.
- ff. **Property** – Shall have the meaning specified in the recitals of this Agreement.
- gg. **Redevelopment Area** – Shall have the meaning specified in the recitals of this Agreement.
- hh. **Redevelopment Law** – Shall have the meaning specified in the recitals of this Agreement.
- ii. **Redevelopment Plan** – Shall have the meaning specified in the recitals of this Agreement.
- jj. **Rental Unit** – A residential unit within the Project made available for rent to the public.
- kk. **Reserve** – Shall have the meaning specified in Section 6.2 of this Agreement.
- ll. **Secured Party or Secured Parties** – Shall have the meaning specified in Section 8.3(a) of this Agreement.
- mm. **Security Arrangements** – Shall have the meaning defined in Section 8.3(a) of this Agreement.
- nn. **Substantial Completion** – The determination by the Township construction official that the Project, in whole or in part, is ready for the use intended, which shall mean the date on which the Project receives, or is eligible to receive, any Certificate of Occupancy for any portion of the Project.
- oo. **Tax Exemption** – Shall have the meaning specified in the recitals of this Agreement.

- pp. **Tenant** – Any tenant of a Rental Unit.
- qq. **Termination Date** – The earlier to occur of (i) the thirty-fifth (35<sup>th</sup>) anniversary of the Effective Date; (ii) the thirtieth (30<sup>th</sup>) anniversary date of the ASC Commencement Date; or (iii) such other date as this Agreement may terminate pursuant to the terms hereof or pursuant to Applicable Law.
- rr. **Total Project Cost** – Shall be as calculated in accordance with Section 3(h) of the Exemption Law.
- ss. **Township** – Shall have the meaning specified in the preamble of this Agreement.
- tt. **Township Council** – Shall have the meaning specified in the recitals of this Agreement.
- uu. **Transfer** – Shall have the meaning specified in Section 8.1 of this Agreement.
- vv. **Transferee** – Shall have the meaning specified in Section 8.1 of this Agreement.

**Section 1.3 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. All references to articles, sections or exhibits in this Agreement shall, unless indicated otherwise, refer to the articles, sections or exhibits in this Agreement.

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. 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) days, unless the context dictates otherwise.

G. All exhibits referred to in this Agreement and attached hereto are incorporated herein and made part hereof.

## **ARTICLE II - PROJECT AND PROPERTY**

### **Section 2.1. Project, Project Timeline and Project Construction**

(a) Project description. The Entity proposes to redevelop the Property by constructing thereon a four-story building, containing fifty-five (55) residential age-restricted units, fifty-five (55) off-street parking spaces, along with associated on-site and off-site improvements.

(b) Timeline and Implementation of the Project.

(i) Entity shall obtain all Governmental Approvals required for Commencement of Construction no later than ninety (90) days after the Effective Date;

(ii) Entity shall Commence Construction within sixty (60) days after the receipt of all Governmental Approvals required for the Commencement of Construction, but in any event not later than August 1, 2024;

(iii) Entity shall Complete Construction on or before twenty four (24) months after the Commencement of Construction, but in any event not later than August 1, 2026;

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

### **Section 2.2 Township's Findings**

Pursuant to the Exemption Law, the Township finds that the Tax Exemption granted pursuant to this Agreement will benefit the Township and the community by assuring the success of the redevelopment of the Property, which exhibits the statutorily recognized redevelopment criteria. The development and construction of the Project, as set forth in this Agreement and Redevelopment Plan, will achieve the goals and objectives of the Redevelopment Plan; will help



revitalize the Property; will improve the quality of life for the community; is expected to generate approximately thirty (30) full-time temporary jobs and twenty nine (29) full-time permanent jobs; will serve as a catalyst for further private investment in areas surrounding the Property and will enhance the economic development of the Township. The benefits to the Township accruing as a result of the Project, the generation of jobs, the revitalization of the Redevelopment Area, and the generation of municipal revenues, will substantially outweigh any incremental costs to the Township resulting from the Tax Exemption granted herein. It is anticipated that the benefits mentioned in this Agreement will be realized, however, it is understood and agreed that these benefits are speculative and not guaranteed outcomes of the Project.

The Tax Exemption is important to the Township and the Entity because without the incentive of the Tax Exemption, it is unlikely that the Project would be undertaken. The Tax Exemption will allow the Entity to provide a high level of maintenance for the Property and will support the costs of undertaking an age-restricted residential development in the Redevelopment Area, all of which is expected to attract future occupants to the Project.

### **Section 2.3 Approval of Agreement**

The Township hereby approves a Tax Exemption for the Project, which is to be constructed, operated and maintained on the Property in accordance with the terms and conditions set forth herein, the provisions of the Exemption Law, and other Applicable Law.

