



City of Newark

City Hall
920 Broad Street
Newark, New Jersey 07102

Legislation Text

File #: 15-2062, Version: 1

Dept/ Agency: Economic & Housing Development

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

Type of Service: Termination of Redevelopment Agreement

Purpose: Termination and Settlement of Redevelopment Agreement with the Newark Animal Shelter, Inc. and the return of property to the City of Newark.

Entity Name: Newark Animal Shelter, Inc.

Entity Address: 744 Broad Street, Newark, New Jersey 07102

Sale Amount: N/A

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

Assessed Amount: N/A

Appraised Amount: N/A

Contract Period:

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

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

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

Additional Information:

This resolution authorizes the termination and settlement of the Redevelopment Agreement between the Newark Animal Shelter, Inc. and the City of Newark and the return of property to the City of Newark.

WHEREAS, on July 23, 2013, the Municipal Council of the City of Newark adopted Resolution 7R3-b(s) authorizing the execution of an Agreement between the Newark Animal Shelter, Inc., a New Jersey nonprofit corporation, with an address at c/o Newark Alliance, 744 Broad Street, Newark, New Jersey 07102 (“NAS”), and the City of Newark, a body corporate and politic of the State of New Jersey, with an address at City Hall, 920 Broad Street, Newark, New Jersey 07102 (the “City”) (collectively, the “Parties”) (the “Redevelopment Agreement”) to sell the following City properties to NAS: 4-16 South Thirteenth Street, 610 Orange Street, 640 West Market Street, 1-5 South Thirteenth Street, and 7-9 South Thirteenth Street and identified on the City’s official tax map as Block 1897, Lot 1 and Block 1898, Lots 5, 53, 6, and 9 located within the West Ward (the “Properties”); and

WHEREAS, by Resolution 7R3-C(s) on July 23, 2013, the Municipal Council of the City of Newark (the “Municipal Council”) authorized the entry into a grant agreement with Genesis Fairmount Partners Limited Liability Company, a Delaware limited liability company (“Genesis”), Newark Animal Shelter, Inc., a New Jersey nonprofit corporation (“NAS”) and the Community Foundation of New Jersey (“CFNJ”) in an amount not to exceed \$5,700,000.00 (“Grant Funds”), funded by Motor Vehicle Rental Tax Revenues; and

WHEREAS, on September 17, 2013, the City, Genesis, NAS and CFNJ entered into the Grant Agreement that was authorized by Resolution 7R3-C(s) on July 23, 2013; and

WHEREAS, the Grant Agreement specified financial assistance for: (A) Genesis for certain environmental remediation costs (“Eligible Remediation Costs”) relating to the construction of a scattered site development with a total of 61 residential apartments affordable to households making 60% or less of Area Median Income upon property located at 130 Fairmount Avenue, 124-28 Fairmount Avenue, 111 11th Avenue, 113-115 11th Avenue, 117 11th Avenue, 200 South 11th Street, 198 South 11th Street, 196 South 11th Street, and 107-109 11th Avenue (the “Fairmount Redevelopment Project”); and (B) NAS for costs related to the construction of a no-kill animal shelter (“Eligible NAS Costs”) upon property located at 4-16 South 13th Street (“NAS Redevelopment Project”); and

WHEREAS, the Grant Agreement provided that CFNJ would hold the Grant Funds for Genesis and NAS in two separate accounts for each purpose of the Grant, i.e., the Eligible Remediation Costs into “Fund Account No. 1”, and the Eligible NAS Costs into “Fund Account No. 2”; and

WHEREAS, on or about January 9, 2014, NAS acquired the Properties from the City; and

WHEREAS, NAS and the City have agreed to the early termination of the Redevelopment Agreement and for NAS to return the Properties and the release of any rights to the remaining balance in Fund Account No. 2 to the City.

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

1. The Mayor and/or his designee, the Deputy Mayor/Director of the Department of Economic and Housing Development, are hereby authorized to enter into and execute the “Settlement and Termination of Redevelopment Agreement Between the City of Newark and the Newark Animal Shelter, Inc. sufficient in form and content to Corporation Counsel
2. In exchange for the execution of the Termination and Settlement Agreement by Newark Animal Shelter, acceptable in form to the Corporation Counsel and after passage of this resolution and upon receipt by the Corporation Counsel, Director of Economic Housing, Director of Finance of any and all other documents deemed necessary, the Director of Finance of the City of Newark is hereby authorized to accept the remaining balance in Fund Account No. 2.
3. The City of Newark is authorized to accept the return of the properties known as 4-16 South Thirteenth Street, 610 Orange Street, 640 West Market Street, 1-5 South Thirteenth Street, and 7-9 South Thirteenth Street and identified on the City’s official tax map as Block 1897, Lot 1 and Block 1898, Lots 5, 53, 6, and 9 located within the West Ward.
4. The within settlement and resolution does not admit nor should it be construed as an admission of liability or violation of any law, statute or regulation or a breach of any duty by the City of Newark, its agent, officers and / or employees whatsoever and is entered into eliminate all risk and future litigation costs.
5. A copy of the executed “Settlement and Termination of Redevelopment Agreement Between the City of Newark and the Newark Animal Shelter, Inc.” and this resolution shall be placed on file in the Office of the City Clerk by the Deputy Mayor/Director of the Department of Economic and Housing Development.

STATEMENT

This resolution authorizes the Mayor and/or his designee the Deputy Mayor/Director of the Department of Economic and Housing Development to enter into the Settlement and Termination of Redevelopment Agreement between the City of Newark and the Newark Animal Shelter, Inc.