



Legislation Details (With Text)

File #: 22-1417 **Version:** 1 **Name:** Resolution: New Community Homes Development, LP - Resolution of Support

Type: Resolution **Status:** Adopted

File created: 9/30/2022 **In control:** Economic and Housing Development

On agenda: 10/25/2022 **Final action:** 10/25/2022

Title: Dept./ Agency: Economic and Housing Development
Action: (X) Ratifying (X) Authorizing () Amending
Type of Service: Resolution of Support
Purpose: To provide Municipal Council support for the submission of an application for tax credits sought by Developer under the NJ Aspire Tax Credit Program to the New Jersey Economic Development Authority.
Entity Name: New Community Homes Development, LP
Entity Address: 233 West Market Street, Newark, New Jersey 07103
Grant Amount: \$0.00
Total Project Cost: \$69,821,728.00
City Contribution: \$0.00
Other Funding Source/Amount: Traditional debt financing and equity funding
Grant Period: Ten (10) Years - Tax Credit Period, from the project completion date
Contract Basis: () Bid () State Vendor () Prof. Ser. () EUS
() Fair & Open () No Reportable Contributions () RFP () RFQ
() Private Sale () Grant () Sub-recipient (X) n/a
List of Property
(Address/Block/Lot/Ward
202 South Orange Avenue/Block 242/Lot 1/Central Ward
Additional Information:
The submission of an application for tax credits and support of the Municipal Council of same for New Community Homes Development, LP will be ratified from the date of submission of Developer's application for the Funds to the date of adoption of this authorizing Resolution.

Sponsors: Council of the Whole

Indexes:

Code sections:

Date	Ver.	Action By	Action	Result
10/25/2022	1	Municipal Council	Adopt	Pass

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Additional Information:

The submission of an application for tax credits and support of the Municipal Council of same for New Community Homes Development, LP will be ratified from the date of submission of Developer's application for the Funds to the date of adoption of this authorizing Resolution.

WHEREAS, New Community Homes Development, LP (the "Developer") proposes to construct a new four (4) story building consisting of (110) affordable housing rental units to be rented to tenants at 60% Area Median Income ("AMI") or less, ten (10) special needs rental units to be rented to special needs tenants at 30% AMI or less, and (140) parking spaces on the Property located at 202 South Orange Avenue, Block 242, Lot 1, in the City of Newark, New Jersey (the "Project"); and

WHEREAS, the Project will help create full-time construction jobs and permanent building service jobs and property management positions; and

WHEREAS, the Project will fully comply with the City of Newark's Inclusionary Zoning Ordinance, and will include twenty (20%) percent of the units being set aside for on-site affordable housing units; and

WHEREAS, in connection with the financing of the Project, the Developer is applying to the New Jersey Economic Development Authority (the "NJEDA") for tax credits under the newly created Aspire Tax Credit Program ("Funds"), which was authorized by the New Jersey Economic Recovery Act of 2020 (Sections 54 through 67 of P.L. 2020, c.156 and later amended by Sections 22 through 29 of P.L. 2021 c.160); and

WHEREAS, the NJEDA's underwriting requirements for the Funds align with the City of Newark's objectives in multiple ways, including a twenty (20%) percent affordable housing set aside for new construction, the use of prevailing wage and affirmative action protocols in connection with both construction of the Project and post-construction building services, and the need for applicants to enter into a community benefits agreement with the host municipality for projects with a total project cost of \$10 Million or more; and

WHEREAS, pursuant to NJEDA regulations, all applicants for Funds under the Aspire Tax Credit Program are required to obtain a Resolution of Support from the Governing Body of the host municipality; and

WHEREAS, pursuant to NJEDA regulations, the Municipal Council hereby determines that there is a need for this Project in the City of Newark; and

WHEREAS, the Deputy Mayor/Director of the Department of Economic and Housing Development recommends that the Municipal Council support the Developer's application as it relates to the Funds; and

WHEREAS, pursuant to the requirements of the NJEDA, the Municipal Council, the Governing Body, hereby supports the application submitted by the Developer.

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

- 1) The Municipal Council supports the Project, construction of a new four (4) story building consisting of (110) affordable housing rental units to be rented to tenants at 60% Area Median Income ("AMI") or less, ten (10) special needs rental units to be rented to special needs tenants at 30% AMI or less, and (140) parking spaces on the Property located at 202 South Orange Avenue, Block 242, Lot 1, in the City of Newark, New Jersey, as proposed by New Community Homes Development LP, 233 West Market Street, Newark, New Jersey 07103 (the "Developer") in its application for tax credits under the NJ Aspire Tax Credit Program ("Funds") to the New Jersey Economic Development Authority ("NJEDA").
- 2) The submission of the application and support of the Municipal Council of same is hereby ratified from the date of submission of Developer's application for the Funds to the date of adoption of this Resolution.
- 3) The Municipal Council does hereby adopt the within Resolution and supports the application for Funds, pursuant to and in conformity with the NJEDA requirements for the Funds.

STATEMENT

Resolution, wherein the Municipal Council supports New Community Homes Development LP, 233 West Market Street, Newark, New Jersey 07103 application for tax credits under the NJ Aspire Tax Credit Program submitted to the New Jersey Economic Development Authority ("NJEDA") for construction of a new four (4) story building consisting of (110) affordable housing rental units to be rented to tenants at 60% Area Median Income ("AMI") or less, ten (10) special needs rental units to be rented to special needs tenants at 30% AMI or less, and (140) parking spaces on the property located at 202 South Orange Avenue, Block 242, Lot 1, in the City of Newark, New Jersey, and ratifies the within from the date of Developer's submission of the application to the date of adoption of this Resolution.