

Jan 4, 2012

BOARD RESOLUTIONS

&

SUMMARIES

RESOLUTION SUMMARY

Resolution No.: 12-07-11A

Resolution Title:

Resolution Authorizing the Camden Redevelopment Agency to Execute a Partial Termination Agreement Pursuant to a Redevelopment Agreement with the Delaware River Port Authority

Project Summary:

The DRPA was designated as the developer of certain land within the Camden North Gateway Redevelopment Area for the purpose of developing a shopping center. CRA seeks to execute a Partial Termination Agreement with DRPA respecting 2 of the 4 Blocks referenced in the Redevelopment Agreement effective March, 2001, and designate a replacement developer for the purpose of building a charter school.

As background, the following actions have or will be taken:

1. The Cost Agreement between CRA and a potential replacement redeveloper has been executed, escrow established and fees have been paid.
2. The Termination Agreement will reflect unnamed Replacement Redeveloper.
3. Planning Board gave the Charter School the final approval on Dec 8, 2011 for Engineering plans.
4. RFP was posted for professional Services consultant to amend the North Camden Gateway Redevelopment Plan with due date of Jan 4. Selection will be made from responses and contract will be executed.

Award Process:

N/A

Cost Not to Exceed:

N/A

Total Project Cost:

N/A

Resolution: 12-07-11A

Resolution Authorizing the Camden Redevelopment Agency to Execute a Partial Termination Agreement Pursuant to a Redevelopment Agreement with the Delaware River Port Authority

WHEREAS, the City of Camden Redevelopment Agency ("CRA") is charged with the duty of redevelopment throughout the City of Camden; and

WHEREAS, the City Council of the City of Camden ("City Council") on *November 13, 1992* adopted, in accordance with the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq., an ordinance approving the Camden North Gateway Redevelopment Plan (the "Plan") as to certain land within the City of Camden more particularly described therein (collectively, the "Redevelopment Area"); and

WHEREAS, the City Council designated the CRA as the redevelopment entity pursuant to the Redevelopment Law to implement redevelopment plans and carry out redevelopment projects within the Redevelopment Area; and

WHEREAS, the Plan authorizes the CRA to designate and enter into a contract with a redeveloper to undertake a redevelopment project forming a part of or in furtherance of the Plan; and

WHEREAS, Delaware River Port Authority ("DRPA") was designated redeveloper of *Block 85, Lot 1; Block 86, Lot 51 and all of Blocks 87 and 89* on the official tax map of the City of Camden, County of Camden, State of New Jersey (the "Project Site") and CRA entered into a Redevelopment Agreement with DRPA *dated March 27, 201* (the "Redevelopment Agreement") regarding the aforementioned Blocks and Lots; and

WHEREAS, the CRA and the DRPA have agreed to a Partial Termination of the Agreement ("Partial Termination") as to Blocks 87 and 89 as reflected in hereto attached **Exhibit**;

12-07-11A (cont'd)

NOW, THEREFORE, BE IT RESOLVED, by the Board of Commissioners of the CRA (the "Board") that DRPA's designation as redeveloper of the Project Site under the Redevelopment Law as to Blocks 87 and 89 will be terminated with the execution of the Partial Termination Agreement with DRPA;

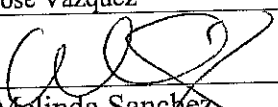
IT IS FURTHER RESOLVED that the Executive Director may, as instructed by the Board of Commissioners to execute the Partial Termination Agreement, and any and all other documents, necessary to effectuate the purposes of this resolution.

12-07-11A

ON MOTION OF: Bryan Morton

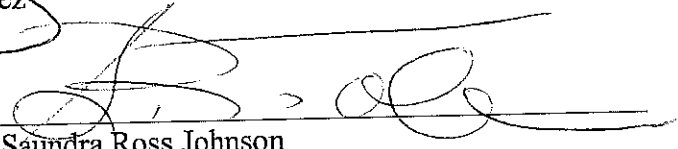
SECONDED BY: Louis Quinones

COMMISSIONER	AYES	NAYS	ABSTENTIONS
Melinda Sanchez, Chair	✓		
Vance Bowman		✓	
Kenwood Hagamin, Jr.			
Bryon Morton	✓		
Gloria Pena			
Louis Quinones	✓		
Jose Vazquez			



