

CITY OF VINELAND

RESOLUTION NO. 2015- 299

RESOLUTION AUTHORIZING THE EXECUTION OF A  
REDEVELOPMENT AND PARTICIPATION AGREEMENT  
BY AND BETWEEN NEWCOMB MEDICAL ALLIANCE  
LLC AS THE REDEVELOPER AND THE CITY COUNCIL  
OF THE CITY OF VINELAND AS THE REDEVELOPMENT  
ENTITY

WHEREAS, on February 14, 2012 the City Council of the City of Vineland adopted Resolution 2012-39 designating Block 4216 Lot 1 (Property) as an area in need of redevelopment, recognizing that the Property is located in a PA-1 Metropolitan Planning Area under State Development and Redevelopment Plan and the redevelopment of the Property will advance smart growth planning principles; and

WHEREAS, the purpose of The Newcomb Hospital Redevelopment Plan is to develop the Property utilizing existing infrastructure and existing developable improvements so as to provide increased connectivity between uses and activities in accordance with the Newcomb Hospital Redevelopment Plan goals; and

WHEREAS, the City Council of the City of Vineland has reviewed the completed application and request by Newcomb Medical Alliance LLC to be designated as the Redeveloper and provided a presentation to the City Council, including a project overview which contains, among other things, conceptual drawings, specifications, outlining the project; and

WHEREAS, on June 9, 2015 the City Council of the City of Vineland adopted Resolution appointing Newcomb Medical Alliance LLC as the Redeveloper for the Newcomb Hospital Redevelopment Plan Block 4216 Lot 1 subject to the negotiation and execution of a Redevelopment and Participation Agreement: and

WHEREAS, the City Council as the Redevelopment Entity and the Redeveloper have negotiated a Redevelopment and Participation Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Vineland that the Council President is authorized to execute a Redevelopment and Participation Agreement by and between the City Council as the Redevelopment Entity and Newcomb Medical Alliance LL for the redevelopment of the Newcomb Hospital Redevelopment Plan, Block 4216 Lot 1 in the form and substance as attached.

Adopted

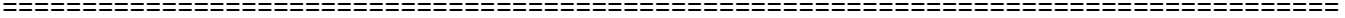
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President of Council

ATTEST:

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City Clerk



**REDEVELOPMENT AGREEMENT**

**For the**

**FORMER CAMPUS OF NEWCOMB HOSPITAL**

**Within the**

**Newcomb Redevelopment District in the City of Vineland, Cumberland County, New Jersey**

**Between**

**THE CITY OF VINELAND**

**By Its Governing Body, Vineland City Council**

**A Municipal Corporation Redevelopment Entity**

**and**

**NEWCOMB MEDICAL ALLIANCE CENTER, LLC**

**Appointed Redeveloper**

**Entered into on**

\_\_\_\_\_, 2015

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This **REDEVELOPMENT AGREEMENT** ("Redevelopment Agreement"), dated as of \_\_\_\_\_, 2015, (the "Effective Date" is hereby entered into, by and between the **VINELAND CITY COUNCIL, the Governing Body of the CITY OF VINELAND ("City")**, a municipal corporation of the State of New Jersey, maintaining its principal offices at 640 E. Wood Street, Vineland, County of Cumberland, NJ 08362-1508. acting in the capacity of Redevelopment Entity pursuant to the provisions of the Local Redevelopment and Housing Law, **N.J.S.A. 40A:12A-1 et seq.** and **NEWCOMB MEDICAL ALLIANCE CENTER, LLC**, a New Jersey Corporation maintaining its principal address at 104 Garden Court, Franklin Lakes, NJ 07417, or its Permitted Assignee or Designee ("**Redeveloper**"). Together, the City and the Redeveloper are the "Parties."

**PRELIMINARY STATEMENT**

Pursuant to the provisions of the Local Redevelopment and Housing Law, **N.J.S.A. 40A:12A-1 et seq.** as amended and supplemented, (the "Act"), the City has undertaken a program for the revitalization of that certain property identified on **Exhibit "A"** attached hereto (the "Project Site"). The Project Site, a metes and bounds description of which is set forth in **Exhibit "B"** attached hereto, is currently owned in fee simple by Redeveloper. The Parties intend to secure high quality, cost-efficient redevelopment of the Project Site in as short a time frame as practicable. The City is committed to working with Redeveloper, as appropriate, to pursue economic assistance for the Project afforded by relevant agencies and institutions.

The City has determined that redevelopment of the Project Site for independent living housing, including a set aside of up to 30% of the Independent Living Units for disabled veterans as defined by 5 U.S.C. 2108 (2), assisted living housing and such other uses as delineated in the City Redevelopment Plan are likely the most beneficial uses of the property ("Project") since those uses will promote job creation and economic development benefits within the municipality and, therefore, fulfills the purposes of the Act.

Redeveloper maintains that it has the financial ability, experience and expertise to redevelop the Project Site within a reasonable time and within the time set forth in accordance with the provisions of this Redevelopment Agreement and has prior thereto undertaken substantial efforts in furtherance of the goals and intention of this Agreement.

To effectuate the purposes of the Act, and, in consideration of the Project, the mutual covenants and agreements are herein set forth, along with other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each Party



hereto, and the City and Redeveloper hereby agree to work cooperatively as Redeveloper complies with this Redevelopment Agreement.

**WITNESSETH**

**WHEREAS**, the Act provides a process for Redevelopment Entities to participate in the redevelopment and improvement of areas designated in need of redevelopment; and

**WHEREAS**, in order to stimulate redevelopment for the City of Vineland, the City has designated the Project Site described in **Exhibit "A"** as an "area in need of redevelopment" in accordance with the Act; and

**WHEREAS**, the City has determined that redevelopment of the Project Site should include Independent Living Housing, including a set aside of up to 30% of the Independent Living Units for disabled veterans as defined by **5 U.S.C. 2108 (2)**, Assisted Living Housing, Emergency Medical Services Facility, a Medical Education Facility and such other uses as delineated in the City Redevelopment Plan to meet the current goals of the City, and further that Redeveloper is able, based on discussions between the parties, to implement such proposed plan if it is determined that the best interests of the City and the Redeveloper are promoted by such a redevelopment; and

**WHEREAS**, the City has adopted, Resolution 2015-227 designating Newcomb Medical Alliance Center, LLC as Redeveloper for the Project Site, conditioned, in part, upon Newcomb Medical Alliance Center, LLC and the City entering into this Redevelopment Agreement.

**WHEREAS**, the City desires that the Project Site be redeveloped by Redeveloper, or its Permitted Assignee or Designee, in accordance with the City's Redevelopment Plan, as amended from time to time, pursuant to law, due to Redeveloper's demonstrated ability to implement the kind of redevelopment project that the City desires, subject to necessary approvals, as well as Redeveloper's willingness to cooperate with the City pursuant to law; and

**WHEREAS**, prior to the execution of this Agreement, Redeveloper has undertaken to perform numerous tasks and has expended significant financial resources, including but not limited to determining the feasibility of the proposed Project, the availability of necessary resources and infrastructure and the likelihood of potential tenants for the Project, such that it has invested considerable time, effort and money to assure that the Project proposed by this Agreement will be eventually successful. The Redeveloper has relied on its own experience and expertise in determining the feasibility of the Project and entering into this Redevelopment Agreement.

**WHEREAS**, the Parties desire to enter into this Redevelopment Agreement in order to set forth the terms and conditions pursuant to which the Project Site shall be redeveloped, as required by this Agreement, and in accordance with the redevelopment statutes;

**WHEREAS**, Redeveloper will obtain preliminary and final site plan approval, in phases, for the Redevelopment Area, Block 4216, Lot 1 substantially in accordance with the Concept Plan attached as **Exhibit "C"** subject to the submission of a perfected plan and satisfaction of other delineated conditions, from the Vineland Planning Board, to develop a three story Assisted Living Residence consisting of total gross floor area of 46,748 sq. ft. with an attached 1937 sq. ft. canopy containing a total of 70 assisted living units, a separate three story building consisting of total gross floor area of 60,555 sq. ft. with an attached 2,024 sq. ft. canopy, containing a total of 70 Independent Living Units, a second separate three story building consisting of total gross floor area of 60,500 sq. ft. with an attached 2,024 sq. ft. canopy containing a total of 70 Independent Living Units, an Emergency Medical Services Facility to be owned by the City of Vineland consisting of total gross floor area of 6,320 sq. ft. and attached 1,640 sq. ft. ambulance garage and renovation/construction of a portion of the existing structure consisting of approximately 59,400 sq. ft. for its use as a Medical Education Facility or such other use as permitted in the Redevelopment Plan. Nothing herein shall prohibit the Redeveloper from amending, in accordance with applicable law and procedure, its current approvals to be consistent with the Concept Plan.

**WHEREAS**, this Agreement is contingent on City Council approval and amendment to the Redevelopment Plan allowing for a five lot subdivision of the Redevelopment Area, Block 4216, Lot1.

**NOW THEREFORE**, for and in consideration of the promises and mutual representations, covenants and agreements herein set forth, the Parties hereto, binding themselves, as well as their successors and assigns, do hereby mutually promise, covenant and agree to effectuate redevelopment of the Project Site as follows:

## **ARTICLE 1 DEFINITIONS AND INTERPRETATIONS**

SECTION 1.1. Definitions. Except as expressly provided herein to the contrary, all capitalized terms used in this Redevelopment Agreement and its Exhibits shall have the following meanings:

"Applicable Laws" mean all Federal, State and Local laws, ordinances, approvals, rules, regulations and requirements applicable thereto including, but not limited to the Local Redevelopment and Housing Law, the Municipal Land Use Law, the New Jersey Administrative Code, relevant construction codes, and such zoning, sanitary, pollution and other environmental safety ordinances, laws and such rules and regulations there under, including all applicable Environmental Laws and Federal and State labor standards.

"Assisted Living Residence" shall also refer to Assisted Living Housing and means a facility licensed by the Department of Health to provide apartment-style housing and congregate dining and to assure that assisted living services are available when needed. Apartment Units shall offer, at a minimum, one unfurnished room, a private bathroom, a kitchenette, and a lockable door on the unit entrance.

“Certificate of No Default” is as defined below.

“Certificate of Occupancy” means a permanent “Certificate of Occupancy”, as such the term is used within the New Jersey Administrative Code, **N.J.A.C. 5:23-1.4** and **5:23-2**, *et seq.*, issued with respect to the Project, upon completion of the Project.

“City” means the City of Vineland, a municipal corporation in Cumberland County, New Jersey and also means Vineland City Council, the Governing Body of the City of Vineland as the Redevelopment Entity.

“City Covenants” are those set forth in **Section 3.6** below.

“Commence Construction” or “Commencement of Construction” means the undertaking by Redeveloper of any actual physical construction or improvements, including but not limited to site preparation, environmental remediation, demolition as directed by the Township, construction of new structures, and installation or improvement of infrastructure.

“Completion Dates” means the dates set forth in the Project Schedule attached hereto as **Exhibit “D”**.

“Cunningham Wing” means the three story 69,400 sq. ft. building on the westerly side of the Lot D shown on the Concept Plan attached as **Exhibit “C”**.

“Declaration” shall have the meaning set forth in Section 3.1.

“Dedicated Improvements” means any improvements dedicated to the City of Vineland on the Subdivision plat or Site Plan(s) and accepted by the City.

“Effective Date” means the date of the Parties’ execution of this Redevelopment Agreement, the approval by Vineland City Council, and the amendment to the Redevelopment Plan to provide for a five lot subdivision of the Redevelopment Area, Block 4216, Lot 1.

“Environmental Laws” are any and all Federal, State, Regional, and Local laws, statutes, ordinances, regulations, rules, codes, consent decrees, judicial and administrative orders, decrees, directives and judgments relating to contamination, damage to or protection of the environment, any historical resources, environmental conditions, or the use, handling, processing, distribution, generation, treatment, storage, disposal, manufacture or transport of Hazardous Substances, presently in effect or hereafter amended, modified, or adopted including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”) (**42 U.S.C. § 9601 et seq.**); the Resource Conservation and Recovery Act of 1976 (“RCRA”) (**42 U.S.C. § 6901 et seq.**); the Clean Water Act (**33 U.S.C. § 1251 et seq.**); the New Jersey Spill Compensation and Control Act (the “Spill Act”) (**N.J.S.A. 58:10-23.11 et seq.**); the Industrial Site Recovery Act, as amended (“ISRA”) (**N.J.S.A. 13:1K-6 et seq.**); the New Jersey Underground Storage of Hazardous Substance Act (**N.J.S.A. 58:10A-21 et seq.**); the New Jersey Water Pollution Control Act (**N.J.S.A. 58:10A-1 et seq.**); the New Jersey Brownfield and Contaminated Site Remediation Act (**N.J.S.A. 58:10B-1 et seq.**); the New Jersey Environmental

Rights Act (**N.J.S.A. 2A:35A-1** *et seq.*); and the rules, regulations and guidance promulgated there under.

