



Legislation Details (With Text)

File #: 12-0065 **Version:** 1 **Name:** High Street Heights LLC
Type: Resolution **Status:** Filed
File created: 1/10/2012 **In control:** Economic and Housing Development
On agenda: 8/1/2012 **Final action:** 8/1/2012
Title: Dept/ Agency: Economic & Housing Development
Action: ☐ Ratifying ☒ Authorizing ☐ Amending
Type of Service: Affordable Housing Agreement to provide HOME program funds to High Street Heights, LLC
Purpose: HOME Program funds provided to subsidize the substantial rehabilitation of five (5) of the twelve (12) rental housing units in the project. The units are to be occupied by low and very low income homeless individuals and families with special needs.
Entity Name: High Street Heights, LLC
Entity Address: 580 Dr. Martin Luther King, Jr. Blvd. Newark, New Jersey 07102
Grant Amount: \$500,000.00
Funding Source: HUD, HOME Funding
Contract Period: From the date of adoption of this authorizing resolution by the Municipal Council until March 30, 2014.
Contract Basis: ☐ Bid ☐ State Vendor ☐ Prof. Ser. ☐ EUS
☐ Fair & Open ☐ No Reportable Contributions ☐ RFP ☐ RFQ
☐ Private Sale ☒ Grant ☐ Sub-recipient ☐ n/a
List of Property:
(Address/Block/Lot/Ward)
577-579 Dr. Martin Luther King, Jr. Blvd. / Block 2507/ Lot 19/Central Ward
581-583 Dr. Martin Luther King, Jr. Blvd./ Block 2507/ Lots 55 -56/ Central Ward

Additional Information:

Sponsors:

Indexes:

Code sections:

Date	Ver.	Action By	Action	Result
8/1/2012	1	Municipal Council	Adopt	Pass

Dept/ Agency: Economic & Housing Development
Action: ☐ Ratifying ☒ Authorizing ☐ Amending
Type of Service: Affordable Housing Agreement to provide HOME program funds to High Street Heights, LLC
Purpose: HOME Program funds provided to subsidize the substantial rehabilitation of five (5) of the twelve (12) rental housing units in the project. The units are to be occupied by low and very low income homeless individuals and families with special needs.
Entity Name: High Street Heights, LLC
Entity Address: 580 Dr. Martin Luther King, Jr. Blvd. Newark, New Jersey 07102
Grant Amount: \$500,000.00
Funding Source: HUD, HOME Funding
Contract Period: From the date of adoption of this authorizing resolution by the Municipal Council until March 30, 2014.
Contract Basis: ☐ Bid ☐ State Vendor ☐ Prof. Ser. ☐ EUS

() Fair & Open () No Reportable Contributions () RFP () RFQ
() Private Sale (X) Grant () Sub-recipient () n/a

List of Property:

(Address/Block/Lot/Ward)

577-579 Dr. Martin Luther King, Jr. Blvd. / Block 2507/ Lot 19/Central Ward

581-583 Dr. Martin Luther King, Jr. Blvd./ Block 2507/ Lots 55 -56/ Central Ward

Additional Information:

WHEREAS, the City of Newark desires to enter into an Affordable Housing Agreement (the "Agreement") with High Street Heights LLC ("the Entity") having its principal place of business at 580 Dr. Martin Luther King Jr. Blvd., Newark, New Jersey 07102; and

WHEREAS, the City of Newark desires to provide the Entity with federal HOME program funds in the amount of Five Hundred Thousand Dollars (\$500,000.00) pursuant to the HOME program (24 CFR part 92) and any amendments thereto; and

WHEREAS, the Agreement is for federal HOME program funds for the High Street Heights Project to be located at 577-579 Dr. Martin Luther King, Jr. Blvd. (Block 2507, Lot 19) and 581-583 Dr. Martin Luther King, Jr. Blvd. (Block 2507, Lots 55- 56) in the Central Ward (the "Project") and such funds will be used to subsidize the rehabilitation costs of five (5) of the twelve (12) units of permanent supportive housing in the project. The units are to be occupied by low and very low income homeless individuals and families with special needs. The unit mix will consist of one and two-bedroom units. The lower level of one of the buildings will be dedicated to common space to be utilized for recreation, social service programs and educational services. A small office space will also be provided to handle routine medical and behavioral health screenings and to enable service coordination and case management, these services in addition to rental assistance will be provided through the YMWCA of Newark; and

WHEREAS, it is in the best interest of the City of Newark and the Department of Economic and Housing Development to establish contractual guarantees and procedures by which the City of Newark will ensure the Entity's compliance with the requirements of the federal HOME program for the time and in the manner set forth in the Agreement for the receipt of said HOME program funds.

