



City of Newark

City Hall
920 Broad Street
Newark, New Jersey 07102

Legislation Text

File #: 17-1829, Version: 1

Dept/ Agency: Administration/Office of the Business Administrator

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

Type of Service: Exception to Public Bidding - Extraordinary Unspecifiable Services

Purpose: Funding of Newark Community Economic Development Corporation

Entity Name: Newark Community Economic Development Corporation

Entity Address: 111 Mulberry Street, Market Street LL Suite, Newark, New Jersey 07102

Contract Amount: \$3,000,000.00

Funding Source: Sale of Newark Property and Motor Vehicle Tax Revenue

Contract Period: January 1, 2018 through December 31, 2020

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

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

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

Additional Information:

WHEREAS, Newark Community Economic Development Corporation (“Newark CEDC”), formerly Brick City Development Corporation, t 111 Mulberry Street, Market Street LL Suite, Newark, New Jersey 07102, was formed for the purpose of the receipt and administration of funds for charitable purposes and the performance of activities pertaining to economic development within the City, including development of residential, commercial, industrial, and other real estate in a manner beneficial to the City, all as more specifically set forth in Newark CEDC’s Certificate of Incorporation; and

WHEREAS, the Parties recognize that Newark CEDC is the City’s Economic Development arm; and

WHEREAS, the services to be provided by Newark CEDC to the City were originally outlined in a Funding Agreement, which was authorized by Municipal Council by Resolution 7R3-j(AS), adopted on July 1, 2009 (the “2009 Funding Agreement”); and

WHEREAS, in or around late 2014, Newark CEDC underwent a period of reorganization and reconstruction; and

WHEREAS, the City determined after investigations, staff changes, consultations, interviews and installation of new leadership that Newark CEDC is fully qualified to continue to perform and undertake such Economic Development activities for and on behalf of the City; and

WHEREAS, by Resolution 7R3-d(S) on December 23, 2014, the Municipal Council ratified an MOU (the “2014 MOU”) between the City and Newark CEDC whereby, for the time period of September 1, 2014 through August 31, 2015, Newark CEDC would continue to perform the services outlined in the Funding Agreement; and

WHEREAS, pursuant to Resolution 7R3-a, adopted on January 21, 2015, the City named Newark CEDC as the City's agent for and administrator of the \$5,000,000.00 in grant funds (the "Grant Funds") formally held by Greenspaces (a fund of the Community Foundation of New Jersey with a principal place of business at 35 Knox Hill Road, Morristown, New Jersey 07962); and

WHEREAS, although the original delineated purposes for the Grant Funds included but not limited to the acquisition, design, improvement and maintenance of riverfront parks located in the vicinity of 3 Penn Plaza East, 943-973 Raymond Blvd., Newark, New Jersey 07105, Resolution 7R3-a, adopted on January 21, 2015, expanded the allowable uses of the funds to include the funding of the administration and operations of Newark CEDC; and

WHEREAS, pursuant to Resolution 7R3-a(s), adopted on May 26, 2016, the Municipal Council consented to the continuation of services previously undertaken by Newark CEDC and authorized a new Funding Agreement for a term of September 1, 2015 through December 31, 2017 to implement the redevelopment activities on behalf of the City of Newark and consented to the appointment of Newark CEDC as the City's administrator and manager of the City's UEZ Program for consideration of no less than \$3,000,000.00 from the City's UEZ funds; and

WHEREAS, pursuant to Resolution 7R3-a(s), adopted on May 26, 2016, the Municipal Council ratified and authorized the City to enter into and execute a Use and Occupancy Agreement with Newark CEDC to use the City-owned property located at 111 Mulberry Street Lower Level (the "City Property"), as Newark CEDC's primary place of business for the period of January 1, 2015 through December 31, 2017; and

WHEREAS, the City desires to continue to grant, to Newark CEDC, the exclusive right to use and occupy the City Property by entering into a new Use and Occupancy Agreement effective January 1, 2018 until December 31, 2020; and

WHEREAS, the City and Newark CEDC further seeks to enter into this Funding Agreement for the continuation of the services undertaken by Newark CEDC as the parties have determined that the continuation of successful work being performed by Newark CEDC will continue to be realized by providing additional financial support to Newark CEDC.

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

1. The Mayor and/or his designees, the Acting Deputy Mayor/Director of the Department of Economic and Housing Development and the Business Administrator, are authorized to enter into and execute a Funding Agreement with Newark CEDC ("MOU Agreement") in the form attached hereto, to provide Newark CEDC with annual funding in an amount not to exceed \$3,000,000.00, for the term of January 1, 2018 through December 31, 2020 and to allow Newark CEDC to use and occupy the City's commercial condominium located at 111 Mulberry Street, Lower Level for a fee of \$1.00 per month or \$12.00 per year, for the period of January 1, 2018 through December 31, 2020.

2. The Mayor and/or his designees, the Acting Deputy Mayor/Director of the Department of Economic and Housing Development and the Business Administrator are further authorized to enter into a Use and Occupancy Agreement, in the form set forth in Exhibit C of the Funding Agreement for

a fee of \$1.00 per month or \$12.00 per year, for the period of January 1, 2018 through December 31, 2020.

3. This Funding Agreement is being awarded to Newark CEDC in compliance with the Local Public Contracts Law, including but not limited to N.J.S.A. 40A:11-5(1)(a)(ii).

4. This Funding Agreement is being awarded to a non-profit organization and as such is not governed by the State Pay to Play Law N.J.S.A. 19:44A-20.5 or the City of Newark Contractor Pay-to-Play Reform Ordinance, R.O. 2:4-22C.

5. Attached hereto are Certifications of Funds from the Director of Finance, which states that (1) there are sufficient funds for the purpose set forth hereinabove and (2) the line appropriation of the official budget which shall be charged is as follows:

Business Unit	Department/ID	Div/Proj.	Activity	Account#	Budget
NW026	BS			38740	B2017
				32100	

6. A copy of the fully executed Funding Agreement and Use and Occupancy Agreement authorized herein and the Certifications of Funds shall be filed in the Office of the City Clerk by the Acting Deputy Mayor/Director of the Department of Economic and Housing Development.

7. A notice of this action shall be published in the newspaper authorized by law to publish a legal advertisement and as required by law within ten (10) days of the adoption of this Resolution.

8. If required by the State Law, the Acting Deputy Mayor/Director of the Department of Economic and Housing Development, shall provide the appropriate notice of the award of this contract, to the State Comptroller no later than 20 business days following such award, in accordance with N.J.S.A. 52:15C-10.

STATEMENT

This resolution authorizes the Mayor and/or his designees, the Acting Deputy Mayor/Director of the Department of Economic and Housing Development and the Business Administrator, to enter into a Funding Agreement with the Newark Community Economic Development Corporation, with annual funding in an amount not to exceed \$3,000,000.00, for the term of January 1, 2018 through December 31, 2020 and to allow Newark CEDC to occupy commercial condominium located at 111 Mulberry Street, Lower Level for the annual amount of \$12.00, for the period of January 1, 2018 through December 31, 2020. This resolution further authorizes the Acting Deputy Mayor/Director of the Department of Economic and Housing Development and the Business Administrator, to enter into a Use and Occupancy Agreement, in the form set forth in Exhibit C of the Funding Agreement, for a fee of \$1.00 per month or \$12.00 per year.