

City Clerk File No. Ord. 16.013

Agenda No. 3-A 1st Reading

Agenda No. \_\_\_\_\_ 2nd Reading & Final Passage

# ORDINANCE OF JERSEY CITY, N.J.



COUNCIL AS A WHOLE  
offered and moved adoption of the following ordinance:

CITY ORDINANCE 16.013

TITLE:

**ORDINANCE AUTHORIZING THE EXECUTION OF A RIGHTS-OF-WAY USE AGREEMENT BETWEEN THE CITY OF JERSEY CITY AND NEW YORK SMSA LIMITED PARTNERSHIP, D/B/A VERIZON WIRELESS, TO PERMIT THE INSTALLATION OF ANTENNAS AND RELATED COMMUNICATIONS EQUIPMENT ON EXISTING UTILITY POLES AND IF NECESSARY TO INSTALL UTILITY POLES WITHIN CERTAIN PUBLIC RIGHTS-OF-WAY FOR PURPOSES OF PROVIDING TELECOMMUNICATION SERVICES**

**WHEREAS**, New York SMSA Limited Partnership d/b/a Verizon Wireless, ("Verizon Wireless"), One Verizon Way, Mail Stop 4AW100 Basking Ridge, NJ 07920 is a telecommunications carrier authorized to provide services by the Federal Communications Commission ("FCC"); and

**WHEREAS**, Verizon Wireless has requested that the City of Jersey City ("City") grant it permission to construct, install, operate, and maintain antennas and related telecommunications equipment on existing utility poles located in the public rights-of-way and, if and where necessary, to install utility poles to accommodate such antennas and equipment within the public rights-of-way for the purpose of installing, operating, repairing, and maintaining a telecommunications system (Project); and

**WHEREAS**, Verizon Wireless agrees to execute this forty (40) year Use Agreement as set forth in Section 8 of this Use Agreement; and

**WHEREAS**, Verizon Wireless agrees to pay the City \$750.00 to cover administrative expenses incurred by the City for engineering and legal review of Verizon Wireless's Project as set forth in Section 7 of this Use Agreement; and

**WHEREAS**, Verizon Wireless agrees to pay the City's reasonable additional administrative expenses incurred by the City if the Project requires additional engineering and legal review as set forth in Section 7 of this Use Agreement; and

**WHEREAS**, N.J.S.A. 48:3-18 and N.J.S.A. 48:3-19 authorize the City to grant municipal consent for the joint use of poles lawfully erected in its rights-of-way; and

**WHEREAS**, it is deemed to be in the best interest of the City and its citizenry, including the commercial and industrial citizens, for the City to grant municipal consent to Verizon Wireless to occupy said public rights-of-way within the City for this purpose; and

**WHEREAS**, the granting of such consent is and shall be conditioned upon Verizon Wireless's continued compliance with all existing and future ordinances of the City and its entering into this Use Agreement with the City; and

**WHEREAS**, Verizon Wireless agrees to indemnify, defend and hold the City harmless as to all claims and liability resulting from any injury or damage which may arise from the construction, installation, operation, repair, maintenance, disconnect, replacement and removal

of its telecommunications facilities within certain public rights-of-way as set forth in Section 9 of this Use Agreement, and provide liability insurance coverage for personal injury and property damage as set forth in Section 11 of this Use Agreement.

**NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF JERSEY CITY THAT:**

1. Non-exclusive consent is hereby granted to Verizon Wireless to use certain public rights-of-way within the City for the purpose of installation, operation, repair, and maintenance of a telecommunications system for a period of forty (40) years, subject to the mutual covenants and obligations as set forth in the Rights-of-Way Use Agreement attached hereto;
  2. The within granted permission is conditioned upon Verizon Wireless's executing the Rights-of-Way Use Agreement attached hereto and providing liability and property damage insurance; and
  3. The Mayor or Business Administrator is authorized to execute the attached Rights-of-Way Use Agreement.
- A. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
  - B. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
  - C. This ordinance shall take effect at the time and in the manner as provided by law.
  - D. The City Clerk and the Corporation Counsel may change any chapter numbers, article numbers and section numbers if codification of this ordinance reveals a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

Note: New matter is underlined.

For purposes of advertising only, new matter is indicated by **boldface** and repealed matter by *italic*.

RR  
1-15-16

APPROVED AS TO LEGAL FORM

APPROVED: \_\_\_\_\_

\_\_\_\_\_  
Corporation Counsel

APPROVED: \_\_\_\_\_  
Business Administrator

Certification Required   
Not Required

**RESOLUTION FACT SHEET - CONTRACT AWARD**

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

**Full Title of Ordinance/Resolution**

**ORDINANCE AUTHORIZING THE EXECUTION OF A RIGHTS-OF-WAY USE AGREEMENT BETWEEN THE CITY OF JERSEY CITY AND NEW YORK SMSA LIMITED PARTNERSHIP, D/B/A -VERIZON WIRELESS, TO PERMIT THE INSTALLATION OF ANTENNAS AND RELATED COMMUNICATIONS EQUIPMENT ON EXISTING UTILITY POLES AND IF NECESSARY TO INSTALL UTILITY POLES WITHIN CERTAIN PUBLIC RIGHTS-OF-WAY FOR PURPOSES OF PROVIDING TELECOMMUNICATION SERVICES**

**Project Manager**

Department/Division	Law	Law
Name/Title	Raymond Reddington	Asst. Corporation Counsel
Phone/email	547-5063	Raymond@jcnj.org

Note: Project Manager must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

**Contract Purpose**

Verizon Wireless is a telecommunications carrier authorized to provide services by the Federal Communications Commission. It has requested that the City grant it permission to construct and maintain antennas and related telecommunications equipment on existing utility poles located in the public rights-of-way and, if and where necessary, to install utility poles to accommodate such antennas and equipment within the public rights-of-way for the purpose of installing and maintaining a telecommunications system. Verizon Wireless agrees to execute a forty year Use Agreement and will pay the City \$750.00 to cover administrative expenses incurred by the City for engineering and legal review of Verizon Wireless's Project.

**Cost (Identify all sources and amounts)**

Not applicable

**Contract term (include all proposed renewals)**

Forty Years

**Type of award**

Not Applicable

**If "Other Exception", enter type**

**Additional Information**

I certify that all the facts presented herein are accurate.



STEVEN M. FULOP  
MAYOR OF JERSEY CITY

CITY OF JERSEY CITY  
DEPARTMENT OF LAW

CITY HALL | 280 GROVE STREET | JERSEY CITY, NJ 07302  
P: 201 547 5229 | F: 201 547 5230



JEREMY FARRELL  
CORPORATION COUNSEL

MEMORANDUM

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TO: Rolando Lavarro, City Council President and City Council Members

FROM: Raymond Reddington, Supervisory Assistant Corporation Counsel *R.R.*

DATE: January 15, 2016

SUBJECT: Ordinance authorizing the execution of a Rights-of-Way Use Agreement between the City of Jersey City and New York SMSA Limited Partnership, d/b/a Verizon Wireless

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This ordinance authorizes the City of Jersey City (City) to execute a Rights-of-Way Use Agreement with New York SMSA Limited Partnership, d/b/a Verizon Wireless (Verizon Wireless). Verizon Wireless is a telecommunications carrier authorized to provide service by the Federal Communications Commission. It has requested the City's permission to construct and maintain antennas and related telecommunications equipment on existing utility poles located in the public rights-of-way and, if and where necessary, to install utility poles to accommodate such antennas and equipment within the public rights-of-way for the purpose of installing and maintaining a telecommunications system.

The City Council must vote on the ordinance in order to avoid being in violation of the Federal Telecommunications Act of 1966 (Act), 47 U.S.C.A. §151 *et seq.* 47 U.S.C.A. § 253(a) of the Act preempts state and local laws and regulations that expressly or effectively prohibit the ability of an entity to provide telecommunication services. The only exception to the preemption is 47 U.S.C.A. § 253(c). It preserves the authority of a municipality to manage its public streets. The types of activities that fall within the sphere of appropriate management of the public streets by a municipality include coordination of construction schedules, determination of insurance, bonding and indemnity requirements, establishment and enforcement of building codes, and keeping track of the various companies using the public streets to prevent interference with them. See, Illinois Bell Telephone Co. v. Village of Itasca, 503 F. Supp. 2d. 928, 239-941 (Dist. II. 2007).

The Rights-of-Way Use Agreement contains the City's standard management provisions for the use of its public streets by a telecommunications company. Verizon agrees to comply with all of the City's management provisions.

## **RIGHTS OF WAY USE AGREEMENT**

THIS RIGHTS OF WAY USE AGREEMENT (“Use Agreement”) is dated the \_\_\_ day of \_\_\_\_\_, 2016 (The “Effective Date”), and entered into by and between the City of Jersey City (“City”), a New Jersey Municipal Corporation, having its address at 280 Grove Street, Jersey City, New Jersey 07302, and Verizon Wireless New York SMSA Limited Partnership d/b/a Verizon Wireless (“Verizon Wireless Verizon Wireless”) a corporation formed under the laws of the State of New York, with offices at One Verizon Way, Mail Stop 4AW100, Basking Ridge, NY 07920.

### **RECITALS**

**WHEREAS**, Verizon Wireless is a telecommunications carrier authorized to provide services by the Federal Communications Commission (FCC); and

**WHEREAS**, Verizon Wireless has requested that the City grant it permission to construct, install, operate, and maintain antennas and related telecommunications equipment on existing utility poles located in the public rights-of-way and, if and where necessary, to install utility poles to accommodate such antennas and equipment within the public rights-of-way for the purpose of installing, operating, repairing, and maintaining a telecommunications system ; and

**WHEREAS**, Verizon Wireless has requested that the City grant it permission to construct, install, operate, and maintain antennas and related telecommunications equipment in metal street light fixtures in the public rights-of-way and, if and where necessary, to replace existing metal street lights fixtures to accommodate such antennas and equipment within the public rights-of-way for the purposed of installing, operating, repairing, and maintaining a telecommunications system

**WHEREAS**, Verizon Wireless agrees to execute this forty (40) year Use Agreement as set forth in Section 8 of this Use Agreement; and

**WHEREAS**, Verizon Wireless agrees to pay the City \$750.00 to cover administrative expenses incurred by the City for engineering and legal review of Verizon Wireless’s request as set forth in Section 7 of this Use Agreement; and

**WHEREAS**, Verizon Wireless agrees to pay the City’s reasonable additional administrative expenses incurred by the City if the Project requires additional engineering and legal review as set forth in Section 7 of this Use Agreement; and

**WHEREAS**, N.J.S.A. 48:3-18 and N.J.S.A. 48:3-19 authorizes the City to grant municipal consent for the joint use of poles that have been lawfully erected in its rights-of-way; and

**WHEREAS**, it is deemed to be in the best interest of the City and its citizenry, including the commercial and industrial citizens, for the City to grant municipal consent to Verizon Wireless to occupy said public rights-of-way within the City for this purpose; and

**WHEREAS**, the granting of such consent is and shall be conditioned upon Verizon Wireless’s continued compliance with all existing and future ordinances of the City and its entering into this Use Agreement with the City; and

**WHEREAS**, Verizon Wireless agrees to indemnify, defend and hold the City harmless as to all claims and liability resulting from any injury or damage which may arise from the construction, installation, operation, repair, maintenance, disconnect, replacement and removal of its telecommunications facilities within certain public rights-of-way as set forth in Section 9 of this Use Agreement, and provide liability insurance coverage for personal injury and property damage as set forth in Section 11 of this Use Agreement.

**NOW, THEREFORE**, in consideration of the mutual covenants and obligations hereinafter set forth, the City and Verizon Wireless hereby agree to and with each other as follows:

**Section 1: Definitions**

- a. "Verizon Wireless" is the grantee of rights under this Use Agreement and is known as New York SMSA Limited Partnership, d/b/a Verizon Wireless, its successors and assigns.
- b. "City" is the grantor of rights under this Use Agreement and is known as the City of Jersey City, County of Hudson, State of New Jersey.
- c.. "Rights-of-Way" means the areas devoted to passing under, over on or through lands with public utility facilities.
- d. "Underground Conduit" means, in addition to its commonly accepted meaning, any wires or cable placed therein and any replacement thereof which are similar in constructions and use.
- e. "Utility Poles" means poles with associated anchors and supports, if any, owned by Verizon Wireless and poles owned by others upon which Verizon Wireless has the right to attach telecommunications facilities.
- f. "Light Fixtures" means any new, existing or replacement metal street light fixtures that have the purpose of providing public lighting, as well as housing antennas and associated wireless telecommunications equipment.

**Section 2: Grant of Consent.**

The City hereby grants Verizon Wireless its municipal consent for the non-exclusive use of the public rights-of-way within the City for the purpose of owning, constructing, installing, operating and maintaining telecommunications facilities, subject to the mutual covenants and obligations as set forth in this Use Agreement.

**Section 3: Public Purpose.**

It is deemed to be in the best interests of the City and its citizenry, for the City to grant consent to Verizon Wireless to occupy said public rights-of-way within the City for this purpose.

**Section 4: Project Description and Notice to and Approval of City**

Verizon Wireless will be installing antennas and related telecommunications equipment on existing utility poles, new utility poles to accommodate such antennas and telecommunications equipment, if and where necessary, as well as new, existing or replacement Light Fixtures. Any construction to be undertaken for the purposes described herein shall require prior notice by Verizon Wireless to the City. Verizon Wireless shall fully describe the construction to be undertaken in plans and specifications submitted to the City, and shall obtain approval from, coordinate and work with the appropriate Municipal Department(s) before scheduling and commencing any construction.

**Section 5: Scope of Use Agreement.**

Any and all rights expressly granted to Verizon Wireless under this Use Agreement, which shall be exercised at Verizon Wireless's sole cost and expense, shall be subject to the prior and continuing right of the City under applicable laws to use any and all parts of the municipal rights-of-way exclusively or concurrently with any other person or persons on a non-discriminatory basis, and shall be further subject to all deeds, easements, dedications, conditions, covenants, restrictions, encumbrances, and claims of title of record which may affect such municipal rights-of-way. Nothing in this Use Agreement shall be deemed to grant, convey, create or vest in Verizon Wireless a real property interest in land, including any fee, leasehold interest, easement or any other form of interest or ownership.

Subject to obtaining the permission of the owner(s) of Utility Poles and Underground Conduit, which shall be the sole responsibility of Verizon Wireless to undertake and obtain, and subject to notice and approval of the City as described in section 4 herein, the City hereby authorizes and permits Verizon Wireless to enter upon the municipal rights-of-way and to attach, install, operate, maintain, remove, reattach, reinstall, relocate and replace its telecommunications facilities, in or on Utility Poles or Underground Conduit owned by public utility companies or to be constructed by Verizon Wireless located within the municipal rights-of-way, and as may be permitted by the public utility company or property owner, as the case may be.

**Section 6: Compliance with Ordinances**

Verizon Wireless shall comply with all existing ordinances of the City as may be amended from time to time and with all future ordinances as may be enacted.

**Section 7: Municipal Costs**

Verizon Wireless agrees to pay to the City \$750.00 to cover the reasonable costs incurred by the City for engineering and/or legal review, analysis and preparation of documents related to Verizon Wireless's request for municipal consent to its Project. If the Project requires additional engineering and/or legal review, Verizon Wireless agrees to pay the City's reasonable administrative expenses that the City incurs.

**Section 8: Duration of Consent and Termination of Agreement**

The non-exclusive municipal consent granted herein shall expire forty (40) years from the Effective Date of this Use Agreement. Upon expiration of such consent, or at such earlier date that Verizon Wireless ceases to maintain its facilities, it shall remove the facilities at its cost and expense.

The City may terminate this Use Agreement, or require modification hereof, upon notice and opportunity of Verizon Wireless to be heard, where it is shown that the scope of use hereunder is compromising the health, safety and welfare of the citizenry.

**Section 9: Indemnification**

Verizon Wireless, its successors, assigns, sub-contractors, agents, servants, officers, employees, designees, guests and invitees, hereby indemnify, defend and hold harmless the City, its successors and assigns, elected officials, officers, employees, servants, contractors, designees and invitees from and against any and all claims, demands, suits, actions at law or equity or otherwise, judgments, arbitration determinations, damages, liabilities, decrees of any person(s) or entities claiming to be or being harmed as a result of Verizon Wireless's actions under this Use Agreement and costs in connection therewith. This indemnification shall specifically include, but not be limited to, any and all costs, reasonable attorneys' fees, court costs and any other expenses that may be incurred by the City in connection with any and all claims, demands, suits, actions at law or equity or otherwise and/or arbitration proceedings which may arise in connection with Verizon Wireless's activities pursuant to the rights granted in this Use Agreement.

Other than in connection with the foregoing third-party claims indemnification, neither the City nor Verizon Wireless shall be liable to the other for consequential, incidental, exemplary or punitive damages on account of any activity pursuant to the consents granted hereby.

**Section 10: Notices**

All notices or other correspondence required or permitted to be given in connection with this Use Agreement shall be in writing and delivered personally, by telecopy, by overnight carrier service or by registered or certified mail to the parties at the following addresses:

To Verizon Wireless at: Verizon Wireless  
ATTN: Network Real Estate  
180 Washington Valley Parkway  
Bedminster, NJ 07921

To the: Municipal Engineer  
City of Jersey City  
13-15 East Linden Ave  
Jersey City, New Jersey 07305

With a copy to: Corporation Counsel  
Jersey City Law Department  
City Hall  
280 Grove Street  
Jersey City, New Jersey 07302

**Section 11: Liability Insurance**

Verizon Wireless shall at all times maintain a comprehensive liability insurance policy with a single amount of at least One Million dollars (\$1,000,000.00) covering liability for any death, personal injury, property damage or other liability arising out of the construction and operation contemplated herein, and an excess liability policy (or "umbrella") policy in the amount of Five Million Dollars (\$5,000,000.00). Verizon Wireless shall also show evidence of Auto Liability coverage in the amount of One Million Dollars (\$1,000,000) combined single limit and Worker's Compensation coverage with New Jersey statutory limits and Employer Liability of \$500,000 / \$500,000 / \$500,000.

Prior to the commencement of any work pursuant to this Use Agreement, Verizon Wireless shall file Certificates of Insurance with the City with endorsements evidencing the coverage provided by said liability and excess liability policies.

The City shall notify Verizon Wireless within fifteen days (15) days after the presentation of any claim or demand to the City, either by suit or otherwise, made against the City on account of any of Verizon Wireless's or its sub-contractors, agents, employees, officers, servants, designees, guests and invitees, activities pursuant to the rights granted in this Use Agreement.

**Section 12: Successors and Assigns.**

The terms and conditions herein contained shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto.

**Section 13: Governing Law.**

This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of New Jersey.

**Section 14: Incorporation of Prior Agreements.**

This Agreement contains the entire understanding of the parties hereto with respect to the subject matter hereof, and no prior other written or oral agreement or undertaking pertaining to any such matter shall be effective for any purpose.

**Section 15: Modification of Agreement.**

This Agreement may not be amended or modified, nor may any obligation hereunder be waived orally, and no such amendment, modification or waiver shall be effective for any purpose unless it is in writing and signed by the party against whom enforcement thereof is sought.

**Section 16: Invalidity.**

If any provision hereof shall be declared invalid by any court or in any administrative proceedings, then the provisions of this Agreement shall be construed in such manner so as to preserve the validity hereof and the substance of the transaction herein contemplated to the extent possible. The headings are provided for purposes of convenience of reference only and are not intended to limit, define the scope of or aid in interpretation of any of the provisions hereof.

**Section 17: Counterparts.**

This Agreement may be executed and delivered in several counterparts, each of which, when so executed and delivered, shall constitute an original, fully enforceable counterpart for all purposes.

IN WITNESS WHEREOF, this Use Agreement has been executed as of the date set forth below.

**New York SMSA Limited Partnership d/b/a Verizon Wireless,**

**By Celco Partnership, Its General Partner**

Witness

\_\_\_\_\_  
Lynn Ramsey

Vice President Field Network

**City of Jersey City**

Witness

\_\_\_\_\_  
Robert Kakoleski  
Acting Business Administrator

\_\_\_\_\_  
Robert Byrne  
Municipal Clerk

City Clerk File No. Ord. 16.014

Agenda No. 3-B 1st Reading

Agenda No. \_\_\_\_\_ 2nd Reading & Final Passage



# ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE  
offered and moved adoption of the following ordinance:

CITY ORDINANCE 16.014

TITLE:

**ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY ADOPTING AMENDMENTS TO THE JOURNAL SQUARE 2060 REDEVELOPMENT PLAN CREATING A NEW ZONE 12 AND BONUS INCENTIVES FOR OFFICE SPACE**

**WHEREAS**, the Municipal Council of the City of Jersey City, adopted the Journal Square 2060 Redevelopment Plan at its meeting of July 14, 2010, Ordinance #10-103; and

**WHEREAS**, the Municipal Council seeks to promote the continuing redevelopment of the area by amending the standards and regulations within the redevelopment plan; and

**WHEREAS**, the Municipal Council seeks to maintain Journal Square as a center for business and employment and seeks to encourage office space development; and

**WHEREAS**, a copy of the amended text is attached hereto and made a part hereof, and is available for public inspection at the Offices of the City Clerk, City Hall, 280 Grove Street, Jersey City, NJ; and

**WHEREAS**, the following amendments to the Journal Square 2060 Redevelopment Plan have been reviewed by the Jersey City Planning Board at its meeting of January 12, 2016; and

**WHEREAS**, the Planning Board voted to recommend adoption of these amendments by the Municipal Council; and

**NOW, THEREFORE, BE IT ORDAINED** by the Municipal Council of the City of Jersey City that the recommended amendments to the Journal Square 2060 Redevelopment Plan be, and hereby are, adopted.

**BE IT FURTHER ORDAINED THAT:**

- A. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
- B. This ordinance shall be a part of the Jersey City Code as though codified and set forth fully herein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
- C. This ordinance shall take effect at the time and in the manner as provided by law.
- D. The City Clerk and the Corporation Council be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible repealers of existing provisions.
- E. The City Planning Division is hereby directed to give notice at least ten days prior to the hearing on the adoption of this Ordinance to the Hudson County Planning board and to all other persons entitled thereto pursuant to N.J.S. 40:55D-15 and N.J.S. 40:55D-63 (if required). Upon the adoption of this Ordinance after public hearing thereon, the City Clerk is hereby directed to publish notice of the passage thereof and to file a copy of the Ordinance as finally adopted with the Hudson County Planning Board as required by N.J.S. 40:55D-16. The clerk shall also forthwith transmit a copy of this Ordinance after final passage to the Municipal Tax Assessor as required by N.J.S. 40:49-2.1.

 Robert D. Cotter, PP, FAICP, Director of Planning

APPROVED AS TO LEGAL FORM

APPROVED: 

Corporation Counsel

APPROVED: \_\_\_\_\_

Business Administrator

Certification Required   
Not Required

**ORDINANCE/RESOLUTION FACT SHEET – NON-CONTRACTUAL**

This summary sheet is to be attached to the front of any resolution/ordinance that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution/ordinance.

**Full Title of Ordinance/Resolution**

**ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY ADOPTING AMENDMENTS TO THE JOURNAL SQUARE 2060 REDEVELOPMENT PLAN CREATING A NEW ZONE 12 AND BONUS INCENTIVES FOR OFFICE SPACE**

**Initiator**

Department/Division	HEDC	City Planning
Name/Title	Robert Cotter, PP, AICP	Director
	Jeff Wenger, PP, AICP	Principal Planner
Phone/email	201-547-5010	bobbyc@jcnj.org / jeff@jcnj.org

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

**Purpose**

This ordinance amends the Journal Square 2060 Redevelopment Plan to create a new zone 12 which shall permit a new mixed use high rise project with the adaptive re-use of 30 Journal Square; and encourage office space development with bonus incentives. Other development standards such as yards and bulk requirements are revised and updated.

I certify that all the facts presented herein are accurate.

  
Signature of Department Director

 11/9/16

Date

## **SUMMARY STATEMENT**

### **ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY ADOPTING AMENDMENTS TO THE JOURNAL SQUARE 2060 REDEVELOPMENT PLAN CREATING A NEW ZONE 12 AND BONUS INCENTIVES FOR OFFICE SPACE**

This ordinance amends the Journal Square 2060 Redevelopment Plan to create a new zone 12 which shall permit a new mixed use high rise project with the adaptive re-use of 30 Journal Square; and encourage office space development with bonus incentives. Other development standards such as yards and bulk requirements are revised and updated.

# PROPOSED AMENDMENTS TO THE JOURNAL SQUARE 2060 REDEVELOPMENT PLAN

AS RECOMMENDED BY THE JERSEY CITY PLANNING BOARD ON JANUARY 12, 2016

Text that is unchanged is in plain face type like this.

Text that is deleted is in strike-through ~~like this.~~

Text that is added is in bold **like this.**

## D INTRODUCTION

On November 25, 2008 the Jersey City Municipal Council determined, by Resolution # 08-879, the *Greater Journal Square Study Area* to be an "area in need of rehabilitation," pursuant to the New Jersey Local Housing and Redevelopment Law (N.J.S.A. 40A:12A-1 et seq.). Previously, portions of the Journal Square area were also declared to be an "area in need of redevelopment," called the *Journal Square Redevelopment Plan* originally adopted in 1974 and amended several times since.

This redevelopment plan focuses on Journal Square, the PATH rail station and bus depot, as well as the surrounding neighborhoods within walking distance, comprising an area of approximately 211 acres, 57 city blocks, and approximately 1600 individual parcels.

The purpose of the Journal Square 2060 Plan is to foster the redevelopment of Journal Square, Jersey City's central business district, by providing for transit oriented development of new housing, offices, commercial, and public open spaces within walking distance to the Square and transit facilities, returning Journal Square to a flourishing central business and shopping destination.

Since the mid 1950's, various plans in and around Journal Square were adopted by the Jersey City Municipal Council to address the adjacent air-rights development over the PATH rail cut and various development parcels in the vicinity of the Journal Square Transportation Center. Then in 2007, *Vision Journal Square* was prepared by A. Nelessen Associates, Inc. (ANA) and Dean Marchetto Architects, PC (DMA) in coordination the Jersey City Redevelopment Agency (JCRA) and the City of Jersey City. The process included multiple charrettes and public meetings, producing a comprehensive vision for the greater Journal Square area.

The Jersey City Master Plan lists several specific objectives and recommended actions which guide the standards and requirements for this plan. More specifically, the award winning Jersey City Master Plan Circulation Element, *Jersey City Mobility 2050*, recommends that the City:

*Develop and implement smart growth strategies that locate new residential development within walking distance of bus stops and passenger rail stations, with the highest density zones located within walking distance of passenger rail stations; that mixes residential land use with commercial land use;*

*Create meaningful public spaces that facilitate integration of the built environment with arterials and major transit routes;*

*Requirements to provide bicycle amenities for building users, such as interior bicycle storage facilities for residential buildings that are accessible without stairs or tight corners, and bicycle racks and employee showers for commercial buildings;*

*Parking space requirement maximums that reduce the number of permitted parking spaces in development near fixed rail transit stations in proportion to distance and inversely proportional to the intensity of development.*

In addition, the NJ Department of Transportation and NJ Transit created the "Transit Village Initiative" to recognize municipalities that have demonstrated a commitment to revitalizing and redeveloping areas within walking distance of rail or bus facilities into compact, mixed-use neighborhoods that are consistent with Smart Growth principles. In 2005, the Journal Square area received designation as a Transit Village by an inter-agency Transit Village Task Force.

It now appears appropriate for the City to take a more pro-active approach to redevelopment in this Area, so as to bring the Area into greater compliance with the recommendations of the Master Plan. The Master Plan calls for "station areas" around Jersey City's mass transit facilities to be up-zoned to include higher density residential, neighborhood retail, restaurants and other uses compatible with a mixed use transit oriented station area. In addition, parking requirements are to be reduced "to capitalize on the availability of high quality mass transit" and to increase building coverage, floor-area-ratios, and residential density, which can be supported near transit facilities.

As Jersey City enters the 21st century, we wish to continue developing in a sustainable direction. This means focusing future development to areas where mass transit is available, reducing parking to limit traffic congestion and effects on air quality, requiring bicycle parking and wider sidewalks to limit automobile use and promote alternative modes, requiring retail uses along pedestrian corridors to create an enjoyable and safe neighborhood environment, concentrating high density high-rise development along the major thoroughfares

and immediately adjacent to mass transit facilities, preserving the most distinguished historic structures, and provide for design guidelines so that new development sits comfortably next to the historic fabric of this area.

Journal Square and its surrounding neighborhoods are not a blank slate. The existing physical structure of the Area is extremely varied. Building types range from detached two-family homes with generous front yards, to 4 to 6 story apartment buildings, office buildings, and commercial uses. This variety of uses and building types are all interwoven at a fine scale. Some streets are quiet and narrow, while others have intensive retail uses. This diversity need not inhibit the City from drafting new development guidelines. This redevelopment plan balances the need for new development at higher densities with the existing context of diverse and varied neighborhoods. To do this, this plan employs an approach to development that requires higher density projects to assemble sufficient development sites to accommodate building designs and forms that can reasonably fit into its surroundings while providing improved infrastructure. The Plan employs the use of building setbacks, sidewalk widening, open space and plaza provisions, contextual yard requirements, required retail uses, parking limitations and bicycle parking requirements, green building requirements, and design guidelines to assure that future development contributes to the sustainable future of Journal Square.

## II) BOUNDARIES

- A) A map of the boundary, entitled, *Map 1: Boundary Map*, dated July 8, 2010 is attached and shall govern the boundaries of this redevelopment plan.
- B) The boundary of the Journal Square 2060 plan omits land on Blocks 6502 (formerly known as 593.1 and 628.1) which was authorized as part of the Greater Journal Square Study Area (Resolution 08-879). As this site has already been redeveloped under the St John's Redevelopment Plan and no substantive change to this site is currently contemplated, this area will not be included as part of the Journal Square 2060 Plan.
- C) The boundary of the Journal Square 2060 plan also omits land on Block 6401 and portions of Block 6701 and 8203 which are part of the Bergen Arches right-of-way and which were authorized as part of the Greater Journal Square Study Area (Resolution 08-879).

## III) REDEVELOPMENT PLAN OBJECTIVES

Renewal activities for the Journal Square 2060 plan area will be undertaken in conformity with, and will be designed to meet, the following objectives of the Redevelopment Plan:

- 1) Re-establish Journal Square as a Jersey City's primary central business district and activity center.
- 2) Make sustainability a theme of future development and redevelopment that guides land use and transportation decisions.

- 3) Integrate open space into the Area by incorporating a system of parks, plazas, and natural amenities.
- 4) Promote a pattern of mixed and multiple-use development. New buildings within the Area should appropriately combine residential, commercial, and entertainment uses and encourage a balance of jobs-to-housing.
- 5) Make walking and biking an easy, safe, desirable, and convenient mode of transport.
- 6) Encourage local quality retail within the greater Journal Square area.
- 7) Reduce automobile dependency by encouraging high density development in close proximity to mass transit with low automobile parking ratios and with bicycle parking requirements.
- 8) Provide for urban amenities such as transit, housing variety, open space, and entertainment that will attract new employers and a range of new residents to the area while sustaining existing neighborhoods.
- 9) Encourage the adaptive reuse of existing structures.
- 10) Encourage buildings to meet or exceed the US Green Building Council's LEED (Leadership in Energy and Environmental Design) Certification or equivalent.
- 11) The removal of vacated, deteriorated and obsolete structures.
- 12) The overall improvement of traffic circulation through the development of new and improved vehicular and pedestrian circulation systems which provide for separation of vehicular and pedestrian traffic and the maximum use of public transportation.
- 13) Coordination of redevelopment activities, reinforcing already existing adjacent renewal programs and in accordance with the Master Plan for the City overall.
- 14) Provide for the conservation and preservation of select structures with historic or architectural significance, and provide opportunity for adaptive reuse for future generations.
- 15) Encourage the private sector to consolidate development parcels to allow for sufficient building stepbacks providing, light and air to the street and adjacent properties.
- 16) Provide for redevelopment without public acquisition or relocation of residents and business concerns.
- 17) Provide for an active "front door" plaza entry way where Magnolia Avenue accesses the Journal Square PATH station, at the existing kiss-and-ride area.
- 18) To promote balanced development in accordance with applicable State laws and City requirements regarding affordable housing.
- 19) Creation of major new employment, housing, educational, recreational, commercial and retail opportunities for the residents of Jersey City.
- 20) Coordinate redevelopment activities to provide a uniform and consistent attack on blighted, dilapidated, and obsolete structures within the Area.
- 21) To promote the principles of "Smart Growth" and "Transit Village" development, including a variety of housing choices, providing wider sidewalks, minimize automobile use by maximizing the appeal of mass

transit, encourage reduced parking and shared use parking solutions, and creating a livable community with convenient access to commercial facilities.

- 22) Maintain and improve pedestrian access to the Journal Square PATH Station from the surrounding communities.
- 23) To maximize the use of rooftop open space for recreation and/or green roofs.
- 24) Utilize setbacks, architectural design elements, and building massing regulation to maintain light and air to the street and adjacent properties.
- 25) All structures within the project area shall be designed and maintained so as to improve the visual impact of the Jersey City skyline as viewed from within and beyond the City's borders.
- 26) Provide for new transport systems such as a streetcar along Kennedy Blvd. and Bergen Avenues and a Bus Rapid Transit system connecting to Route 440.

#### IV) GENERAL ADMINISTRATIVE PROVISIONS

- A) No building shall be constructed over public rights-of-way in the project area with the exception of freestanding structures ancillary to public plazas and/or pedestrian walkways, which shall be subject to review by the Planning Board.
- B) Prior to commencement of construction, site plans for the construction and/or rehabilitation of improvements to the Area shall be submitted by the developer to the Planning Board of the City of Jersey City for review and approval so that compliance of such plans with the redevelopment objectives can be determined. Site plan review shall be conducted by the Planning Board pursuant to NJSA 40:55D-1 et. seq. Applications may be submitted for the entire project or in any number of phases.
- C) As part of any site plan approval, the Planning Board may require a developer to furnish performance guarantees pursuant to NJSA 40:55D-53 et seq. Such performance guarantees shall be in favor of the City in a form approved by the Jersey City Corporation Counsel. The amount of any such performance guarantees shall be determined by the City Engineer and shall be sufficient to assure completion of on and off site improvements within one (1) year of final site plan approval.
- D) SPLIT ZONED DEVELOPMENT SITES:
  - 1) For any consolidated development site which overlaps multiple zone districts, the zone that covers the largest portion of the site shall govern the entire development site. Zone 6, Zone 7, and Zone 11, and Zone 12 are excluded from this split zone provision. All property within Zones 6, 7, or 11, or 12 must be developed under the provisions of that zone.
- E) All traffic impact studies shall incorporate, as part of the study, all projects approved or proposed in the immediate area. A listing of the projects may be obtained from the Division of City Planning.
- F) No use or reuse shall be permitted, which, when conducted under proper safeguards, will produce corrosive, toxic or noxious fume, glare, electromagnetic disturbances, radiation, smoke, cinders, odors, dust or waste, undue noise or

vibration (60 decibels), or other objectionable features so as to be detrimental to the public health, safety or general welfare.

- G) All residential redevelopment proposals and construction plans shall meet or exceed applicable FHA minimum room size requirements prior to approval by the Planning Board.

H) ~~The provisions of this plan specifying the redevelopment of the project area and the requirements and restrictions with respect thereto shall be in effect for a period of fifty (50) years from the date of approval of this plan by the City Council of the City of Jersey City, provided however that any development or redevelopment projects that are commenced and/or completed within said fifty (50) year period shall be deemed to comply with all applicable laws, so long as they comply with the provisions of this Redevelopment Plan. At the end of this fifty (50) year period, the zoning regulations contained herein shall be incorporated into the zoning ordinance of the City of Jersey City in accordance with the appropriate State statutes.~~

- I) Any subdivision of lots and parcels of land within the Redevelopment Area shall be in accordance with the requirements of this plan and the Land Development Ordinance (LDO) of Jersey City.

- J) Upon demolition of existing structures, the site shall be graded and planted or sodded, with a durable dust free surface in the interim period prior to construction of new buildings.

K) **DEVIATION REQUESTS:**

The Planning Board may grant deviations from the regulations contained within this Redevelopment Plan, where, by reason of exceptional narrowness, shallowness or shape of a specific piece of property, or by reason of exceptional topographic conditions, pre-existing structures or physical features uniquely affecting a specific piece of property, the strict application of any area, yard, bulk or design objective or regulation adopted pursuant to this Redevelopment Plan, would result in peculiar and exceptional practical difficulties to, or exceptional and undue hardship upon, the developer of such property. The Planning Board may also grant such relief in an application relating to a specific piece of property where the purposes of this Redevelopment Plan would be advanced by a deviation from the strict requirements of this Plan and the benefits of the deviation would outweigh any detriments. Deviations from the required retail use as per section IX shall be considered a design waiver, cognizable by the Planning Board. No relief may be granted under the terms of this section unless such deviation or relief can be granted without substantial detriment to the public good and will not substantially impair the intent and purpose of the Redevelopment Plan.

No deviations may be granted which will result in permitting:

- 1) A use or principal structure in a district which does not permit such use or principal structure;
- 2) An expansion of a non-conforming use;
- 3) An increase in height of more than ten feet or 10% of the height in feet, whichever is less.

- 4) A breach in the required minimum or maximum building base height requirement of more than 10%;
- 5) An increase in the permitted floor area ratio;
- 6) An increase in the parking ratio of more than 10% above the maximum permitted;
- 7) Breach the minimum or maximum number of permitted stories.
- 8) Right-of-way width, and pavement width beyond normal adjustments encountered during survey synchronization;
- 9) Non-completion of minimum open space, parks, or other type of phased improvements required to be implemented;
- 10) Deviation from the Impact Fees provisions set forth in this Plan; or
- 11) Non-compliance with the specific goals and objectives enumerated in the Plan.

Any deviation in the above categories (1-11) or any other deviation that would otherwise constitute a "d" type variance or deviation constitutes a request for a legislative plan amendment cognizable only by the Governing Body. The Jersey City Zoning Board of Adjustment's powers are strictly limited to "a" and "b" appeals (N.J.S.A. 40:53D-70A&B).

L) All development projects within Zone 1, Zone 2, ~~or~~ Zone 10, **Zone 11, or Zone 12** shall be pursuant to a redevelopment agreement approved by the Jersey City Redevelopment Agency. The agreements will be undertaken on a project by project basis.

M) IMPACT FEE:

- 1) Redevelopment shall provide adequate water, sewer and other necessary utilities to the site, to the satisfaction of the Municipal Engineer and the Municipal Utility Authority. All costs necessary for infrastructure improvements associated with a development project, off-site as well as on-site, are the responsibility of the developer or redeveloper.

N) PROCEDURES FOR AMENDING THE PLAN:

- 1) This Redevelopment Plan may be amended from time to time upon compliance with the requirements of law. A fee of \$5,000.00 plus all costs for copying and transcripts shall be payable to the City of Jersey City for any request by a private entity to amend this plan. The City of Jersey City reserves the right to amend this plan.

O) INTERIM USES:

- 1) Interim uses may be established, subject to agreements between the developers and the Planning Board, that such use will not have an adverse effect upon existing or contemplated development during the interim use period. Interim uses may include surface parking provided there is no ingress or egress onto Journal Square itself. Interim uses must be approved by the Planning Board, which may establish an interim use period of between one (1) year and three (3) years in duration, subject to the Planning Board's discretion. Additional renewals of an interim use may be granted by the Planning Board, subject to the same interim period limitations specified above.

**P) ZONING CONFORMITY WITH REDEVELOPMENT AGREEMENTS:**

- 1) Tax parcels subject to a fully executed redevelopment agreement with the Jersey City Redevelopment Agency prior to the adoption of this redevelopment plan may be developed utilizing development standards for building height, density, and floor area as specified in the redevelopment agreement. All design requirements and other development standards of this plan not specified in the redevelopment agreement shall remain in effect.

**Q) EXPOSED BASEMENT LEVELS:**

- 1) Due to steep slopes in the Journal Square area, basement levels fronting a public sidewalk may appear as a ground floor of a building and be utilized for building access. In such cases, basement levels may also be occupied by any permitted use in order to improve the streetscape and provide neighborhood services.

**R) OFFICE SPACE BONUS:**

- 1) In order to encourage the development of office space, maintain Journal Square as a mixed use employment center, and provide space for neighborhood amenities, the following office space bonus may be applied to development projects within Zones 3, 4, 5, 7, and 10 on sites 9,000 square feet or greater.
- 2) Up to 2 additional stories and 28 additional feet of building height may be added to the permitted height and/or base height of the zone district for each lot size category.
- 3) The bonus floor(s) must be entirely non-residential and utilized for office use, excepting areas for building services such as stair wells, elevators, egress corridors, etc, but not including structured parking areas. Amenity areas for residential occupants of the building are prohibited. Permitted uses within the office space bonus areas are:
  - (a) office
  - (b) medical office
  - (c) professional office
  - (d) retail services
  - (e) education uses
  - (f) art galleries
  - (g) government uses
  - (h) child and adult day care centers
  - (i) theatres
- 4) The structure must include a separate dedicated lobby, stair, and ADA elevator access from the ground level to the bonus floor(s).
- 5) Office bonus floors shall be directly above the ground floor or structured parking levels. Yard and building stepback requirements shall be applied to the next floor above the office bonus floors(s).
- 6) The Planning Board may require bonus floors to setback from a side or rear property lines any distance necessary to provide light and air to adjacent properties or require windows along a facade.

**S) SEVERABILITY:**

1) If any word, phrase, clause, section or provision of this Plan shall be found by a court of competent jurisdiction to be invalid, illegal or unconstitutional, such word, phrase, clause, section or provision shall be deemed severable and the remainder of the ordinance shall remain in full force and effect.

V) OTHER PROVISIONS NECESSARY TO MEET REQUIREMENTS OF STATE AND LOCAL LAWS

- A) The Local Redevelopment and Housing Law, N.J.S.A 40A:12A-1 et seq. requires that a Redevelopment Plan shall include an outline for the planning, development, redevelopment, or rehabilitation of the project area sufficient to indicate:
- 1) This Redevelopment Plan achieves the stated objectives of the Jersey City Master Plan by locating high density development in exceptionally close proximity to mass transit facilities with low parking ratios to reduce the traffic impact of future high density development. Other uses such as retail and office uses compatible with a mixed use transit oriented station area are permitted. The plan also provides for adequate setbacks for the widening of Pavonia Avenue, the continuation of Central Avenue, and improved access to the PATH station as well as requirements for the provision of rooftop recreation space so as to reduce the impact of new development on the City's park system.
  - 2) This Redevelopment Plan provides for a list of permitted principal uses, as well as accessory uses and prohibited uses in the redevelopment area. The plan also provides for density restriction through the use of a maximum floor area ratio, maximum height limits, as well as setback and stepback requirements and various design controls.
  - 3) There will be no displacement of existing residents through the implementation of this plan through condemnation, as this is an area in need of rehabilitation and condemnation is not permitted. Any condemnation action already commenced by the Jersey City Redevelopment Agency may continue. The condemnation of easements in areas previously declared in need of redevelopment may be pursued by the Jersey City Redevelopment Agency.
  - 4) The Journal Square 2060 Redevelopment Plan proposes no new acquisition or condemnation of private property for private redevelopment purposes, however the condemnation of easements in areas previously declared in need of redevelopment may be pursued by the Jersey City Redevelopment Agency.
  - 5) The area covered by this Redevelopment Plan constitutes the area within walking distance of Jersey City's central business district and the transportation hub for Hudson County. This location in the very center of Jersey City and is remote from any adjacent municipality. Jersey City is designated as a "Planning Area 1" in the State Plan and is at the center of the Hudson County "urban complex." The development envisioned by this plan is

in conformity with the "State Planning Act" P.L. 1985, c. 398 (C.52:18A-196 et al) as well as the master plan of Hudson County and all contiguous municipalities.

- 6) No affordable units are identified to be removed as part of the implementation of this redevelopment plan.
- 7) No affordable units are identified to be removed as part of the implementation of this redevelopment plan.

## VI) TRANSPORTATION AND CIRCULATION

- A) The Plan proposes the widening of Pavonia and Oakland Avenues. The western half of Pavonia Avenue between Kennedy Blvd and Summit Avenue was previously widened along the PATH Transportation Center. The remainder of Pavonia Avenue must be widened to match the previous project. This shall be achieved through the dedicating of land to the City along the south side of Pavonia Avenue as shown on *Map 6: Circulation Map*. Oakland Avenue shall also be widened to a total width of 60 feet by a dedication of land along the western side of the Avenue between Newark Avenue and Hoboken Avenue as shown on *Map 6: Circulation Map*.
- B) Central Avenue currently functions as the primary commercial street for the Heights Neighborhood to the north of the Journal Square 2060 Plan area. This Plan proposes a new street to connect Central Avenue in the Heights Neighborhood to Summit Avenue and the Journal Square PATH station. A new street connector is shown on *Map 6: Circulation Map*.
- C) Cook Street is proposed to be vacated and added to Block 8102, provided the Central Avenue connector is constructed.
- D) The Bergen Arches right-of-way runs along State Highway Route 139, connecting downtown Jersey City to the national railway network. This right-of-way has many potential future uses. To insure that future use of this right-of-way can be maximized for public benefit, any development on top of the Bergen Arches shall preserve an at grade public easement along the top of the Bergen Arches tunnel or open cut as shown on *Map 6: Circulation Map, Right-of-Way Preservation area*.
- E) The Journal Square Transportation Center is currently configured with its main entrance on Kennedy Blvd. A secondary entrance is located at the eastern end of the Transportation Center at Magnolia Avenue and currently functions as a kiss-and-ride drop off point. This secondary entrance must be upgraded and redesigned as a new front entry plaza by any developer with greater than 200 linear feet along the Magnolia Avenue right-of-way as required in Zone 1. Improvements shall include decorative sidewalk and lighting throughout the plaza with bollards to control traffic, street furniture, and other design elements to successfully create an active plaza entryway from Magnolia Avenue.
- F) The Plan envisions a narrow-gauge streetcar line that runs in a dedicated right-of-way along Kennedy Boulevard, Journal Square and Bergen Avenue. This streetcar system is a critical north/south component of a comprehensive transit network designed to service Journal Square and surrounding neighborhoods. A streetcar system will ensure that new and existing developments along Kennedy

Boulevard and Bergen Avenue have convenient access to the Journal Square Transportation Center and proposed extensions of the Hudson Bergen Light Rail in the Bergen Arches. The Redevelopment Plan recommends that a streetcar run from the intersection of John F. Kennedy Boulevard and Route 139 to Bergen Avenue at McGinley Square (see Map 6). During the development of a streetcar system, a dedicated bus lane should be implemented along the streetcar right-of-way. All stops should be permanent and substantial in nature. A transitional bus along the streetcar route can help establish a riding habit among Journal Square residents and encourage transit appropriate development along the eventual streetcar corridor. The streetcar may be extended in the future to service additional neighborhoods as part of a comprehensive bus rapid transit system for Jersey City.

- G) Bus priority lanes should be provided within Sip, Pavonia, and Summit Avenues to accommodate a western waterfront bus rapid transit (BRT) system. A BRT line that connects the western waterfront corridor to the Journal Square Transportation Center is necessary to support the development and redevelopment of Jersey City's western waterfront. At the time of this writing, the City of Jersey City is developing a concept design for a two directional BRT route that runs along the Routes 440 and 1&9 Truck corridor between Danforth Avenue and Sip Avenue, and connects to the Journal Square Transportation Center via Sip Avenue. The route will have loop turnarounds at each end. The southern turnaround will be in the vicinity of Danforth Avenue, and the northern turnaround will be at the Journal Square Transportation Center via Pavonia, Summit and Sip Avenues. In order to accommodate the BRT route as it traverses the Journal Square area, the full length of Sip Avenue between Garrison Avenue and the transportation center should be designed to include bus priority lanes so that the BRT vehicles are not delayed by general traffic. These lanes may be placed within the existing right-of-way or cartway, and may be comprised of two one-directional lanes, or one reversible lane that is eastbound during the AM peak and westbound during the PM peak. Additionally, to accommodate the loop turnaround at Journal Square, Pavonia, Summit and Sip Avenue should be designed to include bus priority lanes so that BRT vehicles departing Journal Square for Route 440/1&9T via Sip Avenue are not delayed by general traffic.

## VII) DESIGN REQUIREMENTS FOR ALL ZONES

### A) GENERAL REQUIREMENTS

- 1) All structures within the project area shall be situated with proper consideration of their relationship to other buildings, both existing and proposed, in terms of light, air and usable open space, access to public rights of way and off-street parking, height and bulk.
- 2) All minimum building height requirements shall be measured as stories above sidewalk grade. No mezzanines or split levels or any floor partially below grade shall be considered for minimum height requirements (see building height tables for each zone district). All floors necessary to meet the

minimum height requirement must be approximately equal in floor area. No required minimum floor may be less than 60% of the first floor area at grade.

- 3) All lots at the time of adoption of this plan are conforming lots for development, however any newly created lots or development sites through subdivision or consolidation shall have a maximum shape factor of 28-30. Shape factor is defined as the perimeter of the lot squared, divided by the lot area:

$$\frac{\text{Perimeter}^2}{\text{Lot area}} = \text{Shape Factor}$$

- (a) Example for a standard 25' by 100' rectangular lot:

perimeter = 250'

perimeter squared = 62,500

area = 2500 square feet

shape factor is 62500 / 2500 = 25

- 4) Groups of related buildings shall be designed to present a harmonious appearance in terms of architectural style and exterior materials and shall be encouraged to incorporate historic elements found throughout the surrounding area.
- 5) Buildings shall be designed so as to have an attractive, finished appearance when viewed from all vantage points within and outside of the project area. Front facades, facades which are visible from a public right-of-way, and all facades that are significantly taller than adjacent buildings or are visible as part of the Journal Square skyline shall be treated with equal importance in material selection and architectural design.
- 6) Large blank walls without fenestration surrounding large residential or commercial uses such as theatres, parking garages, bowling alleys, big box retail, or similar uses must incorporate facade relief, an expressed structural system, sculpted, carved or penetrated wall surfaces, architectural lighting, or other architectural techniques to provide visual interest.
- 7) Access by the elderly, physically handicapped and/or disabled shall meet barrier free design regulations as specified in the New Jersey and Federal ADA Standard Uniform Construction Code.
- 8) All utility distribution lines, including multi-media telecommunication lines, and utility service connections from such lines to the project area's individual use shall be located underground.
- 9) All adaptive reuse of existing structures shall not be required to meet minimum building height requirements.
- 10) Roof treatment, Mechanical Screening and Electrical Equipment
- (a) All mechanical equipment located on any roof of a building shall be screened from view from all vantage points with a material complementary with the façade of the structure. The screening shall not resemble a utility or rooftop elevator or stair tower. It shall instead resemble an upper level

extension of the building and be designed to contribute to the building top design.

- (b) A roof plan must be developed and submitted for approval. Roof plans shall include mechanical equipment, trellises to obscure view, colored roof patterns and landscaping. Parking deck roofs shall be designed to maximize recreational amenity space and all remaining rooftop areas shall be developed as a green roof.
- (c) All electrical communication equipment shall be located in such a way that it does not negatively impact the appearance of the building nor create objectionable views as seen from surrounding structures.
- (d) Transformers and primary and back-up generators shall be located interior to the building or vaulted underground within the pavement area of an adjacent street. Location upon the sidewalk, between the sidewalk and the building, or anywhere outside at grade is not permitted.
- (e) The placement of all new or reconstructed signal boxes is required to be below grade.
- (f) The screening of all new or reconstructed telecom equipment is required.
- (g) **Roof deck enclosures: 20% of ADA accessible roof deck areas may be an enclosed amenity space. Enclosed roof deck amenity space must be a minimum of 10 feet from the edge of the roof or parapet, and be centered on the roof to minimize view of the enclosure to the greatest extent practical. Enclosed roof deck amenity space may extend to the edge of a building with the minimum area necessary to gain access to an elevator or stair entry. All walls of the enclosed amenity space greater than 10 feet from the edge of roof or parapet shall be a minimum of 80% glazing. Maximum floor to top of roof structure shall be 10 feet.**

#### 11) Streetscape

- (a) All buildings shall be designed to front on a public street to create a street wall and a pedestrian environment at a human scale.
- (b) Main entrances into buildings shall be located on all public streets. Secondary entrances shall also be provided from parking areas and/or as necessary according to the design of the structure.
- (c) Entrances shall be designed to be attractive and functional. Indicators such as awning, changes in sidewalk paving material or other indicator consistent with the design, proportions, material and character of the surrounding area shall be provided.
- (d) Automobile parking between the building line and a public right-of-way is expressly prohibited, even where surface parking is a permitted use. Parking is not permitted in any front yard.
- (e) Porte-cocheres and drop-off lanes are prohibited.

12) A cornerstone marking the date of construction shall be located in an appropriate ground level corner of any building five or more stories. The cornerstone shall be incorporated into the primary facade material.

13) Overhead walkways (skywalks) connecting buildings and or parking above streets or rights-of-ways are prohibited.

- 14) All facade vents for air conditioning or heating units must be incorporated into the window design such that vent grills and windows appear as a single unit. This is best achieved by lining up vent grills with the vertical or horizontal edge of the adjacent window and matching the window's length or width or using a spandrel panel to fill any voids.
- 15) All new sidewalk concrete shall be tinted charcoal grey or equivalent tint. The Planning Board may grant a waiver for superior design which relates to adjacent architecture or other public purpose.
- 16) All storefronts shall incorporate a cornice element or horizontal projection above the storefront glazing separating ground floor uses from the building above.
- 17) Ground floor storefront bulkheads below the display windows shall be a maximum of 18 inches in height above sidewalk grade.
- 18) All storefront facades shall incorporate a minimum of 80% transparent glass.
- 19) All ground floor entryways shall be recessed or designed to avoid door swings into any public right-of-way.
- 20) All large residential development projects are strongly recommended to include provisions for a dog run.

**B) REQUIRED CONTEXTUAL DESIGN ELEMENT**

- 1) Buildings that are taller than adjacent buildings by 50% or more shall utilize a contextual building height feature in the facade design. The contextual height feature shall mark the average building height of adjacent structures within the facade design through a change in materials, colors, a projection or cantilever, or other design element to articulate the new building to its smaller neighboring structures.

**C) FLOOR HEIGHT MINIMUM**

- 1) Residential floor-to-ceiling heights must be a minimum of 9 feet and a maximum of 12 feet, excepting drop ceilings in kitchens, bathrooms, corridors, and other similar spaces.
- 2) A ground floor residential use (where permitted) must be 3 feet above sidewalk grade or set back from a front property line by 3 feet and screened with raised landscaping enclosed by a minimum 6x6 inch masonry curb. Building lobbies may be at grade for ADA accessibility.
- 3) Ground floor floor-to-ceiling height minimums for a non-residential use are regulated by the following table:

Building Height	Minimum First Floor Height	Maximum First Floor Height	Maximum First Floor Height within 30' of a Rear Lot Line
2 to 6	12'	18'	12'
7 to 12	15'	20'	12'
13 and up	20'	30'	12'

Table 1

4) **As an alternative to the table above, ground floor floor-to-ceiling height may match adjacent historic structures.**

D) SPECIAL REQUIREMENTS FOR A TOWER ON A BASE

- 1) When indicated in the Building Stepback Tables in each Zone district, the following "Tower on a base" requirements shall apply.
- 2) All buildings shall have a base, which shall be designed according to the following:
  - (a) Building base height requirements:

Base Height Requirements by Zone (In feet)		
Zone	Minimum	Maximum
1	50'	75'
3	30'	60'
10	30'	45'

Table 2

- (b) As an alternative to the chart above, building base heights may be contextual to match the adjacent buildings heights, or match the mean or mode building height on the block.
  - (c) A project on Block 9501, Lot 23 fronting onto the Journal Square Plaza is permitted a base height of 150 feet, and may provide enclosed recreation facilities.
- 3) Towers shall be setback from the front lot line a minimum of 10 feet for sites with a lot depth of 100 feet or less. Tower setback shall be a minimum of 15 feet for sites with a lot depth of more than 100 feet.
- 4) Towers shall be setback from side lot lines a minimum of 20 feet.
- 5) ~~Maximum tower length or width dimension is 150 linear feet for primarily residential or hotel use buildings.~~ **Maximum diagonal dimension between building corners is 180 feet for primarily residential or hotel use buildings.**
- 6) ~~Maximum tower length or width dimension is 200 linear feet for primarily office use buildings.~~ **Maximum diagonal dimension between building corners is 200 feet for primarily office use building.**
- 7) Where the tower base abuts a lower density zone, the base of a tower shall be set back from side lot line a minimum of ~~5~~ **40** feet and the tower shall be setback a minimum of 30 feet.
- 8) Tower bases must set back 30 feet from any adjacent property's rear property line, except the ground floor which may cover 100% of the lot.
- 9) Front yard setback requirements for each Zone shall apply.
- 10) Building Base Design Requirements:
  - (a) A visual cue or indicator such as a cornice, belt coursing, a significant change in the glass to solid ratio, or any other indicator consistent with the design, proportions, and materials shall be provided at the top of the base.
  - (b) Decorative features and materials are required to provide detail and interest to the pedestrian level of the building.
  - (c) Building bases shall be constructed of durable material of high quality, including but not limited to glass, stone, brick, textured concrete, metal

paneling, etc. Glass shall constitute a minimum of 80 % of the ground floor storefront facades (see ground floor height minimum).

- (d) A decorative screening facade may substitute for glass to wrap parking facilities, subject to approval by the Planning Board.
- (e) Retail and/or other permitted uses are required along all public rights-of-way, with a minimum depth of twenty-five (25) feet. No more than fifteen (15) percent of the first floor street frontage and no more than 30 consecutive linear feet along a public right-of-way may be dedicated to other uses such as meter rooms, blank walls, emergency exits, etc.
- (f) First floor retail height shall be regulated by the ground floor floor-to-ceiling height table in Table 1 above.

11) Building Tower Design Requirements:

- (a) A visual cue or indicator such as a cornice, belt coursing, a significant change in the glass to solid ratio, or any other indicator consistent with the design, proportions, and materials shall be provided at the top of the tower.
- (b) Building towers shall be constructed of durable material of high quality, including, but not limited to glass, stone, textured concrete, brick, metal paneling etc. Glass shall constitute a minimum of 40 % of the facade.
- (c) Building towers are required to have a minimum separation distance of 50 feet.

E) PARKING STANDARDS

All parking shall be provided in multi-tiered structures, automatic garages, or within a structure. Parking structures shall meet the following requirements:

- 1) Bicycle Parking Provisions: Bicycle parking shall be provided pursuant to the requirements found in the Jersey City Land Development Ordinance.
- 2) Automobile Maximum Parking Ratios By Use:
  - (a) For lots of less than 60 feet in width: no parking is permitted.
  - (b) **Curb cuts are prohibited except where providing access to parking areas with 8 spaces or more.**
  - (c) Residential uses may provide up to a maximum of 0.5 off-street parking space per dwelling unit.
  - (d) Office and other commercial uses may provide up to a maximum of 0.5 spaces per 1000 square feet of gross floor area.
  - (e) Retail, restaurants, bars, nightclubs and health clubs may provide up to a maximum of 0.5 space per 1000 square feet of gross floor area.
  - (f) Theaters may provide up to a maximum of 1 space per 20 seats.
  - (g) Hotels may provide up to a maximum of 1 space per every 3 rooms.
  - (h) Public/semi-public uses may provide a maximum 0.5 space per 1000 square feet of gross floor area.
  - (i) Colleges and Universities may provide a maximum of 1 space per faculty and administrative member per 8 hour shift.
  - (j) All other uses may provide a maximum 0.5 space per 1000 square feet of gross floor area.
  - (k) Public parking garages as a stand alone use are exempt from the parking maximum.

- 3) Automobile Parking Provisions
  - (a) Commuter parking is prohibited.
  - (b) Semi-annual reporting of the parking pricing and usage shall be provided to the Director of the Division of City Planning and the Chairman of the Jersey City Planning Board in a format and detail similar to the semi-annual parking report submitted for the Newport Redevelopment Plan Area.
  - (c) To assure the most efficient and effective use of the parking resources located within the Redevelopment Area, shared use of the parking facilities is encouraged.
- 4) Design Standards:
  - (a) In any building over six stories, or any stand-alone parking structure, a parking level at grade may not contain any parking or mechanical floor area adjacent to the sidewalk/street frontage. Atrium, lobby, and/or retail space shall occupy these areas with a minimum depth of 25 feet.
  - ~~(b) In any building under six stories, a parking level at grade shall be set back from the sidewalk a minimum of 3 feet to provide for landscaping, screening the parking use.~~
  - (c) All garage entry doors shall be set back into building facade a minimum of 4 feet to provide a site triangle to pedestrians on the sidewalk. The entry shall be flanked by planter boxes, bollards, sculpture, or other feature acceptable to the Planning Board no greater than 24 inches in height and no less than 5 feet in length along the sidewalk to protect the site triangle and keep pedestrian traffic flow a safe distance in front of the garage entry.**
  - (d) For stand alone parking structures, the ground floor retail use shall be a minimum height of 15 feet and a depth of 25 feet.
  - (e) Any parking structure shall be designed to eliminate headlight glare by the provision of opaque screening for head lights and placement of interior garage lighting to be directed into the structure and/or mounted on the interior side of columns so as to prevent glare from such lighting to be visible from the street or adjacent property. Light fixture details and location shall be included within the garage floor plan at the time of site plan application.
  - (f) The facade of all parking levels shall be of a compatible material to that used throughout the development or adjacent structures and shall be designed to provide visual interest.
  - (g) All openings must be screened with glass or decorative façade materials. Any openings shall be in a vertical proportion. Open horizontal bands along the façade of any parking structure are prohibited.
  - (h) Exterior lighting of the screening materials on a parking structure façade may be required by the Planning Board in order to provide additional visual interest in terms of light and shadow and to further mask the interior lighting of the parking structure and headlight glare.

- (i) All pedestrian access points shall be provided at street level and designed to encourage street activity. Overhead or elevated pedestrian or vehicular connections are prohibited.
  - (j) All parking spaces shall be 9 feet wide by 18 feet deep. Compact parking spaces (8x15), may be provided, up to fifty (50) percent of approved parking spaces.
  - (k) Aisle widths shall conform to the following standards:
    - (i) 90 degree parking 22' wide two-way aisle
    - (ii) 60 degree parking 18' wide one-way aisle
    - (iii) 45 degree parking 15' wide one-way aisle
    - (iv) 30 degree parking 12' wide one-way aisle
  - (l) All one-way aisles shall be clearly designated.
  - (m) All automatic garage parking is exempt from the above space and aisle dimension requirements.
  - (n) Off-street parking and loading areas shall be coordinated with the public street system serving the project area in order to avoid conflicts with through traffic or obstruction of pedestrian walks and thoroughfares.
  - (o) Surface parking lots (as an interim use) and all loading areas, shall provide a screen planting of dense evergreens along any street line and along all property lines except those instances where a building intervenes or where the proposed planting may interfere with sight triangles. Within the parking area, a minimum of three percent (3%) of the parking area shall be landscaped and maintained with shrubs no higher than three (3) feet and trees with branches no lower than six (6) so that the landscaping is dispersed throughout the parking area.
  - (p) The number and design of off-street loading spaces shall be demonstrated by an applicant according to an anticipated need. All freight loading activities are encouraged to be restricted to early morning and/or late evening hours. The design and number of off-street loading shall be regulated by the Jersey City Land Development Ordinance.
  - (q) Drop off areas may be required for uses generating organized pick-up and drop-off services such as, but not limited to, medical offices.
  - (r) All entry ways to off-street parking and loading structures shall incorporate decorative materials coordinated with the primary base façade on all surfaces twenty-five (25) feet deep into the structure to create an attractive view from the sidewalk and adjacent pedestrian areas.
  - (s) Parking and service access should not be located on the main traffic oriented streets. A head-in/head-out design is required for all loading and parking facilities. For parking facilities with 30 spaces or less, driveway widths shall be a maximum of 12 feet. For all other parking facilities, driveway widths shall be a maximum of 18 feet.
  - (t) Direct new development to minimize pedestrian and traffic conflicts.
  - (u) All site plan application for parking structures should demonstrate the ability to provide for electric vehicle charging stations in the future.
- 5) Below grade parking is permitted to cover 100% of the lot and shall not be counted against permitted FAR.

