

No. 6.F.A.(s) 1st Reading

JAN 29 2019

Ordinance

of the

No. Public Hearing

FEB 22 2019

City of Newark, N.J.No. 6.P.S.F.B 2nd Rdg. and Final Passage

No. Reconsidered

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

Corporation Counsel

Council member Council of the Whole presents the following Ordinance:

Date to Mayor FEB 27 2019

Date Returned

Date Resubmitted
to CouncilDate Advertised
1st Reading

Final Reading

Factual contents certified to by

Title

ORDINANCE AUTHORIZING THE MAYOR, AND/OR HIS DESIGNEE, THE DIRECTOR OF THE DEPARTMENT OF ECONOMIC AND HOUSING DEVELOPMENT TO ENTER INTO A CONTRACT FOR THE PURCHASE OF REAL ESTATE WITH ALPERT AND ALPERT DEVELOPMENT, LTD. FOR THE ACQUISITION OF THE SHANI BARAKA CENTER PROPERTY LOCATED AT 276-300 CLINTON AVENUE, NEWARK, NEW JERSEY, ALSO KNOWN AS BLOCK 2670, LOT 1.14, IN THE SOUTH WARD, FOR TWO MILLION THREE HUNDRED TWENTY THOUSAND ONE HUNDRED DOLLARS AND ZERO CENTS (\$2,320,100.00), WITH CREDIT OF 35% OF TOTAL RENT TO DATE, \$140,875.00, AND DEBIT OF RENT DUE AND OWING OF \$192,500.00.

WHEREAS, the City of Newark ("City") is authorized to acquire real and personal property, for public purposes pursuant to the Local Lands and Buildings Law (N.J.S.A. 40A:12-1 et seq.); and

WHEREAS, in accordance with N.J.S.A. 40A:12-3(a) "Any county or municipality may acquire, construct and maintain such buildings or other capital improvements as may be necessary and suitable for the performance of its functions, the accommodation of the courts required to be held in the county or municipality, the conduct of public business and the use of the county and municipal departments, officers, boards, commissions and agencies in charge of institutions and facilities and any other county or municipal public purposes, and from time to time as necessary, repair, alter, enlarge, rebuild, furnish, refurnish, refurbish or rehabilitate such buildings."; and

WHEREAS, on May 16, 2000, the Municipal Council of the City of Newark ("Municipal Council") adopted Resolution 7Rb(S) that authorized the execution of an Agreement for Private Sale and Redevelopment of City Block 2670 (the "Agreement") to Alpert and Alpert Development, Ltd., 1 Parker Plaza Fort Lee, New Jersey 07024 ("Redeveloper"); and

WHEREAS, on November 5, 2015, by Resolution 7R3-b, the Municipal Council authorized the Mayor and/or his designee, the Director of the Department of Economic and Housing Development, to enter into the First Amended and Restated Redevelopment Agreement ("Amended Agreement") and Lease (the "Lease") between the City and Redeveloper; and

WHEREAS, the Amended Agreement provided for the redevelopment of the property located at 276-300 Clinton Avenue, Newark, New Jersey, Block 2670, Lot 1.14 (the "Property") into a federally qualified women's health and resource center; and

WHEREAS, the Lease, which is attached, provided for the City to lease the Property from the Redeveloper for a period of twenty (20) years, at Seventeen Thousand Five Hundred Dollars and Zero Cents (\$17,500.00) per month, with the option to renew, as well as the option to purchase the Property from the Redeveloper; and

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3 **WHEREAS**, Section 26 of the Lease Agreement, provides, among other things,
4 that the City "shall have the right to purchase the Property and all improvements
5 thereon. This option to purchase may be exercised at any time during the Term or any
6 extension thereof"; and
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9 **WHEREAS**, the City intends to exercise its option to purchase the Property
10 pursuant to Section 26 of the Lease Agreement, dated February 1, 2017, between the
11 City and the Redeveloper for the public purpose of providing community-based health
12 services in underserved areas; and
13

