



Legislation Details (With Text)

File #: 16-1813 Version: 1 Name: Claremont Property Inc.
Type: Resolution Status: Adopted
File created: 11/28/2016 In control: Economic and Housing Development
On agenda: 1/10/2017 Final action: 1/10/2017

Title: Dept/ Agency: Economic and Housing Development
Action: () Ratifying (X) Authorizing () Amending
Type of Service: Private Sale/Redevelopment
Purpose: Construction of a mixed-use project consisting of office space, collegiate space, retail,
parking, and such other purposes as may be approved by the City
Entity Name: Claremont Properties, Inc.
Entity Address: 49 Route 202, Far Hills, New Jersey 07931
Sale Amount: \$2,794,000.00
Cost Basis: () \$ PSF (X) Negotiated () N/A (X) Other: Appraisal
Assessed Amount: \$0.00
Appraised Amount: \$0.00
Contract Period: To commence within three (3) months of execution and completed within twenty-four
(24) months of execution
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)
13-15 Lock St./Block 2836/Lot 17/Central Ward
23 Lock St./Block 2836/Lot 22/Central Ward
25 Lock St./Block 2836/Lot 23/Central Ward
235 Central Ave./Block 2836/Lot 25/Central Ward
29 Lock St./Block 2836/Lot 26/Central Ward
31 Lock St./Block 2836/Lot 27/Central Ward
33 Lock St./Block 2836/Lot 28/Central Ward
229-233 Central Ave./Block 2836/Lot 29/Central Ward
37 Lock St./Block 2836/Lot 30/Central Ward
237-241 Central Ave./Block 2836/Lot 35 and 36/Central Ward
243-245 Central Ave./Block 2836/Lot 37/Central Ward
247-9 Central Ave./Block 2836/Lot 39/Central Ward
34 Dey St./Block 2836/Lot 40/Central Ward
32 Dey St./Block 2836/Lot 41/Central Ward
30 Dey St./Block 2836/Lot 42/Central Ward
26-28 Dey St./Block 2836/Lot 43/Central Ward
10-24 Dey St./Block 2836/Lot 44/Central Ward
Additional Information:

Sale Price as negotiated with purchaser pursuant to the City's authority under N.J.S.A. 40A:12A-8(g)

Sponsors: Gayle Chaneyfield Jenkins, Anibal Ramos, Jr.

Indexes:

Code sections:

Table with 5 columns: Date, Ver., Action By, Action, Result. Row 1: 1/10/2017, 1, Municipal Council, Adopt, Pass

Dept/ Agency: Economic and Housing Development

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- 30 Dey St./Block 2836/Lot 42/Central Ward
- 26-28 Dey St./Block 2836/Lot 43/Central Ward
- 10-24 Dey St./Block 2836/Lot 44/Central Ward

Additional Information:

Sale Price as negotiated with purchaser pursuant to the City's authority under N.J.S.A. 40A:12A-8(g)

WHEREAS, the purpose of this resolution is to approve the sale and redevelopment of the following City-owned properties located in the Central Ward of the City of Newark:

<u>ADDRESS</u>	<u>BLOCK</u>	<u>LOT</u>	<u>WARD</u>
13-15 Lock St.	Block 2836	Lot 17	Central Ward
23 Lock St.	Block 2836	Lot 22	Central Ward
25 Lock St.	Block 2836	Lot 23	Central Ward
235 Central Ave.	Block 2836	Lot 25	Central Ward
29 Lock St.	Block 2836	Lot 26	Central Ward
31 Lock St.	Block 2836	Lot 27	Central Ward
33 Lock St.	Block 2836	Lot 28	Central Ward
229-233 Central Ave.	Block 2836	Lot 29	Central Ward
37 Lock St.	Block 2836	Lot 30	Central Ward
237-241 Central Ave.	Block 2836	Lot 35, 36	Central Ward