- 6) All developments which propose valet parking shall submit a parking management plan. Such plan shall include but not be limited to: number of vehicles to be parked, number of rows of cars to be stacked, all parking stall and aisle widths and any other information deemed necessary to effectively evaluate the management plan. All parking management plans shall be subject to review and approval of the Division of Traffic Engineering, the Division of City Planning and the Planning Board. Valet parking schemes shall not be permitted to increase the total number of parked cars above the maximum number of permitted spaces.

F) OPEN SPACE DESIGN REQUIREMENTS

- 1) Where possible, new structures surrounding or enclosing open space should be designed and sited to allow the greatest penetration of sunlight onto open space areas throughout the year.
- 2) Open space shall provide visual and functional elements such as bicycle parking, benches, seating walls, drinking fountains, refuse containers and planters, and public fountains. Open space amenities shall include decorative material such as: stone pavers, brick pavers, asphalt pavers, stamped and tinted concrete, and decorative lighting and detailing.
- 3) Adequate lighting shall be provided to encourage active usage and a sense of security in the open space.
- 4) Open space shall be distributed so as to provide for maximum usability.
- 5) Through creative design, open space features shall address the need for human comfort and enjoyment and provide both active and passive leisure uses for secure and pleasant outdoor and indoor settings to meet public and private use requirements. Open space and plazas shall be designed at a human scale to invite and attract the public.
- 6) Open space shall be oriented to maximize views.
- 7) As a general guide, one (1) linear foot of seating for each linear foot of plaza perimeter shall be provided. Seating space may include planters, benches, fountains, etc.

G) LANDSCAPING AND LIGHTING REQUIREMENTS

- 1) Landscaping shall be required for any part of any parcel not used for buildings, off-street parking, plaza areas or loading zones. The developer's plan shall include proposals for landscaping indicating the location, size and quantity of the various species to be used.
- 2) All plant material used must be able to withstand an urban environment. All screen planting shall be a minimum of 4 feet high and shall be planted, balled and burlapped as established by the American Association of Nurserymen. A planting schedule shall be provided by the developer and approved by the Planning Board. Ground cover shall be used in place of mulch.
- 3) All new trees shall be of a species and gender so as to minimize fruit and pollen.
- 4) Any landscaping which is not resistant to the environment or dies within 2 years of planting shall be replaced by the developer.

- 5) Underground watering facilities shall be required for all landscaped areas. Hose bibs shall be provided immediately adjacent to planting areas abutting a building.
- 6) Street trees shall be planted along curb lines of streets in a regular pattern, spaced at one-half the mature spread of the tree canopy to further enhance the aesthetic quality of the redevelopment area. All trees shall be a minimum of four (4) inches in caliper.
- 7) Lighting within the site shall sufficiently illuminate all areas, including those areas where buildings are setback or offset to prevent dark corners.
- 8) All lighting sources must be adequately shielded to avoid any off-site glare. The area of illumination shall have a uniform pattern of at least one-half (0.5) foot candles.
- 9) All landscaping must be fully enclosed by curb or seating wall constructed of a masonry or metal material with a minimum of 6 inch in height. Landscaping shall be elevated to match the height of the curb or seating wall. Fencing is discouraged, but may be set into the required curb.

#### H) GREEN BUILDING REQUIREMENTS

- 1) For new construction projects with more than 9,000 square feet of roof top area, 90% of all roof top area not used for recreation space, solar panels, elevator or stair housing or other areas necessary for mechanical equipment must be a "green roof".
- 2) All plumbing fixtures must demonstrate a 30% improvement over US EPA 1992 Energy Policy Act standards. All new toilets must be a dual-flush design and use an average of 1.28 gallons per flush or less and achieve the US EPA HET standard. All new shower heads and faucets must be equipped with aerators or other mechanisms to reduce water flow.
- 3) All new construction must demonstrate 15% improvement in energy efficiency of the building envelope and mechanical systems over ASHRAE 90.1 2007 or the most recently adopted energy standards by NJ Department of Energy.
- 4) All paints and carpets must be "low VOC" generally defined as having less than 60 grams per liter of volatile organic compounds.
- 5) All new installed appliances must be Energy Star rated. All light bulbs must be Energy Star rated, LED, or utilize other energy saving features such as dimmers, motion detectors, etc.
- 6) The recycling and reuse of grey water is encouraged when feasible.

#### I) BUILDING AMENITY REQUIREMENTS

- 1) All buildings with 4 or more units must provide a washer/dryer room in the building or a washer/dryer within each unit.
- 2) Buildings with over 50 units must include at least 2% of the units designed with 3 bedrooms or more.
- 3) Buildings with 4 or more floors must provide an elevator.
- 4) A minimum of 20% of the lot area must be dedicated to useable recreation space by occupants, or plaza areas accessible by the public. This space may be placed in a rear yard or on a roof. Roof decks are encouraged and may be necessary to achieve this requirement.

- 5) Showers and other facilities necessary to support people biking to work is required in all office buildings and other major centers of employment greater than 100,000 square feet.

J) BUILDING MATERIALS REQUIREMENTS

- 1) Synthetic stucco materials such as EIFS is prohibited. Any stucco material used must be fine grained with a smooth finish to reflect a more stone like appearance and qualities of light reflection.
- 2) Concrete block may not be used as a decorative finish on any facade.
- 3) Exterior doors including emergency exits and utility access shall not be secured with a pad lock. All door must include a built in lock mechanism.
- 4) Brick facades are encouraged to utilize multi toned brick selections with at least 3 tones so as not to create a dull or flat brick facade.
- 5) Front cantilevered balconies may project no more than 12 inches from the facade where located within 45 feet from grade or on the base of any "tower on a base" building design (see Section IV: C). Above a stepback, balconies may extend no more than the width of the stepback.
- 6) Use of chain link fencing, razor wire, barbed wire, or other similar security devises is expressly prohibited. Chain linked fencing may be temporality utilized during construction only.
- 7) Security Gates: All front security gates shall be completely composed of the open mesh type, except for two feet at the bottom of the gate which may be solid. Storage boxes for all security gates shall be mounted on the interior of the building. Gate tracks shall be recessed into the glazing reveal and the gate housing shall be flush with the plane of the storefront. No storage box, tracks or mechanical devices related to the gates may project from the plane of the storefront.

VIII) SIGNAGE REGULATIONS

A) Signage Approval Process

- 1) All signs are subject to site plan review when included as part of a major site plan application.
- 2) All temporary banner signs for marketing projects on site shall be considered as an interim use.
- 3) All new signage (except billboards) that complies with the redevelopment plan shall not require site plan approval.
- 4) Minor Site Plan application with deviation must be submitted to the Planning board for all non-conforming sign proposals.
- 5) Any signage (except billboards) more than 45 feet above grade is not permitted in this Redevelopment Plan. All requests for this type of signage constitutes a minor site plan application with deviation.
- 6) Billboards or theater marquees are subject to minor site plan review.
- 7) During construction, one (1) temporary sign indicating: the name of the project or development, general contractor, subcontractor, financing institution and public entity officials (where applicable) shall be permitted. The sign area shall not exceed forty (40) square feet.

B) Number and Size of Signage

- 1) The building address is required to be placed on either the main entry door, transom window, building, or awning flap at a maximum font height of 10 inches.
  - 2) Corner lot development is encouraged to display the street names on the building facade or imprinted into the sidewalk.
  - 3) Sign requirements along all Rights-of-Way where retail is mandatory (see *Map 4: Required Retail Use Map*):
    - (a) For retail, restaurants, bars, nightclubs, and other similar ground floor uses:
      - (i) Each use fronting on a public street may be permitted one (1) exterior sign per store front bay on each street frontage.
      - (ii) Maximum sign height shall be 32 inches.
    - (b) All other uses:
      - (i) Each such use fronting on a public street may be permitted one (1) exterior sign per entryway per street frontage. Buildings with multiple uses shall have no more than one (1) sign per use.
      - (ii) The total exterior sign area shall not exceed the equivalent of 5 percent of the first story portion of the wall to which it is attached. In no case shall a sign on any structure exceed 20 square feet.
  - 4) Sign requirements along all Rights-of-Way where retail is not required (see *Map 4: Required Retail Use Map*):
    - (a) For retail, restaurants, bars, nightclubs, and other similar storefront uses:
      - (i) Each such use fronting on a public street may be permitted one (1) exterior sign per store front bay on each street frontage.
      - (ii) Maximum sign height shall be 18 inches.
    - (b) All other uses:
      - (i) Each such use fronting on a public street may be permitted one (1) exterior sign per entryway per street frontage. Buildings with multiple uses shall have not more than one (1) sign per use.
      - (ii) The total exterior sign area shall not exceed the equivalent of two (2) percent of the first story portion of the wall to which it is attached. In no case shall a sign on any structure exceed 8 square feet.
  - 5) Signage along Kennedy Boulevard between Tonnele Avenue and Van Reipen Avenue may exceed size and placement limitations by design waiver request to the Planning Board as part of a minor site plan application.
- C) Sign Design Requirements
- 1) All signs shall be attached to the first floor level of the building only, although blade signs may be attached to the first or second floor facade.
  - 2) All wall signs shall be flush mounted;
  - 3) All blade signs shall project no more than 30 inches from the facade and the bottom of the sign must be a minimum of 9 feet above the sidewalk.
  - 4) Window signs (other than lettering and logos as specifically permitted) shall be prohibited. Lettering or logos shall be limited to decorative metal leaf, flat black or etched / frosted glass style lettering and shall be limited to the name of the business occupying the commercial space / storefront and shall cover no more than twenty (20%) of the window area.

- 5) Permitted signage material includes:
    - (a) Painted wood.
    - (b) Painted metals including aluminum and steel.
    - (c) Brushed finished aluminum, stainless steel, brass, copper, or bronze.
    - (d) Carved wood or wood substitute.
    - (e) Channel letters.
  - 6) Permitted lettering material includes:
    - (a) Lettering forms applied to the surface of the sign.
    - (b) Single colored lettering forms applied to the surface of the sign.
    - (c) Metallic solid body letters with or without returns.
    - (d) Painted acrylic or metal letter.
    - (e) Vinyl lettering attached permanently to a wood, wood substitute or metal signboard.
  - 7) Signs may be lit from backlit halo, and up-lights.
  - 8) Storefront windows shall not be blocked by any interior display case or other form of barrier. Pedestrians on the street shall have the ability to see into the shop and view the activity within.
  - 9) Signs may include the name of the store only. Building address, phone number, operating hours and other additional information may be stenciled on the door.
- D) Parking Garage Signage
- 1) One (1) sign shall be provided per entrance to garages indicating the parking facility by the international parking symbol and direction arrow. The sign area shall not exceed twenty (20) square feet. If applicable, one (1) sign per entrance may be allowed indicating parking rates, not to exceed eight (8) square feet.
  - 2) Portable signs are not permitted for parking garages.
- E) Billboard Requirements
- 1) Billboards are only permitted within a 400 foot radius of the intersection of the center lines of Kennedy Boulevard and Bergen Avenue.
  - 2) Billboards are permitted only on building rooftops greater than 30 feet above grade. Billboards may also be permitted on a building facade only at the discretion of the Planning Board and only for the purpose of screening a blank wall or parking structures and within the 400 foot radius described above.
  - 3) All billboards are required to be coplanar, (placed in the same plane) with the building facade.
  - 4) Billboards may not exceed 20 feet in height and are required to be the same width as the portion of the facade it is built coplanar to.
  - 5) All support structures shall be screened from view from all public rights-of-way by the face of the billboard.
- F) Prohibited Signs
- 1) Freestanding signs, except for those indicating direction, transportation, circulation and parking are prohibited.
  - 2) Portable advertising signs not associated with use within 10 feet are strictly prohibited.
  - 3) Product advertising signage of any kind.

- 4) Signage attached to parking meters, light poles, benches, or other street furniture.
- 5) Monument signs
- 6) Internally or externally illuminated box signs
- 7) Flashing or animated signs, spinners, pennants, reflective materials that sparkle or twinkle
- 8) Window signs, posters, plastic or paper that appear to be attached to the window.
- 9) Pole signs.
- 10) Waterfall style or plastic awnings.

#### IX) REQUIRED LAND USE REGULATIONS

- A) Retail and/or other permitted active storefront type uses, which activate the adjacent sidewalk, are required along all public rights-of-way where indicated on *Map 4: Required Retail Use Map*. Active storefront type uses include, but not limited to, retail, storefronts, building lobbies, art galleries, bars and restaurants.
  - 1) Minimum depth of retail use shall be twenty-five (25) feet.
  - 2) No more than fifteen (15) percent and no more than twenty (20) consecutive linear feet may be dedicated to other uses such as meter rooms, blank walls, emergency exits, etc.
  - 3) Ground floor residential is only permitted if necessary to meet the requirements of the Americans with Disabilities Act, there is no elevator access, and provided the following conditions are met:
    - (a) Must be situated behind the retail use.
    - (b) The building must maintain a minimum of 600 square feet of retail space at grade level and at the front of the building.
    - (c) The building must incorporate a cellar not less than 600 square feet or 50% of the building's footprint, whichever is greater, to provide storage space for the retail use and for the location of trash rooms, mechanical rooms, meters or other infrastructure needs of the building so as to maximize available retail space at the ground floor level. Additional space may be allocated to residential tenants.

#### X) SPECIFIC LAND USE REGULATIONS

##### A) ZONE 1: CORE

The purpose of this zone is to provide for high-density, high-rise construction on parcels immediately adjacent to the Journal Square Transportation Center. As the center of the Journal Square plan with the greatest access to both heavy rail and bus transportation systems, this block has the greatest potential to provide housing, office space, and other uses in a transit oriented manner.

- 1) Permitted Principal Uses:
  - (a) Mid and High-rise Residential: no residential units permitted on the ground floor.
  - (b) Retail Sales of Goods and Services/Financial Services.
  - (c) Office: Permitted everywhere except ground floor.
  - (d) Art galleries

- (e) Live/Work units and home occupations: except on the ground floor.
  - (f) Restaurants, category one and two.
  - (g) Hotels/Bed and Breakfast.
  - (h) Theaters.
  - (i) Child/Adult Day Care Centers: except on the ground floor.
  - (j) Night Clubs/Bars.
  - (k) Schools.
  - (l) Community Centers.
  - (m) Museums.
  - (n) Government uses.
  - (o) Billboards: as per billboard requirements in Section VII: E above.
  - (p) Any combination of the above
- 2) Accessory Uses
- (a) Structured parking and loading
  - (b) Fences and seating walls
  - (c) Landscape features
  - (d) Improved Open Space
  - (e) Signs
  - (f) Rooftop Recreation
  - (g) Sidewalk Cafe: where sidewalk width permits.
- 3) Prohibited Uses
- (a) Surface parking as a principal or accessory use.
  - (b) Drive-through facilities pertaining to restaurants, banks, pharmacies, and other drive through uses
  - (c) Gas stations, service stations, auto repair, auto body shops, and other automobile related uses (not including car share programs).
- 4) Lot Size and Dimension Requirements
- (a) All existing lots at the time of adoption of this plan are conforming lots.
  - (b) Subdivisions must conform to the following minimum standards:
    - (i) Minimum lot area: 10,000 square feet.
    - (ii) Minimum lot width: 100 feet.
    - (iii) Minimum Lot Depth: 100 feet.
    - (iv) Shape Factor Maximum: ~~30~~ 28
- 5) Maximum Floor Area Ratio (FAR) Standards
- (a) The permitted Floor Area Ratio (FAR) for any new development shall be regulated according to the following table:

LOT SIZE (Square Feet)		Maximum Permitted FAR (residential primary use)	Maximum Permitted FAR (office primary use)
From	To		
0	5,999	4	4
6,000	19,999	8	6
20,000	29,999	16	8
30,000	59,999	20	12

60,000	and up	25	16
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Table 3

- (b) The Floor Area Ratios in Table 3 above are inclusive of all built structures at or above grade including, but not limited to parking decks, lobbies, hallways, building core, common areas, etc.
- (c) Buildings over 210 feet must comply with "tower on a base" design requirements in Section VII: C.
- 6) Minimum Building Height Requirement
  - (a) The minimum height for any new building shall be sixty-five (65) feet.
- 7) Yard Requirements
  - (a) Front Yard Requirements:
    - (i) Front yard setback shall be sufficient to provide the minimum sidewalk width indicated in *Map 5: Required Sidewalk Width Map*, measured from the ground floor building facade to the existing curb-line at the time of adoption. Example: If the existing sidewalk width is 10 feet, and the required sidewalk is 20 feet, then the required front yard setback shall be 10 feet.
  - (b) Side Yard Requirements:
    - (i) Side yards are not permitted within 10 feet of a right-of-way except where required by fire or building code to accommodate adjacent windows or as per the "Tower on a Base" requirements in Section IV: C.
  - (c) Rear Yard Requirements:
    - (i) No rear yard is required.
- 8) Sidewalk and streetscape elements shall complement the established design, color, materials and street furniture of the Journal Square Streetscape improvements.
- 9) Any project on Block 9501, Lot 23, shall provide ground floor retail frontage along Concourse East, and shall provide the west side of the pedestrian walkway on Lot 22 an active frontage or retail to create a quality pedestrian access to Concourse East from Sip Avenue, excepting areas necessary for loading and unloading.
- 10) Improvement shall be provided to Concourse East to insure a seamless connection between the projects and usable shared sidewalk.
- 11) It is required that Pavonia Avenue be widened by approximately ten feet (10') on the South side, in-line with a previous street widening in front on the Journal Square Transportation Center. The required setback along Pavonia Avenue therefore must be sufficient to accommodate this street widening as well as the required sidewalk width of twenty (20') feet, totaling an approximate thirty (30) foot setback from the existing curb line along this section of Pavonia Avenue. The land necessary for this right-of-way improvement shall be dedicated to the City. All setback and stepback requirements shall be measured from the new property lines created.
- 12) A maximization of lot coverage and FAR is being permitted as a component

of this zone due to its proximity to the Journal Square PATH station. At grade open space is not required on site, but instead must be provided as improvements to the Magnolia Ave kiss-and-ride drop off area as described in section VI) E above by any development adjacent to Magnolia Avenue for a length greater than 200 linear feet. Any developer that triggers this provision shall fund, improve, and maintain this new plaza entry way for the Journal Square Transportation Center. Any development application for building under this provision shall include the site plan development improvements for the plaza as part of the same application. Construction of the plaza shall be completed simultaneously with the principal building.

#### **B) ZONE 2: AIR-RIGHTS**

- 1) The sole permitted use in this zone is for transportation uses. It is desirable in the future to deck over the existing rail tracks and develop the air rights above for a variety of uses, including office, commercial and residential uses, and to incorporate public open space to create landscaped pedestrian plazas that form a continuous link from the Journal Square PATH station to the surrounding neighborhoods from Baldwin Avenue to Garrison Avenue. Recommended pedestrian corridors are shown on *Map 5: Required Sidewalk Width* and *Map 6: Circulation*. Building heights, forms, and permitted uses are to be determined as a future amendment to this redevelopment plan.

#### **C) ZONE 3: COMMERCIAL CENTER**

The purpose of this zone is to provide for an active and intensive use of parcels surrounding the Journal Square Transportation Center. With close proximity and short walking distances to heavy rail and bus transit systems, this zone complements the established commercial center of Jersey City.

- 1) Permitted Uses:
  - (a) Residential: permitted everywhere except on the ground floor of buildings greater than 65 feet in height.
  - (b) Retail Sales of Goods and Services/Financial Services.
  - (c) Offices: permitted everywhere except on the ground floor of buildings greater than 65 feet in height.
  - (d) Art galleries.
  - (e) Live/Work units and home occupations: except on the ground floor of buildings greater than 65 feet in height.
  - (f) Restaurants: category one and two.
  - (g) Structured Parking: provided the design standards of Section IV: D above are met. Structured Parking is not permitted at any street corner location.
  - (h) Hotels/Bed and Breakfast.
  - (i) Medical Offices
  - (j) Child and Adult Day Care Centers.
  - (k) Theatres/Night Clubs/Bars.
  - (l) Schools
  - (m) Museum
  - (n) Government uses.

- (o) Billboards: as per billboard requirements in Section VII: E above.
- (p) Any combination of the above.
- 2) Accessory Uses
  - (a) Fences and seating walls.
  - (b) Landscape features.
  - (c) Improved Open Space.
  - (d) Signs.
  - (e) Rooftop Recreation.
  - (f) Sidewalk Cafe: where sidewalk width permits.
- 3) Prohibited Uses
  - (a) Surface parking as a principal or accessory use.
  - (b) Drive-throughs pertaining to restaurants, banks, pharmacies, and other drive through uses.
  - (c) Gas stations, service stations, auto repair, auto body shops, and other automobile related uses (not including car share programs).
- 4) Lot Size and Dimension Requirements
  - (a) All existing lots at the time of adoption of this plan are conforming lots.
  - (b) Subdivisions must conform to the following minimum standards:
    - (i) Minimum lot area: 7500 square feet.
    - (ii) Minimum lot width: 75 feet.
    - (iii) Minimum Lot Depth: 100 feet.
    - (iv) Shape Factor Maximum: ~~30~~ 28
- 5) Density and Height Requirements
  - (a) Density is not regulated by floor area ratio or units per acre in this zone. Instead, a "building envelope" is defined, depending on the size and shape of the site. Minimum room and unit sizes are regulated by building code
- 6) Maximum and minimum building height shall be calculated based on the lot size according to the following table provided the required standards in the table are met:

Approximate Lot Dimension	Lot Area up to (square feet)	Minimum Building Height (stories)/(feet)	Maximum Building Height (stories)/(feet)
	0 to 2499	3 / 32'	3 / 34'
25x100	2500 to 4999	3 / 32'	5 / 54'
50x100	5000 to 7499	4 / 42'	8 / 85'
75x100	7500 to 9999	5 / 52'	10 / 105'
100x100	10000 to 12499	5 / 52'	18 / 195'
125x100	12500 and up	5 / 52'	25 / 265'

Table 4

- 7) Building Stepbacks: To provide light and air to adjacent lots, buildings taller than 4 stories must provide a "stepback" from the property line at the

following intervals:

Story Level	Front Stepback	Side Stepback	Rear Stepback
1	none	none	none
2 to 5	none	none	15'
6 to 10	none	none	20'
11 to 18	10'	15'	30'
19 and up	See Tower on a Base Section VII C		

Table 5

8) Yard Requirements

(a) Front Yard Requirements:

(i) Front yard setback shall be sufficient to provide the minimum sidewalk width indicated in *Map 5: Required Sidewalk Width Map*, measured from the ground floor building facade to the existing curb-line at the time of adoption. Example: If the existing sidewalk width is 10 feet, and the required sidewalk is 20 feet, then the required front yard setback shall be 10 feet.

(ii) Up to 30% of a building façade may be set back up to an additional 10 feet to accommodate outdoor seating areas or public space, but not for front yard car parking and must be designed to be impractical for such use.

(b) Side Yard Requirements:

(i) Side yards are not permitted within 10 feet of a right-of-way except where required by fire or building code to accommodate adjacent windows or as per the "Tower on a Base" requirements in Section IV: C.

(c) Rear Yard Requirements:

(i) No rear yard is required, however a building step back above the ground floor is required as per Table 5 above.

**(ii) All floor levels above the ground floor shall not extend greater than 85 feet from any right-of-way fronting the subject property.**

(iii) For through lots, a 50 foot "rear yard" is required at grade or above the first floor, and centered in the middle of the block.

**(iv) Corner lots shall adhere to the side yard requirements above provided that the wall of any proposed building above the ground floor shall not extend along the adjoining lot line for a depth of greater than 85 feet from the street line.**

**D) ZONE 4: NEIGHBORHOOD MIXED USE**

The purpose of this zone is to provide for new housing, office space, and other uses on parcels within a 10 minute walk of the Journal Square Transportation Center. This zone continues the existing pattern of mixed land uses and building types while providing for increased height limits on corner lots.

- 1) Permitted Uses:
  - (a) Residential: permitted everywhere except as restricted on the ground floor of buildings utilizing a corner height bonus depicted on *Map 3: Corner Lot Bonus Map*.
  - (b) Retail Sales of Goods and Services/Financial Services.
  - (c) Offices.
  - (d) Art galleries.
  - (e) Live/Work units and home occupations.
  - (f) Restaurants: category one and two.
  - (g) Structured Parking: provided the design standards of Section IV: D above are met. Structured Parking is not permitted at any street corner location.
  - (h) Hotels/Bed and Breakfast.
  - (i) Medical Offices.
  - (j) Child and Adult Day Care Centers.
  - (k) Theatres/Night Clubs/Bars: on corner lots, provided no more than 60 decibels is measureable outside the establishment. Night clubs and bars are limited to 5000 square feet.
  - (l) Houses of worship.
  - (m) Museum.
  - (n) Schools.
  - (o) Community Centers.
  - (p) Government uses.
  - (q) Any combination of the above.
- 2) Accessory Uses
  - (a) Structured and surface parking and loading.
  - (b) Fences and seating walls.
  - (c) Landscape features.
  - (d) Improved Open Space.
  - (e) Signs.
  - (f) Rooftop Recreation.
  - (g) Sidewalk Cafe: where sidewalk width permits.
- 3) Prohibited Uses
  - (a) Surface parking as a principal use.
  - (b) Drive-throughs pertaining to restaurants, banks, pharmacies, and other drive through uses.
  - (c) Gas stations, service stations, auto repair, auto body shops, and other automobile related uses (not including car share programs).
  - (d) Billboards.
- 4) Lot Size and Dimension Requirements
  - (a) All existing lots at the time of adoption of this plan are conforming lots.
  - (b) Subdivisions must conform to the following minimum standards:
    - (i) Minimum lot area: 7500 square feet.
    - (ii) Minimum lot width: 75 feet.
    - (iii) Minimum Lot Depth: 100 feet.
    - (iv) Shape Factor Maximum: ~~30~~ 28
- 5) Density and Height Requirements

- (a) Density is not regulated by floor area ratio or units per acre in this zone. Instead, a "building envelope" is defined, depending on the size and shape of the site. Minimum room and unit sizes are regulated by building code.
- (b) Maximum and minimum building height shall be calculated based on the lot size according to the following table provided the required standards in the table are met:

Approximate Lot Dimension	Lot Area up to: (square feet)	Minimum Building Height (stories)/(feet)	Maximum Building Height (stories)/(feet)	Maximum Building Height with Bonus "C" (stories)/(feet)	Maximum Building Height with Bonus "B" (stories)/(feet)	Maximum Building Height with Bonus "A" (stories)/(feet)
	0 to 2499	2 / 22'	3 / 34'	(stories)/(feet)	(stories)/(feet)	(stories)/(feet)
25x100	2500 to 4999	2 / 22'	4 / 44'	5 / 54'	5 / 54'	5 / 54'
50x100	5000 to 7499	3 / 32'	5 / 54'	6 / 64'	6 / 64'	8 / 85'
75x100	7500 to 9500	4 / 42'	6 / 64'	6 / 64'	8 / 85'	8 / 85'
95x100	9501 and up	5 / 52'	6 / 64'	6 / 64'	8 / 85'	12 / 130'

Table 6

- (c) **Corner Lot Bonus:** Corner lots at selected locations are permitted a height bonus to encourage larger buildings at street corners as indicated in *Map 3: Corner Lot Bonus Map*. To qualify for the bonus height, corner lots must have the minimum lot size indicated in Table 6 for each bonus as well as the minimum sidewalk width indicated in *Map 5: Sidewalk Width Map*, or a minimum of 12 feet; whichever is greater. Corner Bonus projects are not required to match adjacent front yard setbacks in section 6 below, but instead must provide a front yard setback from the existing curb-line at the time of adoption sufficient to meet the minimum sidewalk width as per the *Map 5: Sidewalk Width Map*, or a minimum of 12 feet, whichever is greater. Projects must also comply with the minimum floor-to-ceiling height requirements and required building setbacks. Buildings of 8 stories and greater must provide ground floor commercial uses in all ground floor areas not utilized for parking, storage or building utilities; and must measure a minimum depth of 30 feet from all street lines. Ground floor residential is only permitted at the rear of a building where a minimum of 5000 square feet of retail is provided. The Corner Lot Bonus is applicable to a maximum lot area of 20,000 square feet. **All floor levels above the height of adjacent buildings shall be set back from the property line 5 feet or more to provide windows.**
- (d) **Whole block development provision:** where an entire block measuring greater than 30,000 square feet (not including any property in Zone 6) is consolidated, bounded only by rights-of-way, the development standards for Zone 3 may be applied provided that:
  - (i) A 20 foot sidewalk is provided around the entire circumference of the block.

- (ii) Tower stepbacks of 12 feet are accommodated set back from the base facade.
  - (iii) Parking is not permitted to front along any right-of-way at grade level. All parking uses must be screened from view through the use of wrap units. Any non-parking permitted use must occupy the first floor along all rights-of-way to a depth of a minimum of 25 feet. Parking may only be exposed on or above the second story.
  - (iv) Properties in Zone 6 must be excluded from any site plan under this provision.
  - (v) No buildings may be placed in the right-of-way preservation area as indicated on *Map 6: Circulation*. All preservation areas must be designed as publicly accessible plaza.
- (c) **Building Stepbacks:** To provide light and air to adjacent lots, buildings must provide a "stepback" from the property line at the following intervals:

Story Level	Front Stepback	Side Stepback	Rear Stepback
1	none	none	none
2 to 5	none	none	30'
6 to 8	none	5'	30'
9 to 12	10'	10'	30'

Table 7

6) **Yard and Stepback Requirements:**

(a) **Front Yard Requirements:**

- (i) Front yard setback shall match the setback of the "Primary Building Façade" (see Article I of the Land Development Ordinance for definition of Primary Building Façade) on either side of the subject parcel, provided that the building setback to be matched shall be closest to the predominant (most frequently occurring) setback on the block front. Where sidewalk widths are less than 8 feet, the front yard setback requirement must be the minimum of 8 feet from front facade at the ground floor to the curb.
- (ii) Up to 30% of a building façade may be set back up to an additional 10 feet to accommodate stoops, outdoor seating areas or public space, but not for front yard car parking and must be designed to be impractical for such use.
- (iii) If the adjacent front yard setbacks are greater than 10 feet, and the project site has 60 feet or more of frontage on a right-of-way, then the building may limit the front yard setback requirement to 10 feet.
- (iv) Where retail is required as indicated in *Map 4: Required Retail Use Map*, the front yard setback shall be from the existing curb-line at the time of adoption sufficient to provide the minimum sidewalk width as depicted in *Map 5: Required Sidewalk Width Map*, measured from the ground floor building facade to curb. Example: If the existing sidewalk width is 10 feet, and the required sidewalk is 20 feet, then the front

yard setback shall be 10 feet.

(b) Side Yard Requirements:

- (i) Where the adjacent building is less than four stories, the minimum side yard setback shall be 3 feet to match an adjacent 2 foot yard, 2 feet to match an adjacent 3 foot yard, or the required minimum to meet fire and building code to accommodate windows.
- (ii) Where a ground floor retail use is mandatory (see *Map 4: Required Retail Use Map*), side yards are not permitted within 10 feet of a right-of-way except where required by fire or building code to accommodate adjacent windows.
- (iii) Where the adjacent building is greater than 4 stories, or where the adjacent building is built on the lot line, side yards are not permitted within 10 feet of a right-of-way except where required by fire or building code to accommodate adjacent windows.

~~(c) Rear Yard Requirements:~~

- ~~(i) No rear yard is required, however a step back of 30 feet is required above the first floor as per the building step back table above.~~
- ~~(ii) For through lots, a 50 foot "rear yard" is required at grade or above the first floor, and centered in the middle of the block.~~
- ~~(iii) Corner lots shall adhere to the side yard requirements above provided that the wall of any proposed building above the ground floor shall not extend along the adjoining lot line for a depth of greater than 70 feet from the street line.~~

~~(d) Rear Yard requirements:~~

- ~~(i) Ground floor level may extend to 100% of the lot.~~
- ~~(ii) All floor levels above the ground floor shall not extend greater than 70 feet from any right-of-way fronting the subject property.~~
- ~~(iii) All floor levels above the ground floor where parking is provided shall not extend greater than 95 feet from any right-of-way fronting the subject property.~~
- ~~(iv) For through lots, the ground floor level may cover 100% of the lot with no yards provided.~~

**E) ZONE 5: COMMERCIAL MAIN STREET**

The purpose of this zone is to continue the existing pattern of main street type commercial buildings along Newark Avenue while providing for efficient modern new construction and increased density on corner lots.

1) Permitted Uses:

- (a) Residential: permitted everywhere except on the ground floor.
- (b) Retail Sales of Goods and Services/Financial Services.
- (c) Offices.
- (d) Art galleries.
- (e) Live/Work units and home occupations: permitted everywhere except on the ground floor.
- (f) Restaurants: category one and two.

- (g) Structured Parking: provided the design standards of Section IV: D above are met. Structured Parking is not permitted at any street corner location.
  - (h) Hotels/Bed and Breakfast.
  - (i) Medical Offices.
  - (j) Child and Adult Day Care Centers.
  - (k) Night Clubs/Bars: on corner lots, provided no more than 60 decibels is measureable outside the establishment.
  - (l) Museum.
  - (m) House of worship: permitted west of JFK Blvd. only.**
  - (n) Any combination of the above.
- 2) Accessory Uses
- (a) Structured parking and loading.
  - (b) Fences and seating walls.
  - (c) Landscape features.
  - (d) Improved Open Space.
  - (e) Signs.
  - (f) Rooftop Recreation.
  - (g) Sidewalk Cafe: where sidewalk width permits.
- 3) Prohibited Uses
- (a) Surface parking as a principal or accessory use.
  - (b) Drive-throughs pertaining to restaurants, banks, pharmacies, and other drive-through uses.
  - (c) Gas stations, service stations, auto repair, auto body shops, and other automobile related uses (not including car share programs).
  - (d) Billboards.
- 4) Lot Size and Dimension Requirements
- (a) All existing lots at the time of adoption of this plan are conforming lots.
  - (b) Subdivisions must conform to the following minimum standards:
    - (i) Minimum lot area: 2500 square feet.
    - (ii) Minimum lot width: 25 feet.
    - (iii) Minimum Lot Depth: 100 feet.
    - (iv) Shape Factor Maximum: ~~30~~ 28
- 5) Density and Height Requirements
- (a) Density is not regulated by floor area ratio or units per acre in this zone. Instead, a "building envelope" is defined, depending on the size and shape of the site. Minimum room and unit sizes are regulated by building code.
  - (b) Maximum and minimum building height shall be calculated based on the lot size according to the following table provided the required standards in the table are met:

Approximate Lot Dimension	Lot Area up to: (square feet)	Minimum Building Height (stories)/(feet)	Maximum Building Height (stories)/(feet)	Maximum Building Height with Bonus "C" (stories)/(feet)	Maximum Building Height with Bonus "B" (stories)/(feet)	Maximum Building Height with Bonus "A" (stories)/(feet)
	0 to 2499	3 / 32'	3 / 34'			

25x100	2500 to 4999	3 / 32'	4 / 44'	5 / 54'	5 / 54'	5 / 54'
50x100	5000 to 7499	3 / 32'	5 / 54'	6 / 64'	6 / 64'	6 / 64'
75x100	7500 to 9500	4 / 42'	6 / 64'	6 / 64'	8 / 85'	8 / 85'
95x100	9501 and up	5 / 52'	6 / 64'	6 / 64'	8 / 85'	12 / 130'

Table 8

(c) **Corner Lot Bonus:** Corner lots at selected locations are permitted a height bonus to encourage larger buildings at street corners as indicated in *Map 3: Corner Lot Bonus Map*. To qualify for the additional height, corner lots must have the minimum lot size indicated in Table 8 above for each bonus as well as the minimum sidewalk width indicated in *Map 5: Required Sidewalk Width Map*, or a minimum width of 12.14 feet; whichever is greater. Corner Bonus projects are not required to match adjacent front yard setbacks in Section 5 below, but instead provide a front yard setback from the existing curb-line at the time of adoption sufficient to meet the minimum sidewalk width, or a minimum width of 12.14 feet; whichever is greater. Projects must also comply with the minimum floor-to-ceiling height requirements and required building setbacks. The Corner Lot Bonus is applicable to a maximum lot area of 20,000 square feet. **All floor levels above the height of adjacent buildings shall be set back from the property line 5 feet or more to provide windows.**

(d) **Building Setbacks:** To provide light and air to adjacent lots, buildings must provide a "stepback" from the property line at the following intervals:

Story Level	Front Stepback	Side Stepback	Rear Stepback
1	none	none	none
2 to 5	none	none	15'
6 to 8	none	5'	20'
9 to 12	5'	10'	25'

Table 9

6) **Yard and Stepback Requirements:**

(a) **Front Yard Requirements:**

- (i) The front yard setback shall be sufficient to provide the minimum sidewalk width as indicated in *Map 5: Required Sidewalk Width Map*, measured from the ground floor building facade to the existing curb-line at the time of adoption. Example: If the existing sidewalk width is 10 feet, and the required sidewalk is 20 feet, then the front yard setback shall be 10 feet.
- (ii) Up to 30% of a building facade may be set back up to an additional 10 feet to accommodate outdoor seating areas or public space, but not for

front yard car parking and must be designed to be impractical for such use.

(b) Side Yard Requirements:

- (i) Side yards are not permitted within 10 feet of a right-of-way except where required by fire or building code to accommodate adjacent windows.

(c) Rear Yard Requirements:

- (i) No rear yard is required, however a second floor step back of 30 feet is required as per Table 9 above.
- (ii) For through lots, a 50 foot "rear yard" is required at grade or above the first floor, and centered in the middle of the block.
- (iii) Corner lots shall adhere to the side yard requirements above provided that the wall of any proposed building above the ground floor shall not extend along the adjoining lot line a distance greater than 85 feet from the street line for floors 2 through 5, 80 feet for floor 6 through 8 and 75 feet for floors 9 to 12.

(d) Rear Yard requirements:

- (i) Ground floor level may extend to 100% of the lot.
- (ii) All floor levels above the ground floor up to 5 levels shall not extend greater than 85 feet from any right-of-way fronting the subject property.
- (iii) All floor levels above the 5th floor shall not extend greater than 80 feet from any right-of-way fronting the subject property.
- (iv) All floor levels above the 8th floor shall not extend greater than 75 feet from any right-of-way fronting the subject property.
- (v) All floor levels above the ground floor where parking is provided shall not extend greater than 95 feet from any right-of-way fronting the subject property.
- (vi) For through lots, the ground floor level may cover 100% of the lot with no yards provided.

## D) ZONE 6: PRESERVATION

Situated with the original palisaded town of Bergen to the south, and Newark Avenue and Five Corners to the north; the Journal Square 2060 Redevelopment Plan Area has been the site of architectural endeavors for some 350 years. Although many early buildings have been razed in the development of the area, much remains to give us an idea of the area's development: socially, economically, architecturally, historically and culturally. Many resources remain that are locally significant and that still possess integrity of location, design, setting, materials, workmanship, feeling, and association. These buildings and streetscapes give the area a unique sense of place different not experienced elsewhere in the city.

During prior waves of development in the twentieth century, when the area's landscape changed from that of a suburban small town to the city's Central Business District, important buildings were demolished, altered, or moved.

Development, especially in the first half of the twentieth century, was sometimes undertaken without examination and appreciation of past cultural and architectural development. This plan seeks to preserve important resources which help to define the unique character of the Journal Square area.

This Zone shall preserve a wide variety of buildings characteristic of the area's varied development encompassing the seventeenth century Newkirk / Summit House, the eighteenth and nineteenth century Apple Tree House, Victorian brick townhouse rows, a Classical Revival Terrace on East Street, late 19th century mixed use developments and large early 20th century apartment buildings as well as churches, theatres and office buildings.

The properties that have been selected for Zone 6: Preservation have, paraphrasing the National Register Criteria for Evaluation:

- A. Been associated with events that have made significant contribution to the broad patterns of our history; or
- B. Are associated with the lives of persons significant in our past; or
- C. Embody the distinctive characteristics of a type, period, or method of construction, or that represent the work of a master, or that possess high artistic values, or that represent a significant and distinguishable entity whose components may lack individual distinction; or
- D. Have yielded, or may be likely to yield, information important in prehistory or history.

To respect the special character that the Journal Square area has acquired and retained over the past three and one half centuries, the buildings included in this Preservation Zone shall be rehabilitated in accordance with the *Secretary of the Interior's Standards and Guidelines for the Treatment of Historic Properties* so that future generations can be delighted by the history and architecture of the Journal Square Neighborhood.

1) Permitted Uses:

- (a) All uses at their existing location at the time of adoption of this Plan are permitted.
- (b) New uses shall be considered by the Planning Board on a case by case basis, guided by adjacent uses only. Because historic buildings in this zone are scattered throughout the Plan Area, and are situated in a variety of land use areas, the permitted uses in this zone must be contextual to the site.
- (c) Adaptive re-use conversions to residential or live/work units is permitted.

2) Lot Size and Dimension Requirements

- (a) All existing lots at the time of adoption of this plan are conforming lots.
- (b) Subdivision is not permitted.

3) Height and Bulk Requirements

- (a) The existing building height, floor area, established setbacks and the exterior building envelope as of the adoption of this Plan shall constitute the development standards of each building. Any change to the above standards shall constitute a deviation from this plan.

- (b) Minor alterations in site plan and façade characteristics may be permitted by the Planning Board provided such alterations are consistent with the above standards for this zone. Any changes not consistent with this Plan are cognizable under a deviation application, and will be judged on their merits.
- 4) Yard and Coverage Requirements
  - (a) building coverage: existing
  - (b) lot coverage: existing
  - (c) front yard: existing
  - (d) side yard: existing
  - (e) rear yard: existing
- 5) Building Design Requirements
  - (a) All visible façades must retain historic building fabric where practicable. Architectural elements must be fully retained, preserved, restored, or recreated as necessary, based on site, photographic, or period documentation.
  - (b) Any rehabilitation is to be done in compliance with the *Secretary of the Interiors Standards and Guidelines for the Treatment of Historic Properties*
  - (c) All building must comply with all State or national historic register regulations.
  - (d) Parking is not permitted in this zone unless present at the time of adoption of this redevelopment plan.

#### G) ZONE 7: DECO

The purpose of this zone is to retain and preserve the early twentieth century art-deco facades along Bergen Avenue while providing for vertical additions to these historic facades.

- 1) Permitted Uses:
  - (a) Residential: permitted everywhere except on the ground floor.
  - (b) Retail Sales of Goods and Services/Financial Services.
  - (c) Offices: permitted everywhere except on the ground floor.
  - (d) Art galleries.
  - (e) Live/Work units and home occupations: permitted everywhere except on the ground floor.
  - (f) Restaurants: category one and two.
  - (g) Hotels/Bed and Breakfast.
  - (h) Medical Offices: permitted everywhere except on the ground floor.
  - (i) Child and Adult Day Care Centers: permitted everywhere except on the ground floor.
  - (j) Night Clubs/Bars: on corner lots, provided no more than 60 decibels is measureable outside the establishment. Night clubs and bars are limited to 3000 square feet.
  - (k) Museum.
  - (l) Any combination of the above.
- 2) Lot Size and Dimension Requirements
  - (a) All existing lots at the time of adoption of this plan are conforming lots.

- (b) Subdivision is not permitted.
- 3) Height Requirements
  - (a) Maximum building height: 8 stories and 85 feet
  - (b) Building Stepbacks: a 15 foot front stepback is required for any additions above the existing deco buildings along Bergen Avenue. A 5 foot stepback is required for any additions on Newkirk Street.
- 4) Yard Requirements
  - (a) The maximum permitted building and lot coverage shall be the existing building and lot coverage at the time of adoption of this Plan.
- 5) Building Design Requirements
  - (a) All visible façades must retain historic building fabric where practicable. Architectural elements must be fully retained, preserved, restored, or recreated as necessary, based on site, photographic, or period documentation.
  - (b) Any facade rehabilitation is to be done in compliance with the *Secretary of the Interiors Standards and Guidelines for the Treatment of Historic Properties*
  - (c) The front façade of any roof top addition must include a minimum of 75 % glazing which will minimize any impact the addition may have on the historic resource.
  - (d) Parking is not permitted in this zone.

#### H) ZONE 8: BERGEN SQUARE

The purpose of this zone is to demarcate and preserve the footprint, block, and lot lines of the original Dutch settlement of Bergen, established in 1661. This zone provides for mixed use development respecting the established height limits and development context found in Bergen Square.

- 1) Permitted Uses:
  - (a) Residential: permitted everywhere except on the ground floor of buildings utilizing a corner height bonus.
  - (b) Retail Sales of Goods and Services/Financial Services.
  - (c) Offices.
  - (d) Medical Offices
  - (e) Art galleries.
  - (f) Live/Work units and home occupations.
  - (g) Restaurants: category one and two.
  - (h) Bed and Breakfast.
  - (i) Child and Adult Day Care Centers.
  - (j) Night Clubs/Bars: restricted to Bergen Ave, provided no more than 60 decibels is measureable outside the establishment.
  - (k) Schools.
  - (l) Community Centers.
  - (m) Government uses.
  - (n) Museum.
  - (o) Any combination of the above.

- 2) Accessory Uses
  - (a) Fences and seating walls.
  - (b) Landscape features.
  - (c) Improved Open Space.
  - (d) Signs.
  - (e) Rooftop Recreation.
  - (f) Sidewalk Cafe: where sidewalk width permits.
- 3) Prohibited Uses
  - (a) Surface parking as a principal or accessory use.
  - (b) Drive-throughs pertaining to restaurants, banks, pharmacies, and other drive through uses.
  - (c) Gas stations, service stations, auto repair, auto body shops, and other automobile related uses (not including car share programs).
  - (d) Billboards.
- 4) Lot Size and Dimension Requirements
  - (a) All existing lots at the time of adoption of this plan are conforming lots.
  - (b) Subdivisions must conform to the following minimum standards:
    - (i) Minimum lot area: 2500 square feet.
    - (ii) Minimum lot width: 25 feet.
    - (iii) Minimum Lot Depth: 100 feet.
    - (iv) Shape Factor Maximum: ~~30~~ 28
- 5) Density and Height Requirements
  - (a) Density is not regulated by floor area ratio or units per acre in this zone. Instead, a "building envelope" is defined, depending on the size and shape of the site. Minimum room and unit sizes are regulated by building code.
  - (b) Maximum and minimum building height shall be calculated based on the lot size according to the following table provided the required standards in the table are met:

Approximate Lot Dimension	Lot Area up to (square feet)	Minimum Building Height (stories)/(feet)	Maximum Building Height (stories)/(feet)
	0 to 2499	2 / 22'	3 / 34'
25x100	2500 to 4999	2 / 22'	4 / 44'
50x100	5000 and up	3 / 32'	5 / 54'

Table 10

- (c) Building Stepbacks: To provide light and air to adjacent lots, buildings taller than 4 stories must provide a "stepback" from the property line at the following intervals:

Story Level	Front Stepback	Side Stepback	Rear Stepback
1 to 4	none	none	30'

5	10'	none	30'
---	-----	------	-----

Table 11

6) Yard Requirements

(a) Front Yard Requirements:

- (i) Front yard setback shall match the setback of the "Primary Building Façade" (see Article I of the Land Development Ordinance for definition of Primary Building Façade) on either side of the subject parcel, provided that the building setback to be matched shall be closest to the predominant (most frequently occurring) setback on the block front.
- (ii) Where retail is required as indicated in *Map 4: Required Retail Use Map*, the front yard setback from the existing curb-line at the time of adoption shall be sufficient to provide the minimum sidewalk width as depicted in *Map 5: Required Sidewalk Width Map*, measured from the ground floor building facade to curb. Example: If the existing sidewalk width is 10 feet, and the required sidewalk is 20 feet, then the front yard setback shall be 10 feet.

(b) Side Yard Requirements:

- (i) Where the adjacent building is less than four stories, the minimum side yard setback shall be 3 feet to match an adjacent 2 foot yard, 2 feet to match an adjacent 3 foot yard, or the required minimum to meet fire and building code to accommodate windows.
- (ii) Where a ground floor retail use is mandatory (see *Map 4: Required Retail Use Map*), side yards are not permitted within 10 feet of a right-of-way except where required by fire or building code to accommodate adjacent windows.
- (iii) Where the adjacent building is greater than 4 stories, or when the adjacent building is built on the lot line, side yards are not permitted within 10 feet of a right-of-way except where required by fire or building code to accommodate adjacent windows.

(c) Rear Yard Requirements:

- (i) A rear yard contextual to the block and lining up with adjacent buildings as determined by the Planning Board is required.

**I) ZONE 9: PARKS**

- 1) Parks, plazas, and other types of public open space are the only permitted at grade use in this zone. Underground parking facilities are also permitted beneath the required at grade park

**J) ZONE 10: TRANSITION**

- 1) All parcels in Zone 10 must be submitted to the City Planning Division as a single site plan application, however construction may be phased.
- 2) A maximum of two buildings may be constructed in Zone 10, with the remainder of the zone developed as open space. One of the two buildings must be on Block 10601 Lot 39 adjacent to the historic Lowes Theatre. The

- second building must be situated south of the continuation of the Van Reipen Avenue right-of-way and a minimum of 40 feet from the Zone 2 boundary line.
- 3) The as-of-right building height shall be a maximum of 6 stories. This height limitation may be exceeded by constructing the un-built portions of Zone 10 as publicly accessible open space. Surface parking is not permitted. Each square foot of open space made available to the public may be converted to FAR applicable to the two permitted building sites at a ratio of 6:1. For example, 10,000 square feet of land designed as public open space will permit 60,000 additional square feet to be built above the permitted 6 stories. The building site on Block 10601 Lot 39 shall not be restricted in the amount of bonus FAR applied to this site, however any second building shall have a maximum height of 12 stories or 130 feet with applied bonus FAR.
  - 4) The site plan for Zone 10 must be in conformity with all design requirements in Chapter VI as well as the required public sidewalk requirements found on *Map 5: Required Sidewalk Width*.

#### **K) ZONE 11: TRANSITION**

- 1) All land in Zone 11 must be submitted to the City Planning Board as a single site plan application, however construction may be phased.
- 2) Property in Zone 11 fronting on Summit Avenue, continuing to the east side of the West Street right-of-way and its extension to the south across Block 9604 Lot 11 and Block 10803 Lot 27 may utilize the development regulations of Zone 3 Commercial Center, with the following additional requirements:
  - (a) Summit House Plaza: A 30 foot side yard shall be provided along the southern property line of the Summit House at 510 Summit Avenue, one of the oldest buildings in the State of New Jersey. This yard area must be developed as a pedestrian plaza, and may include seating for restaurant or cafe type uses. Driveway egress only to Summit Avenue is permitted within the required plaza area.
  - (b) A 10 foot yard shall be provided along the eastern property line at the rear of the Summit House.
  - (c) No yard or building setbacks shall be required between any two buildings within Zone 11.
  - (d) Primary driveway entrance and exit must be from West Street.
  - (e) A 24 hour publicly accessible pedestrian easement and paved walkway shall be constructed along the full length of the southern property line of Block 10803 Lot 27 with a minimum width of 20 feet, running along the PATH rail tracks and connecting from Summit Avenue to the Zone 9 Park (see Map 5: Required Sidewalk Width Map).
  - (f) A building height bonus of 17 stories has been granted for this portion of Zone 11 due to the dedication of land for a public park. The maximum building height is therefore set at 42 stories and 440 feet.
- 3) Property in Zone 11 east of the West Street right-of-way and its extension to the south across Block 9604 Lot 11 and Block 10803 Lot 27 may utilize the development regulations of Zone 4 Neighborhood Mixed Use, with the following additional requirements:

- (a) A publicly accessible pedestrian easement and paved walkway shall be constructed along the full length of the southern property line of Block 10803 Lot 27 with a minimum width of 20 feet, running along the PATH rail tracks and connecting from Summit Avenue to the Zone 9 Park (see Map 5: Required Sidewalk Width Map).
- (b) Multi-level parking garages within this portion of Zone 11:
  - (i) shall have a height limit of 5 parking levels and 50 feet.
  - (ii) are required to provide a minimum 10 foot rear yard adjacent to Zone 6 and Zone 9.
  - (iii) shall not be required to provide building step backs.

L) **ZONE 12: JOURNAL SQUARE PLAZA EXTENSION ZONE**

The purpose of this zone is to provide for high-density, high-rise construction on parcels immediately adjacent to the Journal Square Transportation Center. Given the site's high accessibility to both 24 hour heavy rail and bus transportation systems, this block has the potential to create increased public plaza areas as an extension of the Journal Square Plaza, activated by retail, while also provided housing in a transit accessible location and incentivizing office space.

- 1) All parcels in Zone 12 must be submitted to the City Planning Division as a single site plan application, and must be constructed as a single phase.
- 2) The development standards within Zone 12 shall only apply to all tax parcels within Zone 12 together as a single development site consolidated as a single tax lot. If individual parcels within Zone 12 are developed separately, Zone 3 standards shall apply except for Block 10702, Lot 4, (30 Journal Square former Jersey Journal building) where Zone 6 shall apply.
- 3) The adaptive re-use of the existing 30 Journal Square building to create a public plaza area with shopping and dining amenities is required. The re-use of the existing structure shall permit the partial demolition of interior spaces within the building including side and rear walls, however the front facade facing Sip Avenue shall remain. Alterations to the front facade are permitted however the historic brick structure of the front facade and any cast stone, cornices, or other materials or architectural features that are incorporated into the facade structure shall remain. The historic Jersey Journal sign is also required to remain and be maintained for the life of the project.
- 4) An outdoor public plaza area with a minimum of 14,000 square feet must be provided within any development approval under Zone 12. The plaza areas shall be privately owned and maintained, however must be

open to the general public a minimum of 6AM to 10PM throughout the year. The plaza shall also function as a pedestrian through route from Sip Avenue through the adaptive retail reuse of the Jersey Journal building to Enos Place.

- 5) **Permitted Principal Uses for New Construction:**
  - (a) Residential, however residential units are not permitted on the ground floor.
  - (b) Retail Sales of Goods and Services/Financial Services
  - (c) Office: Permitted everywhere except ground floor
  - (d) Art galleries
  - (e) Live/Work units and home occupations: except on the ground floor.
  - (f) Restaurants, category one and two.
  - (g) Hotels/Bed and Breakfast.
  - (h) Theaters.
  - (i) Child/Adult Day Care Centers: except on the ground floor.
  - (j) Night Clubs/Bars.
  - (k) Schools.
  - (l) Community Centers.
  - (m) Museums.
  - (n) Government uses.
  - (o) Any combination of the above
  
- 6) **Accessory Uses**
  - (a) Structured parking and loading
  - (b) Fences and seating walls
  - (c) Landscape features
  - (d) Improved Open Space plazas
  - (e) Signs
  - (f) Rooftop Recreation
  - (g) Sidewalk Cafe: where sidewalk width permits
  
- 7) **Prohibited Uses for New Construction:**
  - (a) Surface parking as a principal use
  - (b) Drive-through facilities pertaining to restaurants, banks, pharmacies, and other drive through uses
  - (c) Gas stations, service stations, auto repair, auto body shops, and other automobile related uses (not including car share programs).
  
- 8) **Permitted Principal Uses within the adaptive re-use of the existing 30 Journal Square building:**
  - (a) Retail Sales
  - (b) Restaurants, category one and two.
  - (c) Night Clubs/Bars.
  - (d) Art galleries

9) **Prohibited Uses within the adaptive re-use of the existing 30 Journal Square building:**

- (a) **Formula Businesses**
- (b) **Retail services**
- (c) **Office**
- (d) **Financial Institutions / Banks**

10) **Lot Size and Dimension Requirements**

- (a) **All existing lots at the time of adoption of this plan are conforming lots for development under Zone 3 or Zone 6 standards as per paragraph 2 above.**
- (b) **Subdivisions must conform to the following minimum standards:**
  - (i) **Minimum lot area: all tax lots within Zone 12 must be consolidated into a single lot.**

11) **Maximum Floor Area Ratio (FAR): 20**

- (a) **The Floor Area Ratio is inclusive of all built structures at or above grade including, but not limited to parking decks, lobbies, hallways, building core, common areas, etc.**
- (b) **Floor Area Bonus for office use. To encourage development of office space within mixed use buildings, up to 4 additional floors may be added to the building base or tower for office use only, and such floor area shall be in addition to the maximum 20 FAR.**

12) **Yard Requirements:**

- (a) **Front Yard Requirements:**
  - (i) **Front yard setbacks along Enos Place and Newkirk Street shall be sufficient to provide a minimum sidewalk width of 15 feet.**
  - (ii) **The existing sidewalk width along Sip Avenue shall remain.**
- (b) **Side and Rear Yard Requirements: not required.**

1) **Maximum Permitted Building Coverage: 32,000 square feet.**

2) **Permitted Building Envelop:**

**The permitted building envelop shall be composed of four separate elements with the following height, coverage, and design requirements:**

- (a) **Adaptive re-use of the existing 30 Journal Square building:**
  - (i) **Maximum Building Coverage: existing building coverage of 30 Journal Square.**
  - (ii) **Maximum Building Height: existing building height of 30 Journal Square**
  - (iii) **All building design and materials as well as surface treatments utilized in the adaptive re-use of the existing 30 Journal Square building shall conform to the Zone 12 Design Appendix section of this redevelopment plan.**

- (iv) Minimum retail space: 5,000 square feet.
- (v) Percent of building material reused from existing structures: 10% (such as bricks, steel, tiles, etc).
- (vi) Portions of this historic 30 Journal Square building are required to remain in place. For example, partial floor plates, partial stairs, partial walls, structural framing members, etc.
- (vii) Numerous other building elements such as doors, window frames, fixtures, etc shall be reused and/or repurposed in the plaza design.

**(b) Required Outdoor Plaza Area**

- (i) Minimum Lot Coverage: 14,000 square feet.
- (ii) Plaza area must be open to the sky.
- (iii) Plaza area must provide pedestrian access to both Sip Avenue through the adaptive reuse of the Jersey Journal building as well as to Enos Place.
- (iv) All materials and design utilized in the plaza areas shall conform to the Zone 12 Design Appendix section of this redevelopment plan.

**(c) Tower Base**

- (i) Maximum Building Coverage: 27,000 square feet
- (ii) Maximum Building Height: 65 feet, however up to 4 additional floors may be added to the maximum height if such bonus floors are restricted to office use.
- (iii) A contextual height design feature shall mark the average building height of adjacent structures within the facade design of the tower podium.
- (iv) Tower Base must be situated so as to provide the required outdoor plaza areas between the base and the existing 30 Journal Square building.
- (v) Tower base shall incorporate outdoor recreation open space to building occupants on the roof level of the tower base not less than 12,000 square feet.
- (vi) Tower base must provide retail frontage and access along both Enos Place and Newkirk Street.
- (vii) Minimum ground floor to ceiling height: 18 feet.
- (viii) Minimum ground floor facade glazing: 75%

**(d) Tower**

- (i) Maximum Building Coverage: 12,900 square feet.
- (ii) Maximum Building Height: no height limit.
- (iii) Minimum Building Stepback from Enos Place and Newkirk Street: 25 feet.
- (iv) Minimum Building Stepback from interior lot lines: 25 feet.

- 3) **Driveway Access Requirements: all access to loading and parking areas shall be from Newkirk Street a minimum of 50 feet from a street corner.**
- (a) **curb returns into the sidewalk are strictly prohibited. A drop apron with a steep incline to sidewalk grade shall be utilized.**
  - (b) **Maximum width of curb cut to service both loading areas and parking access: 68 feet.**
  - (c) **loading and parking entry into the building shall be set back into the building or design in a manner to provide a site triangle for exiting vehicles to see pedestrians walking along the Newkirk sidewalk.**

#### **XI) DEFINITIONS**

- A) All definitions shall refer to the Jersey City Land Development Ordinance.

#### **XII) MAPS**

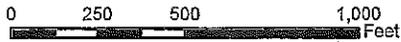
- 1) Boundary Map
- 2) Zone Districts Map
- 3) Corner Lot Bonus Map
- 4) Required Retail Use Map
- 5) Sidewalk Width Map
- 6) Circulation Map

# JOURNAL SQUARE 2060

## MAP 2: ZONE DISTRICTS MAP

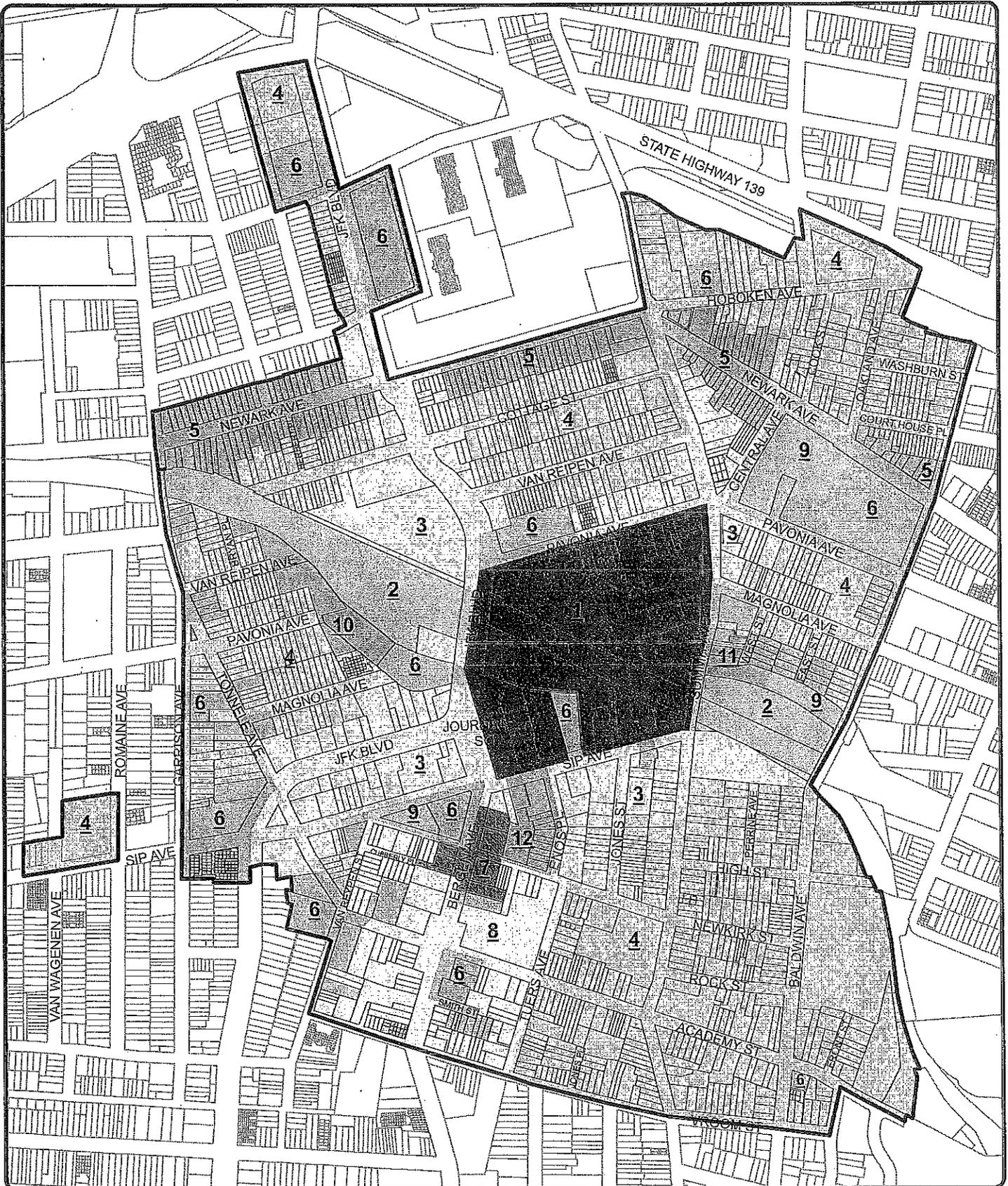
JANUARY 6, 2016

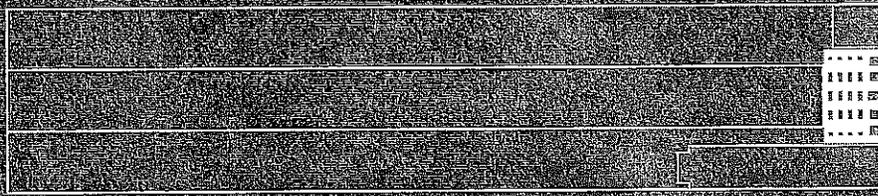
1 inch = 520 feet



### Zone Districts

- Zone 1: Core
- Zone 2: Air-Rights
- Zone 3: Commercial Center
- Zone 4: Neighborhood Mixed Use
- Zone 5: Commercial Main Street
- Zone 6: Preservation
- Zone 7: Deco
- Zone 8: Bergen Square
- Zone 9: Parks
- Site Specific Districts:**
- Zone 10, 11, 12





# Journal Square 2060 Redevelopment Plan Zone 12 Design Appendix

28 December, 2015

Morrills, Adjimi Architects + Future Green Studio

The purpose of the new proposed zoning district is to maintain respect for the historic qualities of 30 Journal Square while maximizing the potential for economic growth and development on the site. In order to do so, the new proposal will allow historically relevant portions of the existing building to remain, such as the front facade, the "Jersey Journal" sign, and portions of the existing structure. In addition, existing building materials and fixtures will be incorporated into the design of the new public space to pay proper homage to the building's past.