“Events of Default” are described below.

“Existing Debt” means the Note Mortgage and loan documents related thereto executed by Newcomb Medical Alliance Center LLC in the principal amount of \$6,000,000.00 dated July 1, 2009.

“Force Majeure Event” is defined in **Section 11.7** below for the purposes of any of the provisions of this Redevelopment Agreement. Insufficient funds for Redeveloper to complete the Project is not a Force Majeure Event.

“Governmental Approvals” means all necessary reviews, consents, permits or other approvals of any kind legally required by any Governmental Body in order to implement the Project.

“Governmental Body” means any Federal State, County or Local agency, department, commission, authority, court, or tribunal, and any successor thereto, exercising executive, legislative, judicial, or administrative functions of or pertaining to government, including, without limitation, the City of Vineland, the County of Cumberland, and the State of New Jersey.

“Hazardous Substance” means any substance, material or waste that is listed as hazardous, toxic, a pollutant or contaminant, or dangerous under any applicable federal, state, county or local statute, rule, regulation, ordinance or order, including but not limited to CERCLA hazardous substances and Spill Act hazardous substances.

“Historic Elements” means the Newcomb Hospital historic façade, entry door, Newcomb Monument and balcony railing on site as depicted in a letter and drawing dated January 28, 2015 attached hereto as **Exhibit “E”**, which are to be reclaimed and incorporated into the Redevelopment of Lot C or Lot D

“Independent Living Units” shall also refer to Independent Living Housing and means apartments for senior residents who are able to live on their own with limited assistance and without around the clock supervision. This shall include senior residents who may otherwise have a disability rendering them unable to live on their own but reside with their spouse or domestic partner or other care giver to provide assistance without round the clock supervision. Up to 30% of the Independent Living Units may be set aside for disabled veterans as defined by **5 U.S.C. 2108 (2)** attached as **Exhibit “F”**.

“Independent Living Building” means the buildings to be constructed on Lot A and Lot B as shown on the Concept Plan attached as **Exhibit “C”**, and consist entirely of Independent Living Units.

“Legal Requirements” means all laws, statutes, codes, ordinances, resolutions, binding conditions, orders, regulations and requirements, as amended from time to time, including all environmental laws and regulations of federal, state, county and municipal governments.

“Loan Documents” means the Note, Mortgage, and loan documents related thereto for the Existing Debt and New Loan as defined herein.

“Lot E” Lot E shall consist of, and be developed as, a 6,320 sq. ft. EMS Station to be fitted out for office space, the 6,320 sq. ft. basement being fitted out for storage and construction of a 1,640 sq. ft. attached garage as shown on **Exhibit “C”**. Lot E shall include the associated parking and driveways as shown on the Concept Plan for the EMS Station along with any necessary easements for the operation of the EMS station including the use of a portion of the 4 story parking facility with parking spaces to be recommended by the Planning Board. The proposed subdivision of Lot E shall be approved by the City of Vineland and shall be deeded to the City of Vineland upon the issuance of a CO or TCO.

“LTTE” means a long term tax exemption for the development of Block 4216, Lot A, B, C, and D, as depicted on Exhibit C, in accordance with **N.J.S.A. 40A:20-1** et seq.

“New Loan” means the Note, Mortgage and loan documents related thereto executed by the Redeveloper in an amount not to exceed \$1,500,000.00 to be used for the demolition of the buildings on Lots C and D as well as site preparation for construction on Lot C, D and E.

“Newcomb Hospital Emergency Room Structure” means the one story, 21,800 sq. ft. building consisting of parts of Lot D and Lot E as depicted on the Concept Plan attached as **Exhibit “C”**.

“NJDEP” or “DEP” means the New Jersey Department of Environmental Protection and any successors in interest.

“Parties” mean the City of Vineland by its Governing Body, Vineland City Council, as Redevelopment Entity, and Newcomb Medical Alliance Center, LLC, as Redeveloper, or its Permitted Assignee or Designee.

“Permitted Assignee or Designee” means an affiliate or other related person or entity to Redeveloper that, directly or indirectly, through one or more intermediaries, controls or is controlled by, or is under common control with Redeveloper, approved by the City.

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

“Phase 1” means the demolition, construction and other work described in subparagraphs (a), (b) and (c) under the definition of “Project Improvements.”

"Phase 2" means the construction and other work described under subparagraph (d) under the definition of "Project Improvements."

"Phase 3" means the construction and work described under subparagraph (e) under the definition of "Project Improvements."

"Phase 4" shall mean the construction and work described under subparagraph (f) under the definition of "Project Improvements."

"PILOT Agreement" means any financial agreement entered into between Newcomb Medical Alliance Center, LLC, its Permitted Assignee or Designee, or any urban renewal entity designated in furtherance of this Agreement and the City for tax abatements, tax exemptions and/or payments in lieu of taxes, as authorized by law, for a time period agreed upon in writing by the City, which time period shall be up to the maximum time permitted by applicable laws.

"Project" means, collectively (a) redevelopment of the Project Site, as approved by the City and all other necessary Boards and agencies, (b) Rehabilitation or demolition of - structures on the Project Site; (c) Utility Upgrades; (d) posting of all required performance bonds, (e) providing all required guarantees and insurance coverage, (f) diligently seeking and obtaining all Governmental Approvals, (g) construction and issuance of a CO or TCO for all Project Improvements, along with Project Site preparation, (h) implementation of all Critical Components, (i) satisfaction of all financial obligations due and owing the City and to Redeveloper, (j) issuance of a PILOT Agreement between City and Redeveloper in accordance with the terms of this Redevelopment Agreement, (k) the dedication of parking spots in the 4 story parking garage located on Block 4216, Lot 2 for the exclusive use of Block 4216, Lots A, B, C, D, E and the MultiStory Office Building as depicted on the Concept Plan, Exhibit C. The number and location of the parking spots shall be determined by recommendation of the City of Vineland Planning Board, and (l) the creation of an Association for the purpose of maintaining the 4 story parking garage located on Block 4216, Lot 2. The Association shall be comprised of owners of Lots A, B, C, D, E, and the MultiStory Office Building with the exception of the City of Vineland, each owner having a proportionate interest based upon ownership of said Lots. The Planning Board may approve an alternative to the Association ownership to maintain the parking garage, in its discretion. The Association Documents shall be in the form and substance as approved by the Planning Board and Board Solicitor and shall require the execution of an agreement with the owner of Block 4216, Lot 2 for the maintenance of the 4 story parking garage to run with the land. The City of Vineland shall not be responsible for any costs associated with the dedication or use of the parking spots assigned to its use and all spots assigned to the City shall be located on the ground floor of the parking garage.

"Project Improvement" means:

(a) Demolition of all improvements on Block 4612 Lots C, D, and E, excepting the Newcomb Hospital Emergency Room Structure and the Cunningham Wing. Demolition shall be completed as the first part of Phase 1. Demolition shall commence within 60 days of the execution of this agreement and funding approval as provided herein.

(b) The construction of a three-story Assisted Living Building consisting of approximately 70 units and 47,750 sq.ft. with a 1,937 sq. ft. canopy. This shall be constructed on the designated Lot 1C on the Concept Plan attached as **Exhibit "C"**. This shall be completed as part of Phase 1. Construction shall commence within 60 days of the execution of this Agreement and funding approval as provided herein. Completion of this portion of Phase 1 shall be substantially completed within 18 months of the commencement of construction. For purposes of this paragraph substantial completion shall mean the issuance of a CO or TCO.

(c) Fit out of a portion of the Newcomb Hospital Emergency Room Structure consisting of approximately 6320 sq. ft. to be utilized for an Emergency Medical Services (EMS) Station by the City of Vineland, and approximately 6320 sq. ft. of basement space directly below the fit out to be used for storage, along with the construction of an attached 1640 sq. ft. garage to house ambulances for the EMS. The Emergency Medical Services Station shall encompass all of Lot E and include the parking spots and drives shown as part of Lot E on the Concept Plan attached as **Exhibit "C"**. The Emergency Medical Services Station as described above, along with the associated parking and driveways, shall be subdivided and deeded to the City of Vineland, and shall include any easements necessary for the operation of the EMS facility. This shall include the use of a portion of the four-story parking facility with parking spaces as recommended by the Planning Division at no cost to the City. The city shall be responsible for fit out costs for the EMS Station and the cost for the construction of the garage addition. All plans and specifications shall be prepared in accordance with the needs and direction of the City of Vineland. The balance of the Newcomb Hospital Emergency Room Structure shall remain structurally sound and the exterior shall have a similar appearance as the completed EMS building, inclusive of landscaping pending its development. The construction and fit out of the EMS building shall be part of Phase 1. Construction shall commence within 60 days of the completion of the demolition specified herein. Completion of this portion of phase 1 shall be substantially completed within 12 months of the commencement of construction. For purposes of this paragraph substantial completion shall mean the issuance of a CO or TCO.

(d) Development and construction of a three-story Independent Living Building consisting of approximately 60,500 sq. ft. and approximately 70 units with a 2,024 sq. ft. canopy. This shall be constructed on Lot A as depicted on the Concept Plan attached as **Exhibit "C"** and labeled "Aged in Place." This shall be completed as part of Phase 2. The construction of the three-story Independent Living Building on Lot A shall commence within 90 days of the

execution of this Agreement and funding approvals as provided herein. Completion of this portion of Phase 2 shall be substantially completed within 18 months of the commencement of construction. For purposes of this paragraph, substantial completion shall mean the issuance of a CO or TCO.

(e) Development and construction of a three-story Independent Living Building consisting of approximately 60,500 sq. ft., and approximately 70 units, with a 2024 sq. ft. canopy. This shall be constructed on Lot B, as depicted on the Concept Plan attached as **Exhibit "C"** and labeled "Aged in Place." This shall be completed as part of Phase 3. The construction of the three-story Independent Living Building on Lot B shall commence within 90 days of the execution of this Agreement and funding approvals as provided herein. Completion of this portion of Phase 3 shall be substantially completed within 18 months of the commencement of construction. For purposes of this paragraph, substantial completion shall mean the issuance of the CO or TCO.

(f) The construction/renovation of the three-story building existing on Lot D as depicted on the Concept Plan attached as **Exhibit "C"**, further described as the Cunningham Wing, consisting of approximately 69,400 sq. ft. shall be part of Phase 4. The present planned use is for a Medical Education Center, which shall be allied health, medical, or dentistry. Redeveloper shall put forth all reasonable efforts to assure the use is consistent with this intent, however, should Redeveloper be unable to obtain an end-user consistent there with, after notice to the City outlining his efforts, Redeveloper shall be permitted to use the structure for any permitted use in accordance with the redevelopment plan subject to all permitting and approval requirements. The development of the Cunningham Wing shall be substantially completed, as defined herein as the issuance of a CO or TCO, within 5 years from the execution of this Agreement. However, should the Redeveloper have entered into an agreement with a reputable third-party for the development and/or operation of the Cunningham Wing as a Medical Education Facility or Veterans Administration Facility within 4 years from the execution of this Agreement, then the Redeveloper may request a reasonable time extension of this Agreement for the completion of the construction and issuance of a CO or TCO for either of said uses. An extension in accordance here with shall not be unreasonably withheld. In the event the Redeveloper has not substantially completed the development of the Cunningham Wing within 5 years of the execution of this Agreement or any extensions of this Agreement as permitted solely in accordance with this paragraph, the Redeveloper shall immediately commence the demolition of the Cunningham Wing after the expiration of the 5 year period specified herein or any extensions. The demolition of the Cunningham Wing shall be completed within 60 days and the land shall be properly landscaped substantially similar to the landscaping designs of the balance of the open spaces as depicted on Exhibit C.



The proposed plan for the balance of the Newcomb Hospital Emergency Room Structure is for its use as a one story Medical Adult Day Care. However, Redeveloper shall not be precluded from its use in any other manner allowable in the Redevelopment Plan. This may be completed at any time, but in no event later than 5 years from the execution of this Agreement. The construction/renovation of the Cunningham Wing on Lot D shall commence within 60 days of the execution of this Agreement and funding approval as provided herein. Completion of this portion of Phase 4 shall be substantially completed within 12 months of the commencement of construction. For purposes of this paragraph, substantial completion shall mean the issuance of a CO or TCO. At all times, redeveloper shall keep and maintain the structure and surrounding property on Lot D in good condition, and shall maintain all landscaping.

(g) Redeveloper shall preserve and protect the Newcomb Hospital historical façade, entry door, Newcomb Monument and balcony railing on site as depicted in a letter and drawing dated January 28, 2015, attached hereto, **Exhibit "E"**. Preservation of these Historic Elements shall be performed regardless of the possible demolition of the Cunningham Wing and shall be in compliance with Planning Board requirements. Notwithstanding anything herein to the contrary, the Project Improvements must be completed within 5 years of the execution of this Agreement or any permitted extensions in accordance with Paragraph (f) regardless of funding approval.

