

9-27-12

BOARD RESOLUTIONS

&

SUMMARIES

CITY OF CAMDEN REDEVELOPMENT AGENCY
RESOLUTION SUMMARY

Economic Development

Resolution No.: 10-03-12A

Resolution Title:

**Resolution Amending Resolution 01-12-10I and Authorizing
a Redevelopment Agreement with Campbell Soup Supply Company, LLC
for Tax Block 1471 Lot 7 (1010 Line Street) in the Gateway Redevelopment Area**

Project Summary:

- The CRA previously adopted Resolution 01-13-10I which authorized the CRA to enter into a Standard Redevelopment Agreement with Campbell Soup Company or its designee for 9 parcels on Tax Block 1471 in the Gateway Redevelopment Area including Tax Block 1471 Lot 7 which is known as 1010 Line Street and to convey the parcels for fair market value as established by the CRA appraiser
- To date the CRA has not yet executed a redevelopment agreement for Block 1471 Lot 7
- Block 1471 Lot 7 was foreclosed on by the TLFC and therefore was conveyed to the CRA with a mortgage lien now held by the City (Face Value: \$56,808.51)
- The City has declared that structure on the parcel to be an Imminent Hazard and it must be demolished.
- The CRA has funds from the ERB Campbell's Expansion Grant intended for demolitions in the Gateway Redevelopment Area
- Campbell Soup Company through its designee Campbell Soup Supply Company, LLC ("CSSC") has agreed to enter into a redevelopment agreement which would require CSSC to undertake the demolition on CRA's behalf along with the demolition of adjacent structures owned by Campbell. CRA intends to reimburse Campbell from the ERB funds (\$20,700). It is believed that CSSC would be able to accomplish the demolition in a more expedited and cost efficient manner than if CRA directly contracted for this work since CSSC would undertake this work at the same time as demolition work it is undertaking for adjacent properties

Following demolition and subject to acceptance of the proposed purchase price by the City, the CRA will convey the land to CSSC for the propose purchase price of \$6,500, which is a value that exceeds the land assessment. The \$6,500 will be paid to the City in satisfaction of the mortgage lien.

10-03-12A (cont'd)

Purpose of Resolution:

Amend a resolution to clarify specific terms of a redevelopment agreement

Award Process:

N/A

Cost Not To Exceed:

\$20,700

Total Project Cost:

N/A

Source of Funds:

ERB Campbell's Expansion Grant

10-03-12A

**Resolution Amending Resolution 01-13-10I and Authorizing a Redevelopment Agreement
with Campbell Soup Supply Company for Tax Block 1471 Lot 7 (1010 Line Street)
in the Gateway Redevelopment Area**

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

WHEREAS, pursuant to a Project Development Agreement dated February 6, 2007, as amended Campbell Soup Company and the CRA executed a Master Redevelopment Agreement dated July 29, 2008, as amended (the "Master Redevelopment Agreement") pursuant to which Campbell Soup Company (or its designated sub-redevelopers) was appointed as the redeveloper of properties located in the Gateway Office Park Redevelopment Area; and

WHEREAS, pursuant to the Master Redevelopment Agreement Campbell Soup Company or its designated sub-redevelopers are provided with the right to acquire certain properties for the purposes of redevelopment subject to the terms and conditions of the Master Redevelopment Agreement; and

WHEREAS, by Resolution 01-13-10I, the CRA authorized entering into a Standard Redevelopment Agreement with Campbell Soup Company, or its designee, for the redevelopment of nine parcels described as Block 1471 Lots 7, 10,12,14,18,24,25,26 and 98; and to convey the parcels for fair market value as established by the CRA appraiser; and

WHEREAS, to date the CRA has not yet executed a redevelopment agreement for Block 1471 Lot 7; and

WHEREAS, Block 1471 Lot 7 was foreclosed on by the TLFC and therefore was conveyed to the CRA with a mortgage lien now held by the City (Face Value: \$56,808.51); and

