



Legislation Text

File #: 22-0586, Version: 1

AN ORDINANCE AUTHORIZING THE TRANSFER OF A PROJECT TO CONSTRUCT A NEW (6) STORY MIXED-USE BUILDING CONSISTING OF (54) MARKET RATE RENTAL UNITS, (6) AFFORDABLE HOUSING RENTAL UNITS IN ACCORDANCE WITH CITY ORDINANCE 6PSF-B, ADOPTED ON OCTOBER 4, 2017, A DAYCARE CENTER AND APPROXIMATELY (28) PARKING SPACES, LOCATED ON REAL PROPERTY COMMONLY KNOWN AS 43-53 WILLIAMS STREET, NEWARK, NEW JERSEY 07102 AND IDENTIFIED ON THE OFFICIAL TAX MAP OF THE CITY OF NEWARK, AS BLOCK 58, LOTS 8 AND 9 FROM 45 WILLIAM URBAN RENEWAL, LLC TO 45 WILLIAM OWNER URBAN RENEWAL, LLC AND AMENDING THE TAX ABATEMENT GRANTED THERETO.

**Public Hearing to be held June 21, 2022.
Deferred 6PSF-k 060222**

WHEREAS, on November 18, 2020, the Municipal Council adopted Ordinance 6PSF-b, (a copy of which is attached hereto as Exhibit A), granting a long term tax abatement to 45 William Urban Renewal, LLC (the "Original Owner"), pursuant to the Long Term Tax Exemption Law, N.J.S.A . 40A:20-1 et seq., for the construction of a new six (6) story mixed-use building consisting of: fifty-four (54) market rate rental units, six (6) affordable housing rental units (in accordance with City Ordinance 6PSF-b adopted on October 4, 2017), a daycare center and approximately twenty-eight (28) parking spaces, located on real property commonly known as 43-53 Williams Street, Newark, New Jersey 07102 and identified on the Official Tax Map of the City of Newark, as Block 58, Lots 8 and 9 (collectively, the "Project"); and

WHEREAS, on June 3, 2021, the City of Newark (the "City") and the Original Owner subsequently executed a Financial Agreement governing the Project (the "Original Financial Agreement", a copy of which is attached hereto as Exhibit B); and

WHEREAS, the Project has been completed; and

WHEREAS, in addition to the construction of the Project, the Original Financial Agreement also requires that the Original Owner construct six (6) new off-site affordable housing units by December 31, 2022; and

WHEREAS, the Original Owner has entered into a contract with 45 William Owner Urban Renewal, LLC, with an address of c/o Invel Capital, LLC, 47 Maple Street, Suite 306, Summit, New Jersey 07901 (the "Entity"), whereby the Original Owner has agreed to sell and the Entity has agreed to purchase the Project; and

WHEREAS, the City hereby consents to the transfer of the Project from the Original Owner to the Entity; and

WHEREAS, the Entity has offered to make a payment to the City of One Million Dollars and

Zero Cents (\$1,000,000.00) in lieu of constructing the off-site affordable housing units; and

WHEREAS, the Parties have agreed to amend the Original Financial Agreement to reflect the transfer of the Project and the payment in lieu.

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

1. The City of Newark hereby consents to the transfer of the Project from 45 William Urban Renewal, LLC to 45 William Owner Urban Renewal, LLC.

2. The Mayor of the City of Newark is hereby authorized to enter into and execute, on the City's behalf, Amendment #1 to Financial Agreement (in the form attached hereto as Exhibit C).

3. An executed copy of the Amendment #1 to Financial Agreement authorized by this Ordinance shall be filed and maintained with the City Clerk.

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 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 Office of the City Clerk and the Office of Affirmative Action shall forthwith investigate the matters contained therein and report its findings to the Municipal Council.

6. 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.

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

STATEMENT

This Ordinance authorizes the transfer of that certain project to construct a new six (6) story mixed use building consisting of fifty-four (54) market rate rental units, six (6) affordable housing rental units in accordance with City Ordinance 6PSF-b, adopted on October 4, 2017, a daycare center and approximately twenty-eight (28) parking spaces, located on real property commonly known as 43-53 Williams Street, Newark, New Jersey 07102 and identified on the Official Tax Map of the City of Newark, as Block 58, Lots 8 and 9 from 45 William Urban Renewal, LLC to 45 William Owner Urban Renewal, LLC authorizing and amending the tax abatement granted thereto.