



Legislation Details (With Text)

File #: 19-0785 **Version:** 1 **Name:** JeffDowning LLC

Type: Resolution **Status:** Adopted

File created: 5/4/2019 **In control:** Economic and Housing Development

On agenda: 8/19/2020 **Final action:** 8/19/2020

Title: Dept/ Agency: Economic and Housing Development
 Action: Ratifying Authorizing Amending
 Type of Service: Private Sale/Redevelopment
 Purpose: To combine the property with 186-194 Thomas Street to develop a forty (40) unit apartment building.
 Entity Name: JEFFDOWNING, LLC
 Entity Address: 300 Wilson Avenue, Newark, New Jersey 07105
 Sale Amount: \$12,599.16
 Cost Basis: \$6.00 PSF Negotiated N/A Other:
 Assessed Amount: \$24,000.00
 Appraised Amount: \$0.00
 Contract Period: To commence within three (3) months and be completed within twenty-four (24) months from the transfer of ownership by the City
 Contract Basis: Bid State Vendor Prof. Ser. EUS
 Fair & Open No Reportable Contributions RFP RFQ
 Private Sale Grant Sub-recipient n/a
 List of Property:
 (Address/Block/Lot/Ward)
 184 Thomas Street/Block 1164/Lot 10/East Ward
 Additional Information:
 Total Purchase Price: Square Footage X PSF = 2,099.86 X \$6.00 = \$12,599.16
 Sale at prices set forth by Ordinance 6S&Fh, adopted on April 7, 2004, establishing the minimum sale price of City-owned properties.

Sponsors: Augusto Amador, Luis A. Quintana

Indexes:

Code sections:

Date	Ver.	Action By	Action	Result
8/19/2020	1	Municipal Council	Adopt	Pass

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Sale at prices set forth by Ordinance 6S&Fh, adopted on April 7, 2004, establishing the minimum sale price of City-owned properties.

WHEREAS, the purpose of this resolution to approve the sale and redevelopment of the following City-owned property located in the East Ward of the City of Newark:

<u>ADDRESS</u>	<u>BLOCK</u>	<u>LOT</u>	<u>SIZE</u>	<u>SQ. FEET</u>
184 Thomas Street	1164	10	28.3X74.2	2,099.86

Total Purchase Price: \$12,599.16 (\$6.00 per sf.); and

WHEREAS, the City of Newark (the "City") has determined that the above referenced City-owned property (the "Property") is no longer needed for public use; and

WHEREAS, pursuant to N.J.S.A. 40A:12A-8(g), the City of Newark is proceeding with the rehabilitation of the area and is conveying properties at such prices and upon such terms as it deems reasonable and said conveyance is made in conjunction with the applicable Redevelopment Plan, as amended; and

WHEREAS, the Municipal Council previously adopted Resolution 7Rdo(AS) on June 15, 2005, designating the entire City as an "area in need of rehabilitation" under the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1, et seq. (the "LRHL"); and

WHEREAS, the Municipal Council thereafter adopted Ordinance 6S&Fe on September 21, 2005, adopting the First Amendment to the East Ward Redevelopment Plan governing the redevelopment of City-owned properties located within the East Ward, which includes the above-referenced Property; and

WHEREAS, the City received a letter of intent from JEFFDOWNING, LLC, 300 Wilson Avenue, Newark, New Jersey 07105 (the "Redeveloper"), attached as Exhibit A of the Redevelopment Agreement, to combine the Property with 186-194 Thomas Street to develop it into a forty (40) unit apartment building (the "Proposal"); and

WHEREAS, based upon the City's review of the Proposal and other such information, the City has determined that the Redeveloper possesses the proper qualifications and requisite financial resources and capacity to acquire the Property and to develop it in accordance with the requirements of N.J.S.A. 40A:12A-8(g), the terms and conditions of the Agreement for the Sale and Redevelopment of Land, the form of which is attached hereto (the "Agreement"), and the East Ward Redevelopment Plan, as amended; and

WHEREAS, pursuant to the above-mentioned statutory authority, the Department of Economic

and Housing Development has recommended that the City sell the Property to JEFFDOWNING, LLC whom is willing to purchase the Property from the City, for the consideration of Twelve Thousand Five Hundred Ninety-Nine Dollars and Sixteen Cents (\$12,599.16), for the purpose of developing said Property in accordance with the requirements of N.J.S.A. 40A:12A-8(g), the Agreement, and the East Ward Redevelopment Plan, as amended.

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

1. The Mayor and/or his designee, the Deputy Mayor/Director of the Department of Economic and Housing Development are hereby authorized to enter into and execute the Agreement for the Sale and Redevelopment of Land (the "Redevelopment Agreement"), in the form attached hereto with JEFFDOWNING, LLC, 300 Wilson Avenue, Newark, New Jersey 07105, (the "Redeveloper") for the private sale and redevelopment of the following Property, for the following Purchase Price, in accordance with the requirements of N.J.S.A. 40A:12A-8(g), the terms and conditions of the attached Agreement and the East Ward Redevelopment Plan, as amended:

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Total Purchase Price: \$12,599.16 (\$6.00 per sf.)