WHEREAS, the City has declared the structure on the parcel to be an Imminent Hazard and it must be demolished; and

10-03-12A (cont'd)

WHEREAS, the CRA has funds from the ERB Campbell's Expansion Grant intended for demolitions in the Gateway Redevelopment Area; and

WHEREAS, Campbell Soup Company through its designee Campbell Soup Supply Company, LLC ("CSSC") has agreed to enter into a redevelopment agreement which would require CSSC to undertake the demolition of the structure on Block 1471 Lot 7 on CRA's behalf and which would provide for CRA to reimburse CSSC from the ERB funds (\$20,700); and

WHEREAS, it is believed that CSSC would be able to accomplish the demolition of the structure on Block 1471, Lot 7 in a more expedited and cost efficient manner than if CRA directly contracted for this work since CSSC would undertake this work at the same time as demolition work it is undertaking for adjacent properties; and

WHEREAS, following demolition and subject to acceptance of the proposed purchase price by the City, the CRA would convey Block 1471, Lot 7 to CSSC for the proposed purchase price of \$6,500, which is a value that exceeds the land tax assessment for the parcel which amount would then be paid to the City in satisfaction of the mortgage lien; and

WHEREAS, the CRA and CSSC at present desire to enter into a Redevelopment Agreement for Block 1471 Lot 7, known as 1010 Line Street and may convey the remaining parcels under separate Redevelopment Agreement(s) at a later date; and

WHEREAS, it is in the best interest of CRA to have CSSC undertake, on the CRA's behalf, the demolition of the Imminent Hazard structure on the parcel;

NOW, THEREFORE, BE IT RESOLVED, by the governing body of the Camden Redevelopment Agency that Resolution 1-13-10I be amended to provide for a redevelopment agreement for for Block 1471 Lot 7 that includes the following terms :

1. The CRA hereby recognizes and approves the designation by Campbell Soup Company of Campbell Soup Supply Company LLC as the Redeveloper of the Block 1471 Lot 7; and
2. CRA will reimburse the Redeveloper an amount up to \$20,700.00 for the demolition of the structure, provided that such funds are eligible and available from the Economic Recovery Board Campbell's Expansion Grant; and

10-03-12A (cont'd)

3. Contingent upon the City of Camden's release of the mortgage lien, the CRA will convey the parcel to the Redeveloper, following demolition, for a consideration of \$6,500.00 payable to the City, which value is based upon assessed value of the land; and

BE IT FURTHER RESOLVED that the Executive Director of the Agency, a duly authorized representative, is hereby authorized to enter into a Redevelopment Agreement with Campbell Soup Supply Company LLC for the redevelopment of Block 1471 Lot 7 in the Gateway Redevelopment Area which includes the above terms; and

BE IT FURTHER RESOLVED that the Executive Director, or her designee, is hereby authorized and directed to take all actions and execute all documents necessary to carry out the purposes of this resolution.

ON MOTION OF:

SECONDED BY:

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

Vance Bowman
Chairman

ATTEST:

Saundra Ross Johnson
Executive Director

The above has been reviewed and approved as to form.

Mark P. Asselta, Esq.
Board Counsel

**RESOLUTION 10-03-12B
WILL BE PRESENTED AT CAUCUS**

RESOLUTION SUMMARY

Economic Development

Resolution No.: 10-03-12B

Resolution Title:

**Resolution Authorizing the Camden Redevelopment Agency to Enter into
a Professional Services Agreement with Brownfield Redevelopment Solutions, Inc.
for the Provision of Environmental Management Services**

Project Summary:

- The CRA operates and manages the City of Camden Brownfield Program.
- The CRA issued a Request for Proposals for Environmental Management Services needed for the Brownfield Program.
- Brownfield Redevelopment Solutions Inc. (BRS) provided the proposal that was the most favorable to the CRA price and all other matters being considered.
- BRS will assist the CRA in the planning of brownfield projects, management of environmental consultants, the development of technical specifications and support in grant proposal development and compliance.
- Work assignments will be given to BRS for specific tasks for which there is an identified source of funding to cover the cost.
- Work will be billed at the rates and terms set forth on the schedule attached to the Resolution as Exhibit A.