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 and execute an Affordable Housing Agreement with High Street Heights, LLC, located at 580 Dr. Martin Luther King, Jr. Blvd. Newark, New Jersey 07102 ("the Entity") for Federal HOME program funds in the amount of Five Hundred Thousand Dollars (\$500,000.00) to subsidize the rehabilitation costs of five (5) of the twelve (12) units of permanent supportive housing in the project. The units are to be occupied by low and very low income homeless individuals and families with special needs. The project will be located at 577-579 Dr. Martin Luther King, Jr. Blvd. (Block 2507, Lot 19) and 581-583 Dr. Martin Luther King, Jr. Blvd. (Block 2507, Lots 55 -56) in the Central Ward ("the Project").

2. The Deputy Mayor/Director of the Department of Economic and Housing Development are hereby authorized to establish a declaration of covenants, conditions and restrictions. Said covenants, conditions and restrictions shall run with the land and bind the Entity and any subsequent purchasers and owners, their heirs, executors, administrators and assigns and all persons claiming by, through or under their heirs, executors, administrators and assigns with this agreement for a period of fifteen (15) years, mortgage and mortgage note to ensure compliance with the requirements of the HOME program, pursuant to the HOME program statute and regulations (24 CFR Part 92).
3. The Entity shall be responsible for the recordation of the final fully executed Agreement and Mortgage and any amendments thereto in the Office of the Essex County Register's Office and shall also be solely responsible for forwarding a copy of such book and page to the Department of Economic and Housing Development and the Office of the City Clerk.
4. 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 annexed hereto and may enter into subordination agreements, access and right of entry agreements, mortgages and other relevant documents related to this fund allocation in a form subject to the approval of the Corporation Counsel. In addition, the Deputy Mayor/Director of the Department of Economic and Housing Development is hereby authorized to enter into a maximum of two six month extensions of the term of the contract and any contract timelines and milestones, provided that any contract timelines and milestones are not extended beyond the two permitted six month extensions, subject to full written disclosure (in the form of a signed memorandum to be submitted prior to adoption) to the Newark Municipal Council by the Deputy Mayor/Director of the Department of Economic and Housing Development and the approval of the Corporation Counsel.
5. Disbursement of the federal HOME program funds for the project in the amount of Five Hundred Thousand Dollars (\$500,000.00) shall be subject to the terms and conditions set forth in the Agreement, which is attached hereto.
6. The Entity must adhere to all milestones and timelines in the Project Schedule approved by the Department of Economic and Housing Development. The project completion is further defined in the Agreement in Exhibit D. The property must conform to the City of Newark Design Guidelines for new home construction, including standards for environmental sustainability and energy efficiency, as established by the Department of Economic and Housing Development. Should the Entity fail to complete the project within the specified time frame, then the City, in its sole discretion, in addition to any other remedy available by the Agreement or as allowed by law, may direct the Entity to repay all HOME program funds expended on the project back to the City.
7. The contract period for this project shall run from the date of adoption of this authorizing resolution by the Municipal Council until March 30, 2014.
8. A copy of this resolution, the final fully executed Agreement authorized by this

resolution and any further amendments, authorized herein, and the certification of funds shall be placed on file in the Office of the City Clerk by the Department of Economic and Housing Development.

9. The Entity must remain in compliance with municipal, State and Federal laws including, but not limited to the City of Newark's Minority Set-Aside Ordinance (6S&FD 040595) and its Affirmative Action Plan (7RBP030195) and Federal Executive Order 11246 (as amended by Executive Orders 1137 and 12086) with respect to the award of goods and services. The Entity has agreed to ensure that a minimum of 40% of the workers employed during the construction of the project shall be Newark residents and that 30% of all contractors, subcontractors and suppliers shall be Newark companies.
10. Units assisted with HOME program funds must be designated upon execution of the Agreement. Households seeking to occupy a HOME assisted unit must be certified prior to occupancy and recertified annually.
11. Attached hereto is a certification from the Municipal Comptroller of the City of Newark which states:
 - a) there are sufficient funds for the purpose set forth herein and above; and
 - b) that the line appropriation of official budget which shall be charged is as follows:

Bus. Unit	Department	Division/Proj.	Activity	Account	Budget Ref.
NW051	G10	1D030	A	72090	B2010
NW051	G09	D1930	A	72040	B2009

STATEMENT

Passage of this resolution will permit the Mayor and/or his designee the Deputy Mayor/Director of the Department of Economic and Housing Development to enter into and execute an Affordable Housing Agreement ("The Agreement") with High Street Heights, LLC located at 580 Dr. Martin Luther King, Jr. Blvd., Newark New Jersey 07102 ("the Entity") to subsidize the rehabilitation costs of five (5) of the twelve (12) units of permanent supportive housing in the project. The units are to be occupied by low and very low income homeless individuals and families with special needs. The project will be located at 577-579 Dr. Martin Luther King, Jr. Blvd. (Block 2507, Lot 19) and 581-583 Dr. Martin Luther King, Jr. Blvd. (Block 2507, Lots 55 -56) in the Central Ward ("the "Project"). The HOME assisted units must remain affordable for a period of fifteen (15) years pursuant to the requirements under the HOME Program (24 CFR Part 92).