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REDEVELOPMENT AGREEMENT

By and Between

THE CITY OF ATLANTIC CITY

as Redevelopment Entity

and

ATLANTIC LOFTS URBAN RENEWAL ASSOCIATES LLC

as Redeveloper

Dated October __, 2025

THIS REDEVELOPMENT AGREEMENT (this “Agreement” or “Redevelopment Agreement”) dated this __ day of _____, 2025 is entered into by and between the CITY OF ATLANTIC CITY, a public body corporate and politic of the State of New Jersey having its offices at 1301 Bacharach Boulevard, Atlantic City, New Jersey 08401 (the “City”) and ATLANTIC LOFTS URBAN RENEWAL ASSOCIATES, LLC, qualified as an urban renewal entity under N.J.S.A. 40A:20-1, et seq. having its offices at 1 South New York Avenue, Atlantic City, New Jersey, 08401 (the “Redeveloper”).

WHEREAS, based upon the recommendation of the Planning Board of the City of Atlantic City, the City Council of the City of Atlantic City adopted Resolution 889 in 1994, designating the entire City as an area in need of rehabilitation as defined in the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (“LRHL”), which designation became effective upon the transmission of the resolution to the New Jersey Department of Community Affairs by the City Clerk; and

WHEREAS, the City Council of Atlantic City, declared the entirety of the City of Atlantic City as an “Area in Need of Rehabilitation”, and pursuant to N.J.S.A. 52:27BBBB-19 whereby the Legislature declared the entirety of the City of Atlantic City as a “blighted area and an area in need of redevelopment;” and

WHEREAS, the City adopted via ordinance No. 46 of 2024, “Redevelopment Plan 1 South New York Avenue Atlantic City, N.J. Block 146, Lot 1” (the “Redevelopment Plan”); and

WHEREAS, the Redeveloper is the owner of 1 South New York Avenue in the City of Atlantic City known as Block 146, Lot 1 as more particularly described in **Exhibit A** attached hereto (collectively, the “Property”); and

WHEREAS, the Property is located within the boundaries of the area governed by the Redevelopment Plan; and

WHEREAS, the City Council adopted Resolution 197 appointing Atlantic Lofts Urban Renewal Associates, LLC as Redeveloper; and

WHEREAS, the Redeveloper will, in accordance with the Redevelopment Plan, finance and construct on the Property 56 market-rate residential rental units and commercial space on the ground floor and other amenities and improvements all in substantially the same form as shown on the concept plan attached hereto as **Exhibit B**; and

WHEREAS, the City Council of the City of Atlantic City is the designated redevelopment agency and has determined that the redevelopment of the Property in accordance with the applicable provisions of the Redevelopment Plan, will contribute to the rehabilitation and reinvigoration of the City and to the social and economic improvement of the City in accordance with the legislative intent, goals and objectives of the LRHL; and

WHEREAS, the Redeveloper represented that it possesses the proper qualifications, financial resources and capacity to implement and complete the Project in accordance with the Redevelopment Plan and all other applicable laws, ordinances and regulations; and

WHEREAS, the City believes a project completed in accordance with this Agreement will be in the best interests of the City, will promote the goals of the Redevelopment Plan, will promote job creation and economic development and will insure a mix of housing within the City; and

NOW, THEREFORE, for and in consideration of the mutual promises, covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties, and for the benefit of the Parties hereto and general public and to implement the purposes of the LRHL and the Redevelopment Plan, the Parties do hereby covenant and agree each with the other as follows:

ARTICLE 1 DEFINITIONS

1.1. *Defined Terms.* The Parties agree that the defined capitalized terms used in this Agreement shall have the meaning specified in the recitals above (each of which is hereby incorporated into and made part of this Agreement) or as set forth in the list below, or as may be expressly ascribed to such capitalized terms elsewhere in this Agreement, such definitions to be applicable equally to the singular and plural forms of such terms:

“Applicable Laws” shall mean all federal, state and local laws, ordinances, approvals, rules, regulations statutes, permits, resolutions, judgments, orders, decrees, directives, interpretations, standards, licenses and other similar requirements applicable thereto, including but not limited to, the LRHL; the Municipal Land Use Law, N.J.S.A. 40:55D -1 et seq.; the Eminent Domain Act, N.J.S.A. 20:3-1 et. seq.; the Zoning Ordinances of the City of Atlantic City, as and to the extent applicable pursuant to the terms of the Redevelopment Plan; relevant construction codes including construction codes governing access for people with disabilities; and all other applicable federal, state or local zoning, land use, environmental, health and safety laws, ordinances, rules and regulations, and federal and state labor standards or regulations.

“Certificate of Completion” means written acknowledgment by the City in recordable form that the Redeveloper has completed construction of the Project in accordance with the requirements of this Redevelopment Agreement.

“Certificate of Occupancy” shall be as defined in the City’s Municipal Code and in the applicable provisions of the Uniform Construction Code.

“City” means the City of Atlantic City, New Jersey.

“Completion of Construction,” “Complete Construction” or “Completion Date” means the date on which the Redeveloper has substantially completed construction of the Project, or each phase of the Project, as appropriate.

“Completion Notice” or **“Notice of Completion”** means a written notification of Completion of Construction and request by the Redeveloper for the issuance by the City of a Certificate of Completion.

“Construction Period” means the period beginning on the Commencement Date and ending on the Completion Date.

“Construction Schedule” means the agreed upon timetable and performance milestones for design, obtaining Governmental Approvals, environmental remediation, site preparation, and Completion of Construction the Project as set forth in Exhibit “C”, which may be modified or adjusted from time to time in accordance with the provisions of this Agreement.

“Days” shall mean calendar days.

“Declaration of Covenants and Restrictions” or **“Declaration of Restrictions”** means a written instrument intended to be executed by Redeveloper, to be recorded in the Office of the Atlantic County Clerk as of the Closing Date, and to encumber the Property and run with the land, setting forth certain undertakings of and restrictions applicable to Redeveloper and its permitted successors and assigns in connection with the ownership, redevelopment or rehabilitation of the Property, all as more particularly described in Article of this Agreement.

“Default” means a condition or event which constitutes or would constitute, after notice and a right to cure or lapse of time or both, an Event of Default as more particularly defined in Article 9 of this Agreement.

“Environmental Laws” means any and all federal, state, regional, and local laws, statutes, ordinances, regulations, rules, codes, consent decrees, judicial or administrative orders or decrees, directives or judgments relating to environmental contamination, damage to or protection of the environment, environmental conditions, or the use, handling, processing, distribution, generation, treatment, storage, disposal, manufacture or transport of Hazardous Substances materials or wastes, presently in effect or hereafter amended, modified, or adopted.

“Event of Default” shall have the meaning set forth within Article 9.1 of this Agreement.

“Financial Agreement” shall mean that certain agreement for a long-term tax payment in lieu of Taxes executed simultaneously with this Agreement.

“Force Majeure Event” means causes beyond the reasonable control and not due to the act or omission of the party seeking to excuse delay or failure of performance of an obligation hereunder by reason thereof, including, but not limited to, declarations of public emergency; acts of nature; acts of the public enemy; acts of war; fire; epidemics; quarantine restrictions; blackouts; power failures or energy shortages; governmental embargoes; strikes or similar labor action by equipment or material suppliers or transporters; or unavailability of necessary building materials (provided that the Redeveloper has no alternatives to avoid the impact thereof on the progress of the Project without requiring additional Governmental Approvals or the modification of existing Governmental Approvals). The consequential effects of a Force Majeure Event, including any

increased delays or costs or other market conditions which result therefrom, shall not be considered a Force Majeure Event. During any Force Majeure Event that affects only a portion of the Project, the Redeveloper shall to the maximum extent feasible continue to perform its obligations for the balance of the Project unaffected by the Force Majeure Event. The existence of a Force Majeure Event shall not prevent the City from issuing a Notice of Default or from the occurrence of an Event of Default by the Redeveloper if the event that is the basis of the Event of Default is not a Force Majeure Event.