"Project Site" means that real property and improvements thereon located within the Redevelopment Area. The Project Site includes Block 4216, Lot 1, which it is anticipated will be divided into a five lot subdivision by amendment to the Redevelopment Plan. This Redevelopment Agreement is contingent on an amended Redevelopment Plan providing for the five lot subdivision.

"Project Schedule" means the schedule of commencement and completion dates set forth in **Exhibit "D"**. The failure to comply with the Project Schedule by the Redeveloper shall constitute a default under the terms of this Agreement. Notwithstanding anything herein to the contrary, the Project Improvements must be completed within 5 years from the execution of this Agreement or any permitted extensions in accordance with Paragraph (f) regardless of funding approval.

"Project Team" means the Project Manager, Project Engineer, Project Architect, Environmental Consultant, Project Planner, Construction Engineer, a member of the City of Vineland's Engineering Department, the Director of Licensing and Inspections and the City Planner as set forth in **Exhibit "G"**.

“Public Improvements” means all offsite roadway and other improvements required to obtain any Governmental Improvement. Public Improvements shall be the responsibility of the Redeveloper.

“Redeveloper” means Newcomb Medical Alliance Center, LLC, or its Permitted Assignee or Designee.

“Redeveloper Covenants” are those defined at **Section 3.2** below.

“Redevelopment Agreement” means this Redevelopment Agreement between the City and Redeveloper, all Exhibits to this Agreement, and any written Amendments thereto.

“Redevelopment Approvals” means governmental permits and approvals necessary for the Project(s).

“Redevelopment Law” means the State statute codified at **N.J.S.A. 40A:12A-1** *et seq.*

“Redevelopment Plan” is the City’s adopted Redevelopment Plan for the Project, entitled “Newcomb Hospital Redevelopment Plan” dated November, 2011, as amended by the City from time to time.

“State” means the State of New Jersey.

“Transfer” is defined in Section 8.1, *et seq.*, hereof.

“UEZ” is defined as the Enterprise Zone Development Corporation of Vineland and Millville as approved by the City Council of the City of Vineland.

“USEPA” or “EPA” means the United States Environmental Protection Agency.

“Zoning Ordinance” means that portion of the City’s Land Use Ordinance and all related municipal land use regulations enacted pursuant to N.J.S.A. 40:55D-1 *et seq.* and N.J.S.A. 40A:12A-1 *et seq.* regarding Zoning.

**SECTION 1.2. Drafting Ambiguities; Interpretation.** In interpreting any provision of this Redevelopment Agreement, no weight shall be given to, nor shall any construction or interpretation be influenced by, the fact that either Party or their attorney drafted any version of this Redevelopment Agreement, each Party recognizing that it and its attorney has had an opportunity to review this Redevelopment Agreement and has contributed to the final form of same. Unless otherwise specified: (i) whenever the singular number is used in this Redevelopment Agreement, the same shall include the plural, and the plural shall include the singular, (ii) the words “consent” or “approve” or words of similar import, shall mean the written consent or approval of the City or Redeveloper, as the case may be, unless expressly

stated to the contrary herein, (iii) the words “include” and “including”, and words of similar import, shall be deemed to be followed by the words “without limitation,” (iv) “hereunder” shall be deemed to refer to the provisions of this Redevelopment Agreement in their entirety and not to a provision contained within any particular Section, and (v) all Exhibits to this Redevelopment Agreement are incorporated herein by reference.

SECTION 1.3. Interpretation and Construction. In this Redevelopment Agreement, unless the context otherwise requires:

(a) The terms “hereby”, “hereof”, “hereto”, “herein”, “hereunder” and any similar terms, as used in this Redevelopment Agreement, shall refer to this Redevelopment Agreement.

(b) Words importing a particular gender mean and include correlative words of the other gender.

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

(d) Any headings preceding the texts of the several Articles and Sections of this Redevelopment Agreement shall be solely for convenience of reference and shall not constitute a part of this Redevelopment Agreement, nor shall they affect its meaning, construction or effect.

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

(f) All notices to be given hereunder and responses thereto shall be given, unless a certain number of days is specified, within 10 days.

(g) Unless otherwise indicated, any fees, costs and/or expenses shall be required to be customary and reasonable.

## **ARTICLE 2 GENERAL REPRESENTATIONS AND WARRANTIES**

SECTION 2.1. Representations and Warranties by Redeveloper. Redeveloper hereby represents and warrants the following to the City for the purpose of inducing the City of Vineland to enter into this Redevelopment Agreement, and to consummate the transactions contemplated hereby, all of which shall be true as of the date hereof, and all of which shall survive this Agreement:

(a) Redeveloper is a Limited Liability Company of the State of New Jersey, qualified to conduct business in the State of New Jersey. Redeveloper warrants that it is in good standing under the laws of this State, having all requisite power and authority to carry on its business, and to enter into and perform all of its obligations under this Redevelopment Agreement.

(b) Redeveloper has the legal power, right and authority to enter into this Redevelopment Agreement and the instruments and documents referenced herein to which Redeveloper is a Party, to consummate the transactions contemplated hereby, to take any steps or actions contemplated hereby, and subject to securing Governmental Approvals, to perform all of Redeveloper's obligations hereunder.

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

(d) No receiver, liquidator, custodian or trustee of Redeveloper shall have been appointed as of the Effective Date, and no petition to reorganize Redeveloper pursuant to the United States Bankruptcy Code or any similar statute that is applicable to the Redeveloper shall have been filed as of the Effective Date of this Redevelopment Agreement.

(e) No adjudication of bankruptcy or liquidation of Redeveloper, nor filing for voluntary bankruptcy by Redeveloper under the provisions of the United States Bankruptcy Code or any other similar statute applicable to the Redeveloper shall have been filed as of the effective date of this Redevelopment Agreement.

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

(g) Redeveloper's execution and delivery of this Agreement, and its performance hereunder, will not constitute a violation of any operating, company, corporate, partnership and/or stockholder agreement of Redeveloper, or of any agreement, mortgage, indenture, instrument or judgment, to which Redeveloper is a party.

(h) All information and statements included in any information submitted to the City and its agents, including but not limited to Redeveloper's ownership structure, are true and correct in all material respects.

(i) Redeveloper and its principals and guarantors are financially and technically capable of acquiring the Project Site and of redeveloping, designing, financing and constructing the Project in accordance with the City's Redevelopment Plan, as amended from time to time, and all Legal Requirements and Governmental Approvals.

(j) There is no action, proceeding or investigation now pending, nor any basis therefore, known or believed to exist which (1)

questions the authority of the Redeveloper to enter into the Redevelopment Agreement or any action or act taken or to be taken by the Redeveloper pursuant to this Redevelopment Agreement; or (2) is likely to result in a material adverse change in the Redeveloper's property, assets, liabilities or condition which will materially and substantially impair its ability to perform its obligations pursuant to the terms of this Redevelopment Agreement.

SECTION 2.2. Representations and Warranties by the City. The City hereby represents and warrants the following to Redeveloper for the purpose of inducing Redeveloper to enter into this Redevelopment Agreement, and to consummate the transactions contemplated hereby, all of which shall be true as of the date hereof, and all of which shall survive this Agreement:

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

(b) The execution and delivery thereof shall not constitute a default under or violate the terms of any indenture, agreement or other instrument to which the City is a party

(c) There is no pending, or to the best of the City's knowledge, threatened litigation, that would prevent the City from performing its duties and obligations hereunder.

SECTION 2.3. Mutual Representations.

(a) The City and Redeveloper agree that the Project will be governed by the adopted Redevelopment Plan, as amended from time to time by Ordinance, as well as any provisions of City Land Use Ordinances, the Redevelopment Law, and this Redevelopment Agreement, and that Redeveloper will expeditiously seek all Governmental Approvals so that Redeveloper can complete this Project, with guidance from the City, in a timely fashion. If requested by Redeveloper, the City agrees that it may function as a co-applicant on certain applications for Governmental Approvals, where appropriate, at no cost to the City and provided that same is not prohibited by law.

(b) In the event that any contractual provisions required by Legal Requirements have been omitted, the City and Redeveloper agree that this Redevelopment Agreement shall be deemed to incorporate all such clauses by reference, and that such requirements shall become a part of this Redevelopment Agreement. If such incorporation occurs and results in a change in the obligations or benefits of one of the Parties, the City and Redeveloper hereby agree to act in good faith to mitigate such changes in position.

**ARTICLE 3  
DECLARATION OF COVENANTS AND RESTRICTIONS; REDEVELOPER COVENANTS; CITY  
COVENANTS**

SECTION 3.1. Declaration of Covenants and Restrictions. If the City directs that Redeveloper record a Declaration of Redeveloper's Covenants and Restrictions ("Declaration"), recordation shall be at Redeveloper's sole expense. Recording shall be effectuated by recordation of a Memorandum of the terms hereof.

SECTION 3.2. Redeveloper Covenants. The following covenants and agreements by Redeveloper, for the purposes of this Redevelopment Agreement including the Exhibits hereto, shall be construed to include Redeveloper's covenants, not only as to Redeveloper's actions, but as to the actions of any successor or City-approved assignee of Redeveloper and Redeveloper's Project Team until the recording of full discharge of such agreements and covenants:

(a) Redeveloper shall implement the Project in accordance with the provisions of this Redevelopment Agreement and Legal Requirements, including, but not limited to, the Redevelopment Law, all Governmental Approvals and all Environmental Laws, and shall expeditiously seek all Project approvals. Redeveloper's execution of this Redevelopment Agreement confirms Redeveloper's ability to perform hereunder.

(b) Redeveloper shall undertake with due diligence to pursue and obtain the necessary financing for the Project to redevelop the Project Site; and also to perform each item hereunder in a commercially reasonable period including the satisfaction of Critical Component requirements however in no event shall the development period exceed the time requirements set forth in this Agreement and in Exhibit D or any amendments hereto.

(c) Redeveloper shall use diligent efforts to obtain all Governmental Approvals required for the construction and redevelopment of the Project Site, including evidence satisfactory to the City that Redeveloper's use of the Project Site shall be in compliance with all Legal Requirements and all applicable Environmental Laws. Redeveloper shall pursue all permits and approvals in good faith and shall keep the City apprised of the status of same.

(d) During redevelopment and construction, and upon completion of the Project, Redeveloper shall use diligent efforts to obtain all Governmental Approvals authorizing the occupancy and uses of the Project Site for the purposes contemplated hereby.

(e) Redeveloper shall not suspend or discontinue the performance of its obligations under this Redevelopment Agreement, without the written consent of City.

(f) Redeveloper shall notify the City of any material change in its financial condition, from the information previously provided to the City indicating Redeveloper's financial capability to redevelop, finance and construct the Project in furtherance of this Agreement.

(g) Redeveloper shall make all payments, in satisfaction of Redeveloper's financial obligations as set forth in this Redevelopment Agreement.

(h) Redeveloper shall not use the Project Site in a manner that is inconsistent with: (1) the Redevelopment Plan, as amended, (2) any controlling Zoning Ordinance, or (3) this Redevelopment Agreement.

(i) Redeveloper shall complete the Project or cause the Project to be completed at its expense, using any private resources, grants provided, obtained and/or applied for by City in accordance with this Agreement and State and Federal assistance that may be available. The City shall in no way be obligated to provide Project resources, unless specifically provided for herein, or unless specifically set forth in another written instrument executed by the Parties.

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

(k) Redeveloper shall refrain from restricting any sale, lease, sublease, rental, transfer, use, occupancy, tenure, or enjoyment of the Project Site (or any part thereof) on the basis of race, color, religion, creed, age, national origin, ancestry, physical handicap, marital status, affectational preference or gender of any person.

(l) Redeveloper covenants that its undertakings pursuant to this Redevelopment Agreement shall be for the purpose of redevelopment of the Project Site.

(m) Redeveloper shall use commercially reasonable efforts to commence and complete construction of the Project but in no event later than the dates contained on **Exhibit D**.

(n) Redeveloper shall not convey or Transfer, nor permit the conveyance or transfer of the Project Site or the Project, or any portions thereof, to third parties without specific, written prior approval by the City, which approval shall not be unreasonably withheld.

(o) Redeveloper shall construct or cause to be constructed, only those improvements established in the Redevelopment Plan or as otherwise approved by City and the appropriate land use authorities, as amended from time to time, and in accordance with all Governmental Approvals.

