



Legislation Details (With Text)

File #: 21-1327 **Version:** 1 **Name:** Symphony Hall - 2nd Amended Lease
Type: Resolution **Status:** Returned to Administration
File created: 9/10/2021 **In control:** Economic and Housing Development
On agenda: 1/11/2022 **Final action:** 1/20/2022

Title: Dept/ Agency: Economic and Housing Development
Action: (X) Ratifying (X) Authorizing (X) Amending
Type of Service: Lease Agreement
Purpose: To authorize the Second Amendment to the Lease Agreement, pursuant to N.J.S.A. 40A:12A-8(g), between the City of Newark and Newark Performing Arts Corporation for the properties commonly known as 12-28 Chestnut Street, 10 Chestnut Street, 1032 Broad Street, 1030 Broad Street, 1020-1026 Broad Street, and 1016-1018 Broad Street identified on the Official Tax Map of the City of Newark, as Block 883, Lots 32, 33, 36, 38, 41, and 46, for the purpose of increasing the operating costs and salaries for staff and executive director from \$650,000.00 to \$1,050,000.00.
Entity Name: Newark Performing Arts Corporation
Entity Address: 1030 Broad Street, Newark, New Jersey 07102
Lease Amount: \$1.00 per year
Lease Period: Eighteen (18) years commencing on May 1, 2008 and terminating on April 30, 2026
Contract Basis: () Bid () State Vendor () Prof. Ser. () EUS
() Fair & Open () No Reportable Contributions () RFP () RFQ
() Private Sale () Grant () Sub-recipient (X) N/A
Location of Property: (if applicable)
(Address/Block/Lot/Ward)
1016-1018 Broad Street/Block 883/Lot 46/Central Ward
1020-1026 Broad Street/Block 883/Lot 41/Central Ward
1030 Broad Street/Block 883/Lot 38/Central Ward
1032 Broad Street/Block 883/Lot 36/Central Ward
10 Chestnut Street/Block 883/Lot 33/Central Ward
12-28 Chestnut Street/Block 883/Lot 32/Central Ward
Additional Information:
The initial Lease Agreement was approved by Resolution 7Re(S-2) adopted on July 17, 2007.

The First Amended Lease Agreement was approved by Resolution 7R3-e (AS) adopted on February 18, 2009.

Deferred 7R2-d (s) 011122

Sponsors:

Indexes:

Code sections:

Date	Ver.	Action By	Action	Result
1/20/2022	1	Municipal Council	Returned to Administration	Pass
1/11/2022	1	Municipal Council	Defer	Pass

Dept/ Agency: Economic and Housing Development
Action: (X) Ratifying (X) Authorizing (X) Amending
Type of Service: Lease Agreement
Purpose: To authorize the Second Amendment to the Lease Agreement, pursuant to N.J.S.A. 40A:12A-8(g), between the City of Newark and Newark Performing Arts Corporation for the

properties commonly known as 12-28 Chestnut Street, 10 Chestnut Street, 1032 Broad Street, 1030 Broad Street, 1020-1026 Broad Street, and 1016-1018 Broad Street identified on the Official Tax Map of the City of Newark, as Block 883, Lots 32, 33, 36, 38, 41, and 46, for the purpose of increasing the operating costs and salaries for staff and executive director from \$650,000.00 to \$1,050,000.00.

Entity Name: Newark Performing Arts Corporation

Entity Address: 1030 Broad Street, Newark, New Jersey 07102

Lease Amount: \$1.00 per year

Lease Period: Eighteen (18) years commencing on May 1, 2008 and terminating on April 30, 2026

Contract Basis: () Bid () State Vendor () Prof. Ser. () EUS

() Fair & Open () No Reportable Contributions () RFP () RFQ

() Private Sale () Grant () Sub-recipient (X) N/A

Location of Property: (if applicable)

(Address/Block/Lot/Ward)

1016-1018 Broad Street/Block 883/Lot 46/Central Ward

1020-1026 Broad Street/Block 883/Lot 41/Central Ward

1030 Broad Street/Block 883/Lot 38/Central Ward

1032 Broad Street/Block 883/Lot 36/Central Ward

10 Chestnut Street/Block 883/Lot 33/Central Ward

12-28 Chestnut Street/Block 883/Lot 32/Central Ward

Additional Information:

The initial Lease Agreement was approved by Resolution 7Re(S-2) adopted on July 17, 2007.

The First Amended Lease Agreement was approved by Resolution 7R3-e (AS) adopted on February 18, 2009.

