



Legislation Text

File #: 20-0235, Version: 1

Dept/ Agency: Economic and Housing Development

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

Type of Service: Designation of Redevelopment Entity

Purpose: Resolution Designating the Newark Housing Authority as Redevelopment Entity in connection with the redevelopment of the property formerly known as Seth Boyden Terrace and authorizing an Application for Approval of same to the Local Finance Board pursuant to N.J.S.A. 40A:5A-1 et seq.

WHEREAS, the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1, et seq., as amended and supplemented (the “Act”), authorizes municipalities to participate in the redevelopment and improvement of areas that are in need of redevelopment or rehabilitation; and

WHEREAS, a “Redevelopment Entity” is “a municipality or an entity authorized by the Governing Body of a municipality pursuant to Subsection c. of Section 4 of P.L.1992, c. 79 (C.40A:12A-4) to implement redevelopment plans and carry out redevelopment projects in an area in need of redevelopment, or in an area in need of rehabilitation, or in both”; and

WHEREAS, in accordance with Section 4 of the Act, a municipality, as Redevelopment Entity, “shall be responsible for implementing redevelopment plans and carrying out redevelopment projects”, and “may execute these responsibilities directly, or in addition thereto or in lieu thereof”, through “a municipal housing authority authorized to exercise redevelopment powers pursuant to Section 21 of P.L.1992, c. 79 (C.40A:12A-21)”; and

WHEREAS, over the last three decades, there has been substantial redevelopment and revitalization of blighted and economically challenged areas in the City of Newark (the “City”); and

WHEREAS, the City wishes to continue the redevelopment and rehabilitation of distressed and blighted areas within the City; and

WHEREAS, pursuant to N.J.S.A. 40A:12A-21, any authorization of a Redevelopment Entity made after the effective date of the Act “shall be subject to prior review and approval by the Local Finance Board pursuant to the ‘Local Authorities Fiscal Control Law,’” P.L.1983, c. 313 (C.40A:5A-1 et seq.); and

WHEREAS, in order to further stimulate the reinvigoration of the City, by Resolution 7Rdo (A.S.) 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 Act; and

WHEREAS, the Newark Housing Authority (“NHA”) is the owner of the property located at 741

-811 Frelinghuysen Avenue in the South Ward, also known as Block 3746, Lot 1 on the tax map of the City of Newark, bounded by Seth Boyden Terrace to the north and east, Frelinghuysen Avenue to the west, and Center Terrace to the south (the “Seth Boyden Site”); and

WHEREAS, the Seth Boyden Site was formerly the site of Seth Boyden Terrace, a “housing project”, as that term is defined in the Act (the “Seth Boyden Housing Project”), which consisted of approximately twelve (12) buildings and over three hundred (300) apartments on approximately eleven (11) acres; and

WHEREAS, NHA owned and operated the Seth Boyden Housing Project as housing for low income families for several decades, until it was closed approximately eight (8) years ago; and

WHEREAS, the Seth Boyden Housing Project has been vacant for several years, and its buildings have fallen into a state of disrepair; and

WHEREAS, in close proximity to the Seth Boyden Site is the vacant and dilapidated Dayton Street School located on Block 3746 Lot 10/3752-L-25 on the tax map of the City (and more commonly known as 210-236 Dayton Street) (the “School Site”) and additional lots located on Block 3764, Lots 1.01 through 1.04 on the tax map of the City that need to be evaluated in connection with the proposed redevelopment of the Dayton Street Site (the “Additional Sites”, and together with the Seth Boyden Site and the School Site, collectively the “Property”); and

WHEREAS, the Municipal Council finds that the Property would benefit from a program of rehabilitation and/or redevelopment; and

WHEREAS, NHA is “a municipal housing authority authorized to exercise redevelopment powers pursuant to Section 21 of P.L.1992, c. 79 (C.40A:12A-21)”;

WHEREAS, the City finds that NHA, as owner of the Seth Boyden Site has the requisite expertise and experience required to coordinate large-scale, complex and mixed use redevelopment, inclusive of mixed income residential housing projects and commercial, retail and entertainment projects and amenities to successfully and synergistically revitalize the Seth Boyden Site, the School Site and the Additional Sites, all in a manner consistent with and as contemplated by the Act; and

WHEREAS, NHA intends to demolish, clear and clean the Property and construct and develop a mixed use neighborhood which may include mixed income residential housing projects and commercial, retail, entertainment development projects and amenities for the benefit of the residents of the South Ward and the City (the “Project”); and

