



## Legislation Details (With Text)

**File #:** 19-0749      **Version:** 1      **Name:** E. Gill Development

**Type:** Resolution      **Status:** Adopted

**File created:** 4/29/2019      **In control:** Economic and Housing Development

**On agenda:** 8/20/2019      **Final action:** 8/20/2019

**Title:** Dept/ Agency: Economic and Housing Development  
Action: ( ) Ratifying (X) Authorizing ( ) Amending  
Type of Service: Private Sale/Redevelopment  
Purpose: To construct four (4) two-family residential homes.  
Entity Name: E. Gill Development, LLC  
Entity Address: 626 Central Avenue, Suite 2A, East Orange, New Jersey 07018  
Sale Amount: \$74,340.00  
Cost Basis: ( X ) \$6.00 PSF ( ) Negotiated ( ) N/A ( ) Other:  
Assessed Amount: \$  
Appraised Amount: \$0.00  
Contract Period: To commence within three (3) months and be completed within eighteen (18) months from the transfer of ownership by the City  
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)  
67 S 12th Street/Block 1867/Lot 28/West Ward  
63 S 12th Street/Block 1867/Lot 25/West Ward  
62 S 12th Street/Block 1868/Lot 47/West Ward  
131 Hedden Terrace/Block 3028/Lot 13/South Ward  
Additional Information:  
Total Purchase Price: Square Footage x PSF = 12,390 X \$6.00 = \$74,340.00  
Sale at prices set forth by Ordinance 6S&Fh, adopted April 7, 2004, establishing the minimum sale price of City-owned properties.

**Sponsors:** Joseph A. McCallum, Jr., John Sharpe James

**Indexes:**

**Code sections:**

Date	Ver.	Action By	Action	Result
8/20/2019	1	Municipal Council	Adopt	Pass

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**Additional Information:**

Total Purchase Price: Square Footage x PSF = 12,390 X \$6.00 = \$74,340.00

Sale at prices set forth by Ordinance 6S&Fh, adopted April 7, 2004, establishing the minimum sale price of City-owned properties.

**WHEREAS**, the purpose of this resolution is to approve the sale and redevelopment of the following City-owned Properties located in the West Ward and South Ward of the City of Newark:

<u>ADDRESS</u>	<u>WARD</u>	<u>BLOCK</u>	<u>LOT</u>	<u>SIZE</u>	<u>SQ. FEET</u>
67 S 12 <sup>th</sup> Street	West	1867	28	25X100	2,500
63 S 12 <sup>th</sup> Street	West	1867	25	37.6X100	3,760
62 S 12 <sup>th</sup> Street	West	1868	47	25X100	2,500
131 Hedden Terr	South	3028	13	33X110	3,630

Total Square Footage: 12,390

Total Purchase Price: \$74,340.00 (\$6.00 per sf.); 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 Municipal Council previously adopted Resolution 7Rdo(AS) on June 15, 2005, designating the entire City as an "area in need of rehabilitation" under the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1, et seq. (the "LRHL"); and

**WHEREAS**, on August 17, 2005, the Municipal Council thereafter adopted Ordinance 6S&Fc (S), adopting the Second Amendment to the West Ward Redevelopment Plan governing the redevelopment of City-owned Properties located within the West Ward, and Ordinance 6S&Fd(AS), adopting the Third Amendment to the South Ward Redevelopment Plan governing the redevelopment of City-owned Properties in South Ward, which includes the above-referenced Properties; and

**WHEREAS**, the City received a Letter of Intent, attached as Exhibit A to the Redevelopment Agreement (also referred to as "Proposal"), from E. Gill Development LLC, 626 Central Avenue, Suite 2A, East Orange, New Jersey 07018 (the "Redeveloper") for the purchase and redevelopment of the

Properties; and

**WHEREAS**, the Redeveloper has proposed to the City's Department of Economic and Housing Development to redevelop the Properties by constructing four (4) two-family residential homes; and

**WHEREAS**, based upon the City's review of the Proposal and other such information, the City has determined that the Redeveloper possesses the proper qualifications and requisite financial resources and capacity to acquire the Properties and to develop it in accordance with the requirements of N.J.S.A. 40A:12A-8(g), the terms and conditions of the Agreement for the Sale and Redevelopment of Land, in the form attached hereto (the "Agreement"), and the West Ward and South Ward Redevelopment Plans, 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 Properties to E. Gill Development LLC which is willing to purchase the Properties from the City, for the consideration of Seventy-Four Thousand, Three Hundred Forty Dollars and Zero Cents (\$74,340.00), 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 West Ward and South Ward Redevelopment Plans, as amended.

**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 E. Gill Development LLC, 626 Central Avenue, Suite 2A, East Orange, New Jersey 07018, for the private sale and redevelopment of the following Properties, for the following Purchase Price, in accordance with the requirements of N.J.S.A. 40A:12A-8(g), the terms and conditions of the attached Agreement and the West Ward and South Ward Redevelopment Plans, as amended:

<u>ADDRESS</u>	<u>WARD</u>	<u>BLOCK</u>	<u>LOT</u>	<u>SIZE</u>	<u>SQ. FEET</u>
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131 Hedden Terr	South	3028	13	33X110	3,630.

Total Square Footage: 12,390.

Total Purchase Price: \$74,340.00 (\$6.00 per sf.)

2. Said Properties shall be sold to E. Gill Development LLC, by private sale for the purpose of redeveloping the above-mentioned Properties by constructing four (4) two-family residential homes.
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's 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 Interim Deputy Mayor/Director of the Department of Economic and Housing Development and the approval of the City of Newark's 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 Properties is 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 Deputy Mayor/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 Community and Economic Development Dedicated Trust Fund established under Resolution 7Rg, November 6, 1985; and ten percent (10%) of the sale proceeds shall be placed in the City's Affordable Housing Trust Fund established under City Ordinance 6S&Ff 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 April 5, 1995; the City of Newark's Affirmative Action Plan 7Rbp, 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 as Exhibit C (the "First Source Ordinance"), all as may be applicable. In addition, the Redeveloper has agreed to ensure that thirty percent (30%) of all contractors, subcontractors and suppliers shall be Newark-based companies.
10. The development of the Properties shall commence within three (3) months and be completed

within eighteen (18) months from the transfer of ownership of the Properties 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 redevelopment of the Properties, then the City, in its sole discretion, may exercise its Right of Reverter to transfer title to the Properties back to the City, in accordance with the terms and conditions of the Agreement and the deed. Failure to exercise or a delay in exercising this Right of Reverter by the City of Newark shall not constitute a waiver nor shall such failure and/or delay serve as a basis for adverse possession of the Property. Any and all waivers of the City's Right of Reverter shall be in writing.
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 Properties. 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 E. Gill Development LLC, 626 Central Avenue, Suite 2A, East Orange, New Jersey 07018, for the private sale and redevelopment of the following Properties, for the following Purchase Price, 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 West Ward and South Ward Redevelopment Plans, as amended, to develop four (4) two-family residential homes.

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