

CITY OF CAMDEN REDEVELOPMENT AGENCY
RESOLUTION SUMMARY

Housing Development

Resolution No.: 09-11-19F

Resolution Title:

Resolution Authorizing an Agreement with New Life Community Development Corporation, Inc. for the Sale of Property Designated as Block 1345, Lots 173 and 174 Of the City of Camden Tax Map (1529 Norris Street and 1531 Norris Street)

Project Summary:

1. The CRA owns the property, known as 1529 Norris Street and 1531 Norris Street (Block 1345, Lots 173 and 174) of the City of Camden Tax Map) (the "Project Site").
2. New Life Community Development Corporation, Inc. ("NLCDC") proposes to substantially rehabilitate the dwelling units located on the Project Site, and thereafter sell the property to qualified homebuyers.
3. This Resolution seeks the authorization to sell the Project Site to NLCDC, or its permitted assignee, for rehabilitation of the dwellings units and improvements to the properties.
4. The terms and conditions for the conveyance include a sales price of \$13,000.00, which represents the fair market value as established by an appraisal, plus the Agency's reasonable costs, expenses, and a development fee.
5. Robert Johnson, MAI, in a report dated July 24, 2019 determined the fair market value of the Project Site to be \$13,000.00.

Purpose of Resolution:

To authorize the sale of 1529 Norris Street & 1531 Norris Street (Block 1345, Lots 173 and 174)

Award Process:

N/A

Cost Not to Exceed:

N/A

Total Project Cost:

FMV, plus reasonable costs, expenses, and a fee

Resolution Authorizing an Agreement with New Life Community Development Corporation, Inc. for the Sale of Property Designated as Block 1345, Lots 173 and 174 of the City of Camden Tax Map (1529 Norris Street and 1531 Norris Street)

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

WHEREAS, CRA owns property known as 1529 Norris Street and 1531 Norris Street designated as Block 1345, Lots 173 and 174 of the City of Camden Tax Map which are improved with two vacant dwelling units in need of substantial rehabilitation (the "Project Site"); and

WHEREAS, New Life Community Development Corporation, Inc., ("NLCDC") proposes to improve the property and substantially rehabilitate the vacant dwelling units on each property and thereafter, sell the rehabilitated and improved property to a qualified first-time homebuyer; and

WHEREAS, an appraisal completed by Robert Johnson, MAI dated July 24, 2019 determined the fair market value of the Project Site to be \$13,000.00.

NOW, THEREFORE, BE IT RESOLVED by the governing body of the City of Camden Redevelopment Agency that the Interim Executive Director, a duly authorized representative of the Agency, is hereby authorized to enter into an agreement with the New Life Community Development Corporation, Inc. and or its affiliate for the sale of the Project Site to NLCDC for the fair market value of \$13,000.00 as established by a qualified appraiser plus reasonable costs and expenses incurred by the CRA and a development fee; and

BE IT FUTHER RESOLVED that the deed will contain a restriction that states in the event that the Property is not improved as set forth herein within two (2) years of the date of the conveyance, title shall revert to the CRA.

BE IT FUTHER RESOLVED that the Interim 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.

BE IT FUTHER RESOLVED that this Resolution shall become null and void unless an agreement of sale is executed by the parties by October 31, 2019 or such later date as agreed to by the CRA.

09-11-19F (cont'd)

ON MOTION OF: *Sheila Davis*

SECONDED BY: *Ian K. Leonard*

COMMISSIONER	AYES	NAYS	ABSTENTIONS
Vance C. Bowman			
Sheila Davis	✓		
Ian K. Leonard	✓		
Jose Javier Ramos	✓		
Maria Sharma	✓		
Marilyn Torres	✓		

Marilyn Torres
Marilyn Torres
Chairperson

ATTEST:

Olivette Simpson
Olivette Simpson
Interim Executive Director

The above has been reviewed and approved as to form.

Mark P. Asselta
Mark P. Asselta, Esq.
Board Counsel

EXHIBIT A **PROJECT SUMMARY**

New Life Community Development Corporation

1529 Norris Street and 1531 Norris Street, Camden, NJ 08104 (Block 1345 Lots 173 and 174)

Type: (2) Rehab For-Sale Units
Program: Fee Simple-Row house
Project Site: 2 residential structures located on Norris Street in Whitman Park
Target Buyers: For sale to First-time Homebuyers (Home Income Restrictions)
Price Point: \$65,000 and \$75,000

Development Budget

	Original Budget
	\$1,100
Redevelopment Fee	\$1,000
Legal	\$1,500
Land and Buildings	\$13,000
Total Acquisition	\$16,600
Construction	
Residential Structures	\$182,784
Demolition	\$20,000
Contingency	\$30,418
Total Construction	\$233,202
Professional Services	
Real Estate Agent Fees	\$3,000
Appraisal Fees	\$650
Architect/ Engineering	\$650
Legal	\$2,700
Construction	
Management	\$5,000
Environmental & Surveys	\$7,700
Cost Certification	\$400
Total Professional Fees	\$20,100
Other Soft Cost and Carrying Costs	
Marketing and Selection	\$1,200
Property Insurance	\$2,500
Real Estate Taxes	\$1,500
Survey and Termite Inspections	\$1,000
Utilities	<u>\$2,000</u>
Contingency	<u>\$1,640.0</u>
Total Soft Costs & Carrying Costs	\$8,200
Financing Costs	
Inspection and Draw Fees	\$2,200
Interest on Construction	\$20,000
Points and Bank Fees	<u>\$20,000</u>
Total Financing Fees	\$42,200
Subtotal Development Costs	\$320,302
Developer's Fee	<u>\$10,000</u>
	<u>\$330,302</u>

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	Average Sq. Ft.	Number of units	Base Sq. Ft. Cst.
	896	2	\$ 102.00
Units	Unit Price	Total Price	
Market	0	\$95,000	\$0
Moderate	1	\$75,000	\$75,000
Low Income	1	\$65,000	<u>\$65,000</u>
Total	2	\$140,000	
Units	Total Price		
Sources			
In-Kind Contribution of Services		\$26,000	
Loan		\$45,000	
City Home Funding		\$250,000	
		<u>\$321,000</u>	
Permanent Sources	Units	Unit Revenue	Total Permanent
Market Rate Subsidy	0	\$ 100,000	\$0
Market Sales	0	\$ 95,000	\$0
Low income Sales	1	\$ 65,000	\$65,000
Moderate Income Sales	1	\$ 75,000	\$75,000
			<u>\$140,000</u>

Tax Map of Block 1345

