

CITY OF CAMDEN REDEVELOPMENT AGENCY
RESOLUTION SUMMARY

Resolution No.: 07-10-13A

Resolution Title:

**Resolution Authorizing the City of Camden Redevelopment Agency to
Enter into a First Amendment to Ground Lease Agreement to Permit Parking
on Block 1449, Lots 3 and 6
(the Alpha Metals Property)**

Project Summary:

CRA owns Block 1449 Lots 3 and 6 (the Alpha Metals Property) and currently leases the property to 1035 Line Company, an affiliate of Campbell Soup Company. The Tenant has completed the demolition of the industrial building on the site and NJ Department of Environmental Protection is remediating the environmental contamination on the property.

Purpose of Resolution:

Authorize a First Amendment to Ground Lease Agreement to permit a part of the property to be used for surface parking at an increased rent to be paid to CRA with all improvements to be paid for by the Tenant.

Award Process:

N/A

Cost Not To Exceed: CRA will not incur any costs for the parking improvements to be constructed on the property.

Total Project Cost: N/A

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**Resolution Authorizing the City of Camden Redevelopment Agency to
Enter into a First Amendment to Ground Lease Agreement to Permit Parking
on Block 1449, Lots 3 and 6
(the Alpha Metals Property)**

WHEREAS, the City of Camden Redevelopment Agency (CRA) is the redevelopment entity charged with implementation of various redevelopment plans adopted by the City of Camden throughout the City, including the Gateway Redevelopment Plan, as amended, which relates to a redevelopment area known as the Gateway Redevelopment Area; and

WHEREAS, one of the commercial/industrial properties located in the Gateway Redevelopment Area is Block 1449, Lots 3 & 6 the ("Property") which had been extensively contaminated by prior owners and operators of the property;

WHEREAS, CRA is the current owner of the Property and acquired the Property from the City of Camden after the completion of a tax foreclosure proceeding;

WHEREAS, the Property is in close proximity to facilities owned and operated by Campbell Soup Company or its affiliate companies;

WHEREAS, on or about July 30, 2012 the CRA, the New Jersey Environmental Protection Agency ("NJDEP") and 1035 Line Company (an affiliate of Campbell Soup Company) entered into Ground Lease Agreement, Project Redevelopment Agreement, Environmental Agreement and Subordination Agreement which provided for the NJDEP to remediate the Property at the cost and expense of the NJDEP, for 1035 Line Company to

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demolish the abandoned industrial property on the Property at its expense (subject to a right to reimbursement upon conveyance of the Property) and for CRA to lease the Property to 1035 Line Company during the period that the Property is being remediated with the tenant having an option to purchase the Property for fair market value at any time during the lease;

WHEREAS, 1035 Line Company has taken possession of the Property under the Ground Lease and has completed its obligation to demolish the industrial property on the Property at a cost in excess of Eight Hundred Thousand Dollars (\$800,000);

WHEREAS, the Ground Lease requires 1035 Line Company during the lease term to pay all real estate taxes for the Property and all other operating expenses for the Property with the condition that the Property would not be used for any use other than as open space without the consent of the CRA; and

WHEREAS, 1035 Line Company proposes to pave a portion of the Property at its expense and to use this area for parking for the employees, visitors and guests of Campbell Soup Company and its related entities, with the stipulation that the area would not be used for general public parking; and

WHEREAS, 1035 Line Company has proposed to pay the CRA the additional amount of Five Hundred Dollars per month (\$500.00) per month for each month that it uses the paved area as a parking lot;

WHEREAS, the amount of rent proposed by 1035 Line Company reflects fair market value rent for vacant property to be used for parking as reflected in recent lease arrangements in the area;

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WHEREAS, the NJDEP has consented to the construction of the paved area and the use of the property for parking, and

WHEREAS, the CRA has determined that it would be in the best interests of the public for it to enter into a lease amendment with 1035 Line Company to permit parking at the Property for the rent specified above and pursuant to such other terms and conditions that are agreed to by CRA staff and set forth in a written lease amendment document as the proposed use will foster the commercial uses in the area, will result in additional revenue to the CRA without any capital expense and will increase the tax ratables for the Property,

NOW, THEREFORE, BE IT RESOLVED by the governing body of the City of Camden Redevelopment Agency, that the Executive Director, a duly authorized representative of the City of Camden Redevelopment Agency, is hereby authorized to enter into a First Amendment to Ground Lease Agreement with 1035 Line Street Company to permit parking at the Property for the additional rent of Five Hundred Dollars (\$500.00) per month subject to such other terms and conditions that are agreed to by CRA staff and set forth in a written lease amendment document.

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

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ON MOTION OF:

SECONDED BY:

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

Gloria Pena
Chairperson

ATTEST: _____
Saundra Ross Johnson
Executive Director

The above has been reviewed and approved as to form.

Mark P. Asselta, Esq., Board Counsel