Purpose of Resolution: To authorize a professional service agreement

Award Process: RFP

Cost Not To Exceed: \$150,000

Source: EPA Assessment Grants, EPA Clean-up Grant ERB Grants and HDSRF grants

Total Project Cost: N/A

10-03-12B

Resolution Authorizing the Camden Redevelopment Agency to Enter into a Professional Services Agreement with Brownfield Redevelopment Solutions, Inc. for the Provision of Environmental Management Services

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

WHEREAS, to this end, the CRA administers the City's Brownfield Program under a Shared Services Agreement which includes planning for the reuse of vacant or underutilized former commercial or industrial properties and the environmental investigation and remediation of lands slated for redevelopment; and

WHEREAS, the work associated the Brownfield Program, such as the supervision of environmental contractors, the review of technical documents, the preparation of grant applications and the compliance with reporting requirements, is highly specialized and requires distinct and specific training and experience; and

WHEREAS, the CRA requires the services of a professional firm specializing in these areas of expertise to assist in the administration of the Brownfield Program; and

WHEREAS, in order to procure these services, the CRA posted on its web site a Request for Proposals for a firm to provide Environmental Management Services for the Agency in accordance with the "fair and open" process and procedures established under the regulations and amendments to N.J.S.A.19;44A-20.4 *et seq.*; and

WHEREAS, the CRA, through this process, did determine through this process that Brownfield Redevelopment Solutions, Inc. is the most qualified firm, price and other factors considered, to provide these services;

10-03-12B (cont'd)

NOW, THEREFORE, BE IT RESOLVED by the governing body of the Camden Redevelopment Agency that the Executive Director of the Agency, a duly authorized representative of the Camden Redevelopment Agency, is hereby authorized to enter into a professional services agreement with Brownfield Redevelopment Solutions, Inc to provide environmental management services to the CRA for a cost not to exceed \$150,000.00. with services to be billed at the rates and terms set forth on Exhibit A attached hereto.

BE IT FUTHER RESOLVED that the Executive Director, or her designee, is hereby authorized and directed to take all actions and execute all documents necessary to carry out the purposes of this resolution.

ON MOTION OF:

SECONDED BY:

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

Vance Bowman
Chairman

ATTEST:

Saundra Ross Johnson
Executive Director

The above has been reviewed and approved as to form.

Mark P. Asselta, Esq.
Board Counsel

Brownfield Redevelopment Solutions, Inc.
Project Cost Proposal
For
Environmental Management Services
Camden Redevelopment Agency
Camden, New Jersey

<u>Task</u>	<u>Cost</u>
Management Services (personnel) Estimated 5 hrs/week	\$ 98.00/ hour
Management Services (materials) Will be invoiced for actual cost of any materials such as large volume duplicating, postage, travel costs, etc.	Actual Cost

BRS'S COST ESTIMATE ASSUMPTIONS

1. This project period is one year. This proposal assumes an average of five man-hours per week. Activities conducted beyond the contracted man-hours will constitute a contractual out of scope. The CRA will only be invoiced for actual hours worked.
2. BRS's hourly rate will remain the same for performance period of the contract and will not be subject to increase during this time.
3. This Agreement may be modified with the mutual consent of both parties. All modifications must be made in writing and must be signed by authorized representatives of the CRA and BRS.
4. The obligation to provide services under this Agreement may be terminated by either party upon five days written notice. In the event of termination, BRS will be paid for all services rendered and reimbursable expenses incurred to the date of the termination.
3. BRS shall be entitled to use, for promotional purposes, CRA's name, a general description of the services performed, and a general description of the project, unless requested by the CRA not to do so.
4. BRS will generate project invoices on a monthly basis. Payment is due upon receipt of invoice. Invoices past due for 45 days or more may be subject to a 5% finance charge.



