



# City of Newark

City Hall  
920 Broad Street  
Newark, New Jersey 07102

## Legislation Text

File #: 18-0577, Version: 1

**Dept/ Agency:** Economic and Housing Development

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

**Type of Service:** Private Sale/Redevelopment

**Purpose:** Rehabilitate property to create either a storage and warehouse facility or a truck terminal

**Entity Name:** 61-77 Empire Street, LLC.

**Entity Address:** 170 Frelinghuysen Avenue, Newark, New Jersey 07114

**Sale Amount:** \$595,000.00

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

**Assessed Amount:** \$0.00

**Appraised Amount:** \$595,000.00

**Contract Period:** Construction and completion dates set out in Project Schedule

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

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

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

**List of Property:**

**(Address/Block/Lot/Ward)**

61-77 Empire Street/Block 3537/Lot 24/South Ward

**Additional Information:**

**WHEREAS**, the purpose of this resolution is to approve the sale and redevelopment, of the following City-owned property located in the South Ward of the City of Newark (the "City"):

<u>ADDRESS</u>	<u>WARD</u>	<u>BLOCK</u>	<u>LOT</u>	<u>SQ. FEET</u>
61-77 Empire Street	South	3537	24	46,173

Total Purchase Price: \$595,000.00, subject to certain credits; and

**WHEREAS**, the City has determined that the above referenced City-owned property (the "Property") is no longer needed for public use; and

**WHEREAS**, pursuant to N.J.S.A. 40A:12A-8(g), the City is proceeding with the rehabilitation of the area and is conveying properties at such prices and upon such terms as it deems reasonable and said conveyance is made in conjunction with the applicable Redevelopment Plan, as amended; and

**WHEREAS**, the Municipal Council previously adopted Resolution 7Rdo(AS) on June 15, 2005, designating the entire City as an "area in need of rehabilitation" under the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1, *et seq.* (the "LRHL"); and

**WHEREAS**, the Municipal Council thereafter adopted Ordinance 6S&Fd(S) on August 17, 2005, adopting the Third Amendment to the South Ward Redevelopment Plan (the "Redevelopment

Plan”) governing the redevelopment of City-owned properties located within the South Ward, which includes the above-referenced Property; and

**WHEREAS**, the City received a letter of intent for the purchase and redevelopment of the Property from 61-77 Empire Street, LLC, of 170 Frelinghuysen Avenue, Newark, New Jersey 07114 (the “Redeveloper”); and

**WHEREAS**, the Redeveloper has proposed to the City’s Department of Economic and Housing Development to rehabilitate the Property to create either a storage and warehouse facility or a truck terminal; and

**WHEREAS**, based upon the City’s review of the request and other such information, the City has determined that the Redeveloper possesses the proper qualifications and requisite financial resources and capacity to acquire the Property and to rehabilitate them in accordance with the requirements of N.J.S.A. 40A:12A-8(g), the terms and conditions of the Agreement for the Sale of Land and Redevelopment, the form of which is attached hereto (the “Agreement”), and the South Ward Redevelopment Plan, as amended; and

**WHEREAS**, the City believes that the environmental remediation and redevelopment of the Property is in the vital and best interests of the City and that it promotes the health, safety, morals and welfare of the City’s residents and as such, the City wishes to convey the Property to the Redeveloper for a Purchase Price of \$595,000.00, subject to certain credits, and to enter into an Agreement for the Sale of Land and Redevelopment (the “Redevelopment Agreement”) with Redeveloper in substantially the form attached hereto.

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

1. The Mayor and/or his designee and the Director of the Department of Economic and Housing Development are hereby authorized to enter into and execute a Redevelopment Agreement with 61-77 Empire Street, LLC, of 170 Frelinghuysen Avenue, Newark, New Jersey 07114, for the creation of either a storage and warehouse facility or a truck terminal, for the following Purchase Price, in accordance with the requirements of N.J.S.A. 40A:12A-8(g), the terms and conditions of the attached Agreement and the South Ward Redevelopment Plan, as amended:

<u>ADDRESS</u>	<u>WARD</u>	<u>BLOCK</u>	<u>LOT</u>	<u>SQ. FEET</u>
61-77 Empire Street	South	3537	24	46,173

Total Purchase Price: \$595,000.00, subject to certain credits.

