

No. 6FB (as) 1st Reading JAN 08 2020**Ordinance**

Date to Mayor JAN 23 2020

No. .... Public Hearing JAN 22 2020  
No. 6PSF-A 2nd Rdg. and Final Passage**of the  
City of Newark, N.J.**Date Returned JAN 27 2020  
Date Resubmitted to Council .....  
Date Advertised 1st Reading JAN 13 2020

No. .... Reconsidered

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

Final Reading .....  
Factual contents certified to by ..........  
Corporation CounselCouncil member council of the whole presents the following Ordinance:Title Alhscuthed, Director

1 AN ORDINANCE AMENDING ORDINANCE 6PSF-d, ADOPTED ON NOVEMBER 7,  
2 2019, GRANTING A FIVE (5) YEAR EXTENSION OF THE TAX ABATEMENT TO  
3 CLAREMONT NEWARK URBAN RENEWAL, LLC, 1316 MADISON AVENUE, NEW  
4 YORK, NEW YORK 10128, FOR THE PROJECT COMMONLY REFERRED TO AS  
5 THE "FBI BUILDING" ON REAL PROPERTY KNOWN AS 1-33 CENTRE PLACE  
6 AND IDENTIFIED ON THE OFFICIAL TAX MAP OF THE CITY AS BLOCK 129, LOT  
7 1. (CENTRAL WARD)

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9  
10 WHEREAS, pursuant to Resolution 7Rdd adopted on June 6, 2001, the City and  
11 Claremont Newark Urban Renewal, LLC, 1316 Madison Avenue, New York, New York  
12 10128 (the "Entity") previously executed a Financial Agreement providing a fifteen (15)  
13 year tax exemption for the Project commonly referred to as the "FBI Building" located at  
14 1-33 Centre Place and identified on the City tax map as Block 129, Lot 1; and

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16 WHEREAS, the Entity has undertaken certain improvements to the Project; and

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18 WHEREAS, the Entity filed an application, prior to the undertaking of any  
19 improvements, with the Mayor seeking an extension of the long term tax abatement  
20 under the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq., for an additional  
21 fifteen (15) year period; and

22  
23 WHEREAS, the Mayor submitted the application and proposed First Amendment  
24 to the Financial Agreement (the "First Amendment") to the Municipal Council with his  
25 recommendation for a five (5) year extension of the tax abatement; and

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27 WHEREAS, on November 7, 2019, the Municipal Council determined pursuant to  
28 N.J.S.A. 40A:20-11 that the relative benefits of this Project outweigh any costs  
29 associated with this tax exemption, and approved the recommended five (5) year  
30 extension of the Entity's tax abatement through Ordinance 6PSF-d November 7, 2019;  
31 and

32  
33 WHEREAS, prior to the execution of the First Amendment, it was discovered that  
34 the Municipal Council had considered and approved the execution of a draft copy of the  
35 First Amendment which was inadvertently uploaded in place of the final copy; and

36  
37 WHEREAS, there are minor differences between the document approved by the  
38 Municipal Council on November 7, 2019 and the final document, and for avoidance of  
39 doubt regarding the terms of the First Amendment and the Municipal Council's intention  
40 to approve same, it is necessary for the Municipal Council to review and approve the  
41 final version of the First Amendment, a copy of which is annexed hereto.

42  
43 NOW, THEREFORE, BE IT ORDAINED BY THE MUNICIPAL COUNCIL OF  
44 THE CITY OF NEWARK, NEW JERSEY, THAT:

45  
46 1. The Mayor of the City of Newark and/or his designee, the Acting Director  
47 of the Department of Economic and Housing Development are hereby authorized to  
48 enter into and execute, on the City's behalf, a First Amendment to the Financial  
49 Agreement, in the form attached hereto, granting Claremont Newark Urban Renewal,  
50 LLC, 1316 Madison Avenue, New York, New York 10128 (the "Entity"), a five (5) year  
51 extension of its tax abatement, in accordance with the recommendation of the Mayor.  
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2. The tax abatement extension on improvements shall be for a period of five (5) years from the date of expiration of the original Financial Agreement, December 31, 2017, which was approved pursuant to Resolution 7Rdd on June 6, 2001, through December 31, 2022, or the occurrence of a default, whichever is first.

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

4. An executed copy of the First Amendment to the Financial Agreement authorized by this Ordinance shall be filed and maintained with the City Clerk.

5. The Project shall conform with all State laws and Ordinances of the City of Newark relating to its construction and use.

6. The Entity shall in the operation of the Project comply with all laws so that no person shall be subject to any discrimination because of race, religious principles, color, national origin, or ancestry.

7. The annual service charge for the years 2018 through 2022 shall be equal to \$1,400,000.00 per year as set forth more fully within the First Amendment to the Financial Agreement.

8. The following occurrences and requirements are an express condition of the granting of this tax abatement, to be performed by the Entity and the failure to comply with these requirements will result in the cancellation of the tax abatement:

(a) The Entity shall not, without prior consent of the Municipal Council of the City of Newark, sell, lease, assign, encumber, subordinate, convey, mortgage or transfer all, or any part of the Project, so as to sever, disconnect or divide the improvements from the land embraced within the Project.

(b) The Project and all portions thereof shall continue to be utilized by the Federal Bureau of Investigation or other instrumentality of the United States of America for the duration of the tax exemption.

(c) Entity shall pay both the Annual Service Charge and the land tax payments.

(d) Entity agrees that it shall be subject to the terms and conditions of the City's Revised Ordinance 10:24-1 et seq., as amended, concerning payroll tax.

9. 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.

10. 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.

11. 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.

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12. Within 10 calendar days following the later of the effective date of this Ordinance or the execution of the Financial Agreement by the Entity, the City Clerk's Office of the City of Newark shall transmit a certified copy of the Ordinance and Financial Agreement to the Chief Financial Officer of the City of Newark, County and to the County Counsel for informational purposes.

13. 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 purposed Financial Agreement to the Director of the Division of Local Government Services.

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

### STATEMENT

This Ordinance corrects Ordinance 6PSF-d, adopted on November 7, 2019, granting a five (5) year extension to the long term tax abatement to Claremont Newark Urban Renewal LLC, 1316 Madison Avenue, New York, New York 10128, under the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq., for the Project commonly referred to as the "FBI Building" located on real property commonly known as 1-33 Centre Place, Newark, New Jersey and identified on the City's tax map as Block 129, Lot 1 (Central Ward), by replacing the draft copy of the First Amendment that was inadvertently approved by the Municipal Council with a final version of the document.

CERTIFIED TO BY ME THIS

JAN 27 2020

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									

✓ - Indicates Vote

AB - Absent

NV - Not Voting

JAN 08 2020

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

Adopted on second and final reading after hearing on JAN 22 2020

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.