Legislation Details (With Text)

File #:	25-1655	**Version:**	1	**Name:**	
Type:	Resolution			**Status:**	Adopted
File created:	12/11/2025			**In control:**	Economic and Housing Development
On agenda:	12/17/2025			**Final action:**	12/17/2025

Title: Dept/ Agency: Economic Housing and Development
Action: ( ) Ratifying (X) Authorizing ( ) Amending
Purpose: Approving Assignment Agreement
Project Information:
RESOLUTION OF THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK CONSENTING TO THE ASSIGNMENT OF THE FINANCIAL AGREEMENT FROM Lincoln Park LIHTC, LLC TO Lincoln Park KRM, LLC FOR AN AFFORDABLE HOUSING PROJECT LOCATED AT 26-28 West Kinney Street, 22 -24 West Kinney Street, 18-20 West Kinney Street, 15-17 Lincoln Park, 65 Lincoln Park, Block 117, Lots 1, 3, 6, Block 118, Lot 31, Block 123, Lot 33 on the tax map of the City, (collectively, the “Project”) CENTRAL WARD)
Additional Information:

Sponsors:

Indexes:

Code sections:

Date	Ver.	Action By	Action	Result
12/17/2025	1	Municipal Council	Adopt	Pass

Dept/ Agency: Economic Housing and Development
Action: ( ) Ratifying (X) Authorizing ( ) Amending
Purpose: Approving Assignment Agreement
Project Information:
RESOLUTION OF THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK CONSENTING TO THE ASSIGNMENT OF THE FINANCIAL AGREEMENT FROM LINCOLN PARK LIHTC, LLC TO LINCOLN PARK KRM, LLC FOR AN AFFORDABLE HOUSING PROJECT LOCATED AT 26-28 WEST KINNEY STREET, 22-24 WEST KINNEY STREET, 18-20 WEST KINNEY STREET, 15-17 LINCOLN PARK, 65 LINCOLN PARK, BLOCK 117, LOTS 1, 3, 6, BLOCK 118, LOT 31, BLOCK 123, LOT 33 ON THE TAX MAP OF THE CITY, (COLLECTIVELY, THE “PROJECT”)CENTRAL WARD)
Additional Information:

WHEREAS, on April 1, 2009, the Municipal Council adopted Resolution 7R7-h, authorizing the City of Newark to enter into and execute a long term tax abatement, pursuant to N.J.S.A. 55:14K-1 et seq., with **Lincoln Park LIHTC, LLC** (the “Assignor”"), for a term of thirty (30) years from substantial completion of the Project, for the construction, development, maintenance and operation of a residential project consisted of seventy (70) affordable and mixed-income residential rental units and commercial rental units (the “Project”), on land which is identified on the Official Tax Map of the City of Newark as Block 117, Lots 1, 3, 6, Block 118, Lot 31 and Block 123, Lot 33, more commonly known as 26-28 West Kinney Street, 22-24 West Kinney Street, 18-20 West Kinney Street, 15-17 Lincoln Park and 65 Lincoln Park (the “Property”) (A copy of the original application from Assignor seeking a long term tax exemption is attached hereto as **Exhibit A**); and

WHEREAS, on January 6, 2010, Newark Municipal Council adopted Resolution 7R3-h amending, at the request of New Jersey Housing and Mortgage Finance Agency (the "HMFA'), the Project to consist of sixty-six (66) affordable residential rental units (the "Amended Project") (Copies of Resolution 7R7-h adopted on April 1, 2009 and Resolution 7R3-h adopted on January 6, 2010 are attached hereto as **Exhibit B**); and

WHEREAS, the City entered into a Financial Agreement with the Assignor governing the tax abatement for the Amended Project (the "Financial Agreement") a copy of which is attached hereto as **Exhibit C**); and

WHEREAS, the Assignor has entered into a contract with **Lincoln Park KRM, LLC** ("Assignee"), with a business address located at 5 Powell Lane, Collingswood, New Jersey 08108, to sell or otherwise transfer the Property and Amended Project, which contract requires that the City approve the transfer of the Financial Agreement to the Assignee; and

WHEREAS, Assignor is the current borrower under that certain HMFA First Mortgage and Security Agreement, First Mortgage Note, Financing, Deed Restriction, and Regulatory Agreement, and related documents (collectively, the "HMFA Loan Documents."); and

