



## Legislation Text

File #: 17-0345, Version: 1

**AN ORDINANCE TO AMEND ORDINANCE 6PSF-D FEBRUARY 15, 2017, TRANSFERRING BLOCK 865, LOT 64, 56 GREEN STREET FROM THE CITY OF NEWARK TO MULBERRY GREEN REALTY, LLC., AND AN ADDITIONAL 20,000 SQUARE FEET OF BLOCK 166, LOT 1.03, 160-176 MULBERRY STREET, FROM THE CITY OF NEWARK TO MULBERRY HAMILTON ASSOCIATES, LLC., AT \$176.00 PER SQUARE FOOT, TALLING \$3,520,000.00. (EAST WARD)**

**WHEREAS**, on July 14, 2004, the City of Newark ("City") utilized the powers of Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. to designate land within the Downtown Newark area as an "area in need of redevelopment," commonly known as the Newark Downtown Core District Redevelopment Area ("Redevelopment Area"); and

**WHEREAS**, on October 6, 2004, the Municipal Council adopted Ordinance 6S&Ff adopting the Newark Downtown Core District Redevelopment Plan and Amendment to the Newark Plaza Urban Renewal Plan ("Plan"), which has been amended from time to time; and

**WHEREAS**, on October 6, 2004, the Municipal Council adopted Resolution 7Rbc appointing the Housing Authority of the City of Newark ("Authority") as the City's Redevelopment Entity for the purpose of implementing the Plan on behalf of the City in accordance with N.J.S.A. 40A:12A-4(c); and

**WHEREAS**, on March 9, 2006, Mulberry Green Realty, LLC and Mulberry Hamilton Associates, LLC (the "Redeveloper Companies") entered into an agency agreement with Lafayette Broad, LLC to act as the agent for the Redeveloper Companies for the purpose of executing a Redevelopment Agreement with the Authority as the Redevelopment Entity for the Redevelopment Area (the "Agency Agreement"); and

**WHEREAS**, after the execution of the Agency Agreement, on March 9, 2006, the Authority entered into Redevelopment Agreement with Lafayette Broad, LLC as agent for the Redeveloper Companies ("Initial Redevelopment Agreement"), which was amended on July 7, 2016 ("Amended Redevelopment Agreement"); and

**WHEREAS**, pursuant to the Initial Redevelopment Agreement, the Authority was required to transfer property from Block 166, Lot 1.03 to Mulberry Hamilton Associates, LLC; and

**WHEREAS**, it has been discovered that an additional 20,000 square feet should have been conveyed to Mulberry Hamilton Associates, LLC and the correction was agreed upon in the Amended Redevelopment Agreement, and the correction is identified on the survey by Borrie, McDonald, and Watson of May 5, 2016, attached hereto as Exhibit A; and

**WHEREAS**, the Amended Redevelopment Agreement authorizes the transfer of Block 865,

Lot 64 to Mulberry Green Realty, LLC for the weighted average price of \$176.00 per square foot; and

**WHEREAS**, N.J.S.A. 40A:12A-4 authorizes the Governing Body to adopt an Ordinance to change or rescind the designation of a redevelopment entity responsible for implementing a redevelopment plan and the new redevelopment entity assume the obligations of the former redevelopment entity with the consent of redevelopers and the former redevelopment entity; and

**WHEREAS**, pursuant to Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. and Local Lands and Buildings Law, N.J.S.A. 40A:12-1 et seq., the City is authorized to convey property in furtherance of its redevelopment projects or public projects; and

**WHEREAS**, on September 2, 2015, the Municipal Council authorized Ordinance 6PSF-b as amended to: (1) de-designate the Authority as the redevelopment entity for the Plan upon the transfer of the Triangle Park Properties to the Authority; and (2) Transfer the Triangle Park Properties from the Authority to the City, of which both actions occurred on July 7, 2016; and

**WHEREAS**, on February 15, 2017, the Municipal Council authorized Ordinance 6PSF-d to (1) transfer Block 865, Lot 64 from the City of Newark to Mulberry Green Realty, LLC; and (2) an additional 20,000 square feet of Block 166, Lot 1.03 from the City of Newark to Mulberry Hamilton Associates, LLC at \$176.00 per square foot totaling approximately \$3,520,000.00; and

**WHEREAS**, an amendment to Ordinance 6PSF-d, adopted on February 15, 2017, is necessary to correct the sales price for (1) transfer Block 865, Lot 64 from the City of Newark to Mulberry Green Realty, LLC, at \$176.00 per square foot, totaling approximately \$118,624.00; and (2) an additional 20,000 square feet of Block 166, Lot 1.03 from the City of Newark to Mulberry Hamilton Associates, LLC, at \$176.00 per square foot totaling approximately \$3,520,000.00.

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

Section 1. The Mayor or Deputy Mayor/Director of the Department of Economic and Housing Development is hereby authorized to execute, on the City's behalf, documents necessary to transfer Block 865, Lot 64, to Mulberry Green Realty, LLC.

Section 2. The City hereby authorizes Block 865, Lot 64 to be sold to Mulberry Green Realty, LLC at the price of \$176.00 per square foot totaling approximately \$118,624.00.

Section 3. The Mayor and/or Deputy Mayor/Director of the Department of Economic and Housing Development are each hereby authorized to enter into and execute, and the City Clerk and/or Deputy City Clerk is hereby authorized to attest to a Quitclaim Deed(s) for the transfer of Block 865, Lot 64 to Mulberry Green Realty, LLC.

Section 4. The Mayor or Deputy Mayor/Director of the Department of Economic and Housing Development is hereby authorized to execute, on the City's behalf, documents necessary to transfer an additional 20,000 Square Feet within Block 166, Lot 1.03 to Mulberry Hamilton Associates, LLC as identified on the survey by Borrie, McDonald, and Watson of May 5, 2016 attached hereto as Exhibit A.

Section 6. The City hereby authorizes the additional 20,000 square feet within Block 166, Lot 1.03 to be sold to Mulberry Hamilton Associates, LLC at the price of \$176 per square foot totaling approximately \$3,520,000.00.

Section 7. The Mayor and/or Deputy Mayor/Director of the Department of Economic and Housing Development are each hereby authorized to enter into and execute, and the City Clerk and/or Deputy City Clerk is hereby authorized to attest to a Quitclaim Deed(s) for the transfer of the additional 20,000 square feet within Block 166, Lot 1.03, to Mulberry Hamilton Associates, LLC.

Section 8. The Mayor and/or Deputy Mayor and the Director of Finance of the City are each hereby authorized to execute and deliver any and all documents and certificates necessary or convenient in connection with the transactions authorized herein, including, without limitation, an affidavit of title, a closing statement and a continuing disclosure agreement.

Section 9. This ordinance shall take effect upon final passage and publication in accordance with the laws of the State of New Jersey.

### **STATEMENT**

An ordinance to amend Ordinance 6PSF-d February 15, 2017, for the transfer of Block 865, Lot 64, to Mulberry Green Realty, LLC, at \$176.00 per square foot, totaling approximately \$118,624.00 and an additional 20,000 Square feet within Block 166, Lot 1.03 to Mulberry Hamilton Associates, LLC at \$176.00 per square foot, totaling approximately \$3,520,000.00.