“Governmental Approvals” means all (or such elements as Redeveloper deems sufficient) final and unappealable local, state and federal governmental approvals necessary or appropriate for implementation and completion of the Project in accordance with the terms of this Agreement, including without limitation preliminary and final site plan approval; preliminary and final subdivision approval, if and as applicable; environmental permits, including but not limited to wetlands and storm water drainage permits; permits, consents, permissions or approvals relating to historic preservation matters; utilities-related permits, including permits related to water supply and sewer service; and all other necessary permits, licenses, consents, permissions or approvals from or required by governmental agencies.

“Notice of Default” shall have the meaning set forth in Article 9.2 of this Agreement.

“Planning Board” shall mean the Planning Board of the City of Atlantic City or any other Planning Board or commission or committee having jurisdiction over the Project.

“Plans and Specifications” mean all plans, drawings, specifications and related documents needed to implement and to Complete Construction of the Project in accordance with this Agreement and all applicable Governmental Approvals.

“Project” The project shall consist of 56 market-rate residential units and commercial space at the ground level and other improvements and amenities.

ARTICLE 2 REDEVELOPER DESIGNATION; TERM; PROJECT SCOPE

2.1. *Redeveloper Designation.* The City hereby designates and appoints the Redeveloper as the exclusive redeveloper of the Property. Redeveloper has the exclusive right to construct the Project on the Property.

2.2. *Redeveloper's Scope of Undertaking.* The services and responsibilities undertaken by the Redeveloper, as more particularly set forth in this Agreement, shall include all aspects of the acquisition, design, development, environmental remediation, site preparation, construction and operation of the Project, including, without limitation, engineering, permitting and administrative aspects, the performance of or contracting for and administration and supervision of all construction required in connection with the Project, arrangement for interim and final inspections and any other actions required to satisfy the requirements of all Governmental Approvals necessary to develop and use the Project, marketing, sales and the administration,

operation and management of the Project; and all aspects of the funding of the Project, including equity funding and construction, interim and permanent financing.

2.3. Term of Agreement. This Agreement shall commence on the Effective Date and shall expire upon the issuance of a Certificate of Completion for the Project; or fifty four (54) months after the Effective Date, whichever is sooner, unless the City reasonably determines that the Project is being diligently pursued by the Redeveloper in which event the City will reasonably determine whether to give the Redeveloper additional time to complete the Project.

2.4. Project Scope. The scope of the Project may be materially modified only by written agreement of the parties. Each application for governmental approvals submitted by or on behalf of the Redeveloper shall conform in all material respects to the Redevelopment Plan that governs the Property and all Applicable Laws; provided, however, that nothing herein shall be construed as limiting the Redeveloper's ability to apply for reasonable bulk or area variances or waivers or amendment to the Redevelopment Plan as may necessary or appropriate under the circumstances, unless such applications, if successful, would result in a materially different project than which is described herein, in the City's reasonable determination.

ARTICLE 3 IMPLEMENTATION OF PROJECT

3.1. Implementation of the Project. For so long as this Agreement and Redeveloper's designation as Redeveloper hereunder shall remain in effect, Redeveloper shall have the exclusive right to redevelop or rehabilitate the Property. The Redeveloper agrees to redevelop or rehabilitate the Property in accordance with the terms and conditions of this Agreement, the Redevelopment Plan, Applicable Laws, and all Governmental Approvals applicable thereto. All redevelopment activities performed under this Agreement shall be performed diligently, and in accordance with the level of skill and care ordinarily exercised by developers of comparable first-class residential development.

3.2. Developer Timeline Obligations. Redeveloper will submit an application to the Casino Reinvestment Development Authority (the "CRDA") for its consideration for the Project's preliminary and final site plan approval.

3.3. Scope of Governmental Approvals. The Redeveloper represents that it will cause to be prepared and filed, at Redeveloper's sole cost and expense, all applications as may be necessary and appropriate for the purpose of obtaining all Governmental Approvals required to implement the Project—in conformity with the Redevelopment Plan, this Redevelopment Agreement and Applicable Laws. Redeveloper shall provide the City with a copy of each application at the same time the application is submitted to the governmental agency having jurisdiction over the same and shall have a continuing obligation, at the request of the City, to promptly provide the City with copies of all correspondence to and from each governmental agency relating to these applications.

3.4. Diligent Pursuit of Governmental Approvals. Redeveloper agrees to prosecute all of Redeveloper's applications for Governmental Approvals diligently and in good faith. Subject

to the requirements of Applicable Law and unless expressly provided otherwise in this Agreement, Redeveloper shall determine when and in what order to file each specific application. At Redeveloper's reasonable request, the City will, in its reasonable judgment, sign consents or other documents required in connection with the Redeveloper's applications for Governmental Approvals and will supply information which is in the City's possession. The City will, in its reasonable judgment, otherwise cooperate with and support the Redeveloper in connection with the applications for Governmental Approvals as the Redeveloper and the Redeveloper's counsel may reasonably request.

3.5. Appeals. If (i) one or more of the Redeveloper's applications for Governmental Approvals is denied, or approved with conditions that the Redeveloper in its commercially reasonable judgment deems unacceptable, or (ii) anyone contests or challenges the grant of such Governmental Approval to the Redeveloper, then unless the City consents in advance to a different course of action (which consent shall not be unreasonably withheld), the Redeveloper shall appeal or defend against such action, and during the pendency of the appeal proceeding otherwise continue as the Redeveloper deems appropriate to seek the remaining Governmental Approvals. In no event shall the Project be delayed more than one (1) year by any failure to obtain Governmental Approval or any appeal thereof. In the event of a delay which extends longer than one (1) year, the City or Redeveloper may terminate this Agreement.

3.6. Application for "Building Permits". The Redeveloper shall promptly and in a commercially reasonable manner, and in no case later than one hundred twenty (120) Days after the CRDA's issuance of final unappealable site plan approval for the Project and all other necessary Governmental Approvals submit applications for building permits for the Project and use commercially reasonable efforts to diligently prosecute the applications to conclusion.

3.7. Commencement and Completion of Construction. The Redeveloper shall Commence Construction in accordance with the timetable and performance milestones contained within the Construction Schedule attached as Exhibit "C". Any extension of the Construction Commencement milestone contained within the Construction Schedule shall be at the sole discretion of the City after presentation by Redeveloper of the following:

- (a) Documentation of why Construction cannot practicably be commenced on or before the Construction Commencement Date; and
- (b) A revised Construction Schedule; and
- (c) Payment of any outstanding fees then owed to the City.

The Redeveloper shall Complete Construction of Project within thirty-six (36) months of Commencement of Construction. Any material change in the scope of the Project, changes or updates to the Construction Commencement Date, Construction Schedule or Project Budget, or extension of the projected Completion Date shall also require the City's prior written approval, which approval shall not be unreasonably withheld, after submission of the documentation (a), (b) and (c) above.

3.8. Work to be Performed by Redeveloper. The Redeveloper at its sole cost and expense shall perform all site engineering, site preparation, construction, operation, remediation, administration and management of the Project and all activities shall be accordance with the Concept Plan, Redevelopment Plan (and any amendment thereto) and this Agreement. In addition, Redeveloper shall:

- (A) Maintain the Property in a manner which is safe and free from hazards and debris and shielded from public view until construction commences; and
- (B) Ensure that all performance or completion bonds provided by Redeveloper's contractors name the City as an intended beneficiary thereof, as its interest may appear.