BRS

Brownfield Redevelopment Solutions, Inc.

njbrownfield.com
PO Box 107, Camden, NJ 08101
t (856) 964-6456 f (732) 782-0404

**RESOLUTION 10-03-12C
WILL BE PRESENTED AT CAUCUS**

10-03-12C

FINAL

Resolution Authorizing the Camden Redevelopment Agency to Enter into a Professional Services Agreement with React Environmental Professional Services Group, Inc. for Environmental Services Related to the Meadows at Pyne Poynt Site

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

WHEREAS, the CRA, as part of its redevelopment duty, manages and operates the City of Camden's (City) Brownfield Program through a Shared Services Agreement; and

WHEREAS, Respond, Inc. (Developer), pursuant to a ground lease agreement with the City, is undertaking the remediation and redevelopment of a portion of the Former Knox Gelatin Site now named the Meadows at Pyne Poynt (Site), located in the North Camden Brownfield Development Area, and designated as Block 746 Lots 16 and 47; and

WHEREAS, the remediation was originally conducted under the oversight of the New Jersey Department of Environmental Protection's (DEP) Voluntary Cleanup Program (VCP) and now is being conducted under the administrative requirements of the recently enacted Site Remediation Reform Act (SRRA); and

WHEREAS, VCP provided for direct case management oversight by DEP staff, SRRA requires the owner, in this case, the City or its designee, in this case the CRA, to engage a Licensed Site Remediation Professional (LSRP) to act in the oversight role, including but not limited to the certification as to the adequacy of the cap, preparation of the required deed notice and final remediation document; and

WHEREAS, the Developer has provided the CRA with written assurance that it will pay for all costs associated with the LSRP engagement, on-going operation and management of the cap and all DEP fees; and

10-03-12C (cont'd)

WHEREAS, it is in the best interest of the CRA to engage React Environmental Professional Services Group, Inc. (REPSG), the consultant to the Developer for the remediation, because of its extensive knowledge of the Site; and

WHEREAS, REPSG submitted a Statements of Qualifications and is included on the CRA's current list of firms pre-qualified to provide environmental services;

NOW, THEREFORE, BE IT RESOLVED, by the governing body of the Camden Redevelopment Agency that the executive Director of the Agency, a duly authorized representative is hereby authorized to enter into a Professional Service Agreement with React Environmental Professional Services Group, Inc. for environmental services in connection with the Meadows at Pyne Poynt Site and to designate REPSG as its Licensed Site Remediation Professional for the Site at no cost to the CRA; and

BE IT FURTHER RESOLVED, that the Agency shall not execute the professional services agreement approved in this resolution unless and until the Developer agrees in writing to pay all costs and expenses incurred under the agreement when accrued and to indemnify the Agency for any claims made for payment under the agreement.

BE IT FURTHER RESOLVED, that the Executive Director, or her designee, is hereby authorized and directed to take all actions and execute all documents necessary to carry out the purposes of this resolution.

10-03-12C (cont'd)

ON MOTION OF:

SECONDED BY:

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

Vance Bowman
Chairman

ATTEST:

Saundra Ross Johnson
Executive Director

The above has been reviewed and approved as to form.

Mark P. Asselta, Esq.
Board Counsel

**RESOLUTION 10-03-12D
WILL BE PRESENTED AT CAUCUS**

**RESOLUTION 10-03-12E
WILL BE PRESENTED AT CAUCUS**

RESOLUTION SUMMARY

Website Design, RAMP

Resolution No.: 10-03-12E

Resolution Title:

**Resolution Authorizing the Camden Redevelopment Agency to
Enter into Amendment #1 to a Professional Service Agreement
with Winning Strategies ITS for the Provision of
Website Design and Development Services for
an Amount Not to Exceed \$6,100.00**

Project Summary:

- CRA by Resolution 09-01-10B authorized a Real Estate Asset Management Program (RAMP) to effectively track and monitor the Agency's property inventory, which now consists of more than 800 CRA-owned properties.
- A redesign of CRA's existing website is necessary to accommodate the RAMP program goals. First, a redesign of CRA's existing website will achieve significant aesthetic, functional, and organizational improvements. The new site will be easy to use, will include several customer service components, and will be responsive to the needs of such users as, residents, developers, and institutional partners.
- Second, CRA's property inventory will be made available on the new website. The Property Inventory will be transparent, dynamic, and searchable, such that residents and potential developers may investigate the status of any property owned by CRA.
- CRA is administering a federal Neighborhood Stabilization Program 2 (NSP 2) grant. Costs for the redesign and development of a new CRA website are eligible for payment under the NSP 2 grant.
- CRA by Resolution 12-07-11H authorized a Professional Service Agreement with Winning Strategies ITS to provide needed website design and development services. Winning Strategies' is over 70% complete in its work.
- For effective operation, the new website will require a new hosting server location and the integration of Google Maps into the CRA's property inventory database (to show a single map for each property location and a pin at the spot of the property designating its location).

10-03-12e (cont'd)

- These services were not included within the original Scope of Services procured by CRA. Winning Strategies has proposed an additional \$6,100 to undertake the additional services necessary to effectively operate the new CRA website.

Purpose of Resolution: To authorize an amendment to a Professional Service Agreement

Cost Not To Exceed: \$39,600.00

Original Contract Amount: \$33,500.00

Amendment # 1 Amount: \$ 6,100.00

- 24-month contract for hosting server fee - \$ 4,100.00
- Google Maps Integration and hosting fee- \$ 2,000.00

Total % Increase: 18%

Source of Funds: NSP 2 Grant

Total Project Cost: \$39,600.00

10-03-12E

**Resolution Authorizing the Camden Redevelopment Agency to Enter into
Amendment #1 to a Professional Service Agreement with Winning Strategies ITS
for the Provision of Website Design and Development Services
for an Amount Not to Exceed (\$6,100.00)**

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

WHEREAS, CRA had undertaken the Real Estate Asset Management Program (RAMP) to effectively track and monitor the Agency's Property Inventory; and

WHEREAS, CRA, in its administration of a U.S. Housing and Urban Development ("HUD") Neighborhood Stabilization Program 2 ("NSP 2") grant and consistent with the HUD's NSP 2 guidelines, desires to share the Property Inventory for public benefit; and

WHEREAS, CRA also desires to redesign its website to more effectively inform the public of pertinent information and public meetings in a timely manner via digital and print media; and

WHEREAS, did issue a Request for Proposals ("RFP") for website design and development services and did advertise the RFP as a 'fair and open' process required under N.J.S.A. 19:44A-20.45, *et seq.*; and

WHEREAS, CRA through this process did determine that Winning Strategies ITS was the best firm to provide these services and did authorize by Resolution 12-07-11H a professional services agreement with Winning Strategies ITS for an amount not to exceed \$33,500.00; and

WHEREAS, the effective operation of a new website will require a new hosting server location as well as the integration of Google Maps into CRA's Property Inventory Database; and

10-03-12E (cont'd)

WHEREAS, these services were not included within the original Scope of Services procured by CRA and Winning Strategies ITS has proposed to provide a new hosting server location for a 24-month period at a cost not to exceed \$4,100.00; and

10-03-12E (cont'd)

WHEREAS, Winning Strategies also has proposed to integrate Google Maps into CRA's Property Inventory Database which will show the location of CRA-owned properties on the public-facing website for a cost of \$2,000.00; and

WHEREAS, the cost for hosting a new server location and integrating Google Maps into the CRA's Property Inventory Database will be paid from NSP 2 grant funds,

NOW, THEREFORE, BE IT RESOLVED by the governing body of the Camden Redevelopment Agency that the Executive Director of the Agency, a duly authorized representative of the Camden Redevelopment Agency is hereby authorized to enter into Amendment #1 to a Professional Service Agreement with Winning Strategies ITS to provide additional website design and development services in an amount of \$6,100.00 for an Amended Contract amount of \$39,600.00, and

BE IT FURTHER RESOLVED, that the Executive Director, or her designee, is hereby authorized and directed to take all actions and execute all documents necessary to carry out the purposes of this resolution.

