



Legislation Text

File #: 16-1732, Version: 1

Dept/ Agency: Economic and Housing Development

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

Type of Service: Resolution Endorsing

Purpose: Resolution in Support of The Kintock Group of New Jersey Inc.'s, 580 Virginia Avenue, Suite 250, Fort Washington, Pennsylvania 19034, application for an additional \$1,000,000.00 loan, for a total of \$2,000,000.00, from New Jersey Economic Development Authority's Local Development Financing Fund for acquisition of a correctional and re-entry facility with maximum capacity of 716 residential beds located in the EWR/Airport Support Zone at 37-47 Legal Street, 19-27 Meeker Avenue, 10-16 Fenwick Street, and 32-38 Fenwick Street, and 40-58 Fenwick Street, Newark, New Jersey 07114

Additional Information:

Resolution 7R3-c, adopted by the Municipal Council on November 2, 2016, in support of an application for \$1,000,000.00 loan from the New Jersey Economic Development Authority's Local Development Financing Fund.

WHEREAS, The Kintock Group of New Jersey, Inc. (hereinafter referred to as the "Sponsor") is an operator of residential corrections programs in Newark since 1994; and

WHEREAS, the Sponsor provides a variety of programs to help participants reenter the workplace through employment education and placement, substance abuse education and treatment, cognitive behavior therapy, and life skills education; and

WHEREAS, the Sponsor currently owns that certain parcel of real property shown on the official tax map of the City of Bridgeton as Block 189, Lots 5 and 7.01, and commonly known as 4S Industrial Boulevard, Bridgeton, New Jersey 08302 and 3w Industrial Boulevard, Bridgeton, New Jersey 08302 (hereinafter referred to as the "Bridgeton Properties"); and

WHEREAS, the Sponsor currently leases that certain parcel of real property shown on the official tax map of the City of Newark as Block 3511, Lots 16, 26, 30, and 36; Block 3510.01, Lot 40, and commonly known as 37-47 Legal Street, 19-27 Meeker Avenue, 10-16 Fenwick Street, and 32-38 Fenwick Street, Newark, New Jersey 07114, (hereinafter, the "Property"); and

WHEREAS, the Sponsor proposes to refinance the Bridgeton Properties and acquire the Property to use as a correctional and reentry facility on behalf of the New Jersey Department of Corrections and State Parole Board; and

WHEREAS, the Sponsor proposes to facilitate the acquisition of the Property with financing from the New Jersey Economic Development Authority's Local Development Financing Fund (hereinafter referred to as the "Project") pursuant to the provisions of the New Jersey Local Development Financing Fund Act of 1983, as amended (N.J.S.A. 34:1B-36 et seq.), the rules promulgated thereunder at N.J.A.C. 19:31-7.1 et seq., and all applicable guidelines promulgated

thereunder (the foregoing hereinafter collectively referred to as the "LDF Requirements"); and

WHEREAS, the Sponsor applied for and requested financial assistance from the New Jersey Economic Development Authority ("EDA"), as shown on Exhibit A, attached hereto and made a part hereof; and

WHEREAS, the EDA approved a \$1,000,000.00 loan from its Local Development Financing Fund to finance the Project (hereinafter referred to as the "Fund")

WHEREAS, by Resolution 7R3-c, adopted on November 2, 2016, the Municipal Council authorized the support of The Kintock Group of New Jersey Inc.'s, application for a \$1,000,000.00 loan from New Jersey Economic Development Authority's Local Development Financing Fund for financing the Project (hereinafter referred to as the "Fund"); and

WHEREAS, the EDA has since approved additional funding for the Project in the amount of a \$1,000,000.00 loan from the Fund in order to further finance the Project for a total of \$2,000,000.00; and

WHEREAS, the Municipality has no responsibility to carry out or repay the loan; and

WHEREAS, each application for financial assistance from the Fund requires evidence of the municipality's support in which the Project is located; and

WHEREAS, evidence of municipal support shall mean an approved resolution of the Governing Body of the municipality; and

WHEREAS, pursuant to the LDF Requirements, the Governing Body of the City hereby determines that there is a need for this Project.

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

1. The Municipal Council finds and determines that The Kintock Group of New Jersey Inc., 580 Virginia Avenue, Suite 250, Fort Washington, Pennsylvania 19034, ("Project") acquisition of a 716 bed correctional and reentry facility on a certain parcel of real property shown on the official tax map of the City of Newark as Block 3511, Lots 16, 26, 30, and 36; and Block 3510.01, Lot 40, and commonly known as 37-47 Legal Street, 19-27 Meeker Avenue, 10-16 Fenwick Street, and 32-38 Fenwick Street, 40-58 Fenwick Street, Newark, New Jersey 07114, proposed by the Sponsor meets or will meet an existing community need.

2. The Municipal Council does hereby authorize and amend the Resolution in support of the Sponsor's application for the New Jersey Economic Development Authority's LDF Requirements in order to finance the Project for an additional \$1,000,000.00 for a total of \$2,000,000.00.

STATEMENT

The purpose of this Resolution is to support The Kintock Group of New Jersey Inc.'s application for an additional \$1,000,000.00 loan, for a total of \$2,000,00.00, from the New Jersey Economic

Development Authority's Local Development Financing Fund for financing the acquisition of a 716 bed correctional and reentry facility on a certain parcel of real property shown on the official tax map of the City of Newark as Block 3511, Lots 16, 26, 30, and 36; and Block 3510.01, Lot 40, and commonly known as 37-47 Legal Street, 19-27 Meeker Avenue, 10-16 Fenwick Street, and 32-38 Fenwick Street, 40-58 Fenwick Street, Newark, New Jersey 07114.