(p) Redeveloper shall, at all times, exercise due diligence in respect to demolition of the existing structures on Lots C, D and E, except for the Newcomb Hospital Emergency Room Structure and the three story 69,400 sq. ft. building on the westerly side of the Lot (the Cunningham Wing). The proposed subdivision of Lot E shall be approved by the City of Vineland Planning Board. The Redeveloper will construct and fit out the EMT Station and the garage addition, at the City's expense, and in accordance with plans and specifications approved and subject to modification by the City. The cost to develop the EMS Station and construct the garage addition is estimated to be approximately \$\_\_\_\_\_. The actual cost of



construction shall be subject to verification and approval by the City of Vineland but in no event shall the cost exceed \$\_\_\_\_\_. Upon the issuance of a Certificate of Occupancy, or sooner if requested by the City, the Redeveloper shall deed the EMS Station and garage addition to the City for \$1.00 . The required demolition on Lot C and the development of the EMS Station on new Lot E will proceed simultaneously. New Lot D shall consist of the remainder of the Newcomb Hospital Emergency Room Structure along with the Cunningham Wing as shown on Exhibit C. At all times Redeveloper shall maintain the structure and surrounding property on Lot D in good condition, and shall maintain the landscaping. The Redeveloper shall also take all reasonable steps to assure that the buildings are secured.

(q) Redeveloper shall undertake with due diligence (1) financing of the Project, including the diligent application for New Market Tax Credits (NMTC)(2) construction and development of the Project in accordance with the Project Schedule attached as **Exhibit "D"**. All activities performed under this Redevelopment Agreement shall be performed in accordance with the level of skill and care ordinarily exercised by developers of first class developments of the same type and nature of the project.

(r) Redeveloper shall reclaim and incorporate those Historic Elements of Newcomb Hospital which are to include the Newcomb Hospital historic façade, entry door, Newcomb Monument and balcony railing on site as depicted in a letter and drawing dated January 28, 2015 attached hereto as **Exhibit "E"**, into the redevelopment of Lot C and/or Lot D. The Historic Elements shall be located in an architecturally sound location considering aesthetics and structure, and approved by the City *Planning Board*. The deed upon which the Historic Elements are situated shall contain a restriction that the Owner shall keep, preserve and maintain the aesthetics and structural integrity of the Historic Elements.

(s) At all times the Redeveloper shall maintain all structures and landscaping within the Redevelopment Area in accordance with all state and local laws and regulations unless otherwise provided for in this Agreement.

SECTION 3.3. Effect and Duration of Redeveloper Covenants. It is intended and agreed by the Parties that the agreements and covenants set forth in the above Redeveloper Covenant Section and elsewhere in this Redevelopment Agreement designated for inclusion in a Declaration shall be covenants running with the land, and that they shall in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in this Redevelopment Agreement, be binding, to the fullest extent permitted by law and equity, for the benefit of and in favor of the City, and shall be enforceable by the City, its successors and assigns, and any successor in interest to the Project Site, or any part thereof, against Redeveloper, its successors and assigns and every successor in interest therein. The foregoing notwithstanding however, such covenants shall be removed if and when Redeveloper or its successors in interest have fully satisfied their obligations under this Agreement in accordance with **Section 3.4** below. In such case, City agrees that it will execute any and all documents necessary to file or record evidence of satisfaction of and discharge of such covenants and the removal of same so that record title to the Property is clear of such conditions and/or restrictions.

SECTION 3.4. Termination of Declaration and Redevelopment Agreement. This Redevelopment Agreement and the Declaration and covenants set forth herein shall remain in effect until either the termination of this Redevelopment Agreement in accordance with its terms or the issuance of a final Certificate of Occupancy for all of the components of the Project. Upon redevelopment of the Project Site and completion of each of the individual components of the Project as determined by the issuance of the final Certificate of Occupancy for each of such components, the conditions that were found and determined to exist at the time the Redevelopment Area was determined to be in need of redevelopment shall be deemed to no longer exist, and the conditions and requirements of **N.J.S.A. 40A:12A-1, et seq.** shall be deemed to have been satisfied. Each individual or separate component shall be deemed to no longer be in need of redevelopment (pursuant to **N.J.S.A. 40A:12A-1**) when a final Certificate of Occupancy is issued for such individual component, regardless of whether any remaining components of the project have been completed at such time, so as to enable the conveyance of such individual component free of any encumbrance. Except with respect to any financial obligations still due and owing the City or UEZ, and as otherwise expressly provided herein, all representations and obligations of the Parties hereto shall cease and terminate as of the date of the delivery of the final Project Certificate of Occupancy and shall cease with respect to any individual component of the Project upon issuance of a final Certificate of Occupancy for such component. In the event that portions of the Project Site are developed as separate parcels, the City agrees that it shall execute and deliver to Redeveloper the necessary documents, in recordable form, to release those independently developed parcels from this Redevelopment Agreement and the Declaration and the requirements thereof, upon the issuance of a Certificate of Occupancy for such parcels and the conveyance of same to the purchaser thereof.

SECTION 3.5. Enforcement by the City. In amplification, and not in restriction of the provisions of this Article, it is intended and agreed that the City and its successors and assigns shall be deemed beneficiaries of the agreements and covenants set forth in this

Redevelopment Agreement, both for and in their own right but also for the purposes of protecting the interests of the community and other parties, public or private, in whose favor or for whose benefit such agreements and covenants have been provided. Such agreements and covenants shall (and the Declaration shall so state) run in favor of the City for the entire period during which such agreements and covenants shall be in force and effect, without regard to whether the City is an owner of any land or interest therein. The City shall have the right, in the event of any material breach of any such agreement or covenant by Redeveloper, to exercise all the rights and remedies set forth herein.

SECTION 3.6. City Covenants. The City covenants and agrees that:

(a) The City agrees to reasonably and lawfully assist Redeveloper in the implementation of the Project. If requested by Redeveloper, the City agrees to be a co-applicant for certain permits and approvals from State and/or Federal agencies to the extent not prohibited by law or otherwise subject the City to liability or cost. The City agrees that it will use its best efforts, to provide non-privileged and non-confidential information in its possession to Redeveloper when such information is needed by the Redeveloper to obtain necessary Approvals, including, but not limited to executing applications for permits necessary for the redevelopment of the Project. To the extent permitted under applicable law, the City agrees to reasonably support any applications of Redeveloper that are in accordance with this Agreement.

(b) The City shall reasonably attempt to schedule expedited City meetings for action on redevelopment applications of Redeveloper for the Project. In addition, City agrees that it will enact an amendment to the Redevelopment Plan and Redevelopment Ordinance to permit subdivision of the Project Site substantially in the configuration set forth in the attached **Exhibit "C"** as modified to include new Lot E.

(c) The City shall not take any action intended to unreasonably delay or prevent Redeveloper from implementing the Project in accordance with the Redevelopment Plan, as amended, the Zoning Ordinance, the Redevelopment Law, and this Redevelopment Agreement.

To the extent permitted by law, the City agrees to provide a property tax abatement, payment in lieu of tax, or an exemption for all of the Project Site ("PILOT"), the length of time for which and the specifics of which shall be incorporated into a City Ordinance(s) for same, based upon Redeveloper's complete application to the City for same, provided the Redeveloper has complied with the terms of this Agreement and the requirements contained in **N.J.S.A. 40A:21-10 et. seq.** The City agrees that it will consent to such PILOT with a term up to the maximum permitted under applicable laws. The Parties agree that they will work together on an agreeable formula for such PILOT which is in conformance with applicable statutes and which addresses Redeveloper's objectives for developing and marketing the Project. **Section 3.7 UEZ Financing Contingency.**

(a) This Agreement is contingent on the Enterprise Zone Development Corporation of Vineland and Millville (“UEZ”) issuing a Commitment to make a loan to the Redeveloper in an amount not to exceed \$1,500,000.00 at 2% interest (the “New Loan”). The New Loan shall be secured by a first mortgage on Block 4216, Lot 2 consisting of the Medical Officer Building and Parking Garage as shown on the Concept Plan attached as **Exhibit “C”** and located on a Block 4216, Lot 2, which is adjacent to proposed Lots D and E. The New Loan shall be for a term of 5 years and during which the Redeveloper will be required to make interest only payments. Upon the expiration of the 5 year term and provided the Redeveloper is not in default under the terms of this loan or any other UEZ financing, the New Loan shall automatically convert to permanent financing for a term of 10 years with interest payable on the unpaid principal at a rate of 2% per annum. During the term of the New Loan or any other UEZ Loan, the Redeveloper shall take all reasonable steps necessary to apply and acquire New Market Tax Credits (NMTC) for the Project. The Redeveloper agrees to apply 100% of all funds received from NMTC to all outstanding UEZ loan obligations; first to the payment of the New Loan and second to the payment of the existing \$6,000,000 Loan. The proceeds of the New Loan shall be used by the Redeveloper (1) to pay off an existing mortgage on Block 4216, Lot 2 held by M&T Bank in an approximate amount of \$200,000.00 (2) for the required demolition of existing structures (remnants of Newcomb Hospital) on Lots C and E, and (3) any remaining proceeds shall be used for site preparation on Lots C and D. The amount of the New Loan shall not exceed the actual cost of items (1), (2) and (3) as described in the preceding sentence, or \$1,500,000.00, whichever is less. The New Loan shall also be subject to the standard terms contained in Commitments issued by the UEZ. The Redeveloper acknowledges that the loan from the Enterprise Zone Development Corporation of Vineland and Millville is subject to the approval by its loan committee and the issuance of a commitment letter by Oppenheimer for funding the construction of the Assisted Living Residence on Lot C.

(b) Recognizing that the current balance of Enterprise Zone Development Corporation of Vineland and Millville (the UEZ) indebtedness incurred by Redeveloper to acquire the Block 4216, Lots 1, 2 and 3 is \$6,000,000.00, this Agreement is contingent on the UEZ agreeing to a modification and the reallocation of the existing debt as follows:

1. \$1,500,000.00 allocated to Lot “A” as shown on the Concept Plan set forth in **Exhibit “C”** attached, which lot is earmarked for the development of 70 Independent Living Units subject to Paragraph 10 herein below.
2. \$1,500,000.00 allocated to Lot “B” as shown on the Concept Plan set forth in **Exhibit “C”** attached, which is earmarked for the development of 70 Independent Living Dwelling Units subject to Paragraph 10 herein below.
3. \$1,500,000.00 allocated to Lot “C” as shown on the Concept Plan set forth in **Exhibit “C”** attached, which is earmarked for the

development of the Assisted Living Residence including 70 Assisted Living Dwelling Units subject to Paragraph 10 herein below.

4. \$1,500,000.00 allocated to Lot "D" as shown on the Concept Plan set forth in **Exhibit "C"** (excepting that portion of Lot D to be subdivided to create Lot E) which is earmarked for the renovation of the remainder of the Newcomb Hospital Emergency Room Structure and the 3 story 69,400 sq. ft. structure known as the Cunningham Wing subject to Paragraph 10 herein below.

5. *Extending the term of interest only payments on the existing unpaid principal at the rate of 1% per annum for a period of 5 years from January 1, 2015 for any amount of principal which has not been allocated to any or all of Lots A, B, C, and/or D as is set forth in Paragraph 10 herein below.*

6. Subordination of the existing \$6,000,000.00 debt in favor of debt incurred by the Redeveloper to finance the Projects on a Lot by Lot basis as provided for below.

7. To provide permanent financing of the existing debt allocated to Lot C consisting of 75 Assisted Living Dwelling Units at an interest rate of 2% over a term of 40 years.

8. To provide permanent financing of the existing debt allocated to Lots A, B, and D upon completion of the improvements to be constructed on those Lots, the terms to be determined by the UEZ underwriting criteria in effect at the time and consistent with HUD financial standards.

9. The Loan Documents shall provide that any breach of this Redevelopers Agreement shall be an event of Default under the terms and conditions of the Loan Documents between the UEZ and the Redeveloper. This shall *include the provision of an Event of Default of the Loan Documents should the Project Improvements not be completed within the time set forth herein and in Exhibit D.*

10. The allocation of the existing debt on Lots A, B, C, and D as specified in Paragraphs 1, 2, 3, and 4 herein above is to be accomplished by a partial release of mortgage premises reducing the mortgage covering each lot to \$1,500,000.00 upon Substantial Completion of the improvements to be constructed on each lot. The UEZ shall not be obligated to allocate the

existing debt to any lot or subordinate any debt with respect to any lot, unless the loan to value ratio of the UEZ loan allocated to each lot previously developed is a minimum of 95% based on appraisals of the improvements upon completion. Any subordination or allocation will also be subject to the execution of assignment of rents and leases and guarantees by the owner or future owner of any of the Lots in the Redevelopment Area.

11. To provide that the entire \$6,000,000.00 *Existing Debt*, regardless of its allocation to Lot A, Lot B, Lot C, or Lot D will remain as a blanket mortgage on Lot 4216, Lots 2 and 3, subject to the following paragraph.

12. The existing blanket mortgage on Block 4216, Lot 3 shall be released as part of the mortgaged premises at any time requested by the Redeveloper, provided the Redeveloper is not in default under the terms of this Agreement or any Loan Documents between the Redeveloper and the UEZ, and provided further *that the Redeveloper makes a payment in the amount of \$50,000.00 which shall be applied towards the unallocated portion of the Existing Debt as set forth in Paragraphs 1, 2, 3, and 4, of Section 3.7 (b).*

(c) The Redeveloper acknowledges that the loan from the UEZ is subject to the approval by its loan committee.

