

MEMORANDUM OF UNDERSTANDING

This agreement made this 28th day of April, 2014 by and between Princeton, a municipal corporation of the State of New Jersey, having its principal offices located at 400 Witherspoon Street, Princeton, New Jersey, 08540 (hereinafter referred to as "Princeton") and the Princeton First Aid & Rescue Squad, a non-profit corporation of the State of New Jersey, having its principal offices located at 237 North Harrison Street, Princeton, New Jersey, 08540 (hereinafter referred to as "PFARS").

WITNESS

WHEREAS, PFARS provides emergency medical services and rescue services to the Princeton community; and

WHEREAS, PFARS has determined that its current facility located at 237 North Harrison Street has become obsolete and that in order to continue to provide the appropriate level of emergency medical services to the Princeton community, PFARS requires a new facility; and

WHEREAS, Princeton is the owner of certain real property commonly known as 1 Valley Road and designated as Block 7002, Lot 1 and Block 7003, Lot 1 on the Princeton Tax Map as well as a right-of-way ownership immediately adjacent to said lots of that portion of Terhune Road situate between Witherspoon Street and State Highway Route 206 consisting of approximately 1.4140 +/- acres of land (hereinafter referred to as the "Princeton Property"); and

WHEREAS, PFARS is the owner of the aforementioned 237 North Harrison Street property and additionally owns two additional parcels of real property immediately adjacent to their North Harrison Street property and commonly known as 8 Clearview Avenue and 14 Clearview Avenue and designated on the Princeton Tax Map as Block 7307, Lots 2 and 3 (hereinafter referred to as the "PFARS Properties"); and

WHEREAS, since the consolidation of the former Borough of Princeton and the Township of Princeton, the operations of Princeton Public Works Department which had taken place on the improved portions of the Princeton Property have been relocated to the Princeton Harrison Street garage and hence the Princeton Property is available for redevelopment; and

WHEREAS, Princeton and PFARS wish to collaborate with the reuse of their respective properties for public purposes which will continue to benefit the Princeton community.

NOW THEREFORE, in consideration of \$1.00 and good and other valuable consideration and the mutual promises set forth hereinbelow, Princeton and PFARS agree as follows:

1. Princeton agrees to lease to PFARS for a term of 99 years the Princeton Property subject to the conditions set forth hereinbelow.
2. PFARS agrees to lease from Princeton the Princeton Property and relocate to said property the PFARS headquarters, upon PFARS determining in its' reasonable discretion that the matters set forth in Paragraphs 3, 12, 17, 18 have been satisfactorily resolved.
3. Prior to PFARS taking occupancy of the Princeton Property, Princeton agrees to demolish and remove the Public Works Department structures including the removal of the fueling facility from the Princeton Property. Princeton shall remain responsible for all costs of remediation associated with the Princeton Property and shall indemnify and hold harmless PFARS for any claims arising from prior contamination.
4. Prior to the commencement of the lease, PFARS agrees to obtain an appraisal as to the value of the PFARS Properties and this shall establish the credit in Paragraph 9 below.
5. Prior to the commencement of the lease, PFARS agrees to convey title to the three PFARS residential Properties to Princeton for \$100.00 consideration.

6. Upon the execution of this agreement, PFARS agrees to commence a fund-raising campaign for the funds necessary for PFARS to construct their new headquarters on the Princeton Property.

7. Princeton agrees to cooperate and support the PFARS fund-raising efforts and to solicit contributions towards said fund-raising efforts as Princeton deems appropriate.

8. All costs associated with the construction of the new PFARS headquarters on the Princeton Property shall be borne by PFARS.

9. Princeton agrees to assist PFARS with capital financing in the form of the issuance of bonds or notes to assist with the cost of the PFARS headquarters construction. If PFARS requests that Princeton be the vehicle for the financing of the PFARS headquarters project, then PFARS agrees to be responsible for and to pay to Princeton in accordance with an amortization schedule mutually agreed upon for the principal and interest due and owing for any bonds or notes issued by Princeton for the PFARS headquarters project. Said bond payments by PFARS shall be reduced by the agreed to value of the three PFARS properties conveyed to Princeton. Prior to construction and with the mutual consent of both parties there will be an agreed upon amount of temporary financing (BANS) that will be issued by Princeton. Prior to the issuance of the permanent financing the parties will reconcile the costs of the project and adjust the final project costs by any funds raised by PFARS as well as any change orders issued on the project.