10-03-12E (cont'd)

ON MOTION OF:

SECONDED BY:

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

Vance Bowman
Chairman

ATTEST:

Saundra Ross Johnson
Executive Director

The above has been reviewed and approved as to form.

Mark P. Asselta, Esq.
Board Counsel

CITY OF CAMDEN REDEVELOPMENT AGENCY
RESOLUTION SUMMARY

Housing

Resolution No.: 10-03-12F

Resolution Title:

**Resolution Authorizing A Bridge Loan Commitment to
Cooper Hill Town Homes LLC in the Amount of \$592,126.00
in Connection with the Neighborhood Stabilization Program 2 (“NSP 2”)**

Project Summary:

- CRA by Resolution 08-04-10C designated M&M Development, LLC as Redeveloper of the Coopers Hill Town Home Project (“Project”). M&M formed the Coopers Hill Town Homes LLC, a New Jersey limited liability company (“Redeveloper”) whose sole managing member is M&M, for the purpose of having the Redeveloper develop and market the Project.
- The Redeveloper has requested a bridge loan up to \$592,126.00 from the Neighborhood Stabilization Program 2 (“NSP 2”) grant to assist with construction costs on up to 12 of the 14 townhouse units in Phase 2 of the Project. Construction activity financed by the bridge loan will include installing infrastructure and site improvements on lots designated for new construction. No proceeds of this bridge loan would be used for construction of any unit itself.
- CRA in administering the NSP 2 grant is to assist in the redevelopment of vacant or abandoned or foreclosed upon properties in certain target areas within the City of Camden as determined by HUD. Providing loans to developers for redevelopment purposes is a NSP 2 eligible activity, and is encouraged by HUD.
- Program Income Generated by NSP 2 Loan Activity: Repayment of the \$592,126.00 bridge loan will become what is defined by HUD as Program Income. Program Income is defined as gross income received by the grantee directly generated from the use of NSP 2 funds. All NSP 2 grant funds must be expended by February 11, 2013. Program Income, however, is the exception under NSP 2 regulations. Program Income can be used for future NSP 2 activities beyond the initial term of the NSP 2 grant. Additionally, 10% of Program Income received can be used to cover CRA’s costs to administer these future NSP 2 activities.

10-03-12F (cont'd)

- The Project is the rehabilitation and new construction of 30-units of single family For-sale housing in Cooper Plaza. The total development cost for the Project is \$8.8 MM. CRA by Resolution 09-01-10J authorized a commitment of NSP 2 funds in the amount of \$1,610,189.00 to finance the Project's construction, in part, and provide a development subsidy to the Project. A Project Summary is attached as Exhibit A.
- The Project is funded under the NJHMFA's CHOICE Program, which provides construction financing and development subsidies. The CHOICE program provides construction financing (at a blended rate lower than prime) and development subsidy where the cost to construct units is higher than the market prices for which those units can be sold. NJHMFA and CLI are the lead lenders in the Project.
- Construction loan and financing closings for the Project were held on January 26, 2012 with the New Jersey Housing & Mortgage Finance Agency (NJHMFA), Collaborative Lending Initiative, Inc. (CLI, an affiliate of the Reinvestment Fund), and CRA. (NJHMFA and CLI provided a total of \$6,663,083.00 in construction loans and development subsidy to the Project.)
- Construction of the Project is phased.
 - Phase 1- 10-units – all are under construction.
 - Phase 2 - 14-Units.
 - Phase 3 – 6-Units.
- Although the project is fully funded without the proposed bridge loan, the Redeveloper is not currently able to access funding for the construction of infrastructure and site improvements for Phase 2 because the required number of sale agreements and closing of units has not yet been achieved.
- The Redeveloper believes that the ability to immediately start construction of Phase 2 infrastructure and site improvements will expedite the development and sale of Phase 2 units and the overall timeline for completion of the Project.
- The bridge loan will be paid in full including interest at the annual rate of four percent (4%) on the earlier of the following two events: (1) the date the Redeveloper receives its funding from NJHMFA and CLI for Phase 2 of the Project or (2) the date that is one year from the commencement of the bridge loan.

