



Legislation Text

File #: 21-1051, 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 Traffic and Signals 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: \$322,955.00

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

Assessed Amount: \$5,348,700.00

Appraised Amount: \$0.00

Contract Period: Project Schedule attached as Exhibit D to the Redevelopment Agreement

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)

361-377 Irvine Turner Boulevard/Block 2675/Lot 1/South Ward

81-83 Hillside Avenue/Block 2675/Lot 25/South Ward

379-383 Irvine Turner Boulevard/Block 2675/Lot 46/South Ward

Additional Information:

WHEREAS, on June 15, 2005, pursuant to Municipal Council 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 361-377 Irvine Turner Boulevard, 379-383 Irvine Turner Boulevard and 81-83 Hillside Avenue, also known as Block 2675, part of Lot 1 and Lots 25, and 46 on the Official Tax Map of the City of Newark (“Property”); and

WHEREAS, on July 8, 2021, pursuant to Ordinance 6PSFb, the City of Newark adopted the Irvine Turner Boulevard and Central Avenue Redevelopment Plan (the “Redevelopment Plan”), 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 Traffic and Signals Facility to be used by its Public Safety Department; 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 as a state-of-the-art Traffic and Signals Facility in accordance with the requirements of N.J.S.A. 40A:12A-8(g), the terms and conditions of the Redevelopment Agreement and the Irvine Turner Boulevard and Central Avenue 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 Traffic and Signals Facility as set forth in greater detail 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 the Department 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 Irvine Turner Traffic 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 to the Redevelopment Agreement, 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, companion legislation will be presented to the Municipal Council at the same meeting this legislation is presented to introduce an ordinance authorizing the Capital Sale/Leaseback Agreement with Brandywine Acquisition and Development, LLC for the Property in the same form as set forth in Exhibit A to the Redevelopment Agreement; 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 state-of-the-art Irvine Turner Traffic and Signals Facility site consisting of as Block 2675, part of Lot 1 and Lots 25, and 46.

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 Irvine Turner Traffic Facility site consisting of as Block 2675, part of Lot 1 and Lots 25, and 46, are hereby accepted and approved.

2. The Mayor of the City of Newark and/or his designee, the Deputy Mayor/Director of the Department of Economic and Housing Development, are hereby authorized and directed to enter into and 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 may 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. Upon the adoption of this Resolution and the parties' execution of the Redevelopment Agreement, Brandywine Acquisition and Development, LLC, shall hereby be formally deemed as the designated redeveloper of Block 2675, part of Lot 1 and Lots 25, and 46 for all purposes under the law.

5. 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.

6. This Resolution shall become effective immediately upon final passage and publication according to the laws of the State of New Jersey.

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, to enter into and execute a Redevelopment Agreement with Brandywine Acquisition and Development, LLC as the designated developer of the Traffic and Signals Facility site to be located at 361-377 Irvine Turner Boulevard, 379-383 Irvine Turner Boulevard and 81-83 Hillside Avenue, also known as Block 2675, part of Lot 1 and Lots 25, and 46 on the Official Tax Map of the City of Newark. (South Ward)