3.9. Progress Reports and Project Oversight by the City. From the Closing Date until the date that the Certificate of Completion is issued for this Project, the Redeveloper shall:

- (A) attend and participate in periodic progress meetings as reasonably called by the City based on reasonable need therefore to report on the status of the Project and to review the progress under the Construction Schedule.
- (B) submit to the City, at each Progress Meeting, and at such other times as may be reasonably requested by the City, a detailed written progress report which shall include, among other things, a description of activities completed, milestones achieved, status of the Project with respect to the Construction Schedule if applicable, activities to be undertaken prior to the next regularly scheduled Progress Report, and any unanticipated problems or delays and the explanation therefor.

3.10. Certificate of Occupancy and Certificate of Completion. Redeveloper shall apply to the appropriate governmental officer or body for a Certificate of Occupancy as required under Applicable Laws. Following the issuance of all required Certificates of Occupancy and the satisfaction of the terms and conditions of this Redevelopment Agreement by Redeveloper, and upon receipt of a Notice of Completion from Redeveloper, the City agrees to issue a Certificate of Completion, in proper form for recording, which shall acknowledge that the Redeveloper has performed all of its duties and obligations under this Redevelopment Agreement, has paid all amounts contractually owed to the City hereunder and has completed construction of the Project in accordance with the requirements of this Redevelopment Agreement. Within thirty (30) days after receipt of the Notice of Completion from the Redeveloper, the City shall provide the Redeveloper with the Certificate of Completion or a written statement setting forth in detail the reasons why it believes that the Redeveloper has failed to complete the Project in accordance with the provisions of this Redevelopment Agreement or has failed to pay amounts which are contractually owed to the City, and what reasonable measures or acts will be necessary in order for the Redeveloper to be entitled to the Certificate of Completion. When issued, the Certificate of Completion shall constitute a recordable, conclusive determination of the satisfaction and termination of the agreements and covenants (as limited herein) in this Redevelopment Agreement and the Redevelopment Plan with respect to the obligations of the Redeveloper to construct the Project. Except as otherwise required by the Financial Agreement, or any Governmental Approval

or Applicable Law, upon the issuance of the Certificate of Completion the provisions of this Agreement shall no longer encumber the Project or the Property.

3.11. Filing of Certificate of Occupancy. It shall be the primary responsibility of the Redeveloper to forthwith file with both the Tax Assessor and the Tax Collector a copy of each Certificate of Occupancy. Notwithstanding the foregoing, the filing of any Certificate of Occupancy shall not be a prerequisite for any action taken by the City, including, if appropriate, retroactive billing with interest to collect any charges due hereunder or under the Financial Agreement between the parties.

3.12. Estoppel Certificates (Prior to Issuance of Certificate of Completion). At any time and from time to time prior to the issuance of a Certificate of Completion, the City shall, within thirty (30) days of its receipt of a written request by the Redeveloper, execute and deliver to (a) the Redeveloper, or (b) a third party (e.g., a prospective lender, purchaser, investor, tenant, etc.) designated by the Redeveloper, an instrument in which the City (i) certifies that this Agreement is unmodified and in full force and effect as to the Project (excepting only modifications which shall be set forth), (ii) states whether to the best knowledge of the City the Redeveloper is in Default under this Agreement, and, if so, specifying each such Default of which the City shall have knowledge; and (iii) confirms such other factual matters within the City's knowledge or control pertinent to this Agreement, as the same relate to, or might affect, the Project or the Property.

ARTICLE 4
REDEVELOPER'S FINANCIAL COMMITMENT

4.1. Redeveloper's Financial Commitment. Redeveloper represents that, in addition to the tax abatement described in the Financial Agreement between the parties, it has obtained or can obtain and will commit the requisite equity and debt financing in an amount necessary to perform all of the Redeveloper's obligations hereunder in order to Commence Construction and to Complete Construction of the Project and otherwise perform under this Agreement within the time periods indicated.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES

5.1. Representations and Warranties by the Redeveloper. The Redeveloper makes the following representations and warranties:

- (A) Redeveloper has the legal capacity to enter into this Redevelopment Agreement and perform each of the undertakings set forth herein and in the Redevelopment Plan as of the date of this Redevelopment Agreement.
- (B) Redeveloper is duly organized and a validly existing legal entity under the laws of the Commonwealth of Pennsylvania and has qualified to do business in the State of New Jersey and all necessary resolutions or authorizations have been duly adopted to authorize the execution and delivery of this Redevelopment Agreement and to authorize and direct the persons executing this Redevelopment Agreement to do so for and on the Redeveloper's behalf.
- (C) No receiver, liquidator, custodian or trustee of the Redeveloper has been appointed or is contemplated as of the date of this Redevelopment Agreement, and no petition to reorganize Redeveloper pursuant to the United States Bankruptcy Code or any similar statute that is applicable to the Redeveloper has been filed or is contemplated as of the Effective Date.
- (D) No indictment has been returned against any member, manager or officer of the Redeveloper.
- (E) To the best of the Redeveloper's knowledge and belief after diligent inquiry, there is no action, proceeding or investigation now pending, nor any basis therefore, known or believed to exist which (i) questions the validity of this Redevelopment Agreement, Redeveloper's execution hereof, or any action or act taken or to be taken by the Redeveloper pursuant to this Redevelopment Agreement; or (ii) is likely to result in a material adverse change in the Redeveloper's property, assets, liabilities or condition which will materially and substantially impair the Redeveloper's ability to perform the Project under this Agreement.

- (F) Redeveloper is an experienced developer and is financially and technically capable of developing, designing, financing, constructing, operating and maintaining similar projects to the Project as, and within the time periods, designated in this Agreement.
- (G) The party or parties signing the Redevelopment Agreement on behalf of the Redeveloper is or are fully authorized to sign on behalf of the Redeveloper and to bind the Redeveloper with respect thereto.
- (H) Redeveloper has not had any public financing or grant terminated for failure to perform.
- (I) As of the Effective Date of this Agreement, neither the Redeveloper nor any of its parent, subsidiary or affiliated entities is a Person with whom a United States citizen, entity organized under the Laws of the United States or its territories, or entity having its principal place of business within the United States or any of its territories (collectively, a "U.S. Person"), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States Law, regulation, executive orders and lists published by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") (including those executive orders and lists published by OFAC with respect to Persons that have been designated by executive order or by the sanction regulations of OFAC as Persons with whom U.S. Persons may not transact business or must limit their interactions to types approved by OFAC ("Specially Designated Nationals and Blocked Persons")) or otherwise; and none of Redeveloper nor any Person who owns an interest in Redeveloper (other than the owner of publicly traded shares) is a Person with whom a U.S. Person, including a United States Financial Institution as defined in 31 U.S.C. 5312, as periodically amended ("Financial Institution"), is prohibited from transacting business of the type contemplated by this Agreement, whether such prohibition arises under United States Law, regulation, executive orders and lists published by OFAC (including those executive orders and lists published by OFAC with respect to Specially Designated Nationals and Blocked Persons) or otherwise.
- (J) Redeveloper acknowledges that the City is relying on the truth and accuracy of the information and documentation submitted by Redeveloper in entering into this Agreement.

5.2. Representations and Warranties by the City. The City hereby makes the following representations and warranties:

- (A) The City has the legal power, right and authority to enter into this Agreement and the instruments and documents referenced herein to which the City is a party, to consummate the transactions contemplated hereby, to take any steps or actions contemplated hereby, and to perform its obligations hereunder.

- (B) This Agreement is duly executed by the City, and is valid and legally binding upon the City and enforceable in accordance with its terms on the basis of Applicable Laws currently in effect and the execution and delivery thereof shall not, with due notice or the passage of time, constitute a Default under or violate the terms of any indenture, agreement or other instrument to which the City is a party.
- (C) The City has not received notice of any action, proceeding or investigation now pending nor any basis therefore, known or believed to exist which questions the validity of this Agreement or any action or act taken or to be taken by the City pursuant to this Agreement.
- (D) The City has not received notice of any pending litigation which affects the Rehabilitation Area designation, or the Redevelopment Plan.

