



Legislation Text

File #: 19-1920, Version: 1

ORDINANCE DESIGNATING INVEST NEWARK AS THE ZONE DEVELOPMENT CORPORATION FOR THE CITY OF NEWARK AND ENABLE A SUBMISSION TO AMEND THE URBAN ENTERPRISE ZONE DEVELOPMENT PLAN ON BEHALF OF THE CITY OF NEWARK AND TO OPERATE, ADMINISTER, AND MANAGE, THE CITY'S URBAN ENTERPRISE ZONE PROGRAM (UEZ), UNTIL THE EXPIRATION OF THE CITY OF NEWARK'S URBAN ENTERPRISE DESIGNATION ON DECEMBER 31, 2023, IN ACCORDANCE WITH N.J.S.A. 52:27H-60, ET SEQ. AND ENABLE INVEST NEWARK TO ADMINISTER, ALLOCATE, AND APPROVE THE USE OF UEZ LOAN FUNDS UNDER ITS CONTROL, PURSUANT TO N.J.S.A. 52:27H-60, ET SEQ.

WHEREAS, on August 15, 1983, the State of New Jersey, pursuant to N.J.S.A. 52:27H-60, et seq., enacted the New Jersey Urban Enterprise Zones Act (the "Act"), to be run by New Jersey Department of Community Affairs; and

WHEREAS, the UEZ Program was created to foster an economic climate that revitalizes designated urban communities and stimulates their growth by encouraging businesses to develop and create private sector jobs through public and private investment; and

WHEREAS, the City of Newark (the "City") was designated as an Urban Enterprise Zone under the UEZ Program and the current designation as an Urban Enterprise Zone expires on or about December 31, 2023; and

WHEREAS, pursuant to N.J.S.A. 52:27H-67, the City wishes to designate Invest Newark, a nonprofit corporation established pursuant to the provisions of Title 15A of the New Jersey Statutes, to act as the "Zone Development Corporation" and to develop as necessary an amended zone development plan, subject to the approval of the Municipal Council; and

WHEREAS, Invest Newark formerly known as Newark Community Economic Development Corporation ("Newark CEDC"), 111 Mulberry Street, LL Suite, Newark, New Jersey 07102, has been recognized as the City's Economic Development Corporation to provide economic development assistance and services on behalf of the City; and

WHEREAS, the City wishes to have Invest Newark designated to act as the City's Zone Development Corporation for the purpose of operating, administering, managing, and monitoring the City's Urban Enterprise Zone Program. Pursuant to N.J.S.A. 52:27H-67; and

WHEREAS, pursuant to Resolution 7R6-a(S) adopted on December 10, 2019, the Municipal Council authorized the continuation of the services previously undertaken by Newark CEDC and Brick City Development Corporation under their new corporate name of Invest Newark and authorized the Director of the Department of Finance to return all loan and interest payments from the UEZ/BCDC GAP Financing Loan Program to Invest Newark for continuation of the revolving loan

program until December 31, 2023.

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

1. Pursuant to N.J.S.A. 52:27H-67, the Municipal Council hereby designates Invest Newark, a nonprofit corporation incorporated under Title 15A of the New Jersey Statutes, which organization is already established as the successor to the Newark CEDC, to act as the Zone Development Corporation for the City of Newark.

2. The Zone Development Corporation (Invest Newark), as so designated by the Municipal Council through this Ordinance, shall be responsible for operating, administering, managing, and monitoring the City's Urban Enterprise Zone Program (the "UEZ Program") within the approved boundaries of the City of Newark Urban Enterprise Zone pursuant to N.J.S.A. 52:27H-60, et seq. (the "Act") and all relevant administrative regulations.

3. Pursuant to Section 9 of N.J.S.A. 52:27H-68, Invest Newark shall, upon approval of the Invest Newark's Board, formulate and propose an amended zone development plan for adoption by the Municipal Council. Invest Newark shall monitor, administer and implement the zone development plan that is adopted by the Municipal Council.

4. Pursuant to N.J.S.A. 52:27H-88, the Municipal Council in which an Urban Enterprise Zone is designated and Invest Newark, which is designated through this Ordinance as the Zone Development Corporation, may by resolution jointly adopted after public hearing, propose to undertake an economic development project in the enterprise zone, and to fund that project(s) and credited to the account maintained by Invest Newark for the enterprise zone.

5. Invest Newark is hereby authorized pursuant to N.J.S.A. 52:27H-60, et seq., and all relevant administrative regulations, to carry out only those UEZ activities authorized under the Act on behalf of the City under the UEZ Program.

6. It shall be the responsibility of Invest Newark to ensure that all provisions of the New Jersey Urban Enterprise Zones Act (N.J.S.A. 52:27H-60 et seq.) are adhered to during the life of a zone designation's existence.

7. Pursuant to N.J.S.A. 52:27H-67, Invest Newark "shall include on its Board of Directors representatives of the government of the qualifying municipality, members of the business community thereof, and representatives of community organizations in the municipality, and the total membership of the board of directors shall be broadly representative of businesses and communities within the municipality."

8. Pursuant to N.J.S.A. 52:27H-88, Invest Newark shall be subject to the "Local Government Ethics Law" when administering, allocating or approving the use of UEZ funding for qualified projects and activities.

9. Invest Newark shall be responsible for providing a quarterly report to the Municipal Council and the City Clerk, which shall list all qualified projects and activities that Invest Newark undertakes during the life of a zone designation's existence. Failure of the Zone Development Corporation to comply with this reporting requirement may result in the de-designation of the Zone Development Corporation.

10. The Mayor is hereby authorized to terminate the designation of Invest Newark as set forth in this Ordinance at any time during the duration of this ordinance, subject to Municipal Council approval.

11. The powers conferred upon Invest Newark through this ordinance shall sunset on December 31, 2023, which is the expiration of the City of Newark Urban Enterprise Zone Designation, as determined by the State of New Jersey Department of Community Affairs, unless otherwise lawfully extended.

12. If any provision of this ordinance is judged invalid by a court of competent jurisdiction, the invalidity shall not affect other provisions, and to this end, the provisions of this ordinance are declared severable.

13. The ordinance shall take effect upon final passage and publication in accordance with the laws of the State of New Jersey.

STATEMENT

This ordinance designates Invest Newark as the Zone Development Corporation for the City of Newark to enable it to submit an amended urban enterprise zone development plan on behalf of the City of Newark and to enable it to operate, administer, and manage the City's Urban Enterprise Zone Program until the expiration of the City of Newark's Urban Enterprise Zone Designation on December 31, 2023; and enable Invest Newark to administer, allocate or approve the use of UEZ Loan funds under its control, pursuant to N.J.S.A. 52:27H-60 et seq.