This plaza, flanked by commercial and retail space, will serve the public by blending the repurposed industrial aesthetic of the existing Jersey Journal building with natural elements. As the project opens up a new retail corridor, it will provide exposure to the remnants of the historic building through vignettes of reuse. The plaza will utilize environmentally-conscious landscape design and innovative green strategies to create a flexible and desirable social destination for the residents of Jersey City.



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FUTURE GREEN STUDIO  
ARCHITECTURE INTERIOR DESIGN LANDSCAPE ARCHITECTURE

30 Journal Square  
Jersey City, NJ

## Design Intent

Zone 12 Design Appendix / 28 December 2015



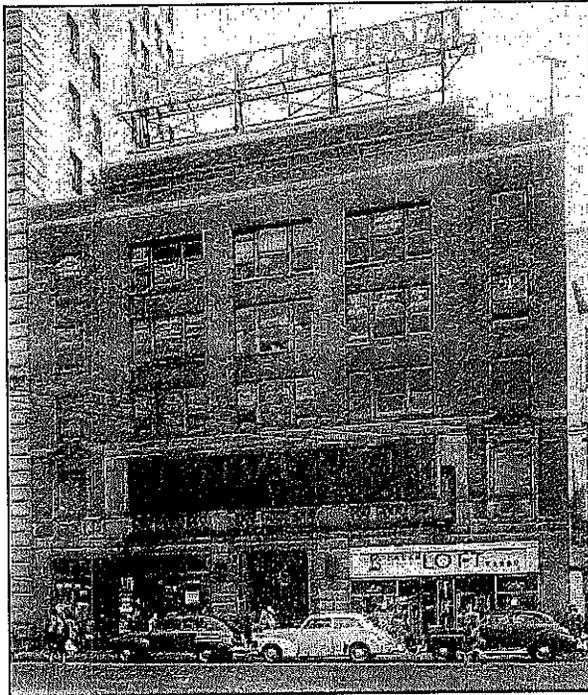
**May 2, 1867** .....  
*The First Issue of The Evening Journal*



**1875** .....  
*The Evening Journal at 37 Montgomery Street*



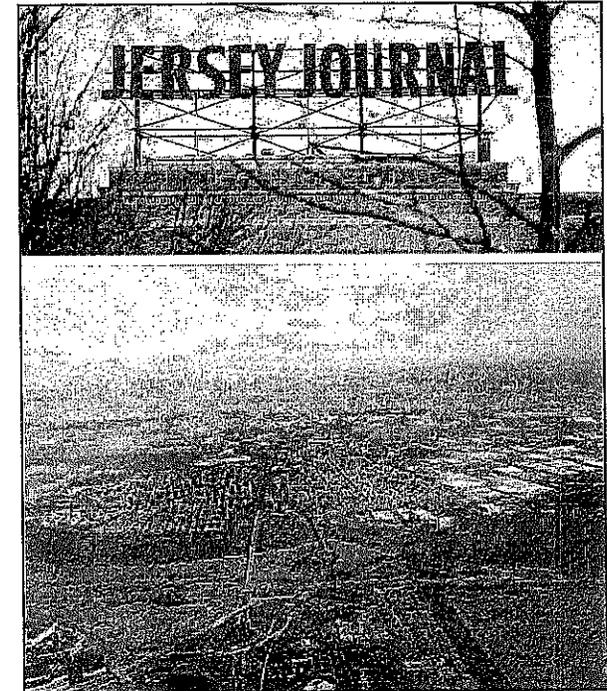
**1911** .....  
*Construction begins at 30 Journal Square*



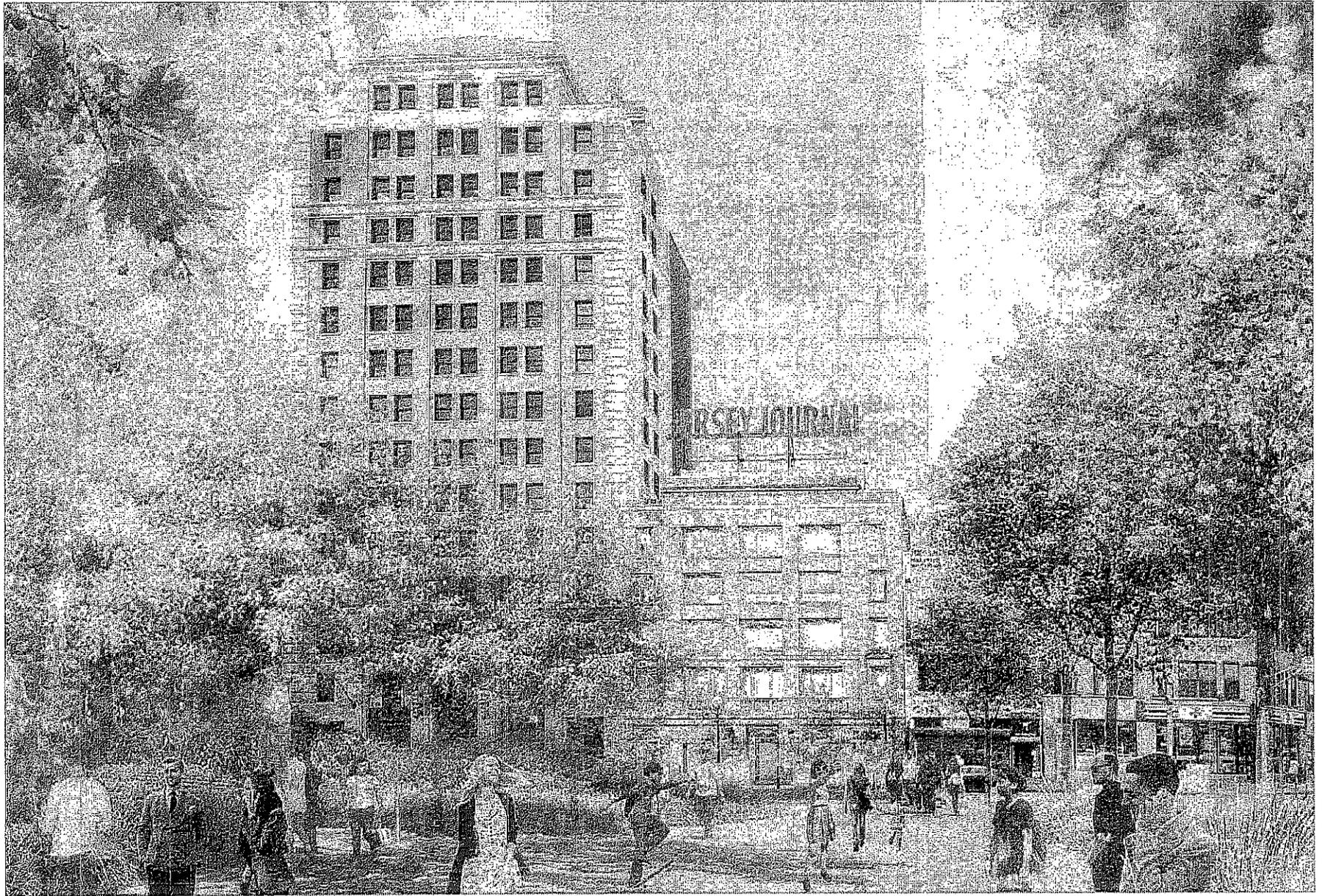
**1924** .....  
*Construction Complete at 30 Journal Square*



**1924-2014** .....  
*Printing of The Journal at 30 Journal Square*



**2014** .....  
*The Jersey Journal Relocates to Secaucus*



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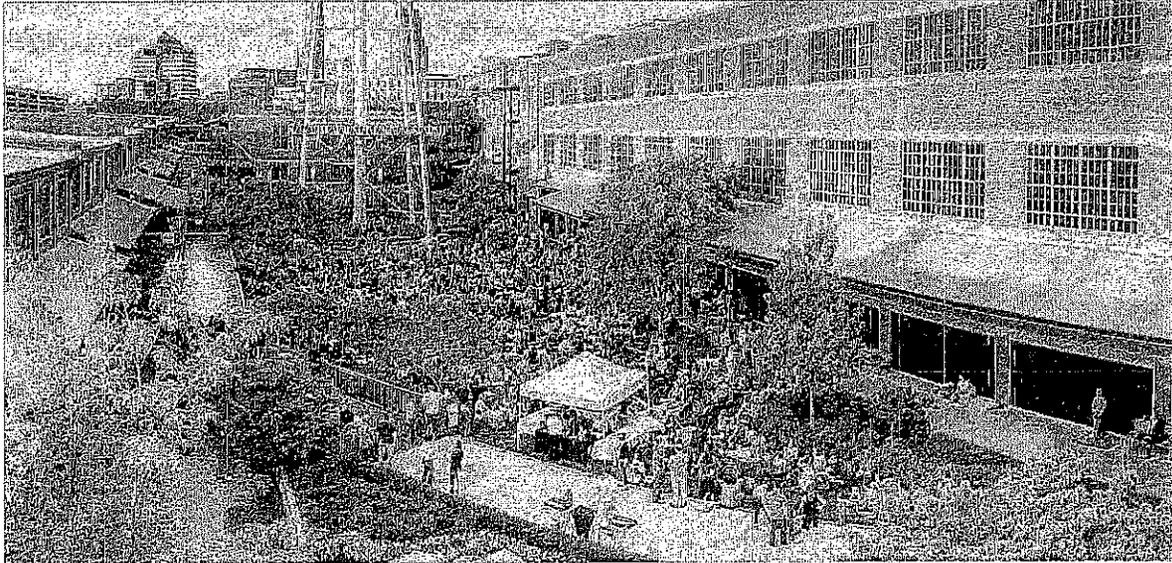
FUTURE GREEN STUDIO  
LANDSCAPE ARCHITECTS & DESIGNERS

30 Journal Square  
Jersey City, NJ

## Concept Rendering

Zone 12 Design Appendix / 28 December 2015

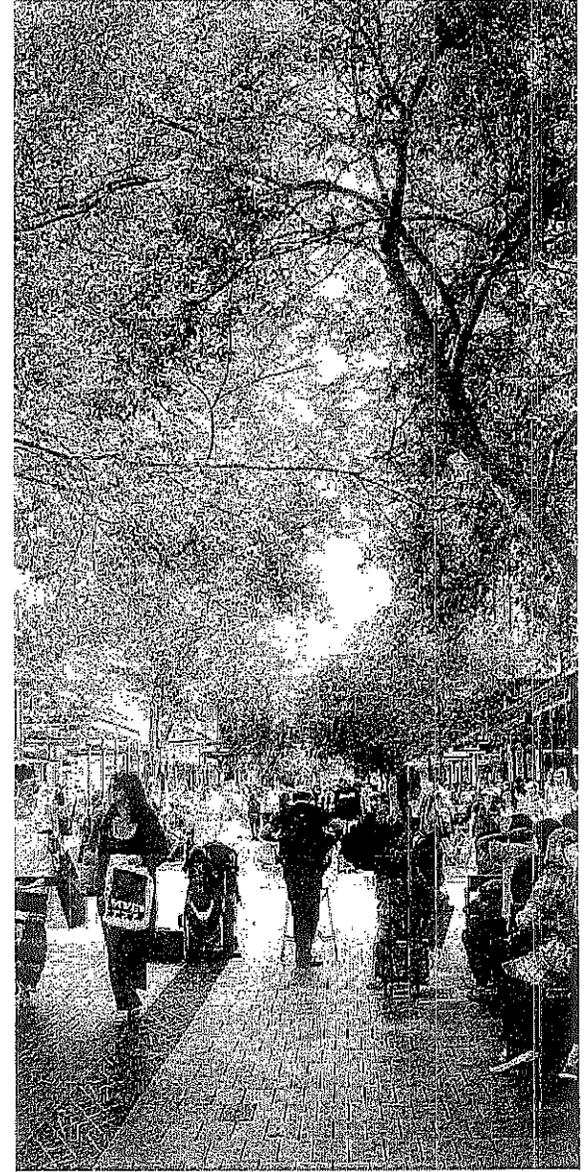
# TYPOLOGIES



American Tobacco Campus - North Carolina



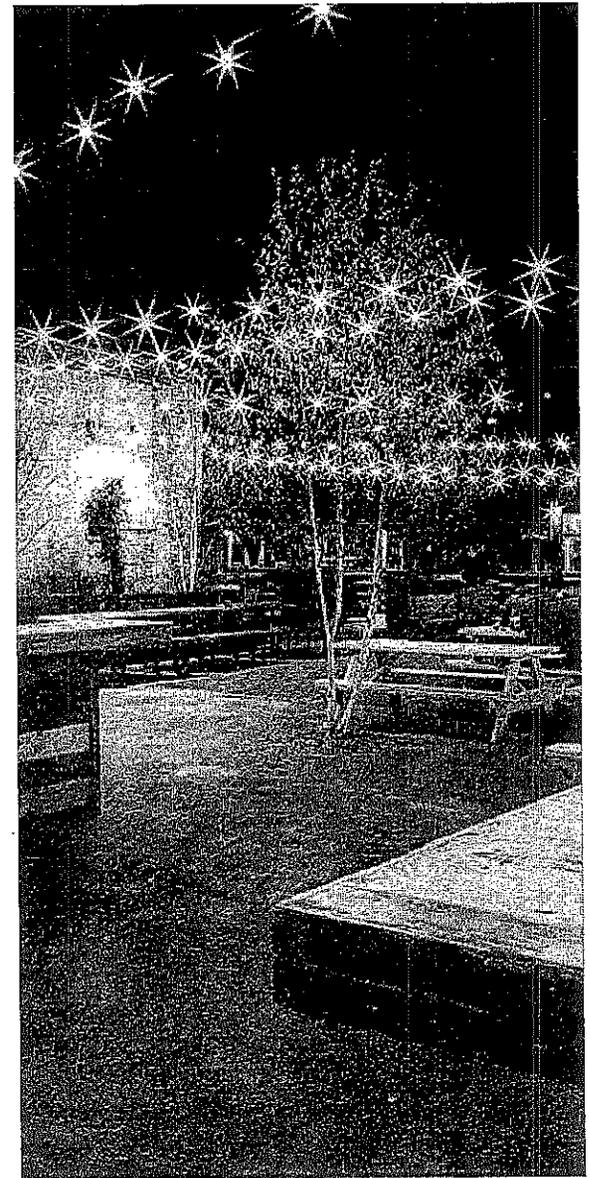
Chelsea Market - New York City



Pitt Street Mall - Australia



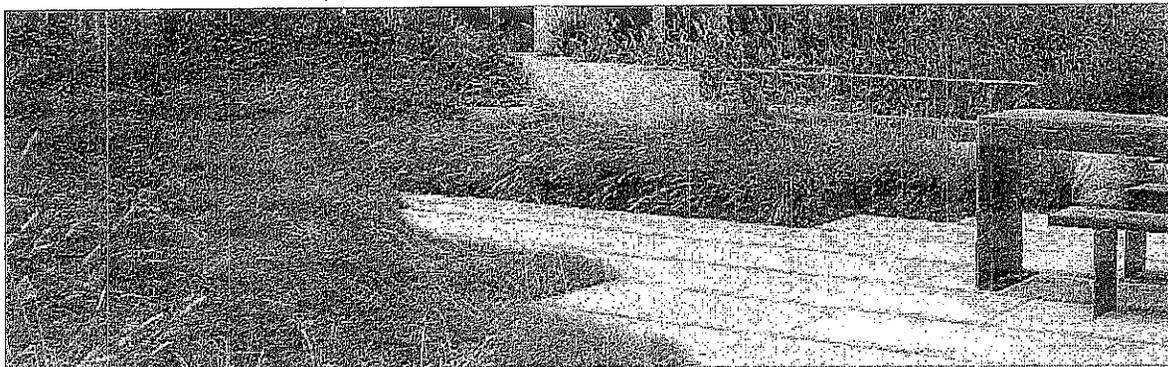
Shake Shack - Madison Square, NYC



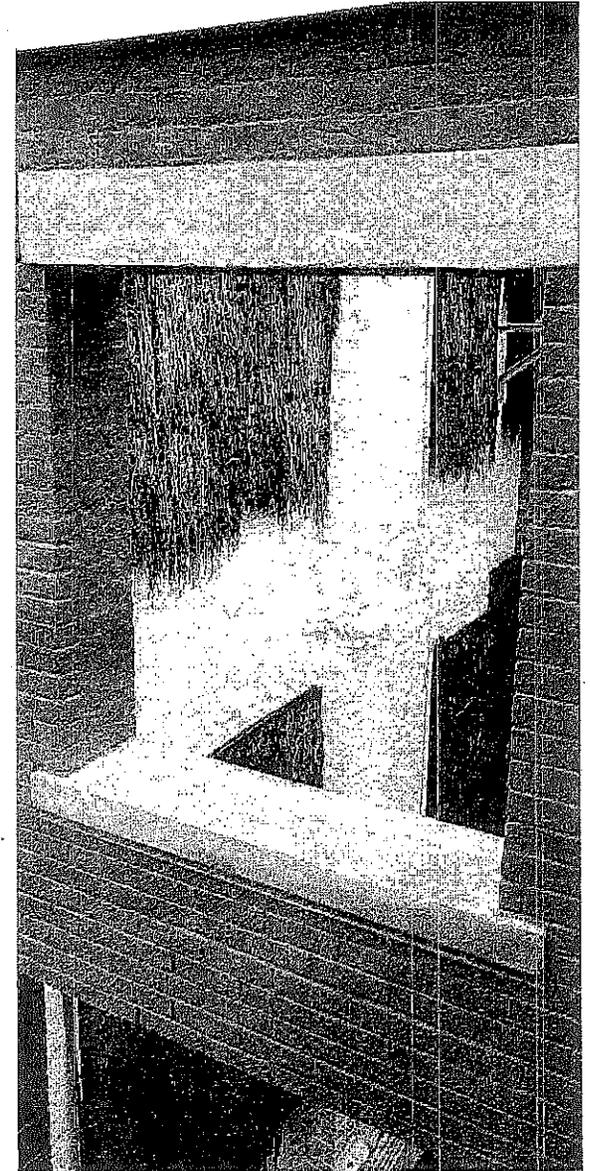
Swan Dive - Brooklyn



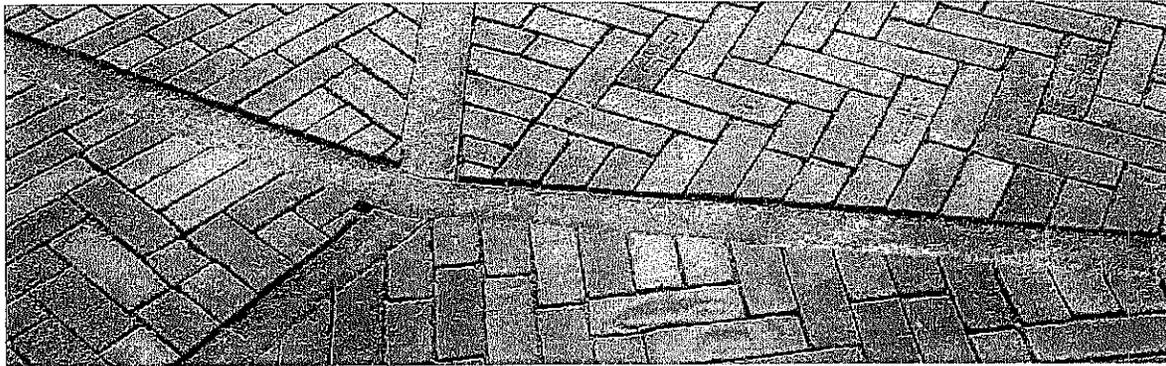
Stacked Planter Boxes: Carroll Street, Brooklyn



Paving Transition: University of California, San Francisco



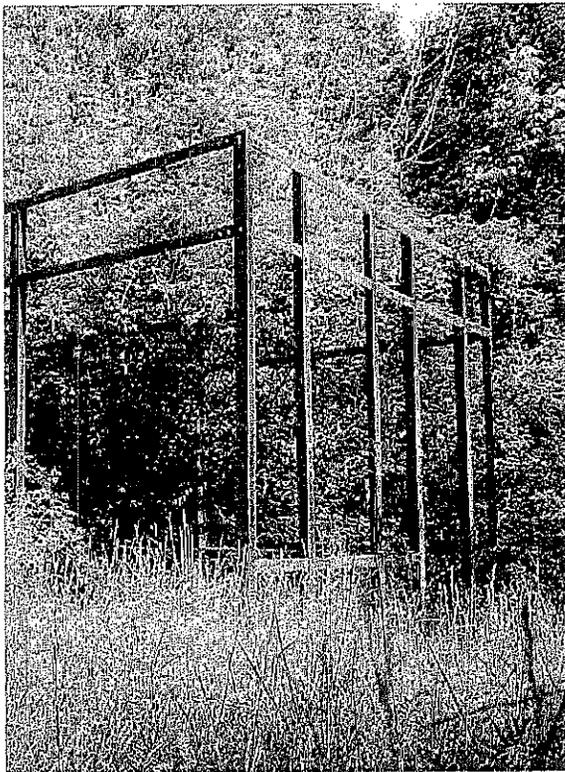
22 Washington Square North, NYC



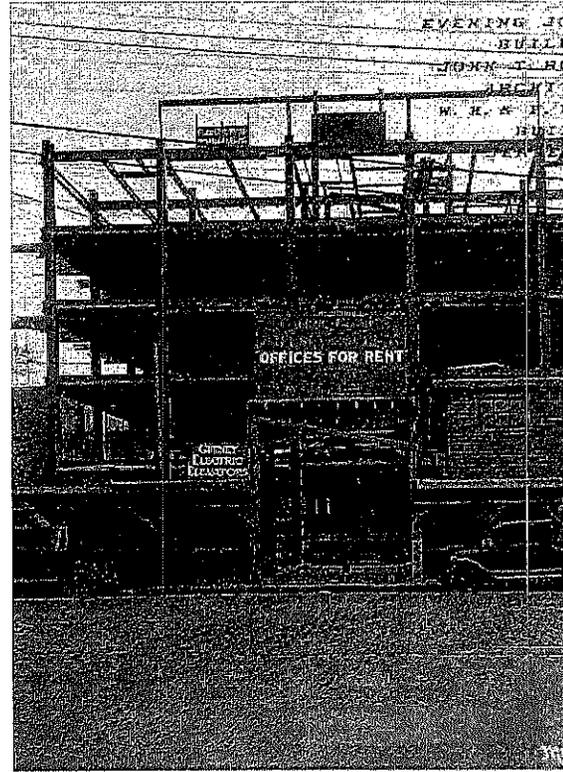
St. Plechelmus Square, The Netherlands



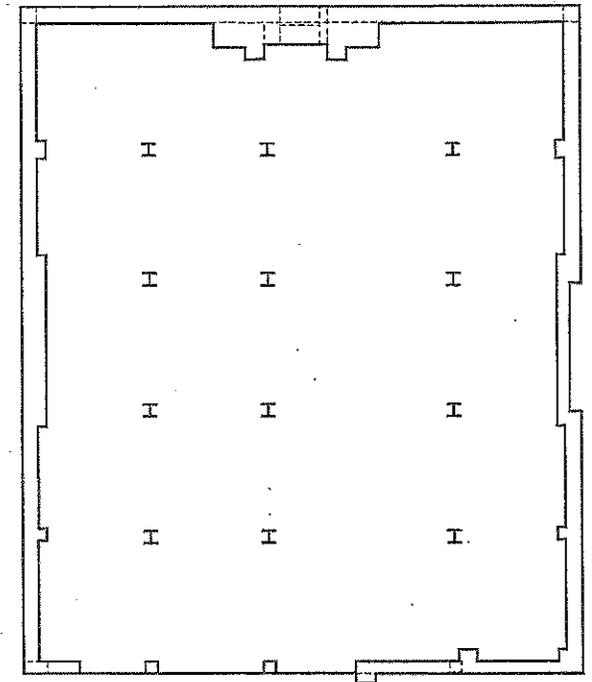
High Line, Brooklyn



Natur-Park Schöneberger, Berlin

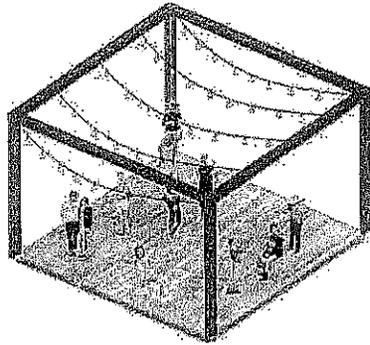


30 Journal Square Construction, 1924

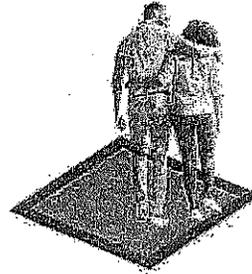


Existing 30 Journal Square Footprint

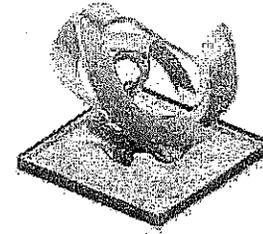
DESIGN



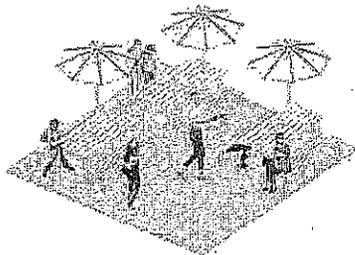
BANDSTAND



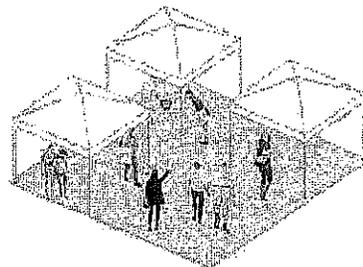
STONE PAVING



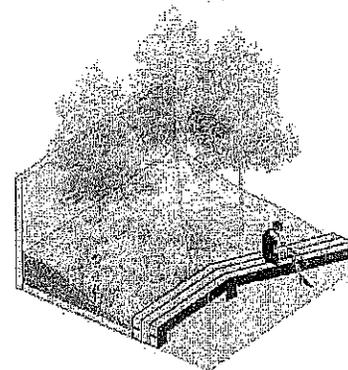
SCULPTURE



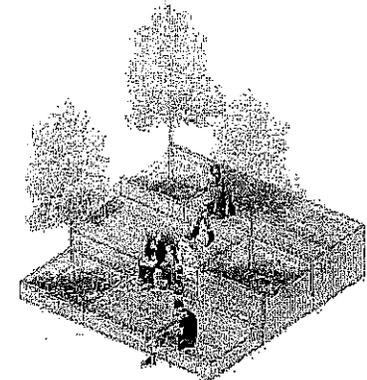
BEER GARDEN



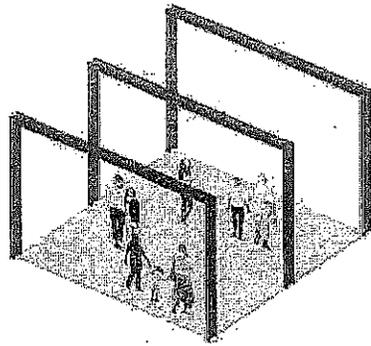
MARKET



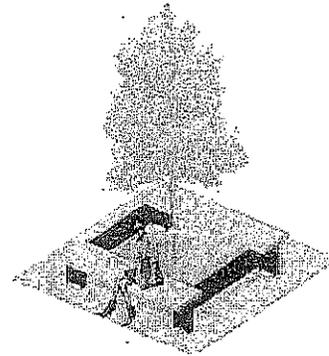
PLANTED BUFFER



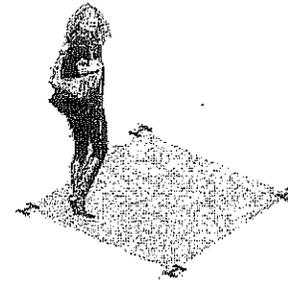
AMPITHEATER



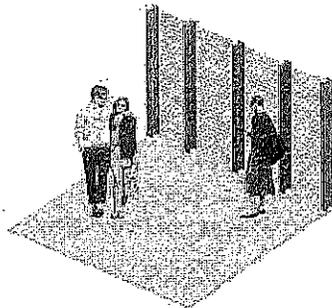
PROMENADE



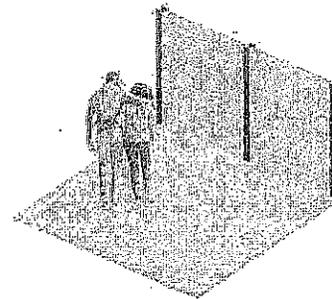
TREE PIT



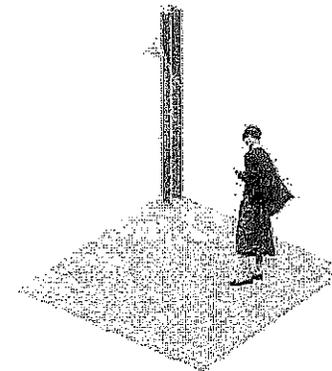
EMBEDDED PAVING



POROUS FENCE



PRIVACY FENCE



LIGHT FIXTURE



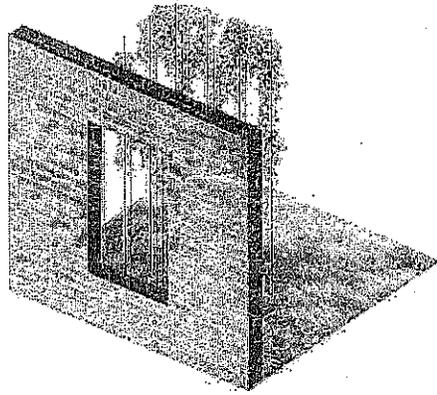
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LANDSCAPE ARCHITECTURE

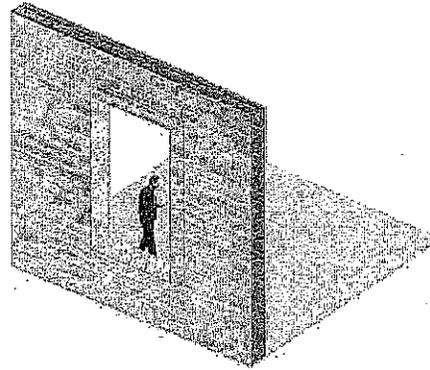
30 Journal Square  
Jersey City, NJ

## Material Reuse Strategies

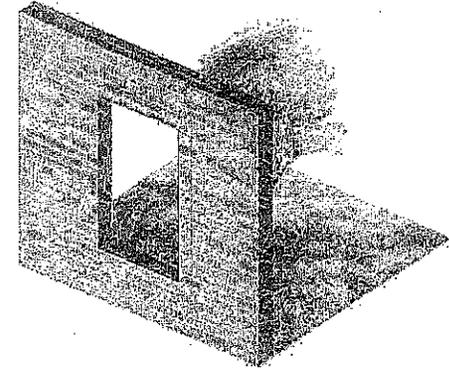
Zone 12 Design Appendix / 28 December 2015



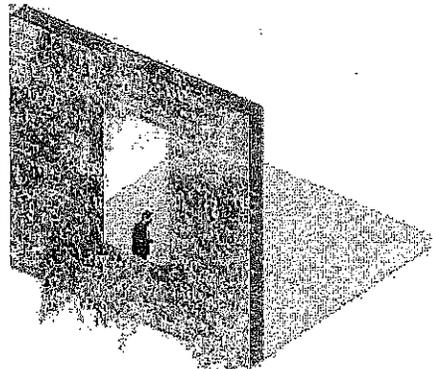
CABLE SYSTEM



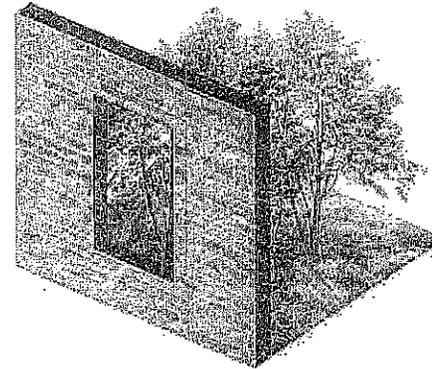
WINDOW BOX



FRAMED TREE



VINES ON FACADE



HIDDEN FOREST



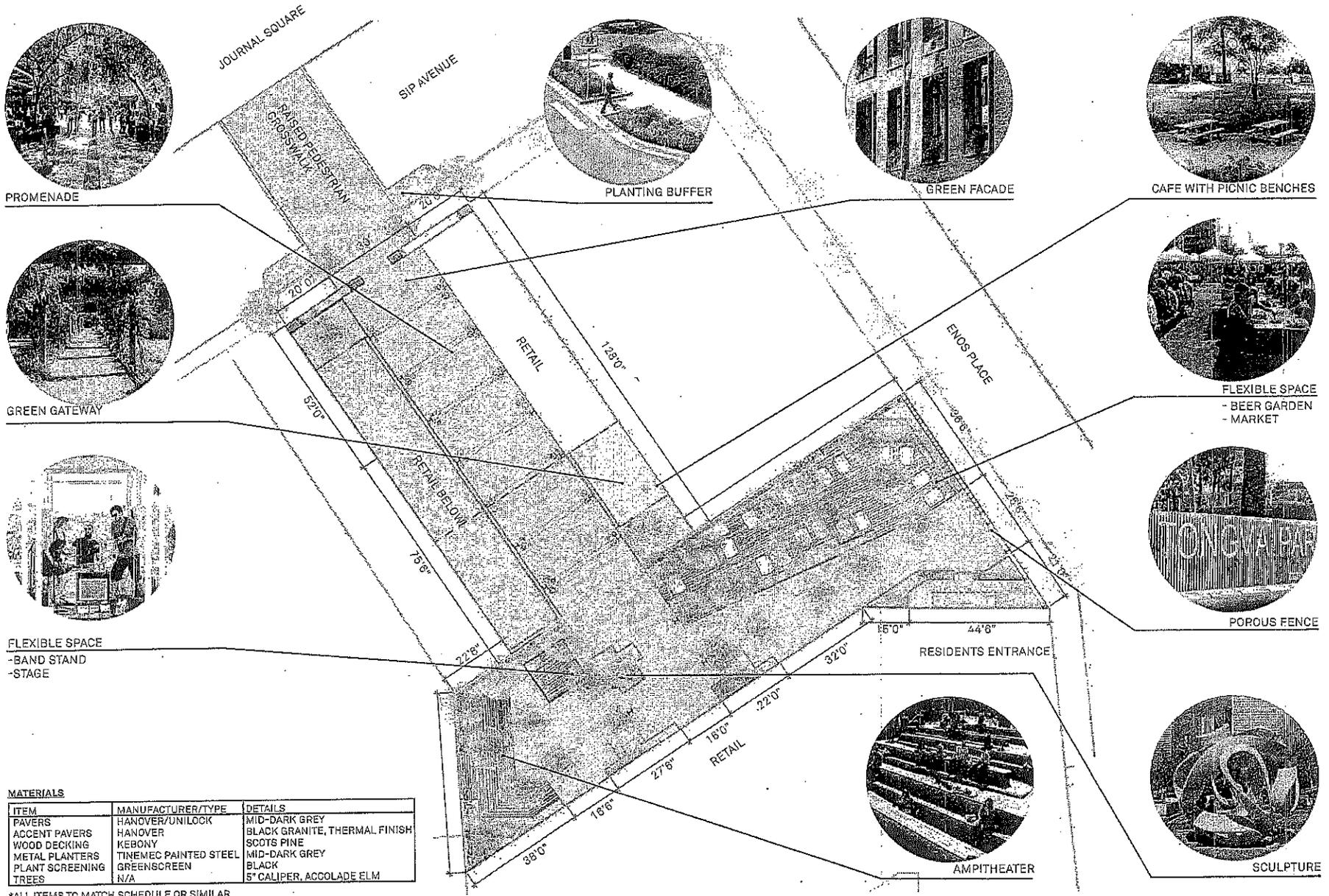
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## Facade Remnant Strategies

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PROMENADE

PLANTING BUFFER

GREEN FACADE

CAFE WITH PICNIC BENCHES

GREEN GATEWAY

FLEXIBLE SPACE  
- BEER GARDEN  
- MARKET

FLEXIBLE SPACE  
- BAND STAND  
- STAGE

POROUS FENCE

RESIDENTS ENTRANCE

AMPITHEATER

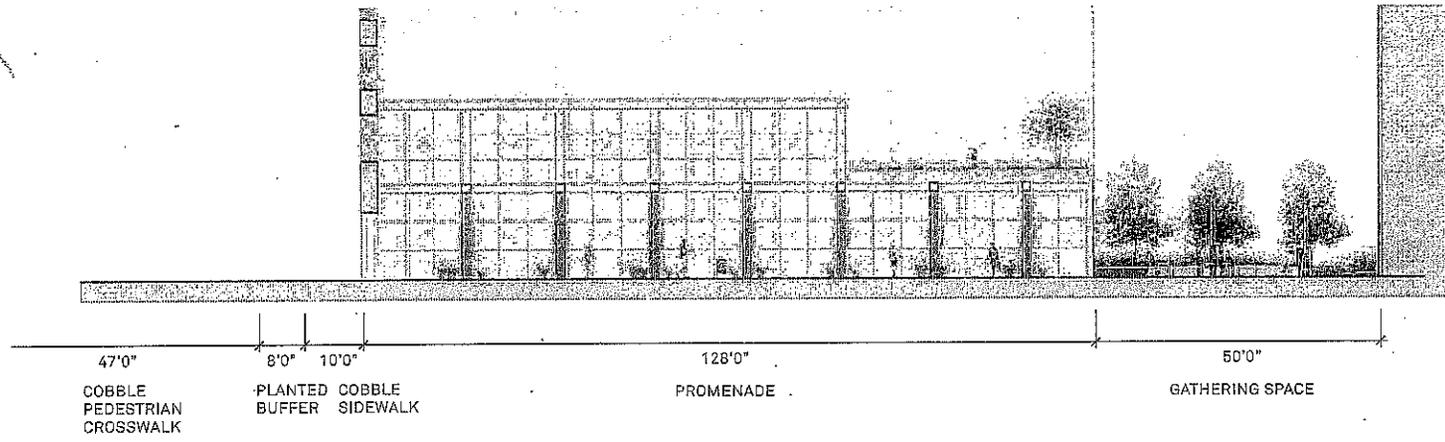
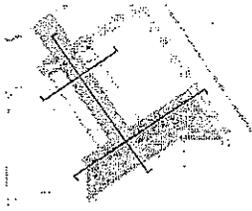
SCULPTURE

**MATERIALS**

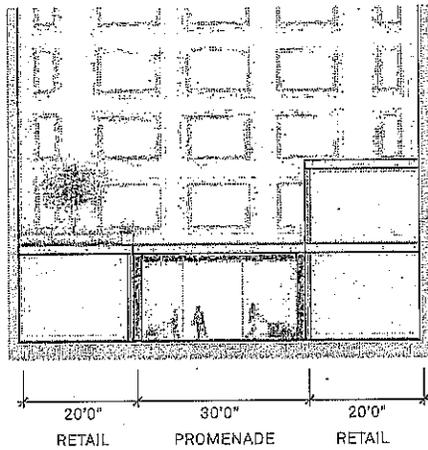
ITEM	MANUFACTURER/TYPE	DETAILS
PAVERS	HANOVER/UNILOCK	MID-DARK GREY
ACCENT PAVERS	HANOVER	BLACK GRANITE, THERMAL FINISH
WOOD DECKING	KEBONY	SCOTS PINE
METAL PLANTERS	TINEMEC PAINTED STEEL	MID-DARK GREY
PLANT SCREENING	GREENSCREEN	BLACK
TREES	N/A	5" CALIPER, ACCOLADE ELM

\*ALL ITEMS TO MATCH SCHEDULE OR SIMILAR

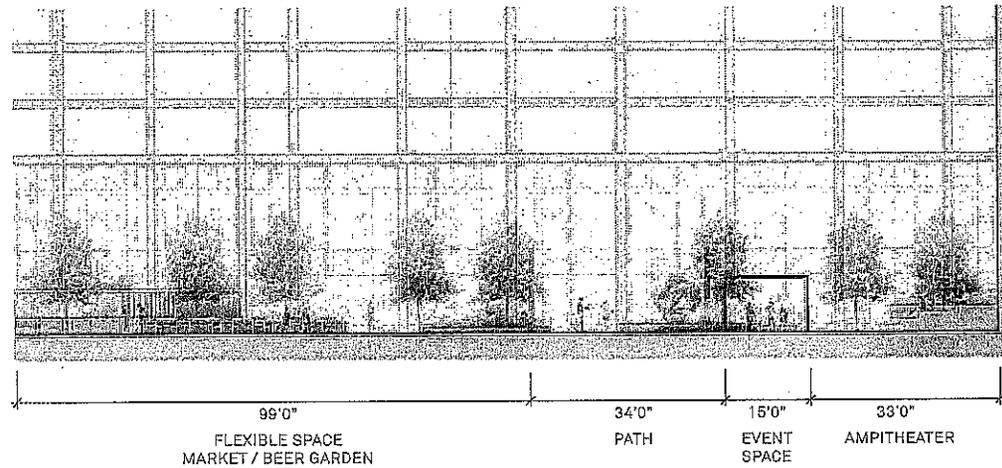




A. PROMENADE LONG SECTION



B. PROMENADE CROSS SECTION



C. COURTYARD LONG SECTION



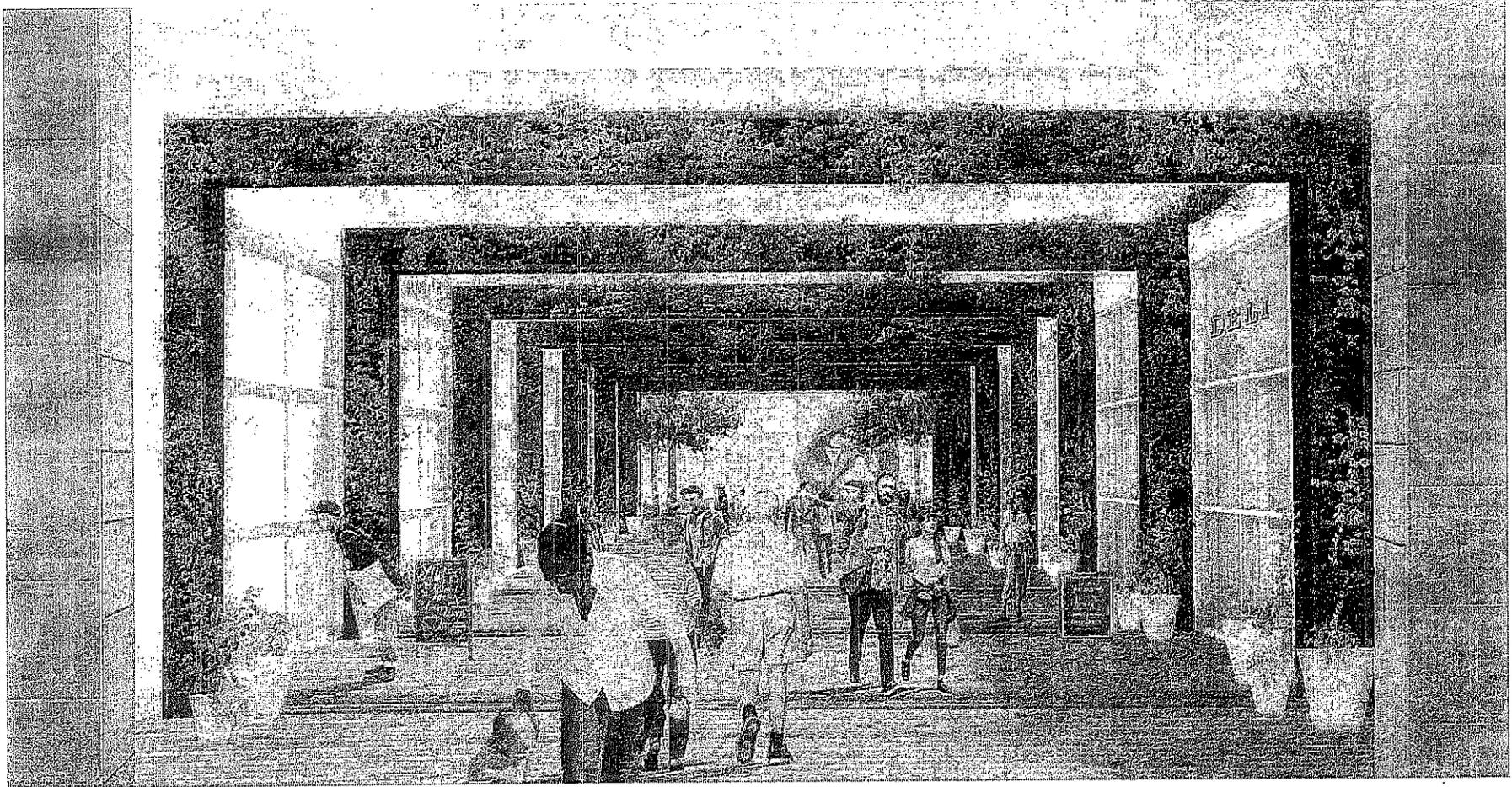
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## Plaza Sections

Zone 12 Design Appendix / 28 December 2015



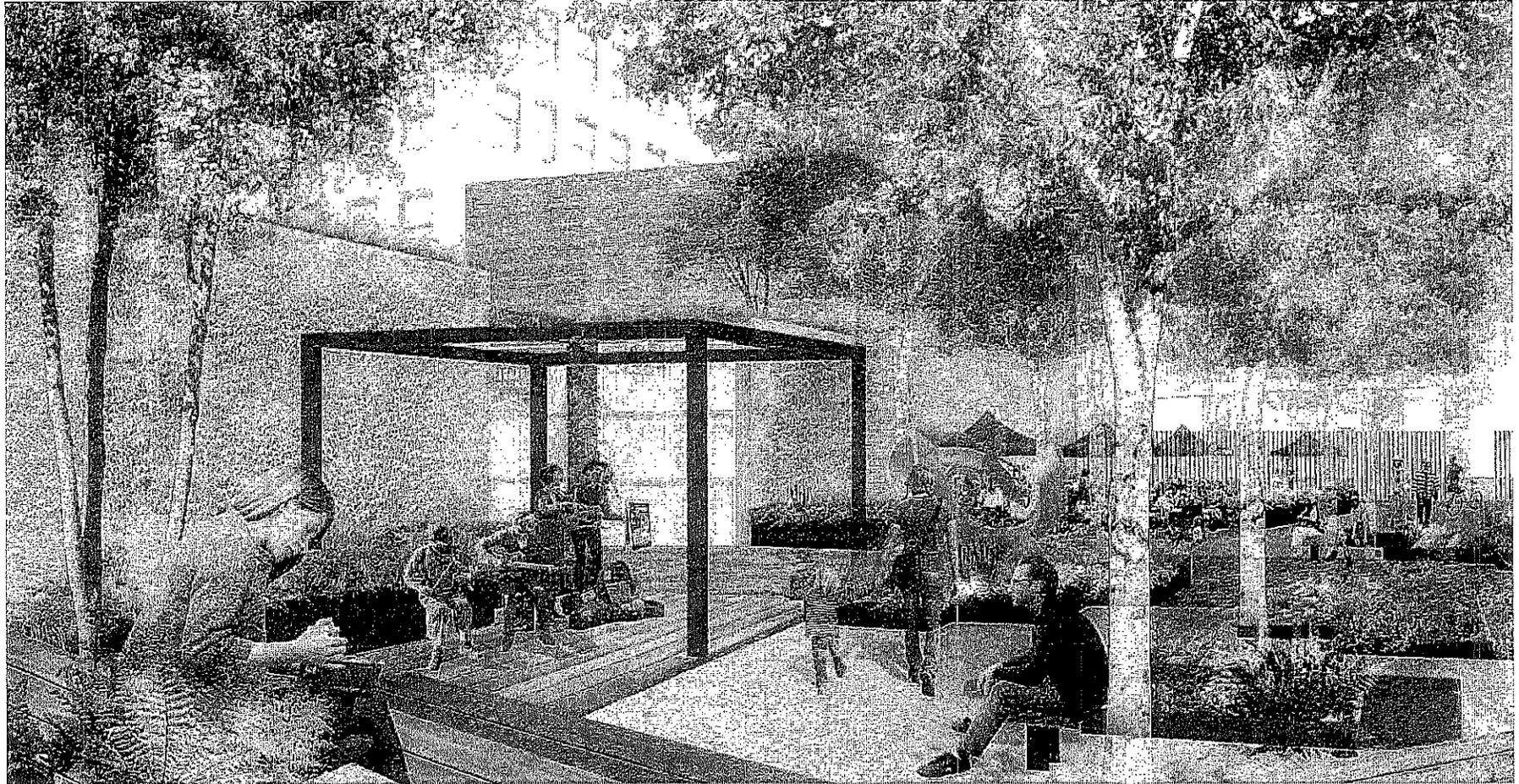
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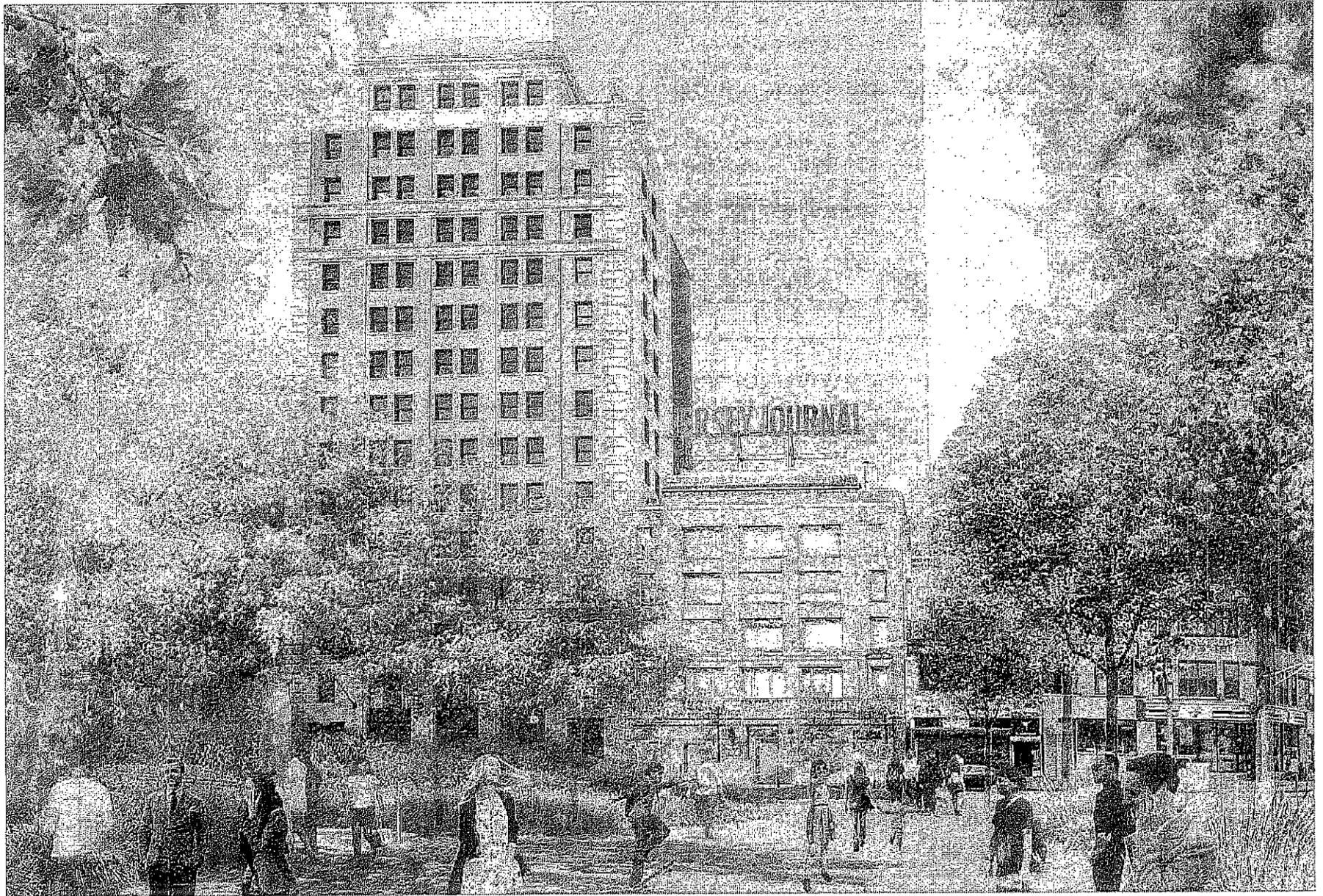
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ARCHITECTURE • DESIGN • INTERIORS

30 Journal Square  
Jersey City, NJ

## Promenade Rendering

Zone 12 Design Appendix / 28 December 2015





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FUTURE GREEN STUDIO  
LANDSCAPE ARCHITECTURE + URBAN DESIGN

30 Journal Square  
Jersey City, NJ

## Concept Rendering

Zone 12 Design Appendix / 28 December 2015

City Clerk File No. Ord. 16.015

Agenda No. 3-C 1st Reading

Agenda No. 2nd Reading & Final Passage



# ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE  
offered and moved adoption of the following ordinance:

CITY ORDINANCE 16.015

**TITLE** **ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY ADOPTING  
AMENDMENTS TO THE WATER STREET REDEVELOPMENT PLAN TO INCENTIVIZE  
AFFORDABLE HOUSING**

**WHEREAS**, the Municipal Council of the City of Jersey City adopted the Water Street Redevelopment Plan (the "Plan") in March of 2000; and

**WHEREAS**, the Municipal Council seeks to promote affordable housing and appropriate development along the Route 440 Corridor; and

**WHEREAS**, the attached amendments to the Water Street Redevelopment Plan have been reviewed by the Planning Board, at its regular meeting of December 13, 2015; and

**WHEREAS**, the Planning Board voted to recommend adoption of these amendments by the Municipal Council; and

**WHEREAS**, a copy of the Planning Board's recommended amendments to the Water Street Redevelopment Plan is attached hereto, and made a part hereof, and is available for public inspection at the office of the City Clerk, City Hall, 280 Grove Street, Jersey City, NJ;

**NOW, THEREFORE, BE IT ORDAINED** by the Municipal Council of the City of Jersey City that the aforementioned amendments to the Morris Canal Redevelopment Plan be, and hereby are, adopted.

**BE IT FURTHER ORDAINED THAT:**

- A. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
- B. This ordinance shall be a part of the Jersey City Code as though codified and set forth fully herein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
- C. This ordinance shall take effect at the time and in the manner as provided by law.
- D. The City Clerk and the Corporation Council be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible repealers of existing provisions.
- E. The City Planning Division is hereby directed to give notice at least ten days prior to the hearing on the adoption of this Ordinance to the Hudson County Planning board and to all other persons entitled thereto pursuant to N.J.S. 40:55D-15 and N.J.S. 40:55D-63 (if required). Upon the adoption of this Ordinance after public hearing thereon, the City Clerk is directed to publish notice of the passage thereof and to file a copy of the Ordinance as finally adopted with the Hudson County Planning Board as required by N.J.S. 40:55D-16. The clerk shall also forthwith transmit a copy of this Ordinance after final passage to the Municipal Tax Assessor as required by N.J.S. 40:49-2.1.

Robert D. Cotter, PP, FAICP  
Director, Division of City Planning

APPROVED AS TO LEGAL FORM

APPROVED: 

Corporation Counsel

APPROVED: \_\_\_\_\_

Business Administrator

Certification Required

Not Required

**ORDINANCE/RESOLUTION FACT SHEET – NON-CONTRACTUAL**

This summary sheet is to be attached to the front of any resolution/ordinance that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution/ordinance.

**Full Title of Ordinance/Resolution**

**ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY ADOPTING AMENDMENTS TO THE WATER STREET REDEVELOPMENT PLAN TO INCENTIVIZE AFFORDABLE HOUSING**

**Initiator**

Department/Division	HEDC	City Planning
Name/Title	Robert Cotter, PP, AICP	Director
	Jeff Wenger, PP, AICP	Principal Planner
Phone/email	201-547-5010	bobbyc@jcnj.org / jeff@jcnj.org

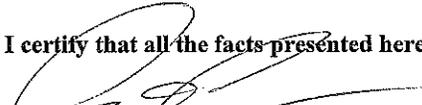
Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

**Purpose**

This ordinance amends the Water Street Redevelopment Plan to create bonus incentives for the creation of affordable housing and makes minor modifications and updates to development standards.

I certify that all the facts presented herein are accurate.

*RD Cotter 1/19/06*

  
\_\_\_\_\_  
Signature of Department Director

\_\_\_\_\_  
Date

Summary Sheet:

**ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY  
ADOPTING AMENDMENTS TO THE WATER STREET REDEVELOPMENT PLAN  
TO INCENTIVIZE AFFORDABLE HOUSING**

This ordinance amends the Water Street Redevelopment Plan to create bonus incentives for the creation of affordable housing and makes minor modifications and updates to development standards.

**Proposed Amendments to the Water Street Redevelopment Plan  
as presented to the Jersey City Planning Board on December 15, 2015**

Text that is unchanged is in plain face type like this.

~~Text that is deleted is in strike-through and highlighted like this.~~

**Text that is added is in bold and highlighted like this.**

**SECTION I. through SECTION VII ..... NO CHANGE**

**VIII. SPECIFIC LAND USE REGULATIONS**

A. **MIXED USE RESIDENTIAL ZONE** - The purpose of this district is to establish a zone which will permit the orderly phased conversion of industrial land uses to residential land uses compatible with the surrounding area and consistent with the Area's location adjacent to a transportation / light rail station. The permitted height within this Zone has been established to accommodate a mixture of the planned mid-rise development and planned low rise development as well as the existing low-rise residential areas adjoining the redevelopment area along Yale Avenue and Clark Avenue.

1. Permitted Principal Uses:

- a. Mid-Rise Residential
- b. Detached and Attached Single Family, Two Family Homes, Three Family Homes
- c. Single Family and Two Family Townhouses and Stacked Townhouses
- ~~d. Single family, two family, and three family attached and detached homes~~

2. Permitted Accessory Uses:

- a. Off-street parking located within the principal building only.
- b. Fences and walls.
- c. Recreation areas and swimming pools, gymnasiums and health club facilities.
- d. Neighborhood retail as part of the ground floor of medium rise apartments, provided that said neighborhood face and have direct pedestrian access from Mallory Avenue

3. ~~Intensity of Development for the overall redevelopment site:~~

- ~~a. The Maximum Density of the redevelopment plan area shall be 55 Dwelling Units per Acre, inclusive of the commercial land area.~~
- ~~b. The ratio of 7 story apartment units to 4 story townhouse style units through-out the redevelopment plan shall be no greater than 1.8 7 story apartment units to 1 Townhouse units.~~

3. **Maximum Permitted Density:**

- a. **Detached and Attached Single Family, Two Family Homes, Three Family Homes**  
**45 units per acre**
- b. **Single Family and Two Family Townhouses and Stacked Townhouses**  
**50 units per acre**
- c. **Mid-Rise Residential**      **55 units per acre.**
  - i. **Affordable Housing Bonus Provision – The provision of affordable housing units is encouraged within Mid-Rise Residential Buildings. As such, when a developer provides affordable housing units within a mid-rise residential building, the permitted density may be exceeded pursuant to the following**

*formula. A developer may construct affordable housing units in addition to the housing units permitted under the base density above. For every one (1) affordable housing unit provided, the developer may also construct four (4) additional market rate units (i.e. one (1) unit out of every five (5) additional units constructed above the permitted unit count must be an affordable unit). For the purposes of this bonus provision, an affordable housing unit is defined as a housing unit affordable to a family of moderate income as defined by the New Jersey Council on Affordable Housing (COAH). The affordable unit must be deed restricted for the use of a family of moderate income for a period of not less than ten (10) years from the date of the first certificate of occupancy. The maximum density permitted under these bonus provisions shall not exceed 100 units per acre in total, inclusive of units constructed under the permitted base density, the additional affordable units and the additional market rate units.*

4. Bulk Requirements for various residential product types:
  - a. Mid-Rise apartments building with ground floor parking  
Maximum Height: 7 stories  
Minimum setback from curb: 15 feet from curb
  - b. Townhouse clusters including a mix of duplex units with flats above  
Maximum Height: 4 stories  
Minimum setback from curb: 15 feet from curb
  - c. One-, two-, and three-family dwellings
    - i. Maximum Height:
      - a. Principal Buildings- three (3) stories; forty-five (45) feet
      - b. Accessory Buildings- one (1) story; fifteen (15) feet
      - c. Fences and Walls- three (3) feet in the front yard area six (6) feet in the side and rear yard area
    - ii. Maximum Building Coverage: ~~60%~~
      - a. ~~Principal Buildings—fifty (50%)~~
      - b. ~~Accessory Buildings—twenty (20%) percent~~
      - c. ~~Total of not more than—sixty (60%) percent.~~
      - d. Open porches, decks and patios shall not be calculated as building coverage, provided that at least the minimum landscape standards pursuant to section VII. B. are met.
    - iii. Minimum Setbacks
      - a. Detached Homes: Front yard 5 feet, rear yard 15 feet, side yard 3 feet to one side and five feet total to both
      - b. Attached Homes: Front yard 5 feet, rear yard 15 feet, side yard 3 feet on unattached side
      - c. Townhouses: Front yard 5 feet, rear yard 15 feet, side yard 3 feet at end of row provided that no building shall be closer than five (5) feet to any street line; and further provided that private garages and sheds may occupy any rear yard area provided that there is at least fifteen (15) feet between the private garage and the principal structure unless the private garage is attached to the principal structure, in which case the private garage shall adhere to the 15 foot rear yard standard.
      - d. Detached structures may utilize a zero lot line option, wherein one side yard may be reduced to zero feet or near zero feet, provided that the distance between structures on adjoining lots remains at least 5 feet and the total setback for both side yards is at least 5 feet; and provided further that

the zero lot line setback cannot be adjacent to a street line. All yards shall be of sufficient size and arrangement to provide adequate air, light and open space; and meet all applicable building construction and fire codes for the proposed building and use.

