



U.S. Department of Housing and Urban Development

Philadelphia Office
The Wanamaker Building
100 Penn Square East
Philadelphia, Pennsylvania 19107-3380

Date: December 2, 2011

To: Olivette Simpson
The Camden Redevelopment Authority

From: Kathy Gummel, 3ADE
Environmental Protection Specialist

A handwritten signature in black ink, appearing to read "K. Gummel", written over the typed name in the "From:" field.

CC: Anne Marie Uebbing, Director Region II
Mike Furda, FEO Region II
Sandra Ross Johnson, Executive Director Camden Redevelopment Agency

RE: Environmental Review Clearance with Conditions
Lanning Square: Acquisition for Land Banking
Grant # B-09-CN-NJ-0008

HUD has reviewed the information that you provided requesting environmental clearance under the HUD Neighborhood Stabilization Grant -2 (NSP-2) Program for the above referenced project. The purpose of this memorandum is to convey the findings and conditions identified as a result of HUD's independent evaluation of the materials submitted.

The Camden Redevelopment Agency (CRA) is the designated redevelopment agency for the City of Camden. CRA has as its primary purpose to develop policy and programming in order to effect the redevelopment and stabilization of Camden's neighborhoods, the agency is governed by an independent Board of Commissioners. NJ legislation provides for redevelopment agencies to act as a land bank to hold properties for later disposition in accordance with the City's master plan, CRA currently holds more than 700 vacant properties in the City. CRA will utilize ARRA NSP2 funds to acquire vacant sites in the Lanning Square neighborhood of the city of Camden, the properties will be maintained and land banked for future use. A Restrictive Covenant will run with the properties and will bind all subsequent owners of the properties to notify HUD of any proposed disposition or redevelopment and to provide relevant information to complete an environmental review in accordance with 24CFR Part 50.

The Lanning Square land banking project, requires compliance and/or mitigation with certain Federal environmental laws and authorities, listed at §50.4 of the regulations. You may proceed to commit or expend NSP2 grant funds and non HUD funds to undertake the subject project under the following specified conditions:

CONDITIONS FOR APPROVAL:

- The Restrictive Covenant will run with the properties and bind all subsequent owners.
- An NSP assisted property may not be held in a land bank for more than 10 years without obligating the property for a specific eligible use, according to the ARRA NSP2 program requirements. Future use of the each of the TLFC land bank properties requires that a separate environmental review is submitted to HUD requesting approval. HUD will make a determination, which could include conditions, mitigation or

disapproval of the use of the property in the NSP2 program. The grantee may not commit or expend funds, either public or private funds, or execute a legally binding agreement to a specific site until environmental clearance has been achieved.

Executive Order 11988 Floodplain Management requires Federal activities to avoid impacts to floodplains and to avoid direct and indirect support of floodplain development where there are practicable alternatives. When future use of the TLFC properties is identified, project sites that are located within a special flood hazard area, must undergo a decision making process to determine if there is a practicable alternative to locating the project in that area. Where practicable, design or modify the proposed action to minimize the potential adverse impacts within the floodplain (including the 500-year floodplain for a Critical Action) and to restore and preserve its natural and beneficial values. All critical actions in the 500-year floodplain shall be designed and built at or above the 100-year floodplain (in the case of new construction) and modified to include:

- (1) Preparation of and participation in an early warning system;
 - (2) An emergency evacuation and relocation plan;
 - (3) Identification of evacuation route(s) out of the 500-year floodplain; and
 - (4) Identification marks of past or estimated flood levels on all structures.
- Section 202 of the Flood Disaster Protection Act of 1973, requires that projects receiving federal assistance and located in an area identified by the Federal Emergency Management Agency (FEMA) as being within a special flood hazard area must be covered by flood insurance under the National Flood Insurance Program (NFIP). In order to be able to purchase flood insurance, the community must be participating in the NFIP. Flood insurance coverage must be continued for the life of the property, regardless of transfer of ownership and will be realized through a use of a covenant on each affected property. The amount of flood insurance coverage must be at least equal to the development or project cost or the maximum limit of coverage. Project cost includes both the Federally assisted and non Federally assisted portion of the cost. The standard documentation for compliance with section 102(a) is the Policy Declarations form issued by the National Flood Insurance Program. Refer to the Flood Insurance Protection document attached for details.
 - In addition to the sites identified as requiring proof of flood insurance, HUD strongly encourages the grantee to consider purchasing and maintaining flood insurance for the sites not within the Special Flood Hazard area, but still within a high risk area for flooding.
 - As part of the separate environmental review, the National Historic Preservation Act and Section 106 requires that the grantee take into account the effect of their action on historic properties, afford the Advisory Council on Historic Preservation a reasonable opportunity to comment and consult federally recognized Indian tribes.
 - The Camden Redevelopment Agency will maintain a separate file for each property documenting the purchase and other relevant items, including the environmental review and evidence of compliance with related Federal laws and authorities.

