

***REQUEST FOR
PROPOSAL***

Borough of Emerson

LOCATION

Block 419:

Lots 1-3, 6.01, 6.02, 8-10

Borough of Emerson

Bergen County, New Jersey

JMF Property Group, LLC



TABLE OF CONTENTS

- 1.0 Development Team and Bios
- 2.0 Qualifications and Experience
- 3.0 Financial Information
- 4.0 Proposed Development Plan
- 5.0 Financial Projections

Supplementary Information

- A. Executed Letter of Intent
- B. Financial Reference Letters
- C. Builder's Risk/Bonding Letter
- D. Project References
- E. Proposed Development Plan
 - Illustrative Site Plan
 - Ground Floor Plan
 - Typical Floor Plan
 - Section
 - Massing Study

1.0 Development Team

- **Joseph M. Forgione, CEO**
JMF Properties Group, LLC
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JForgione@JMFProperties.com
973-451-0111

- **Architect- Jerry Simon, Partner**
Lessard Designs
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Vienna, VA 22182
info@lessarddesign.com
571-830-1800

- **William H. Hamilton, PP, AICP, LEED AP**
Bowman Consulting
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Cedar Knolls, NJ 07927
whamilton@bowmanconsulting.com
973-359-8400

- **Carleton R. Kempf, Esq.**
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Springfield, NJ 07081
crkempf@gmail.com
908-621-1110

Joseph M. Forgione

Founding Principal – JMF Property Group, LLC

Joseph M. Forgione is the Founder and Principal of JMF Properties Group. His active and integral role with the company attributes to its continued success. With 20 years of development experience, he has been responsible for the construction of over 3,000 residential units, as well as multiple commercial and retail spaces.

Mr. Forgione manages the day-to-day operations of JMF Properties Group. His responsibilities include site acquisitions, planning, financing, architectural design, procurement of project development approvals, and construction. Mr. Forgione has also acted as a governmental liaison to a variety of agencies at the municipal, state and federal levels. He is also licensed as a civil engineer and real estate broker in New York, New Jersey and Pennsylvania. He is a member of the New Jersey Civil Engineers and the New Jersey Builders Association.

Joseph M. Forgione has also served as Commissioner for the New Jersey Sports and Expositions Authority since his appointment in 2001. In that capacity, he has assumed the positions of Chairman of the Construction Committee, liaison to the Governor's office, Executive Board member as well as acting Treasurer. Additionally, Mr. Forgione was selected as a member of the committee for redevelopment of the Meadowlands Complex.

An Honors graduate of the New Jersey Institute of Technology with a BA in Civil Engineering, Mr. Forgione was awarded the prestigious Senior Design Award for Best Civil Engineering Design in his graduating class.

Mr. Forgione is also a board member of Columbia Medical Center in New York.

Jerry Simon, AIA, PP, CNU

Principal-Lessard Design, PC

Jerry Simon, Principal, is a licensed architect in 7 states (Pennsylvania, New York, New Jersey, Maryland, Virginia, Connecticut, and California) and has more than 25 years of experience in Mixed-Use, Mid-Rise, High-Rise and Multi-Family development. He has a unique understanding of the design process, from the dual perspective of both the developer and architect. He maintains hands-on involvement in all aspects of projects from inception through completion.

As leader of the firm's Multi-Family Residential markets, he directs project teams and works closely with clients. Simon also plays an integral role in identifying new business opportunities. In his previous position, he successfully managed over 20,000 multi-family units in California.

William H. Hamilton, PP, AICP, LLA, LEED AP

Vice President – Bowman Consulting

Bill Hamilton joined Omland Engineering Associates, Inc. in 2002 and has over 25 years experience in the fields of Planning and Landscape Architecture. Prior to that, he was the Director of Planning for a large New Jersey planning and engineering firm. He is also one of three key project managers in the company.

Mr. Hamilton's design philosophy is centered on creating livable communities and outdoor public spaces that complement and support the natural environment through creative design solutions. A balancing of economic and social factors with the environmental concerns is a trademark of Mr. Hamilton's designs. This philosophy is evidenced on all of his projects, be it the design of a 500 unit Planned Residential Community or a passive recreation retreat in a residential backyard.

Mr. Hamilton is experienced in providing expert testimony before Planning and Zoning Boards in support of his projects. His expertise includes all aspects of professional planning and landscape architecture, sustainable design, including park and recreation planning, land-use analysis, site plan preparation,

environmental reporting, planting design, and project management and construction.

