



Legislation Details (With Text)

File #: 22-1251 **Version:** 1 **Name:** Resolution: Grant Agreement - NJ 40 Acres and A Mule Fund
Type: Resolution **Status:** Adopted
File created: 8/31/2022 **In control:** Economic and Housing Development
On agenda: 10/5/2022 **Final action:** 10/5/2022

Title: Dept/ Agency: Economic and Housing Development
Action: ☐ Ratifying ☒ Authorizing ☐ Amending
Type of Service: Grant Agreement
Purpose: To grant financial assistance for the making of opportunistic investments in value-added small businesses and real estate projects within the City of Newark.
Entity Name: New Jersey 40 Acres and a Mule Fund, a New Jersey Non-profit Corporation
Entity Address: 111 Mulberry Street, Lower Level, Newark, New Jersey 07102
Grant Amount: \$2,000,000.00
Total Project Cost: Not Applicable
City Contribution: \$0.00
Other Funding Source Amount: Not Applicable
Grant Period: Commencing upon the full execution of the Grant Agreement and expiring one (1) year from full execution of the Grant Agreement
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: (if applicable)
(Address/Block/Lot/Ward)
Additional Information:

Sponsors: Council of the Whole

Indexes:

Code sections:

| Date | Ver. | Action By | Action | Result |
|-----------|------|-------------------|--------|--------|
| 10/5/2022 | 1 | Municipal Council | Adopt | Pass |

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WHEREAS, the Municipal Council encourages and supports the making of opportunistic investments in value-added small businesses and real estate projects; and

WHEREAS, the New Jersey 40 Acres and a Mule Fund, a New Jersey Non-Profit Corporation, 111 Mulberry Street, Lower Level, Newark, New Jersey 07102 (the “NJ Fam Fund” and/or the “Grantee”), a New Jersey Non-Profit Corporation, is a private investment vehicle focused on making equity and debt investments in Black and Latinx businesses located or doing business within the State of New Jersey; and

WHEREAS, the New Jersey Fam Fund made a grant request in the amount of Two Million Dollars and Zero Cents (\$2,000,000.00) from the City of Newark (the “City”) in order to support the making of opportunistic investments in value-added small businesses and real estate projects that will scale and reduce the wealth, health, and social disparities that exist with Black and Latinx communities when compared to the general population of the State of New Jersey; and

WHEREAS, the City may allocate funds to support activities intended to reinvigorate the City through the Community and Economic Redevelopment Dedicated Trust Fund (the “Fund”); and

WHEREAS, the City, through the Department of Economic and Housing Development, considered the NJ Fam Fund’s grant request and desires to make a capital grant from the amounts deposited in the Fund in the amount of Two Million Dollars and Zero Cents (\$2,000,000.00) to the Grantee to be used solely for the making of opportunistic investments in value-added small businesses and real estate projects within the City of Newark as detailed in the Grant Agreement; and

WHEREAS, the City desires to enter into a Grant Agreement with the New Jersey Fam Fund to memorialize the terms and conditions of its grant in the amount of Two Million Dollars and Zero Cents (\$2,000,000.00).

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

1. The Municipal Council hereby authorizes the issuance of a capital grant from the amounts deposited in the Fund in the amount of Two Million Dollars and Zero Cents (\$2,000,000.00) to New Jersey 40 Acres and a Mule Fund a New Jersey Non-Profit Corporation, 111 Mulberry Street, Lower Level, Newark, New Jersey 07102 to be used solely for the making of opportunistic investments in value-added small businesses and real estate projects within the City of Newark, as set forth in the Grant Agreement.
2. The Mayor of the City of Newark 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, on the City’s behalf, a Grant Agreement with New Jersey 40 Acres and a Mule Fund, a New Jersey Non-Profit Corporation, in the form attached hereto as Exhibit A (the “Grant Agreement”), for a period of one (1) year from the date the Grant Agreement is fully executed.

3. Attached hereto is a Certification of Funds, which shall be filed in the Office of the City Clerk, from the Director of the Department of Finance, which states that: (1) there are sufficient funds in the amount of Two Million Dollars (\$2,000,000.00); and (2) that the line appropriation of Official Budget, which shall be charged, is as follows:

| Business Unit | Dept. | Division/ Project | Activity | Account# | Budget Ref. |
|---------------|-------|----------------------|----------|----------|-------------|
| NW026 | | | | 32100 | B2022 |

4. A copy of the fully executed Grant Agreement must 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 of the City of Newark and/or his designee, and the Deputy Mayor/Director of the Department of Economic and Housing Development to enter into and execute a Grant Agreement with New Jersey 40 Acres and a Mule Fund, a New Jersey Non-Profit Corporation, located at 111 Mulberry Street, Lower Level, Newark, New Jersey 07102, for the issuance of a grant from the City's Community and Economic Development Dedicated Trust Fund in the amount of \$2,000,000.00, to make opportunistic investments in value-added small businesses and real estate projects within the City of Newark.