

ORDINANCE NO. 2022 - 58

ORDINANCE AUTHORIZING THE SALE OF 48 HOWARD STREET TO HABITAT FOR HUMANITY FOR \$1.00 TO BE RENOVATED AS LOW INCOME HOUSING.

WHEREAS, the City of Vineland is the owner of 48 Howard Street which is a residential property formerly used as an EMS Station;

WHEREAS, 48 Howard Street is no longer needed as an EMS Station and is not otherwise needed for a public purpose;

WHEREAS, there is a shortage of low income housing in the City of Vineland, and renovation of 48 Howard Street and its sale to a family that qualifies for low income housing is the most appropriate use of the property;

WHEREAS, N.J.S.A. 40A:12-21 (j) authorizes the sale of real property, for nominal consideration, to a non-profit corporation for the purpose of rehabilitating the residential property for resale;

WHEREAS, N.J.S.A. 40:60-51.12 authorizes the sale/lease of real property to be used in the promoting health, safety, morals, and the general welfare;

WHEREAS, the sale of 48 Howard Street to Habitat for Humanity will promote the general welfare by creating a low income housing unit.

WHEREAS, Habitat for Humanity has agreed to rehabilitate 48 Howard Street and sell the property to an individual/family that qualifies, under the applicable guidelines, to purchase a low income housing unit in the City of Vineland, for a price, and upon such terms as set by the applicable guidelines;

WHEREAS, Habitat for Humanity has agreed to return the net sale proceeds to the Affordable Housing Trust Fund, and to the City as partial consideration for the transfer of 48 Howard Street to Habitat for Humanity.

NOW THEREFORE BE IT ORDAINED by the City Council of the City of Vineland that the Mayor and Clerk are hereby authorized to execute an agreement of sale, along with a Deed of Transfer and such other Closing documents necessary to transfer 48 Howard Street to Habitat for Humanity for \$1.00 subject to the terms and conditions of the proposed contract.

This Ordinance shall take effect upon adoption and publication according to Law.

Passed first reading:

Passed final reading:

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President of Council

Approved by the Mayor:

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Mayor

ATTEST:

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City Clerk

**AGREEMENT OF SALE**  
**BETWEEN**  
**THE CITY OF VINELAND (the "City")**  
**HABITAT FOR HUMANITY ("Habitat")**

**THIS AGREEMENT OF SALE** ("Agreement") is made and entered into as of this \_\_\_\_\_ day of \_\_\_\_\_, 2022, by and between **Habitat for Humanity**, whose address is 601 S. Delsea Drive, Vineland, NJ (at times referred to as or "Habitat") and the **City of Vineland**, whose address is 640 E. Wood Street, Vineland, NJ 08360 (at times referred to as the "City").

**WHEREAS**, there is a need in the City of Vineland for low income housing;

**WHEREAS**, the City is the Owner of real estate known as 48 Howard Street, Block 4204, Lot 21, of the tax map of the City of Vineland (the "Property") which was previously used as an EMS Station, and which needs to be renovated before it may be added to the supply of low income housing in the City of Vineland.

**WHEREAS**, Habitat has the knowledge, experience, resources, and reputation necessary to renovate 48 Howard Street in an expeditious manner.

**NOW, THEREFORE**, in consideration of the mutual agreements and undertakings provided herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

**1. CONSIDERATION.** The City agrees to transfer title to the 48 Howard Street to Habitat, together with all rights incident thereto and all improvements located thereon, for One (\$1.00) Dollar together with the other good and valuable consideration as set forth in this Agreement. The Property is being sold "as is" subject to normal wear and tear.

**2. QUALITY OF TITLE/TRANSFER OF THE PROPERTY.** Title to the Property shall be good and marketable and free and clear of all liens, restrictions, easements and other encumbrances and title objections. Either party may cancel this Agreement if they are unsatisfied with quality of title as reflected in the report. The City shall order and be responsible for the cost of the title report. If both parties are satisfied with the quality of title, the City will transfer title to Habitat to be renovated in accordance with the terms of this Agreement and the specifications dated May 3, 2022 which are attached hereto as **Exhibit A**.

**4. REPRESENTATIONS AND WARRANTIES; COVENANTS.** Habitat is purchasing the Property and fixtures in their "as-is" condition. Neither the City nor any other person acting or purporting to act on behalf of the City has made any warranty or representation concerning the property or its operation which is not contained in this Agreement. The sale is based on the Habitat's own knowledge and inspection.

