

**CITY OF CAMDEN REDEVELOPMENT AGENCY**  
**RESOLUTION SUMMARY**

Housing

Resolution No.: **03-09-16D**

**Resolution Title:**

Resolution Amending Resolution 08-13-14C Which Authorized A Construction Loan to Coopers Hill Town Homes, LLC in the amount of \$142,200.00 for the Coopers Hill Town House Development Project in the Cooper Plaza Redevelopment Area Under the Neighborhood Stabilization Program 2 ("NSP 2") by Extending the Maturity Date of the Loan

**Project Summary:**

1. 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") for the purpose of developing, marketing and selling units in the Cooper Hill Town Homes Project. The Project consists of 30 units of single family for-sale town homes located in Cooper Plaza.
2. CRA by Resolution 08-13-14C authorized a construction loan for the Project to advance funds for 6 remaining town house units in the amount of \$142,200.00, which is repayable with accrued interest at a rate of 5% from the proceeds of the sale of these units.
3. CRA closed the loan with the Redeveloper effective November 14, 2014. Eligible construction costs were set forth in a development budget approved by the Project's other lenders, the NJ Housing & Mortgage Finance Agency (the "NJHMFA") by resolution dated August 14, 2014 and Collaborative Lending, Inc. (the "CLI"). All payments requests were conditioned upon, among other things, satisfactory inspection and acceptance of work by the NJHMFA, CLI, and CRA.
4. CRA's loan was used for a limited, discrete scope of construction work which included interior framing, closing up the exteriors, and site improvements for 554 and 576 Berkley Street. CRA advanced all of the loan proceeds to the Redeveloper as of August 31, 2015.
5. The Redeveloper has asked the CRA to extend the maturity date of its loan from November 14, 2015 to February 1, 2017 to allow the Redeveloper more time to sell and finish construction on the six (6) Phase 3 units. Other lenders have recently approved their respective loan extensions to February 1, 2017. NJHMFA and CLI approved Construction is expected to be completed in August 2016 and extending the maturity date to February 1, 2017 will allow the Redeveloper at least six (6) months within which to sell the completed units.

**Award Process:** N/A

**Cost Not To Exceed:** N/A

**Total Project Cost:** \$142,200.00

**Source of Funds:** NSP 2 – Program Income

03-09-16D

**Resolution Amending Resolution 08-13-14C Which Authorized A Construction Loan to Coopers Hill Town Homes, LLC in the amount of \$142,200.00 for the Coopers Hill Town House Development Project in the Cooper Plaza Redevelopment Area Under the Neighborhood Stabilization Program 2 (“NSP 2”) by Extending the Maturity Date of the Loan**

**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, market, and sell the Project; and

**WHEREAS**, the Project is the rehabilitation and new construction of thirty residential dwelling units located in the Cooper Plaza Neighborhood for sale to homebuyers qualified under the NSP 2 guidelines (the “Project”); and

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

**WHEREAS**, CRA by Resolution 09-01-10J did authorize the use of NSP 2 funds in the amount of \$1,610,189.00 to finance, in part, development of the Project and the Redeveloper entered into construction loans and other agreements with the CRA, New Jersey Housing and Mortgage Finance Agency (“NJHMFA”) and Collaborative Lending Initiative, Inc. (“CLI”) to finance the \$8.9 Million necessary for development of the Project; and

**WHEREAS**, the CRA by Resolution 08-13-14C authorized a construction loan for the Project in the amount of \$142,200.00 from NSP 2 funds to advance construction of 6 town house units to be built on lots designated on the City of Camden Tax Map as Block 1410, Lots 10, 12, 14 and 21, and commonly known as 554 Berkley Street, 558 Berkley Street, 560 Berkley Street, 562 Berkley Street, 562 ½ Berkley Street, 576 Berkley Street of the Project (the “Phase 3 units”); and

**03-09-16D (cont'd)**

**WHEREAS**, CRA closed the loan with the Redeveloper on the effective date of November 14, 2014 for the purposes of providing funds for construction work for the Phase 3 units and advanced all of the loan proceeds to the Redeveloper as of August 31, 2015; and

**WHEREAS**, Redeveloper has requested that the CRA extend the maturity date of its loan in the amount of \$142,200.00 from November 14, 2015 to February 1, 2017 to allow the Redeveloper more time to finish construction and sell the six (6) Phase 3 units.

**WHEREAS**, NJHMFA and CLI, the other lenders on the project likewise have been requested to extend the maturity dates of their respective loans to February 1, 2017 and have approved the requested extension.

**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 Agency, is hereby authorized to extend the maturity date of a construction loan with Coopers Hill Town Homes LLC to provide financing for the Coopers Hill Town Homes Project ("Project") from November 14, 2015 to February 1, 2017 under the terms and conditions as follow:

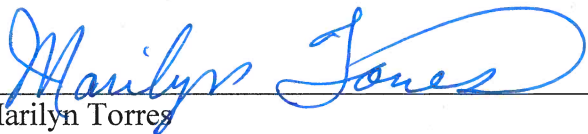
1. The applicable interest rate is five (5%) per annum on funds advanced under the loan to the date of repayment. During the term of the construction loan no principal and interest will be required to be repaid.
2. The Redeveloper shall repay principal and interest of the loan in its entirety from the sales proceeds of units in Phase 3 of the Project. In terms of the priority of repayment, a NSP2 construction loan in the amount of \$142,200.00 will be in 3<sup>rd</sup> position after repayment of the NJHMFA and CLI construction loans. The NSP2 construction loan is to be repaid in full including principal and interest due on the earlier of the following two events: 1) with available sale proceeds after the NJHMFA and CLI construction loans have been satisfied for each completed unit remaining in Phase 3 or 2) February 1, 2017.
3. Redeveloper must pay a loan modification fee of \$500.00 and a document preparation fee of \$1,000.00 within ten days following the effective date of this resolution.
4. The funds constituting the NSP 2 Construction 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.

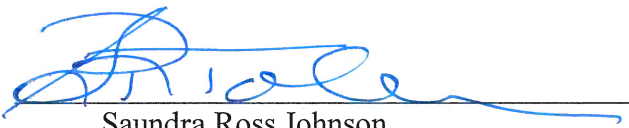
**BE IT FURTHER RESOLVED** that the Executive Director, or her designee, is hereby authorized and directed to take all actions and execute all documents necessary to carry out the purposes of this resolution.

**ON MOTION OF:** Jose J. Ramos

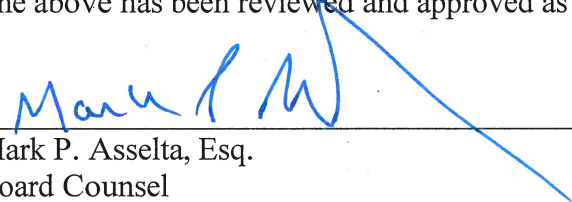
**SECONDED BY:** Ian K. Leonard

COMMISSIONER	AYES	NAYS	ABSTENTIONS
Marilyn Torres	✓		
Sheila Davis			
Vance Bowman			
Kenwood Hagamin, Jr.		✓	
Ian K. Leonard	✓		
Jose J. Ramos	✓		
Maria Sharma	✓		

  
\_\_\_\_\_  
Marilyn Torres  
Chairperson

ATTEST:   
\_\_\_\_\_  
Saundra Ross Johnson  
Executive Director

The above has been reviewed and approved as to form.

  
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Mark P. Asselta, Esq.  
Board Counsel