WHEREAS, in order to attract development partners and to secure adequate financing opportunities to redevelop the Property, NHA seeks to be named as the Redevelopment Entity for the Property; and

WHEREAS, to realize the redevelopment of the Property, the City has determined that is in the public interest to designate NHA to act as the Redevelopment Entity responsible for implementing

a redevelopment plan applicable to the Property and for carrying out the Project on the Property, pursuant to N.J.S.A. 40A:12A-4(c) and N.J.S.A. 40A:12A-21; and

WHEREAS, in furtherance of the foregoing the City desires to make application to the Local Finance Board in the Division of Local Government Services of the Department of Community Affairs of the State (the “Local Finance Board”), for its review and approval of NHA to act as “Redevelopment Entity” for the Property and the Project pursuant to N.J.S.A. 40A:12A-21 and N.J.S.A. 40A:5A-5; and

WHEREAS, pursuant to N.J.S.A. 40A:12A-21, when “acting in its capacity as a municipal redevelopment entity, a municipal housing authority shall, in acquiring property and undertaking and financing redevelopment projects, act as an instrumentality of the municipal government”; and

WHEREAS, in order to exercise the powers of a redevelopment entity as set forth in N.J.S.A. 40A:12A-8, including, but not limited to, the power to “arrange or contract with public agencies or redevelopers for the planning, re-planning, construction, or undertaking of any project or redevelopment work, or any part thereof”, the Property must be subject to a redevelopment plan duly adopted by the Municipal Council in accordance with the Act; and

WHEREAS, the City, in conjunction with NHA and the Central Planning Board, intends to take the necessary steps to develop a Redevelopment Plan governing the Property and the Project in accordance with N.J.S.A. 40A:12A-7, upon the condition that NHA pays any and all of the City’s fees and costs associated with the development and implementation of a suitable Redevelopment Plan for the Property; and

WHEREAS, the City may consider conducting a preliminary investigation for the purpose of determining whether the Property may properly be designated as an “area in need of redevelopment” in accordance with N.J.S.A. 40A:12A-6; upon the condition that NHA pays any and all of the City’s fees and costs associated with the designation of the Property as an area in need of redevelopment.

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

1. The Newark Housing Authority is hereby appointed as the Redevelopment Entity for the Project and the Property, pursuant to N.J.S.A. 40A:12A-4(c), in accordance with the approval of the Local Finance Board as set forth in N.J.S.A. 40A:5A-1 et seq., in close proximity to the Seth Boyden Site is the vacant and dilapidated Dayton Street School located on Block 3746 Lot 10/3752-L-25 on the tax map of the City (and more commonly known as 210-236 Dayton Street) (the “School Site”) and additional lots located on Block 3764, Lots 1.01 through 1.04 on the tax map of the City that need to be evaluated in connection with the proposed redevelopment of the Dayton Street Site (the “Additional Sites”, and together with the Seth Boyden Site and the School Site, collectively the “Property”).
2. The Mayor and/or his designee, the Deputy Mayor/Director of the Department of Economic

and Housing Development, are hereby authorized to coordinate with NHA staff and professionals to take any all steps necessary to make application to the Local Finance Board for its approval of the designation of NHA as Redevelopment Entity for the Property.

3. The City Clerk of the City is hereby directed to prepare and cause the City Clerk of the City to file a copy of this resolution with the Local Finance Board as part of such application.
4. The Local Finance Board is hereby respectfully requested to consider such application and to record its findings, recommendations and/or approvals as provided by the applicable New Jersey Statute.
5. This Resolution shall take effect immediately upon passage.

STATEMENT

This resolution designates the Newark Housing Authority as Redevelopment Entity in connection with the redevelopment of the property formerly known as Seth Boyden Terrace and authorizing the Mayor and/or his designee to make application to the Local Finance Board for its approval of same pursuant to N.J.S.A. 40A:5A-1 et seq., in close proximity to the Seth Boyden Site is the vacant and dilapidated Dayton Street School located on Block 3746 Lot 10/3752-L-25 on the tax map of the City (and more commonly known as 210-236 Dayton Street) (the "School Site") and additional lots located on Block 3764, Lots 1.01 through 1.04 on the tax map of the City that need to be evaluated in connection with the proposed redevelopment of the Dayton Street Site (the "Additional Sites", and together with the Seth Boyden Site and the School Site, collectively the "Property").