10-03-12F (cont'd)

- All Phase 1 town house units are between 50 and 60% of construction completion. Phase 1 is scheduled to be completed by the end of the year. For Phase 1, 7 agreements of sale have been signed, and for Phase 2, 2 agreements of sale are in place.

Award Process: N/A

Cost Not To Exceed: N/A

Total Project Cost: \$592,126.00

Source of Funds: NSP 2

10-03-12F

**Resolution Authorizing A Bridge Loan Commitment to Cooper Hill Town Homes, LLC
in the Amount of \$592,126.00 in Connection with
the Neighborhood Stabilization Program 2 ("NSP 2")**

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 in its administration of HUD's NSP 2 grant within targeted City of Camden neighborhoods and to accomplish the federal goals set forth in the legislation, 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, CRA by Resolution 08-04-10C designated M&M Development, LLC, pursuant to the Redevelopment Law, as Redeveloper of the Coopers Hill Town Home Project ("Project"), and M&M formed the Coopers Hill Town Homes LLC, a New Jersey limited liability company ("Redeveloper") whose sole managing member is M&M, for the purpose of having the Redeveloper develop and market the Project; and

WHEREAS, the Project is the rehabilitation and new construction of thirty residential dwelling units for sale to homebuyers qualified under the NSP 2 guidelines; and

WHEREAS, CRA by Resolution 09-01-10J did authorize and commit NSP 2 funds in the amount of \$1,610,189.00 to finance, in part, development of the Project; and

10-03-12F (cont'd)

WHEREAS, the Redeveloper on January 26, 2012 did enter into construction loans and other agreements with the New Jersey Housing and Mortgage Finance Agency ("NJHMFA"), Collaborative Lending Initiative, Inc. ("CLI") , and CRA to complete the \$8.8 Million in financing necessary for development of the Project; and

WHEREAS, the Redeveloper, under the terms and conditions of the construction loans and other agreements between the Redeveloper and the NJHMFA and CLI, is required to construct the Project in three phases and before NJHMFA and CLI will advance construction loan proceeds to the Redeveloper for any Phase the Redeveloper is required to have entered into a certain number of agreements of sale with buyers of units and closed on a certain number of units for the given phase; and

WHEREAS, although the project is fully funded without the proposed bridge loan, the Redeveloper is not currently able to access funding for the construction of infrastructure and site improvements for Phase 2 because the required number of sale agreements and closing of units has not yet been achieved for phase 2 funding; and

WHEREAS, The Redeveloper believes that the ability to immediately start construction of Phase 2 infrastructure and site improvements will expedite the development and sale of Phase 2 units and the overall time line for completion of the Project; and

WHEREAS, the Redeveloper and CRA believe that it is in the best interests of the Project that the Redeveloper begin construction on Phase 2 of the Project as soon as possible; and

WHEREAS, the Redeveloper has requested a bridge loan in an amount up to \$592,126.00 from the NSP 2 grant to advance construction of up to 12 townhouse units in Phase 2 of the Project by utilizing the bridge loan proceeds to cover costs related to installing infrastructure and site improvements on lots designated for new construction in Phase 2; and

WHEREAS, CRA may provide loans from the NSP 2 grant to developers for redevelopment purposes and such loan activity is an eligible use of NSP 2 grant funds as determined by HUD,