2. Said Property shall be sold to the Redeveloper, by private sale for the purpose of developing the above-mentioned Property by combining the property with 186-194 Thomas Street to develop a forty (40) unit apartment building.
3. The Deputy Mayor/Director of the Department of Economic and Housing Development is hereby authorized to effectuate certain business terms and conditions related to the Redevelopment Agreement annexed hereto and may enter into access and right of entry agreements and any related documents which may be necessary in order to effectuate the sale of the Property and the terms and conditions of the Agreement, all in forms subject to the approval of the City's Corporation Counsel.
4. The Deputy Mayor/Director of the Department of Economic and Housing Development is hereby authorized to enter into a maximum of two (2) six (6) month extensions of any timeframe set forth in the Redevelopment Agreement, subject to the Deputy Mayor/Director of the Department of Economic and Housing Development submitting a Memorandum of the extension to the Office of the City Clerk.
5. The Redeveloper shall be designated as the exclusive redeveloper of the Property and any other prior legislation authorizing or intended to authorize the sale and/or redevelopment and/or rehabilitation of the Property is hereby rescinded.
6. The Redeveloper shall have thirty (30) days from the date this resolution is certified by the Office of the City Clerk to execute the attached Redevelopment Agreement and return same to the Department of Economic and Housing Development. Should the Redeveloper fail to execute and return the attached Redevelopment Agreement within this thirty (30) day time

period, the authorization provided by this resolution shall be null and void, unless the Deputy Mayor/Director of the Department of Economic and Housing Development agrees in writing to extend this thirty (30) day time period, subject to the Deputy Mayor/Director of the Department of Economic and Housing Development submitting a Memorandum of the extension to the Office of the City Clerk.

7. The Deputy Mayor/Director of the Department of Economic and Housing Development and the Director of the Department of Finance are hereby authorized to receive proceeds of the sale and to deposit same as follows: ninety percent (90%) of the sale proceeds shall be deposited into the Community and Economic Development Dedicated Trust Fund established under Resolution 7Rg, adopted on November 6, 1985; and ten percent (10%) of the sale proceeds shall be placed in the City's Affordable Housing Trust Fund established under City Ordinance 6S&Ff, adopted on June 21, 2006, for the purpose of preserving low and moderate income affordable housing.
8. The Deputy Mayor/Director of the Department of Economic and Housing Development shall place a copy of the executed Redevelopment Agreement for the Sale and Redevelopment of Land, the Quitclaim Deed, and all such other executed agreements authorized by this resolution on file in the Office of the City Clerk.
9. The Redeveloper shall be required to comply with the City of Newark's Minority Set-Aside Ordinance 6S&Fd, adopted on April 5, 1995; the City of Newark's Affirmative Action Plan Resolution 7Rbp, adopted on March 1, 1995; Federal Executive Order 11246, (as amended by Executive Orders 11375 and 12086) regarding the award of goods and services contracts; and the City of Newark Ordinance 6PSF-c, adopted on June 17, 2015, Amending Title II, Administration, Chapter 4, General Administration, Section 20, Hiring of Newark Residents by Contractors or Other Persons Doing Business with the City of Newark and Section 21, Newark Residents' Employment Policy, by Adding Language to Address Immediate Short Term Training and Employment Opportunities and Repealing the Newark Employment Commission, a copy of which is attached to the Agreement as Exhibit C (the "First Source Ordinance"), all as may be applicable. In addition, the Redeveloper has agreed to ensure that thirty percent (30%) of all contractors, subcontractors and suppliers shall be Newark-based companies.
10. The redevelopment of the Property shall be commenced within three (3) months and be completed within twenty-four (24) months from the transfer of ownership of the Property by the City to the Redeveloper.
11. The Project to be implemented by the Redeveloper shall conform to the City of Newark Design Guidelines, including standards for environmental sustainability and energy efficiency, as established by the Department of Economic and Housing Development. Additionally, the Redeveloper shall conduct any environmental investigation and remediation upon the Property as may be necessary. Should the Redeveloper fail to diligently pursue the redevelopment of the Property, then the City, in its sole discretion, may exercise its Right of Reverter to transfer title to the Property back to the City, in accordance with the terms and conditions of the Agreement and the deed. Failure to exercise or delay in exercising this Right of Reverter by the City of Newark shall not constitute a waiver nor shall such failure and/or delay serve as a basis for adverse possession of the Property. Any and all waivers of the City's Right of Reverter shall be in writing.

12. The Deputy Mayor/Director of the Department of Economic and Housing Development is hereby authorized to execute a Quitclaim Deed to the Redeveloper for the Property. Said Quitclaim Deed conveying title to the Property to the Redeveloper shall be approved as to form and legality by the City's Corporation Counsel and attested to and acknowledged by the City Clerk.

STATEMENT

This resolution authorizes the Mayor and/or his designee, the Deputy Mayor/Director of the Department of Economic and Housing Development, to enter into and execute an Agreement for the Sale and Redevelopment of Land with JEFFDOWNING, LLC, 300 Wilson Avenue, Newark, New Jersey 07105, for the private sale and redevelopment of the following Property, for the following purchase price to combine the Property with 186-194 Thomas Street, to develop a forty (40) unit apartment building, in accordance with the requirements of N.J.S.A. 40A:12A-8(g), the terms and conditions of the attached Agreement for the Sale and Redevelopment of Land and the West Ward Redevelopment Plan, as amended.

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