

RESOLUTION NO. 2020- 509

A RESOLUTION APPROVING VINELAND REVOLVING
LOAN FUNDS FOR TANG TIAN JIANG OR REAL ESTATE
HOLDING COMPANY TO BE FORMED (OR ASSIGNS).

WHEREAS, the Vineland Revolving Loan Fund, LLC Committee has submitted a proposal dated November 24, 2020, for use of Vineland Revolving Loan funds for Tang Tian Jiang or real estate holding company to be formed (or assigns); and

WHEREAS, it is considered to be in the best interest of the City of Vineland and the community in particular that Vineland Revolving Loan Funds be utilized for the above-mentioned project; now, therefore,

BE IT RESOLVED by the City Council of the City of Vineland that said Council does hereby approve the use of Vineland Revolving Loan Funds for the following project, in accordance with the proposal submitted by the Vineland Revolving Loan Fund, LLC Committee:

To: Tang Tiang Jiang or real estate holding company to be formed (or assigns)
\$100,000.00

BE IT FURTHER RESOLVED that the Mayor is hereby authorized to execute all documents associated with this loan.

Adopted:

President of Council

ATTEST:

City Clerk



ECONOMIC DEVELOPMENT
www.vinelandcity.org

640 E. Wood Street
PO Box 1508
Vineland, NJ 08362-1508
Phone: (856) 794-4100
Fax: (856) 405-0467



MEMORANDUM

TO: City Council President and Members

FROM: Vineland Revolving Loan Fund Committee

SUBJECT: **Applicant:** Tang Tian Jiang or real estate holding company to be formed
Loan Amount: \$100,000.00

DATE: November 24, 2020

Dear Council President Spinelli, Councilmen Acosta, Franceschini, Vargas, and Councilwoman Arthur:

On behalf of the Vineland Revolving Loan Fund Committee, please accept this letter recommending a commitment be given to the above applicant for a Vineland Revolving Loan Fund loan in the amount as stated herein above.

Please note that the committee finds that the purpose of the loan meets the criteria set forth in the Statute made and provided governing Urban Enterprise Zone Loans. The committee further finds that the loan will promote economic development, creation/retention of jobs, and/or tax ratable(s) that will benefit the City of Vineland.

Further, please note that based on the information provided, the applicant has the present ability to repay said loan and the loan would be properly protected in that the pledged collateral has a net value which equals or exceeds the amount of the requested funding.

Respectfully submitted,

Sandra Forosisky
Director of Economic Development

SF/fd

cc: Frank DiGiorgio
file



Special arrangements for persons with disabilities may be made if requested in advance by contacting the Business Administrator's office at 856-794-4144.

**VINELAND REVOLVING LOAN FUND, LLC
LOAN PROPOSAL**

Date: November 16, 2020

Borrower Name and Address (s): Tang Tian Jiang
306 S. East Avenue
Vineland, NJ 08360

Request: \$100,000 commercial real estate loan for the acquisition of a commercial property located at 609 E. Landis Avenue, Vineland, NJ.

Interest Rate: 5.00% **Term of Loan:** 20 Years

1. BACKGROUND: Tang Tian Jiang, a Vineland resident for twenty-five (25) years, is the owner-operator of a business located at 805 E. Landis Avenue, Vineland NJ known as Best Food in Town Chinese Restaurant. Mr. Jiang has operated his restaurant from this leased location for many years (his father is the owner of the building which he leases space). Mr. Jiang is interested in purchasing real estate on E. Landis Avenue and has entered into a contract to purchase 609 E. Landis Avenue, Vineland, NJ from Mr. Cosmo Paladino and Mrs. Angela Paladino, the current owners. The Paladino's have been interested in selling this building for quite some time as they wish to exit being landlords and to retire from their real estate investments ownership.

The building located at 609 E. Landis Avenue is currently occupied (leased) by Claudia Martinez, the operator of Accesorios La Mixtequita, a purveyor/retailer of special occasion and custom clothing (Prom, Baptism, Holy First Communion, Sweet 16's and Quincinera), accessories and alterations. Ms. Martinez has been in business for many years, and has leased this location to operate her business since 2015. She is currently under lease and it is her intention to continue to lease this space for the same purpose. Prior to her occupying the space, the space was used as a retail jewelry store (Best of Philly Jewelry and Gifts).

1a. PROJECT: The project involves the acquisition of a 2,460 sq. ft., one-story commercial building located on the Main Street area of E. Landis Avenue in downtown Vineland.

<u>Uses</u>		<u>Sources</u>	
Acquisition of building	\$140,000	Borrower	\$ 45,000
Closing costs (estimate)	5,000	VRLF	100,000
Total	\$145,000	Total	\$145,000

2. COLLATERAL:

- a.) First position mortgage lien on the real property located at 609 E. Landis Avenue, Vineland, Cumberland County, NJ a/k/a Block 4002, Lot 3,
- b.) Assignment of Rents and Leases,
- c.) UCC-1 filing and Security Agreement (Cumberland County) filing,

3. GUARANTORS:

- a.) Tang Tian Jiang will be a personal guarantor, if he should decide to form a real estate holding company. If he takes property in personal name, the guaranty is automatic, as he is the borrower.

4. LIEN POSITION: First.

5. DOLLAR AMOUNT AND HOLDER OF PRIOR LIENS: N/A.

6. SIZE OF PARCEL: 22' x 150' or .09 acres.

7. IMPROVEMENTS THEREON: The property is improved with a one-story, brick building comprised of 2,460 sq. ft. of retail space. The basement is unimproved.

8. LOCATION OF PROPERTY: 609 E. Landis Avenue, Vineland, Cumberland County, NJ a/k/a Block 4002, Lot 3.

9. APPRAISAL INFORMATION: The City of Vineland's tax assessment was utilized to arrive at an LTV of 82%. The City of Vineland has the property located at 609 E. Landis Avenue, Vineland, NJ assessed for \$170,000 (land at \$65,000, and improvements at \$105,000). Consideration to waive an appraisal is requested. A value of \$155,000 would be required to achieve an LTV of 90% (writer believes that this is a minimum value which can be achieved).

10. FINANCIAL:

11. SUBSTANTIATION: LTV = 82%, DSCR = 2.99x.

- Assist a local business operator and investor.
- Maintain occupancy of tenant in a downtown Main Street property.

12. RECOMMENDATION: