

**RESOLUTION NO. 2020-529**

A RESOLUTION APPROVING VINELAND REVOLVING LOAN FUNDS FOR GHOSTLIGHT THEATRICAL PRODUCTIONS, LLC, 830 EAST LANDIS AVENUE.

**WHEREAS**, the Vineland Revolving Loan Fund LLC Committee has submitted a proposal dated December 8, 2020, for use of Vineland Revolving Loan Funds for the following project: Ghostlight Theatrical Productions for COVID-19 Pandemic Assistance; and

**WHEREAS**, it is considered to be in the best interest of the City of Vineland and the community in particular that Vineland Revolving Loan Funds be utilized for the above-mentioned project; now, therefore,

**NOW THEREFORE BE IT RESOLVED** by the City Council of the City of Vineland that said Council does hereby approve the use of Vineland Revolving Loan Funds for the following project, in accordance with the proposal submitted by the Vineland Revolving Loan Fund LLC Committee:

**TO: Ghostlight Theatrical Productions, LLC in the amount of \$100,000.00**

**BE IT FURTHER RESOLVED** that the Mayor or Council President are hereby authorized and directed to execute all documents associated with this loan.

Adopted:

\_\_\_\_\_  
President of Council

ATTEST:

\_\_\_\_\_  
City Clerk



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MEMORANDUM

TO: City Council President and Members  
FROM: Vineland Revolving Loan Fund Committee  
SUBJECT: **Applicant:** Ghostlight Productions  
**Loan Amount:** \$100,000.00  
DATE: December 8, 2020

Dear Council President Spinelli, Councilmen Acosta, Franceschini, Vargas, and Councilwoman Arthur:

On behalf of the Vineland Revolving Loan Fund Committee, please accept this letter recommending a commitment be given to the above applicant for a Vineland Revolving Loan Fund loan in the amount as stated herein above.

Please note that the committee finds that the purpose of the loan meets the criteria set forth in the Statute made and provided governing Urban Enterprise Zonss. The Committee further finds that the loan will promote economic development, creation/retention of jobs, and/or tax ratable(s) that will benefit the City of Vineland.

Further, please note that the loan would be properly protected in that the pledged collateral has a net value which equals or exceeds the amount of the requested funding.

Respectfully submitted,

Sandra Forosisky  
Director of Economic Development

SF/fd

cc: Frank DiGiorgio  
file



## LANDIS THEATER PROPOSAL

The Vineland Development Corporation sold the Landis Theater to Ghostlight Productions on April 10, 2020 for \$900,000. Ray Mamrak is the principal of Ghostlight. Subsequent to the acquisition, the new owner proceeded to make needed improvements to the Landis Theater, which included a new stage screen, renovations to the mezzanine including a new bar, and renovations to the restaurant and ballroom to expand its entertainment areas. The Covid-19 pandemic lasted much longer than what was anticipated which prevented the new owner from holding shows or opening the restaurant. As a result, the owner was unable to generate the revenue necessary to pay the expenses for the necessary upkeep of the theater. In addition, the theater, which was previously a tax-exempt facility, was added to the tax rolls.

Ghostlight Productions has booked several shows for December and January at 25% maximum capacity. They are not expected to be moneymakers due to the limited capacity; however, they will show the theater is open for business. In addition, the owner has an agreement with Bonesaw Brewing Company to sell their unique brews in the restaurant and bar. Bonesaw has a strong following in the region and this affiliation should be a great asset to the bar once it opens. The new owner is trying very hard to make the theater a success after a decade of failed attempts. Mr. Mamrak has spent his entire career in the film industry as both an actor and screenwriter. His original intent was to bring the film industry to South Jersey and utilize the Landis Theater. The New Jersey tax credit program for the film industry has made it a very attractive site. The Covid-19 pandemic has severely affected this industry presently; however, once the pandemic subsides it is expected that the film industry will return due to the generous tax credits.

In 2019, the UEZ Committee and City Council approved \$100,000 as a budget item for Landis Theater expenses. None of these approved funds were expended due to the sale of the theater. The new owner has not been able to generate any revenues but still has facility expenses including real estate taxes of approximately \$27,000, electric expenses of over \$3,000 per month due to the marquee, insurance, gas and other operating expenses. In order to prevent the theater from going dark yet again, the Loan Committee has approved the use of the budgeted \$100,000 as a loan to Ghostlight Productions to be utilized exclusively for the payment of real estate taxes and electric bills to the City of Vineland. These expenses will be paid directly to the City of Vineland by the Vineland Revolving Loan Fund.

The term of the loan will be 1% interest as a 5-year balloon with a 20-year amortization. The loan will have a moratorium on payments with interest capitalized until COVID restrictions are lifted so that the theater can generate the necessary revenue to carry the costs of the facility. The loan will be secured by a subordinate mortgage to his primary investor of \$1,338,000. The facility was recently appraised at \$2.5 million.

This redevelopment project was initiated by the City as part of the East Gateway Project in 2008. It is a vital component of the revitalization of our downtown and is a hallmark of Vineland's history. Allowing it to go dark would overshadow attempts to create a vibrant downtown.