



City of Newark

City Hall
920 Broad Street
Newark, New Jersey 07102

Legislation Text

File #: 15-2061, Version: 1

Dept/ Agency: Economic & Housing Development

Action: () Ratifying (X) Authorizing () Amending

Type of Service: Assignment of Grant Agreement

Purpose: Assignment of Grant Agreement from the Community Foundation of New Jersey to the City of Newark

Entity Name: Community Foundation of New Jersey

Entity Address: P.O. Box 338, Morristown, New Jersey 07038

Sale Amount: N/A

Cost Basis: () \$ PSF () Negotiated (X) N/A () Other:

Assessed Amount: N/A

Appraised Amount: N/A

Contract Period:

Contract Basis: () Bid () State Vendor () Prof. Ser. () EUS

() Fair & Open () No Reportable Contributions () RFP () RFQ

() Private Sale () Grant () Sub-recipient (X) n/a

Additional Information:

This resolution authorizes an assignment of the Grant Agreement rights and transfer of funds from the Community Foundation of New Jersey to the City of Newark

WHEREAS, by Resolution 7R3-C(s) on July 23, 2013, the Municipal Council of the City of Newark (the "Municipal Council") authorized the entry into a grant agreement with Genesis Fairmount Partners Limited Liability Company, a Delaware limited liability company ("Genesis"), Newark Animal Shelter, Inc., a New Jersey nonprofit corporation ("NAS") and Community Foundation of New Jersey ("CFNJ") in an amount not to exceed \$5,700,000.00 ("Grant Funds"), funded by Motor Vehicle Rental Tax Revenues; and

WHEREAS, on September 17, 2013, the City, Genesis, NAS and CFNJ entered into the Grant Agreement that was authorized by Resolution 7R3-C(s) on July 23, 2013 ("Grant Agreement"); and

WHEREAS, the Grant Agreement specified financial assistance for: (A) Genesis for certain environmental remediation costs ("Eligible Remediation Costs") relating to the construction of a scattered site development with a total of 61 residential apartments affordable to households making 60% or less of Area Median Income upon property located at 130 Fairmount Avenue, 124-28 Fairmount Avenue, 111 11th Avenue, 113-115 11th Avenue, 117 11th Avenue, 200 South 11th Street, 198 South 11th Street, 196 South 11th Street, and 107-109 11th Avenue (the "Fairmount Redevelopment Project"); and (B) NAS for costs related to the construction of a no-kill animal shelter ("Eligible NAS Costs") upon property located at 4-16 South 13th Street ("NAS Redevelopment Project"); and

WHEREAS, the Grant Agreement provided that CFNJ would hold the Eligible Remediation Costs into "Fund Account No. 1", and the Eligible NAS Costs into "Fund Account No. 2"; and

WHEREAS, to date, approved costs of \$55,586.00 have been charged to Fund Account No. 1, leaving a balance of \$241,234.00; and

WHEREAS, to date, approved costs of \$114,252.00 have been charged to Fund Account No. 2, leaving a balance of \$5,326,123.00; and

WHEREAS, Eligible Remediation Cost, Fund Account No.1 remaining balance of \$241,234.00 shall be placed in the City of Newark Financial Escrow, and Eligible NAS Cost, Fund Account No. 2 remaining balance of \$5,326,123.00 shall be returned to Motor Vehicle Tax Revenue less actual attorneys' fees incurred by CFNJ in winding down the Grant Agreement and entering into this Agreement, up not exceeding \$10,000.00 (Ten Thousand Dollars and Zero Cents); and

WHEREAS, the CFNJ agrees to assign all of it rights and obligations under the Grant Agreement to the City in exchange for the City's acceptance of all such rights and assumption of all such obligations, and a release and indemnification from any and all claims related the Grant Agreement.

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 Deputy Mayor/Director of the Department of Economic and Housing Development, are hereby authorized to enter into and execute the Assignment of Grant Agreement between the Community Foundation of New Jersey and the City of Newark attached hereto.
2. The City of Newark is authorized to accept the Grant Funds of \$241,234.00 from Fund Account No. 1 and place those funds the City of Newark Financial Escrow, and to accept the Grant Funds of \$5,326,123.00 from Fund Account No. 2 remaining balance of \$5,326,123.00 and return those funds to Motor Vehicle Tax Revenue less actual attorneys' fees incurred by CFNJ in winding down the Grant Agreement and entering into this Agreement, up not exceeding \$10,000.00 (Ten Thousand Dollars and Zero Cents).
3. A copy of the executed Assignment of Grant Agreement and this resolution shall 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 and/or his designee the Deputy Mayor/Director of the Department of Economic and Housing Development to enter into an assignment of the Grant Agreement rights and transfer of funds from the Community Foundation of New Jersey to the City of Newark.