14 **WHEREAS**, in accordance with Section 26 of the Lease Agreement, the Purchase
15 Price shall be \$2,320,100.00, "less a credit of thirty-five percent (35%) of the total rent if
16 option is exercised within the first two (2) years of the Term of the Lease ("Purchase
17 Price")", which amount equals One Hundred Forty Thousand Eight Hundred Seventy-
18 Five Dollars and Zero Cents (\$140,875.00). The credit amount is calculated based on
19 rent for twenty-three (23) months, February 2017 through December 2018, at
20 Seventeen Thousand Five Hundred Dollars and Zero Cents (\$17,500.00) per month,
21 which equals Four Hundred Two Thousand Five Hundred Dollars and Zero Cents
22 (\$402,500.00); and
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25 **WHEREAS**, the City intends to purchase the Property for the Purchase Price
26 pursuant to an Agreement of Sale between the City and the Redeveloper, attached
27 hereto as **Exhibit A**, which provides, in paragraph 1.2(b) that the City will pay to the
28 Redeveloper any rent due and owing on the Property. The outstanding balance good
29 through December 31, 2018, pursuant to the attached rent history, is \$192,500.00; and
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32 **WHEREAS**, the Municipal Council wishes to authorize the Mayor and/or the
33 Director of the Department of Economic and Housing Development to execute the
34 Agreement of Sale with the Redeveloper, and to accept the Bargain and Sale Deed with
35 Covenants Against Grantor's Acts in substantially the form attached as **Exhibit B** for the
36 acquisition of the Property.
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39 **NOW, THEREFORE, BE IT ORDAINED BY THE MUNICIPAL COUNCIL OF**
40 **THE CITY OF NEWARK, NEW JERSEY, THAT:**
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42 **SECTION 1.** The City is hereby authorized to acquire 276-300 Clinton
43 Avenue, Newark, New Jersey (the "Property") in accordance with N.J.S.A. 40A:12-3 and
44 the terms of the Agreement of Sale attached as **Exhibit A** in order to provide for the
45 provision of community-based health care services in underserved areas and other
46 public purposes associated with the mission of the federally qualified Women's Health
47 Center.
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49 **SECTION 2.** In accordance with the terms and conditions of the Lease
50 Agreement and Agreement of Sale, the City shall purchase the Property for a total of
51 \$2,320,100.00, less a credit of \$140,875.00, which represents thirty- five percent (35%)
52 of the total rents to date, \$402,500.00, including those in arrears, plus back rents due
53 and owing per attached rent history in the amount of \$192,500.00,
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55 **SECTION 3.** The Mayor, his designee, the Director of the Department of
56 Economic and Housing Development, and all City officials, employees, and consultants
57 are hereby authorized to take action as necessary to effect the purposes of this
58 Ordinance.
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61 **SECTION 4.** Attached hereto is a Resolution of the New Jersey State
62 Local Finance Board, dated August 8, 2018, approving the City's dedication of the sum
63 of Two Million Three Hundred and Twenty Thousand Dollars and Zero Cents
64 (\$2,320,000.00) to the purchase of the Maria Eliza Mahoney Women's Health Center (to
65 be known as the "Shani Baraka Center"). Accordingly, no Certification of Funds is
66 needed.
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SECTION 5. The Shani Baraka Center will provide social service programs for victims/survivors of domestic violence and sexual assault in the City of Newark and surrounding municipalities. Such services will include counseling, support groups, job placement and development, and crisis intervention.

SECTION 6. The Mayor and/or his designee, the Director of the Department of Economic and Housing Development are hereby authorized to execute any and all agreements and other legal documents necessary to accomplish the acquisition of the Property, including, but not limited to, the Agreement of Sale, in the form attached hereto, and to receive and record the Bargain and Sale Deed with Covenants Against Grantor's Acts in substantially the form attached as **Exhibit B** for the acquisition of the Property in accordance with N.J.S.A. 40A:12-1, et seq.

SECTION 7. A copy of the Ordinance and any agreements authorized herein shall be placed on file with the City Clerk's Office by the Director of the Department of Economic and Housing Development.

SECTION 8. If any section, paragraph, subsection, clause or provision of this Ordinance shall be adjudged by the courts to be invalid, such adjudication shall apply only to the section, paragraph, subsection, clause or provisions so adjudicated, and the remainder of the Ordinance shall be deemed valid and effective.

SECTION 9. This Ordinance shall take effect in accordance with the laws of the State of New Jersey after final passage and publication.

STATEMENT

This Ordinance authorizes the execution of a contract for the purchase of 276-300 Clinton Avenue, Newark, New Jersey, Block 2670, Lot 1.14, on the Official Tax Map and Tax Duplicates of the City, in the amount of \$2,320,100.00 with the following credit and debit to the City:

Credit of 35% of Total Rent to Date:	(\$140,875.00)
Plus Rent Due & Owing:	\$192,500.00.

CERTIFIED TO BY ME THIS

FEB 27 2019

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	✓				Osborne	✓				Amador					Osborne				
Gonzalez	✓				Quintana <small>Vice President</small>	✓				Gonzalez					Quintana <small>Vice President</small>				
James				✓	Ramos, Jr.	✓				James					Ramos, Jr.				
McCallum, Jr.	✓	✓			Crump President	✓				McCallum, Jr.					Crump President				
McIver	✓									McIver									
✓ - 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 JAN 29 2019

Adopted on second and final reading after hearing on FEB 22 2019

Approved _____
Rejected By _____

Council President

City Clerk

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