

CITY OF VINELAND

RESOLUTION NO. 2016-_____

RESOLUTION AUTHORIZING THE EXECUTION OF AN AMENDMENT TO THE REDEVELOPEMENT AND PARTICIPATION AGREEMENT BY AND BETWEEN THE CITY COUNCIL OF THE CITY OF VINELAND AS REDEVELOPMENT ENTITY AND HANS LAMPART AS REDEVELOPER

WHEREAS, on July 14, 2015 the City Council of the City of Vineland adopted a Resolution authorizing the execution of this 4th Amendment to the Redevelopers and Participation Agreement (Agreement) by and between the City Council as Redevelopment Entity and Hans Lampart as Redeveloper; and

WHEREAS, the City Council finds it to be in the best interest of the City to complete the redevelopment of Block 4201, Lots 1, 2, 3, 4, 5, 6 and 53 and therefore certain amendments to the Agreement that will facilitate the redevelopment efforts are necessary; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Vineland as Redevelopment Entity that the 4th Amendment to the Redevelopment and Participation Agreement be Amended and Council President is authorized to execute a 5th Amendment to the Development and Participation Agreement as attached hereto and made a part of.

Adopted:

President of Council

ATTEST:

City Clerk

Fifth Amendment to the Redevelopment and Participation Agreement

THIS Fifth Amendment to the Redevelopment and Participation Agreement is dated the _____ day of _____, 2016, is hereby entered into, by and between the Vineland City Council, the Governing Body of the City of Vineland (the “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 Hans Lampart and Landis Senior Urban Renewal Partners, LLC, with offices located at 1873 Brookfield Street, Vineland, New Jersey.

WHEREAS, the City and Hans Lampart have previously executed a Redevelopment and Participation Agreement dated January 15, 2008; together with amendments to that Agreement dated: April 27, 2009; June 7, 2010; July 29, 2011; and July 22, 2015 (collectively referred to as the “Redevelopment Agreement”) concerning the redevelopment of, among other property, Block 4201, Lots 1, 2, 3, 4, 5, 6 & 53 of the tax map of the City of Vineland (the “Property”, “Quadrant III” or the “Redevelopment Area”).

WHEREAS, the Council and Redeveloper (collectively referred to as the “Parties”) agreed upon further amending the Redevelopment Agreement to set forth the terms and conditions pursuant to which the Block 4201, Lots 1, 2, 3, 4, 5, 6 & 53 are to be redeveloped.

NOW THEREFORE, for and in consideration of the premises and material representations, covenants and agreements herein set forth, the Parties hereto, each binding itself, its successors and assigns, do mutually promise, covenant and agree as follows:

1. Transfer/Assignment. In accordance with Article 8 (Transfers) of the 4th Amendment to the Redevelopment and Participation Agreement dated July 22, 2015, Hans Lampart is permitted and does hereby assign and transfer his rights in and obligations under the Redevelopment Agreement to Landis Senior Housing Urban Renewal Partners, LLC. The assignment of his rights under the Redevelopment Agreement to Landis Senior Housing Urban Renewal Partners, LLC shall not relieve Hans Lampart of any of the obligations of the Redeveloper under the Redevelopment Agreement. Hans Lampart shall remain jointly and severally responsible for the completion of the Redevelopment of the Property with Landis Senior Housing Urban Renewal Partners, LLC. The definition of Redeveloper contained on page 8 of the 4th Amendment to the Redevelopment and Participation Agreement is hereby amended to identify Landis Senior Housing Urban Renewal Partners, LLC as the Redeveloper.

2. Representations of Redeveloper. The Redeveloper warrants and represents that Landis Senior Housing Urban Renewal Partners, LLC is a limited liability company organized and existing under the laws of the State of New Jersey and that it is wholly owned by Hans Lampart and Eastern Pacific Development, LLC which is the Managing Member. The Redeveloper further warrants and represents that Eastern Pacific Development, LLC is a limited

liability company organized and existing under the laws of the State of New Jersey and its sole member is Hans Lampart.

