



## Legislation Text

File #: 22-1405, Version: 1

**AN ORDINANCE AMENDING THE TAX ABATEMENT GRANTED TO NEW CENTER CITY 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 (2) BUILDINGS CONTAINING (49) AFFORDABLE HOUSING UNITS, INCLUDING, WITHOUT LIMITATION, INSTALLATION OF NEW KITCHENS, BATHS, RADIATORS, BOILERS, HOT WATER HEATERS AND ELEVATORS, LOCATED AT 76-80 COURT STREET AND 40-44 W. KINNEY STREET, NEWARK, NEW JERSEY 07102 AND IDENTIFIED ON THE OFFICIAL TAX MAP OF THE CITY OF NEWARK, AS BLOCK 100, LOT 14 AND BLOCK 116, LOT 18 AND 20 (CENTRAL WARD).**

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

**WHEREAS**, on March 20, 2019, the Municipal Council adopted Ordinance 6PSF-c, granting a long term tax abatement to Center City Apartments Urban Renewal, LLC (the “Original Developer”), pursuant to 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 two (2) buildings containing forty-nine (49) affordable housing units, including, without limitation, installation of new kitchens, baths, radiators, boilers, hot water heaters and elevators, located at 76-80 Court Street and 40-44 W. Kinney Street, Newark, New Jersey 07102 and identified on the Official Tax Map of the City of Newark, as Block 100, Lot 14 and Block 116, Lot 18 and 20 (the “Project”); and

**WHEREAS**, on April 9, 2019, the City of Newark (the “City”) entered into a Financial Agreement with 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 of Newark, pursuant to Article IX of the Original Financial Agreement, to consent to the transfer of its interest in the Project to New Center City Apartments Urban Renewal, LLC, 122 East 42<sup>nd</sup> Street, Suite 4900, New York, New York 10168 (the “Entity”); and

**WHEREAS**, on July 20, 2021, the Municipal Council adopted Resolution 7R2-b(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 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 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 Center City 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 consisting of the rehabilitation of two (2) buildings containing forty-nine (49) affordable housing units, including, without limitation, installation of new kitchens, baths, radiators, boilers, hot water heaters and elevators, located at 76-80 Court Street and 40-44 W. Kinney Street, Newark, New Jersey 07102 and identified on the Official Tax Map of the City of

Newark, as Block 100, Lot 14 and Block 116, Lot 18 and 20 (Central Ward).