Copies of the environmental review record are on file at:

U.S Department of Housing and Urban Development
The Wanamaker Building, 100 East Penn Square East
Philadelphia, PA 19107

U.S. Department of Housing and Urban Development
One Newark Center, 13th floor
Newark, NJ 07102

Exhibit A
Flood Insurance protection

Duration of Flood Insurance Coverage. The statutory period for flood insurance coverage may extend beyond project completion. For loans, loan insurance or guaranty, flood insurance coverage must be continued for the term of the loan. For grants and other non-loan forms of assistance, coverage must be continued for the life of the property, regardless of transfer of ownership of such property. Section 582(c) of the Community Development and Regulatory Improvement Act of 1994 mandates that "...The requirement of maintaining flood insurance shall apply during the life of the property, regardless of transfer of ownership of such property." (42 U.S.C. 5154a)

Dollar Amount of Flood Insurance Coverage. For loans, loan insurance or guaranty, the amount of flood insurance coverage need not exceed the outstanding principal balance of the loan. For grants and other forms of financial assistance, the amount of flood insurance coverage must be at least equal to the development or project cost (less estimated land cost) or to the maximum limit of coverage made available by the Act with respect to the particular type of building involved (SF-Single Family, OR-Other Residential, NR-Non Residential, or SB-Small Business), whichever is less. The development or project cost is the total cost for acquiring, constructing, reconstructing, repairing or improving the building. This cost covers both the Federally assisted and the non-Federally assisted portion of the cost, including any machinery, equipment, fixtures, and furnishings. If the Federal assistance includes any portion of the cost of any machinery, equipment, fixtures or furnishings, the total cost of such items must also be covered by flood insurance.

Proof of Purchase. The standard documentation for compliance with Section 102 (a) is the Policy Declarations form issued by the National Flood Insurance Program or issued by any property insurance company offering coverage under the National Flood Insurance Program. The insured has its insurer automatically forward to the grantee in the same manner as to the insured, information copies of the Policy Declarations form for verification of compliance with the Act. Any financially assisted SFHA building lacking a current Policy Declarations form is in Noncompliance.

Grantee's Evidence of Compliance under the Certification. The grantee must maintain a complete and up-to-date listing of its on-file and current Policy Declarations for all financially assisted SFHA buildings. As a part of the listing, the grantee should identify any such assisted building for which a current Policy Declarations form is lacking and attach a copy of the written request made by the grantee to the owner to obtain a current Policy Declarations form.

Environmental Assessment and Compliance Findings for the Related Laws

U.S. Department of Housing and Urban Development

1. Project Number: **3832**
 HUD Program: **NSP2- B-09-CN-NJ-0008**
 2. Date Received: _____

RMS: HI-00487R

Findings and Recommendations are to be prepared **after** the environmental analysis is completed. Complete items 1 through 15 as appropriate for all projects. For projects requiring an environmental assessment, also complete Parts A and B. For projects categorically excluded under 24 CFR 50.20, complete Part A. Attach notes and source documentation that support the findings.

3. Project Name and Location (Street, City, County, State)
Lanning Square Land Bank Project
Multiple sites (list attached)
Camden, Camden County, NJ

4. Applicant Name and Address (Street, City, State, Zip Code), and Phone
Camden Redevelopment Agency
City Hall
520 Market Street
Camden, nJ 08101

5. Multifamily Elderly Other
 If Other, explain. _____

6. Number of _____ Dwelling Units _____ Buildings
 _____ Stories _____ Acres

7. Displacement No Yes
 If Yes, explain. _____

8. New Construction Rehabilitation Other
 (if Other, explain)
Acquisition for land banking

9. Has an environmental report (Federal, State, or local) been used in completing this form? No Yes
 If Yes, identify: _____

10. Planning Findings. Is the project in compliance or conformance with the following plans?
 Local Zoning Yes No Not Applicable
 Coastal Zone Yes No Not Applicable
 Air Quality (SIP) Yes No Not Applicable

11. Environmental Finding (check one)
 Categorical exclusion is made in accordance with § 50.20 or
 Environmental Assessment and a **Finding of No Significant Impact (FONSI)** is made in accordance with § 50.33 or
 Environmental Assessment and a **Finding of Significant Impact** is made, and an Environmental Impact Statement is required in accordance with §§ 50.33(d) and 50.41.

