

## City of Newark

City Hall 920 Broad Street Newark, New Jersey 07102

### Legislation Details (With Text)

19-0552	Version:	1	Name:	South 14 Properties LLC	
Resolution			Status:	Adopted	
3/26/2019			In control:	Economic and Housing Deve	lopment
7/2/2019			Final action:	7/2/2019	
Action: ( ) F Type of Servi Purpose: To oparking. Entity Name: Entity Address Sale Amount: Cost Basis: () Assessed Am Appraised An Contract Peri months from Contract Bas ( ) Fair & Op (X) Private Sa List of Proper (Address/Bloo 662 S 14th So 664 S 14th So 668 S 14th So 668 S 14th So Additional Infi Total Sale Pr Sale at prices price of City-oper	Ratifying (Xice: Private Sidemolish the South 14 Prosis: 656-658 Sis \$40,320.00 X) \$6.00 PSI nount: \$169,6 nount: \$0.00 od: To compart the transfer of the tra	() Aut Sale/F existing perting 14th F (600.00 mence of own ) St Report (61/Lo 61/Lo 61/Lo Cordinates.	horizing () An Redevelopment ing structures and es, LLC an Street, Newark, ) Negotiated () De within three (3) reship by the City ate Vendor () I reable Contribution () Sub-recipient () Sub-rec	nending  construct three (3) three-famil  New Jersey 07103  N/A ( ) Other:  months and be completed withi  Prof. Ser. ( ) EUS  ns ( ) RFP ( ) RFQ  ( ) n/a  x \$6.00 = \$40,320.00	n twenty-four (24)
Ver. Action B	у		Actio	n	Result
	Resolution 3/26/2019 7/2/2019 Dept/ Agency Action: ( ) R Type of Servi Purpose: To o parking. Entity Name: Entity Addres Sale Amount: Cost Basis: (X Assessed Am Appraised An Contract Periomonths from Contract Basi ( ) Fair & Op (X) Private Sa List of Proper (Address/Bloo 662 S 14th Si 664 S 14th Si 666 S 14th Si 668 S 14th Si 668 S 14th Si Additional Info Total Sale Pri Sale at prices price of City-o John Sharpe	Resolution 3/26/2019  7/2/2019  Dept/ Agency: Economic Action: ( ) Ratifying ( ) Type of Service: Private Services: Private Services: Private Services: To demolish the parking.  Entity Name: South 14 Preserving: Entity Address: 656-658 Services: 656-658 Services: (X) \$6.00 PS Assessed Amount: \$40,320.00 Cost Basis: (X) \$6.00 PS Assessed Amount: \$169,60 Appraised Amount: \$0.00 Contract Period: To commonths from the transfer of Contract Basis: ( ) Bid ( ( ) Fair & Open ( ) No ( X) Private Sale ( ) Grant List of Property: (Address/Block/Lot/Ward) 662 Services: (Address/Block/Lot/Ward) 662 Services: (Address/Block/Lot/Block 3664 Services: (Address/Block/Lot/Block 3666 Services: Square Ferrices: Squ	Resolution 3/26/2019 7/2/2019 Dept/ Agency: Economic and HAction: ( ) Ratifying (X) Aut Type of Service: Private Sale/Purpose: To demolish the exist parking. Entity Name: South 14 Properti Entity Address: 656-658 S 14th Sale Amount: \$40,320.00 Cost Basis: (X) \$6.00 PSF ( Assessed Amount: \$169,600.00 Appraised Amount: \$0.00 Contract Period: To commence months from the transfer of owr Contract Basis: ( ) Bid ( ) St ( ) Fair & Open ( ) No Repo (X) Private Sale ( ) Grant ( List of Property: (Address/Block/Lot/Ward) 662 S 14th Street/Block 361/Lo 664 S 14th Street/Block 361/Lo 666 S 14th Street/Block 361/Lo 668 S 14th Street/Block 361/Lo Additional Information: Total Sale Price: Square Footag Sale at prices set forth by Ordir price of City-owned properties. John Sharpe James, LaMonica	Resolution  3/26/2019  In control:  7/2/2019  Final action:  Dept/ Agency: Economic and Housing Developm Action: ( ) Ratifying (X) Authorizing ( ) An Type of Service: Private Sale/Redevelopment Purpose: To demolish the existing structures and parking.  Entity Name: South 14 Properties, LLC Entity Address: 656-658 S 14th Street, Newark, Sale Amount: \$40,320.00  Cost Basis: (X) \$6.00 PSF ( ) Negotiated ( ) Assessed Amount: \$169,600.00  Appraised Amount: \$0.00  Contract Period: To commence within three (3) months from the transfer of ownership by the City Contract Basis: ( ) Bid ( ) State Vendor ( ) F( ) Fair & Open ( ) No Reportable Contribution (X) Private Sale ( ) Grant ( ) Sub-recipient (List of Property: (Address/Block/Lot/Ward)  662 S 14th Street/Block 361/Lot 45/South Ward 664 S 14th Street/Block 361/Lot 37/South Ward 666 S 14th Street/Block 361/Lot 37/South Ward 668 S 14th Street/Block 361/Lot 36/South Ward Additional Information:  Total Sale Price: Square Footage x PSF = 6,720 Sale at prices set forth by Ordinance 6S&Fh adoprice of City-owned properties.  John Sharpe James, LaMonica R. McIver	Resolution  3/26/2019  In control: Economic and Housing Deve  7/2/2019  Final action: 7/2/2019  Dept/ Agency: Economic and Housing Development Action: () Ratifying (X) Authorizing () Amending Type of Service: Private Sale/Redevelopment  Purpose: To demolish the existing structures and construct three (3) three-family parking.  Entity Name: South 14 Properties, LLC  Entity Address: 656-658 S 14th Street, Newark, New Jersey 07103  Sale Amount: \$40,320.00  Cost Basis: (X) \$6.00 PSF () Negotiated () N/A () Other: Assessed Amount: \$169,600.00  Appraised Amount: \$0.00  Contract Period: To commence within three (3) months and be completed within months from the transfer of ownership by the City.  Contract Basis: () Bid () State Vendor () Prof. Ser. () EUS () Fair & Open () No Reportable Contributions () RFP () RFQ (X) Private Sale () Grant () Sub-recipient () n/a  List of Property: (Address/Block/Lot/Ward) 662 S 14th Street/Block 361/Lot 45/South Ward 664 S 14th Street/Block 361/Lot 37/South Ward 668 S 14th Street/Block 361/Lot 37/South Ward 668 S 14th Street/Block 361/Lot 36/South Ward Additional Information: Total Sale Price: Square Footage x PSF = 6,720 x \$6.00 = \$40,320.00  Sale at prices set forth by Ordinance 6S&Fh adopted on April 7, 2004, establish price of City-owned properties.  John Sharpe James, LaMonica R. McIver

Date	Ver.	Action By	Action	Result
7/2/2019	1	Municipal Council	Adopt	Pass

Dept/ Agency: Economic and Housing Development ( ) Amending **Action:** ( ) Ratifying (X) Authorizing

Type of Service: Private Sale/Redevelopment

Purpose: To demolish the existing structures and construct three (3) three-family homes with onsite

parking.

Entity Name: South 14 Properties, LLC

Entity Address: 656-658 S 14th Street, Newark, New Jersey 07103

**Sale Amount:** \$40,320.00

Cost Basis: (X) \$6.00 PSF ( ) Negotiated ( ) N/A ( ) Other:

**Assessed Amount: \$169,600.00** 

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

(X) Private Sale ( ) Grant ( ) Sub-recipient ( ) n/a

**List of Property:** 

#### (Address/Block/Lot/Ward)

662 S 14th Street/Block 361/Lot 45/South Ward

664 S 14th Street/Block 361/Lot 38/South Ward

666 S 14th Street/Block 361/Lot 37/South Ward

668 S 14th Street/Block 361/Lot 36/South Ward

#### Additional Information:

Total Sale Price: Square Footage x PSF =  $6,720 \times 6.00 = 40,320.00$ 

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 is to approve the sale and redevelopment of the following City-owned Properties located in the South Ward of the City of Newark:

<u>ADDRESS</u>	<u>WARD</u>	<b>BLOCK</b>	<u>LOT</u>	<u>SIZE</u>	<u>SQ FT</u>	PRICE PSF	<u>TOTAL</u>
662- S 14th St.	South	361	45	16.8X100	1,680	\$6.00	\$ 10,080.00
664 S 14th St.	South	361	38	16.8X100	1,680	\$6.00	\$ 10,080.00
666 S 14th St.	South	361	37	16.8X100	1,680	\$6.00	\$ 10,080.00
668 S 14th St.	South	361	36	16.8X100	1,680	\$6.00	\$ 10,080.00

Total Purchase Price: \$40,320.00; and

**WHEREAS**, the City of Newark has determined that the above referenced City-owned Properties (the "Properties") are 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&Fd(S) on August 17, 2005, adopting the Third Amendment to the South Ward Redevelopment Plan governing the redevelopment of City-owned Properties located within the South Ward, which includes the above-referenced Properties; and