5.3. Survival. The foregoing representations and warranties shall be true, accurate and complete as of the date of Closing and throughout the term of this Agreement.

5.4. No Warranty. The Redeveloper specifically acknowledges that the City makes no representation or warranty, expressed, implied or otherwise, as to the Project or as to the Property's suitability for the Project or for any other purpose. Moreover, the City makes no representation or warranty as to the condition of the Property.

ARTICLE 6 COVENANTS AND RESTRICTIONS

6.1. Description of Redeveloper Covenants. Redeveloper hereby covenants that it shall:

In connection with its use or occupancy of the Project, not affect or execute any covenant, agreement, lease, conveyance or other instrument whereby the Property or the Project is restricted upon the basis of age, race, color, creed, religion, ancestry, national origin, sex or familial status, and the Redeveloper, its successors and assigns, shall comply with all applicable laws prohibiting discrimination or segregation by reason of age, race, color, creed, religion, ancestry, national origin, sex or familial status.

- (A) Comply with the applicable provisions and public purposes of the LRHL and all obligations under this Agreement and shall at all times develop, design, finance, construct and operate the Project or cause the Project to be developed, designed, financed, constructed and operated pursuant to the conditions and requirements of Applicable Laws, Governmental Approvals, this Agreement and the Redevelopment Plan and for a period that runs concurrently with the term of the Financial Agreement, executed simultaneously with this Agreement, shall construct no other use except that established in the Redevelopment Plan, provided however, that Redeveloper shall not be deemed to be in breach if Redeveloper diligently contests, in good faith and by appropriate proceedings, such compliance with any of the aforesaid Applicable Laws, except as set forth in Section 4.2(c). All uses to which the Project may be devoted are controlled by the Redevelopment Plan, the

Governmental Approvals, Applicable Laws and this Redevelopment Agreement and that under no circumstances shall the Redeveloper undertake any construction or development of the Project not in accordance with the Redevelopment Plan, the Governmental Approvals, Applicable Laws and this Redevelopment Agreement.

- (B) In order to effectuate the purposes of this Agreement, make, execute, acknowledge and deliver any contracts, orders, receipts, writings and instructions with any-other persons, firms or entities and in general do all things which may be requisite or proper for the construction and development of the Project in accordance with the Redevelopment Agreement, the Redevelopment Plan, Governmental Approvals and Applicable Laws, provided however, that Redeveloper shall not be deemed to be in breach of this covenant if the Redeveloper promptly commences and diligently pursues an appeal or contest and pursues such appeal or contest in good faith and by appropriate proceedings.
- (C) Use diligent efforts to (i) obtain all Governmental Approvals requisite to the construction and development of the Project including evidence satisfactory to the City that the Redeveloper's use of the Project is in compliance with this Agreement, the Redevelopment Plan and all Applicable Laws, and (ii) ensure Completion of Construction of the Project within the time periods specified in the Construction Schedule.
- (D) Use diligent efforts to obtain all Governmental Approvals authorizing the occupancy and uses of the Project for the purposes contemplated herein. Redeveloper shall enter into such other agreements with respect to its development, financing, construction and management and operation of the Project, containing such provisions as may be required by Applicable Law and such other provisions as may reasonably be requested by the City or as may reasonably be required by Governmental Approvals.
- (E) Except as otherwise permitted hereunder in the case of a Force Majeure Event, not suspend or discontinue the performance of its obligations under this Redevelopment Agreement (other than in the manner provided for herein) for any reason, including, without limiting the generality of the foregoing, any acts or circumstances that may constitute failure of consideration, commercial frustration of purpose, or any damage to or destruction of the Project.
- (F) Diligently undertake the construction and development of each individual component of the Project throughout the Construction Period and use commercially reasonable efforts to complete each component of the Project on or before the applicable Completion Date.
- (G) Cause the Project to be developed, designed, financed and constructed at its sole cost and expense, except as otherwise set forth in this Agreement.

- (H) During construction, keep debris and/or waste materials containerized or stored and disposed of within normal industry standards, or in such a manner as to not adversely impact any proximate tourist attractions or tourism-based operations. Redeveloper shall prevent debris, noise and/or dust from affecting properties in proximity to the Project site.
- (I) Keep and maintain in good condition any improvements required under the Governmental Approvals, including but not limited to any landscaping required to be planted or cause an entity in control of the Project (i.e. condominium or homeowner association) to maintain such improvements.
- (J) Notify the City of any material change in Redeveloper's financial ability to complete the Project.
- (K) Construct the Project consistent with the City's First Employment and Contracting requirements as set forth in Ordinance No. 44-2014 adopted July 23, 2014, a copy of which is attached hereto as Exhibit "D".
- (L) The covenants and restrictions listed within this section shall be binding upon the Redeveloper, its successors and assigns and shall be recorded in the form of a Declaration of Restrictions attached as Exhibit "E". An executed and notarized original of the Declaration shall be delivered by Redeveloper to the City along with the Redeveloper's execution of this Agreement and the City shall record the Declaration at the Redeveloper's cost. These covenants and restrictions shall remain in effect for the period set forth in Article 6.2 below.

6.2. Effect and Duration of Redeveloper Covenants. It is intended and agreed that the agreements and covenants set forth in this Agreement 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 Agreement, be binding, to the fullest extent permitted by law and equity, for the benefit and in favor of, and enforceable by, the City, their successors and assigns, against the Redeveloper, its successors and assigns and every successor in interest therein, and any party in possession or occupancy of the Project or any part thereof. The covenants shall cease and terminate when a Certificate of Completion for such improvements has been issued, with the exception of the covenants (A) and (J) above, which shall remain in effect without limitation.

ARTICLE 7 PROHIBITION AGAINST ASSIGNMENT AND TRANSFER

7.1. No Transfers. No transfer of the Project or any portion thereof shall be permitted without the City's written authorization, which shall be granted in the City's reasonable discretion. Notwithstanding the foregoing, and as further provided in N.J.S.A. 40A:20-10(b), as if any portion of the Project devoted to condominium ownership or fee-simple ownership, City consent shall not be required to a sale to purchasers of units in such condominium or those units in fee-simple

ownership. In connection with any transfer occurring during the term of this Agreement, the transferee shall also satisfy the requirements set forth in Article 4.1 hereinabove.

7.2. Mortgages Not Prohibited. Nothing herein is intended to prohibit Redeveloper from granting a Mortgage or related security interest to a Mortgagee for the purpose of obtaining the financing necessary to enable the Redeveloper to perform its obligations under this Redevelopment Agreement ("Loan Transaction"). Redeveloper shall give the City at least fifteen (15) days prior written notice of such Loan Transaction, including the name and address of the Mortgagee and shall simultaneously provide to the City true and complete copies of all construction schedules and project budgets submitted to such Mortgagee. Nothing herein is intended to prevent the sale and/or lease of the residential units and/or the commercial space within this Project after the issuance of a Certificate of Completion.

7.3. Information as to Ownership of Redeveloper. In order to assist in the effectuation of the purpose of this Article 7, the Redeveloper represents that the certificate attached to this Agreement as **Exhibit "F"** is an incumbency certificate of the Redeveloper as of the Effective Date, subscribed and sworn to by a manager of the Redeveloper, setting forth the name(s) and address(es) of all entities owning at least a 10% interest in the Redeveloper, and, as to each such entity, all entities owning at least a 10% interest therein, such disclosure being intended to be the same disclosure that the Redeveloper will be required to make in connection with its Governmental applications for land use approvals pursuant to N.J.S.A. 40:55D-48.2.

