



Legislation Details (With Text)

File #: 25-0277 **Version:** 1 **Name:** 930 McCarter Urban Renewal Community Benefits Agreement

Type: Resolution **Status:** Adopted

File created: 2/20/2025 **In control:** Economic and Housing Development

On agenda: 3/5/2025 **Final action:** 3/5/2025

Title: Dept/ Agency: Economic and Housing Development
 Action: () Ratifying (X) Authorizing () Amending
 Type of Service: Execute Community Benefits Agreement
 Purpose: To authorize the execution of a Community Benefits Agreement between the City of Newark, 930 McCarter Urban Renewal, LLC, Elizabeth Development Company of New Jersey and the New Jersey Economic Development Authority as a condition of receiving tax credits incentives under the Aspire Program Act, N.J.S.A. 34:1B-322 et seq., towards the construction of a new twenty-five (25) story mixed-use high-rise tower with three hundred thirty-three (333) residential units, twenty percent (20%) of which shall be affordable housing, 3,750 square feet of retail space on the ground floor and a four (4) story structured parking garage with approximately two hundred forty (240) parking stalls (the "Project"); located at 930 McCarter Highway, Newark, Essex County, New Jersey 07102, also referred to as Block 1, Lot 46.02 on the official tax records of the City of Newark, New Jersey (the "Property")
 Entity Name: 930 McCarter Urban Renewal, LLC and Elizabeth Development Company of New Jersey
 Entity Address: c/o Boraie Development, 120 Albany Street, Suite 800, Tower One, New Brunswick, New Jersey 08901 & 205 First Street, Suite 114, Elizabeth, New Jersey 07206
 Funding Source: Aspire Program Act, N.J.S.A. 34:1B-322 et seq.
 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)
 930 McCarter Highway/Block 1/Lot 46.02/Central Ward
 Additional Information:
 A Public Hearing will be held on Wednesday, March 5, 2025

Sponsors: Council of the Whole

Indexes:

Code sections:

Date	Ver.	Action By	Action	Result
3/5/2025	1	Municipal Council	Amend	Pass
3/5/2025	1	Municipal Council	Adopted as Amended	Pass

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930 McCarter Highway/Block 1/Lot 46.02/Central Ward

Additional Information:

A Public Hearing will be held on Wednesday, March 5, 2025

WHEREAS, pursuant to the New Jersey Economic Recovery Act of 2020, the New Jersey Economic Development Authority (the "NJEDA") has established the Aspire Program Act, N.J.S.A. 34:1B-322 et seq. (the "Act") to encourage economic development and job creation; and

WHEREAS, under the Act, projects with total project costs equal to or greater than \$10,000,000.00 must enter into a community benefits agreement (the "CBA") with NJEDA and the municipality or county in which the project is located; and

WHEREAS, 930 McCarter Urban Renewal, LLC (the Applicant") and Elizabeth Development Company of New Jersey (the "Co-Applicant") (hereafter collectively referred to as the "Developer") applied for ASPIRE funding under the Act to be used towards the construction of a new twenty-five (25) story mixed-use high-rise tower with three hundred thirty-three (333) residential units, twenty percent (20%) of which shall be affordable housing, 3,750 square feet of retail space on the ground floor and a four (4) story structured parking garage with approximately two hundred forty (240) parking stalls (the "Project"), located at 930 McCarter Highway, Newark, Essex County, New Jersey, also referred to as Block 1, Lot 46.02 on the official tax records of the City of Newark, New Jersey (the "Property"); and

WHEREAS, the estimated total project cost for the Project is approximately \$170,193,254.00; and

WHEREAS, on September 21, 2024, the Developer held a community meeting with the public at Newark City Plex 12, 360-394 Springfield Avenue, Newark, New Jersey 07103, to discuss the Project and the community benefits; and

WHEREAS, prior to entering into a CBA, the Act provides that the Governing Body of the municipality in which the Project is located shall hold at least one public hearing at which the Governing Body shall hear testimony from residents, community groups and other stakeholder regarding the community benefit that the agreement shall address; and

WHEREAS, a public hearing was will be held on March 5, 2025 which lay out the community benefits of the Project; and

WHEREAS, under the CBA, the Developer would contribute the following community benefits:

- (i) \$150,000.00 contribution to Affordable Housing Trust Fund for the Path Home (plan to end chronic homelessness) in Newark, New Jersey. This is a one-time contribution;
- (ii) Installing landscaping plan for the Newark Riverfront Park (\$200,000.00 for the Amphitheater and \$250,000.00 for the North of the Project Area), which has the estimated monetary value in the aggregate of \$450,000.00; and
- (iii) Sponsor a free kids summer movie series 2 days per week at 10am in the months of July and August of 2025 and 2026 at the Cityplex Movie Theater in Newark, New Jersey, which has the estimated monetary value in the aggregate of \$50,000.00.

; and

WHEREAS, the Developer and the City along with NJEDA wish to enter into a CBA to set forth the terms and conditions relating to the delivery and offering of such benefits of the Project to the residents in and around the City.

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

1. The aforementioned recitals are incorporated by reference as if fully set forth herein.
2. The Community Benefits Agreement ("CBA") is attached hereto as **Exhibit A** and incorporated into this legislation, with minutes from this public hearing to be attached thereto upon approval thereof.
3. The Mayor and the City Clerk are hereby authorized to execute the CBA in substantially the form attached hereto, with such additions, deletions and modifications as may be necessary or desirable in consultation with counsel.
4. If any part of this Resolution shall be deemed invalid, such parts shall be severed and the invalidity thereby shall not affect the remaining parts of this Resolution.
5. A copy of this Resolution shall be available for public inspection at the Office of the City Clerk.
6. This Resolution shall take effect immediately.

STATEMENT

This Resolution hereby authorizes the execution of a Community Benefits Agreement between the City of Newark, between the City of Newark, 930 McCarter Urban Renewal, LLC, Elizabeth Development Company of New Jersey and the New Jersey Economic Development Authority as a condition of receiving tax credits incentives under the Aspire Program Act, N.J.S.A. 34:1B-322 et seq., towards the construction of a new twenty-five (25) story mixed-use high-rise tower with three

hundred thirty-three (333) residential units, twenty percent (20%) of which shall be affordable housing, 3,750 square feet of retail space on the ground floor and a four (4) story structured parking garage with approximately two hundred forty (240) parking stalls (the "**Project**"), located at 930 McCarter Highway, Newark, Essex County, New Jersey, also referred to as Block 1, Lot 46.02 on the official tax records of the City of Newark, New Jersey (the "**Property**") (Central Ward).