A-1228/Eq

REDEVELOPMENT AGREEMENT

THIS REDEVELOPMENT AGREEMENT ("Agreement") made this 15th day of July, 2024 by and between:

THE CITY OF ATLANTIC CITY, a municipal corporation of the State of New Jersey, having its offices at City Hall, 1301 Bacharach Boulevard, Room 707, Atlantic City, New Jersey 08401 (hereinafter called the "City") acting pursuant to the Act (as hereinafter defined);

AND

ARCTIC OZ CAPITAL LLC, having an address at 219 Christie Street, Unit #2, Leonia, New Jersey 07605 and/or its assignee as provided herein (hereinafter referred to as "Arctic Oz Capital LLC" or "Redeveloper").

Each of the City and Redeveloper hereinafter referred to individually as a "Party" or collectively as the "Parties".

PREAMBLE

WHEREAS, capitalized terms used herein shall have the meaning given to them above, below, or in Section 1.01; and

WHEREAS, all Block and Lot references used in this Agreement shall refer to Blocks and Lots appearing on the official tax maps of the City; and

WHEREAS, pursuant to Resolution No. 889 adopted by the City Council of the City on November 23, 1994, the entire City was declared "an area in need of rehabilitation" under the Act; and

WHEREAS, the City is in need of a comprehensive approach to redevelopment which encompasses the City in its entirety and provides for the rehabilitation of the City as a whole; and

WHEREAS, the City Council of the City of Atlantic City, in the County of Atlantic, New Jersey, following the recommendation of the City Planning Board adopted the "Block 330 Redevelopment Plan" dated September 19, 2023 (the "Redevelopment Plan") for property identified as Block 330, Lots 8, 9, 14, 19, 20, 21, 22 and 23 on the Tax Maps of the City of Atlantic City ("Redevelopment Area") the redevelopment plan for the Redevelopment Area pursuant to Ordinance No. 66, adopted on September 20, 2023; and

WHEREAS, ARCTIC OZ CAPITAL LLC has entered into (*or* shall enter into) a Purchase and Sale Agreement dated June 25, 2024 with the City to

purchase the Redevelopment Area from the City, which form of Purchase and Sale Agreement is attached hereto as Exhibit "B";

WHEREAS, the Redevelopment Area is currently not being utilized to its highest and best use; and

WHEREAS, ARCTIC OZ CAPITAL LLC has proposed the development of a new structure on the currently vacant land to develop a mixed-use midrise five (5) story commercial/residential building with a ground level restaurant/commercial space with a building entry lobby with elevator access to the upper residential floors and other related uses adjacent to and within the Redevelopment Area, (the "Project"); and

WHEREAS, ARCTIC OZ CAPITAL LLC expressed a willingness to implement the Redevelopment Plan to effectuate the Project, and proposes to devote substantial efforts and funds to the completion of the Project; and

WHEREAS, the City pursuant to Resolution No. 377 of 2024, (Ordinance No. 66 dated September 20, 2023) conditionally designated ARCTIC OZ CAPITAL LLC as the "Redeveloper" of the Redevelopment Area; and

WHEREAS, the Act, specifically N.J.S.A. 40A: 12A-8(f), authorizes the entry into a contract with a redeveloper for the planning, construction or undertaking of any project or redevelopment work in an area designated as area in need of redevelopment, or an area of rehabilitation, or both; and

WHEREAS, the City and the Redeveloper have agreed to enter into this Redevelopment Agreement for the purpose of setting forth in detail the Parties' respective undertakings, rights, and obligations in connection with the Project, as the case may be.

NOW, THEREFORE, in consideration of the promises and mutual obligations herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties, and further, to implement the purpose of the Act and the Redevelopment Plan, the Parties do hereby covenant and agree each with the other as follows:

ARTICLE 1
DEFINITIONS AND TITLE TO REDEVELOPMENT AREA

Section 1.01. Definitions.

As used in this Agreement the following terms set forth in this Section shall have the meanings ascribed to such terms below. Terms listed below in the

singular form shall include the plural and words listed in the plural shall include the singular. Whenever the context may require, any pronoun that is used in this Agreement shall include the corresponding masculine, feminine and neuter. Unless otherwise noted, the words "include," "includes" and "including" when used in this Agreement shall be deemed to be followed by the phrase "without limitation". The words "agree," "agreements," "approval" and "consent" when used in this Agreement shall be deemed to be followed by the phrase "which shall not be unreasonably withheld or unduly delayed," except or unless the context may otherwise specify. All references to Sections, Articles or Exhibits shall refer to Sections, Articles or Exhibits in this Agreement.

"Act" shall mean the New Jersey Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq.

"Agreement" refers to this agreement between the City and Redeveloper for the redevelopment of the Redevelopment Area.

"Certificate of Completion" shall mean a written acknowledgment by the City's Director of Planning, pursuant to Sections 3.05 or 4.05, or both, that the Redeveloper has completed construction of the Project, as the case may be (excluding the tenant improvements for any un-leased portions of the Project, as the case may be), in accordance with the requirements of this Agreement.

"Certificate of Occupancy" shall be as defined in the appropriate Section of the City municipal code and the applicable provisions of the Uniform Construction Code.

"Commencement Date" shall mean the date by which Redeveloper agrees to commence development of the Project which shall be no later than one (1) year from the Effective Date.

"Effective Date" shall mean the date this Agreement is fully executed and delivered by the Parties.

"Planning Board" shall mean the Planning Board of the City.

"Project" shall mean the development of the Property to be undertaken by the Redeveloper in accordance with this Agreement (subject to final engineering and the requirements of the Project Governmental Approvals) consisting of the construction of an outdoor dining area, a culturally themed memorial park, and a landscaped parking area, as shown on Exhibit "A" as solely determined by the Redeveloper and permitted under the Redevelopment Plan.

"Property" shall mean Block 330, Lots 8 , 9, 14 and 19 on the Tax Maps of the City of Atlantic City ("Redevelopment Area") the redevelopment plan for the Redevelopment Area pursuant to Ordinance No. 66, adopted on September 20, 2023 and all rights to the land, including subsurface and air rights, access rights on, over and under the area known as " Block 330 Redevelopment Plan" any riparian rights and all improvements on or to such property as shown in Exhibit "A" attached hereto.

"Project Governmental Approvals" shall mean all government approvals including site plans for the obtaining of final site plan approvals; construction plans and specifications for the obtaining of building permits for the Project; environmental approvals; sewerage capacity approvals and any and all other necessary permits, licenses, consents and approvals that may be required in connection with the Project.

"Redevelopment Area" shall mean property identified as Block 330, Lots, 8, 9, 14, 19, 20, 21, 22 and 23 on the Tax Maps of the City of Atlantic City ("Redevelopment Area") in the redevelopment plan for the Redevelopment Area pursuant to Ordinance No. 66, adopted on September 20, 2023.

"Redevelopment Plan" shall mean the redevelopment plan for the Redevelopment Area adopted by City Council pursuant to Ordinance No. 66, adopted on September 20, 2023.

"**State**" shall mean the State of New Jersey.

"**Transfer**" or "**Transferred**" shall mean any sale, assignment, conveyance, lease, or other transfer.

Section 1.02. Title and Acquisition of Property in the Redevelopment Area.

The City represents that the City of Atlantic City is the owner in fee simple absolute of the Property.

ARTICLE 2
PROJECT GOVERNMENTAL APPROVALS, CONSTRUCTION OF PROJECT, OBLIGATIONS, CERTIFICATES OF OCCUPANCY AND COMPLETION

Section 2.01. Redeveloper Obligations.

(a) **Construction of the Project**. Redeveloper agrees, at his cost and expense, to design and construct the Project in accordance with

the Redevelopment Plan, this Agreement and all Project Government Approvals related thereto.

(b) **Project Governmental Approvals**. Redeveloper shall expeditiously prepare and submit the development plans for the Project to the Planning Board, construction and permitting officials of the City for the applicable Project Governmental Approvals. All the Project Governmental Approval applications shall be substantially consistent with the Redevelopment Plan and this Agreement but shall be subject nevertheless to final engineering modifications and the requirements of any and all Federal, State, county, and municipal statutes, laws, ordinances, rules and regulations applicable thereto, provided that the foregoing do not materially change the Project.

(c) **Commencement**. The Redeveloper agrees to commence development of the Project no later than the Commencement Date, as such date may be extended by the City.

Section 2.02. City Obligations.

In consideration of, and as a condition to Redeveloper's obligations hereunder, in addition to the rights granted to Redeveloper in Article 4, the City agrees as follows:

(a) **Restrictions in Redevelopment Area.** During the term of this Agreement, the City agrees that it shall not issue any building permit for, or otherwise allow, the commencement of development or construction by a third party of any work in the Redevelopment Area.

(b) **Cooperation.** If requested by Redeveloper and only to the extent required under applicable law, the City shall be a co-applicant for certain permits and approvals for the Project from State and/or Federal agencies, at no cost to the City. The City shall use its best efforts, but in all cases without any expense to the City, to provide non-privileged and non-confidential information currently in its possession or reasonably accessible to Redeveloper when such information is needed by the Redeveloper to obtain necessary approvals, including, but not limited to executing applications for permits necessary for the redevelopment of the Project. To the extent permitted under applicable law, the City shall reasonably support any applications of Redeveloper that are in accordance with this Redevelopment Agreement.

(c) **Meetings.** The City shall schedule City meetings for action on redevelopment applications of Redeveloper for the Project upon timely written notice from Redeveloper to City of the necessity of such meetings.

(d) **Interference.** The City shall not take any action intended to, directly or indirectly, delay or prevent Redeveloper from implementing the Project in accordance with the Redevelopment Plan, as amended, the zoning ordinance, the Act, and this Redevelopment Agreement.

(e) **Notice of Amendments**. The City shall timely notify Redeveloper of any proposed amendments to the Redevelopment Plan as they relate to the Property, and any zoning ordinances relating thereto. The City shall provide Redeveloper a meaningful opportunity to comment on and to be involved in any non-privileged negotiations surrounding such proposed amendments to the Redevelopment Plan, but the City retains its statutory discretion to amend the Redevelopment Plan from time to time. The City shall not adopt any amendment to the Redevelopment Plan that will prevent the development of the Project consistent with the Redevelopment Plan and any amendments thereto that the City had previously authorized in writing unless this Redevelopment Agreement has been legally terminated.

Section 2.03. Status of the Project.

The City and the Redeveloper agree that this Agreement and the work contemplated hereby does not constitute a "public works contract" as defined in P.L. 1975, c. 127 (N.J.S.A. 10:5-31) and the Project does not constitute "public work" as defined in N.J.S.A. 34:11-56.26(5).

Section 2.04. Application, Review, and Inspection Fees.

The Redeveloper shall pay to the City its normal and customary application, review, and inspection fees with respect to the Project in the amounts and at the times required by the City's Planning Department in the normal course of its processing of applications for development approvals.