WHEREAS, the Parties acknowledge that HMFA approval is a condition precedent to the effectiveness of this Resolution and the Financial Agreement; and

WHEREAS, the Assignee has represented to the City that it has filed an application with HMFA (the "HMFA Application") seeking their consent to the purchase of the Property and the Amended Project and to the assumption of the Financial Agreement and the Assignor's HMFA Loan Documents; and

WHEREAS, the Assignee has represented to the City that upon HMFA's prior approval it shall purchase the Property and Amended Project, and it will assume the Financial Agreement and the Assignor's HMFA Loan Documents; and

WHEREAS, on October 29, 2025, the Assignee submitted a request with the City (the "Application") seeking City's consent to the sale of the Property and the Amended Project and of the transfer of the Financial Agreement from the Assignor to the Assignee, a copy of which is attached hereto as **Exhibit D**); and

WHEREAS, the City has reviewed Assignee's Application and all related documents and has determined that the Assignee has the capacity and experience to own and operate the Property and the Amended Project and to assume all of the rights and obligations of the Assignor under the Financial Agreement; and

WHEREAS, subject to HMFA's prior approval of the sale of the Property and the Amended Project and Assignee's assumption of the HMFA Loan Documents, the City is desirous of approving the transfer of all of the rights, title and interest of the Assignor in and to the Financial Agreement to the Assignee in connection with the Assignor's sale of the Property and Amended Project to the Assignee.

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

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1. The above-stated recitals are hereby found to be true and correct and are incorporated into this Resolution as though fully set forth herein.

2. Subject to HMFA's prior written approval of the sale of the Property and Amended Project and Assignee's assumption of the HMFA Loan Documents, the Municipal Council hereby consents to (i) the conveyance of the Property and Amended Project by Assignor to Assignee and (ii) the assignment of the Financial Agreement governing the Amended Project from the Assignor to the Assignee.

3. The City's consent to the sale of the Project and of the transfer of the Financial Agreement to the Assignee is based upon the Assignee's representation that the Assignee has agreed to assume the Assignor's HMFA Loan Documents and that the Amended Project will continue to be managed and operated as set forth in the HMFA Application.

4. The Municipal Council hereby authorizes the Mayor and/or his designee, the Deputy Mayor/Director of Department of Economic and Housing Development to execute, on behalf of the City, the Assignment and Assumption Agreement of Financial Agreement amongst the City, the Assignor and the Assignee (the "Assignment Agreement") in substantially the form attached hereto as **Exhibit E**.

5. The long term tax abatement for the Amended Project will expire on December 31, 2040 and will remain in effect until such time provided that the Assignee complies with all applicable Federal and State laws and regulations, City ordinances and resolutions and terms of the Assignment Agreement and Financial Agreement. This Resolution will not extend the period of the tax abatement beyond December 31, 2040.

6. The Assignee shall pay all outstanding amounts due to the City, including without limitation, all water and sewer charges and all other amounts due under the Financial Agreement, within thirty (30) days of the adoption of this resolution.

7. This Resolution shall take effect immediately.

8. The Assignment Agreement is conditionally approved upon (i) HMFA approval and (ii) the consummation of the sale, transfer, and conveyance of the property from Assignor to Assignee.

9. The Assignment Agreement, once fully executed, shall be filed by the Deputy Mayor/Director of the Department of Economic and Housing Development with the Office of the City Clerk.

10. If NJHMFA approval is not obtained or the sale, transfer and conveyance of the Property does not occur for any reason, this Resolution is null and void and of no further force or effect.

STATEMENT

This resolution memorializes the City's consent to (i) the conveyance of the affordable housing project consisting of sixty-six (66) affordable residential rental units located on land which is identified

on the Official Tax Map of the City of Newark as Block 117, Lots 1, 3, 6, Block 118, Lot 31 and Block 123, Lot 33, more commonly known as 26-28 West Kinney Street, 22-24 West Kinney Street, 18-20 West Kinney Street, 15-17 Lincoln Park and 65 Lincoln Park by Lincoln Park LIHTC, LLC ("Assignor") to Lincoln Park KRM, LLC ("Assignee") and to (ii) the assignment of the Financial Agreement governing the Amended Project from the Assignor to the Assignee. This resolution also authorizes the Mayor and/or his designee, the Deputy Mayor/Director of Department of Economic and Housing Development to execute, on behalf of the City, an Assignment and Assumption Agreement with the Assignor and the Assignee in substantially the form attached to the resolution.

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