



Legislation Details (With Text)

File #: 18-1548 **Version:** 1 **Name:** Amending Resolution 505 Clinton Section 108 Loan
Type: Resolution **Status:** Returned to Administration
File created: 9/26/2018 **In control:** Economic and Housing Development
On agenda: 11/27/2018 **Final action:** 11/27/2018

Title: Dept/ Agency: Economic and Housing Development
Action: () Ratifying (X) Authorizing (X) Amending
Type of Service: Loan Agreement
Purpose: Resolution amending Resolution 7R2-k(as) adopted on July 11, 2018 authorizing the execution of the contract for loan guarantee assistance under Section 108 of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. § 5308 for funds awarded under the United States Department of Housing and Urban Development Section 108 Loan Guarantee Program.
Entity Name: United States Department of Housing and Urban Development
Entity Address: 451 7th Street S.W., Washington, DC 20410
Loan Amount: \$3,709,000.00
Funding Source: United States Department of Housing and Urban Development (HUD)
Loan Term: Twenty (20) years from the date of execution and delivery of the contract by the City and HUD
Contract Basis: () Bid () State Vendor () Prof. Ser. () EUS
() Fair & Open () No Reportable Contributions () RFP () RFQ
() Private Sale () Grant () Sub-recipient (X) n/a
Additional Information:
Application for loan funds authorized by Resolution 7R2-a(as) adopted on November 1, 2017.

Sponsors:

Indexes:

Code sections:

Date	Ver.	Action By	Action	Result
11/27/2018	1	Municipal Council	Returned to Administration	Pass

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WHEREAS, Section 108 of the Housing and Community Development Act of 1974 (42 U.S.C. § 5308) (“Section 108”), authorizes the United States Department of Housing and Urban Development (“HUD”) to guarantee loans as part of its Community Development Block Grant (“CDBG”) program; and

WHEREAS, by Resolution 7R2-k(AS), adopted July 11, 2018, and annexed herein as Exhibit “A”, (the “Authorizing Resolution”) the Municipal Council has authorized the City to enter into a Contract for Loan Guarantee Assistance Under Section 108 of the Housing and Community Development Act of 1974 (the “Contract”, which the City executed on August 28, 2018 and is awaiting execution by HUD; and which is annexed herein as Exhibit “B”), and related documents and certifications which were needed for the establishment of deposit accounts with financial institutions; and

WHEREAS, Paragraph 2 of the Authorizing Resolution, which authorizes the City “to request advances from HUD pursuant to the terms and conditions of the Contract” incorrectly states that the Contract is “dated as of January 19, 2018”; and

WHEREAS, the City wishes to amend the Authorizing Resolution to authorize the Mayor and/or his designee, the Director of the Department of Economic and Housing Development, to request advances from HUD pursuant to the terms of the Contract, upon full execution of the Contract.

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

1. Resolution 7R2-k(AS) adopted on July 11, 2018, is hereby amended to approve and authorize the Mayor and/or his designee, the Director of the Department of Economic and Housing Development to request advances pursuant to the terms and conditions of the Contract for Loan Guarantee Assistance Under Section 108 of the Housing And Community Development Act of 1974, As Amended, 42 U.S.C. § 5308, with the United States Department of Housing and Urban Development, 451 7th Street SW, Washington, D.C. 20410, upon the full execution of the Contract.

2. Except as amended herein, all other terms and conditions of the Resolution 7R2-k(AS) adopted on July 11, 2018, shall remain in full force and effect.

3. The term of the Contract shall be for a period of twenty (20) years from the date of execution and delivery of the Contract by the City and HUD.

STATEMENT

This Resolution authorizes the amendment of Resolution 7R2-k(AS), adopted July 11, 2018, to remove an incorrect reference which misstated the date of the Contract for Loan Guarantee Assistance Under Section 108 of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. § 5308, which was executed by the City on August 28, 2018.