

QUALIFICATIONS

RESPONSE TO REQUEST FOR QUALIFICATIONS
TO PROVIDE SPECIAL COUNSEL - REDEVELOPMENT SERVICES

to the

CITY OF HOBOKEN

December 9, 2009

Submitted By

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December 9, 2009

(Original and Nine (9) Copies)

James J. Farina, City Clerk
Hoboken City Hall
94 Washington Street
Hoboken, NJ 07030

**Re: Qualifications of McManimon & Scotland, L.L.C. to provide
Special Counsel - Redevelopment Services**

Dear Mr. Farina:

On behalf of McManimon & Scotland, L.L.C., I am pleased to submit our qualifications to the City of Hoboken (the "City") to provide professional legal services in connection with its proposed redevelopment initiatives in compliance with your fair and open process. Our firm has worked extensively with the provisions of the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. ("Redevelopment Law") and its predecessor laws in assisting municipalities, redevelopment agencies and other public entities in developing, implementing and financing redevelopment projects, including the negotiation of, among others, redeveloper agreements. As discussed below, our firm has served as special redevelopment counsel to various municipalities throughout this State.

Organization, Location and Availability. McManimon & Scotland, L.L.C. is a limited liability company formed under the laws of the State of New Jersey. The Firm is located at 1037 Raymond Boulevard, 4th Floor, Newark, New Jersey. The firm (and its predecessors) has been in existence and located in Newark since 1971. We have operated as McManimon & Scotland, L.L.C. since 1992. The firm also has an office located at 172 West State Street, Trenton, New Jersey 08607. The firm has 12 members, 3 limited members, 2 of counsel and 12 associates. The firm is governed by a three person executive committee each elected to a three year term. The current committee is comprised of the Chairperson, Joseph P. Baumann, Jr. and members, Glenn F. Scotland and John V. Cavaliere. The members holding an interest in the company of 10% or more are Edward J. McManimon, III, Glenn F. Scotland, Joseph P. Baumann, Jr. and Andrea L. Kahn. The other members of the firm include Ronald J. Ianoale, John V. Cavaliere, Leslie G. London, Thomas J. Hastie, Demetrice R. Miles, Wanda Chin Monahan, William W. Northgrave and Matthew D. Jessup.

McManimon & Scotland, L.L.C. will provide a level of service satisfactory to the City's needs. Our Newark location allows members and associates of our firm to quickly accommodate any request to attend meetings or other events taking place within the City. We have sufficient staff to satisfy the scope of services described herein. Our members and associates have always been committed to traveling to meet the needs of our clients.

Experience and Qualifications. McManimon & Scotland, L.L.C. has extensive experience and expertise in redevelopment matters including the creation of redevelopment agencies, the designation of areas in need of redevelopment (N.J.S.A. 40A:12A-6) or areas in need of rehabilitation (N.J.S.A. 40A:12A-14), assistance in the development of redevelopment plans, the preparation of requests for qualifications and requests for proposals for the selection of redevelopers, the negotiation of redeveloper agreements, transfer, lease and easement agreements, and use and occupancy agreements, the structuring and financing of redevelopment projects, and handling land use and transactional matters associated with the redevelopment. Further, our expertise includes the negotiation of financial agreements for tax exemption, tax abatement and payments in lieu of tax under the Long and Short Term Tax Exemption Acts, assisting project team members with legal issues relating to environmental assessments conducted within redevelopment areas, and undertaking proceedings to acquire property for redevelopment initiatives through the exercise of the powers of eminent domain. In addition, our firm was instrumental in assisting in the drafting of the Redevelopment Area Bond Financing Law and the Revenue Allocation District Financing Act.

The municipalities or other entities for which we currently serve as special redevelopment counsel or have provided redevelopment related legal services in the past are, among others: the City of Asbury Park (Wesley Lake Waterfront, S.T.A.R.S. Homeownership, Washington Avenue, Central Business District and Main Street Redevelopment Projects), the Township of Montclair, (Pine Street, Orange Road and Hahne's Building Site Redevelopment Projects), the Hudson County Improvement Authority (Red Bull Soccer Stadium and Parking Facility Projects), the Township of Bloomfield, the Township of Cranford (Cranford Crossing Project), the New Jersey Economic Development Authority (Jersey Gardens Project), the City of Trenton (Marriott Hotel and War Memorial Project), the City of Rahway Redevelopment Agency (Library Project), the Township of Princeton, City of Bridgeton, the Township of West New York and the City of Union City (through the Hudson County Improvement Authority), the Township of West Orange, the Borough of Carteret (Landfill Reclamation Redevelopment Project), Township of Irvington (East Ward, Coit Street, Mill Road and Lyons Avenue Redevelopment Projects), the Township of North Bergen, the Township of Montgomery, the Housing Authority of the City of Newark (Arena Redevelopment Project), the Township of Woodbridge, the Borough of Tinton Falls, Fieldstone Associates (Haddon Township Redevelopment Project) and Orleans Homes/Goodman Properties Joint Venture (Palmyra/Route 73 South Redevelopment Project). Attached please find a representative list of the firm's redevelopment clients.

COAH Experience, Reputation and Knowledge. McManimon & Scotland, L.L.C. has extensive experience and expertise in evaluating a municipality's COAH obligation pursuant to the New Jersey Fair Housing Act. The New Jersey Fair Housing Act directs each municipality to work in conjunction with the Council of Affordable Housing to tailor its local housing plan to support its "fair share" of the state's low and moderate income housing, specifically requiring a municipality to establish that its land use and other relevant ordinances have been revised to incorporate the provisions of low and moderate income housing contained in its housing plan element.

Designated Professionals & Qualifications. The members of McManimon & Scotland, L.L.C. specializing in the redevelopment practice include Edward J. McManimon III, Glenn F. Scotland, Joseph P. Baumann, Jr., John V. Cavaliere, Thomas J. Hastie, William W. Northgrave, Wanda Chin Monahan, Jong Sook Nee, Of Counsel Steve Mairella and David Mairo and associates Jennifer Credidio, Erin K.

Law, Bakari G. Lee, Kevin P. McManimon and Amelia J. Rideau. Joseph P. Baumann, Jr. will be the lead attorney responsible for managing the overall relationship between McManimon & Scotland, L.L.C. and the City. Resumes for the firm attorneys who devote substantially all of their time to the redevelopment practice are attached.

PILOT Experience. McManimon and Scotland, L.L.C. has also broken new ground in the area of redevelopment financing. Using a myriad of sophisticated tools, we have assisted our clients in closing funding gaps to make needed projects financially feasible. This record of achievement is unparalleled by other law firms and makes us uniquely qualified to assist the City. We served as bond counsel to the New Jersey Economic Development Authority in the first PILOT secured transaction in the State when the NJEDA financed roadway and infrastructure improvements which facilitated the development of the Jersey Gardens Mall in Elizabeth. In this transaction, the financing was sold without the benefit of credit support from any municipality. In September, 2006, we assisted Carteret and the Carteret Redevelopment Agency in financing \$38,000,000 in funds to assist redevelop environmentally challenged lands through the New Jersey Environmental Infrastructure Trust. We are also fortunate to represent the City of Millville in gaining regulatory approval to establish New Jersey's first revenue allocation district and structuring a financing to improve the City's downtown and riverfront districts.

As indicated above, we have served as bond counsel to the Hudson County Improvement Authority in a PILOT secured financing to acquire land that will serve as the site for the Red Bull's Soccer Stadium in Harrison. PILOT backed financings led to the renovation of Newark's first market rate rental housing in a decade, the construction of a shared parking deck in downtown Montclair and needed infrastructure and roads to support the reuse of an abandoned industrial factory in Hamilton. While all of these projects involved the use of PILOTs as security, each involved unique structures and negotiations that progressed over several months or years. During that time, McManimon and Scotland, L.L.C. attorneys provided direct, high level advice so that local decision makers understood the choices involved, led negotiating teams in protecting our client's interests and maximized the flexibility permitted under the law to structure transactions that could be sold to the bond markets. We look forward to bringing this approach to the City and using our considerable experience on behalf of your project.

Eminent Domain/Condemnation. In conjunction with our redevelopment practice, we provide condemnation services throughout the State of New Jersey. Among our clients, we currently serve as special counsel to the New Jersey Schools Development Authority ("NJSDA") (formerly New Jersey Schools Construction Corporation), Township of West Orange, the Carteret Redevelopment Agency and the Township of Franklin regarding the acquisition of properties for public use. Our attorneys have extensive experience in condemnation actions, including defending challenges to the power of public entities to condemn property, providing representation in property valuation proceedings before condemnation commissioners and jury trials before the Superior Court of New Jersey. Further, our expertise extends to federal and State laws governing the provision of relocation assistance to persons displaced as the result of governmental property takings. In this regard, we provide compliance review to ensure that condemning authorities satisfy the relocation obligations mandated by federal and state laws. Moreover, we represent public entities regarding claims for relocation assistance before administrative agencies and the Superior Court of New Jersey. Most importantly, our attorneys possess the knowledge and skill that is necessary to develop a sound and proactive approach to address and resolve the

myriad issues that impact the ability of public entities to execute public improvement programs and redevelopment projects in accordance with stated goals and objectives.

Previously, our firm served as Special Counsel to the Newark Housing Authority ("NHA") regarding the redevelopment of the Newark Downtown Core District Redevelopment Area, which now encompasses the Prudential Center (home of the New Jersey Devils). As Special Counsel, our firm represented the NHA regarding the acquisition and assemblage of 112 parcels and the relocation of more than 60 persons and businesses. All properties were acquired within the monetary limits established by the land acquisition budget and in accordance with the project schedule. As Special Counsel to NJSDA, we provided legal representation and assisted in the acquisition of 80 properties for school projects in Camden, Newark, Elizabeth and Garfield. Further, we represented NJSDA regarding relocation claims and disputes. Similarly, as Special Counsel to the Carteret Redevelopment Agency, we provided legal services regarding the acquisition of 12 properties for the redevelopment of the Lower Roosevelt Avenue Business District. This project involved the transformation of 8.5 acres into a quality mix of commercial and residential development.

Planning and Zoning. McManimon & Scotland, L.L.C. has experience and expertise in a variety of land use and zoning matters, including matters arising under both the *Municipal Land Use Law* and the *Local Housing and Redevelopment Law*.

We have successfully represented private clients before zoning boards and planning boards and regulatory agencies in connection with land use matters. Our representation of private clients includes appearing before governing bodies, planning and zoning boards as necessary to procure the required approvals, and developing open lines of communication and working with municipal staff and counsel to address issues and to facilitate the progress of the applications. By way of example, the Firm currently represents Wal-Mart in connection with land use matters in a number of locations throughout the State. Our representation of Wal-Mart typically includes zoning and other "due diligence"-type analyses, zoning issue identification and resolution, and major site plan approvals and related variances. The Firm has been very successful in resolving issues and obtaining approvals expeditiously and efficiently.

For our public clients, zoning and land use issues arise often in the context of the preparation, interpretation and implementation of redevelopment plans. We have participated and provided legal counsel and perspective in the preparation and implementation of a number of sophisticated redevelopment plans. We also have counseled and advised municipal clients in connection with the drafting of zoning ordinance provisions outside of the redevelopment context. Project-specific procedural and substantive land use issues also arise frequently in connection with the negotiation of redevelopment agreements, and in the context of redevelopment project design or evaluation. Such matters can include, for example, issues arising out of or in connection with the creation or extinguishment of easements, covenants, or other interests in or encumbrances on land; underlying zoning, to the extent not superseded by a redevelopment plan; subdivision and site plan approval, including variances or waivers; project phasing issues and requirements; infrastructure upgrades or improvements; regulatory permitting and compliance matters, such as environmental, historic preservation, and affordable housing requirements; and the defense of prerogative writ actions challenging redevelopment or land use actions. As noted above we have significant experience and expertise in each of these areas.

In addition to the Firm's experience, Of Counsel Steve Mairella has spent most of his career dealing with real property development and land use matters in both New York and New Jersey, having been general counsel to several real estate development companies as well as counsel to a local zoning board. He advises both private and governmental entities on procedural and substantive requirements of land use and redevelopment statutes. He has obtained timely and cost-efficient land use approvals for both private and public clients, including subdivision and site plan approvals and all types of variances, in a variety of settings. He has counseled state and local governmental entities on land use-related legislative matters, and has drafted or participated in the drafting of complex land use statutes, ordinances, resolutions, and redevelopment plans. He also has extensive experience in conceptualizing, negotiating, and drafting complex redevelopment agreements involving "public-private partnerships". He is adept at formulating legal strategies to avoid litigation, and at formulating and drafting winning legal arguments when litigation occurs.

Real Estate Expertise. McManimon & Scotland, L.L.C. serves as general and special counsel to myriad entities throughout the State of New Jersey. Virtually all of these engagements require the firm to confront and resolve real estate and property issues. The Firm's real estate practice includes the negotiation and preparation of contracts for conveyances of title, development agreements, easements, licenses, land use and occupancy agreements, brokerage and commission agreements, joint venture agreements as well as, all forms of partnership agreements and lease agreements.

The attorneys in the practice area have represented owners, developers, landlords, tenants and lenders in all aspects of real property rights, including commercial land acquisition, financing and development, zoning and planning issues, related negotiation, transaction documentation and litigation. Of Counsel Steve Mairella spent 14 years of his career as general counsel to real estate development entities and has extensive experience conceptualizing, structuring and managing complex transactions, including scoping and directing due diligence efforts; document negotiation, preparation, and review; and organizing and conducting closings, often on an urgent and expedited basis. He has successfully resolved a number of title-related questions and issues.

The Firm also has extensive experience in the area of real estate tax appeals and negotiations of tax assessments. The Firm has comprehensive experience with security interests, mechanics liens, equitable liens, all forms of real estate ownership and title quality issues, title insurance and re-insurance survey matters.

Commercial Leasing & Licensing. The Firm has experience with leasing and licensing issues and documentation in a variety of contexts.

The Firm has prepared both conventional and unconventional leases in a variety of contexts, including leases of buildings by governmental entities in connection with sophisticated financing transactions and ground leases in connection with redevelopment activities. In addition to the Firm's experience, over the course of his career Of Counsel Steve Mairella has had extensive experience with leasing matters, from both a transactional and a litigation perspective, including complex long-term net ground leases, as well as commercial office, retail and residential leases.

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Environmental Expertise. The McManimon & Scotland, L.L.C. environmental practice serves the needs of both public and private clients with matters involving brownfields redevelopment, site remediation and reuse, regulatory enforcement including compliance and permitting, emergency response, cost recovery and contribution actions, natural resource damage claims, environmental justice concerns, land use matters, real estate transactions, environmental liability, open space acquisition and preservation, wetlands mitigation and permitting and military base remediation and reuse. The McManimon & Scotland, L.L.C. environmental practice complements, and is often integrated with, the firm's other practices of redevelopment, bond financing, tax, public utility and energy, school district financing, litigation and land use.

References. Please see attached references.

Fee Proposal. A form of proposed fee agreement is attached.

Statement of Good Standing. Neither the firm of McManimon & Scotland, L.L.C. nor any individuals who would be assigned to this engagement are disbarred, suspended, or otherwise prohibited from professional practice by any federal, state, or local agency. A Certificate of Good Standing is included with the firm's business certificates.

Ethics Issues. Neither the firm nor any member or associate of the firm is the subject of a criminal investigation or involved in any litigation that would impact our proposed representation. Neither the firm nor any member or associate of the firm has ever been reprimanded, censured, or suspended by the Supreme Court for ethics infractions.

Conflict of Interest. We are not aware of any existing or potential conflicts of interest that may interfere with our representation. We have, over the years, been principally involved in the area of public finance on behalf of public bodies in the State of New Jersey. As a result, we are aware of the nature of transactions which could or do create the potential for conflicts of interest with the representation of such a public body. Typically in those situations, the conflicts are resolved in favor of representing the public body and, as a result, our firm has not handled transactions of the type that would conflict with our proposed representation.

Minority/Women Participation. Our firm is proud of its hiring of minorities and women. Nine of the 29 attorneys of McManimon & Scotland, L.L.C. are women. Andrea Kahn, Leslie London, and Wanda Chin Monahan are general partners. Eight of the 29 attorneys in the firm, Glenn Scotland, Leslie London, Demetrice Miles, Wanda Chin Monahan, Jong Sook Nee, Bakari Lee, Amelia Rideau and Lillian A. Plata are of either African American, Asian American or Latino descent and four are general partners. Among our support staff of 24, 10 are minorities and 23 are women. Fifty percent of the firm is owned by minorities and women. We believe that the participation of women and minorities at McManimon & Scotland, L.L.C. is unparalleled among major firms throughout the State.

Business Certificates. McManimon & Scotland, L.L.C. is in compliance with the New Jersey Law Against Discrimination pertaining to Public Contracts, the New Jersey Affirmative Action Rules, the New Jersey Equal Employment Opportunities Act, the Americans with Disabilities Act, the New Jersey

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Business Registration Law and disclosure of contributions to New Jersey Election Law Enforcement Commission (ELEC) pursuant to N.J.S.A. 19:44A-20.27. A copy of the firm's Business Registration Certificate, Certificate of Employee Information Report and Certificate of Liability Insurance are attached herein.

Miscellaneous. McManimon & Scotland, L.L.C. does not subcontract any of its work and will perform all services described in the scope of service herein directly. The firm is a professional organization; therefore its members and employees are not aligned with any union organization. The principals of McManimon & Scotland, L.L.C. do not have any immediate relatives who are City employees or elected officials of the City. All services will be performed in the United States of America.

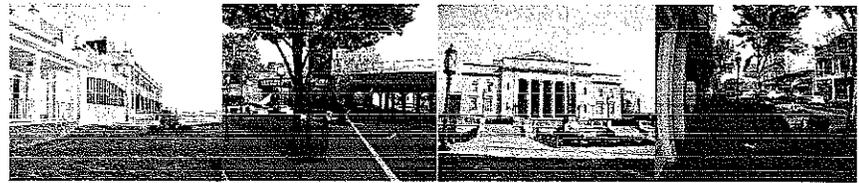
Thank you for the opportunity to submit this for consideration, and we look forward to helping you achieve your goals. If you have any questions, please do not hesitate to contact me.

Very truly yours,



Joseph P. Baumann, Jr.

Enclosure



The State of New Jersey's Local Redevelopment and Housing Law (the "Redevelopment Law") serves as the foundation for all redevelopment projects and provides a unique opportunity for municipalities to enter into public-private partnerships to renew blighted areas, revitalize the tax-base and generate the economic growth that is spreading across the state.

