



Legislation Text

File #: 21-0487, Version: 1

AN ORDINANCE AMENDING THE ORIGINAL TAX ABATEMENT GRANTED TO KOMAIN PROPERTIES URBAN RENEWAL, LLC, 300 WILSON AVENUE, NEWARK, NEW JERSEY 07105, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW TO EXTEND THE TIMEFRAME TO CONSTRUCT THE OFF-SITE SENIOR AFFORDABLE HOUSING RENTAL UNITS IN CONNECTION WITH THE PROJECT TO CONSTRUCT A FIVE (5) STORY MIXED-USE BUILDING CONTAINING A TOTAL OF SIXTY (60) MARKET RATE HOUSING UNITS, EIGHTY NINE (89) PARKING SPACES AND 2,076 SQUARE FEET OF ACCESSORY AMENITY/RETAIL SPACE, LOCATED ON REAL PROPERTY COMMONLY KNOWN AS 96-112 MAIN STREET, NEWARK, NEW JERSEY 07105 AND IDENTIFIED ON THE OFFICIAL TAX MAP OF THE CITY OF NEWARK, AS BLOCK 2057, LOT 28. (EAST WARD)

No Action Taken 6PSF-y (s) 081721

WHEREAS, on December 19, 2019, the Municipal Council adopted Ordinance 6PSF-b (the “Ordinance”, a copy of which is attached hereto as Exhibit A) granting a thirty (30) year tax abatement to Komain Properties Urban Renewal, LLC, an urban renewal entity qualified to do business under the provisions of the Long Term Tax Exemption Law as amended and supplemented, N.J.S.A. 40A:20-1, et seq. (the “Long Term Tax Exemption Law”), with an address of 300 Wilson Avenue, Newark, New Jersey 07105 (the “Entity”), for a project to construct a new five (5) story mixed use building containing a total of sixty (60) market rate housing units, eighty nine (89) parking spaces and 2,076 square feet of accessory amenity/retail space, located on real property commonly known as 96-112 Main Street, Newark, New Jersey 07105 and identified on the Official Tax Map of the City of Newark, as Block 2057, Lot 28 (the “Project”); and

WHEREAS, the Parties entered into that certain Financial Agreement, dated February 7, 2020, (the “Original Financial Agreement”, a copy of which is attached hereto as Exhibit B, and together with Amendment #1 to Financial Agreement, the “Financial Agreement”); and

WHEREAS, in addition to the Project, the Original Financial Agreement required the Entity to separately construct forty (40) senior affordable housing rental units off-site on property commonly known as 184 Thomas Street, Newark, New Jersey 07114 and identified on the Official Tax map of the City of Newark, as Block 1164, Lot 10 (the “Off-Site Property”) which is currently owned by the City, within twenty-four (24) months of completion of the Project; and

WHEREAS, it was anticipated that the Entity would purchase the Off-Site Property from the City concurrently with the execution of the Original Financial Agreement; and

WHEREAS, as the date hereof, the Off-Site Property has not been transferred to the Entity;
and

WHEREAS, the parties desire to extend the Entity’s obligation to complete the senior

affordable housing rental units until twenty-four (24) months from the date the Entity purchases the Off-Site Property from the City.

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

1. The Mayor of the City of Newark is hereby authorized to enter into and execute, on the City's behalf, the Amendment #1 to Financial Agreement in the form attached hereto as Exhibit C.

2. An executed copy of the Amendment #1 to Financial Agreement authorized by this Ordinance shall be filed and maintained with the City Clerk.

3. The Entity shall in the operation of the Project comply with all laws so that no person shall be subject to any discrimination because of race, religious principles, color, national origin, or ancestry.

4. The Entity shall file an employment report (herein described below) with the Office of Affirmative Action who shall forthwith after receiving the report send a copy thereof to the City Clerk and the Office of Affirmative Action shall forthwith investigate the matters contained therein and report its findings to the Municipal Council.

5. The adoption of this Ordinance is expressly conditioned upon the requirement that the Entity pay the City all outstanding taxes and/service charges, and water/sewer charges within thirty (30) days of the date of the adoption of this Ordinance. If the Entity fails to timely satisfy these requirements, this Ordinance and the approval granted herein shall be null and void.

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

STATEMENT

This Ordinance authorizes an amendment to the original tax abatement granted to Komain Properties Urban Renewal, LLC, 300 Wilson Avenue, Newark, New Jersey 07105, an urban renewal entity qualified to do business under the provisions of the Long Term Tax Exemption Law as amended and supplemented, N.J.S.A. 40A:20-1, et seq., to extend the timeframe to construct the off-site senior affordable housing rental units in connection with the project to construct a new five (5) story mixed use building containing a total of sixty (60) market rate housing units, eighty nine (89) parking spaces and 2,076 square feet of accessory amenity/retail space, located on real property commonly known as 96-112 Main Street, Newark, New Jersey 07105 and identified on the Official Tax Map of the City of Newark, as Block 2057, Lot 28. (East Ward)