



## Legislation Text

File #: 18-0990, Version: 1

**Dept/ Agency:** Economic and Housing Development

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

**Type of Service:** Need for Housing Project

**Purpose:** Provisions of the New Jersey Housing Mortgage Finance Agency Law to enable the Agency to process the sponsor's application for funding a project known as Oak Towers Apartments by Oak Towers Urban Renewal Entity, LLC through the Low Income Housing Tax Credit Program

**Entity Name:** Oak Towers Urban Renewal Entity, LLC

**Entity Address:** 6 Dutch Lane, Scotch Plains, New Jersey 07076

**Funding Source:** Not Applicable

**Total Project Cost:** \$14,936,034.00

**City Contribution:** Not Applicable

**Other Funding Source/Amount:** Low Income Housing Tax Credits \$4,314,087.00; Construction Loan \$9,664,653.00; Borrower Equity \$957,294.00

**List of Properties:**

**(Address/Block/Lot/Ward)**

2-8 & 18-22 Stratford Place / Block 2668, Lots 1 and 9 / South Ward

**Additional Information:**

**WHEREAS**, Oak Towers Urban Renewal Entity, LLC, (hereafter referred to as the "**Sponsor**") proposes to acquire and substantially rehabilitate two (2) buildings consisting of seventy-five (75) total affordable rental units of 1, 2 and 3 bedrooms for low-income individuals and families and twenty-four (24) parking spaces known as Oak Towers Apartments (hereafter referred to as the "**Project**") pursuant to the provisions of the New Jersey Housing and Mortgage Finance Agency Law of 1983, as amended (N.J.S.A. 55:14K-1 et seq.), the rules promulgated thereunder at N.J.A.C. 5:80-1 et seq., and all applicable guidelines (the foregoing hereinafter collectively referred to as "**NJHMFA Requirements**") within the City of Newark (hereafter referred to as the "**Municipality**") on a site described as Block 2668, Lots 1 and 9, as shown on the Official Assessment Map of the City of Newark, Essex County and commonly known as 2-8 and 18-22 Stratford Place, Newark, New Jersey (South Ward); and

**WHEREAS**, the Project will be subject to the NJHMFA Requirements and the mortgage and other loan documents executed between the Sponsor and the New Jersey Housing and Mortgage Finance Agency (hereafter referred to as the "**Agency**"); and

**WHEREAS**, pursuant to the NJHMFA Requirements, the Governing Body of the Municipality hereby determines that there is a need for this housing project in the Municipality; and

**WHEREAS**, the Sponsor has presented to the Municipal Council a revenue projection for the Project which sets forth the anticipated revenue to be received by the Sponsor from the operation of the Project as estimated by the Sponsor and the Agency, a copy of which is attached hereto and

made a part hereof as Exhibit A.

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

1. The Municipal Council finds and determines that the Project, known as Oak Towers Apartments proposed by Oak Towers Urban Renewal Entity, LLC, 6 Dutch Lane, Scotch Plains, New Jersey 07076, the Sponsor, will acquire and substantially rehabilitate seventy-five (75) affordable rental units for low-income individuals and families in the rental housing project on a site described as Block 2668, Lots 1 and 9 as shown on the Official Assessment Map of the City of Newark, Essex County and commonly known as 2-8 and 18-22 Stratford Place, Newark, New Jersey (South Ward).

2. The Municipal Council finds and determines that Oak Towers Apartments, seventy-five (75) affordable residential unit housing development proposed by the Sponsor, meets all or part of the City of Newark's housing obligation.

3. The Municipal Council does hereby adopt the within Resolution and makes the determination and findings herein contained by virtue of, pursuant to, and in conformity with the provisions of the NJHMFA Requirements to enable the Agency to process the Sponsor's application for Agency funding to finance the Project.

**STATEMENT**

The Mayor and/or his designee, the Director of the Department of Economic and Housing Development, on behalf of the City of Newark, through adoption of this Resolution agree and support that there is a need in the City for the proposed development of the project known as Oak Towers Apartments proposed by Oak Towers Urban Renewal Entity, LLC, 6 Dutch Lane, Scotch Plains, New Jersey 07076, the Sponsor, which will acquire and substantially rehabilitate seventy-five (75) affordable rental units for low-income individuals and families in the rental housing project on a site described as Block 2668, Lots 1 and 9 as shown on the Official Assessment Map of the City of Newark, Essex County and commonly known as 2-8 and 18-22 Stratford Place, Newark, New Jersey (South Ward).