



City of Newark

City Hall
920 Broad Street
Newark, New Jersey 07102

Legislation Text

File #: 21-0780, Version: 1

Dept/ Agency: Economic and Housing Development

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

Type of Service: Private Sale/Redevelopment

Purpose: To authorize the execution of a Redevelopment Agreement with Brandywine Acquisition and Development, LLC, as the designated redeveloper of the Crime and Ballistics Facility as part of a public-private partnership entered into under the Local Redevelopment and Housing Law.

Entity Name: Brandywine Acquisition and Development, LLC

Entity Address: 2 Ponds Edge Drive, Chadds Ford, Pennsylvania 19317

Sale Amount: \$282,600.00

Cost Basis: () PSF (X) Negotiated () N/A () Other:

Assessed Amount: \$2,711,100.00

Appraised Amount: \$0.00

Contract Period: Project Schedule attached as Exhibit D

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)

706-714 Hunterdon Street/Block 2706/Lots 54, 56, and 58/South Ward

247 Peshine Avenue/Block 2706/Lot 1/South Ward

249-251 Peshine Avenue/Block 2706/Lots 2 and 3/South Ward

253-255 Peshine Avenue/Block 2706/Lots 4 and 5/South Ward

257 Peshine Avenue/Block 2706/Lot 6/South Ward

Additional Information:

WHEREAS, on June 15, 2005, pursuant to Resolution 7Rdo(AS), the entire City of Newark was designated an "area in need of rehabilitation" as defined by the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1, et seq., including the lots located at 706-714 Hunterdon Street, 247 Peshine Avenue, 249-251 Peshine Avenue, 253-255 Peshine Avenue and 257 Peshine Avenue, also known as Block 2706, Lots 1, 2, 3, 4, 5, 6, 54, 56 and 58 on the tax maps of the City of Newark (the "Property"); and

WHEREAS, on January 5, 2017, pursuant to Ordinance 6PSF-b, the City of Newark adopted the South Bergen Street Redevelopment Plan (the "Redevelopment Plan"), as last amended by Ordinance 6PSF-e on April 7, 2020, which governs the zoning of the Property; and

WHEREAS, pursuant to N.J.S.A. 40A:12A-8(g), the City may convey property to a Redeveloper "without public bidding and at such prices and upon such terms as it deems reasonable"; and

WHEREAS, the City of Newark is in need of a Crime and Ballistics Facility; and

WHEREAS, based upon the City's review of the Project 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 Redevelopment Agreement and the South Bergen Street Redevelopment Plan; and

WHEREAS, the Redeveloper has expressed an interest in acquiring the Property from the City, and redeveloping the Property as a state-of-the-art Crime & Ballistics Facility site as further set forth in the description of the Project herein, to be operated by the City, consistent with plans and specifications which have been developed in consultation with the City's Director of Public Safety, as same may be consistent with the Redevelopment Plan and formally approved by the Municipal Council, all of which shall be in compliance with the terms and conditions of this Redevelopment Agreement (the "**Project**"); and

WHEREAS, pursuant to this Resolution, the City seeks to designate Brandywine Acquisition and Development, LLC as the redeveloper of the Property that is to constitute the state-of-the-art Crime & Ballistics Facility site subject to entry of a Redevelopment Agreement; and

WHEREAS, it is intended that in conjunction with this Redevelopment Agreement, the Parties shall enter into a Capital Sale/Leaseback Agreement of the type contemplated by N.J.S.A. 40A:12A-8 (g) ("Capital Sale/Leaseback Agreement") for the City's exclusive use of the Project for a term of twenty (20) years, which such term shall commence twenty six (26) months from the date of Closing, as defined in the Redevelopment Agreement; and

WHEREAS, the form of Capital Sale/Leaseback Agreement, attached hereto as **Exhibit A**, shall provide for, *inter alia*, the construction and operation of the Project, including construction specifications and the rent payments to be made by the City for the City's exclusive occupancy of the Property; and

WHEREAS, an accompanied legislation will be presented to the Municipal Council at the same meeting this legislation is being presented to introduce an ordinance authorizing a Capital Sale/Leaseback Agreement with Brandywine Acquisition and Development, LLC as the designated redeveloper of the Property; and

WHEREAS, pursuant to N.J.S.A. 40A:12A-8 and N.J.S.A. 40A:12A-9, the City has negotiated a Redevelopment Agreement with Brandywine Acquisition and Development, LLC as the designated redeveloper of the Crime & Ballistics Facility site consisting of the Property.

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

1. The terms and conditions contained in the Redevelopment Agreement by and between the City of Newark and Brandywine Acquisition and Development, LLC, the designated redeveloper of the Crime & Ballistics Facility site consisting of the properties located at 706-714 Hunterdon Street, 247 Peshine Avenue, 249-251 Peshine Avenue, 253-255 Peshine Avenue and 257 Peshine Avenue, also known as Block 2706, Lots 1, 2, 3, 4, 5, 6, 54, 56 and 58 on the tax maps of the City of Newark

(the “Property”), are hereby accepted and approved.

2. The Mayor and/or his designee, the Deputy Mayor/Director of Economic and Housing Development, are hereby authorized and directed to execute the Redevelopment Agreement, in the form attached hereto and made part hereof upon adoption of this Resolution by the Municipal Council.

3. The Deputy Mayor/Director of the Department of Economic and Housing Development is hereby authorized to enter into access and right of entry agreements and related agreements, which may be necessary to effectuate the sale of the Property and the terms and conditions of the Redevelopment Agreement, all in forms subject to the approval of the City’s Corporation Counsel.

4. The Deputy Mayor/Director of the Department of Economic and Housing Development is hereby authorized to grant a maximum of two (2) six (6) month extension(s) of project timeline without approval by the Municipal Council provided that a signed Memorandum advising of the extension is submitted to the Office of the City Clerk at least seven (7) days prior to the commencement of the extension period.

5. Upon the adoption of this Resolution and the Redeveloper’s execution of the Redevelopment Agreement, Brandywine Acquisition and Development, LLC, shall hereby be formally deemed as the designated redeveloper of the Property for all purposes under the law.

6. The Deputy Mayor/Director of the Department of Economic and Housing Development is authorized to execute a Bargain and Sale Deed to the Redeveloper for the Property. Said Deed conveying title to the Property to the Redeveloper shall be approved as to the form and legality by the City’s Corporation Counsel, and attested to and acknowledged by the City Clerk.

7. This Resolution shall become effective immediately pursuant to law.

STATEMENT

This resolution authorizes the Mayor and/or his designee, the Deputy Mayor/Director of Economic and Housing Development, to enter into and execute a Redevelopment Agreement with Brandywine Acquisition & Development, LLC as the designated developer of the Crime and Ballistics Facility to be located at 706-714 Hunterdon Street, 247 Peshine Avenue, 249-251 Peshine Avenue, 253-255 Peshine Avenue and 257 Peshine Avenue, and identified as Block 2706, Lots 1, 2, 3, 4, 5, 6, 54, 56 and 58 on the official Tax Map of the City of Newark. (South Ward)