Legislation Details (With Text)

File #:	13-2148	**Version:**	1	**Name:**	Long Term Tax Abatement: Fairview Homes Assignment and Assumption of Financial Agreement
Type:	Resolution			**Status:**	Filed
File created:	11/7/2013			**In control:**	Economic and Housing Development
On agenda:	12/18/2013			**Final action:**	12/18/2013

Title: Dept/ Agency: Economic & Housing Development
Action: ( ) Ratifying (X) Authorizing ( ) Amending
Type of Service: Application for an Assignment and Assumption of a Long-Term Tax Abatement
Purpose: Consent to sale of affordable housing project and assignment of Financial Agreement for the project from Fairview Preservation Urban Renewal Partnership, L.P. to Fairview Homes Acquisition Urban Renewal, LLC
Entity Name: Fairview Homes Acquisition Urban Renewal, LLC
Entity Address: c/o Related Affordable, 60 Columbus Circle, New York, New York 10023
Abatement Period: Term of tax abatement forty (40) years from completion of original project approved through Resolution #7RA-092879
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)
368-408 Hunterdon Street / Block 2547 / Lot 1/ Central
Additional Information:
Original tax abatement granted by Resolution 7RA 092879
First Assignment granted by Resolution 7REF 080499

Sponsors:

Indexes:

Code sections:

Date	Ver.	Action By	Action	Result
12/18/2013	1	Municipal Council	Adopt	Pass

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WHEREAS, on September 28, 1979, the Newark Municipal Council adopted Resolution 7RA granting a long term tax abatement to Fairview Homes Associates under the Limited Dividend Non-Profit Housing Corporations or Associations Law, *N.J.S.A. 55:16-1 et seq.* (the "Limited Dividend Law") for an affordable housing project located at 368-408 Hunterdon Street and designated as Block 2547, Lot 1 on the Official Tax Map of the City of Newark (the "Project"); and

WHEREAS, as authorized under Resolution 7RA-092879, the City of Newark (the "City") entered into a Financial Agreement with Fairview Homes Associates governing the tax abatement for the Project (the "Financial Agreement"); and

WHEREAS, in 1999, Fairview Homes Associates filed an application seeking City consent to the sale of the Project and transfer of the Financial Agreement from Fairview Homes Associates to Fairview Preservation Urban Renewal Partnership, L.P.; and

WHEREAS, on August 4, 1999, the Newark Municipal Council adopted Resolution 7RE-F authorizing the sale of the Project and the transfer of the Financial Agreement from Fairview Homes Associates to Fairview Preservation Urban Renewal Partnership, L.P. and authorizing the Mayor to sign, on behalf of the City, an Assignment and Assumption Agreement with the Assignor (the "Original Assignment Agreement"); and

WHEREAS, as authorized by Resolution 7RE-F080499, the City and Fairview Preservation Urban Renewal Partnership, L.P. executed the Original Assignment Agreement; and

WHEREAS, Fairview Preservation Urban Renewal Partnership, L.P. is about to enter into a contract with Fairview Homes Acquisition Urban Renewal, LLC, c/o Related Affordable, 60 Columbus Circle, New York, New York 10023 (the "Assignee") to sell the Project, which contract requires that the City approve the transfer of the Financial Agreement to the Assignee; and

WHEREAS, the Assignee has filed an application with the City seeking consent to the sale of the Project and to the transfer of the Financial Agreement from Fairview Preservation Urban Renewal Partnership, L.P. to the Assignee; and

WHEREAS, the Assignee is willing to assume all of the rights and obligations of Fairview Preservation Urban Renewal Partnership, L.P. under the Financial Agreement and has submitted an Assignment and Assumption Agreement (the "Assignment Agreement") to assume such rights and obligations; and

WHEREAS, the City has reviewed the application filed by the Assignee seeking consent to the assignment of the Financial Agreement and has determined that the Assignee is a duly-authorized urban renewal entity that has the capacity and experience to own and operate the Project and to assume all of the rights and obligations of Fairview Preservation Urban Renewal Partnership, L.P. under the Financial Agreement; and

WHEREAS, the Municipal Council wishes to adopt this resolution in order to reflect the City's

consent to the sale of the Project and of the transfer of the Financial Agreement to the Assignee and to authorize the Mayor to execute the Assignment Agreement on behalf of the City.

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

1. The sale of the affordable housing project located at 368-408 Hunterdon Street and designated as Block 2547, Lot 1 on the Official Tax Map of the City of Newark (the “Project”) by Fairview Preservation Urban Renewal Partnership, L.P. to Fairview Homes Acquisition Urban Renewal, LLC, c/o Related Affordable, of 60 Columbus Circle, New York, New York 10023 (the “Assignee”),and the assignment of the Financial Agreement governing the Project from Fairview Preservation Urban Renewal Partnership, L.P. to the Assignee, are hereby approved by the City of Newark.

2. The Municipal Council hereby authorizes the Mayor to enter into and execute, on behalf of the City of Newark (the “City”), the Assignment and Assumption Agreement between the City and the Assignee (the “Assignment Agreement”) in the form attached hereto.

3. The Assignment Agreement, once fully executed, shall be filed by the Acting Deputy Mayor/Director of the Department of Economic and Housing Development with the Office of the City Clerk.

4. All outstanding Annual Service Charges and Water/Sewer Charges for the Project must be satisfied within thirty (30) days of the effective date of this resolution.

5. This resolution shall take effect immediately.

STATEMENT

This resolution approves the sale of the affordable housing project located at 368-408 Hunterdon Street and designated as Block 2547, Lot 1 on the Official Tax Map of the City of Newark (the “Project”) by Fairview Preservation Urban Renewal Partnership, L.P. to Fairview Homes Acquisition Urban Renewal, LLC, c/o Related Affordable, of 60 Columbus Circle, New York, New York 10023 (the “Assignee”), and) the assignment of the Financial Agreement governing the Project from Fairview Preservation Urban Renewal Partnership, L.P. to the Assignee. This resolution also authorizes the Mayor to enter into and execute, on behalf of the City, an Assignment and Assumption Agreement with the Assignee.

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