3. Acquisition Subsidy. The City's financial contribution to the Redevelopment of Block 4201, Lots 1, 2, 3, 4, 5, 6 & 53 as set forth in the Redevelopment Agreement (referred to herein as the "Acquisition Subsidy") of \$1,250,000.00 shall be disbursed/allocated as follows:

(a) \$1,000,000.00 shall be credited towards the \$1,800,000.00 price for the purchase of Block 4201, Lot 2 by the Redeveloper from the City. The balance of the purchase price for Block 4201, Lot 2 (\$800,000) shall be funded by a loan made the City in accordance with the terms of a Promissory Note, to be executed by the Redeveloper and secured by a First Priority Mortgage on Block 4201, Lot 2 and a Personal Guarantee to be executed by Hans Lampart. The loan by the City shall be repayable, in full, upon the first release of any funds that the Redeveloper receives through any source, in connection with the redevelopment of the Property or within Six (6) Months of the date of the Promissory Note, whichever shall first occur. In the event the Redeveloper, by no cause of its own has not received any funding for the Project within the aforementioned 6 month period and funding approved shall be forthcoming within a reasonable period of time, the parties may agree to an extension of time for the payment of monies due the City in accordance with the loan documents. The deed of transfer shall be in accordance with NJSA 40A:12A-9 and shall contain a Reverter Clause providing for the reverter of Block 4201 Lot 2 back to the City in the event of a default under the terms of the Agreement, its Amendments or any of the Loan Documents securing the obligations of the Redeveloper prior to the execution of any agreements for funding by and between the Redeveloper and the Equity Investors.

(b) The balance of the Acquisition Subsidy (\$250,000.00) shall be payable by the City towards the acquisition cost of any property in the Redevelopment Area whether by purchase or condemnation. The balance of the Acquisition Subsidy shall not be payable to the Redeveloper as reimbursement for any property previously acquired by the Redeveloper or a related entity. The balance of the Acquisition Subsidy may only be applied to the purchase price of the property or used as a deposit in connection with any Condemnation proceeding, and may not be used to cover other costs and expenses, including, but not limited to, relocation expenses.

(c) To secure repayment of the Acquisition Subsidy, and only to be enforced in the event of a default under the terms of the Redevelopment Agreement or termination of the Redevelopment Agreement, the Redeveloper shall grant the City a Mortgage on each of the Lots acquired utilizing the Acquisition Subsidy in the Redevelopment Area, including any Lots previously acquired by the Redeveloper. The Mortgages shall be granted to the City as the Lots are acquired and shall constitute blanket mortgages on all of the Lots acquired utilizing the Acquisition Subsidy. The Mortgages on the Lots acquired utilizing the Acquisition Subsidy shall be executed at the time they are acquired by Redeveloper and shall constitute a First Priority Lien on the subject lots subject to subordination to accommodate financing of the Redevelopment of the Property. The Mortgage covering Block 4201, Lot 2 shall constitute a Second Priority Lien, subject only to the First Priority Mortgage to be granted the City in the principal amount of \$800,000.00 and subject to subordination to accommodate financing of the Redevelopment of the Property. The Mortgage(s) shall be discharged, upon the issuance of a Certificate of Completion for the Redevelopment of the Property. The Mortgage(s) shall otherwise contain provisions similar to those contained in the Mortgage granted to the City in connection with its loan of \$800,000.00.

(d) The obligation to repay the Acquisition Subsidy shall be evidenced by a

Promissory Note in the principal amount of \$1,250,000.00, guaranteed by Hans Lampart. The Promissory Note shall accrue interest at the rate of One (1%) Percent per annum. However, no payments of principal or interest shall be due under the Promissory Note until such time as there is either a default under the Redevelopment Agreement, or the Redevelopment Agreement is terminated. All amounts due under the Promissory Note, including all accrued interest shall be deemed Paid In Full upon the issuance of a Certificate of Completion for the Redevelopment of the Property. The Promissory Note shall otherwise contain provisions similar to those contained in the Promissory Note given to the City in connection with its loan of \$800,000.00.