10. Explain any "No" answer: _____

Are there any unresolved conflicts concerning the use of the site?
 No Yes (explain): _____

Project is recommended for approval (List any conditions and requirements) Project is recommended for rejection (State reasons)

Compliance with the Restrictive Covenant for individual properties.
 Future use of individual properties will require a separate environmental review, reviews will comply with the National Historic Preservation Act.
 Avoid direct and indirect support of floodplain development where there is a practicable alternative.
 Properties in a special flood hazard area will maintain flood insurance.

12. Preparer (signature) *Kathleen General*
Kathleen General
 Date *12/2/2011*

13. Supervisor (signature) _____
 Date _____

14. Comments by Environmental Clearance Officer (ECO) (required for projects over 200 lots/units)

ECO (signature) *Paul J. Hebrano*
 X *Paul J. Hebrano*
 Date *12/5/11*

15. Comments (if any) by HUD Approving Official

HUD Approving Official (signature) _____
 X *[Signature]*
 Date *12/6/11*

Part A. Compliance Findings for §50.4 Related Laws and Authorities

§ 50.4 Laws and Authorities	Project is in Compliance		Source Documentation and Requirements for Approval
	Yes	No	
16. Coastal Barrier Resources	✓		FEMA Coastal Barrier Resources lists & maps as evidence of no coastal barrier resources in Camden County.
17. Floodplain Management (24 CFR Part 55)	✓		Flood insurance will be purchased & maintained by the grantee for sites in special flood hazard area. HUD 8 step process will be conducted as
18. Historic Preservation (36 CFR Part 800)	✓		The acquisition only undertaking does not have the potential to cause effects on historic properties. SHPO consultation, letter dated April
19. Noise Abatement (24 CFR Part 51 Subpart B)	✓		Acquisition only, a noise assessment will take place as part of a separate review when future land use is known.
20. Hazardous Operations (24 CFR Part 51 Subpart C)	✓		24CFR 51C does not apply to the acquisition only project. Density will not be increased, vacant building will not be made habitable & building
21. Airport Hazards (24 CFR Part 51 Subpart D)	✓		24CFR Part 51D is not applicable to acquisition only.
22. Protection of Wetlands (E. O. 11990)	✓		There are no wetland is the project area. US Fish Wildlife map.
23. Toxic Chemicals & Radioactive Materials(§ 50.3(i))	✓		Acquisition only will not result in hazards that could affect the health and safety of occupants.
24. Other § 50.4 authorities (e.g., endangered species, sole source aquifers, farmlands protection, flood, insurance, environmental justice)			SSA: NJ EPA reveiwed & approved, letter July 11, 2011, Flood Ins will be purchased for properties in SFHA. No endangered species in project area, no adverse impact anticipated.

Part B. Environmental/Program Factors

Factors	Anticipated Impact/Deficiencies			Source Documentation and Requirements for Approval
	None	Minor	Major	
25. Unique Natural Features and Areas				
26. Site Suitability, Access, and Compatibility with Surrounding Development				
27. Soil Stability, Erosion, and Drainage				
28. Nuisances and Hazards (natural and built)				
29. Water Supply / Sanitary Sewers				
30. Solid Waste Disposal				
31. Schools, Parks, Recreation, and Social Services				
32. Emergency Health Care, Fire and Police Services				
33. Commercial / Retail and Transportation				
34. Other				

DECLARATION OF RESTRICTIVE COVENANT

THIS DECLARATION OF RESTRICTIVE COVENANT (Declaration), dated as of _____, 20__, is given to the United States Department of Housing and Urban Development (HUD) by _____ (Grantee), its successors and assigns.

