



Legislation Text

File #: 22-1415, Version: 1

Dept./ Agency: Economic and Housing Development

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

Type of Service: Resolution of Support

Purpose: To provide Municipal Council support for the submission of an application for tax credits sought by Developer under the New Jersey Aspire Tax Credit Program to the New Jersey Economic Development Authority.

Entity Name: Essex Plaza Land One, LLC

Entity Address: 3500 South DuPont Highway, Dover, Delaware 19901

Grant Amount: \$0.00

Total Project Cost: \$144,426,357.00

City Contribution: \$0.00

Other Funding Source/Amount: Traditional debt financing and equity funding

Grant Period: Ten (10) years - Tax Credit Period, from project completion date

Contract Basis: () Bid () State Vendor () Prof. Ser. () EUS

() Fair & Open () No Reportable Contributions () RFP () RFQ

() Private Sale () Grant () Sub-recipient (X) n/a

List of Property

(Address/Block/Lot/Ward)

15-25 Camp Street/Block 892/Lot 24/East Ward

107 Orchard Street/Block 892/Lot 26/East Ward

109 Orchard Street/Block 892/Lot 27/East Ward

111 Orchard Street/Block 892/Lot 28/East Ward

113 Orchard Street/Block 892/Lot 29/East Ward

115 Orchard Street/Block 892/Lot 30/East Ward

117 Orchard Street/Block 892/Lot 31/East Ward

119-121 Orchard Street/Block 892/Lot 33/East Ward

123-125 Orchard Street/Block 892/Lot 35/East Ward

127 Orchard Street/Block 892/Lot 37/East Ward

129-131 Orchard Street/Block 892/Lot 39/East Ward

22-30 Pennington Street/Block 892/Lot 43/East Ward

20 Pennington Street/Block 892/Lot 47/East Ward

18 Pennington Street/Block 892/Lot 48/East Ward

115 Orchard Street Rear/Block 892/Lot 53/East Ward

Additional Information:

WHEREAS, Essex Plaza Land One LLC (“Developer”) proposes to construct a new 6-story mixed-use project with 241 residential units, 4,875 square feet of commercial space, tenant amenities and associated parking. All of the residential units (not inclusive of one super’s unit) will be affordable to residents with incomes at 60% of the area median income and will feature unit sizes ranging from 1-bedroom to 4-bedroom residences at the properties located at 15-25 Camp Street,

107 Orchard Street, 109 Orchard Street, 111 Orchard Street, 113 Orchard Street, 115 Orchard Street, 117 Orchard Street, 119-121 Orchard Street, 123-125 Orchard Street, 127 Orchard Street, 129-131 Orchard Street, 22-30 Pennington Street, 20 Pennington Street, 18 Pennington Street and 115 Orchard Street Rear, Block 892, Lots 24, 26, 27, 28, 29, 30, 31, 33, 35, 37, 39, 43, 47, 48 and 53, in the City of Newark, New Jersey (“Project”); and

WHEREAS, the above properties are in the final stages of being merged and will be known as 105-137 Orchard Street on the Official Assessment Map of the City of Newark; and

WHEREAS, the Project was approved by the Central Planning Board of the City of Newark (“Board”) on May 2, 2022 and memorialized by Board Memorialization Resolution on May 16, 2022; and

WHEREAS, the Project will help create approximately 300 full-time construction jobs and 5 full-time permanent building service jobs at prevailing wage and 2 full-time property management positions; and

WHEREAS, the Project will fully comply with the City of Newark’s Inclusionary Zoning Ordinance, and will include twenty percent (20%) of the units being set aside for on-site affordable housing units; and

WHEREAS, in connection with the financing of the Project, the Developer is applying to the New Jersey Economic Development Authority (“NJEDA”) for tax credits under the newly created Aspire Tax Credit Program (“Funds”), which was authorized by the New Jersey Economic Recovery Act of 2020 (Sections 54 through 67 of P.L. 2020, c.156 and later amended by Sections 22 through 29 of P.L. 2021 c.160); and

