



Legislation Text

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AN ORDINANCE AMENDING THE TAX ABATEMENT GRANTED TO BERGEN STREET REDEVELOPMENT URBAN RENEWAL, LLC, 935 BERGEN STREET, NEWARK, NEW JERSEY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW TO PROVIDE FOR AN EXTENSION OF TIME TO ACHIEVE SUBSTANTIAL COMPLETION OF TWO (2) NEW APARTMENT BUILDINGS, THE FIRST CONTAINING THIRTY-TWO (32) AFFORDABLE HOUSING UNITS OVER COMMERCIAL SPACE AND THE SECOND CONTAINING TEN (10) AFFORDABLE HOUSING UNITS OVER COMMERCIAL SPACE LOCATED AT 1037-1047 BERGEN STREET AND 1057-1059 BERGEN STREET, NEWARK, NEW JERSEY 07112 AND IDENTIFIED ON THE OFFICIAL TAX MAP OF THE CITY OF NEWARK, AS BLOCK 3661, LOTS 3, 5 AND 8, AND BLOCK 3660, LOT 11. (SOUTH WARD)

WHEREAS, on July 11, 2018, the Municipal Council adopted Ordinance 6PSF-d (the "Ordinance", a copy of which is attached hereto as Exhibit A) granting a twenty (20) year tax abatement to Bergen Street Redevelopment Urban Renewal, LLC, an urban renewal entity qualified to do business under the provisions of the Long Term Tax Exemption Law as amended and supplemented, N.J.S.A. 40A:20-1, et seq. (the "Long Term Tax Exemption Law"), with an address of 935 Bergen Street, Newark, New Jersey 07102 (the "Entity"), for a Project to construct two (2) new residential apartment buildings, the first containing thirty-two (32) affordable housing units and the second containing ten (10) affordable housing units located at 1037-1047 Bergen Street and 1057-1059 Bergen Street, Newark, New Jersey 07112 and identified on the Official Tax Map of the City of Newark, as Block 3661, Lots 3, 5 and 8, and Block 3660, Lot 11, respectively (collectively, the "Project"); and

WHEREAS, the Parties entered into a Financial Agreement, dated as of November 15, 2018, (the "Original Financial Agreement", a copy of which is attached hereto as Exhibit B, and together with Amendment #1 to Financial Agreement, (the "Financial Agreement"); and

WHEREAS, as a result of various unforeseen delays and environmental remedial costs beyond the control of the Entity and to ensure that construction of the Project continues and completion remains feasible, the Entity has requested and the City has agreed to extend the time to complete construction of the Project to February 28, 2022 pursuant to the terms of the Amendment #1 to Financial Agreement.

NOW, THEREFORE, BE IT ORDAINED 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 execute, on the City's behalf, Amendment #1 to Financial Agreement in the form attached hereto as Exhibit C.

2. A fully executed copy of the Amendment #1 to Financial Agreement authorized by this ordinance 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.

3. The Entity shall in the operation of the Project comply with all laws, so that no person shall be subject to any discrimination because of race, religious principles, color, national origin, or ancestry.

4. The Entity shall file an employment report (herein described below) with the Office of Affirmative Action who shall after receiving the report send a copy thereof to the City Clerk and the Office of Affirmative Action shall investigate the matters contained therein and report its findings to the Municipal Council.

5. The Entity shall submit to the City a copy of its formation documents, as approved by the Department of Community Affairs and filed with the Secretary of State, and current fully executed Operating Agreements, as amended to date.

6. The adoption of this ordinance is expressly conditioned upon the requirement that the Entity pay the City all outstanding taxes and/service charges, and water/sewer charges within thirty (30) days of the date of the adoption of this ordinance. If the Entity fails to timely satisfy these requirements, this ordinance and the approval granted herein shall be null and void.

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

STATEMENT

This Ordinance authorizes an amendment to the tax abatement granted to Bergen Street Redevelopment Urban Renewal, LLC, 935 Bergen Street, Newark, New Jersey 07102, an urban renewal entity qualified to do business under the provisions of the Long Term Tax Exemption Law as amended and supplemented, N.J.S.A. 40A:20-1, et seq., to modify certain definitions related to the Project and provide for an extension of time to achieve substantial completion of the Project located at 1037-1047 Bergen Street and 1057-1059 Bergen Street, Newark, New Jersey 07112 and identified on the Official Tax Map of the City of Newark, as Block 3661, Lots 3, 5 and 8, and Block 3660, Lot 11. (South Ward)