



City of Newark

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

Legislation Text

File #: 26-0392, Version: 1

Dept./ Agency: Economic and Housing Development

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

Type of Service: Estoppel Certificate

Purpose: Issuance of Estoppel Certificate certifying the status of the Financial Agreement.

Entity Name: 1007-1009 Broad Development Urban Renewal LLC

Entity Address: 20 Washington Street, Suite 403, Cresskill, New Jersey 07626

Sale Amount: \$0.00

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

Assessed Amount: \$0.00

Appraised Amount: \$0.00

Contract Period: Not Applicable

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)

1007-1009 Mayor Kenneth A. Gibson Boulevard, Newark, New Jersey 07102, Block 118, Lot 1 /Central Ward

Additional Information:

Ordinance 6PSF-b, adopted on October 1, 2025, authorized the Financial Agreement.

WHEREAS, pursuant to Ordinance 6PSF-b, adopted on October 1, 2025, the Municipal Council granted a thirty (30) year tax abatement to 1007-1009 Broad Development Urban Renewal LLC, 20 Washington Street, Suite 403, Cresskill, New Jersey 07626, under the provisions of the Long Term Tax Exemption Law as amended and supplemented, N.J.S.A. 40A:20-1, et seq. (the "Long Term Tax Exemption Law"), for a project located in the Central Ward at 1007-1009 Mayor Kenneth A. Gibson Boulevard, Newark, New Jersey 07102, and identified on the City's tax map as Block 118, Lot 1 (the "Property") to construct a new six (6) story building consisting of forty-eight (48) market rate residential rental units (the "**Market Rate Units**"), eight (8) affordable housing rental units, of which one (1) unit shall be restricted to tenants at 40% of Area Median Income ("**AMI**"), two (2) units shall be restricted to tenants at 60% of AMI and five (5) units shall be restricted to tenants at 80% of AMI (the "**Income Restricted Units**"), twenty-seven (27) off street parking spaces and 1,905 square feet of retail space (collectively, the "Project"); and

WHEREAS, on or about November 14, 2025, the City of Newark and 1007-1009 Broad Development Urban Renewal LLC executed a Financial Agreement setting forth the terms and conditions of the tax abatement, a copy of which is attached hereto as **Exhibit A**; and

WHEREAS, 1007-1009 Broad Development Urban Renewal LLC is currently in the process of obtaining construction financing for the development of the Project and has entered into that certain mortgage loan (the "Mortgage Loan") made by Spencer Savings Bank, SLA,, together with its

affiliates, participants, successors and assigns, (the "Mortgage Lender"), in the original principal amount of \$10,750,000.00; and

WHEREAS, as a post-closing condition of the above Mortgage Loan, the Mortgage Lender has requested that the City issue an Estoppel Certificate certifying the status of the Financial Agreement, a copy of which is attached hereto as **Exhibit B**; and

WHEREAS, the Deputy Mayor/Director of the Department of Economic and Housing Development determined that the Project is in the best interest of the City and recommends that the City execute and deliver the Estoppel Certificate so that the Project may be completed.

NOW, THEREFORE, BE IT RESOLVED 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 the Department of Economic and Housing Development, is hereby authorized, empowered and directed to execute the Estoppel Certificate, in the form attached hereto as **Exhibit B**.
2. The Municipal Council hereby ratifies its authorization to execute the Estoppel Certificate from March 24, 2026, through the date of adoption of this authorizing Resolution.
3. The Deputy Mayor/Director of the Department of Economic and Housing Development shall place filed copies of the fully executed Estoppel Certificate with the Office of the City Clerk.

STATEMENT

This Resolution authorizes the Mayor of the City of Newark and/or designee, and the Deputy Mayor/Director of the Department of Economic and Housing Development, to execute and deliver an Estoppel Certificate, to enable 1007-1009 Broad Development Urban Renewal LLC, 20 Washington Street, Suite 403, Cresskill, New Jersey 07626, to obtain a mortgage for construction financing for the Project located in the Central Ward at 1007-1009 Mayor Kenneth A. Gibson Boulevard, Newark, New Jersey 07102, and identified on the City's tax map as Block 118, Lot 1 (the "Property"), to construct a new six (6) story building consisting of forty-eight (48) market rate residential rental units (the "**Market Rate Units**"), eight (8) affordable housing rental units, of which one (1) unit shall be restricted to tenants at 40% of Area Median Income ("**AMI**"), two (2) units shall be restricted to tenants at 60% of AMI and five (5) units shall be restricted to tenants at 80% of AMI (the "**Income Restricted Units**"), twenty-seven (27) off street parking spaces and 1,905 square feet of retail space (collectively, the "Project").