Section 2.05. Tax Abatement

The City acknowledges that Redeveloper intends to file an application for a five (5) year tax abatement pursuant to N.J.S.A. 40A:21-1 et seq. with respect to the Property only, which if granted, shall remain in effect provided that Redeveloper complies with all deed restrictions, and otherwise remains in compliance with N.J.S.A. 40A:21-1 et seq.

ARTICLE 3
COVENANTS AND RESTRICTIONS

Section 3.01. Covenants and Restrictions.

Upon the commencement of the Project by Redeveloper, a declaration of covenants and restrictions (the "Declaration of Covenants and Restrictions") shall be recorded in the office of the Atlantic County Clerk with respect to the Project.

Section 3.02. Description of Covenants and Restrictions.

The covenants to be imposed upon the Redeveloper, his successors, and assigns, and recorded in the Declaration of Covenants and Restrictions, shall be limited as provided in this section, below. The Redeveloper and his successors and assigns shall:

(a) Devote the Project to the uses specified in the Redevelopment Plan;

(b) Commence the development of the Project within the period of time described herein;

(c) Have no authority to Transfer the Project except as permitted hereunder; and

(d) In the sale, lease or occupancy of any portion of the Project, not effect or execute any covenant, agreement, lease, conveyance or other instrument whereby the Project is restricted upon the basis of age, race, color, creed, religion, ancestry, national origin, sex or familial status, and the Redeveloper, his successors and assigns, shall comply with all State and local laws prohibiting discrimination or segregation by reason of age, race, color, creed, religion, ancestry, national origin, sex or familial status.

Section 3.03. Project Redevelopment Area Upon Completion.

Upon redevelopment of the Property and completion of the Project, the conditions that were found and determined to exist at the time the Property was determined to be in need of redevelopment or rehabilitation shall be deemed to no longer exist, and as such, no portion of the Project shall be subject to eminent domain.

Section 3.04. Effect and Term of Covenants.

It is intended and agreed, and the Declaration of Covenants and Restrictions shall provide, that the covenants set forth in Section 3.02 shall be covenants running with the land and for the benefit and in favor of, and enforceable by, the City. It is further intended and agreed that Redeveloper's covenants set forth in the Declaration of Covenants and Restrictions shall terminate upon issuance of the Certificate of Completion, except that the covenants provided in Section 3.02(d) shall remain in effect without limitation as to time.

Section 3.05. Certificates of Occupancy and Certificate of Completion.

Upon completion of the construction of each of the respective building structures comprising the Project (exclusive of any unleased portions of the Project) in accordance with the Project Governmental Approvals and applicable building codes and ordinances, the Redeveloper shall apply to the appropriate governmental officer or body for a Certificate of Occupancy for the completed structure. The Certificate of Occupancy, when issued, shall constitute evidence that Redeveloper has fully performed his obligations under this Agreement as to the completed structure. In addition, when the Project has otherwise been fully completed, the Redeveloper shall request a comprehensive, final Certificate of Occupancy for the entire Project. Following the issuance of all of the Certificates of Occupancy and the satisfaction of the terms and conditions of this Agreement, the City's Director of Planning and Development (the "Director") shall promptly issue a Certificate of Completion, in proper form for recording, which shall acknowledge that the Redeveloper has performed all of his duties and obligations under this Agreement and has completed construction of the Project (excluding any unleased portions of the Project) in accordance with the requirements of this Agreement. The Certificate of Completion shall constitute a recordable, conclusive determination of the satisfaction and termination of the Redeveloper's obligations under this Agreement and shall terminate the Redeveloper's covenants in Section 3.02 of this Agreement, except for the covenants provided in Section 3.02(d). Within forty-five (45) days after written request by the Redeveloper, if the Director reasonably determines that the Certificate of Completion should not be issued, the Director shall issue a written statement setting forth in detail the reasons why the Director believes that Redeveloper has failed to complete the Project in accordance with the provisions of this Agreement or is otherwise in default under this or any other applicable agreement and what reasonable measures or acts will be necessary in order for the Redeveloper to be entitled to the Certificate of Completion; provided, that the Director may not refuse to issue a Certificate of Completion based upon items which were covered by a previously issued Certificate of Occupancy. References in this Section to a "Certificate of Occupancy" shall mean a temporary Certificate of Occupancy, except that a final Certificate of Occupancy shall

be required (excluding any unleased portions of the Project) prior to the issuance of the Certificate of Completion. The issuance of the final Certificate of Occupancy shall evidence that the Project is complete and that the Certificate of Completion will be issued upon request.

ARTICLE 4

Section 4.01. Purchase and Sale Agreement.

In consideration of, and as a condition to Redeveloper's obligations hereunder, in addition to the City's obligations under Article 2, the City agrees to sell the Property within the Redevelopment Area to ARCTIC OZ CAPITAL LLC in accordance with the terms of a Purchase and Sale Agreement substantially in the form of the purchase and sale agreement attached hereto as Exhibit "B". The City wishes to transfer the Property to Redeveloper for the nominal cost of ONE HUNDRED SEVEN THOUSAND ($107,000.00) DOLLARS. The conveyance shall be by way of quitclaim deed from the City to the Redeveloper. Such deed shall contain the following deed restrictions and covenants running with the land:

a. At all times, the Property shall be used for surface parking, culturally thematic public sculpture garden, and outdoor seating area;

b. At all times the Property shall be used as a mixed use midrise five (5) story commercial/residential building with a ground level restaurant/commercial space with a building entry lobby with elevator access to the upper residential floors located on Block 330, Lots 8, 9, 14, and 19 also known as 1807 Artic Avenue RR, 1807 Arctic Avenue, 1810 Garfield Avenue, 1812 Garfield Avenue, Atlantic City, New Jersey;

c. Covenants running with the land as may be required pursuant to applicable laws, rules, regulations, ordinances, statutes, and the like; and

d. Restrictions set forth in the Redevelopment Plan dated September 19, 2023, and in the Redeveloper Agreement.

e. That the deed transferring each property to the Redeveloper shall contain a reverter clause that if such property is not timely used, or ceases to be used for the purpose of development of a new structure on the currently vacant land to develop a mixed-use midrise five (5) story commercial/residential building with a ground level restaurant/commercial space with a building entry lobby with elevator access to the upper residential floors and

other related uses adjacent to and within the Redevelopment Area; or the failure to pay property taxes, the property is transferred, assigned or conveyed to another party, shall cause a breach of this agreement and the property shall revert back to the City without entry or re-entry made thereon and Redeveloper shall execute and deliver to the City of Atlantic City a reversionary deed to the above captioned property to be held in escrow by the Solicitor's Office to effectuate the possible reversionary interest. Said deed will remain ineffective unless and until the City Council, by Ordinance finding a violation of Grantee of the requirements stated above, shall accept the deed, or the parties may agree to pay to the City the Fair Market Value ("FMV") of the property to be determined within thirty (30) days in consultation with the City; and

Section 4.02. Redeveloper Obligations.

Subject to the terms of Section 4.01, the Redeveloper agrees, at his cost and expense, to design and construct the development of the Project in accordance with the Redevelopment Plan, this Agreement and all Project Government Approvals related thereto, if any.

Section 4.03. Covenants and Restrictions.

Upon closing pursuant to the Purchase and Sale Agreement by Redeveloper and the City, the Declaration of Covenants and Restrictions with respect to the Project shall be recorded in the office of the Atlantic County Clerk on any deeds conveying the Redevelopment Area.

Section 4.04. Project Redevelopment Area Upon Completion.

Upon redevelopment of Project, the conditions that were found and determined to exist at the time the Redevelopment Area was determined to be in need of redevelopment or rehabilitation shall be deemed to no longer exist.

Section 4.05. Effect and Term of Covenants.

It is intended and agreed, and the Declaration of Covenants and Restrictions shall provide, that the covenants set forth in Section 3.02 shall be covenants running with the land for the benefit and in favor of, and enforceable by, the City against the Redeveloper. It is further intended and agreed that the agreements and covenants set forth in the Declaration of Covenants and Restrictions shall remain in effect until a Certificate of Completion is issued for the Project at which time such covenants shall cease and terminate, except that the covenants provided in Section 3.02(d) and (e) shall remain in effect without limitation as to time.

ARTICLE 5
CONSENT TO TRANSFER

Section 5.01. Prohibition Against Speculative Development.

Because of the importance of the Project to the Redevelopment Area and the general welfare of the community, the Redeveloper represents and agrees that the Project, and the Redeveloper's undertakings pursuant to this Agreement are, and will be used for the purpose of the redevelopment of the Redevelopment Area as provided herein and not for speculation in land holding. Accordingly, except as is provided in Section 5.02, the Redeveloper's assignment of his rights in the Project to an unrelated party is specifically prohibited, unless the City first consents to such Transfer, which consent shall not be unreasonably withheld. Provided that any proposed transferee complies with the conditions set forth in Section 5.03, the City agrees that it shall not unreasonably withhold consent to any Transfer to any party which can reasonably demonstrate that it is financially capable of assuming the obligations required by this Agreement and the Redevelopment Plan which financial capability requirement can be satisfied by a reasoned opinion of a recognized financial analyst.

Section 5.02. Acceptable Transfers.

The following Transfers are exceptions to the prohibition set forth in Section 5.01 and the relevant Transfer documents may be inspected by the City Solicitor to ensure compliance with the anti-speculation language contained in Section 5.01:

(a) mortgage, lien, encumbrance, or transfer of Redeveloper's interest in the Property to or for the benefit of a lender;

(b) leases to tenants in the ordinary course;

(c) utility and other development easements;

(d) Transfers to any affiliates of Redeveloper or any entities owned by, controlling, controlled by or under common control with, Redeveloper; or

(e) any contract or agreement with respect to any of the foregoing exceptions; and

(f) a Transfer to an entity in which Redeveloper, holds a majority of voting power or has a majority of the seats on the board of directors or its equivalent.

(g) a direct or indirect Transfer of interests in Redeveloper, following which the current owners or affiliates of Redeveloper are the majority owner, hold the majority of voting power or hold a majority of the seats on the board of directors or its equivalent of Redeveloper.

Section 5.03. Conditions of Transfer.

The City shall be entitled to require, as conditions to the approval of any Transfer pursuant to Section 5.01 (except as is provided for in Section 5.02) that:

(a) Any proposed transferee, by instrument in writing satisfactory to the City and in recordable form, shall, for itself and its successors and assigns, and expressly for the benefit of the City, have expressly assumed all of the obligations of the Redeveloper under this Agreement and agreed to be subject to all the conditions and restrictions to which the Redeveloper is subject; and

(b) All instruments and other legal documents involved in effecting such Transfer shall be submitted for review to the City and the City shall indicate its approval or disapproval to the Redeveloper in writing; and

(c) Any Transfer approved by the City shall release the Redeveloper from any further obligation under this Agreement from and after the closing of the approved Transfer.