- (A) At least annually during the period between the Effective Date and Completion of the Project as evidenced by the issuance of a Certificate of Completion, and at such other times as reasonably requested by the City, Redeveloper will update the incumbency certificate and keep **Exhibit "F"** current.
- (B) Redeveloper will immediately notify the City in writing of any and all changes whatsoever in the ownership of the Redeveloper, legal or beneficial, or of any other act or transaction involving or resulting in any change in such ownership or in the relative distribution thereof, or with respect to the identity of the parties in control of the Redeveloper or the degree thereof, of which it or any of its officers or members have been notified or otherwise have knowledge or information. Redeveloper shall, at such time or times as the City may request, furnish the City with a complete statement subscribed and sworn to by managing member of Redeveloper, setting forth all of managing members, or other owners of equity interests of Redeveloper and the extent of their respective holdings, and in the event any other parties have a beneficial interest in Redeveloper's entity, their names and the extent of such interest.

7.4. Event of Default. A transfer in violation of this Article shall be an Event of Default.

ARTICLE 8 MORTGAGE FINANCING

8.1. Mortgages, Liens, or Other Encumbrances. At any time prior to the issuance of a Certificate of Completion, the Redeveloper shall promptly notify the City of any encumbrance or lien that has been created on or attached to the Project, by mortgage or involuntary act of the Redeveloper or others, upon obtaining knowledge or notice of same.

8.2. Notice of Default to Mortgagee and Right to Cure. Whenever the City shall deliver any notice or demand to the Redeveloper with respect to any breach or Default by the Redeveloper under this Redevelopment Agreement, the City shall at the same time deliver to each lender (or equity participant in Redeveloper) a copy of such notice or demand, provided that the Redeveloper has delivered to the City a written notice of the name and address of such lender and equity participant. The lender shall have the same cure periods allowed to the Redeveloper after the receipt of a Default notice from the City, to cure or remedy, or to commence to cure or remedy, any such Default with respect to that portion of the Project which is being financed by such lender and which is subject to being cured

8.3. Lender's Obligations. Redeveloper shall use best efforts to require any party taking a security interest in the Project (each, a "Secured Party") to (i) provide the City a copy of any default notice sent or issued to Redeveloper during the term of this Agreement, simultaneously upon sending or issuance to the Redeveloper.' City shall be under no obligation to accept any Secured Party as the Redeveloper unless such party cures any then-existing default and agrees to be bound by the provisions of this Redeveloper Agreement.

ARTICLE 9 EVENTS OF DEFAULT

9.1. Events of Default. Any one or more of the following shall constitute an Event of Default hereunder, subject to Force Majeure Extension and tolling as provided elsewhere in this Agreement:

- (A) Failure of the Redeveloper or the City to observe or perform any covenant, condition, representation, warranty or agreement hereunder, and any act or omission of the Redeveloper characterized elsewhere in this Agreement as a Default, and with the exception of a Default for non-payment of monies owed, the continuance of such failure, act or omission for a period of sixty (60) Days after receipt by the defaulting party of written notice from the non-defaulting party specifying the nature of such failure and requesting that such failure, act or omission be remedied (a "Notice of Default"); provided, however, that if a non-monetary Default is one that cannot be completely cured within sixty (60) Days after receipt of the Notice of Default, it shall not be an Event of Default as long as the defaulting party promptly began to take actions to correct the non-monetary Default upon its receipt of notice thereof and is proceeding with diligence to remedy the Default as soon as practicable. In no event however shall any cure period extend

beyond six (6) months from the date of Redeveloper's receipt of notice of a Default. Monetary Defaults shall be cured within ten (10) business days of receipt of notice.

- (B) Redeveloper shall have applied for or consented to the appointment of a custodian, receiver or trustee of all or a substantial part of its assets; (ii) a custodian shall have been legally appointed; (iii) Redeveloper makes a general assignment for the benefit of creditors or files for bankruptcy; (iv) Redeveloper files for bankruptcy or is adjudged bankrupt; (v) Redeveloper shall have suspended the transaction of its usual business; (vi) the Property is the subject of a foreclosure action or Redeveloper receives a notice from a creditor holding a security interest in the Property that Redeveloper is in default of any such loan or financing agreement; or (vii) there is any material change in ownership or control of Redeveloper without the approval of the City or there is any material adverse change in the financial condition of the Redeveloper.
- (C) Redeveloper (i) fails to perform its obligations with respect to the implementation of the Project in accordance with this Agreement and the Construction Schedule, the Redevelopment Plan, Governmental Approvals or Applicable Laws, including but not limited to failure to Commence Construction or Complete Construction in accordance with the Construction Schedule; or (ii) abandons the Project or suspends construction work without the prior knowledge and consent of the City (unless such suspension arises out of a Force Majeure Event), and any such failure, abandonment or suspension shall not be cured, ended, or remedied within thirty (30) Days after receipt by the Redeveloper of a Notice of Default; provided, however, that if the Default is one that cannot be completely cured within thirty (30) days after receipt of the Notice of Default, it shall not be an Event of Default as long as the Redeveloper promptly began to take actions to correct the Default upon its receipt of notice thereof and is proceeding with due diligence to remedy the Default as soon as practicable.
- (D) Material breach of any defined warranty or representation made by the Redeveloper herein this agreement.
- (E) Violation by the Redeveloper of any covenant or restriction contained in the Declaration of Restrictions, which violation is not cured within thirty (30) days after receipt by the Redeveloper of a Notice of Default from the City; provided, however, that if the Default is one that cannot be completely cured within thirty (30) days after receipt of the Notice of Default, it shall not be an Event of Default as long as the Redeveloper promptly began to take actions to correct the Default upon its receipt of notice thereof and is proceeding with diligence to remedy the Default as soon as practicable. Notwithstanding the foregoing, any violation by the Redeveloper pursuant to this Article 9.1(E) that continues for more than two (2) years shall be an Event of Default.

- (F) Redeveloper's failure to pay, or delinquency in the payment of, payments-in-lieu of taxes, or real property taxes or assessments applicable to the Property, which violation is not cured within ten (10) business days of written notice by the City.

9.2. Remedies Upon Event of Default.

- (A) Whenever any Event of Default of Redeveloper shall have occurred and has not been cured within the designated cure period, the City may, on written notice to Redeveloper (a "Termination Notice"), terminate this Agreement and the Redeveloper's designation as the exclusive redeveloper for the Property thereunder and take whatever other action at law or in equity as may appear necessary or desirable to enforce the performance or observance of any rights, remedies, obligations, agreements, or covenants of the Redeveloper under this Agreement; provided however, if Redeveloper contests the Event of Default or the facts giving rise to such Event of Default and Redeveloper files, within two (2) weeks of receipt of a notice of Default, an action in with a court of competent jurisdiction contesting such Event of Default, then this Agreement and Redeveloper's designation shall remain in place and in effect until a court of competent jurisdiction renders a final and unappealable decision in the matter. Nothing in this Article 9.2(A) is intended however to limit or restrict the City's authority in connection with a public health and safety threat.
- (B) Whenever any Event of Default of the City shall have occurred, the Redeveloper, after issuance of a Termination Notice to the City, may take whatever action at law or in equity as may appear necessary or desirable to enforce the performance or observance of any rights, remedies, obligations, agreements, or covenants of the Redeveloper under this Agreement.

9.3. Force Majeure Extension. For the purposes of this Agreement, neither the City nor the Redeveloper shall be considered in breach or in Default with respect to its obligations hereunder because of a delay in performance arising from a Force Majeure Event. It is the purpose and intent of this provision that in the event of the occurrence of any such delay, the time or times for performance of the obligations of the City or the Redeveloper shall be extended for the period of the delay; provided, however, that such delay is actually caused by or results from the Force Majeure Event. The time for completion of any specified obligation hereunder shall be tolled for a period of time up to but not exceeding the period of delay resulting from the occurrence of a Force Majeure Event. To invoke the tolling provisions hereunder, the party invoking the provisions hereof must give written notice to the other party of the occurrence of a Force Majeure Event as soon as practicable, but in no event more than sixty (60) Days after the occurrence thereof. In the event that any Force Majeure event lasts longer than six (6) months, either party may terminate this Agreement.