**5. ADJUSTMENTS AT CLOSING AND CLOSING COSTS.**

(a) Adjustments: The Buyer and Seller agree to adjust any expenses or income relating to the property as of 11:59 pm on the date prior to the closing date, including, but not limited to taxes and utilities.

(b) Utilities: Seller shall obtain readings of all utility meters to a date no sooner than two (2) days prior to Closing. At Closing, Seller shall pay all charges based upon such meter readings. Utilities shall be transferred by Buyer to Buyer's name effective on the Closing Date. The Seller agrees not to interrupt utilities, provided Buyer makes the necessary transfers.

(c) Closing Costs and Expenses: At closing Buyer shall pay all survey and title charges, including but not limited to, owners title insurance; all recording fees, including, but not limited to, the cost of recording the deed, the "mansion tax" imposed by N.J.S.A. 46:15-7.2, if any, and any other fee or cost which is customarily paid by Buyer. The Seller shall pay the realty transfer fee, if any; and any other fee or cost which is customarily paid by Seller. The settlement/closing fee charged by the title company shall be equally split between the Buyer and Seller.

**6. ASSESSMENTS**. Certain municipal improvements such as curbs, sidewalks, water and sewer lines may result in governmental assessments against the property to pay for the improvement. All unpaid assessments against the property for work installed at the property before the Closing Date will be paid by the City at Closing. If the improvement is not installed at the property before the Closing Date, then the Habitat will pay the assessment. If the improvement is completed before the Closing Date but the amount of the assessment is not determined by the Closing Date, the City will pay an estimated amount at the Closing to be held in escrow by the title company or Habitat's attorney. When the amount of the assessment is finally determined, the City will pay any deficiency to the Habitat or the Habitat will return any excess to the City. Notwithstanding anything herein to the contrary, Habitat shall be responsible for any assessments against the Property resulting from Habitat's proposed use of the Property. Any assessments paid by Habitat shall be considered as part of the Cost of Renovation.

**7. TIME AND PLACE OF CLOSING**.

(a) Habitat and the City agree that closing (the "Closing" and the actual date of closing being the "Closing Date") shall occur not later than 30 days after the effective date of this Agreement. Closing shall be held by the title company of Habitat's choice at a location in Vineland, New Jersey; or at Vineland City Hall.

(b) Upon Closing, possession of the Property shall be delivered to Habitat.

**8. DOCUMENTS TO BE DELIVERED AT CLOSING**. At Closing, the City will deliver to Habitat the following, executed, acknowledged and in recordable form, as appropriate:

- a. a Bargain and Sale Deed with Covenants against Grantors Acts;
- b. affidavit of title;
- c. such other agreement document or writing required by the Title Company in connection with the Closing.

**9. RISK OF LOSS/CASUALTY/CONDEMNATION.** The City shall assume all risk of loss, destruction or damage to the Property due to fire or other casualty through the completion of the Closing. If there is material loss or material damage to the Property prior to closing, either party may cancel this Agreement. Habitat shall maintain all customary and appropriate insurances during the Course of Renovations, the cost of which shall be considered as part of the Costs of Renovations.

**10. NOTICES.** All notices, requests, demands or other communications hereunder shall be in writing and deemed given when delivered personally or when sent by certified mail, postage prepared or by nationally recognized overnight carrier as follows:

To City: Sandra Forosisky  
640 E. Wood Street  
Vineland, New Jersey 08360  
sforosisky@vinelandcity.org

Alan G. Giebner, Esq.  
Associate Solicitor  
City of Vineland  
640 E. Wood Street  
Vineland, New Jersey 08360  
agiebner@vinelandcity.org

To Habitat: William Gonzalez  
601 S. Delsea Drive  
Vineland, NJ 08360  
wgonzales.cumberlandhabitat.org

**11. REAL ESTATE COMMISSIONS.** Each party represents to the other party that they have not incurred any real estate commissions in connection with the sale or transfer of the Property.

**12. PARTIES BOUND.** This Agreement shall be binding upon the parties hereto and their respective heirs, administrators, executors, successors, and assigns.