The Redevelopment Law allows a municipality to control the changes in the landscape of their community and manage the development by granting local governments broad powers to assist in redevelopment. These powers include the ability to acquire and dispose of land and buildings, secure grants and negotiate payments in lieu of taxes (PILOT). Financial tools are available to municipalities which can attract development, and also be used by municipalities to secure financing for project-related public infrastructure or cover budget shortfalls. McManimon & Scotland, L.L.C. is prepared to assist New Jersey's towns in transforming a redevelopment vision into a redevelopment reality.

McManimon & Scotland, L.L.C. helps public entities navigate the redevelopment process by assisting in assembling a team of redevelopment professionals, coordinate the designation of an area in need of redevelopment, prepare and adopt a redevelopment plan and attract developers. The firm's long history of representing public entities in public finance and redevelopment projects has enabled our attorneys to recognize and appreciate the needs of all stakeholders. Understanding the various impacts of a project is critical to ensure that the goals of both the municipality and the developer are achieved.

The Redevelopment Law gives municipalities an opportunity to recapture aging urban and suburban areas and focus redevelopment consistent with Smart Growth initiatives while satisfying the needs of a community.

Financial Agreement and Payments in Lieu of Taxes

McManimon & Scotland's ability to address the pros and cons of short and long term tax exemptions is essential to a redevelopment project. Financial resources such as PILOTs or special assessments provide the incentives often necessary to make a redevelopment project successful and economically feasible. PILOTs are a temporary taxing structure on the redevelopment project and, while often misunderstood, can be mutually beneficial to municipalities and developers alike. The municipal share of the PILOT can be used to solve budget shortfalls, relieve the taxpayer burden or leverage new

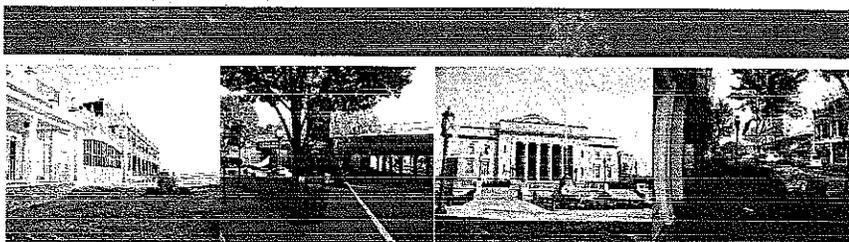
debt to finance public improvements related to the redevelopment project. This flexibility gives municipalities a valuable tool in times of diminishing federal and state aid and growing costs for municipal services. We can provide guidance to develop a PILOT structure that benefits the community and ensures the completion of the redevelopment project.

Redevelopment Area Bond Financing Law

McManimon & Scotland, L.L.C. assists public entities in taking advantage of the opportunities afforded by redevelopment by incorporating the Redevelopment Area Bond Financing Law, which allows municipalities to leverage PILOTs or special assessments and pledge them toward the payment of bonds issued by or on behalf of the municipality. The bonds are non-recourse to the municipality and are secured solely by the pledge, but municipalities have the option to provide guarantees as additional security. The proceeds of these bonds can be used by the municipality for public improvements related to the redevelopment project or for almost any other municipal purpose.

Eminent Domain/Condemnation

As part of the redevelopment practice of McManimon & Scotland, L.L.C., we have become intimately involved in condemnation activities throughout the State of New Jersey. Among our clients, we currently serve as special counsel to the New Jersey Schools Construction Corporation, West Orange Township, Montclair Township, Borough of Carteret and the Secaucus Municipal Utilities Authority regarding the acquisition of properties for public use. Our attorneys have extensive experience in condemnation actions, including defending challenges to the power of public entities to condemn property, representation in property valuation proceedings before condemnation commissioners and jury trials at the Superior Court of New Jersey. Further, our expertise extends to federal and state laws governing the provision of relocation assistance to persons displaced as the result of governmental property takings. In this regard, we provide compliance review to ensure that condemning authorities satisfy the relocation obligations mandated by federal and state laws. Moreover, we represent public entities regarding claims for relocation assistance before administrative agencies and the Superior Court of New Jersey. Most importantly, our attorneys possess the knowledge and skill that is necessary to develop a sound and proactive approach to address and resolve the myriad issues that impact the ability of public entities to execute public improvement programs and redevelopment projects in accordance with stated goals and objectives.



Public Finance

McManimon & Scotland, L.L.C. is one of the leading firms in the nation in the area of public finance. The partners in the firm's public finance practice have over two decades of experience in providing Bond counsel services to governmental units.

The firm has acted as Bond counsel for bond issues of the State of New Jersey and various State authorities, including the New Jersey Health Care Facilities Financing Authority, the New Jersey Turnpike Authority, the New Jersey Housing and Mortgage Finance Agency, the South Jersey Port Corporation and the New Jersey Economic Development Authority. The firm was recently named Bond counsel to the South Jersey Transportation Authority and Special Counsel to the New Jersey Sports & Exposition Authority. It has served as Bond counsel for 18 of the 21 counties in New Jersey and hundreds of municipalities and school districts throughout the State. The firm has extensive experience in serving as Bond counsel for municipal and regional authorities providing sewerage, water supply and waste disposal services, including related work with respect to vendor selection, energy consumption and sale, and regulatory aspects of such transactions. The firm has approved the validity of municipal bonds and notes measured in the billions of dollars.

In addition to its extensive Bond counsel practice on behalf of issuers in the State of New Jersey, the firm acts as Underwriter's counsel to investment banking firms and others involved in the issuance of tax exempt securities. The Underwriter's counsel practice includes advising clients on federal and state securities laws, the Internal Revenue Code and other local, state and federal law. The firm has acted as Bond counsel or Underwriter's counsel for public agencies issuances in Arizona, Florida, Georgia, Louisiana, New Hampshire, New York, Michigan, Missouri, Pennsylvania, Vermont, West Virginia, Wyoming and the Virgin Islands.

Also, as a result of its extensive Bond counsel and Underwriter's counsel experiences, the firm has been retained on many numerous occasions to represent banks and other lenders as trustee and letter of credit bank counsel.

The public finance partners and associates of the firm engage in a continuing effort to keep informed on the most recent developments, including tax changes that affect the tax-exempt status of municipal bonds. Attorneys from McManimon & Scotland, L.L.C. regularly participate as panelists in seminars and workshops addressing tax issues, including the Government Finance Officers Association, the

League of Municipalities, the Association of Counties, the National Association of Bond Lawyers and various programs sponsored by McManimon & Scotland, L.L.C.

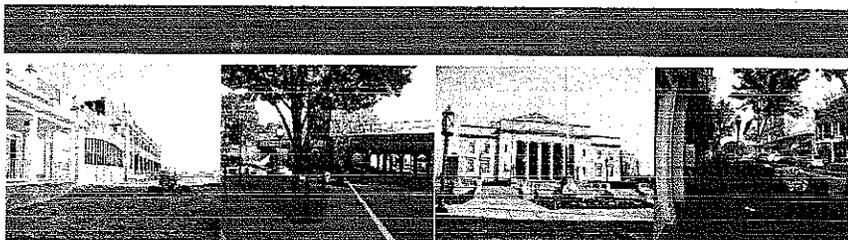
Privatization of Essential Governmental Services

The firm has been at the forefront of the analysis of the issues and the representation of public bodies in making the choices under the various acts that provide the basis for the sale or private operating arrangements between regulated and unregulated private utilities and the municipalities in New Jersey.

These transactions include either the sale of the utility system under the Public Utilities Law or the negotiation of a public/private operating partnership through a variety of statutes which, in the case of the water system, include the County and Municipal Water Supply Act, as well as the New Jersey Water Supply Privatization Act and, in the case of the wastewater system, the Wastewater Treatment Privatization Act. The firm analyzes all of the business, structural and tax issues associated with these arrangements.

New Jersey Environmental Infrastructure Trust Financing Program

The firm annually represents a significant number of borrowers participating in the New Jersey Environmental Infrastructure Trust Financing Program. The firm assists municipalities, sewerage authorities, utilities authorities and redevelopment agencies in obtaining low interest loans through the NJEIT. The firm represented the first borrower to obtain a loan through the NJEIT's Interim Loan Program, and has since represented numerous borrowers through such program. In 2006, the firm worked closely with the NJEIT and its professionals in financing one of the first loan borrowing secured by payments-in-lieu-of-tax and developer guaranties. It is through these experiences that members of the firm have developed a comprehensive understanding of the NJEIT Financing Program and continuously use that understanding to benefit our clients.



The McManimon & Scotland, L.L.C. environmental practice serves the needs of both public and private clients with matters involving brownfields redevelopment, site remediation and reuse, regulatory enforcement including compliance and permitting, emergency response, cost recovery and contribution actions, natural resource damage claims, environmental justice concerns, land use matters, real estate transactions, environmental liability, open space acquisition and preservation, wetlands mitigation and permitting and military base remediation and reuse. The McManimon & Scotland, L.L.C. environmental practice complements, and is often integrated with, the firm's other practices of redevelopment, bond financing, tax, public utility and energy, school district financing, litigation and land use.

Brownfields Redevelopment

Our environmental attorneys assist clients in assembling a redevelopment professional team that help a public entity assess its goals and prepare and implement a redevelopment plan. Undoubtedly, many properties within the redevelopment area will have environmental issues that need to be addressed, which will affect both the timing and expense of the redevelopment project. Although there are several ways to structure a redevelopment plan for large, multi-use redevelopment areas, any method should focus on the brownfields sites to maximize the economic incentives associated with brownfields redevelopment. Understanding the challenges posed by environmental issues is also critical to managing the environmental risks as well as ensuring environmental compliance, permitting, protection against and transfer of environmental liability, and securing public brownfields funding.

Remediation and Redevelopment

Environmental issues may significantly affect the acquisition and site preparation costs within a redevelopment area. As a result, our redevelopment and environmental attorneys work closely to ensure that remedial activities are integrated with the site preparation for the development project so that time and cost can be minimized. The continued collaboration of McManimon & Scotland, L.L.C.'s departments throughout the redevelopment process facilitates a redevelopment project through the NJDEP regulatory process while taking advantage of the financial incentives available for brownfields sites and redevelopment areas.

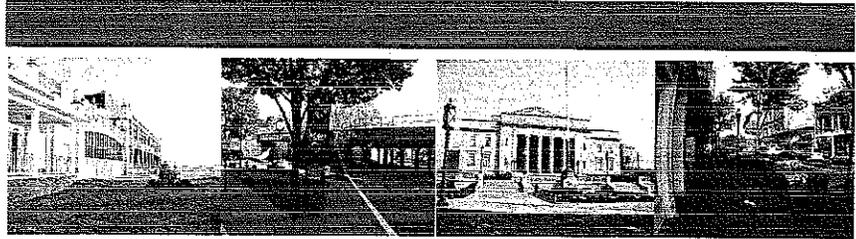
Environmental Liability Concerns

Recognition of environmental risks and practical knowledge of the tools available to manage these risks, such as environmental insurance, can provide financial certainty to the transaction. Depending on the cost estimates for environmental investigation and remediation, our environmental attorneys may recommend the use of environmental liability insurance policies as tools to manage and shift the risk to an insurance company. We will facilitate discussions with a risk management consultant that can provide advice during the transactions and procure the insurance policies which can "wrap around" any indemnification protections provided for in the redevelopment agreement. Any insurance broker can procure environmental insurance but our environmental practice works closely with brokers who specialize in environmental insurance policies to ensure that the liability for redevelopment entities is minimized or eliminated entirely.

Financing Brownfields Redevelopment

For many municipalities, financing the costs of redevelopment can be onerous. The incorporation of the environmental practice into the firm's finance and bond departments facilitates the overall financing of a redevelopment project so that the municipal bond financing is compatible with public financing opportunities. Incentive grants and low-interest loans, novel tax structures and reimbursement programs are available from several federal and state agencies. These sources of financing can assist a public entity in the undertaking of infrastructure improvements and certain non-construction costs, including relocation, demolition and environmental cleanup. Once an area has been designated in need of redevelopment, our attorneys can assist municipalities in using the Local Redevelopment and Housing Law and other financial tools to attract development and investment in the community.

The combined expertise of McManimon & Scotland, L.L.C. affords a "one-stop" shop for parties involved in the redevelopment process from designation through the environmental remediation and to the completion of a community redevelopment area.



McManimon & Scotland, L.L.C. has experience and expertise in a variety of land use and zoning matters, including matters arising under both the *Municipal Land Use Law* and the *Local Housing and Redevelopment Law*.

In connection with redevelopment matters, zoning and land use issues arise most often in the context of the preparation, interpretation and implementation of redevelopment plans. We have participated and provided legal counsel and perspective in the preparation and implementation of a number of sophisticated redevelopment plans. We also have consulted and advised municipal clients in connection with the drafting of zoning ordinance provisions outside of the redevelopment context.

Project-specific procedural and substantive land use issues arise frequently in connection with the negotiation of a redevelopment agreement, and in the context of redevelopment project design or evaluation. Such matters can include, for example, issues arising out of or in connection with the creation or extinguishment of easements, covenants, or other interests in or encumbrances on land; underlying zoning, to the extent not superseded by a redevelopment plan; subdivision and site plan approval, including variances or waivers; project phasing issues and requirements; infrastructure upgrades or improvements; regulatory permitting and compliance matters, such as environmental, historic preservation, and affordable housing requirements; and the defense of prerogative writ actions challenging redevelopment or land use actions. We have significant experience and expertise in each of these areas.

From time to time we also have successfully represented private clients before zoning boards and planning boards and regulatory agencies in connection with land use matters.



The McManimon & Scotland, L.L.C. litigation practice serves the needs of both public and private clients in a wide range of complicated and challenging litigation matters involving public contract, municipal/governmental, construction, employment, public utilities, environmental, redevelopment, banking, corporate, commercial, business, tax (local property and public finance), and insurance, as well as arbitration, mediation and alternate dispute resolution proceedings. The McManimon & Scotland, L.L.C. litigation practice complements, and is often integrated with, the firm's other practices of redevelopment, tax, public financing, public utility and energy and local government representation.

Public Sector

McManimon & Scotland, L.L.C. represents public authorities and local governmental entities, as general counsel in all manner of representation. As a compliment to that representation, the firm also represents these governmental authorities and entities in all manner of litigation, including without limitation, disputes arising under the Local Public Contracts Law, Open Public Records Act and the Open Public Meetings Act, disputes arising in connection with the undertaking of capital improvements and public works and disputes arising by virtue of challenges to local governmental action and rate setting and rate dispute matters. The firm zealously and proactively defends its public sector clientele in appropriate forums, but also realizes that, as stewards of the public trust, its public sector clientele are often desirous of achieving resolution of contested matters in cost effective and efficient ways. In that regard, our litigation attorneys attempt to bridge the gap between those two often inapposite sides of the spectrum.

Redevelopment

The New Jersey Redevelopment and Housing Law has enabled both urban and suburban New Jersey municipalities and local governments to undertake redevelopment and rehabilitation in a host of areas throughout the State. While these undertakings have unquestionably brought long needed revitalization to

areas which were in dire need of it, the increased utilization of redevelopment powers has created additional complexities for the public sector. In that regard, McManimon & Scotland, L.L.C.'s litigation attorneys have been instrumental in navigating our public clients through the myriad of concerns that have arisen in the wake of increased utilization of redevelopment authority, and in the wake of increased public concern in reaction to it.

Our litigation attorneys assist public sector clients in all manner of concern when it comes to redevelopment litigation. Quite often, municipal action undertaken to effectuate redevelopment is met with legal challenges of many kinds – challenges to redevelopment designations, challenges to redevelopment plans and challenges to inclusion of certain property within a redevelopment area, to name a few. Our litigation attorneys assist our public sector clients in effectively and timely challenging, and ultimately resolving, contested redevelopment undertakings. Our litigation attorneys have successfully defended a host of our municipal clients against challenges to their invocation of redevelopment authority, permitting many projects that had been jeopardized by legal challenge to move forward. We also routinely assist public sector clients in negotiating land acquisitions in connection with proposed redevelopment, being at all times sensitive to client needs as they concern the general public, and its perception of that process in recent years. When necessary, we assist public sector clients with appropriate condemnation proceedings to further effectuate redevelopment planning.

Construction/Public Works

Many legal and practical considerations may impact a public construction project as it progresses, including changes in work, cost overruns and delay. This task becomes even more complicated in a modern landscape where relations between contractors and owners have become, unfortunately, increasingly adversarial and guarded, often prone to potential conflict. Having competent construction counsel that will provide guidance that will result in equitable and



cost beneficial results is paramount. The goal of the attorneys at McManimon & Scotland, L.L.C. is to assist our clients in finding efficient resolutions to construction related issues, and not to unnecessarily complicate them through protracted proceedings unless absolutely required. The firm has represented municipal clients, Boards of Education, construction companies and other public sector clients in connection with construction and public works litigation and disputes, and brings that breadth of experience to any potential construction related conflict.

General Civil

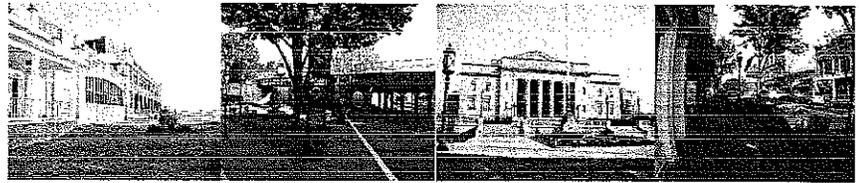
McManimon & Scotland, L.L.C. represents many private clients in general civil litigation matters. Our litigation attorneys assist clients in helping them to assess their goals, rights and responsibilities in the face of actual or threatened civil litigation, and thereafter assist them in preparing and implementing an appropriate strategy that meets those needs. Given the complexities and uncertainties involved with any actual or threatened litigation of any kind, it is always beneficial to discuss with clients, beforehand, a strategy that meets their needs and objectives. While our litigation attorneys are fully ready and able to zealously prosecute or defend clients' rights in appropriate judicial, administrative and other forums, we also realize that, from a practical standpoint, the best result may often come from other means of dispute resolution, settlement or negotiation. In that regard, the firm's breadth of experience in litigating a host of general civil matters, as well as its experience in finding practical solutions to contested or litigated matters, assists clients in evaluating their relative positions and enables them to act accordingly. In all cases the firm's litigation attorneys will seek to find efficient, equitable and cost effective solutions to meet client needs.