243-245 Central Ave.	Block 2836	Lot 37	Central Ward
247-9 Central Ave.	Block 2836	Lot 39	Central Ward
34 Dey St.	Block 2836	Lot 40	Central Ward
32 Dey St.	Block 2836	Lot 41	Central Ward
30 Dey St.	Block 2836	Lot 42	Central Ward
26-28 Dey St.	Block 2836	Lot 43	Central Ward
10-24 Dey St.	Block 2836	Lot 44	Central Ward

Total Purchase Price: \$2,794,000.00; and

WHEREAS, the City of Newark has determined that the above referenced City-owned Properties (the "Properties") are no longer needed for public use; and

WHEREAS, pursuant to N.J.S.A. 40A:12A-8(g), the City of Newark is proceeding with the rehabilitation of the area and is conveying properties at such prices and upon such terms as it deems reasonable and said conveyance is made in conjunction with the applicable Redevelopment Plan, as amended; and

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

WHEREAS, the Act authorizes municipalities to convey real property consistent with approved redevelopment plans pursuant to N.J.S.A. 40A:12A-8(g); and

WHEREAS, by Ordinance 6PSF-a, adopted on January 21, 2009, the Municipal Council approved the Broad Street Station District Redevelopment Plan, which includes the areas generally bounded by Clay Street and Interstate 280 to the North, McCarter Highway, Bridge Street, and the rear boundary of the lots on the east side of Broad Street to the East; the rear boundary of the lots on the south side of Central Avenue to the south; and the rear boundary of the lots on the west side of Norfolk Street to the west, and inclusive of an area bounded by Warren Street, Colden Street, and Raymond Boulevard; and

WHEREAS, the 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 Property, as that term is defined herein; 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, the City is the owner of that certain parcel of real property shown on the official tax map of the City of Newark as Block 2836, Lots 17, 22, 23, 25, 26, 27, 28, 29, 30, 35, 36, 37, 39, 40, 41, 42, 43, and 44 located in the Central Ward of the City, (hereinafter, collectively the "Property" or the "City Property"); and

WHEREAS, Claremont Properties, Inc. ("Redeveloper"), 49 Route 202, Far Hills, New Jersey 07931, has expressed an interest in redeveloping the Properties for the development of a mixed-use

project consisting of office space, collegiate space, retail, parking, and such other purposes as may be approved by the City and complying with the terms and conditions of the attached Agreement for the Sale of Land and Redevelopment (“the Agreement”) and the Redevelopment Plan, as amended; and

WHEREAS, pursuant to the above-mentioned statutory authority, the Department of Economic and Housing Development has recommended that the City of Newark sell the Property to Claremont Properties, Inc., whom is willing to purchase the Property from the City, for the consideration of Two Million Seven Hundred Ninety-Four Thousand Dollars and Zero Cents (\$2,794,000.00) for the purpose of redeveloping said Properties in accordance with the requirements of N.J.S.A. 40A:12A-8 (g), the Agreement, and the Central Ward Redevelopment Plan, as amended; and

WHEREAS, the City has determined that the Redeveloper possesses 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 RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:

1. The Mayor and/or his designee and 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 and Redevelopment of Land attached hereto with Claremont Properties, Inc., 49 Route 202, Far Hills, New Jersey, 07931 for the private sale and redevelopment of the Properties for the Purchase Price of \$2,794,000.00 (Two Million Seven Hundred Ninety Four Thousand Dollars and Zero Cents) to construct a mixed-use project consisting of office space, collegiate space, retail, parking, and such other purposes as may be approved by the City, in accordance with the requirements of N.J.S.A. 40A:12A-8(g), the terms and conditions of the attached Agreement and the Central Ward Redevelopment Plan, as amended.
2. Said Properties shall be sold to Claremont Properties, Inc. by private sale for the purpose of redeveloping the abovementioned properties into a mixed-use project.
3. 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 Redevelopment Agreement annexed hereto and may enter into access and right of entry agreements and any related documents which may be necessary in order to effectuate the sale of the Properties and the terms and conditions of the Agreement, all in forms subject to the approval of the City of Newark Corporation Counsel.
4. The Deputy Mayor/Director of the Department of Economic and Housing Development is hereby authorized to enter into a maximum of two (2) six (6) month extensions of any timeframe set forth in the Agreement, subject to full written disclosure of such extension(s) (in the form of a signed memorandum to be submitted to the Office of the City Clerk prior to adoption) to the Municipal Council of the City of Newark by the Deputy Mayor/Director of the Department of Economic and Housing Development and the approval of the City of Newark

Corporation Counsel.

