

No. 6F-K JUL 07 2016
1st Reading**Ordinance**

No. Public Hearing

No. 6PSF-J AUG 03 2016 City of Newark, N.J.
2nd Rdg. and Final Passage

No. Reconsidered

Approved as to Form and Legality on Basis of Facts Set Forth

Date to Mayor AUG 04 2016

Date Returned AUG 04 2016

Date Resubmitted
to CouncilDate Advertised
1st Reading

Final Reading

Factual contents certified to by

Corporation Counsel

Title

Council member Gonzalez presents the following Ordinance: J. Allen BA

1 AN ORDINANCE GRANTING A TWENTY (20) YEAR TAX ABATEMENT TO BOCER
2 ASSOCIATES URBAN RENEWAL, LLC, 300 WILSON AVENUE, NEWARK, NEW
3 JERSEY 07105, FOR A PROJECT TO CONSTRUCT A FIVE (5) STORY BUILDING
4 CONSISTING OF THIRTY-FIVE (35) MARKET RATE RESIDENTIAL UNITS, A PRE-
5 SCHOOL / DAY CARE AND APPROXIMATELY FIFTY (50) PARKING SPACES ON
6 REAL PROPERTY KNOWN AS 360 NEW YORK AVENUE, 54-62 HOUSTON
7 STREET AND IDENTIFIED ON THE OFFICIAL TAX MAP OF THE CITY AS BLOCK
8 996, LOTS 1, 2, 3 AND 60 (East Ward).

11 WHEREAS, BOCER Associates Urban Renewal, LLC, 300 Wilson Avenue,
12 Newark, New Jersey 07105, filed an application with the Mayor seeking a long term tax
13 abatement under the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. for a
14 twenty (20) year term for a project to construct a five (5) story building consisting of (i)
15 thirty-five (35) market rate residential rental units and amenity space, (ii) a pre-
16 school/day care and (iii) approximately 50 parking spaces on real property known as
17 360 New York Avenue and 54-62 Houston Street Newark, New Jersey and identified on
18 the City's tax map as Block 996, Lots 1, 2, 3 and 60 (the "Project"); and

21 WHEREAS, the Mayor has submitted the application and proposed Financial
22 Agreement to the Municipal Council with his recommendation thereof, a copy of which is
23 annexed hereto; and

26 WHEREAS, in accordance with Ordinance 6PSF-a adopted May 4, 2011,
27 BOCER Associates Urban Renewal, LLC has filed with the City a sworn statement that
28 it has not made any contribution in violation of said ordinance; and

31 WHEREAS, the Municipal Council has determined, pursuant to N.J.S.A. 40A:20-
32 1, that the relative benefits of this Project outweigh any costs associated with this tax
33 exemption and that without the tax abatement granted herein, the Project would not be
34 undertaken.

37 NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY
38 OF NEWARK, NEW JERSEY, THAT:

41 1. The application of BOCER Associates Urban Renewal, LLC, 300 Wilson
42 Avenue, Newark, New Jersey 07105 (the "Entity"), for the development, maintenance
43 and operation of the Project described in the application is hereby approved in
44 accordance with the recommendation of the Mayor.

47 2. The abatement from taxation on improvements is hereby granted to the
48 Entity for a period of twenty (20) years from the date of completion of the Project,
49 pursuant to N.J.S.A. 40A:20-12, and only so long as the Entity is subject to and
50 complies with the proposed Financial Agreement and the Long Term Tax Exemption
51 Law, as amended and supplemented.

54 3. The Mayor of the City of Newark is hereby authorized to execute, on the
55 City's behalf, the Financial Agreement in the form attached hereto.

57 4. An executed copy of the Financial Agreement authorized by this ordinance
58 shall be filed and maintained with the City Clerk.

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3 5. The Project, when completed, will conform with all State laws and
4 ordinances of the City of Newark relating to its construction and use.
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7 6. The Affirmative Action Program now on file in the Office of the City Clerk is
8 declared to be a material condition of the Financial Agreement authorized by this
9 ordinance.

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11 7. The Entity shall in the operation of the Project comply with all laws so that
12 no person shall be subject to any discrimination because of race, religious principles,
13 color, national origin, or ancestry.
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16 8. The Entity shall file an employment report (herein described below) with
17 the Office of Affirmative Action who shall forthwith after receiving the report send a copy
18 thereof to the City Clerk and the Office of Affirmative Action shall forthwith investigate
19 the matters contained therein and report its findings to the Municipal Council.
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22 9. The annual service charge shall be based on 10% of the Annual Gross
23 Revenue generated from the Project and shall increase in phases as set forth more fully
24 within the Financial Agreement.