Melinda Sanchez
Chairperson

ATTEST:



Sandra Ross Johnson
Executive Director

Resolution: 12-07-11A
 Exhibit

	Blk	Lot	Property Address	Owner
1	85	1	400 block of 7 th Street	CRA
2	86	51	400 block of 7 th Street	CRA
3	87	1	442-444 N. 8 th Street	CRA
4	87	3	440 N. 8 th Street	CRA
5	87	4	438 N. 8 th Street	CRA
6	87	8	430 N. 8 th Street	CRA
7	87	9	428 N. 8 th Street	CRA
8	87	10	426 N. 8 th Street	CRA
9	87	11	424 N. 8 th Street	CRA
10	87	12	422 N. 8 th Street	CRA
11	87	13	808 Pearl Street	CRA
12	87	14	810 Pearl Street	CRA
13	87	15	812 Pearl Street	CRA
14	87	16	814 Pearl Street	CRA
15	87	17	816 Pearl Street	CRA
16	87	18	818 Pearl Street	CRA
17	87	19	820 Pearl Street	CRA
18	87	21	824 Pearl Street	CRA
19	87	22	826 Pearl Street	CRA
20	87	23	828 Pearl Street	CRA
21	87	24	830 Pearl Street	CRA
22	87	25	832 Pearl Street	CRA
23	87	26	834 Pearl Street	CRA
24	87	27	836 Pearl Street	CRA
25	87	28	838 Pearl Street	CRA
26	87	29	840 Pearl Street	CRA
27	87	30	842 Pearl Street	CRA
28	87	31	844 Pearl Street	CRA
29	87	32	846 Pearl Street	CRA
30	87	33	848 Pearl Street	CRA
31	87	34	445 N. 9 th Street	CRA
32	87	35	443 N. 9 th Street	CRA
33	87	36	441 N. 9 th Street	CRA
34	87	37	439 N. 9 th Street	CRA
35	87	38	437 N. 9 th Street	CRA
36	87	39	435 N. 9 th Street	CRA
37	87	40	433 N. 9 th Street	CRA
38	87	41	431 N. 9 th Street	CRA
39	87	42	429 N. 9 th Street	CRA
40	87	45	849 Fern Street	CRA
41	87	46	847 Fern Street	CRA

Resolution: 12-07-11A (Commit)
 Exhibit

42	87	47	845 Fern Street	CRA
43	87	48	843 Fern Street	CRA
44	87	49	841 Fern Street	CRA
45	87	50	839 Fern Street	CRA
46	87	51	837 Fern Street	CRA
47	87	52	835 Fern Street	CRA
48	87	53	833 Fern Street	CRA
49	87	54	831 Fern Street	CRA
50	87	55	829 Fern Street	CRA
51	87	57	825 Fern Street	CRA
52	87	58	823 Fern Street	CRA
53	87	59	821 Fern Street	CRA
54	87	60	819 Fern Street	CRA
55	87	61	817 Fern Street	CRA
56	87	62	815 Fern Street	CRA
57	87	63	813 Fern Street	CRA
58	87	64	811 Fern Street	CRA
59	87	65	809 Fern Street	CRA
60	89	66	800 Fern Street	CRA
61	89	67	802 Fern Street	CRA
62	89	68	804 Fern Street	CRA
63	87	44	425 N. 9 th Street	CRA
64	89	69	806 Fern Street	CRA
65	89	70	808 Fern Street	CRA
66	89	71	810 Fern Street	CRA
67	89	72	812 Fern Street	CRA
68	89	73	814 Fern Street	CRA
69	89	74	816 Fern Street	CRA
70	89	75	818 Fern Street	CRA
71	89	76	820 Fern Street	CRA
72	89	77	822 Fern Street	CRA
73	89	78	824 Fern Street	CRA
74	89	80	828 Fern Street	CRA
75	89	81	830 Fern Street	CRA
76	89	82	832 Fern Street	CRA
77	89	83	834 Fern Street	CRA
78	89	84	836 Fern Street	CRA
79	89	85	838 Fern Street	CRA
80	89	86	840 Fern Street	CRA
81	89	88	801 Linden Street	CRA
82	89	89	803 Linden Street	CRA
83	89	90	805 Linden Street	CRA
84	89	91	807 Linden Street	CRA
85	89	92	809 Linden Street	CRA
86	89	93	811 Linden Street	CRA
87	89	94	813 Linden Street	CRA
88	89	95	815 Linden Street	CRA
89	89	96	817 Linden Street	CRA
90	89	98	821 Linden Street	CRA
91	89	99	823 Linden Street	CRA
92	89	100	825 Linden Street	CRA

Resolution: 12-07-11A (cont)
Exhibit

93	89	101	827 Linden Street	CRA
94	89	102	829 Linden Street	CRA
95	89	103	831 Linden Street	CRA
96	89	104	833 Linden Street	CRA
97	89	109	419 N. 9 th Street	CRA
98	89	110	417 N. 9 th Street	CRA
99	89	111	415 N. 9 th Street	CRA
100	89	112	413 N. 9 th Street	CRA
101	89	113	411 N. 9 th Street	CRA
102	89	114	409 N. 9 th Street	CRA
103	89	115	407 N. 9 th Street	CRA
104	89	116	405 N. 9 th Street	CRA
105	89	117	403 N. 9 th Street	CRA
106	89	118	401 N. 9 th Street	CRA

CITY OF CAMDEN REDEVELOPMENT AGENCY
RESOLUTION SUMMARY

Housing

Resolution No.: 12-29-11B

Resolution Title:

**Resolution Authorizing Amendments to A Loan Commitment
to Lutheran Social Ministries of New Jersey for the New Construction
of Two Affordable Rental Units at 318 and 320 York Street in North Camden
in Connection with Neighborhood Stabilization Program 2 ("NSP 2") Funds**

Project Summary:

The CRA Board by Resolutions 09-07-11 and 11-02-11E authorized and amended a NSP 2 Loan Commitment to Lutheran Social Ministries of New Jersey (LSM) for the demolition of four (4) blighted structures and the reconstruction of two (2) new rental units at 318 and 320 York Street in North Camden. This Resolution seeks to amend Resolution 11-02-11E to increase the NSP 2 Loan amount from \$335,555.00 to \$391,283.00 and to change the terms for repayment.

1. Increase NSP 2 Loan Amount not to exceed \$391,283.00 – Project development costs have increased by \$55,728.00, resulting from entry into a firm construction contract and meeting requirements of the City of Camden Planning Board.
2. Use of NSP 2 loan proceeds - The NSP 2 loan will be used, in part, to assist in the demolition of four vacant blighted structures, and re-construction of 2 townhouse style 3-story dwelling units. Units will be rented to households earning up to 60% of the area's median income or \$43,440. The two remaining vacant lots will be greened and maintained by LSM.
3. Change in NSP 2 Loan Interest Rate and Repayment Terms - The term of the loan will be twenty years from the date the City of Camden issues certificates of occupancy for both units of the York Street Project. The applicable interest rate will be changed from 1% to 0%. No principal and interest will be required to be repaid during the term of the loan. At the maturity date, \$291,283 of the loan will be forgiven and will not be repaid. The remaining \$100,000 of the loan will be repayable. However, LSM has asked that a provision be incorporated in the loan documents to allow LSM to request additional loan forgiveness if LSM can show that forgiveness is appropriate by setting forth specific circumstances for the request.
4. As reflected in the Resolution, the Board previously approved Resolutions for the loan commitment.
5. Time is of the essence for approval to meet the required spend down of funds.

Award Process: N/A

Cost Not To Exceed: N/A

Total Project Cost: \$391,283 NSP 2 Loan / Total Development Cost \$ 682,728

Source of Funds: NSP 2 Grant

**Resolution Authorizing Amendments to a Loan Commitment
to Lutheran Social Ministries of New Jersey for the New Construction of
Two Affordable Rental Units at 318 and 320 York Street in North Camden
in Connection with Neighborhood Stabilization Program 2 (NSP2) Funds**

WHEREAS, the City of Camden Redevelopment Agency ("CRA") is charged with the duty of redevelopment throughout the City of Camden; and

