



## Legislation Details (With Text)

**File #:** 24-0533      **Version:** 1      **Name:** Ordinance: Removal of Class 2 Residential Properties from Newark Downtown District Expansion

**Type:** Ordinance      **Status:** Adopted

**File created:** 4/4/2024      **In control:** Economic and Housing Development

**On agenda:** 6/25/2024      **Final action:** 7/10/2024

**Title:** AN ORDINANCE AMENDING TITLE X, FINANCE AND TAXATION, CHAPTER 32, SPECIAL IMPROVEMENT DISTRICTS, SUBCHAPTER 3, NEWARK DOWNTOWN SPECIAL IMPROVEMENT DISTRICT, OF THE REVISED GENERAL ORDINANCES OF THE CITY OF NEWARK, NEW JERSEY, 2000, AS AMENDED AND SUPPLEMENTED, BY AMENDING THE PROPERTIES INCLUDED IN NEWARK DOWNTOWN SPECIAL IMPROVEMENT DISTRICT AND REMOVE THE RESIDENTIAL (CLASS 2) PROPERTIES INCLUDED IN THE EXPANSION AREA AND TO CLARIFY THE 1% ADMINISTRATIVE FEE WITHHELD FROM EACH QUARTERLY PAYMENT.

**Sponsors:** Council of the Whole

**Indexes:**

**Code sections:**

Date	Ver.	Action By	Action	Result
7/10/2024	1	Municipal Council	Close on Public Hearing and Adopt	Pass
6/25/2024	1	Municipal Council	Advance and Adopt on First Reading as 6F-	Pass

**AN ORDINANCE AMENDING TITLE X, FINANCE AND TAXATION, CHAPTER 32, SPECIAL IMPROVEMENT DISTRICTS, SUBCHAPTER 3, NEWARK DOWNTOWN SPECIAL IMPROVEMENT DISTRICT, OF THE REVISED GENERAL ORDINANCES OF THE CITY OF NEWARK, NEW JERSEY, 2000, AS AMENDED AND SUPPLEMENTED, BY AMENDING THE PROPERTIES INCLUDED IN NEWARK DOWNTOWN SPECIAL IMPROVEMENT DISTRICT AND REMOVE THE RESIDENTIAL (CLASS 2) PROPERTIES INCLUDED IN THE EXPANSION AREA AND TO CLARIFY THE 1% ADMINISTRATIVE FEE WITHHELD FROM EACH QUARTERLY PAYMENT.**

**WHEREAS**, the City of Newark (the “City”) is a municipal corporation organized and existing under the laws of the State of New Jersey and located in Essex County; and

**WHEREAS**, on February 20, 2013, the Municipal Council, pursuant to N.J.S.A. 40:56-65 et seq., adopted Ordinance 6PSF-c, creating a Special Improvement District in a portion of the Central Business District of the City (the “SID”) and designated the Newark Downtown District Management Corporation (the "NDD") as the district management corporation to manage the SID; and

**WHEREAS**, on November 22, 2022, the Municipal Council adopted Ordinance 6PSF-b(S), which expanded the properties included in the SID and clarified the responsibilities and powers of the NDD; and

**WHEREAS**, on February 15, 2023, the Municipal Council adopted Ordinance 6PSF-c, which

permitted the Tax Collector to withhold from each quarterly payment an Administrative Fee of 1% of the amount actually collected by the Tax Collector from the properties included in the SID; and

**WHEREAS**, the NDD, the Mayor of the City of Newark, and the Municipal Council wish to amend the properties included in the SID to remove the Residential (Class 2) Properties included in the expansion area as set forth in Schedule C, attached hereto and made a part hereof and clarify the Administrative Fee to reflect 1% of the amount actually billed by the Tax Collector.

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

Note: Additions are shown in Bold and Underlined. Deletions are shown in ~~Strikeouts~~.

