



Legislation Text

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AN ORDINANCE GRANTING A THIRTY (30) YEAR TAX ABATEMENT TO JELLIFF SENIOR ESTATES URBAN RENEWAL, LLP, 71 LAKE AVENUE, COLONIA, NEW JERSEY 07067 FOR A PROJECT TO CONSTRUCT A NEW BUILDING CONSISTING OF FIFTY (50) SENIOR AFFORDABLE HOUSING UNITS LOCATED AT 220-224, 226-230 JELLIFF AVENUE, NEWARK, NEW JERSEY AND IDENTIFIED ON THE CITY'S TAX MAP AS BLOCK 2681, LOTS 31, 32, 34. (SOUTH WARD)

WHEREAS, Jelliff Senior Estates Urban Renewal, LLP, 71 Lake Avenue, Colonia, New Jersey 07067, filed an application with the City seeking a long term tax abatement pursuant to the New Jersey Housing and Mortgage Finance Agency Law of 1983, as amended and supplemented (N.J.S.A. 55:14K-1 et seq., (the "HMFA Law"), for a thirty (30) year term for a project to construct a new building consisting of fifty (50) senior affordable housing units located at 220-224, 226-230 Jelliff Avenue, Newark, New Jersey and identified on the City's Tax Map as Block 2681, Lots 31, 32 and 34 (the "Project"); and

WHEREAS, the Mayor has submitted the application and proposed Financial Agreement to the Municipal Council with his recommendation thereof, a copy of which is annexed hereto; and

WHEREAS, in accordance with Ordinance 6PSF-a adopted on May 4, 2011, Jelliff Senior Estates Urban Renewal, LLP has filed with the City of Newark (the "City") a sworn statement that it has not made any contribution in violation of said ordinance; and

WHEREAS, the Department of Economic and Housing Development has determined that the relative benefits of this Project outweigh any costs associated with this tax exemption and that without the tax abatement granted herein, the Project would not be undertaken.

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

1. The application of Jelliff Senior Estates Urban Renewal, LLP, 71 Lake Avenue, Colonia, New Jersey 07067 (the "Entity"), for the development, maintenance and operation of the Project described in the application is hereby approved in accordance with the recommendation of the Mayor for a Project to construct a new building consisting of fifty (50) senior affordable housing units at 220-224, 226-230 Jelliff Avenue, Newark, New Jersey and identified on the City's Tax Map as Block 2681, Lots 31, 32 and 34 .

2. The abatement from taxation on improvements is hereby granted to the Entity for a period of thirty (30) years pursuant to HMFA Law, but shall not extend beyond the date in which the HMFA Loan for the Project is paid in full, and the Entity shall be subject to the provisions and conditions of the HMFA Law and the Financial Agreement annexed hereto.

3. The Mayor of the City of Newark is hereby authorized and directed to execute and enter into the Financial Agreement on the City's behalf attached hereto.

4. The Interim Deputy Mayor/Director of the Department of Economic and Housing Development shall file an executed copy of the Financial Agreement authorized by this ordinance in the Office of the City Clerk.

5. The Project, when completed, will conform with all State laws and ordinances of the City relating to its construction and use.

6. The Affirmative Action Program now on file in the Office of the City Clerk is declared to be a material condition of the Financial Agreement authorized by this ordinance.

7. 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.

8. 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.

9. The annual service charge shall be based on 6.28% of Annual Gross Revenues generated from the Project as further set forth in the Financial Agreement.

10. The Entity shall pay the minimum annual service charge, as calculated pursuant to the Financial Agreement, in each year in which the annual service charge, as provided in Paragraph 9 above, would be less than the minimum annual service charge.

11. The following occurrences and requirements are express conditions of the granting of this tax abatement, to be performed by the Entity and the failure to comply with these requirements will result in the cancellation of the tax abatement:

(a) The Entity shall not, without prior consent of the Municipal Council, sell, lease, assign, encumber, subordinate, convey, mortgage or transfer all, or any part of the Project, so as to sever, disconnect or divide the improvements from the land embraced within the Project; and

(b) The Entity shall concomitantly attach an Employment Report under oath, with particulars, stating the manner and the extent to which it has complied with this requirement. This employment report shall be filed with the Director of Finance, the City Clerk, and the Interim Deputy Mayor/Director of the Department of Economic and Housing Development; and

(c) The Entity shall pay all outstanding taxes and all outstanding water and sewer charges within thirty (30) days of the adoption of this ordinance; and

(d) The Entity shall submit to the City a copy of its formation documents; and

(e) The Entity shall receive a favorable review and certification from the appropriate City Departments and Agencies, pursuant to City Ordinance 6S&F-a, adopted on October 21, 1992, as amended.

12. In any year that the Entity shall fail to make four (4) consecutive land tax payments when due and owing, such delinquency shall render the Entity ineligible for any land tax credits against the annual service charge.

13. The Entity understands and agrees that the revenue projections set forth in the application are estimates and that the actual payments in lieu of taxes to be paid by the Entity to the City shall be determined pursuant to the Financial Agreement to be executed between the Entity and the City.

14. To the extent of any inconsistency with any prior City ordinance and/or Municipal Code provision governing the granting of long-term tax exemptions, including, inter alia, procedures for application, review and approval, required terms of the financial agreement, required conditions and covenants, limits on duration, means of enforcement, and all other matters whatsoever, such prior City ordinances and/or Municipal Code provisions are hereby waived, but only with respect to this Ordinance.

16. This Ordinance shall take effect upon final passage and publication in accordance with the laws of the State of New Jersey.

STATEMENT

This Ordinance grants a long term tax abatement to Jelliff Senior Estates Urban Renewal, LLP, 71 Lake Avenue, Colonia, New Jersey 07067, for a thirty (30) year term for a Project to construct a new building consisting of fifty (50) senior affordable housing units at 220-224, 226-230 Jelliff Avenue, Newark, New Jersey and identified on the City's Tax Map as Block 2681, Lots 31, 32 and 34. (South Ward)