3. Demolition of Block 4201, Lot 2. The Redeveloper shall secure demolition permits and demolish the existing structures on Block 4201, Lot 2, in accordance with the terms of the Redevelopment Agreement, within 45 days of the transfer of the Property to the Redeveloper. The failure to demolish the Property as provided for in this paragraph shall constitute a default under the terms of the Redevelopment Agreement.

4. Remaining Provisions of the Redevelopment Agreement: All of the remaining provisions of the Redevelopment Agreement as modified by the 1st, 2nd, 3rd, and 4th Amendments thereto shall remain in full force and effect including, without limitation any obligations of the City regarding the Façade Grant which is not to be considered as part of the Acquisition Subsidy.

5. Default. A default under the terms of this 5th Amendment to the Redevelopment and Participation Agreement shall constitute a default under the terms of the Redevelopment Agreement as modified by the 1st, 2nd, 3rd, and 4th Amendments thereto, entitling the City to all the remedies available under the Redevelopment Agreement as modified. Furthermore, any change in ownership of Landis Senior Housing Urban Renewal Partners, LLC or Eastern Pacific Development, LLC, without the written consent of the City, shall be an Event of Default under the Redevelopment Agreement. Redeveloper recognizes that the qualifications of Hans Lampart were critical to the City in entering into the Redevelopment Agreement. Redeveloper recognizes that it is because the qualifications of Hans Lampart and his complete ownership and control of Eastern Pacific Development, LLC and Landis Senior Urban Renewal Partners, LLC that the City has entered into this 5th Amendment to the Redevelopment Agreement. Therefore, the City shall have absolute and sole discretion with respect to consenting to any changes in the ownership in Eastern Pacific Development, LLC and Landis Senior Urban Renewal Partners, LLC

6. Conflict with Redevelopment Agreement. In the event that any of the provisions of this 5th Amendment to the Redevelopment and Participation Agreement conflict with the terms of the Redevelopment Agreement the provisions of this 5th Amendment to the Redevelopment and Participation Agreement shall control.

7. Parties Bound. This 5th Amendment to the Redevelopment and Participation Agreement shall be binding upon the parties hereto and their respective heirs, administrators, executors, successors, and assigns.

8. Amendment. Neither this 5th Amendment to the Redevelopment and Participation Agreement nor any provision hereof may be changed, amended, modified, waived or discharged, orally or by any course of dealing, but only by an instrument in writing signed by the party against whom enforcement of the change, amendment, modification, waiver or discharge is sought.

9. Titles and Subtitles. Titles of the paragraphs and subparagraphs are placed herein for convenient reference only and shall not to any extent have the effect of modifying, amending or changing the express terms and provisions of this 5th Amendment to the Redevelopment and Participation Agreement .

10. Words and Gender or Number. As used herein, unless the context clearly indicates the contrary, the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

11. Acceptance of Assignment. Landis Senior Urban Renewal Partners, LLC hereby accepts the assignment of Hans Lampart's rights and obligations under the Redevelopment Agreement and agrees to be bound by the terms of the Redevelopment and Participation Agreement dated January 15, 2008; together with amendments to that Agreement dated: April 27, 2009; June 7, 2010; July 29, 2011; and July 22, 2015 along with this 5th Amendment to the Redevelopment and Participation Agreement

12. Signatures. The undersigned agree to the terms of this 5th Amendment to the Redevelopment and Participation Agreement modifying the terms of the Redevelopment and Participation Agreement dated January 15, 2008 as modified by the 1st, 2nd, 3rd, and 4th Amendments thereto.

WITNESS:

**REDEVELOPERS:
HANS LAMPART**

Hans Lampart
Execution Date: _____

**LANDIS SENIOR URBAN RENEWAL
PARTNERS, LLC, a New Jersey Limited Liability
Company**

By: _____
Name: Hans Lampart
Title: Managing Member
Execution Date: _____

REDEVELOPMENT ENTITY:

WITNESS:

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

By: _____

Name: ANTHONY FANUCCI

Title: President, Vineland City Council

Execution Date: _____