McManimon & Scotland, L.L.C. has an active and sophisticated tax practice. The firm has a particular expertise in all aspects of public (tax-exempt) finance and infrastructure finance. As counsel and special tax counsel for issuers, underwriters and developers, a significant part of the firm's public finance tax practice involves analyzing tax issues, structuring transactions and preparing related documentation and certifications. The firm's tax practice includes tax structuring and documentation in connection with new issues, evaluation of proposed novel financing techniques, post issuance tax matters such as changes in the use of bond financed facilities and other compliance issues, and representation of issuers in I.R.S. examinations. The firm's philosophy is to comply strictly with the Internal Revenue Code, Treasury Regulations, case law, and Internal Revenue Service pronouncements, while providing creative solutions to issues in an effort to provide the best possible results for our clients. In circumstances where the application of the federal income tax laws are uncertain with respect to a particular tax issue, the firm has requested and obtained formal guidance from the Internal Revenue Service in the form of private letter rulings.

The firm's State and local tax practice includes planning, application for rulings, lobbying, advising on and assisting with applications for tax exemptions and abatements, representation of taxpayers before the New Jersey Division of Taxation and Department of Labor (with respect to employment taxes) in connection with audits, and the litigation of disputes before the New Jersey Tax Court and Office of Administrative Law. The firm has represented numerous "Fortune 500" corporations in all aspects of proceedings, and has litigated Corporation Business Tax cases involving allocation and apportionment issues, claims for refund, and unitary business tax issues, among others.

The firm also has extensive experience in the area of real estate tax appeals representing municipalities like Newark and Rockleigh in the defense of tax assessments and also representing property owners in the prosecution of appeals before various County Tax Boards and the Tax Court of New Jersey.



McManimon & Scotland, L.L.C. provides general counsel services to many of the firm's public sector clients. In these times of ever increasing scrutiny and regulation of government, it is more critical than ever before that public entities are in compliance with a myriad of applicable laws and regulations. In that regard, McManimon & Scotland, L.L.C.'s general counsel practice guides the firm's public sector clients through applicable law to achieve not only compliance, but also, public policy goals, ends and objectives.

General Counsel

McManimon & Scotland, L.L.C.'s public client base includes many entities, including local, county and State authorities, municipalities, counties and school boards. Each entity is governed and enabled by various laws and regulations, and by vastly different statutory schemes. In that regard, McManimon & Scotland, L.L.C. brings a wealth of knowledge and experience to all manner of representation, great or small. Whether it be ensuring open public meeting compliance or ascertaining the scope of authority under enabling legislation, McManimon & Scotland's experience in representing public entities facilitates these objectives.

Open Public Meetings Act

Of common concern and importance to all public bodies in New Jersey, is compliance with the New Jersey Open Public Meetings Act, which requires, among other things, that all public bodies take official action only at publicly noticed meetings in accordance with the Act. An understanding of the Act itself is critical in determining when and under what circumstances the public body meets in closed session, and what subject matter may be discussed. In that regard, McManimon & Scotland, L.L.C. guides public clients through the Act, ensuring that all action of the public body is taken in accordance with its terms.

Open Public Records Act

The New Jersey Open Public Records Act, also known as OPRA or the Right-to-Know Law, makes available to the public, subject to the terms and conditions of the Act, public records maintained by governmental and public entities. The public policy favoring disclosure of public records in New Jersey is strong, and is another area common to public bodies.

Historically, OPRA in New Jersey had been more limited in its scope. However, in recent years, the State

Legislature has broadened the scope of OPRA, which has rendered more public records subject to disclosure statutorily. Thus, it is even more critical that public sector entities be familiar with the provisions of OPRA. In that regard, McManimon & Scotland, L.L.C. provides the guidance necessary to ensure compliance with the strong public policy favoring disclosure of public records, while simultaneously ensuring that governmental activities can be carried out in a manner that is sensible to the public entity, while fulfilling OPRA requirements as they affect the public at large.

Public Contracts

Another issue that commonly affects most public entities is that of procurement of goods and services. Whether it be procurement of professional services, materials for a capital improvement or office supplies, compliance with State law is critical.

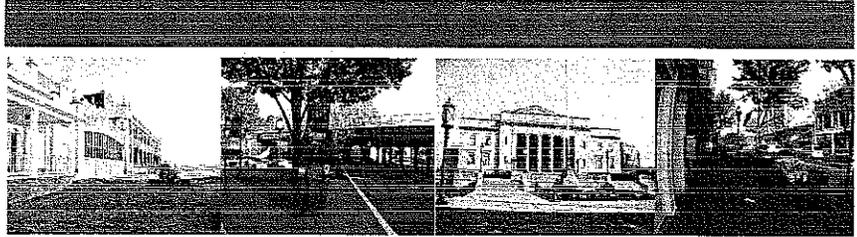
McManimon & Scotland, L.L.C. has extensive expertise in assisting public entities with their procurement related issues, from drafting and reviewing bid specifications and request for proposals, reviewing submitted proposals and bids to preparation of the contracts involved. The firm's general counsel services in this area helps ensure compliance with the State's procurement laws.

Employment and Labor

Unlike the private sector, the terms and conditions of public employment are generally subject to State regulation, whether through Civil Service or through public sector collective bargaining. In that regard, employment issues can be complex, daunting and in some instances, extremely frustrating to public entities. Indeed, issues which may seem as basic and as straightforward as employee discipline may, in the public sphere, be subject to a myriad of procedural and due process hurdles. These concerns can be daunting to any employer, let alone a governmental employer.

In this regard, McManimon & Scotland, L.L.C. provides guidance to navigate through these procedural complexities, and to ensure that governmental employers comply with all aspects of applicable law. Whether it be general counsel and guidance as to the protocol in serving a simple written, disciplinary notice, or handling the threat of an unfair labor practice charge, McManimon & Scotland, L.L.C. provides the resources and advice necessary to handle local government's employment concerns.

CORPORATE, BANKING, REAL ESTATE AND COMMERCIAL PRACTICE



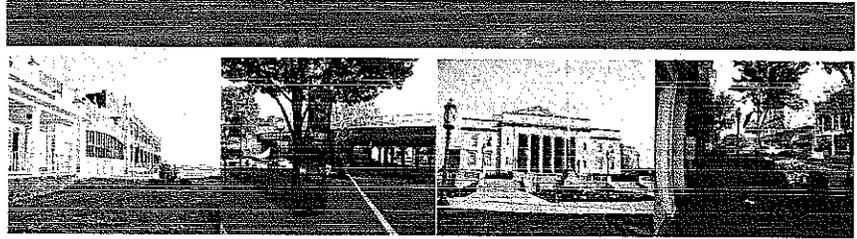
The corporate and business practice at McManimon & Scotland, L.L.C. involves all aspects of the formation and operation of business organizations. The firm regularly advises its clients on the selection of the type of business organization in which to conduct their activities, ranging from partnerships and joint ventures, sole proprietorships, corporations and limited liability companies. The firm has prepared and negotiated domestic and international license agreements, sales representation agreements and distribution agreements. The firm counsels clients in all types of merger and acquisition transactions, reorganizations, recapitalizations, and divestitures. The firm assists clients in financing transactions, ranging from institutional loans, private placements of debt and equity securities, as well as public offerings of securities.

The attorneys in the firm's banking group have many years of experience and represent a number of lenders in commercial real estate and asset-based transactions, lines of credit, floor planning, private banking, credit enhancement, surety bond, trustee, agent and custodian matters.

The firm's real estate practice includes the negotiation and preparation of contracts for conveyances of title, development agreements, easements, licenses, land use and occupancy agreements, brokerage and commission agreements, joint venture agreements as well as, all forms of partnership agreements and lease agreements. The attorneys in the practice area have represented owners, developers, landlords, tenants and lenders in all aspects of real property rights, including commercial land acquisition, financing and development, zoning and planning issues, related negotiation, transaction documentation and litigation.

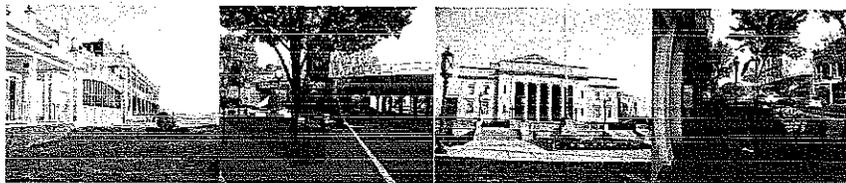
The firm is particularly proud of its work on behalf of local churches in expanding the educational opportunities of Newark's youth. These projects include the representation of St. James African Methodist Episcopal Church and its related companies in the construction of a \$5,000,000 preparatory school in Newark, New Jersey and acting as bond counsel to the New Jersey Economic Development Authority in the financing of the construction of a \$7,000,000 elementary school by Bethany Baptist Church.

Additionally, the firm has engaged extensively in the defense and prosecution of real estate tax appeals and negotiations of tax assessments. The firm has comprehensive experience with security interests, mechanics liens, equitable liens, all forms of real estate ownership and title quality issues, title insurance and re-insurance, survey matters.



McManimon & Scotland, L.L.C. is well equipped to represent the interests of government officials and law enforcement officers who have been named as defendants in state and federal civil rights actions. A governmental entity suffers significant exposure, both financially and in the perception of the taxpayers they serve, when aggrieved plaintiffs seek remedies against government bodies, specifically, against police, fire and emergency employees. Causes of action can arise from allegations of wrongful arrest, instances of overly aggressive conduct and failure to properly train, counsel and supervise official activity.

Of additional significance is the fact that many of these lawsuits demand extraordinary monetary claims that include punitive damages and plaintiffs counsel fee awards. Our professional staff is available for consultation 24 hours a day, every day in the event of an emergent situation. Further, our attorneys have the capacity to help train and guide supervising management staff in appropriate procedure and investigatory techniques. Prevention of a crisis situation often obviates the necessity of costly subsequent litigation. McManimon & Scotland, L.L.C. is available to represent the interests of governing bodies and their employees, in an efficient, competent and effective manner.



Public Utilities

McManimon & Scotland, L.L.C. provides legal services in regulatory, legislative, administrative, transactional, contractual and litigation matters involving the electric, gas, cable television, water and wastewater industries. The firm's attorneys appear before State public utility commissions, legislative committees, municipal governing bodies and the courts to address the specialized areas of law and regulation faced by these industries. The firm serves as general or special counsel to a host of local authorities and commissions, and in that regard is intimately familiar with State and Federal law applicable to the administration of public utilities.

Cable

McManimon & Scotland, LLC provides legal services to municipalities in the cable franchising and refranchising processes. Members and associates of the firm are intimately familiar with the relevant statutory and administrative provisions governing the cable franchising process, and have successfully assisted municipal clients in negotiating the maze often involved in negotiating and renegotiating, a cable franchise. Under the franchise process, the municipality has the responsibility to act as the voice of the cable subscriber and the citizens of their community. Therefore, the ability to effectively follow the franchise procedures and understand the federal, state and local laws regarding franchising insures that the community's cable-related needs will be met. The firm can help municipal clients focus on the important issues involved and complete the cable franchising process in an effective and efficient manner. This is particularly so in light of Verizon's recent entry into the cable market as the first system-wide cable franchisee, and its effect on local franchisees and municipalities.

WI-FI and Telecommunications

The development and proliferation of wireless telecommunications, including wireless fidelity networks ("WiFi"), has presented new opportunities, as well as responsibilities, for local government. There are obligations for local government to grant telecommunications companies access to public rights-of-way, and to potentially have wireless telecommunications equipment mounted on public property. In that regard, the firm can bring its wireless and telecommunications experience to bear. The firm has been

working with local government to facilitate telecommunications access to public rights-of-way under the control of the local unit in accordance with applicable law.

Of great significance to local government recently in the wireless telecommunications arena is Governor Corzine's signing of Chapter 191, P.L. 2007 into law in October of 2007. The new law imposes specific obligations and responsibilities on local governments interested in developing and constructing broadband telecommunication infrastructure and providing broadband telecommunications services through wireless community networks to the public, either directly or through a private entity. The law presents a host of new opportunities and challenges to local government.

The firm understands the challenges involved and their potential impact upon local government and can help guide local entities through the Wi-Fi Network process, including the preparation of fundamental documents essential to the process, from license and build-out agreements, to pole and public access point license agreements. The firm can assist in counseling local entities on all aspects of the wireless process.



EDWARD J. McMANIMON, III

Edward J. McManimon, III is a member of the law firm of McManimon & Scotland, L.L.C., a general practice law firm with special emphasis in the area of municipal securities and finance.

Mr. McManimon received his undergraduate degree in government from Georgetown University in Washington, D.C. in 1968 and currently serves on the Board of Governors of the Georgetown Alumni Association. He also attended Georgetown University Law Center where he obtained a Juris Doctorate degree in 1971. He was admitted to practice law in the State of New Jersey in 1971 and in the State of New York in 1990. Mr. McManimon began his legal career as the law secretary for the Honorable George H. Barlow of the United States District Court in Trenton, New Jersey. Following this judicial clerkship, he became associated with Kraft & Hughes. He became a partner in January, 1977. The successor firms of Kraft & McManimon and McManimon & Scotland were formed in 1987 and 1992, respectively. He devotes substantially all of his time providing advice to municipalities, counties, school districts, and governmental authorities in connection with their capital financing and related governmental requirements. Mr. McManimon works extensively in analyzing, developing and implementing financial plans for redevelopment areas throughout the State of New Jersey and in the privatization of public water, wastewater and solid waste systems including the preparation of procurement documents and the evaluation of proposals and the negotiation of agreements for the sale, leasing and/or operations of such public facilities by investor-owned and/or other non-regulated private utility companies.

Mr. McManimon has been involved in various professional and Bar Association activities, as well as various community and political activities. Mr. McManimon served as Chairman of the Local Government Law Section of the New Jersey State Bar Association and as Chairman of the Public Finance Subcommittee of the New Jersey Bar Association. He has also been a member of the Institute of Municipal Attorneys. He has been a frequent lecturer on the law of municipal finance, including debt management courses and programs on behalf of the New Jersey League of Municipalities, the New Jersey Authorities Association, the New Jersey Municipal Finance Officers Association, the Association of County Finance Officers, the New Jersey Association of Counties and the New Jersey Institute for Professional Development.



GLENN F. SCOTLAND

Mr. Scotland joined the firm in 1980. Mr. Scotland has extensive experience in advising local governments throughout the State in connection with development implementation and financing of complex redevelopment projects. Certain of the local governments, among others to whom Mr. Scotland has provided legal advice, include the City of Asbury Park, the Township of Montclair, the City of Newark and the Township of West Orange.

The legal services have included assisting the client with designation of areas in need of redevelopment and rehabilitation, the adoption of redevelopment plans, the selection of redevelopers and the negotiation of redeveloper agreements and the development and implementation of financing strategies. In connection with the above, further, Mr. Scotland has provided legal advice with respect to a variety of land use, environmental and real estate matters.

In addition to the above, Mr. Scotland works in the area of public and project finance including general obligation and revenue bond financings with an expertise in water, sewer and solid waste management and resource recovery financings as well as in the financing of other special waste handling facilities. In addition, Mr. Scotland has served as bond counsel to numerous authorities and housing finance corporations in connection with the financing of low and moderate income housing projects as well as special counsel in connection with tax-exempt or capital lease financings for New Jersey School Districts. Furthermore, Mr. Scotland has been involved in the representation of underwriters in connection with their purchase of tax-exempt obligations issued by political subdivisions of the State of New Jersey. Mr. Scotland also works extensively in the development and project financing of alternative energy projects including cogeneration and energy conservation and in the privatization of publicly-owned water, wastewater and solid waste facilities.

Mr. Scotland received his B.A. degree in economics from Brown University in 1977 and received his Juris Doctorate degree from Georgetown University in 1980. He was admitted to the practice of law in New Jersey in 1980 and to the practice of law in the State of New York in 1989.

Mr. Scotland is presently a member of the New Jersey State Bar Association, the Garden State Bar Association and a former member of the New Jersey Supreme Court Ethics Committee, District V-A. Mr. Scotland previously has served as a member of the New Jersey Housing & Mortgage Finance Agency and as a member of the Board of Trustees at Essex County College.

BIOGRAPHIES



JOSEPH P. BAUMANN, JR.

Joseph P. Baumann, Jr. is a member and Chairman of the law firm of McManimon & Scotland, L.L.C. He specializes in all aspects of public sector law including public finance and redevelopment law as well as the representation of some private clients in redevelopment projects. He has represented the State, its agencies and numerous municipalities, counties, boards of education and authorities. Such representation has involved a broad range of transactions, including negotiated and competitive, special obligations and general obligations, current and advance refundings.

Mr. Baumann also has substantial expertise in all aspects of redevelopment law, serving as lead redevelopment counsel in projects as large as the redevelopment of a 652 acre former military ocean terminal in Bayonne and as small as a one-acre mixed use project in Cranford. Mr. Baumann provides advice to the firm's public sector clients in connection with the designation of redevelopment areas, preparation and adoption of redevelopment plans, selection of redevelopers, negotiation of redevelopment agreements, financial agreements and funding agreements and the management of redevelopment projects. Mr. Baumann also speaks regularly on various redevelopment topics.

Mr. Baumann has devoted a substantial amount of his practice to the privatization of public water, wastewater and solid waste system, the securitization of municipal tax liens in many urban cities throughout the Northeastern United States and the representation of certain public bodies as general counsel.

Mr. Baumann received his Bachelor of Arts degree in government, with a second major in business administration, from the University of Notre Dame in 1984. He received his *Juris Doctoris* degree from Rutgers University Law School, cum laude, in 1987, where he served on the staff of the Rutgers Camden Law Journal.

Mr. Baumann is an active member in the New Jersey Bar Association, the Association of Environmental Authorities and the National Association of Bond Lawyers.



THOMAS J. HASTIE, JR.

Thomas J. Hastie, Jr. is a member of the law firm of McManimon and Scotland, L.L.C., and practices in the area of public finance law, project financing and redevelopment. In addition to his practice for governmental clients, Mr. Hastie is a counselor to the New Jersey League of Municipalities on economic development and redevelopment matters and serves on the Executive Committee of the Northern New Jersey District Council of the Urban Land Institute. Mr. Hastie is also a public member of the New Jersey Pension and Health Benefits Review Commission. Prior to joining the firm in August, 1998, Mr. Hastie was assistant counsel to the Senate Minority Office in Trenton, New Jersey.

