



Legislation Text

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AN ORDINANCE RATIFYING AND AUTHORIZING THE CITY OF NEWARK TO ENTER INTO AN AMENDED RESTATED FINANCIAL AGREEMENT CORRECTING A FINANCIAL AGREEMENT FOR A PREVIOUSLY APPROVED FIFTEEN (15) YEAR TAX ABATEMENT TO SOMERSET URBAN RENEWAL LLC, 1865 PALMER AVENUE, SUITE 203, LARCHMONT, NEW YORK 10538, FOR A PROJECT TO ACQUIRE THIRTY-EIGHT (38) AFFORDABLE RENTAL HOUSING UNITS LOCATED ON REAL PROPERTY COMMONLY KNOWN AS 172 SOMERSET STREET AND IDENTIFIED ON THE OFFICIAL TAX MAP OF THE CITY OF NEWARK, AS BLOCK 2589, LOT 1, TO REFLECT THE PROPER NAME OF THE PROJECT OWNER AS SOMERSET HOMES URBAN RENEWAL, LLC. (CENTRAL WARD)

WHEREAS, on June 6, 1979, the Municipal Council adopted Resolution 7Rdo adopted on June 6, 1979, granting a tax exemption to Somerset Homes Associates, LLP for the construction of thirty-eight (38) affordable rental housing units on property located at 219-239 Clinton Avenue and designated as Block 2589, Lot 1 on the Official Tax Map of the City of Newark, under the provisions of the Limited-Dividend Nonprofit Housing Association Law (C. 55:16-1 et seq.) and authorizing the execution and delivery of that certain Financial Agreement, by and between City and the Somerset Homes Associates, LLP; and

WHEREAS, Somerset Urban Renewal LLC, 1865 Palmer Avenue, Suite 203, Larchmont, New York, New York 10538, purchased the Project from the Somerset Homes Associates, LLP and has requested an extension of the existing tax exemption pursuant to the Long Term Tax Exemption Law; and

WHEREAS, Somerset Urban Renewal, LLC filed an application with the Mayor of the City of Newark seeking a long term tax abatement under the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq., for a fifteen (15) year term for a project to acquire thirty-eight (38) affordable rental housing units on property located on real property commonly known as 172 Somerset Street and identified on the Official Tax Map of the City of Newark, as Block 2589, Lot 1 (the "Project"); and

WHEREAS, on December 27, 2017, the Municipal Council adopted Ordinance 6PSF-b(S) granting a fifteen (15) year tax abatement to Somerset Urban Renewal, LLC, 1865 Palmer Avenue, Suite 203, Larchmont, New York New York 10538, under the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq., for the Project and authorizing the execution of an Amended and Restated Financial Agreement; and

WHEREAS, Ordinance 6PSF-b(S) adopted on December 27, 2017 and Financial Agreement authorized therein did not reflect the correct name of the Project Owner and therefore the Original Agreement was never executed; and

WHEREAS, the Project Owner is Somerset Homes Urban Renewal, LLC; and

WHEREAS, the Amended and Restated Financial Agreement attached hereto reflects the correct name of the Project Owner (the “Updated Financial Agreement”); and

WHEREAS, the Municipal Council desires authorize the execution and delivery of the Updated Financial Agreement.

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

1. The Updated Financial Agreement is hereby approved and the Mayor of the City of Newark and/or his designee, the Deputy Mayor/Director of the Department of Economic and Housing Development are hereby ratified and authorized to execute, on the City’s behalf, the Updated Financial Agreement in the form attached hereto.

2. The Deputy Mayor/Director of the Department of Economic and Housing Development shall file an executed copy of the fully executed Updated Financial Agreement authorized by this Ordinance in the Office of City Clerk.

3. All other matters as set forth in Ordinance 6PSF-b(S) shall remain in full force and effect.

4. This Ordinance shall take effect upon final passage and publication in accordance with the laws of the State of New Jersey.

STATEMENT

Ordinance ratifying and authorizing the correction of a Financial Agreement that was previously approved by the Municipal Council for a long term tax abatement to Somerset Urban Renewal, LLC, 1865 Palmer Avenue, Suite 203, Larchmont, New York New York 10538, pursuant to the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq., for a fifteen (15) year term for a project to acquire thirty-eight (38) affordable rental housing units located on real property commonly known as 172 Somerset Street and identified on the Official Tax Map of the City of Newark, as Block 2589, Lot 1, to reflect the correct owner of the Project as Somerset Homes Urban Renewal, LLC and authorizes the Mayor of the City of Newark and and/or his designee, the Deputy Mayor/Director of the Department of Economic and Housing Development to execute same.