

CITY OF CAMDEN REDEVELOPMENT AGENCY
RESOLUTION SUMMARY

Economic Development /Brownfields

Resolution No.: 04-09-25A

Resolution Title:

Resolution Authorizing a Loan to the City of Camden Redevelopment Agency Division of Economic Development in the Amount of \$1,500,000.00 from the U.S. Environmental Protection Agency Brownfields Revolving Loan Fund for the Remediation of the Borden Chemical Site Designated as Block 1184, Lot 5 of the City of Camden Tax Map

Project Summary:

- In 2013, CRA, with a grant from the US Environmental Protection Agency (“EPA”), established a Brownfields Revolving Loan Fund (“EPA RLF Program”) to make loans and sub-grants to fund environmental cleanup of Brownfield sites in the City of Camden. In 2020, EPA awarded CRA supplemental funds for the RLF Program.
- The EPA Brownfields RLF program allows CRA to make loans to itself for eligible projects and uses.
- Under a Shared Services Agreement with the City of Camden, CRA is conducting the environmental remediation of the Borden Chemical site owned by the City of Camden and designated as Block 1184, Lot 5 of the City of Camden Tax Map and within the Federal Street Brownfield Development Area (the “Site”).
- Environmental assessment activities conducted at the Site have identified the presence of contaminated soils, including such contamination as, volatile organic compounds, PAH, and PCBs, arsenic and lead, requiring remediation.
- After site remediation is complete, the site can be available for redevelopment; specifically, light industrial uses.
- Project costs for removal of the contaminated soil material and importing clean fill material, are estimated at \$2,876,445.25 and actual costs will be determined upon receipt of the lowest qualified bid for the remediation of the Site. A clean-up grant is pending from the NJ Hazardous Discharge Site Remediation Fund (“HDSRF”) to pay for the Site’s remediation.
- The proposed loan is structured as a "bridge loan" to timely pay contractors because of the delays in HDSRF disbursements.
- CRA proposes to make a loan to itself to fund the environmental cleanup activities. The loan will be for a term of 20 years at 0% interest. The loan will be repaid from HDSRF grant funds.

Resolution No.: 04-09-25A (cont'd)

Purpose of Resolution:

To authorize and accept a loan.

Award Process:

N/A

Cost Not To Exceed:

\$ 1.5 million

Total Estimated Project Cost:

\$2,876,445.25

Source of Funds

US EPA Clean Up grant (2020)	\$500,000.00
ERB Brownfield Grant	\$270,836.00
RLF Contractual	\$54,050.25
US EPA Assessment Grant	\$40,065.00
HDSRF Grant (Pending)	<u>\$2,011,494.00</u>
Total Sources	\$2,876,445.25

Repayment

HDSRF 75%

Brownfield Development Area Remediation Grant (pending) \$2,011,494.00

Resolution Authorizing a Loan to the City of Camden Redevelopment Agency Division of Economic Development in the Amount of \$1,500,000.00 from the U.S. Environmental Protection Agency Brownfields Revolving Loan Fund for the Remediation of the Borden Chemical Site Designated as Block 1184, Lot 5 of the City of Camden Tax Map

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

WHEREAS, to this end, CRA manages the Camden Brownfields Program on behalf of the City of Camden (the "City"); and

WHEREAS, CRA by Resolution 08-07-13C applied for and accepted a Brownfields Revolving Loan Fund Grant from the U.S. Environmental Protection Agency ("EPA") to establish a Revolving Loan Fund ("RLF") and entered into EPA Cooperative Agreement (B F 9628614-0) and by Resolution No.: 06-08-22C applied for and accepted additional RLF Grant funding from the EPA and entered into EPA Cooperative Agreement (B F 96236900-0) (together the "Cooperative Agreements"); and

WHEREAS, the Cooperative Agreements provide funding in the form of low to no-interest loans and subgrants that may be made available in support of environmental cleanup of Brownfield sites in the City of Camden, and

WHEREAS, the EPA Brownfields RLF Program allows for a grant recipient to make loans to itself for eligible projects and purposes; and

WHEREAS, the City owns a site designated a Block 1184, Lot 5 of the City of Camden Tax Map which is known as the Borden Chemical Site and located in the Federal Street Corridor (the "Site"); and

WHEREAS, environmental assessment activities conducted at the Site have identified the presence of contaminated soils, requiring remediation; and

WHEREAS, funding is needed to remove and properly dispose of the contaminated soil material and backfill the Site with clean fill material; and

WHEREAS, an EPA Brownfield RLF loan is needed to serve as a bridge financing mechanism to ensure prompt payment to the contractors during the remediation of the Site; and

WHEREAS, funds necessary to repay the proposed loan will be obtained from the New Jersey Hazardous Discharge Site Remediation Fund (the "HDSRF Grant"); and

WHEREAS, CRA has a pending HDSRF grant in the amount of **\$2,011,494.00** for remedial action activities at the Site which will serve to repay the proposed RLF loan; and

WHEREAS, CRA will manage the RLF loan and remediation of the Site pursuant to a Shared Services Agreement with the City of Camden as authorized by Resolution 10-21-20G, and

WHEREAS, the Loan Summary and Recommendation for this proposed loan has been reviewed and approved by the CRA Finance Committee.

04-09-25A (cont'd)

NOW, THEREFORE, BE IT RESOLVED, by the governing body of the City of Camden Redevelopment Agency that the Agency is hereby authorized to make a loan to the City of Camden Redevelopment Agency Division of Economic Development and that the Agency is authorized to accept such loan in an amount not to exceed \$1,500,000.00 from the EPA Brownfields Revolving Loan Fund for the purpose of funding environmental cleanup activities at the Borden Chemical Site designated as Block 1184, Lot 5 of the City of Camden Tax Map which loan shall have a term of twenty years at a zero percent interest rate; and

BE IT FURTHER RESOLVED that the Executive Director, a duly authorized representative of the City of Camden Redevelopment Agency is hereby authorized and directed to execute a loan agreement and other documents and to take all actions necessary to carry out the purposes of this resolution.

04-09-25A (cont'd)

ON MOTION OF: Maria Sharma

SECONDED BY: Gilbert Harden, Sr.

COMMISSIONER	AYES	NAYS	ABSTENTIONS
Christopher Collins			
Derek Davis	X		
Gilbert Harden, Sr.	X		
Tasha Gainey-Humphrey	X		
Ian K. Leonard	X		
Jose Javier Ramos	X		
Maria Sharma	X		

Ian K. Leonard

Ian K. Leonard
Chairperson

ATTEST:



Olivette Simpson
Executive Director

The above has been reviewed and approved as to form.

Mark P. Asselta

Mark P. Asselta, Esq.
Board Counsel