



Legislation Details (With Text)

File #: 19-1214 **Version:** 1 **Name:** Leyo Alava - 185 1/2 Brunswick St
Type: Resolution **Status:** Adopted
File created: 7/19/2019 **In control:** Economic and Housing Development
On agenda: 5/6/2020 **Final action:** 5/6/2020
Title: Dept/ Agency: Economic and Housing Development
Action: () Ratifying (X) Authorizing () Amending
Type of Service: Private Sale/Redevelopment
Purpose: To expand the existing Side Yard at 187 Brunswick Street.
Entity Name: Leyo Alava
Entity Address: 8 Miller Street, 1st Floor, Newark, New Jersey 07114
Sale Amount: \$4,152.96
Cost Basis: (X) \$4.00 PSF () Negotiated () N/A () Other:
Assessed Amount: \$34,000.00
Appraised Amount: \$0.00
Contract Period: To commence within three (3) months and be completed within twelve (12) months following transfer of property 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)
185 1/2 Brunswick Street/Block 2801/Lot 45/South Ward
Additional Information:
Total Square Footage = 1,038.24 X \$4.00 = \$4,152.96
Sale at prices set forth by Ordinance 6S&Fh, adopted April 7, 2004, establishing the minimum sale price of City-owned properties.

Sponsors: Council of the Whole

Indexes:

Code sections:

| Date | Ver. | Action By | Action | Result |
|----------|------|-------------------|--------|--------|
| 5/6/2020 | 1 | Municipal Council | Adopt | Pass |

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Sale at prices set forth by Ordinance 6S&Fh, adopted April 7, 2004, establishing the minimum sale price of City-owned properties.

WHEREAS, the purpose of this resolution to approve the sale and redevelopment of the following City-owned property located in the South Ward of the City of Newark:

| <u>ADDRESS</u> | <u>BLOCK</u> | <u>LOT</u> | <u>SIZE</u> | <u>SQ. FEET</u> |
|------------------------|--------------|------------|-------------|-----------------|
| 185 ½ Brunswick Street | 2801 | 45 | 16.8X61.8 | 1,038.24 |

Total Purchase Price: \$4,152.96 (\$4.00 per sf.); and

WHEREAS, the City of Newark (the “City”) has determined that the above referenced City-owned property (the “Property”) is no longer needed for public use; and

WHEREAS, pursuant to N.J.S.A. 40A:12A-8(g), the City is proceeding with the rehabilitation of the area and is conveying Property 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 6PhS&Fd(s) on August 17, 2005, adopting the Third Amendment to the South Ward Redevelopment Plan governing the redevelopment of City-owned Property located within the South Ward, which includes the above-referenced Property; and

WHEREAS, the City received a Letter of Intent, attached as Exhibit A to the Redevelopment Agreement (hereinafter the “Proposal”), for the purchase and development of the Property from Leyo Alava, 8 Miller Street, 1st Floor, Newark, New Jersey 07114 (the “Redeveloper”); and

WHEREAS, the Redeveloper has proposes to develop the Property by using it to expand an existing side yard; 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 Property and to develop 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 South 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 Property to Leyo Alava, who

is willing to purchase the Property from the City, for the consideration of Four Thousand One Hundred Fifty Two Dollars and Ninety-Six Cents (\$4,152.96), for the purpose of developing said Property in accordance with the requirements of N.J.S.A. 40A:12A-8(g), the Agreement, and the South 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, 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 attached hereto with Leyo Alava, 8 Miller Street, 1st Fl., Newark, New Jersey 07114, for the private sale and redevelopment of the following Property, 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 South Ward Redevelopment Plan, as amended:

| <u>ADDRESS</u> | <u>BLOCK</u> | <u>LOT</u> | <u>SIZE</u> | <u>SQ. FEET</u> |
|------------------------|--------------|------------|-------------|-----------------|
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Total Purchase Price: \$4,152.96 (\$4.00 per sf.)

2. Said Property shall be sold to Leyo Alava by private sale for the purpose of using the above mentioned property to expand an existing side yard on the adjacent lot located at 187 Brunswick Street, Newark, New Jersey 07114, within the South Ward of the City, and identified on the Official Tax Map of the City of Newark as Block 2801, Lot 45. Any deed of conveyance by, for, or on behalf of the Redeveloper shall contain the aforesaid use restrictions, and title to the Property shall automatically revert to the City if the Property is converted to any use other than as a side-yard as specified herein without the informed written consent of the Director of the Department of Economic and Housing Development and approval of the Municipal Council.
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 Property and the terms and conditions of the Agreement, all in forms subject to the approval of the City'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 by the 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 Property and any other prior legislation authorizing or intended to authorize the sale and/or redevelopment

and/or rehabilitation of the Property 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 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 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 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 Property shall commence within three (3) months and be completed within twelve (12) 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 redevelopment of the Property, then the City, in its sole discretion, may exercise its Right of Reverter to transfer

title to the Property 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 Property. Said Quitclaim Deed conveying title to the Property 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 with Leyo Alava, 8 Miller Street, 1st Floor, Newark, New Jersey 07114, for the private sale and development of the following Property, 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 South Ward Redevelopment Plan, as amended, to expand side yard.

| <u>ADDRESS</u> | <u>BLOCK</u> | <u>LOT</u> | <u>SIZE</u> | <u>SQ. FEET</u> |
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| 185 ½ Brunswick Street | 2801 | 45 | 16.8X61.8 | 1,038.24 |

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