Mr. Hastie obtained his Juris Doctorate degree from Rutgers University - Camden in 1995 and was admitted to practice law in New Jersey the same year. He received a B.A. degree with high honors in political science and a minor in economics from Trenton State College, now the College of New Jersey, in 1988. Prior to entering law, he served in various professional capacities in New Jersey Government, including Legislative Director for the State Treasurer and Senior Policy Analyst for the New Jersey Senate. He is a frequent speaker and lecturer in the area of public finance for the Institute for Professional Development and the New Jersey Government Finance Officers Association.



LESLIE G. LONDON

Leslie G. London is a member of the law firm of McManimon & Scotland, L.L.C. Ms. London joined the firm in November of 1987, and since that time has been involved in various aspects of litigation and general counsel work for the firm. Ms. London has specialized in the areas of municipal law, public contracts law, construction law, employment and labor law, solid waste and recycling planning, implementation, enforcement and regulation, public utility law and environmental law. Ms. London also handles various redevelopment matters, wastewater, cable television franchise renewal matters and natural gas and electric procurement matters. Ms. London also served as general counsel for several years to a County Board of Social Services. In addition, Ms. London devotes a portion of her time to monitoring, analyzing and drafting state and federal legislation and regulations, advising clients on "pay to play" issues and preparing election compliance reports for political action committees and other continuing political committees.

Prior to joining McManimon & Scotland, L.L.C., Ms. London served for three years as New Jersey Director of Constituent Services for U.S. Senator Frank R. Lautenberg, specializing in small business and government procurement issues. Prior to that, Ms. London worked for eight years in various New Jersey State government agencies including the Election Law Enforcement Commission, as an Election Finance Analyst; the New Jersey Division of Motor Vehicles - Bureau of Agencies, as Acting Bureau Chief of Agencies; the Department of the Public Advocate, as a Field Representative; and the New Jersey Office of Legislative Services, Division of Program Analysis, as a Program Analyst.

Ms. London received her B.A. degree in Political Science from Rutgers University in 1977, her Certification (C.P.M.) as a Public Manager in 1984 from Rutgers University Graduate School of Management/N.J. Department of Civil Service, and her Juris Doctorate degree from Seton Hall Law School in 1988. Ms. London is a member of the New Jersey State Bar Association and its Construction Law Section, the American Bar Association, and a former member of Women in Waste.



DEMETRICE R. MILES

Demetrice R. Miles is a member of the law firm of McManimon & Scotland, L.L.C. Mr. Miles joined the firm in 2000 and since that time has been involved in various aspects of litigation, including municipal law with a concentration in real property tax appeals and condemnation actions, and public utility law, environmental law, public contracts law, construction law and appellate practice. In the field of eminent domain, Mr. Miles has served as special counsel to various public entities throughout the State of New Jersey, including The Housing Authority of the City of Newark, New Jersey Schools Construction Corporation, the Borough of Carteret and the Carteret Redevelopment Agency, among other entities. Prior to joining McManimon & Scotland, L.L.C., Mr. Miles served as an assistant corporation counsel with the City of Newark. Mr. Miles specialized in the areas of municipal taxation and real estate law. In this capacity, Mr. Miles defended tax appeals before the U.S. Bankruptcy Court, the Tax Court of New Jersey and the Essex County Board of Taxation, reviewed and processed tax exemption applications, and represented the City of Newark in matters involving zoning and land use planning and engaged in appellate practice. Also, Mr. Miles served as counsel to the Municipal Council's Tax Abatement Committee, the City's Central Planning Board and Rent Control Board. In his capacity as assistant corporation counsel, Mr. Miles represented the City of Newark before the Supreme Court of New Jersey in the case of GM v. Linden, 150 N.J. 522 (1997), which involved the City's challenge regarding the constitutionality of the Business Retention Act.

Mr. Miles received his B.S. degree in Public Law and Government from Eastern Michigan University in 1989 and his Juris Doctorate degree from Thomas M. Cooley Law School in 1992. Mr. Miles was admitted to practice law in the State of New Jersey and the Commonwealth of Pennsylvania in 1992. Mr. Miles is a member of the American Bar Association, New Jersey Bar Association and the Garden State Bar Association where he formerly served as a member of the Board of Trustees. Furthermore, Mr. Miles currently serves as a member of the Board of Trustees of the Central Jersey Legal Services Corporation.



WANDA CHIN MONAHAN

Wanda Chin Monahan is a member of the law firm of McManimon & Scotland and manages the firm's Environmental Law Department. Ms. Monahan specializes in the practice of environmental law and brownfields redevelopment representing counties, municipalities, redevelopment entities, authorities, boards of education as well as private clients and developers. Ms. Monahan has extensive experience in matters involving site remediation and redevelopment, real estate transactions, environmental liability, enforcement, regulatory compliance, cost recovery, natural resource damages, environmental insurance, solid waste, permitting, insurance coverage, preparation of grant applications and military base remediation and reuse. She also has extensive litigation experience in state, federal and administrative proceedings in matters involving the Spill Compensation and Control Act, Brownfield and Contaminated Site Remediation Act, Industrial Site Recovery Act, Hazardous Discharge Site Remediation Act, Underground Storage Tank Act, Water Pollution Control Act and the Local Redevelopment and Housing Act. Ms. Monahan also has developed an expertise in the transfer of former military installations under the Base Realignment and Closure Act, having represented a local redevelopment authority on the Army's first Early Transfer/Environmental Services Cooperative Agreement for a 600+ acre property.

Ms. Monahan has been practicing environmental law exclusively since 1992, specializing in site remediation and reuse and brownfields redevelopment. The addition of Ms. Monahan's environmental practice group complements McManimon & Scotland's existing redevelopment practice and also allows the firm to assist clients in a broader scope of environmental matters.

Prior to joining McManimon & Scotland, Ms. Monahan was a Deputy Attorney General with the State of New Jersey representing the Department of Environmental Protection and a partner with the law firm of Schwartz, Tobia, Stanziale, Sedita & Campisano in charge of the firm's Brownfields Redevelopment and Site Remediation Practice Group. Ms. Monahan received her Bachelor of Arts degree from Rutgers College of Rutgers University in 1985 and her Juris Doctoris degree from Seton Hall University School of Law in 1988. Ms. Monahan is an active member of the New Jersey State Bar Association, the National Brownfields Association, the New Jersey chapter of the Society of Women Environmental Professionals and the Passaic County Brownfields Commission.



WILLIAM W. NORTHGRAVE

William W. Northgrave is a member of the law firm of McManimon & Scotland, L.L.C. and specializes in the representation of local governments and private entities specifically in the areas of long term tax exemption, redevelopment and related litigation.

Mr. Northgrave devotes a substantial amount of his practice providing advice to municipalities, counties, school districts and governmental authorities, along with private developers primarily in redevelopment projects and other transaction related work and litigation. Mr. Northgrave has worked on a number of redevelopment projects in Montclair, Newark, West Orange, Tinton Falls, Haddon Township and Palmyra Borough, among others.

Mr. Northgrave began his legal career at Shanley & Fisher, P.C. before beginning his own practice in 1992. In 1998 Mr. Northgrave joined Hudson County, serving as chief of staff. He became County Counsel in 2000, joining McManimon & Scotland, L.L.C. at the same time as Counsel and joined the firm full time in 2002.

Mr. Northgrave received his Bachelor of Arts degree *in curso classico* from St. Peters College in 1987. He attended Seton Hall University School of Law where he obtained his *Juris Doctoris* degree in 1990.



STEVEN MAIRELLA

Steven Mairella is Of Counsel to the law firm of McManimon & Scotland, L.L.C. Mr. Mairella specializes in real property matters, with a particular emphasis on zoning, land use, and development and redevelopment.

Prior to joining McManimon & Scotland, Mr. Mairella was Vice President & General Counsel to Pinnacle Communities, Ltd., a New Jersey-based developer and builder. In that capacity he was responsible for, among many other things, orchestrating and negotiating a major redevelopment project. Before joining Pinnacle he served for two years as the attorney for the Zoning Board of Adjustment for the Township of Nutley, Essex County, New Jersey. Mr. Mairella also spent eleven years as Vice President, General Counsel and Secretary of Sterling Forest Corporation in Tuxedo, New York, where he managed the legal and regulatory affairs of that land development company and its utilities subsidiaries. At Sterling Forest he was heavily involved in land use strategy and planning, in managing complex approvals processes and environmental impact analyses, in managing a large eminent domain litigation, and in negotiating and closing a major public acquisition of the company's land holdings. Before he joined Sterling Forest Mr. Mairella was an associate in the litigation department of White & Case (and Paskus, Gordon & Mandel, prior to that firm's merger with White & Case) in New York City, with a heavy emphasis on real estate development-related matters.

Mr. Mairella graduated magna cum laude from Brown University in 1979 with an A.B. in International Relations. He received his J.D. and graduated cum laude from Georgetown University Law Center in 1983.



DAVID J. MAIRO

David J. Mairo is Of Counsel to the law firm of McManimon & Scotland, L.L.C. Mr. Mairo's practice focuses on Environmental Law with an emphasis on brownfields redevelopment. Mr. Mairo counsels clients on issues of compliance, applicability and adequacy of remediation concerning the Industrial Site Recovery Act, as well as a variety of other environmental regulatory and enforcement matters; including, negotiations with the NJDEP, permitting, oversight of investigations and cleanup pursuant to the NJDEP Technical Requirements for Site Remediation. Mr. Mairo advises clients on Natural Resource Damage assessments and the implications of environmental due diligence associated with the purchase and sale of real estate. Mr. Mairo has litigated a wide variety of environmental matters involving numerous state laws such as the New Jersey Spill Compensation and Control Act, Water Pollution Control Act, Environmental Rights Act, Solid Waste Act, Underground Storage Tank Act and Hazardous Discharge Site Remediation Act. Mr. Mairo also represents clients identified as Potentially Responsible Parties in CERCLA cost recovery and contribution actions.

Mr. Mairo brings with him a unique technical background and experience gained from seven years of environmental consulting at Dan Raviv Associates, Inc. (presently TRC Environmental Corp.) in Millburn, NJ where he managed all aspects of compliance with state and federal regulations. Mr. Mairo holds a Bachelor of Science degree in Biology from Dickinson College, as well as a Master of Science in Environmental Science from the New Jersey Institute of Technology. Prior to joining McManimon & Scotland, L.L.C., Mr. Mairo was an associate with the law firm of Connell Foley, LLP where he began practicing Environmental Law in 1999.

Mr. Mairo received his Juris Doctoris degree from Rutgers University School of Law in 1999 where he was a Forman Scholar and Chairperson of the Moot Court Board. Mr. Mairo is licensed to practice in both state and federal courts in New York and New Jersey and is an active member of the State Bar Association, the National Brownfields Association, and the Justice Stewart G. Pollock Environmental Inn of Court. In addition, he serves on the Environmental Commission for the Village of South Orange where he volunteers his time and experience to the community.



JENNIFER L. CREDIDIO

Jennifer L. Credidio is an associate in the law firm of McManimon & Scotland, L.L.C., specializing in redevelopment law and public finance. A member of the National Association of Bond Lawyers, Ms. Credidio has served as bond counsel, underwriter's counsel and trustee's counsel for a number of tax-exempt and taxable governmental bond issues. Her redevelopment practice encompasses both the financial and planning elements of the redevelopment process, from the designation of a redevelopment area and the negotiation of a redevelopment agreement, to the negotiation of financial agreements governing payments in lieu of taxes and the issuance of redevelopment area bonds.

Ms. Credidio's practice builds upon her experience at the local, county and state levels. A former chief of staff to a member of the General Assembly, Ms. Credidio recently completed two terms on the Guttenberg Town Council, as well as two terms as a trustee of the Hudson County Economic Development Corporation. She has also served as a Planning Board commissioner and chair, and is familiar with a variety of land use issues.

Ms. Credidio received her B.A. degree in Political Science and International Relations from Columbia University in 1998, followed by a Master's degree in Public Administration, with a concentration in Urban Policy, from Columbia University in 1999. She received her J.D. from Seton Hall Law School, where she was an editor of the Seton Hall Legislative Journal, in June 2003. Ms. Credidio was admitted to the practice of law in the State of New Jersey in 2004.



TED DEL GUERCIO, III

Ted Del Guercio, III is an associate with the firm of McManimon & Scotland, L.L.C. Prior to joining McManimon & Scotland, L.L.C. in February of 2005, Mr. Del Guercio worked as an associate with Samuel M. Silver, L.L.C. of North Brunswick, New Jersey, with an emphasis on surety and recognizance law and general civil litigation. Further, Mr. Del Guercio served as Assistant Warren County Counsel from 1998-2000, and brought that public sector background and experience to the Firm as well.

Mr. Del Guercio received his Juris Doctorate in May of 1997 from Regent University School of Law in Virginia, and his B.A. degree in Political Science from Rutgers University in May of 1994. Mr. Del Guercio is admitted to practice law in the State of New Jersey, the Commonwealth of Pennsylvania, the State of West Virginia and the U.S. District Court for the State of New Jersey.

Since joining McManimon & Scotland, L.L.C., Mr. Del Guercio has practiced primarily within the Firm's litigation group, assisting in all manner of practice and representation. He has been involved in matters pertaining to redevelopment (including eminent domain proceedings), public and municipal utilities, construction, public procurement, ad valorem tax/assessment defense, general public sector representation and general litigation. Mr. Del Guercio has also assisted with the negotiation and drafting of redevelopment and other agreements pertaining to the Firm's role as special counsel to numerous municipalities and local agencies, including the Bayonne Local Redevelopment Authority, the City of Newark, the Township of Franklin, the Bayonne Municipal Utilities Authority and the Borough of Carteret.



ERIN K. LAW

Erin K. Law has been an associate with McManimon & Scotland, L.L.C. since 2005 and practices primarily in the fields of redevelopment, economic development and public finance.

In 2001, Ms. Law graduated from Douglass College of Rutgers University with a double major in Political Science and Administration of Justice. Ms. Law attended the University Of Maryland School Of Law and graduated in 2003. During law school, Ms. Law served as a Teaching Fellow for the business faculty.



BAKARI G. LEE

Bakari G. Lee is an associate with the law firm of McManimon & Scotland, L.L.C. Mr. Lee's primary practice area is public finance, having served as bond counsel to the State of New Jersey and various public authorities, in connection with securitized and general obligation bond issuances, federal and state security disclosure, and county and municipal legislation. Mr. Lee has also served as special counsel for mixed finance transactions, involving low and moderate income housing tax credits, HUD Section 8 financings, and equity-investor syndication proceeds. Mr. Lee also provides general counsel services to public and private entities involving a wide array of issues, with experience in the creation and management of nonprofit corporations pursuant to the New Jersey Nonprofit Corporation Law, the procurement of services in accordance with the Local Public Contracts Law, and the negotiation of contracts and complex business and financial transactions.

Prior to joining the firm in August 2003, Mr. Lee was a law clerk for the Honorable Darryl Dean Donohue of the Territorial Court of the Virgin Islands – St. Croix Division. Prior to joining the Territorial Court, Mr. Lee was a Senior Financial Analyst in the Animal Health Division of Pfizer, Inc. in positions of increasing responsibility, ultimately supporting the division's business development and strategic planning initiatives.

Mr. Lee received his Juris Doctorate from the Rutgers University School of Law – Newark in 2000 and graduated from Florida A&M University in 1994 with a Bachelor of Science degree in Business Administration with a finance concentration. He was admitted to the practice of law in the State of New Jersey in 2004 and in the State of New York in 2007.

Mr. Lee was also appointed in May 2006 as a member of the Board of Trustees for the Hudson County Community College.



KEVIN P. McMANIMON

Kevin P. McManimon is an associate in the law firm of McManimon & Scotland, L.L.C. Mr. McManimon practices in the areas of municipal finance and securities law, acting as bond counsel, representing various municipalities and State of New Jersey county and municipal authorities in general obligation and revenue bond financings, including current and advance refundings. Mr. McManimon also represents various redevelopment entities, including municipalities in Mercer and Middlesex counties and various parking authorities, including the Township of Bloomfield Parking Authority.

Prior to joining McManimon & Scotland, L.L.C. in May 2005, Mr. McManimon was an associate at Mason, Griffin & Pierson, P.C. in Princeton, New Jersey since January 2003. Before that time, he was an Assistant Prosecutor in the Mercer County Prosecutor's Office since 1998.

Mr. McManimon began his legal career as a law clerk for the Honorable David J. Schroth and the Honorable Alan J. Pogarsky, J.S.C., of the Superior Court of New Jersey in Mercer County from 1996-97. Mr. McManimon then served as law clerk to the Honorable John J. Hughes, U.S.M.J., in the United States District Court, District of New Jersey, from 1997-98.

Mr. McManimon received his Juris Doctorate in 1996 from the Roger Williams University School of Law in Bristol, Rhode Island and his B.S. degree in Accounting in 1993 from Villanova University.



AMELIA J. RIDEAU

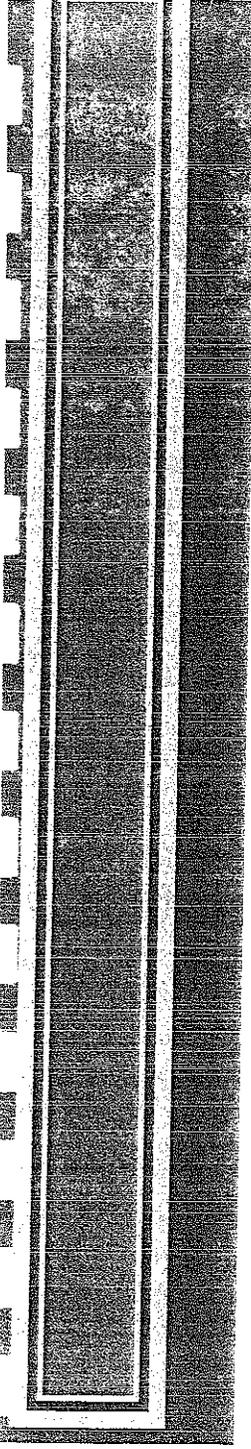
Amelia J. Rideau is an associate with the law firm, McManimon & Scotland, L.L.C., working primarily in redevelopment. Prior to joining the firm, Ms. Rideau worked for the City of Newark Office of the Urban Enterprise Zone where she was responsible for drafting grant proposals to be submitted to the Urban Enterprise Zone Authority for a myriad of land use, redevelopment, real estate, and economic development issues.

