



Legislation Text

File #: 21-1165, Version: 1

Dept/ Agency: Economic and Housing Development

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

Type of Service: Assignment of Contract Agreement

Purpose: Resolution consenting to the Assignment of the Financial Agreement from 75 First Street Associates Urban Renewal Entity, LLC, to Jonah Realty Urban Renewal, LLC for a Commercial Retail Project located at 75-85 First Street/65-103 Dickerson Street.

Entity Name: Jonah Realty Urban Renewal, LLC

Entity Address: c/o Tropical Cheese Industries, Inc., 450 Fayette Street, Perth Amboy, New Jersey 08861

Contract Amount: Not Applicable

Funding Source: Not Applicable

Contract Period: Not Applicable

Contract Basis: () Bid () State Vendor () Prof. Ser. () EUS

() Fair & Open () No Reportable Contributions () RFP () RFQ

() Private Sale () Grant () Sub-recipient (X) n/a

List of Property:

(75-85 First Street/65-103 Dickerson Street and designated as Block 1880, Lot 1)

Additional Information:

Deferred 7R2-j 121521

Deferred 7R2-b 010522

WHEREAS, on March 22, 2011, Municipal Council adopted Ordinance 6PSF-a(S) granting a long term tax abatement to 75 First Street Associates Urban Renewal Entity, LLC, 919 Franklin Avenue, Newark, New Jersey 07107 (the "Assignor") pursuant to the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. for the construction of a one (1) story commercial retail building and associated parking located at 75-85 First Street/65-103 Dickerson Street and designated as Block 1880, Lot 1 on the Official Tax Map of the City of Newark (the "Project"); and

WHEREAS, as authorized under Ordinance 6PSF-a(S), the City of Newark (the "City") entered into a Financial Agreement with the Assignor governing the tax abatement for the Project (the "Financial Agreement"); and

WHEREAS, Jonah Realty Urban Renewal, LLC, c/o Tropical Cheese Industries, Inc., 450 Fayette Street, Perth Amboy, New Jersey 08861 (the "Assignee") has purchased a foreclosure judgment from the mortgagee and has foreclosed on the Project; and

WHEREAS, the Assignee has filed an application with the City (the "Application") seeking City consent nunc pro tunc to the transfer of the Project and the Financial Agreement from the Assignor to the Assignee; and

WHEREAS, the City has reviewed Application and has determined that the Assignee has the capacity and experience to own and operate the Project and to assume all of the rights and obligations of the Assignor under the Financial Agreement; and

WHEREAS, the Municipal Council wishes to adopt this Resolution in order to reflect the City's consent to the transfer of the Project and the Financial Agreement to the Assignee and to authorize the Mayor of the City of Newark to enter into and execute, on behalf of the City, an Assignment and Assumption Agreement between the City, Assignor and Assignee.

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

1. The City of Newark hereby consents nunc pro tunc to: (i) the conveyance of the Project by Assignor to Assignee; and (ii) the assignment of the Financial Agreement governing the Project from the Assignor to the Assignee.

2. The Municipal Council hereby 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, on behalf of the City, the Assignment and Assumption Agreement of Financial Agreement amongst the City, the Assignor and the Assignee (the "Assignment Agreement") in the form attached hereto.

3. The long term tax abatement for the Project will expire on March 29, 2042, and will remain in effect until such time provided that the Assignee complies with all applicable State statutes, City Ordinances and Resolutions and terms of the Assignment Agreement and Financial Agreement. This Resolution will not extend the period of the tax abatement beyond the date of expiration.

4. The Assignee shall pay all outstanding amounts due to the City, including without limitation, all taxes, special taxes, water and sewer charges and all other amounts due under the Financial Agreement, within thirty (30) days of the adoption of this Resolution.

5. The Assignment Agreement, once fully executed, shall be filed by the Deputy Mayor/Director of the Department of Economic and Housing Development with the Office of the City Clerk.

6. This Resolution shall take effect immediately.

STATEMENT

This Resolution memorializes the City of Newark's consent nunc pro tunc to: (i) transfer a one (1) story commercial retail building and associated parking located at 75-85 First Street/65-103 Dickerson Street and designated as Block 1880, Lot 1 on the Official Tax Map of the City of Newark by 75 First Street Associates Urban Renewal Entity, LLC to Jonah Realty Urban Renewal, LLC; and (ii) the assignment of the Financial Agreement governing the Project from the Assignor to the Assignee. This Resolution also authorizes the Mayor of the City of Newark to enter into and execute, on behalf of the City, an Assignment and Assumption Agreement with the Assignor and the Assignee in the form attached to the Resolution.