WHEREAS, the CRA/City of Camden applied for and was awarded a \$11.9 million grant under the Neighborhood Stabilization Program ("NSP 2") by the U.S. Department of Housing and Urban Development ("HUD"), pursuant to the American Recovery and Reinvestment Act of 2009 and the Housing and Economic Recovery Act of 2008, for the purpose of assisting in the redevelopment of vacant or abandoned, or foreclosed upon properties, leading to stabilization of negatively affected neighborhoods; and

WHEREAS, the CRA is administering the implementation of HUD's NSP 2 Program within targeted City of Camden neighborhoods and to accomplish these goals CRA must be able to enter into agreements and make loans for the purpose of financing NSP 2 eligible activities, including the acquisition, construction, rehabilitation, and demolition of properties in connection with developing housing or related projects; and,

WHEREAS, Lutheran Social Ministries of New Jersey ("LSM") proposes to undertake the demolition of four blighted structures and reconstruction of two affordable rental units at 318 and 320 York Street in the City of Camden's Cooper Poynt neighborhood in North Camden ("the Project"); and,

WHEREAS, LSM has acquired the Project Site from the City of Camden described on the Official Tax Assessment Map of the City and County of Camden as Block 24, Lots 44 and 45; and Block 787, Lot 67; and Block 10, Lot 44; and

WHEREAS, CRA authorized Resolutions 09-07-11 and 11-02-11E to extend a NSP 2 Loan commitment to LSM for the Project under certain terms and conditions, and

12-29-11B (cont'd.)

WHEREAS, CRA and LSM have agreed to changes in the terms of the NSP 2 Loan commitment, and CRA desires to amend Resolution 11-0211E by authorizing an increase in the NSP 2 Loan amount from \$335,555.00 to \$391,283.00 and revising the terms of the loan as follows:

1. The applicable interest rate of the loan is 1%. No principal and interest will be required to be repaid during the term of the loan. At the maturity date, \$291,283 of the loan will be forgiven and will not be repaid. The remaining \$100,000 of the loan shall be repayable.
2. LSM shall agree that they will not pursue a Payment in Lieu of Taxes Agreement or Tax Abatement for the Project from the City of Camden.
3. Notwithstanding anything to the contrary, the Project will remain subject to affordability restrictions established by HUD and applicable to the use of NSP 2 grant funds for 20 year term of the loan.

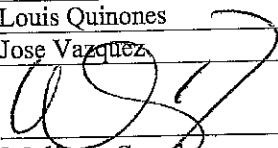
NOW, THEREFORE, BE IT RESOLVED that the governing body of the City of Camden Redevelopment Agency does hereby authorize the Executive Director, a duly authorized representative of the City of Camden Redevelopment Agency, to amend the NSP 2 loan commitment and agreement with Lutheran Social Ministries of New Jersey under such terms and conditions as set forth above, and

FURTHER, AUTHORIZING execution and delivery of any and all documents necessary to carry out the foregoing.

ON MOTION OF: Bryan Morton

SECONDED BY: Louis Quinones

COMMISSIONER	AYES	NAYS	ABSTENTIONS
Melinda Sanchez, Chair	✓		
Vance Bowman	✓		
Kenwood Hagamin, Jr.			
Bryon Morton	✓		
Gloria Pena			
Louis Quinones	✓		
Jose Vazquez			


Melinda Sanchez
Chairperson

ATTEST:

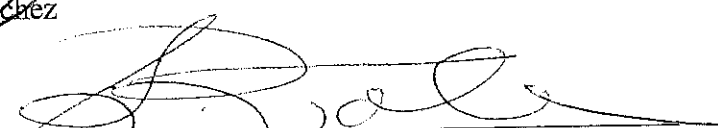

Sandra Ross Johnson
Executive Director

Exhibit "A" - NSP 2 - Resolution 12-29-11B v1/4/12

NSP-2 Loan	Interest Rate	Term and Payments	Term of Affordability	Lien Position
<p>Resolution No. 09-07-11C</p> <p>NSP 2 Loan \$334,000</p>	<p>0% Interest</p>	<ul style="list-style-type: none"> Term of Construction Loan 2-Years. No principal or interest will be required during the term of the construction loan. At the end of construction loan, the loan will be converted to a permanent mortgage loan. 	<p>20 - years NSP 2/HOME</p> <ul style="list-style-type: none"> NSP 2/ HOME affordability restrictions. Units made available to low and moderate income households (up to 60% AMD). 30 - years Fair Housing Act Units made available to low and moderate income households (up to 80% AMD). 	<p>1st Mortgage/Position - NSP 2/ CRA</p> <p>Note: City HOME \$256,445.00 Grant</p>
<p>Resolution No. 11-02-11E</p> <p>NSP 2 Loan 335,555</p>	<p>1 % Interest</p>	<ul style="list-style-type: none"> Term of NSP2 Construction/Permanent Loan - 20-years from CO issuance. Construction loan converted to a permanent mortgage loan. No principal or interest will be required during the loan term. 	<p>20 - years NSP 2/HOME</p> <ul style="list-style-type: none"> NSP 2/ HOME affordability restrictions. Units made available to low and moderate income households (up to 60% AMD). 30 - years Fair Housing Act Units made available to low and moderate income households (up to 80% AMD). 	<p>1st Mortgage/Position - NSP 2/ CRA</p> <p>Note: City HOME \$256,445.00 Grant</p>
<p>Resolution No. 12-29-11B</p> <p>NSP 2 Loan \$391,283</p>	<p>0% Interest</p>	<ul style="list-style-type: none"> Term of NSP2 Construction/Permanent Loan - 20-years from CO issuance. Construction loan converted to a permanent mortgage loan. No principal or interest will be required during the loan term. 	<p>20 - years NSP 2/HOME</p> <ul style="list-style-type: none"> NSP 2/ HOME affordability restrictions. Units made available to low and moderate income households (up to 60% AMD). 30 - years Fair Housing Act Units made available to low and moderate income households (up to 80% AMD). 	<p>1st Mortgage/Position - NSP 2/ CRA</p> <p>Note: City HOME \$256,445.00 Grant</p>

Development Financing

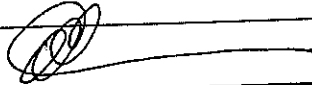
Sales Proceeds	\$ -	62.44%
NSP2	426,283	37.56%
HOME	256,445	0.00%
Federal Home Loan Bank	0	0.00%
Owner Contribution	0	
Other:	-	
Other:	-	
Total Financing	\$ 682,728	100.00%

Development Costs

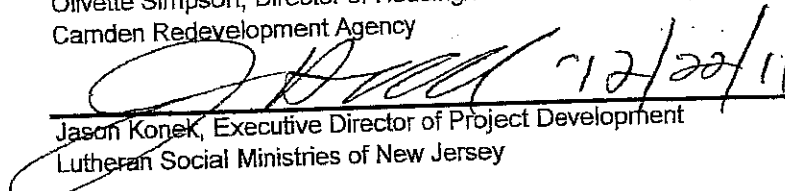
	NSP2	HOME	Total
<u>Construction Costs</u>			
General Requirements	\$ 34,300	\$ -	\$ 34,300
Site Improvements	-	-	-
Structures	53,570	256,445	310,015
LOC Fee	27,961	-	27,961
Builders Profit & Overhead	28,500	-	28,500
Construction Contingency (10%)	37,282	-	37,282
Other: Demo	97,180	-	97,180
Total Construction Costs	\$ 278,793	\$ 256,445	\$ 535,238
<u>Soft Costs</u>			
Architectural - Design	\$ 23,250	\$ -	\$ 23,250
Architectural - Supervision	4,313	-	4,313
Modular Architectural Fees	750	-	750
Engineering	4,699	-	4,699
Land Development Bond	3,000	-	3,000
Environmental Assessment	9,100	-	9,100
Soils Borings	4,950	-	4,950
Survey	2,400	-	2,400
Utility Connection Fees	6,226	-	6,226
Real Estate Taxes	1,500	-	1,500
Construction Insurance	12,500	-	12,500
Title & Recording	5,000	-	5,000
Working Capital Reserve	-	-	-
Permits/Zoning	13,884	-	13,884
Legal - Development	7,000	-	7,000
Accounting	-	-	-
Marketing	1,000	-	1,000
Cost Certification	5,000	-	5,000
Construction period utilities	2,086	-	2,086
HERS Rater	-	-	-
Other: Program Admin Fee	10,000	-	10,000
Soft Costs Subtotal	\$ 116,658	\$ -	\$ 116,658
Soft Cost Contingency	\$ 5,833	\$ -	\$ 5,833
<u>Financing fees</u>			
Loan Fees - Construction	\$ -	\$ -	\$ -
Loan Fees-Permanent	-	-	-
Interest - Construction	-	-	-
Other - Inspection	-	-	-
Financing Fees Subtotal	\$ -	\$ -	\$ -
Total Soft Costs	\$ 122,490	\$ -	\$ 122,490