2. Said Property shall be sold to 61-77 Empire Street, LLC by private sale for the purpose to rehabilitate the Property to create either a storage and warehouse facility or a truck terminal.
3. The Director of the Department of Economic and Housing Development is hereby authorized to effectuate certain business terms and conditions related to the Redevelopment Agreement annexed hereto and may enter into access and right-of-entry agreements and any related documents which may be necessary in order to effectuate the sale of the Property and the terms and conditions of the Agreement, all in forms subject to the approval of the City of

Newark's Corporation Counsel.

4. The Redeveloper shall be designated as the exclusive redeveloper of the Property and any other prior legislation authorizing or intended to authorize the sale and/or redevelopment and/or rehabilitation of the Property is hereby rescinded.
5. The Redeveloper shall have thirty (30) days from the date this resolution is certified by the Office of the City Clerk to execute the Redevelopment Agreement and return same to the Department of Economic and Housing Development. Should Redeveloper fail to execute and return the attached Redevelopment Agreement within this thirty (30) day time period, the authorization provided by this resolution shall be null and void, unless the Director of the Department of Economic and Housing Development agrees in writing to extend this thirty (30) day time period.
6. The Director of Finance is hereby authorized to receive proceeds of the sale and to deposit same as follows: ninety percent (90%) of the sale proceeds shall be deposited into the Community and Economic Development Dedicated Trust Fund established under Resolution 7Rg, adopted on November 6, 1985; and ten percent (10%) of the sale proceeds shall be placed in the City's Affordable Housing Trust Fund established under City Ordinance 6PS&Ff, adopted on June 21, 2006, for the purpose of preserving low and moderate income affordable housing.
7. The Director of the Department of Economic and Housing Development shall place a copy of the executed Agreement for the Sale and Redevelopment of Land, the Quitclaim Deed, and all such other executed agreements authorized by this resolution on file in the Office of the City Clerk.
8. Pursuant to the terms of the Redevelopment Agreement, the Redeveloper shall be required to comply with the City of Newark's Ordinances, including the City of Newark Minority Set-Aside Ordinance 6S&Fd, adopted on April 5, 1995; the City of Newark Affirmative Action Plan 7Rbp, adopted on March 1, 1995; Federal Executive Order 11246, (as amended by Executive Orders 11375 and 12086) regarding the award of goods and services contracts; and the City of Newark Ordinance 6PSF-c, adopted on June 17, 2015, Amending Title II, Administration, Chapter 4, General Administration, Section 20, Hiring of Newark Residents by Contractors or Other Persons Doing Business with the City of Newark and Section 21, Newark Residents' Employment Policy, by Adding Language to Address Immediate Short Term Training and Employment Opportunities and Repealing the Newark Employment Commission, a copy of which is attached to the Redevelopment Agreement (the "First Source Ordinance"), all as may be applicable. In addition, the Redeveloper has agreed to ensure that thirty percent (30%) of all contractors, subcontractors, and suppliers shall be Newark-based companies.
9. Construction shall commence no later than ninety (90) days after closing and be completed no later than twenty-four (24) months after closing.
10. The Project to be implemented by the Redeveloper shall conform to the City of Newark Design Guidelines, including standards for environmental sustainability and energy efficiency, as established by the Department of Economic and Housing Development. Additionally, the Redeveloper shall conduct any environmental investigation and remediation upon the Property

as may be necessary. Should the Redeveloper fail to diligently pursue the rehabilitation of the Property, then the City, in its sole discretion, may exercise its Right of Reverter to transfer title to the Property back to the City, in accordance with the terms and conditions of the Agreement and the Deed.

11. The Director of the Department of Economic and Housing Development is hereby authorized to execute a Quitclaim Deed to the Redeveloper for the Property. Said Quitclaim Deed conveying title to the Property to the Redeveloper shall be approved as to form and legality by the City's Corporation Counsel and attested to and acknowledged by the City Clerk.

### **STATEMENT**

This resolution authorizes the Mayor and/or his designee, the Director of the Department of Economic and Housing Development, to enter into and execute an Agreement for Sale and Redevelopment with 61-77 Empire Street, LLC, of 170 Frelinghuysen Avenue, Newark, New Jersey 07114, for the private sale and rehabilitation of the following Property, for the following Purchase Price, in accordance with the requirements of N.J.S.A. 40A:12A-8(g), the terms and conditions of the Agreement for the Sale and Redevelopment of Land and the South Ward Redevelopment Plan, as amended.

<u>ADDRESS</u>	<u>WARD</u>	<u>BLOCK</u>	<u>LOT</u>	<u>SQ. FEET</u>
61-77 Empire Street	South	3537	24	46,173

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