



Legislation Text

File #: 22-1410, Version: 1

AN ORDINANCE AUTHORIZING THE MAYOR OF THE CITY OF NEWARK, AND/OR HIS DESIGNEE, THE DEPUTY MAYOR/DIRECTOR OF THE DEPARTMENT OF ECONOMIC AND HOUSING DEVELOPMENT TO ENTER INTO AND EXECUTE AN AGREEMENT FOR THE SALE OF LAND AND REDEVELOPMENT BY AND BETWEEN THE CITY OF NEWARK, AS A REDEVELOPMENT ENTITY AND DAVIDSON ABRAHAM AND ASSOCIATES AND MOUNT HOPE MANAGEMENT, AS REDEVELOPER FOR CITY PROPERTY LOCATED AT 209-219 IRVINE TURNER BOULEVARD IDENTIFIED ON THE OFFICIAL TAX MAP OF THE CITY OF NEWARK, AS BLOCK 2567, LOT 35. (CENTRAL WARD).

Deferred 8-b (s/as) 102522

WHEREAS, the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1, et seq., as amended and supplemented (the "Act"), authorizes the municipalities to participate in the redevelopment and improvement of areas that are in need of redevelopment or rehabilitation; and

WHEREAS, in order to stimulate the reinvigoration of the City, by Resolution 7Rdo(AS) adopted on June 15, 2005, the entire City was designated as an area in need of rehabilitation pursuant to the Act; and

WHEREAS, the Municipal Council thereafter adopted Ordinance 6PS&FE(S) on August 17, 2005, adopting the First Amendment to the Central Ward Redevelopment Plan governing the redevelopment of City-owned properties located within the Central Ward, which includes the above-referenced properties; and

WHEREAS, said Redevelopment Plan complies with the requirements of all applicable State and Federal statutes and regulations promulgated thereunder; and

WHEREAS, the Redevelopment Plan is applicable to the development and redevelopment of City-owned properties, including the City-owned property located at 209-219 Irvine Turner Boulevard and identified on the Official Tax Map of the City of Newark, as Block 2567, Lot 35 (the "Property"); and

WHEREAS, pursuant to N.J.S.A. 40A:12A-8(f), the City is authorized to arrange or contract with redevelopers for the planning, re-planning, construction or undertaking of any redevelopment project; and

WHEREAS, pursuant to N.J.S.A. 40A:12A-8(g), the City may "convey property . . . without public bidding and at such prices and upon such terms as it deems reasonable"; and

WHEREAS, the City has determined that the Property is no longer needed for any public use

and that the redevelopment of the Property as set forth in the Agreement for the Sale of Land and Redevelopment by and between the City of Newark as a Redevelopment Entity and Davidson Abraham and Associates and Mount Hope Management as Redeveloper (the "Agreement"), in a form substantially consistent with the Agreement affixed hereto, will contribute to the reinvigoration of the City; and

WHEREAS, Redeveloper has expressed an interest in redeveloping the Property, to include the undertaking of any required environmental remediation, for such other purposes as may be approved by the City and complying with the terms and conditions of the Agreement and the Redevelopment Plan, as set forth herein; and

WHEREAS, the City obtained an appraisal report for the Property, which estimated the value of the Property to be Five Hundred Thousand Dollars and Zero Cents (\$500,000.00)

WHEREAS, the purchase price is the appraisal value less the cost of the temporary first precinct of One Hundred Forty-Four Thousand Dollars and Zero Cents (\$144,000.00) attributed to the Redeveloper for a total purchase price of Three Hundred Fifty-Six Thousand Dollars and Zero Cents (\$356,000.00) ("Purchase Price"); and

WHEREAS, the City has determined that Davidson Abraham and Associates and Mount Hope Management (the "Redeveloper") appears to possess the proper qualifications, financial resources, and capacity to implement and complete the Project in accordance with the Redevelopment Plan and all other applicable laws, ordinances and regulations; and

WHEREAS, the City believes the Project, as that term is defined herein, is in the vital and best interests of the City and that it promotes the health, safety, morals and welfare of the City's residents.

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 the Agreement for the Sale of Land and Redevelopment by and between the City of Newark as a Redevelopment Entity and Davidson Abraham and Associates and Mount Hope Management as Redeveloper in the amount of Three Hundred Fifty-Six Thousand Dollars and Zero Cents (\$356,000.00) (the "Purchase Price") in substantially the form attached hereto.

2. The Deputy Mayor/Director of the Department of Economic and Housing Development is hereby authorized to effectuate certain business terms and conditions related to the Agreement concerning the sale and transfer of the City's property located at 209-219 Irvine Turner Boulevard and identified on the Official Tax Map of the City of Newark, as Block 2567, Lot 35 and may enter into any related documents, including, but not limited to deeds for the Property and a Lease Agreement related to the Property, which may be necessary in order to effectuate same.

3. In the event that the City terminates the Agreement due to a Reverter Event should the Redeveloper fail to diligently pursue the redevelopment of the Property, the City,

in its sole discretion, may exercise its Right of Reverter to transfer title to the Property back to the City, in accordance with the terms and conditions of the Agreement and the deed. Failure to exercise or delay in exercising this Right of Reverter by the City of Newark shall not constitute a waiver nor shall such failure and/or delay serve as a basis for adverse possession of the Property. Any and all waivers of the City's Right to Reverter shall be in writing with Municipal Council approval.

4. The executed Agreement all exhibits shall be placed on file in the Office of the City Clerk by the Deputy Mayor/Director of Department of Economic and Housing Development.

STATEMENT

This Ordinance authorizes the Mayor of the City of Newark, and/or his designee, the Deputy Mayor/Director of the Department of Economic and Housing Development to effectuate certain business terms and conditions related to the Agreement for the Sale of Land and Redevelopment by and between the City of Newark as a Redevelopment Entity and Davidson Abraham and Associates and Mount Hope Management as Redeveloper concerning the sale and transfer of the City's property located at 209-219 Irvine Turner Boulevard and identified on the Official Tax Map of the City of Newark, as Block 2567, Lot 35 and may enter into any related documents, including, but not limited to deeds for the Property and a Lease Agreement related to the Property, which may be necessary in order to effectuate same.