Acquisition	\$ -	\$ -	\$ -
Total Replacement Costs	\$ 401,283	\$ 256,445	\$ 657,728
NSP 2 - Program Delivery	\$ 25,000	\$ -	\$ 25,000
Total Soft Costs/ Developer's Fee	\$ 147,490	\$ -	\$ 147,490
Financing Fees/Cost of Sales			
Real Estate Commission	\$ -		
Transfer Tax	\$ -		
Termite Inspection	\$ -		
Closing and Points	\$ -		
Other: Seller Assist	\$ -		
Financing Fees/Cost of Sales	\$ -		
Total Development Costs	\$ 426,283	\$ 256,445	\$ 682,728

Development Budget
Approved:


Olivette Simpson, Director of Housing/NSP 2 Administrator
Camden Redevelopment Agency

12/22/11


Jason Konek, Executive Director of Project Development
Lutheran Social Ministries of New Jersey

11/22/11

Trending Assumptions	
Income	3.0%
Expenses	4.0%
Vacancy	7.0%
Management Fee	8.0%

Income Target	
60% AMI for Family of 3	\$ 43,440.00
Monthly Rent	\$ 550.00

	1	2	3	4	5	6	7	8
Income from Operations								
Gross Rental Income	\$ 13,200	\$ 13,596	\$ 14,004	\$ 14,424	\$ 14,857	\$ 15,302	\$ 15,761	\$ 16,234
Vacancy	924	\$ 952	980	1,010	1,040	1,071	1,103	1,136
NET RENTAL INCOME	\$ 12,276	\$ 12,644	\$ 13,024	\$ 13,414	\$ 13,817	\$ 14,231	\$ 14,658	\$ 15,098
Other Income - Service	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
EFFECTIVE GROSS INCOME	\$ 12,276	\$ 12,644	\$ 13,024	\$ 13,414	\$ 13,817	\$ 14,231	\$ 14,658	\$ 15,098

Operating Expenses	\$ 982	\$ 1,012	\$ 1,042	\$ 1,073	\$ 1,105	\$ 1,138	\$ 1,173	\$ 1,208
Management Fee	1,034	1,075	1,118	1,163	1,210	1,258	1,308	1,361
Administrative Expense	478	497	517	538	559	582	605	629
Utilities	1,210	1,258	1,309	1,361	1,416	1,472	1,531	1,592
Operating & Maintenance	2,500	2,600	2,704	2,812	2,925	3,042	3,163	3,290
Maintenance of Greened Lots - Grass mowing and snow removal Water/Sewer	894	930	967	1,006	1,046	1,088	1,131	1,176
Property Manager & Maintenance Payroll Expense	-	-	-	-	-	-	-	-
License and Permits	2,500	2,600	2,704	2,812	2,925	3,042	3,163	3,290
Property Taxes & Insurance	1,000	1,040	1,082	1,125	1,170	1,217	1,265	1,316
Operating Reserve	1,500	1,560	1,622	1,687	1,755	1,825	1,898	1,974
Replacement Reserve	-	-	-	-	-	-	-	-
TOTAL EXPENSES	\$ 12,098	\$ 12,572	\$ 13,065	\$ 13,577	\$ 14,109	\$ 14,663	\$ 15,238	\$ 15,836
NET OPERATING INCOME	\$ 178	\$ 72	(\$41)	(\$163)	(\$293)	(\$432)	(\$580)	(\$738)
Debt Service	-	-	-	-	-	-	-	-
Cash Flow after Debt Service	\$ 178	\$ 72	(\$41)	(\$163)	(\$293)	(\$432)	(\$580)	(\$738)