Deferred 7R2-d (s) 011122

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 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, where said conveyance is made in conjunction with a redevelopment plan in accordance with the provisions of N.J.S.A. 40A:12A-8(g) and other applicable statutes; and

WHEREAS, pursuant to Resolution 7Rd(AS), adopted on June 15, 2005, the Municipal Council of the City of Newark, upon the recommendation of the City of Newark Central Planning Board, designated the City of Newark in its entirety as an Area in Need of Rehabilitation, in accordance with the Local redevelopment Housing Law, N.J.S.A. 40A:12A-14; and

WHEREAS, the Municipal Council thereafter adopted Ordinance 6S&Fe on September 21, 2005, adopting the First Amendment to the East Ward Redevelopment Plan governing the redevelopment of City-owned property located within the East Ward; and

WHEREAS, the City of Newark owns the properties commonly known as 12-28 Chestnut Street, 10 Chestnut Street, 1032 Broad Street, 1030 Broad Street, 1020-1026 Broad Street, and 1016-1018 Broad Street identified on the City of Newark Tax Map as Block 883, Lots 32, 33, 36, 38, 41, and 46 (the "Property"); and

WHEREAS, pursuant to Resolution 7Re(S-2), adopted on July 17, 2007, the Municipal Council of the City of Newark authorized the Acting Director of Economic and Housing Development to execute and enter into a Lease Agreement leasing the Property to Newark Performing Arts Corporation, a non-profit corporation, pursuant to N.J.S.A. 40A:12A-8(g), for a period of one (1) year commencing on May 1, 2007 and terminating on April 30, 2008; and

WHEREAS, on February 18, 2009 the Municipal Council adopted Resolution 7R3-e(AS), ratifying and authorizing the Mayor or his designee to enter into a First Amended Lease Agreement, pursuant to N.J.S.A. 40A:12A-8(g), between the City of Newark and Newark Performing Arts Corporation for the Property for the purpose of extending the term of the Lease Agreement for a period of eighteen (18) years commencing on May 1, 2008 and terminating on April 30, 2026 and adding additional required lease provisions; and

WHEREAS, the parties wish to enter into and execute a Second Amendment to the Lease Agreement between the parties to increase the operating costs and salaries for staff and executive director from \$650,000.00 to \$1,050,000.00 that the City pays to Newark Performing Arts Corporation pursuant to the terms of the Lease Agreement.

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

1. The Mayor and/or his designee, the Deputy Mayor/Director of the Department of Economic and Housing Development, is are hereby authorized to enter into and execute a Second Amended Lease Agreement in the form attached hereto, pursuant to N.J.S.A. 40A:12A-8(g), between the City of Newark and Newark Performing Arts Corporation for the properties commonly known as 12-28 Chestnut Street, 10 Chestnut Street, 1032 Broad Street, 1030 Broad Street, 1020-1026 Broad Street, and 1016-1018 Broad Street identified on the City of Newark Tax Map as Block 883, Lots 32, 33, 36, 38, 41, and 46 (the "Property") for the purpose of increasing the operating costs and salaries for staff and executive director from \$650,000.00 to \$1,050,000.00 that the City pays to Newark Performing Arts Corporation pursuant to the terms of the Lease Agreement.

2. The Office of Office of Management and Budget shall appropriate \$400,000.00 - representing the increase in operating costs and salary - from the City's budget on a yearly basis.

3. The Second Amended Lease Agreement is ratified from May 1, 2008 until the date of adoption of this authorizing resolution.

4. The Lessee shall be required to maintain all records related to the payment of any and all bills and/or salaries as well as submit to the Deputy Mayor/Director of the Department of Economic and Housing Development quarterly income and expenditure reports and receipts as a condition of Lessor's quarterly payments (with the exception of payment(s) from the City of Newark for the salary of the Executive Director of the Newark Performing Arts Corporation), which payment may be made in advance.

5. The Lessee shall submit an annual report to the Deputy Mayor/Director of the Department of Economic and Housing Development detailing the activities it has undertaken in furtherance of its public purpose to cultivate, promote, foster, sponsor and develop among the general public appreciation, understanding, taste and love of the performing arts.

6. The Deputy Mayor/Director of the Department of Economic and Housing Development shall be responsible for the enforcement of the conditions of the Lease Agreement, First Amended Lease Agreement, and as further amended by this Second Amended to the lease Agreement.

7. A copy of the First Amended Lease Agreement and this Resolution shall be filed in the Office of the City Clerk by the Deputy Mayor/Director of the Department of Economic and Housing Development.

8. This Resolution shall take effect immediately.

STATEMENT

This Resolution authorizes the execution of a Second Amendment Lease Agreement, pursuant to N.J.S.A. 40A:12A-8(g), between the City of Newark and Newark Performing Arts Corporation for the properties commonly known as 12-28 Chestnut Street, 10 Chestnut Street, 1032 Broad Street, 1030 Broad Street, 1020-1026 Broad Street, and 1016-1018 Broad Street identified on the City of Newark Tax Map as Block 883, Lots 32, 33, 36, 38, 41, and 46 (the "Property"), for the purpose of increasing the operating costs and salaries for staff and executive director from \$650,000.00 to \$1,050,000.00.