



## Legislation Text

File #: 22-1391, Version: 1

**AN ORDINANCE AMENDING THE TAX ABATEMENT GRANTED TO NEW IRVINE TURNER APARTMENTS URBAN RENEWAL, LLC, 122 EAST 42<sup>ND</sup> STREET, SUITE 4900, NEW YORK, NEW YORK 10168, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW TO EXTEND THE TIMEFRAME TO CONSTRUCT THE PROJECT CONSISTING OF THE REHABILITATION OF (4) BUILDINGS CONTAINING (94) AFFORDABLE HOUSING UNITS, INCLUDING, WITHOUT LIMITATION, INSTALLATION OF NEW KITCHENS, BATHS, RADIATORS, BOILERS, HOT WATER HEATERS, ELEVATORS AND CONSTRUCTION OF A NEW COMMUNITY BUILDINGS ON ONE OF THE EXISTING PARKING LOTS, LOCATED AT 385-391, 393-395, 396-402, 397-403, AND 416-432 IRVINE TURNER BOULEVARD, NEWARK, NEW JERSEY 07108 AND IDENTIFIED ON THE OFFICIAL TAX MAP OF THE CITY OF NEWARK, AS BLOCK 2675, LOTS 40, 41, AND 44, BLOCK 2678, LOT 16 AND BLOCK 2693, LOT 7 (SOUTH WARD).**

**No Action Taken 6F-f 111323**

**WHEREAS**, on March 20, 2019, the Municipal Council adopted Ordinance 6PSF-b (the “Ordinance”, a copy of which is attached hereto as Exhibit A), granting a long term tax abatement to Irvine Turner Apartments Urban Renewal, LLC (the “Original Developer”), pursuant to 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”), for a thirty (30) year term for a Project to rehabilitate four (4) buildings containing ninety-four (94) affordable housing units, including, without limitation, installation of new kitchens, baths, radiators, boilers, hot water heaters, elevators and construction of a new community buildings on one of the existing parking lots, located at 385-391, 393-395, 396-402, 397-403, and 416-432 Irvine Turner Boulevard, Newark, New Jersey 07108 and identified on the Official Tax Map of the City of Newark, as Block 2675, Lots 40, 41, and 44, Block 2678, Lot 16 and Block 2693, Lot 7 (the “Project”); and

**WHEREAS**, on April 9, 2019, the City of Newark (the “City”) entered into a Financial Agreement with the Original Developer, governing the tax abatement for the Project (the “Original Financial Agreement”, a copy of which is attached hereto as Exhibit B, and together with this Amendment #1 to Financial Agreement, (the “Financial Agreement”), all terms set forth herein not otherwise defined herein shall have the meaning set forth in the Original Financial Agreement; and

**WHEREAS**, the Original Developer submitted a request to the City, pursuant to Article IX of the Original Financial Agreement, to consent to the transfer of its interest in the Project to New Irvine Turner Apartments Urban Renewal, LLC, 122 East 42<sup>nd</sup> Street, Suite 4900, New York, New York 10168 (the “Entity”); and

**WHEREAS**, on June 22, 2021, the Municipal Council adopted Resolution 7R2-a(S), authorizing the transfer of the Project, the assignment of the Financial Agreement to the Entity, and the execution of the Assignment and Assumption of Financial Agreement; and

**WHEREAS**, on August 31, 2021, the City, Entity and the Original Developer entered into the

Assignment and Assumption of Financial Agreement whereby the Original Developer assigned all of its rights and interest in the Project and the Original Financial Agreement to the Entity; and

**WHEREAS**, construction of the Project was delayed and the Project has not been completed within the timeframe set forth in the Original Financial Agreement; and

**WHEREAS**, the Parties desire to extend the timeframe for the Entity to complete the Project; and

**WHEREAS**, it has been further determined that the intention of the City and the Original Developer was that the Annual Service Charge Start Date should have been the Effective Date; and

**WHEREAS**, the Municipal Council desires to enter into Amendment #1 of the Financial Agreement to extend the completion date and change the Annual Service Charge Start Date.

**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 and/or his designee, the Deputy Mayor/Director of the Department of Economic and Housing Development are hereby authorized to enter into and execute, on the City's behalf, Amendment #1 to the Financial Agreement in the form attached hereto as Exhibit C.

2. An executed copy of the Amendment #1 to the Financial Agreement authorized by this Ordinance shall be filed and maintained with the Office of 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. All other terms of the Original Financial Agreement executed on April 9, 2019, shall remain in full force and effect.

7. 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 tax abatement granted to New Irvine Turner Apartments Urban Renewal, LLC, 122 East 42<sup>nd</sup> Street, Suite 4900, New York, New York 10168, to provide that the Annual Service Charge Start Date shall be the Effective Date and to extend the

timeframe to construct the Project located at 385-391, 393-395, 396-402, 397-403, and 416-432 Irvine Turner Boulevard, Newark, New Jersey 07108 and identified on the Official Tax Map of the City of Newark, as Block 2675, Lots 40, 41, and 44, Block 2678, Lot 16 and Block 2693, Lot 7 (South Ward).