### **Section 2.4 Approval of the Entity**

The Township hereby approves of the Entity in reliance upon the Entity's representation that its certificate of formation contains all the requisite provisions of law, has been reviewed and approved by the Commissioner of the New Jersey State Department of Community Affairs, and has been filed with, as appropriate, the New Jersey State Department of Treasury, all in accordance with N.J.S.A. 40A:20-5.

### **Section 2.5 Redevelopment of the Property**

The Entity agrees that it will develop, construct, operate and maintain the Project in accordance with the terms of the Redevelopment Plan. The final design of the Project has been approved by the Land Use Board of the Township, in accordance with the Redevelopment Plan.

### **Section 2.6 Entity's Relationship to Property**

The Property will be owned in fee simple by the Entity. The Entity may, at its discretion, enter into leases with third parties for the use and occupancy of the Property, provided that such lease is in compliance with the terms and conditions of this Agreement and the Exemption Law.

## **ARTICLE III – OWNERSHIP, MANAGEMENT AND CONTROL**

### **Section 3.1 Entity's Representation**

The Entity represents that it shall remain the fee title owner of the Property throughout the development and construction of same, subject to its right of Transfer in accordance with Section 8.1 hereof.

### **Section 3.2 Required Provisions of Financial Agreement**

To the extent not otherwise set forth herein, those items required by N.J.S.A. 40A:20-9 to be included in this Agreement are set forth in the Application attached hereto as Exhibit B, which is incorporated herein as if set forth at length, and the Entity represents and warrants as to the accuracy of the contents thereof.

### **Section 3.3 Fiscal Plan**

The Entity represents that the Improvements shall be financed in accordance with the representations set forth in the Application, including the Fiscal Plan attached thereto, which is also attached hereto as Exhibit C. The Application and Fiscal Plan set forth, among other things, the estimated Total Project Cost, amortization rates on the Total Project Cost, the source of funds, the interest rates to be paid on construction financing, the source and amount of paid in capital, and the terms of any mortgage amortization.

### **Section 3.4 Estimated Rental Schedule**

The Entity sets forth its good faith projections of the Annual Gross Revenue from the Project in the Fiscal Plan annexed to and made a part of this Agreement at Exhibit C.

## **ARTICLE IV - TAX EXEMPTION; ANNUAL SERVICE CHARGE**

### **Section 4.1 Term**

Subject to compliance with this Agreement, this Agreement shall be in effect from the Effective Date through the Termination Date. However, in no case shall this Agreement remain in effect longer than 35 years from the Effective Date. Upon the expiration of this Agreement (i) the tax exemption for the Project shall expire and the Property and the Improvements thereon shall thereafter be assessed and taxed according to the general law applicable to other non-exempt property in the Township and (ii) any restrictions and limitations upon the Entity shall terminate upon such Entity's rendering and the Township's acceptance of its final accounting to the Township, pursuant to N.J.S.A. 40A:20-13.

### **Section 4.2 Calculation of Annual Service Charge**

In consideration of the Township granting the Entity the Tax Exemption set forth in this Agreement, the Entity shall pay to the Township for municipal services supplied to the Project, as provided in the Exemption Law, an Annual Service Charge as follows:

(a) **Stage One**: From the ASC Commencement Date until the sixth anniversary of the ASC Commencement Date, the Annual Service Charge shall be ten percent (10%) of AGR;

(b) **Stage Two:** From the first day after the sixth anniversary of the ASC Commencement Date until the eleventh anniversary of the ASC Commencement Date, the Annual Service Charge shall be equal to the greater of eleven percent (11%) of AGR or twenty percent (20%) of the amount of the taxes otherwise due on the value of the Property and the Improvements;

(c) **Stage Three:** From the first day after the eleventh anniversary of the ASC Commencement Date until the sixteenth anniversary of the ASC Commencement Date, the Annual Service Charge shall be equal to the greater of twelve percent (12%) of AGR or forty percent (40%) of the amount of the taxes otherwise due on the value of the Property and the Improvements;

(d) **Stage Four:** From the first day after the sixteenth anniversary of the ASC Commencement Date until the twenty-first anniversary of the ASC Commencement Date, the Annual Service Charge shall be equal to the greater of thirteen percent (13%) of AGR or sixty percent (60%) of the amount of the taxes otherwise due on the value of the Property and the Improvements;

(e) **Final Stage:** From the first day after the twenty-first anniversary of the ASC Commencement Date until the thirtieth anniversary of the ASC Commencement Date, the Annual Service Charge shall be equal to the greater of thirteen percent (13%) of AGR or eighty percent (80%) of the amount of the taxes otherwise due on the value of the Property and the Improvements.

#### **Section 4.3 Minimum Annual Service Charge**

Notwithstanding anything to the contrary in this Agreement, including, without limitation, Section 4.2 hereof, the Annual Service Charge for the Project shall not be less than the Minimum Annual Service Charge.

