



Legislation Text

File #: 21-1932, Version: 1

Dept/ Agency: Economic and Housing Development

Action: () Ratifying (X) Authorizing () Amending

Type of Service: Redevelopment Agreement

Purpose: To authorize the execution of a Redevelopment Agreement with Ballantine EFG Property Owner Urban Renewal, LLC.

Entity Name: Ballantine EFG Property Owner Urban Renewal, LLC

Entity Address: 292 Madison Avenue, 24th Floor, New York, New York, 10017

Contract Amount: \$0.00

Development Agreement Term:

City Contribution to Development Project: () Grant or Loan () Guarantee

() None (X) Other (PILOT approved via Ordinance 6PSF-c adopted on January 5, 2022)

Developer Investment: (Not Applicable)

Developer Third-Party Financing

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

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

() Private Sale () Grant () Sub-recipient (X) n/a

List of Property:

(Address/Block/Lot/Ward)

74-82 Freeman Street/ Block 2474/Lot 1.02/East Ward

428-442 Ferry Street/Block 2474/Lot 8 (and add'l Lot 14)/East Ward

Additional Information:

WHEREAS, in order to stimulate the reinvigoration of the City of Newark (the “City”), by Resolution 7Rdo(AS) adopted by the Municipal Council on June 15, 2005, the entire City of Newark was designated as an area in need of rehabilitation pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A: 12A-1, et seq. (the “Act” or “LRHL”); and

WHEREAS, by Ordinance 6PSF-I adopted on August 7, 2013, the Municipal Council adopted the “Newark’s River: Public Access and Redevelopment Plan” (as amended, the “Redevelopment Plan”), which provided for the facilitation of the redevelopment of certain parcels in the City of Newark for residential, commercial, and industrial use; and

WHEREAS, by Ordinance 6PSF-b adopted on April 7, 2021, the Municipal Council adopted a Fourth Amendment to the Newark’s River: Public Access and Redevelopment Plan, which amended the Redevelopment Plan to include The Ballantine Brewery Mixed-Use District, which recognizes that the multi-block factory complex that comprised the former Ballantine Brewery is a significant feature in the eastern Ironbound neighborhood and is uniquely situated for comprehensive redevelopment; and

WHEREAS, Ballantine EFG Property Owner Urban Renewal, LLC, located at 292 Madison

Avenue, 24th Floor, New York, New York, 10017 (the “Redeveloper”), is the owner of that certain parcel of real property shown on the Official Tax Map of the City of Newark, as Block 2474, Lots 1.02 and 8 (including additional Lot 14) located in the East Ward of the City within the area described in the Redevelopment Plan, and more commonly known as 74-82 Freeman Street and 428-442 Ferry Street (hereinafter. the “Property”); and

WHEREAS, the Redeveloper proposed the following redevelopment project to the City: (i) construction of a multi-unit residential building consisting of approximately two hundred forty-six (246) market rate residential rental units (the “Market Rate Units”); (ii) thirty-four (34) affordable housing rental units, of which eight (8) units shall be restricted to tenants at 40%, or less, of Area Median Income (“AMI”), eight (8) units shall be restricted to tenants at 60%, or less, AMI and eighteen (18) units shall be restricted to tenants at 80%, or less, AMI (the “Income Restricted Units”); (iii) approximately 2,600 square feet of retail space; and (iv) approximately one hundred twenty-five (125) on-site parking spaces, all located on the Property; and

WHEREAS, said Redevelopment Plan complies with the requirements of all applicable State and Federal statutes and regulations promulgated thereunder; and

WHEREAS, the Redevelopment Plan is applicable to the development and redevelopment of properties, including the Property; and

WHEREAS, pursuant to N.J.S.A. 40A: 12A-8(f), the City is authorized to arrange or contract with redevelopers for the planning, re-planning, construction or undertaking of any redevelopment project; and

WHEREAS, pursuant to this Resolution, the Municipal Council is: (a) designating the Redeveloper as the exclusive redeveloper of the Property; and (b) authorizing the Mayor and Deputy Mayor/Director of the Department of Economic and Housing Development to enter into a redevelopment agreement setting forth the terms and conditions by which the Redeveloper will undertake the Project and redevelop the Property (the “Redevelopment Agreement”); and

WHEREAS, the City believes the Project to be in the vital and best interests of the City and of the East Ward, and that it promotes the health, safety, morals and welfare of the City's residents.

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

1. The Mayor of the City of Newark and/or the Deputy Mayor/Director of the Department of Economic and Housing Development of the City, or either of them, hereby: (a) designate the Redeveloper as the exclusive redeveloper of the Property; and (b) authorize the Mayor of the City of Newark and Deputy Mayor/Director of the Department of Economic and Housing Development to enter into the Redevelopment Agreement in substantially the form attached hereto as Exhibit 1.
2. The Deputy Mayor/Director of the Department of Economic and Housing Development is hereby authorized to effectuate certain business terms and conditions related to the Redevelopment Agreement and may enter into any related documents which may be necessary in order to effectuate the Redevelopment Agreement.

3. The executed Redevelopment Agreement shall be placed on file in the Office of the City Clerk by the Deputy Mayor/Director of Department of Economic and Housing Development.
4. The Project must be completed within the timeframe required under the Redevelopment Agreement.

STATEMENT

This Resolution authorizes the Mayor of the City of Newark and/or his designee, the Deputy Mayor/Director of the Department of Economic and Housing Development, on behalf of the City of Newark, to enter into and execute a redevelopment agreement with Ballantine EFG Property Owner Urban Renewal, LLC, 292 Madison Avenue, 24th Floor, New York, New York, 10017, for the redevelopment of the Property described on the Official Tax Map of the City of Newark, as Block 2474, Lots 1.02 and 8 (including additional Lot 14), located in the East Ward of the City within the area described in the Redevelopment Plan, and more commonly known as 74-82 Freeman Street and 428-442 Ferry Street (East Ward).