

No. 6F-L JUL 07 2016  
1st Reading

# Ordinance

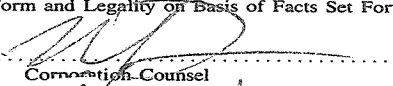
Date to Mayor .....  
Date Returned AUG 04 2016  
Date Resubmitted to Council .....  
Date Advertised 1st Reading .....  
Final Reading .....

No. .... Public Hearing  
No. 6PSF-K AUG 03 2016  
2nd Rdg. and Final Passage

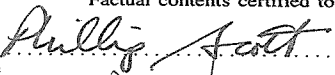

## of the City of Newark, N.J.

No. .... Reconsidered  
Approved as to Form and Legality on Basis of Facts Set Forth

Factual contents certified to by

  
Corporation Counsel

Title

Council member Amador presents the following Ordinance:

1  
2 AN ORDINANCE AUTHORIZING THE EXECUTION OF A LEASE AGREEMENT  
3 BETWEEN THE CITY OF NEWARK (TENANT) AND 52 AMSTERDAM NEWARK,  
4 LIMITED LIABILITY COMPANY (LANDLORD) FOR THE LEASING OF THE  
5 PREMISES COMMONLY KNOWN AS 52-90 AMSTERDAM STREET, BLOCK 2085,  
6 LOT 1, CONSISTING OF AN APPROXIMATE SQUARE FOOTAGE NOT TO EXCEED  
7 350,000, PURSUANT TO N.J.S.A. 40A:12-5 FOR A PERIOD OF TWENTY-FIVE (25)  
8 YEARS FROM THE DATE OF COMMENCEMENT, AS DEFINED IN THE LEASE  
9 AGREEMENT, TO BE USED AS THE CITY'S FLEET OPERATION AND VEHICLE  
10 REPAIR/STORAGE CENTER FOR AUTOMOTIVE MOTORS STORAGE, SERVICE,  
11 REPAIR AND HEAVY REPAIR, AT AN APPROXIMATE ANNUAL RENTAL NOT TO  
12 EXCEED \$4,725,000.00 IN YEAR ONE (1) AND ESCALATING TO AN  
13 APPROXIMATE ANNUAL RENTAL NOT TO EXCEED \$7,599,866.00 IN YEAR  
14 TWENTY-FIVE (25), WITH ONE ADDITIONAL FIVE (5) YEAR OPTION TO RENEW.

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18 WHEREAS, 52 Amsterdam Newark, Limited Liability Company (Landlord), is the  
19 owner of the Property located at 52-90 Amsterdam Street, Newark, New Jersey, Block  
20 2085, Lot 1 (formerly known as Block 2068, Lots 1, 5, 7, 10, 14, 25, 27, 28, 29, 30, 32,  
21 33, 41, & 60; Block 2083, Lot 19; and Block 2085, Lots 1, 3 & 20), containing up to  
22 approximately 350,000 rentable square feet; and

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25 WHEREAS, the City of Newark (Tenant), desires to have 52 Amsterdam Newark,  
26 Limited Liability Company (Landlord) construct three (3) new buildings on the Property,  
27 that will serve as the City of Newark's Fleet Operation and Vehicle Repair/Storage  
28 Center for automotive motors storage, service, repair and heavy repair; and

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31 WHEREAS, the City of Newark (Tenant), desires to enter into a Lease  
32 Agreement with 52 Amsterdam Newark, Limited Liability Company (Landlord), to cover  
33 all construction, in addition to the lease of the Property for the above purpose for a  
34 period of twenty-five (25) years, with an option to renew for an additional five (5) years  
35 and an option to purchase the Property any time during the term, as per the terms and  
36 conditions of the Lease Agreement.

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

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42 Section 1. The Mayor and/or his designees, the Director of the Department of  
43 Engineering and the Business Administrator, are hereby authorized to enter into and  
44 execute a Lease Agreement, in the form attached hereto, on behalf of the City of  
45 Newark (Tenant) with 52 Amsterdam Newark, Limited Liability Company, (Landlord),  
46 pursuant to N.J.S.A. 40A:12-5, to lease the Property located at 52-90 Amsterdam  
47 Street, Newark, New Jersey, Block 2085, Lot 1, consisting of an approximate square  
48 footage not to exceed 350,000, to serve as the City of Newark's Fleet Operation and  
49 Vehicle Repair/Storage Center for automotive motors storage, service, repair and heavy  
50 repair.