#### **Section 4.4 Land Tax Exemption and Duration**

The Property shall be exempt from Land Taxes from the ASC Commencement Date through the Termination Date in accordance with N.J.S.A. 40A:20-12; provided however, that if such exemption of Land Taxes is invalidated by a court of competent jurisdiction, then this Agreement shall remain in full force and effect and shall be reformed to provide that:

(a) Land Taxes are assessed on the Property; and

(b) the Entity, or its Transferee, shall be entitled to a credit against the Annual Service Charge for the amount, without interest, of the Land Tax payments timely made in the last four (4) preceding quarterly installments.

#### **Section 4.5 Quarterly Installments**

The Annual Service Charge or the Minimum Annual Service Charge, as the case may be, and if applicable, Land Taxes, shall be paid in quarterly installments on those dates when ad valorem real estate tax payments on other properties within the Township are due, subject to adjustment for over payment or underpayment within thirty (30) days after the close of each calendar year. If the Entity fails to so pay, the amount unpaid shall bear the highest rate of interest permitted in the case of the unpaid taxes or tax liens on the Property until paid. The Entity's failure to make the requisite payments of Annual Service Charge or Minimum Annual Service Charge, or if applicable, Land Taxes, in a timely manner shall constitute a Default under this Agreement and the Township may, among its other remedies as provided in this Agreement, proceed against the Project pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1 et seq. In addition, the Township may terminate this Agreement with respect to the Project in accordance with Section 5.3 hereof. Any Default arising out of the Entity's failure to pay the Annual Service Charge, Minimum Annual Service Charge, or if applicable, Land Taxes, shall not be subject to the dispute resolution remedies provided in Section 5.1.

#### **Section 4.6 Rights and Obligations Related to Tax Exemption**

(a) All Annual Service Charge or Minimum Annual Service Charge payments, as the case may be, made pursuant to this Agreement shall be in lieu of taxes and, as set forth above, the Township shall have the rights and remedies of tax enforcement granted to a municipality by Applicable Law, including those of in rem tax foreclosure pursuant to N.J.S.A. 54:5-1, just as if said payments constituted regular real property tax obligations on other real properties within the Township.

(b) If the ASC Commencement Date occurs on a date other than the last day of a quarter, the amount of ad valorem real estate taxes for such period up to the ASC Commencement Date shall be based on a per diem basis for such quarter.

(c) Any lease of a Rental Unit to a Tenant shall be subject to the terms of this Agreement and shall not require the consent or approval of the Township. Upon the lease of the subject Rental Unit, the Entity, or the Tenant, if required by the terms of its lease agreement, shall be responsible for the payment of the applicable Annual Service Charge or Minimum Service Charge calculated pursuant to this Agreement. Notwithstanding the foregoing, the Township shall look solely to the Entity and not any Tenant with respect to the collection of the unpaid portion of the Annual Service Charge imputed to the Tenant. In other words, the Entity shall be responsible for the full payment of the Annual Service Charge to the Township irrespective of whether the Tenant has or has not paid its portion of the Annual Service Charge to the Entity.

#### **Section 4.7 Remittance to County**

The Township shall remit to the County of Sussex five percent (5%) of the Annual Service Charge received each year from the Entity, pursuant to N.J.S.A. 40A:20-12(b)(2)(e).

#### **Section 4.8 Payment of Conventional Taxes prior to ASC Commencement Date**

The Parties agree that conventional property taxes, including Land Taxes, are due from time to time in accordance with Applicable Law prior to the ASC Commencement Date.

**Section 4.9 Administrative Fee**

In addition to the Annual Service Charge, the Entity shall submit to the Township an annual administrative fee (the “Annual Administrative Fee”) in an amount equal to two percent (2%) of the Annual Service Charge. The Annual Administrative Fee shall be due on or before November 1 in each year following the ASC Commencement Date.

**Section 4.10 Other Municipal Services.**

Nothing herein shall exempt the Entity from the payment of any applicable municipal services. The Entity shall timely pay for municipal services rendered to the Project or to the Property.

**ARTICLE V - DISPUTE RESOLUTION; DEFAULT**

**Section 5.1 Agreement to Arbitrate**

If the Township or the Entity breaches this Agreement (other than with respect to a Payment Default), or a dispute arises between the Parties regarding the terms and provisions set forth herein, then the Parties shall submit the dispute to arbitration, which shall utilize State law and the arbitration rules of the American Arbitration Association in the State of New Jersey, to be resolved in accordance with its rules and regulations in such fashion as to accomplish the purposes of the Exemption Law and this Agreement. The costs of arbitration shall be borne equally by the Parties involved in the arbitration. The demand for arbitration shall be filed in writing and shall be made within a reasonable time after a dispute or breach occurs. (Section 1.3(F) hereof shall not apply for purposes of the foregoing sentence.) The arbitrator(s) shall make written findings of fact and conclusions of law. Any arbitration award may be appealed by either party to the New Jersey Superior Court, Law Division, with respect to asserted errors of fact or law, and the outcome of such appeal may be further appealed in the State courts, and shall not be limited in any way due to the origin of the action in arbitration.

