



City of Newark

City Hall
920 Broad Street
Newark, New Jersey 07102

Legislation Text

File #: 24-0504, Version: 1

Dept./ Agency: Economic and Housing Development

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

Type of Service: Resolution of Support

Purpose: To provide Municipal Council support for the submission of an application for tax credits sought by the developer under the NJ Aspire Tax Credit Program to the New Jersey Economic Development Authority.

Entity Name: MLK Gateway East Side Urban Renewal, LLC

Entity Address: 141 West Front Street, Suite 410, Red Bank, New Jersey 07701

Grant Amount: \$0.00

Total Project Cost: \$39,338,206.00

City Contribution: \$0.00

Other Funding Source/Amount: Traditional debt financing and equity funding

Grant Period:

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

(Address/Block/Lot/Ward

240-250 Martin Luther King Boulevard/Block 43/Lot 41/Additional Lot 46/Central Ward

236-238 Martin Luther King Boulevard/Block 43/Lot 48/Central Ward

Additional Information:

WHEREAS, MLK Gateway East Side Urban Renewal, LLC (“Developer”) proposes to construct a 6-story multi-family development consisting of 118 residential units and 50 parking spaces at the properties located at 240-250 Martin Luther King Boulevard and 236-238 Martin Luther King Boulevard, and commonly known as Block 43, Lots 41, 46 and 48 on the official tax map of the City of Newark, New Jersey (“Project”); and

WHEREAS, the Project will fully comply with the City of Newark’s Inclusionary zoning Ordinance, and will include twenty percent (20%) of the units being set aside for on-site affordable housing units; and

WHEREAS, in connection with the financing of the Project, the Developer is applying to the New Jersey Economic Development Authority (“NJEDA”) for tax credits under the Aspire Tax Credit Program (“Funds”), which was authorized by the New Jersey Economic Recovery Act of 2020 (Section 54 through 67 of P.L. 2020, c. 156 and later amended by Sections 22 through 29 of P.L. 2021, c. 160); and

WHEREAS, the NJEDA’s underwriting requirements for the Funds align with the City of Newark’s objectives in multiple ways, including a twenty percent (20%) affordable housing set aside

for new construction, the use of prevailing wage and affirmative action protocols in connection with both construction of the Project and post-construction building services, and the need for applicants to enter into a community benefits agreement with the host municipality for projects with a total project cost of \$10 million or more; and

WHEREAS, pursuant to NJEDA regulations, all applicants for Funds under the Aspire Tax Credit Program are required to obtain a Resolution of Support from the governing body of the host municipality; and

WHEREAS, pursuant to NJEDA regulations, the Municipal Council of the City of Newark hereby determines that there is a need for this Project in the City of Newark; and

WHEREAS, the Deputy Mayor/Director of the Department of Economic and Housing Development recommends that the Newark Municipal Council support Developer's application as it relates to the Funds; and

WHEREAS, pursuant to the requirements of the NJEDA, the Newark Municipal Council, the Governing Body of the City, hereby supports the application submitted by the Developer.

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

- 1) The Newark Municipal Council ("Municipal Council") supports the Project, construction of a 6-story multi-family development consisting of 118 residential units and 50 parking spaces at the properties located at 240-250 Martin Luther King Boulevard and 236-238 Martin Luther King Boulevard, and commonly known as Block 43, Lots 41, 46 and 48 on the official tax map of the City of Newark, New Jersey ("Project"), as proposed by MLK Gateway East Side Urban Renewal, LLC, 141 West Front Street, Suite 410, Red Bank, New Jersey 07701 ("Developer") in its application for tax credits under the NJ Aspire Tax Credit Program ("Funds") being submitted by the Developer to the New Jersey Economic Development Authority ("NJEDA").
- 2) The submission of the application and support of the Municipal Council of the same is hereby ratified from the date of submission of the Developer's application for the Funds to the date of adoption of this Resolution.
- 3) The Municipal Council hereby affirms the requirement of a Community Benefits Agreement in accordance with N.J.S.A. 34:1B-328.f and that the requirement must be met within the time required at N.J.A.C. 19:31-23A.8(e)4.
- 4) The Municipal Council does hereby adopt the within Resolution and supports the application, pursuant to and in conformity with the NJEDA requirements for the Funds.

STATEMENT

Resolution, wherein the Newark Municipal Council supports MLK Gateway East Side Urban Renewal, LLC, 141 West Front Street, Suite 410, Red Bank, New Jersey 07701 ("Developer")

application for tax credits under the NJ Aspire Tax Credit Program being submitted to the New Jersey Economic Development Authority (“NJEDA”) and ratifies the within from the date of Developer’s submission of the application for the funds to the date of adoption of this Resolution.