He is a licensed Professional Planner and Certified Landscape Architect in New Jersey, and a Registered Landscape Architect in New York. He is also a member of the American Institute of Certified Planners, the American Society of Landscape Architects and the U.S. Green Building Council.

Carleton R. Kempf, Attorney

Law Offices of Carleton R. Kempf

Carl Kempf has been a lawyer (NJ, NY, DC) for more than 30 years. His practice has been primarily real estate and business. He has chaired the Hannoeh Weisman Real Estate Department, which consisted of over 20 lawyers, plus paraprofessionals. He represents a broad cross-section of large commercial developers spanning tract residential, retail, industrial, office, mixed-use and specialty builders, including public and private companies, owners, users, real estate-based investors, lenders and related professionals in all aspects of land and building acquisitions, swaps and dispositions; tax appeals; leasing; land use and zoning-related applications and approvals; financing; construction; and lease-up and ongoing management and operation. His practice is fairly evenly divided among land use applications, tax appeals and transactional work (i.e., leasing, operating, conveyancing and financing/JV's).

Mr. Kempf currently represents principals ranging from full-time developers to portfolio landlords to major users. He has worked with (i) retail entities including Kumon, Dunkin, Baja Fresh, Shop-Rite, CVS, several banks,, Walgreens, Home Depot, Excel/New Plan and Costco; (ii) residential/condo developers including Pulte, Robertson Douglas Group, AvalonBay, Sterling Properties, Kushner Companies, Beazer, Pinnacle, Toll and SGS; (iii) office/industrial owners and lenders such as Eastman, Metropolitan Life, AMB, Albany Street Plaza and Trammell Crow; and (iv) numerous other mixed use developers, operators and users, as well as a wide variety of other entities in the real estate industry.

Mr. Kempf regularly appears throughout the state (and as of counsel for applications in adjoining states) before Planning Boards, Zoning Boards, Redevelopment Authorities, Commissions and Councils on the spectrum of various development and related applications, approvals, etc.

Statutory “redevelopment” pursuant to the Local Redevelopment and Housing Law is a sub-specialty within the Land Use practice. While Mr. Kempf is a real estate lawyer in the broad sense, he does have particular depth in redevelopment, both before and after the legislative changes deriving from the 101 Hudson court case. His experience includes redevelopment agreements, financial agreements, RAB/RAD/UEZ bonds and the like.

Mr. Kempf has worked in redevelopment extensively throughout my career. He began his practice under the former “Fox Lance” act, the predecessor to the current redevelopment law, which was significantly overhauled in the early 1990’s; and again substantially revised early in this decade in response to a court challenge of a tax abatement entity structure.

Mr. Kempf has had successfully completed redevelopment projects in municipalities including Newark (multiple), Jersey City, Hackensack, New Brunswick, Trenton, Aberdeen, Perth Amboy, Montclair and others. He presently has several projects pending in other New Jersey municipalities.

On a broader basis, Mr. Kempf is also currently before numerous towns on various commercial and large-scale residential jobs, retail projects and the like. Over the years, he’s represented GMAC, Met Life, the ABC network, the New Jersey Performing Arts Center and some of the most substantial individuals in the United States. He’s also represented substantial commercial real estate projects in various states and foreign countries.

2.0 Qualifications and Experience

JMF Properties Group, LLC

The Avenue at South Orange



The Avenue is a mixed-use 79 unit upscale rental project with a two story podium parking deck and 10,000 square feet of ground floor retail located in the heart of the South Orange shopping district. The project defines urban redevelopment and is a true transit village project. The site of the former Shoprite and sprawling village parking lot, the development is now a premier destination and housing experience located within walking distance to mass transportation including rail and bus lines.

Bellclair at Montclair, NJ



Bellclair at Montclair is a 72 unit rental community located in the heart of downtown Montclair and a short distance to the midtown direct train station as well as commuter bus lines. Built on the site of the former switching station for trolley cars, and later the Bellclair Lanes, the property is now home to this sought after high end, luxury apartment complex.

Estling Village – Denville, NJ



Estling Village – is currently under construction in the Township of Denville. The site was home to the Elm Manufacturer until JMF was selected by the Township to redevelop the site. Upon completion, this luxury townhome style project, strategically located within minutes to the Denville Train Station, will offer convenience and lifestyle package not currently available in Morris County. Arguably, the crown jewel of Denville’s redevelopment efforts, the project is more than 50% leased with move-ins scheduled for February 2016.

