



Legislation Details (With Text)

File #: 19-1977 **Version:** 1 **Name:** Private Sale/Redevelopment to Invest Newark
Type: Resolution **Status:** Adopted
File created: 12/16/2019 **In control:** Economic and Housing Development
On agenda: 3/4/2020 **Final action:** 3/4/2020
Title: Dept/ Agency: Economic and Housing Development
Action: ☐ Ratifying ☒ Authorizing ☐ Amending
Type of Service: Private Sale/Redevelopment
Purpose: To rehabilitate the residential properties for resale in a pilot Section 8 Homeownership Program, administered in partnership with the Newark Housing Authority.
Entity Name: Invest Newark, a New Jersey Nonprofit Corporation
Entity Address: 111 Mulberry Street, Suite LL, Newark, New Jersey 07102
Sale Amount: \$3.00
Cost Basis: ☐ \$ PSF ☐ Negotiated ☐ N/A ☐ Other: X
Assessed Amount: \$338,500.00
Appraised Amount: \$0.00
Contract Period: Agreement to be executed within thirty (30) days of the adoption of this authorizing resolution
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)
73 1/2 Cutler Street/Block 488/Lot 59/Central Ward
24-26 Beverly Street/Block 3076/Lot 39/South Ward
92 South 10th Street/Block 1856/Lot 47/West Ward
Additional Information:
Purchase Price is \$1.00 for each property.

Sponsors:

Indexes:

Code sections:

Date	Ver.	Action By	Action	Result
3/4/2020	1	Municipal Council	Adopt	Pass

Dept/ Agency: Economic and Housing Development
Action: ☐ Ratifying ☒ Authorizing ☐ Amending
Type of Service: Private Sale/Redevelopment
Purpose: To rehabilitate the residential properties for resale in a pilot Section 8 Homeownership Program, administered in partnership with the Newark Housing Authority.
Entity Name: Invest Newark, a New Jersey Nonprofit Corporation
Entity Address: 111 Mulberry Street, Suite LL, Newark, New Jersey 07102
Sale Amount: \$3.00
Cost Basis: ☐ \$ PSF ☐ Negotiated ☐ N/A ☐ Other: X
Assessed Amount: \$338,500.00
Appraised Amount: \$0.00
Contract Period: Agreement to be executed within thirty (30) days of the adoption of this authorizing resolution

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)

73 ½ Cutler Street/Block 488/Lot 59/Central Ward
24-26 Beverly Street/Block 3076/Lot 39/South Ward
92 South 10th Street/Block 1856/Lot 47/West Ward

Additional Information:

Purchase Price is \$1.00 for each property.

WHEREAS, the City of Newark (the “City”) recognizes the importance of equitable access to homeownership opportunities for low and moderate income residents of the City, including low and moderate income residents employed by the City; and

WHEREAS, Invest Newark, a New Jersey Nonprofit Corporation (“Invest Newark”), 111 Mulberry Street, Suite LL, Newark, New Jersey, proposes to acquire the following properties from the City to provide such homeownership opportunities; and

WHEREAS, the City of Newark has determined that the following City owned properties (the “Properties”) are not needed for public use:

<u>ADDRESS</u>	<u>BLOCK</u>	<u>LOT</u>	<u>Ward</u>	<u>SIZE</u>	<u>SQ. FEET</u>
73 ½ Cutler Street	488	59	Central	12.10X98.2	1,188.22
24-26 Beverly Street	3076	39	South	47X108	5,076
92 S 10 th Street	1856	47	West	25X100	2,500

Purchase Price: \$3.00 (\$1.00 for each property); and

WHEREAS, the Municipal Council, pursuant to N.J.S.A. 40A:12-21 et seq., may authorize a private sale and conveyance of land that is not needed for Municipal purposes for a nominal consideration to certain organizations for a specific purpose and if the Properties are not utilized in accordance with said limitations, title thereto shall revert back to the City without any entry or reentry made thereon on behalf of the City; and

WHEREAS, pursuant to N.J.S.A. 40A:12-21(j), a duly incorporated nonprofit organization may obtain property from a municipality, for the purpose of building or rehabilitating residential properties for resale and any profits from resale of the properties shall be applied by the nonprofit organization to the costs of acquiring and rehabilitating other residential properties in need of rehabilitation owned by the municipality; and

WHEREAS, Invest Newark in partnership with the Newark Housing Authority (the “NHA”), will rehabilitate the Properties to allow over-income Section 8 recipients to convert their Housing Choice Vouchers for use toward a mortgage payment; and

WHEREAS, pursuant to the above referenced statutory authority, the Department of Economic and Housing Development has recommended the City sell the Properties to Invest Newark for a pilot

Section 8 Homeownership Program for the consideration of Three Dollars and Zero Cents (\$3.00).