**13. SUCCESSORS AND ASSIGNS.** This Agreement shall be binding upon, enforceable against, and shall insure to the benefit of the assigns and successors of the parties hereto.

**14. NO ASSIGNMENT.** Habitat may not assign his rights, duties and obligations under this Agreement. The Property is being transferred to Habitat due to its unique knowledge, experience and reputation.

**15. AMENDMENT.** Neither this Agreement nor any provision hereof may be changed, amended, modified, waived or discharged, orally or by any course of dealing, but only by an instrument in writing signed by the party against whom enforcement of the change, amendment, modification, waiver or discharge is sought.

**16. NO RECORDING.** Neither this Agreement nor any document referring to this Agreement shall be recorded by Habitat, or by anyone acting on its behalf, in any public office; at the City's option, any such recording shall be a default by Habitat under this Agreement.

**17. GOVERNING LAW.** This Agreement has been executed, delivered, and accepted in the State of New Jersey. This Agreement shall be governed, construed and interpreted in all respects in accordance with the laws of the State of New Jersey. The Superior Court of the State of New Jersey, in the County of Cumberland, shall have sole and exclusive jurisdiction to hear and determine any claims or disputes pertaining directly or indirectly to this Agreement, enforcement of this Agreement, or any other matter arising therefrom. The parties hereby expressly submit, and consent, in advance, to such jurisdiction in any action or proceeding commenced by either party in such Court and expressly waives any right that may otherwise exist to a trial by jury.

**18. EFFECTIVE DATE/COUNTERPARTS/TIME.** This Agreement shall be effective on the later of the date signed and delivered by either party (“Effective Date”). This Agreement may be executed in counterparts, each of which shall be binding against the party whose signature appears thereon. All such counterparts, together, shall consist of one and the same document. If the last day of any time period stated herein shall not fall on a Business Day, then the duration of such time period shall be extended so that it shall end on the next succeeding day which is a Business Day. For the purposes of this Agreement, “Business Day” shall mean any day that is not a Saturday, Sunday or day on which commercial banks are not authorized to be open, or required to be closed in New Jersey.

**19. FAX/PDF SIGNATURES.** This Agreement may be executed and delivered by exchange of facsimile or PDF copies showing signatures of all parties, and those signatures need not be affixed to the same copy. The facsimile or PDF copy showing the signatures of all parties will constitute originally signed copies requiring no further execution.

**20. ENTIRE AGREEMENT.** This Agreement and the Exhibits attached hereto constitute the entire Agreement of the parties with respect to the subject matter hereof. This Agreement supersedes any and all prior negotiations, understandings and agreements of the parties with respect to the subject matter hereof.

**21. RENOVATIONS.** Habitat shall renovate the Property in accordance with the specifications dated May 3, 2022 and attached hereto as **Exhibit A**. All renovations shall be completed, and a CO or T.C.O issued within 90 days of closing. Renovations shall be performed in a cost effective and workman like manner and in accordance with the standards of the industry. Habitat shall provide the City of Vineland, Department of Community Affairs, with invoices and other documented proof of all costs and expenses incurred by Habitat in connection with the renovation of the Property, and the City of Vineland, Department of Community Affairs, shall reimburse Habitat for all such costs and expenses through the Affordable Housing Trust Fund.

**22. SALE.** Habitat shall be responsible for the sale of the Property sell the property to an individual/family that qualifies, under the applicable guidelines, to purchase a low income housing unit in the City of Vineland, for a price, and upon such terms as set by the applicable guidelines as determined by Triad Associates. The sale shall occur as soon as reasonably practical after the issuance of the C.O. or T.C.O.

**23. SALE PROCEEDS.** The net proceeds of the sale of the Property by Habitat shall be distributed to the parties in the following order:

- a. \$10,000.00 to Habitat;

- b. Renovation Costs in excess of \$75,000.00 returned to the Affordable Housing Trust Fund; and
- c. The balance to the City of Vineland.

**IN WITNESS WHEREOF**, the City and Habitat have caused this Agreement to be executed on the day and year set forth in the first paragraph hereof.

HABITAT FOR HUMANITY

Date: \_\_\_\_\_, 2022

\_\_\_\_\_

William Gonzalez

CITY OF VINELAND

Date: \_\_\_\_\_, 2022

\_\_\_\_\_

Anthony Fanucci, Mayor