~~d. Maximum Density: 30 dwelling units per acre~~

*ed.* Minimum Lot Size

- i. Detached homes; lot width 28 feet with rear alleys, 30 feet without rear alleys; lot area 2,660 square feet with rear alleys, 2,850 square feet without rear alleys.
- ii. Attached homes; lot width 28 feet with rear alleys, 30 feet without rear alleys; lot area 2,660 square feet with rear alleys, 2,850 square feet without rear alleys.
- iii. Townhouses; lot width 24 feet, lot area 2,280 square feet
- iv. **Mid-rise buildings; 6,000 square feet**

*Note: Regarding minimum lot width; All lots that adjoin Bennett Avenue on their side property line must have an average width of at least 35 feet to accommodate additional buffer plaiting area along this property line.*

*Note: Regarding lot depth and lot area; access to parking shall be provided by a rear alley, the area of the rear alley adjacent to the lot shall be considered part of the lot for purposes of calculating lot depth and lot area; notwithstanding that the alley may be a public right-of-way.*

5. Buffers: All lots which adjoin Bennett Street along their western property line must provide a buffer along said property line consisting of a six (6) foot high decorative screen fence, or approved equivalent fence, located along the property line. Chain link or chain/metal mesh of any kind is prohibited. The buffer strip shall be planted with dense row of evergreen trees and shrubs. In addition, street trees shall be planted along Bennett Street not less than thirty (30) feet on center in order to create a visual barrier and aesthetically appealing appearance

Mid- Rise Apartments shall provide a buffer along any property line adjoining a commercial or industrial use or zone. Said buffer may be located within the required setback area and shall be at least fifteen (15) feet wide; with a six (6) foot high opaque decorative metal fence, or approved equivalent fence. The buffer strip shall be planted with a solid row of dense evergreen trees not less than six (6) feet tall at the time of planting and spaced not more than ten (10) feet on center. Additional flowering deciduous and broad leaf evergreen plant material shall also be planted in front of the evergreen trees in order to create a more complete visual barrier and an aesthetically appealing appearance.

6. Building Design Guidelines:

- a. Facade Treatment: The facades shall be designed to invoke aesthetic appearance. The use of masonry materials is required. Design accents are encouraged, such as, porches and entries into the first level dwelling units to encourage and enliven street level activity. Masonry and/or metal materials are required for these porches. The use of EIFS (ie "drivit" type) materials and/or concrete block is prohibited.
- b. Base Treatment: The base of medium rise apartment buildings of the ground floor, shall consist of masonry (i.e. brick) materials. The use of EIFS (i.e. "drivit" type) materials and/or concrete block is prohibited.

- c. Other Requirements: All requirements of section VII.A. of this plan shall also apply.
  - d. The Planning Board shall have the authority to review and approve building plans and elevations to determine compliance with the intent and purpose of the above guidelines, including the types of exterior materials, finishes and design.
7. Minimum Off-Street Parking Requirements:
- a. Neighborhood Retail; 2.0 spaces per thousand square feet after the first 5,000 square feet.
  - b. ~~Stacked Flat~~ *Mid-rise* apartments ~~style building~~ with ground floor parking – 0.9 per unit
  - c. Townhouse clusters including a mix of duplex units with flats above – same as 1 - 3 family dwelling shown below
  - d. All single-family residential structures 2 spaces\*
  - e. All two-family residential structures 3 spaces\*
  - f. All three-family residential structures 4 spaces\*

\* except that when parking is provided at the rear or side of a structure such that the curb at the front of the building is available for on street parking, only one space per unit will be required.

8. Permitted Signage
- a. *Mid-rise* Residential ~~Stacked~~ Apartments - One sign not to exceed eight (8) square feet, attached flush to the building wall, identifying the name of the building or complex, and street address only.
  - b. Neighborhood retail – One sign per permitted use, identifying the use, not to exceed 10% of the first story portion of the wall to which it is attached. No plastic or similar material back-lit signs are permitted. Canvas like awnings a maximum of 19 feet in length are required for windows of all retail uses. Waterfall style awnings are prohibited.

The Planning Board shall have the authority to review all sign plans and elevations to determine compliance with the intent and purpose of the above requirements.

**B. ~~HIGHWAY RISE MIXED-USE ZONE –HR-~~** The purpose of the highway ~~rise~~ *mixed-use* zone is to provide a suitable area along Route 440 for the development of commercial land uses that are compatible with the area's highway location and consistent with the types of commercial use already existing in the surrounding area, *and to accommodate the future development of mixed-use buildings as Route 440 transitions to the proposed Urban Boulevard configuration.* The zone line shall run along the center line of Bennett Street & as extended to the south to accommodate a new right-of-way. (See Map 3-Proposed Land Use Map)

1. Permitted Principal Uses:
- a. At the ground floor level:
    - i. The following uses may be located on the ground floor of a ~~low-rise, mid-rise or high-rise apartment~~ building: retail sales, retail services, category one and two restaurants, bars, financial institutions and services, and commercial health club/fitness center/gym. Restaurants, theaters, and/or health clubs/fitness centers/gyms may also occupy the second floor in this zone

provided that the second floor use is connected internally to the same use on the ground floor.

- b. Above the ground floor level:
    - i. residential
    - ii. offices (includes general, professional, medical)
    - iii. child day care centers
    - iv. civic uses
    - v. Public and private academic and technical schools
  - c. Any combination of the above
2. Permitted Accessory Uses and structures:
- a. Home Occupation in any residential unit in accordance with regulations of the Land Development Ordinance, Chapter 345-60.
  - b. Health/fitness Club reserved for the sole use of building occupants, on any floor of a mid-rise or high-rise apartment building
  - c. Roof-Top recreation space ~~on the roof of a mid-rise or high-rise apartment building~~
  - d. Meeting and/or community room on the second floor or above of a mid-rise or high-rise apartment building
  - e. Structured parking
3. Bulk Standards
- a. Minimum lot area: *6,000 square feet*
    - ~~i. Mixed use with office above 10,000 sf~~
    - ~~ii. Mixed use with residential above 6,000 sf~~
  - b. Minimum Lot Width: *60 feet*
    - ~~i. Mixed use with office above 100'~~
    - ~~ii. Mixed use with residential above 60'~~
  - c. Minimum Lot Depth - **No Change**
  - d. Required Front Yard - **No Change**
  - e. Required Rear Yard - **No Change**
  - f. Required Front Yard - **No Change**
  - g. Maximum FAR - **No Change**
  - h. Height
    - i. Mezzanines
      - a. Up to two residential floors of a mid-rise apartment building may include mezzanine levels, provided that mezzanines do not cover more than 33% of the interior space below, and provided that the maximum ceiling height of the mezzanine level shall be 9 feet.
      - b. Mezzanines are allowed in all commercial spaces, provided that mezzanines do not cover more than 33% of the interior space below, and provided that where a commercial use is permitted to occupy a second floor, either a mezzanine level or an internally connected second floor shall be permitted, but not both.

Use	Min height	Max height	Min floor-to-ceiling height	Max floor-to-ceiling height
<i>Low Rise</i>	<i>1 story</i>	<i>3 stories</i>	<i>Res: 9 ft. Com: 12 ft.</i>	<i>Res: 12 ft. Com: 15 ft.</i>
<i>Mid Rise</i>	<i>4 stories</i>	<i>7 stories</i>	<i>Res: 9 ft. Com: 12 ft.</i>	<i>Res: 12 ft. Com: 15 ft.</i>
High Rise	8 stories	12 stories	Res: 9 ft.	Res: 12 ft.

			Gr. Fl. Com: 10 12ft.	Gr. Fl. Com: 15 ft
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4. Parking Standards - **No Change**

5. Buffers - **No Change**

C. TRANSIT ORIENTED DEVELOPMENT ZONE **NO CHANGE**

**SECTION IX. through SECTION XV ..... NO CHANGE**

City Clerk File No. Ord. 16-016

Agenda No. 3.D 1st Reading

Agenda No. \_\_\_\_\_ 2nd Reading & Final Passage



## ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE  
offered and moved adoption of the following ordinance:

CITY ORDINANCE 16.016

**TITLE: ORDINANCE AUTHORIZING THE CITY OF JERSEY TO LEASE CITY-OWNED PROPERTY KNOWN AS BLOCK 28201, LOTS 10 AND 12 THROUGH 16 ALSO KNOWN AS RALPH TAYLOR MEMORIAL PARK TO THE JERSEY CITY PUBLIC SCHOOL DISTRICT**

**THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:**

**WHEREAS**, the City of Jersey City (City) is the owner of property known as Block 28201, Lots 10 and 12 through 16 also known as Ralph Taylor Memorial Park (Property) which is located near the intersection of Cator Avenue and Ludlow Street; and

**WHEREAS**, the Jersey City Public School District (School District), through the New Jersey School Development Authority (NJSDA) is replacing the current Public School No. 20 Elementary School with a new school facility (the "New P.S. No. 20") which has a projected enrollment of 628 students, which is being constructed on premises surrounding the Property; and

**WHEREAS**, the Property is classified as "unfunded parkland" as defined in Section 2.1 of the New Jersey Department of Environmental Protection's Green Acres Program rules, N.J.A.C. 7:36 et seq., (the "Green Acres Rules"), which rules are administered by the New Jersey Green Acres Program (the "Green Acres Program") and is also designated as "underutilized" on Jersey City's current listing of all funded and unfunded parkland required to be maintained pursuant to the Green Acres Rules (the "Recreational Open Space Inventory" or "ROSI"); and

**WHEREAS**, the City has, in its ROSI, recommended that the Property be used as a children's playground/recreation area; and

**WHEREAS**, the NJSDA is constructing the New P.S. No. 20 and the City and the School District, together with NJSDA, have determined that the interest of the City in properly utilizing the Property as a children's playground/recreation area and School District's need for a children's playground/recreation area for the New P.S. No. 20 are both served by the use of the Property to be shared by the City and the School District as described in Section 5 of the attached Lease Agreement; and

**WHEREAS**, in connection with the construction of the New P.S. No. 20 the NJSDA will be installing a new grass recreational surface at the Property pursuant to an agreement with the City dated October 23, 2013, approved by Resolution 13.582 on August 28, 2013; and

**WHEREAS**, the City agrees to lease the Property to the School District for the sum of One Dollar (\$1.00) a year; and

**WHEREAS**, the initial term of the Lease Agreement shall be five (5) years commencing on the date on which the School District takes occupancy of the New P.S. No. 20 and commences operating the New P.S. No. 20 as a school facility and shall end on the last day of the month preceding the month in which occurs the fifth anniversary of the lease commencement date; and

**WHEREAS**, the School District shall have the right upon the expiration of the initial five year term to renew the lease for three successive, additional five year terms and then one final renewal period of four years; and

**WHEREAS**, if the School District exercises all of its renewal rights, the total term of the lease will be 24 years; and

**WHEREAS**, N.J.S.A. 40A:12-13(b)(1) and N.J.S.A. 40A:12-19 provide that a municipality may convey an interest in property to a public body corporate and politic for nominal consideration.

**NOW, THEREFORE, BE IT ORDAINED**, by the Municipal Council of the City of Jersey City that:

1. The Mayor or Business Administrator is authorized to execute the attached Lease Agreement with the School District for the Property known as Block 28201, Lots 10 and 12 through 16 also known as Ralph Taylor Memorial Park (Property) which is located near the intersection of Cator Avenue and Ludlow Street subject to the following terms and conditions:

- (i) the term of the Lease Agreement shall be five (5) years commencing on the date on which the School District takes occupancy of the New P.S. No. 20 and commences operating the New P.S. No. 20 as a school facility and shall end on the last day of the month preceding the month in which occurs the fifth anniversary of the lease commencement date unless the School District exercises its renewal right set forth in Section 2 of the Lease Agreement;
- (ii) the annual rent shall be \$1.00;
- (iii) the School District shall have exclusive use of the Property during school hours and for certain after school activities from time to time and the School District shall use the Property only for recreation and conservation purposes as defined in the State of New Jersey Green Acres rules and regulations;
- (iv) the School District shall provide routine maintenance for the Property as defined in the Lease Agreement attached hereto;
- (v) the School District shall indemnify, defend, and hold the City and its officers, agents and employees harmless from any and all claims of personal injury and property damage arising out of the School District's occupancy and use of the Property; and

2. The Lease Agreement shall be substantially in the form of the attached, subject to such modifications as the Corporation Counsel or Business Administrator deems necessary or appropriate.

- A. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
- B. This ordinance shall be a part of the Jersey City Code as though codified and fully set forth therein. The City shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
- C. This ordinance shall take effect in the manner as prescribed by law.
- D. The City Clerk and the Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

RR  
APPROVED TO LEGAL FORM

APPROVED: \_\_\_\_\_

\_\_\_\_\_  
Corporation Counsel

APPROVED: \_\_\_\_\_  
Business Administrator

Certification Required   
Not Required

**RESOLUTION FACT SHEET - CONTRACT AWARD**

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

**Full Title of Ordinance/Resolution**

**ORDINANCE AUTHORIZING THE CITY OF JERSEY TO LEASE CITY-OWNED PROPERTY KNOWN AS BLOCK 28201, LOTS 10 AND 12 THROUGH 16 ALSO KNOWN AS RALPH TAYLOR MEMORIAL PARK TO THE JERSEY CITY PUBLIC SCHOOL DISTRICT**

**Project Manager**

Department/Division	Architecture, Engineering, Traffic & Transpt.	Architecture
Name/Title	Brian Weller	Director
Phone/email	547-5900	WellerB@jcnj.org

Note: Project Manager must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

**Contract Purpose**

The City is the owner of property known as the Ralph Taylor Memorial Park (Property) which is located near the intersection of Cator Avenue and Ludlow Street. The Property is classified as "unfunded parkland" as defined in State Green Acre regulations and is also designated as "underutilized" on Jersey City's current "Recreational Open Space Inventory." The New Jersey School Development Authority (NJSDA) is constructing the New P.S. No. 20 and the City and the School District, together with the NJSDA, have determined that the interest of the City in properly utilizing the Property as a children's playground/recreation area and School District's need for a children's playground/recreation area for the New P.S. No .20 are both served by the use of the Property to be shared by the City and the School District as described in Section 5 of the lease. The annual rent is \$1.00. The initial term of the lease is 5 years with renewal rights that are described in Section 2 of the Lease.

**Cost (Identify all sources and amounts)**

Not applicable

**Contract term (include all proposed renewals)**

Initial term of 5 years with renewal rights described in Section 2 of the lease. If all renewals exercised, total term of 24 years.

**Type of award** Not Applicable

**If "Other Exception", enter type**

**Additional Information**

**I certify that all the facts presented herein are accurate.**

## LEASE AGREEMENT

This **AGREEMENT** is made on the \_\_\_\_\_ day or \_\_\_\_\_, 2016 between the **CITY OF JERSEY CITY**, a municipal corporation of the State of New Jersey (“Landlord”) with offices at 280 Grove Street, Jersey City, NJ 07302, and the **JERSEY CITY PUBLIC SCHOOL DISTRICT**, a public corporation of the State of New Jersey (“Tenant”) with offices at 346 Claremont Avenue, Jersey City, NJ 07305.

### WITNESSETH:

**WHEREAS**, the Landlord is the owner of certain lands designated as Block 28201, Lots 10 and 12-16 (formerly known as Block 1360.75, Lot A.1, A.3 – A.7) on the official tax map of the City of Jersey City, County of Hudson, State of New Jersey, and located at the intersection of Cator Avenue and Ludlow Street and also known as Ralph Taylor Memorial Park (the “Property”); and

**WHEREAS**, Tenant, through the New Jersey School Development Authority (NJSDA) is proposing to replace the current PS 20 Elementary School with a new school facility (the “New PS 20”) having a projected enrollment of 628 students, to be constructed on premises surrounding the Property; and

**WHEREAS**, the Property is classified as “unfunded parkland” as defined in Section 2.1 of the New Jersey Department of Environmental Protection’s Green Acres Program rules, N.J.A.C. 7:36 et seq., (the “Green Acres Rules”), which rules are administered by the New Jersey Green Acres Program (the “Green Acres Program”) and is also designated as “underutilized” on Jersey City’s current listing of all funded and unfunded parkland required to be maintained pursuant to the Green Acres Rules (the “Recreational Open Space Inventory” or “ROSI”); and

**WHEREAS**, Landlord has, in its ROSI, recommended the Property for use as a children’s playground/recreation area; and

**WHEREAS**, the New Jersey Schools Development Authority is planning for the construction of a New PS #20 and Landlord and Tenant, together with NJSDA, have determined that the interest of Landlord in properly utilizing the Property as a children’s playground/recreation area and Tenant’s need for a children’s playground/recreation area for the New PS #20 are both served by the use of the Property to be shared by Landlord and Tenant.

**NOW THEREFORE**, for ONE (\$1.00) DOLLAR, receipt of which is hereby acknowledged, and in consideration of the mutual covenants, agreements, terms, provisions and conditions herein contained, the parties hereto do hereby agree as follows:

1. Landlord hereby grants to Tenant a Lease to use the Property for use as recreational play space by the students of New PS #20 only and for no other purpose, subject to and in accordance with the terms and conditions set forth in this Lease.

2. (a) The term of this Lease shall be for an initial term (the "Initial Term") commencing on the date on which Tenant takes occupancy of the New PS #20 and commences operating the New PS #20 as a school facility (the "Commencement Date") and shall end on the last day of the month preceding the month in which occurs the fifth (5<sup>th</sup>) anniversary of the Commencement Date (the "Termination Date").

(b) Tenant shall have the right, upon the expiration of the Initial Term, to renew this Lease for three (3) successive, additional periods of five (5) years each and one final renewal period of four (4) years. Tenant shall exercise its right to renew this Lease under the provisions of this paragraph 2(b) by notifying Landlord of such election not less than thirty (30) days before the expiration of the Initial Term or the current renewal period in effect, as the case may be, without execution of any further instrument.

(c) At the end of the fourth (4<sup>th</sup>) renewal term permitted under the provisions of paragraph 2(b) above, and at the end of each subsequent renewal term of this Lease, Tenant and Landlord shall have the option to renew this Lease for additional periods of five (5) years provided that they first obtain the approval of the New Jersey Department of Environmental Protection with respect to such renewal in accordance with subsections (b)5 and (d) of N.J.A.C. 7:36-25.13. Either Landlord or Tenant shall initiate the extension of this Lease for such additional five (5) year period by notifying the Green Acres Program of the desire to renew this Lease, which notice shall be given not less than sixty (60) days before the expiration of the renewal period then in effect. On the giving of such notice and the confirmation that the Green Acres Program has approved the Lease renewal pursuant to N.J.A.C. 7:36-25.14, this Lease shall be deemed extended for the specified period without execution of any further instrument.

(d) Each renewal of this Lease pursuant to paragraphs (b) and (c) of this Section 2 shall be upon the same terms, covenants, and conditions as set forth in this Lease.

After the commencement of a renewal term, any references in this Lease to the "Term" shall refer to the renewal term.

3. (a) Tenant shall, while this Lease shall be in force and effect, provide "routine maintenance" (specifically, grass maintenance services, and garbage removal services) to the entire Property and shall arrange and pay directly for electric, water and sewer utility services at the Property. Tenant is responsible for routine maintenance of the property and Landlord is responsible for repairs. Landlord, to the extent known, shall advise Tenant of all defects as soon as possible. Tenant reserves the right to enter onto the Property to make any and all necessary repairs and/or improvements to the Property, provided however, in no event shall Tenant perform any repairs or improvements required to be made to sub-surface areas of the Property, which shall be performed by Landlord as elsewhere provided in this Agreement. Landlord agrees, to the extent practicable, to avoid making any repairs or improvements which will impede Tenant's use of the Property. In the event Landlord is required to enter onto the Property for the purpose of making necessary repairs and/or improvements, Landlord agrees that it will give Tenant reasonable advance notice thereof and shall use reasonable efforts to minimize any interference with Tenant's scheduled usage of the Property in connection with any such entry

and/or the making of any such repairs. In no event shall Landlord be obligated to make any repairs or improvements which, in the option of Landlord are not reasonably necessary.

(b) Landlord agrees that Tenant shall not be responsible for the performance of repairs that are occasioned by vandalism or by the misuse of the Property by the general public, which such repairs are not deemed routine maintenance as contemplated under paragraph 3(a) above and which shall be the responsibility of Landlord as set forth in Paragraph 6(a) hereof. Tenant is not responsible for the Park area when it is open for use by the general public.

(c) Tenant shall make no alterations or improvements to the Property without the prior written consent of Landlord. Tenant understands and agrees that Landlord's consent to a request to make alterations or improvements to the Property is conditioned upon Landlord's first obtaining any consent required under the Green Acres Program. Any costs to Landlord in connection with obtaining any such consent under the Green Acres Program shall be borne by Tenant.

4. Tenant explicitly acknowledges that the Property is encumbered with Green Acres restrictions and shall use the Property only for recreational and/or conservation purposes (as defined in N.J.A.C. 7:36-2.1). Tenant covenants that it shall not use or occupy the Property for any other purpose or in any manner which will violate any present or future rules, regulations, laws or ordinances of any governmental authority. Specifically, Tenant agrees that its use of the Property shall comply with the requirements of the Green Acres Rules. Landlord agrees that it is responsible to comply with all Green Acres restrictions when the park is open to the public.

5. To the extent permitted by the Green Acres Rules, Landlord agrees that Tenant shall be entitled to exclusive use of the Property during regular school hours and for scheduled after school activities as determined by Tenant and as communicated in writing by Tenant to Landlord, from time to time. The Landlord and the general public shall have the right to use of Ralph Taylor Memorial Park in accordance with N.J.A.C. 7:36-23.13(b)3. Notwithstanding the provisions of the preceding sentences, Landlord shall be responsible for scheduling the use of the Property to the effect that at such times as the recreational fields and playground facilities at the Property are not in use or to be used by Tenant, Landlord may, in accordance with Jersey City policy and procedure, grant use and permits for and schedule use of the Property by other parties in accordance with the conditions set forth herein. As a condition to scheduling or granting permission for use of the fields or playground to parties other than Tenant, Landlord shall require that any such party must provide an indemnification agreement for the benefit of the Tenant in such form as prescribed by Tenant and shall also provide a Certificate of Insurance in such form as prescribed by Tenant and naming Tenant as an additional insured.

To the extent permitted by the Green Acres Rules, Landlord reserves the right to negotiate an agreement with Tenant regarding the scheduling and terms and conditions for use of the fields and facilities at the Property by other parties and Landlord and Tenant agree that the Business Administrator of the City of Jersey City and the Superintendent of the School District of Jersey City may execute and amend any such scheduling agreement from time to time, and that such agreements shall be binding upon the parties only if in writing and signed by both parties.

Lease Agreement for  
Ralph Taylor Memorial Park

Landlord may, at any time during the term of this Agreement or any renewal, determine and change the hours during which it shall keep the Property open for use subject to Tenant's scheduling rights as set forth herein. Landlord's employees, agents and invitees, including the general public, shall, at all times during which the Property is open for use, have the free and uninterrupted right of access to the Property by means of all streets, pathways, roadways, parking areas, sidewalks and other existing entrances or exits to the facilities which afford vehicular or pedestrian access, to the Property.

For purposes of this Paragraph 5, in order to allow for enforcement of scheduled exclusive use rights to the Property granted to Tenant hereunder, the Property shall be enclosed by a fence which shall surround the entire Property. Such fence shall have three (3) gates - one on Cator Avenue, one on the North end of Lot 10, and one on Ludlow Street -- which such gates shall be opened or locked, as the case may be, in accordance with the arrangement between Landlord and Tenant with respect to times for exclusive student access and general public access. It is the intent of the parties to open the gate on the Cator side of the property after school hours to allow access of the public to the Ralph Taylor Memorial Park. The gates on the North side of Lot 10 and on the Ludlow side of the Ralph Taylor Memorial Park shall only be opened to permit the Tenant to utilize the Ralph Taylor Memorial Park in conjunction with the school. At all other times, it is anticipated that these gates will be closed to preserve the school properties that are located adjacent to Ralph Taylor Memorial Park. Tenant will have exclusive use of the Ralph Taylor Memorial Park on school days between the hours of 8:00 a.m. and 4:30 p.m.

6. (a) Landlord shall be responsible for the upkeep and capital repairs of the sidewalks serving the Property and the making of all repairs to the substance of the Property and shall be responsible for protection of the Property and shall be responsible to perform or cause to be performed any and all necessary repairs and maintenance work occasioned by vandalism or as a result of the use of the Property by the general public or other parties granted permits to use the Property by Landlord. In support of the above, Landlord shall enforce and prosecute any and all laws and ordinances against all persons on or at the Property for the benefit and protection of the same.

(b) Landlord reserves the right to enter onto the Property to make any and all necessary repairs and/or improvements to the Property, provided however that Landlord agrees to the extent practicable, to avoid making any repairs or improvements which will impede the Tenant's use of the Property. In the event Landlord is required to enter onto the Property for the purpose of making necessary repairs and/or improvements, Landlord agrees that it will give Tenant reasonable advance notice thereof and shall use reasonable efforts to minimize any interference with Tenant's use of the Property in connection with any such entry and/or the making of any such repairs.

7. In the event of the use by Tenant of the Property for any purpose other than recreation or conservation purposes as defined in the Green Acres Rules, Landlord may, at its option, give Tenant a written notice to Tenant detailing such improper use ("Default Notice") and demanding that Tenant immediately cease such improper use as detailed in the Default Notice. A copy of any Default Notice shall simultaneously be given to NJSDA. In the event Landlord shall give a Default Notice to Tenant and Tenant and such improper use shall not be discontinued within thirty (30) days after the giving of the Default Notice, or, in the case of a

happening which cannot with due diligence be cured within a period of thirty (30) days if Tenant shall not duly initiate a cure and diligently prosecute the same to completion within such 30 day period, then Landlord may give to Tenant a five (5) day notice of termination, to the effect that the Lease to use the Property granted to Tenant hereunder shall terminate five (5) days after the giving of such notice of termination.

8. (a) Tenant shall not cause or permit any hazardous substances or hazardous wastes to be brought, kept, stored on, about or within the Property.

(b) Landlord and Tenant understand that environmental investigations of the Property have identified the presence of historic fill material. Specifically, the historic fill at the Property was found to contain concentrations of lead and copper exceeding the NJDEP Residential Soil Cleanup Criteria. The parties understand and agree that the Property is subject to a deed restriction concerning the historic fill material.

9. Each party hereto agrees to comply with all Federal and State laws and local ordinances and regulations affecting the Property and expressly agrees to indemnify and hold the other party hereto and its agents harmless from any and all claims arising out of violations of any Federal and State laws, local ordinances or rules and regulations which pertain to the its use and maintenance of the Property. Additionally, each party hereto agrees to indemnify and hold harmless the other party hereto from any claim or loss by reason of its use or misuse of the Property and from any claim or loss by reason of any accident or damage to any person or property occurring on the Property during its use thereof.

10. Tenant shall provide Landlord with a Certificate of Insurance, in which Landlord shall be named an additional insured. The general liability coverage shall have a minimum limit of \$1,000,000 per occurrence and \$2,000,000, in aggregate coverage. There shall be umbrella coverage with a minimum of \$5,000,000. Tenant shall provide proof of workmen's compensation insurance coverage in New Jersey statutory amounts.

11. All notices under this Lease must be in writing. The notices must be delivered personally or mailed by certified mail return receipt requested or by a recognized overnight carrier which provides proof of delivery. Notice to the Landlord shall be sent to Robert J. Kakoleski, Business Administrator at the address set forth at the beginning of this Lease. Notices sent to the Tenant shall be sent to Luigi Campana and Hope Blackburn, Esq., at the address set forth at the beginning of this Lease.

12. Tenant shall not assign this Lease, sublet all or a portion of the Property, or permit the use of the Property by anyone other than Tenant.

13. This Lease shall constitute the entire agreement between the parties and be governed by and interpreted in accordance with the laws of the State of New Jersey.

14. Landlord and Tenant agree to indemnify and hold harmless each other for any liability incurred during the term of this lease resulting from the actions of the parties or any of its agents, servants and/or employees arising from this Lease.

Lease Agreement for  
Ralph Taylor Memorial Park

**IN WITNESS WHEREOF**, the parties have caused these presents to be signed by their proper corporate officers and their corporate seals affixed hereto, this day of \_\_\_\_\_, 2016.

ATTEST.

JERSEY CITY PUBLIC SCHOOL DISTRICT

BY: \_\_\_\_\_

ATTEST.

CITY OF JERSEY CITY

BY: \_\_\_\_\_

BY: \_\_\_\_\_

City Clerk File No. Ord. 16.017

Agenda No. 3.E 1st Reading

Agenda No. \_\_\_\_\_ 2nd Reading & Final Passage



## ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE

offered and moved adoption of the following ordinance:

CITY ORDINANCE 16.017

TITLE: **ORDINANCE AUTHORIZING THE CONVEYANCE OF BLOCK 25101, LOT 51, MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 152 MARTIN LUTHER KING DRIVE, TO THE JERSEY CITY REDEVELOPMENT AGENCY**

**COUNCIL** offered and moved adoption of the following Ordinance:

**WHEREAS**, the City of Jersey City is the owner of certain property located within Block 25101, Lot 51, more commonly known by the street address of 152 Martin Luther King Drive [Property]; and

**WHEREAS**, it has been determined that the Property is not needed for any municipal public purpose or use; and

**WHEREAS**, the Jersey City Redevelopment Agency (JCRA) desires to acquire the Property from the City of Jersey City for the purpose of providing needed transitional, affordable housing; and

**WHEREAS**, the JCRA has agreed to pay the City that sum it receives as consideration, if any, for the Property, based on currently proposed plans; and

**WHEREAS**, the conveyance will also effectuate the redevelopment of the Property in accordance with the terms of the Redevelopment Plan and the return of the property to the real estate tax rolls of the City of Jersey City; and

**WHEREAS**, the JCRA is authorized to acquire the Property from the City of Jersey City, pursuant to N.J.S.A. 40A:12A-8 and 22; and

**WHEREAS**, the City of Jersey City is authorized to transfer Property to the JCRA with or without consideration pursuant to N.J.S.A. 40A:12A-39(a) and N.J.S.A. 40A:12-13(b)(1).

**NOW, THEREFORE, BE IT ORDAINED** by the Municipal Council of the City of Jersey City that:

1. The conveyance to the Jersey City Redevelopment Agency of certain lands and buildings designated on Jersey City's Official Tax Assessment Map as Block 7045, Lot B.1, consisting of approximately 1.76 acres, and more commonly known by the street address of 152 Martin Luther King Drive, for the purpose of developing transitional, affordable housing, is hereby approved.

**ORDINANCE AUTHORIZING THE CONVEYANCE OF BLOCK 25101, LOT 51, MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 152 MARTIN LUTHER KING DRIVE, TO THE JERSEY CITY REDEVELOPMENT AGENCY**

2. The Mayor or Business Administrator is authorized to execute an Agreement with the Jersey City Redevelopment Agency, and any other documents, including a deed(s) that are deemed legally necessary or appropriate by the Corporation Counsel to effectuate the transfer of the Property to the Jersey City Redevelopment Agency on or before June 1, 2016, in accordance with the above terms.
3. The Agreement shall be in substantially the form attached, subject to such modification as the Corporation Counsel deems appropriate or necessary.
  - A. All Ordinances and parts of Ordinances inconsistent herewith, are hereby repealed.
  - B. This Ordinance shall be a part of the Jersey City Code as though codified and fully set forth therein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
  - C. This Ordinance shall take effect at the time and in the manner as provided by law.
  - D. The City Clerk and the Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this Ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

**NOTE:** All material is new; therefore, underlining has been omitted. For purposes of advertising only, new matter is indicated by **bold face** and repealed matter by *italic*.

JM/he  
1/19/16

APPROVED AS TO LEGAL FORM

APPROVED: \_\_\_\_\_

\_\_\_\_\_  
Corporation Counsel

APPROVED: \_\_\_\_\_  
Business Administrator

Certification Required   
Not Required

**ORDINANCE FACT SHEET – NON-CONTRACTUAL**

This summary sheet is to be attached to the front of any Ordinance that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the Ordinance.

**Full Title of Ordinance**

**AN ORDINANCE AUTHORIZING THE CONVEYANCE OF BLOCK 25101, LOT 51, MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 152 MARTIN LUTHER KING DRIVE, TO THE JERSEY CITY REDEVELOPMENT AGENCY**

**Initiator**

Agency	The Jersey City Redevelopment Agency	
Name/Title	Diana Jeffrey, Esq.	General Counsel
Phone/email	201-761-0819	djeffrey@jcnj.org

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

**Ordinance Purpose**

This Ordinance authorizes the conveyance of 152 MLK Drive to the JCRA. The City does not need the property for any municipal purpose and the JCRA proposes to use the property to provide needed transitional housing. The JCRA agrees to pay the City the sum that it receives as consideration, if any, for the property.

**I certify that all the facts presented herein are accurate.**

*Diana Jeffrey*

**General Counsel**

January 20, 2016

**Date**

City Clerk File No. Ord. 16.018

Agenda No. 3.F 1st Reading

Agenda No. \_\_\_\_\_ 2nd Reading & Final Passage



## ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE  
offered and moved adoption of the following ordinance:

CITY ORDINANCE 16.018

TITLE:

**REFUNDING BOND ORDINANCE OF THE CITY OF JERSEY CITY, IN THE COUNTY OF HUDSON, STATE OF NEW JERSEY (THE "CITY") PROVIDING FOR (i) THE REFUNDING OF CERTAIN OUTSTANDING QUALIFIED GENERAL IMPROVEMENT BONDS, SERIES 2009 AND QUALIFIED GENERAL IMPROVEMENT BONDS (PARKING AUTHORITY PROJECT), SERIES 2009A OF THE CITY DATED FEBRUARY 10, 2009 AND DECEMBER 30, 2009, RESPECTIVELY, TO PROVIDE DEBT SERVICE SAVINGS, AND (ii) AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$32,000,000 AGGREGATE PRINCIPAL AMOUNT OF GENERAL IMPROVEMENT REFUNDING BONDS OF THE CITY TO EFFECT SUCH REFUNDING AND APPROPRIATING THE PROCEEDS THEREFOR**

**WHEREAS**, pursuant to the Local Bond Law, N.J.S.A. 40A:2-1 *et seq.*, as amended and supplemented (the "Local Bond Law"), the City of Jersey City, in the County of Hudson, State of New Jersey (the "City"), had previously issued \$39,928,000 aggregate principal amount of Qualified General Improvement Bonds, Series 2009 on February 10, 2009 (the "2009 Original Bonds") and \$3,380,950 aggregate principal amount of Qualified General Improvement Bonds (Parking Authority Project), Series 2009A on December 30, 2009 (the "2009A Original Bonds" and together with the 2009 Original Bonds, the "Original Bonds"); and

**WHEREAS**, \$24,418,000 outstanding 2009 Original Bonds maturing in the years 2020 through 2029 (the "2009 Refunded Bonds") and \$2,705,950 outstanding 2009A Original Bonds maturing in the years 2020 through 2029 (the "2009A Refunded Bonds" and together with the 2009 Refunded Bonds, the "Refunded Bonds") are currently subject to redemption, either in whole or in part, prior to their stated maturity; and

**WHEREAS**, the City has determined that the current tax-exempt interest rate environment would enable it to realize debt service savings for the City taxpayers by refunding all or a portion of the aforesaid Refunded Bonds through the issuance of its General Improvement Refunding Bonds in an aggregate principal amount not to exceed \$32,000,000 (the "Refunding Bonds"); and

**WHEREAS**, the City Council now desires to adopt this Refunding Bond Ordinance (the "Refunding Bond Ordinance") authorizing the issuance of the Refunding Bonds in an aggregate principal amount not exceeding \$32,000,000, a portion of the sale proceeds of which shall be used to refund the Refunded Bonds.

**BE IT ORDAINED AND ENACTED BY THE CITY COUNCIL OF THE CITY OF JERSEY CITY, IN THE COUNTY OF HUDSON, STATE OF NEW JERSEY (not less than two-thirds of all members thereof affirmatively concurring) AS FOLLOWS:**

**SECTION 1.** The refunding of all or a portion of the Refunded Bonds is hereby authorized.

**SECTION 2.** In order to refund the Refunded Bonds and to pay all related costs associated therewith, the City is hereby authorized to issue the Refunding Bonds in an aggregate principal amount not to exceed \$32,000,000, all in accordance with the requirements of N.J.S.A. 40A:2-51 et seq., and appropriate the proceeds of such Refunding Bonds to such purpose described in Section 3 hereof. Such Refunding Bonds shall be designated as "General Improvement Refunding Bonds" with such series designation as may be necessary to identify such bonds.

**SECTION 3.** The purpose of the issuance of the Refunding Bonds is to achieve debt service savings by refunding all or a portion of the Refunded Bonds.

**SECTION 4.** An aggregate amount not exceeding \$460,000 may be allocated from the aggregate principal amount of the Refunding Bonds to pay for items of expense listed and permitted under N.J.S.A. 40A:2-51(b), including, but not limited to, the aggregate allocated costs of issuance thereof, including underwriting, printing, credit enhancement or other insurance, advertising, accounting, financial, legal and other expenses in connection therewith.

**SECTION 5.** A certified copy of this Refunding Bond Ordinance has been filed with the Director of the Division of Local Government Services, in the New Jersey Department of Community Affairs prior to final adoption and enactment hereof.

**SECTION 6.** The supplemental debt statement required by the Local Bond Law has been duly made and filed in the Office of the City Clerk and a complete executed duplicate thereof has been filed in the Office of the Director of the Division of Local Government Services, in the New Jersey Department of Community Affairs, and such statement shows that the gross debt of the City as defined in the Local Bond Law is increased by the authorization of the bonds and notes provided for in this Refunding Bond Ordinance and the said bonds and notes authorized by this Refunding Bond Ordinance will be within all debt limitations prescribed by the Local Bond Law.

**SECTION 7.** The Chief Financial Officer of the City is hereby authorized and directed to determine all matters and terms in connection with the Refunding Bonds, all in consultation with the City bond counsel, financial advisor and auditor, and the manual or facsimile signature of the Chief Financial Officer of the City upon any documents shall be conclusive as to all such determinations. The Mayor, the Chief Financial Officer of the City, the City Clerk and any other City official, officer or professional, including but not limited to, the City bond counsel, financial advisor and auditor, are each hereby authorized and directed to execute and deliver such documents as are necessary to consummate the sale and closing of the Refunding Bonds, including the refunding report required to be filed pursuant to N.J.A.C 5:30-2.5, and to take such actions or refrain from such actions as are necessary for the issuance of the Refunding Bonds, in consultation with City bond counsel, financial advisor and auditor, and any and all actions taken heretofore with respect to the sale and issuance of the Refunding Bonds are hereby ratified and confirmed.

**SECTION 8.** This Refunding Bond Ordinance shall take effect twenty (20) days after the first publication thereof after final adoption and approval by the Mayor, as provided by the Local Bond Law.

APPROVED AS TO LEGAL FORM

APPROVED:



Corporation Counsel

APPROVED:

Business Administrator

Certification Required

Not Required

**ORDINANCE FACT SHEET – NON-CONTRACTUAL**

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

**Full Title of Ordinance/Resolution**

REFUNDING BOND ORDINANCE OF THE CITY OF JERSEY CITY, IN THE COUNTY OF HUDSON, STATE OF NEW JERSEY (THE "CITY") PROVIDING FOR (i) THE REFUNDING OF CERTAIN OUTSTANDING QUALIFIED GENERAL IMPROVEMENT BONDS, SERIES 2009 AND QUALIFIED GENERAL IMPROVEMENT BONDS (PARKING AUTHORITY PROJECT), SERIES 2009A OF THE CITY DATED FEBRUARY 10, 2009 AND DECEMBER 30, 2009, RESPECTIVELY, TO PROVIDE DEBT SERVICE SAVINGS, AND (ii) AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$32,000,000 AGGREGATE PRINCIPAL AMOUNT OF GENERAL IMPROVEMENT REFUNDING BONDS OF THE CITY TO EFFECT SUCH REFUNDING AND APPROPRIATING THE PROCEEDS THEREFOR

**Initiator**

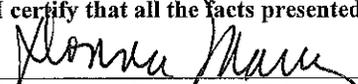
Department/Division	Administration	Management & Budget
Name/Title	Donna Mauer	Chief Financial Officer
Phone/email	201-547-5042	DonnaM@jcnj.org

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

**Ordinance Purpose**

This ordinance will allow the City to refund certain outstanding qualified bonds not to exceed \$32,000,000. This refunding currently produces a \$2.6 million gross savings.

I certify that all the facts presented herein are accurate.

  
Signature of Department Director

1/19/16  
Date

City Clerk File No. Ord. 16.019

Agenda No. 3.6 1st Reading

Agenda No. \_\_\_\_\_ 2nd Reading & Final Passage



# ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE  
offered and moved adoption of the following ordinance:

CITY ORDINANCE 16.019  
AN ORDINANCE SUPPLEMENTING CHAPTER 332(VEHICLES AND TRAFFIC)  
TITLE: ARTICLE III(PARKING, STANDING AND STOPPING) OF THE JERSEY CITY CODE  
AMENDING SECTION 332-24(PARKING PROHIBITED CERTAIN HOURS)  
EXTENDING THE NO PARKING SCHOOL DAYS 100 FEET SOUTH TO THE END OF  
THE GATE AT THE GOLDEN DOOR CHARTER SCHOOL

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:

1. Chapter 332 (Vehicles and Traffic) Article III (Parking, Standing and Stopping) of the Jersey City Code is hereby supplemented as follows:

Section 332-24 **PARKING PROHIBITED CERTAIN HOURS**  
No person shall park a vehicle between the hours specified upon any of the streets or parts thereof listed below.

Name of Street	Side	Days of Week	Hours	Limits
Huron Av	West	School Days	7:00 a.m to 4:00 p.m. to	71 feet south of St. Pauls Av 100 feet south 120 feet south of St. Pauls Av <del>60</del> <u>160</u> feet south

- All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
- This ordinance shall be a part of the Jersey City Code as though codified and incorporated in the official copies of the Jersey City Code.
- The City Clerk and the Corporation Counsel may change any chapter numbers, article numbers and section numbers if codification of this ordinance reveals a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

**NOTE:** The material to be repealed is in [brackets]; the new material to be inserted is underscored.

JDS:pcj  
12.31.15

APPROVED AS TO LEGAL FORM

\_\_\_\_\_  
Corporation Counsel

APPROVED: \_\_\_\_\_  
Director of Traffic & Transportation

APPROVED: \_\_\_\_\_  
Municipal Engineer

APPROVED: \_\_\_\_\_  
Business Administrator

Certification Required   
Not Required

**ORDINANCE FACT SHEET – NON-CONTRACTUAL**

This summary sheet is to be attached to the front of any ordinance that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

**Full Title of Ordinance**

**AN ORDINANCE SUPPLEMENTING CHAPTER 332(VEHICLES AND TRAFFIC) ARTICLE III(PARKING, STANDING AND STOPPING) OF THE JERSEY CITY CODE AMENDING SECTION 332-24(PARKING PROHIBITED CERTAIN HOURS) EXTENDING THE NO PARKING SCHOOL DAYS 100 FEET SOUTH TO THE END OF THE GATE AT THE GOLDEN DOOR CHARTER SCHOOL**

**Initiator**

Department/Division	Administration	Architecture, Engineering, Traffic and Transportation
Name/Title	Joao D'Souza	Director of Traffic & Transportation
Phone/email	201.547.4470	JOAO@jcnj.org

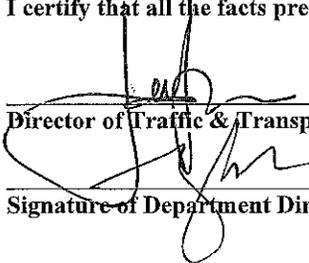
Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

**Ordinance Purpose**

EXTENDING THE NO PARKING SCHOOL DAYS 100 FEET SOUTH TO THE END OF THE GATE AT THE GOLDEN DOOR CHARTER SCHOOL

Huron Avenue is now a one way "south" allowing the Parents to discharge and pick-up their children on the same side of the street as the School's entrance without blocking a travel lane. Clearing an additional 100 feet of parking on the west side of the street will facilitate the drop-off and pick-up of students attending the Golden Door Charter School.

I certify that all the facts presented herein are accurate.

  
\_\_\_\_\_  
Director of Traffic & Transportation  
  
\_\_\_\_\_  
Signature of Department Director

1/5/16  
\_\_\_\_\_  
Date  
  
1/20/16  
\_\_\_\_\_  
Date

# Google Maps 24 Huron Ave

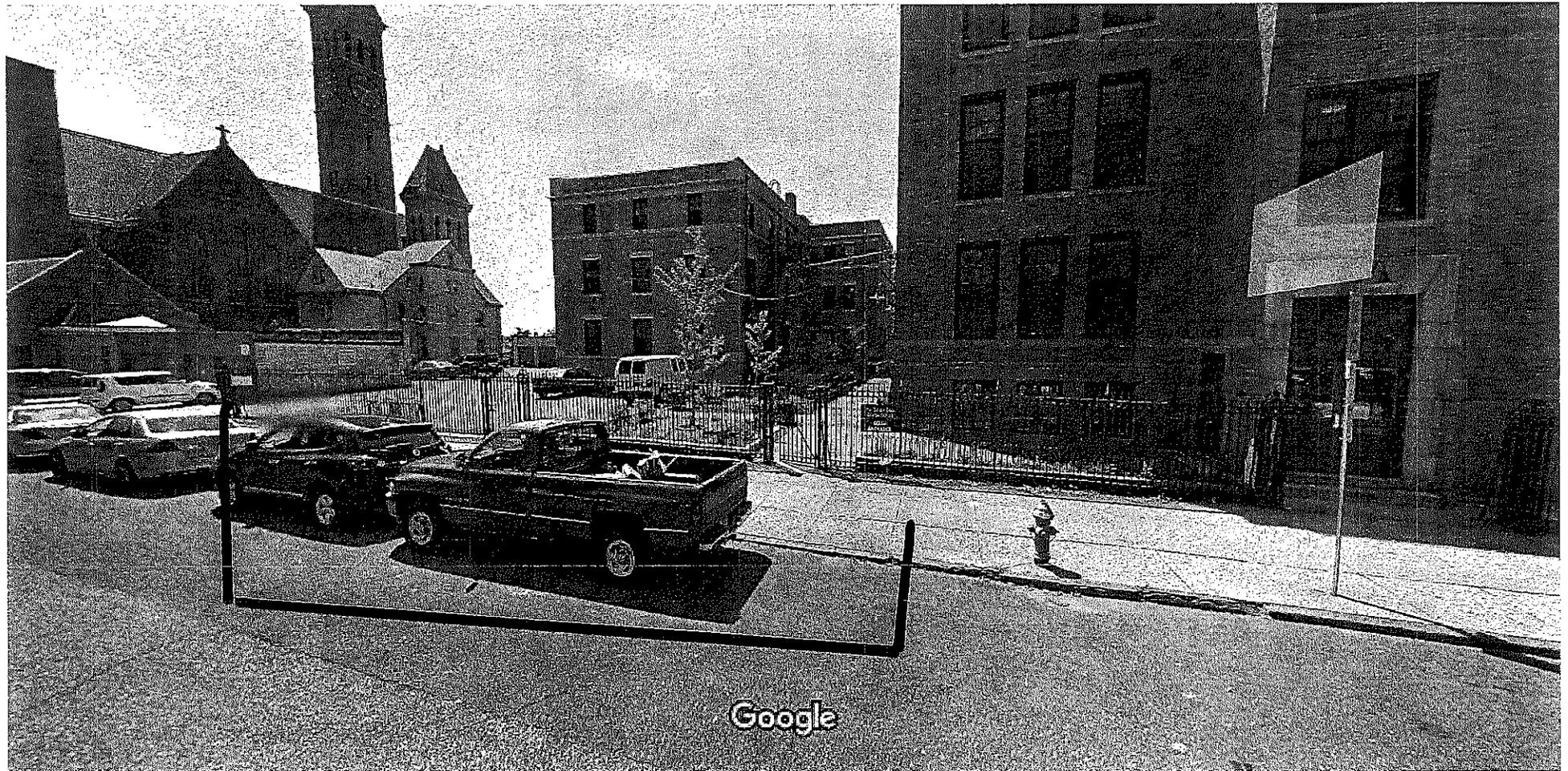


Image capture: Aug 2013 © 2015 Google

Jersey City, New Jersey

Street View - Aug 2013

City Clerk File No. Ord. 16.020

Agenda No. 3-H 1st Reading

Agenda No. \_\_\_\_\_ 2nd Reading & Final Passage



## ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE  
offered and moved adoption of the following ordinance:

### CITY ORDINANCE 16.020

TITLE: **AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-9 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 6301, LOT 1, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 271 VAN WAGENEN**

#### THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:

**WHEREAS**, the City of Jersey City as an area in need of rehabilitation, is authorized to adopt an ordinance to utilize tax exemptions pursuant to N.J.S.A. 40A:21-1, et seq., the Five (5) Year Exemption and Abatement Law; and

**WHEREAS**, pursuant to N.J.S.A. 40A:21-1 et seq., the City of Jersey City adopted Ordinance 05-060, Section 304-6 et seq. of the Municipal Code, to allow Five (5) Year Tax Exemptions which allows the Tax Assessor to regard the full and true value or a portion thereof of certain improvements as not increasing the full and true value of certain property for a period of five (5) years, provided the owner's application is approved by the Tax Assessor and by Ordinance of the Municipal Council; and

**WHEREAS**, pursuant to N.J.S.A. 40A:21-9 and Section 304-12 of the Municipal Code, a tax exemption for a newly constructed three (3) story building with approximately five (5) residential rental units and five (5) on-site parking spaces on the Property, is permitted for a period of five (5) years; and

**WHEREAS**, 271 Van Wagenen, LLC is the owner of a newly constructed three (3) story building with approximately five (5) residential rental units and five (5) on-site parking spaces on the Property, located in Block 6301, Lot 1 on the City's Tax Map and more commonly known by the street address of 271 Van Wagenen Avenue, Jersey City, New Jersey; and

**WHEREAS**, on May 3, 2013, the owner filed an application with the Tax Assessor to tax exempt the newly constructed multiple dwelling and commercial space, a copy of which application is attached hereto; and

**WHEREAS**, on July 1, 2015, the City issued a Certificate of Occupancy for the Property; and

**WHEREAS**, 271 Van Wagenen, LLC proposes to pay the City (in addition to the full taxes on the land, which shall continue to be conventionally assessed and taxed) a tax payment for the new improvements on the property, estimated as follows:

- (a) Year 1: the tax year in which the structure will be completed. \$0 taxes;
- (b) Year 2: the second tax year, 20% of actual full taxes, estimated to be \$2,544;
- (c) Year 3: the third tax year, 40% of actual full taxes, estimated to be \$5,191;

- (d) Year 4: the fourth tax year, 60% of actual full taxes, estimated to be \$7,942;
- and
- (e) Year 5: the fifth tax year, 80% of actual full taxes, estimated to be \$10,801;

**WHEREAS**, the Tax Assessor has determined that the full and true value of the new construction will generate an additional tax payment of \$17,339 a year; and

**WHEREAS**, the applicant has agreed that in the event the Citywide revaluation results in a decrease in the estimated amount of actual taxes otherwise due, then for purposes of calculating a tax payment hereunder and for the five (5) year period, the amount shall be calculated on the higher of the amount estimated hereunder or the actual taxes otherwise due; and

**WHEREAS**, the application for tax exemption was complete and timely filed; the application was approved by the Tax Assessor and the newly constructed multiple dwelling and commercial space are eligible for tax exemption pursuant to N.J.S.A. 40A:21-9 and Section 304-12 of the Municipal Code; and

**WHEREAS**, upon the expiration of the tax exemption, the total assessment will generate a total tax payment of \$17,339; and

**WHEREAS**, 271 Van Wagenen, LLC has agreed to pay the sum of \$11,250 to the City's Affordable Housing Trust Fund; and

**WHEREAS**, on January 5, 2016, the Tax Exemption Committee recommended the approval of the tax exemption to the Mayor.

**NOW, THEREFORE, BE IT ORDAINED** by the Municipal Council of the City of Jersey City that:

1. The application, attached hereto, for a five (5) year tax exemption for the full and true value of the newly constructed three (3) story building with five (5) market-rate residential rental units and five (5) one-site parking spaces, located in Block 6301, Lot 1, and more commonly known by the street address of 271 Van Wagenen Avenue, Jersey City, New Jersey, is hereby approved.

2. The Mayor or Business Administrator is hereby authorized to execute a tax exemption agreement which shall contain at a minimum, the following terms and conditions:

- (a) estimated tax payment on the new improvements shall be:
  - (i) Year 1: the tax year in which the structure will be completed. \$0 taxes;
  - (ii) Year 2: the second tax year, 20% of actual full taxes, estimated to be \$2,544;
  - (iii) Year 3: the third tax year, 40% of actual full taxes, estimated to be \$5,191;
  - (iv) Year 4: the fourth tax year, 60% of actual full taxes, estimated to be \$7,942; and
  - (v) Year 5: the fifth tax year, 80% of actual full taxes, estimated to be \$10,801.

The applicant has agreed that in the event the Citywide revaluation results in a decrease in the amount of actual taxes otherwise due for purposes of calculating a tax payment hereunder; during this five (5) year period, the amount due hereunder shall be

calculated on the higher of the amount estimated above or the actual taxes due after the revaluation; and

(b) The project shall be subject to all federal, state and local laws, and regulations on pollution control, worker safety, discrimination in employment, zoning, planning, and building code requirements pursuant to N.J.S.A.40A:21-11(b).

(c) If, during any tax year prior to the termination of the tax agreement, the property owner ceases to operate or disposes of the property, or fails to meet the conditions for qualifying, then the tax which would have otherwise been payable for each tax year shall become due and payable from the property owner as if no exemption and abatement had been granted. The collector forthwith ad the tax collector shall, within 15 days thereof, notify the owner of the property of the amount of taxes due.

(d) With respect to the disposal of the property, where it is determined that the new owner of the property will continue to use the property pursuant to the conditions which qualified the property, no tax shall be due, the exemption shall continue, and the agreement shall remain in effect.

(e) At the termination of a tax exemption agreement, the new improvements shall be subject to all applicable real property taxes as provided by State law and regulation and local ordinance; but nothing herein shall prohibit a project, at the termination of an agreement, from qualifying for, an receiving the full benefits of, any other tax preferences provided by law.

(f) Affordable Housing Trust Fund: \$1,500 per unit or \$7,500 and \$1.50 per square foot x 2,500 square feet of parking or \$3,750, for a total of \$11,250.

3. The form of tax exemption agreement is attached hereto as Exhibit B, subject to such modification as the Corporation counsel or Business Administrator deems necessary.

4. The Tax Assessor shall send a copy of the fully executed Financial Agreement will be sent to the Director of the Division of Local Government Services in the Department of Community Affairs within thirty (30) days of execution pursuant to N.J.S.A. 40a:21-11(d).

A. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.

B. This ordinance shall be part of the Jersey City Code as though codified and fully set forth therein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.

C. This ordinance shall take effect at the time and in the manner provided by law.

D. The City Clerk and Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

**NOTE:** All material is new; therefore underlining has been omitted. For purposes of advertising only, new matter is indicated by **bold face** and repealed matter by *italic*.

JJH 1/14/16

APPROVED AS TO LEGAL FORM

APPROVED: \_\_\_\_\_

\_\_\_\_\_  
Corporation Counsel

APPROVED: \_\_\_\_\_  
Business Administrator

Certification Required   
Not Required

**RESOLUTION FACT SHEET – NON-CONTRACTUAL**

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

**Full Title of Ordinance/Resolution**

An Ordinance Approving A Five (5)Year Tax Exemption for a Market Rate Rental Project owned by 271 Van Wagenen Avenue, LLC, Under the Short-Term Tax Exemption Law N.J.S.A. 40A:21-1 et. seq. Designated as Block 6301 Lot 1 Qualifier on the City's Tax Map and known as 271 Van Wagenen Avenue.

**Initiator**

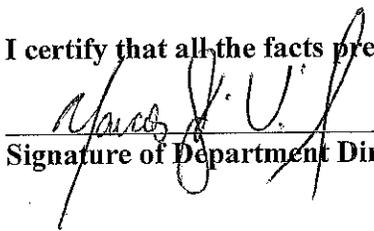
Department/Division	Mayor's Office	
Name/Title	Marcos Vigil	Deputy Mayor
Phone/email	(201) 547-6542	mvigil@jcnj.org

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

**Resolution Purpose**

The applicant, 271 Van Wagenen, LLC, is applying for a five (5) Year tax abatement for a three (3) story five (5) unit market rate residential rental project under N.J.S.A. 40 A: 21-1 et seq. The fee of \$1,000 was paid with the application.

I certify that all the facts presented herein are accurate.

  
Signature of Department Director

1-14-16  
Date

**DATE:** December 11, 2015  
**TO:** John Hallanan (For distribution to City Council and City Clerk)  
**FROM:** Al Cameron Tax Collector's Office  
**SUBJECT:** FIVE-YEAR TAX ABATEMENT: 271 Van Wagenen, LLC  
Block 6301, Lot 1  
**CC:** M. Cosgrove, E. Borja, J. Monahan, E. Toloza, M. Vigil, R. Kakoleski,  
G. Corrado

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**INTRODUCTION**

The applicant, 271 Van Wagenen, LLC, is applying for a five (5) Year tax abatement for a three (3) story five (5) unit market rate residential rental project under N.J.S.A. 40 A: 21-1 et seq. The fee of \$1,000 was paid with the application.

**LOCATION OF THE PROPERTY:**

The property is located at 271 Van Wagenen Avenue with frontage on routes 1 & 9. It is Block 6301 Lot 1 on the Jersey City Tax Map. The property is an irregular lot of approximately 5,349 square feet.

**PROPERTY TO BE CONSTRUCTED**

The project is a three (3) story five (5) unit market rate rental residential building with five parking spaces.

**TOTAL CONSTRUCTION COST:**

The cost of construction is \$450,000.

**CONSTRUCTION SCHEDULE:**

The applicant received building permits and began construction prior the change in the ordinance requiring a five-year abatement application be submitted before the start of construction. The project is complete and a Certificate of Occupancy was issued on July 1, 2015.

**ESTIMATED JOBS CREATED:**

The applicant estimates Twenty-five (25) jobs were created during Construction and two (2) part-time property management jobs after construction.

**AFFORDABLE HOUSING TRUST FUND CONTRIBUTION:**

See schedule below:

271 Van Wagenen Avenue Urban Renewal, LLC

		Rate	Amount
Residential Units	5	\$1,500	\$7,500.00
Square footage Parking	2,500	\$1.50	\$3,750.00
		Total AHTF Payment	<u>\$11,250.00</u>

Since permits and a Certificate of Occupancy have been issued the full amount is due is due with the execution of the Financial (Tax) Agreement.

**CURRENT REAL ESTATE TAXES:**

The assessment provided by the Tax Assessor for the land is \$43,200 and the newly constructed building is \$166,700. Based upon that assessment at the current rate of \$74.82 the tax for the land is \$3,232. The full tax on the improvements at current the rate is \$12,472. On the schedule below the Assessor's assessment is used and the current tax rate used is \$74.34 with a two percent (2%) increase annually in the tax rate.

See attached phase-in schedule below:

**PROPOSED ABATEMENT:**

The applicant has requested a term of five (5) years for the abatement on the improvements. The Applicant will pay the full tax for the land tax in each and every year of the abatement and has proposed a phase-in of the assessment on improvements. In year one (1) the applicant proposes no taxes on improvements. In year two (2) the applicant would pay taxes on twenty percent (20%) of the improvements. The applicant would pay forty percent (40%) in year three (3), sixty percent (60%) in year four (4), Eighty percent (80%) in year five (5) and full taxes in year six (6).

**PROPOSED REVENUE TO THE CITY:**

The phase-in of taxes on improvements is shown in the table below.

**271 Van Wagenen Sum (4)**

1/14/2016 12:12 PM

The total conventional taxes projected for the five-year term of the abatement are \$16,820.62 for land and \$64,907.36 for the improvements. The total tax exempted on the improvements for the term is \$38,430.37. The Tax Assessor estimated the final assessment based upon information provided by the Applicant. The schedule below adds a two percent (2%) annual increase to the Assessor's phase-in schedule. The Assessor's Schedule does not include a projected increase in the Tax Rate.

**FIVE-YEAR ABATEMENT PHASE -IN SCHEDULE**

271 Van Wagenen							Five Year
Year	1	2	3	4	5	Full Tax	Totals*
Current Tax Rate	74.82	76.32	77.84	79.40	80.99	82.61	
Total Tax	15,704.72	16,018.81	16,339.19	16,665.97	16,999.29	17,339.28	81,727.98
Land tax	3,232.22	3,296.87	3,362.81	3,430.06	3,498.66	3,568.64	16,820.62
Tax on Improvements	12,472.49	12,721.94	12,976.38	13,235.91	13,500.63	13,770.64	64,907.36
Phase in %	0%	20%	40%	60%	80%	100%	
Phase in Tax	0.00	2,544.39	5,190.55	7,941.55	10,800.50	13,770.64	26,476.99
Exempted Tax	12,472.49	10,177.56	7,785.83	5,294.36	2,700.13	0.00	38,430.37
Total Tax Payable	3,232.22	5,841.26	8,553.36	11,371.61	14,299.17	17,339.28	43,297.61

Annual tax Rate increase of 2% projected.

Totals may not add due to rounding \* Totals only include tax years 1-5

Per Tax Assessor

Assessments

Land \$43,200

Improvements \$166,700

Total \$209,900

**271 Van Wagenen Sum (4)**

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**FISCAL IMPACT COST PROJECTION (TIER 1 - 5 YEAR)**

**Block: 6301 Lot: 1 Loc: 271 VAN WAGENEN**

Market Rate Units	Demographic Multipliers (Transit Oriented Development)*				Annual Expenditures			Total Annual Expenditures		
	Planned Development	Number of Units	Household	Students	Residents	Students	Per Capita Municipal	Per Pupil Per School District	Municipal	School District
2 Bedroom	5	2.012	0.120	10.06	0.60	\$1,181.83	\$3,445.00	\$11,889.20	\$2,067.00	\$13,956.20
<b>TOTAL</b>	<b>5</b>			<b>10.06</b>	<b>0.60</b>			<b>\$11,889.20</b>	<b>\$2,067.00</b>	<b>\$13,956.20</b>

1. Total Municipal Ratables	\$5,997,768,597	4. CY 2015 Budget	\$535,307,187	6. Population of Jersey City (2010 Census)	247,597	9. Increase in Services Incurred Per Development	\$ 13,956.20
2. Residential Ratables	\$3,278,586,056			7. Per Capita Municipal Cost	\$1,181.83	10. Anticipated Taxes (74.82 w/ 2% Annual Increase)	
Commercial Ratables	\$1,512,274,524			8. Annual Expenditures Per Student**	\$3,445.00	1st Year \$	3,232.22
3. Residential Ratables as a Percentage of Total Ratables	54.66%	5. Residential Portion	\$292,617,271			2nd Year \$	5,481.26
						3rd Year \$	8,553.36
						4th Year \$	11,371.61
						5th Year \$	14,299.17
						11. Implied Surplus (Cost)	
						1st Year \$	(10,723.98)
						2nd Year \$	(8,474.94)
						3rd Year \$	(5,402.84)
						4th Year \$	(2,584.59)
						5th Year \$	342.97

**Classic Average costing approach for projecting the impact of population change and local Municipal and School District costs**

\*Source: New Jersey Demographic Multipliers: Profile of the Occupants of Residential and Nonresidential Development; Listokin, November 2006

\*\*Source: 2014-2015 Jersey City Municipal Cost Per Pupil

271 VAN WAGNN AVE.  
 BLOCK 6301 Lot 1  
 271 Van Wagenen Ave.

Block	Lot		Existing Assessments	New Assessments	Land Tax	Assessment Subject to Exemption
6301	1	Land	43200	43200		0
		Bldg	0	166700		166700
		Total	43200	209900		166700

**In-Lieu of Full Property Tax Payments An Amount Equal To A Percentage Of Taxes Otherwise Due, According To The Following Schedule:**

Stage

1	In the first full tax year after completion, no payment in lieu of taxes otherwise due;	3232.22	0
2	In the second tax year, an amount not less than 20% of taxes otherwise due, estimated to be the sum of;	3232.22 \$	2,494.50
3	In the third tax year, an amount not less 40% of taxes otherwise due, estimated to be the sum of ;	3232.22 \$	4,989.00
4	In the fourth tax year, an amount no less than 60% of taxes otherwise due, estimated to be the sum of;	3232.22 \$	7,483.50
5	In the fifth tax year, an amount not less than 80% of taxes otherwise due, estimated to be the sum of;	3232.22 \$	9,978.00

AT THE EXPIRATION OF THE EXEMPTION, THE PROJECT'S NEW IMPROVEMENT WILL GENERATE APPROXIMATELY THE SUM OF;

12/4/2012	Land Tax	3,232.22 \$	12,472.49
	Land Building Tax at 100% Valuation	\$	15,704.72

TIER ONE (5 YEAR)  
4-08-14  
N.J.S.A. 40A:21-1 et seq  
(Multiple Dwelling, Industrial, Commercial)

**TAX AGREEMENT**  
**FIVE YEAR/NEW CONSTRUCTION**

**THIS AGREEMENT** made on this 10<sup>th</sup> day of February, 2016, by and between the **CITY OF JERSEY CITY** [City], a municipal corporation organized under the Laws of the State of New Jersey and having its principal place of business at 280 Grove Street, Jersey City, New Jersey 07302, and, **271 VAN WAGENEN, LLC** [Applicant /Owner], whose principal place of business is 14 Thames Drive, Livingston, New Jersey 07039.