5. The Redeveloper shall be designated as the exclusive redeveloper of the Properties and any other prior legislation authorizing or intended to authorize the sale and/or redevelopment and/or rehabilitation of the Property are hereby rescinded.
6. The Redeveloper shall have thirty (30) days from the date this resolution is certified by the Office of the City Clerk to execute the attached Agreement for the Sale and Redevelopment of Land and return same to the Department of Economic and Housing Development. Should the Redeveloper fail to execute and return the attached Agreement within this thirty (30) 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 thirty (30) day time period.
7. The Director of Finance is hereby authorized to receive proceeds of the sale and to deposit same as follows: ninety percent (90%) of the sale proceeds shall be deposited into the Redevelopment Acquisition Dedicated Trust Fund, established under Resolution 7Rcs(AS) dated April 16, 1986; and ten percent (10%) of the sale proceeds shall be placed in the City's Affordable Housing Trust Fund, established under City Ordinance 6PhS&Ff dated June 21, 2006, for the purpose of preserving low and moderate income affordable housing.
8. The Deputy Mayor/Director of the Department of Economic and Housing Development shall place a copy of the executed Agreement for the Sale and Redevelopment of Land, the Quitclaim Deed, and all such other executed agreements authorized by this resolution on file in the Office of the City Clerk.
9. The Redeveloper shall be required to comply with the City of Newark's Minority Set-Aside Ordinance 6S&Fd, dated April 5, 1995; the City of Newark's Affirmative Action Plan 7Rbp, dated March 1, 1995; Federal Executive Order 11246, (as amended by Executive Orders 11375 and 12086) regarding the award of goods and services contracts; and the City of Newark Ordinance 6PSF-c June 17, 2015, Amending Title II, Administration, Chapter 4, General Administration, Section 20, Hiring of Newark Residents by Contractors or Other Persons Doing Business with the City of Newark and Section 21, Newark Residents' Employment Policy, by Adding Language to Address Immediate Short Term Training and Employment Opportunities and Repealing the Newark Employment Commission, a copy of which is attached to the Agreement (the "First Source Ordinance"), all as may be applicable. In addition, the Redeveloper has agreed to ensure that 30% of all contractors, subcontractors and suppliers shall be Newark-based companies.
10. The redevelopment of the Property shall be commenced within three (3) months and be completed within twenty-four (24) months from the transfer of ownership of the Property by the City to the Redeveloper.
11. The project to be implemented by the Redeveloper shall conform to the City of Newark Design Guidelines, including standards for environmental sustainability and energy efficiency, as established by the Department of Economic and Housing Development. Additionally, the Redeveloper shall conduct any environmental investigation and remediation upon the Properties as may be necessary. Should the Redeveloper fail to diligently pursue the rehabilitation of the Property, then 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.

12. The Deputy Mayor/Director of the Department of Economic and Housing Development is hereby authorized to execute a Quitclaim Deed to the Redeveloper for the Property. Said Quitclaim Deed conveying title to the Properties to the Redeveloper shall be approved as to form and legality by the City's Corporation Counsel and attested to and acknowledged by the City Clerk.

STATEMENT

This Resolution authorizes the Mayor and/or his designee and the Deputy Mayor/Director of the Department of Economic and Housing Development to enter into and execute an Agreement for the Sale and Redevelopment of Land with Claremont Properties, Inc. 49 Route 202, Far Hills, New Jersey, 07931, for the private sale and redevelopment of City-owned properties for the construction of a mixed-use project for the Purchase Price of \$2,794,000.00 (Two Million Seven Hundred Ninety Four Thousand Dollars and Zero Cents) in accordance with the requirements of N.J.S.A. 40A:12A-8 (g), the terms and conditions of the attached Agreement for the Sale and Redevelopment of Land and the Central Ward Redevelopment Plan, as amended.