Ms. Rideau received her Bachelor of Arts from the University of Wisconsin-Madison in Political Science and English in 2001, and her Juris Doctorate Degree from Rutgers University School of Law – Newark in 2005.

Ms. Rideau has served in several community and public interest positions throughout her professional career. Before attending law school, Ms. Rideau worked as a Coordinator for the NAACP Voter Empowerment Program conducting voter registration and education activities and during law school Ms. Rideau interned with the NAACP Legal Defense Fund researching voting rights legislation and case law.

While attending Rutgers, Ms. Rideau served as Editor-and-Chief of the Rutgers Race and the Law Review and Vice President of Community Affairs for the Association of Black Law Students. Mrs. Rideau is currently a member of the New Jersey Bar Association.

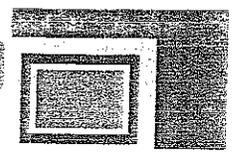
Asbury Park, City of (Wesley Lake Waterfront, S.T.A.R.S. Homeownership, Washington Avenue, Central Business District, Main Street and Mattison Avenue Redevelopment Projects)
Bayonne, City of (Route 440, Scattered Sites and Downtown Redevelopment Projects)
Bayonne Local Redevelopment Authority (Harbor Station North, Harbor Station South, Texaco, Bayonne Bay, the Landing and the Loft Redevelopment Projects)
Belmar, Borough of (Main Street Redevelopment Projects)
Carteret, Borough of (Landfill Reclamation, Roosevelt Avenue Light Industrial District, Lower Roosevelt Avenue, West Carteret Minue Street, Chrome Waterfront and Middlesex Avenue Residential Redevelopment Projects)
Carteret Redevelopment Agency (Lower Roosevelt Redevelopment Project)
Coastal Partners Urban Renewal (Township of Ocean Redevelopment Project)
Cranford, Township of (Cranford Crossing Redevelopment Project)
Edison, Township of (Jackson Avenue and Ford Assembly Plant Redevelopment Projects)
Fieldstone Associates (Haddon Township Redevelopment Project)
Franklin Township Redevelopment Agency (Somerset-Douglas, Churchill-Mills and Leewood Redevelopment Projects)
Goodman Properties (Palmyra Redevelopment Project)
Haddonfield, Borough of (Bancroft Redevelopment Project)
Hamilton, Township of (American Metro Center and Columbia Homes Redevelopment Projects)
Hightstown, Borough of (Bank Street Redevelopment Project)
Hudson County Improvement Authority (Red Bull Soccer Stadium and Parking Facility Projects)
Irvington, Township of (East Ward, Coit Street, Mill Road, Hazelton Consortium, L.L.C., Irvington General Hospital, Scattered Sites and Lyons Avenue Redevelopment Projects)
Maplewood, Township of (Redevelopment Projects I, II & III)
Matawan, Borough of (Redevelopment Counsel)
Middlesex, Borough of (Lincoln Boulevard Redevelopment Project)
Millville, City of (Downtown Redevelopment Project and Revenue Allocation District Project)
Montclair, Township of (Pine Street, Orange Road and Hahne's Building Site Redevelopment Projects)
Montgomery, Township of (North Princeton Development Center Redevelopment Project)
New Jersey Meadowlands Commission (EnCap Golf Holdings Redevelopment Project)
New Plan Urban Renewal (Township of Cinnaminson Redevelopment Project)
Newark Housing Authority (Scudder Homes and Arena Redevelopment Projects)
Newark, City of (Various Projects)
Newton, Town of (56 Sparta Avenue and Mason Avenue Redevelopment Projects)
Orleans Homes/Goodman Properties Joint Venture (Palmyra/Route 73 South Redevelopment Project)
Passaic Redevelopment Agency (River Drive Redevelopment Project)
Paterson Parking Authority (Center City Partners, Madison Avenue and St. Joseph's Hospital Redevelopment Projects)
Plainsboro, Township of (FMC Site - Princeton Hospital)
Pleasantville, City of (Redevelopment Counsel)
Perth Amboy, City of (iPort Redevelopment Project)
Princeton, Borough of (Downtown Redevelopment Project - Witherspoon Street)
Roselle, Borough of (Redevelopment Special Counsel)
Rutherford, Borough of (Encap Golf Holdings and Highland Cross Redevelopment Projects)
Scannel Urban Renewal (Borough of Magnolia Redevelopment Project)
Sills Cummis/Intra West (Mountain Creek - Vernon Redevelopment Project)
Somers Point, City of (Central Bay Avenue/Shore Road Redevelopment Project)
South Amboy Redevelopment Agency (Raritan River Landing and Baker Homes Redevelopment Projects)
Stafford, Township of (Business Park Redevelopment Project)
Tern Landing Development, L.L.C. (New Bay City Redevelopment Project)
Tinton Falls, Borough of (Route 66 Redevelopment and Chelsea Redevelopment Projects)
Trenton, City of (Marriott Hotel/War Memorial and Full Spectrum Redevelopment Projects)
Union, Township of (Schaffer Salt, Downtown, Tuscan & Train Station Redevelopment Projects)
Upper, Township of (BL England Redevelopment Project)
Village of Ridgewood (North Walnut Street Redevelopment Project)
West Orange, Township of (Downtown and Organon Redevelopment Projects)
Woodbridge Redevelopment Agency (Various Projects)
Woodbridge, Township of (Various Projects)



Redevelopment Law

M cManimon
& S cotland, L.L.C.

Attorneys at Law



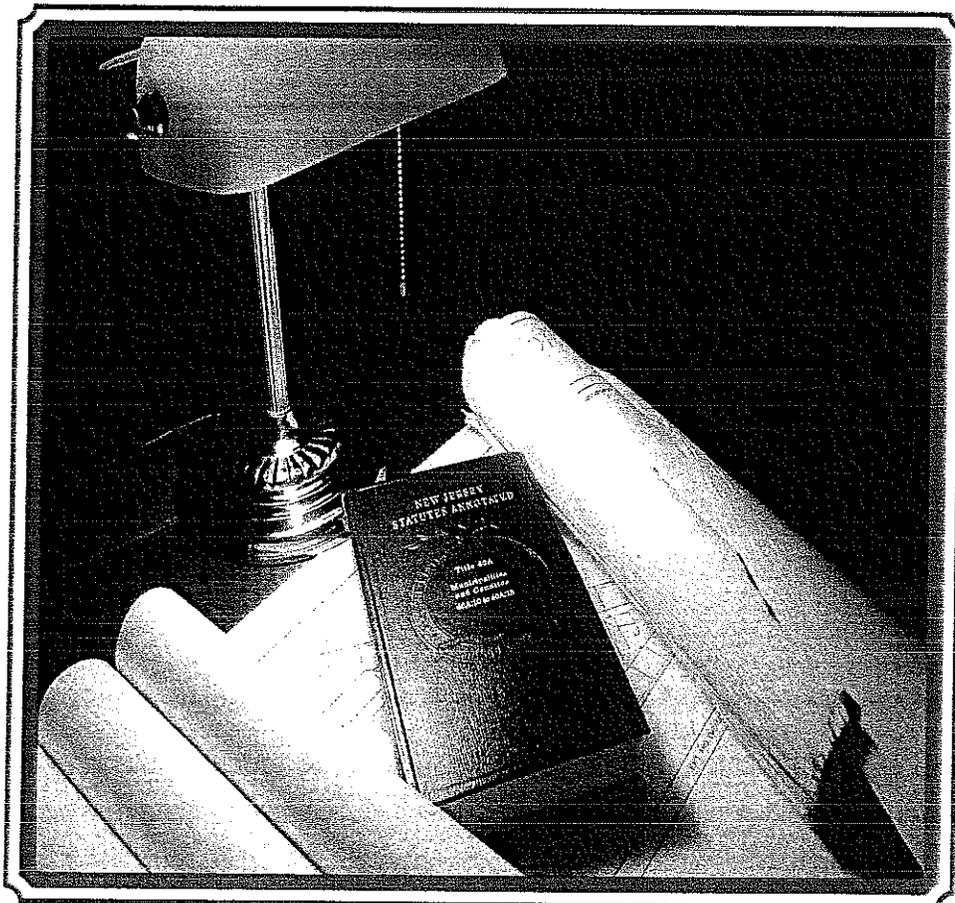
Redevelopment

The rebirth of New Jersey is in full swing. Landfills are being remediated, dilapidated buildings are being demolished and replaced, and vacant or underutilized parcels of land are becoming ratables. "Smart Growth," "Transit Village," "Special Improvement District," "Brownfields Redevelopment," and "Tax Increment Financing" are echoing throughout Borough Halls and City Council meetings. Redevelopment is here and New Jersey's cities and towns are leading the charge.

Never before have New Jersey's municipalities enjoyed so much flexibility as they aid or indeed cause redevelopment.

As our municipalities remake themselves, a number of statutes, utilized alone or in conjunction with one another, are available. As New Jersey's leading redevelopment counsel, McManimon & Scotland, L.L.C., is prepared to assist New Jersey's towns turn redevelopment visions into redevelopment projects.

The legal framework is in place, the environment is ready and, with the help of an experienced redevelopment counsel, a successful redevelopment project can be in your municipality's future.



Redevelopment Law

The Local Redevelopment and Housing Law (Redevelopment Law) serves as the foundation for all redevelopment projects. The law grants local governments broad powers to assist in redevelopment. These powers allow public entities the ability to acquire and dispose of land and buildings, undertake infrastructure, environmental investigations and remediation and other improvements, borrow money and make loans, obtain grants, negotiate payments in lieu of taxes (PILOTs) and otherwise assist and direct the redevelopment of their communities. In many instances, public entities have the flexibility to pursue these initiatives unrestrained by many of the limitations otherwise imposed upon them by such laws as the Local Public Contracts Law, the Local Bond Law, environmental laws, the Local Lands and Buildings Law and their own zoning ordinances.

A municipality can choose to issue bonds or notes pursuant to the Redevelopment Area Bond Financing Act (Redevelopment Financing Act) or the Large Site Landfill Reclamation and Improvement Law (Landfill Reclamation Law) for infrastructure improvements or to support the redevelopment project itself. As security for such bonds, a municipality may extend its own credit in the form of a guaranty and/or pledge PILOTs from the redeveloper. In addition to, or in place of pledging PILOTs, a municipality may impose and pledge a special assessment on property in the redevelopment area. A municipality may also create a special improvement district and use assessments levied therein towards the repayment of such bonds.

Environmental issues may significantly affect the acquisition and site preparation costs within a redevelopment area. Incentive grants and low-interest loans, novel tax structures and reimbursement programs are available from several federal and state agencies. As an example, municipalities, counties and redevelopment entities are eligible to receive grants from the Hazardous Discharge Site Remediation Fund (HDSRF) to cover the cost of the remedial action for properties. Under New Jersey's Brownfield and Contaminated Site Remediation Act ("Brownfields Act"), developers are able to receive a reimbursement of up to 75% of their remediation costs incurred in a redevelopment project. The reimbursement moneys are derived from certain revenue that is realized from the redevelopment project. If these incentives are addressed early in the redevelopment process, it can mean a significant savings for a municipality and a redevelopment project. These sources of financing can also assist a public entity in the undertaking of infrastructure improvements and certain non-construction costs, including relocation, demolition and envi-

ronmental cleanup. Once an area has been designated in need of redevelopment, our attorneys can assist municipalities in advancing through the Local Redevelopment and Housing Law and the environmental regulatory process while taking advantage of financial incentives to attract development and investment in the community.

For large projects, which require a substantial investment, and where PILOTs or special assessments will not generate enough revenue to meet debt service requirements, a municipality can establish a Revenue Allocation District (RAD). The establishment of a RAD allows a municipality to pledge various revenues to debt service, including: PILOTs; payroll or wage taxes; lease payments made with respect to government-owned properties; parking taxes; admission or sales tax revenue from the operation of publicly-owned facilities; sales taxes retained by the municipality pursuant to the Urban Enterprise Zone Act; parking revenue from publicly-owned parking facilities; and any incremental rise in property taxes.

The Long Term Tax Exemption Law and Five-Year Exemption and Abatement Law provide municipalities with a powerful tool for assisting redevelopment projects. These statutes, alone or in conjunction with other redevelopment powers, provide the flexibility needed to foster a public/private partnership in projects otherwise immune to the infusion of private capital. Through the use of PILOTs, a municipality can bring public funds to bear on a redevelopment project without impacting municipal taxpayers.

A Special Improvement District (SID), if properly created and managed, can serve as the catalyst for the revitalization of a town's business district. A SID assessment, pledged to the repayment of bonds issued for capital improvements, has allowed numerous municipalities to remake their downtown without impacting the residential taxpayers. To facilitate the process, many district management corporations, funded with the SID assessment, currently serve as the focal point for redevelopment.

Special assessment laws, zoning and planning statutes, laws governing urban enterprise zones and the County Improvement Authorities Law round out the most significant State legislation that may impact on a redevelopment project. On the Federal level, the Internal Revenue Code, Bankruptcy Code and various securities laws often come into play as well.



Redevelopment Expertise

The statutory and structural complexity of even the most rudimentary redevelopment project demands a wide range of legal expertise. The attorneys at McManimon & Scotland have acquired that expertise in all of the areas required to turn a redevelopment concept into a redevelopment project. These areas of expertise include:

Planning Expertise

Every redevelopment project begins with a plan. McManimon & Scotland will assist the municipality, the planning board and the municipality's planning consultant in designating an area in need of redevelopment, formulating a redevelopment plan, and selecting a redeveloper. A thorough knowledge of the redevelopment laws, and how those laws are interpreted by New Jersey courts, will ensure a solid foundation for your redevelopment project.

Transactional Expertise

Redevelopment projects often include a series of transactions involving multiple legal disciplines. Whether it be the sale, purchase or condemnation of property, the borrowing or lending of money or the negotiation and execution of a construction contract or redevelopment agreement, a broad transactional expertise is required to achieve a municipality's goal. The ability to rely on a law firm like McManimon & Scotland that has diverse transactional expertise in such areas as contract law, public sector law, land use law, environmental law, bankruptcy law and corporate, tax and finance law is critical to a successful redevelopment project.

Every redevelopment project is different. The drafting and negotiation of the transaction documents requires experience and judgment about what the law will permit, what the public reaction may be, what the redeveloper is likely to find acceptable and what is achievable in the redevelopment area.

Environmental Expertise

Undoubtedly, many properties within the redevelopment area will have environmental issues that need to be addressed, which will affect both the timing and expense of the redevelopment project. Although there are several ways to structure a redevelopment plan for large, multi-use redevelopment areas, any method should focus on the brownfields sites to maximize the economic incentives associated with brownfields redevelopment. Understanding the challenges posed by environmental issues is also critical to managing the environmental risks as well as ensuring environmental compliance, permitting, protection against and transfer of environmental liability, and securing public brownfields funding. Our redevelopment and environmental attorneys work closely to ensure that remedial activities are integrated with the

site preparation for the development project so that time and cost can be minimized. The continued collaboration of the departments throughout the redevelopment process facilitates a redevelopment project through the NJDEP regulatory process while taking advantage of the financial incentives available for brownfields sites and redevelopment areas.

Financial Expertise

As part of the redevelopment process, a municipality must focus on the challenges in the redevelopment area which prevent or deter private investment. Frequently, those challenges include infrastructure improvements, abandoned buildings which require demolition and environmental investigation and remediation issues. The municipality must understand its needs, as well as the requirements of its private partner, in order to determine what assistance a municipality should render to a potential redeveloper. The successful redevelopment project is achieved when the public subsidy is limited to the amount and type needed to encourage development but avoid a windfall for the developer. Only a law firm with the transactional, municipal, environmental and corporate finance experience McManimon & Scotland has can provide the expertise needed to help a municipality strike this balance.

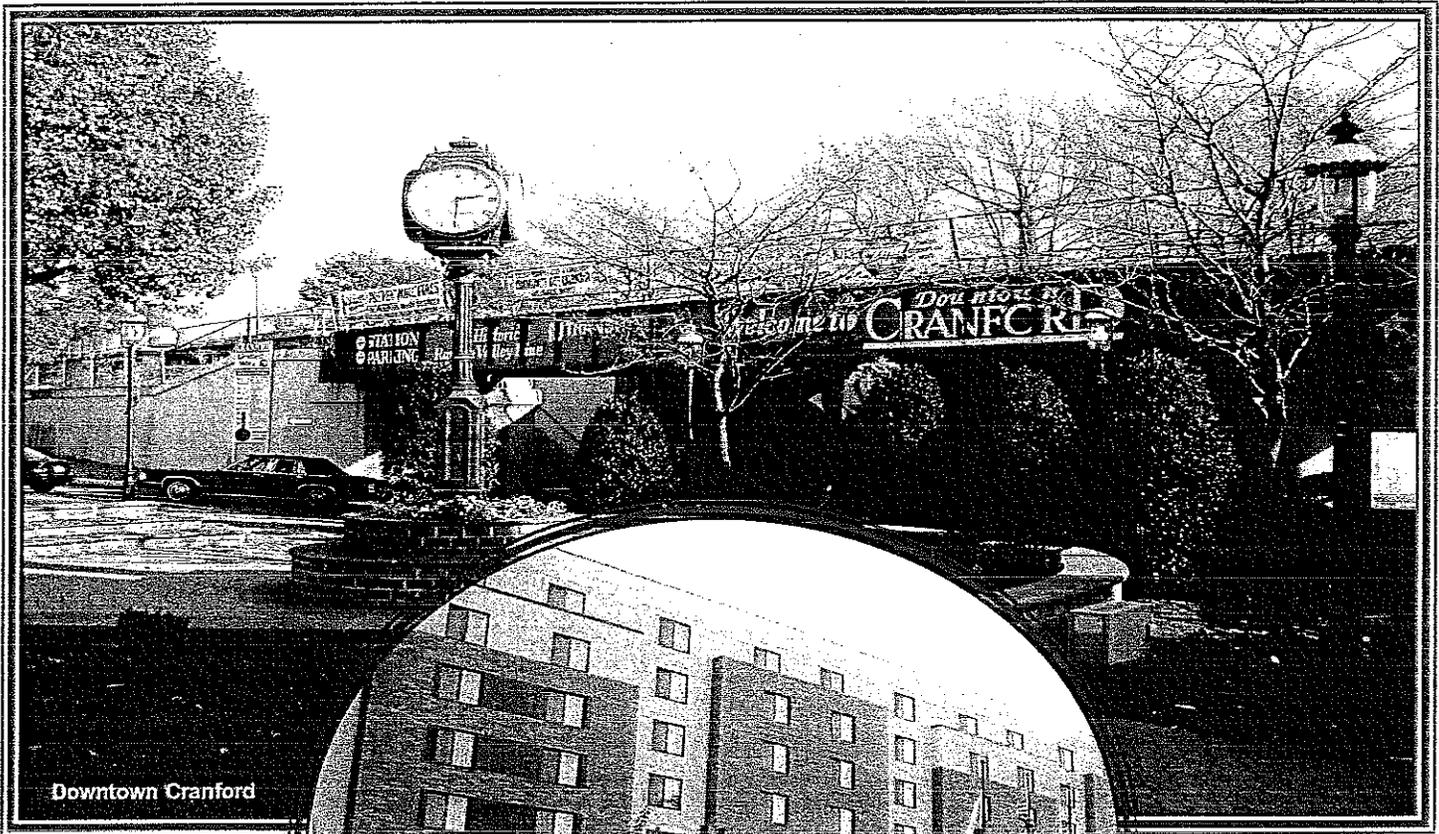
Tax Expertise

The ability to address the pros and cons of short and long term tax exemptions is critical to many redevelopment projects. It is also helpful to understand the tax impact of every transaction on the redeveloper in order to ensure a fair deal for both parties. The ability to identify opportunities that take advantage of tax exempt interest rates can often make the difference between a failed redevelopment project and a successful redevelopment project.