Notwithstanding the foregoing, if the Entity fails to pay the Annual Service Charge, Minimum Annual Service Charge, or if applicable, Land Taxes, the Township among its other remedies, reserves the right to proceed against the Project, pursuant to N.J.S.A. 54:5-1 to 54:5-129, and any Act supplementary or amendatory thereof, and shall not be required to submit such matters to arbitration. Whenever the word “Taxes” appears or is applied, directly or implied, to mean taxes or municipal liens on land, such statutory provisions shall be read, as far as is pertinent to this Agreement, as if the Annual Service Charge are taxes or municipal liens on land.

**Section 5.2 Covenant to Make Payments**

The Entity agrees that the timely payment of the Land Taxes (during any period in which Land Taxes are not exempt hereunder), and the Minimum Annual Service Charge or the Annual

Service Charge, to the Township, as well as continued compliance with the Applicable Laws, are material conditions of this Agreement. The failure to make any of the aforesaid payments when due shall constitute both a breach of this Agreement and a tax payment delinquency under Applicable Law.

### **Section 5.3 Remedies upon Default**

All of the remedies provided in this Agreement, and all rights and remedies granted to the parties by law and equity, shall be cumulative and concurrent. No termination of any provision within this Agreement shall deprive the Township of any of its remedies in accordance with law or actions against the Entity because of its failure to pay Land Taxes (during any period in which Land Taxes are not exempt hereunder), the Annual Service Charge, and/or the water and sewer charges with interest payments. The bringing of any action due to a Default under this Agreement shall not be construed as a waiver of the right to enforce any other remedy provided in this Agreement. Nothing in this Agreement shall be deemed to create personal liability on the part of any Entity for any of the provisions of this Agreement, the Township's rights and remedies to collect any obligation due and owing hereunder to be the same as the Township's rights and remedies with respect to collection of real estate taxes generally under applicable law.

### **Section 5.4 Notification of Breach Required**

Other than with respect to the nonpayment or late payment of all or a portion of Land Taxes, the Administrative Fee, Annual Service Charge or Minimum Annual Service Charge (any of the foregoing a "Payment Default"), the Township shall notify the Entity in writing of any breach relating to the terms of this Agreement. If the Entity fails to cure a Payment Default within ten (10) days of its occurrence, or fails to cure any other breach within thirty (30) Days after the actual delivery of notice by the Township, or within any additional periods to which the Parties may agree to, in writing (with respect to defaults other than Payment Defaults, the Township shall not unreasonably refuse to grant a reasonable extension of the cure period, not to exceed sixty (60) days after the Notice unless the Township in its sole discretion shall agree to a longer cure period), the Township may invalidate the Tax Exemption by providing thirty (30) Days' written notice to the Entity, which shall inform the Entity that the Tax Exemption shall terminate at the expiration of said thirty (30) day notice period due to the breach of the terms of this Agreement.

### **Section 5.5 Force Majeure**

Neither Party shall be liable to the other for failure to perform its obligations under this Agreement due to causes that are beyond the reasonable control and not substantially due to the fault or negligence of the party seeking to excuse delay or failure of performance of an obligation hereunder by reason thereof, including, but not limited to, declarations of public emergency; acts of nature (as to weather-related events, limited to severe and unusual events or natural occurrences such as hurricanes, tornadoes, earthquakes, and floods); acts of the public enemy; acts of terrorism; acts of war; fire; epidemics; quarantine restrictions; blackouts, power failures, or energy shortages; governmental embargoes; strikes or similar labor action by equipment or material suppliers or transporters, or unavailability of necessary building materials.

Notwithstanding the foregoing, the payment of Land Taxes (during any period in which Land Taxes are not exempt hereunder), Annual Service Charge, Minimum Annual Service Charge and Administrative Fee are Material Conditions of this Agreement which shall not be excused by the occurrence of a force majeure event.

### **Section 5.6 Certificate of Occupancy**

It is understood and agreed that it shall be the obligation of the Entity to obtain all Certificates of Occupancy in a reasonably timely manner. The Township shall reasonably cooperate in processing Entity's request(s) for the issuance of any Certificate(s) of Occupancy.

### **Section 5.7 Filing of Certificate of Occupancy**

It shall be the responsibility of the Entity to forthwith file with both the Tax Assessor and the Tax Collector a copy of any Certificate of Occupancy issued for the Project.

Failure of the Entity to file such issued Certificate of Occupancy as required by the preceding paragraph shall not militate against any action or non-action taken by the Township, including, if appropriate, retroactive billing with interest for any charges determined to be due, in the absence of such filing by the Entity.

