



Legislation Details (With Text)

File #: 18-0332 **Version:** 1 **Name:** Resolution to the Release Redevelopment Rights to certain property on Boyd Street by Boraie Development, LLC

Type: Resolution **Status:** Adopted

File created: 3/6/2018 **In control:** Economic and Housing Development

On agenda: 5/30/2018 **Final action:** 5/30/2018

Title: Dept/ Agency: Economic and Housing Development
 Action: (X) Ratifying (X) Authorizing (X) Amending
 Type of Service: Resolution Endorsing
 Purpose: Resolution to Approve an Agreement for the Release of the Redevelopment Rights with Respect to Certain Property on Boyd Street, by Boraie Development, LLC
 Additional Information:

- 285 Springfield Avenue/Block 2518/Lot 1/Central Ward
- 283 Springfield Avenue/Block 2518/Lot 2/Central Ward
- 281 Springfield Avenue/Block 2518/Lot 3/Central Ward
- 279 Springfield Avenue/Block 2518/Lot 4/Central Ward
- 277 Springfield Avenue/Block 2518/Lot 5/Central Ward
- 275 Springfield Avenue/Block 2518/Lot 6/Central Ward
- 269-273 Springfield Avenue/Block 2518/Lot 7/Central Ward
- 11-13 Boyd Street/Block 2518/Lot 11/Central Ward
- 5 Sayre Street/Block 2518/Lot 43/Central Ward
- 7-9 Boyd Street/Block 2518/Lot 61/Central Ward
- 14 Boyd Street/Block 2519/Lot 47/Central Ward
- 12 Boyd Street/Block 2519/Lot 48/Central Ward
- 8-10 Boyd Street/Block 2519/Lots 49, 50/Central Ward
- 6 Boyd Street/Block 2519/Lot 51/Central Ward
- 265-267 Springfield Avenue/Block 2519/Lots 52, 53/Central Ward
- 261-261½ Springfield Avenue/Block 2519/Lot 56/Central Ward

Sponsors: Council of the Whole

Indexes:

Code sections:

Date	Ver.	Action By	Action	Result
5/30/2018	1	Municipal Council	Adopt	Pass

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WHEREAS, the City, acting through its Municipal Council (the “Council”) pursuant to and in accordance with the requirements of Local Redevelopment and Housing Law, N.J.S.A 40A:12A-1 et seq. (the “LRHL”), designated an area in need of redevelopment known as the Central Ward Redevelopment Area, later amended to be identified as the Living Downtown Plan Area (the “Redevelopment Area”); and

WHEREAS, the Redevelopment Area includes certain land within the portion of the Redevelopment Area identified on the tax map as 285 Springfield Avenue, 283 Springfield Avenue, 281 Springfield Avenue, 279 Springfield Avenue, 277 Springfield Avenue, 275 Springfield Avenue, 269-273 Springfield Avenue, 11-13 Boyd Street, 5 Sayre Street, 7-9 Boyd Street, 14 Boyd Street, 12 Boyd Street, 8-10 Boyd Street, 6 Boyd Street, 265-267 Springfield Avenue and 261-261½ Springfield Avenue (Block 2518, Lots 1, 2, 3, 4, 5, 6, 7, 11, 43 and 61 and Block 2519, Lots 47, 48, 49, 50, 51, 52, 53, 56) (collectively, the “Boyd Street Property”); and

WHEREAS, the City duly adopted, pursuant to and in accordance with the requirements of the LHRL, the “Central Ward Redevelopment Plan” for the Redevelopment Area, as amended and superseded by the “Living Downtown Plan” (the “Redevelopment Plan”); and

WHEREAS, on February 24, 2009, the Newark Municipal Council adopted Resolution 7R3-a (S-1), which, among other matters, approved the private sale and redevelopment of certain properties to Boraie Development, LLC, 120 Albany Street, New Brunswick, New Jersey 08901 (“Boraie”), for the construction of 31 units of Workforce Housing with associated on-site retail, with the property consisting of a total of 41,026.80 square feet for a consideration of \$4.00 per square foot for a total of \$164.107.20.; and

WHEREAS, as of this calendar year Boraie was in good standing as the redeveloper of Boyd Street Property and Redevelopment Agreement was in full force and effect; and

WHEREAS, the City inadvertently entered into an agreement approved by resolution 7R2-b(S) November 29, 2016 with Aim Steel International Corporation, 2366 Sylvan Road, Atlanta, Georgia 30344, entity for the purchase and redevelopment of Boyd Street Property; and

WHEREAS, to promote the coordinated redevelopment of the City, Boraie is willing to agree to voluntarily release its rights as redeveloper of the Boyd Street Property and to terminate the Redevelopment Agreement provided the City release Boraie from any obligations or liabilities under the Redevelopment Agreement and provide other consideration, subject to and in accordance with the terms and conditions of Release of Redevelopment Rights between Boraie and the city (the “Release Agreement”); and

WHEREAS, the Release Agreement was previously executed by the City of Newark's Economic and Housing Department's then Director Baye Adolo-Wilson, and a representative from Newark Community Economic Development Corporation on June 22, 2017; and

WHEREAS, the Mayor and the City have determined that ratifying the Release Agreement to November 28, 2016, is critical to the successful redevelopment of Boyd Street Property, and that such Agreement would serve the best interest of the City and its residents.

NOW, THEREFORE, BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:

1. The Mayor and/or Acting Director of the Department of Economic and Housing Development is/are authorized on behalf of the City of Newark to re-execute and accept the terms of the Release Agreement.
2. The Mayor and/or Acting Director of the Department of Economic and Housing Development is/are hereby authorized, on behalf of the City of Newark, to effectuate certain business terms and conditions of the Release Agreement and may enter into related documents which may be necessary to in order to effectuate the Release Agreement.
3. All prior acts of the Mayor and/or Acting Director of Department of the Economic and Housing Development or other authorized representative of the City of Newark with respect to the Release Agreement are hereby ratified and approved.
4. The Release Agreement is hereby ratified back to November 28, 2016.
5. This Resolution shall take effect immediately.

STATEMENT

This Resolution authorizes the Mayor and/or Acting Director of the Department of Economic and Housing Development, on behalf of the City of Newark to re-execute and accept the terms of the Release Agreement and approves the redevelopment rights with respect to certain properties on Boyd Street, by Boraie Development, LLC, for the construction of 31 Mixed-Use Commercial and Residential units of Workforce Housing with associated on-site retail.