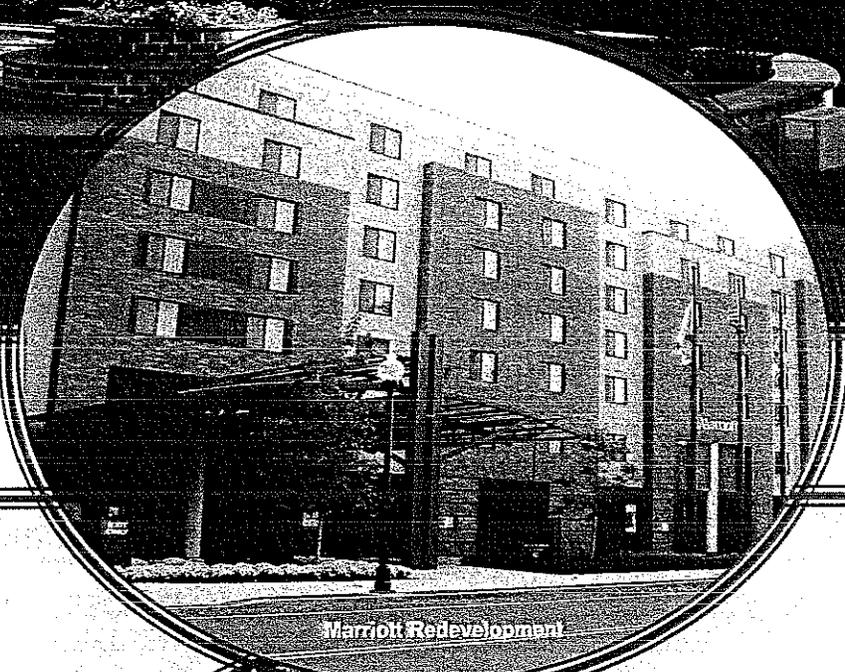
Dispute Resolution Expertise

Redevelopment projects often represent major changes for a community. Redevelopment is pursued to create additional revenues for a municipality, spur economic revitalization and assist local businesses to expand and improve their operations. Redevelopment projects often require relocation of residents and businesses and result in condemnation of private property. Occasionally that change is not well tolerated.

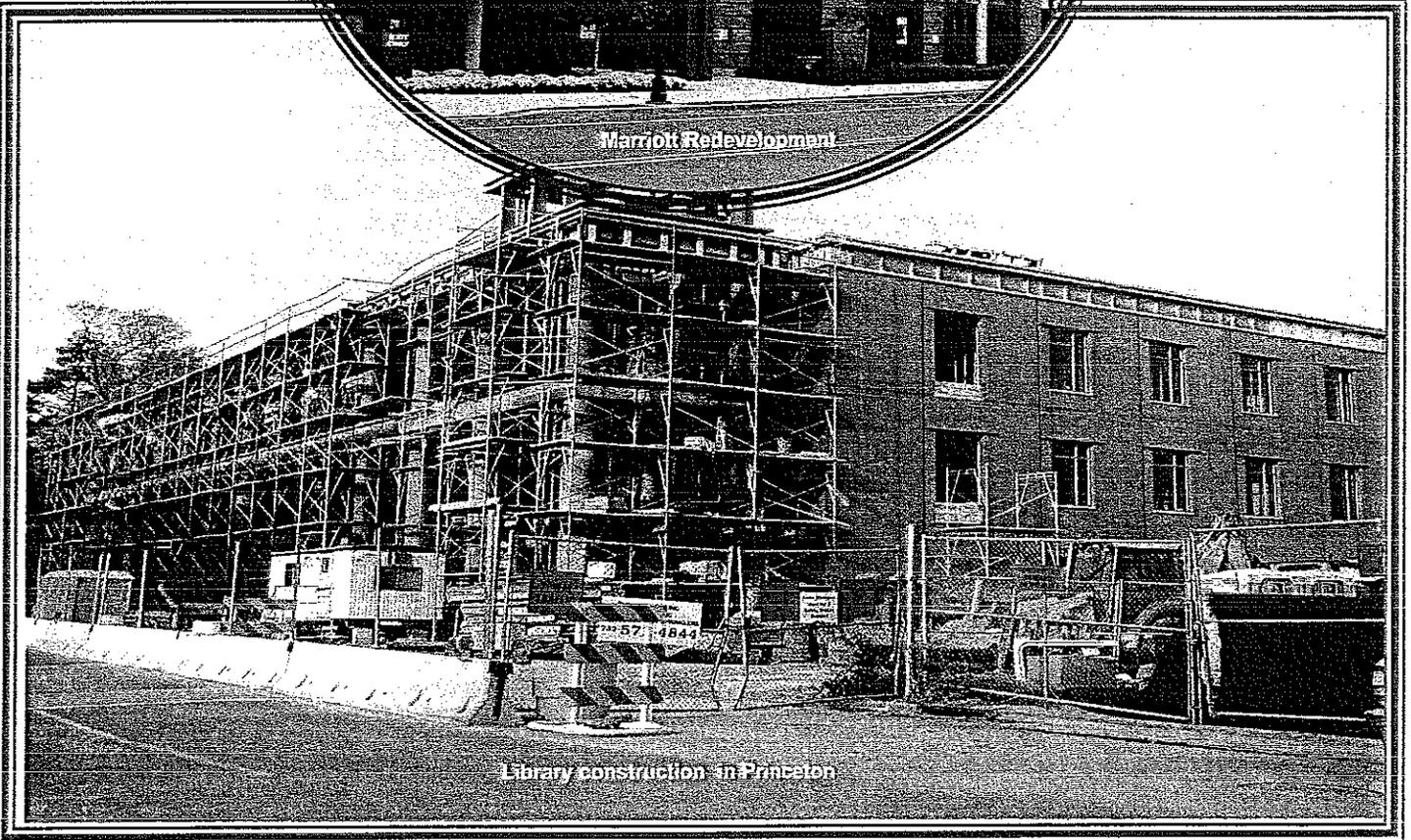
McManimon & Scotland's dispute resolution and litigation attorneys have handled challenges to a municipality's designation of a redevelopment area, adoption of a redevelopment plan, negotiation of a redevelopment agreement and condemnation of private property.



Downtown Cranford



Marriott Redevelopment



Library construction in Princeton

Redevelopment Projects

McManimon & Scotland has a long history of assisting New Jersey's cities and towns navigate their way through the redevelopment process. We have participated in drafting many of the laws that impact on redevelopment and are frequent speakers on the topic. We have represented municipalities, State agencies, county improvement authorities, redevelopment agencies and housing and parking authorities in acquiring, constructing, negotiating, financing, managing and operating redevelopment projects. Descriptions of a few of the more recent redevelopment projects follow.

Township of Cranford

In 1985, McManimon & Scotland assisted the Township of Cranford establish the first Special Improvement District in New Jersey. The SID assessment enabled the Township to repay bonds issued for brick pavers and improved facades and Victorian lighting throughout the downtown. By the late 1990s, however, the Township again became dissatisfied with the pace of development in its downtown. Despite the improvements, a lack of sufficient square footage and adequate parking for retail tenants had stagnated development. Recognizing the need for action, the Township identified two areas in the heart of its business district for redevelopment.

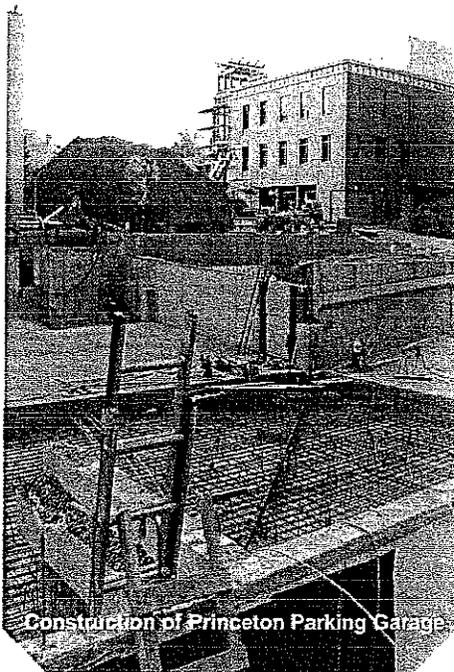
The first, known as "Cranford Crossing," is located across from the train station. Soon the area will have a six-story parking deck and a mixed-use facility with retail on the first floor and luxury apartments above. The garage, to be constructed by the redeveloper in part on land formerly owned by NJ Transit, will be owned by the

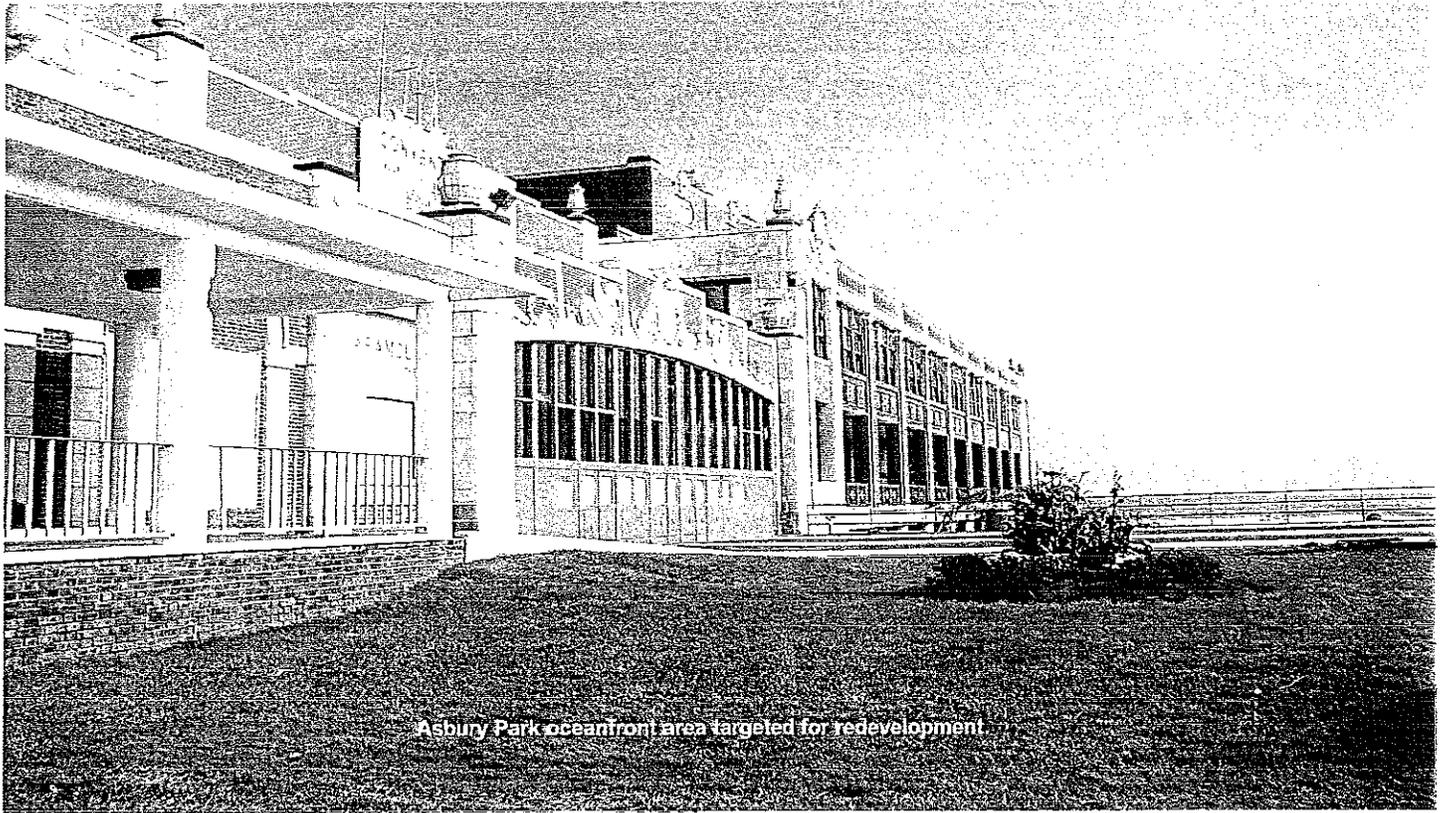
Township. It will accommodate commuters, downtown employees, residents and retail customers and create revenue for the town. McManimon & Scotland worked with the township and other professionals to resolve environmental obstacles and negotiate a redevelopment agreement that included a five-year PILOT and became the centerpiece for this forward-looking municipality.

Borough of Princeton

A serious parking shortage threatened the continued viability of several institutions that formed the core identity of downtown Princeton. The original public library, a longstanding attraction for area residents and downtown visitors, considered a possible relocation to a more remote area in order to address its parking needs.

Recognizing the problem, the Borough designated an area in need of redevelopment and adopted a redevelopment plan. A diverse collection of oddly shaped properties, all owned by the Borough, added little value to the downtown other than for parking. Together however they represented the ideal location for a modern multilevel parking garage. The proposed construction of the garage persuaded the public library to maintain its downtown location. It also allowed local retail and commercial businesses to expand, spurring further economic activity and adding low income and market rate apartments. Working closely with the financial consultants employed by the Borough, McManimon & Scotland arranged the financing needed to construct the garage and pay debt service without resorting to property tax dollars.





Asbury Park oceanfront area targeted for redevelopment

City of Asbury Park

A once vibrant seashore community, Asbury Park experienced hard times in the 1960s. After some false starts, Asbury Park is now pursuing several aggressive and ambitious redevelopment projects.

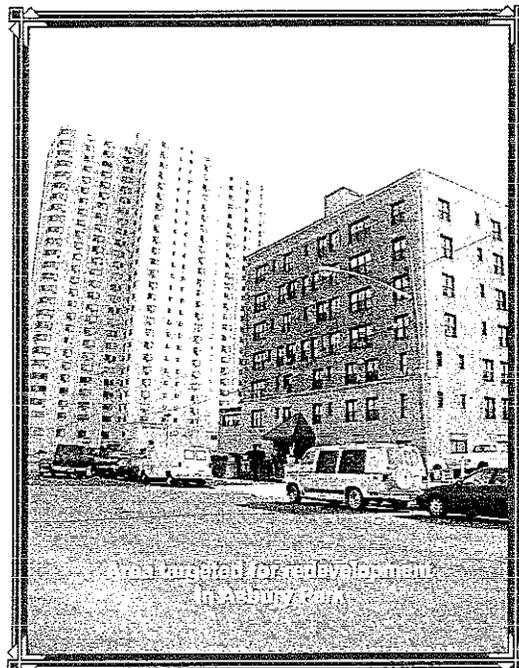
The overall redevelopment plan divides the City into a number of districts. McManimon & Scotland is assisting Asbury Park with redevelopment projects in several of these districts including an eleven block area in the City's central business district. The project focuses on the creation of new commercial and retail uses, a solution for parking within the downtown area and a policy for the granting of tax exemptions.

The Strategic Target Area Rebuilding Spirit (S.T.A.R.S.) Redevelopment Project is a housing project designed to revitalize and stabilize an

existing neighborhood in the City. In order to make this project a reality, McManimon & Scotland and the City have assembled multiple funding sources such as the Urban Home Ownership Revitalization Program, regional contribution agreements, Community Development Block Grants and the New Jersey Housing and Mortgage Finance Agency's New Jersey Urban Site

Acquisition Program. Once completed, the S.T.A.R.S. project will provide residents displaced by the redevelopment of Asbury Park with an opportunity for home ownership.

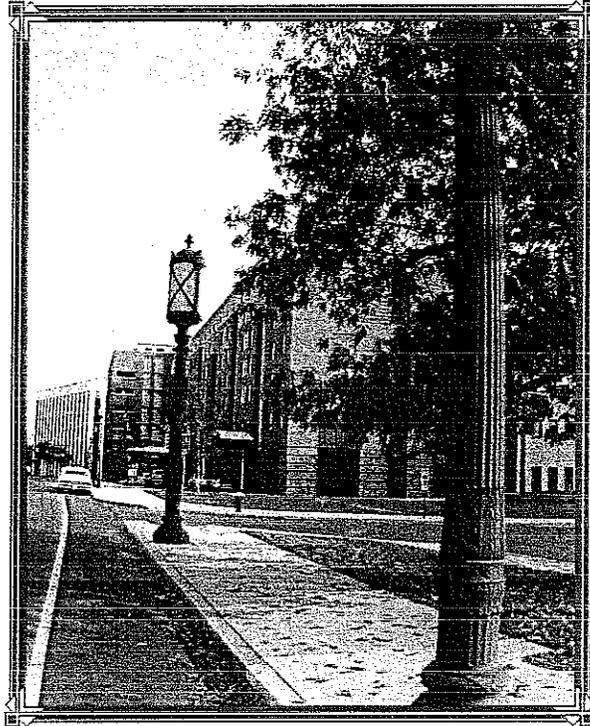
McManimon & Scotland serves as special redevelopment counsel to Asbury Park for the Wesley Lake Village project. When completed, Wesley Lake Village will border Wesley Lake and the southern most part of Asbury Park's beachfront. It will contain over 700 residential units constructed over four phases.



