

RESOLUTION NO. 2022- 396

A RESOLUTION APPROVING USE OF SECOND GENERATION LOAN FUNDS AS A BRIDGE LOAN PENDING APPROVAL OF FIRST GENERATION ENTERPRISE ZONE ASSISTANCE FUNDS BY THE STATE UEZ.

WHEREAS, the Enterprise Zone Development Corporation of Vineland and Millville (EZDCVM) and Vineland City Council have recently approved a EZDCVM project involving an equity investment in Weekly World News Studio to establish a film studio at the Landis Marketplace which is to be funded by First Generation Enterprise Zone Assistance Funds.

WHEREAS, the approval of the proposed use of the First Generation Zone Assistance Funds by the State UEZ was to be on the State UEZ's September 7, 2022 agenda.

WHEREAS, the EZDCVM project, which was timely submitted, failed to make it on the State UEZ's agenda for September 7th due to issues at the State level, which prevented Weekly World News Studio from beginning production, as planned, during October 2022.

WHEREAS, the Vineland Revolving Loan Fund, LLC, at its September 13, 2022 meeting, approved a bridge loan of \$1,000,000.00 to Weekly World News Studios, LLC to allow it to begin production at the Landis Marketplace during October 2022, to be repaid within 120 days out of the equity investment to be made by the EZDCVM, together with interest of one (1%).

BE IT RESOLVED, by the Council of the City of Vineland, the governing body of the City of Vineland, that a bridge loan by the Vineland Revolving Loan Fund to Weekly World News Studios LLC, using \$1,000,000.00 in Vineland Revolving Loan Funds, is hereby approved upon same terms and conditions as approved by the Vineland Revolving Loan Fund, LLC.

Adopted:

President of Council

ATTEST:

City Clerk

Williams Adrianna

From: Forosisky Sandra
Sent: Wednesday, September 7, 2022 3:33 PM
To: Antony Thomas Personal Email; Bard Rebecca; Broshchan Alena; DiGiorgio Frank; Fanucci Anthony R; Forosisky Sandra; Humberto Vazquez; Nicholas Fiocchi; Spinelli Paul; Tonetta Richard; Williams Adrianna
Subject: Special Meeting - Bridge Loan
Attachments: UEZ Project-Weekly World News Studio, LLC001.pdf

Dear Loan Committee Members:

The Enterprise Zone Development Corp. of Vineland and Millville (EZDCVM) and Vineland City Council recently approved a UEZ project for an equity investment of \$1,000,000 in a new movie Studio in Vineland, Weekly World New Studios, LLC, for the Landis Marketplace. The VDC also approved leasing the marketplace to them for \$1 to start the movie studio. It was supposed to be approved at the State UEZ meeting on September 7th. However, the State UEZ is severely understaffed and have been inundated with applications so it did not make the agenda. I spoke with the Executive Director, who thinks it is a great project and apologized for it not making the agenda, and he suggested that perhaps we could use our second generation funding to bridge until it is approved at the October meeting. He assured me it would make that agenda. The studio had already planned to start shooting in October and the delay would mess up those plans that were already in the works. I am asking that the VRLF approve a bridge loan of \$1,000,000 for 120 days until we receive the 1st generation funds. I would suggest an interest rate of 1% so that it is a bona fide loan but not impact their budget since the 1st generation funding is an equity investment with the possibility of a large windfall. There was no interest calculated in the budget.

We are scheduling a Teams meeting for Tuesday at 9 a.m. Please advise if you will be able to join the call or come in person so that we know we have a quorum. I have attached the project for your review. This was not meant to be a loan and was not underwritten as such. I have been informed by the producers that they already have a standing offer of the full cost of production for their film plus 15% from a streamline service but they believe they can do much better.

Sandy Forosisky
Director of Economic & Community Development
640 E. Wood Street
P.O. Box 1508
Vineland, NJ 08362-1508
Ph.(856) 794-4000 ext. 4623
Fx. (856) 405-4607
sforosisky@vinelandcity.org



This communication, including any attachments, is for the exclusive use of addressee and may contain proprietary, confidential, and/or privileged information. If you are not the intended recipient, any use, copying, disclosure, dissemination or distribution is strictly prohibited. If you are not the intended recipient, please notify the sender immediately by return email, delete this communication, and destroy all copies.