ARTICLE 6
EVENTS OF DEFAULT/ REMEDIES

Section 6.01. Redeveloper: Events of Default.

Subject to Section 8.01, an "Event of Default" under this Agreement shall occur with respect to Redeveloper if the Redeveloper shall fail to substantially perform or comply with any material commitment, agreement, covenant, term or condition of this Agreement, and any such failure shall not be cured, ended, or remedied within ninety (90) days after written demand by the City to do so (or such longer period if incapable of cure within such period, provided that the Redeveloper has commenced and is diligently prosecuting such cure).

Section 6.02. City's Remedies.

Upon the occurrence of an uncured Event of Default by Redeveloper, the City's remedies shall be limited as follows. Upon ninety (90) days' written

notice to the Redeveloper and any mortgagee of the Redeveloper, the City may elect to do either of the following:

(a) Terminate this Agreement;

(b) Institute a proceeding for specific performance or injunction.

(c) Cause the Solicitor's Office to release the reversionary deed from escrow and to record same to vest the property into the City and extinguish the Redeveloper's rights in and to the property.

Section 6.03. City: Events of Default. Subject to Section 8.01, an "Event of Default" under this Agreement shall occur with respect to the City if the City shall fail to substantially perform or comply with any material commitment, agreement, covenant, term or consideration of this Agreement, and any such failure shall not be cured, ended, or remedied within thirty (30) days after written demand by the Redeveloper to do so (or such longer period if incapable of cure within such period, provided that the City has commenced and is diligently prosecuting such cure).

Section 6.04. Redeveloper's Remedies.

Upon the occurrence of an uncured Event of Default by City, the Redeveloper's remedies shall be limited as follows, upon thirty (30) days' written notice to the City and any mortgagee of the City, the Redeveloper may elect to do either of the following:

(a) Terminate this Agreement;

(b) Institute a proceeding for specific performance or injunction.

Section 6.05. Additional Redeveloper Remedies.

In addition to the remedies contained in Section 6.04, in the event that the City fails to abide by its obligations under Section 2.02(a), Redeveloper shall immediately have the right to:

Recover from the City Redevelopers' expenses in connection with Project, including but not limited to, contract negotiations, due diligence investigations, engineering and design, construction costs, and professional fees associated with the Project and enforcement of this Agreement.

ARTICLE 7
REPRESENTATIONS AND COVENANTS

Section 7.01. The Redeveloper.

The Redeveloper hereby makes the following representations and covenants:

(a) He has the legal capacity to enter into this Agreement and perform each of the undertakings set forth herein and in the Redevelopment Plan as of the date of this Agreement.

(b) Intentionally omitted.

(c) He has made the appropriate filings with the State and is authorized to do business within the State.

(d) To the best of his knowledge, 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 Agreement or any action or act taken or to be taken by it pursuant to this Agreement; or (ii) is likely to result in a material adverse change in his property, assets, liabilities or condition which will materially and substantially impair his ability to perform pursuant to the terms of this Agreement.

(e) His execution and delivery of this Agreement and his performance hereunder will not constitute a violation of any agreement, mortgage, indenture, instrument, or judgment, to which he is a party.

(f) He will use his best efforts to ensure the completion of the Project within the time periods specified in this Agreement.

ARTICLE 8
DELAYS

Section 8.01. Delays.

For the purposes of any of the provisions of this Agreement, neither the City nor the Redeveloper, as the case may be, nor any successor in interest, shall be considered in breach of, or in default with respect to his obligations hereunder because of any delay in the performance of such obligations arising from causes beyond his reasonable control and without his fault or negligence, including, but not restricted to, acts of God, acts of the public enemy, acts or omissions of the other parties (including litigation by third parties), fires, floods, pandemics, epidemics, quarantine restrictions, strikes, freight, energy shortages, embargoes, unusual or severe weather, or delays of subcontractors due to any of the foregoing such causes, and actions or inactions by any Federal, state or local governmental or quasi-governmental agency, board or office with respect to the Project Governmental Approvals or the development of the Project (including,

without limitation, a failure of the City to perform in accordance with the terms of this Agreement, or any building or utility moratorium or suspension), if such actions or inactions are not caused by the Redeveloper. 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.

ARTICLE 9
MISCELLANEOUS

Section 9.01. Waivers.

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

Section 9.02. Implementation of Agreement and Redevelopment Plan.

The Parties agree to cooperate with each other and to provide all necessary and reasonable documentation, certificates, consents to satisfy the terms and conditions of this Agreement and the Redevelopment Plan.

Section 9.03. Provisions Not Merged with the Deeds.

None of the provisions of this Agreement are intended to, or shall be merged by reason of, deeds transferring title to any portion of the Property from the City or any successor in interest, and any such deeds shall not be deemed to affect or impair the provisions and covenants of this Agreement.

Section 9.04. Notices and Demands.

A notice, demand or other communication under this 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 (and receipt acknowledged) 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 9.04.

CITY OF ATLANTIC CITY

Paula Geletei, City Clerk
City of Atlantic City

City Hall – Suite 704
1301 Bacharach Boulevard
Atlantic City, New Jersey 08401

with a copy to: Michael J. Perugini, Esq., City Solicitor
City of Atlantic City
City Hall – Suite 707
1301 Bacharach Boulevard
Atlantic City, New Jersey 08401

REDEVELOPER

Arctic Oz Capital LLC
219 Christie Place, Unit #2
Leonia, New Jersey 07605
Attention: James Kang, Sole Member/Manager

with a copy to: Brian Callaghan, Esq.
101 North Washington Avenue, Suite 14
Margate, New Jersey 08402

Section 9.05. Title of Articles and Sections.

The titles of the several Articles and Sections of this Agreement, as set forth in the Table of Contents or 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.

Section 9.06. Severability.

The validity of any Articles and Section, clause or provision of this Agreement shall not affect the validity of the remaining Articles and Section, clauses, or provisions hereof.

Section 9.07. Successors Bound.

This Agreement shall be binding upon the respective Parties and their successors and assigns.

Section 9.08. Governing Law.

This Agreement shall be governed by and construed by the laws of the State.

Section 9.09. Counterparts.

This 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.

Section 9.10. Exhibits.

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

Section 9.11. Entire Agreement.

This Agreement constitutes the entire agreement between the Parties, supersedes all prior oral and written agreements between the Parties with respect to the subject matter hereof and supersedes any other Agreements.

Section 9.12. Effective Date.

Anything herein contained to the contrary notwithstanding, the effective date of this Agreement shall be the date first written above.

Section 9.13. Estoppel Certificate.

The City shall at any time and from time to time, upon not less than ten (10) days' notice from Redeveloper or any lender of Redeveloper, execute and deliver to Redeveloper or any lender of Redeveloper an estoppel certificate in the form attached hereto as Exhibit C.

IN WITNESS WHEREOF, the Parties, by their respective duly authorized representatives, have executed this Agreement on the day and year first above written.

ATTEST:

Paula Geletei
Paula Geletei, City Clerk
7/15/2024

CITY OF ATLANTIC CITY, a municipal corporation of the State of New Jersey

By: _____
Marty Small, Sr., Mayor

REDEVELOPER:

WITNESS:

ARCTIC OZ CAPITAL LLC,

By: _____
James Kang, Sole

_____

Member/Manager

Approved as to form and content.

By: _____
Jack Berenato, Asst. City

Solicitor

EXHIBIT "A"

SITE PLAN

EXHIBIT "B"

FORM OF PURCHASE AND SALE AGREEMENT

PURCHASE AND SALE AGREEMENT

PURCHASE AND SALE AGREEMENT (this "Agreement"), made as of the 25 day of June, 2024 between the **CITY OF ATLANTIC CITY**, a municipal corporation of the State of New Jersey, having offices at 1301 Bacharach Boulevard, Atlantic City, New Jersey 08401 (the "City"), and **ARCTIC OZ CAPITAL LLC**, having an address at 219 Christie Street, Unit 2, Leonia, New Jersey 07605 and/or its assignee, as provided herein, (the "Redeveloper") (collectively, the "Parties").

RECITALS:

WHEREAS, the City is the owner of certain real and personal property, as more particularly described below; and

WHEREAS, the City desires to sell to the Redeveloper and the Redeveloper desires to purchase from the City such real and personal property, as more particularly described below, on the terms and conditions hereinafter set forth; and

WHEREAS, the City and the Redeveloper have agreed that the Redeveloper will be the redeveloper designated to undertake all necessary redevelopment of vacant lots on the Land [as defined in Section 1.4 ("Land")], adjacent to Redeveloper's propose to convert the existing vacant lots into mixed use midrise five (5) story commercial/residential building with a ground level restaurant/commercial space with a building entry lobby with elevator access to the upper residential floors (the "Project").

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants and agreements set forth herein, and for **ONE HUNDRED SEVEN THOUSAND and 00/100 ($107,000.00) DOLLARS** and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

ARTICLE I - GENERAL INFORMATION

The following general information is used throughout this Agreement:

1.1 Redeveloper: **Arctic OZ Capital LLC**

1.2 Redeveloper Tax ID: 88-2530346

1.3 The City: The City of Atlantic City, County of Atlantic, State of New Jersey

1.4 Land: That certain real property identified on the Tax Map of the City of Atlantic City as Block 330, Lots 8, 9, 14 and 19, also known as 1807 Artic Avenue RR, 1807 Arctic Avenue, 1810 Garfield Avenue, 1812 Garfield Avenue, City of Atlantic City, New Jersey, and more particularly described on Exhibit "A" attached hereto and made a part hereof.

1.5 Purchase Price: $ 107,000.00[1]

1.6 Earnest Money: No Earnest Money or other deposit will be required upon execution of this Agreement.

1.7 Closing Date: Within thirty (30) days from the effective date.

1.8 Place of Closing: Surety Title Company
1555 Zion Road
Northfield, New Jersey 08225

1.9 Notices for the City: City of Atlantic City

1301 Bacharach Boulevard
Atlantic City, New Jersey 08401
Attention: City Clerk

with a copy to: Michael J. Perugini, Esq., City Solicitor
City of Atlantic City
1301 Bacharach Boulevard, Room 406
Atlantic City, New Jersey 08108

1.10 Notices, Redeveloper: Arctic OZ Capital LLC
1809-18-15 Arctic Avenue
Atlantic City, New Jersey 08401

with a copy to: Brian Callaghan, Esq.
Callaghan, Thompson & Thompson, P.A.
2428 Atlantic Avenue
Atlantic City, New Jersey 08401

1.11 Escrow Agent: Douglas M. Bern, Esq.

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[1] Block 330 Lot 9 $15,000.00
Block 330 Lot 8 $15,000.00
Block 330 Lot 14 $15,000.00
Block 330 Lot 19 $62,000.00

Bern & Associates LLC
39 Park Place, Suite 204
Englewood, New Jersey 07631
201.431.5000

ARTICLE II - DEFINITIONS

The terms defined in Article I and this Article II, whenever capitalized, shall have the meanings set forth below and in Article I, whenever such terms are used in this Agreement and all Exhibits hereto, unless the context clearly indicates a different meaning:

2.1 **"Agreement."** This instrument, together with all recitals, exhibits, addenda, schedules, and proper amendments thereto.