#### **ARTICLE 4 IMPLEMENTATION OF PROJECT**

SECTION 4.1. Redevelopment Plan. The City has a Redevelopment Plan for the Project which was adopted via Ordinance. The City agrees to consider, subject to Planning Board recommendation and approval, reasonable future amendments that would affect the Project or Project Site in consultation with Redeveloper, pursuant to this Redevelopment Agreement. This includes an amendment to the Redevelopment Plan for a five lot subdivision of the Redevelopment Area.

SECTION 4.2. Specific Site Plans/Subdivisions. Redeveloper shall apply for preliminary and final Site Plan approval by the City's Planning Board for all portions of the Project Site and conditions of such approvals shall become part of this Redevelopment Agreement. The Redeveloper shall also expeditiously seek approval of the Subdivision Plan, substantially conforming to the Concept Plan attached as Exhibit C. In conjunction therewith, Redeveloper shall use diligent efforts to expeditiously secure, or cause to be secured, any and all other Governmental Approvals, and shall carry out the Project in conformance with all Government Approvals and the Project Schedule. Redeveloper shall provide the City with a copy of each and every application for Governmental Approvals submitted to Governmental bodies at the same time as those applications are submitted. Prior to its submission of preliminary and/or final site plan application, as well as all other times requested by the City, Redeveloper shall be available to make a presentation to the City regarding same.

SECTION 4.3. Project Review and Inspections. In consideration of Redeveloper's commitments hereunder, the City agrees to conduct all project reviews, including City oversight of construction activities conducted by Redeveloper, at a cost to Redeveloper that is consistent with regular rates for such reviews by City professionals. Project reviews shall include, but not be limited to engineer, planner, construction management consultant and attorney reviews performed on the City's behalf, and oversight of remediation activities and redevelopment activities to the extent deemed necessary by the City to ensure compliance with City Ordinances, the controlling Redevelopment Plan, any financial agreement(s), and this Redevelopment Agreement. The Redeveloper shall also be responsible for all costs, application fees and review fees incurred in connection with any application to the City's Planning Board or Zoning Board.

SECTION 4.4. Existence of Utilities. The parties acknowledge that local public utility providers may have certain rights with respect to the Property and may own certain facilities located therein. Redeveloper agrees that it is its sole responsibility to undertake the appropriate measures to negotiate with, acquire, relocate or otherwise address the existence of these utilities and improvements and easements therefore, in order to complete the Project as provided by this Redevelopment Agreement. Redeveloper shall consult local public utility providers with respect to all Property and construction, and shall take all reasonable and customary precautions to prevent personal injury, property damage and other liabilities related to utilities above, at or under the Property. Each subdivided lot shall be serviced by separate utilities.

SECTION 4.5. Sewer Connection Fees. New Jersey law permits a municipality that provides sewer service within the municipality to charge a connection fee or tapping fee in respect of each connection of any property with the sewerage system. Sewer service charge shall be calculated pursuant to the Laws governing the Landis Sewerage Authority.

SECTION 4.6. Environmental Compliance.

Compliance with Environmental Laws. Redeveloper shall comply with all Environmental Laws, and shall provide copies to the City of any environmental conditions discovered, during Due Diligence and otherwise.

Storm Water Management. Redeveloper shall prepare, and submit for all necessary approvals, including NJDEP approvals, a storm water management maintenance plan. Preparation of same shall be a requirement of site plan approval. Redeveloper shall conform to all Laws and City Ordinances regarding environmental issues.

SECTION 4.7 Dedicated Improvements. Redeveloper shall provide a maintenance bond in a form acceptable to the City guaranteeing that any Dedicated Improvements when completed will remain in compliance with the Land Use Plan for a period of two (2) years following the date of release of the Performance Bond. All contractor warranties for the Dedicated Improvements shall be assigned to the City or enforced by Redeveloper on behalf of the City. The Redevelopment Area shall remain in compliance with the land use plan and the Site Plan for a period of two (2) years from the release of the Performance Bond.

SECTION 4.6 Public Improvements. Any Public Improvements shall be performed by the Redeveloper at its sole cost and expense.

SECTION 4.7. Project Parking. The Redeveloper shall provide for dedicated parking spaces in the four-story parking garage located on Block 4216 Lot 2 for the exclusive use of Block 4216 Lot A, B, C, D, E, and the Multi Story Office Building as depicted on the Concept Plan, Exhibit C. The number and location of the parking spaces shall be determined by recommendation of the City of Vineland Planning Division. The redeveloper shall cause the creation of an Association for the purpose of maintaining the four-story parking garage located on Block 4216 Lot 2. The Association shall be comprised of owners of *Lots A, B, C, D, E, and the Multistory Office Building*, with the exception of the City of Vineland. *Ownership in the Association shall be proportionate to ownership of Lots A, B, C, D, and E.* The Association Documents shall be in the form and substance as approved by the Planning Board and Board Solicitor and shall require the execution of an agreement with the owner of Block 4216 Lot 2 for the maintenance of the four-story parking garage to run with the land. *The Planning Board may consider an alternative to the Association for the maintenance of the parking garage in their discretion.* The City of Vineland shall not be responsible for any costs associated with the dedication or use of the parking spaces assigned to its use, and all spaces assigned to the City shall be located on the ground floor of the parking garage.

SECTION 4.8. Project Signage. Redeveloper shall be responsible for providing all signage for the Project.

SECTION 4.9. Condition of Site. Redeveloper shall keep the Project Site free from any substantial accumulation of debris or waste materials, and shall maintain in good condition any landscaping and amenities required under the approved final site plan.

SECTION 4.10. Neighborhood Impacts. Redeveloper shall comply with all City Ordinances and the construction conditions set forth in the Redevelopment Plan, including traffic impacts and conditions, in order to minimize any potential negative effects that construction of the Project may produce upon the City of Vineland, or its citizens, and Redeveloper shall make itself available to assist the City, as the City deems necessary for community outreach regarding the Project.



SECTION 4.11. Certificate of No Default. At either Party's request, the performing Party shall deliver to the requesting Party a Certificate to the effect that the performing Party is not aware of any condition, event or act that constitutes a violation of this Redevelopment Agreement or that would constitute an Event of Default hereunder, and, that no condition, event or act exists that, with notice or lapse of time, or both, would constitute such a violation, or Event of Default, or, if any such condition, event or act exists, the Certificate shall so state.

SECTION 4.12. Certificate of Occupancy. Upon completion of any portion of construction in accordance with the Governmental Approvals and Legal Requirements, the Redeveloper shall apply to the appropriate governmental officer or body for a Certificate of Occupancy for that portion of the Project. Following the issuance of the Certificate of Occupancy and the satisfaction of terms and conditions of this Redevelopment Agreement, including all site work, site plan requirements and the release of the Performance Guarantee by the City, the City agrees to issue a Certificate of Completion, in proper form for recording, which shall acknowledge that Redeveloper has performed all of its duties and obligations under this Redevelopment Agreement and has completed construction of such portion of the Project in accordance with the requirements of this Redevelopment Agreement. The Certificate of Completion shall constitute a recordable, conclusive determination of the satisfaction and termination of the agreements and covenants in this Redevelopment Agreement and the Redevelopment Plan with respect to the obligations of the Redeveloper to construct such portion of Project within the dates for the completion of same. Within 30 days after written request by Redeveloper, the City shall provide Redeveloper with the Certificate of Completion or a written statement setting forth in detail the reasons why it believes that Redeveloper has failed to complete such portion of Project in accordance with the provisions of this Redevelopment Agreement or is otherwise in default under this or any other applicable agreement and what reasonable measures or acts will be necessary in the opinion of the City in order for the Redeveloper to be entitled to the Certificate of Completion.

SECTION 4.13. Project Schedule Violations. If Redeveloper fails to meet a Completion Date set forth in the Project Schedule and is notified of same in writing by City, or if the Redeveloper conclusively determines between progress meetings that it will fail to meet a Completion Date, Redeveloper shall promptly provide written notice to City stating: (a) the reason for the failure to complete the applicable task, (b) Redeveloper's proposed method for correcting such failure, (c) Redeveloper's schedule for completing such task, and (d) the method or methods by which Redeveloper proposes to achieve subsequent tasks by the relevant Completion Dates. This Section shall not in any way limit the rights of City under Article 11 herein.

SECTION 4.14 Prohibition Against Suspension, Discontinuance or Termination. The Project Schedule shall control the progress and completion of the Project. Redeveloper will diligently adhere to the Completion Dates set forth in the Project Schedule subject only to relief resulting from (a) the occurrence of an event of Force Majeure, (b) an Event of Default by City that has a material adverse effect on the ability of Redeveloper to adhere to the Project Schedule, and (c) inability of Redeveloper, through no fault of its own, to obtain a Governmental Approval which it has timely applied for (each of the foregoing, a "Tolling Event"). Redeveloper shall not suspend or discontinue its performance of its obligations under this Redevelopment Agreement or terminate this Redevelopment Agreement (other than

in the manner provided for herein) for any reason other than a Tolling Event, but only to the extent and for the period of time that such performance is limited or prevented as a direct result of such occurrence.

SECTION 4.15. Execution of Documents. Redeveloper shall make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions with any other persons, firms or corporations, and, in general, do all things which may be requisite or proper for the acquisition, construction and redevelopment of the Project in accordance with all necessary Governmental Approvals, and other agreements as applicable, and shall perform all obligations there under, including being financially able to perform all obligations under the agreements in a commercially reasonable manner.

SECTION 4.16. Compliance with Redevelopment Agreement. Redeveloper shall use reasonable efforts to ensure that all consultants, professionals, employees, agents, contractors engaged by Redeveloper, and any of their subcontractors, shall have the skill and judgment necessary to implement the Project in compliance with the terms and conditions of this Redevelopment Agreement.

SECTION 4.17. Cooperation. The Parties shall fully cooperate with each other as necessary and reasonable to accomplish the Project, including entering into additional agreements that may be required, provided however, that such actions shall not result in a material increase in the Parties' respective obligations hereunder, or a material decrease in the Parties' respective rights hereunder.

SECTION 4.18. Term. This Redevelopment Agreement shall become effective upon the Effective Date, and it shall remain in full force and effect until the Agreement has been terminated, as set forth herein, or the Project has been implemented and completed, as evidenced by the issuance of the final Certificates of Occupancy and Certificate of Completion for the Project Site, or any portions thereof that are separately developed, in accordance with the terms of this Redevelopment Agreement, the Redevelopment Plan and the requirements of the approved final site plan(s) and any other Governmental Approvals, together with payment by Redeveloper of all of its financial obligations to the City. Such obligations, and any additional provisions when so stated hereunder, shall survive the Term of this Agreement.

SECTION 4.19. Access to Project Site. Redeveloper shall provide for the City and its agents, officials and professionals, access to all portions of the Project Site for the duration of this Redevelopment Agreement during the time construction is taking place on the Project Site, at no cost to the City, beginning on the date that this Redevelopment Agreement is executed and lasting until the Performance and Maintenance Guarantees are released.

SECTION 4.20. Liability Insurance for Access. Comprehensive general liability insurance, in a reasonable amount, as agreed to between the Redeveloper and the City, shall be maintained for the Project Site by Redeveloper during the term of this Agreement. Such insurance coverage shall be sufficient to satisfy the requirements of the JIF/MEL in which the City participates or such other carrier the City may in the future acquire during the term of this Agreement and shall name the City as an additional insured.

SECTION 4.21. Tax Assessments. Redeveloper agrees that the Property must be assessed as of October 1 of the pretax year pursuant to N.J.S.A. 54:4-23. In light of the multi-year construction of the Project, any partial construction on the Property shall be assessed in a manner consistent with Legal Requirements for partial assessments. Redeveloper agrees that the City shall not be obliged to use the current assessed value of the Property (as of the Effective Date).

## ARTICLE 5

### ACKNOWLEDGMENT OF RECEIPT OF COLLATERAL DOCUMENT

SECTION 5.1. Simultaneous Delivery of Documents by Redeveloper. Redeveloper and the City agree that the rights, obligations and liabilities of the Parties under this Redevelopment Agreement are conditioned upon the delivery of the following fully executed documents, and hereby acknowledge the receipt of such documents, simultaneously with the execution of this Redevelopment Agreement:

(a) Copies of the Certificate of Formation and Certificate of Good Standing of Redeveloper, duly certified by the Secretary of State; and

(b) Certifications by Redeveloper, in a form reasonably acceptable to the City, certifying, after due diligence, that: (1) no material action, suit, proceeding or official investigation shall have been threatened, publicly announced or commenced by any Governmental Body, or in any federal, state or local court that seeks to enjoin, assess civil or criminal penalties against, assess civil damage against, or obtain any judgment, order or consent decree with respect to Redeveloper related to this Redevelopment Agreement or any of the agreements which are referred to herein as a result of Redeveloper's negotiation, execution, delivery or performance of any such agreement or its participation or intended participation in any transaction contemplated thereby; (2) no receiver, liquidator, custodian or trustee of Redeveloper shall have been appointed as of the Effective Date, and no petition to reorganize Redeveloper pursuant to the United States Bankruptcy Code or any similar statute which is applicable to Redeveloper shall have been filed as of the Effective Date; (3) no adjudication of bankruptcy or a filing for voluntary bankruptcy by Redeveloper under the provisions of the United States Bankruptcy Code or any other similar statute which is applicable to Redeveloper shall have been filed; and (4) no indictment has been returned against Redeveloper or any officials, members or parties of Redeveloper with respect to any transaction, related to the transactions contemplated by the terms of this Redevelopment Agreement.

