



Legislation Text

File #: 23-0936, Version: 1

AN ORDINANCE AMENDING THE TAX ABATEMENT GRANTED TO 579 BROAD URBAN RENEWAL, LLC, 2100 ORETHA C. HALEY BOULEVARD, NEW ORLEANS, LOUISIANA 70113, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW AS AMENDED AND SUPPLEMENTED, N.J.S.A. 40A:20-1, ET SEQ., FOR A PROJECT LOCATED AT 579-581 BROAD STREET, NEWARK, NEW JERSEY 07102 AND IDENTIFIED ON THE OFFICIAL TAX MAP OF THE CITY OF NEWARK, AS BLOCK 18, LOT 11 WITH ADDITIONAL LOT 10, (LOTS 12, 14 AND 15 MERGED INTO LOT 11) (CENTRAL WARD), TO CHANGE THE PROJECT BY REDUCING THE NUMBER OF MARKET RATE RESIDENTIAL RENTAL UNITS FROM (48) TO (40) UNITS AND ALLOWING A PORTION OF THOSE RENTAL UNITS TO BE SHORT TERM RENTAL UNITS, REDUCING THE GROUND FLOOR COMMERCIAL SPACE FROM 5,712 TO 4,424 SQUARE FEET, ALONG WITH OTHER CHANGES, INCLUDING THE CALCULATION OF THE ANNUAL SERVICE CHARGE.

No Action Taken 6F-e 111323

WHEREAS, on September 7, 2017, the Municipal Council adopted Ordinance 6PSF-d (the "Ordinance", a copy of which is attached hereto as Exhibit A) granting a twenty-two (22) year tax abatement to 579 Broad Urban Renewal, LLC, 2100 Oretha C. Haley Boulevard, New Orleans, Louisiana 70113 (the "Entity"), pursuant to the Long Term Tax Exemption Law as amended and supplemented, N.J.S.A. 40A:20-1, et seq. (the "Long Term Tax Exemption Law"), for a project for the rehabilitation and conversion of two (2) vacant former office buildings into forty-eight (48) market rate residential rental units and 5,712 square feet of ground floor commercial space, located on real property commonly known as 579 Broad Street and 12 Central Avenue, Newark, New Jersey 07102 and identified on the Official Tax Map of the City of Newark, as Block 18, Lots, 10, 11, 12, 14 and 15 (the "Project"); and

WHEREAS, the City of Newark (the "City") and the Entity entered into a Financial Agreement, governing the terms and conditions of the tax abatement, on or about November 21, 2017, (the "Original Financial Agreement", a copy of which is attached hereto as Exhibit B, and together with Amendment #1 to Financial Agreement (the "Financial Agreement"); and

WHEREAS, on or about January 6, 2020, the Entity obtained an Amended Final Site Plan Approval, reducing the ground floor commercial space to 4,424 square feet, changing the use to permit short term rental units in addition to the residential rental and commercial uses previously approved, reducing the number of residential market rate units to forty (40), and permitting the mix of future non-residential uses at the Project to include any such uses permitted in the Broad Street Station Redevelopment Plan Sub-District C; and

WHEREAS, during the construction of the Project, the market rate units were reduced from forty-eight (48) units to forty (40) units and the commercial space was reduced from 5,712 square feet to 4,424 square feet; and

WHEREAS, the Entity has completed the Project as forty (40) residential market rate units, 4,424 square feet of commercial ground level space, and has requested the City's permission to

update the Project as described herein and allow a portion of the market rate units to be rented as short-term rental units and changing the calculation of the Annual Service Charge; and

WHEREAS, the Mayor of the City of Newark has submitted the request and proposed Amendment #1 to Financial Agreement to the Municipal Council with his recommendation thereof, a copy of which is annexed hereto; and

WHEREAS, the Municipal Council desires to amend the tax abatement granted to the Entity by entering into Amendment #1 of the Financial Agreement with the Entity.

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

1. The Mayor of the City of Newark and/or his designee, the Deputy Mayor/Director of the Department of Economic and Housing Development, are hereby authorized to enter into and execute, on the City's behalf, the Amendment #1 to the Financial Agreement, in the form attached hereto as Exhibit C, with 579 Broad Urban Renewal, LLC, 2100 Oretha C. Haley Boulevard, New Orleans, Louisiana 70113 (the "Entity"), amending the Original Financial Agreement, to change the project by reducing the number of market rate residential rental units from forty-eight (48) to forty (40) along with changing the use of some of those units to short term rental units, reducing the ground floor commercial space from 5,712 square feet to 4,424 square feet, along with some other changes, including the calculation of the Annual Service Charge.

2. The Deputy Mayor/Director of the Department of Economic and Housing Development shall file an executed copy of Amendment #1 to the Financial Agreement authorized by this Ordinance with the Office of the City Clerk.

3. All other terms and conditions of Ordinance 6PSF-d adopted on September 7, 2017, and the Original Financial Agreement entered into on or about November 21, 2017, shall remain in full force and effect.

4. 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.

5. The adoption of this Ordinance is expressly conditioned upon the requirement that the Entity pay the City all outstanding taxes and/service charges, and water/sewer charges within thirty (30) days of the date of the adoption of this Ordinance. If the Entity fails to timely satisfy these requirements, this Ordinance and the approval granted herein shall be null and void.

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

STATEMENT

This Ordinance amends Ordinance 6PSF-d adopted on September 7, 2017, which authorized the execution of a Financial Agreement, governing the terms and conditions of the tax abatement,

therein granted to 579 Broad Urban Renewal, LLC, 2100 Oretha C. Haley Boulevard, New Orleans, Louisiana 70113, pursuant to the provisions of the Long Term Tax Exemption Law, as amended and supplemented, N.J.S.A. 40A:20-1, et seq., to change the Project located at 579-581 Broad Street and 12 Central Avenue, Newark, New Jersey 07102 and identified on the Official Tax Map of the City of Newark, as Block 18, Lot 11 with additional lot 10 (Lots 11, 12, 14 and 15 merged into Lot 11)(Central Ward), by reducing the number of residential rental units from forty-eight (48) to forty (40) along with changing the use of some of those units to short term rental units, reducing the ground floor commercial space from 5,712 square feet to 4,424 square feet, along with some other changes including the calculation of the Annual Service Charge.