Post House at Maplewood



The Post House - In 2014, the Township of Maplewood acquired the former Post Office Property and issued a Request for Proposals to the Development Community. Among the numerous interested parties, JMF was selected as redeveloper of the property in March of 2015. Conveniently near the Maplewood Train Station, and in the center of the downtown, the site is a prime location for redevelopment. To ensure preservation of the historic characteristic of the structures, JMF worked closely with Maplewood's Alliance/design Committee as well as ten architects to formulate the best design concept for the site. Due to commence construction in November of 2015, the project will consist of a mixed-use development with ground floor retail space and residential units above. Once completed, The Post House will be the first residential project to utilize WELL building Standards in the State of New Jersey, which concentrated exclusively on human health and wellness.

Broadstone at River's Bend, New Brunswick



Broadstone, conveniently located in the heart of downtown New Brunswick. It is an eight-story residential building consisting of 485 rental units with a 685 space parking garage. The project includes 12,000 square feet state of the art amenities including a fitness center, yoga studio, meditation room, club lounge and a rooftop pool. Currently *under construction*, it is anticipated that leasing of the building will commence in spring of 2016.

3.0 Financial Information

The proposed development will be undertaken by a single-purpose entity, in the form of a New Jersey Urban Renewal Limited Liability Company formed by JMF Properties Group, LLC. The entity will be capitalized, managed and controlled by Joseph M. Forgione, CEO of JMF Properties Group.

The financial undertakings by the principals of JMF Properties Group, LLC (“JMF”) will be substantial. Based upon JMF credit-worthiness and the net-worth and experience of its principals in developing similar properties. We have access to a variety of financial sources, including internally generated funds, traditional construction lending, bond financing and significant lines of credit. JMF maintains close relationships with the lending community through a consortium of local and regional banks. Please see supplementary information section C.

4.0 Proposed Development Plan

The goal for this project was to design a mixed-use development, which would fit comfortably into the context of downtown Emerson and activate the Central Business District, by providing ground-floor retail space with residential units above. A key component to our design is the creation of a “Money Corner” that will act as the gateway to the township’s commercial district. The proposed area will have sidewalk cafes, and retail space. The corner will act as a community meeting space for residents and visitors alike. Located within walking distance to the Emerson Train Station and commuter bus lines, the project is designed to be transit-oriented with a shared parking garage for residents of the project and the public. The garage is proposed to be hidden from street view and wrapped with residential development. Our vision sought to incorporate the objectives and goals set forth in the Emerson Requests for Proposals including the following:

- **Revitalizing Commercial District:** retail on all ground floor levels, while maintaining 3 stories along Kinderkamack Road.

- **Promoting Mixed land Use:** our proposal includes residential and retail space.

- **Efficient Structured Parking:** 195 space parking garage to serve the residents and commuters of the Train Station. The garage will be wrapped with residential space which will not be visible from the street.

- **Design Standards:** the proposal is a contextual and contemporary design that activates the street and utilizes building materials encouraged in the Redevelopment Plan.

RESIDENTIAL VISION:

The residential component of the project will consist of **114 units** in two buildings, comprised of a mix of studios, one-bedrooms and two bedrooms. All units along Kinderkamack Road will be located above the ground floor. The second building, which is 4 stories in height and wrapped with residential units, covers the view of the parking deck.

AMENITY VISION:

We designed the project from the “inside out” paying particular attention to the way people live and function in the community. Paramount to the success of the project is appropriate amenity space and services, which we believe includes a fitness center, virtual fitness room, meditation area, business center, and a “Living Lounge”. All components we believe are essential elements required and demanded by the target market we hope to attract to our community.

PARKING VISION:

A four story parking deck with a total of 195 spaces is proposed within the project. The proposal will replace the number of existing parking spaces used by commuters, and incorporate them into the parking deck. The parking deck will be wrapped with residential units and hidden from view.