10-03-12F (cont'd)

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 enter into a NSP 2 Construction Bridge Loan commitment with Coopers Hill Town Homes LLC to provide interim financing for the Coopers Hill Town Homes Project ("Project") under the terms and conditions as follow:

1. A NSP 2 Construction Bridge Loan up to \$592,126.00 is committed for use by Coopers Hill Town Homes LLC ("Redeveloper") from the NSP 2 grant to advance construction of up to 12 townhouse units in Phase 2 of the Project. NSP 2 Bridge Loan proceeds shall be used for construction costs to install infrastructure and other site improvements on lots designated for new construction in Phase 2 of the Project but shall not be used for the construction of any unit itself.
2. Eligible construction costs must be costs set forth in the approved development budget executed on January 26, 2012 by the Redeveloper, CRA, New Jersey Housing and Mortgage Finance Agency ("NJHMFA"), and Collaborative Lending Initiative, Inc. ("CLI"). Payment of requests for advances is conditioned upon, among other things, satisfactory inspection and acceptance of the work by CRA, NJHMFA, and CLI.
3. The term of the NSP 2 Construction Bridge Loan is one year and the applicable interest rate is 4% per annum on funds advanced under the loan to the date of repayment. The bridge loan will be paid in full including all accrued interest on the earlier of the following two events: (1) the date the Redeveloper receives its funding from NJHMFA and CLI for Phase 2 of the Project or (2) the date that is one year from the commencement of the bridge loan.
4. The Redeveloper shall notify the CRA immediately in the event that it is unable to enter into or close the number of agreements of sale with prospective buyers of units in Phase 2, as required under the terms and conditions as set forth in the construction loan and other agreements between the Redeveloper and NJHMFA and CLI, and, for this or any other reason, the advance of NJHMFA and CLI construction loan proceeds for Phase 2 of the Project to the Redeveloper will be delaye beyond one year from the commencement of the bride loan. .
5. The funds constituting the NSP 2 Construction Bridge Loan are released to the CRA by HUD under the NSP 2 Program pursuant to a Funding Approval and Grant Agreement between HUD and CRA dated February 11, 2010 and Redeveloper shall at all times comply with the regulations established by HUD and applicable to the NSP 2 Program and the use of NSP 2 funds.

10-03-12F (cont'd)

BE IT FURTHER RESOLVED that the Executive Director, or her designee, is hereby authorized and directed to take all actions and execute all documents necessary to carry out the purposes of this resolution.

ON MOTION OF:

SECONDED BY:

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

Vance Bowman
Chairman

ATTEST:

Saundra Ross Johnson
Executive Director

The above has been reviewed and approved as to form.

Mark P. Asselta, Esq.
Board Counsel

EXHIBIT A

COOPERS HILL TOWN HOME PROJECT SUMMARY

Type: (6) Rehab, (24) New Construction For- Sale Units
Program Fee Simple; Scattered Sites, Town homes
Project Site: Various (List of Project Sites Attached)
Project Phasing: 1) First Phase – 10 Units
2) Second Phase – 14 Units
3) Third Phase – 6 Units
Target Buyers: For Sale to First-time Homebuyers
Up to 120% of AMI
Price Points: Range from \$95,000 to \$219,100

TOTAL DEVELOPMENT COSTS: \$ 8,791,392.00

SOURCES OF FUNDS:

Construction Financing:	
NJHMFA/CLI	\$ 4,663,083.00
CHOICE Subsidy -90%	\$ 1,800,000.00
NSP 2 – 90%	<u>\$ 1,449,170.00</u>
Total	\$ 7,912,253.00
Permanent Financing:	
Sales Proceeds	\$ 5,181,203.00
CHOICE Subsidy -100%	\$ 2,000,000.00
NSP 2	<u>\$ 1,610,189.00</u>
Total	\$ 8,791,392.00

**** NJHMFA/CLI approved development budget attached.**