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26 10. The Entity shall pay the minimum annual service charge, as calculated
27 pursuant to N.J.S.A. 40A:20-12(b)(2)(e) and the Financial Agreement, in each year in
28 which the annual service charge, as provided in paragraph 9 above, would be less than
29 the minimum annual service charge.
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32 11. The following occurrences and requirements are express conditions of the
33 granting of this tax abatement, to be performed by the Entity and the failure to comply
34 with these requirements will result in the cancellation of the tax abatement:

35 (a) The Entity shall not, without prior consent of the Municipal Council
36 of the City of Newark, sell, lease, assign, encumber, subordinate, convey, mortgage or
37 transfer all, or any part of the Project, so as to sever, disconnect or divide the
38 improvements from the land embraced within the Project;
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40 (b) The Entity, pursuant to the Revised City Ordinance 10:24-1 et seq.,
41 as amended, shall be deemed to agree that it will in good faith assist the City of Newark
42 in its goal of having 50% of all new jobs arising out of the businesses conducted on the
43 Project site after the issuance of the certificate of occupancy and during the continuation
44 of the tax exemption, dedicated to Newark residents, of which 25% of such all new
45 employees shall be minority residents;
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47 (c) The Entity shall concomitantly, with the submission of the annual
48 report required of it by N.J.S.A. 40A:20-9(d), attach an employment report under oath,
49 with particulars, stating the manner and the extent to which it has complied with 11(c)
50 above. This employment report shall be filed with the Director of Finance, the City Clerk
51 of the City of Newark, and the Deputy Mayor/Director of the Department of Economic
52 and Housing Development;
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54 (d) The Entity shall pay all outstanding taxes and all outstanding water
55 and sewer charges within thirty (30) days of the adoption of this ordinance;
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57 (e) The Entity shall submit to the City a copy of its formation
58 documents, as approved by the Department of Community Affairs and filed with the
59 Secretary of State;
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61 (f) The Entity shall receive a favorable review and certification from the
62 appropriate City departments and agencies, pursuant to City Ordinance 6S&Fd October
63 21, 1992, as amended.
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12. That in any year that the Entity shall fail to make four (4) consecutive land tax payments when due and owing in the manner defined in N.J.S.A. 40A:20-12(b)(2)(e), such delinquency shall render the Entity ineligible for any land tax credits against the annual service charge.

13. The Entity understands and agrees that the revenue projections set forth in the application are estimates and that the actual payments in lieu of taxes to be paid by the Entity to the City shall be determined pursuant to the Financial Agreement to be executed between the Entity and the City of Newark.

14. To the extent of any inconsistency with any prior City ordinance and/or Municipal Code provision governing the granting of long-term tax exemptions, including, inter alia, procedures for application, review and approval, required terms of the Financial Agreement, required conditions and covenants, limits on duration, means of enforcement, and all other matters whatsoever, such prior City ordinances and/or Municipal Code provisions are hereby waived, but only with respect to this ordinance.

15. The City Clerk's Office of the City of Newark shall forthwith submit a certified copy of the ordinance approving the tax abatement and the proposed Financial Agreement to the Director of the Division of Local Government Services.

16. This ordinance shall take effect upon final passage and publication in accordance with the laws of the State of New Jersey.

STATEMENT

This ordinance grants a long term tax abatement to BOCER Associates Urban Renewal, LLC, 360 Wilson Avenue, New Jersey 07105, under the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et. seq. for a twenty (20) year term for a project to construct a five (5) story building consisting of (i) thirty-five (35) market rate residential rental units and amenity space, (ii) a pre-school / daycare and (iii) approximately 50 parking spaces on real property known as 360 New York Avenue and 54-62 Houston Street, Newark, New Jersey and identified on the City's tax map as Block 996, Lots 1, 2, 3 and 60. (East Ward)

CERTIFIED TO BY ME THIS

AUG 04 2016

DO NOT USE SPACE BELOW THIS LINE

RECORD OF COUNCIL VOTE ON FINAL PASSAGE										RECORD OF COUNCIL VOTE FOR RECONSIDERATION									
Council Member	AYE	NAY	NV	AB	Council Member	AYE	NAY	NV	AB	Council Member	AYE	NAY	NV	AB	Council Member	AYE	NAY	NV	AB
Amador Vice President					Osborne					Amador Vice President					Osborne				
Gonzalez M	✓				Quintana	✓				Gonzalez					Quintana				
James	✓				Ramos, Jr. S	✓				James					Ramos, Jr.				
Chaneyfield Jenkins					Crump President					Chaneyfield Jenkins					Crump President				
McCallum, Jr.	✓									McCallum, Jr.									
✓ - Indicates Vote					AB - Absent					NV - Not Voting									

Adopted on first reading at a meeting of the Council of the City of Newark, N.J., on JUL 07 2016

Adopted on second and final reading after hearing on AUG 03 2016

Approved
Rejected By

Mayor

Council President

City Clerk

This Ordinance when adopted must remain in the custody of the City Clerk. Certified copies are available.