SECTION 1. Title X, Finance and Taxation, Chapter 32, Special Improvement Districts, Subchapter 3, Newark Downtown Special Improvement District, of the Revised General Ordinances of the City of Newark, New Jersey, 2000, as amended and supplemented, to amend the properties included in the Newark Downtown Special Improvement and remove the Residential (Class 2) properties included in the expansion area and to clarify the 1% Administrative Fee withheld from each quarterly payment:

## **CHAPTER 32, Special Improvement Districts**

### **§ 10:32-3.2 FINDINGS.**

The Mayor of the city of Newark and Municipal Council find and declare:

a. That the **Residential Properties (Class 2) included in the expansion area as set forth in Schedule C shall be removed from the Special Improvement District and the** area within the City, as described in ~~Schedule~~ Schedules A (map) and by block and lot numbers and by street addresses in Schedule B; B (remaining properties currently within this Special Improvement District) and ~~C (new expanded area)~~, **attached hereto and made a part hereof** of this Section, will **remain as those properties that will continue to** benefit from being designated as a Special Improvement District; and

b. That a District Management Corporation will provide administrative and other services to benefit the businesses, employees, residents and consumers in the Special Improvement District; and

c. That a special assessment shall be imposed and collected by the City with the regular property tax payment or payment in lieu of taxes or otherwise, and that all or a portion of these payments shall be transferred to the District Management Corporation to effectuate the purposes of this Section and to exercise the powers given to it by this Section Ordinance No. 6PSF-C, 2-20-2013, as may be amended from time to time; and

d. That it is in the best interest of the municipality and the public to create a Special Improvement District and to designate a District Management Corporation.

## **SECTION 2.**

### **§ 10:32-3.3 CREATION OF DISTRICT.**

**a. Based upon the findings hereinabove set forth and the interests of the property owners, business owners, merchants and residents within the District, there is hereby created and designated within the City of Newark a Business Improvement District to be known as the Newark Downtown Special Improvement District ("NDD") within the City of Newark pursuant to the provisions of N.J.S.A. 40:56-65 et seq., The City of Newark's**

Special Improvement District known as Newark Downtown Special Improvement District, created, pursuant to N.J.S.A. 40:56-65 et seq., by Ordinance 6S&FE, adopted on September 2, 1998, which was repealed and replaced by Ordinance 6PSF-C, adopted on February 20, 2013, which designated a District Management Corporation, expanded the district and changed the regulations for the operation of the special Improvement district, and further expanded by this section, consisting **which shall consist** of the properties within the area delineated in the Map attached hereto as Schedule A, more specifically the properties currently **remaining** part of the Special Improvement District as listed on Schedule B (attached hereto) **as a result of the removal of the Residential (Class 2) Properties**, and the expanded properties listed on Schedule C (attached hereto).

**SECTION 3.**

**§ 10:32-3.5 BUDGET AND ASSESSMENTS.**

m. The City Tax Collector shall withhold from each quarterly payment an Administrative Fee of one (1%) percent of the amount actually **billed** collected by the Tax Collector **according to the adopted budget**.

**SECTION 4.**

**§ 10:32-3.11 EFFECTIVE DATE.**

This Section shall take effect upon final passage and publication and in accordance with the laws of the State of New Jersey. The expansion of the District, the delivery of service to the expanded parts of the District and the assessment of the expanded parts of the District shall take place beginning on January 1, 2013. The further expansion of the District, delivery of services to the expanded parts of the District, assessment of the expanded parts of the District, and any other changes to this Section 10:32-3, pursuant to this Ordinance shall take place beginning on **July 1, 2024**~~January 1, 2023~~.

**SECTION 5.** All Ordinances or parts of Ordinances inconsistent with or in conflict with this Ordinance are hereby repealed to the extent of such inconsistency.

**SECTION 6.** If any section, paragraph, subdivision, clause or provision of this Ordinance shall be adjudged invalid, such adjudication shall apply only to the section, paragraph, subdivision, clause or provision so adjudged and the remainder of this Ordinance shall remain valid and effective.

**SECTION 7.** This Ordinance is ratified to July 1, 2024 until the date of its adoption upon final passage and publication in accordance with the laws of the State of New Jersey.

**SECTION 8. Codification.** This Ordinance shall be a part of the Code of the City of Newark as though codified and fully set forth therein. The City Clerk shall have this Ordinance codified and incorporated in the official copies of the Code. The City Clerk and the Corporation Counsel are authorized and directed to change any Chapter, Article and/or Section number of the Code of the City of Newark in the event that the codification of this Ordinance reveals that there is a conflict between the numbers and the existing Code, and in order to avoid confusion and possible accidental repealers of existing provisions not intended to be repealed.

**STATEMENT**

This Ordinance amends Title X, Finance and Taxation, Chapter 32, Special Improvement Districts, Subchapter 3, Newark Downtown Special Improvement District, of the revised general ordinances of the City of Newark, New Jersey, 2000, as amended and supplemented, by amending the properties included in the Newark Downtown Special Improvement District to remove the Residential (Class 2) Properties included in the expansion area and to clarify the 1% Administrative Fee withheld from each quarterly payment.