## **ARTICLE VI - LIMITATION ON PROFITS**

### **Section 6.1 Entity's Covenant of Limitation on Profits**

During the period of tax exemption as provided herein, the Entity shall be subject to a limitation of its profits pursuant to the provisions of N.J.S.A. 40A:20-15. Pursuant to N.J.S.A. 40A:20-3(c), this calculation is completed in accordance with generally accepted accounting principles.

### **Section 6.2 Permitted Reserves**

The Entity shall have the right to establish a reserve against vacancies, unpaid rentals, and reasonable contingencies in an amount up to ten percent (10%) of the Annual Gross Revenues of the Entity for the prior fiscal year (hereinafter referred to as the "Reserve") and may retain such part of the Excess Net Profits as is necessary to eliminate a deficiency in that Reserve, as provided in N.J.S.A. 40A:20-15.

### **Section 6.3 Payment of Dividend and Excess Profit Charge**

In accordance with N.J.S.A. 40A:20-15, if the Net Profits of the Entity shall exceed the Allowable Net Profits in any accounting period, then the Entity, within ninety (90) days after the end of the accounting period, shall pay such Excess Net Profits to the Township as an additional Annual Service Charge; provided, however, that the Entity may maintain a Reserve as determined pursuant to Section 6.2.

**Section 6.4 Payment of Reserve/Excess Net Profit Upon Termination, Expiration or Sale.**

The Termination Date of this Agreement, or the date of sale or transfer of the Improvements, shall be considered to be the close of the fiscal year of the Entity. Within ninety (90) days after such date, the Entity shall pay to the Township the amount of the Reserve, if any, maintained by it pursuant to Section 6.2, and the Excess Net Profits, if any.

**ARTICLE VII - TERMINATION OF AGREEMENT AND INSPECTIONS**

**Section 7.1 Voluntary Termination of this Agreement by Entity**

Pursuant to the Exemption Law, the Entity or any Transferee may at any time after the expiration of one (1) year from the ASC Commencement Date, notify the Township in writing that, as of a certain date designated in the notice, it relinquishes its status as an urban renewal entity under the Exemption Law and that the Entity, or Transferee, has obtained the consent of the Commissioner of the Department of Community Affairs, if required by Applicable Law. As of that date, all of the obligations and requirements contained in this Agreement shall terminate. Notwithstanding the foregoing, such relinquishment shall not impact the obligation of the Entity or the Transferee, as applicable, to make payment of any Administrative Fee, Land Taxes (during any period in which Land Taxes are not exempt hereunder), Annual Service Charge, or Minimum Annual Service Charge that has accrued up to and including the Termination Date, or the obligation of the Entity or the Transferee, as applicable, to perform the final accounting required by the Exemption Law and Section 7.2 below.

**Section 7.2 Termination and Final Accounting**

Within Ninety (90) Days after the Termination Date, whether by affirmative action of the Entity or by virtue of the provisions of the Applicable Law or pursuant to the terms of this Agreement, the Entity shall provide a final accounting and pay to the Township the Reserve, if any, pursuant to N.J.S.A. 40A:20-15, as well as any Excess Net Profits, if any payable as of that date. For purposes of rendering a final accounting, the Termination Date of the Agreement shall be deemed to be the end of the fiscal year for the Entity.

**Section 7.3 Taxes After Termination Date**

After the Termination Date, the Tax Exemption shall expire, and the relevant portion of the Property and the Improvements constructed thereupon shall thereafter be assessed and conventionally taxed according to Applicable Law as other real property in the Township.

**Section 7.4 Rights of Inspection**

The Entity shall permit the inspection of its property, equipment, buildings and other facilities of the Project by representatives duly authorized by the Township and Division of Local Government Services in the Department of Community Affairs pursuant to N.J.S.A. 40A:20-9(e). The Entity shall also permit, upon written request, examination and audit of its books, contracts, records, documents and papers relating to the Project by representatives duly



authorized by the Township and Division of Local Government Services in the Department of Community Affairs pursuant to N.J.S.A. 40A:20-9(e). Such inspection shall be made upon five (5) days' prior written notice, in the presence of an officer or agent designated by the Entity. To the extent reasonably possible, the inspection will not materially interfere with construction or operation of the Project. Nothing in this section shall be construed to affect, limit or restrict the powers of municipal, county, State or other officials from carrying out those inspections that are generally applicable outside of the Exemption Law context, including, but not limited to, inspections by fire officials, construction code officials, etc.