Enclosed please find in Exhibit K, a plan prepared by Lessard Design:

- Illustrative Site Plan
- Ground Floor Plan
- Typical Floor Plan
- Section
- Massing Study

TARGET MARKET:

The residential units will be marketed to the following types of tenants:

1. **“Young Singles”** and **“Advancing Singles”**: young professional who either work in or frequent NYC. Apartment rent in NYC or Hoboken are out of reach for them, but rental rates in a semi-urban downtown such as Emerson is appealing.
2. **“Young Marrieds”**: Similar to the singles, they either work or frequent NYC and are delaying home purchase either out of financial necessity or desire to be unencumbered with the responsibilities associated with home ownership.
3. **“Empty Nesters”** and **Active Retired**”: adults who have sold their home where they raised their families and have chosen not to purchase another home in lieu of renting. Enjoying the freedom that renting gives to pick up and travel, visit family out of state, and not have to worry about the maintenance of their home.
4. **“Permanent Singles”** or **“Re-singled”**: individuals who have never been married or are newly re-singled as a result of divorce or death of spouse.

MARKETING:

The marketing efforts is to attract and retain tenants accordingly:

1. Utilize “online” services such as Google, Craigslist, Facebook and local billboards/displays.
2. Engage a knowledgeable and friendly “on-site “leasing management and maintenance staff.
3. Create an interior and exterior community ambiance, fulfilling and continuing with Emerson’s redevelopment goals.
4. Create a sense of pride and ownership in and with all the residents that reside within the community.

We are proposing to deliver a First-Class mixed-use luxury residential and retail project with associated parking not only to support our development but the current need for additional on site parking for NJ Transit commuters, as 44 of the proposed 207 parking spaces will be for use by the public. In addition, as reflected in our financial projection attached, a 30 year PILOT based on 10 % of the gross income from the project is proposed.

We expect the project will generate payments in lieu of taxes to the Township in the amount of approximately \$282,596 in the first year of stabilization. Although, these payments are tied to the increase in gross income from the project, the payments can be expected to increase annually over the long term.

FINANCIAL PROJECTION

Summary of Cost:

Land	\$3,800,000
Approvals/ Soft Cost/Legal	\$2,276,800
Demolition/Site Work	\$ 3,350,000
Parking Structure	\$4,875,000
Building Construction	\$ 14,943,960
Permit/Town Fees (a)	\$ 220,000
Environmental/ Geotech (b)	\$ 125,000
General Conditions	\$ 1,000,000
Contingency	\$ 747,198
Leasing/Marketing	<u>\$ 600,000</u>
Total Cost	\$ 31,937,958

FINANCIAL PROJECTION**Income**

<u>Type</u>	<u>Number of Units</u>	<u>Yearly</u>
Studio	6	\$122,400
1-Bedroom	52	\$ 1,216,800
2-Bedroom	45	\$1,296,000
Affordable	<u>11</u>	\$171,600
Total	114	

Retail	4,194 sf	\$ 104,850
Additional Income		\$ 60,000
Vacancy (5%)		<u>\$(145,582)</u>
Estimated effective Gross Rental Income		\$ 2,825,967

Pilot		\$(282,596)
Operating Expenses		<u>\$(657,539)</u>
Net Rental Operating Income		\$ 1,885,832

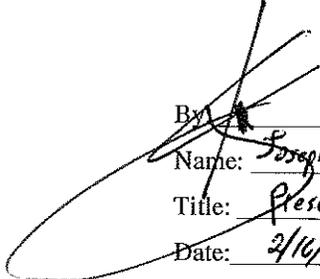
LETTER OF INTENT

The undersigned, JMF Properties Group LLC has submitted the attached Response to the Request for Qualifications/Request for Proposals (the "RFQ/RFP"), issued by the Borough of Emerson (the "Issuer"), dated January 8, 2016, relative to the **CENTRAL BUSINESS DISTRICT REDEVELOPMENT PROJECT – Block 419 Lots 1, 2, 3, 6.01, 6.02, 7, 8, 9 & 10**

THE RESPONDENT HEREBY STATES:

- I. The attached Response contains accurate, factual and complete information.
- II. The Respondent agrees to participate in good faith in the application process as described in the RFP and to adhere to the Issuer's schedule.
- III. The Respondent acknowledges that all costs incurred by it in connection with the preparation and submission of the Response, or any negotiations which result therefrom shall be borne exclusively by the Respondent.
- IV. The Respondent hereby declares that the only persons participating in this Response as principals are named herein and that no person other than those herein mentioned has any participation in the Response or in any contract to be entered into with respect thereto. Additional persons may subsequently be included as participating principals, but only if acceptable to the Issuer. The Respondent declares that this Response is made without connection with any other person, firm or parties who has submitted a Response, except as expressly set forth below and that it has been prepared and has been submitted in good faith and without collusion or fraud.
- V. The Respondent acknowledges and agrees that the Issuer may modify, amend, suspend and/or terminate the RFP process (in its sole judgment) or may decide not to proceed with development of the Redevelopment Area described in the RFP. In either case, neither the Issuer nor any of their officers, agents or representatives shall have any liability to the Respondent for any costs incurred by the Respondent with respect to the application activities described in the RFP.
- VI. The Respondent acknowledges that any contract executed with respect to implementation/effectuation of the project described in the RFP must comply with all applicable affirmative action and similar laws. Respondent hereby agrees to take such actions as are required in order to comply with such applicable laws.
- VII. The Respondent hereby acknowledges receipt of the RFP.

