



City of Newark

City Hall
920 Broad Street
Newark, New Jersey 07102

Legislation Text

File #: 20-1139, Version: 1

Dept/ Agency: Economic and Housing Development

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

Type of Service: Private Sale/Redevelopment

Purpose: To convey city-owned property to facilitate redevelopment of the NJIT Gateway Plan Properties.

Entity Name: New Jersey Institute of Technology

Entity Address: University Heights, Newark, New Jersey 07102-1982

Sale Amount: \$180,000.00

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

Assessed Amount: \$454,400.00

Appraised Amount: \$180,000.00

Contract Period: Twenty-four (24) months from the date of transfer

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)

257 Martin Luther King Boulevard/Block 2857/Lot 13/Central

Additional Information:

Deferred 7R2-d(s) 101420

Deferred 7R2-a 102120

Deferred 7R2-a 110520

Deferred 7R2-a 111820

Deferred 7R2-a 120220

WHEREAS, the City of Newark (the "City") owns certain land located on the Official Tax Map of the City of Newark as Block 2857, Lot 13, and known as 257 Martin Luther King Jr. Boulevard, Newark, New Jersey 07102 (the "Property"), and the City determined that 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, on June 15, 2005, the Municipal Council previously adopted Resolution 7Rdo (AS), 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, on January 21, 2009, the Municipal Council thereafter approved Ordinance 6PSFa, adopting the Broad Street Station District Redevelopment Plan, as amended (the

“Redevelopment Plan”), governing the redevelopment of property located within said district, which includes the above referenced Property; and

WHEREAS, on August 11, 2009, the Municipal Council adopted Resolution 7R3-b(S), conditionally designating New Jersey Institute of Technology, University Heights, Newark, New Jersey 07102 (the “Redeveloper”), as the redeveloper for certain properties referenced as NJIT Gateway Plan Properties, and on or about October 19, 2009, Redeveloper and the City executed a Redevelopment Agreement (as same may be amended from time to time, the “Redevelopment Agreement”) for the redevelopment of the NJIT Gateway Plan Properties; and

WHEREAS, the Property is one of the NJIT Gateway Plan Properties identified in the Redevelopment Agreement; and

WHEREAS, due to the recession and other economic factors the Redeveloper could not meet the timeframes outlined within the Redevelopment Agreement although Redeveloper diligently pursued the redevelopment of the NJIT Gateway Plan Properties and completed many aspects of the Redevelopment Agreement; and

WHEREAS, Redeveloper intends to redevelop the Property for the creation of a gateway between the New Jersey Institute of Technology campus and the Broad Street Station; and

WHEREAS, the City has determined that the rehabilitation of the Property will contribute to the social and economic improvement of the Central Ward in accordance with the intent, goals and objectives of the Redevelopment Plan; and

WHEREAS, the City determined that Redeveloper possesses the proper qualifications, requisite financial resources, and capacity to redevelop the Property in accordance with the requirements of N.J.S.A. 40A:12A-8(g), the terms and conditions of the Purchase and Sale Agreement, the form of which is attached hereto (the “Agreement”), and the Redevelopment Plan, as amended; and

WHEREAS, pursuant to the above mentioned statutory authority, the Department of Economic and Housing Development has recommended that the City of Newark sell the Property to Redeveloper which is willing to purchase the Property from the City, for the consideration of One Hundred Eighty Thousand Dollars and Zero Cents (\$180,000.00), for the purpose of rehabilitating it in accordance with the requirements of N.J.S.A. 40A:12A-8(g), the Agreement, and the Redevelopment Plan, as amended.

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 Deputy Mayor/Director of the Department of Economic and Housing Development are hereby authorized to enter into and execute the Purchase and Sale Agreement, attached hereto with the New Jersey Institute of Technology, University Heights, Newark, New Jersey 07102-1982, 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, and the Broad Street Station District Redevelopment Plan, as amended:

<u>ADDRESS</u>	<u>WARD</u>	<u>BLOCK</u>	<u>LOT</u>	<u>SQ. FT.</u>
257 Martin Luther King Blvd.	Central	2857	13	2,820
Purchase Price: \$180,000.00				
Appraised Value: \$180,000.00				

2. Said Property shall be sold to Redeveloper, by private sale, for the purpose of creating a gateway between the New Jersey Institute of Technology Campus and Broad Street Station.
3. The Deputy Mayor/Director of the Department of Economic and Housing Development is hereby authorized to effectuate certain business terms and conditions related to the 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'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 of the Property is hereby rescinded.
5. The Director of the Department 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 6S&Ff, adopted on June 21, 2006, for the purpose of preserving low and moderate income affordable housing.
6. The Redeveloper shall be required to comply with the City of Newark's Minority Set-Aside Ordinance 6S&Fd, adopted on April 5, 1995; the City of Newark's 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 Agreement (the "First Source Ordinance"), all as may be applicable. The Redeveloper shall provide the Department of Economic and Housing Development with the required forms showing compliance with the above, and a copy of these forms shall be filed with the Office of the City Clerk. In addition, the Redeveloper has agreed to ensure that thirty percent (30%) of all contractors, subcontractors, and suppliers shall be Newark-based companies.
7. The Redevelopment of the Property shall be completed within twenty-four (24) months from the transfer of ownership of the Property by the City to the Redeveloper.

8. 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 and complete the redevelopment 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. Failure to exercise or delay in exercising this Right of Reverter by the City of Newark shall not constitute a waiver nor shall such failure and/or delay serve as a basis for adverse possession of the Property. Any and all waivers of the City's Right of Reverter shall be in writing.
9. The Deputy Mayor/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.
10. The Deputy Mayor/Director of the Department of Economic and Housing Development shall place a copy of the executed Agreement, the Quitclaim Deed, and all such other executed agreements authorized by this resolution on file in the Office of the City Clerk.

STATEMENT

This resolution authorizes the Mayor and/or his designee, the Deputy Mayor/Director of the Department of Economic and Housing Development to enter into and execute a Purchase and Sale Agreement with New Jersey Institute of Technology, University Heights, Newark, New Jersey 07102, which provides for the private sale and redevelopment 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 attached Agreement, and the Broad Street Station District Redevelopment Plan, as amended, to create a gateway between the New Jersey Institute of Technology campus and the Broad Street Station.

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