**WITNESSETH:**

**WHEREAS**, the Municipal Council has indicated by its intention to utilize the five year tax exemption provisions authorized by Article VIII, Section I, paragraph VI of the NJ State Constitution and the Five Year Exemption Law, N.J.S.A. 40A:21-1 et seq. for improvements and projects by the adoption of Ordinance 05-060, as amended by Ordinance 07-146; and

**WHEREAS**, the Applicant is owner of certain property located at 271 Van Wagenen Avenue, in the City of Jersey City, County of Hudson and State of New Jersey, designated as Block 6301, Lot 1 on the Tax Assessor's Map, more commonly known by the street address of 271 Van Wagenen Avenue and more particularly described in the metes and bounds description attached hereto as Exhibit A [Property];

**WHEREAS**, on or about May 2, 2013, the Applicant applied for a five year tax exemption to construct a new Multiple Dwelling on the Property [Improvements] pursuant to N.J.S.A. 40A:21-1 et seq and Section 304-12 of the Municipal Code [Law]; and

**WHEREAS**, the City has reviewed the application, approved the construction of the Improvements and authorized the execution of a Tax Exemption Agreement by the adoption of Ordinance 16. \_\_\_\_ on February 10, 2016.

**NOW, THEREFORE, IN CONSIDERATION** of the mutual promises and covenants hereinafter contained, the parties hereto agree as follows:

**ARTICLE I: APPROVAL OF TAX EXEMPTION**

The City hereby agrees to a tax exemption for the construction of a new Multiple Dwelling [Improvements] on the Property, as further described in the Application, attached hereto as Exhibit B, pursuant to the provisions of N.J.S.A. 40A:21-1 et seq. and Ordinance 16. \_\_\_\_ which authorized the execution of this Tax Agreement [Law],

subject to the terms and conditions hereof.

## **ARTICLE II: IN LIEU OF TAX PAYMENTS**

The Applicant agrees to make estimated payments on the new Improvements, (separate and apart from taxes on the land and existing improvements which shall continue to be subject to conventional assessment and taxation and for which the Applicant shall receive no credit against the in lieu of tax payment) in lieu of full property tax payments according to the following schedule:

1. For the full calendar of Year 1, no payment in lieu of taxes;
2. For the full calendar of Year 2, twenty (20%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$2,544;
3. For the full calendar of Year 3, forty (40%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$5,191;
4. For the full calendar of Year 4, sixty (60%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$7,942; and
5. For the full calendar of Year 5, eighty (80%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$10,801.

In the event a City-wide revaluation results in decrease in the amount of taxes otherwise due, payment hereunder shall be the higher of either the taxes estimated above or the amount of actual taxes after the City-wide revaluation.

## **ARTICLE III: APPLICATION FEE**

The Applicant has paid the sum of \$1,000 to the City as an application fee. Failure to make such payment shall cause the tax exemption to terminate.

## **ARTICLES IV: FEDERAL, STATE AND LOCAL LAW**

The construction of the Improvements is subject to all applicable federal, State and local laws and regulations on pollution control, worker safety, discrimination in employment, housing provision, zoning, planning and building code requirements.

## **ARTICLE V: TERM OF EXEMPTION**

The Tax Exemption granted shall be valid and effective for a period of five (5) full calendar years from the date of Substantial Completion of the Project, which shall ordinarily mean the date on which the City issues, or the Project is eligible to receive, a Certificate of Occupancy, whether temporary or final, for part or the whole of the Project. During the term of the tax exemption, the Applicant shall make an in lieu of tax payment

to the City in accordance with the schedule set forth above. Prior to the commencement of the tax exemption, and upon expiration thereof, the Applicant shall pay full conventional taxes on the Improvements.

#### **ARTICLE VI: REVALUE**

The applicant has agreed that in the event the revalue results in a decrease in the amount of actual taxes otherwise due, for purposes of calculating a tax payment hereunder during the five (5) year period, the amount shall be calculated on the higher of the amount estimated hereunder or the actual taxes.

#### **ARTICLE VII: NO COUNTY EQUALIZATION AND SCHOOL AID**

Pursuant to N.J.S.A. 40A:21-11(c), the percentage, which the payment in lieu of taxes for the tax exempt property bears to the property tax which would have been paid had an exemption not been granted for the property under this Agreement, shall not be applied to the valuation of the property to determine the reduced valuation of the property to be included in the valuation of the City for determining equalization for county tax apportionment and school aid, during the term of the tax exemption agreement covering this property. At the expiration or termination of this Agreement, the reduced valuation procedure required under the Law shall no longer apply.

#### **ARTICLE VIII: OPERATION OR DISPOSITION OF PROPERTY**

If during any year prior to the termination of this Agreement, the Applicant ceases to operate or disposes of the Property, or fails to meet the conditions for qualifying for tax exemption under this Agreement or pursuant to Law, then the tax which would have otherwise been payable for each and every year, shall become due and payable from the Applicant as if no exemption had been granted. The Tax Collector shall, within 15 days thereof, notify the owner of the Property of the amount of taxes due.

However, with respect to the disposal of the property, if it is determined that the new owner will continue to use the property pursuant to the conditions which qualify the property for exemption, the tax exemption shall continue and this Agreement shall remain in full force and effect.

#### **ARTICLE IX: AFFORDABLE HOUSING TRUST FUND CONTRIBUTION REQUIRED**

A. **Contribution.** The Entity will pay the City the sum of \$11,250 or [\$1,500 per unit (5 units) and \$1.50 per square foot of parking (2,500 square feet)] as a contribution. The sum shall be due and payable as follows:

- i. 1/3 on or before the effective adoption date of the Ordinance approving the tax exemption;

- ii. 1/3 on or before the issuance of the first of any construction permit for the Project, but no later than six months after the date of the Tax Agreement; and
- iii. 1/3 on or before the date the first of any Certificate of Occupancy is issued for the Project, but no later than twenty-four (24) months after the date of the Tax Agreement.

**ARTICLE X: TERMINATION/ELIGIBILITY  
FOR ADDITIONAL TAX EXEMPTION**

Upon the termination of this Agreement for tax exemption, the Project shall be subject to all applicable real property taxes as provided by State Laws and Regulations and City Ordinances. However, nothing herein shall be deemed to prohibit the Project, at the termination of this Agreement, from qualifying for and receiving the full benefits of any other tax preferences allowed by law. Furthermore, nothing herein shall prohibit the Applicant from exercising any rights under any other tax provisions of State law or City Ordinances.

In the event the owner elects to terminate this tax abatement after the revalue, the owner shall pay the City the difference of 100% of the full amount of the taxes otherwise due from the 1<sup>st</sup> year of this agreement to the date of termination.

**ARTICLE XI: PROJECT EMPLOYMENT  
AND CONTRACTING AGREEMENT**

In order to provide City residents and businesses with employment and other economic opportunities, the Applicant agrees to comply with the terms and conditions of the Project Employment & Contracting Agreement which is attached hereto as Exhibit C.

**ARTICLE XII: NOTICES**

All notices to be given with respect to this Agreement shall be in writing. Each notice shall be sent by registered or certified mail, postage prepaid, return receipt requested, to the party to be notified at the addresses set forth below or at such other address as either party may from time to time designate in writing:

**Notice to City:**

Business Administrator  
City Hall, 280 Grove Street  
Jersey City, New Jersey 07302

**Notice to Applicant:**

271 Van Wagenen, LLC  
14 Thames Drive  
Livingston, New Jersey 07039

With a copy to:

Carmen E. Mendiola, Esq.  
286 First Street  
Jersey City, New Jersey 07302

**ARTICLE XIII: GENERAL PROVISIONS**

This Agreement contains the entire Agreement between the parties and cannot be amended, changed or modified except by written instrument executed by the parties hereto.

In the event that any provisions or term of this Agreement shall be held invalid or unenforceable by a Court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof; provided, however, that the City continues to receive the full benefit of any economic term hereunder.

This Agreement shall be governed by and construed in accordance with the Laws of the State of New Jersey.

This agreement may be executed in several counterparts, each of which shall constitute but one and the same instrument.

**IN WITNESS WHEREOF**, the City and the Applicant have caused this Agreement to be executed on the date and year first above written.

**ATTEST:**

**CITY OF JERSEY CITY**

\_\_\_\_\_  
**Robert Byrne**  
City Clerk

\_\_\_\_\_  
**Robert J. Kakoleski**  
Business Administrator

**WITNESS:**

**271 VAN WAGENEN, LLC**

\_\_\_\_\_  
**Secretary**

\_\_\_\_\_  
**President**

## PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

This Project Employment & Contracting Agreement is made on the 10<sup>th</sup> day of February, 2016, between the **CITY OF JERSEY CITY [City]** and **271 VAN WAGENEN, LLC** having its principal office at 14 Thames Drive, Livingston, New Jersey 07039.

### I. Definitions:

The following words and terms, when used in this agreement, shall have the following meanings unless the context clearly indicates otherwise.

1. "City" means the Business Administrator of the City of Jersey City, or his designee, including any person or entity which enters into an agreement with the City to implement, in whole or in part, this agreement.
2. "Contractor" means any party performing or offering to perform a prime contract on behalf of the Recipient.
3. Construction Contract means any agreement for the erection, repair, alteration or demolition of any building, structure, bridge, roadway or other improvement on a Project Site.
4. "DEO" means the Division of Economic Opportunity under the Department of Administration, located at 280 Grove Street. DEO is in charge of Project Employment & Contracting coordination and monitoring on projects receiving abatements.
5. "Economic Incentive" means a tax abatement or tax exemption for a property or project which requires approval of the Municipal Council.
6. "Employment" includes positions created as a result of internal promotions, terminations, or expansions within the Recipient's work force which are to be filled by new employees. However, positions filled through promotion from within the Recipient's existing work force are not covered positions under this agreement.
7. Jersey City Employment and Training Corporation or "JCEPT" means the non-profit quasi public Entity with whom the City has an operating agreement to undertake certain employment services.
8. "Local Business" means a bona fide business located in Jersey City.
9. "Minority" means a person who is defined as such under federal or state law.
10. "Minority or Woman Owned Local Business" means a bona fide business located in Jersey City which is fifty-one (51%) percent or more owned and controlled by either a Minority or woman.

11. "Non-Traditional Jobs" means jobs which are held by less than twenty (20%) percent women, as reported by the New Jersey Department of Labor and Workforce Development, Division of Labor Market, and Demographic Research for Jersey City, which report shall be on file with the City Clerk.
12. "Permanent Jobs" mean newly created long term salaried positions, whether permanent, temporary, part time or seasonal.
13. "Project or Project Site" means the specific work location or locations specified in the contract.
14. The "Project Employment & Contracting Coordinator" or "Coordinator" is the employee in the Department of Administration presently, the Executive Director of the Jersey City Employment & Training Program, Inc., who is in charge of coordinating Project Employment & Contracting projects. Contractors and developers engaged in projects covered by Project Employment & Contracting Agreements will direct inquiries to the Coordinator. The Coordinator may refer a developer to the JCEPT or its one-stop career center so long as the City and JCEPT agreement is in full force and effect.
15. The "Project Employment & Contracting Monitor" or "Monitor" is the employee in the Department of Administration who is in charge of monitoring the site, collecting the reports and documentation, and other day-to-day Project Employment & Contracting administration as stipulated by this agreement.
16. The "Project Employment & Contracting Officer" or "Officer" is an employee of the Recipient who is designated by the Recipient to make sure the Recipient is in compliance with the Recipient's Project Employment & Contracting agreement.
17. "Recipient" means any individual, partnership, association, organization, corporation or other entity, whether public or private, or for profit or non-profit, or agent thereof, which receives an Economic Incentive and shall include any Contractor, Subcontractor or agent of the Recipient.
18. "The Registry" or "Jersey City Employment Registry" means a data base maintained by the City or its designee, of Jersey City residents seeking employment and Local Businesses, including Minority or Woman Owned Local Businesses, seeking contracts.
19. "Subcontract" means a binding legal relationship involving performance of a contract that is part of a prime contract.
20. "Subcontractor" means a third party that is engaged by the prime Contractor to perform under a subcontract all or part of the work included in an original contract.
21. "Substantial Completion" means the determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the date on which the

Project receives, or is eligible to receive any Certificate of Occupancy for any portion of the Project.

## **II. Purpose: Construction Jobs, Business Contracting, Permanent Jobs**

The City wishes to assure continuing employment opportunities for City residents, particularly residents who are Minorities, and business opportunities for Local Businesses, especially Minority and Women Owned Local Businesses, with employers located in or relocating to the City who are the Recipients of Economic Incentives. The City has determined to accomplish that goal by requiring the Recipient of an Economic Incentive to act in Good Faith, as defined herein, and discharge its obligations under this Agreement. To the extent mandated by State and Federal law and so long as the Entity discharges its Good Faith obligations under this agreement, the City acknowledges that the Recipient and its contractors are free to hire whomever they choose.

Because this project is not subject to the terms of a Project Labor Agreement during construction, this agreement shall apply to all Construction Jobs, Business Contracts and non-construction Permanent Jobs. Recipients are also required to notify any commercial tenants of employment services available from the City.

## **III. Recipient Designee:**

The Recipient shall designate a principal officer of its firm to be responsible for administering the agreement detailed herein and to report to and confer with the City in order to discharge its Good Faith obligations as defined in this agreement. This officer should be designated as the Project Employment & Contracting Officer.

The Recipient shall send a letter designating its "Project Employment & Contracting Compliance Officer" to the Project Employment & Contracting Coordinator prior to any preconstruction meetings. An example of this letter can be found in Appendix 1. This Officer should also be present for all preconstruction meetings.

The Recipient should send a letter regarding the "Project Employment & Contracting Compliance Officer" to the employees of the Recipient's company. An example of this letter can be found in Appendix 2.

## **IV. Term:**

This agreement shall be in effect for a period co-terminus with the effective period of the tax exemption [the Economic Incentive]. Thus, it will commence on the date the City Council adopted Ordinance 16.\_\_\_\_ approving the tax exemption and terminate 5 years from the date of Substantial Completion of the Project.

## **V. Good Faith Goals:**

In the event the Recipient is able to demonstrate that its work force already meets the goals set forth below or is able to meet such goals during the term of this agreement, the

Recipient shall only be required to submit the periodic certified manning and certified payroll reports described below to confirm ongoing compliance. All other Recipients must comply with the following Good Faith goals.

1. **Employment (Construction and Permanent Jobs):** The Recipient shall make a Good Faith effort to achieve the goal of a work force representing fifty-one (51%) percent City residents, fifty-one (51%) percent of whom are residents who are Minorities and, in Non-Traditional Jobs, six point nine (6.9%) percent of whom are residents who are women, it being understood that one employee may satisfy more than one category.
2. **Business Contracting:** The Recipient shall make a Good Faith effort to achieve the goal of awarding twenty (20%) percent of the dollar amount of its contracts to Local Businesses, fifty-one (51%) percent of which shall be Minority or Women Owned Local Businesses. If fifty-one (51%) percent of Minority or Women Owned Local Businesses cannot be obtained, that percentage of contracts must still be applied to local vendors.

#### **VI. Good Faith Defined. Construction Jobs:**

1. **Construction Jobs:** Good Faith shall mean compliance with all of the following conditions:

A. Initial Manning Report:

- i) Prior to the commencement of their work on the Project, each Contractor /Subcontractor shall prepare an Initial Manning Report.
- ii) The Initial Manning Report should contain an estimate of the total hours in each construction trade or craft and the number of hours to be worked by City residents, including a list of the number of minority residents and women residents that will work in each trade or craft, including the work hours to be performed by such employees of any and all Contractors and Subcontractors. Attached hereto as Appendix B is the Recipient's Initial Manning Report.
- iii) The Initial Manning Report shall be filed with the Project Employment and Contracting Monitor, who must accept said Report prior to the Recipient entering into any construction contract. An example of this acceptance letter is given in Appendix C.

B. Developer's Contracting Obligations

- i) Once the developer submits the project's initial manning report, he/she must forward a letter with requests for quotation or bid to Mayor Steven M. Fulop's Business Cooperative Program for local and minority vendors for any construction or building operating goods, services and sub-contracting opportunities. An example of this letter is given in Appendix D.

- ii) The developer shall make a good faith effort to contact those businesses and individuals who submit bids. This effort must be documented by letter, which will be sent to Mayor Steven M. Fulop's Business Cooperative Program at DEO under the Department of Administration. An example of this letter can be found in Appendix D2.

C. Contractor's/Subcontractor's Compliance Statement

Prior to commencement of their work on the Project, each Contractor or Subcontractor must agree in writing to comply with this agreement and the employment goals elaborated herein. An example of this Compliance Statement can be found in Appendix E.

D. Union Statement of Using Its Best Efforts

- i) Prior to commencement of their work on the Project, the contractor/subcontractor must submit a statement expressing its adherence to the Project Employment & Contracting Agreement to each union with which he/she has a collective bargaining agreement covering workers to be employed on the project.
- ii) The Compliance Statement shall include a union statement for the particular union to sign, which claims the union will use its best efforts to comply with the employment goals articulated in the Project Employment & Contracting agreement. This compliance statement is detailed in Appendix F. A copy of the signed compliance statement must be sent to the Project Employment & Contracting Monitor in DEO under the Department of Administration before work starts in order for a developer to be in compliance.
- iii) The Recipient will require the Contractor or Subcontractor to promptly notify the City of any refusal or failure of a union to sign the statement. If a particular union refuses to sign a statement, the Recipient will document its efforts to obtain such statement and the reasons given by the union for not signing such statement, and submit such documentation to the Project Employment & Contracting Monitor in DEO under the Department of Administration.

E. Sub-Contractors

The developer shall require that each prime contractor be responsible for the compliance of his/her subcontractors with the aforementioned Project Employment & Contracting requirements during the performance of the contract. Whenever the contractor sub-contracts a portion of the work on the project, the contractor shall bind the subcontractor to the obligations contained in these supplemental conditions to the full extent as if he/she were the contractor.

F. Union Apprentices

The contractor is responsible for assuring that resident and minority apprentices account for at least fifty (50%) percent of the total hours worked by union apprentices on the job in each trade listed in which apprentices are employed, according to the apprentice-to-journey-worker

ratio contained in the collective bargaining agreement between the various unions, and shall hold each of his/her subcontractors to this requirement. The Recipient will require the contractor or subcontractor to promptly notify the City of any refusal of a union to utilize resident and minority apprentices.

G. Monthly Manning Report

- i) The Recipient will cause the Contractor to complete and submit Monthly Project Manning Reports to the Project Employment & Contracting Monitor in DEO under the Department of Administration by the seventh day of the month following the month during which the work is performed, for the duration of the contract.
- ii) The report will accurately reflect the total hours in each construction trade or craft and the number of hours worked by City residents, including a list of the number of minority resident and women resident workers in each trade or craft, and will list separately the work hours performed by such employees of the Contractor and each of its Subcontractors during the previous month. The Monthly Manning Report shall be in the form attached hereto as Appendix G.
- iii) The Recipient is responsible for maintaining or causing the Contractor to maintain records supporting the reported work hours of its Contractors or Subcontractors.

H. Monthly Certified Payroll Report

- i) The Recipient will cause the Contractor to furnish the Project Employment & Contracting Monitor with copies of its weekly Certified Payroll reports. The reports will specify the residence, gender and ethnic/racial origin of each worker, work hours and rate of pay and benefits provided. The Certified Payroll report shall be in the form attached hereto as Appendix H.
- ii) Payroll reports must be submitted on a monthly basis with the Monthly Manning Report or the Recipient is no longer in compliance.

I. Equal Employment Opportunity Reports

Prior to commencement of work on the Project, the Recipient will request copies of the most recent Local Union Report (EEO-3) and Apprenticeship Information Report (EEO-2) which are required to be filed with the US Commission of Equal Employment Opportunity Commission by the collective bargaining unit. These reports will be forwarded to the Project Employment & Contracting Monitor within one month of the signing of the Project Employment & Contracting Agreement.

J. Other Reports

In addition to the above reports, the Recipient shall furnish such reports or other documents to the City as the City may request from time to time in order to carry out the purposes of this agreement.

K. Records Access

The Recipient will insure that the City will have reasonable access to all records and files reasonably necessary to confirm the accuracy of the information provided in the reports.

L. Work Site Access For Monitor

- i) The City will physically monitor the work sites subject to this agreement to verify the accuracy of the monthly reports. Each work site will be physically monitored approximately once every two weeks, and more frequently if it is deemed reasonably necessary by the City. The City's findings shall be recorded in a "Site Visit Report." An example of a bi-weekly site visit report can be found in Appendix I.
- ii) The Recipient shall require the Contractor and Sub-contractor to cooperate with the City's site monitoring activities and inform the City as to the dates they are working at the Project site. This includes specifically instructing the on-site construction manager about the monitoring process, and informing him/her that the monitor will contact him/her to set up an initial meeting. In the case of projects with multiple locations, the Recipient shall inform the City of the dates they are working at each site location(s) where they are working, in order to facilitate the monitoring.

**VII. Good Faith Defined. Permanent Jobs:**

1. **Permanent Jobs:** Good Faith shall mean compliance with all of the following conditions:

A. Pre-hiring Job Awareness: At least eight (8) months prior to the hiring of a Recipient's permanent workforce, the Project Employment & Contracting officer for the Recipient will meet with the Coordinator, including the director of JCETP to discuss how the Recipient plans to hire its permanent workforce. The following issues should be covered in this meeting:

- i) whether subcontractors will be used in the hiring process.
- ii) the specific types of jobs that need to be filled.
- iii) the qualifications needed for these particular jobs.
- iv) possible training programs offered by the permanent employer.
- v) the Recipient's goals and how it plans to meet these goals.
- vi) any other issues which need to be addressed.

B. Subcontractor Notification -- If the Recipient decides to subcontract any portion or all of its permanent workforce, then the Recipient must receive a signed acknowledgment from

the subcontracting party that it will abide by the Project Employment & Contracting Agreement before said subcontractor begins staffing permanent employees. The Recipient must forward a copy of the signed acknowledgment to the Project Employment & Contracting Monitor. An example of this signed acknowledgment can be found in Appendix 3.

- C. Subcontractor Pre-Hiring Job Awareness Meeting -- Each subcontractor hired to staff permanent job positions must appoint a Project Employment & Contracting Officer to meet with the head of the Registry to discuss the same issues presented above in VI 1.A.(i)-(vi) and notify the City.
- D. Subcontractors of Subcontractors--Subcontractors of subcontractors are subject to the same requirements for the initial subcontractors.
- E. Documentation of Hiring Plan--Once the Pre-Hiring Job Awareness Meeting has taken place, the Recipient must put together a document with goals and totals for future permanent employment needs. This plan should summarize all that was discussed in the Pre-Hiring Awareness Meeting, list estimates for manpower needs, set residential and minority employment goals commensurate with the Project Employment & Contracting Agreement, and show how the Recipient plans to meet these goals. An example of this plan is found in Appendix 4.
- F. Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the DEO and the JCEPT with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the referral of qualified applicants to the Recipient.
- G. Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the DEO with a copy of this advertisement.
- H. Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it pursuant to the agreement. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.
- I. Monthly Employment Reports: The Recipient will submit written employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will be submitted on the 1<sup>st</sup> day of every month. It will describe each job and state whether the job was filled or held by a City resident, minority resident or woman resident and date of hire. The report will explain in writing the reasons why any qualified referred applicant (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired and the reason therefore. The form of this report shall be in substantially the form found in Appendix 5, subject to such revision as

the City deems appropriate and reasonable. Monthly reports may be extended to semi-annually reports once the initial workforce is hired.

- J. Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.
- K. Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the any reports.
- L. Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.
- M. Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

#### VIII. **Good Faith Defined. Business Contracts**

A. Good Faith shall mean compliance with all of the following conditions:

i) Solicitation of Businesses:

- a) One month before the solicitation for any goods or services, the Recipient must forward a letter with a description of the goods or services to the Project Employment and Contracting Coordinator;
- b) The Recipient shall provide the City with a written Purchasing Report every month. The form of this report shall be in substantially the form found in Appendix 6.
- c) Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the DEO and the JCEPT with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the referral of qualified applicants to the Recipient.
- d) Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the DEO with a copy of this advertisement.

- e) Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it pursuant to the agreement. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.
- f) Monthly Employment Reports: The Recipient will submit written employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will be submitted on the 1<sup>st</sup> day of every month. It will describe each job and state whether the job was filled or held by a City resident, minority resident or woman resident and date of hire. The report will explain in writing the reasons why any qualified referred applicant (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired and the reason therefore. The form of this report shall be in substantially the form found in Appendix 5, subject to such revision as the City deems appropriate and reasonable. Monthly reports may be extended to semi-annually reports once the initial workforce is hired.
- g) Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.
- h) Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the any reports.
- i) Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.
- j) Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

B. The Recipient pledges not to use local and local minority vendors solely as conduits for vendors that are not local and minority owned. Any discovery by Project Employment and Contracting Monitor of a Recipient, using the masthead of a local or minority owned business as a way to get credit for local or minority employment when it should not, will immediately subject the Recipient to the penalties listed in Section VIII (d) below.

**IX. Good Faith Defined. Commercial Tenants at the Project Site**

Good Faith shall mean compliance with all of the following conditions:

- A. The Recipient shall send all tenants of commercial space, including retail space, within the Project Site a Tenant Employment Services Guide in the form attached as Appendix 7.
- B. The Recipient shall require tenants of commercial, including any retail space to complete an annual questionnaire concerning the composition of the work force of each tenant. The completed questionnaire be submitted to the Project Employment & Contracting Monitor. The questionnaire shall be in the form attached as Appendix 8.
- C. The Recipient will send the results of its solicitation to the Project Employment & Contracting Monitor no later than December 1<sup>st</sup> of each year.

**X. Notices of Violation:**

- 1. **Advisory Notice:** The City will issue a written Advisory Notice to the Recipient if there is non-compliance with a Good Faith requirement as defined in this agreement. The Advisory Notice shall explain in sufficient detail the basis of the alleged violation. The Recipient shall have 7 days to correct the violation.
- 2. **Violation Notice:** If the alleged violation set forth in the Advisory Notice has not been corrected to the satisfaction of the City the City shall issue a Violation Notice to the Recipient. The Violation Notice shall explain in sufficient detail the basis of the alleged, continuing violation. The Recipient will have three (3) working days to correct the violation.
- 3. **Correcting the Violation:** Either or both the Advisory Notice or the Violation Notice may be considered corrected if the Recipient satisfies the requirements of this agreement and so advises the City in writing, subject to confirmation by the City.
- 4. **Extension of Time to Correction:** Either the Advisory Notice or the Violation Notice may be held in abeyance and the time for correction extended if the Recipient enters into satisfactory written agreement with the City for corrective action which is designed to achieve compliance. If Recipient fails to abide by the terms of such agreement the violation will be considered not corrected.

If the City determines that the Recipient is in violation after the expiration of the cure periods, the Recipient agrees that the City shall be entitled to the liquidated damages provided below.

**XI. Liquidated Damages:**

- 1. While reserving any other remedies the City may have at law or equity for a material breach of the above terms and conditions, the parties agree that damages for violations of this agreement by the Recipient cannot be calculated within any reasonable degree of mathematical certainty. Therefore, the parties agree that upon the occurrence of a material breach of any of the above terms and conditions and after notice and expiration

of any cure period, the City will be entitled to liquidated damages from the Recipient in the following amounts:

- A. Failure to file Initial Manning Report (Construction Jobs) or Pre-Hiring Notification (Permanent Jobs) or Pre-Contracting Notification (Business Contracts): an amount equal to Five percent (5%) increase in the estimated annual service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non-compliant.
- B. Failure to conduct Pre-hiring Interviews or submit Compliance Statement (Submit description of goods or services, (Business Contracting): an amount equal to Three (3%) percent of the estimated annual service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
- B. Failure to allow record or work place access or submit any other required reports (all categories): an amount equal to Three (3%) percent increase service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
- C. The use of the local or local minority business' masthead for labor or work supplied by a non local or local minority vendor: An amount equal to Ten (10%) service charge as set forth in the Financial Agreement for each quarter or part thereof, the Recipient is non compliant.

## **XII. Notices**

Any notice required hereunder to be sent by either party to the other, shall be sent by certified mail, return receipt requested, addressed as follows:

1. When sent by the City to the Recipient it shall be addressed to:

**271 Van Wagenen, LLC**  
14 Thames Drive  
Livingston, New Jersey 07039

With a copy to:

Carmen E. Mendiola, Esq.  
286 First Street  
Jersey City, New Jersey 07302

and

2. When sent by the Recipient to the City, it shall be addressed to:

**City of Jersey City**  
Department of Administration  
Division of Economic Opportunity

Project Employment & Contracting Monitor  
280 Grove Street  
Jersey City, New Jersey 07302  
Att: Division Director

and

**Director of Jersey City Employment and Training Program, Inc**  
895 Bergen Avenue - 2<sup>nd</sup> Floor  
Jersey City, New Jersey 07306  
Att: Executive Director

with separate copies to the Mayor and the Business Administrator.

### **XIII. Appendix**

These forms are examples only and shall be in substantially the form on file in the Division of Economic Opportunity, subject to modifications from time to time by the City as necessary or appropriate.

1. Letter designating Recipient's Project Employment & Contracting Officer
2. Letter from Recipient to Employees of Recipient's Company
3. Acknowledgment of PECA compliance of Subcontractor
4. Example of Hiring Plan
5. Example of Monthly Employment Report
6. Example of Monthly Purchasing Report
7. Tenant Employment Services Guide
8. Commercial Retail Annual Questionnaire

### **XIV. Adoption, Approval, Modification:**

This agreement shall take effect on the date that the Economic Incentive is approved by the Municipal Council.

### **XII. Controlling Regulations and Laws:**

To the extent required by State and Federal Law and so long as the Entity discharges its Good Faith obligations under this agreement, the City agrees and acknowledges that the Recipient and its contractors are free to hire whomever they choose. If this agreement conflicts with any collective bargaining agreement, the City agrees to defer to such agreements so long as the Recipient provides the City with a copy of the offending provision in the collective bargaining agreement.

In the event there are any conflicts between this Agreement and any Project Labor Agreement, then as it pertains to construction jobs covered by the PLA, the Project Labor Agreement shall govern. Wherever possible, this Agreement shall be interpreted consistently with the Project Labor Agreement.

**ATTEST:**

**CITY OF JERSEY CITY**

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**Robert Byrne  
City Clerk**

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**Robert J. Kakoleski  
Business Administrator**

**WITNESS:**

**271 VAN WAGENEN, LLC**

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**Secretary**

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**President**

City Clerk File No. Ord. 16.021

Agenda No. 3. I 1st Reading

Agenda No. \_\_\_\_\_ 2nd Reading & Final Passage



## ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE  
offered and moved adoption of the following ordinance:

CITY ORDINANCE 16.021

TITLE:

**AN ORDINANCE APPROVING A 15 YEAR TAX EXEMPTION FOR A MIXED-USE MARKET-RATE CONDOMINIUM PROJECT TO BE CONSTRUCTED BY NINTH STREET TWO URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.**

**THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:**

**WHEREAS**, Ninth Street Two Urban Renewal, LLC ("the Entity") is an urban renewal entity, formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq. (Entity); and

**WHEREAS**, the Entity is the owner of certain property located on Block 6902, Lot 29, Qual. C0002 on the City's Official Tax Map, and more commonly known by the street address of 360 Ninth Street, and more specifically described by the metes and bounds in the application (Property); and

**WHEREAS**, the Property is located within the Ninth and Brunswick Redevelopment Plan Area as required by N.J.S.A. 40A:20-4 and N.J.S.A. 40A:12A-5(g); and

**WHEREAS**, the Entity has applied for a 15-year long term tax exemption to apply to its project which shall consist of a six (6) story mixed-use condominium building with sixty-six (66) residential units, approximately 10,121 square feet of ground-floor retail/commercial space and seventy-seven (77) parking spaces (Project); and

**WHEREAS**, the Property is in Tier II of the Tax Abatement Policy and Tier II usually only allows for ten (10) year abatements; and

**WHEREAS**, the Entity is proposing to make a contribution of \$15,000 per unit for the additional five (5) years and the approximate payment would be \$990,000 for sixty-six (66) units though the applicant does not propose a charge for the non-residential condos; and

**WHEREAS**, the Entity has requested a term of the lesser of twenty (20) years from the date of approval of an ordinance approving the abatement or fifteen (15) years from substantial completion of the project; and

**WHEREAS**, the Entity proposes an annual service charge based upon eleven percent (11%) of gross revenue, and in addition the Applicant would pay an annual service charge to Hudson County based upon five percent (5%) of the service charge and an administrative fee to the City of two percent (2%); and

**AN ORDINANCE APPROVING A 15 YEAR TAX EXEMPTION FOR A MIXED-USE MARKET-RATE CONDOMINIUM PROJECT TO BE CONSTRUCTED BY NINTH STREET TWO URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.**

**WHEREAS**, the Project received a site plan approval from the Planning Board on November 10, 2015; and

**WHEREAS**, Ninth Street Two Urban Renewal, LLC, has agreed to:

1. pay the greater of (i) the Minimum Annual Service Charge or (ii) 11% of Annual Gross Revenue each year, which sum is estimated to be \$534,983, and which shall be subject to statutory staged increases over the term of the tax exemption; and
2. pay an annual sum equal to 2% of each prior year's Annual Service Charge as an Administrative Fee; and
3. provide employment and other economic opportunities for City residents and businesses;
4. pay to City for remittance to Hudson County, an equal to 5% of the Annual Service Charge upon receipt of that charge; and
5. provide a contribution to the City's Affordable Housing Trust Fund, pursuant to Ordinance 03-112, in the amount of \$133,412. This payment is nonrefundable and nontransferrable and shall be forfeited by the Entity should either party terminate the tax exemption prior to the end of the herein term.

**WHEREAS**, the City hereby determines that the relative benefits of the project outweigh the cost of the tax exemption, for the following reasons:

1. the current real estate taxes generate revenue of only \$33,115, whereas, the Annual Service Charge as estimated, will generate revenue of more than \$534,983 to the City and an additional sum of approximately \$26,749 to Hudson County;
2. it is expected that the Project will create approximately ninety (90) jobs during construction and approximately ten (10) permanent jobs after construction.
3. the Project will stabilize and contribute to the economic growth in the surrounding area;
4. the Project will further the overall redevelopment objectives of the Ninth and Brunswick Redevelopment Plan;
5. the City's impact analysis, on file with the Office of the City Clerk, indicates that the benefits of the Project outweigh the costs to the City; and

**WHEREAS**, the City hereby determines that the tax exemption is important in obtaining development of the project and influencing the locational decisions of probable occupants for the following reasons:

1. the relative stability and predictability of the Annual Service Charges will make the Project more attractive to investors needed to finance the Project;
2. the relative stability and predictability of the Annual Service Charges will allow the owner to stabilize its operating budget, allowing a high level of maintenance to the building over the life of the Project, which will attract purchasers to the Project and insure the likelihood of the success of the Project; and

AN ORDINANCE APPROVING A 15 YEAR TAX EXEMPTION FOR A MIXED-USE MARKET-RATE CONDOMINIUM PROJECT TO BE CONSTRUCTED BY NINTH STREET TWO URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.

WHEREAS, Ninth Street Two Urban Renewal, LLC has initially complied with Executive Order 2002-005 concerning "Disclosure of Lobbyist Representative Status" by filing an appropriate letter in the Office of the City Clerk; and

**NOW, THEREFORE, BE IT ORDAINED by the Municipal Council of the City of Jersey City that:**

A. The application of Ninth Street Two Urban Renewal, LLC an urban renewal company, formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq. a copy of which is on file in the office of the City Clerk, for Block 6902 Lot 29, Qual. C0002, more commonly known by the street address of 360 Ninth Street and more specifically described by metes and bounds in the application is hereby approved.

B. The Mayor or Business Administrator is hereby authorized to execute a tax exemption Financial Agreement and a Project Employment and Contracting Agreement. The Financial Agreement shall include at a minimum the following terms and conditions:

1. Term: the earlier of 20 years from the adoption of the within Ordinance or 15 years from the date the project is Substantially Complete;
2. Annual Service Charge: each year the greater of:
  - (a) the Minimum Annual Service Charge equal to \$33,115 at the time of execution of the Financial Agreement, but \$534,983 upon Project Completion, whether or not the Project is occupied; or
  - (b) 11% of Annual Gross Revenue, estimated at \$534,983, which shall be subject to statutory increases during the term of the tax exemption.
3. Administrative Fee: 2% of the prior year's Annual Service Charge or \$10,700;
4. County Payment: an additional 5% of the Annual Service Charge for remittance by the City to Hudson County or \$26,749;
6. Affordable Housing Trust Fund: provide a contribution to the City's Affordable Housing Trust Fund, pursuant to Ordinance 03-112, in the amount of \$133,412, which represents \$1,500 per unit at 66 units ( $\$1,500 \times 66 = \$99,000$ ); \$1.50 per square foot of commercial space, ( $\$1.50 \times 10,121$  square feet of commercial = \$15,182) and \$1.50 per approximately 12,820 square feet of parking ( $\$1.50 \times 12,820 = \$19,230$ ). This payment is nonrefundable and nontransferrable and shall be forfeited by the Entity should either party terminate the tax exemption prior to the end of the herein term;
7. Project: a six (6) story mixed-use condominium building with sixty-six (66) residential units, approximately 10,121 square feet of ground-floor retail/commercial space and seventy-seven (77) parking spaces;
8. Project Employment & Contracting Agreement: an obligation to execute (i) a Project Employment and Contracting Agreement to insure employment and other economic benefits to City residents and businesses;
9. Project Labor Agreement: Entity certified that its construction costs are less than \$25 million. In the event a construction cost audit or report indicates construction costs of more than \$25 million, then the Entity shall execute a Project Labor Agreement and be required to pay the damages as set forth in Section 304-37(3) of the Municipal Code.

AN ORDINANCE APPROVING A 15 YEAR TAX EXEMPTION FOR A MIXED-USE MARKET-RATE CONDOMINIUM PROJECT TO BE CONSTRUCTED BY NINTH STREET TWO URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.

- 10. The Ordinance will be rescinded if the closing of the sale of the property and transfer of title from the seller to the Entity does not take place within ninety (90) days of the date of adoption of the herein Ordinance, unless otherwise extended by the City;
- 11. This Ordinance will sunset and the Tax Exemption will terminate unless construction of the Project begins within two (2) years of the adoption of the within Ordinance.
- C. The City Clerk shall deliver a certified copy of the Ordinance and Financial Agreement to the Tax Assessor and Director of the Division of Local Government Services.
- D. The application is on file with the office of the City Clerk. The Financial Agreement and Project Employment and Contracting Agreement shall be in substantially the form on file in the Office of the City Clerk, subject to such modification as the Business Administrator or Corporation Counsel deems appropriate or necessary. The applicant shall execute the tax exemption agreement within ninety (90) days of the date of adoption of the herein Ordinance. Failure to comply shall result in the Ordinance being repealed and the tax exemption rescinded.
- E. The actual date of execution of the tax exemption agreement shall not affect, alter or amend the Entity's obligation to make payments according to the intervals set forth in Section 304-28 of the Municipal Code and the tax exemption agreement. Should the Entity fail to make timely payments, interest shall begin to accrue at the rate set forth in the tax exemption agreement.
- F. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
- G. This ordinance shall be part of the Jersey City Code as though codified and fully set forth therein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
- H. This ordinance shall take effect at the time and in the manner provided by law.
- I. The City Clerk and Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

**NOTE:** All material is new; therefore underlining has been omitted. For purposes of advertising only, new matter is indicated by **bold face** and repealed matter by *italic*.

JJH 12/10/15

APPROVED AS TO LEGAL FORM

APPROVED: \_\_\_\_\_

\_\_\_\_\_  
Corporation Counsel

APPROVED: \_\_\_\_\_  
Business Administrator

Certification Required

Not Required

**RESOLUTION FACT SHEET – NON-CONTRACTUAL**

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

**Full Title of Ordinance/Resolution**

**AN ORDINANCE APPROVING A 15 YEAR TAX EXEMPTION FOR A MIXED-USE MARKET-RATE CONDOMINIUM PROJECT TO BE CONSTRUCTED BY NINTH STREET TWO URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.**

**Initiator**

Department/Division	Office of the Mayor	Office of the Mayor
Name/Title	Marcos Vigil	Deputy Mayor
Phone/email	(201) 547-6542	mvigil@jcnj.org

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

**Resolution Purpose**

The applicant, Ninth Street Two Urban Renewal LLC, is applying for a fifteen (15) year tax abatement under N.J.S.A. 40 A: 20-1 et seq. It is a mixed use condominium project within the Ninth and Brunswick Redevelopment Plan area. This is phase II of the project. This application is only for Phase II. The application fee of \$9,500 was paid.

The property is in Tier II of the Tax Abatement Policy Map. Tier II allows for a ten (10) year abatement. The Applicant is proposing to make a contribution of \$15,000 per unit for additional five (5) years. The approximate payment would be \$990,000 for sixty-six (66) units.

The project will be a mixed-use six (6) story for sale condominium building with sixty-six (66) residential units, approximately 10,121 square feet of ground level retail/commercial space and seventy-seven (77) parking spaces.

**I certify that all the facts presented herein are accurate.**

\_\_\_\_\_  
**Signature of Department Director**

\_\_\_\_\_  
**Date**

**DATE:** November 24, 2015  
**TO:** John Hallanan (For distribution to City Council and City Clerk)  
**FROM:** Al Cameron, Fiscal Officer - Tax Collector's Office  
**SUBJECT:** FIFTEEN YEAR TAX ABATEMENT: MIXED USE CONDOMINIUM  
PROJECT - Ninth Street Two Urban Renewal LLC, - 360 Ninth Street  
Block 6902 Lot 29 Qual. C0002

CC: M. Cosgrove, J. Monahan, M. Vigil, E. Toloza, E. Borja, R. Kakoleski, G. Corrado

INTRODUCTION:

The applicant, Ninth Street Two Urban Renewal LLC, is applying for a fifteen (15) year tax abatement under N.J.S.A. 40 A: 20-1 et seq. It is a mixed use condominium project within the Ninth and Brunswick Redevelopment Plan area. This is phase II of the project. This application is only for Phase II. The application fee of \$9,500 was paid.

LOCATION OF THE PROPERTY:

The property is located at Brunswick and Ninth Streets known as 360 Ninth Street. It is Block 6902 Lot 29 Condominium unit 2. Condominium Master Unit 2 is currently owned by an affiliate of the applicant and will be transferred to the applicant prior to the execution of a Financial Agreement with the City.

PROPERTY TO BE CONSTRUCTED:

The project will be a mixed-use six (6) story for sale condominium building with sixty-six (66) residential units, approximately 10,121 square feet of ground level retail/commercial space and seventy-seven (77) parking spaces.

ESTIMATED TOTAL PROJECT COST:

The total project cost is estimated at \$30,265,000. The estimated construction cost of \$21,700,000 is certified by Fogarty Finger, the Applicant's architect.

CONSTRUCTION SCHEDULE:

Construction is scheduled to begin in July 2016 and is expected to be completed within in twenty-four (24) months.

ESTIMATED JOBS CREATED:

The applicant estimates creation of ninety (90) jobs during Construction and  
Ninth Street Two UR LLC Sum (2)

12/4/2015 10:20 AM

approximately ten (10) permanent jobs after construction. The post construction jobs would include two (2) doormen, one (1) superintendent, one (1) property manager, one (1) assistant manager and five (5) retail/commercial positions. The applicant will execute a Project Employment and Contracting Agreement. However; based upon the estimated construction cost, a Project Labor Agreement is not required.

**AFFORDABLE HOUSING TRUST FUND CONTRIBUTIONS:**

**NINTH STREET TWO URBAN RENEWAL LLC AHTF PAYMENT**

		Rate	Amount
Residential Units	66	\$1,500.00	\$99,000.00
Square footage			
Commercial	10,121	\$1.50	\$15,181.50
Square footage			
Parking	12,820	\$1.50	\$19,230.00
Total AHTF Payment			<u>\$133,411.50</u>

**CURRENT REAL ESTATE TAXES:**

The Existing Assessment for the land is \$442,598. At the current tax rate of \$74.82 the estimated land tax would be \$33,115. Taxes for the property are current.

The Tax Assessor sets the new assessment for the portion of the land used to create Condominium Unit II at \$968,800 and the improvements at \$11,214,700 for this phase of the development.

**PROPOSED ABATEMENT:**

The property is in Tier II of the Tax Abatement Policy Map. Tier II allows for a ten (10) year abatement. The Applicant is proposing to make a contribution of \$15,000 per unit for additional five (5) years. The approximate payment would be \$990,000 for sixty-six (66) units. The applicant does not propose a charge for the non-residential condos.

The applicant has requested a term of the lesser of twenty (20) years from the date of approval of an ordinance approving the abatement or fifteen (15) years from substantial completion of the project. The Applicant proposes an annual service charge based upon eleven percent (11%) of gross revenue. In addition the Applicant would pay an annual service Charge to Hudson County based upon

five percent (5%) of the service charge and an administrative fee to the City of two percent (2%).

The staged adjustment schedule provides for adjustments beginning the first day of year seven (7). The ASC in years seven (7) through the end of year nine (9) would be the greater of Eleven percent (11%) of gross revenue or twenty percent (20%) of conventional taxes. Beginning in year ten (10) through the end of year eleven (11) it would be the greater of eleven percent (11%) of Annual Gross Revenue, or forty percent (40%) of conventional taxes. Beginning in year twelve (12) through the end of year thirteen (13) it would be the greater of eleven percent (11%) of Annual Gross Revenue, or sixty percent (60%) of conventional taxes. Beginning in year fourteen (14) until the end of year fifteen (15) it would be the greater of eleven percent (11%) of Annual Gross Revenue, or eighty percent (80%) of conventional taxes. Full conventional taxes would be assessed on the first day of year Sixteen (16).

#### PROPOSED REVENUE TO THE CITY:

The Applicant provided two schedules for the Annual Service charge. One schedule uses a mortgage interest rate of four percent (4%) and one uses five percent (5%). For our analysis we are using the five percent (5%) schedule. At the estimated Annual Service Charge assuming full sell out at the proposed prices the rate of eleven percent (11%) is \$534,983. The City Administrative fee at two percent (2%) would be \$10,700 and the Hudson County fee of five percent (5%) would be \$26,749. See Schedule A Attached:

SERVICE CHARGE VS CONVENTIONAL

NINTH STREET TWO

\*ASSUMING 74.82 TAX RATE WITH 2% ANNUAL INCREASE

NEW ASSESSMENTS BASED ON TAX ASSESSOR ANALYSIS

LAND	968,800	COUNTY	5%	EXISTING ASSESSMENT	442,598
BLDG	11,352,900	ADMIN	2%		
<b>TOTAL</b>	<b>12,321,700</b>			<b>PROJECTED SERVICE CHARGE (1ST YEAR)</b>	<b>534,983</b>

YEAR	ASC w/ Phase-In Less Land Tax Credit	ASC	ASC w/ & Phase-In	County (5%)	Admin (2%)	Estimated Conventional Taxes On New Assessment	Staged Adj Rate	% of Conv.	Conventional Taxes at 51% (Estimated)	Current Taxes On Existing Assessment	Land Tax
1	462,497	534,983	534,983	26,749	10,700	921,910			470,174	33,115	72,486
2	461,048	534,983	534,983	26,749	10,700	940,348			479,577	33,777	73,935
3	459,569	534,983	534,983	26,749	10,700	959,155			489,169	34,453	75,414
4	458,061	534,983	534,983	26,749	10,700	978,338			498,952	35,142	76,922
5	456,522	534,983	534,983	26,749	10,700	997,905			508,931	35,845	78,461
6	454,953	534,983	534,983	26,749	10,700	1,017,863			519,110	36,562	80,030
7	453,352	534,983	534,983	26,749	10,700	1,038,220	20%	207,644	529,492	37,293	81,631
8	451,720	534,983	534,983	26,749	10,700	1,058,984	20%	211,797	540,082	38,039	83,263
9	450,055	534,983	534,983	26,749	10,700	1,080,164	20%	216,033	550,884	38,800	84,928
10	448,356	534,983	534,983	26,749	10,700	1,101,767	40%	440,707	561,901	39,576	86,627
11	446,623	534,983	534,983	26,749	10,700	1,123,803	40%	449,521	573,139	40,367	88,360
12	597,640	534,983	687,767	34,388	13,755	1,146,279	50%	687,767	584,602	41,175	90,127
13	609,593	534,983	701,523	35,076	14,030	1,169,204	60%	701,523	596,294	41,998	91,929
14	860,303	534,983	954,071	47,704	19,081	1,192,588	80%	954,071	608,220	42,838	93,768
15	877,509	534,983	973,152	48,658	19,463	1,216,440	80%	973,152	620,384	43,695	95,643
<b>TOTAL</b>	<b>7,947,802</b>	<b>8,024,745</b>	<b>9,201,326</b>	<b>460,066</b>	<b>184,027</b>	<b>15,942,967</b>		<b>4,842,214</b>	<b>8,130,913</b>	<b>572,675</b>	<b>1,253,524</b>

ASC phase-in reflects annual 2% increase in conventional taxes only  
 Projected figures subject to rounding discrepancies

NINTH ST. TWO URBAN RENEWAL, LLC  
 BLOCK 6902 Lot 29.02 QL: COTBD  
 360 Ninth Street

Block	Lot/QL		Existing Assessments	New Assessments	Good Faith ASC	Land Tax
6902	29/C0002	Land	442,598	968,800		
		Bldg	-	11,214,700	534,983	
		Total	442,598	12,183,500	534,983	

In-Lieu of Full Property Tax Payments An Amount Equal To A Percentage Of Taxes Otherwise Due On The Land and New Improvement According To The Following Stages:

Stages		ASC	
1	From the 1st day of the month following substantial completion until the last day of the 6th year, the ASC shall be at 11% of Annual Revenue	\$ 534,983	\$ 72,486
2	Beginning on the 1st day of the 7th year and the last day of the 9th year of substantial completion, an amount equal to the greater of the ASC at 11% or 20% of the amount of taxes otherwise due on the value of the land and improvements;	\$ 534,983	\$ 72,486
3	Beginning on the 1st day of the 10th year and the last day of the 11th year of substantial completion, an amount equal to the greater of the ASC at 11 or 40% of the amount of taxes otherwise due on the value of the land and improvements;	\$ 534,983	\$ 72,486
4	Beginning on the 1st day of the 12th year and the last day of the 13th year of substantial completion, an amount equal to the greater of the ASC at 11% or 60% of the amount of taxes otherwise due on the value of the land and improvements;	\$ 534,983	\$ 72,486
5	Beginning on the 1st day of the 14th year and the last day of the 15th year of substantial completion, an amount equal to the greater of the ASC at 11% or 80% of the amount of taxes otherwise due on the value of the land and improvements.	\$ 534,983	\$ 72,486

Yearly Land and Improvement Tax

11/23/2015

\* Based on \$74.82 Tax Rate

Assessment  
dg. Phased-In

11,214,700  
11,214,700

Annual Taxes\*  
(Phase-In)

- 0

\$ 182,314

\$ 364,628

\$ 546,942

\$ 729,256

\$ 911,569

Schedule A

Ninth Street Two Annual Service Charge Calculations

	Annual Mtg.	Annual	ASC	#	Total	Admin	Total	County		
Price	Payment	Maint.	11%	Units	ASC	2%	To City	5%		
One 1/2 Bedroom	529,625	51,025	6,857	57,882	6,367	18	114,607	\$2,292	116,899	5,730
Two Bedroom	475,000	45,763	6,150	51,913	5,710	18	102,787	\$2,056	104,843	5,139
Three Bedroom	702,050	67,637	9,090	76,727	8,440	30	253,199	\$5,064	258,263	12,660
Retail Condo	3,795,375	365,655	62,244	427,899	47,069	1	47,069	\$941	48,010	2,353
Parking Spaces	\$15,000	1,445	\$600	\$2,045	\$225	77	17,322	\$346	17,669	866
						144	\$534,984	\$10,700	\$545,684	\$26,749
The applicant presented two ASC schedules one at 4% and one at 5% for mortgage rates.										
This schedule uses 5%										
24-Nov-15	Totals may not add due to rounding to nearest dollar									

**Re: 360 Ninth Street  
Approximately 0.6811 Acres  
Block 6902, Lot 29, Qual. C0002  
Ninth and Brunswick Redevelopment Plan**

**PREAMBLE**

**THIS FINANCIAL AGREEMENT**, [Agreement] is made the \_\_\_\_ day of \_\_\_\_\_, 2016 by and between **NINTH STREET TWO URBAN RENEWAL, LLC** an urban renewal entity formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq., having its principal office at 155 First Street, 1<sup>st</sup> Floor, Jersey City, New Jersey 07302 [Entity], and the **CITY OF JERSEY CITY**, a Municipal Corporation of the State of New Jersey, having its principal office at 280 Grove Street, Jersey City, New Jersey 07302 [City].

**RECITALS**

**WITNESSETH:**

**WHEREAS**, the Entity is the Owner pursuant to Deed dated April 7, 2014, of certain property designated as Block 6902, Lot 29, Qual. C0002, more commonly known by the street address of 360 Ninth Street, Jersey City, and more particularly described by the metes and bounds description set forth as Exhibit 1 to this Agreement; and

**WHEREAS**, this property is located within the boundaries of the Ninth and Brunswick Redevelopment Plan; and

**WHEREAS**, the Entity plans to construct a six (6) story mixed-use condominium building featuring a basement level, with sixty-six (66) residential units, approximately 10,121 square feet of ground-floor retail/commercial space and seventy-seven (77) parking spaces; [Project]; and

**WHEREAS**, on November 10, 2015 the Project received site plan approval from the Planning Board; and

**WHEREAS**, on May 13, 2015 the Entity filed its initial Application with the City for a

long term tax exemption for the Project and on November 20, 2015, the Entity filed its final Application with the City for a long term tax exemption for the Project; and

**WHEREAS**, by the adoption of Ordinance \_\_\_\_\_ on January \_\_\_\_, 2016, the Municipal Council approved a long term tax exemption for the Project and authorized the execution of a Financial Agreement; and

**WHEREAS**, the City made the following findings:

A. Relative Benefits of the Project when compared to the costs:

1. the current real estate tax generates revenue of only \$33,115 whereas, the Annual Service charge as estimated, will generate revenue to the City of approximately \$534,983;
2. as required by Ordinance 13-088, the Entity shall pay the City the sum of \$44,471 on or before the effective date of the ordinance approving the Financial Agreement, and will pay the balance of \$88,941 as an affordable housing contribution as required by the ordinance;
3. it is expected that the Project will create approximately ninety (90) new construction jobs and ten (10) new permanent full time jobs;
4. the project should stabilize and contribute to the economic growth of existing local business and to the creation of new businesses, which cater to the new occupants;
5. the Project will further the objectives of the Ninth and Brunswick Redevelopment Plan, and will include the development of vacant property;
6. the City's Impact Analysis, on file with the Office of the City Clerk, indicates that the benefits of the Project outweigh the costs to the City; and

B. Assessment of the Importance of the Tax Exemption in obtaining development of the project and influencing the locational decisions of probable occupants:

1. the relative stability and predictability of the annual service charges will make the Project more attractive to investors and lenders needed to finance the Project; and
2. the relative stability and predictability of the service charges will allow the owner to stabilize its operating budget, allowing a high level of maintenance to the building over the life of the Project, which will attract occupants to the Project, insure the likelihood of stabilized rents to tenants

and the success of the Project; and

3. have a positive impact on the surrounding area.

**NOW, THEREFORE**, in consideration of the mutual covenants herein contained, and for other good and valuable consideration, it is mutually covenanted and agreed as follows:

## **ARTICLE I - GENERAL PROVISIONS**

### **Section 1.1 Governing Law**

This Agreement shall be governed by the provisions of the Long Term Tax Exemption Law, as amended and supplemented, N.J.S.A. 40A:20-1 et seq., Executive Order of the Mayor 2015-007, Disclosure of Lobbyist Status, Ordinance 02-075, and Ordinance \_\_\_\_\_, which authorized the execution of this Agreement. It being expressly understood and agreed that the City expressly relies upon the facts, data, and representations contained in the Application, attached hereto as Exhibit 3, in granting this tax exemption.

### **Section 1.2 General Definitions**

Unless specifically provided otherwise or the context otherwise requires, when used in this Agreement, the following terms shall have the following meanings:

i. Allowable Net Profit- The amount arrived at by applying the Allowable Profit Rate to Total Project Cost pursuant to N.J.S.A. 40A:20-3(c).

ii. Allowable Profit Rate - The greater of 12% or the percentage per annum arrived at by adding 1.25% to the annual interest percentage rate payable on the Entity's initial permanent mortgage financing. If the initial permanent mortgage is insured or guaranteed by a governmental agency, the mortgage insurance premium or similar charge, if payable on a per annum basis, shall be considered as interest for this purpose. If there is no permanent mortgage financing, or if the financing is internal or undertaken by a related party, the Allowable Profit Rate shall be the greater of 12% or the percentage per annum arrived at by adding 1.25% per annum to the interest rate per annum which the municipality determines to be the prevailing rate on mortgage financing on comparable improvements in Hudson County. The provisions of N.J.S.A. 40A:20-3(b) are incorporated herein by reference.

iii. Annual Gross Revenue for Condominium - The amount equal to the annual aggregate constant payments of principal and interest, assuming a purchase money mortgage

encumbering the condominium unit to have been in an original amount equal to the initial value of the unit with its appurtenant interest in the common elements as stated in the master deed, if unsold by the urban renewal entity, or, if the unit is held by a unit purchaser, from time to time, the most recent true consideration paid for a deed to the condominium unit in a bona fide arm's length sale transaction, but not less than the initial assessed valuation of the condominium unit assessed at 100% of the true value, plus the total amount of common expenses charged to the unit pursuant to the by laws of the condominium association. The constant payments to principal and interest shall be calculated by assuming a loan amount as stated above at the prevailing lawful interest rate for mortgage financing on comparable properties within the municipality as of the date of the recording of the unit deed, for a term equal to the full term of the exemption from taxation stipulated in this Agreement; and provided further that any gain realized by the Entity on the sale of any unit in fee simple, whether or not taxable under Federal or State law, shall not be included in computing gross revenue.

iv. Annual Service Charge - The amount the Entity has agreed to pay the City each year for municipal services supplied to the Project, which sum is in lieu of any taxes on the Improvements, pursuant to N.J.S.A. 40A:20-12. It shall include a payment for all annual excess profit.

v. Auditor's Report - A complete annual financial statement outlining the financial status of the Project, which shall also include a certification of Total Project Cost and clear computation of the annual Net Profit. The contents of the Auditor's Report shall have been prepared in conformity with generally accepted accounting principles and shall contain at a minimum the following: a balance sheet, a statement of income, a statement of retained earnings or changes in stockholders' equity, a statement of cash flows, descriptions of accounting policies, notes to financial statements and appropriate schedules and explanatory material results of operations, cash flows and any other items required by Law. The Auditor's Report shall be certified as to its conformance with such principles by a certified public accountant who is licensed to practice that profession in the State of New Jersey.

vi. Certificate of Occupancy - A document, whether temporary or permanent, issued by the City authorizing occupancy of a building, in whole or in part, pursuant to N.J.S.A. 52:27D-133.

vii. Debt Service - The amount required to make annual payments of principal and interest or the equivalent thereof on any construction mortgage, permanent mortgage or other financing including returns on institutional equity financing and market rate related party debt for the Project for a period equal to the term of this Agreement.

viii. Default - Shall be a breach of or the failure of the Entity to perform any obligation imposed upon the Entity by the terms of this Agreement, or under the Law, beyond any applicable grace or cure periods.

ix. Entity - The term Entity within this Agreement shall mean Ninth Street Two Urban Renewal, LLC, which Entity is formed and qualified pursuant to N.J.S.A. 40A:20-5. It shall also include any subsequent purchasers or successors in interest of the Project, provided they are formed and operate under the Law.

x. Improvements or Project - Any building, structure or fixture permanently affixed to the land and to be constructed and tax exempted under this Agreement.

xi. In Rem Tax Foreclosure or Tax Foreclosure - A summary proceeding by which the City may enforce a lien for taxes due and owing by tax sale, under N.J.S.A. 54:5-1 to 54:5-129 et seq.

xii. Land Taxes - The amount of taxes assessed on the value of land, on which the project is located and, if applicable, taxes on any pre-existing improvements. Land Taxes are not exempt; however, Land Taxes are applied as a credit against the Annual Service Charge.

xiii. Land Tax Payments - Payments made on the quarterly due dates, including approved grace periods if any, for Land Taxes as determined by the Tax Assessor and the Tax Collector.

xiv. Law - Law shall refer to the Long Term Tax Exemption Law, as amended and supplemented, N.J.S.A. 40A:20-1, et seq.; Executive Order of the Mayor 15-007, relating to long term tax exemption, as it may be supplemented; Ordinance 02-075 requiring Disclosure of Lobbyist Status; Chapter 304, Article VII of the Municipal Code requiring compliance with Project Labor Agreement (PLA) laws, and Ordinance \_\_\_\_\_, which authorized the execution of this Agreement and all other relevant Federal, State or City statutes, ordinances, resolutions, rules and regulations.

xvi. Minimum Annual Service Charge - The Minimum Annual Service Charge shall be (a) until Substantial Completion the amount of the total taxes levied against all real property in the area covered by the Project in the last full tax year in which the area was subject to taxation, which amount the parties agree is \$33,115; and (b) upon Substantial Completion, the sum of \$534,983 per year, which sum is equal to the estimated Annual Service Charge.

