



# City of Newark

City Hall  
920 Broad Street  
Newark, New Jersey 07102

## Legislation Text

File #: 19-1294, Version: 1

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

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

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

**Purpose:** Amending Resolution 7R2-c(s) adopted on June 18, 2019 to correct the purchase price from \$12.00 PSF to \$9.00 PSF.

**Entity Name:** Luvander Hollaway

**Entity Address:** 35 Burnet Street, Newark, New Jersey 07102

**Sale Amount:** \$46,440.00

**Cost Basis:** (X) \$ 9.00 PSF (X) Negotiated ( ) N/A ( ) Other:

**Assessed Amount:** \$269,700.00

**Appraised Amount:** \$0.00

**Contract Period:** To commence within three (3) months and be completed within twelve (12) months from the transfer of ownership by the City

**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)**

12 Belgium Street/Block 308/Lot 29/Central Ward

14 Belgium Street/Block 308/Lot 30/Central Ward

**Additional Information:**

Original Resolution 7R2-c(s) adopted on June 18, 2019 was for the private sale of 12 and 14 Belgium Street (Central Ward) at the Total Sale Price: Square Footage x PSF = 5,160 x \$12.00 = \$61,920.00.

Total Sale Price: Square Footage x PSF = 5,160 x \$9.00 = \$46,440.00

Sale at prices set forth by Ordinance 6S&Fh adopted on April 7, 2004, establishing the minimum sale price of City-owned properties.

**WHEREAS**, on June 18, 2019, the Newark Council adopted Resolution 7R2-c(S) ("Original Resolution") authorizing the execution of a Sale and Redevelopment Agreement ("Redevelopment Agreement") with Luvander Hollaway, 35 Burnet Street, Newark, New Jersey, 07102, for the purchase and redevelopment of the following City-owned Properties located in the Central Ward of the City of Newark:

<u>ADDRESS</u>	<u>BLOCK</u>	<u>LOT</u>	<u>SIZE</u>	<u>SQ. FEET</u>
12 BELGIUM ST	308	29	25 x 100	2,500.
14 BELGIUM ST	308	30	26.6 x 100	2,660.

Total Square Footage: 5,160.

Purchase Price: \$46,440.00 (\$9.00 per sf.); and

**WHEREAS**, the Original Resolution and Redevelopment Agreement contained an incorrect purchase price for the City-owned Properties and requires an amendment; and

**WHEREAS**, the Original Resolution and Redevelopment Agreement incorrectly indicated that the Sale Price for the City-owned properties is: Square Footage x PSF = 5,160 x \$12.00 = \$61,920.00; and

**WHEREAS**, the correct sale price of the City-owned Properties is: Square Footage x PSF = 5,160 X \$9.00 = \$46,440.00; and

**WHEREAS**, the Acting Director of the Department of Economic and Housing Development has authorized this amendment; and

**WHEREAS**, all other terms and conditions of the Redevelopment Agreement remain the same.

**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 Acting Director of the Department of Economic and Housing Development, are hereby authorized and directed on behalf of the City of Newark to execute a First Amendment to the Redevelopment Agreement with Luvander Hollaway, 35 Burnet Street, Newark, New Jersey 07102, to correct the Sale Price of the following Properties:

<u>ADDRESS</u>	<u>BLOCK</u>	<u>LOT</u>	<u>SIZE</u>	<u>SQ. FEET</u>
12 BELGIUM ST	308	29	25 x 100	2,500.
14 BELGIUM ST	308	30	26.6 x 100	2,660.

Total Square Footage: 5,160.

Purchase Price: \$46,440.00 (\$9.00 per sf.)

2. The Municipal Council hereby ratifies this First Amendment to the Redevelopment Agreement from July 23, 2019 to the date of the adoption of this resolution.
3. All other terms and conditions of the Original Redevelopment Agreement shall remain the same.
4. This First Amendment to the Redevelopment Agreement to correct the Sale Price of the City-owned properties, is made in accordance with the requirements of N.J.S.A. 40A:12A-8(g), the terms and conditions of the Original Redevelopment Agreement, and the Central Ward Redevelopment Plan, as amended.
5. The Acting Director of the Department of Economic and Housing Development is hereby authorized to enter into a maximum of two (2) six (6) month extensions of any timeframe set forth in the Redevelopment Agreement, subject to full written disclosure of such extension(s) (in

the form of a signed Memorandum to be submitted to the Office of the City Clerk prior to adoption) to the Municipal Council of the City of Newark by the Acting Director of the Department of Economic and Housing Development and the approval of the City of Newark's Corporation Counsel.

6. The Redeveloper shall be designated as the exclusive redeveloper of the Properties and any other prior legislation authorizing or intended to authorize the sale and/or redevelopment and/or rehabilitation of the Properties is hereby rescinded.
7. The Redeveloper shall have thirty (30) days from the date this resolution is certified by the Office of the City Clerk to execute the attached First Amendment to the Agreement for the Sale and Redevelopment of Land and return same to the Department of Economic and Housing Development. Should the Redeveloper fail to execute and return the attached Agreement within this thirty (30) day time period, the authorization provided by this resolution shall be null and void, unless the Acting Director of the Department of Economic and Housing Development agrees in writing to extend this thirty (30) day time period.
8. 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, 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 6S&Ff, June 21, 2006, for the purpose of preserving low and moderate income affordable housing.
9. The Acting 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.
10. The Redeveloper shall be required to comply with the City of Newark's Minority Set-Aside Ordinance 6S&Fd, April 5, 1995; the City of Newark's Affirmative Action Plan 7Rbp, 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 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 Agreement as Exhibit C (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.
11. The rehabilitation of the Properties shall be commenced within three (3) months and be completed within twelve (12) months from the transfer of ownership of the Properties by the City to the Redeveloper.
12. 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 Properties as may be necessary. Should the Redeveloper fail to diligently pursue the redevelopment of the Properties, then the City, in its sole discretion, may exercise its Right of Reverter to transfer title to the Properties back to the City, in accordance with the terms and conditions of the Agreement and the deed.

13. The Acting Director of the Department of Economic and Housing Development is hereby authorized to execute a Quitclaim Deed to the Redeveloper for the Properties. Said Quitclaim Deed conveying title to the Properties 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 hereby amends and ratifies Resolution 7R2-c(S) adopted June 18, 2019 and authorizes the Mayor and/or his designee, the Acting Director of the Department of Economic and Housing Development, to enter into and execute a First Amendment to the Redevelopment Agreement with Luvander Hollaway, 35 Burnet Street, Newark, New Jersey 07102, for the private sale and redevelopment of the following Properties, 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 for the Sale and Redevelopment of Land, as amended, and the Central Ward Redevelopment Plan, as amended, to rehabilitate the existing Properties to construct rental or for sale housing and a service garage.

<u>ADDRESS</u>	<u>BLOCK</u>	<u>LOT</u>	<u>SIZE</u>	<u>SQ. FEET</u>
12 BELGIUM ST	308	29	25 x 100	2,500.
14 BELGIUM ST	308	30	26.6 x 100	2,660.

Total Square Footage: 5,160.

Purchase Price: \$46,440.00 (\$9.00 per sf.)