2.2 **"Certificate of Completion."** A certificate issued by the City to the Redeveloper in accordance with Section 3.05 or 4.05, or both, of the Redevelopment Agreement.

2.3 **"Closing."** The consummation of the transactions contemplated by this Agreement, including the transfer of the Property to the Redeveloper and receipt of the Purchase Price by the City.

2.4 **"Contingencies."** All conditions which must be satisfied before the City and/or the Redeveloper is obligated to consummate the purchase and sale of the Property.

2.5 **"Contingency Date."** The date occurring thirty (30) days after the Effective Date, within which time the Redeveloper is entitled to conduct its due diligence investigation pursuant to Section 5.2 (Due Diligence Contingency by Redeveloper) of this Agreement.

2.6 **"County."** The County of Atlantic, State of New Jersey.

2.7 **"Deed."** The Quitclaim Deed, to be delivered to the Redeveloper at Closing in the form reasonably acceptable to the City's attorney.

2.8 **"Deed Restriction."** A term which is defined in Section 6.4 (Deed Restrictions) hereof.

2.9 **"Due Diligence Period."** The period of time extending thirty (30) days from the Effective Date, within which the Redeveloper is to conduct its due diligence inspection of the Property pursuant to Section 5.2 (Due Diligence Contingency by Redeveloper) of this Agreement.

2.10 "Effective Date." The date upon which this Agreement is fully executed by the Parties.

2.11 "Hazardous Materials." Any substance, material, chemical or waste that is listed as hazardous, toxic, a pollutant or contaminant, or dangerous under any applicable federal, state, county or local statute, rule, regulation, ordinance, or order.

2.12 "Project " A term which is defined in the Recitals.

2.13 "Improvements." A term which is defined in Section 3.1(d) (Improvements) hereof.

2.14 "Notice." A term which is defined in Section 13.3 (Notices) hereof.

2.15 "Party" (or the plural "Parties"). The parties to this Agreement, the City and the Redeveloper.

2.16 "Permitted Exceptions." The following conditions and/or exceptions which may appear on a Title Report, which the Redeveloper agrees to accept without cure from the City:

(a) the standard printed exception pertaining to discrepancies, conflicts, or shortages in area or boundary tines, or any encroachments, or any overlapping of improvements;

(b) the standard printed exception for taxes for the year of closing and subsequent years, and subsequent assessments for prior years due to change in land usage or ownership;

(c) rights of utility companies and/or cable television companies to lay, maintain, install, and repair pipes, lines, poles, conduits, cable boxes and related equipment on, over and under the Property, provided that:

(i) none of such rights imposes any monetary obligation on the owner of the Property;

(ii) the existing Improvements do not violate any of such rights; and

(iii) the exercise of such rights would not adversely affect the Improvements;

(d) the use restrictions specified in the Redevelopment Plan for Block 330 dated September 2023 as required pursuant to the provisions of N.J.S.A. 40A:12A-9(a) along with Redeveloper's Covenants set

forth in Article 3 of the Redevelopment Agreement (*defined below*);

(e) local building and zoning laws and regulations, to the extent applicable; and

(f) the Deed Restrictions set forth in Section 6.4 hereof (*Deed Restrictions*);

Permitted Exceptions shall also include any Title Objections for which the Redeveloper did not object in accordance with Section 6.2 (*Title Review*).

2.17 "Property." Collectively, the Land and all the items of real and personal property to be conveyed to the Redeveloper pursuant to this Agreement as set forth in Article III hereof.

2.18 "Purchase Price." The sum specified in Section 1.5 (*Purchase Price*) above, payable in the manner set forth in Section 4.2 (*Payment of Purchase Price*) hereof.

2.19 "Redevelopment Agreement." The Redevelopment Agreement executed between the Parties dated on or about the date hereof defining the redevelopment obligations and rights of the Redeveloper and the City regarding the Project.

2.20 "Redevelopment Plan." The document entitled "Redevelopment Plan for Block 139, Lots 5, 6, 7, 8, 9, and 10 at 1112-1118 Atlantic Avenue, City of Atlantic City, New Jersey, which was adopted by the City Council on February 23, 2024, by way of Ordinance # 09 of 2024.

2.21 "Report" A term which is defined in Section 5.2 (*Due Diligence Contingency by Redeveloper*) hereof.

2.22 "Settlement." The final step at Closing in which the title to the Property is transferred to the Redeveloper and, and the Purchase Price is delivered by the Redeveloper and is received by the City and all Contingencies have been satisfied.

2.23 "Survey." A report prepared in the form of a map indicating the location and boundaries of a parcel of real property and the location of visible improvements on and adjacent to the parcel of real property, performed by a professional land surveyor licensed in the State of New Jersey, and developed for the purpose of locating, describing, monumenting and mapping the boundaries and corners of a parcel of

land. It may also include mapping of the topography of the parcel, and the location of buildings or other improvements upon the parcel.

2.24 "Title Commitment." A copy of the commitment to insure title from a reputable title company chosen by the Redeveloper, or the report from a reputable title company chosen by the Redeveloper which refuses to issue a commitment to insure marketable title.

2.25 "Title Report" shall mean a copy of the Title Commitment to insure title from a reputable title company chosen by the Redeveloper, or the report from a reputable title company chosen by the Redeveloper to issue a commitment to insure marketable title.

ARTICLE III - AGREEMENT OF PURCHASE AND SALE

3.1 Property. Subject to the terms and conditions set forth in this Agreement, the City agrees to sell, transfer, and assign to the Redeveloper, and the Redeveloper agrees to purchase and accept from the City, all of the City's right, title and interest in and to the following described property (herein collectively called the "Property"):

(a) **Land.** The Land.

(b) **Easements.** All easements, if any, benefiting the Land or the Improvements (as hereinafter defined).

(b) **Rights and Appurtenances.** All rights and appurtenances, if any, pertaining to the Land including any right, title, and interest of the City in and to adjacent streets, alleys or rights-of-way.

(c) **Improvements.** Any and all improvements to and structures in and on the Land, (as defined in the Recitals) ("Improvements").

(d) **Tangible Personal Property.** No tangible personal property ("Tangible Personal Property") shall be transferred under this Agreement as the City does not hold title to any Tangible Personal Property located on or about the Land or the Improvements.

3.2 Deed Restriction. The Parties hereby acknowledge and agree that as part of the City's agreement to sell, transfer and assign the Property to the Redeveloper, the City intends to impose Deed Restrictions on the Property pursuant to Section 6.4. The Redeveloper agrees to

purchase and accept from the City all of the City's right, title, and interest, in and to the Property subject to the Deed Restrictions.

ARTICLE IV - CONSIDERATION

4.1 Earnest Money Deposit. No Earnest Money Deposit will be required upon execution of the Agreement by the Redeveloper and the City.

4.2 Payment of Purchase Price. On the Closing Date, the Redeveloper shall remit to the City the Purchase Price; such payment to the City shall be made, at the Redeveloper's option, by cash, certified check, cashier's check, or wire transfer. The Redeveloper represents that as of the Effective Date of this Agreement or as of Closing, the Redeveloper has or will have all necessary cash assets, together with any mortgage loan proceeds, to complete Settlement. Should the Redeveloper not have sufficient cash assets and/or loan proceeds at the time of Closing, the Redeveloper will be in breach of this Agreement.

4.3 Promise of Redevelopment. To induce the Parties' mutual performance under this Agreement, the City has agreed to designate the Redeveloper, as the redeveloper and the Redeveloper, has agreed to undertake the necessary construction of the Project on the Property, as more particularly described in the Redevelopment Agreement. The terms of the Redevelopment Agreement will be deemed to be incorporated into this Agreement by reference as if set forth at length herein. The City shall transfer to the Redeveloper all existing water and sewer connections on the Property. Any maintenance, repair, replacement, or connection fees required associated with the water and sewer connections, including those associated with the existing connections, shall be paid by the Redeveloper. Any connection fees required in excess of the existing connections shall be paid by the Redeveloper. THE PROVISIONS OF THIS SECTION 4.3 (*Promise of Redevelopment*) SHALL SURVIVE CLOSING.

ARTICLE V - CONDITIONS TO CLOSING

5.1 General Contingencies. The City's obligation to sell the Property to the Redeveloper and the Redeveloper's obligation to purchase the Property from the City, at Closing, are subject to and conditioned upon:

(i) the execution of the Redevelopment Agreement and the same not having been terminated;

(ii) the Redeveloper not being in default under this Agreement or the Redevelopment Agreement;

(iii) the delivery by the appropriate Party of the items set forth in Section 9.2 (Items to be Delivered at Closing) on the Closing Date, or the waiver of such conditions in accordance with the terms of this Agreement; and

(iv) the satisfaction of all other Contingencies set forth in this Agreement.

5.2 Due Diligence Contingency by Redeveloper. The Redeveloper may conduct, at its own cost and expense, a due diligence inspection of the Property including, without limitation (collectively "Due Diligence"):

(a) a Survey;

(b) a surface, subsurface and topographic conditions inspection of the Property;

(c) testing for the presence on the Property of Hazardous Materials;

(d) a review of applicable laws, regulations, and ordinances; and

(e) such other inspections as the Redeveloper in its sole discretion deems necessary or desirable to determine whether the Redeveloper will purchase the Property in its current condition and whether the Property is suitable for the Redeveloper's intended purpose. Except as otherwise provided herein, the City makes no representation or warranty regarding the exact size of the Land, or the square footage of the Improvements located thereon. The City also makes no representation or warranty, whether express or implied regarding the suitability of the use of Property for the Redeveloper's intended purpose. Any implied warranties are expressly disclaimed and excluded, it being the Parties' intent that the Redeveloper shall be solely obligated to determine the suitability of the Property for its Project or any other intended purpose during the Due Diligence Period (*defined below*).

As part of such Due Diligence, the Redeveloper may conduct a non-invasive environmental audit of the Property for which purpose the City shall allow the Redeveloper and the Redeveloper's agents reasonable access. The Redeveloper shall not conduct or allow any physically intrusive testing of, on or under the Property without prior

written approval, of which approval shall not be unreasonably withheld by the City. The Redeveloper's inspection of the Property may include sampling, provided:

(a) the Redeveloper provides the City with a sampling plan before engaging in any sampling;

(b) the City approves the sampling plan, which approval shall not be unreasonably withheld or delayed;

(c) the Redeveloper agrees to divide samples with the City and to conduct sampling only in the presence of a representative of the City;

(d) the Redeveloper shall promptly provide the City with the results of all investigations including, without limitation, all copies of reports, studies, Surveys, plans and other documentation resulting from its inspection prepared by or for the Redeveloper (collectively, the "Reports").