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 Director of the Department of Economic and Housing Development are each hereby authorized to enter into and execute the Purchase Agreement with Invest Newark, a duly incorporated nonprofit organization, 111 Mulberry Street, Suite LL, Newark, New Jersey 07102, for the private sale and rehabilitation of the following Properties, for the following nominal consideration in accordance with requirements of N.J.S.A. 40A:12-21 et seq., the terms and conditions of the attached Agreement, and the Redevelopment Plans, as applicable:

<u>ADDRESS</u>	<u>BLOCK</u>	<u>LOT</u>	<u>WARD</u>	<u>SIZE</u>	<u>SQ. FEET</u>
73 ½ Cutler Street	488	59	Central	12.10x98.2	1,188.22
24-26 Beverly Street	3076	39	South	47x108	5,076
92 S 10 th Street	1856	47	West	25x100	2,500

Purchase Price: \$3.00 (\$1.00 for each property)

2. In accordance with N.J.S.A. 40A:12-21, the City of Newark may convey land not needed for municipal purposes by private sale for a nominal consideration to certain organizations for a specific purpose and if the Properties are not utilized in accordance with said limitations, title thereto shall revert back to the City without any entry or reentry made thereon on behalf of the City.
3. The Properties shall be conveyed to Invest Newark, for the purpose of rehabilitating the residential Properties for resale in a pilot Section 8 Homeownership Program, the limitation, administered in partnership with the Newark Housing Authority.
4. Any profits from the resale of the Properties shall be applied by Invest Newark to the costs of acquiring and rehabilitating other residential properties owned by the City of Newark pursuant to N.J.S.A 40A:12-21(j).
5. The Director of the Department of Economic and Housing Development is hereby authorized to effectuate certain business terms and conditions related to the Purchase Agreement 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's Corporation Counsel.
6. Invest Newark shall have thirty (30) days from the date this resolution is certified by the Office of the City Clerk to execute the attached Agreement and return same to the Department of Economic and Housing Development. Should Invest Newark 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 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 the proceeds of the sale and to deposit it into the Community and Economic Development Dedicated Trust Fund established under 7Rg, on November 6, 1985.
8. Any other prior legislation authorizing or intended to authorize the sale and/or redevelopment and/or rehabilitation of the Properties is hereby rescinded.
9. The Director of the Department of Economic and Housing Development is hereby authorized to execute a Quitclaim Deed to Invest Newark for the Properties. Said Deed conveying title to the Properties to Invest Newark shall be approved as to form and legality by the City's Corporation Counsel and attested to and acknowledged by the City Clerk.
10. The Director of the Department of Economic and Housing Development shall place a copy of the executed Agreement, Deed, and all such other executed Agreements and documents authorized by this resolution on file in the Office of the City Clerk.
11. This resolution shall take effect upon final passage and publication in accordance with the laws of the State of New Jersey.

STATEMENT

This resolution authorizes the private sale of the following Properties to Invest Newark, a New Jersey Nonprofit Corporation, 111 Mulberry Street, Suite LL, Newark, New Jersey 07102, for nominal consideration for the purpose of rehabilitating the residential properties for resale in a pilot Section 8 Homeownership Program administered in partnership with the Newark Housing Authority:

<u>ADDRESS</u>	<u>BLOCK</u>	<u>LOT</u>	<u>Ward</u>	<u>SIZE</u>	<u>SQ. FEET</u>
73 ½ Cutler Street	488	59	Central	12.10X98.2	1,188.22
24-26 Beverly Street	3076	39	South	47X108	5,076
92 S 10 th Street	1856	47	West	25X100	2,500

Purchase Price: \$3.00 (\$1.00 for each property)