Very truly yours,
JMF Properties LLC

BY: 
Name: Joseph Farsone
Title: President
Date: 2/16/16

January 22, 2016

**Robert S. Hoffman, Business Administrator
Borough of Emerson
1 Municipal Plaza
Emerson, New Jersey 07360**

**RE: Financial Reference
Central Business District Redevelopment Project**

Dear Mr. Hoffman,

Please be advised that Valley National Bank has had both a satisfactory loan and depository relationship with Joseph Forgione for the past 20 years. The Bank has provided Mr. Forgione in excess of \$60,000,000 in both acquisition and construction loans for several projects in Northern New Jersey.

We find Mr. Forgione as a credit worthy borrower and look forward to continuing our relationship. Should you have any questions, please feel free to contact the undersigned.

Very truly yours,



**Alfred Sorrentino, Jr.
First Senior Vice President
New Jersey CRE Division Head**



Colleen Foy
Vice President
902 Carnegie Center, Suite 460
Princeton, NJ 08540
(609) 524-4477
cfoy@mtb.com

January 22, 2016

Re: JMF Properties/Joseph Forgione

To whom it may concern:

Joseph Forgione of JMF Properties has been a valued client of the bank since 2014. The Bank has extended more than \$18,000,000 of credit to Mr. Forgione, which has been handled as agreed. Mr. Forgione has handled his projects well and we look forward to doing more business with him in the future.

Please call me direct with any questions. I can be reached at 609-524-4477.

Thank you and Best Regards,

MANUFACTURERS AND TRADERS TRUST COMPANY

A handwritten signature in cursive script, appearing to read 'Colleen Foy'.

By: _____
Colleen Foy
Vice President

DEVITO & Co., LLC
CERTIFIED PUBLIC ACCOUNTANTS

January 20, 2016

Richard Hoffman, Administrator
Borough of Emerson
146 Linwood Avenue
Emerson, New Jersey 07630

Dear Mr. Hoffman:

We are the accountants for JMF Property Group, LLC, and Mr. Joseph Forgione. Mr. Forgione requested we contact you regarding the Borough of Emerson redevelopment project. We can state that JMF Property Group, LLC and its sole principal member, Mr. Joseph Forgione, has the financial capacity and expertise to undertake and complete the redevelopment of the Project. We can confirm that Mr. Forgione's net worth is in excess of \$48,000,000. He has significant availability to financial liquidity and his relationship with banking institutions are unblemished.

JMF Property Group, LLC possess a track record and capacity for financing, developing, constructing and managing mixed-use residential buildings of similar scale; have a track record of development within public/private partnership frameworks; possess the capacity and experience in developing mixed-use/mixed-income developments with a focus on transit and/or multi-modal transportation; have the ability to commence project predevelopment upon selection; and also possess the experience in facilitating civic engagement processes in developing approved redevelopment plans.

Should you have any questions, please feel free to contact Mr. Francis C. DeVito, CPA, CFF, CFE at 201-440-1491 ext. 207.

Very truly yours,



DeVito & Co., LLC

cc: Mr. Joseph Forgione



**MARSH & McLENNAN
AGENCY**

Kenneth White
Senior Account Executive

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Borough Of Emerson
Borough Administrator
Emerson Borough Hall
1 Municipal Plaza
Emerson NJ 07630

Jan 26,2016

Subject: Central Business District Redevelopment Project

Dear Sirs,

We are the current Insurance Broker for JMF Properties. This is to confirm that we can provide all the property casualty insurance and bonding coverages required by the Borough of Emerson.

Any questions, feel free to contact me

Sincerely,

Kenneth White
Senior Account Executive

Supplementary Information D

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Whippany, NJ 07981

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Adrian O. Mapp, Mayor

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