(e) the Redeveloper agrees to allow the City to consult with the Redeveloper and the Redeveloper's consultants and/or other experts with respect to addressing the City's comments regarding proposed sampling and the preparation of or finalization of Reports; and

(f) the Redeveloper agrees to promptly restore the Property and correct any damage caused as a result of any such sampling. In the event the Redeveloper's inspections reveal the existence of any environmental condition which may impose an obligation to report such conditions to any federal, state or local agency, the Redeveloper agrees that neither the Redeveloper nor any of the Redeveloper's consultants or experts shall make such a report (unless failure to do so would subject the Redeveloper, or its consultants or experts, to liability) to any such agencies without the City's written consent, which consent may be granted or withheld in the City's sole discretion. Should the Redeveloper elect to undertake a Due Diligence inspection pursuant hereto, the Redeveloper, or the Redeveloper's agent, shall maintain at all times during the Due Diligence Period (as herein defined), general liability insurance in an amount not less than $1,000,000.00, name the City as an additional insured and, upon request of the City, will provide the City with written evidence of same. The Redeveloper shall be responsible for any damage caused as a result of its Due Diligence. This obligation shall survive termination of this Agreement and the Closing. The "Due

Diligence Period" shall commence on the Effective Date and shall end on the Contingency Date.

If the Redeveloper, in its sole discretion, is not satisfied with the results of its due diligence inspection, then in such event the Redeveloper shall have the Due Diligence Period within which to elect to terminate this Agreement by giving Notice of such election, which Notice shall set forth the basis upon which the Redeveloper has elected to terminate this Agreement on or before 5:00 p.m. local time on the Contingency Date. The results of all inspections including, but not limited to environmental inspections, shall be deemed confidential in nature and, except as provided above, shall not be disclosed to any third parties by the Redeveloper or the City without the other Party's express written authorization. In the event of such termination, this Agreement shall be without any further force, effect or obligation of either Party to the other, except for those provisions that expressly survive the termination of this Agreement. If the Redeveloper has not delivered a Notice of termination within the required time period in accordance with this Section then the Redeveloper shall have no further right to terminate this Agreement pursuant to this Section and this Agreement shall continue in full force and effect, at which point the Redeveloper shall bear the risk that the Property cannot be used for the Redeveloper's intended purpose.

5.3 No Other Contingencies. Except as explicitly provided in this Agreement, there are no contingencies to the Redeveloper's and the City's respective performance obligations under this Agreement.

ARTICLE VI - TITLE

6.1 Title at Closing. At Closing, title to the Property shall be insurable by a reputable title insurance company licensed in the State of New Jersey (the "Title Insurance Company"), at regular rates and without special premiums, subject only to the Permitted Exceptions.

6.2 Title Review. The Redeveloper has thirty (30) days from the Effective Date, but no later than the Contingency Date, to conduct a title review ("Title Review Period"). As part of this review, the Redeveloper agrees to obtain, at its own expense, the title documents it deems necessary to complete its review, which shall include at a minimum a Title Report and a Survey. The Redeveloper shall deliver to the City a copy of the Redeveloper's Title Report and Survey to the City upon the Redeveloper's receipt of the same. The City may also, in its sole discretion, provide a Survey of the Property to the Redeveloper in form and substance satisfactory to the City, The Redeveloper shall

also be deemed to have knowledge of any defect or condition revealed on the City's Survey.

The Redeveloper shall not be permitted to object to any Permitted Exceptions. If the Redeveloper has an objection to items disclosed in the Title Report, the Redeveloper's Survey, or the City's Survey, which, if valid, would render the title uninsurable, or if there are liens or encumbrances which would prevent development of the Project ("Title Objections"), then the Redeveloper may give the City written notice of its Title Objections within the Title Review Period. Any exception to title identified in the Title Report, and any other items disclosed in the Title Report, the Survey or the City's Survey, which are not objected to by the Redeveloper in the manner and within the time period specified herein shall be deemed accepted by the Redeveloper as a Permitted Exception. Time is of the essence with respect to the provisions of this Section 6.2 (*Title Review*).

If the Redeveloper shall raise written Title Objections, within thirty (30) days of the City's receipt of the Redeveloper's Title Objections, the City may, but is not obligated to, cure such Title Objections, in which case it shall act in good faith and use commercially reasonable efforts to cure such Title Objections no later than the Closing Date. The City shall have no obligation to expend any money, to incur any contractual or other obligations, or to institute any litigation in pursuing its efforts to cure any Title Objections. The City shall have the option to cure said Title Objections by way of either:

(1) placing a portion of the Purchase Price equal to the reasonably estimated cost to cure the Title Objection(s) in escrow with the Redeveloper's Title Company for use by the Title Company to cure the Title Objection(s); or

(2) provide the Redeveloper with a credit against the Purchase Price equal to the reasonably estimated cost to cure the same (not to exceed the Purchase Price), but without any other credit or liability on the part of the City for said Title Objection(s). The City shall notify the Redeveloper which of the Title Objections the City shall cure prior to or at the Closing, including when and in what manner said Title Objections are to be cured.

If the City elects or is deemed to have elected not to cure any Title Objections or if, after electing to attempt to cure, the Redeveloper determines that the City is unwilling or unable to remove, satisfy or otherwise cure any such Title Objections, the Redeveloper's sole remedy hereunder in such event shall be either:

(i) to accept title to the Property subject to such Title Objections as if Purchaser had not objected thereto and without reduction of the Purchase Price; or

(ii) to terminate this Agreement, pursuant to Section 11.3 (*Termination — By Redeveloper*), whereupon neither Party hereto shall have any further rights, obligations, or liabilities hereunder except to the extent that any right, obligation, or liability set forth herein expressly survives termination of this Agreement.

6.3 Run-Down Title Examination. The Redeveloper shall have the further right to order a run-down title examination prior to Closing, at the Redeveloper's sole cost and expense, and to submit to the City any Title Objections which may have arisen since the initial title examination.

6.4 Deed Restrictions. Title shall also be subject, and the deed from the City conveying title to the Redeveloper shall include the following restrictions (*collectively the "Deed Restrictions"):*

(a) At all times, the Property shall be used for a mixed use midrise five (5) story commercial/residential building with a ground level restaurant/commercial space with a building entry lobby with elevator access to the upper residential floors;

(b) At all times the Property shall be used in conjunction with the mixed use midrise five (5) story commercial/residential building with a ground level restaurant/commercial space located on Block 330, Lots 8, 9, 14 and 19, commonly known as 1807 Artic Avenue RR, 1807 Arctic Avenue, 1810 Garfield Avenue, 1812 Garfield Avenue, City of Atlantic City, New Jersey.

(c) Covenants running with the land as may be required pursuant to applicable laws, rules, regulations, ordinances, statutes, and the like.

(d) Restrictions set forth in the Redeveloper Agreement and in the Redevelopment Plan dated June 2023.

6.5 Reverter. The Parties to this Agreement acknowledge and agree that the conveyance of the Property to the Redeveloper is subject to the condition that in the event that the Redevelopment Agreement is terminated before a Certificate of Completion is issued, or if construction of the Project is not completed by thirty-six (36) months following receipt of construction permits and the City does not agree

to an extension, the City shall have the right of reversion of the Property, wherein the title and of all the rights and interests in and to the Property conveyed at Closing to the Redeveloper and any assigns or successors in interest, along with any improvements constructed by the Redeveloper on the Property, shall revert to the City. The Parties specifically agree that this reversionary interest of the City shall be set forth in the Deed and shall indicate that the Property is being conveyed subject to the Redevelopment Agreement and the Redeveloper's compliance therewith. Said Deed will remain ineffective unless and until the City Council, by Ordinance finding a violation of Grantee of the requirements stated above, shall accept the Deed, or the parties may agree to pay to the City the Fair Market Value ("FMV") of the property to be determined within thirty (30) days in consultation with the City; and

ARTICLE VII — HAZARDOUS SUBSTANCES

7.1 Hazardous Substances. The City makes no warranty or representation, express or implied, to the Redeveloper regarding the presence or absence of Hazardous Materials or underground storage tanks on the Property. The Redeveloper represents and warrants that it has undertaken and/or will undertake all due diligence and analysis it deems appropriate to determine the environmental condition of the Property and the desirability of acquiring the Property and that the Redeveloper is not relying on any representation or warranty from the City with regard to the environmental condition of the Property in either executing this Agreement or proceeding to Closing.

ARTICLE VIII - FUTURE OPERATIONS

8.1 Maintenance, Litigation. From the Effective Date of this Agreement until the Closing or earlier termination of this Agreement, the City will promptly advise the Redeveloper of any litigation, arbitration or administrative hearing concerning the Property, arising, or threatened, of which the City has notice.

ARTICLE IX - CLOSING

9.1 Date and Place of Closing. Subject to the satisfaction or waiver of all Contingencies and other conditions to either Party's obligation to consummate the purchase and sale of the Property, the Closing shall take place on the Closing Date at the Place of Closing specified in Article I above.

9.2 Items to be Delivered at Closing.

(a) **By City**. At or prior to Closing, the City shall deliver or cause to be delivered to the Redeveloper, through escrow or directly to the Redeveloper, each of the following items:

(i) The Deed, suitable for recording, conveying title to the Property to the Redeveloper, subject to the Permitted Exceptions and the Deed Restrictions set forth in Section 6.4 (Deed Restrictions).

(ii) Evidence of the City's authority to consummate this transaction;

(iii) Any reasonable and customary certificates and affidavits that may be required in the normal course for the City to convey title in accordance with to Article VI (Title), in form and substance satisfactory to the Redeveloper's title insurer, duly executed by the City;

(iv) Possession of the Land and Improvements, subject to the Permitted Exceptions and the Deed Restrictions set forth in Section 6.4 (Deed Restrictions).

(b) **By Redeveloper**. At or prior to Closing, the Redeveloper shall deliver to the City, or cause to be delivered to the City, through escrow or directly to the City, each of the following items:

(i) The Purchase Price in cash, certified check, cashier's check, or wire transfer;

(ii) Evidence of the Redeveloper's authority to consummate this transaction;

(iii) Any reasonable and customary certificates and affidavits that may be required in the normal course for the Redeveloper to purchase the Property or obtain title in accordance with to Article VI (Title), in form and substance satisfactory to the City, duly executed by the Redeveloper;

(iv) Proof of execution of the Redevelopment Agreement; and

(v) Proof of recordation of the Declaration of Covenants and Restrictions as required pursuant to Section 3.02 of the Redevelopment Agreement.

(vi) The executed Reverter Deed in form satisfactory to the City Solicitor, to be held in escrow by the City Solicitor in

accordance with the terms and conditions set forth in the Redeveloper Agreement.