**WHEREAS,** the City received a proposal, attached as Exhibit A of the Redevelopment Agreement, for the purchase and redevelopment of the Properties from South 14 Properties LLC, 656-658 S 14<sup>th</sup> Street, Newark, New Jersey 07103 (the "Redeveloper"); and

**WHEREAS,** the Redeveloper has proposed to the City's Department of Economic and Housing Development to demolish the existing structures; and construct three (3) three-family residential homes and onsite parking (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 Properties and to redevelop them 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 South 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 of Newark sell the Properties to South 14 Properties LLC, whom is willing to purchase the Property from the City, for the consideration of Forty Thousand, Three Hundred Twenty Dollars and Zero Cents (\$40,320.00), for the purpose of redeveloping said Properties in accordance with the requirements of N.J.S.A. 40A:12A-8(g), the Agreement, and the South 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 and the Interim 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 attached hereto with South 14 Properties LLC, 656-658 S 14<sup>th</sup> Street, Newark, New Jersey 07103, for the private sale and redevelopment of the following Properties, 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 South Ward Redevelopment Plan, as amended:

<u>WARD</u>	<u>BLOCK</u>	<u>LOT</u>	<u>SIZE</u>	<u>SQ FT</u>	PRICE PSF	<u>TOTAL</u>
South	361	45	16.8X100	1,680	\$6.00	\$ 10,080.00
South	361	38	16.8X100	1,680	\$6.00	\$ 10,080.00
South	361	37	16.8X100	1,680	\$6.00	\$ 10,080.00
South	361	36	16.8X100	1,680	\$6.00	\$ 10,080.00
	South South South	South 361 South 361 South 361	South         361         45           South         361         38           South         361         37	South         361         45         16.8X100           South         361         38         16.8X100           South         361         37         16.8X100	South         361         45         16.8X100         1,680           South         361         38         16.8X100         1,680           South         361         37         16.8X100         1,680	South     361     45     16.8X100     1,680     \$6.00       South     361     38     16.8X100     1,680     \$6.00       South     361     37     16.8X100     1,680     \$6.00

Total Purchase Price: \$40,320.00

- 2. Said Properties shall be sold to South 14 Properties LLC, by private sale for the purpose of demolishing the existing structures and constructing three (3) three-family residential homes with onsite parking.
- 3. Interim 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 Properties and the terms and conditions of the Agreement, all in forms subject to the approval of the City of Newark's Corporation Counsel.

- 4. The Interim 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 Agreement, subject to full written disclosure of such extension(s) (in the form of a signed Memorandum to be submitted to the Office of the City Clerk prior to adoption) to the Municipal Council of the City of Newark by the Interim Deputy Mayor/Director of the Department of Economic and Housing Development and the approval of the City of Newark's Corporation Counsel.
- 5. The Redeveloper shall be designated as the exclusive redeveloper of the Properties and any other prior legislation authorizing or intended to authorize the sale and/or redevelopment and/or rehabilitation of the Properties 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 Agreement for the Sale and Redevelopment of Land and return same to the Department of Economic and Housing Development. Should the Redeveloper fail to execute and return the attached Agreement within this thirty (30) day time period, the authorization provided by this resolution shall be null and void, unless the Interim Deputy Mayor/Director of the Department of Economic and Housing Development agrees in writing to extend this thirty (30) day time period.
- 7. The Deputy Mayor/Director of Finance is 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, 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, June 21, 2006, for the purpose of preserving low and moderate income affordable housing.
- 8. The Interim Deputy Mayor/Director of the Department of Economic and Housing Development shall place a copy of the executed 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, April 5, 1995; the City of Newark's Affirmative Action Plan 7Rbp, 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 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 Properties shall be commenced within three (3) months and be completed within twenty-four (24) months from the transfer of ownership of the Properties 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 rehabilitation of the Properties, then the City, in its sole discretion, may exercise its Right of Reverter to transfer title to the Properties back to the City, in accordance with the terms and conditions of the Agreement and the deed.
- 12. The Interim Deputy Mayor/Director of the Department of Economic and Housing Development is hereby authorized to execute a Quitclaim Deed to the Redeveloper for the Properties. Said Quitclaim Deed conveying title to the Properties 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 and the Interim 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 South 14 Properties LLC, 656-658 S 14<sup>th</sup> Street, Newark, New Jersey 07103, for the private sale and redevelopment of the following Properties, 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 for the Sale and Redevelopment of Land, and the South Ward Redevelopment Plan, as amended to demolish the existing structures; and construct three (3) three-family residential homes with onsite parking:

<u>ADDRESS</u>	<u>WARD</u>	<b>BLOCK</b>	<u>LOT</u>	<u>SIZE</u>	<u>SQ FT</u>	PRICE PSF	<u>TOTAL</u>
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