## **ARTICLE VIII - SALE OR LEASE OF PROJECT**

### **Section 8.1 Approval of Sale of Project to Entity Formed and Eligible to Operate Under Applicable Law**

The Entity shall not transfer all or any portion of the Project without the prior written approval of the Township, except that after completion of the Project, the Entity shall be permitted to transfer all or any portion of the Project to another urban renewal entity, qualified and organized under the Exemption Law (a "Transferee"), and approved by the Township under the conditions set forth herein. As permitted by N.J.S.A. 40A:20-10a, it is understood and agreed that the Township, on written application by the Entity after completion of the Project, shall consent to a sale of the Project and the transfer of this Agreement provided: (i) the transferee entity does not own or lease any other Project subject to tax exemption at the time of transfer; (ii) the transferee entity is formed and eligible to operate under the Exemption Law; (iii) the Entity is not then in Default of this Agreement or the Exemption Law; (iv) the Entity's obligations under this Agreement are fully assumed by the transferee entity; (v) the transferee entity agrees to abide by all terms and conditions of this Agreement including, without limitation, the filing of an application pursuant to N.J.S.A. 40A:20-8, and any other terms and conditions of the Township in regard to the Project; (vi) the transferee entity possesses the requisite experience, qualifications, and financial capacity to operate and manage the Project; and (vii) the principal owners of the transferee entity possess the same business reputation, financial qualifications and credit worthiness as the Entity and are otherwise reputable. The Township may charge an administrative fee of two percent (2%) of the Annual Service Charge due in the year that the transfer is requested for processing any such application for transfer by the Entity.

Notwithstanding the above, it is expressly understood and agreed that the Entity is permitted, without the prior approval of the Township, to effect the following transfers with respect to the Project:

- A. Encumber the Project, e.g., mortgage financing, development easements, etc., provided that any such encumbrance is subordinate to the lien of the Annual Service Charges.
- B. Transfer the ownership interest in the Entity to an Affiliate.
- C. Lease any portion of the Project to an end user, with such tenant not being required to be an entity eligible to operate under the Exemption Law.

Notwithstanding anything to the contrary contained in A. through C., above, or elsewhere in this Agreement, the Parties expressly agree and acknowledge that:

(i) the Entity shall not enter into any lease, whether or not with an Affiliate or related entity, that shall operate to minimize or remove revenues properly includable in the calculation of Annual Gross Revenue in violation of this Agreement; and

(ii) prior to completion of the Project, all restrictions on transfer that are set forth herein shall apply in accordance with the terms thereof.

## **Section 8.2 Obligations of Entity and Transferee after Conveyance**

If the Entity Transfers the Project to a Transferee with the consent of the Township and the Transferee has assumed the contractual obligations of the transferor Entity with the Township, pursuant to Section 8.1 hereof, then the Entity shall be absolutely discharged from any further obligations regarding the Project and shall be qualified to undertake another project pursuant to the Exemption Law. Within ninety (90) Days after the date of a Transfer, the Entity shall pay to the Township any Reserve maintained by it pursuant to this Agreement, as well as any Excess Net Profits payable to the Township pursuant to this Agreement and the Exemption Law.

## **Section 8.3 Collateral Assignment**

It is expressly understood and agreed that the Entity has the right, to the extent permitted by the Exemption Law, to encumber and/or assign its fee title to the Property and/or Improvements for purposes of (i) financing the design, development and construction of the Project and (ii) permanent mortgage financing with respect to the Project.

(a) The Township acknowledges that the Entity and/or its affiliates intend to obtain secured financing in connection with the acquisition, development and construction of the Project. The Township agrees that the Entity and or its affiliates may, subject to compliance with the Exemption Law, assign, pledge, hypothecate or otherwise transfer its rights under this Agreement and/or its interest in the Project to one or more secured parties or any agents therefore (each, a "Secured Party" and collectively, the "Secured Parties") as security for obligations of the Entity, and/or its affiliates, incurred in connection with such secured financing (collectively, the "Security Arrangements"). The Entity shall give the Township written notice of any such Security Arrangements, together with the name and address of the Secured Party or Secured Parties. Failure to provide such Notice waives any requirement of the Township hereunder to provide any notice of Default or notice of intent to enforce its remedies under this Agreement.

(b) If the Entity shall Default in any of its obligations hereunder, the Township shall give written notice of such Default to the Secured Parties and the Township agrees that, in the event such Default is not waived by the Township or cured by the Entity, its assignee, designee or successor, within the period provided for herein, before exercising any remedy against the Entity hereunder, the Township will provide the Secured Parties a reasonable period of time to cure such Default, but in any event not less than twenty (20) days from the date of such notice to

the Secured Parties with regard to a Payment Default by the Entity and ninety (90) days from the date the Entity was required to cure any other Default.

(c) In the absence of a Default by the Entity, the Township agrees to consent to any collateral assignment by the Entity to any Secured Party or Secured Parties of its interests in this Agreement and to permit each Secured Party to enforce its rights hereunder and under the applicable Security Arrangement and shall, upon request of the Secured Party, execute such documents as are typically requested by secured parties to acknowledge such consent. This provision shall not be construed to limit the Township's right to payment from the Entity, nor shall the priority of such payments be affected by the Secured Party exercising its rights under any applicable Security Arrangement.