9.4. No Waiver. Except as otherwise expressly provided in this Redevelopment Agreement, any failure or delay by the City in asserting any of its rights or remedies as to any Default by Redeveloper, shall not operate as a waiver of such Default, or of any such rights or

remedies, or to deprive the City 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.

9.5. Remedies Cumulative. No remedy conferred by any of the provisions of this Redevelopment Agreement is intended to be exclusive of any other remedy and each and every remedy shall be cumulative and shall be, in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. The election of any one or more remedies shall not constitute a waiver of the right to pursue other available remedies.

9.6. Failure or Delay by Either Party. Except as otherwise expressly provided in this Redevelopment Agreement, any failure or delay by either party in asserting any of its rights or remedies as to any Default, shall not operate as a waiver of any Default, or any such rights or remedies, or 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 as established by this Agreement.

ARTICLE 10 INSURANCE

10.1 Insurance Coverage Required. Before commencing work, and as a condition precedent for payment, the Redeveloper shall purchase and maintain insurance, in conformance with the provisions contained in this Agreement. This insurance will provide a defense and indemnify the City of Atlantic City (City) against any such claim, damage, loss or expense that is attributable to bodily injury, sickness, disease or death or to injury to or destruction of tangible property (other than the work itself) including the loss of use, which arises out of the Redeveloper's operations under this agreement. This insurance shall apply regardless of whether the operations, actions, derelictions or failures to act from which the claim arises, are attributable to the Redeveloper, any of its Redeveloper's, officers, agents, subcontractors, employees, anyone directly or indirectly employed by any of them including anyone for whose acts of the aforementioned may be liable by operation of statute, government regulation, or applicable case law and the City, unless, caused by the sole negligence of the City.

- (A) Proof of this insurance shall be provided to the City before the work commences as set forth below. In no event shall the failure to provide this proof, prior to the commencement of work, be deemed a waiver by the City of the Redeveloper's insurance obligations set forth herein.
- (B) In the event that the insurance company (ies) issuing the policy (ies) required by this section deny coverage to the City, the Redeveloper will defend and indemnify the City at the Redeveloper's expense.
- (C) The Redeveloper must obtain the required insurance with the carrier rated A-VIII or better by A. M. Best. In the event the Redeveloper subcontracts any part of this project, these insurance requirements must apply to all subcontractors.

10.2 *Types and Amounts of Coverage.* The Redeveloper shall maintain at least the limits of liability as set forth below:

Commercial General Liability Insurance

\$1,000,000.00 Each Occurrence (Bodily Injury and Property Damage)

\$2,000,000.00 General Aggregate

\$2,000,000.00 Products/Completed Operations Aggregate

\$1,000,000.00 Personal and Advertising Injury

Contractual liability that will respond to Indemnification shall be included in the policy. The General Liability and Umbrella/Excess Liability policy Aggregate Limits shall apply separately to the project/location as defined in Section One, Scope of Services. As an alternative, the Redeveloper may provide Commercial General Liability Insurance with no aggregate.

Protection and Indemnity Insurance (only required if boats, barges or other sea vessels are used)

\$ 2,000,000 Each Occurrence Limit (Limit may be reduced to \$1,000,000 if this policy included in the Umbrella Liability Insurance). Pollution Liability in an additional amount of \$1,000,000 must be included in the policy for the Each Occurrence Limit.

Comprehensive Automobile Liability Insurance

\$ 1,000,000.00 Combined Single Limit Bodily Injury and Property Damage. Coverage must include all owned, non-owned and hired vehicles used by the Redeveloper.

Umbrella Liability Insurance

\$ 4,000,000 per Occurrence

\$ 4,000,000 Aggregate.

Policy to apply excess of General Liability, Automobile Liability and Coverage B.

Workers' Compensation and Employers' Liability Insurance

\$ 500,000.00 Each Accident

\$ 500,000.00 Each Employee for Injury by Disease

\$ 500,000.00 Aggregate for Injury by Disease

If the Redeveloper is a Sole Proprietor, Partnership or LLC, Insurance Policy and Certificate must indicate that the proprietor/partners/members are "included".

This requirement does not apply if inclusion is not allowed by law.

If any Employee of the Redeveloper or any Subcontractor of the Licensee is subject to the United States Longshoremen and Harbor Workers Act or the Jones Acts, Certificate must indicate the coverage is included.

Professional Liability Insurance

\$ 1,000,000 Each Claim

\$ 3,000,000 Aggregate

Redeveloper must confirm that the full limits are available and they have not been reduced by other claims. In the event the Professional Liability coverage is written on a Claims-Made basis, Redeveloper warrants that the policy retroactive date precedes the date of this contract and that either continuous coverage or an extended discovery period of 2 years will be maintained from the date this contract is completed.

10.3 *Other Conditions.* The City, along with their respective elected or appointed officials, officers, agents and employees, shall be named as Additional Insureds for Operations and Products/Completed Operations on the Redeveloper's Commercial General Liability Policy, Business Auto Liability and Excess Policy all of which must be primary and noncontributory with respect to the Additional Insureds.

10.4 *City Coverage Not Primary.* It is expressly understood by the parties to this Agreement that it is the intent of the parties that any insurance obtained by the City is deemed excess, noncontributory and not co-primary in relation to the coverage (s) procured by the Redeveloper, any of its Redeveloper's, officers, agents, subcontractors, employees or anyone directly or indirectly employed by any of them or by anyone for whose acts any of the aforementioned may be liable by operations of statute, government regulation or applicable case law.

10.5 *Waiver of Subrogation.* A Waiver of Subrogation clause shall be added to the General Liability, Excess Liability, Automobile Liability and Professional Liability policies in favor of the City and this clause shall apply to the City's elected or appointed officials, officers, agents and employees. It should also apply to the Redeveloper's Worker's Compensation policy if allowed by state law. If the Redeveloper's policy limits are greater than the minimum limits noted above, the minimum limits required are automatically adjusted to those greater limits. Prior to commencement of work, Redeveloper shall submit a Certificate of Insurance in favor of the City and as an Additional Insured Endorsement (in a form acceptable to the City) as required hereunder.

- (A) In any and all claims against the Additional Insureds by any employee of the Redeveloper, anyone directly or indirectly employed by the Redeveloper or anyone for whose acts the Redeveloper may be liable, the indemnification obligation shall not be limited by any limitation on the amount or type of damage, compensation or benefits payable by or for the Redeveloper under Workers' Compensation acts, disability benefit acts or other employee benefit acts.
- (B) The Redeveloper shall maintain in effect all insurance coverages required under this Agreement at the Redeveloper's sole expense and with a carrier(s) rated A-VIII or better by A. M. Best. In the event the Redeveloper fails to obtain or maintain any insurance coverage required under this Agreement, the City may, at its sole

discretion, purchase such coverage as desired for the City's benefit and charge the expense to the Redeveloper, or, in the alternative, terminate this Agreement. In the event the coverage is cancelled or non-renewed, the insurance carrier(s) will provide 30 days advance notice of the cancellation or non-renewal.

ARTICLE 11 OTHER REDEVELOPER OBLIGATIONS

11.1. Construction of Project in Manner Promoting Energy Conservation. The Parties agree that, to the extent possible without materially adversely affecting Project economics, the buildings (and all housing and/or retail units within the buildings) for this Project shall be constructed in a manner to promote energy conservation. The Redeveloper hereby covenants and agrees that it shall construct the buildings (and all housing and/or retail units within the buildings) for this Project so that they are Energy Star compliant (as determined by U.S. Environmental Protection Agency and U.S. Department of Energy guidelines).

