Legislation Details (With Text)

File #:	19-0746	**Version:** 1	**Name:**	Amendment 1 to Duke Realty F/A	
Type:	Ordinance		**Status:**	Adopted	
File created:	4/29/2019		**In control:**	Economic and Housing Development	
On agenda:	7/23/2019		**Final action:**	8/7/2019	
Title:	AN ORDINANCE AMENDING ORDINANCE 6PSF-g, ADOPTED ON JANUARY 9, 2019, TAX ABATEMENT GRANTED TO DUKE REALTY NEWARK URBAN RENEWAL, LLC, 600 EAST 96TH STREET, SUITE 100, INDIANAPOLIS, INDIANA 46240, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW, TO INCLUDE A COMMUNITY BENEFIT CONTRIBUTION INTENDED, BUT MISTAKENLY OMITTED FROM THE FINANCIAL AGREEMENT FOR A PROJECT TO CONSTRUCT A NEW, STATE OF THE ART 661,539 SQUARE FOOT INDUSTRIAL WAREHOUSE BUILDING (INCLUDING APPROXIMATELY 20,000 SQUARE FEET OF OFFICE SPACE) LOCATED AT 429 DELANCY STREET, NEWARK, NEW JERSEY AND IDENTIFIED ON THE CITY'S TAX MAP AS BLOCK 5042, LOT 15.01. (EAST WARD)			
Sponsors:	Carlos M. Gonzalez, Eddie Osborne				
Indexes:					
Code sections:					

Date	Ver.	Action By	Action	Result
8/7/2019	1	Municipal Council	Close on Public Hearing and Adopt	Pass
7/23/2019	1	Municipal Council	Advance and Adopt on First Reading as 6F-	Pass

AN ORDINANCE AMENDING ORDINANCE 6PSF-g, ADOPTED ON JANUARY 9, 2019, TAX ABATEMENT GRANTED TO DUKE REALTY NEWARK URBAN RENEWAL, LLC, 600 EAST 96TH STREET, SUITE 100, INDIANAPOLIS, INDIANA 46240, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW, TO INCLUDE A COMMUNITY BENEFIT CONTRIBUTION INTENDED, BUT MISTAKENLY OMITTED FROM THE FINANCIAL AGREEMENT FOR A PROJECT TO CONSTRUCT A NEW, STATE OF THE ART 661,539 SQUARE FOOT INDUSTRIAL WAREHOUSE BUILDING (INCLUDING APPROXIMATELY 20,000 SQUARE FEET OF OFFICE SPACE) LOCATED AT 429 DELANCY STREET, NEWARK, NEW JERSEY AND IDENTIFIED ON THE CITY'S TAX MAP AS BLOCK 5042, LOT 15.01. (EAST WARD)

WHEREAS, on January 9, 2019, the Newark Municipal Council adopted Ordinance 6PSF-g (the "Ordinance", a copy of which is attached hereto as Exhibit A) granting a twenty-five (25) year tax abatement to Duke Realty Newark Urban Renewal, LLC, an urban renewal entity qualified to do business under the provisions of the Long Term Tax Exemption Law as amended and supplemented, N.J.S.A. 40A:20-1, et seq. (the "Long Term Tax Exemption Law"), with an address of 600 East 96th Street, Suite 100, Indianapolis, Indiana 46240 (the "Entity"), for a project to construct a new, state of the art 661,539 square foot industrial warehouse building (including approximately 20,000 square feet of office space) located at 429 Delancy Street, Newark, New Jersey and identified on the City's tax map as Block 5042, Lot 15.01 (the "Project"); and

WHEREAS, the Parties entered into that certain Financial Agreement, dated April 1, 2019, (the "Financial Agreement"), a copy of which is attached hereto as Exhibit B); and

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WHEREAS, after the execution of the Financial Agreement, the Parties discovered that they had failed to include a mutually agreed upon, substantive provision therein, whereby the Entity would make a one-time contribution to the City in the amount of Three Hundred Thousand Dollars and Zero Cents ($300,000.00) to compensate the City for potential Project impacts (the "Community Benefit Contribution") which shall be deposited into a dedicated account and shall be used to fund necessary repairs and improvements to the Hennessy Street Park and surrounding public property and rights of way located in the East Ward of the City; and

WHEREAS, the Parties desire to amend the Financial Agreement so that it accurately reflects the intentions of the Parties and incorporates the Community Benefit Contribution.

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

1. The Mayor of the City of Newark and/or his designee, the Interim Deputy Mayor/Director of the Department of the Economic and Housing are hereby authorized to enter into and execute, on the City's behalf, a First Amendment to the Financial Agreement (the "First Amended Financial Agreement"), in the form attached hereto as Exhibit C, with Duke Realty Newark Urban Renewal, LLC, with an address of 600 East 96th Street, Suite 100, Indianapolis, Indiana 46240, to include a mutually agreed upon Community Benefit Contribution which was intended to be part of the Financial Agreement that was adopted by Municipal Council on January 9, 2019 through Ordinance 6PSF-g, but was mistakenly omitted.

2. An executed copy of the First Amended Financial Agreement authorized by this Ordinance shall be filed and maintained with the City Clerk.

3. The Entity shall, in the operation of the Project, comply with all laws so that no person shall be subject to any discrimination because of race, religious principles, color, national origin, or ancestry.

4. The Entity shall file an employment report (herein described below) with the Office of Affirmative Action which shall forthwith after receiving the report, send a copy thereof to the City Clerk and the Office of Affirmative Action which shall forthwith investigate the matters contained therein and report its findings to the Municipal Council.

5. The adoption of this Ordinance is expressly conditioned upon the requirement that the Entity pay the City all outstanding taxes and/service charges, and water/sewer charges within thirty (30) days after the date of the adoption of this Ordinance. If the Entity fails to timely satisfy these requirements, then this Ordinance and the approval granted herein shall be null and void.

6. This Ordinance shall take effect upon final passage and publication in accordance with the laws of the State of New Jersey.

STATEMENT

This Ordinance authorizes a First Amendment to the Financial Agreement entered into with

Duke Realty Newark Urban Renewal, LLC, with an address of 600 East 96th Street, Suite 100, Indianapolis, Indiana 46240, an urban renewal entity qualified to do business under the provisions of the Long Term Tax Exemption Law as amended and supplemented, N.J.S.A. 40A:20-1, et seq., to include a community benefit contribution intended, but mistakenly omitted from the Financial Agreement for a project to construct a new, state of the art 661,539 square foot industrial warehouse building (including approximately 20,000 square feet of office space) located at 429 Delancy Street, Newark, New Jersey and identified on the City's tax map as Block 5042, Lot 15.01.(East Ward)

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