## **ARTICLE IX - ENTITY'S COVENANTS AND REPRESENTATIONS**

### **Section 9.1 Management and Operation**

Subject to its right to Transfer the Project pursuant to Section 8.1 of this Agreement, the Entity represents and covenants that the Entity will manage the Project or will contract with a third party management company. The Entity shall be free to enter into leases with Tenants for the Rental Units without the consent of the Township.

### **Section 9.2 Computation of Gross Revenue**

The Entity shall, for the duration of this Agreement, calculate the Annual Gross Revenue in accordance with the Exemption Law and this Agreement and the computation of Annual Gross Revenue shall be shown on the Entity's Annual Audit Statement.

### **Section 9.3 Annual Audit Report**

For so long as the Entity owns the Project and within ninety (90) Days after the close of each fiscal or calendar year (depending on the Entity's accounting basis) that this Agreement shall continue in effect, the Entity shall submit to the Mayor of the Township, the Township Council, the CFO of the Township, and the New Jersey Division of Local Government Services within the New Jersey Department of Community Affairs, its Annual Audited Statement for the preceding fiscal or calendar year in accordance with the Exemption Law. The report shall clearly identify and calculate the Net Profit for the Entity during the previous fiscal year. The Entity assumes all costs associated with preparation of the Annual Audited Statements. Except to the extent required by Applicable Law, all financial information provided hereunder shall remain confidential and not subject to public disclosure.

### **Section 9.4 Total Project Cost Audit**

Within ninety (90) days after the final Certificate of Occupancy is issued for the Project, the Entity shall submit to the Mayor and Township Council, an audit of Total Project Cost, certified as to actual construction costs by the Entity's architect.

## **Section 9.5 Disclosure Statement**

On each anniversary date of the execution of this Agreement, the Entity shall submit to the Mayor and Township Council, who shall advise those municipal officials required to be advised, a disclosure statement listing the persons having an ownership interest in the Project, and the extent of the ownership interest of each and such additional information as the Township may request from time to time.

## **ARTICLE X - INDEMNIFICATION**

### **Section 10.1 Indemnification**

It is understood and agreed that in the event the Township shall be named as a party defendant in any action brought against the Township or the Entity by allegation of any breach, Default or a violation of any of the provisions of this Agreement and/or the provisions of the Exemption Law or any other Applicable Law, the Entity shall indemnify and hold the Township harmless from and against all liability, losses, damages, demands, costs, claims, actions or expenses (including reasonable attorneys' fees and expenses) of every kind, character and nature arising out of or resulting from the action or inaction of the Entity and/or by reason of any breach, Default or a violation of any of the provisions of this Agreement, the provisions of the Exemption Law and/or any other Applicable Law except for any willful misconduct by the Township or any of its officers, officials, employees or agents, and the Entity shall defend the suit at its own expense. The Township shall be entitled to intervene in any such suit, and retain attorneys of its choosing, whether as party defendant or intervenor, the cost of such attorneys to be borne by the Entity in accordance with this Section.

## **ARTICLE XI - MISCELLANEOUS PROVISIONS**

### **Section 11.1 Governing Law**

This Agreement shall be governed by the provisions of Applicable Law including but not limited to the Exemption Law. This Agreement shall be construed and enforced in accordance with the laws of the State of New Jersey, without regard to or aid of any presumption or other rule requiring construction against the party drawing or causing this Agreement to be drawn since counsel for both the Entity and the Township have combined in their review and approval of same.

### **Section 11.2 Oral Representation**

Neither Party hereto has made any oral representation that is not contained in this Agreement. This Agreement and the Application, including all of the Exhibits attached and annexed thereto, constitute the entire Agreement by and between the Parties.

**Section 11.3 Modification; Prior Agreements Superseded**

There shall be no modification of this Agreement except by virtue of a written instrument executed by and between both Parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto and supersedes all negotiations or previous agreements between the Parties with respect to all or any part of the subject matter hereof, which continue to be in full force and effect.