## ARTICLE 6

### OWNERHSHIP AND CONTROL OF PROJECT SITE

SECTION 6.1. Project Site Ownership. The Project Site, which is in an area in need of redevelopment, is currently owned by Redeveloper.

SECTION 6.2. Conveyance of Project Site. The Parties acknowledge that the Project Site may be developed at different times by Redeveloper or its Permitted Assignee or

Designee depending upon the particular proposed use. In the event that in order to develop a portion of the Project Site, the conveyance of title of that portion from the Redeveloper to a Permitted Assignee or Designee is necessary, the City agrees that, subject to the provisions of **Sections 6.3** below, and **Article 8**, it will consent to a conveyance of title by the Redeveloper to its Permitted Assignee or Designee on terms and conditions set forth in **Section 6.3**.

SECTION 6.3 Conditions for Conveyance of Title. Upon determination by the Parties that conveyance of any portion of the Project Site is necessary for the successful completion of any portion of the Project, the City shall consent to such conveyance of title to such portion upon the occurrence of the following:

(a) the determination by the Redeveloper and the City that the proposed conveyance and the use proposed thereon is consistent with and necessary for the development of such parcel in accordance with the Project Plan and the Redevelopment Plan; and

(b) in the case of a proposed Permitted Assignee or Designee of the Redeveloper, that the proposed transferee has the expertise, experience and financial capability to undertake and complete the proposed development in accordance with the Project Plan and the Redevelopment Plan. The City shall have the right to designate the qualifications of and approve any proposed transferee in its sole discretion, which shall not be unreasonably withheld.

(c) execution of an agreement of sale by Redeveloper, City and, if necessary, the proposed transferee of such property, for the purchase of such property which shall contain any provisions that are necessary to assure that such conveyance will be consistent with the requirements and objectives of the Redevelopment Plan and the Project Plan; and

(d) if necessary, a valid subdivision of the parcel from the overall Project Site; and

(e) any other documentation or other requirements as may be agreed upon between the Parties.

(f) a valid assignment of the Redeveloper's Agreement regarding that portion of the Redevelopment Area being transferred requiring the transferee to be responsible for all of the obligations set forth in this Agreement.

## **ARTICLE 7 PROJECT OVERSIGHT**

SECTION 7.1. Progress Meetings. The City and Redeveloper shall schedule monthly progress meetings to report on the status of the Project and to review progress. Absent an emergency, as determined by the City, the City agrees to provide Redeveloper at least twenty (20) days advance written notice of such Progress Meetings. The Meetings shall be held at the City Municipal offices or, at the City's option, at offices of City professionals. The agenda for each Meeting shall include, but not be limited to, a status report with regard to Governmental Approval submissions and denials or approvals, financial commitments, construction of Improvements, and activities concerning occupancy for the Project Site.

SECTION 7.2. Progress Reports. Redeveloper shall submit to the City prior to any Progress Meeting, a written progress report ("Progress Report") which shall include a description of activities completed, the activities to be undertaken prior to the next progress report, the status of all Governmental Approvals, an explanation of each activity, if any, which is showing delay, a description of any problem areas, current and anticipated delaying factors and estimated impact on performance of other activities and completion dates in the Project Schedule, along with an explanation of corrective action taken or proposed. Upon review of the Progress Report, either Party may request a Certificate of No Default.

SECTION 7.3. Proof of Submissions for Approvals. Redeveloper agrees to provide the City's contacts with copies of any and all applications and requests for Approvals, including permit applications for the Project, at the time that they are submitted by Redeveloper.

SECTION 7.4. Project Oversight Committee. The City shall create a Project Oversight Committee consisting of the City Engineer, Director of Economic Development, City Solicitor, Director of Licensing and Inspections, and such other members as the City Deems necessary.

## **ARTICLE 8 TRANSFERS**

SECTION 8.1. Prohibition Against Transfers. Redeveloper recognizes the importance of the Project to the general welfare of the community, and understands that the identity of the Redeveloper and its qualifications are critical to the City of Vineland in entering into this Redevelopment Agreement. Except for any assignment of this Redevelopment Agreement which must be pre-approved in writing by the City, the City considers that a Transfer of the ownership of Redeveloper, the Project, the Project Site, or any other act or transaction involving or resulting in a significant change in the ownership of or with respect to the identity of the persons in control of Redeveloper, except to a Permitted Assignee or Designee, as a disallowed Transfer. Redeveloper recognizes that it is because of Redeveloper's qualifications and identity that the City is entering into this Agreement with Redeveloper, and in so doing, the City is relying on the obligations of Redeveloper, not upon some other entity, for the faithful performance of all undertakings and covenants to be performed by Redeveloper hereunder.

SECTION 8.2. Permitted Transactions. The following transactions are permitted and shall not require prior approval by the City (“Permitted Transactions”), consent of the City to such transfers being deemed given hereby, provided written notice of same is given to the City: (1) a mortgage or mortgages for the purposes of financing costs associated with, or incurred in connection with the Redeveloper’s acquisition and redevelopment of the Project Site provided no request to subordinate to UEZ debt is required beyond that which is provided for herein; (2) any lease or sale of all or any portion of the improved Project Site with occupancy of the relevant portion of the Project to end users as permitted by the Redevelopment Plan, Zoning Ordinance, USEDA and this Redevelopment Agreement, except in the case of a sale permitted in writing by the City, where notice to the City shall also be in the form of a recorded Deed subject, however to Article 6 and Section 8.1 herein; (3) utility and other easements necessary for the Project, (4) City-approved assignment to any Permitted Assignee or Designee identified to the City by Redeveloper as such, and (5) assignment of this Redevelopment Agreement, the Project Site and/or the Project, to an assignee approved in writing by the City. Except for Permitted Transactions, as defined above, prior to the issuance of a Certificate of Completion, Redeveloper shall not, without the prior written consent of City: (1) effect or permit any change, directly or indirectly, in the majority ownership or control of Redeveloper (except in the case of death of an individual(s) having such ownership or control), (2) assign or attempt to assign this Redevelopment Agreement or any rights herein or in the Property, or (3) make any total or partial sale, lease, transfer or conveyance of the whole or any part of its interest in the Property or the Project Improvements (collectively a "Transfer", provided, however, that these restrictions shall not apply as to a portion of the Project following the issuance of a Certificate of Completion and/or Certificate of Occupancy for such portion

SECTION 8.3. Notice of Permitted Transactions. With respect to any Permitted Transactions, Redeveloper shall provide to the City written notice at least thirty (30) days prior to such Permitted Transaction, including a description of the nature of such Permitted Transactions, and the name(s) and address (es) of any and all persons, individuals and other entities, along with all ownership structure(s) relating to any Permitted Transactions.

SECTION 8.4. Transfers Void. Any Transfer or other prohibited transaction in violation of this Redevelopment Agreement by Redeveloper or City shall be an Event of Default and shall be subject to the remedies set forth hereunder. The Declaration shall contain a restriction against Transfers as set forth in this Article and, in addition, shall provide that in the event of any attempted Transfer in violation of the restrictions in this Article, either party shall be entitled to the issuance of an injunction restraining such Transfer, and the award of legal fees and related expenses in connection with any such legal action. Except as set forth hereunder, the City agrees to record a Discharge of the Declaration upon issuance of the final Certificate of Occupancy for the last phase of the entire Project, at Redeveloper’s expense.

## **ARTICLE 9 FINANCIAL OBLIGATIONS**

SECTION 9.1. Redeveloper’s Financial Commitments. Redeveloper shall complete the Project at its expense, using any private or public funds available subject to the City’s financial obligations and duties under this Agreement. Redeveloper also agrees that Redeveloper shall submit satisfactory documentation to the City evidencing commitments for the requisite capital and/or

financing, in an amount necessary to remediate and redevelop the Project Site upon commercially reasonable terms, pursuant to schedule, in accordance with this Agreement.

SECTION 9.2. Project Costs. All costs of constructing improvements and redeveloping the Project Site, and otherwise completing the Project, shall be borne by Redeveloper except as otherwise set forth herein.

SECTION 9.3. Property Tax Treatment Request. To the extent permitted by law, the City agrees to provide a property tax abatement, payment in lieu of tax, or an exemption for all of the Project Site ("PILOT"), the length of time for which and the specifics of which shall be incorporated into a City Ordinance(s) for same, based upon Redeveloper's complete application to the City for same, provided the Redeveloper has complied with the terms of this Agreement and the requirements contained in **N.J.S.A. 40A:21-10 et. seq.** The City agrees that it will consent to such PILOT with a term up to the maximum permitted under applicable laws. The Parties agree that they will work together on an agreeable formula for such PILOT which is in conformance with applicable statutes and which addresses Redeveloper's objectives for developing and marketing the Project. To the extent permitted by law the City of Vineland agrees to provide a long term tax exemption (LITE) for the development of Block 4216, Lots A, B, C, D in accordance with N.J.S.A. 40A:20-1 et Seq.

SECTION 9.4. City Costs. Redeveloper shall establish an escrow account with the City for the funding of all out-of-pocket costs incurred by City in connection with the Project ("City Costs"). City Costs shall include, but not be limited to any fees and costs of any professional consultant, contractor or vendor retained by City to complete due diligence with respect to the terms of the Redevelopment Agreement between the parties and for legal fees in completing such due diligence and in preparing documentation necessary to memorialize the agreements of the parties including attorneys, and financial consultants, among others, and all out-of-pocket costs and expenses of City.

SECTION 9.5. Escrow for City Costs. Redeveloper shall immediately deposit with City the amount of Ten Thousand Dollars (\$10,000) to be maintained in a separate account by City and to be drawn down by City to cover City Costs. City shall provide Redeveloper with invoice(s) setting forth City Costs incurred by City that will be drawn down at least fifteen (15) days prior to the date of the draw. Redeveloper will have the opportunity to object to the reasonableness of charges or invoice submitted for payment within that fifteen (15) day period. Within fifteen (15) days of the receipt by Redeveloper of written notice from City that the amount in the escrow account has decreased to fifty percent (50%) of the original deposit, Redeveloper shall replenish the escrow account with the City to equal the original deposit.. If the City Costs incurred by City exceed the amount in the escrow account, Redeveloper will pay such costs upon fifteen (15) days written notice from City that such costs are due. The escrow shall be maintained and administered in accordance with the provisions of N.J.S.A. 40:55D-53.1, 53.2 and 53.3.

SECTION 9.6. Governmental Approval Fees. Redeveloper shall pay all fees for permits required by the City (in accordance with standard fees provided in the City's ordinances) and any other Governmental Body for the construction and development of the Project . Redeveloper shall pay all other permit fees, which include any permit fees payable by the City or Redeveloper to all

required Governmental Bodies other than the City, or for which the City is required to reimburse other Governmental Bodies or is required to pay other third party contractors retained by or on behalf of the City to perform services that the City would otherwise be required to perform itself. City shall use reasonable efforts to predetermine the amounts of such costs referenced in the preceding sentence and give Redeveloper prior notice thereof.

SECTION 9.7 City Declaration of Event of Default. Redeveloper's performance of its obligations under this Section shall not, however, limit the rights of City to declare the occurrence of an Event of Default hereunder in accordance with the terms hereof.

## **ARTICLE 10 INDEMNIFICATION; INSURANCE**

SECTION 10.1. Indemnification. Redeveloper covenants and agrees, at its sole expense, to pay and to indemnify, protect, defend and hold the City its agents servants and employees harmless from and against all liability, losses, damages, demands, costs, claims, actions, or expenses (including attorneys' fees, disbursements, and court costs) of every kind, character and nature arising out of, resulting from or in any way connected with the acquisition, condition, use, possession, conduct, management, planning, design, construction, installation, financing, marketing, leasing or sale of the Property or the Project, including but not limited to, the death of any person or any accident, injury, loss, and damage whatsoever caused to any person or to the property of any person that shall occur on the Property and that, with respect to any of the foregoing, are related to or resulting from any negligence or willful misconduct of Redeveloper, its agents, servants, employees, or contractors.