11.2. Defense/Indemnification. The Redeveloper agrees to indemnify and hold the City and its agents, employees and/or representatives harmless against any litigation filed against the City and its agents, employees and/or representatives challenging the validity of the Project or of any governmental action taken by the City to effectuate the Project, including but not limited to the City's entry into this Agreement and the City's provision to the Redeveloper of any of the financial incentives described within the Financial Agreement. If such litigation is filed, the City shall retain control over the defense of such litigation and shall appoint counsel of its choice, after consultation with the Redeveloper, to defend the City in such litigation. The Redeveloper shall reimburse the City for the City's reasonable costs in defending such litigation and shall indemnify and hold the City harmless against any monetary judgment entered against the City in such litigation. The City shall promptly inform the Redeveloper of the filing of any litigation challenging the validity of the Project or of any governmental action taken by the City to effectuate the Project and shall have a continuing obligation to keep the Redeveloper apprised of the status of such litigation until the litigation is concluded.

- (A) Redeveloper agrees to indemnify and hold harmless the City and its agents, employees and or/representatives, against, and the Redeveloper shall pay any and all liability, loss, cost, damage, claims, judgment, or expenses, of any and all kinds or nature and however arising, imposed by law, which the City may sustain, be subject to or be caused to incur by reason of any claim, suit or action based upon personal injury, death or damage to property, whether real, personal or mixed, relating to the Redeveloper's activities in constructing the Project or based upon or arising out of contracts entered into by Redeveloper which relate to the construction of the Project, whether as a result of Redeveloper's Default or out of the Redeveloper's acquisition, construction or installation of the Project, including but not limited to any all claims by workmen, employees or agents of the Redeveloper and unrelated third parties, which claims arise from the construction of the Project,

the maintenance and functioning of improvements installed pursuant to the Project, or any other activities of Redeveloper during the construction of the Project. The Parties agree that neither the City nor its directors, officers, agents, servants or employees shall be liable in any event for any action performed under this Agreement and that Redeveloper shall save the City and its directors, officers, agents, servants or employees harmless from any claim or suit by a third party in connection with Redeveloper's obligations under this Agreement, except for any claim arising from the intentional or willful acts of the City.

- (B) Redeveloper, at its own cost and expense, shall defend any and all claims, suits and actions, as described more fully within Article 14.2, which may be brought or asserted against the City and its directors, officers, agents, servants or employees; but this provision shall not be deemed to relieve any insurance company which has issued a policy of insurance which may be provided for in this Agreement from its obligation to defend Redeveloper, the City, and any other insured named in such policy of insurance in connection with claims, suits or actions covered by such policy
- (C) The Redeveloper releases the City from, agrees that the City shall not be liable for, and agrees to hold the City harmless against, any expense or damages incurred because of any litigation commenced as a result of any action taken by the City in good faith with respect to this Agreement and the Project.
- (D) Upon the commencement of any litigation referred to in this Section, or if and when the City incurs any costs, expenses or damages described in this Section, the City shall give the Redeveloper prompt written notice thereof.
- (E) All covenants, stipulations, promises, agreements and obligations of the City contained in this Agreement shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City and not of any member, officer or employee of the City in his or her individual capacity and no recourse shall be had for any claim based hereunder against any member, officer or employee of the City or any natural person executing this Agreement.

The covenants and other provisions of this Section shall survive the termination of this Agreement as to claims arising prior its termination.

ARTICLE 12 MISCELLANEOUS

12.1. Cooperation. The Parties hereto agree to cooperate with each other and to provide all necessary and reasonable documentation, certificates, consents in order to satisfy the terms and conditions hereof and the terms and conditions of this Agreement. The City further agrees to cooperate as may be reasonably requested by any mortgagee of the Redeveloper in connection with obtaining financing for the Project; provided, however, that all costs and expenses of such cooperation by the City shall constitute City Costs. The City further agrees to take all actions

reasonably requested by Redeveloper to expedite the Project, including without limitation designating City staff liaisons to assist the Redeveloper in interacting with City departments, commissions, boards, authorities and the like and granting of special meetings and other expedited processing of Redeveloper's applications, submissions and the like to the extent authorized under Applicable Law.

12.2. Conflict of Interest. No member, official or employee of the City shall have any direct or indirect interest in this Redevelopment Agreement or the Project, nor participate in any decision relating to the Redevelopment Agreement or the Project which is prohibited by law.

12.3. No Consideration For Agreement. The Redeveloper warrants it has not paid or given, and will not pay or give, any third person any money or other consideration for obtaining this Redevelopment Agreement, other than normal costs of conducting business and costs of professional services such as architects, engineers, financial consultants and attorneys. The Redeveloper further warrants it has not paid or incurred any obligation to pay any officer or official of the City any money or other consideration for or in connection with this Redevelopment Agreement.

12.4. Non-Liability of Officials and Employees of the City. No member, official or employee of the City shall be personally liable to the Redeveloper, or any successor in interest, in the event of any Default or breach by the City, or for any amount which may become due to the Redeveloper or its successor, or on any obligation under the terms of this Redevelopment Agreement.

12.5. Pay-to-Play Compliance. Redeveloper has and shall at all times during the term of this Agreement be in compliance with Atlantic City Ordinance No. 11 of 2011, a copy of which is attached as Exhibit "G" and shall, upon execution of this Agreement, provide evidence of same on a form provided by the City.

12.6. Non-Liability of Officials and Employees of the Redeveloper. Unless otherwise obligated hereunder, no member, officer, shareholders, director, partner or employee of the Redeveloper, and no member, officer, shareholders, director, partner or employee of the members of the Redeveloper or the members of the Redeveloper shall be personally liable to the City, or any successor in interest, in the event of any Default or breach by the Redeveloper or for any amount which may become due to the City, or their successors, on any obligation under the terms of this Redevelopment Agreement.

12.7. Modification of Agreement. This Agreement represents the entire agreement by and between the Parties with respect to the development of the Project, the construction of the Project and the conveyance of the Project Properties. No amendment to this Agreement shall be considered binding on either of the Parties unless such amendment is in writing and specifically recites that it is being entered into by and between the City and Developer with the specific intention to modify the terms of this Agreement. In the event that any such amendment is agreed to by the Parties, such amendment shall not modify, change or amend any portion of this Agreement except those specific portions that are recited in such amendment as being modified by such amendment. All other portions of this Agreement not so specifically amended in writing shall

remain in full force and effect. No waiver by the City or the Developer of any covenant, agreement, term, provision or condition of this agreement shall be deemed to have been made unless expressed in writing and signed by an appropriate official on behalf of both the City and the Redeveloper. Notwithstanding the foregoing, any amendment to this Agreement must be approved as to form and legality by the City Solicitor and attested to and acknowledged by the City Clerk and all Material Amendments to this Agreement must be approved by City Council of the City of Atlantic City. A Material Amendment shall include, but not be limited to, any amendment to the sales price, parties, identity or use of the Project Properties to be rehabilitated and/or sold, or any change that would adversely affect the interests of the City of Atlantic City, or constitute an unlawful delegation of legislative authority.

12.8. *Notices and Demands.* A notice, demand or other communication under this Redevelopment Agreement by any party to the other shall be sufficiently given or delivered if dispatched by United States Registered or Certified Mail, postage prepaid and return receipt requested, or delivered by overnight courier or delivered personally (with confirmation of delivery), or by facsimile transmission (with evidence of sending) to the Parties at their respective addresses set forth herein, or at such other address or addresses with respect to the Parties or their counsel as any party may, from time to time, designate in writing and forward to the others as provided in this Section.