9.3 Certificate of Occupancy. A certificate of occupancy is not required before title to the Property can be transferred from the City to the Redeveloper.

9.4 Certificate of Completion. A Certificate of Completion is not required before title to the Property can be transferred from the City to the Redeveloper.

ARTICLE X - CLOSING COSTS AND ADJUSTMENTS

10.1 Closing Costs. The Redeveloper shall pay any and all recording fees charged on all documents required to be recorded in connection with the conveyance of the Property to the Redeveloper, The City shall execute the appropriate Affidavit of Exemption. Any fees and costs incurred as a result of any title searches, title insurance and/or financing of the Purchase Price or subsequent mortgage of the Property by the Redeveloper shall be paid by the Redeveloper. Any fee charged by a title insurance company for conducting closing shall be paid by the Redeveloper.

ARTICLE XI — DEFAULTS, TERMINATION AND REMEDIES

11.1 City's Default: Redeveloper's Sole Remedies. If, after written demand, the City fails to consummate the transaction contemplated under this Agreement in accordance with its terms other than by reason of:

(i) the Redeveloper's breach of any of its representations or warranties contained in this Agreement or the Redevelopment Agreement;

(ii) the Redeveloper's continuing default of any of its covenants or breach of its obligations in this Agreement or the Redevelopment Agreement after ten (10) days prior written Notice of such default;

(iii) a failure of any condition to the City's obligation to sell the Property to be satisfied;

(iv) a termination of this Agreement by the City or the Redeveloper pursuant to a right to do so expressly provided for in this Agreement;

(v) the termination of the Redevelopment Agreement; or

(vi) failure by the Redeveloper to deliver the items required under Section 9.2(b) (*Items to be Delivered at Closing - By Redeveloper*), the Redeveloper may, as the Redeveloper's sole and exclusive remedy, terminate this Agreement by written Notice to the City. UNDER NO CIRCUMSTANCES MAY THE REDEVELOPER SEEK OR BE ENTITLED TO RECOVER ANY SPECIAL, CONSEQUENTIAL, PUNITIVE, SPECULATIVE, OR INDIRECT DAMAGES, ALL OF WHICH THE REDEVELOPER SPECIFICALLY WAIVES, FROM THE CITY FOR ANY BREACH OR DEFAULT BY THE CITY OF ITS OBLIGATIONS OR REPRESENTATIONS UNDER THIS AGREEMENT"'. In the event of the City's default after Closing in any of its covenants in this Agreement which survive Closing or under any documents delivered at Closing, and such default continues for more than thirty (30) days after written Notice of such default from the Redeveloper, the Redeveloper shall be entitled to pursue its actual and direct damages for such breach as limited above as the Redeveloper's sole and exclusive remedy for such default. THE PROVISIONS OF THIS SECTION 11.1 (*City's Default: Redeveloper's Sole Remedies*) SHALL SURVIVE TERMINATION OF THIS AGREEMENT AND CLOSING.

11.2 Redeveloper's Default: City's Sole Remedies.

(a) If, after written demand, the Redeveloper fails to consummate the transaction contemplated under this Agreement in accordance with its terms, other than by reason of:

(i) the City's breach of any of its representations or warranties contained in this Agreement;

(ii) the City's continuing default of any of its covenants after ten (10) days prior written Notice of such default;

(iii) a failure of any condition to the Redeveloper's obligation to purchase the Property to be satisfied;

(iv) a termination of this Agreement by the City or the Redeveloper pursuant to a right to do so expressly provided for in this Agreement; or

(v) failure by the City to deliver the items required under Section 9.2(a) (Items to be Delivered at Closing - By City),

the City may, as the City's sole and exclusive remedy, terminate this Agreement and pursue its actual and direct damages from the Redeveloper In addition, the Redeveloper shall immediately deliver to the City all information, data, studies and tests regarding the Property in its possession or control, including, without limitation, studies, tests and the results of the studies and tests, the Survey obtained by the Redeveloper if any, any title commitment, and all copies or reproductions of any of the foregoing.

(c) If the Redeveloper defaults on its obligations under the Redevelopment Agreement or this Agreement and such default continues uncured after thirty (30) days written Notice of such default, the City may terminate this Agreement and pursue its actual and direct damages from the Redeveloper. The City shall also be entitled to enforce the remedies provided in the Redevelopment Agreement.

(d) Notwithstanding anything to the contrary contained or implied elsewhere herein, in the event of the Redeveloper's continuing default after Closing or in the event of a default by the Redeveloper that occurs after Closing with regard to any of its covenants in this Agreement which survive Closing or any documents delivered by the Redeveloper at Closing, and such default continues for more than thirty (30) days after written Notice of such default from the City, or immediately if the Redeveloper files a lis pendens or an action for specific performance against the City or otherwise clouds the City's title to the Property or any portion thereof, the City shall be entitled to pursue any remedies available at law or in equity including, but not limited to, suit for damages from the Redeveloper (including, but not limited to, attorneys' fees and costs incurred by the City in connection therewith). The City may also, at its option and upon its demand, have title to the Property returned to it.

(e) THE PROVISIONS OF THIS SECTION 11.2 (*Redeveloper's Default: City's Sole Remedies*) SHALL SURVIVE CLOSING.

11.3 Termination — By Redeveloper. In the event of:

(i) a failure of any condition or Contingency to the Redeveloper's obligations to purchase the Property to be satisfied;

(ii) a failure by the City to deliver the items required under Section 9.2(a) (*Items to be Delivered at Closing - By City*);

(iii) any other event authorizing the Redeveloper's express right to terminate this Agreement, the Redeveloper may terminate this Agreement and this Agreement shall be without any further force, effect or obligation of either Party to the other, except for those provisions that expressly survive the termination of this Agreement.

11.4 Termination — By City. In the event of:

(i) a failure of any condition or Contingency to the City's obligations to purchase the Property to be satisfied;

(ii) a failure by the Redeveloper to deliver the items required under Section 9.2(b) (Items to be Delivered at Closing - By Redeveloper);

(iii) termination of the Redevelopment Agreement or the Redeveloper's breach of the Redevelopment Agreement;

(iv) any other event authorizing the City's express right to terminate this Agreement, the City may terminate this Agreement and this Agreement shall be without any further force, effect or obligation of either Party to the other, except for those provisions that expressly survive the termination of this Agreement.

ARTICLE XII - Warranties and Representations.

12.1 The Redeveloper's Representations Warranties and Covenant. The Redeveloper hereby represents and warrants to, and covenants with the City that:

(a) **Organization.** The Redeveloper has all requisite power and authority to enter into this Agreement.

(b) **Authorization. No Violation**. The execution, delivery and performance by the Redeveloper of this Agreement have been duly authorized by all necessary action and will not violate the certificate of formation, operating agreement or any other formation or operating document of the Redeveloper or result in the breach of or constitute a default under any loan or credit agreement, or other material agreement to which the Redeveloper is a party or by which the Redeveloper or its material assets may be bound or affected.

(c) **Valid and Binding Obligations**. The person executing this Agreement on behalf of the Redeveloper has been duly authorized and empowered and this Agreement has been duly executed and delivered by the Redeveloper and constitutes the valid and binding obligation of the Redeveloper.

(d) **Litigation.** No suit is pending, or to the best of the Redeveloper's knowledge threatened, against or affects the Redeveloper that could have a material adverse effect upon the Redeveloper's performance under this Agreement or the financial condition or business of the Redeveloper. There are no outstanding judgments against the Redeveloper that would have a material adverse effect upon the assets or properties of the Redeveloper, or which would materially impair or limit the ability of the Redeveloper to enter into or carry out the transactions contemplated by this Agreement.

(e) **No Conflicts**. This Agreement is not prohibited by and does not conflict with any other agreements, instruments, judgments, or decrees to which the Redeveloper is a party or is otherwise subject.

(f) **No Violations of Laws**. The Redeveloper has received no notice as of the date of this Agreement asserting any noncompliance in any material respect by the Redeveloper with applicable statutes, rules and regulations of the United States of America, the State of New Jersey or of any other state or municipality or agency. The Redeveloper is not in default with respect to any judgment, order, injunction or decree of any court, administrative agency, or other governmental authority that is in any respect material to the transactions contemplated hereby.

12.2 The City's Representations. The City hereby represents to the best of its knowledge that:

(a) **Organization.** The City is a public body politic of the State of New Jersey. The City has all requisite power and authority to enter into this Agreement.

(b) **Authorization; No Violation.** The execution, delivery and performance by the City of this Agreement are within the authority of the City and will not violate the statutes, rules and regulations establishing the City and governing its activities, have been duly authorized by all necessary government action and will not result in the breach of any material agreement to

which the City is a party or to the best of its knowledge and belief, any other material agreement by which the City or its material assets may be bound or affected.

(c) **Valid and Binding Obligations.** The person executing this Agreement on behalf of the City has been duly authorized and empowered and this Agreement has been duly executed and delivered by the City and constitutes the valid and binding obligation of the City.

(d) **Litigation.** No suit is pending or threatened, against or affects the City that could have a material adverse effect upon the City's performance under this Agreement.

(e) **No Conflicts**. This Agreement is not prohibited by and does not conflict with any other agreements, instruments, judgments, or decrees to which the City is a party or is otherwise subject.

(f) **No Violation of Laws**. The City has received no notice as of the date of this Agreement asserting any noncompliance in any material respect by the City with applicable statutes, rules and regulations of the United States of America, the State of New Jersey or any agency having jurisdiction over and with respect to the transactions contemplated in and by this Agreement; and the City is not in default with respect to any judgment, order, injunction or decree of any court, administrative agency, or other governmental authority which is in any respect material to the transactions contemplated hereby.

12.3 Disclaimer and Release of Claims. THE REDEVELOPER HEREBY WAIVES AND RELINQUISHES ALL RIGHTS AND PRIVILEGES ARISING OUT OF, OR WITH RESPECT TO, ANY REPRESENTATIONS, WARRANTIES OR COVENANTS, WHETHER EXPRESS OR IMPLIED, WHICH MAY HAVE BEEN MADE OR GIVEN, OR WHICH MAY BE DEEMED TO HAVE BEEN MADE OR GIVEN, BY THE CITY OR ITS REPRESENTATIVES, EXCEPT FOR THOSE REPRESENTATIONS, WARRANTIES AND COVENANTS SET FORTH IN THIS AGREEMENT.