With respect to any interest in the Property acquired by Redeveloper, Redeveloper shall defend, protect, indemnify and hold harmless the City its agents, servants and employees, from any claims, liability, injury, damages, costs, claims, actions and expenses (including, without limiting the generality of the foregoing, the cost of any required investigation and remediation of any environmental conditions, and the cost of attorneys' fees) which may be sustained as the result of any environmental conditions on, in, under or migrating to or from the Property acquired, to the extent any such liability attaches to the City Indemnified Parties as a result of this Redevelopment Agreement or activities performed by Redeveloper or its contractors pursuant to this Redevelopment Agreement, including without limitation claims against the City Indemnified Parties by any third party (the "Environmental Indemnity"), except for claims alleged to **be** caused by the City prior to the Commencement Date of this Redevelopment Agreement In any situation in which the City its agents servants and employees are entitled to receive and desire defense and/or indemnification by Redeveloper, the City shall give prompt notice of such situation to Redeveloper. Failure to give prompt notice to Redeveloper shall not relieve Redeveloper of any liability to indemnify the City Indemnified Parties, unless such failure to give prompt notice materially impairs Redeveloper's ability to defend. Upon receipt of such notice, Redeveloper shall resist and defend any action or proceeding on behalf of the City its agents, servants and employees, including the employment of counsel reasonably acceptable to the City, the payment of all expenses and the right to negotiate and consent to settlement. All of the City its agents, servants and employees shall have the right to employ separate counsel in any such action and to participate in the defense



thereof, but the fees and expenses of such separate counsel shall be at the expense of the indemnified party unless the employment of such counsel is specifically authorized by Redeveloper which authorization shall not be unreasonably withheld or delayed, provided, however, that if the defense of such action is assumed by Redeveloper's insurance carrier, employment of such separate counsel by the City its agents, servants and employees shall be at the sole discretion of such carrier. Redeveloper shall not be liable for any settlement of any such action effected without its consent, but if settled with the consent of Redeveloper or if there is a final judgment against Redeveloper in any such action, Redeveloper shall indemnify and hold harmless the City its agents, servants and employees from and against any loss or liability by reason of such settlement or judgment for which the City its agents, servants and employees are entitled to indemnification hereunder.

SECTION 10.2. Survival of Indemnity. The provisions of this Article 10 shall survive the termination of this Redevelopment Agreement due to an Event of Default and shall run with the land and be referenced in the Declaration until such time as the Declaration is discharged as a result of the recording of a Certificate of Completion, provided, however, that such indemnity shall be binding on Redeveloper itself, each successor in interest to the Project, the Property, or any part thereof, and each party in possession or occupancy, respectively, only for such period as Redeveloper or such successor or party shall have title to, or an interest in, or possession or occupancy of the Property, the Project Improvements or any part thereof.

SECTION 10.3. Insurance Required. Redeveloper shall furnish or shall cause to be furnished to the City complete copies of original insurance policies, as required by the City, insuring Redeveloper against losses, costs, liabilities, claims, causes of action and damages for bodily injury, property damage and personal injury on the Project Site or related to the construction thereon, including claims made by subcontractor personnel. All such policies shall be written to apply to all bodily injury, property damage, personal injury and other customary covered losses, however occasioned, occurring during the policy term, and shall be endorsed to add the City and its representatives as additional insureds, and to provide that such coverage shall be primary and that any insurance maintained by the City shall be excess insurance only. Such coverage shall be endorsed to waive the insurer's rights of subrogation as against the City except for such claims as may arise out of matters for which City is obligated to indemnify Redeveloper under **Section 10.1**.

(a) Builder's risk insurance for the benefit of Redeveloper (subject to the interests of any holder), during the term of construction, sufficient to protect against loss or damage resulting from fire and lightning, wind, hurricanes and tornados, the standard extended coverage perils, vandalism, and malicious mischief.

(b) Redeveloper shall also fund and furnish or cause to be furnished to the City evidence satisfactory to the City that Redeveloper, and Redeveloper's Project Team and successors and assignees, and any contractor with whom they have contracted for the Project, carries workers' compensation insurance as required by law, and an employer's liability insurance endorsement with customary limits, and shall be endorsed with a waiver of subrogation clause as against the City.

(c) Comprehensive automobile liability insurance covering all

owned and hired vehicles for the Project shall be funded and maintained by Redeveloper with at least the following limits of liability: Bodily Injury Liability and Property Damage Liability - \$1,000,000.00 combined single limit per occurrence.

All insurance policies required by this section shall be obtained from insurance companies licensed in the State of New Jersey and rated at least A+ in Best's Insurance Guide. All insurance policies required hereunder shall be kept in force for the Term of this Agreement. All insurance policies required by this Section shall contain language to the effect that (i) the policies are primary, (ii) the policies cannot be cancelled or materially changed except after thirty (30) days written notice by the insurer to the City, (iii) the City shall not be liable for any premiums or assessments, and (iv) all such insurance shall have deductibility limits, as reasonably requested by and satisfactory to the City.

## **ARTICLE 11 EVENTS OF DEFAULT AND REMEDIES**

Either Party reserves the right to terminate this Agreement in response to the other Party's default as defined herein.

SECTION 11.1. Default. Either Party shall have the right to declare the other Party in default of this Agreement ("Default") in the event that any of the events set forth below occur. For purposes of this Agreement, the term Redeveloper Default shall mean the occurrence of any of the events set forth in **Section 11.2**, and City Default shall mean the occurrence of any of the events set forth in **Section 11.3**, either of which may result in the a Party exercising any or all of its remedies under law, equity and/or this Redevelopment Agreement.

SECTION 11.2. Redeveloper Default Events. The City shall have the right to declare the Redeveloper in default of this Agreement in the event of the occurrence of any of the following (each, a "Redeveloper Event of Default"):

(a) Redeveloper's willful failure to substantially perform, or a substantial defect in performance by Redeveloper, of any material obligation under this Redevelopment Agreement, including the failure of the Redeveloper to comply with the Project Schedule, unless such failure is excused by another provision in this Agreement, or

(b) A final and un-appealable determination by a court of competent jurisdiction issues, holding that Redeveloper is insolvent or otherwise financially incapable of completing the Project; or

(c) Redeveloper becomes the subject of a voluntary (or involuntary as permitted by law) petition for bankruptcy; or

(d) Notice to the City by Redeveloper, indicating that Redeveloper has determined not to proceed with the Project, unless Redeveloper has the right not to proceed under the terms of this Agreement; or

(e) Abandonment of the Project by the Redeveloper or Redeveloper's successor, assignee, affiliate or guarantor, subject to Force Majeure and the terms and conditions of this Agreement.

(f) A default under the terms of any Loan Documents between the Redeveloper and the City/UEZ for the Redevelopment Project including any Loans for acquisition of the Property executed prior the execution of this Agreement

SECTION 11.3. City Default Events. Redeveloper shall have the right to declare the City in default due to a substantial defect in performance by the City of its affirmative obligations under this Agreement, including but not limited to those obligations constituting City covenants contained in **Sections 3.6** ("City Event of Default").

SECTION 11.4. Default Notice. Upon an occurrence of either a Redeveloper or City Event of Default, the defaulting party shall be notified in writing that it has been declared in default (hereinafter "Default Notice"). Except any default under the terms of the Loan Documents, The Default Notice shall be given by the party giving such notice within thirty (30) days of determining that an Event of Default has occurred and shall state the basis for determining that an Event of Default has occurred. Upon receipt of the Default Notice, the defaulting party shall have thirty (30) days to correct such failure or defect or if such failure or defect is not capable of being cured within 30 days then commence actions to correct such failure or default within that period of time. In the event that the defaulting party does not cure the Default as set forth herein, the party giving the Default Notice shall have the right to exercise all remedies, as set forth below. Any Default under the terms of the Loan Documents shall be governed by the terms thereof.

SECTION 11.5. Default Rights and Remedies. In addition to any other rights and remedies which the Parties shall have at law or in equity, including but not limited to the right to specific performance upon a Default Occurrence which has not been timely cured, the non-defaulting party shall, to the fullest extent permitted by law, be entitled to terminate this Redevelopment Agreement.

SECTION 11.6. Rights and Remedies Cumulative. No Waiver by Delay: The rights and remedies of the either party whether provided by this Agreement or by law, shall be cumulative, and except as otherwise specifically provided by this Agreement, the exercise by either party of any one or more of such rights or remedies shall not preclude the exercise, at the same or at different times, of any other such rights or remedies for the same default, or for the same failure in respect to any of the terms, covenants, conditions or provisions of this Agreement or any of its remedies for any other default or breach. No delay in asserting any rights or exercising any remedy shall operate as a waiver of such rights or remedy or otherwise deprive any party of, or limit such rights and remedies in any way (it being the intent of this provision that the Parties shall not be constrained, so as to avoid the risk of being deprived of or limited in the exercise of the remedy provided in this Section because of concepts of waiver, laches, or otherwise, to exercise such remedy at a time when it may still hope otherwise to resolve the problems created by the default involved); nor shall any waiver by either party with respect to

any specific Default under this section be considered or treated as a waiver of the rights of such party with respect to any other defaults under this Section or with respect to the particular default except to the extent specifically waived in writing.

SECTION 11.7. Force Majeure Events. Performance or lack of performance by either Party hereunder, shall not be deemed to be a default where delays or failure to perform are the result of the following Force Majeure acts, events or conditions, or any combination thereof, that has had or may be reasonably expected to have a direct, material, and adverse effect on the Parties' rights or obligations under this Redevelopment Agreement; provided, however, that such act, event or condition shall not be due to the fault or negligence of the Party claiming Force Majeure and shall be beyond the reasonable control of the Party relying thereon as justification for not performing an obligation or complying with any condition required of such Party ("Force Majeure"):

(a) An act of God, lightning, blizzard, hurricane, tornado, earthquake, acts of a public enemy, war, terrorism, blockade, insurrection, riot or civil disturbance, sabotage or similar occurrence, but not including reasonably anticipated weather conditions at the geographic area of the Project;

(b) A landslide, fire, explosion, flood or release of nuclear radiation not created by an act or omission of the Party claiming force majeure;

(c) Lengthy strikes by equipment manufacturers, suppliers of material and/or transporters of same where the unavailable materials are essential to the Project;

(d) Inability of Redeveloper, through no fault of its own, to obtain a Governmental Approval for which it has timely applied;

(e) The Parties acknowledge that the acts, events and conditions set forth in paragraphs (a) through (d) above are intended to be the only acts, events or conditions that may (upon satisfaction of the conditions specified above) constitute Force Majeure. Notice by the Party claiming Force Majeure shall be sent to the other Party within thirty (30) calendar days of the commencement of the cause. During any Force Majeure that affects part of the Project, Redeveloper shall continue to perform, or cause to be performed, its obligations for the balance of the Project. Neither the status of the economy nor Redeveloper's inability or unwillingness to fund the Project shall be Force Majeure Events.

SECTION 11.8. Failure or Delay. Except as otherwise expressly provided in this Redevelopment Agreement, any failure or delay by either Party in asserting its rights or remedies as to any default, shall not operate as a waiver of any default, or of any such rights or remedies, nor deprive either such Party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

SECTION 11.9. Mitigation. The Parties agree to reasonably mitigate damages due to a Default.

SECTION 11.10. Survival of Default. Any declaration of Default shall survive the Termination of this Redevelopment Agreement.

SECTION 11.11 Litigation Costs. In the event that a party to this Redevelopment Agreement successfully pursues an action to enforce any remedy provided by this Article, that party shall be entitled to payment by the other party of all reasonable costs and expenses incurred in connection with such action, including attorney fees.

## ARTICLE 12

### MISCELLANEOUS

SECTION 12.1. Notices. Formal notices, demands and communications between the City of Vineland and Redeveloper shall be deemed sufficiently transmitted if dispatched to the addresses set forth below, by registered or certified mail, postage prepaid, return receipt requested, and shall be deemed delivered upon receipt. Redeveloper shall be responsible for providing whatever notices it receives from the City to Redeveloper's successors or assignees, where applicable. Notices may also be sent by a commercial overnight delivery service with packaging tracking capability and for which proof of delivery is available.

Notices, demands and communications shall be sent as follows:

**If to Redeveloper:**

Newcomb Medical Alliance Center, LLC  
Attn: Mr. Angelo J. Danza,  
Managing Member  
104 Garden Court  
Franklin Lakes, NJ 07417  
Email: [danzagroup@aol.com](mailto:danzagroup@aol.com)

**With a copy to:**

Michael J. Gruccio, Esquire  
PO Box 1327  
Vineland, NJ 08360  
Phone: (856) 696-1500  
Phone: (856) 696-1500  
Email: [mgruccio@tgrlaw.com](mailto:mgruccio@tgrlaw.com)

**If to City:**

Department of Law  
City of Vineland  
640 East Wood Street  
Vineland, New Jersey 08360  
[rtonetta@vinelandcity.org](mailto:rtonetta@vinelandcity.org)

**With a copy to:**

\_\_\_\_\_  
City of Vineland  
640 East Wood Street  
Vineland, New Jersey 08360

SECTION 12.2. Non-Liability of Representatives of the City. No official, officer, professional, employee, agent or representative of the City shall be personally liable to

Redeveloper, Redeveloper's assignee or successor in interest, in the event of any default, breach or violation by the City, or for any amount which may become due to Redeveloper, its assignee, or successor, or with regard to any obligation under the terms of this Redevelopment Agreement.

