



City of Newark

City Hall
920 Mayor Kenneth A.
Gibson Boulevard
Newark, New Jersey 07102

Legislation Text

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AN ORDINANCE AUTHORIZING THE MAYOR, AND/OR HIS DESIGNEE, THE DEPUTY MAYOR/DIRECTOR OF THE DEPARTMENT OF ECONOMIC AND HOUSING DEVELOPMENT TO AUTHORIZE THE SALE AND TRANSFER OF THE CITY OF NEWARK PROPERTY IDENTIFIED ON THE CITY OF NEWARK TAX MAP AS BLOCK 20, LOT 1 TO KAWAIDA TOWERS JV PARTNERS, LLC FOR THE AMOUNT OF \$500,000.00, PURSUANT TO AN AGREEMENT FOR SALE AND REDEVELOPMENT OF LAND.

WHEREAS, the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1, et seq., as amended and supplemented (the “Redevelopment Law”), provides a process for municipalities to participate in the redevelopment and improvement of areas in need of redevelopment; and

WHEREAS, in order to stimulate the reinvigoration of the City of Newark (the “City”), by Resolution 7Rdo(AS) adopted by the City Municipal Council on June 15, 2005, the entire City was designated as an area in need of rehabilitation pursuant to the Redevelopment Law; and

WHEREAS, on January 21, 2009, pursuant to Ordinance 6PSF-a, the Municipal Council of the City adopted the Broad Street Station Redevelopment Plan (“Redevelopment Plan”); and

WHEREAS, the City is the owner of certain real property designated as Block 20, Lot 1, as shown on the official tax map of the City (collectively, the “Property” or “Project Area”) within the Redevelopment Plan area; and

WHEREAS, the City has determined that the Property is no longer needed for any public use and that redevelopment of the Property will contribute to the economic improvement of the Central Ward in accordance with the intent, goals and objectives of the Redevelopment Plan; and

WHEREAS, on November 4, 2025, the City issued a Request for Qualifications (“RFQ”) for prospective redevelopers for the Kawaida Towers Redevelopment Project within the Redevelopment Plan area; and

WHEREAS, Heritage Company, LLC, in partnership with Poeima Development Group, LLC, (the “Redeveloper”) responded with a proposal to develop a 10-story mixed-use affordable housing development containing approximately thirty-one (31) residential units and community-serving uses (the “Project”) upon the Property; and

WHEREAS, on November 21, 2025, the City received six (6) qualified responses, and all submissions were reviewed and evaluated; and

WHEREAS, upon review and scoring with the RFQ rubric, the selection committee determined that it was in the City’s best interest to invite a shortlist of finalists to advance to the final state of the

qualification process; and

WHEREAS, finalist presentations were held on January 8, 2026, during which development teams presented their proposed development approach, execution, strategy, affordability framework, and community commitments; and

WHEREAS, based upon the City's evaluation of qualifications, presentations, and comparative analysis, the City announced that the Redeveloper was conditionally selected as the redeveloper of the Kawaida Towers Redevelopment Project within the Redevelopment Plan area subject to its entry into a Redevelopment Agreement; and

WHEREAS, Redeveloper intends to acquire fee simple title to the Property to develop the Project; and

WHEREAS, the City wishes to enter into a Redevelopment Agreement with the Redeveloper for the purpose of setting forth in detail each Parties' respective undertakings, rights and obligations in connection with the development and construction of the Project; and

WHEREAS, the Redeveloper will implement the development, design, financing and construction of the Project in conformity with the Redevelopment Plan and in accordance with the Redevelopment Law; and

WHEREAS, the City and Redeveloper desire to enter into an Agreement in order to memorialize the terms and conditions of the Project, sale and redevelopment of the Property; and

WHEREAS, pursuant to N.J.S.A. 40A:12A-8(e) and (f) of the Redevelopment Law, the Department of Economic and Housing Development has recommended that the City enter into an agreement for the sale and redevelopment of the Property with the Redeveloper for the consideration of Five Hundred Thousand Dollars and Zero Cents (\$500,000.00) ("Purchase Price"), which price, and under such terms as, the City deems to be reasonable, for the purpose of redeveloping the Property, in accordance with the Act, the Agreement, and the Redevelopment Plan; and

WHEREAS, on February 11, 2026, Redeveloper formed a Domestic Limited Liability Company in accordance with New Jersey State Law called Kawaida Towers JV Partners, LLC, which is the entity that will enter into the Redevelopment Agreement with the City, serve as the Redeveloper for the project, and purchase the Property from the City.

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

1. The Recitals set forth above are incorporated herein as if set forth at length.

2. The Mayor of the City of Newark, and/or his designee, the Deputy Mayor/Director of the Department of Economic and Housing Development are hereby authorized to effectuate the sale and transfer of the City of Newark Property identified on the City Tax Map as Block 20, Lot 1 to Kawaida

Towers JV Partners, LLC pursuant to an Agreement for the Sale and Redevelopment of Land.

3. The Deputy Mayor/Director of the Department of Economic and Housing Development is hereby authorized to effectuate certain business terms and conditions related the sale and transfer of the property commonly known as 17-21 Halsey Street and identified as Block 20, Lot 1 on the tax map of the City of Newark in the County of Essex, State of New Jersey (the "Property") and may enter into and execute any related documents which may be necessary to effectuate same, including but not limited a Quitclaim Deed with a Right of Reverter clause for the Property.

4. 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 acknowledge by the City Clerk.

5. The Mayor of the City of Newark, and/or his designee, the Deputy Mayor/Director of the Department of Economic and Housing Development are hereby authorized to execute a Declaration of Covenants and Restrictions as agreed to by the City and the Redeveloper and approved as to form and legality by the City's Corporation Counsel and attested to and acknowledged by the City Clerk.

6. The Deputy Mayor/Director of the Department of Economic and Housing Development shall place a copy of the executed Quitclaim Deed, and all such other executed agreements authorized by this Ordinance on file in the Office of the City Clerk.

STATEMENT

This Ordinance authorizes the Mayor of the City of Newark, and/or his designee, the Deputy Mayor/Director of the Department of Economic and Housing Development to effectuate the sale and transfer of the City of Newark property commonly known as 17-21 Halsey Street and identified as Block 20, Lot 1 to Kawaida Towers JV Partners, LLC for the amount of Five Hundred Thousand Dollars and Zero Cents (\$500,000.00).