Following Substantial Completion, the Minimum Annual Service Charge set forth in subsection (b) shall be paid in each year in which the Annual Service Charge, calculated pursuant to N.J.S.A. 40A:20-12 or this Agreement, would be less than the Minimum Annual Service Charge.

xvi. Net Profit - The Annual Gross Revenues of the Entity less all annual operating and non-operating expenses of the Entity, all determined in accordance with generally accepted accounting principles, but:

(1) there shall be included in expenses: (a) all Annual Service charges paid pursuant to N.J.S.A. 40A:20-12; (b) all annual payments to the City of excess profits pursuant to N.J.S.A. 40A:20-15 or N.J.S.A. 40A:20-16; (c) an annual amount sufficient to amortize (utilizing the straight line method-equal annual amounts) the Total Project Cost and all capital costs determined in accordance with generally accepted accounting principles, of any other entity whose revenue is included in the computation of excess profits over the term of this agreement; (d) all reasonable annual operating expenses of the Entity and any other entity whose revenue is included in the computation of excess profits including the cost of all management fees, brokerage commissions, insurance premiums, all taxes or service charges paid, legal, accounting, or other professional service fees, utilities, building maintenance costs, building and office supplies and payments into repair or maintenance reserve accounts; (e) all payments of rent including but not limited to ground rent by the Entity; (f) all debt service; and

(2) there shall not be included in expenses either depreciation or obsolescence, interest on debt, except interest which is part of debt service, income taxes or salaries, bonuses or other compensation paid, directly or indirectly to directors, officers and stockholders of the entity, or officers, partners or other persons holding a proprietary ownership interest in the entity.

xvii. Pronouns - He or it shall mean the masculine, feminine or neuter gender, the singular, as well as the plural, as context requires.

xviii. Substantial Completion - The determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the first date on which the Project receives, or is eligible to receive, any Certificate of Occupancy whether temporary or permanent for any portion of the Project.

xix. Termination - Any act or omission which by operation of the terms of this Financial Agreement shall cause the Entity to relinquish its tax exemption.

xx. Total Project Cost - The total cost of constructing the Project through the date a Certificate(s) of Occupancy is issued for the entire Project, which categories of cost are set forth in N.J.S.A. 40A:20-3(h). There shall be excluded from Total Project Cost the actual costs incurred by the Entity and certified by an independent and qualified architect or engineer, which are associated with site remediation and cleanup of environmentally hazardous materials or contaminants in accordance with State or Federal law and any extraordinary costs incurred including the cost of demolishing structures, relocation or removal of public utilities, cost of relocating displaced residents or buildings and the clearing of title. If the Service Charge is a percentage of Total Project Cost, then the Entity agrees that final Total Project Cost shall not be less than its estimated Total Project Cost.

## ARTICLE II – APPROVAL

### **Section 2.1 Approval of Tax Exemption**

The City hereby grants its approval for a tax exemption for all the Improvements to be constructed and maintained in accordance with the terms and conditions of this Agreement and the provisions of the Law which Improvements shall be constructed on certain property known on the Official Tax Assessor's Map of the City as: Block 6902, Lot 29, Qual. C0002 more commonly known by the street address of 360 Ninth Street, Jersey City, and described by metes and bounds in Exhibit 1 attached hereto.

### **Section 2.2 Approval of Entity**

Approval is granted to the Entity whose Certificate of Formation is attached hereto as Exhibit 4. Entity represents that its Certificate contains all the requisite provisions of the Law; has been reviewed and approved by the Commissioner of the Department of Community Affairs; and has been filed with, as appropriate, the Office of the State Treasurer or Office of the Hudson County Clerk, all in accordance with N.J.S.A. 40A:20-5.

**Section 2.3 Improvements to be Constructed**

Entity represents that it will construct a six (6) story mixed-use condominium building featuring a basement level, with sixty-six (66) residential condominium units, approximately 10,121 square feet of ground-floor retail/commercial space and seventy-seven (77) parking spaces; all of which is specifically described in the Application attached hereto as Exhibit 3.

**Section 2.4 Construction Schedule**

The Entity agrees to diligently undertake to commence construction and complete the Project in accordance with the Estimated Construction Schedule, attached hereto as Exhibit 5, and in compliance with any Redevelopment Agreement.

**Section 2.5 Ownership, Management and Control**

The Entity represents that it is the owner of the property upon which the Project is to be constructed. Upon construction, the Entity represents that the Improvements will be used, managed and controlled for the purposes set forth in this Agreement and any Redevelopment Agreement.

**Section 2.6 Financial Plan**

The Entity represents that the Improvements shall be financed in accordance with the Financial Plan attached hereto as Exhibit 6. The Plan sets forth a good faith estimate of Total Project Cost, the amortization rate on the Total Project Cost, the source of funds, the interest rates to be paid on construction financing, the source and amount of paid-in capital, and the terms of any mortgage amortization.

**Section 2.7 Good Faith Estimate of Sales Prices**

The Entity represents that its good faith projections of the initial sale prices and other revenue to the Project are set forth in Exhibit 7.

**ARTICLE III - DURATION OF AGREEMENT**

**Section 3.1 Term**

So long as there is compliance with the Law and this Agreement, it is understood and agreed by the parties hereto that this Agreement shall remain in effect for the earlier of twenty (20) years from the date of the adoption of Ordinance \_\_\_\_\_ on January \_\_\_\_, 2016, which approved the tax exemption or fifteen (15) years from the original date of Substantial

Completion of the Project or July 2034. The tax exemption shall only be effective during the period of usefulness of the Project and shall continue in force only while the Project is owned by a corporation or association formed and operating under the Law.

#### **ARTICLE IV - ANNUAL SERVICE CHARGE**

##### **Section 4.1 Annual Service Charge**

In consideration of the tax exemption, the Entity shall make the following annual payments to the City for services provided to the Project:

i. City Service Charge: an amount equal to the greater of: the Minimum Annual Service Charge or an Annual Service Charge equal to 11% of the Annual Gross Revenue. The Annual Service Charge shall be billed initially based upon the Entity's estimates of Annual Gross Revenue, attached hereto as Exhibit 6. Thereafter, the Annual Service Charge shall be adjusted in accordance with this Agreement.

ii. County Service Charge: an amount equal to 5% of the Municipal Annual Service Charge shall be paid to the City and remitted by the City to the County.

iii. The Minimum Annual Service Charge pursuant to Section 1.2xv(a) shall be due beginning on the effective date of this Agreement. The Minimum Annual Service Charge pursuant to Section 1.2xv(b) shall be due 12 months following Substantial Completion of the Project. The City Service Charge and the County Annual Service Charge shall be due on the first day of the month following the Substantial Completion of the Project. In the event the Entity fails to timely pay the Minimum Annual Service Charge or the Annual Service Charge, the unpaid amount shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on land until paid.

##### **Section 4.2 Staged Adjustments**

The Annual Service Charge shall be adjusted, in Stages over the term of the tax exemption in accordance with N.J.S.A. 40A:20-12(b) as follows:

i. Stage One: From the 1st day of the month following Substantial Completion until the last day of the 6th year, the Annual Service Charge shall be 11% of Annual Gross Revenue;

ii. Stage Two: Beginning on the 1<sup>st</sup> day of the 7th year following Substantial Completion until the last day of the 9th year, an amount equal to the greater of the Annual Service Charge or 20% of the amount of the taxes otherwise due on the assessed value of the

land and Improvements;

iii. Stage Three: Beginning on the 1st day of the 10th year following the Substantial Completion until the last day of the 11th year, an amount equal to the greater of the Annual Service Charge or 40% of the amount of the taxes otherwise due on the assessed value of the land and Improvements;

iv. Stage Four: Beginning on the 1st day of the 12th year following Substantial Completion until the last day of the 13th year, an amount equal to the greater of the Annual Service Charge or 60% of the amount of the taxes otherwise due on the assessed value of the land and Improvements;

v. Stage Five: Beginning on the 1st day of the 14th year following Substantial Completion until the last day of the 15th year, an amount equal to the greater of the Annual Service Charge or 80% of the amount of the taxes otherwise due on the assessed value of the land and Improvements;

vi. Full conventional taxes would be assessed on the first day of year Sixteen (16).

#### **Section 4.3 Land Tax**

The Entity is required to pay both the Annual Service Charge and the Land Tax Payments. The Entity is obligated to make timely Land Tax Payments, including any tax on the pre-existing improvements, in order to be entitled to a Land Tax credit against the Annual Service Charge for the subsequent year. The Entity shall be entitled to credit for the amount, without interest, of the Land Tax Payments made in the last four preceding quarterly installments against the Annual Service Charge. In any quarter that the Entity fails to make any Land Tax Payments when due and owing, such delinquency shall render the Entity ineligible for any Land Tax Payment credit against the Annual Service Charge. No credit will be applied against the Annual Service Charge for a partial payment of Land Taxes. In addition, the City shall have, among this remedy and other remedies, the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. and/or declare a Default and terminate this Agreement.

#### **Section 4.4 Quarterly Installments / Interest**

The Entity expressly agrees that the Annual Service Charge shall be made in quarterly

installments on those dates when real estate tax payments are due; subject, nevertheless, to adjustment for over or underpayment within thirty (30) days after the close of each calendar year. In the event that the Entity fails to pay the Annual Service Charge or any other charge due under this agreement, the unpaid amount shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on the land until paid in full.

#### **Section 4.5 Administrative Fee**

The Entity shall also pay an annual Administrative Fee to the City in addition to the Annual Service Charge and Land Tax levy. The Administrative Fee shall be calculated as one (1%) percent of each prior year's Annual Service Charge. This fee shall be payable and due on or before December 31st of each year, and collected in the same manner as the Annual Service Charge.

#### **Section 4.6 Affordable Housing Contribution and Remedies**

**A. Contribution.** The Entity will pay the City the sum of \$133,412 as a contribution. This amount represents \$1,500 per unit at 66 units ( $\$1,500 \times 66 = \$99,000$ ); \$1.50 per square foot of commercial space, ( $\$1.50 \times 10,121$  square feet of commercial = \$15,182) and \$1.50 per approximately 12,820 square feet of parking ( $\$1.50 \times 12,820 = \$19,230$ ). The sum shall be due and payable as follows:

- i. 1/3 on or before the effective adoption date of the Ordinance approving the tax exemption;
- ii. 1/3 on or before the issuance of the first of any construction permit for the Project, but no later than six months after the date of the Financial Agreement; and
- iii. 1/3 on or before the date the first of any Certificate of Occupancy is issued for the Project, but no later than twenty-four (24) months after the date of the Financial Agreement.

**B. Additional Contribution.** The Entity will also pay to the City a one-time, lump sum contribution of \$15,000 per residential condominium unit. This contribution is pursuant to Executive Order 2015-007 and it enables the project to receive an additional five (5) years of tax exemption. This lump sum contribution is estimated to be \$990,000 ( $\$15,000 \times 66$  residential condominium units). This additional contribution shall not apply to the one (1) non-residential

condominium unit. The lump sum shall no later than twenty (20) days after the adoption of Ordinance \_\_\_\_\_ which approved this Financial Agreement and is non-refundable. The amount of the Buy-Up is subject to an audit based upon actual, not estimated costs, and which shall occur at the end of the year following Project Completion. However, the Entity agrees that following the audit, the amount of the Buy-Up can be increased, but it can never be decreased.

**Section 4.7 Material Conditions**

It is expressly agreed and understood that the timely payments of Land Taxes, Minimum Annual Service Charges, Annual Service Charges, including Annual Net Profits and any adjustments thereto, Administrative Fees, Affordable Housing Contributions, and any interest thereon, are Material Conditions of this Agreement.

**ARTICLE V - PROJECT EMPLOYMENT AND CONTRACTING AGREEMENT**  
**(PECA) and PROJECT LABOR AGREEMENT (PLA)**

**Section 5.1 Project Employment and Contracting Agreement**

In order to provide City residents and businesses with certain employment and other economic related opportunities, the Entity is subject to the terms and conditions of the Project Employment and Contracting Agreement, attached hereto as Exhibit 8.

**Section 5.2 Project Labor Agreement (Projects with construction costs exceeding \$25 million)**

If the construction costs exceed \$25 million, then the Entity must execute a Project Labor Agreement as required by Section 304-33 of the Jersey City Municipal Code. The Entity asserts that the construction costs will not exceed \$25 million and therefore a Project Labor Agreement (PLA) is not required. Notwithstanding construction costs under \$25 million, the Entity must comply with Chapter 304-34(C) of the Municipal Code and provide certification of its construction costs. In the event that the construction costs do exceed the \$25 million threshold, the entity shall be required to pay the damages as set forth in Chapter 304-37(3) of the Municipal Code.

**Section 5.3 Living Wage Mandate (Projects with construction costs exceeding \$25 million)**

The Entity also agrees to comply with the requirements of Section 3-76 of the Jersey City

Municipal Code concerning required wage, benefit and leave standards for building service workers. All janitors and unarmed security guards employed at the Projects, including by any and all tenants or subtenants of the developer, shall not be paid less than the standard hourly rate of pay and benefits for their respective classifications and shall be provided with paid leave in accordance with the provisions of the Jersey City Municipal Code Section 3-51G(1).

## **ARTICLE VI - CERTIFICATE OF OCCUPANCY**

### **Section 6.1 Certificate of Occupancy**

It is understood and agreed that it shall be the obligation of the Entity to obtain all Certificates of Occupancy in a timely manner so as to complete construction in accordance with the proposed construction schedule attached hereto as Exhibit 5. The failure to secure the Certificates of Occupancy shall subject the Property to full taxation for the period between the date of Substantial Completion and the date the Certificate of Occupancy is obtained.

### **Section 6.2 Filing of Certificate of Occupancy**

It shall be the primary responsibility of the Entity to forthwith file with both the Tax Assessor and the Tax Collector a copy of each Certificate of Occupancy.

Failure of the Entity to file such issued Certificate of Occupancy as required by the preceding paragraph, shall not militate against any action or non-action, taken by the City, including, if appropriate retroactive billing with interest for any charges determined to be due, in the absence of such filing by the Entity.

### **Section 6.3 Construction Permits**

The estimated cost basis disclosed by the Entity's application and proposed Financial Agreement may, at the option of the City, be used as the basis for the construction cost in the issuance of any construction permit for the Project.

## **ARTICLE VII - ANNUAL REPORTS**

### **Section 7.1 Accounting System**

The Entity agrees to maintain a system of accounting and internal controls established and administered in accordance with generally accepted accounting principles.

### **Section 7.2 Periodic Reports**

A. Auditor's Report: Within ninety (90) days after the close of each fiscal or calendar

year, depending on the Entity's accounting basis that the Agreement shall continue in effect, the Entity shall submit to the Mayor and Municipal Council and the NJ Division of Local Government Services in the Department of Community Affairs, its Auditor's Report for the preceding fiscal or calendar year. The Auditor's Report shall include, but not be limited to gross revenue, and the terms and interest rate on any mortgage(s) associated with the purchase or construction of the Project and such details as may relate to the financial affairs of the Entity and to its operation and performance hereunder, pursuant to the Law and this Agreement. The Report shall clearly identify and calculate the Net Profit for the Entity during the previous year, the excess of which shall be paid to the City each year an excess profit is generated.

B. Total Project Cost Audit: Within ninety (90) days after Substantial Completion of the Project, the Entity shall submit to the Mayor, Municipal Council, the Tax Collector and the City Clerk, who shall advise those municipal officials required to be advised, an audit of Total Project Cost, including but not limited to an audit of actual construction costs as certified by the Project architect.

C. Disclosure Statement: On the anniversary date of the execution of this Agreement, and each and every year thereafter while this agreement is in effect, the Entity shall submit to the Municipal Council, the Tax Collector and the City Clerk, who shall advise those municipal officials required to be advised, a Disclosure Statement listing the persons having an ownership interest in the Project, and the extent of the ownership interest of each and such additional information as the City may request from time to time. All disclosures shall include ownership interests of the individual persons owning any corporate interest in the Entity.

### **Section 7.3 Inspection/Audit**

The Entity shall permit the inspection of its property, equipment, buildings and other facilities of the Project and, if deemed appropriate or necessary, any other related Entity by representatives duly authorized by the City or the NJ Division of Local Government Services in the Department of Community Affairs. It shall also permit, upon request, examination and audit of its books, contracts, records, documents and papers. Such examination or audit shall be made during the reasonable hours of the business day, in the presence of an officer or agent designated by the Entity for any year during which the tax exemption financial agreement was in full force

and effect.

All costs incurred by the City to conduct a review of the Entity's audits, including reasonable attorneys' fees if appropriate, shall be billed to the Entity and paid to the City as part of the Entity's Annual Service Charge. Delinquent payments shall accrue interest at the same rate as for a delinquent service charge.

### **ARTICLE VIII- LIMITATION OF PROFITS AND RESERVES**

#### **Section 8.1 Limitation of Profits and Reserves**

During the period of tax exemption as provided herein, the Entity shall be subject to a limitation of its profits pursuant to the provisions of N.J.S.A. 40A:20-15.

The Entity shall have the right to establish a reserve against vacancies, unpaid rentals, and reasonable contingencies in an amount equal to five (5%) percent of the Gross Revenue of the Entity for the last full fiscal year preceding the year and may retain such part of the Excess Net Profits as is necessary to eliminate a deficiency in that reserve, as provided in N.J.S.A. 40A:20-15. The reserve is to be non-cumulative, it being intended that no further credits thereto shall be permitted after the reserve shall have attained the allowable level of five (5%) percent of the preceding year's Gross Revenue.

#### **Section 8.2 Annual Payment of Excess Net Profit**

In the event the Net Profits of the Entity, in any year, exceeds the Allowable Net Profits for such year, then the Entity, within one hundred and twenty (120) days after the end of the year, shall pay such excess Net Profits to the City as an additional annual service charge; provided, however, that the Entity may maintain a reserve as determined pursuant to aforementioned paragraph 8.1. The calculation of the Entity's Excess Net Profits shall include those project costs directly attributable to site remediation and cleanup expenses and any other costs excluded in the definition of Total Project Cost in Section 1.2 (xx) of this Agreement even though those costs may have been deducted from the project costs for purposes of calculating the annual service charge.

#### **Section 8.3 Payment of Reserve/ Excess Net Profit Upon Termination, Expiration or Sale**

The date of termination, expiration or sale shall be considered to be the close of the fiscal

year of the Entity. Within ninety (90) days after such date, the Entity shall pay to the City the amount of the reserve, if any, maintained by it pursuant to this section and the balance of the Excess Net Profit, if any.

## **ARTICLE IX - ASSIGNMENT AND/OR ASSUMPTION**

### **Section 9.1 Approval of Sale**

Any sale or transfer of the Project, shall be void unless approved in advance by Ordinance of the Municipal Council. It is understood and agreed that the City, on written application by the Entity, will not unreasonably withhold its consent to a sale of the Project and the transfer of this Agreement provided 1) the new Entity does not own any other Project subject to long term tax exemption at the time of transfer; 2) the new Entity is formed and eligible to operate under the Law; 3) the Entity is not then in default of this Agreement or the Law; 4) the Entity's obligations under this Agreement are fully assumed by the new Entity; 5) the Entity pays in full the maximum transfer fee, 2% of the Annual Service Charge, as permitted by N.J.S.A. 40A:20-10(d); and 6) as to projects that are not Substantially Complete, the Entity is comprised of principals possessing substantially the same or better financial qualifications and credit worthiness as the Entity.

Nothing herein shall prohibit any transfer of the ownership interest in the Entity itself provided that the transfer, if greater than 10%, is disclosed to the City in the annual disclosure statement or in correspondence sent to the City in advance of the filing of the annual disclosure statement.

### **Section 9.2 Transfer Application Fee**

Where the consent or approval of the City is sought for approval of a change in ownership or sale or transfer of the Project, the Entity shall be required to pay to the City a new tax exemption application fee for the legal and administrative services of the City, as it relates to the review, preparation and/or submission of documents to the Municipal Council for appropriate action on the requested assignment. The fee shall be non-refundable.

## **ARTICLE X - COMPLIANCE**

### **Section 10.1 Operation**

During the term of this Agreement, the Project shall be maintained and operated in

accordance with the provisions of the Law. Operation of Project under this Agreement shall not only be terminable as provided by N.J.S.A. 40A:20-1, et seq., as amended and supplemented, but also by a Default under this Agreement. The Entity's failure to comply with the Law shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

### **Section 10.2 Disclosure of Lobbyist Representative**

During the term of this Agreement, the Entity must comply with Executive Order 2015-007, and Ordinance 02-075, requiring Written Disclosure of Lobbyist Representative Status. The Entity's failure to comply with the Executive Order or the Ordinance shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

## **ARTICLE XI – DEFAULT**

### **Section 11.1 Default**

Default shall be failure of the Entity to conform with the terms of this Agreement or failure of the Entity to perform any obligation imposed by the Law, beyond any applicable notice, cure or grace period.

### **Section 11.2 Cure Upon Default**

Should the Entity be in Default, the City shall send written notice to the Entity of the Default [Default Notice]. The Default Notice shall set forth with particularity the basis of the alleged Default. The Entity shall have thirty (30) days, from receipt of the Default Notice, to cure any Default which shall be the sole and exclusive remedy available to the Entity. However, if, in the reasonable opinion of the City, the Default cannot be cured within sixty (60) days using reasonable diligence, the City will extend the time to cure.

Subsequent to such thirty (30) days, or any approved extension, the City shall have the right to terminate this Agreement in accordance with Section 12.1.

Should the Entity be in default due to a failure to pay any charges defined as Material Conditions in Section 4.7, or a sale of the Project occurs without the consent of the City, the Entity shall not be subject to the default procedural remedies as provided herein but shall allow the City to proceed immediately to terminate the Agreement as provided in Article XII herein.

### **Section 11.3 Remedies Upon Default**

The City shall, among its other remedies, have the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. In order to secure the full and timely payment of the Annual Service Charge, the City on its own behalf, or on behalf of the Trustee, reserves the right to prosecute an In Rem Tax Foreclosure action against the Project Area in accordance with Applicable Law, as more fully set forth in this Financial Agreement.

In addition, the City may declare a Default and terminate this Agreement. Any default arising out of the Entity's failure to pay Land Taxes, the Minimum Annual Service Charge, Administrative Fees, Affordable Housing Contribution, or the Annual Service Charges shall not be subject to the default procedural remedies as provided herein, but shall allow the City to proceed immediately to terminate the Agreement as provided herein. All of the remedies provided in this Agreement to the City, and all rights and remedies granted to it by law and equity shall be cumulative and concurrent. No termination of any provision of this Agreement shall deprive the City of any of its remedies or actions against the Entity because of its failure to pay Land Taxes, the Minimum Annual Service Charge, Annual Service Charge, Affordable Housing Contribution or Administrative Fees. This right shall apply to arrearages that are due and owing at the time or which, under the terms hereof, would in the future become due as if there had been no termination. Further, the bringing of any action for Land Taxes, the Minimum Annual Service Charge, the Annual Service Charge, Affordable Housing Contribution, Administrative Fees, or for breach of covenant or the resort to any other remedy herein provided for the recovery of Land Taxes shall not be construed as a waiver of the rights to terminate the tax exemption or proceed with a tax sale or Tax Foreclosure action or any other specified remedy.

In the event of a Default on the part of the Entity to pay any charges set forth in Article IV, the City among its other remedies, reserves the right to proceed against the Entity's land and property, in the manner provided by the In Rem Foreclosure Act, and any act supplementary or amendatory thereof. Whenever the word taxes appear, or is applied, directly or impliedly to mean taxes or municipal liens on land, such statutory provisions shall be read, as far as is pertinent to this Agreement, as if the charges were taxes or municipal liens on land.

## ARTICLE XII- TERMINATION

### **Section 12.1 Termination Upon Default of the Entity**

In the event the Entity fails to cure or remedy the Default within the time period provided in Section 11.2, the City may terminate this Agreement upon thirty (30) days written notice to the Entity [Notice of Termination].

### **Section 12.2 Voluntary Termination by the Entity**

The Entity may notify the City that it will relinquish its status as a tax exempt Project, after the expiration of one year from the Substantial Completion of the Project , as of the January 1<sup>st</sup> of the year next ensuing. The Notice of Voluntary Termination must be received by the City no later than October 1<sup>st</sup> of the tax year preceding the calendar year in which the termination is to occur. As of the date so set, the tax exemption, the Annual Service Charges and the profit and dividend restrictions shall terminate. However, under no circumstances will the Entity be entitled to any refund, in whole or in part, of any funds paid to the City to obtain the tax exemption, including but not limited to the Affordable Housing Contribution. In addition, the due date for all Affordable Housing Contribution and any other fees that the Entity agreed to pay under this Agreement, shall be accelerated so that all fees to be paid shall be due on January 1<sup>st</sup> as a condition precedent of the voluntary termination.

### **Section 12.3 Final Accounting**

Within ninety (90) days after the date of termination, whether by affirmative action of the Entity or by virtue of the provisions of the Law or pursuant to the terms of this Agreement, the Entity shall provide a final accounting and pay to the City the reserve, if any, pursuant to the provisions of N.J.S.A. 40A:20-13 and 15 as well as any remaining excess Net Profits. For purposes of rendering a final accounting the termination of the Agreement shall be deemed to be the end of the fiscal year for the Entity.

### **Section 12.4 Conventional Taxes**

Upon Termination or expiration of this Agreement, the tax exemption for the Project shall expire and the land and the Improvements thereon shall thereafter be assessed and conventionally taxed according to the general law applicable to other nonexempt taxable property in the City.

## **ARTICLE XIII - DISPUTE RESOLUTION**

### **Section 13.1 Arbitration**

In the event of a breach of the within Agreement by either of the parties hereto or a dispute arising between the parties in reference to the terms and provisions as set forth herein, either party may apply to the Superior Court of New Jersey by an appropriate proceeding, to settle and resolve the dispute in such fashion as will tend to accomplish the purposes of the Law. In the event the Superior Court shall not entertain jurisdiction, then the parties shall submit the dispute to the American Arbitration Association in New Jersey to be determined in accordance with its rules and regulations in such a fashion to accomplish the purpose of the Long Term Tax Exemption Law. The cost for the arbitration shall be borne by the Entity. The parties agree that the Entity may not file an action in Superior Court or with the Arbitration Association unless the Entity has first paid in full all charges defined in Section 4.7 as Material Conditions.

### **Section 13.2 Appeal of Assessment**

In calculating the amount of the Staged Adjustments that is, taxes otherwise due, pursuant to Section 4.2 and N.J.S.A. 40A:20-12, either party may file an appeal of the conventional assessment to determine the value of land and improvements.

## **ARTICLE XIV - WAIVER**

### **Section 14.1 Waiver**

Nothing contained in this Financial Agreement or otherwise shall constitute a waiver or relinquishment by the City of any rights and remedies, including, without limitation, the right to terminate the Agreement and tax exemption for violation of any of the conditions provided herein. Nothing herein shall be deemed to limit the City's right to audit or recover any amount which the City has under law, in equity, or under any provision of this Agreement.

## **ARTICLE XV - INDEMNIFICATION**

### **Section 15.1 Defined**

It is understood and agreed that in the event the City shall be named as party defendant in any action by a third party alleging any breach, default or a violation of any of the provisions of this Agreement and/or the provisions of N.J.S.A. 40A:20-1 et seq., the Entity shall indemnify and hold the City harmless against any and all liability, loss, cost, expense (including reasonable

attorneys' fees and costs), arising out of this Agreement. In addition, the Entity expressly waives all statutory or common law defenses or legal principles which would defeat the purposes of this indemnification. The Entity also agrees to defend the suit at its own expense. However, the City maintains the right to intervene as a party thereto, to which intervention the Entity consents; the expense thereof to be borne by the City.

**ARTICLE XVI - NOTICE**

**Section 16.1 Certified Mail**

Any notice required hereunder to be sent by either party to the other shall be sent by certified or registered mail, return receipt requested.

**Section 16.2 Sent by City**

When sent by the City to the Entity the notice shall be addressed to:

Ninth Street Two Urban Renewal, LLC  
155 Second Street  
Jersey City, New Jersey 07302  
Attn: Adam Knoll

With a copy to:

Charles J. Harrington, III, Esq.  
Connell Foley, LLP  
Harborside Financial Center  
2510 Plaza Five  
Jersey City, New Jersey 07311

unless prior to giving of notice the Entity shall have notified the City in writing otherwise.

In addition, provided the City is sent a formal written notice in accordance with this Agreement, of the name and address of Entity's Mortgagee, the City agrees to provide such Mortgagee with a copy of any notice required to be sent to the Entity.

**Section 16.3 Sent by Entity**

When sent by the Entity to the City, it shall be addressed to:

City of Jersey City, Office of the City Clerk  
City Hall  
280 Grove Street  
Jersey City, New Jersey 07302,

with copies sent to the Corporation Counsel, the Business Administrator, and the Tax Collector unless prior to the giving of notice, the City shall have notified the Entity otherwise. The notice to the City shall identify the Project to which it relates, (i.e., the Urban Renewal Entity and the Property's Block and Lot number).

## **ARTICLE XVII-SEVERABILITY**

### **Section 17.1 Severability**

If any term, covenant or condition of this Agreement or the Application, except a Material Condition, shall be judicially declared to be invalid or unenforceable, the remainder of this Agreement or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

If a Material Condition shall be judicially declared to be invalid or unenforceable and provided the Entity is not in Default of this Agreement, the parties shall cooperate with each other to take the actions reasonably required to restore the Agreement in a manner contemplated by the parties and the Law. This shall include, but not be limited to the authorization and re-execution of this Agreement in a form reasonably drafted to effectuate the original intent of the parties and the Law. However, the City shall not be required to restore the Agreement if it would modify a Material Condition, the amount of the periodic adjustments or any other term of this Agreement which would result in any economic reduction or loss to the City.

## **ARTICLE XVIII – MISCELLANEOUS**

### **Section 18.1 Construction**

This Agreement shall be construed and enforced in accordance with the laws of the State of New Jersey, and without regard to or aid of any presumption or other rule requiring construction against the party drawing or causing this Agreement to be drawn since counsel for both the Entity and the City have combined in their review and approval of same.

### **Section 18.2 Conflicts**

The parties agree that in the event of a conflict between the Application and the language

contained in the Agreement, the Agreement shall govern and prevail. In the event of conflict between the Agreement and the Law, the Law shall govern and prevail.

**Section 18.3 Oral Representations**

There have been no oral representations made by either of the parties hereto which are not contained in this Agreement. This Agreement, the Ordinance authorizing the Agreement, and the Application constitute the entire Agreement between the parties and there shall be no modifications thereto other than by a written instrument approved and executed by both parties and delivered to each party.

**Section 18.4 Entire Document**

This Agreement and all conditions in the Ordinance of the Municipal Council approving this Agreement are incorporated in this Agreement and made a part hereof.

**Section 18.5 Good Faith**

In their dealings with each other, utmost good faith is required from the Entity and the City.

**ARTICLE XIX – EXHIBITS**

**Section 19 Exhibits**

The following Exhibits are attached hereto and incorporated herein as if set forth at length herein:

1. Metes and Bounds description of the Project;
2. Ordinance of the City authorizing the execution of this Agreement;
3. The Application with Exhibits;
4. Certificate of the Entity;
5. Estimated Construction Schedule;
6. The Financial Plan for the undertaking of the Project;
7. Good Faith Estimate of Initial Sales Prices;
8. Project Employment and Contracting Agreement;
9. Architect's Certification of Actual Construction Costs.
10. Entity's Deed.

**IN WITNESS WHEREOF**, the parties have caused these presents to be executed the day and year first above written.

**WITNESS:**

**NINTH STREET TWO URBAN RENEWAL, LLC**

\_\_\_\_\_

\_\_\_\_\_

**EYAL SHUSTER, MEMBER**

**ATTEST:**

**CITY OF JERSEY CITY**

\_\_\_\_\_

\_\_\_\_\_

**ROBERT BYRNE  
CITY CLERK**

**ROBERT J. KAKOLESKI  
BUSINESS ADMINISTRATOR**

## PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

This Project Employment & Contracting Agreement is made on the \_\_\_ day of \_\_\_\_\_, 2016, between the **CITY OF JERSEY CITY** [City] and **NINTH STREET TWO URBAN RENEWAL, LLC** having its principal office at 155 Second Street, Jersey City, New Jersey 07302. Recipient agrees as follows:

### I. Definitions:

The following words and terms, when used in this agreement, shall have the following meanings unless the context clearly indicates otherwise.

1. "City" means the Business Administrator of the City of Jersey City, or his designee, including any person or entity which enters into a contract with the City to implement, in whole or in part, this agreement. '
2. "Construction Contract" means any agreement for the erection, repair, alteration or demolition of any building, structure, bridge, roadway, or other improvement on a Project Site.
3. "Contractor" means any party performing or offering to perform a prime contract on behalf of the Recipient.
4. "DEO" means the Division of Economic Opportunity under the Department of Administration, located at 280 Grove Street, Jersey City, NJ 07302, Telephone #(201) 547-5611. DEO is in charge of Project Employment & Contracting coordination and monitoring on projects receiving abatements.
5. "Economic Incentive" means a tax abatement or exemption for a property or project which requires approval of the Municipal Council and which reduces the annual amount of taxes otherwise due, by \$25,000 or more in the aggregate;
6. "Employment" means any job or position during the construction and operational phase of the project. It includes positions created as a result of internal promotions, terminations, or expansions within the Recipient's work force which are to be filled by new employees. However, positions filled through promotion from within the Recipient's existing work force are not covered positions under this agreement.
7. "Local Business" means a bona fide business located in Jersey City.
8. Mayor Steven M. Fulop's Business Cooperative Program means the group within DEO under the Department of Administration responsible for collecting local and minority business contracts and capability information. This group operates the Supplier Alert service which is to be used by the Recipient to meet their good faith business contracting and construction subcontracting goals.
9. "Minority" means a person who is African, Hispanic, Asian, or American Indian defined

as follows:

- a) "African-American" means a person having origins in any of the black racial groups of Africa.
  - b) "Hispanic" means a person of Mexican, Puerto Rican, Cuban, Central or South American or other Latino culture or origin, regardless of race, excluding, however, persons of European origin.
  - c) "Asian" means a person having origins in any of the original people of the Far East, Southeast Asia, and subcontinent India, Hawaii or the Pacific Islands.
  - d) "American Indian" means a person having origins in any of the original people of North America who maintains cultural identification through tribal affiliation or community recognition.
10. "Minority or Woman Owned Local Business" means a bona fide business located in Jersey City which is fifty-one (51%) percent or more owned and controlled by either a Minority or woman.
  11. "Non-Traditional Jobs" means jobs which are held by less than twenty (20%) percent women, as reported by the New Jersey Department of Labor, Division of Labor Market, and Demographic Research for Jersey City, which report shall be on file with the City Clerk.
  12. "Permanent Jobs" mean newly created long term salaried positions, whether permanent, temporary, part time or seasonal.
  13. "Project or Project Site" means the specific work location or locations specified in the contract.
  14. The "Project Employment & Contracting Coordinator" is a member of the DEO staff under the Department of Administration who is in charge of coordinating Project Employment & Contracting projects. Contractors and developers engaged in projects covered by Project Employment & Contracting Agreements will direct inquiries to the Project Employment & Contracting Coordinator.
  15. The "Project Employment & Contracting Monitor" or "Monitor" is a member of the DEO staff under the Department of Administration directly under the command of the Project Employment & Contracting Coordinator, who is in charge of monitoring the site, collecting the reports and documentation, and other day-to-day Project Employment & Contracting housekeeping as stipulated by this agreement.
  16. The "Project Employment & Contracting Officer" or "Officer" is an employee of the Recipient who is designated by the Recipient to make sure the Recipient is in compliance with the Recipient's Project Employment & Contracting agreement.

17. "Recipient" means any individual, partnership, association, organization, corporation or other entity, whether public or private, or for profit or non-profit, or agent thereof, which receives an Economic Incentive and shall include any Contractor, Subcontractor or agent of the Recipient.
18. "The Registry" or "Jersey City Employment Registry" means a list maintained by the City or its designee of Jersey City residents seeking employment and Local Businesses, including Minority or Woman Owned Local Businesses, seeking contracts.
19. "Subcontract" means a binding legal relationship involving performance of a contract that is part of a prime contract.
20. "Subcontractor" means a third party that is engaged by the prime Contractor to perform under a subcontract all or part of the work included in an original contract.
21. "Substantial Completion" means the determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the date on which the Project receives, or is eligible to receive any Certificate of Occupancy for any portion of the Project.

## **II. Purpose:**

The City wishes to assure continuing employment opportunities for City residents, particularly residents who are Minorities, and business opportunities for Local Businesses, especially Minority and Women Owned Local Businesses, with employers located in or relocating to the City who are the Recipients of Economic Incentives. The City has determined to accomplish that goal by requiring the Recipient of an Economic Incentive to act in Good Faith, as defined herein, and discharge its obligations under this Agreement. To the extent mandated by State and Federal law and so long as the Entity discharges its Good Faith obligations under this agreement, the City acknowledges that the Recipient and its contractors are free to hire whomever they choose.

## **III. Good Faith Goals:**

In the event the Recipient is able to demonstrate that its work force already meets the goals set forth below or is able to meet such goals during the term of this agreement, the Recipient will not be required to comply with the interviewing or reporting obligations set forth in Section VI 1., A-L (Construction Jobs) and Section VI, 2., A-J (Permanent Jobs). All goals for Construction Jobs shall be calculated as a percentage of the total number of work hours in each trade from the beginning of the project to its completion.

1. **Employment:** The Recipient shall make a Good Faith effort to achieve the goal of a work force representing fifty-one (51%) percent City residents, fifty-one (51%) percent of whom are residents who are Minorities and, in Non-Traditional Jobs, six point nine (6.9%) percent of whom are residents who are women, it being understood that one employee may satisfy more than one category.

2. **Business Contracting:** The Recipient shall make a Good Faith effort to achieve the goal of awarding twenty (20%) percent of the dollar amount of its contracts to Local Businesses, fifty-one (51%) percent of which shall be Minority or Women Owned Local Businesses. If fifty-one (51%) percent of Minority or Women Owned Local Businesses cannot be obtained, that percentage of contracts must still be applied to local vendors.

#### IV. **Recipient Designee:**

The Recipient shall designate a principal officer of its firm to be responsible for administering the agreement detailed herein and to report to and confer with the City in order to discharge its Good Faith obligations as defined in this agreement. This officer should be designated as the Project Employment & Contracting Officer.

The Recipient should send a letter of introduction regarding the "Project Employment & Contracting Compliance Officer" to the Project Employment & Contracting Coordinator prior to any preconstruction meetings. An example of this letter can be found in Appendix A. This principle officer should also be present for all preconstruction meetings.

The Recipient should send a letter regarding the "Project Employment & Contracting Compliance Officer" to the employees of the Recipient's company. An example of this letter can be found in Appendix AZ

#### V. **Term:**

This agreement shall be in effect for a period co-terminus with the effective period of the tax exemption [the Economic Incentive]. Thus, it will commence on the date the City Council adopted Ordinance \_\_\_\_\_ approving the tax exemption and terminate the earlier of twenty (20) years from the date of the adoption of that Ordinance or fifteen (15) years from the date of Substantial Completion of the Project.

#### VI. **Good Faith Defined:**

1. **Construction Jobs:** Good Faith shall mean compliance with all of the following conditions:

##### A. Initial Manning Report:

- i) Prior to the commencement of their work on the Project, each Contractor /Subcontractor shall prepare an Initial Manning Report.
- ii) The Initial Manning Report should contain an estimate of the total hours in each construction trade or craft and the number of hours to be worked by City residents, including a list of the number of minority residents and women residents that will work in each trade or craft, including the work hours to be performed by such employees of any and all Contractors and Subcontractors. Attached hereto as Appendix B is the Recipient's Initial Manning Report.

- iii) The Initial Manning Report shall be filed with the Project Employment and Contracting Monitor, who must accept said Report prior to the Recipient entering into any construction contract. An example of this acceptance letter is given in Appendix C.

B. Developer's Contracting Obligations

- i) Once the developer submits the project's initial manning report, he/she must forward a letter with requests for quotation or bid to Mayor Steven M. Fulop's Business Cooperative Program for local and minority vendors for any construction or building operating goods, services and sub-contracting opportunities. An example of this letter is given in Appendix D.
- ii) The developer shall make a good faith effort to contact those businesses and individuals who submit bids. This effort must be documented by letter, which will be sent to Mayor Steven M. Fulop's Business Cooperative Program at DEO under the Department of Administration. An example of this letter can be found in Appendix D2.

C. Contractor's/Subcontractor's Compliance Statement

Prior to commencement of their work on the Project, each Contractor or Subcontractor must agree in writing to comply with this agreement and the employment goals elaborated herein. An example of this Compliance Statement can be found in Appendix E.

D. Union Statement of Using Its Best Efforts

- i) Prior to commencement of their work on the Project, the contractor/subcontractor must submit a statement expressing its adherence to the Project Employment & Contracting Agreement to each union with which he/she has a collective bargaining agreement covering workers to be employed on the project.
- ii) The Compliance Statement shall include a union statement for the particular union to sign, which claims the union will use its best efforts to comply with the employment goals articulated in the Project Employment & Contracting agreement. This compliance statement is detailed in Appendix F. A copy of the signed compliance statement must be sent to the Project Employment & Contracting Monitor in DEO under the Department of Administration before work starts in order for a developer to be in compliance.
- iii) The Recipient will require the Contractor or Subcontractor to promptly notify the City of any refusal or failure of a union to sign the statement. If a particular union refuses to sign a statement, the Recipient will document its efforts to obtain such statement and the reasons given by the union for not signing such statement, and submit such documentation to the Project Employment & Contracting Monitor in DEO under the Department of Administration.

E. Sub-Contractors

The developer shall require that each prime contractor be responsible for the compliance of his/her subcontractors with the aforementioned Project Employment & Contracting requirements during the performance of the contract. Whenever the contractor sub-contracts a portion of the work on the project, the contractor shall bind the subcontractor to the obligations contained in these supplemental conditions to the full extent as if he/she were the contractor.

F. Union Apprentices

The contractor is responsible for assuring that resident and minority apprentices account for at least fifty (50%) percent of the total hours worked by union apprentices on the job in each trade listed in which apprentices are employed, according to the apprentice-to-journey-worker ratio contained in the collective bargaining agreement between the various unions, and shall hold each of his/her subcontractors to this requirement. The Recipient will require the contractor or subcontractor to promptly notify the City of any refusal of a union to utilize resident and minority apprentices.

G. Monthly Manning Report

- i) The Recipient will cause the Contractor to complete and submit Monthly Project Manning Reports to the Project Employment & Contracting Monitor in DEO under the Department of Administration by the seventh day of the month following the month during which the work is performed, for the duration of the contract.
- ii) The report will accurately reflect the total hours in each construction trade or craft and the number of hours worked by City residents, including a list of the number of minority resident and women resident workers in each trade or craft, and will list separately the work hours performed by such employees of the Contractor and each of its Subcontractors during the previous month. The Monthly Manning Report shall be in the form attached hereto as Appendix G.
- iii) The Recipient is responsible for maintaining or causing the Contractor to maintain records supporting the reported work hours of its Contractors or Subcontractors.

H. Monthly Certified Payroll Report

- i) The Recipient will cause the Contractor to furnish the Project Employment & Contracting Monitor with copies of its weekly Certified Payroll reports. The reports will specify the residence, gender and ethnic/racial origin of each worker, work hours and rate of pay and benefits provided. The Certified Payroll report shall be in the form attached hereto as Appendix H.
- ii) Payroll reports must be submitted on a monthly basis with the Monthly Manning Report or the Recipient is no longer in compliance.

I. Equal Employment Opportunity Reports

Prior to commencement of work on the Project, the Recipient will request copies of the most recent Local Union Report (EEO-3) and Apprenticeship Information Report (EEO-2) which are required to be filed with the US Commission of Equal Employment Opportunity Commission by the collective bargaining unit. These reports will be forwarded to the Project Employment & Contracting Monitor within one month of the signing of the Project Employment & Contracting Agreement.

J. Other Reports

In addition to the above reports, the Recipient shall furnish such reports or other documents to the City as the City may request from time to time in order to carry out the purposes of this agreement.

K. Records Access

The Recipient will insure that the City will have reasonable access to all records and files reasonably necessary to confirm the accuracy of the information provided in the reports.

L. Work Site Access For Monitor

- i) The City will physically monitor the work sites subject to this agreement to verify the accuracy of the monthly reports. Each work site will be physically monitored approximately once every two weeks, and more frequently if it is deemed reasonably necessary by the City. The City's findings shall be recorded in a "Site Visit Report." An example of a bi-weekly site visit report can be found in Appendix I.
- ii) The Recipient shall require the Contractor and Sub-contractor to cooperate with the City's site monitoring activities and inform the City as to the dates they are working at the Project site. This includes specifically instructing the on-site construction manager about the monitoring process, and informing him/her that the monitor will contact him/her to set up an initial meeting. In the case of projects with multiple locations, the Recipient shall inform the City of the dates they are working at each site' location(s) where they are working, in order to facilitate the monitoring.

2. **Permanent Jobs:** Good Faith shall mean compliance with all of the following conditions:

A. Pre-hiring Job Awareness: At least eight (8) months prior to the hiring of a Recipient's permanent workforce, the Project Employment & Contracting officer for the Recipient will sit down with the head of the Registry to discuss how the Recipient plans to hire its permanent workforce. The following issues should be covered in this meeting:

- i) whether subcontractors will be used in the hiring process.

- ii) the specific types of jobs that need to be filled.
- iii) the qualifications needed for these particular jobs.
- iv) possible training programs offered by the permanent employer.
- v) the Recipient's goals and how it plans to meet these goals.
- vi) any other issues which need to be addressed by the Registry.

1. Subcontractor Notification -- If the Recipient decides to subcontract any portion or all of its permanent workforce, then the Recipient must receive a signed acknowledgment from the subcontracting party that it will abide by the Project Employment & Contracting Agreement before said subcontractor begins staffing permanent employees. The Recipient must forward a copy of the signed acknowledgment to the Project Employment & Contracting Monitor. An example of this signed acknowledgment can be found in Appendix E.

2. Subcontractor Pre-Hiring Job Awareness Meeting -- Each subcontractor hired to staff permanent job positions must appoint a Project Employment & Contracting Officer to meet with the head of the Registry to discuss the same issues presented above in VI 2.A(I-vi).

3. Subcontractors of Subcontractors--Subcontractors of subcontractors are subject to the same requirements for the initial subcontractors above in Section VI 2.A.

B. Documentation of Hiring Plan--Once the Pre-Hiring Job Awareness Meeting has taken place, the Recipient must put together a document with goals and totals for future permanent employment needs. This plan should summarize all that was discussed in the Pre-Hiring Awareness Meeting, list estimates for manpower needs, set residential and minority employment goals commensurate with the Project Employment & Contracting Agreement, and show how the Recipient plans to meet these goals. An example of this plan is found in Appendix J.

C. Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the Registry with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the Registry to refer qualified applicants to the Recipient.

D. Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the Project Employment & Contracting Coordinator in DEO under the Department of Administration with a copy of this advertisement.

E. Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it from the Registry, to be maintained by the City or its designee. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.

F. Semi-Annual Employment Reports: The Recipient will submit written semi-annual employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will describe the job, whether the job is held by a City resident,

minority resident or woman resident. The report will explain in writing the reasons why any qualified applicant referred by the Registry (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired. An example of this report is found in Appendix K.

G. Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.

H. Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the semi-annual reports.

I. Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.

J. Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

### 3. Business Contracting

Good Faith shall mean compliance with all of the following conditions:

1) Solicitation of Businesses:

a) One month before accepting bids for goods and services, the Recipient must forward a letter with requests for quotation or bid to Mayor Steven M. Fulop's Business Cooperative Program for local and local minority vendors for any construction or building operating goods, services and subcontracting opportunities. An example of this letter can be found in Appendix D.

b) After submission of bids, the Recipient will document whether the bid was accepted or rejected, and state the reason why. An example of this documentation can be found in Appendix D2.

i) Semi-Annual Purchasing Reports: The Recipient will submit written semi-annual purchasing reports which will include a list of all contracts awarded over a six month period and the dollar amounts of these contracts. The reports will specify the number and dollar amount of contracts awarded to Local Businesses and Minority or Women Owned Local Businesses. An example of these reports can be found in Appendix L.

ii) No Utilization of Local and Local Minority Vendors As Conduits For

## Vendors That Are Not Local Or Minority Owned:

The Recipient pledges not to use local and local minority vendors solely as conduits for vendors that are not local and minority owned. Any discovery by DEO under the Department of Administration of a Recipient, either knowingly or unknowingly, using the masthead of a local or minority owned business as a way to get credit for local or minority employment when it should not, will immediately subject the Recipient to the penalties listed in Section VIII (d) below.

### 4. Summation of Documentation Needed For Compliance with Agreement

1. Letter Designating Project Employment & Contracting Officer (Appendix A)
2. Letter Designating Project employment & Contracting Officer to Recipient's Employees (App.) AZ
3. Example of Initial Manning Report (Appendix B)
4. Letter Of Acceptance of Initial Manning Report (Appendix C)
5. Letter From Developer Forwarding Requests for Quotation or Bid for Minority and Residential Vendors from Mayor Steven M. Fulop's Business Cooperative Program (Appendix D)
6. Documentation of Bid Submission (Appendix D2)
7. Letter Expressing Project Employment & Contracting Obligations to Contractors/ Subcontractors (Appendix E)
8. Union Statement of Best Efforts (Appendix F)
9. Example of Monthly Manning Report (Appendix G)
10. Example of Monthly Certified Payroll Report (Appendix H)
11. Example of Bi-Weekly Site Visit Report (Appendix I)
12. Example of Documentation of Hiring Plan (Appendix J)
13. Example of Semi-Annual Employment Report (Appendix K)
14. Example of Semi-Annual Purchasing Report (Appendix L)

### VII. Notices of Violation:

1. Advisory Notice: The City will issue a written Advisory Notice to the Recipient if there is non-compliance with a Good Faith requirement as defined in this agreement. The Advisory Notice shall explain in sufficient detail the basis of the alleged violation. The Recipient shall have four (4) working days to correct the violation. An example of an Advisory Notice can be found in Appendix M.
2. Violation Notice: If the alleged violation set forth in the Advisory Notice has not been corrected to the satisfaction of the City within four (4) working days, the City shall then issue a Violation Notice to the Recipient. The Violation Notice shall explain in sufficient detail the basis of the alleged, continuing violation. The Recipient will have three (3) working days to correct the violation. An example of a Violation Notice can be found in Appendix N.
3. Correcting the Violation: Either or both the Advisory Notice or the Violation Notice may be considered corrected if the Recipient satisfies the requirements of this agreement and

so advises the City in writing, subject to confirmation by the City.

4. **Extension of Time to Correction:** Either the Advisory Notice or the Violation Notice may be held in abeyance and the time for correction extended if the Recipient enters into satisfactory written agreement with the City for corrective action which is designed to achieve compliance. If Recipient fails to abide by the terms of such agreement the violation will be considered not corrected.
5. **Meetings Concerning Violations:** The City may provide an opportunity for a meeting with the Recipient, his Contractors or Subcontractors in an effort to achieve compliance; or may respond to Recipient's request for a meeting after the Recipient has made timely submission of a written explanation pursuant to the above. The meeting shall be requested no later than two days after the alleged violator has submitted the written explanation.
6. **Interviews Relating to Violations:** The City may conduct interviews and may request additional information from appropriate parties as is considered necessary to determine whether the alleged violation has occurred.
7. **Determination of Violation:** The City shall issue a determination of whether the Recipient is in violation of this agreement as soon as possible but not later than thirty days after the delivery of the Violation Notice to the Recipient. If the City determines that the Recipient is in violation, the City shall be entitled to the liquidated damages provided below.

### **VIII. Liquidated Damages/Interest:**

While reserving any other remedies the City may have at law or equity for a material breach of the above terms and conditions, the parties agree that damages for violations of this agreement by the Recipient cannot be calculated within any reasonable degree of mathematical certainty. Therefore, the parties agree that upon the occurrence of a material breach of any of the above terms and conditions and after notice and expiration of any period to correct the violation, the City will be entitled to liquidated damages from the Recipient in the following amounts:

- a) failure to file Initial Manning Reports (Construction Jobs) or Pre-Hiring Notification (Permanent Jobs) or Pre-Contracting Notification (Business Contracting): an amount equal to a Five (5%) percent increase in the estimated annual payment in lieu of taxes;
- b) failure to conduct Pre-hiring Interviews or submit Compliance Statement (Construction Jobs) or Solicit Bids (Business Contracting): an amount equal to Three (3%) percent increase in the estimated annual payment in lieu of taxes;
- c) failure to allow record or work place access or submit any other required reports (all categories): an amount equal to Two (2%) percent increase in the estimated annual payment in lieu of taxes.

- d) the use of the local or local minority business' masthead for labor or work supplied by a non local or local minority vendor: An amount equal to Five (5%) percent increase in the estimated annual payment in lieu of taxes. Interest shall be charged on any damages at the legal rate of interest as calculated by the Tax Collector.
- e) the late payment of any liquidated sum shall accrue interest at the rate of 8%.

**IX. Commercial Tenants at the Project Site:**

1. The Recipient shall send all tenants of commercial space within the Project Site a letter and a Tenant Employment Services Guide in the form attached as Appendix O.
2. The Recipient shall solicit information from tenants of commercial space about the composition of the work force of each tenant. The information solicited will be submitted to the Project Employment & Contracting Monitor, which shall provide the Recipient with a questionnaire in the form attached as Appendix P.
3. The Recipient will send the results of its solicitation to the Project Employment & Contracting Monitor no later than October 31 of each year.
4. The Recipient shall send all tenants of commercial space within the Project Site a Supplier Alert Service Registration Package in the form attached as Appendix Q.

**X. Notices**

Any notice required hereunder to be sent by either party to the other, shall be sent by certified mail, return receipt requested, addressed as follows:

1. When sent by the City to the Recipient it shall be addressed to:

Ninth Street Two Urban Renewal, LLC  
155 Second Street  
Jersey City, New Jersey 07302  
Attn: Adam Knoll

With a copy to:

Charles J. Harrington, III, Esq.  
Connell Foley, LLP  
Harborside Financial Center  
2510 Plaza Five  
Jersey City, New Jersey 07311

2. When sent by the Recipient to the City, it shall be addressed to:

Project Employment & Contracting Monitor  
Department of Administration  
Division of Economic Opportunity  
280 Grove Street – 1<sup>st</sup> Floor  
Jersey City, New Jersey 07302

with separate copies to the Mayor and the Business Administrator; unless prior to giving of such notice, the City or the Recipient shall have notified the other in writing.

**XI. Adoption, Approval, Modification:**

This agreement shall take effect on the date that the Economic Incentive is approved by the Municipal Council.

**XII. Controlling Regulations and Laws:**

To the extent required by State and Federal Law and so long as the Entity discharges its Good Faith obligations under this agreement, the City agrees and acknowledges that the Recipient and its contractors are free to hire whomever they choose. If this agreement conflicts with any collective bargaining agreement, the City agrees to defer to such agreements so long as the Recipient provides the City with a copy of the offending provision in the collective bargaining agreement.

**ATTEST:**

**CITY OF JERSEY CITY**

\_\_\_\_\_

\_\_\_\_\_

**Robert Byrne**  
City Clerk

**Robert J. Kakoleski**  
Business Administrator

**WITNESS:**

**NINTH STREET TWO URBAN RENEWAL, LLC**

\_\_\_\_\_

\_\_\_\_\_

**Eyal Shuster, Member**

## PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

This Project Employment & Contracting Agreement is made on the \_\_\_ day of \_\_\_\_\_, 2016, between the **CITY OF JERSEY CITY** [City] and **NINTH STREET TWO URBAN RENEWAL, LLC** having its principal office at 155 Second Street, Jersey City, New Jersey 07302. Recipient agrees as follows:

### **I. Definitions:**

The following words and terms, when used in this agreement, shall have the following meanings unless the context clearly indicates otherwise.

1. "City" means the Business Administrator of the City of Jersey City, or his designee, including any person or entity which enters into a contract with the City to implement, in whole or in part, this agreement.
2. "Construction Contract" means any agreement for the erection, repair, alteration or demolition of any building, structure, bridge, roadway, or other improvement on a Project Site.
3. "Contractor" means any party performing or offering to perform a prime contract on behalf of the Recipient.
4. "DEO" means the Division of Economic Opportunity under the Department of Administration, located at 280 Grove Street, Jersey City, NJ 07302, Telephone #(201) 547-5611. DEO is in charge of Project Employment & Contracting coordination and monitoring on projects receiving abatements.
5. "Economic Incentive" means a tax abatement or exemption for a property or project which requires approval of the Municipal Council and which reduces the annual amount of taxes otherwise due, by \$25,000 or more in the aggregate;
6. "Employment" means any job or position during the construction and operational phase of the project. It includes positions created as a result of internal promotions, terminations, or expansions within the Recipient's work force which are to be filled by new employees. However, positions filled through promotion from within the Recipient's existing work force are not covered positions under this agreement.
7. "Local Business" means a bona fide business located in Jersey City.
8. Mayor Steven M. Fulop's Business Cooperative Program means the group within DEO under the Department of Administration responsible for collecting local and minority business contracts and capability information. This group operates the Supplier Alert service which is to be used by the Recipient to meet their good faith business contracting and construction subcontracting goals.
9. "Minority" means a person who is African, Hispanic, Asian, or American Indian defined

as follows:

- a) "African-American" means a person having origins in any of the black racial groups of Africa.
  - b) "Hispanic" means a person of Mexican, Puerto Rican, Cuban, Central or South American or other Latino culture or origin, regardless of race, excluding, however, persons of European origin.
  - c) "Asian" means a person having origins in any of the original people of the Far East, Southeast Asia, and subcontinent India, Hawaii or the Pacific Islands.
  - d) "American Indian" means a person having origins in any of the original people of North America who maintains cultural identification through tribal affiliation or community recognition.
10. "Minority or Woman Owned Local Business" means a bona fide business located in Jersey City which is fifty-one (51%) percent or more owned and controlled by either a Minority or woman.
  11. "Non-Traditional Jobs" means jobs which are held by less than twenty (20%) percent women, as reported by the New Jersey Department of Labor, Division of Labor Market, and Demographic Research for Jersey City, which report shall be on file with the City Clerk.
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  13. "Project or Project Site" means the specific work location or locations specified in the contract.
  14. The "Project Employment & Contracting Coordinator" is a member of the DEO staff under the Department of Administration who is in charge of coordinating Project Employment & Contracting projects. Contractors and developers engaged in projects covered by Project Employment & Contracting Agreements will direct inquiries to the Project Employment & Contracting Coordinator.
  15. The "Project Employment & Contracting Monitor" or "Monitor" is a member of the DEO staff under the Department of Administration directly under the command of the Project Employment & Contracting Coordinator, who is in charge of monitoring the site, collecting the reports and documentation, and other day-to-day Project Employment & Contracting housekeeping as stipulated by this agreement.
  16. The "Project Employment & Contracting Officer" or "Officer" is an employee of the Recipient who is designated by the Recipient to make sure the Recipient is in compliance with the Recipient's Project Employment & Contracting agreement.

17. "Recipient" means any individual, partnership, association, organization, corporation or other entity, whether public or private, or for profit or non-profit, or agent thereof, which receives an Economic Incentive and shall include any Contractor, Subcontractor or agent of the Recipient.
18. "The Registry" or "Jersey City Employment Registry" means a list maintained by the City or its designee of Jersey City residents seeking employment and Local Businesses, including Minority or Woman Owned Local Businesses, seeking contracts.
19. "Subcontract" means a binding legal relationship involving performance of a contract that is part of a prime contract.
20. "Subcontractor" means a third party that is engaged by the prime Contractor to perform under a subcontract all or part of the work included in an original contract.
21. "Substantial Completion" means the determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the date on which the Project receives, or is eligible to receive any Certificate of Occupancy for any portion of the Project.

## **II. Purpose:**

The City wishes to assure continuing employment opportunities for City residents, particularly residents who are Minorities, and business opportunities for Local Businesses, especially Minority and Women Owned Local Businesses, with employers located in or relocating to the City who are the Recipients of Economic Incentives. The City has determined to accomplish that goal by requiring the Recipient of an Economic Incentive to act in Good Faith, as defined herein, and discharge its obligations under this Agreement. To the extent mandated by State and Federal law and so long as the Entity discharges its Good Faith obligations under this agreement, the City acknowledges that the Recipient and its contractors are free to hire whomever they choose.

## **III. Good Faith Goals:**

In the event the Recipient is able to demonstrate that its work force already meets the goals set forth below or is able to meet such goals during the term of this agreement, the Recipient will not be required to comply with the interviewing or reporting obligations set forth in Section VI 1., A-L (Construction Jobs) and Section VI, 2., A-J (Permanent Jobs). All goals for Construction Jobs shall be calculated as a percentage of the total number of work hours in each trade from the beginning of the project to its completion.

1. **Employment:** The Recipient shall make a Good Faith effort to achieve the goal of a work force representing fifty-one (51%) percent City residents, fifty-one (51%) percent of whom are residents who are Minorities and, in Non-Traditional Jobs, six point nine (6.9%) percent of whom are residents who are women, it being understood that one employee may satisfy more than one category.

2. **Business Contracting:** The Recipient shall make a Good Faith effort to achieve the goal of awarding twenty (20%) percent of the dollar amount of its contracts to Local Businesses, fifty-one (51%) percent of which shall be Minority or Women Owned Local Businesses. If fifty-one (51%) percent of Minority or Women Owned Local Businesses cannot be obtained, that percentage of contracts must still be applied to local vendors.

**IV. Recipient Designee:**

The Recipient shall designate a principal officer of its firm to be responsible for administering the agreement detailed herein and to report to and confer with the City in order to discharge its Good Faith obligations as defined in this agreement. This officer should be designated as the Project Employment & Contracting Officer.

The Recipient should send a letter of introduction regarding the "Project Employment & Contracting Compliance Officer" to the Project Employment & Contracting Coordinator prior to any preconstruction meetings. An example of this letter can be found in Appendix A. This principle officer should also be present for all preconstruction meetings.

The Recipient should send a letter regarding the "Project Employment & Contracting Compliance Officer" to the employees of the Recipient's company. An example of this letter can be found in Appendix AZ

**V. Term:**

This agreement shall be in effect for a period co-terminus with the effective period of the tax exemption [the Economic Incentive]. Thus, it will commence on the date the City Council adopted Ordinance \_\_\_\_\_ approving the tax exemption and terminate the earlier of twenty (20) years from the date of the adoption of that Ordinance or fifteen (15) years from the date of Substantial Completion of the Project.

**VI. Good Faith Defined:**

1. **Construction Jobs:** Good Faith shall mean compliance with all of the following conditions:

A. Initial Manning Report:

- i) Prior to the commencement of their work on the Project, each Contractor /Subcontractor shall prepare an Initial Manning Report.
- ii) The Initial Manning Report should contain an estimate of the total hours in each construction trade or craft and the number of hours to be worked by City residents, including a list of the number of minority residents and women residents that will work in each trade or craft, including the work hours to be performed by such employees of any and all Contractors and Subcontractors. Attached hereto as Appendix B is the Recipient's Initial Manning Report.

- iii) The Initial Manning Report shall be filed with the Project Employment and Contracting Monitor, who must accept said Report prior to the Recipient entering into any construction contract. An example of this acceptance letter is given in Appendix C.

B. Developer's Contracting Obligations

- i) Once the developer submits the project's initial manning report, he/she must forward a letter with requests for quotation or bid to Mayor Steven M. Fulop's Business Cooperative Program for local and minority vendors for any construction or building operating goods, services and sub-contracting opportunities. An example of this letter is given in Appendix D.
- ii) The developer shall make a good faith effort to contact those businesses and individuals who submit bids. This effort must be documented by letter, which will be sent to Mayor Steven M. Fulop's Business Cooperative Program at DEO under the Department of Administration. An example of this letter can be found in Appendix D2.

C. Contractor's/Subcontractor's Compliance Statement

Prior to commencement of their work on the Project, each Contractor or Subcontractor must agree in writing to comply with this agreement and the employment goals elaborated herein. An example of this Compliance Statement can be found in Appendix E.

D. Union Statement of Using Its Best Efforts

- i) Prior to commencement of their work on the Project, the contractor/subcontractor must submit a statement expressing its adherence to the Project Employment & Contracting Agreement to each union with which he/she has a collective bargaining agreement covering workers to be employed on the project.
- ii) The Compliance Statement shall include a union statement for the particular union to sign, which claims the union will use its best efforts to comply with the employment goals articulated in the Project Employment & Contracting agreement. This compliance statement is detailed in Appendix F. A copy of the signed compliance statement must be sent to the Project Employment & Contracting Monitor in DEO under the Department of Administration before work starts in order for a developer to be in compliance.
- iii) The Recipient will require the Contractor or Subcontractor to promptly notify the City of any refusal or failure of a union to sign the statement. If a particular union refuses to sign a statement, the Recipient will document its efforts to obtain such statement and the reasons given by the union for not signing such statement, and submit such documentation to the Project Employment & Contracting Monitor in DEO under the Department of Administration.