SECTION 12.3. Lender Provision. If any of Redeveloper's Project lenders request a change in the terms of this Redevelopment Agreement, the City shall cooperate with Redeveloper in approving such change, as long as the City's responsibilities do not increase under this Agreement, the City's benefits hereunder are not decreased and there is no change in the Project, Project Improvements or Redeveloper's Covenants. In addition, the City may agree to enter into such agreements as Redeveloper's lenders may reasonably require, at Redeveloper's sole expense, provided that such agreements shall not be inconsistent with the terms of this Redevelopment Agreement.

SECTION 12.4. No Consideration for Redevelopment Agreement. Redeveloper warrants it has not paid or given, and will not pay or give, any third person any money or other consideration in connection with obtaining this Redevelopment Agreement, other than normal costs of conducting business and costs of professional services such as architects, engineers, financial consultants and attorneys. Redeveloper further warrants it has not paid or incurred any obligation to pay any officer, official, agent or representative of the City, any money or other consideration for or in connection with this Redevelopment Agreement or this Project, nor violated any "pay to play" rules.

SECTION 12.5. Successors and Assigns. This Redevelopment Agreement shall be binding upon and inure to the benefit of any successors and assigns of the Parties hereto.

SECTION 12.6. Exhibits. All Exhibits attached hereto and/or referred to in this Redevelopment Agreement, are incorporated herein as though set forth in full.

SECTION 12.7. Titles of Articles, Sections and Paragraphs. The titles of the Articles, Sections and Paragraphs of this Redevelopment Agreement are inserted for the convenience of reference only, and shall be disregarded in construing or interpreting any Agreement provisions.

SECTION 12.8. Severability. If any term or provision of this Redevelopment Agreement or the application thereof shall to any extent be held to be invalid or unenforceable, the remainder of this Redevelopment Agreement, including any application of such term or provision to circumstances other than those to which it is invalid or unenforceable, shall not be affected thereby, and each remaining term and provision of this Redevelopment Agreement shall be valid and shall be enforced to the extent permitted by law.

SECTION 12.9. Enforcement by the City. It is intended and agreed that the City and its successors and assigns shall be deemed beneficiaries of the Redevelopment Agreements and covenants set forth in this Redevelopment Agreement, for and in their own right and for the purposes of protecting the interests of the City of Vineland community and other parties, public

or private, in whose favor or for whose benefit such agreements and covenants have been provided. Such agreements and covenants shall run in favor of the City for the entire period during which such agreements and covenants shall be in force and effect. The City shall have the right, in the event of any breach of any such agreement or covenant, to exercise all rights and remedies set forth herein, and to maintain any actions or suits at law or in equity or other proper proceedings, to enforce the curing of such breach of agreement or covenant, to which the City or any other beneficiaries of such agreement or covenant may be entitled.

SECTION 12.10. Enforcement by Redeveloper. It is intended and agreed that Redeveloper and its successors and assigns shall be deemed beneficiaries of the agreements and covenants set forth by the City in this Redevelopment Agreement. Such agreements and covenants shall run in favor of Redeveloper for the entire period during which such agreements and covenants shall be in force and effect. Redeveloper shall have the right, in the event of a City material breach of any such agreement or covenant, to exercise all rights and remedies as set forth herein to maintain actions to enforce the curing of such breach of agreement, to which it may be entitled.

SECTION 12.11. Modification of Redevelopment Agreement. No modification, waiver, amendment, discharge, or change of this Redevelopment Agreement shall be valid unless the same is in writing, duly authorized, and executed by both Parties.

SECTION 12.12. Execution of Counterparts. This Redevelopment Agreement may be executed in one or more counterparts and such counterparts shall constitute one and the same instrument.

SECTION 12.13. Drafting Ambiguities; Interpretation. In interpreting any provision of this Redevelopment Agreement, no weight shall be given to, nor shall any construction or interpretation be influenced by, the fact that counsel for either party drafted the initial proposed Redevelopment Agreement, each Party acknowledging that it and its counsel have had an opportunity to review this Redevelopment Agreement and to contribute to the final form of same.

SECTION 12.14. Time Period for Notices. All notices to be given hereunder shall be given in writing and, unless a certain number of days is specified, within a reasonable time.

SECTION 12.15. Conflict of Interest. No official, officer, or employee of the City shall have any direct interest in this Redevelopment Agreement, nor participate in any decision relating to the Redevelopment Agreement where prohibited by law.

SECTION 12.16. Governing Law. This Redevelopment Agreement shall be governed by and construed in accordance with the applicable laws of the State of New Jersey. This Redevelopment Agreement has been executed and delivered to the parties in the State of New Jersey and shall be governed, construed and interpreted in all respects in accordance with the laws of the State of New Jersey. The Superior Court of the State of New Jersey, in the County of Cumberland, shall have sole and exclusive jurisdiction to hear and determine any claims or disputes pertaining directly or

indirectly to this Agreement, enforcement of this Agreement, or any other matter arising there from. The parties expressly submit, and consent, in advance, to such jurisdiction in any action or proceeding commenced by the Lender in such Court and expressly waive any right that may otherwise exist to a trial by jury

SECTION 12.17. Withholding of Approvals. All approvals, consent and acceptances required to be given or made by either Party hereunder to implement the Project shall not be unreasonably withheld or delayed, unless specifically stated otherwise herein. The Redeveloper acknowledges that the Planning Board of the City of Vineland is not a party to this Agreement and that it will be necessary for the Redeveloper to independently obtain any necessary approvals from the Planning Board.

SECTION 12.18. Rights Cumulative. All rights and remedies herein or granted to the Parties are cumulative, non-exclusive and in addition to any and all rights and remedies that the Parties may have or be given by reason of any law, statute, ordinance or otherwise.

SECTION 12.19. Entire Agreement. This Redevelopment Agreement, including all Exhibits, together with all contracts to transfer the Project Site and any PILOT Agreement, shall constitute the entire agreement between the Parties concerning the Newcomb Redevelopment District, and shall supersede all negotiations, agreements and understandings, written or oral, formal or informal, between the Parties with respect to the subject matter hereof, except as otherwise provided herein, all of which are deemed to be merged herein.

SECTION 12.20. No Other Reliance. Each of the signatories represents by execution of this Redevelopment Agreement that it has not relied upon any representatives, oral or otherwise, of the other Party or its officers, officials, agents, affiliates, employees or representatives, except for those representations explicitly set forth in this Redevelopment Agreement.

SECTION 12.21. Effective Date. The effective date of this Redevelopment Agreement ("Effective Date") shall be that date that both Parties have executed the Agreement. The date on the cover page, as well as on Page 1 of this Redevelopment Agreement, shall be for identification purposes only, and shall not be construed to imply that this Redevelopment Agreement was executed on any date other than the dates which appear next to the respective signatures of each Party hereto.

SECTION 12.22. Term. Unless otherwise terminated as provided herein, this Redevelopment Agreement shall remain in full force and effect from the effective date hereof until issuance of the final Certificate of Occupancy is issued for the Project, subject to any survival as set forth in this Agreement, unless the Agreement terminates pursuant to the provisions hereunder or by operation of law.



SECTION 12.23. Calculation of Time. Whenever in this Redevelopment Agreement a period of time is stated as a number of days, it shall be construed to mean calendar days; provided, however, that when any period of time so stated would end on a Saturday, Sunday or legal holiday, such period shall be deemed to end on the next day following that which is not a Saturday, Sunday or legal holiday.

SECTION 12.24. Preservation of Police Powers. Nothing set forth in this Redevelopment Agreement shall be construed to constitute waiver of any right by the City of Vineland to exercise police powers to the extent necessary to protect the health, safety, or welfare of City citizens.

SECTION 12.25. No Contributions. Redeveloper has not made any contributions to the City, nor to its officials, that would cause a violation of any “pay-to-play” or similar laws.

SECTION 12.26. Documents to be Delivered on Termination. In the event this Agreement is terminated for any reason, except as a sole result of the default of the City, Redeveloper shall deliver to the City, at no cost to the City, within thirty (30) days after such termination, true and correct copies of all final reports, studies, data, plans, surveys, title reports, subdivision maps and specifications prepared by Redeveloper and by third parties with respect to the Project, including environmental reports and data, and all documents, reports, permits and approvals obtained by Redeveloper relating to the Remediation Plans relating to the Project Site.

SECTION 12.27. Right of Entry. Redeveloper shall have full access to enter the Project Site, and shall allow the City and its representatives reasonable access to the Project Site for all relevant purposes hereunder. Redeveloper has the right to remove any soils, debris, Hazardous Substances and other contaminants and materials, pursuant to this Agreement, provided: (a) Redeveloper has obtained all required remediation permits or approvals for the work proposed; (b) Redeveloper shall hold and save the City harmless as provided in Section 10.1 from and against any and all loss, cost, damage, injury or expense arising out of or in any way related the removal of such soils, debris, Hazardous Substances and other contaminants and materials and (c) Redeveloper shall provide all insurance coverage described herein. Such Redeveloper obligations shall survive the termination of this Agreement.

SECTION 12.28. Redevelopment and Remediation. Redeveloper agrees that the Project Site shall be redeveloped only in accordance with New Jersey statutes, NJDEP regulations and the City’s adopted Redevelopment Plan, as amended from time to time, in accordance with all applicable permits and approvals, including site plan approvals.

(a) Redeveloper shall commence construction as quickly as commercially reasonable as set forth in the Project Schedule attached as **Exhibit D**, considering any complexities of the Project, and reasonable requirements of lenders, contractors and governmental agencies. In any event, Redeveloper shall commence construction of the Assisted Living Dwelling Unit Facility on Lot “C” depicted in **Exhibit “C”** attached no later than

the date set forth in the Project Schedule attached as Exhibit D., The right of the City to terminate this Redevelopment Agreement is not subject to the occurrence of an event of Force Majeure, the occurrence of a Tolling Event or the absence of the existence of an Event of Default.

(b) Redeveloper may not assign any rights hereunder to any entity without the prior written approval of the City, which approval shall not be unreasonably withheld or delayed. No portion of the Project Site may be sold, conveyed or leased to a third party without the written prior approval of the City which approval shall not be unreasonably withheld or delayed in recognition of the likelihood that the Projects proposed to be undertaken by Redeveloper on Lot "A", Lot "B", Lot "C" and E are likely to be ultimately placed in ownership of separate entities.

(c) Upon the City's approval of a long-term PILOT agreement for a portion, or all, of the Project, Redeveloper shall form an Urban Renewal Entity. Redeveloper and such newly formed entity, as approved in writing by the City, shall retain responsibility for any and all obligations under such PILOT Agreement, which obligations shall be guaranteed and securitized by Redeveloper. A violation of any PILOT or other tax treatment Agreement shall also be a violation of this Redevelopment Agreement.

SECTION 12.29. Cooperation. City and the Redeveloper shall cooperate with each other in all lawful respects, and shall exercise best efforts to effectuate the purposes of this Agreement.

SECTION 12.30. Challenges. In the event any proceeding is commenced by any third party challenging the validity of this Agreement, the Redevelopment approvals, remediation, any PILOT or other Financial Agreement, designation of Redeveloper or any aspect of the City's Redevelopment Plan, the Parties shall cooperate in defending such action or proceeding, at Redeveloper's sole expense.

SECTION 12.31. No Joint Venture with City. Nothing contained herein shall be construed as making City and Redeveloper partners, joint venturers or agents of each other. The parties have no relationship to each other except as Redevelopment Entity and Redeveloper for the Project.

SECTION 12.32. Recordation. At the written request of Redeveloper, City agrees to consider recording this Agreement, or a memorandum thereof in a form reasonably satisfactory to the City, to be recorded by Redeveloper at Redeveloper's expense with the Clerk of the County of Cumberland.

SECTION 12.33. Incorporation of Prior Agreements. This Agreement contains the entire understanding of the Parties hereto with respect to the subject matter hereof, and no prior written or oral agreement or undertaking pertaining to any such matter shall be effective for any purpose.

SECTION 12.34. Survival of Covenants. Each covenant and agreement contained herein shall survive any closing(s) of title on the Project Site **IN WITNESS WHEREOF**; the Parties hereto have caused this Redevelopment Agreement to be executed on the day above written.

Witness:

**NEWCOMB MEDICAL ALLIANCE CENTER, LLC**

\_\_\_\_\_

By: \_\_\_\_\_

Name: Angelo J. Danza,

Title: Managing Member

Execution Date: \_\_\_\_\_

Witness:

**THE CITY OF VINELAND, by its Governing Body,  
VINELAND CITY COUNCIL**

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title \_\_\_\_\_

Execution Date: \_\_\_\_\_

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