WHEREAS, the NJEDA’s underwriting requirements for the Funds align with the City of Newark’s objectives in multiple ways, including a twenty percent (20%) affordable housing set aside for new construction, the use of prevailing wage and affirmative action protocols in connection with both construction of the Project and post-construction building services, and the need for applicants to enter into a community benefits agreement with the host municipality for projects with a total project cost of \$10 million or more; and

WHEREAS, pursuant to NJEDA regulations, all applicants for Funds under the Aspire Tax Credit Program are required to obtain a Resolution of Support from the Governing Body of the host municipality; and

WHEREAS, pursuant to NJEDA regulations, the Municipal Council of the City of Newark hereby determines that there is a need for this Project in the City of Newark; and

WHEREAS, the Deputy Mayor/Director of the Department of Economic and Housing Development recommends that the Newark Municipal Council support the application as it relates to the Funds; and

WHEREAS, pursuant to the requirements of the NJEDA, the Newark Municipal Council, the Governing Body of the City, hereby supports the application submitted by the Developer.

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

- 1) The Newark Municipal Council (“Municipal Council”) supports the Project, construction of a new 6-story mixed-use project with 241 residential units, 4,875 square feet of commercial space, tenant amenities and associated parking, of which all of the residential units (not inclusive of one super’s unit) will be affordable to residents with incomes at 60% of the area median income and will feature unit sizes ranging from 1-bedroom to 4-bedroom residences, at the properties located at 15-25 Camp Street, 107 Orchard Street, 109 Orchard Street, 111 Orchard Street, 113 Orchard Street, 115 Orchard Street, 117 Orchard Street, 119-121 Orchard Street, 123-125 Orchard Street, 127 Orchard Street, 129-131 Orchard Street, 22-30 Pennington Street, 20 Pennington Street, 18 Pennington Street and 115 Orchard Street Rear, Block 892, Lots 24, 26, 27, 28, 29, 30, 31, 33, 35, 37, 39, 43, 47, 48 and 53, in the City of Newark, New Jersey (“Properties”), as proposed by Essex Plaza Land One, LLC (“Developer”), in its submission of an application for tax credits under the NJ Aspire Tax Credit Program (“Funds”) to the New Jersey Economic Development Authority (“NJEDA”).
- 2) The above properties are in the final stages of being merged and will be known as 105-137 Orchard Street on the Official Assessment Map of the City of Newark.
- 3) The submission of the application and support of the Municipal Council of the same is hereby ratified from the date of Developer’s submission of the application for the Funds to the date of adoption of this Resolution.
- 4) The Municipal Council does hereby adopt the within Resolution and supports the application for Funds, pursuant to and in conformity with the NJEDA requirements for the Funds.

STATEMENT

Resolution, wherein the Newark Municipal Council supports Essex Plaza Land One, LLC’s (“Developer’s”) application for tax credits under the NJ Aspire Tax Credit Program submitted to the New Jersey Economic Development Authority (“NJEDA”) for the construction of a new 6-story mixed-use project with 241 residential units, 4,875 square feet of commercial space, tenant amenities and associated parking, of which all of the residential units (not inclusive of one super’s unit) will be affordable to residents with incomes at 60% of the area median income and will feature unit sizes ranging from 1-bedroom to 4-bedroom residences, at the properties located at 15-25 Camp Street, 107 Orchard Street, 109 Orchard Street, 111 Orchard Street, 113 Orchard Street, 115 Orchard Street, 117 Orchard Street, 119-121 Orchard Street, 123-125 Orchard Street, 127 Orchard Street, 129-131 Orchard Street, 22-30 Pennington Street, 20 Pennington Street, 18 Pennington Street and 115 Orchard Street Rear, Block 892, Lots 24, 26, 27, 28, 29, 30, 31, 33, 35, 37, 39, 43, 47, 48 and 53, in the City of Newark, New Jersey, and ratifies the within from the date of Developer’s submission of the application to the date of adoption of this Resolution.