10. The commencement of the aforementioned lease of the Princeton Property and the conveyance by PFARS of the PFARS Properties to Princeton shall be mutually determined and agreed upon between the parties once the scope of the PFARS capital project to construct their new headquarters has been finalized. Under no circumstance will PFARS have to vacate the

PFARS Property currently serving as their headquarters (237 North Harrison Street) until the new PFARS headquarters has been constructed and can be occupied by PFARS.

11. Princeton agrees to waive all building permit fees except those where there is an out of pocket expense to Princeton. PFARS agrees to pay those fees.

12. Princeton agrees to pursue with the New Jersey Department of Transportation the installation of a traffic control signal at the intersection of State Highway Route 206 and Valley Road. Princeton also agrees to reopen the section of Valley Road between Witherspoon Street and State Highway Route 206 to two-way traffic permitting all turning movements. If the traffic signal is approved by the New Jersey Department of Transportation, Princeton shall cause such improvements, said signal shall be equipped with a transponder which will permit PFARS to control the light at the intersection in order to provide appropriate ingress and egress to and from the new headquarters to be constructed on the Princeton Property. Since the section of Terhune Road between Witherspoon Street and State Highway Route 206 is a part of the Princeton Property, Princeton agrees to close this section of Terhune Road at the time PFARS has all of its construction plans approved and are ready to start construction on the new PFARS headquarters on the Princeton Property. Princeton also agrees to cause the improvements and upgrades to the currently signalized intersection at State Highway Route 206 and Cherry Hill Road to alleviate any problems which might be associated to the closing of the aforementioned section of Terhune Road.

13. Princeton agrees that upon the acquisition by Princeton of the PFARS Properties, said properties will be utilized by Princeton for a public purpose that meets the health, safety, welfare and/or financial needs of the Princeton community.

14. If PFARS was to cease to exist as a non-profit organization providing emergency medical services to the community, and a successor non-profit corporation does not assume that

responsibility during the 99 year term lease, then PFARS agrees to convey title to the improvements (new headquarters) that PFARS will construct on the Princeton Property.

15. During the term of the lease, PFARS agrees to name Princeton as an additional insured for liability purposes.

16. During the term of the lease, PFARS agrees to provide annual financial reports and a copy of its annual audit to Princeton.

17. In order to facilitate the construction of the PFARS headquarters on the Princeton Property, Princeton agrees to consider rezoning the property to allow the first aid and rescue squad as a permitted conditional use, and the Princeton Planning Board shall consider PFARS application for site plan approval to relocate to the Princeton Property

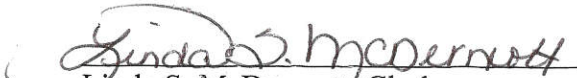
18. Upon the execution of this agreement, Princeton agrees to provide to PFARS materials in Princeton's possession with regard to the Princeton Property environmental status. This will include information with regard to the New Jersey Department of Environmental Protection Classification Exception Area ("CEA") which has been issued for the Princeton Property and in specific the area now occupied by the Public Works Department (File No. SRP-PI005465/PFR000001/64-03-09-1605BUSTC2-CEA). This information shall include current information with regard to the monitoring wells on the Princeton Property. PFARS shall review this environmental data to insure that the Princeton Property can be redeveloped for the PFARS new headquarters. If PFARS determines that the environmental condition of the property prohibits its redevelopment for this intended purpose, this agreement shall terminate.

19. Princeton reserves the right to complete at its own cost a Phase I environmental assessment of any and all of the PFARS properties. The result of the Phase I shall be shared with PFARS. PFARS agrees to remedy any of the finds from the Phase I assessment.

IN WITNESS WHEREOF, the parties have hereunto set their hand and seal the day and date first written above.

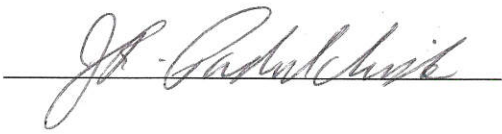
ATTEST:


PRINCETON


Linda S. McDermott, Clerk

By: 
Liz Lempert, Mayor

PRINCETON FIRST AID & RESCUE SQUAD



By: 
Mark Freda, President