



Legislation Text

File #: 21-0114, Version: 1

Dept./ Agency: Economic and Housing Development

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

Type of Service: Waiving 20-day period for an ordinance to take effect

Purpose: This resolution seeks to authorize an emergency be declared to exist for Ordinance 6PSF-c, which grants a Thirty (30) Year Tax Abatement to HVPF Lincoln Park Towers Urban Renewal, LLC, 200 Vesey Street, 24th Floor, New York, New York, 10281, for the property located at 31-33 Lincoln Park And 1-7 Crawford Street, Newark, New Jersey 07102, and identified on the Official Tax Map of the City of Newark, as Block 119, Lots 7 and 25, to become effective once adopted by the Municipal Council after Public Hearing, Second Reading and Final Passage, in accordance with N.J.S.A. 40:69A-181(b). This is due to the exigent need for the Project to meet the Newark Housing Authority bond redemption deadline and to address the need for affordable housing in the City of Newark.

Ordinance No(s):

Ordinance 6F-a, adopted on First Reading by the Municipal Council on January 21, 2021.

Ordinance 6PSF-a is scheduled for a Public Hearing, Second Reading and Final Passage on February 3, 2021.

Additional Information:

WHEREAS, HVPF Lincoln Park Towers Urban Renewal, LLC, 200 Vesey Street, 24th Floor, New York, New York, 10281, filed an application with the Mayor seeking a long term tax abatement pursuant to the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq., for a thirty (30) year term for a Project to acquire and rehabilitate an affordable housing project containing seventy-nine (79) low and very-low income family housing units and one (1) superintendent's unit, located at 31-33 Lincoln Park and 1-7 Crawford Street, Newark, New Jersey 07102 and identified on the Official Tax Map of the City of Newark, as Block 119, Lots 7 and 25 (collectively, the "Project"); and

WHEREAS, the above Tax Abatement Application was advanced and adopted on First Reading by the Municipal Council as its January 21st, 2021, meeting through Ordinance 6F-a and is scheduled for a Public Hearing, Second Reading and Final Passage, as Ordinance 6PSF-a on February 3, 2021; and

WHEREAS, under the terms of its purchase and sale agreement, HVPF Lincoln Park Towers Urban Renewal, LLC must close on the property no later than March 1, 2021. Further, as a condition of acquisition, HVPF Lincoln Park Towers Urban Renewal, LLC must redeem bonds issued by the Newark Housing Authority (the "NHA") on the first day of a month; and

WHEREAS, in order for HVPF Lincoln Park Towers Urban Renewal, LLC, to redeem the NHA bonds on March 1, 2021, the trustee of the NHA bonds requires certain other actions to occur in advance, among these actions is proof of financing from a reputable lender, no later than February 26, 2021; and

WHEREAS, to finance the Project, HVPF Lincoln Park Towers Urban Renewal, LLC's lender requires that HVPF Lincoln Park Towers Urban Renewal, LLC submit a fully executed financial agreement with the City of Newark on or before February 19, 2021; and

WHEREAS, there is an exigent need for the tax abatement for this Project to take immediate effect so that the Project can meet the NHA bond redemption deadline by submitting a fully executed financial agreement with the City of Newark on or before February 19, 2021; and

WHEREAS, the Project is essential to address affordable housing in the City of Newark; and

WHEREAS, N.J.S.A. 40:69A-181(b) authorizes a Governing Body to adopt a resolution declaring an emergency and authorizing that an Ordinance take immediate effect so long as at least two-thirds of all the members of the Governing Body vote in favor of such resolution; and

WHEREAS, the Municipal Council recognizes the exigent need for this tax abatement to take immediate effect so that Project can meet the NHA bond redemption deadline and to address the need for affordable housing in the City of Newark; and

WHEREAS, the Municipal Council has determined that it is therefore necessary and appropriate to adopt this Resolution pursuant to N.J.S.A. 40:69A-181(b) declaring an emergency and determining that Ordinance 6PSF-a, if adopted on February 3, 2021, shall take immediate effect upon the Mayor's signature and publication.

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

1. For the reasons set forth herein and the important public policies enunciated, an emergency is hereby declared to exist and Ordinance 6PSF-a, which grants a thirty (30) year tax abatement to HVPF Lincoln Park Towers Urban Renewal, LLC, 200 Vesey Street, 24th Floor, New York, New York, 10281, for the property located at 31-33 Lincoln Park and 1-7 Crawford Street, Newark, New Jersey 07102, and identified on the Official Tax Map of the City of Newark, as Block 119, Lots 7 and 25 to become effective, once adopted by the Municipal Council after Public Hearing, Second Reading and Final Passage, in accordance with N.J.S.A. 40:69A-181(b). This is due to the exigent need for the Project to meet the Newark Housing Authority bond redemption deadline and to address the need for affordable housing in the City of Newark.

STATEMENT

This resolution hereby authorizes an emergency be declared to exist, and Ordinance 6PSF-a, granting a Thirty (30) year tax abatement to HVPF Lincoln Park Towers Urban Renewal, LLC, 200 Vesey Street, 24th Floor, New York, New York, 10281, for the property located at 31-33 Lincoln Park and 1-7 Crawford Street, Newark, New Jersey 07102, and identified on the Official Tax Map of the City of Newark, as Block 119, Lots 7 and 25 to become effective, once adopted by the Municipal Council after Pubic Hearing, Second Reading and Final Passage, in accordance with N.J.S.A. 40:69A-181(b). This is due to the exigent need for the Project to meet the Newark Housing Authority bond redemption deadline and to address the need for affordable housing in the City of Newark.