THE REDEVELOPER HAS NOT RELIED UPON AND WILL NOT RELY UPON, AND THE CITY EXPRESSLY DISCLAIMS, ANY REPRESENTATIONS OR WARRANTIES WITH RESPECT TO, AND SHALL HAVE NO LIABILITY FOR:

(i) THE CONDITION OF THE PROPERTY OR ANY IMPROVEMENTS LOCATED ON THE PROPERTY OR THE

SUITABILITY OF THE PROPERTY OR THE IMPROVEMENTS FOR HABITATION OR FOR THE REDEVELOPER'S INTENDED USE OR FOR ANY USE WHATSOEVER;

(ii) ANY APPLICABLE BUILDING, ZONING OR FIRE LAWS OR REGULATIONS OR WITH RESPECT TO COMPLIANCE THEREWITH OR WITH RESPECT TO THE EXISTENCE OF OR COMPLIANCE WITH ANY REQUIRED PERMITS, IF ANY, OF ANY GOVERNMENTAL AGENCY;

(iii) THE AVAILABILITY OR EXISTENCE OF ANY WATER, SEWER OR UTILITIES, ANY RIGHTS THERETO, OR ANY WATER, SEWER OR UTILITY DISTRICTS, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED FOR HEREIN;

(iv) ACCESS TO ANY PUBLIC OR PRIVATE SANITARY SEWER SYSTEM; OR

(v) THE PRESENCE OF ANY HAZARDOUS SUBSTANCES IN/ON ANY IMPROVEMENTS ON THE PROPERTY, INCLUDING WITHOUT LIMITATION ASBESTOS OR FORMALDEHYDE, OR THE PRESENCE OF ANY ENVIRONMENTALLY HAZARDOUS WASTES OR MATERIALS ON OR UNDER THE PROPERTY. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, THE CITY SHALL HAVE NO LIABILITY TO THE REDEVELOPER WITH RESPECT TO THE CONDITION OF THE PROPERTY UNDER COMMON LAW, OR ANY FEDERAL, STATE, OR LOCAL LAW OR REGULATION. THE REDEVELOPER HEREBY RELEASES AND WAIVES ANY AND ALL CLAIMS WHICH THE REDEVELOPER HAS OR MAY HAVE AGAINST THE CITY UNDER ANY OF THE FOREGOING LAWS OR WITH RESPECT TO THE CONDITION OF THE PROPERTY. THE REDEVELOPER ACKNOWLEDGES TO THE CITY THAT THE REDEVELOPER IS GIVEN THE OPPORTUNITY UNDER THIS AGREEMENT TO FULLY INSPECT THE PROPERTY AND THE REDEVELOPER ASSUMES THE RESPONSIBILITY AND RISKS OF ALL DEFECTS AND CONDITIONS, INCLUDING SUCH DEFECTS AND CONDITIONS, IF ANY, THAT CANNOT BE OBSERVED BY CASUAL INSPECTION.

THE PROVISIONS OF THIS SECTION 12.3 SHALL SURVIVE THE CLOSING OF TITLE TO THE PROPERTY AND THE RECORDATION OF THE DEED AND SHALL BE INCORPORATED INTO THE DEED AS A SERVITUDE THAT IS TO RUN WITH THE LAND AND BE BINDING UPON THE REDEVELOPER AND THE REDEVELOPER'S HEIRS,

SUCCESSORS AND ASSIGNS, INCLUDING ALL FUTURE OWNERS OF THE PROPERTY.

ARTICLE XIII - MISCELLANEOUS PROVISIONS

13.1 Assignment. The Redeveloper may not assign its rights under this Agreement. This Agreement shall also not be assigned by operation of law.

13.2 Casualty; Risk of Loss.

(a) Casualty. This Agreement shall remain in full force and effect notwithstanding any casualty affecting the Property.

(b) Risk of Loss. Risk of loss until Closing shall be borne by the City.

13.3 Notices. Formal notices, demands and communications between the City and the Redeveloper ("Notices") shall be deemed sufficiently given if dispatched to the address set forth in Section 1.9 (*Notices, City*) and Section 1.10 (*Notices, Redeveloper*) by registered or certified mail, postage prepaid, return receipt requested, and shall be deemed delivered upon receipt. Notices may also be sent by a commercial overnight delivery service with package tracking capability and for which proof of delivery is available. In this case such notice is deemed effective upon delivery. Any Party may change its address for notices by notice theretofore given in accordance with this Section 13.3 (*Notices*) and shall be deemed effective only when actually received by the other Party.

13.4 Entire Agreement. This Agreement and the Exhibits attached hereto constitute the entire agreement between the City and the Redeveloper, and there are no other covenants, agreements, promises, terms, provisions, conditions, undertakings, or understandings, either oral or written, between them concerning the Property other than the Redevelopment Agreement. No subsequent alteration, amendment, change, deletion, or addition to this Agreement shall be binding upon the City or the Redeveloper unless in writing and signed by both the City and the Redeveloper.

13.5 Headings. The headings, captions, numbering system, etc. are inserted only as a matter of convenience and are not to be considered in interpreting the provisions of this Agreement.

13.6 Binding Effect. All the provisions of this Agreement are hereby made binding upon the personal representatives, heirs, successors, and assigns of both Parties hereto. Where required for proper interpretation, words in the singular shall include the plural; the

masculine gender shall include the neuter and the feminine, and vice versa. The terms "heir, executors, administrators and assigns" shall include "successors, legal representatives and assigns."

13.7 Absence of Broker. The Parties represent to each other that no broker or other finder was utilized in connection with the execution of this Agreement and that no brokerage commission will be charged or is otherwise due and owing. If the representation contained in this Section 13.7 (*Absence of Broker*) is untrue, each Party agrees to indemnify the other for any loss incurred.

13.8 Unenforceable or Inapplicable Provisions. If any provision hereof is for any reason unenforceable or inapplicable, the other provisions hereof will remain in full force and effect in the same manner as if such unenforceable or inapplicable provision had never been contained herein, unless such unenforceable provision materially and adversely affects any material covenants set forth herein.

13.9 Counterparts. This Agreement may be executed in any number of counterparts, each of which will for all purposes be deemed to be an original, and all of which counterparts shall constitute one and the same instrument.

13.10 Applicable Law. This Agreement shall be construed under and in accordance with the internal laws of the State of New Jersey without regard to principles of conflicts of laws.

13.11 Attorneys' Fees. In the event any legal action or other proceeding is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, default or misrepresentation in connection with any provision of this Agreement, the successful or prevailing Party or Parties shall be entitled to recover and the court is specifically empowered to award reasonable attorneys' fees, court costs and all expenses even if not taxable as court costs (including, without limitation, all such fees, taxes, costs and expenses incident to appellate, bankruptcy and post-judgment proceedings), incurred in that action or proceeding, in addition to any other relief to which such Party or Parties may be entitled. Attorneys' fees shall include, without limitation, paralegal fees, investigative fees, administrative costs, sales and use taxes and all other charges billed by the attorney to the prevailing Party.

13.12 Authority. Each person executing this Agreement, by his or her execution hereof, represents and warrants that he or she is fully authorized to do so, however, the Parties will cooperate in providing

appropriate proof to the other Party of the authority of the signatory to bind the Party.

13.13 Further Assurances. In addition to the acts and deeds recited herein and contemplated to be performed at the Closing, the City and the Redeveloper agree to perform such other acts, and to execute and deliver such other instruments and documents as either the City or the Redeveloper, or their respective counsel, may reasonably require in order to affect the intents and purposes of this Agreement.

13.14 Time Periods. Unless otherwise expressly provided herein, all periods for delivery or review and the like shall be determined on a "calendar" day basis. If any date for performance, approval, delivery or Closing falls on a Saturday, Sunday, or legal holiday (*state or federal*) in the State of New Jersey, the time therefore shall be extended to the next business day.

13.15 No Recording. The City and the Redeveloper agree that neither this Agreement, a copy of this Agreement nor any instrument describing or referring to this Agreement shall ever be filed of record in the public records of the County, and in the event this Agreement, a copy of this or any instrument describing or referring to this Agreement is so filed of record by the Redeveloper or its agents, such act will be considered a default under this Agreement and the City, at the City's option, may terminate this Agreement and exercise any other rights or remedies of the City under this Agreement for a default on the part of the Redeveloper. However, the Redeveloper shall be entitled, if it so chooses, to file a Notice of Settlement. In addition, the Redeveloper hereby appoints the City as the Redeveloper's agent and attorney-in-fact with full power and authority to execute and record any and all documents deemed necessary by the City to release, explain or terminate any such document wrongfully filed of record in the public records of the County. Such appointment is coupled with an interest and is irrevocable. THE PROVISIONS OF THIS SECTION 13.15 (*NO RECORDING*) SHALL SURVIVE ANY TERMINATION OF THIS AGREEMENT.

13.16 Interpretation. The Parties acknowledge that each Party and its counsel have participated in the drafting of this Agreement and that the rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not be employed in the interpretation of this Agreement or in any amendments or exhibits thereto.

13.17 No Third-Party Beneficiary. The provisions of this Agreement are for the exclusive benefit of the City and the Redeveloper hereto

and no other party shall have any right or claim against the City and the Redeveloper, or either of them, by reason of those provisions or be entitled to enforce any of those provisions against the City and the Redeveloper, or either of them individually.

13.18 Provisions to Survive Closing. Any and all of the provisions of this Agreement that require or provide for the performance or liability of either Party hereto following the Closing shall survive the Closing and the delivery of the Deed to the Redeveloper. It is the Parties' intent that any such provisions, as well as any provisions in this Agreement which are expressly stated as surviving Closing, shall be deemed a covenant collateral to the Deed and shall not merge with the Deed at Closing.

13.19 Escrow Agent. Escrow Agent shall have no liability with regard to any duty under this Agreement nor be responsible for the loss of any money held by it except in the event of gross negligence or willful and intentional misconduct on the part of Escrow Agent.

13.20 No Attorney Review Period. This Agreement was drafted by Attorneys-At-Law. It creates a binding contract when executed, without regard to any period for attorney review and/or cancellation thereafter.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed, all as of the date first above written.

Witness:

_____

Name:
Title:

Artic OZ Capital LLC

_____

Name: James Kang
Title: Sole Member/Manager

Attest:
By: Paula Geletei

Name: Paula Geletei 7/15/2024

Title: City Clerk

CITY OF ATLANTIC CITY

By: _____

Name: Marty Small, Sr.

Title: Mayor

Approved as to form and content. By: _____

Jack Berenato, Asst. City Solicitor

EXHIBIT "A"

Property Descriptions

1810 Garfield Avenue:

The property consists of the land and premises situate, lying and being in the City of Atlantic City, County of Atlantic and State of New Jersey. The legal description is as follows:

BEGINNING at a point in the Southerly line of Garfield Avenue, 115 feet Westwardly from the Westerly line of Indiana Avenue; and extending thence

(1) Southwardly, parallel with Indiana Avenue, 50 feet; thence
(2) Westwardly, parallel with Arctic Avenue, 20 feet; thence
(3) Northwardly, parallel with Indiana Avenue, 50 feet to the Southerly line of Garfield Avenue; thence
(4) Eastwardly, along the same, 20 feet to **BEGINNING**.

