



Legislation Details (With Text)

File #: 18-1048 **Version:** 1 **Name:** Saber Real Estate Development, LLC
Type: Resolution **Status:** Adopted
File created: 6/26/2018 **In control:** Economic and Housing Development
On agenda: 9/6/2018 **Final action:** 9/6/2018

Title: Dept/ Agency: Economic and Housing Development
Action: () Ratifying (X) Authorizing () Amending
Type of Service: Private Sale/Redevelopment
Purpose: To construct ten (10) two-family residential homes
Entity Name: Saber Real Estate Development, LLC
Entity Address: 1010 Adams Avenue, Union, New Jersey 07083
Sale Amount: \$125,040.00
Cost Basis: (X) \$4.00 PSF () Negotiated () N/A () Other:
Assessed Amount: \$443,600.00
Appraised Amount: \$0.00
Contract Period: : To commence 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
(X) Private Sale () Grant () Sub-recipient () n/a
List of Property:
(Address/Block/Lot/Ward)
37 S 7th Street/Block 1829/Lot 10/West Ward
39 S 7th Street/Block 1829/Lot 11/West Ward
53 S 7th Street/Block 1829/Lot 18/West Ward
105 S 9th Street/Block 1827/Lot 14/West Ward
144 S 9th Street/Block 1828/Lot 36/West Ward
107 S 8th Street/Block 1828/Lot 30/West Ward
99-101 S 8th Street/Block 1828/Lot 26/West Ward
103 S 8th Street/Block 1828/Lot 28/West Ward
39 S 9th Street/Block 1856/Lot 9/West Ward
75-77 Norwood Street Block 4066/Lot 55/West Ward
Additional Information:
Total Square Footage = 31,260 X \$4.00 = \$125,040.00
Sale at prices set forth by Ordinance 6S&Fh adopted on April 7, 2004, establishing the minimum sale price of City-owned Properties

Sponsors: LaMonica R. Mclver, Mildred C. Crump

Indexes:

Code sections:

Date	Ver.	Action By	Action	Result
9/6/2018	1	Municipal Council	Adopt	Pass

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75-77 Norwood Street Block 4066/Lot 55/West Ward

Additional Information:

Total Square Footage = 31,260 X \$4.00 = \$125,040.00

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 West Ward of the City of Newark:

<u>ADDRESS</u>	<u>WARD</u>	<u>BLOCK</u>	<u>LOT</u>	<u>SIZE</u>	<u>SQ. FEET</u>
37 S 7 th Street	West	1829	10	25X100	2,500
39 S 7 th Street	West	1829	11	37.6X100	3,760
53 S 7 th Street	West	1829	18	25X100	2,500
105 S 9 th Street	West	1827	14	25X100	2,500
144 S 9 th Street	West	1828	36	25X100	2,500
107 S 8 th Street	West	1828	30	25X100	2,500
99-101 S 8 th Street	West	1828	26	50X100	5,000
103 S 8 th Street	West	1828	28	25X100	2,500
39 S 9 th Street	West	1856	9	25X100	2,500
75-77 Norwood Street	West	4066	55	50X100	5,000

Total Square Footage: 31,260

Total Purchase Price: \$125,040.00 (\$4.00 per sf.); 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 the 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&Fc(S) on August 17, 2005, adopting the Second Amendment to the West Ward Redevelopment Plan, governing the redevelopment of City-owned Properties located within the West Ward, which includes the above-referenced Properties; and

WHEREAS, the City received a letter of intent for the purchase and redevelopment of the Properties from the owner of the attached property Saber Real Estate Development, LLC, 1010 Adams Avenue, Union, New Jersey 07083 (the “Redeveloper”); and

WHEREAS, the Redeveloper has proposed to the City’s Department of Economic and Housing Development to construct ten (10) two-family residential homes, a copy of which is attached to the Agreement as Exhibit A (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 West Ward 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 Saber Real Estate Development, LLC, whom is willing to purchase the Properties from the City, for the consideration of One Hundred Twenty Five Thousand Forty Dollars and Zero Cents (\$125,040.00), 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 West 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 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 in the form attached hereto with Saber Real Estate Development, LLC, 1010 Adams Avenue, Union, New Jersey 07083, for the private sale and redevelopment of the following Properties, to construct ten(10) two-family residential homes, 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 West Ward Redevelopment Plan, as amended:

<u>ADDRESS</u>	<u>WARD</u>	<u>BLOCK</u>	<u>LOT</u>	<u>SIZE</u>	<u>SQ. FEET</u>
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75-77 Norwood Street	West	4066	55	50X100	5,000

Total Square Footage: 31,260

Total Purchase Price: \$125,040.00 (\$4.00 per sf.)

2. Said Properties shall be sold to Saber Real Estate Development, LLC, by private sale for the purpose of constructing ten (10) two-family residential homes.
3. The 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 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 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 are 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 Director of the Department of Economic and Housing Development agrees in writing to extend this thirty (30) day time period.
7. The 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 6P&Ff, June 21, 2006, for the purpose of preserving low and moderate income affordable housing.

8. The 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 Resolution 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 6S&FC 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 eighteen (18) 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 Properties 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 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 Director of the Department of Economic and Housing Development to enter into and execute an Agreement for the Sale and Redevelopment of Land of Saber Real Estate Development, LLC, 1010 Adams Avenue, Union, New Jersey 07083, 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 West Ward Redevelopment Plan, as amended to construct ten (10) two-family residential homes:

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