Legislation Text

File #: 25-1542, **Version:** 1

Dept/ Agency: Law
Action: ( ) Ratifying (X) Authorizing ( ) Amending
Purpose: Settlement of Civil Litigation
Docket No.: Civil Action No.ESX-C-291-24
Claimant: 21st Associates, LLC
Claimant's Attorney: John T. Ambrosio, Esq., 105 Grove Street, Suite 1, Montclair, New Jersey 07042
Settlement Amount: N/A
Funding Source: N/A
Additional Information:

WHEREAS, Plaintiff, captioned 21st Associates v. City of Newark, Civil Action No. ESX-C-291-24, in which the plaintiff sought recovery for damages allegedly sustained in 2023 for demolition to property; and

WHEREAS, a settlement proposal has been made to resolve this litigation in its entirety by allowing the Plaintiff to redevelop the property as-of-right according to the Newark Zoning and Land Use Regulations and the execution of a Settlement Agreement and Release; and

WHEREAS, to avoid the costly expense of litigation, the Parties and the City's Corporation Counsel desire to amicably resolve this matter with extension of the Redevelopment Agreement and the Right of Reverter Clause for twenty-four (24) months, in exchange for Plaintiff's execution of the Settlement Agreement and Release (attached) as a full and complete release of the matter; and

WHEREAS, the Corporation Counsel, based upon all facts and circumstances presented, deems it is in the best interest of the City of Newark to resolve said matter by payment of the proposed Settlement Sum and execution of the Settlement Agreement and Release.

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

1. The Corporation Counsel is hereby authorized on behalf of the City of Newark to execute and accept the terms of the Settlement Agreement and Release, attached hereto.

2. Upon receipt by the Corporation Counsel of all documents deemed necessary and approval by Municipal Council, the Deputy Mayor/Director of Economic and Housing Development shall extend the Redevelopment Agreement and the Right of Reverter Clause for a period of twenty-four (24) months.

3. The Plaintiff shall be permitted to develop the Property located at 63 Verona Avenue,

Newark New Jersey, Block 832, Lot 8 as-of-right according to the Newark Zoning and Land Use Regulations (NZLUR), and shall seek no variances.

4. The Plaintiff shall pay property taxes and all interest accrued on 63 Verona Avenue, Newark, New Jersey, Block 832, Lot 8 and 65-67 Verona Avenue, Newark, NJ on or before December 31, 2025.

5. A copy of the Stipulation of Dismissal shall be filed in the Office of the City Clerk along with this Resolution by the Corporation Counsel.

6. The Corporation Counsel shall file a fully executed copy of the Stipulation of Settlement in the Office of the City Clerk.

7. This Resolution shall be effective upon adoption in accordance with applicable State Law.

8. The Stipulation of Settlement and Resolution does not admit, nor should it be construed as an admission of liability or violation of any law, statute or regulation or a breach of any duty by the City of Newark, its agents, officers and/or employees whatsoever and is entered into based upon recommendations of the Corporation Counsel and to eliminate all risks and future litigation costs.

STATEMENT

This Resolution authorizes the Corporation Counsel on behalf of the City of Newark to enter into a Stipulation of Settlement to settle civil litigation captioned "21st Associates, LLC v. City of Newark, Docket No.: ESX-C-291-24 to allow the extension of the Redevelopment Agreement and the Right of Reverter for a period not to exceed twenty-four (24) months; allow the Plaintiff to build as-of-right on the property located at 63 Verona Avenue, Newark, New Jersey; and for Plaintiff to pay all back taxes and interest for the properties located at 63 Verona Avenue and 65-67 Verona Avenue, Newark, New Jersey, in exchange for Plaintiff's dismissal of any and all claims against the City of Newark and its employees, and a complete release.

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