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53 Section 2. The Mayor and/or his designees, the Director of the Department of  
54 Engineering and the Business Administrator, are hereby authorized to enter into and  
55 execute a Work Agreement and a Rent Commencement Agreement, in substantially the  
56 forms attached to the Lease Agreement as Exhibits C & D, subject to approval of the  
57 Corporation Counsel.

CITY CLERK'S OFFICE  
NEWARK, N.J.  
2016 JUL 15 10:56 AM

No. 6PSF-K

Page 2

Date AUG 03 2016

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Section 3. The term of this lease shall be for the period of twenty-five (25) years from date of commencement of the lease, as defined therein, with an option to renew for one (1) additional five (5) year period.

Section 4. If the final fully completed buildings to be leased by the City exceed 350,000 square feet, the Lease Agreement authorized herein must be amended accordingly, subject to the approval of the Municipal Council.

Section 5. There shall be no advance payment on this lease.

Section 6. A copy of the Lease Agreement and preliminary plans and architectural drawings for construction are attached hereto and made a part hereof.

Section 7. This is a multi-year lease and pursuant to N.J.A.C. 5:30-5.5(d)(2) is subject to the availability and appropriation annually of sufficient funds as required to meet the extended obligation of the agreement.

Section 8. A Certification of Funds is not required at this time as the lease does not commence until Landlord completes construction, a final Certificate of Occupancy is issued to the Landlord, and the Landlord delivers possession of the leased property to the City of Newark. Funds for the lease shall be provided from the City of Newark prior to the commencement of the lease. A copy of the Certification of Funds, when issued, shall be filed in the Office of the City Clerk.

Section 9. This Lease Agreement is in compliance with the prerequisite for leasing private space, set forth in the City of Newark Municipal Code 2:4-16, as suitable space under the control of the City of Newark is not available.

Section 10. A copy of the Lease Agreement and this Ordinance approving the same shall be permanently filed in the Office of the City Clerk by the Director of the Department of Engineering.

Section 11. This Ordinance shall take effect upon final passage and publication in accordance with the laws of the State of New Jersey.

**STATEMENT**

Ordinance authorizing the Mayor and/or his designees, the Director of the Department of Engineering and the Business Administrator, to enter into and execute a Lease Agreement with 52 Amsterdam Newark, Limited Liability Company, (Landlord), pursuant to N.J.S.A. 40A:12-5 to lease the Property located at 52-90 Amsterdam Street, Newark, New Jersey, Block 2085, Lot 1, consisting of an approximate square footage not to exceed 350,000, for a period of twenty-five (25) years with an option to renew for one (1) period of five (5) years, at an approximate annual rental not to exceed \$4,725,000.00 in year one (1) and escalating to an approximate annual rental not to exceed \$7,599,866.00 in year twenty-five (25), to serve as the City of Newark's Fleet Operation and Vehicle Repair/Storage Center for automotive motors storage, repair and heavy repair.

CLERK'S OFFICE  
NEWARK, N.J.  
AUG 03 2016

COPIES TO BE FILED IN THE CITY CLERK'S OFFICE

AUG 04 2016

DO NOT USE SPACE BELOW THIS LINE

RECORD OF COUNCIL VOTE ON FINAL PASSAGE					RECORD OF COUNCIL VOTE FOR RECONSIDERATION									
Council Member	AYE	NAY	NV	AB	Council Member	AYE	NAY	NV	AB	Council Member	AYE	NAY	NV	AB
Amador <i>M</i>	✓				Osborne	✓				Amador <i>M</i>				
Gonzalez <i>S</i>	✓				Quintana	✓				Gonzalez				
James	✓				Ramos, Jr.	✓				James				
Chaneyfield Jenkins				✓	Crump President					Chaneyfield Jenkins				
McCallum, Jr.	✓								✓	McCallum, Jr.				

✓ - Indicates Vote

AB - Absent

NV - Not Voting

Adopted on first reading at a meeting of the Council of the City of Newark, N.J., on JUL 07 2016

Adopted on second and final reading after hearing on AUG 03 2016

Approved  
Rejected By Augusto Amador Mayor  
Kenneth City Clerk

This Ordinance when adopted must remain in the custody of the City Clerk. Certified copies are available.