E. Sub-Contractors

The developer shall require that each prime contractor be responsible for the compliance of his/her subcontractors with the aforementioned Project Employment & Contracting requirements during the performance of the contract. Whenever the contractor sub-contracts a portion of the work on the project, the contractor shall bind the subcontractor to the obligations contained in these supplemental conditions to the full extent as if he/she were the contractor.

F. Union Apprentices

The contractor is responsible for assuring that resident and minority apprentices account for at least fifty (50%) percent of the total hours worked by union apprentices on the job in each trade listed in which apprentices are employed, according to the apprentice-to-journey-worker ratio contained in the collective bargaining agreement between the various unions, and shall hold each of his/her subcontractors to this requirement. The Recipient will require the contractor or subcontractor to promptly notify the City of any refusal of a union to utilize resident and minority apprentices.

G. Monthly Manning Report

- i) The Recipient will cause the Contractor to complete and submit Monthly Project Manning Reports to the Project Employment & Contracting Monitor in DEO under the Department of Administration by the seventh day of the month following the month during which the work is performed, for the duration of the contract.
- ii) The report will accurately reflect the total hours in each construction trade or craft and the number of hours worked by City residents, including a list of the number of minority resident and women resident workers in each trade or craft, and will list separately the work hours performed by such employees of the Contractor and each of its Subcontractors during the previous month. The Monthly Manning Report shall be in the form attached hereto as Appendix G.
- iii) The Recipient is responsible for maintaining or causing the Contractor to maintain records supporting the reported work hours of its Contractors or Subcontractors.

H. Monthly Certified Payroll Report

- i) The Recipient will cause the Contractor to furnish the Project Employment & Contracting Monitor with copies of its weekly Certified Payroll reports. The reports will specify the residence, gender and ethnic/racial origin of each worker, work hours and rate of pay and benefits provided. The Certified Payroll report shall be in the form attached hereto as Appendix H.
- ii) Payroll reports must be submitted on a monthly basis with the Monthly Manning Report or the Recipient is no longer in compliance.

I. Equal Employment Opportunity Reports

Prior to commencement of work on the Project, the Recipient will request copies of the most recent Local Union Report (EEO-3) and Apprenticeship Information Report (EEO-2) which are required to be filed with the US Commission of Equal Employment Opportunity Commission by the collective bargaining unit. These reports will be forwarded to the Project Employment & Contracting Monitor within one month of the signing of the Project Employment & Contracting Agreement.

J. Other Reports

In addition to the above reports, the Recipient shall furnish such reports or other documents to the City as the City may request from time to time in order to carry out the purposes of this agreement.

K. Records Access

The Recipient will insure that the City will have reasonable access to all records and files reasonably necessary to confirm the accuracy of the information provided in the reports.

L. Work Site Access For Monitor

- i) The City will physically monitor the work sites subject to this agreement to verify the accuracy of the monthly reports. Each work site will be physically monitored approximately once every two weeks, and more frequently if it is deemed reasonably necessary by the City. The City's findings shall be recorded in a "Site Visit Report." An example of a bi-weekly site visit report can be found in Appendix I.
- ii) The Recipient shall require the Contractor and Sub-contractor to cooperate with the City's site monitoring activities and inform the City as to the dates they are working at the Project site. This includes specifically instructing the on-site construction manager about the monitoring process, and informing him/her that the monitor will contact him/her to set up an initial meeting. In the case of projects with multiple locations, the Recipient shall inform the City of the dates they are working at each site location(s) where they are working, in order to facilitate the monitoring.

2. **Permanent Jobs:** Good Faith shall mean compliance with all of the following conditions:

A. Pre-hiring Job Awareness: At least eight (8) months prior to the hiring of a Recipient's permanent workforce, the Project Employment & Contracting officer for the Recipient will sit down with the head of the Registry to discuss how the Recipient plans to hire its permanent workforce. The following issues should be covered in this meeting:

- i) whether subcontractors will be used in the hiring process.

- ii) the specific types of jobs that need to be filled.
- iii) the qualifications needed for these particular jobs.
- iv) possible training programs offered by the permanent employer.
- v) the Recipient's goals and how it plans to meet these goals.
- vi) any other issues which need to be addressed by the Registry.

1. Subcontractor Notification -- If the Recipient decides to subcontract any portion or all of its permanent workforce, then the Recipient must receive a signed acknowledgment from the subcontracting party that it will abide by the Project Employment & Contracting Agreement before said subcontractor begins staffing permanent employees. The Recipient must forward a copy of the signed acknowledgment to the Project Employment & Contracting Monitor. An example of this signed acknowledgment can be found in Appendix E.

2. Subcontractor Pre-Hiring Job Awareness Meeting -- Each subcontractor hired to staff permanent job positions must appoint a Project Employment & Contracting Officer to meet with the head of the Registry to discuss the same issues presented above in VI 2.A(I-vi).

3. Subcontractors of Subcontractors--Subcontractors of subcontractors are subject to the same requirements for the initial subcontractors above in Section VI 2.A.

B. Documentation of Hiring Plan--Once the Pre-Hiring Job Awareness Meeting has taken place, the Recipient must put together a document with goals and totals for future permanent employment needs. This plan should summarize all that was discussed in the Pre-Hiring Awareness Meeting, list estimates for manpower needs, set residential and minority employment goals commensurate with the Project Employment & Contracting Agreement, and show how the Recipient plans to meet these goals. An example of this plan is found in Appendix J.

C. Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the Registry with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the Registry to refer qualified applicants to the Recipient.

D. Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the Project Employment & Contracting Coordinator in DEO under the Department of Administration with a copy of this advertisement.

E. Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it from the Registry, to be maintained by the City or its designee. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.

F. Semi-Annual Employment Reports: The Recipient will submit written semi-annual employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will describe the job, whether the job is held by a City resident,

minority resident or woman resident. The report will explain in writing the reasons why any qualified applicant referred by the Registry (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired. An example of this report is found in Appendix K.

G. Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.

H. Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the semi-annual reports.

I. Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.

J. Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

### 3. Business Contracting

Good Faith shall mean compliance with all of the following conditions:

- 1) Solicitation of Businesses:
  - a) One month before accepting bids for goods and services, the Recipient must forward a letter with requests for quotation or bid to Mayor Steven M. Fulop's Business Cooperative Program for local and local minority vendors for any construction or building operating goods, services and subcontracting opportunities. An example of this letter can be found in Appendix D.
  - b) After submission of bids, the Recipient will document whether the bid was accepted or rejected, and state the reason why. An example of this documentation can be found in Appendix D2.
    - i) Semi-Annual Purchasing Reports: The Recipient will submit written semi-annual purchasing reports which will include a list of all contracts awarded over a six month period and the dollar amounts of these contracts. The reports will specify the number and dollar amount of contracts awarded to Local Businesses and Minority or Women Owned Local Businesses. An example of these reports can be found in Appendix L.
    - ii) No Utilization of Local and Local Minority Vendors As Conduits For

## Vendors That Are Not Local Or Minority Owned:

The Recipient pledges not to use local and local minority vendors solely as conduits for vendors that are not local and minority owned. Any discovery by DEO under the Department of Administration of a Recipient, either knowingly or unknowingly, using the masthead of a local or minority owned business as a way to get credit for local or minority employment when it should not, will immediately subject the Recipient to the penalties listed in Section VIII (d) below.

### **4. Summation of Documentation Needed For Compliance with Agreement**

1. Letter Designating Project Employment & Contracting Officer (Appendix A)
2. Letter Designating Project employment & Contracting Officer to Recipient's Employees (App.) AZ
3. Example of Initial Manning Report (Appendix B)
4. Letter Of Acceptance of Initial Manning Report (Appendix C)
5. Letter From Developer Forwarding Requests for Quotation or Bid for Minority and Residential Vendors from Mayor Steven M. Fulop's Business Cooperative Program (Appendix D)
6. Documentation of Bid Submission (Appendix D2)
7. Letter Expressing Project Employment & Contracting Obligations to Contractors/ Subcontractors (Appendix E)
8. Union Statement of Best Efforts (Appendix F)
9. Example of Monthly Manning Report (Appendix G)
10. Example of Monthly Certified Payroll Report (Appendix H)
11. Example of Bi-Weekly Site Visit Report (Appendix I)
12. Example of Documentation of Hiring Plan (Appendix J)
13. Example of Semi-Annual Employment Report (Appendix K)
14. Example of Semi-Annual Purchasing Report (Appendix L)

### **VII. Notices of Violation:**

1. Advisory Notice: The City will issue a written Advisory Notice to the Recipient if there is non-compliance with a Good Faith requirement as defined in this agreement. The Advisory Notice shall explain in sufficient detail the basis of the alleged violation. The Recipient shall have four (4) working days to correct the violation. An example of an Advisory Notice can be found in Appendix M.
2. Violation Notice: If the alleged violation set forth in the Advisory Notice has not been corrected to the satisfaction of the City within four (4) working days, the City shall then issue a Violation Notice to the Recipient. The Violation Notice shall explain in sufficient detail the basis of the alleged, continuing violation. The Recipient will have three (3) working days to correct the violation. An example of a Violation Notice can be found in Appendix N.
3. Correcting the Violation: Either or both the Advisory Notice or the Violation Notice may be considered corrected if the Recipient satisfies the requirements of this agreement and

so advises the City in writing, subject to confirmation by the City.

4. Extension of Time to Correction: Either the Advisory Notice or the Violation Notice may be held in abeyance and the time for correction extended if the Recipient enters into satisfactory written agreement with the City for corrective action which is designed to achieve compliance. If Recipient fails to abide by the terms of such agreement the violation will be considered not corrected.
5. Meetings Concerning Violations: The City may provide an opportunity for a meeting with the Recipient, his Contractors or Subcontractors in an effort to achieve compliance; or may respond to Recipient's request for a meeting after the Recipient has made timely submission of a written explanation pursuant to the above. The meeting shall be requested no later than two days after the alleged violator has submitted the written explanation.
6. Interviews Relating to Violations: The City may conduct interviews and may request additional information from appropriate parties as is considered necessary to determine whether the alleged violation has occurred.
7. Determination of Violation: The City shall issue a determination of whether the Recipient is in violation of this agreement as soon as possible but not later than thirty days after the delivery of the Violation Notice to the Recipient. If the City determines that the Recipient is in violation, the City shall be entitled to the liquidated damages provided below.

#### **VIII. Liquidated Damages/Interest:**

While reserving any other remedies the City may have at law or equity for a material breach of the above terms and conditions, the parties agree that damages for violations of this agreement by the Recipient cannot be calculated within any reasonable degree of mathematical certainty. Therefore, the parties agree that upon the occurrence of a material breach of any of the above terms and conditions and after notice and expiration of any period to correct the violation, the City will be entitled to liquidated damages from the Recipient in the following amounts:

- a) failure to file Initial Manning Reports (Construction Jobs) or Pre-Hiring Notification (Permanent Jobs) or Pre-Contracting Notification (Business Contracting): an amount equal to a Five (5%) percent increase in the estimated annual payment in lieu of taxes;
- b) failure to conduct Pre-hiring Interviews or submit Compliance Statement (Construction Jobs) or Solicit Bids (Business Contracting): an amount equal to Three (3%) percent increase in the estimated annual payment in lieu of taxes;
- c) failure to allow record or work place access or submit any other required reports (all categories): an amount equal to Two (2%) percent increase in the estimated annual payment in lieu of taxes.

City Clerk File No. Ord. 16.022

Agenda No. 3.J 1st Reading

Agenda No.                      2nd Reading & Final Passage



## ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE  
offered and moved adoption of the following ordinance:

CITY ORDINANCE 16.022

**TITLE: AN ORDINANCE APPROVING A 20 YEAR TAX EXEMPTION FOR A MIXED-USE, MARKET-RATE, RESIDENTIAL PROJECT TO BE CONSTRUCTED BY PACIFIC 312 GROUP URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.**

**THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:**

**WHEREAS**, Pacific 312 Group Urban Renewal, LLC ("Urban Renewal"), is an urban renewal entity, formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq. (Entity); and

**WHEREAS**, the Entity is owner of certain property known as Block 20005, Lot 19.01 f/k/a lots 19 & 20, on the City's Official Tax map, more commonly known by the street address of 326 Pacific Avenue, and more specifically described by metes and bounds, in the application [Property]; and

**WHEREAS**, the Property is located within the Morris Canal Redevelopment Plan Area as required by N.J.S.A. 40A:20-4 and N.J.S.A. 40A:12A-5(g); and

**WHEREAS**, the Project received a site plan approval from the Planning Board on July 22, 2014; and

**WHEREAS**, the Entity has applied for a twenty (20) year long term tax exemption for a four (4) story mixed-used building, containing fourteen (14) residential rental units, and approximately 1,084 square feet of ground floor commercial/retail space; and

**WHEREAS**, the Property is in located within Tier III of the Jersey City Tax Abatement Policy Map and Tier III allows tax abatements for a period of up to twenty (20) years; and

**WHEREAS**, the Entity has requested a term of the earlier of twenty-five (25) years from the effective date of the ordinance approving the abatement, or twenty (20) years from the date that the Project is deemed substantially complete; and

**WHEREAS**, the Entity proposes an annual service charge based upon twelve percent (12%) of gross revenue, and in addition the Applicant would pay an annual fee to Hudson County based upon five (5%) percent of the service charge, and an administrative fee to the City of two (2%) percent of the service charge; and

**WHEREAS**, Pacific 312 Group Urban Renewal, LLC, has agreed to:

1. pay the greater of (i) the Minimum Annual Service Charge or (ii) 12% of Annual

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Gross Revenue each year, which sum is estimated to be \$44,100, and which shall be subject to statutory staged increases over the term of the tax exemption; and

2. pay an annual sum equal to 2% of each prior year's Annual Service Charge as an Administrative Fee; and
3. provide employment and other economic opportunities for City residents and businesses;
4. pay to City for remittance to Hudson County, a sum equal to 5% of the Annual Service Charge upon receipt of that charge; and
5. provide a contribution to the City's Affordable Housing Trust Fund, pursuant to Ordinance 03-112, in the amount of \$22,62. This payment is nonrefundable and nontransferable and shall be forfeited by the Entity should either party terminate the tax exemption prior to the end of the herein term.

**WHEREAS**, the City hereby determines that the relative benefits of the project outweigh the cost of the tax exemption, for the following reasons:

1. the current real estate taxes generate revenue of only \$5,559, whereas, the Annual Service Charge as estimated, will generate revenue of more than \$44,100 to the City and an additional sum of approximately \$2,205 to Hudson County;
2. it is expected that the Project will create approximately five (5) jobs during construction and twelve (12) new permanent jobs after construction;
3. the Project will stabilize and contribute to the economic growth of businesses in the surrounding area;
4. the Project will further the overall redevelopment objectives of the Morris Canal Redevelopment Plan area;
5. the City's impact analysis, on file with the Office of the City Clerk, indicates that the benefits of the Project outweigh the costs to the City; and

**WHEREAS**, the City hereby determines that the tax exemption is important in obtaining development of the project and influencing the locational decisions of probable occupants for the following reasons:

1. the relative stability and predictability of the Annual Service Charges will make the Project more attractive to investors needed to finance the Project;
2. the relative stability and predictability of the Annual Service Charges will allow the owner to stabilize its operating budget, allowing a high level of maintenance to the building over the life of the Project, which will attract purchasers to the Project and insure the likelihood of the success of the Project; and

**WHEREAS**, Pacific 312 Group Urban Renewal, LLC, has initially complied with Executive Order 2002-005 concerning "Disclosure of Lobbyist Representative Status" by filing an appropriate letter in the Office of the City Clerk; and

**AN ORDINANCE APPROVING A 20 YEAR TAX EXEMPTION FOR A MIXED-USE, MARKET-RATE, RESIDENTIAL PROJECT TO BE CONSTRUCTED BY PACIFIC 312 GROUP URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ**

**NOW, THEREFORE, BE IT ORDAINED by the Municipal Council of the City of Jersey City that:**

- A. The application of Pacific 312 Group Urban Renewal, LLC, an urban renewal company, formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq., a copy of which is on file in the office of the City Clerk, for Block 20005, Lot 19.01 (f/k/a lots 19 & 20), more commonly known by the street address of 314 Pacific Avenue, more specifically described by metes and bounds in the application is hereby approved.
- B. The Mayor or Business Administrator is hereby authorized to execute a tax exemption Financial Agreement and a Project Employment and Contracting Agreement. The Financial Agreement shall include at a minimum the following terms and conditions:
  1. Term: the earlier of 25 years from the adoption of the within Ordinance or 20 years from the date the project is Substantially Complete;
  2. Annual Service Charge: each year the greater of:
    - (a) the Minimum Annual Service Charge equal to \$5,559 upon Project Completion, whether or not the Project is occupied; or
    - (b) 12% of Annual Gross Revenue, estimated at \$44,100, which shall be subject to statutory increases during the term of the tax exemption.
  3. Administrative Fee: 2% of the prior year's Annual Service Charge or \$882;
  4. County Payment: an additional 5% of the Annual Service Charge for remittance by the City to Hudson County or \$2,205;
  6. Affordable Housing Trust Fund: provide a contribution to the City's Affordable Housing Trust Fund, pursuant to Ordinance 03-112, in the amount of \$22,626.00, which represents \$1,500 per unit at 14 units (\$21,000.00) and \$1.50 per approximately 1,084 square footage Commercial Space (\$1,626). This payment is nonrefundable and nontransferable and shall be forfeited by the Entity should either party terminate the tax exemption prior to the end of the herein term;
  7. Project: a four (4) story mixed-used building with a total of 14 emerging residential units, and approximately 1,084 square feet of ground floor commercial/retail space;
  8. Project Employment & Contracting Agreement: an obligation to execute (i) a Project Employment and Contracting Agreement to insure employment and other economic benefits to City residents and businesses;
  9. Project Labor Agreement: Entity certified that its construction costs are less than \$25 million. In the event a construction cost audit or report indicates construction costs of more than \$25 million, then the Entity shall execute a Project Labor Agreement and be required to pay the damages as set forth in Section 304-37(3) of the Municipal Code.

**AN ORDINANCE APPROVING A 20 YEAR TAX EXEMPTION FOR A MIXED-USE, MARKET-RATE, RESIDENTIAL PROJECT TO BE CONSTRUCTED BY PACIFIC 312 GROUP URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.**

10. The initial installment of the Affordable Housing Trust Fund contribution payment shall be due on execution of the Financial Agreement, but in no event later than 90 days of the adoption of the ordinance. Interest shall accrue on such payments as of the 91<sup>st</sup> day at the same rate as the City charges for unpaid real estate taxes;
  11. The Financial Agreement shall be executed by the Entity no later than 90 days following adoption of the within Ordinance. Failure to comply shall result in a repeal of the herein Ordinance and the tax exemption will be voided.
  12. The Ordinance will be rescinded if the closing of the sale of the property and transfer of title from the seller to the Entity does not take place within ninety (90) days of the date of adoption of the herein Ordinance, unless otherwise extended by the City;
  13. This Ordinance will sunset and the Tax Exemption will terminate unless construction of the Project begins within two (2) years of the adoption of the within Ordinance.
- C. The City Clerk shall deliver a certified copy of the Ordinance and Financial Agreement to the Tax Assessor and Director of the Division of Local Government Services.
  - D. The application is on file with the office of the City Clerk. The Financial Agreement and Project Employment and Contracting Agreement shall be in substantially the form on file in the Office of the City Clerk, subject to such modification as the Business Administrator or Corporation Counsel deems appropriate or necessary. The applicant shall execute the tax exemption agreement within ninety (90) days of the date of adoption of the herein Ordinance. Failure to comply shall result in the Ordinance being repealed and the tax exemption rescinded.
  - E. The actual date of execution of the tax exemption agreement shall not affect, alter or amend the Entity's obligation to make payments according to the intervals set forth in Section 304-28 of the Municipal Code and the tax exemption agreement. Should the Entity fail to make timely payments, interest shall begin to accrue at the rate set forth in the tax exemption agreement.
  - F. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
  - G. This ordinance shall be part of the Jersey City Code as though codified and fully set forth therein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
  - H. This ordinance shall take effect at the time and in the manner provided by law.
  - I. The City Clerk and Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

**AN ORDINANCE APPROVING A 20 YEAR TAX EXEMPTION FOR A MIXED-USE, MARKET-RATE, RESIDENTIAL PROJECT TO BE CONSTRUCTED BY PACIFIC 312 GROUP URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.**

**NOTE:** All material is new; therefore underlining has been omitted.  
For purposes of advertising only, new matter is indicated by **bold face** and repealed matter by *italic*.

JJH/mw 1/14/16

APPROVED AS TO LEGAL FORM

APPROVED: \_\_\_\_\_

\_\_\_\_\_  
Corporation Counsel

APPROVED: \_\_\_\_\_  
Business Administrator

Certification Required

Not Required

**RESOLUTION FACT SHEET – NON-CONTRACTUAL**

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

**Full Title of Ordinance/Resolution**

Ordinance Approving A Twenty (20) Year Tax Exemption for a Market Rate Mixed Use Rental Project Constructed by Pacific 312 Group Urban Renewal, LLC pursuant to Long-Term Tax Exemption Law N.J.S.A. 40A:20-1 et. seq. Designated as Block 20005 Lot 19.01 on the City's Tax Map and known as 314 Pacific Avenue.

**Initiator**

Department/Division	Mayor's Office	Mayor's Office
Name/Title	Marcos Vigil	Deputy Mayor
Phone/email	(201) 547-6542	mvigil@jcnj.org

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

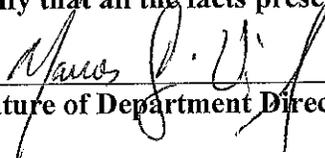
**Resolution Purpose**

The applicant is requesting a tax abatement with a term of the lesser of Twenty-five (25) years from the date of approval of an ordinance approving the abatement or twenty (20) years from substantial completion of the project. It will be a four (4) story market rate mixed-use rental project within the Morris Canal Redevelopment Plan area. The proposed project at Block 20005 – Lot 19.01 is located in Tier III on the Jersey City Tax Exemption Policy Map. No parking will be provided.

The property know as 314 Pacific Avenue, consists of Block 20005 Lot 19.01. It is the consolidation of Block 20005 Lots 19 & 20 located on Pacific Avenue near the corner of Communipaw Avenue.

The application fee of \$9,500 was paid.

I certify that all the facts presented herein are accurate.

  
Signature of Department Director

1-14-16  
Date

**DATE:** January 13, 2016  
**TO:** John Hallanan (For distribution to City Council and City Clerk)  
**FROM:** Al Cameron, Fiscal Officer - Tax Collector's Office  
**SUBJECT:** TWENTY YEAR TAX ABATEMENT: MARKET RATE MIXED-USE RENTAL PROJECT – Pacific 312 Group Urban Renewal, LLC - 314 Pacific Avenue - Block 20005 Lot 19.01  
**CC:** M. Cosgrove, E. Borja, E. Toloza, J. Monahan, M. Vigil, R. Kakoleski, G. Corrado

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**INTRODUCTION:**

The applicant, Pacific 312 Group Urban Renewal, LLC, is applying for a twenty (20) year tax abatement under N.J.S.A. 40 A: 20-1 et seq. It will be a four (4) story market rate mixed-use rental project within the Morris Canal Redevelopment Plan area. The proposed project at Block 20005 – Lot 19.01 is located in Tier III on the Jersey City Tax Exemption Policy Map. The application fee of \$9,500 was paid.

**LOCATION OF THE PROPERTY:**

The property know as 314 Pacific Avenue, consists of Block 20005 Lot 19.01. It is the consolidation of Block 20005 Lots 19 & 20 located on Pacific Avenue near the corner of Communipaw Avenue.

**PROPERTY TO BE CONSTRUCTED:**

The proposed project will be a four (4) story mixed-use building with fourteen (14) market rate residential units, and approximately 1,084 square feet of ground floor commercial/retail space. No parking will be provided.

**ESTIMATED TOTAL PROJECT COST:**

The cost of construction estimated at \$2,455,200, is certified by Scott Mahaffey, the applicant's architect. Total Project Cost is projected at \$3,213,147.

**CONSTRUCTION SCHEDULE:**

The applicant expects to begin construction in December 2015. Completion is expected within eighteen (18) months of commencement.

**ESTIMATED JOBS CREATED:**

The applicant estimates creation of five (5) jobs during Construction and approximately two (2) permanent real estate jobs after construction. Ten (10) post-construction commercial/retail jobs are estimated. The applicant will execute

Pacific 312 Group Ave UR 20-Yr Sum (3)

1/13/2016 3:04 PM

a Project Employment and Contracting Agreement. However; based upon the estimated construction cost, a Project Labor Agreement is not required.

**AFFORDABLE HOUSING TRUST FUND CONTRIBUTION:**

See table below:

Pacific 312 Group Urban Renewal, LLC

		Rate	Amount
Residential Units	14	\$1,500.00	\$21,000.00
Square footage Commercial Space	1,084	\$1.50	\$1,626.00
			\$22,626.00
		Total AHTF Payment	\$22,626.00

**CURRENT REAL ESTATE TAX:**

The existing assessment for the land is \$27,400 and the existing building is \$46,900. At the current tax rate of \$74.82 the estimated total annual tax is \$5,559.

The new assessment on the land is \$77,400 and for the improvements is \$686,600. All taxes are current.

**PROPOSED ABATEMENT:**

The property is in Tier III of the Jersey City Tiered Tax Exemption Policy Map. The applicant has requested a term of the lesser of Twenty-five (25) years from the date of approval of an ordinance approving the abatement or twenty (20) years from substantial completion of the project. The applicant proposes an Annual Service Charge (ASC) of twelve percent (12%) of Annual Gross Revenue.

The Minimum Annual Service Charge is set at \$44,100.

Abatement staged adjustment provides for an ASC of twelve percent (12%) of Annual Gross Revenue for years one (1) through six (6). An additional two percent (2%) City administrative fee and a five percent (5%) service charge to Hudson County will be charged annually.

Beginning the first day of year seven (7) through the end of year nine (9) the PILOT would be the greater of twelve percent (12%) of Annual Gross Revenue or twenty percent (20%) of conventional taxes.

Beginning in year ten (10) through the end of year twelve (12) it would be the greater of twelve percent (12%) of annual gross revenue, or forty percent (40%) of conventional taxes.

Beginning in year thirteen (13) through the end of year sixteen (16) it would be the greater of twelve percent (12%) of Annual Gross Revenue, or sixty percent (60%) of conventional taxes.

Beginning in year seventeen (17) until the end of year twenty (20) it would be the greater of twelve percent (12%) of Annual Gross Revenue, or eighty percent (80%) of conventional taxes.

Beginning the first day of year twenty-one (21) full conventional taxes would be due.

**PROPOSED REVENUE TO THE CITY:**

The Annual Service Charge at the based upon the Minimum Annual Service Charge is \$44,100. The City Administrative fee at two percent (2%) is \$882 and the Hudson County fee at five percent (5%) is \$2,205.

**SERVICE CHARGE VS CONVENTIONAL**

**PACIFIC 312 GROUP UR**

*\*ASSUMING 74.82 TAX RATE WITH 2% ANNUAL INCREASE*

**NEW ASSESSMENTS BASED ON TAX ASSESSOR ANALYSIS**

LAND	77,400	COUNTY	5%
BLDG	686,600	ADMIN	2%
TOTAL	764,000		

EXISTING ASSESSMENT:	74,300
PROJECTED SERVICE CHARGE (12%):	40,411
MINIMUM ASC:	44,100

YEAR	ASC w/ Phase-In Less Land Tax Credit	ASC w/ 2% Annual Increase	ASC w/ 2% Annual Increase & Phase-In	County (5%)	Admin (1%)	Estimated Conventional Taxes On New Assessment	Staged Adj Rate	Conventional Taxes at 51% (Estimated)	Current Taxes On Existing Assessment	Land Tax
1	38,309	40,411	44,100	2,205	882	57,162		29,153	5,559	5,791
2	38,193	41,219	44,100	2,205	882	58,306		29,736	5,670	5,907
3	38,075	42,043	44,100	2,205	882	59,472		30,331	5,784	6,025
4	37,954	42,884	44,100	2,205	882	60,661		30,937	5,899	6,146
5	37,832	43,742	44,100	2,205	882	61,875		31,556	6,017	6,268
6	38,223	44,617	44,617	2,231	892	63,112		32,187	6,138	6,394
7	38,987	45,509	45,509	2,275	910	64,374	20%	32,831	6,260	6,522
8	39,767	46,419	46,419	2,321	928	65,662	20%	33,487	6,386	6,652
9	40,562	47,348	47,348	2,367	947	66,975	20%	34,157	6,513	6,785
10	41,374	48,295	48,295	2,415	966	68,314	40%	34,840	6,644	6,921
11	42,201	49,260	49,260	2,463	985	69,681	40%	35,537	6,777	7,059
12	43,045	50,246	50,246	2,512	1,005	71,074	40%	36,248	6,912	7,200
13	43,906	51,251	51,251	2,563	1,025	72,496	60%	36,973	7,050	7,344
14	44,784	52,276	52,276	2,614	1,046	73,946	60%	37,712	7,191	7,491
15	45,680	53,321	53,321	2,666	1,066	75,425	60%	38,467	7,335	7,641
16	46,593	54,388	54,388	2,719	1,088	76,933	60%	39,236	7,482	7,794
17	54,828	55,475	62,777	3,139	1,256	78,472	80%	40,021	7,631	7,950
18	55,924	56,585	64,033	3,202	1,281	80,041	80%	40,821	7,784	8,109
19	57,043	57,716	65,314	3,266	1,306	81,642	80%	41,637	7,940	8,271
20	58,183	58,871	66,620	3,331	1,332	83,275	80%	42,470	8,099	8,436
<b>TOTAL</b>	881,464	981,874	1,022,172	51,109	20,443	1,388,898		708,338	135,072	140,708

*ASC phase-in reflects annual 2% increase in conventional taxes AND Gross Rents  
 Projected figures subject to rounding discrepancies*

**FISCAL IMPACT COST PROJECTION (MARKET RATE RENTAL UNITS - TIER 3 - 20 YEAR)**

**Block: 20005 Lot: 19.01 Loc: 314 PACIFIC AVE**

Market Rate Rental Units Planned Development	Number of Units	Demographic Multipliers (Transit Oriented Development)*				Annual Expenditures		Total Annual Expenditures		
		Household	Students	Residents	Students	Per Capita Municipal	Per Pupil Per School District	Municipal	School District	Total
2 Bedroom	14	2.012	0.120	28.17	1.68	\$1,181.83	\$3,445.00	\$33,289.75	\$5,787.60	\$39,077.35
<b>TOTAL</b>	14			28.17	1.68			\$33,289.75	\$5,787.60	\$39,077.35

1. Total Municipal Ratables	\$5,997,768,597	4. CY 2015 Budget	\$535,307,187	6. Population of Jersey City (2010 Census)	247,597	9. Increase in Services Incurred Per Development	\$ 39,077.35
2. Residential Ratables	\$3,278,586,056			7. Per Capita Municipal Cost	\$1,181.83	10. Anticipated Gross PILOT (1st Year)	
Commercial Ratables	\$1,512,274,524			8. Annual Expenditures Per Student**	\$3,445.00	Minimum ASC	\$ 44,100.00
						2% Admin	\$ 882.00
3. Residential Ratables as a Percentage of Total Ratables	54.66%	5. Residential Portion	\$292,617,271			Less Land Tax	\$ (5,791.00)
						11. 1st Year Net PILOT	\$ 39,191.00
						12. Implied Surplus (Cost)	\$ 113.65

**Classic Average costing approach for projecting the impact of population change and local Municipal and School District costs**

\*Source: New Jersey Demographic Multipliers: Profile of the Occupants of Residential and Nonresidential Development; Listokin, November 2006

\*\*Source: 2014-2015 Jersey City Municipal Cost Per Pupil

**TIER 3 - FINANCIAL AGREEMENT (20 YEAR)**  
**Rev. 12-20-13; 1/15/16**  
Long Term Tax Exemption  
N.J.S.A. 40A:20-1, et seq.

Re: 312-314 Pacific Avenue  
Approximately .11 Acres  
Block 20005, Lot 19.01(f/k/a lots 19 & 20)  
Morris Canal Redevelopment Plan

### **PREAMBLE**

**THIS FINANCIAL AGREEMENT**, [Agreement] is made the 10<sup>th</sup> day of February, 2016 by and between **PACIFIC 312 GROUP URBAN RENEWAL**, an urban renewal entity formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq., having its principal office at 317 Grove Street, Suite 6, Jersey City, New Jersey 07302 and the **CITY OF JERSEY CITY**, a Municipal Corporation of the State of New Jersey, having its principal office at 280 Grove Street, Jersey City, New Jersey 07302 [City].

### **RECITALS**

#### **WITNESSETH:**

**WHEREAS**, the Entity is the contract purchaser of certain property designated as Block 20005, Lot 19.01 (f/k/a lots 19 & 20), more commonly known by the street address of 312-314 Pacific Avenue, Jersey City, and more particularly described by the metes and bounds description set forth as Exhibit 1 to this Agreement; and

**WHEREAS**, this property is located within the boundaries of the Morris Canal Redevelopment Plan Area; and

**WHEREAS**, the Entity plans to construct a four (4) story building with approximately fourteen (14) market rate residential units, and approximately 1,084 square feet of ground floor commercial/retail space; [Project]; and

**WHEREAS**, on July 22, 2014 the Project received site plan approval from the Planning Board; and

**WHEREAS**, on October 13, 2015, the Entity filed an Application with the City for a

long term tax exemption for the Project; and

**WHEREAS**, by the adoption of Ordinance 16.\_\_\_\_ on February 10, 2016, the Municipal Council approved a long term tax exemption for the Project and authorized the execution of a Financial Agreement; and

**WHEREAS**, the City made the following findings:

A. Relative Benefits of the Project when compared to the costs:

1. the current real estate tax generates revenue of only \$5,559 whereas, the Annual Service charge as estimated, will generate revenue to the City of approximately \$44,100;
2. as required by Ordinance 13-088, the Entity shall pay the City the sum of \$7,542 on or before the effective date of the ordinance approving the Financial Agreement, and will pay the balance of \$15,084 as an affordable housing contribution as required by the ordinance;
3. it is expected that the Project will create approximately five (5) jobs during construction and approximately twelve (12) permanent jobs;
4. the project should stabilize and contribute to the economic growth of existing local business and to the creation of new businesses, which cater to the new occupants;
5. the Project will further the objectives of the Morris Canal Redevelopment Plan, and will include the development of vacant property;
6. the City's Impact Analysis, on file with the Office of the City Clerk, indicates that the benefits of the Project outweigh the costs to the City; and

B. Assessment of the Importance of the Tax Exemption in obtaining development of the project and influencing the locational decisions of probable occupants:

1. the relative stability and predictability of the annual service charges will make the Project more attractive to investors and lenders needed to finance the Project; and
2. the relative stability and predictability of the service charges will allow the owner to stabilize its operating budget, allowing a high level of maintenance to the building over the life of the Project, which will attract occupants to the Project, insure the likelihood of stabilized rents to tenants and the success of the Project; and
3. have a positive impact on the surrounding area.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and for other good and valuable consideration, it is mutually covenanted and agreed as follows:

**ARTICLE I - GENERAL PROVISIONS**

**Section 1.1 Governing Law**

This Agreement shall be governed by the provisions of the Long Term Tax Exemption Law, as amended and supplemented, N.J.S.A. 40A:20-1 et seq., Executive Order of the Mayor 2015-007, Disclosure of Lobbyist Status, Ordinance 02-075, and Ordinance 16.\_\_\_\_\_, which authorized the execution of this Agreement. It being expressly understood and agreed that the City expressly relies upon the facts, data, and representations contained in the Application, attached hereto as Exhibit 3, in granting this tax exemption.

**Section 1.2 General Definitions**

Unless specifically provided otherwise or the context otherwise requires, when used in this Agreement, the following terms shall have the following meanings:

- i. Allowable Net Profit- The amount arrived at by applying the Allowable Profit Rate to Total Project Cost pursuant to N.J.S.A. 40A:20-3(c).
- ii. Allowable Profit Rate - The greater of 12% or the percentage per annum arrived at by adding 1.25% to the annual interest percentage rate payable on the Entity's initial permanent mortgage financing. If the initial permanent mortgage is insured or guaranteed by a governmental agency, the mortgage insurance premium or similar charge, if payable on a per annum basis, shall be considered as interest for this purpose. If there is no permanent mortgage financing, or if the financing is internal or undertaken by a related party, the Allowable Profit Rate shall be the greater of 12% or the percentage per annum arrived at by adding 1.25% per annum to the interest rate per annum which the municipality determines to be the prevailing rate on mortgage financing on comparable improvements in Hudson County. The provisions of N.J.S.A. 40A:20-3(b) are incorporated herein by reference.
- iii. Annual Gross Revenue - Any and all revenue derived from or generated by the Project of whatever kind or amount, whether received as rent from any tenants or income or fees from third parties, including but not limited to fees or income paid or received for parking, or as user fees or for any other services. No deductions will be allowed for operating or maintenance

costs, including, but not limited to gas, electric, water and sewer, other utilities, garbage removal and insurance charges, whether paid for by the landlord, tenant or a third party.

iv. Annual Service Charge - The amount the Entity has agreed to pay the City each year for municipal services supplied to the Project, which sum is in lieu of any taxes on the Improvements, pursuant to N.J.S.A. 40A:20-12. It shall include a payment for all annual excess profit.

v. Auditor's Report - A complete annual financial statement outlining the financial status of the Project, which shall also include a certification of Total Project Cost and clear computation of the annual Net Profit. The contents of the Auditor's Report shall have been prepared in conformity with generally accepted accounting principles and shall contain at a minimum the following: a balance sheet, a statement of income, a statement of retained earnings or changes in stockholders' equity, a statement of cash flows, descriptions of accounting policies, notes to financial statements and appropriate schedules and explanatory material results of operations, cash flows and any other items required by Law. The Auditor's Report shall be certified as to its conformance with such principles by a certified public accountant who is licensed to practice that profession in the State of New Jersey.

vi. Certificate of Occupancy - A document, whether temporary or permanent, issued by the City authorizing occupancy of a building, in whole or in part, pursuant to N.J.S.A. 52:27D-133.

vii. Debt Service - The amount required to make annual payments of principal and interest or the equivalent thereof on any construction mortgage, permanent mortgage or other financing including returns on institutional equity financing and market rate related party debt for the Project for a period equal to the term of this Agreement.

viii. Default - Shall be a breach of or the failure of the Entity to perform any obligation imposed upon the Entity by the terms of this Agreement, or under the Law, beyond any applicable grace or cure periods.

ix. Entity - The term Entity within this Agreement shall mean Pacific 312 Group Urban Renewal, LLC, which Entity is formed and qualified pursuant to N.J.S.A. 40A:20-5. It shall also include any subsequent purchasers or successors in interest of the Project, provided they are formed and operate under the Law.

x. Improvements or Project - Any building, structure or fixture permanently affixed to the land and to be constructed and tax exempted under this Agreement.

xi. In Rem Tax Foreclosure or Tax Foreclosure - A summary proceeding by which the City may enforce a lien for taxes due and owing by tax sale, under N.J.S.A. 54:5-1 to 54:5-129 et seq.

xii. Land Taxes - The amount of taxes assessed on the value of land, on which the project is located and, if applicable, taxes on any pre-existing improvements. Land Taxes are not exempt; however, Land Taxes are applied as a credit against the Annual Service Charge.

xiii. Land Tax Payments - Payments made on the quarterly due dates, including approved grace periods if any, for Land Taxes as determined by the Tax Assessor and the Tax Collector.

xiv. Law - Law shall refer to the Long Term Tax Exemption Law, as amended and supplemented, N.J.S.A. 40A:20-1, et seq.; Executive Order of the Mayor 15-007, relating to long term tax exemption, as it may be supplemented; Ordinance 02-075 requiring Disclosure of Lobbyist Status and Ordinance 16.\_\_\_\_\_, which authorized the execution of this Agreement and all other relevant Federal, State or City statutes, ordinances, resolutions, rules and regulations.

xvi. Minimum Annual Service Charge - The Minimum Annual Service Charge shall be (a) until Substantial Completion the amount of the total taxes levied against all real property in the area covered by the Project in the last full tax year in which the area was subject to taxation, which amount the parties agree is \$5,559; and (b) upon Substantial Completion, the sum of \$44,100 per year, which sum is equal to the estimated Annual Service Charge.

Following Substantial Completion, the Minimum Annual Service Charge set forth in subsection (b) shall be paid in each year in which the Annual Service Charge, calculated pursuant to N.J.S.A. 40A:20-12 or this Agreement, would be less than the Minimum Annual Service Charge.

xvi. Net Profit - The Annual Gross Revenues of the Entity less all annual operating and non-operating expenses of the Entity, all determined in accordance with generally accepted accounting principles, but:

(1) there shall be included in expenses: (a) all Annual Service charges paid pursuant to

N.J.S.A. 40A:20-12; (b) all annual payments to the City of excess profits pursuant to N.J.S.A. 40A:20-15 or N.J.S.A. 40A:20-16; (c) an annual amount sufficient to amortize (utilizing the straight line method-equal annual amounts) the Total Project Cost and all capital costs determined in accordance with generally accepted accounting principles, of any other entity whose revenue is included in the computation of excess profits over the term of this agreement; (d) all reasonable annual operating expenses of the Entity and any other entity whose revenue is included in the computation of excess profits including the cost of all management fees, brokerage commissions, insurance premiums, all taxes or service charges paid, legal, accounting, or other professional service fees, utilities, building maintenance costs, building and office supplies and payments into repair or maintenance reserve accounts; (e) all payments of rent including but not limited to ground rent by the Entity; (f) all debt service; and

(2) there shall not be included in expenses either depreciation or obsolescence, interest on debt, except interest which is part of debt service, income taxes or salaries, bonuses or other compensation paid, directly or indirectly to directors, officers and stockholders of the entity, or officers, partners or other persons holding a proprietary ownership interest in the entity.

xvii. Pronouns - He or it shall mean the masculine, feminine or neuter gender, the singular, as well as the plural, as context requires.

xviii. Substantial Completion - The determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the first date on which the Project receives, or is eligible to receive, any Certificate of Occupancy whether temporary or permanent for any portion of the Project.

xix. Termination - Any act or omission which by operation of the terms of this Financial Agreement shall cause the Entity to relinquish its tax exemption.

xx. Total Project Cost - The total cost of constructing the Project through the date a Certificate(s) of Occupancy is issued for the entire Project, which categories of cost are set forth in N.J.S.A. 40A:20-3(h). There shall be included with the Total Project Cost the actual costs incurred by the Entity and certified by an independent and qualified architect or engineer, which are associated with site remediation and cleanup of environmentally hazardous materials or contaminants in accordance with State or Federal law and any extraordinary costs incurred including the cost of demolishing structures, relocation or removal of public utilities, cost of

relocating displaced residents or buildings and the clearing of title. If the Service Charge is a percentage of Total Project Cost, then the Entity agrees that final Total Project Cost shall not be less than its estimated Total Project Cost.

## **ARTICLE II - APPROVAL**

### **Section 2.1 Approval of Tax Exemption**

The City hereby grants its approval for a tax exemption for all the Improvements to be constructed and maintained in accordance with the terms and conditions of this Agreement and the provisions of the Law which Improvements shall be constructed on certain property known on the Official Tax Assessor's Map of the City as: Block 20005, Lot 19.01 (f/k/a lots 19 &20), more commonly known by the street address 312-314 Pacific Avenue, Jersey City, and described by metes and bounds in Exhibit 1 attached hereto.

### **Section 2.2 Approval of Entity**

Approval is granted to the Entity whose Certificate of Formation is attached hereto as Exhibit 4. Entity represents that its Certificate contains all the requisite provisions of the Law; has been reviewed and approved by the Commissioner of the Department of Community Affairs; and has been filed with, as appropriate, the Office of the State Treasurer or Office of the Hudson County Clerk, all in accordance with N.J.S.A. 40A:20-5.

### **Section 2.3 Improvements to be Constructed**

Entity represents that it will construct a four (4) story mixed-used building with approximately fourteen (14) market rate residential units and approximately 1,084 square feet of ground floor commercial/retail space. This is all specifically described in the Application attached hereto as Exhibit 3.

### **Section 2.4 Construction Schedule**

The Entity agrees to diligently undertake to commence construction and complete the Project in accordance with the Estimated Construction Schedule, attached hereto as Exhibit 5, and in compliance with any Redevelopment Agreement.

### **Section 2.5 Ownership, Management and Control**

The Entity represents that it is the owner of the property upon which the Project is to be constructed. Upon construction, the Entity represents that the Improvements will be used, managed and controlled for the purposes set forth in this Agreement and any Redevelopment

Agreement.

**Section 2.6 Financial Plan**

The Entity represents that the Improvements shall be financed in accordance with the Financial Plan attached hereto as Exhibit 6. The Plan sets forth a good faith estimate of Total Project Cost, the amortization rate on the Total Project Cost, the source of funds, the interest rates to be paid on construction financing, the source and amount of paid-in capital, and the terms of any mortgage amortization.

**Section 2.7 Good Faith Estimate of Initial Rents [or Sales Prices]**

The Entity represents that its good faith projections of the initial [sale prices or rents] and other revenue to the Project are set forth in Exhibit 7.

**ARTICLE III - DURATION OF AGREEMENT**

**Section 3.1 Term**

So long as there is compliance with the Law and this Agreement, it is understood and agreed by the parties hereto that this Agreement shall remain in effect for the earlier of twenty five (25) years from the date of the adoption of Ordinance 16. \_\_\_\_\_ on February 10, 2016, which approved the tax exemption or 20 years from the original date of Substantial Completion of the Project. The tax exemption shall only be effective during the period of usefulness of the Project and shall continue in force only while the Project is owned by a corporation or association formed and operating under the Law.

**ARTICLE IV - ANNUAL SERVICE CHARGE**

**Section 4.1 Annual Service Charge**

In consideration of the tax exemption, the Entity shall make the following annual payments to the City for services provided to the Project:

i. City Service Charge: an amount equal to the greater of: the Minimum Annual Service Charge or an Annual Service Charge equal to 10% of the Annual Gross Revenue. The Annual Service Charge shall be billed initially based upon the Entity's estimates of Annual Gross Revenue, attached hereto as Exhibit 6. Thereafter, the Annual Service Charge shall be adjusted in accordance with this Agreement.

ii. County Service Charge: an amount equal to 5% of the Municipal Annual Service Charge shall be paid to the City and remitted by the City to the County.

iii. The Minimum Annual Service Charge pursuant to Section 1.2xv(a) shall be due beginning on the effective date of this Agreement. The Minimum Annual Service Charge pursuant to Section 1.2xv(b) shall be due upon Substantial Completion of the Project. The City Service Charge and the County Annual Service Charge shall be due on the first day of the month following the Substantial Completion of the Project. In the event the Entity fails to timely pay the Minimum Annual Service Charge or the Annual Service Charge, the unpaid amount shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on land until paid.

#### **Section 4.2 Staged Adjustments**

The Annual Service Charge shall be adjusted, in Stages over the term of the tax exemption in accordance with N.J.S.A. 40A:20-12(b) as follows:

- i. Stage One: From the 1st day of the month following Substantial Completion until the last day of the 6th year, the Annual Service Charge shall be 12% of Annual Gross Revenue;
- ii. Stage Two: Beginning on the 1<sup>st</sup> day of the 7th year following Substantial Completion until the last day of the 9th year, an amount equal to the greater of the Annual Service Charge or 20% of the amount of the taxes otherwise due on the assessed value of the land and Improvements;
- iii. Stage Three: Beginning on the 1st day of the 10th year following the Substantial Completion until the last day of the 14th year, an amount equal to the greater of the Annual Service Charge or 40% of the amount of the taxes otherwise due on the assessed value of the land and Improvements;
- iv. Stage Four: Beginning on the 1st day of the 15th year following Substantial Completion until the last day of the 18th year, an amount equal to the greater of the Annual Service Charge or 60% of the amount of the taxes otherwise due on the assessed value of the land and Improvements;
- v. Final Stage: Beginning on the 1st day of the 19th year following Substantial Completion through the date the tax exemption expires, an amount equal to the greater of the Annual Service Charge or 80% of the amount of the taxes otherwise due on the assessed value of the land and Improvements.

#### **Section 4.3 Land Tax**

The Entity is required to pay both the Annual Service Charge and the Land Tax Payments. The Entity is obligated to make timely Land Tax Payments, including any tax on the pre-existing improvements, in order to be entitled to a Land Tax credit against the Annual Service Charge for the subsequent year. The Entity shall be entitled to credit for the amount, without interest, of the Land Tax Payments made in the last four preceding quarterly installments against the Annual Service Charge. In any quarter that the Entity fails to make any Land Tax Payments when due and owing, such delinquency shall render the Entity ineligible for any Land Tax Payment credit against the Annual Service Charge. No credit will be applied against the Annual Service Charge for a partial payment of Land Taxes. In addition, the City shall have, among this remedy and other remedies, the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. and/or declare a Default and terminate this Agreement.

#### **Section 4.4 Quarterly Installments / Interest**

The Entity expressly agrees that the Annual Service Charge shall be made in quarterly installments on those dates when real estate tax payments are due; subject, nevertheless, to adjustment for over or underpayment within thirty (30) days after the close of each calendar year. In the event that the Entity fails to pay the Annual Service Charge or any other charge due under this agreement, the unpaid amount shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on the land until paid in full.

#### **Section 4.5 Administrative Fee**

The Entity shall also pay an annual Administrative Fee to the City in addition to the Annual Service Charge and Land Tax levy. The Administrative Fee shall be calculated as one (1%) percent of each prior year's Annual Service Charge. This fee shall be payable and due on or before December 31st of each year, and collected in the same manner as the Annual Service Charge.

#### **Section 4.6 Affordable Housing Contribution and Remedies**

A. **Contribution.** The Entity will pay the City the sum of \$22,626.00 or [\$1,500 per unit (14 units) and \$1.50 per square foot of commercial space (1,084 square feet) as a contribution. The sum shall be due and payable as follows:

- i. 1/3 on or before the effective adoption date of the Ordinance approving the tax exemption;
- ii. 1/3 on or before the issuance of the first of any construction permit for the Project, but no later than six months after the date of the Financial Agreement; and
- iii. 1/3 on or before the date the first of any Certificate of Occupancy is issued for the Project, but no later than twenty-four (24) months after the date of the Financial Agreement.

#### **Section 4.7 Material Conditions**

It is expressly agreed and understood that the timely payments of Land Taxes, Minimum Annual Service Charges, Annual Service Charges, including Annual Net Profits and any adjustments thereto, Administrative Fees, Affordable Housing Contributions, and any interest thereon, are Material Conditions of this Agreement.

### **ARTICLE V - PROJECT EMPLOYMENT AND CONTRACTING AGREEMENT**

#### **Section 5.1 Project Employment and Contracting Agreement**

In order to provide City residents and businesses with certain employment and other economic related opportunities, the Entity is subject to the terms and conditions of the Project Employment and Contracting Agreement, attached hereto as Exhibit 8.

If the construction costs exceed \$25 million, then the Entity must execute a Project Labor Agreement as required by Section 304-33 of the Jersey City Municipal Code. The Entity asserts that the construction costs will not exceed \$25 million and therefore a Project Labor Agreement (PLA) is not required. Notwithstanding construction costs under \$25 million, the Entity must comply with Chapter 304-34(C) of the Municipal Code and provide certification of its construction costs. In the event that the construction costs do exceed the \$25 million threshold, the entity shall be required to pay the damages as set forth in Chapter 304-37(3) of the Municipal Code.

### **ARTICLE VI - CERTIFICATE OF OCCUPANCY**

#### **Section 6.1 Certificate of Occupancy**

It is understood and agreed that it shall be the obligation of the Entity to obtain all Certificates of Occupancy in a timely manner so as to complete construction in accordance with

the proposed construction schedule attached hereto as Exhibit 5. The failure to secure the Certificates of Occupancy shall subject the Property to full taxation for the period between the date of Substantial Completion and the date the Certificate of Occupancy is obtained.

**Section 6.2 Filing of Certificate of Occupancy**

It shall be the primary responsibility of the Entity to forthwith file with both the Tax Assessor and the Tax Collector a copy of each Certificate of Occupancy.

Failure of the Entity to file such issued Certificate of Occupancy as required by the preceding paragraph, shall not militate against any action or non-action, taken by the City, including, if appropriate retroactive billing with interest for any charges determined to be due, in the absence of such filing by the Entity.

**Section 6.3 Construction Permits**

The estimated cost basis disclosed by the Entity's application and proposed Financial Agreement may, at the option of the City, be used as the basis for the construction cost in the issuance of any construction permit for the Project.

**ARTICLE VII - ANNUAL REPORTS**

**Section 7.1 Accounting System**

The Entity agrees to maintain a system of accounting and internal controls established and administered in accordance with generally accepted accounting principles.

**Section 7.2 Periodic Reports**

A. Auditor's Report: Within ninety (90) days after the close of each fiscal or calendar year, depending on the Entity's accounting basis that the Agreement shall continue in effect, the Entity shall submit to the Mayor and Municipal Council and the NJ Division of Local Government Services in the Department of Community Affairs, its Auditor's Report for the preceding fiscal or calendar year. The Auditor's Report shall include, but not be limited to gross revenue, and the terms and interest rate on any mortgage(s) associated with the purchase or construction of the Project and such details as may relate to the financial affairs of the Entity and to its operation and performance hereunder, pursuant to the Law and this Agreement. The Report shall clearly identify and calculate the Net Profit for the Entity during the previous year, the excess of which shall be paid to the City each year an excess profit is generated.

B. Total Project Cost Audit: Within ninety (90) days after Substantial Completion of the Project, the Entity shall submit to the Mayor, Municipal Council, the Tax Collector and the City Clerk, who shall advise those municipal officials required to be advised, an audit of Total Project Cost, including but not limited to an audit of actual construction costs as certified by the Project architect.

C. Disclosure Statement: On the anniversary date of the execution of this Agreement, and each and every year thereafter while this agreement is in effect, the Entity shall submit to the Municipal Council, the Tax Collector and the City Clerk, who shall advise those municipal officials required to be advised, a Disclosure Statement listing the persons having an ownership interest in the Project, and the extent of the ownership interest of each and such additional information as the City may request from time to time. All disclosures shall include ownership interests of the individual persons owning any corporate interest in the Entity.

### **Section 7.3 Inspection/Audit**

The Entity shall permit the inspection of its property, equipment, buildings and other facilities of the Project and, if deemed appropriate or necessary, any other related Entity by representatives duly authorized by the City or the NJ Division of Local Government Services in the Department of Community Affairs. It shall also permit, upon request, examination and audit of its books, contracts, records, documents and papers. Such examination or audit shall be made during the reasonable hours of the business day, in the presence of an officer or agent designated by the Entity for any year during which the tax exemption financial agreement was in full force and effect.

All costs incurred by the City to conduct a review of the Entity's audits, including reasonable attorneys' fees if appropriate, shall be billed to the Entity and paid to the City as part of the Entity's Annual Service Charge. Delinquent payments shall accrue interest at the same rate as for a delinquent service charge.

## **ARTICLE VIII- LIMITATION OF PROFITS AND RESERVES**

### **Section 8.1 Limitation of Profits and Reserves**

During the period of tax exemption as provided herein, the Entity shall be subject to a

limitation of its profits pursuant to the provisions of N.J.S.A. 40A:20-15.

The Entity shall have the right to establish a reserve against vacancies, unpaid rentals, and reasonable contingencies in an amount equal to five (5%) percent of the Gross Revenue of the Entity for the last full fiscal year preceding the year and may retain such part of the Excess Net Profits as is necessary to eliminate a deficiency in that reserve, as provided in N.J.S.A. 40A:20-15. The reserve is to be non-cumulative, it being intended that no further credits thereto shall be permitted after the reserve shall have attained the allowable level of five (5%) percent of the preceding year's Gross Revenue.

### **Section 8.2 Annual Payment of Excess Net Profit**

In the event the Net Profits of the Entity, in any year, exceeds the Allowable Net Profits for such year, then the Entity, within one hundred and twenty (120) days after the end of the year, shall pay such excess Net Profits to the City as an additional annual service charge; provided, however, that the Entity may maintain a reserve as determined pursuant to aforementioned paragraph 8.1. The calculation of the Entity's Excess Net Profits shall include those project costs directly attributable to site remediation and cleanup expenses and any other costs excluded in the definition of Total Project Cost in Section 1.2 (xx) of this Agreement even though those costs may have been deducted from the project costs for purposes of calculating the annual service charge.

### **Section 8.3 Payment of Reserve/ Excess Net Profit Upon Termination, Expiration or Sale**

The date of termination, expiration or sale shall be considered to be the close of the fiscal year of the Entity. Within ninety (90) days after such date, the Entity shall pay to the City the amount of the reserve, if any, maintained by it pursuant to this section and the balance of the Excess Net Profit, if any.

## **ARTICLE IX - ASSIGNMENT AND/OR ASSUMPTION**

### **Section 9.1 Approval of Sale**

Any sale or transfer of the Project, shall be void unless approved in advance by Ordinance of the Municipal Council. It is understood and agreed that the City, on written application by the Entity, will not unreasonably withhold its consent to a sale of the Project and

the transfer of this Agreement provided 1) the new Entity does not own any other Project subject to long term tax exemption at the time of transfer; 2) the new Entity is formed and eligible to operate under the Law; 3) the Entity is not then in default of this Agreement or the Law; 4) the Entity's obligations under this Agreement are fully assumed by the new Entity; 5) the Entity pays in full the maximum transfer fee, 2% of the Annual Service Charge, as permitted by N.J.S.A. 40A:20-10(d); and 6) as to projects that are not Substantially Complete, the Entity is comprised of principals possessing substantially the same or better financial qualifications and credit worthiness as the Entity.

Nothing herein shall prohibit any transfer of the ownership interest in the Entity itself provided that the transfer, if greater than 10%, is disclosed to the City in the annual disclosure statement or in correspondence sent to the City in advance of the filing of the annual disclosure statement.

#### **Section 9.2 Transfer Application Fee**

Where the consent or approval of the City is sought for approval of a change in ownership or sale or transfer of the Project, the Entity shall be required to pay to the City a new tax exemption application fee for the legal and administrative services of the City, as it relates to the review, preparation and/or submission of documents to the Municipal Council for appropriate action on the requested assignment. The fee shall be non-refundable.

### **ARTICLE X - COMPLIANCE**

#### **Section 10.1 Operation**

During the term of this Agreement, the Project shall be maintained and operated in accordance with the provisions of the Law. Operation of Project under this Agreement shall not only be terminable as provided by N.J.S.A. 40A:20-1, et seq., as amended and supplemented, but also by a Default under this Agreement. The Entity's failure to comply with the Law shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

#### **Section 10.2 Disclosure of Lobbyist Representative**

During the term of this Agreement, the Entity must comply with Executive Order 2015-007, and Ordinance 02-075, requiring Written Disclosure of Lobbyist Representative Status.

The Entity's failure to comply with the Executive Order or the Ordinance shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

## **ARTICLE XI - DEFAULT**

### **Section 11.1 Default**

Default shall be failure of the Entity to conform with the terms of this Agreement or failure of the Entity to perform any obligation imposed by the Law, beyond any applicable notice, cure or grace period.

### **Section 11.2 Cure Upon Default**

Should the Entity be in Default, the City shall send written notice to the Entity of the Default [Default Notice]. The Default Notice shall set forth with particularity the basis of the alleged Default. The Entity shall have thirty (30) days, from receipt of the Default Notice, to cure any Default which shall be the sole and exclusive remedy available to the Entity. However, if, in the reasonable opinion of the City, the Default cannot be cured within sixty (60) days using reasonable diligence, the City will extend the time to cure.

Subsequent to such thirty (30) days, or any approved extension, the City shall have the right to terminate this Agreement in accordance with Section 12.1.

Should the Entity be in default due to a failure to pay any charges defined as Material Conditions in Section 4.7, or a sale of the Project occurs without the consent of the City, the Entity shall not be subject to the default procedural remedies as provided herein but shall allow the City to proceed immediately to terminate the Agreement as provided in Article XII herein.

### **Section 11.3 Remedies Upon Default**

The City shall, among its other remedies, have the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. In order to secure the full and timely payment of the Annual Service Charge, the City on its own behalf, or on behalf of the Trustee, reserves the right to prosecute an In Rem Tax Foreclosure action against the Project Area in accordance with Applicable Law, as more fully set forth in this Financial Agreement.

In addition, the City may declare a Default and terminate this Agreement. Any default arising out of the Entity's failure to pay Land Taxes, the Minimum Annual Service Charge,

Administrative Fees, Affordable Housing Contribution, or the Annual Service Charges shall not be subject to the default procedural remedies as provided herein, but shall allow the City to proceed immediately to terminate the Agreement as provided herein. All of the remedies provided in this Agreement to the City, and all rights and remedies granted to it by law and equity shall be cumulative and concurrent. No termination of any provision of this Agreement shall deprive the City of any of its remedies or actions against the Entity because of its failure to pay Land Taxes, the Minimum Annual Service Charge, Annual Service Charge, Affordable Housing Contribution or Administrative Fees. This right shall apply to arrearages that are due and owing at the time or which, under the terms hereof, would in the future become due as if there had been no termination. Further, the bringing of any action for Land Taxes, the Minimum Annual Service Charge, the Annual Service Charge, Affordable Housing Contribution, Administrative Fees, or for breach of covenant or the resort to any other remedy herein provided for the recovery of Land Taxes shall not be construed as a waiver of the rights to terminate the tax exemption or proceed with a tax sale or Tax Foreclosure action or any other specified remedy.

In the event of a Default on the part of the Entity to pay any charges set forth in Article IV, the City among its other remedies, reserves the right to proceed against the Entity's land and property, in the manner provided by the In Rem Foreclosure Act, and any act supplementary or amendatory thereof. Whenever the word taxes appear, or is applied, directly or impliedly to mean taxes or municipal liens on land, such statutory provisions shall be read, as far as is pertinent to this Agreement, as if the charges were taxes or municipal liens on land.

## **ARTICLE XII- TERMINATION**

### **Section 12.1 Termination Upon Default of the Entity**

In the event the Entity fails to cure or remedy the Default within the time period provided in Section 11.2, the City may terminate this Agreement upon thirty (30) days written notice to the Entity [Notice of Termination].

### **Section 12.2 Voluntary Termination by the Entity**

The Entity may notify the City that it will relinquish its status as a tax exempt Project, after the expiration of one year from the Substantial Completion of the Project , as of the January

1<sup>st</sup> of the year next ensuing. The Notice of Voluntary Termination must be received by the City no later than October 1<sup>st</sup> of the tax year preceding the calendar year in which the termination is to occur. As of the date so set, the tax exemption, the Annual Service Charges and the profit and dividend restrictions shall terminate. However, under no circumstances will the Entity be entitled to any refund, in whole or in part, of any funds paid to the City to obtain the tax exemption, including but not limited to the Affordable Housing Contribution. In addition, the due date for all Affordable Housing Contribution and any other fees that the Entity agreed to pay under this Agreement, shall be accelerated so that all fees to be paid shall be due on January 1<sup>st</sup> as a condition precedent of the voluntary termination.

### **Section 12.3 Final Accounting**

Within ninety (90) days after the date of termination, whether by affirmative action of the Entity or by virtue of the provisions of the Law or pursuant to the terms of this Agreement, the Entity shall provide a final accounting and pay to the City the reserve, if any, pursuant to the provisions of N.J.S.A. 40A:20-13 and 15 as well as any remaining excess Net Profits. For purposes of rendering a final accounting the termination of the Agreement shall be deemed to be the end of the fiscal year for the Entity.

### **Section 12.4 Conventional Taxes**

Upon Termination or expiration of this Agreement, the tax exemption for the Project shall expire and the land and the Improvements thereon shall thereafter be assessed and conventionally taxed according to the general law applicable to other nonexempt taxable property in the City.

