

PROCEEDINGS OF CITY COUNCIL

(OFFICIAL)

ELIZABETH, N. J.

Tuesday Evening
November 18, 2013
7:15 p.m.

A special meeting of the City Council was held this evening in Room #307, City Hall, pursuant to the following call by President William Gallman:.

November 14, 2013

**MAYOR; MEMBERS OF CITY COUNCIL; CITY ATTORNEY;
BUSINESS ADMINISTRATOR**

Ladies and Gentlemen:

A special meeting has been called for Monday evening, November 18, 2013, at 7:15 p.m. in Room #307, City Hall, Elizabeth, New Jersey, for the purpose of considering the Third Party Agreement Deferred Payment Neighborhood Stabilization Program Loan with Magill Real Estate Holdings, LLC, for the property located at 217-219 First Street in the amount of \$750,000.00.

Formal action is contemplated.

By Order of President William Gallman, Jr.

Yolanda M. Roberts, R.M.C.
City Clerk

President Gallman announced that notice of this special meeting was mailed or delivered to the Star Ledger, Home News & Tribune, and Cablevision of Elizabeth, and posted and filed in the City Clerk's Office in compliance with the terms of the Open Public Meetings Law, Chap. 231, P.L. 1975 on November 14, 2013.

PRESENT: Council Members-at-Large: Patricia Perkins-Auguste, Frank J. Cuesta, Manny Grova, Jr.
Council Members: Carlos L. Torres, 1st Ward ; Nelson Gonzalez, 2nd Ward; Joseph Keenan, 3rd Ward; Carlos Cedeno, 4th Ward; Frank O. Mazza, 6th Ward, and President William Gallman, Jr., 5th Ward - 9

ABSENT:

ALSO PRESENT: Jorge Estrada, Special Counsel
Donald Travisano, Assistant to the Business Administrator

PUBLIC SPEAKING

There being no one present who desired to be heard, Council President Gailman declared the public speaking portion of the meeting closed.

NEW BUSINESS

BY CITY COUNCIL AS A WHOLE:

WHEREAS, the Director of the Department of Planning and Community Development has requested authorization for the proper City Officials to execute a Third Party Agreement with **Magill Real Estate Holdings, LLC** for the acquisition of vacant land and construction of six (6) apartment units located at **217-219 First Street, Elizabeth, New Jersey**, as required under the terms and conditions of the executed State Neighborhood Stabilization Program (NSP 3) grant agreement #2011-02294-1025-00 received on November 16, 2012; and

WHEREAS, the Business Administrator has advised that in order to ensure that a municipal lien which was filed against the property for emergency demolition by the City will be satisfied, the City will require as a condition of project approval and execution of the Third Party Agreement that the purchasers of the property, **Magill Real Estate Holdings, LLC** must satisfy the lien in full at or prior to the Closing of Title; and

WHEREAS, the specific properties within the Elizabethtown Neighborhood must be approved by both NJ Department of Community Affairs and the Elizabeth Home Improvement Program prior to acquisition and actual execution of the Third Party Agreement will only occur upon satisfactory completion of the Environmental Review Process, upon receipt of the Release of Funds, if necessary, and any of the requirements deemed necessary by the U.S. Department, of Housing and & Urban Development and the New Jersey Department of Community Affairs, in accordance with NSP Program rules and regulations; and

WHEREAS, MAGILL REAL ESTATE HOLDINGS, LLC., will use NSP 3 funds for the acquisition of vacant land and new construction of six (6) apartments. Units to be rented at affordable rents to income eligible persons; and

WHEREAS, the maximum amount of assistance to be provided under the NSP loan is \$750,000.00. The total project cost is \$1,244,913.00; and

WHEREAS, the terms of the loan are for a Deferred Payment NSP loan to be forgiven after compliance with a twenty (20) year period of affordability; and

WHEREAS, the amount of the contract in question exceeds \$50,000.00 and the provisions of Chapter 2.92 of the Code of the City of Elizabeth have been complied with by **MAGILL REAL ESTATE HOLDINGS, LLC**; and

WHEREAS, a Certificate of Availability of Funds cannot be issued because this grant operates on a reimbursement basis; and

RESOLVED that the City Council of the City of Elizabeth does hereby authorize the Mayor to execute a Third Party Agreement with **MAGILL REAL ESTATE HOLDINGS, LLC, 806 E. Jersey Street, Elizabeth, New Jersey 07201**, for the acquisition of vacant land and new construction of six (6) apartments at **217-219 First Street, Elizabeth, New Jersey** conditioned upon fulfillment of the terms set forth herein above with respect to the municipal lien. Units are to be rented at affordable rents to income eligible persons for a Neighborhood Stabilization Program Loan (NSP3) in the amount of \$750,000.00; and be it

FURTHER RESOLVED the Mortgages, Notes and Deed Restrictions will be executed by the State and not the City of Elizabeth.

Which was adopted by the following vote:

AFFIRMATIVE: Perkins-Auguste, Cuesta, Grova,
Torres, Gonzalez, Keenan, Cedeno, Mazza,
and President Gallman - 9

NEGATIVE: None

Councilwoman Perkins-Auguste moved that City Council do now adjourn,

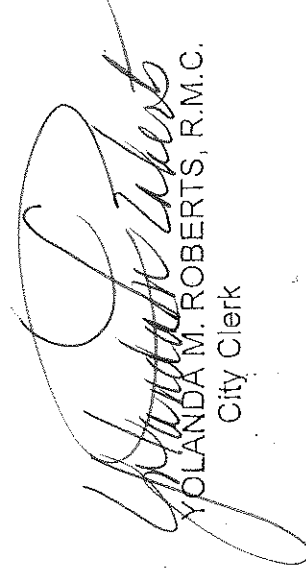
Which was carried unanimously.

Whereupon Council President Gallman declared City Council adjourned at

7:20 p.m.

APPROVED


WILLIAM GALLMAN, JR.
President of City Council


YOLANDA M. ROBERTS, R.M.C.
City Clerk