



City of Newark

City Hall
920 Broad Street
Newark, New Jersey 07102

Legislation Details (With Text)

File #: 12-0402 **Version:** 3 **Name:** Amends Redevelopment Contract w/ Mid-Atlantic Project Desc Amendmnt

Type: Resolution **Status:** Filed

File created: 2/10/2012 **In control:** Economic and Housing Development

On agenda: 4/4/2012 **Final action:** 5/2/2012

Title: Dept/ Agency: Economic & Housing Development
Action: () Ratifying (X) Authorizing (X) Amending
Type of Service: Private Sale/Redevelopment
Purpose: Amend Resolution 7R3-d 090110 and Agreement authorized therein to revise the description of the project and amend the contract period
Entity Name: Mid-Atlantic Investment Alliance, LLC
Entity Address: 11 Florence Place, West Orange, NJ 07052
Sale Amount: \$224,521.89
Cost Basis: (X) \$10.00 PSF () Negotiated () N/A () Other:
Assessed Amount: \$635,000.00
Appraised Amount: N/A
Contract Period: Commence three months from date of transfer until 24 months thereafter.
Contract Basis: () Bid () State Vendor () Prof. Ser. () EUS
() Fair & Open () No Reportable Contributions () RFP () RFQ
(X) Private Sale () Grant () Sub-recipient () n/a
List of Property:
(Address/Block/Lot/Ward)
90-96 Clinton Ave./2826/3/East
27 Brunswick St./2826/35/East
29 Brunswick St./2826/36/East
31 Brunswick St./2826/37/East
33 Brunswick St./2826/38/East
Additional Information:
Deferred 7R3-d 040412
Invitation: Director of Economic & Housing Development, April 17, 2012
Deferred 7R3-c 041812

Sponsors:

Indexes:

Code sections:

| Date | Ver. | Action By | Action | Result |
|-----------|------|-------------------|--------|--------|
| 5/2/2012 | 3 | Municipal Council | Adopt | Pass |
| 4/18/2012 | 2 | Municipal Council | Defer | Pass |
| 4/4/2012 | 1 | Municipal Council | Defer | Pass |

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WHEREAS, Resolution 7R3-d adopted on September 1, 2010, authorized the Mayor and Deputy Mayor/Director of the Department of Economic and Housing Development to enter into and execute a contract with Mid-Atlantic Investment Alliance, LLC (Mid-Atlantic), for the private sale and redevelopment of the following City-owned properties for the purpose of undertaking the construction of a 15-unit residential project with a mix of 2 and 3 bedroom, loft-condominium units and 3 bedroom single family townhomes for sale as Workforce housing ("Agreement for the Sale of Land and Redevelopment"):

| <u>ADDRESS</u> | <u>WARD</u> | <u>BLOCK</u> | <u>LOT</u> | <u>SIZE</u> | <u>SQ. FEET</u> |
|--------------------|-------------|--------------|------------|---------------|-----------------|
| 90-96 Clinton Ave. | East | 2826 | 3 | 105.1 x 144.9 | 15,228.99 |
| 27 Brunswick St. | East | 2826 | 35 | 15.6 x 100 | 1,560. |
| 29 Brunswick St. | East | 2826 | 36 | 15.6 x 100 | 1,560. |
| 31 Brunswick St. | East | 2826 | 37 | 27.6 x 75 | 2,070. |
| 33 Brunswick St. | East | 2826 | 38 | 29 x 70.11 | 2,033.19 |

Total Purchase Price: \$224,521.89 (\$10.00/Sq. Ft.)

WHEREAS, Mid-Atlantic subsequently applied to the New Jersey Housing Mortgage Finance Agency (NJHMFA) for CHOICE Program funds to develop the above properties as the Lofts at Lincoln Park, a 24-unit emerging market (EMU) condominium development consisting of two and three bedroom condominiums over ground-level parking for sale to households with an unrestricted income; and

WHEREAS, the NJHMFA has required Mid-Atlantic to submit an amended resolution and land sale redevelopment agreement consistent with their application language and the requirements of CHOICE; and

WHEREAS, the City of Newark, pursuant to the Land Disposition Policy, has determined that

the project proposed by Mid-Atlantic provides a significant and compelling community benefit that has been established by the City; and

WHEREAS, this resolution seeks to amend Resolution 7R3-d 090110 and the Agreement for the Sale of Land and Redevelopment to amend the contract period and revise the project description by replacing the reference to “a 15-unit residential project with a mix of 2 and 3 bedroom, loft-condominium units and 3 bedroom single family townhomes for sale as Workforce Housing” with “a four story, 24-unit emerging market residential building, consisting of two and three bedroom condominiums over ground-level parking.”

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

1. The Mayor and/or his designee the Deputy Mayor/Director of the Department of Economic and Housing Development are hereby authorized to enter into a First Amended Agreement For the Sale of Land and Redevelopment (First Amended Agreement), in the form attached hereto, with Mid-Atlantic Investment Alliance, LLC to:
 - a. amend the contract period to commence work within three months from date of transfer and complete the project no later than 24 months thereafter; and
 - b. amend the description of the project replacing the reference to “a 15-unit residential project with a mix of 2 and 3 bedroom, loft-condominium units and 3 bedroom single family townhomes for sale as Workforce Housing” with “a four story, 24-unit emerging market residential building, consisting of two and three bedroom condominiums over ground-level parking”.
2. The Redeveloper shall have 60 days from the date this Resolution is certified by the City Clerk to execute and return the attached First Amended Agreement for the Sale of Land and Redevelopment to the Department of Economic and Housing Development. Should Redeveloper fail to execute and return the attached First Amended Agreement within this 60-day time period, the authorization provided by this Resolution shall be null and void unless the Deputy Mayor/Director of the Department of Economic and Housing Development agrees in writing to extend this 60-day time period for an additional 30 days.
3. A copy of this resolution and the fully executed First Amended Agreement for the Sale of Land and Redevelopment authorized by this resolution shall be placed on file in the Office of the City Clerk by the Department of Economic and Housing Development.
4. All other terms of Resolution 7R3-d 090110 and the Agreement for the Sale of Land and Redevelopment shall remain in full force and effect, to the extent not otherwise amended herein.

STATEMENT

Passage of this resolution shall permit the Mayor and/or his designee and the Deputy Mayor/Director of the Department of Economic and Housing Development to enter into a First Amended Agreement for the Sale of Land and Redevelopment, in the form attached hereto, with Mid-Atlantic Investment

Alliance, LLC, to revise the description of the project to a four story, 24-unit emerging market residential building, consisting of two and three bedroom condominiums over ground-level parking and amend the contract period to commence work within three months from date of transfer and complete the project no later than 24 months thereafter.