



City of Newark

City Hall
920 Broad Street
Newark, New Jersey 07102

Legislation Text

File #: 17-1683, Version: 1

Dept/ Agency: Economic and Housing Development

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

Type of Service: Private Sale/Redevelopment

Purpose: Third Amendment to Redevelopment Agreement

Entity Name: Morris Fairmount Associates Urban Renewal, LLC.

Entity Address: c/o Morris Realty Associates, LLC., 350 Veterans Boulevard, Rutherford, New Jersey 07070

Sale Amount: \$

Cost Basis: () \$ PSF () Negotiated () N/A () Other:

Assessed Amount: \$0.00

Appraised Amount: \$0.00

Contract Period: N/A

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

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

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

List of Property:

(Address/Block/Lot/Ward)

189-199 Blanchard Street (Block 2438, Lot 92) (the "Original City Property") and 190-202 Blanchard Street and abutting underwater land (Block 5001, Lots 50 and 50.01) - East Ward

Additional Information:

Original Redevelopment Agreement was authorized by Resolution 7R3-g adopted on March 15, 2006. The First Amendment to the Redevelopment Agreement was authorized by Resolution 7R3-a (as/s) adopted January 23, 2008. The Second Amendment was authorized by Resolution 7R3-a adopted on May 6, 2015.

WHEREAS, in March 15, 2006, a Redevelopment Agreement between the City and Morris Fairmount Associates Urban Renewal, LLC ("Redevelopment Agreement") was authorized by Resolution 7Rg adopted by the Municipal Council, consisting of the redevelopment of an industrial warehouse facility of over 500,000 square feet; and

WHEREAS, in January 23, 2008, Amendment No. 1 to Redevelopment Agreement was authorized by Resolution 7R3-a(AS)(S) adopted by the Municipal Council, to add additional parcels to the Project Area; and

WHEREAS, in May 6, 2015, a Second Amendment to Redevelopment Agreement was authorized by Resolution 7R3-a adopted by the Municipal Council, to add additional City-owned parcels to the Project Area and to establish a procedure for the conveyance of City owned parcels; and

WHEREAS, as part of the site plan review, the City's Engineer recommended, and the Redeveloper agreed as a condition of site plan approval, to make certain improvements to the

intersection of Blanchard Street and Raymond Boulevard provided that the Redeveloper or the City is able to acquire the private property necessary for such improvements, and the Municipal Council hereby finds that it is appropriate to include this conditional commitment in an additional amendment to the Redevelopment Agreement; and

WHEREAS, the Project is nearing completion and therefore the Municipal Council now hereby confirms that, because the Redevelopment Agreement for this Project was entered into prior to 2008, the City has determined to impose an obligation on the Redeveloper to pay a fee for affordable housing of one percent (1%) of the equalized assessed value of the improvements which are the subject of the Redevelopment Agreement which will be paid directly to the City for affordable housing purposes; and

WHEREAS, the parties desire to amend certain portions of the Redevelopment Agreement to include Redeveloper's obligations to improve the intersection of Blanchard Street and Raymond Boulevard on the terms and conditions set forth herein and to confirm the obligation of Redeveloper to make the affordable housing payment referenced herein; and

WHEREAS, the City has determined that it is appropriate for the City to authorize the execution of the Third Amendment to the Redevelopment Agreement to reflect the foregoing.

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

1. The Mayor and/or the Acting Deputy Mayor/Director of the Department of Economic and Housing Development of the City are hereby authorized to enter into and execute the Third Amendment to the Redevelopment Agreement, in the form attached hereto, to make certain improvements to the intersection to Blanchard and Raymond Boulevard provided that the redeveloper or the City is able to acquire the private property necessary for such improvements and (2) to pay a fee for affordable housing of one percent (1%) of the equalized assessed value of the improvements.
2. The Acting Deputy Mayor/Director of the Department of Economic and Housing Development is hereby authorized to effectuate certain business terms and conditions related to the Third Amendment to the Redevelopment Agreement and may enter into any related agreements which may be necessary in order to effectuate the Third Amendment to the Redevelopment Agreement.
3. The Director of Finance is hereby authorized to receive the one percent (1%) affordable housing fee from the Redeveloper and deposit same into the City's Affordable Housing Trust Fund established under City Ordinance 6S&Ff June 21, 2006, for the purpose of preserving low and moderate income affordable housing.
4. The executed Third Amendment to the Redevelopment Agreement and any additional agreement authorized herein shall be placed on file in the Office of the City Clerk by the Acting Deputy Mayor/Director of the Department of Economic and Housing Development.
5. This resolution shall take effect immediately.

STATEMENT

Resolution approving the Third Amendment to the Redevelopment Agreement between the City of Newark and Morris Fairmount Associates Urban Renewal, LLC, requiring Morris Fairmount Associates Urban Renewal, LLC, to (1) make certain improvements to the intersection of Blanchard Street and Raymond Boulevard provided that the Redeveloper or the City is able to acquire the private property necessary for such improvements and (2) to pay a fee for affordable housing of one percent (1%) of the equalized assessed value of the improvements.