



Legislation Details (With Text)

File #: 21-0449 **Version:** 1 **Name:** T3 Management, LLC

Type: Resolution **Status:** Adopted

File created: 3/29/2021 **In control:** Economic and Housing Development

On agenda: 1/20/2022 **Final action:** 2/2/2022

Title: Dept/ Agency: Economic and Housing Development
 Action: Ratifying Authorizing Amending
 Type of Service: Private Sale/Redevelopment
 Purpose: To develop properties into three (3) multi-family homes.
 Entity Name: T3 Management, LLC
 Entity Address: Paterson, New Jersey 07502
 Sale Amount: \$52,950.00
 Cost Basis: \$6.00 PSF Negotiated N/A Other:
 Assessed Amount: \$93,800.00
 Appraised Amount: \$0.00
 Contract Period: To be commenced within three (3) months and be completed within eighteen (18) 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)
 436 South 11th Street/Block 283/Lot 33/Central Ward
 438 South 11th Street/Block 283/Lot 34/Central Ward
 327 7th Avenue W/Block 1914/Lot 1/Central Ward
 329 7th Avenue W/Block 1914/Lot 2/Central Ward
 Additional Information:
 Total Square Footage = 8,825.0 X \$6.00 = \$52,950.00.
 Sale at prices set forth by Ordinance 6S&Fh, adopted on April 7, 2004, establishing the minimum sale price of City-owned properties.
 Deferred 7R2-f 012022

Sponsors: Council of the Whole

Indexes:

Code sections:

Date	Ver.	Action By	Action	Result
2/2/2022	1	Municipal Council	Adopt	Pass
1/20/2022	1	Municipal Council	Defer	Pass

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WHEREAS, the purpose of this Resolution is to approve the sale and redevelopment of the following City-owned properties located in the Central Ward of the City of Newark:

<u>ADDRESS</u>	<u>BLOCK</u>	<u>LOT</u>	<u>SIZE</u>	<u>SQ. FEET</u>
436 South 11 th Street	283	33	25.6X100	2,560.0
438 South 11 th Street	283	34	25X100	2,500.0
327 7 th Avenue W	1914	1	33.6X75	2,520.0
329 7 th Avenue W	1914	2	16.6X75	1245.0

Total Square Footage: 8,825.0

Purchase Price: \$52,950.00 (\$6.00 per sf.); and

WHEREAS, the City of Newark (the "City") 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&Fe(S) on August 17, 2005, adopting the First Amendment to the Central Ward Redevelopment Plan governing the redevelopment of City-owned properties located within the Central Ward, which includes the above-referenced Properties; and

WHEREAS, the City received a Letter of Intent, attached as Exhibit A of the Redevelopment Agreement also known as a Proposal, for the purchase and redevelopment of the Properties from T3

Management, LLC, of Paterson, New Jersey 07502 (the “Redeveloper”); and

WHEREAS, the Redeveloper proposes to the City’s Department of Economic and Housing Development to develop the properties into three (3) multi-family homes (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 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 Central Ward Redevelopment Plan, as amended; and

WHEREAS, pursuant to the above-mentioned statutory authority, the Department of Economic and Housing Development recommends that the City of Newark sell the Properties to T3 Management, LLC, which is willing to purchase the Property from the City, for the consideration of Fifty-Two Thousand, Nine Hundred Fifty Dollars and Zero Cents (\$52,950.00), 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 Central 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 of the and/or his designee and 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 attached hereto with T3 Management, LLC, of Paterson, New Jersey 07502, 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 Central Ward Redevelopment Plan, as amended:

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Total Square Footage: 8,825.0
Purchase Price: \$52,950.00 (\$6.00 per sf.).

2. Said Properties shall be sold to T3 Management, LLC, by private sale for the purpose of redeveloping the properties into three (3) multi-family homes.
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 Properties 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 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 by the Deputy Mayor/Director of the Department of Economic and Housing Development and the approval of the City'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, then 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.
7. The Director of the Department 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, 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 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 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 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. The Redeveloper shall provide the Department of Economic and Housing Development with the required forms showing compliance with the above, and a copy of these forms shall be filed with the Office of the City Clerk. 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 eighteen (18) months following the transfer of Property ownership from 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. 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 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 of the City of Newark and/or his designee and the Director of the Department of Economic and Housing Development to enter into and execute an Agreement for the Sale and Redevelopment of Land with T3 Management, LLC, of Paterson, New Jersey 07502, 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 Central Ward Redevelopment Plan, as amended to redevelop the properties into three (3) multi-family homes:

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