**Section 11.4 Notices**

A notice, demand or other communication required to be given under this Agreement by any Party to the other shall be in writing and shall be sufficiently given or delivered if dispatched by United States Registered or Certified Mail, postage prepaid and return receipt requested, or delivered by overnight courier or delivered personally (with receipt acknowledged) to the parties at their respective addresses set forth herein, or at such other address or addresses with respect to the parties or their counsel as any party may, from time to time, designate in writing and forward to the others as provided in this Section:

a) When sent by the Township to the Entity:

ONEill Group Vernon I Urban Renewal, LLC  
241 Hudson Street  
Hackensack, New Jersey 07601  
Attention: Paula O’Neill

with a copy to:

Lauran M. O’Neill, Esq.  
241 Hudson Street  
Hackensack, New Jersey 07601

b) When sent by the Entity to the Township:

Tina Kraus, Business Administrator  
Township of Vernon  
21 Church Street  
Vernon, New Jersey 07462

with a copy to:

Matthew D. Jessup, Esq.  
McManimon, Scotland & Baumann, LLC  
75 Livingston Avenue, 2<sup>nd</sup> Floor  
Roseland, New Jersey 07068

From time to time either Party may designate a different person or address for all the purposes of this Notice provision by giving the other party no less than ten (10) days' notice in advance of such change of address in accordance with the provisions hereof. Notices shall be effective upon the earlier of receipt or rejection of delivery by the addressee. Any notice given by an attorney for a party shall be effective for all purposes. In addition, if the Entity delivers formal written notice to the Township in accordance with this Agreement, of the name and address of Entity's mortgagee, then the Township shall provide such mortgagee with a copy of any notice required to be sent to the Entity.

### **Section 11.5 Severability**

If any term, covenant or condition of this Agreement shall be judicially declared to be invalid or unenforceable, the remainder of this Agreement or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Agreement shall be valid and be enforced to the fullest extent permitted by Applicable Law.

If any portion of this Agreement shall be judicially declared to be invalid and unenforceable and provided that a Default has not been declared pursuant to this Agreement, the Parties shall cooperate with each other to take the actions reasonably required to restore the Agreement in a manner contemplated by the Parties, including, but not limited to the authorization and amendment of this Agreement in a form reasonably drafted to effectuate the original intent of the Parties.

### **Section 11.6 Good Faith**

The Entity and the Township agree to act in good faith in all of their dealings with each other.

### **Section 11.7 Certification**

The Township Clerk shall certify to the Tax Assessor, pursuant to N.J.S.A. 40A:20-12, that an Agreement with an urban renewal entity, i.e., the Entity, for the development of the Project, has been entered into and is in effect as required by the Exemption Law. Delivery by the Township Clerk to the Tax Assessor of a certified copy of the Ordinance and this Agreement shall constitute the required certification. Upon certification as required hereunder and upon the ASC Commencement Date, the Tax Assessor shall implement the exemption and continue to enforce that exemption without further certification by the clerk until the expiration of the entitlement to exemption by the terms of this Agreement or until the Tax Assessor has been duly notified by the Township Clerk that the exemption has been terminated.

Further, within ten (10) calendar days following the later of the effective date of the Ordinance or the execution of this Agreement by the Entity, the Township Clerk shall transmit a certified copy of the Ordinance and the Agreement to the chief financial officer of Sussex County and to the Sussex County counsel for informational purposes.

**Section 11.8 Counterparts**

This Agreement may be simultaneously executed in counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 11.9 Estoppel Certificate**

Within thirty (30) days following written request therefore by the Entity, or any mortgagee, purchaser, tenant or other party having an interest in the Project, the Township shall issue a signed estoppel certificate in reasonable form stating that (i) this Agreement is in full force and effect, (ii) to the best of the Township's knowledge, no Default has occurred under this Agreement (nor any event which, with the passage of time and/or the giving of notice would result in the occurrence of a Default) or stating the nature of any Default, and (iii) stating any such other reasonable information as may be requested. In the event the estoppel certificate discloses a Default, it shall also state the manner in which such Default may be cured.

*[Signature Page Follows]*

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed the day and year first above written.

Attest:

**TOWNSHIP OF VERNON**

\_\_\_\_\_  
Marcy Gianattasio, Township Clerk

By: \_\_\_\_\_  
Anthony L. Rossi, Mayor

SEAL

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

**ONEILL GROUP VERNON I URBAN  
RENEWAL, LLC**

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

By: \_\_\_\_\_  
Name:  
Title: Manager





STATE OF NEW JERSEY )  
 ) SS.:  
COUNTY OF SUSSEX )

Be it remembered that on the \_\_\_\_, day of \_\_\_\_\_, 2024, Anthony L. Rossi personally appeared before me, and this person acknowledged under oath, to my satisfaction that:

- (a) he is the Mayor of the Township of Vernon, New Jersey, the Township in the attached Financial Agreement;
- (b) he is authorized to execute the attached Financial Agreement on behalf of the Township;
- (c) he executed the attached Financial Agreement on behalf of and as the act of the Township; and
- (d) the attached Financial Agreement was signed and made by the Township as its duly authorized and voluntary act.

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**EXHIBIT A**  
**PROPERTY DESCRIPTION – METES & BOUNDS**

**EXHIBIT B**  
**APPLICATION**

**EXHIBIT C**  
**FISCAL PLAN AND ESTIMATED RENTAL SCHEDULE**