Area targeted for redevelopment in Asbury Park

Township of Montclair

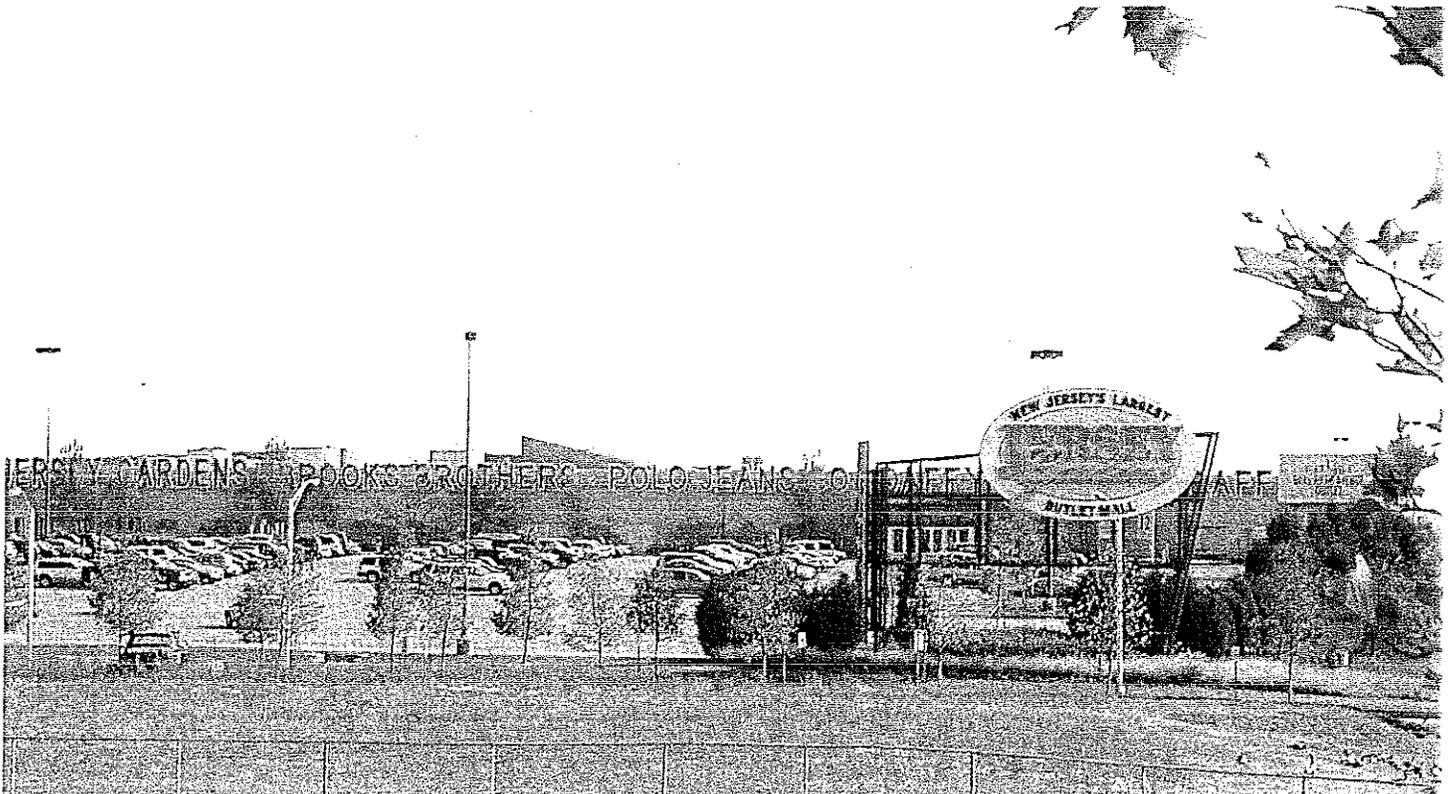
McManimon & Scotland serves as redevelopment counsel to the Township of Montclair and is participating in multiple redevelopment projects. The Township has addressed its parking needs by partnering with a local automobile dealership in need of additional parking for its inventory, employees and customers. McManimon & Scotland negotiated a redeveloper agreement, a ground lease, a use and occupancy agreement and a financial agreement with the dealership. These agreements obligated the dealership to construct and provide capital maintenance for a parking deck and make PILOT and ground lease payments to the Township.



City of Elizabeth

There are parcels of land throughout New Jersey that because of location, access to highways, or environmental problems have never been developed. The best example of this was an underused site in the City of Elizabeth where the Jersey Gardens Outlet Mall now sits. In the eastern portion of the City, between the New Jersey Turnpike and Lower Newark Bay, was a former landfill, that despite its strategic location was largely inaccessible to the general public. The site generated virtually no revenue for Elizabeth and represented a contingent liability because of its environmental state.

Utilizing the Redevelopment Law, in





conjunction with the Landfill Reclamation Law and with the assistance of McManimon & Scotland, the City of Elizabeth constructed the infrastructure improvements and completed the environmental remediation necessary to spur development. The City, with the proceeds from bonds issued by the New Jersey Economic Development Authority, built various roadways connecting the Jersey Gardens site with the New Jersey Turnpike and capped the former landfill, eliminating the issues that prevented the redevelopment. Those bonds, structured by McManimon & Scotland and the working group, secured entirely by a special assessment on the property and without recourse to the City of Elizabeth, represented a first-of-its-kind financing in New Jersey. Jersey Gardens is now one of the largest outlet malls in the region and it has served as a catalyst for other development in the area.

Town of Harrison

Utilizing the expertise of McManimon & Scotland, the Town of Harrison is employing a number of redevelopment tools to undertake a large scale project. The Town has been approached by the NY/NJ Metrostars, a major league soccer

franchise, to build a soccer stadium. Similar to Jersey Gardens, the Harrison site is bounded by a river and a highway, has inadequate roadways for the volume of patrons expected and poses environmental challenges.

McManimon & Scotland serves as special counsel to the Hudson County Improvement Authority, the public body Harrison has asked to finance the Metrostar Stadium Project. In that role McManimon & Scotland consulted with Harrison's professionals to devise alternative financial structures to fund infrastructure improvements and environmental remediation on the site including the establishment of a RAD.





STATE OF NEW JERSEY BUSINESS REGISTRATION CERTIFICATE

Taxpayer Name: MCMANIMOM & SCOTLAND, L.L.C.
Trade Name:
Address: 1037 RAYMOND BOULEVARD, SUITE 400
NEWARK, NJ 07102-5408
Certificate Number: 0075601
Effective Date: January 03, 1988
Date of Issuance: November 13, 2009

For Office Use Only:
20091113095306305

Certification 2184

**CERTIFICATE OF EMPLOYEE INFORMATION REPORT
RENEWAL**

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-NOV-2004** to **15-NOV-2011**

**MCMANIMON & SCOTLAND, L.L.C.
ONE RIVERFRONT PLAZA, 4TH FL.
NEWARK NJ 07102 5408**



A handwritten signature in cursive script, appearing to read "John P. Lawrence".

State Treasurer

STATE OF NEW JERSEY
DEPARTMENT OF TREASURY
SHORT FORM STANDING

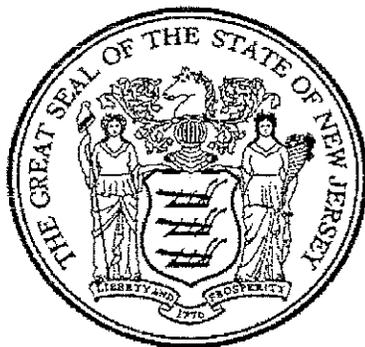
MCMANIMON & SCOTLAND, L.L.C.
0600036776

I, the Treasurer of the State of New Jersey, do hereby certify that the above-named New Jersey Domestic Limited Liability Company was registered by this office on March 13, 1997.

As of the date of this certificate, said business continues as an active business in good standing in the State of New Jersey, and its Annual Reports are current.

I further certify the registered agent and registered office are:

*John V. Cavaliere
1037 Raymond Boulevard
Suite 400
Newark, 07102 5408*



Certificate Number: 115344600

Verify this certificate online at

http://www1.state.nj.us/TYTR_StandingCert/ISP/Verify_Cert.jsp

*IN TESTIMONY WHEREOF, I have
hereunto set my hand and affixed
my Official Seal at Trenton, this
22nd day of September, 2009*

*R. David Rousseau
State Treasurer*

Jamison Risk Services



A DIVISION OF HERBERT L. JAMISON & CO., L.L.C.
INSURANCE GROUP

100 Executive Drive, West Orange, New Jersey 07052-3362
973-731-0806 • 800-JAMISON • Fax 973-731-3035
www.jamisongroup.com

NEW JERSEY
NEW YORK
PENNSYLVANIA

CONFIRMATION OF PLACEMENT OF COVERAGE

NAMED INSURED AND ADDRESS	ACCOUNT NO.
McManimon & Scotland, L.L.C. 1037 Raymond Boulevard, Suite 400 Newark, NJ 07102-5408	MCMAN-1001

EFFECTIVE DATE	EXPIRATION DATE	POLICY NUMBER	INSURER
09-01-2009	09-01-2010	Renewal of: WLW314005094603	Westport Insurance Corporation

COVERAGE DESCRIPTION AND AMOUNT / LIMITS

LAWYERS PROFESSIONAL LIABILITY INSURANCE

Limit of Liability: \$10,000,000 per claim / \$10,000,000 annual aggregate

Deductible: \$100,000 per claim

Annual Premium: \$127,470 plus NJ PLIGA Surcharge of \$1,147.23

Terms and Conditions: As provided in our report to you dated August 10, 2009

We discussed our ability to obtain quotes for higher limits. You indicated that the firm was not interested at this time.

Accepted by: Joseph P. Baumann, Jr. - Member

Dated: 9/24/09

BY

Joseph F. Bieniowski
Joseph F. Bieniowski, Director

08-21-09
DATE

In accordance with your instructions we have taken the action as described above. Please review this confirmation to be sure that it accurately reflects those instructions. The policy and / or amendment is being prepared and will be forwarded to you along with the invoice or credit memorandum in due course. Thank you for this opportunity to be of service. Subject to Underwriters Approval and Terms and Conditions of the Policy.

REDEVELOPMENT REFERENCES

Terence J. Reidy, City Manager
City of Asbury Park
One Municipal Plaza
Asbury Park, NJ 07712
Telephone: (732) 502-5755

Raymond J. McCarthy, Mayor
Township of Bloomfield
Municipal Building
1 Municipal Plaza
Bloomfield, NJ 07003
Telephone: (973) 680-4077

Daniel J. Reiman, Mayor
Borough of Carteret
61 Cooke Avenue
Carteret, NJ 07008
Telephone: (732) 541-3801

John T. O'Leary, Mayor
City of South Amboy
140 North Broadway
South Amboy, NJ 08879
Telephone: (732) 525-5932

Director Susan Borg
Planning Department
Township of West Orange
Municipal Building
66 Main Street
West Orange, NJ 07052
Telephone: (973) 325-4155

Wayne Smith, Mayor
Township of Irvington
One Civic Square
Irvington, NJ 07111
Telephone: (973) 399-6639

Ms. Karen Kadus, Director
Planning and Community Development
Township of Montclair
205 Claremont Avenue
Montclair, NJ 07042
Telephone: (973) 509-4900

Norman M. Guerra, Executive Director
Hudson County Improvement Authority
574 Summit Avenue - 5th Floor
Jersey City, NJ 07306
Telephone: (201) 795-4555 ext. 201

Jun Choi, Mayor
Township of Edison
100 Municipal Boulevard
Edison, NJ 08817
Telephone: (732) 248-7298

AGREEMENT

THIS AGREEMENT ("Agreement"), made as of this ____ day of ____, 2009, by and between the CITY OF HOBOKEN, a public body corporate and politic of the State of New Jersey, herein designated as the "Client" and McMANIMON & SCOTLAND, L.L.C., Attorneys-at-Law with offices at 1037 Raymond Boulevard, Suite 400, Newark, New Jersey, hereinafter designated as "Special Counsel":

WITNESSETH:

A. GENERAL SERVICES

1. The Client desires to engage Special Counsel for general legal services in connection with its various redevelopment projects (the "Redevelopment Projects").
2. Services rendered to the Client shall be billed at the blended hourly rate of \$215 for attorneys and \$135 for paralegals. In the event that Special Counsel is required to represent the Client in litigation/dispute resolution matters, the blended hourly rate shall be the same.
3. Services rendered to the Client the cost of which is reimbursed by a developer through a developer-funded escrow account pursuant to an escrow agreement between the developer and the Client shall be billed at the blended hourly rate of \$325 for attorneys and \$180 for legal assistants. In addition to the hourly time charges described above, Counsel will be reimbursed for out-of-pocket expenses as set forth in paragraph B(3)(g).

B. SERVICES RELATING TO FINANCINGS

1. The Client is authorized by law to undertake a variety of financings in connection with its Redevelopment Projects. In addition to the services to be provided in connection with paragraph A, the Client desires to engage Special Counsel for specialized legal services in connection with the authorization and issuance of bonds or other obligations for the various Redevelopment Projects it determines to undertake, pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq., the Redevelopment Area Bond Financing Law, N.J.S.A. 40A:12A-64 *et seq.*, or the Revenue Allocation District Financing Act, N.J.S.A. 52:27D-459 et seq.
2. Special Counsel, in consideration of the making and the signing of this Agreement, agrees to render the following services:
 - a. Special Counsel will meet with the members of the Client and its representatives and advisors, including its planning consultants, engineers, financial advisors, underwriters or others, as often as necessary for the development of the financing plan. Special Counsel will review or draft all documents necessary to effectuate the financing plan, including the ordinance or the resolution establishing the Client, if applicable, the general bond resolution, any supplemental bond resolutions or trust indentures and other operative documents. In developing the financial plan, Special Counsel will give advice with respect to tax law, securities law and state law consequences and will review the proposed use of bond proceeds in light of the Internal Revenue Code and the Regulations promulgated by the Treasury with regard to "Arbitrage Bonds" in order to ensure the Client's ability to issue tax-exempt bonds, if applicable.
 - b. Special Counsel will assemble a certified record of proceedings to evidence the establishment of the Client, if applicable, the appointment and the validity of its membership, the effectiveness of the general bond resolution, any supplemental resolutions, trust indentures or other

operative documents, the proper authorization and the effectiveness of the subsidy agreement, if any, and the bond purchase agreement, the enforceability of any covenants undertaken by the Client for the protection of bondholders and the proper authorization and issuance of the bonds or other obligations of the Client.

c. Special Counsel will supervise the legal aspects of the sale of the bonds or other obligations, whether at competitive or negotiated sale. Special Counsel will meet with the members of the Client, the financial advisors and the underwriters and will review such documents as underwriting agreements, bond purchase agreements and similar documents relating to the sale of the bonds or other obligations. Special Counsel will review those portions of the official statement relating to the legal proceedings required to issue the bonds or other obligations and will review drafts of the official statement in order to ensure compliance with law and substantial adherence to generally accepted financial disclosure guidelines issued by the Municipal Finance Officers Association. Special Counsel services in this regard would not include a due diligence inquiry or the rendering of an opinion with respect to due diligence, which is generally provided by counsel to the underwriter. Special Counsel will attend meetings with the rating agencies as necessary to assist in obtaining a favorable credit rating for bond issues of the Client. If requested, Special Counsel will attend and participate in information meetings deemed appropriate by the financial advisor or underwriter to acquaint the municipal bond market with new issues of bonds or other obligations of the Client.

d. Special Counsel will prepare or arrange for the preparation of the bonds or other obligations for execution, will prepare and see to the execution of the necessary closing certificates and will establish the time and the place for delivery of the bonds or other obligations to the purchaser. Special Counsel will attend the closing with the appropriate officials, at which time the bonds or other obligations will be delivered, payment will be made for the bonds or other obligations, and Special Counsel will issue a final approving legal opinion with respect to the validity of the bonds or other obligations and the various covenants undertaken by the Client for the protection of its bondholders. This opinion will be in a form acceptable to the financial community and will be printed on the bonds or other obligations.

e. Throughout the course of these services, Special Counsel will be available for meetings and conversations with the members of the Client, its planning consultants, engineers, financial advisors and underwriters and its other representatives, officials or professionals, and Special Counsel will be available to answer questions raised by members of the investment community with respect to the obligations of the Client.

3. The Client will make payment to Special Counsel for services rendered in accordance with the following schedule:

a. Services rendered in connection with the authorization and the issuance of a permanent bond issue or temporary financing involving the preparation of a General Bond Resolution or trust indenture and is publicly offered during the term of this Agreement, will be billed at the hourly rates set forth in paragraph A(2).

b. Services rendered in connection with the preparation of any disclosure documents or other similar documents will be billed at hourly rates set forth in paragraph A(2).

c. Financing related services rendered beyond the scope of those described above will be billed at the hourly rates set forth in paragraph A(2).

d. In the event of a refunding bond issue consistent with the provisions of the Internal Revenue Code to provide for the payment of a prior issue of bonds, an additional fee of \$15,000 will be charged.

e. In the event that a letter of credit or other credit enhancement (not including a standard insurance policy), is issued in connection with either a bond or temporary financing, an additional fee of \$25,000 will be charged.

f. Counsel's fee is usually paid at the closing of the bonds or notes, and Counsel customarily does not submit any statement until the closing unless there is a substantial delay in completing the financing. In the event that legal services described herein are provided in connection with a bond or note sale and the bond or note sale is not consummated or is completed without the delivery of Counsel's bond opinion as bond counsel, or this Agreement is terminated prior to the sale of bonds or notes, Counsel services will be billed at the hourly rates set forth in paragraph A(2).

g. Customary disbursements shall be added to the fees referred to in this Agreement. These may include photocopying, express delivery charges, travel expenses, telecommunications, telecopy, filing fees, computer-assisted research, book binding, messenger service or other costs advanced on behalf of the Authority.

h. Complex financings in connection with redevelopment projects, including securitizations of payments-in-lieu of taxes, may include an additional fixed fee component to be determined at the time of issuance of such bond issue.

