



Legislation Details (With Text)

File #: 16-0811 **Version:** 1 **Name:** Revised Settlement Agreement with Boraie Development, LLC, and Arena Village

Type: Resolution **Status:** Adopted

File created: 5/10/2016 **In control:** Economic and Housing Development

On agenda: 5/26/2016 **Final action:** 5/26/2016

Title: Dept/ Agency: Economic & Housing Development
Action: () Ratifying (X) Authorizing (X) Amending
Type of Service: Settlement Agreement between the City of Newark, Boraie Development, LLC, and its related entity Arena Village, LLC
Purpose: Amended Restated Settlement Agreement between the City of Newark, Boraie Development, LLC, and its related entity Arena Village, LLC
Entity Name: Boraie Development, LLC and its related entity Arena Village, LLC
Entity Address: 120 Albany Street, suite 800, New Brunswick, New Jersey 08901
Contract Amount: N/A
Funding Source: :
Contract Period: N/A
Contract Basis: () Bid () State Vendor () Prof. Ser. () EUS
() Fair & Open () No Reportable Contributions () RFP () RFQ
() Private Sale () Grant () Sub-recipient (X) n/a
Additional Information:
This resolution authorizes the Amended Restated Settlement Agreement between the City of Newark (the "City"), Boraie Development, LLC, and its related entity Arena Village, LLC (together as "Redeveloper") to avoid litigation and promote redevelopment within the City of Newark.

Sponsors:

Indexes:

Code sections:

Date	Ver.	Action By	Action	Result
5/26/2016	1	Municipal Council	Adopt	Pass

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Additional Information:

This resolution authorizes the Amended Restated Settlement Agreement between the City of Newark (the "City"), Boraie Development, LLC, and its related entity Arena Village, LLC (together as

“Redeveloper”) to avoid litigation and promote redevelopment within the City of Newark.

WHEREAS, on July 14, 2004 the City of Newark (“City”) Municipal Council adopted Resolution 7RBA, utilizing the powers of Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq., to designate land within the Downtown Newark area as an “area in need of redevelopment,” commonly known as the Newark Downtown Core District Redevelopment Area (“Redevelopment Area”), which includes the development site of Triangle Park; and

WHEREAS, on October 6, 2004, the Municipal Council adopted Ordinance 6S&FF adopting the Newark Downtown Core District Redevelopment Plan and Amendment to the Newark Plaza Urban Renewal Plan (“Plan”), which has been amended from time to time; and

WHEREAS, on October 6, 2004, the Municipal Council adopted Resolution 7RBC designating the Housing Authority of the City of Newark (“Authority”) as the City’s Redevelopment Entity for the purpose of implementing the Plan on behalf of the City in accordance with N.J.S.A. 40A:12A-4(c); and

WHEREAS, on or about August 5, 2010, the Authority executed a Redevelopment Agreement with Boraie Development, LLC and Newark Plaza Development, LLC (“Redeveloper”) (“Urban Plaza Redevelopment Agreement”), regarding the redevelopment of Block 161, Lot 1.02 within the Newark Plaza Urban Renewal Redevelopment Plan; and

WHEREAS, on or about May 23, 2013, the Authority and the Redeveloper executed a Redevelopment Agreement between the Authority and Boraie Development, LLC to construct Triangle Park with recreational amenities and supporting retail uses pending an amendment of the Redevelopment Plan allowing retail uses within Triangle Park (“Triangle Park Redevelopment Agreement”); and

WHEREAS, on February 24, 2015, the Municipal Council adopted the Third Amendment to the Plan (“**Third Amendment**”), allowing retail uses within Triangle Park; and

WHEREAS, on or about April 15, 2015, Station Plaza Newark Downtown Core Urban Renewal Company, LLC, having an address of 100 Washington Street, Newark, New Jersey 07102 (“**Station Plaza**”) filed a complaint in lieu of prerogative writs challenging the Third Amendment (“**Station Plaza Complaint**”); and

WHEREAS, after extensive negotiations between all interested redevelopers within the Redevelopment Area, on September 2, 2015, the Municipal Council adopted Ordinance 6PSF-B As Amended authorizing a Fourth Amendment to the Plan (“**Fourth Amendment**”), and largely repealed the Third Amendment including the retail uses within Triangle Park; and

WHEREAS, Redeveloper asserts that the Fourth Amendment and accompanying Ordinance conflict with the material terms of the Triangle Park Redevelopment Agreement; and

WHEREAS, after negotiations between the City, the Authority and the Redeveloper, on November 10, 2015, the Municipal Council adopted Resolution 7R3-B (AS) (S) authorizing the execution of a Settlement Agreement between the City and Boraie Development, LLC to avoid litigation regarding the Fourth Amendment; and

WHEREAS, N.J.S.A. 40A:12A-8 authorizes the City to contract with redevelopers to implement its redevelopment plans.

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 Amended Restated Settlement Agreement between the City of Newark and Boraie Development, LLC and its related entity Arena Village, LLC, in the form attached hereto.
2. A copy of the fully executed Amended Restated Settlement Agreement between the City of Newark, Boraie Development, LLC and its related entity Arena Village, LLC and this resolution shall be placed on file in the Office of the City Clerk by the Deputy Mayor/Director of the Department of Economic and Housing Development.

STATEMENT

This resolution authorizes the Mayor and/or his designee the Deputy Mayor/Director of the Department of Economic and Housing Development to enter into and execute an Amended Restated Settlement Agreement between the City of Newark, Boraie Development, LLC and its related entity Arena Village, LLC for the purpose of avoiding litigation and promoting redevelopment within the City of Newark.