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11-16-23

ORDINANCE MEMORIALIZING AND RATIFYING THE EXECUTION OF A CONSENT TO COLLATERAL ASSIGNMENT IN FURTHERANCE A FINANCIAL TRANSACTION BY AND BETWEEN CHP LAND, LLC AND BANK OF AMERICA, N.A. RELATIVE TO THE CAMDEN HOTEL PROPERTY LOCATED AT 1 PENN STREET

WHEREAS, City of Camden entered into an Economic Redevelopment and Growth Grant Agreement with Camden Hotel Partners, LLC on April 24, 2019 for the reimbursement of incremental eligible revenues realized from activities or business operations on or relating to the property located at 1 Penn Street in the City of Camden; and

WHEREAS, the original Agreement was amended pursuant to the First Amendment to Local Economic Redevelopment and Growth Grant Program Incentive Agreement on May 23, 2022, to substitute CHP Land for Camden Hotel as the Party in the Original City Agreement; and

WHEREAS, the City and CHP Land entered into a Financial Agreement pursuant to Economic Opportunity Act of 2013, dated January 1, 2021, which provides for certain tax exemptions on Improvements to the Property; and

WHEREAS, CHP Land has executed and delivered to Bank of America, N.A. (BOA) the "Security Instrument" which encumbers certain real property and the buildings and improvements, fixtures and certain personal property located at 1 Penn Street; and

WHEREAS, BOA has agreed to make a commercial mortgage loan to CHP Land in the maximum principal amount of Thirty-Eight Million and No/100 Dollars (\$38,000,000.00) (the "Loan"), which Loan, subject to the consent of the City will be secured by, among other things, a collateral assignment to BOA all of CHP Land's right, title and interest in and to the Project Agreements; and

WHEREAS, CHP Land may not assign or pledge the Project Agreements without the prior written consent of the City of Camden, and

WHEREAS, CHP Land has requested that the City enter into this Consent with respect to the rights of Lender in the Project Agreements; and

WHEREAS, it is in the best interest of the City of Camden to enter into this Consent; now, therefore

BE IT ORDAINED, that the CHP Land, BOA, and the City intend to be legally bound to the term of the Consent set forth herein and agree to the terms more particularly set forth in the attached collateral assignment.

BE IT FURTHER ORDAINED, by the City Council of the City of Camden that the City of Camden hereby consents to Collateral Assignment between Developer and Lender be and hereby is approved, and the proper officers of the City of Camden are authorized to execute certain Collateral Assignment.


BE IT FURTHER ORDAINED, that pursuant to N.J.S.A. 52:27BBB-23 and N.J.S.A. 40:69A-41, a true copy of this Ordinance shall be forwarded to the Mayor, who shall have ten (10) days from the receipt thereof to approve or veto this Ordinance. Additionally, pursuant to N.J.S.A. 52:27BBB-23, a true copy of this Ordinance shall be forwarded to the State Commissioner of Community Affairs, who shall have ten (10) days from the receipt thereof to veto this Ordinance, and the action by the Commissioner regarding this Ordinance shall supersede any action by the Mayor on the same Ordinance. All notices of approval and/or veto shall be filed in the Office of the Municipal Clerk.

Date: November 16, 2023


The above has been reviewed
and approved as to form.



DANIEL S. BLACKBURN
City Attorney



ANGEL FUENTES
President, City Council



VICTOR CARSTARPHEN
Mayor

ATTEST: 

LUIS PASTORIZA
Municipal Clerk

Angel Fuentes, President
Councilperson-at-Large

Sheila Davis, Vice-President
Councilperson-at-Large

Nohemi Soria-Perez
Councilperson-at-Large

Luis Pastoriza, RMC, CMR
Municipal Clerk

Yenise E. Valdez
Assistant Municipal Clerk

Howard McCoach
Counsel-To-Council



Shaneka Boucher
Councilperson, 1st Ward

Chris Collins
Councilperson, 2nd Ward

Marilyn Torres
Councilperson, 3rd Ward

Jannette Ramos
Councilperson, 4th Ward

MUNICIPAL CLERK
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NEW JERSEY

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MEMORANDUM

DATE: December 14, 2023

TO: Victor Carstarphen, Mayor

FROM: Luis Pastoriza, Municipal Clerk

RE: Ordinance Final Passage – (MC-5477)

Ordinance memorializing and ratifying the execution of a consent to collateral assignment in furtherance a financial transaction by and between CHP Land, LLC and Bank of America, N.A. relative to the Camden Hotel property located at 1 Penn Street

In accordance with Rule XIX of the Administrative Code of the City of Camden (Rules of Procedure governing the City Council), I am delivering to you the attached ordinance adopted by City Council at a **Regular** meeting held on **12-12-2023**. Said article provides that "each ordinance shall be returned by the Mayor to the Municipal Clerk after the Mayor has affixed his /her signature thereto or after the expiration of **ten (10) days** from the date of its delivery to the Mayor in any event."

OFFICE OF THE MAYOR	
Received by: _____	Date: <u>12/14/23</u>
Date of Approval: _____	<u>12/15/23</u>