As to the City:

CITY OF ATLANTIC CITY
City Clerk
1301 Bacharach Boulevard
Atlantic City, New Jersey 08401

with copies to:

Michael Perugini, Esq., City Solicitor
City of Atlantic City
1301 Bacharach Boulevard, Room 707
Atlantic City, New Jersey 08401

As to the Redeveloper:

Atlantic Lofts Urban Renewal Associates, LLC
1 South New York Avenue
Atlantic City, NJ 08401
Attn: Philip Balderton

with copies to:

Cooper Levenson
1125 Atlantic Avenue
Atlantic City, NJ 08401

Attn: Nicholas F. Talvacchia, Esq.

From time to time either party may designate a different person or address for all the purposes of this Notice provision by giving the other party no less than ten (10) days' notice in advance of such change of address in accordance with the provisions hereof.

12.9. Titles of Articles and Sections. The titles of the several Articles and Sections of this Redevelopment Agreement, as set forth at the heads of said Articles and Sections, are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

12.10. Severability. The validity of any Articles and Sections, clauses or provisions of this Redevelopment Agreement shall not affect the validity of the remaining Articles and Sections, clauses or provisions hereof.

12.11. Successors Bound. This Redevelopment Agreement shall be binding upon the respective Parties hereto and their permitted successors and assigns.

12.12. Governing Law; Jurisdiction and Venue. This Redevelopment Agreement shall be governed by and construed and enforced pursuant to the laws of the State of New Jersey, without regard to its conflict of laws principles. Any action hereunder shall be brought exclusively in a court of the State of New Jersey or in a United States Court having jurisdiction in the District of New Jersey, in either case sitting in Atlantic County, New Jersey, and the Redeveloper hereby waives all objections to such venue. Notwithstanding the above, the Parties may, upon mutual written consent pursue alternate dispute resolution (such as mediation or binding arbitration) to attempt to resolve any issues or disputes arising from this Agreement.

12.13. Counterparts. This Redevelopment Agreement may be executed in counterparts. All such counterparts shall be deemed to be originals and together "shall constitute but one and the same instrument.

12.14. Exhibits. Any and all Exhibits annexed to this Redevelopment Agreement are hereby made a part of this Redevelopment Agreement by this reference thereto.

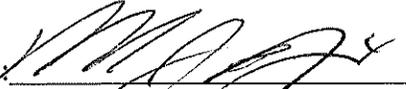
12.15. Entire Agreement. This Redevelopment Agreement constitutes the entire agreement between the Parties hereto and supersedes all prior oral and written agreements between the Parties with respect to the subject matter hereof.

12.16. Waiver. No waiver made by any party with respect to any obligation of any other party under this Redevelopment Agreement shall be considered a waiver of any other rights of the party making the waiver beyond those expressly waived in writing and to the extent thereof.

[signatures on the following page]

IN WITNESS WHEREOF, the Parties hereto have caused this Redevelopment Agreement to be properly executed and their corporate seals affixed and attested as of the date first written above.

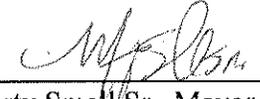
APPROVED AS TO FORM AND LEGALITY

By: 
Michael Perugini, Esq.
Solicitor, City of Atlantic City

Attest:

THE CITY OF ATLANTIC CITY

By: 
Paula Geletei, City Clerk

By: 
Marty Small Sr., Mayor

Witness:

**ATLANTIC LOFTS URBAN
RENEWAL ASSOCIATES, LLC**

By: 

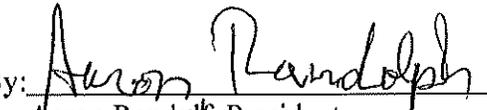
By: 
Name: Philip Balderston
Title: *Manager*

Acknowledged and agreed to by the City Council of the City of Atlantic City acting in its capacity as "Redevelopment Entity" for the Uptown Urban Renewal Tract.

Attest:

**CITY COUNCIL OF THE CITY OF
ATLANTIC CITY, REDEVELOPMENT
ENTITY**

By: 
Paula Geletei, City Clerk

By: 
Aaron Randolph, President

Resolution of the City of Atlantic City

No. 197

Approved as to Form and Legality on Basis of Facts Set Forth

Factual contents certified to by

Assistant City Solicitor /s/ Karl Timbers

Director of Planning & Development/s/ Jacques Howard

Prepared by City Solicitor's Office

Council Members SHABAZZ RANDOLPH & MARSHALL present the following Resolution:

RESOLUTION NAMING ATLANTIC LOFTS URBAN RENEWAL ASSOCIATES, LLC., REDEVELOPER FOR THE PROPERTY LOCATED AT 1 SOUTH NEW YORK AVENUE (BLOCK 146, LOT 1) AND AUTHORIZING THE EXECUTION OF A REDEVELOPMENT AGREEMENT WITH ATLANTIC LOFTS URBAN RENEWAL ASSOCIATES, LLC., FOR THE REDEVELOPMENT OF 1 SOUTH NEW YORK AVENUE (BLOCK 146, LOT 1)

WHEREAS, the Local Redevelopment and Housing Law, *N.J.S.A. 40A:12A-1, et seq.*, as amended and supplemented ("Redevelopment Law"), provides a process for municipalities to participate in the redevelopment and improvement of areas in need of rehabilitation or redevelopment; and

WHEREAS, pursuant to N.J.S.A. 40A:12A-1, et. seq., Resolution No. 889 of 1994 of the City Council of Atlantic City ("City Council") declared the entirety of the City of Atlantic City (the "City") as an "Area in Need of Rehabilitation"; and

WHEREAS, in accordance with N.J.S.A. 52:27BBBB-19(f), the City was declared a blighted area and an area in need of redevelopment; and

WHEREAS, the property known as Block 146, Lot 1, located at 1 South New York Avenue (the "Property"), owned by Atlantic Lofts Urban Renewal Associates, LLC ("Atlantic Lofts") contains the long-vacant former Schwehm Building, and is in need of redevelopment; and

WHEREAS, Ordinance No. 46 adopted the Redevelopment Plan for 1 South New York Avenue Atlantic City N.J. (the "Redevelopment Plan"); and

WHEREAS, the City now wishes to name Atlantic Lofts as the Redeveloper for the Property under the Redevelopment Law; and

WHEREAS, the City and Atlantic Lofts have engaged in negotiations and now wish to enter into a redevelopment agreement concerning the redevelopment of the Property; and

NOW, THEREFORE, BE IT ORDAINED, the City Council of the City of Atlantic City, State of New Jersey, hereby names Atlantic Lofts as Redeveloper of the Property; and

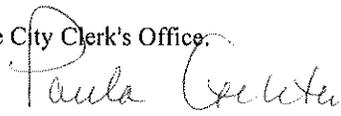
BE IT FURTHER ORDAINED, that City Council hereby approves the Redevelopment Agreement for the Property in substantially the form attached hereto and authorizes the Mayor to sign the Redevelopment Agreement with Redeveloper on behalf of the City.

March 19, 2025

DO NOT USE SPACE BELOW THIS LINE													
RECORD OF COUNCIL VOTE ON FINAL PASSAGE													
COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	MOT.	SEC.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	MOT.	SEC.
BAILEY	X						LACCA	X					
CROUCH	X					X	MARSHALL	X					
DUNSTON	X						SHABAZZ	X				X	
KURTZ	X						TIBBITT	X					
RANDOLPH, PRESIDENT								X					
X-Indicates Vote NV-Not Voting AB-Absent MOT-Motion SEC-Second													

This is a Certified True copy of the Original Resolution on file in the City Clerk's Office.

DATE OF ADOPTION: MARCH 19, 2025



/s/ Paula Geletei, City Clerk