



Legislation Text

File #: 21-0949, Version: 1

AN ORDINANCE AMENDING THE AMENDED AND RESTATED FINANCIAL AGREEMENT FOR THE TAX ABATEMENT GRANTED TO THE LANTANA URBAN RENEWAL, L.P., 77 PARK STREET, MONTCLAIR, NEW JERSEY 07042, AUTHORIZED BY ORDINANCE 6PSF-B(S) ADOPTED ON APRIL 25, 2017, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW, FOR A PROJECT LOCATED ON REAL PROPERTY COMMONLY KNOWN AS 109-119 BROAD STREET AND 130 NORTH 11TH STREET AND IDENTIFIED ON THE OFFICIAL TAX MAP OF THE CITY OF NEWARK, AS BLOCK 523, LOTS 1, 3, 4, 5, 51, 54, 59 AND 60 AND BLOCK 1926, LOT 1.02 (CENTRAL WARD), TO CHANGE THE PROJECT TO THE CONSTRUCTION OF (72) TOTAL UNITS COMPRISED OF (71) AFFORDABLE HOUSING RENTAL UNITS AND (1) MANAGER UNIT, EXTENDING THE TIMEFRAME FOR THE ENTITY TO COMPLETE THE PROJECT ALONG WITH OTHER MODIFICATIONS AS SET FORTH WITHIN AMENDMENT #1 TO THE FINANCIAL AGREEMENT.

WHEREAS, on April 30, 2012, the Municipal Council adopted Ordinance 6PSF-a(S) (the "Original Ordinance"), a copy of which is attached hereto as Exhibit A, granting a long term tax abatement to The Lantana Urban Renewal, L.P., 77 Park Street, Montclair, New Jersey 07042 ("Lantana") consisting of the construction of sixty (60) affordable housing units located at 109-119 Broad Street and identified on the Official Tax Map of the City of Newark, as Block 523, Lots 1, 3, 4, 5, 51, 54, 59 and 60 (the "Original Project"); and

WHEREAS, the City and Lantana, subsequently executed a Financial Agreement, governing the Original Project (the "Original Financial Agreement"), (a copy of which is attached hereto as Exhibit B); and

WHEREAS, on April 25, 2017, the Municipal Council adopted Ordinance 6PSF-b(S) (the "Ordinance"), (a copy of which is attached hereto as Exhibit C), amending and restating the Original Financial Agreement to change the Original Project to construction of eighty (80) affordable housing units and add another property located at 130-132 North 11th Street and identified on the Official Tax Map of the City of Newark, as Block 1926, Lot 1.02 ("Updated Project"); and

WHEREAS, on or about June 5, 2017, pursuant to the Ordinance, the City and Lantana, executed an Amended and Restated Financial Agreement, governing the Updated Project, (a copy of which is attached hereto as Exhibit D); and

WHEREAS, construction of the Updated Project was delayed and the Updated Project has not been completed within the timeframe set forth in the Amended and Restated Financial Agreement; and

WHEREAS, Lantana desires to change the Updated Project to the construction of seventy-two (72) total units comprised of seventy-one (71) affordable housing rental units that qualify as low and

moderate income housing units and one (1) manager unit (the "Project"), extend the timeframe for the Entity to complete the Project, and modify other terms of the Amended and Restated Financial Agreement; and

WHEREAS, the City and Lantana have agreed to enter into Amendment #1 to Financial Agreement, in the form attached hereto to memorialize the revisions to the Amended and Restated Financial Agreement.

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

1. The Mayor of the City of Newark and/or his designee, the Deputy Mayor/Director of Department of Economic and Housing Development, are hereby authorized to enter into and execute, on the City's behalf, Amendment #1 to Financial Agreement, in the form attached hereto as Exhibit E, with The Lantana Urban Renewal, L.P., 77 Park Street, Montclair, New Jersey 07042 ("Entity"), amending the Amended and Restated Financial Agreement, to change the Project to the construction of seventy-two (72) total units, comprised of seventy-one (71) affordable housing units and one (1) manager unit, change the completion date of the construction of the Project, and make certain other modifications to the Amended and Restated Financial Agreement.

2. The Deputy Mayor/Director of Department of Economic and Housing Development shall file an executed copy of Amendment #1 to the Financial Agreement authorized by this Ordinance with the Office of the City Clerk.

3. All other terms and conditions of Ordinance 6PSF-b(S) adopted on April 25, 2017, and the Amended and Restated Financial Agreement, shall remain in full force and effect.

4. 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.

5. 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.

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

STATEMENT

This Ordinance amends Ordinance 6PSF-b(S) adopted on April 25, 2017, which authorized the execution of the Amended and Restated Financial Agreement pertaining to the tax abatement granted to The Lantana Urban Renewal, L.P., 77 Park Street, Montclair, New Jersey 07042, pursuant to the Long Term Tax Exemption Law , N.J.S.A. 40A:20-1 et. seq., to extend the construction schedule and make other changes to the Project located on real property commonly known as 109-119 Broad Street and 130 North 11th Street and identified on the Official Tax Map of the City of Newark, as Block 523, Lots 1, 3, 4, 5, 51, 54, 59 and 60 and Block 1926, Lot 1.02 (Central Ward).