C. GENERAL PROVISIONS

1. Upon execution of this Agreement, the Client will be Special Counsel's client and an attorney-client relationship will exist between Client and Special Counsel. Special Counsel assumes that all other parties will retain such counsel, as they deem necessary and appropriate to represent their interests in the transactions contemplated hereby. Special Counsel's services are limited to those contracted for in this Agreement; the Client's execution of this Agreement will constitute an acknowledgment of those limitations. Special Counsel's representation of the Client will not affect, however, our responsibility to render an objective bond opinion. Special Counsel's representation of the Client and the attorney-client relationship created by this Agreement will be concluded upon termination of this Agreement.

2. At the request of the Client, papers and property furnished by the Client will be returned promptly upon receipt of payment for outstanding fees and Client charges. Special Counsel's own files, including lawyer work product, pertaining to the transactions contemplated hereby will be retained by Special Counsel. For various reasons, including the minimization of unnecessary storage expenses, Special Counsel reserves the right to dispose of any documents or other materials retained by Special Counsel after the termination of this Agreement.

3. Special Counsel and the Client hereby incorporate into this contract the mandatory language of N.J.A.C. 17:27-3.4(a) and the mandatory language of N.J.A.C. 17:27-3.6(a) promulgated pursuant to N.J.S.A. 10:5-31 to 38 (P.L. 1975, c. 127, as amended and supplemented from time to time), and Special Counsel agrees to comply fully with the terms, the provisions and the conditions of N.J.A.C. 17:27-3.4(a) and N.J.A.C. 17:27-3.6(a), provided that N.J.A.C. 17:27-3.4(a) shall be applied.

4. Special Counsel and the Client hereby incorporate into this contract the provisions of Title 11 of the Americans With Disabilities Act of 1990 (the "Act") (42 USC S121 01 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 thereunder.

5. Special Counsel hereby represents that it has filed with the Client proof of professional liability insurance with coverage amounts acceptable to the Client.

6. This Agreement shall be in full force and effect until such time as either party gives written notice to the other of termination.

IN WITNESS WHEREOF, the City of Hoboken has caused this Agreement to be duly executed by its proper officers and has caused its corporate seal to be hereto affixed, and Special Counsel has caused this Agreement to be duly executed by the proper party as of the day and year first above written.

CITY OF HOBOKEN

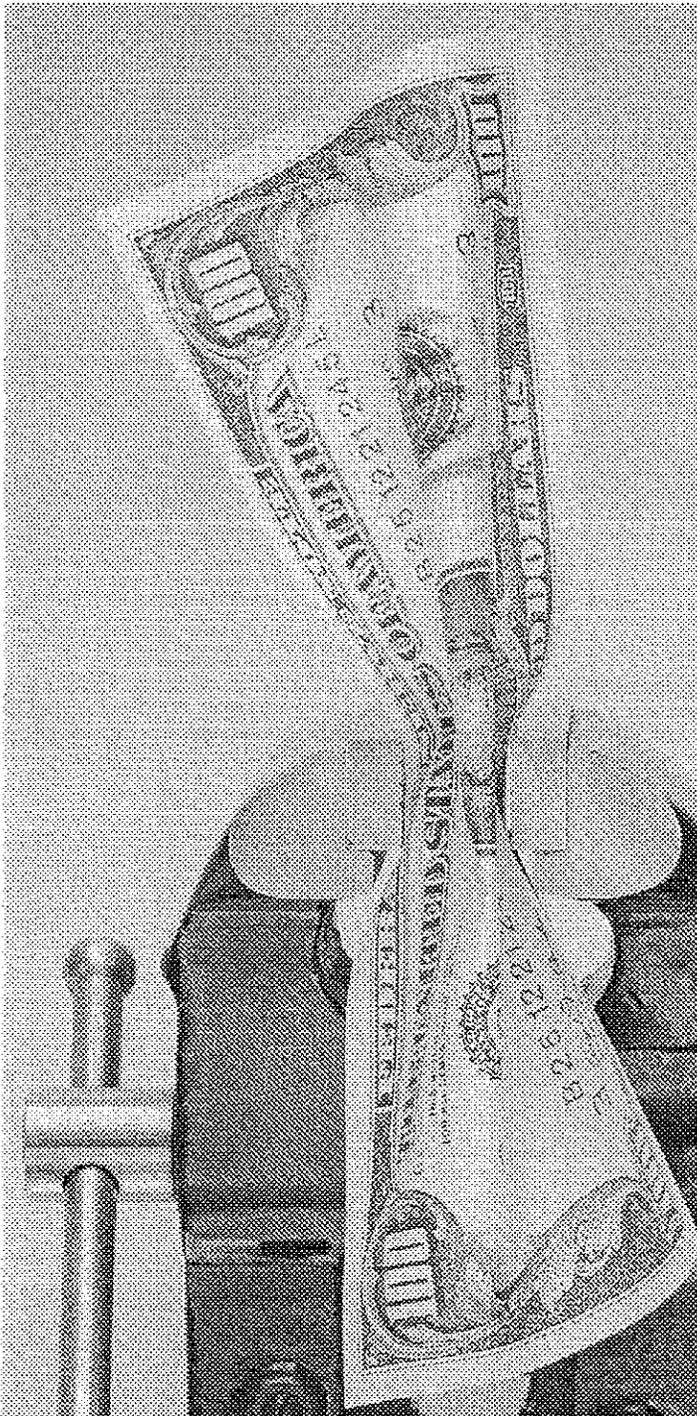
ATTEST:

By: _____

Secretary

McMANIMON & SCOTLAND, L.L.C.

By: _____



Making redevelopment projects happen in a changing market

By Jennifer L. Credidio

Extraordinary volatility and instability in the financial markets over the last ninety days have left no market participant unscathed, not even municipal issuers. These market conditions prompted an overall liquidity crisis leaving a broad swath of municipalities and other government agencies without takers on both short-term note obligations and long-term bonds.

This lack of access to the credit markets had the potential for severe financial and programmatic impacts on local government. On a purely financial level, scarcity of buyers for short term note renewals — where the entire principal and all of the interest becomes due in one balloon payment and is usually paid off by the issuance of a renewal note — heightened the odds of municipal defaults on short term obligations. Such a default would be devastating to an issuer's credit rating, thereby raising the cost of future capital or creating a continuing market access dilemma.

On a programmatic level, for issuers seeking funds to finance projects for the first time the lack of access to credit meant their capital projects had to be postponed. As a result, road repaving projects, new roofs for schools, bridge repairs and all other manner of municipal infrastructure

were temporarily shelved across New Jersey and across the nation. Mary Williams Marsh, "Under Strain, Cities Are Cutting Back Projects," *New York Times*, Oct. 1, 2008, at A1.

As the market disruption eases, access to the credit markets by municipalities and other government entities is likely to improve more quickly in relationship to private borrowers due to a lower risk profile, more favorable tax treatment and the traditional strength of market access by governmental issuers. On the contrary, private market redevelopers will likely continue to face market access issues into the future. Even in the lead up to the recent financial market crisis, real estate development in New Jersey had already begun to feel the impact of a weakening market.

The impact of market changes, including a softening residential housing market, were compounded by new regulatory schemes expanding affordable housing obligations, increasing environmental standards and circumscribing developable land yield with new stream encroachment regulations. With this perfect storm of regulatory and market changes making the profitability of development projects less certain, changes in the financial and credit markets sent many developers scrambling for alternative financing options as traditional construction financing became increasingly difficult to obtain.

In the case of redevelopment projects being implemented with municipal cooperation under the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 *et seq.* (Redevelopment Law), these financing difficulties are a matter of grave concern

to the municipality as well.

After all, it was the municipality that had initiated the redevelopment process and invested time, focus and resources in the hope of producing a project to contribute to the municipality's tax base and revitalize a section of the municipality in need of change.

As a result, many redevelopers have been turning to credit products and loan programs offered at the municipal or state level either as the primary source of financing or to bridge the gap left by the conventional credit mar-

Private market redevelopers will likely continue to face market access issues into the future.

kets. As the credit markets continue to rebound, it may take some time before conventional mortgage products become readily available again. Rather than waiting out this market disruption, municipalities interested in promoting redevelopment within their borders could take this opportunity to plan out their financial options and be positioned to take maximum advantage of market opportunities as they again arise.

1. Redevelopment Area Bonds

The Redevelopment Area Bond Financing Law (RAB Law) was enacted by the legislature in 2001 as a mechanism for financing the projects contemplated by the Redevelopment Law. N.J.S.A. 40A:12A-64 *et seq.* Working in tandem with the Long

Term Tax Exemption Law (LTTE), N.J.S.A. 40A:20-1 *et seq.*, the RAB Law allows a municipality to securitize the stream of "payments in lieu of taxes" (PILOTs), due to the municipality pursuant to a financial agreement negotiated under the LTTE in order to fund the costs of a redevelopment project. N.J.S.A. 40A:12A-66(a). The RAB Law defines redevelopment projects in a broad manner; included in its sweep is everything from construction to demolition and site preparation to street and utility improvements, as well as

planning and development costs. The RAB Law may also be used with the Five Year Exemption and Abatement Law, N.J.S.A. 40A:12A-21-1 *et seq.*, but as a practical matter usage of the LTTE is more common due in part to the thirty-year repayment term that

is available with the LTTE. The issuance of Redevelopment Area Bonds (RABs) is a natural fit for such off-site improvements as streets and utility upgrades, but can also be applied to such project costs as structured parking and the subsidization of affordable housing units.

RABs are an interesting hybrid of private and public policies and procedures. While issued by a municipality, RABs are generally secured by a stream of payments from a private party. Although RABs may feature a pledge of municipal credit as a primary or secondary security, such a pledge is not required. While a pledge of municipal credit will generally enhance the transaction credit structure and thereby decrease the cost of borrowing, local governments may

prefer to issue the RABs on a non-recourse basis for financial or policy reasons.

On a practical level, a pledge of a municipality's credit that is called upon by the bondholders would effectively reduce the borrowing capacity that municipality has available for its own capital needs, as such an occurrence would count against the debt limit established for local units in New Jersey. The Local Bond Law provides that a municipality's net debt — its debt profile expressed as a percentage of the equalized assessed valuation of its property tax base — cannot exceed 3.5 percent, subject to certain exceptions and conditions. See N.J.S.A. 40A:2-6. As a policy matter, a municipality's governing body may not wish to pledge the municipality's credit for an issuance that is not a traditional governmental transaction.

It is also worth noting that while RABs are issued by a governmental entity, they are not necessarily tax-exempt. Traditional analyses for tax exemption under the Internal Revenue Code (Code) would need to be undertaken. For example, while the laying of streets and the installation of new traffic signals would likely be tax-exempt purposes, the construction of private parking structures or the subsidization of affordable housing obligations would likely be undertaken on a taxable basis. Interest rates can vary significantly from traditional municipal credit markets, and tend to be more unpredictable for the taxable portion of a transaction, depending on the underlying credit structure.

Once reviewed and approved by the state's Local Finance Board, with input from the New Jersey Economic Development Authority, the financial

agreement between the municipality and the redeveloper setting forth the schedule of PILOTs to be received and the application of the proceeds is recorded against the underlying property that will be paying the PILOTs. Once recorded, the agreement becomes a lien on the property equal in priority to any other municipal lien, including tax liens. This implication of the underlying property is an added enhancement to the credit structure and would take precedence over other liens, including mortgage liens.

At the time of issuance, the parties will also enter into an Indenture of Trust with a corporate trust institution. A common fixture in local authority financings, an Indenture of Trust provides for an irrevocable pledge of the PILOTs received by the Trustee for the payment of debt service and other bond costs. Typically, once debt service and other costs are paid in a given year, surplus funds may be drawn down by the municipality for other municipal purposes.

Pros: The securitization of PILOTs can make a significant pool of funding available for ancillary off-site improvements that enhance both the municipality and the project.

Cons: Interest rates for RABs issued without a municipal pledge can be significantly higher than the rates typically enjoyed by the governmental markets.

2. Revenue Allocation Districts

The Revenue Allocation District Financing Act (RAD Law), N.J.S.A. 52:27D-459 *et seq.*, allows the establishment

of a revenue allocation district, or RAD, within an area in need of redevelopment established pursuant to the Redevelopment Law, so long as the proposed district has been identified in the redevelopment plan adopted for that area.

Among other things, certain incremental revenues collected within a RAD may be dedicated to the amortization of debt issued in connection with redevelopment within its borders. These RAD bonds may provide proceeds to pay for such things as infrastructure, streets, curbing or any other redevelopment related purpose.

Unlike a RAB, which is secured by a stream of PILOT payments generally project specific, RAD bonds are secured by incremental revenues generated from and as a consequence of new development within and throughout the district. Such a structure should have no adverse financial impact on the municipality outside of the RAD's borders, as the RAD is securitizing only the incremental increase in tax and related revenues rather than reappropriating existing revenues.

Common examples of incremental revenues include:

- increases in property tax revenues or PILOTs;
- increases in municipally authorized taxes, such as local payroll or parking taxes, or the municipal portion of Urban Enterprise Zone sales tax; and
- lease payments made to the municipality for property within the RAD. An exhaustive list can be found at N.J.S.A. 52:27D-469.

While a RAD creates new opportunities and larger

revenue base to serve as security, its creation engenders a fairly cumbersome regulatory process and significant oversight requirements must be met on an ongoing basis.

For example, the municipality must make application to the Local Finance Board for permission to establish the RAD, which application must contain, among other things, an introduced ordinance, a draft revenue allocation plan and the identification of a district agent. The revenue allocation plan is essentially the budget for the district, identifying the revenues to be captured and the proposed uses of those revenues, while the district agent is the body that will have oversight and management powers relative to the district's finances. The district agent may be the municipality, the New Jersey Economic Development Authority, a county or county improvement authority or the New Jersey Redevelopment Authority. Simply put, the district agent is the entity that administers the RAD's operations, including the receipt of pledged revenues, the issuance of bonds and payments to the bondholders.

Upon establishment of the district, finalization of the revenue allocation plan and commencement of deposit of the pledged revenues in accordance with the RAD Law, the district agent can issue bonds secured by the pledged revenues to fund capital improvements within the district. The municipality may also guarantee the bonds (regardless of whether it also acts as the district agent) thereby lowering the cost of capital.

Once the debt has been issued, the district must remain in existence while the bonds are outstanding, as the

bonds are secured by the revenues allocated within the district. On a practical level, this means: (i) ongoing compliance with the state in the form of the annual preparation, submission and approval of the district's annual revenue allocation plan; and (ii) an ongoing municipal commitment to utilize all or a portion of the incremental revenues generated within the district to the retirement of the debt.

Pros: Capturing incremental revenue has no adverse effect on the community outside of the RAD, as these are new funds and not a reappropriation of existing funds.

Cons: The establishment and compliance procedures can be complicated and time-intensive.

3. New Jersey Environmental Infrastructure Trust Financing

In the wake of such high profile movies as *An Inconvenient Truth* and the ever-rising cost of gasoline, Americans have become much more conscious of environmental issues. There has been a similar movement on the municipal level to encourage environmentally friendly redevelopment projects, featuring such amenities as "green" roofs, solar panels, or adaptive reuse and remediation of environmentally troubled properties. In addition, many if not most large scale redevelopment projects require upgrades to the existing water and sewer infrastructure servicing the project site and the surrounding area, which can have environmental implications to be certain.

This is where the New Jersey Environmental

Infrastructure Trust (NJEIT) steps in. Created in 1985 by legislative act, the NJEIT acts as a pooled borrowing program for dozens of municipalities and government agencies across the state each year. It funds a range of environmental projects including brown-field remediation and land-fill closures, open space acquisition and pollution control projects in addition to the traditional water supply and sewer management projects. Now in its twenty-first program year, the NJEIT has funded more than \$2 billion in projects to date.

In 2008, 107 borrowers participated in the program, seeking over \$705 million in project costs. Under the program, each participant, or borrower, issues its bonds to the NJEIT, which in turn issues its bonds to the marketplace. Given the highest possible rating by each of three main rating agencies, the NJEIT's bonds yield very competitive interest rates, do not require bond insurance and in theory are less susceptible to the current volatility in that financial market. The size of the NJEIT's bond pool creates better market access and thus, lowers the cost of capital.

These borrowing costs are further reduced by zero interest loans for up to 75 percent of eligible project costs. Under the program, participants enter into two loan agreements, one with the NJEIT and one with the state. The interest rate on the loan with the NJEIT is at a market rate; however, the loan funded by the state is interest free. As a general rule, the total project amount is split evenly between the two loans, resulting in an effective interest rate half the market rate. However, for borrowers located in certain urban areas with pressing infrastructure needs, or in smart growth areas, seventy-five percent of the project costs are funded on an interest free basis. This results in an interest rate merely one-quarter of the market rate.

Conduit financing is available on a competitive basis to redevelopers, and can provide a much needed and extremely affordable method of financing for the infrastructure needs of an eligible project. Under the NJEIT's methodology, a maximum of \$25 million in funding per private project may be allocated, depending on the prioritization of the project and availability of funds. It is also worth noting

that unlike governmental applicants, private applicants are not eligible to apply for supplemental funding in subsequent years if project costs or conditions change.

For a private developer to utilize conduit financing, municipal cooperation is an absolute must. The municipality or local redevelopment agency acts as the sponsor for the financing and is the entity that issues its bonds to the NJEIT and the state. However, the repayment of the bonds can be secured by such things as: (i) a stream of PILOT revenue; (ii) a redeveloper guaranty; and/or (iii) some other security arrangement negotiated between the municipality and the redeveloper and approved by the NJEIT. It is worth noting that pure conduit deals, in which no municipal credit is implicated, fall into a newly developed separate project classification, receive a lower priority ranking than traditional governmental applications and require an investment grade guarantor. However, transactions in which the municipality is willing to pledge its credit as a back up security are exempt from this classification.

Pros: It is by far the cheapest money available

for infrastructure needs.

Cons: For conduit financing, the competition is intense. Also, the loan process, which begins in early March and funds in November, can be cumbersome.

Conclusion

Many local governments have been progressive in their use of these financing tools to effectuate redevelopment projects in a changing market. If current market conditions continue, it is anticipated these types of alternate credit structures will be more and more widely used to bridge the gap left by private lenders. ☉

Jennifer L. Credidio is an associate with McManimon & Scotland, a public service law firm based in Newark, Ms. Credidio's practice is focused on redevelopment, public finance and public contracts matters. She is a member of the National Association of Bond Lawyers. Reach her at (973) 622-5268; JCCredidio@MandSLaw.com.