RECITALS

WHEREAS, the Grantee submitted an application for a Neighborhood Stabilization Program 2 (NSP2) grant and was subsequently awarded a NSP2 grant in the amount of \$ _____; and

WHEREAS, the Grantee entered into a NSP2 Grant Agreement (Agreement) with HUD for Grant Number _____ on _____, 20__; and

WHEREAS, all NSP2 assistance is subject to the National Environmental Policy Act of 1969 (NEPA) and related federal environmental authorities and regulations, which require the performance of an environmental review for certain projects and activities by a “responsible entity” under 24 CFR part 58 or by HUD under 24 CFR part 50; and

WHEREAS, an environmental review must be performed with respect to the disposition of property acquired with NSP2 funds, and such environmental review must address impacts associated with the redevelopment or reuse of the property when the property is proposed for disposition; and

WHEREAS, the Grantee is not a designated “responsible entity” as defined in 24 CFR part 58 and thus HUD must perform the environmental review under 24 CFR part 50; and

WHEREAS, pursuant to the Agreement, the Grantee is operating a land bank. [name of land bank], for homes and residential properties that have been foreclosed upon and has acquired the property described in Exhibit A hereto (Property) to be held in said land bank; and

WHEREAS the Notice of Funding Availability for the Neighborhood Stabilization Program 2 under the American Recovery and Reinvestment Act, 2009 (NSP2 Notice) provides that an NSP-assisted property may be held in a land bank for up to 10 years without obligating the property for a specific eligible redevelopment of that property in accordance with NSP2 requirements; and

WHEREAS, compliance with NEPA and related authorities and regulations and other NSP2 program requirements necessitates the execution of an instrument in recordable form which obligates the Recipient, its successors and assigns to inform HUD of the Property's determined end use to allow HUD to perform its environmental review under 24 CFR part 50; and

WHEREAS, the Grantee under this Declaration intends, declares and covenants that the restrictive covenant set forth herein shall be and is a covenant running with the Property for the term described herein, is binding upon all subsequent owners of the Property for such term, and is not merely a personal covenant of the Grantee,

NOW, THEREFORE, in consideration of the premises and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Grantee agrees and declares as follows:

1. The Grantee, its successors and assigns shall hold the Property in [name of land bank] for a period of no more than ten (10) years commencing from the date of transfer of the Property to the [name of land bank], without obligating the property for a specific eligible redevelopment purpose in accordance with the terms of the Agreement, the NSP2 Notice and applicable federal, state and local laws.

2. Prior to obligating the property for a specific eligible redevelopment purpose, the Grantee, its successors and assigns must advise HUD in writing of the proposed disposition and the specific eligible redevelopment purpose and provide HUD with such relevant information as HUD shall require to allow HUD to complete an environmental review in accordance with 24 CFR part 50.

3. HUD, acting by and through a duly authorized official, may approve or disapprove such action as may be necessary to allow the transfer, conveyance, assignment, lease, mortgage, or encumbrance of the Property.

4. The Grantee, its successors and assigns shall not obligate the Property for a specific eligible redevelopment purpose or commit to or allow the transfer, conveyance, assignment, lease, mortgage or encumbrance of the property unless and until the Grantee or its successors and assigns receive written approval from HUD for such action following HUD environmental review in accordance with 24 CFR part 50.

4. This Declaration regulating and restricting the use and occupancy of the Property (i) shall be and is a covenant running with the Property, encumbering the Property for the term of this Declaration, (ii) is not merely a personal covenant of the Grantee, and (iii) shall bind the Grantee, its successors and assigns for the term of this Declaration.

5. Any and all requirements of the laws of the State that must be satisfied in order for the provisions of this Declaration to constitute a deed restriction and covenant running with

the land shall be satisfied in full, and any requirements or privileges of estate are intended to be satisfied, or in the alternate, an equitable servitude has been created to insure that these restrictions run with the land. For the term of this Declaration, each and every contract, deed, or other instrument hereafter executed conveying the Property or portion thereof shall expressly provide that such conveyance is subject to this Declaration, provided, however, that the covenants contained herein shall survive and be effective regardless of whether such contract, deed or other instrument hereafter executed conveying the Property or portion thereof provides that such conveyance is subject to this Declaration.

6. The invalidity of any clause, part or provision of this Declaration shall not affect the validity of the remaining portions hereof.

IN WITNESS WHEREOF, the Grantee has caused this Agreement to be signed by its duly authorized representative, as of the day and year first above written.

GRANTEE

By _____

STATE OF)
)ss.
COUNTY OF)

On this _____ day of _____, 20____, I, _____, a notary public authorized to take acknowledgement, do hereby certify that _____, known to be the duly authorized representative of _____, appeared before me and executed said instrument freely and voluntarily for and in the name of _____ for the purposes herein expressed, and the seal thereto affixed is the official seal of _____.

Notary Public

This Document was drafted by:
U.S. Department of Housing
and Urban Development
451 Seventh Street SW
Washington DC 20410

EXHIBIT A
TO
DECLARATION OF RESTRICTIVE COVENANT
PROPERTY

LEGAL DESCRIPTION