



Legislation Details (With Text)

File #: 17-1745 **Version:** 1 **Name:** Ordinance: NCEDC Paper Coop Lease
Type: Ordinance **Status:** Returned to Administration
File created: 10/3/2017 **In control:** Economic and Housing Development
On agenda: 12/6/2017 **Final action:** 12/20/2017

Title: ORDINANCE AUTHORIZING THE MAYOR AND/OR HIS DESIGNEE, THE ACTING DEPUTY MAYOR/DIRECTOR OF THE DEPARTMENT OF ECONOMIC AND HOUSING DEVELOPMENT TO ENTER INTO AND EXECUTE A LEASE AGREEMENT WITH NEWARK COMMUNITY ECONOMIC DEVELOPMENT CORPORATION, 111 MULBERRY STREET, NEWARK, NEW JERSEY 07102, FOR THE PROPERTIES LOCATED AT 310-312 NEW STREET (BLOCK 415, LOT 51), AND 139 NORFOLK STREET (BLOCK 415, LOT 28), WITHIN THE CENTRAL WARD, NEWARK, NEW JERSEY FOR AN ANNUAL RENT OF ONE DOLLAR AND ZERO CENTS (\$1.00), FOR A PERIOD COMMENCING OCTOBER 1, 2017 AND TERMINATING ON SEPTEMBER 30, 2020, FOR THE PURPOSE OF ESTABLISHING THE NEWARK OFFICE SUPPLY COOPERATIVE, LLC. (CENTRAL WARD)
Deferred 8n (as) 120617
Deferred 8a (s) 121217

Sponsors:

Indexes:

Code sections:

Date	Ver.	Action By	Action	Result
12/20/2017	1	Municipal Council	Returned to Administration	Pass
12/12/2017	1	Municipal Council	Defer on Communications	Pass
12/6/2017	1	Municipal Council	Defer on Communications	Pass

ORDINANCE AUTHORIZING THE MAYOR AND/OR HIS DESIGNEE, THE ACTING DEPUTY MAYOR/DIRECTOR OF THE DEPARTMENT OF ECONOMIC AND HOUSING DEVELOPMENT TO ENTER INTO AND EXECUTE A LEASE AGREEMENT WITH NEWARK COMMUNITY ECONOMIC DEVELOPMENT CORPORATION, 111 MULBERRY STREET, NEWARK, NEW JERSEY 07102, FOR THE PROPERTIES LOCATED AT 310-312 NEW STREET (BLOCK 415, LOT 51), AND 139 NORFOLK STREET (BLOCK 415, LOT 28), WITHIN THE CENTRAL WARD, NEWARK, NEW JERSEY FOR AN ANNUAL RENT OF ONE DOLLAR AND ZERO CENTS (\$1.00), FOR A PERIOD COMMENCING OCTOBER 1, 2017 AND TERMINATING ON SEPTEMBER 30, 2020, FOR THE PURPOSE OF ESTABLISHING THE NEWARK OFFICE SUPPLY COOPERATIVE, LLC. (CENTRAL WARD)

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WHEREAS, the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1, et seq., as amended and supplemented (“Redevelopment Law”), provides a process for municipalities to undertake the redevelopment, rehabilitation and improvement of areas in need of rehabilitation; and

WHEREAS, a municipality is duly authorized and empowered under the Redevelopment Law to lease real property to any other party, without public bidding, at such prices and upon such terms as it deems reasonable, provided said lease is made in conjunction with a redevelopment plan in

accordance with the provisions of N.J.S.A. 40A:12A-8(g), notwithstanding the provisions of any law, rule or regulation to the contrary; 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 Redevelopment Law; and

WHEREAS, the Municipal Council thereafter adopted Ordinance 6PhS&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 applies to the City-owned properties commonly known as 310-312 New Street, Block 415, Lot 51, and 139 Norfolk Street, Block 415, Lot 28 (the Properties”) on the Official Tax Maps of the City of Newark, New Jersey; and

WHEREAS, the City of Newark, desires to lease the Properties to Newark Community Economic Development Corporation (Newark CEDC), a non-profit corporation of the State of New Jersey, 111 Mulberry Street, Newark, New Jersey, 07102, with Newark CEDC being required to perform certain improvements and repairs, which includes but is not limited to the description set forth in **Exhibit A: Paper Co-op Scope of Work**, attached hereto and incorporated into this Lease Agreement, to the Properties for the purpose of establishing the Newark Office Supply Cooperative, LLC; and

WHEREAS, the Newark Office Supply Cooperative, LLC is the first social enterprise launched by the City of Newark utilizing a business model designed to empower Newark residents by being owners in the business they work (shared ownership), ultimately sharing in the enterprise’s profits; and

WHEREAS, the City of Newark has determined the Properties are not needed for use by the municipality; and

WHEREAS, Newark CEDC will lease said premises for an annual nominal consideration of One Dollar and Zero Cents (\$1.00) for a period of three (3) years commencing October 1, 2017 and terminating not later than September 30, 2020.

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

1. The Mayor and/or his designee, the Acting Deputy Mayor/Director of the Department of Economic and Housing Development are hereby authorized to execute and enter into the Lease Agreement, in substantially the form attached hereto, on behalf of the City of Newark, Lessor, with Newark Community Economic Development Corporation, Lessee, pursuant to N.J.S.A. 40A:12A-8 (g), for the lease of the properties commonly known as 310-312 New Street, Block 415, Lot 51, and 139 Norfolk Street, Block 415, Lot 28 (the Properties”) on the Official Tax Maps of the City of Newark, New Jersey, for a period of three (3) years commencing October 1, 2017 and terminating not later than September 30, 2020, for the purpose of establishing the Newark Office Supply Cooperative, LLC, .

2. Newark Community Economic Development Corporation shall pay an annual rent of One Dollar and Zero Cents (\$1.00), to be paid on January 1st of each year.

3. The Municipal Council of the City of Newark, New Jersey ratifies the Lease Agreement from October 1, 2017 to the date of adoption of this Ordinance.
4. The properties shall be used for the purposes of establishing a worker-owned cooperative.
5. No Municipal funds shall be expended or required under this Ordinance.
6. The Acting Deputy Mayor/ Director of the Department of Economic and Housing Development or his designee shall be responsible for the enforcement of the covenants and conditions of the Lease Agreement.
7. A copy of the Lease Agreement and this Ordinance shall be permanently filed in the Office of the City Clerk by the Acting Deputy Mayor/Director of the Department of Economic and Housing Development.
8. This Ordinance shall take effect upon final passage and publication in accordance with the laws of the State of New Jersey.

STATEMENT

This Ordinance ratifies and authorizes the Mayor and/or his designee, the Acting Deputy Mayor/Director of the Department of Economic and Housing Development to enter into and execute a Lease Agreement with Newark Community Economic Development Corporation, 111 Mulberry Street, Newark, New Jersey, 07102, for the properties located at 310-312 New Street (Block 415, Lot 51) and 139 Norfolk Street (Block 415, Lot 28), Newark, New Jersey, at an annual rent of One Dollar and Zero Cents (\$1.00), for a period of three (3) years commencing October 1, 2017 and terminating not later than September 30, 2020, for the purpose of establishing the Newark Office Supply Cooperative, LLC. (Central Ward)