FOR INFORMATIONAL PURPOSES ONLY:
BEING Premises No. 1810 Garfield Avenue.
BEING Tax Block: 330, Tax Lot: 9

1812 Garfield Avenue:

The property consists of the land and premises situate, lying and being in the City of Atlantic City, County of Atlantic and State of New Jersey. The legal description is as follows:

BEGINNING at a point in the Southerly line of Garfield Avenue, 135 feet Westwardly from Westerly line of Indiana Avenue and 200 feet Northwardly at right angles from the Northerly line of Arctic Avenue; and extending thence

(1) Southwardly parallel with Indiana Avenue, 50 feet; thence
(2) Westwardly parallel with Arctic Avenue, 20 feet; thence
(3) Northwardly parallel with Indiana Avenue, 50 feet to the Southerly line of Garfield Avenue; thence
(4) Eastwardly along same, 20 feet to the **BEGINNING**.

FOR INFORMATIONAL PURPOSES ONLY:

BEING premises No. 1812 Garfield Avenue.
BEING Tax Block: 330, Tax Lot: 8

1807 Arctic Avenue RR:

The property consists of the land and premises situate, lying and being in the City of Atlantic City, County of Atlantic and State of New Jersey. The legal description is as follows:

BEGINNING at a point in the Northerly line of a 10 feet alley, said point being 75 feet Westwardly from the Westerly line of Indiana Avenue and 110 feet Northwardly from the Northerly line of Arctic Avenue, measured at right angles thereto; and extending thence

(1) Northwardly parallel with Indiana Avenue, 40 feet; thence
(2) Westwardly parallel with Arctic Avenue, 25 feet; thence
(3) Southwardly parallel with Indiana Avenue, 40 feet to the Northerly line of a 10 feet alley; thence
(4) Eastwardly along said alley, 25 feet to the place of **BEGINNING**

FOR INFORMATIONAL PURPOSES ONLY:
BEING premises No. 1807 Arctic Avenue RR
BEING Tax Block: 330, Tax Lot: 14

1807 Arctic Avenue:

All that land and premises situate in the City of Atlantic City County of Atlantic and State of New Jersey bounded and described as follows:

BEGINNING at a point in the Northerly line of Arctic Avenue 75 feet Westwardly from Indiana Avenue; thence

(1) Northwardly parallel with Indiana Avenue 90 feet to a 10 foot wide alley; thence
(2) Westwardly along the Southerly line of said alley parallel with Arctic Avenue 25 feet; thence
(3) Southwardly parallel with Indiana Avenue 90 feet to the Northerly line of Arctic Avenue; thence
(4) Eastwardly along same 25 feet to the place of **BEGINNING.**

FOR INFORMATIONAL PURPOSES ONLY:
BEING premises No. 1807 Arctic Avenue
BEING Tax Block: 330, Tax Lot: 19

Resolution of the City of Atlantic City

No. 377

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

Assistant City Solicitor /s/ Karl Timbers

Factual contents certified to by

Jacques Howard, Director /s/ Planning & Development

Prepared by City Solicitor's Office

Council Members SHABAZZ, MARSHALL, KURTZ , WEEKES & RANDOLPH present the following Resolution:

RESOLUTION TO AUTHORIZE A REDEVELOPMENT AGREEMENT BETWEEN THE CITY OF ATLANTIC CITY AND ARCTIC OZ, LLC FOR THE REDEVELOMENT OF BLOCK 330

WHEREAS, by Ordinance No. 66 of 2023 the City Council of the City of Atlantic City, in the County of Atlantic, New Jersey ("City"), following the recommendation of the City Planning Board adopted the "Redevelopment Plan for the Block 330 Redevelopment Area" (the Redevelopment Plan") for property owned by the City and identified as Block 330; Lots 8, 9, 14, 19, 20, 21, 22 and 23 Tax Maps of the City of Atlantic City ("Redevelopment Area") for the redevelopment of the Redevelopment Area pursuant to Ordinance No. 66, adopted on October 18, 2023; and

WHEREAS, the Redevelopment Area is currently not being utilized to its highest and best use; and

WHEREAS, the City has designated ARCTIC OZ CAPITAL, LLC ("Redeveloper") as the redeveloper of the Redevelopment Area; and

WHEREAS, pursuant to the adopted Redevelopment Plan, the Redeveloper shall enter into a Purchase and Sale Agreement with the City to purchase the Redevelopment Area from the City and provide for the redevelopment of the Redevelopment Area; and

WHEREAS, pursuant to the Redevelopment Agreement ("Redevelopment Agreement") Redeveloper has proposed the development of a new structure on the currently vacant land to develop a mixed-use midrise five (5) story commercial/residential building with a ground level restaurant/commercial space and residences on the upper floors (the "Project"); and

WHEREAS, the Act, specifically N.J.S.A 40A: 12A-8(f), authorizes the entry into a contract with a redeveloper for the planning, construction or undertaking of any project or redevelopment work in an area designated as area in need of redevelopment, or an area of rehabilitation, or both; and

WHEREAS, the City and the Redeveloper have agreed to enter into the Redevelopment Agreement for the purpose of setting forth in detail the Parties' respective undertakings, rights, and obligations in connection with the Project, as the case me be; and

WHEREAS, in consideration of the promises and mutual obligations herein, and other good and valuable consideration, and receipt and sufficiency of which are hereby acknowledged by each of the Parties, and further, to implement the purpose of the Act and the Redevelopment Plan, the Parties do hereby covenant and agree each with the other to enter into a Redevelopment Agreement.

WHEREAS, this matter was considered and approved by City Council's Planning and Development Committee on May 1, 2024; and

NOW THEREFORE BE IT RESOLVED the Council of the City of Atlantic City that the Mayor is duly authorized to execute and the City Clerk to attest the Redevelopment Agreement, approved as to form and execution by the Solicitor, which Redevelopment Agreement shall allow for the construction and operation of the Project in the Redevelopment Area.

June 25, 2024 11:15 AM

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.
CROUCH	X					X	SHABAZZ	X					
DUNSTON	X						TIBBITT	X					
KURTZ	X						WEEKES	X					
MARSHALL	X				X		ZIA	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: MAY 15, 2024 Paula Geletei

/s/ Paula Geletei, City Clerk

Ordinance

Ordinance No. 66 | OF THE CITY OF ATLANTIC CITY, N.J. | Date..9-20-2023... Date to Mayor..10-19-2023....

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

Assistant City Solicitor/ Jack Berenato

Factual contents certified to by

Director of Planning & Development /s/ Jacques Howard

Prepared by the City Solicitor's Office

Revised 10/12/2023

Council Members RANDOLPH, SHABAZZ, MARSHALL, KURTZ, ZIA, MORSHED, TIBBITT & DUNSTON Present the following Ordinance:

ORDINANCE APPROVING A REDEVELOPMENT PLAN FOR THE BLOCK 330 REDEVELOPMENT AREA INCLUDING LOTS 8, 9, 14, 19, 20, 21, 22 and 23 OF BLOCK 330

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 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, pursuant to N.J.S.A. 40A:12A-7, a Governing Body may adopt, revise or amend a redevelopment plan; and

WHEREAS, to facilitate the redevelopment of the Block 330 Redevelopment Area, Block 330, Lots 20, 21, 22 and 23, located within the Tourism District on the 1800 block of Arctic Avenue and as shown on the Redevelopment Plan attached (the "Property"); and

WHEREAS, the entirety of the Redevelopment Area is located within Casino Reinvestment and Development Authority (CRDA) jurisdiction, also known as the Tourism District, the Redevelopment Area will need to be consented to by the CRDA.

WHEREAS, pursuant to N.J.S.A. 40A:12A-7, prior to the adoption of a redevelopment plan the planning board shall transmit to the governing body, within 45 days after referral, a report containing its recommendation concerning the redevelopment plan; and

WHEREAS, N.J.S.A. 40A:12A-1 et seq., as amended and supplemented provides for a process for redevelopment entities to enter into agreements with redevelopers to carry out and effectuate the terms of a redevelopment plan; and

WHEREAS, N.J.S.A. 40A:12A-7, provides for a Redevelopment Plan to identify any property with the redevelopment area which is proposed to be acquired in accordance with the redevelopment plan; and

WHEREAS, this matter was presented and approved for action by the City Council Planning & Development Committee on September 6, 2023; and

WHEREAS, this redevelopment plan was presented, and a consistency determination was rendered by the Atlantic City Planning Board on October 3, 2023.

NOW, THEREFORE, BE IT ORDAINED, the City Council of the City of Atlantic City, State of New Jersey, hereby approves the Block 330 Redevelopment Plan; and

BE IT FURTHER ORDAINED, that in accordance with the Redevelopment Statutes, the Redevelopment Plan identifies four (4) parcels to be acquired in accordance with the N.J.S.A. 40A:12A-7 (4). The parcels include Block 330; Lots 8, 9, 14, and 19. These parcels will provide for an improved development and place vacant City owned parcels on the tax rolls. Acquisition of the four (4) additional parcels will be the sole responsibility of the Redeveloper, at their own initiative and expense. The redeveloper shall be responsible for all costs associated with the acquisition of Atlantic City owned Block 330; Lots 8, 9, 14, and 19 including and not limited to appraisals, surveys, title work, and purchase at appraised value. The land acquisition process must be fully completed in the within twelve months of the date that this Redevelopment Plan is approved by City Council after which the City will have the right to sell or use the properties for other purposes.

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.
DUNSTON	X						SHABAZZ	X				X	
KURTZ	X						TIBBITT	X					
MARSHALL	X						WEEKES	X					
MORSHED	X					X	ZIA	X					
							RANDOLPH, PRESIDENT	X					

X-Indicates Vote NV-Not Voting AB-Absent MOT-Motion SEC-Second

Adopted on first reading at a meeting of the Council of the City of Atlantic City, N.J. on ...SEPTEMBER 20, 2023.....

Adopted on second and final reading after hearing on.....OCTOBER 18, 2023.....

Reconsidered Over

Approved By.../s/...MARTY SMALL, SR. .....Date...10/25/2023.....By Council.....Ride _____ _____

Mayor Aye Nay

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

/s/.....PAULA GELETEI, City Clerk

DO NOT USE SPACE BELOW THIS LINE

RECORD OF COUNCIL VOTE ON FIRST PASSAGE

COUNCIL MEMBER	AYE	NAY	N.V	A.B.	MOT.	SEC.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	MOT.	SEC.
DUNSTON	X						SHABAZZ	X				X	
KURTZ	X						TIBBITT	X					
MARSHALL	X						WEEKES	X					
MORSHED	X					X	ZIA	X					
							RANDOLPH, PRESIDENT	X					

X-Indicates Vote NV-Not Voting AB-Absent MOT-Motion SEC-Second

Adopted on first reading at a meeting of the Council of the City of Atlantic City, N.J. on ...SEPTEMBER 20,2023.....