## **ARTICLE XIII - DISPUTE RESOLUTION**

### **Section 13.1 Arbitration**

In the event of a breach of the within Agreement by either of the parties hereto or a dispute arising between the parties in reference to the terms and provisions as set forth herein, either party may apply to the Superior Court of New Jersey by an appropriate proceeding, to settle and resolve the dispute in such fashion as will tend to accomplish the purposes of the Law. In the event the Superior Court shall not entertain jurisdiction, then the parties shall submit the dispute to the American Arbitration Association in New Jersey to be determined in accordance

with its rules and regulations in such a fashion to accomplish the purpose of the Long Term Tax Exemption Law. The cost for the arbitration shall be borne by the Entity. The parties agree that the Entity may not file an action in Superior Court or with the Arbitration Association unless the Entity has first paid in full all charges defined in Section 4.7 as Material Conditions.

**Section 13.2 Appeal of Assessment**

In calculating the amount of the Staged Adjustments that is, taxes otherwise due, pursuant to Section 4.2 and N.J.S.A. 40A:20-12, either party may file an appeal of the conventional assessment to determine the value of land and improvements.

**ARTICLE XIV - WAIVER**

**Section 14.1 Waiver**

Nothing contained in this Financial Agreement or otherwise shall constitute a waiver or relinquishment by the City of any rights and remedies, including, without limitation, the right to terminate the Agreement and tax exemption for violation of any of the conditions provided herein. Nothing herein shall be deemed to limit the City's right to audit or recover any amount which the City has under law, in equity, or under any provision of this Agreement.

**ARTICLE XV - INDEMNIFICATION**

**Section 15.1 Defined**

It is understood and agreed that in the event the City shall be named as party defendant in any action by a third party alleging any breach, default or a violation of any of the provisions of this Agreement and/or the provisions of N.J.S.A. 40A:20-1 et seq., the Entity shall indemnify and hold the City harmless against any and all liability, loss, cost, expense (including reasonable attorneys' fees and costs), arising out of this Agreement. In addition, the Entity expressly waives all statutory or common law defenses or legal principles which would defeat the purposes of this indemnification. The Entity also agrees to defend the suit at its own expense. However, the City maintains the right to intervene as a party thereto, to which intervention the Entity consents; the expense thereof to be borne by the City.

**ARTICLE XVI- NOTICE**

**Section 16.1 Certified Mail**

Any notice required hereunder to be sent by either party to the other shall be sent by

certified or registered mail, return receipt requested.

**Section 16.2 Sent by City**

When sent by the City to the Entity the notice shall be addressed to:

Pacific 312 Group Urban Renewal, LLC  
317 Grove Street, Suite 6  
Jersey City, New Jersey 07302

With a copy to:

Charles Harrington, Esq.  
Connell Foley, LLP  
Harborside Financial Center  
2510 Plaza Five  
Jersey City, New Jersey 07311

unless prior to giving of notice the Entity shall have notified the City in writing otherwise.

In addition, provided the City is sent a formal written notice in accordance with this Agreement, of the name and address of Entity's Mortgagee, the City agrees to provide such Mortgagee with a copy of any notice required to be sent to the Entity.

**Section 16.3 Sent by Entity**

When sent by the Entity to the City, it shall be addressed to:

City of Jersey City, Office of the City Clerk  
City Hall  
280 Grove Street  
Jersey City, New Jersey 07302,

with copies sent to the Corporation Counsel, the Business Administrator, and the Tax Collector unless prior to the giving of notice, the City shall have notified the Entity otherwise. The notice to the City shall identify the Project to which it relates, (i.e., the Urban Renewal Entity and the Property's Block and Lot number).

**ARTICLE XVII-SEVERABILITY**

**Section 17.1 Severability**

If any term, covenant or condition of this Agreement or the Application, except a

Material Condition, shall be judicially declared to be invalid or unenforceable, the remainder of this Agreement or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

If a Material Condition shall be judicially declared to be invalid or unenforceable and provided the Entity is not in Default of this Agreement, the parties shall cooperate with each other to take the actions reasonably required to restore the Agreement in a manner contemplated by the parties and the Law. This shall include, but not be limited to the authorization and re-execution of this Agreement in a form reasonably drafted to effectuate the original intent of the parties and the Law. However, the City shall not be required to restore the Agreement if it would modify a Material Condition, the amount of the periodic adjustments or any other term of this Agreement which would result in any economic reduction or loss to the City.

## **ARTICLE XVIII - MISCELLANEOUS**

### **Section 18.1 Construction**

This Agreement shall be construed and enforced in accordance with the laws of the State of New Jersey, and without regard to or aid of any presumption or other rule requiring construction against the party drawing or causing this Agreement to be drawn since counsel for both the Entity and the City have combined in their review and approval of same.

### **Section 18.2 Conflicts**

The parties agree that in the event of a conflict between the Application and the language contained in the Agreement, the Agreement shall govern and prevail. In the event of conflict between the Agreement and the Law, the Law shall govern and prevail.

### **Section 18.3 Oral Representations**

There have been no oral representations made by either of the parties hereto which are not contained in this Agreement. This Agreement, the Ordinance authorizing the Agreement, and the Application constitute the entire Agreement between the parties and there shall be no modifications thereto other than by a written instrument approved and executed by both parties and delivered to each party.

**Section 18.4 Entire Document**

This Agreement and all conditions in the Ordinance of the Municipal Council approving this Agreement are incorporated in this Agreement and made a part hereof.

**Section 18.5 Good Faith**

In their dealings with each other, utmost good faith is required from the Entity and the City.

**ARTICLE XIX - EXHIBITS**

**Section 19 Exhibits**

The following Exhibits are attached hereto and incorporated herein as if set forth at length herein:

1. Metes and Bounds description of the Project;
2. Ordinance of the City authorizing the execution of this Agreement;
3. The Application with Exhibits;
4. Certificate of the Entity;
5. Estimated Construction Schedule;
6. The Financial Plan for the undertaking of the Project;
7. Good Faith Estimate of Initial Rents;
8. Project Employment and Contracting Agreement;
9. Architect's Certification of Actual Construction Costs.
10. Entity's Deed.

**IN WITNESS WHEREOF**, the parties have caused these presents to be executed the day and year first above written.

**WITNESS:**

**PACIFIC 312 GROUP URBAN RENEWAL, LLC**

\_\_\_\_\_

\_\_\_\_\_

**ATTEST:**

**CITY OF JERSEY CITY**

\_\_\_\_\_

\_\_\_\_\_

**ROBERT BYRNE  
CITY CLERK**

**ROBERT KAKOLESKI  
BUSINESS ADMINISTRATOR**

## PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

This Project Employment & Contracting Agreement is made on the 10<sup>th</sup> day of February, 2016, between the **CITY OF JERSEY CITY** [City] and **PACIFIC 312 GROUP URBAN RENEWAL, LLC** having its principal office at 307 Grove Street, Suite 6, Jersey City, New Jersey 07302. Recipient agrees as follows:

### I. Definitions:

The following words and terms, when used in this agreement, shall have the following meanings unless the context clearly indicates otherwise.

1. "City" means the Business Administrator of the City of Jersey City, or his designee, including any person or entity which enters into a contract with the City to implement, in whole or in part, this agreement.
2. "Construction Contract" means any agreement for the erection, repair, alteration or demolition of any building, structure, bridge, roadway, or other improvement on a Project Site.
3. "Contractor" means any party performing or offering to perform a prime contract on behalf of the Recipient.
4. "DEO" means the Division of Economic Opportunity under the Department of Administration, located at 280 Grove Street, Jersey City, New Jersey 07302, Telephone #(201) 547-5611. DEO is in charge of Project Employment & Contracting coordination and monitoring on projects receiving abatements.
5. "Economic Incentive" means a tax abatement or exemption for a property or project which requires approval of the Municipal Council and which reduces the annual amount of taxes otherwise due, by \$25,000 or more in the aggregate;
6. "Employment" means any job or position during the construction and operational phase of the project. It includes positions created as a result of internal promotions, terminations, or expansions within the Recipient's work force which are to be filled by new employees. However, positions filled through promotion from within the Recipient's existing work force are not covered positions under this agreement.
7. "Local Business" means a bona fide business located in Jersey City.
8. Mayor Steven M. Fulop's Business Cooperative Program means the group within DEO under the Department of Administration responsible for collecting local and minority business contracts and capability information. This group operates the Supplier Alert service which is to be used by the Recipient to meet their good faith business contracting and construction subcontracting goals.

9. "Minority" means a person who is African, Hispanic, Asian, or American Indian defined as follows:
  - a) "African-American" means a person having origins in any of the black racial groups of Africa.
  - b) "Hispanic" means a person of Mexican, Puerto Rican, Cuban, Central or South American or other Latino culture or origin, regardless of race, excluding, however, persons of European origin.
  - c) "Asian" means a person having origins in any of the original people of the Far East, Southeast Asia, and subcontinent India, Hawaii or the Pacific Islands.
  - d) "American Indian" means a person having origins in any of the original people of North America who maintains cultural identification through tribal affiliation or community recognition.
10. "Minority or Woman Owned Local Business" means a bona fide business located in Jersey City which is fifty-one (51%) percent or more owned and controlled by either a Minority or woman.
11. "Non-Traditional Jobs" means jobs which are held by less than twenty (20%) percent women, as reported by the New Jersey Department of Labor, Division of Labor Market, and Demographic Research for Jersey City, which report shall be on file with the City Clerk.
12. "Permanent Jobs" mean newly created long term salaried positions, whether permanent, temporary, part time or seasonal.
13. "Project or Project Site" means the specific work location or locations specified in the contract.
14. The "Project Employment & Contracting Coordinator" is a member of the DEO staff under the Department of Administration who is in charge of coordinating Project Employment & Contracting projects. Contractors and developers engaged in projects covered by Project Employment & Contracting Agreements will direct inquiries to the Project Employment & Contracting Coordinator.
15. The "Project Employment & Contracting Monitor" or "Monitor" is a member of the DEO staff under the Department of Administration directly under the command of the Project Employment & Contracting Coordinator, who is in charge of monitoring the site, collecting the reports and documentation, and other day-to-day Project Employment & Contracting housekeeping as stipulated by this agreement.
16. The "Project Employment & Contracting Officer" or "Officer" is an employee of the Recipient who is designated by the Recipient to make sure the Recipient is in compliance with the Recipient's Project Employment & Contracting agreement.

17. "Recipient" means any individual, partnership, association, organization, corporation or other entity, whether public or private, or for profit or non-profit, or agent thereof, which receives an Economic Incentive and shall include any Contractor, Subcontractor or agent of the Recipient.
18. "The Registry" or "Jersey City Employment Registry" means a list maintained by the City or its designee of Jersey City residents seeking employment and Local Businesses, including Minority or Woman Owned Local Businesses, seeking contracts.
19. "Subcontract" means a binding legal relationship involving performance of a contract that is part of a prime contract.
20. "Subcontractor" means a third party that is engaged by the prime Contractor to perform under a subcontract all or part of the work included in an original contract.
21. "Substantial Completion" means the determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the date on which the Project receives, or is eligible to receive any Certificate of Occupancy for any portion of the Project.

## **II. Purpose:**

The City wishes to assure continuing employment opportunities for City residents, particularly residents who are Minorities, and business opportunities for Local Businesses, especially Minority and Women Owned Local Businesses, with employers located in or relocating to the City who are the Recipients of Economic Incentives. The City has determined to accomplish that goal by requiring the Recipient of an Economic Incentive to act in Good Faith, as defined herein, and discharge its obligations under this Agreement. To the extent mandated by State and Federal law and so long as the Entity discharges its Good Faith obligations under this agreement, the City acknowledges that the Recipient and its contractors are free to hire whomever they choose.

## **III. Good Faith Goals:**

In the event the Recipient is able to demonstrate that its work force already meets the goals set forth below or is able to meet such goals during the term of this agreement, the Recipient will not be required to comply with the interviewing or reporting obligations set forth in Section VI 1., A-L (Construction Jobs) and Section VI, 2., A-J (Permanent Jobs). All goals for Construction Jobs shall be calculated as a percentage of the total number of work hours in each trade from the beginning of the project to its completion.

1. **Employment:** The Recipient shall make a Good Faith effort to achieve the goal of a work force representing fifty-one (51%) percent City residents, fifty-one (51%) percent of whom are residents who are Minorities and, in Non-Traditional Jobs, six point nine (6.9%) percent of whom are residents who are women, it being understood that one employee may satisfy more than one category.

2. **Business Contracting:** The Recipient shall make a Good Faith effort to achieve the goal of awarding twenty (20%) percent of the dollar amount of its contracts to Local Businesses, fifty-one (51%) percent of which shall be Minority or Women Owned Local Businesses. If fifty-one (51%) percent of Minority or Women Owned Local Businesses cannot be obtained, that percentage of contracts must still be applied to local vendors.

**IV. Recipient Designee:**

The Recipient shall designate a principal officer of its firm to be responsible for administering the agreement detailed herein and to report to and confer with the City in order to discharge its Good Faith obligations as defined in this agreement. This officer should be designated as the Project Employment & Contracting Officer.

The Recipient should send a letter of introduction regarding the "Project Employment & Contracting Compliance Officer" to the Project Employment & Contracting Coordinator prior to any preconstruction meetings. An example of this letter can be found in Appendix A. This principle officer should also be present for all preconstruction meetings.

The Recipient should send a letter regarding the "Project Employment & Contracting Compliance Officer" to the employees of the Recipient's company. An example of this letter can be found in Appendix AZ

**V. Term:**

This agreement shall be in effect for a period co-terminus with the effective period of the tax exemption [the Economic Incentive]. Thus, it will commence on the date the City Council adopted Ordinance 16.\_\_\_\_ approving the tax exemption and terminate the earlier of twenty-five (25) years from the date of the adoption of that Ordinance or twenty (20) years from the date of Substantial Completion of the Project.

**VI. Good Faith Defined:**

1. **Construction Jobs:** Good Faith shall mean compliance with all of the following conditions:

A. Initial Manning Report:

- i) Prior to the commencement of their work on the Project, each Contractor /Subcontractor shall prepare an Initial Manning Report.
- ii) The Initial Manning Report should contain an estimate of the total hours in each construction trade or craft and the number of hours to be worked by City residents, including a list of the number of minority residents and women residents that will work in each trade or craft, including the work hours to be performed by such employees of any and all Contractors and Subcontractors. Attached hereto as Appendix B is the Recipient's Initial Manning Report.

- iii) The Initial Manning Report shall be filed with the Project Employment and Contracting Monitor, who must accept said Report prior to the Recipient entering into any construction contract. An example of this acceptance letter is given in Appendix C.

B. Developer's Contracting Obligations

- i) Once the developer submits the project's initial manning report, he/she must forward a letter with requests for quotation or bid to Mayor Steven M. Fulop's Business Cooperative Program for local and minority vendors for any construction or building operating goods, services and sub-contracting opportunities. An example of this letter is given in Appendix D.
- ii) The developer shall make a good faith effort to contact those businesses and individuals who submit bids. This effort must be documented by letter, which will be sent to Mayor Steven M. Fulop's Business Cooperative Program at DEO under the Department of Administration. An example of this letter can be found in Appendix D2.

C. Contractor's/Subcontractor's Compliance Statement

Prior to commencement of their work on the Project, each Contractor or Subcontractor must agree in writing to comply with this agreement and the employment goals elaborated herein. An example of this Compliance Statement can be found in Appendix E.

D. Union Statement of Using Its Best Efforts

- i) Prior to commencement of their work on the Project, the contractor/subcontractor must submit a statement expressing its adherence to the Project Employment & Contracting Agreement to each union with which he/she has a collective bargaining agreement covering workers to be employed on the project.
- ii) The Compliance Statement shall include a union statement for the particular union to sign, which claims the union will use its best efforts to comply with the employment goals articulated in the Project Employment & Contracting agreement. This compliance statement is detailed in Appendix F. A copy of the signed compliance statement must be sent to the Project Employment & Contracting Monitor in DEO under the Department of Administration before work starts in order for a developer to be in compliance.
- iii) The Recipient will require the Contractor or Subcontractor to promptly notify the City of any refusal or failure of a union to sign the statement. If a particular union refuses to sign a statement, the Recipient will document its efforts to obtain such statement and the reasons given by the union for not signing such statement, and submit such documentation to the Project Employment & Contracting Monitor in DEO under the Department of Administration.

E. Sub-Contractors

The developer shall require that each prime contractor be responsible for the compliance of his/her subcontractors with the aforementioned Project Employment & Contracting requirements during the performance of the contract. Whenever the contractor sub-contracts a portion of the work on the project, the contractor shall bind the subcontractor to the obligations contained in these supplemental conditions to the full extent as if he/she were the contractor.

F. Union Apprentices

The contractor is responsible for assuring that resident and minority apprentices account for at least fifty (50%) percent of the total hours worked by union apprentices on the job in each trade listed in which apprentices are employed, according to the apprentice-to-journey-worker ratio contained in the collective bargaining agreement between the various unions, and shall hold each of his/her subcontractors to this requirement. The Recipient will require the contractor or subcontractor to promptly notify the City of any refusal of a union to utilize resident and minority apprentices.

G. Monthly Manning Report

- i) The Recipient will cause the Contractor to complete and submit Monthly Project Manning Reports to the Project Employment & Contracting Monitor in DEO under the Department of Administration by the seventh day of the month following the month during which the work is performed, for the duration of the contract.
- ii) The report will accurately reflect the total hours in each construction trade or craft and the number of hours worked by City residents, including a list of the number of minority resident and women resident workers in each trade or craft, and will list separately the work hours performed by such employees of the Contractor and each of its Subcontractors during the previous month. The Monthly Manning Report shall be in the form attached hereto as Appendix G.
- iii) The Recipient is responsible for maintaining or causing the Contractor to maintain records supporting the reported work hours of its Contractors or Subcontractors.

H. Monthly Certified Payroll Report

- i) The Recipient will cause the Contractor to furnish the Project Employment & Contracting Monitor with copies of its weekly Certified Payroll reports. The reports will specify the residence, gender and ethnic/racial origin of each worker, work hours and rate of pay and benefits provided. The Certified Payroll report shall be in the form attached hereto as Appendix H.
- ii) Payroll reports must be submitted on a monthly basis with the Monthly Manning Report or the Recipient is no longer in compliance.

I. Equal Employment Opportunity Reports

Prior to commencement of work on the Project, the Recipient will request copies of the most recent Local Union Report (EEO-3) and Apprenticeship Information Report (EEO-2) which are required to be filed with the US Commission of Equal Employment Opportunity Commission by the collective bargaining unit. These reports will be forwarded to the Project Employment & Contracting Monitor within one month of the signing of the Project Employment & Contracting Agreement.

J. Other Reports

In addition to the above reports, the Recipient shall furnish such reports or other documents to the City as the City may request from time to time in order to carry out the purposes of this agreement.

K. Records Access

The Recipient will insure that the City will have reasonable access to all records and files reasonably necessary to confirm the accuracy of the information provided in the reports.

L. Work Site Access For Monitor

- i) The City will physically monitor the work sites subject to this agreement to verify the accuracy of the monthly reports. Each work site will be physically monitored approximately once every two weeks, and more frequently if it is deemed reasonably necessary by the City. The City's findings shall be recorded in a "Site Visit Report." An example of a bi-weekly site visit report can be found in Appendix I.
- ii) The Recipient shall require the Contractor and Sub-contractor to cooperate with the City's site monitoring activities and inform the City as to the dates they are working at the Project site. This includes specifically instructing the on-site construction manager about the monitoring process, and informing him/her that the monitor will contact him/her to set up an initial meeting. In the case of projects with multiple locations, the Recipient shall inform the City of the dates they are working at each site location(s) where they are working, in order to facilitate the monitoring.

2. **Permanent Jobs:** Good Faith shall mean compliance with all of the following conditions:

A. Pre-hiring Job Awareness: At least eight (8) months prior to the hiring of a Recipient's permanent workforce, the Project Employment & Contracting officer for the Recipient will sit down with the head of the Registry to discuss how the Recipient plans to hire its permanent workforce. The following issues should be covered in this meeting:

- i) whether subcontractors will be used in the hiring process.

- ii) the specific types of jobs that need to be filled.
- iii) the qualifications needed for these particular jobs.
- iv) possible training programs offered by the permanent employer.
- v) the Recipient's goals and how it plans to meet these goals.
- vi) any other issues which need to be addressed by the Registry.

1. Subcontractor Notification -- If the Recipient decides to subcontract any portion or all of its permanent workforce, then the Recipient must receive a signed acknowledgment from the subcontracting party that it will abide by the Project Employment & Contracting Agreement before said subcontractor begins staffing permanent employees. The Recipient must forward a copy of the signed acknowledgment to the Project Employment & Contracting Monitor. An example of this signed acknowledgment can be found in Appendix E.

2. Subcontractor Pre-Hiring Job Awareness Meeting -- Each subcontractor hired to staff permanent job positions must appoint a Project Employment & Contracting Officer to meet with the head of the Registry to discuss the same issues presented above in VI 2.A(I-vi).

3. Subcontractors of Subcontractors--Subcontractors of subcontractors are subject to the same requirements for the initial subcontractors above in Section VI 2.A.

B. Documentation of Hiring Plan--Once the Pre-Hiring Job Awareness Meeting has taken place, the Recipient must put together a document with goals and totals for future permanent employment needs. This plan should summarize all that was discussed in the Pre-Hiring Awareness Meeting, list estimates for manpower needs, set residential and minority employment goals commensurate with the Project Employment & Contracting Agreement, and show how the Recipient plans to meet these goals. An example of this plan is found in Appendix J.

C. Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the Registry with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the Registry to refer qualified applicants to the Recipient.

D. Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the Project Employment & Contracting Coordinator in DEO under the Department of Administration with a copy of this advertisement.

E. Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it from the Registry, to be maintained by the City or its designee. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.

F. Semi-Annual Employment Reports: The Recipient will submit written semi-annual employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will describe the job, whether the job is held by a City resident,

minority resident or woman resident. The report will explain in writing the reasons why any qualified applicant referred by the Registry (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired. An example of this report is found in Appendix K.

G. Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.

H. Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the semi-annual reports.

I. Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.

J. Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

### **3. Business Contracting**

Good Faith shall mean compliance with all of the following conditions:

- 1) Solicitation of Businesses:
  - a) One month before accepting bids for goods and services, the Recipient must forward a letter with requests for quotation or bid to Mayor Steven M. Fulop's Business Cooperative Program for local and local minority vendors for any construction or building operating goods, services and subcontracting opportunities. An example of this letter can be found in Appendix D.
  - b) After submission of bids, the Recipient will document whether the bid was accepted or rejected, and state the reason why. An example of this documentation can be found in Appendix D2.
    - i) Semi-Annual Purchasing Reports: The Recipient will submit written semi-annual purchasing reports which will include a list of all contracts awarded over a six month period and the dollar amounts of these contracts. The reports will specify the number and dollar amount of contracts awarded to Local Businesses and Minority or Women Owned Local Businesses. An example of these reports can be found in Appendix L.
    - ii) No Utilization of Local and Local Minority Vendors As Conduits For

## Vendors That Are Not Local Or Minority Owned:

The Recipient pledges not to use local and local minority vendors solely as conduits for vendors that are not local and minority owned. Any discovery by DEO under the Department of Administration of a Recipient, either knowingly or unknowingly, using the masthead of a local or minority owned business as a way to get credit for local or minority employment when it should not, will immediately subject the Recipient to the penalties listed in Section VIII (d) below.

### **4. Summation of Documentation Needed For Compliance with Agreement**

1. Letter Designating Project Employment & Contracting Officer (Appendix A)
2. Letter Designating Project employment & Contracting Officer to Recipient's Employees (App.) AZ
3. Example of Initial Manning Report (Appendix B)
4. Letter Of Acceptance of Initial Manning Report (Appendix C)
5. Letter From Developer Forwarding Requests for Quotation or Bid for Minority and Residential Vendors from Mayor Steven M. Fulop's Business Cooperative Program (Appendix D)
6. Documentation of Bid Submission (Appendix D2)
7. Letter Expressing Project Employment & Contracting Obligations to Contractors/ Subcontractors (Appendix E)
8. Union Statement of Best Efforts (Appendix F)
9. Example of Monthly Manning Report (Appendix G)
10. Example of Monthly Certified Payroll Report (Appendix H)
11. Example of Bi-Weekly Site Visit Report (Appendix I)
12. Example of Documentation of Hiring Plan (Appendix J)
13. Example of Semi-Annual Employment Report (Appendix K)
14. Example of Semi-Annual Purchasing Report (Appendix L)

### **VII. Notices of Violation:**

1. Advisory Notice: The City will issue a written Advisory Notice to the Recipient if there is non-compliance with a Good Faith requirement as defined in this agreement. The Advisory Notice shall explain in sufficient detail the basis of the alleged violation. The Recipient shall have four (4) working days to correct the violation. An example of an Advisory Notice can be found in Appendix M.
2. Violation Notice: If the alleged violation set forth in the Advisory Notice has not been corrected to the satisfaction of the City within four (4) working days, the City shall then issue a Violation Notice to the Recipient. The Violation Notice shall explain in sufficient detail the basis of the alleged, continuing violation. The Recipient will have three (3) working days to correct the violation. An example of a Violation Notice can be found in Appendix N.
3. Correcting the Violation: Either or both the Advisory Notice or the Violation Notice may be considered corrected if the Recipient satisfies the requirements of this agreement and

so advises the City in writing, subject to confirmation by the City.

4. **Extension of Time to Correction:** Either the Advisory Notice or the Violation Notice may be held in abeyance and the time for correction extended if the Recipient enters into satisfactory written agreement with the City for corrective action which is designed to achieve compliance. If Recipient fails to abide by the terms of such agreement the violation will be considered not corrected.
5. **Meetings Concerning Violations:** The City may provide an opportunity for a meeting with the Recipient, his Contractors or Subcontractors in an effort to achieve compliance; or may respond to Recipient's request for a meeting after the Recipient has made timely submission of a written explanation pursuant to the above. The meeting shall be requested no later than two days after the alleged violator has submitted the written explanation.
6. **Interviews Relating to Violations:** The City may conduct interviews and may request additional information from appropriate parties as is considered necessary to determine whether the alleged violation has occurred.
7. **Determination of Violation:** The City shall issue a determination of whether the Recipient is in violation of this agreement as soon as possible but not later than thirty days after the delivery of the Violation Notice to the Recipient. If the City determines that the Recipient is in violation, the City shall be entitled to the liquidated damages provided below.

#### **VIII. Liquidated Damages/Interest:**

While reserving any other remedies the City may have at law or equity for a material breach of the above terms and conditions, the parties agree that damages for violations of this agreement by the Recipient cannot be calculated within any reasonable degree of mathematical certainty. Therefore, the parties agree that upon the occurrence of a material breach of any of the above terms and conditions and after notice and expiration of any period to correct the violation, the City will be entitled to liquidated damages from the Recipient in the following amounts:

- a) failure to file Initial Manning Reports (Construction Jobs) or Pre-Hiring Notification (Permanent Jobs) or Pre-Contracting Notification (Business Contracting): an amount equal to a Five (5%) percent increase in the estimated annual payment in lieu of taxes;
- b) failure to conduct Pre-hiring Interviews or submit Compliance Statement (Construction Jobs) or Solicit Bids (Business Contracting): an amount equal to Three (3%) percent increase in the estimated annual payment in lieu of taxes;
- c) failure to allow record or work place access or submit any other required reports (all categories): an amount equal to Two (2%) percent increase in the estimated annual payment in lieu of taxes.
- d) the use of the local or local minority business' masthead for labor or work

supplied by a non local or local minority vendor: An amount equal to Five (5%) percent increase in the estimated annual payment in lieu of taxes. Interest shall be charged on any damages at the legal rate of interest as calculated by the Tax Collector.

- e) the late payment of any liquidated sum shall accrue interest at the rate of 8%.

**IX. Commercial Tenants at the Project Site:**

1. The Recipient shall send all tenants of commercial space within the Project Site a letter and a Tenant Employment Services Guide in the form attached as Appendix O.
2. The Recipient shall solicit information from tenants of commercial space about the composition of the work force of each tenant. The information solicited will be submitted to the Project Employment & Contracting Monitor, which shall provide the Recipient with a questionnaire in the form attached as Appendix P.
3. The Recipient will send the results of its solicitation to the Project Employment & Contracting Monitor no later than October 31 of each year.
4. The Recipient shall send all tenants of commercial space within the Project Site a Supplier Alert Service Registration Package in the form attached as Appendix Q.

**X. Notices**

Any notice required hereunder to be sent by either party to the other, shall be sent by certified mail, return receipt requested, addressed as follows:

1. When sent by the City to the Recipient it shall be addressed to:

**Pacific 312 Group Urban Renewal, LLC**  
307 Grove Street, Suite 6  
Jersey City, New Jersey 07302

With a copy to:

Charles J. Harrington, III, Esq.  
Connell Foley, LLP  
Harborside Financial Center  
2510 Plaza Five  
Jersey City, New Jersey 07311

2. When sent by the Recipient to the City, it shall be addressed to:

**Project Employment & Contracting Monitor**  
Department of Administration  
Division of Economic Opportunity  
280 Grove Street – 1<sup>st</sup> Floor  
Jersey City, New Jersey 07302

with separate copies to the Mayor and the Business Administrator; unless prior to giving of such notice, the City or the Recipient shall have notified the other in writing.

**XI. Adoption, Approval, Modification:**

This agreement shall take effect on the date that the Economic Incentive is approved by the Municipal Council.

**XII. Controlling Regulations and Laws:**

To the extent required by State and Federal Law and so long as the Entity discharges its Good Faith obligations under this agreement, the City agrees and acknowledges that the Recipient and its contractors are free to hire whomever they choose. If this agreement conflicts with any collective bargaining agreement, the City agrees to defer to such agreements so long as the Recipient provides the City with a copy of the offending provision in the collective bargaining agreement.

**ATTEST:**

**CITY OF JERSEY CITY**

\_\_\_\_\_  
**Robert Byrne**  
City Clerk

\_\_\_\_\_  
**Robert J. Kakoleski**  
Business Administrator

**WITNESS:**

**PACIFIC 312 GROUP URBAN RENEWAL, LLC**

\_\_\_\_\_  
**Secretary**

\_\_\_\_\_  
**President**

City Clerk File No. Ord. 16.023

Agenda No. 3-K 1st Reading

Agenda No. \_\_\_\_\_ 2nd Reading & Final Passage



## ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE  
offered and moved adoption of the following ordinance:

CITY ORDINANCE 16.023

**TITLE:**

**AN ORDINANCE APPROVING A 30 YEAR TAX EXEMPTION FOR A MIXED-USE, MARKET-RATE, RESIDENTIAL PROJECT TO BE CONSTRUCTED BY VAISHNO MA SUMMIT URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.**

**THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:**

**WHEREAS**, Vaishno MA Summit Urban Renewal, LLC (“Urban Renewal”), is an urban renewal entity, formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq. (Entity); and

**WHEREAS**, the Entity is owner of certain property known as Block 12301, Lot 2, on the City’s Official Tax map, more commonly known by the street address of 632 Summit Avenue, and more specifically described by metes and bounds, in the application [Property]; and

**WHEREAS**, the Property is located within the Journal Square 2060 Redevelopment Plan Area as required by N.J.S.A. 40A:20-4 and N.J.S.A. 40A:12A-5(g); and

**WHEREAS**, the Project received a site plan approval from the Planning Board on September 15, 2015; and

**WHEREAS**, the Entity has applied for a thirty (30) year-long term tax exemption for a six (6) story building with sixty-nine (69) market-rate residential rental units, 1,740 square feet of retail/commercial space and eighteen (18) parking spaces; and

**WHEREAS**, the Property is in located within Tier IV of the Jersey City Tax Abatement Policy Map and Tier IV allows tax abatements for a period of up to thirty (30) years; and

**WHEREAS**, the Entity has requested a term of the earlier of thirty-five (35) years from the effective date of the Ordinance approving the abatement, or thirty (30) years from the date that the Project is deemed substantially complete; and

**WHEREAS**, the Entity proposes an annual service charge based upon eleven (11%) percent of gross revenue, and in addition, the Applicant would pay an annual fee to Hudson County based upon five (5%) percent of the service charge, and an administrative fee to the City of two (2%) percent of the service charge; and

**WHEREAS**, Vaishno MA Summit Urban Renewal, LLC, has agreed to:

1. pay the greater of (i) the Minimum Annual Service Charge or (ii) 11% of Annual Gross Revenue each year, which sum is estimated to be \$177,870, and which shall be subject to statutory staged increases over the term of the tax exemption; and

**AN ORDINANCE APPROVING A 30 YEAR TAX EXEMPTION FOR A MIXED-USE, MARKET-RATE, RESIDENTIAL PROJECT TO BE CONSTRUCTED BY VAISHNO MA SUMMIT URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.**

2. pay an annual sum equal to 2% of each prior year's Annual Service Charge as an Administrative Fee; and
3. provide employment and other economic opportunities for City residents and businesses;
4. pay to City for remittance to Hudson County, an amount equal to 5% of the Annual Service Charge upon receipt of that charge; and
5. provide a contribution to the City's Affordable Housing Trust Fund, pursuant to Ordinance 03-112, in the amount of \$114,764. This payment is nonrefundable and nontransferable and shall be forfeited by the Entity should either party terminate the tax exemption prior to the end of the herein term.

**WHEREAS**, the City hereby determines that the relative benefits of the project outweigh the cost of the tax exemption, for the following reasons:

1. the current real estate taxes generate revenue of only \$17,860, whereas, the Annual Service Charge as estimated, will generate revenue of more than \$177,870 to the City and an additional sum of approximately \$8,894 to Hudson County;
2. it is expected that the Project will create approximately fifteen (15) jobs during construction and three (3) new permanent jobs after construction;
3. the Project will stabilize and contribute to the economic growth of businesses in the surrounding area;
4. the Project will further the overall redevelopment objectives of the Morris Canal Redevelopment Plan area;
5. the City's impact analysis, on file with the Office of the City Clerk, indicates that the benefits of the Project outweigh the costs to the City; and

**WHEREAS**, the City hereby determines that the tax exemption is important in obtaining development of the project and influencing the locational decisions of probable occupants for the following reasons:

1. the relative stability and predictability of the Annual Service Charges will make the Project more attractive to investors needed to finance the Project;
2. the relative stability and predictability of the Annual Service Charges will allow the owner to stabilize its operating budget, allowing a high level of maintenance to the building over the life of the Project, which will attract purchasers to the Project and insure the likelihood of the success of the Project; and

**WHEREAS**, Vaishno MA Summit Urban Renewal, LLC, has initially complied with Executive Order 2002-005 concerning "Disclosure of Lobbyist Representative Status" by filing an appropriate letter in the Office of the City Clerk; and

**NOW, THEREFORE, BE IT ORDAINED** by the Municipal Council of the City of Jersey City that:

**AN ORDINANCE APPROVING A 30 YEAR TAX EXEMPTION FOR A MIXED-USE, MARKET-RATE, RESIDENTIAL PROJECT TO BE CONSTRUCTED BY VAISHNO MA SUMMIT URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.**

- A. The application of Vaishno MA Summit Urban Renewal, LLC, an urban renewal company, formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq. a copy of which is on file in the office of the City Clerk, for Block 12301, Lot 2, more commonly known by the street address of 632 Summit Avenue, more specifically described by metes and bounds in the application is hereby approved.
  
- B. The Mayor or Business Administrator is hereby authorized to execute a tax exemption Financial Agreement and a Project Employment and Contracting Agreement. The Financial Agreement shall include at a minimum the following terms and conditions:
  - 1. Term: the earlier of 35 years from the adoption of the within Ordinance or 30 years from the date the project is Substantially Complete;
  - 2. Annual Service Charge: each year the greater of:
    - (a) the Minimum Annual Service Charge equal to \$17,860 upon Project Completion, whether or not the Project is occupied; or
    - (b) 11% of Annual Gross Revenue, estimated at \$177,870, which shall be subject to statutory increases during the term of the tax exemption.
  - 3. Administrative Fee: 2% of the prior year's Annual Service Charge or \$3,557;
  - 4. County Payment: an additional 5% of the Annual Service Charge for remittance by the City to Hudson County or \$8,894;
  - 6. Affordable Housing Trust Fund: provide a contribution to the City's Affordable Housing Trust Fund, pursuant to Ordinance 03-112, in the amount of \$114,764, which represents \$1,500 per unit at 69 units; (\$103,500) \$1.50 per approximately 1,740 square feet of Commercial Space (\$2,610) and \$1.50 per approximately 5,769 square feet of parking (\$8,654). This payment is nonrefundable and nontransferable and shall be forfeited by the Entity should either party terminate the tax exemption prior to the end of the herein term;
  - 7. Project: a six (6) story building with sixty-nine (69) market-rate residential rental units, 1,740 square feet of retail/commercial space and eighteen (18) parking spaces;
  - 8. Project Employment & Contracting Agreement: an obligation to execute (i) a Project Employment and Contracting Agreement to insure employment and other economic benefits to City residents and businesses;
  - 9. Project Labor Agreement: Entity certified that its construction costs are less than \$25 million. In the event a construction cost audit or report indicates construction costs of more than \$25 million, then the Entity shall execute a Project Labor Agreement and be required to pay the damages as set forth in Section 304-37(3) of the Municipal Code.

**AN ORDINANCE APPROVING A 30 YEAR TAX EXEMPTION FOR A MIXED-USE, MARKET-RATE, RESIDENTIAL PROJECT TO BE CONSTRUCTED BY VAISHNO MA SUMMIT URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.**

10. The initial installment of the Affordable Housing Trust Fund contribution payment shall be due on execution of the Financial Agreement, but in no event later than 90 days of the adoption of the ordinance. Interest shall accrue on such payments as of the 91<sup>st</sup> day at the same rate as the City charges for unpaid real estate taxes;
  11. The Financial Agreement shall be executed by the Entity no later than 90 days following adoption of the within Ordinance. Failure to comply shall result in a repeal of the herein Ordinance and the tax exemption will be voided.
  12. The Ordinance will be rescinded if the closing of the sale of the property and transfer of title from the seller to the Entity does not take place within ninety (90) days of the date of adoption of the herein Ordinance, unless otherwise extended by the City;
  13. This Ordinance will sunset and the Tax Exemption will terminate unless construction of the Project begins within two (2) years of the adoption of the within Ordinance.
- C. The City Clerk shall deliver a certified copy of the Ordinance and Financial Agreement to the Tax Assessor and Director of the Division of Local Government Services.
- D. The application is on file with the office of the City Clerk. The Financial Agreement and Project Employment and Contracting Agreement shall be in substantially the form on file in the Office of the City Clerk, subject to such modification as the Business Administrator or Corporation Counsel deems appropriate or necessary. The applicant shall execute the tax exemption agreement within ninety (90) days of the date of adoption of the herein Ordinance. Failure to comply shall result in the Ordinance being repealed and the tax exemption rescinded.
- E. The actual date of execution of the tax exemption agreement shall not affect, alter or amend the Entity's obligation to make payments according to the intervals set forth in Section 304-28 of the Municipal Code and the tax exemption agreement. Should the Entity fail to make timely payments, interest shall begin to accrue at the rate set forth in the tax exemption agreement.
- F. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
- G. This ordinance shall be part of the Jersey City Code as though codified and fully set forth therein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
- H. This ordinance shall take effect at the time and in the manner provided by law.
- I. The City Clerk and Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

**AN ORDINANCE APPROVING A 30 YEAR TAX EXEMPTION FOR A MIXED-USE, MARKET-RATE, RESIDENTIAL PROJECT TO BE CONSTRUCTED BY VAISHNO MA SUMMIT URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.**

**NOTE:** All material is new; therefore underlining has been omitted. For purposes of advertising only, new matter is indicated by **bold face** and repealed matter by *italic*.

*JJH/mw*  
*1/14/16*

APPROVED AS TO LEGAL FORM

\_\_\_\_\_  
Corporation Counsel

APPROVED: \_\_\_\_\_

APPROVED: \_\_\_\_\_  
Business Administrator

Certification Required

Not Required

**TIER 4 - FINANCIAL AGREEMENT (30 YEAR)**  
**Rev. 12-16-13; 1/15/16**  
Long Term Tax Exemption  
N.J.S.A. 40A:20-1, et seq.

**Re: 632 Summit Avenue**  
**Approximately 0.68 Acres**  
**Block 12301, Lot 2**  
**Journal Square 2060 Redevelopment Plan**

**PREAMBLE**

**THIS FINANCIAL AGREEMENT**, [Agreement] is made the 10<sup>th</sup> day of February, 2016 by and between **VAISHNO MA SUMMIT URBAN RENEWAL, LLC** an urban renewal entity formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq., having its principal office at 2449 John F. Kennedy Boulevard, Jersey City, New Jersey 07304 and the **CITY OF JERSEY CITY**, a Municipal Corporation of the State of New Jersey, having its principal office at 280 Grove Street, Jersey City, New Jersey 07302 [City].

**RECITALS**

**WITNESSETH:**

**WHEREAS**, the Entity is the Owner pursuant to Deed dated April 6, 2015, of certain property designated as Block 12301, Lot 2, more commonly known by the street address of 632 Summit Avenue, Jersey City, and more particularly described by the metes and bounds description set forth as Exhibit 1 to this Agreement; and

**WHEREAS**, this property is located within the boundaries of the Journal Square 2060 Redevelopment Plan Area; and

**WHEREAS**, the Entity plans to construct a six (6) story with sixty-nine (69) market-rate residential rental units with 1,740 square feet of retail/commercial space and eighteen (18) parking spaces [Project]; and

**WHEREAS**, on September 15, 2015 the Project received site plan approval from the Planning Board; and

**WHEREAS**, on December 9, 2015, the Entity filed an Application with the City for a

long term tax exemption for the Project; and

**WHEREAS**, by the adoption of Ordinance 16.\_\_\_\_ on February 10, 2016, the Municipal Council approved a long term tax exemption for the Project and authorized the execution of a Financial Agreement; and

**WHEREAS**, the City made the following findings:

A. Relative Benefits of the Project when compared to the costs:

1. the current real estate tax generates revenue of only \$17,860 whereas, the Annual Service charge as estimated, will generate revenue to the City of approximately \$177,870;
2. as required by ordinance 13-088, the Entity shall pay the City the sum of \$59,290 on or before the effective date of the ordinance approving the Financial Agreement, and will pay the balance of \$118,580 as an affordable housing contribution as required by the ordinance;
3. it is expected that the Project will create approximately fifteen (15) jobs during Construction and approximately three (3) permanent after construction;
4. the project should stabilize and contribute to the economic growth of existing local business and to the creation of new businesses, which cater to the new occupants;
5. the Project will further the objectives of the Journal Square 2060 Redevelopment Plan, and will include the development of vacant property;
6. the City's Impact Analysis, on file with the Office of the City Clerk, indicates that the benefits of the Project outweigh the costs to the City; and

B. Assessment of the Importance of the Tax Exemption in obtaining development of the project and influencing the locational decisions of probable occupants:

1. the relative stability and predictability of the annual service charges will make the Project more attractive to investors and lenders needed to finance the Project; and
2. the relative stability and predictability of the service charges will allow the owner to stabilize its operating budget, allowing a high level of maintenance to the building over the life of the Project, which will attract occupants to the Project, insure the likelihood of stabilized rents to tenants and the success of the Project; and

3. have a positive impact on the surrounding area.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and for other good and valuable consideration, it is mutually covenanted and agreed as follows:

## ARTICLE I - GENERAL PROVISIONS

### **Section 1.1 Governing Law**

This Agreement shall be governed by the provisions of the Long Term Tax Exemption Law, as amended and supplemented, N.J.S.A. 40A:20-1 et seq., Executive Order of the Mayor 2015-007, Disclosure of Lobbyist Status, Ordinance 02-075, and Ordinance 16.\_\_\_\_\_, which authorized the execution of this Agreement. It being expressly understood and agreed that the City expressly relies upon the facts, data, and representations contained in the Application, attached hereto as Exhibit 3, in granting this tax exemption.

### **Section 1.2 General Definitions**

Unless specifically provided otherwise or the context otherwise requires, when used in this Agreement, the following terms shall have the following meanings:

- i. Allowable Net Profit- The amount arrived at by applying the Allowable Profit Rate to Total Project Cost pursuant to N.J.S.A. 40A:20-3(c).
- ii. Allowable Profit Rate - The greater of 12% or the percentage per annum arrived at by adding 1.25% to the annual interest percentage rate payable on the Entity's initial permanent mortgage financing. If the initial permanent mortgage is insured or guaranteed by a governmental agency, the mortgage insurance premium or similar charge, if payable on a per annum basis, shall be considered as interest for this purpose. If there is no permanent mortgage financing, or if the financing is internal or undertaken by a related party, the Allowable Profit Rate shall be the greater of 12% or the percentage per annum arrived at by adding 1.25% per annum to the interest rate per annum which the municipality determines to be the prevailing rate on mortgage financing on comparable improvements in Hudson County. The provisions of N.J.S.A. 40A:20-3(b) are incorporated herein by reference.
- iii. Annual Gross Revenue - Any and all revenue derived from or generated by the Project of whatever kind or amount, whether received as rent from any tenants or income or fees from third parties, including but not limited to fees or income paid or received for parking, or as user fees or for any other services. No deductions will be allowed for operating or maintenance

costs, including, but not limited to gas, electric, water and sewer, other utilities, garbage removal and insurance charges, whether paid for by the landlord, tenant or a third party.

iv. Annual Service Charge - The amount the Entity has agreed to pay the City each year for municipal services supplied to the Project, which sum is in lieu of any taxes on the Improvements, pursuant to N.J.S.A. 40A:20-12. It shall include a payment for all annual excess profit.

v. Auditor's Report - A complete annual financial statement outlining the financial status of the Project, which shall also include a certification of Total Project Cost and clear computation of the annual Net Profit. The contents of the Auditor's Report shall have been prepared in conformity with generally accepted accounting principles and shall contain at a minimum the following: a balance sheet, a statement of income, a statement of retained earnings or changes in stockholders' equity, a statement of cash flows, descriptions of accounting policies, notes to financial statements and appropriate schedules and explanatory material results of operations, cash flows and any other items required by Law. The Auditor's Report shall be certified as to its conformance with such principles by a certified public accountant who is licensed to practice that profession in the State of New Jersey.

vi. Certificate of Occupancy - A document, whether temporary or permanent, issued by the City authorizing occupancy of a building, in whole or in part, pursuant to N.J.S.A. 52:27D-133.

vii. Debt Service - The amount required to make annual payments of principal and interest or the equivalent thereof on any construction mortgage, permanent mortgage or other financing including returns on institutional equity financing and market rate related party debt for the project for a period equal to the term of this agreement.

viii. Default - Shall be a breach of or the failure of the Entity to perform any obligation imposed upon the Entity by the terms of this Agreement, or under the Law, beyond any applicable grace or cure periods.

ix. Entity - The term Entity within this Agreement shall mean Vaishno Ma Summit Urban Renewal, LLC which Entity is formed and qualified pursuant to N.J.S.A. 40A:20-5. It shall also include any subsequent purchasers or successors in interest of the Project, provided they are formed and operate under the Law.

x. Improvements or Project - Any building, structure or fixture permanently affixed to the land and to be constructed and tax exempted under this Agreement.

xi. In Rem Tax Foreclosure or Tax Foreclosure - A summary proceeding by which the City may enforce a lien for taxes due and owing by tax sale, under N.J.S.A. 54:5-1 to 54:5-129 et seq.

xii. Land Taxes - The amount of taxes assessed on the value of land, on which the project is located and, if applicable, taxes on any pre-existing improvements. Land Taxes are not exempt; however, Land Taxes are applied as a credit against the Annual Service Charge.

xiii. Land Tax Payments - Payments made on the quarterly due dates, including approved grace periods if any, for Land Taxes as determined by the Tax Assessor and the Tax Collector.

xiv. Law - Law shall refer to the Long Term Tax Exemption Law, as amended and supplemented, N.J.S.A. 40A:20-1, et seq.; Executive Order of the Mayor 02-003, relating to long term tax exemption, as it may be supplemented; Ordinance 02-075 requiring Disclosure of Lobbyist Status and Ordinance 16.\_\_\_\_\_, which authorized the execution of this Agreement and all other relevant Federal, State or City statutes, ordinances, resolutions, rules and regulations.

xvi. Minimum Annual Service Charge - The Minimum Annual Service Charge shall be (a) until Substantial Completion the amount of the total taxes levied against all real property in the area covered by the Project in the last full tax year in which the area was subject to taxation, which amount the parties agree is \$17,860; and (b) upon Substantial Completion, the sum of \$177,870 per year, which sum is equal to the estimated Annual Service Charge.

Following Substantial Completion, the Minimum Annual Service Charge set forth in subsection (b) shall be paid in each year in which the Annual Service Charge, calculated pursuant to N.J.S.A. 40A:20-12 or this Agreement, would be less than the Minimum Annual Service Charge.

xvi. Net Profit - The Annual Gross Revenues of the Entity less all annual operating and non-operating expenses of the Entity, all determined in accordance with generally accepted accounting principles, but:

(1) there shall be included in expenses: (a) all Annual Service charges paid pursuant to N.J.S.A. 40A:20-12; (b) all annual payments to the City of excess profits pursuant to N.J.S.A.

40A:20-15 or N.J.S.A. 40A:20-16; (c) an annual amount sufficient to amortize (utilizing the straight line method-equal annual amounts) the Total Project Cost and all capital costs determined in accordance with generally accepted accounting principles, of any other entity whose revenue is included in the computation of excess profits over the term of this agreement; (d) all reasonable annual operating expenses of the Entity and any other entity whose revenue is included in the computation of excess profits including the cost of all management fees, brokerage commissions, insurance premiums, all taxes or service charges paid, legal, accounting, or other professional service fees, utilities, building maintenance costs, building and office supplies and payments into repair or maintenance reserve accounts; (e) all payments of rent including but not limited to ground rent by the Entity; (f) all debt service; and

(2) there shall not be included in expenses either depreciation or obsolescence, interest on debt, except interest which is part of debt service, income taxes or salaries, bonuses or other compensation paid, directly or indirectly to directors, officers and stockholders of the entity, or officers, partners or other persons holding a proprietary ownership interest in the entity.

xvii. Pronouns - He or it shall mean the masculine, feminine or neuter gender, the singular, as well as the plural, as context requires.

xviii. Substantial Completion - The determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the first date on which the Project receives, or is eligible to receive, any Certificate of Occupancy whether temporary or permanent for any portion of the Project.

xix. Termination - Any act or omission which by operation of the terms of this Financial Agreement shall cause the Entity to relinquish its tax exemption.

xx. Total Project Cost - The total cost of constructing the Project through the date a Certificate(s) of Occupancy is issued for the entire Project, which categories of cost are set forth in N.J.S.A. 40A:20-3(h). There shall be included with Total Project Cost the actual costs incurred by the Entity and certified by an independent and qualified architect or engineer, which are associated with site remediation and cleanup of environmentally hazardous materials or contaminants in accordance with State or Federal law and any extraordinary costs incurred including the cost of demolishing structures, relocation or removal of public utilities, cost of relocating displaced residents or buildings and the clearing of title. If the Service Charge is a

percentage of Total Project Cost, then the Entity agrees that final Total Project Cost shall not be less than its estimated Total Project Cost.

## **ARTICLE II - APPROVAL**

### **Section 2.1 Approval of Tax Exemption**

The City hereby grants its approval for a tax exemption for all the Improvements to be constructed and maintained in accordance with the terms and conditions of this Agreement and the provisions of the Law which Improvements shall be constructed on certain property known on the Official Tax Assessor's Map of the City as: Block 12301, Lot 2, more commonly known by the street address 632 Summit Avenue, Jersey City, and described by metes and bounds in Exhibit 1 attached hereto.

### **Section 2.2 Approval of Entity**

Approval is granted to the Entity whose Certificate of Formation is attached hereto as Exhibit 4. Entity represents that its Certificate contains all the requisite provisions of the Law; has been reviewed and approved by the Commissioner of the Department of Community Affairs; and has been filed with, as appropriate, the Office of the State Treasurer or Office of the Hudson County Clerk, all in accordance with N.J.S.A. 40A:20-5.

### **Section 2.3 Improvements to be Constructed**

Entity represents that it will construct a six (6) story building with sixty-nine (69) market-rate residential rental units, 1,740 square feet of retail/commercial space and eighteen (18) parking spaces; all of which is specifically described in the Application attached hereto as Exhibit 3.

### **Section 2.4 Construction Schedule**

The Entity agrees to diligently undertake to commence construction and complete the Project in accordance with the Estimated Construction Schedule, attached hereto as Exhibit 5, and in compliance with any Redevelopment Agreement.

### **Section 2.5 Ownership, Management and Control**

The Entity represents that it is the owner of the property upon which the Project is to be constructed. Upon construction, the Entity represents that the Improvements will be used, managed and controlled for the purposes set forth in this Agreement and any Redevelopment Agreement.

## **Section 2.6 Financial Plan**

The Entity represents that the Improvements shall be financed in accordance with the Financial Plan attached hereto as Exhibit 6. The Plan sets forth a good faith estimate of Total Project Cost, the amortization rate on the Total Project Cost, the source of funds, the interest rates to be paid on construction financing, the source and amount of paid-in capital, and the terms of any mortgage amortization.

## **Section 2.7 Good Faith Estimate of Initial Sale Prices or Rents**

The Entity represents that its good faith projections of the initial sale price or rents and other revenue to the Project are set forth in Exhibit 7.

### **ARTICLE III - DURATION OF AGREEMENT**

#### **Section 3.1 Term**

So long as there is compliance with the Law and this Agreement, it is understood and agreed by the parties hereto that this Agreement shall remain in effect for the earlier of thirty-five (35) years from the date of the adoption of Ordinance 16. \_\_\_\_ on February 10, 2016 which approved the tax exemption or thirty (30) years from the original date of Substantial Completion of the Project. The tax exemption shall only be effective during the period of usefulness of the Project and shall continue in force only while the Project is owned by a corporation or association formed and operating under the Law.

### **ARTICLE IV - ANNUAL SERVICE CHARGE**

#### **Section 4.1 Annual Service Charge**

In consideration of the tax exemption, the Entity shall make the following annual payments to the City for services provided to the Project:

- i. City Service Charge: an amount equal to the greater of: the Minimum Annual Service Charge or an Annual Service Charge equal to 10% of the Annual Gross Revenue. The Annual Service Charge shall be billed initially based upon the Entity's estimates of Annual Gross Revenue, attached hereto as Exhibit 6. Thereafter, the Annual Service Charge shall be adjusted in accordance with this Agreement.
- ii. County Service Charge: an amount equal to 5% of the Municipal Annual Service Charge shall be paid to the City and remitted by the City to the County.
- iii. The Minimum Annual Service Charge pursuant to Section 1.2xv(a) shall be due

beginning on the effective date of this Agreement. The Minimum Annual Service Charge pursuant to Section 1.2xv(b) shall be due upon Substantial Completion of the Project. The City Service Charge and the County Annual Service Charge shall be due on the first day of the month following the Substantial Completion of the Project. In the event the Entity fails to timely pay the Minimum Annual Service Charge or the Annual Service Charge, the unpaid amount shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on land until paid.

#### **Section 4.2 Staged Adjustments**

The Annual Service Charge shall be adjusted, in Stages over the term of the tax exemption in accordance with N.J.S.A. 40A:20-12(b) as follows:

i. Stage One: From the 1<sup>st</sup> day of the month following Substantial Completion until the last day of the 9<sup>th</sup> year, the Annual Service Charge shall be 11% of Annual Gross Revenue;

ii. Stage Two: Beginning on the 1<sup>st</sup> day of the 10<sup>th</sup> year following Substantial Completion until the last day of the 13<sup>th</sup> year, an amount equal to the greater of the Annual Service Charge or 20% of the amount of the taxes otherwise due on the assessed value of the land and Improvements;

iii. Stage Three: Beginning on the 1<sup>st</sup> day of the 14<sup>th</sup> year following the Substantial Completion until the last day of the 17<sup>th</sup> year, an amount equal to the greater of the Annual Service Charge or 40% of the amount of the taxes otherwise due on the assessed value of the land and Improvements;

iv. Stage Four: Beginning on the 1<sup>st</sup> day of the 18<sup>th</sup> year following Substantial Completion until the last day of the 21<sup>st</sup> year, an amount equal to the greater of the Annual Service Charge or 60% of the amount of the taxes otherwise due on the assessed value of the land and Improvements.

v. Final Stage: Beginning on the 1<sup>st</sup> day of the 22<sup>nd</sup> year following Substantial Completion through the date the tax exemption expires, an amount equal to the greater of the Annual Service Charge or 80% of the amount of the taxes otherwise due on the assessed value of the land and Improvements.

#### **Section 4.3 Land Tax**

The Entity is required to pay both the Annual Service Charge and the Land Tax

Payments. The Entity is obligated to make timely Land Tax Payments, including any tax on the pre-existing improvements, in order to be entitled to a Land Tax credit against the Annual Service Charge for the subsequent year. The Entity shall be entitled to credit for the amount, without interest, of the Land Tax Payments made in the last four preceding quarterly installments against the Annual Service Charge. In any quarter that the Entity fails to make any Land Tax Payments when due and owing, such delinquency shall render the Entity ineligible for any Land Tax Payment credit against the Annual Service Charge. No credit will be applied against the Annual Service Charge for a partial payment of Land Taxes. In addition, the City shall have, among this remedy and other remedies, the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. and/or declare a Default and terminate this Agreement.

#### **Section 4.4 Quarterly Installments / Interest**

The Entity expressly agrees that the Annual Service Charge shall be made in quarterly installments on those dates when real estate tax payments are due; subject, nevertheless, to adjustment for over or underpayment within thirty (30) days after the close of each calendar year. In the event that the Entity fails to pay the Annual Service Charge or any other charge due under this agreement, the unpaid amount shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on the land until paid in full.

#### **Section 4.5 Administrative Fee**

The Entity shall also pay an annual Administrative Fee to the City in addition to the Annual Service Charge and Land Tax levy. The Administrative Fee shall be calculated as half of one (0.5%) percent of each prior year's Annual Service Charge. This fee shall be payable and due on or before December 31st of each year, and collected in the same manner as the Annual Service Charge.

#### **Section 4.6 Affordable Housing Contribution and Remedies**

A. **Contribution.** The Entity will pay the City the sum of \$114,7643.50 or \$1,500 per unit; (69 units x \$1,500 = \$103,500) \$1.50 per square foot of retail/commercial space (1,740 square feet of retail/commercial space x \$1.50 = \$2,610) \$1.50 per square foot of parking (5,769 square feet of parking x \$1.50 = \$8,653.50) and as a contribution. The sum shall be due and

payable as follows:

- i. 1/3 on or before the effective adoption date of the Ordinance approving the tax exemption;
- ii. 1/3 on or before the issuance of the first of any construction permit for the Project, but no later than six months after the date of the Financial Agreement; and
- iii. 1/3 on or before the date the first of any Certificate of Occupancy is issued for the Project, but no later than twenty-four (24) months after the date of the Financial Agreement.

#### **Section 4.7 Material Conditions**

It is expressly agreed and understood that the timely payments of Land Taxes, Minimum Annual Service Charges, Annual Service Charges, including Annual Net Profits and any adjustments thereto, Administrative Fees, Affordable Housing Contributions, and any interest thereon, are Material Conditions of this Agreement.

### **ARTICLE V - PROJECT EMPLOYMENT AND CONTRACTING AGREEMENT**

#### **Section 5.1 Project Employment and Contracting Agreement**

In order to provide City residents and businesses with certain employment and other economic related opportunities, the Entity is subject to the terms and conditions of the Project Employment and Contracting Agreement, attached hereto as Exhibit 8.

#### **Section 5.2 Project Labor Agreement (Projects with construction costs exceeding \$25 million)**

If the construction costs exceed \$25 million, then the Entity must execute a Project Labor Agreement as required by Section 304-33 of the Jersey City Municipal Code. The Entity asserts that the construction costs will not exceed \$25 million and therefore a Project Labor Agreement (PLA) is not required. Notwithstanding construction costs under \$25 million, the Entity must comply with Chapter 304-34(C) of the Municipal Code and provide certification of its construction costs. In the event that the construction costs do exceed the \$25 million threshold, the entity shall be required to pay the damages as set forth in Chapter 304-37(3) of the Municipal Code.

**Section 5.3 Living Wage Mandate (Projects with construction costs exceeding \$25 million)**

The Entity also agrees to comply with the requirements of Section 3-76 of the Jersey City Municipal Code concerning required wage, benefit and leave standards for building service workers. All janitors and unarmed security guards employed at the Projects, including by any and all tenants or subtenants of the developer, shall not be paid less than the standard hourly rate of pay and benefits for their respective classifications and shall be provided with paid leave in accordance with the provisions of the Jersey City Municipal Code Section 3-51G(1).

**ARTICLE VI - CERTIFICATE OF OCCUPANCY**

**Section 6.1 Certificate of Occupancy**

It is understood and agreed that it shall be the obligation of the Entity to obtain all Certificates of Occupancy in a timely manner so as to complete construction in accordance with the proposed construction schedule attached hereto as Exhibit 5. The failure to secure the Certificates of Occupancy shall subject the Property to full taxation for the period between the date of Substantial Completion and the date the Certificate of Occupancy is obtained.

**Section 6.2 Filing of Certificate of Occupancy**

It shall be the primary responsibility of the Entity to forthwith file with both the Tax Assessor and the Tax Collector a copy of each Certificate of Occupancy.

Failure of the Entity to file such issued Certificate of Occupancy as required by the preceding paragraph, shall not militate against any action or non-action, taken by the City, including, if appropriate retroactive billing with interest for any charges determined to be due, in the absence of such filing by the Entity.

**Section 6.3 Construction Permits**

The estimated construction cost basis disclosed by the Entity's application and proposed Financial Agreement may, at the option of the City, be used as the basis for the construction cost in the issuance of any construction permit for the Project.

**ARTICLE VII - ANNUAL REPORTS**

**Section 7.1 Accounting System**

The Entity agrees to maintain a system of accounting and internal controls established

and administered in accordance with generally accepted accounting principles.

### **Section 7.2 Periodic Reports**

A. Auditor's Report: Within ninety (90) days after the close of each fiscal or calendar year, depending on the Entity's accounting basis that the Agreement shall continue in effect, the Entity shall submit to the Mayor and Municipal Council and the NJ Division of Local Government Services in the Department of Community Affairs, its Auditor's Report for the preceding fiscal or calendar year. The Auditor's Report shall include, but not be limited to gross revenue, and the terms and interest rate on any mortgage(s) associated with the purchase or construction of the Project and such details as may relate to the financial affairs of the Entity and to its operation and performance hereunder, pursuant to the Law and this Agreement. The Report shall clearly identify and calculate the Net Profit for the Entity during the previous year, the excess of which shall be paid to the City each year an excess profit is generated.

B. Total Project Cost Audit: Within ninety (90) days after Substantial Completion of the Project, the Entity shall submit to the Mayor, Municipal Council, the Tax Collector and the City Clerk, who shall advise those municipal officials required to be advised, an audit of Total Project Cost, including but not limited to an audit of actual construction costs as certified by the Project architect.

C. Disclosure Statement: On the anniversary date of the execution of this Agreement, and each and every year thereafter while this agreement is in effect, the Entity shall submit to the Municipal Council, the Tax Collector and the City Clerk, who shall advise those municipal officials required to be advised, a Disclosure Statement listing the persons having an ownership interest in the Project, and the extent of the ownership interest of each and such additional information as the City may request from time to time. All disclosures shall include ownership interests of the individual persons owning any corporate interest in the Entity.

### **Section 7.3 Inspection/Audit**

The Entity shall permit the inspection of its property, equipment, buildings and other facilities of the Project and, if deemed appropriate or necessary, any other related Entity by representatives duly authorized by the City or the NJ Division of Local Government Services in the Department of Community Affairs. It shall also permit, upon request, examination and audit

of its books, contracts, records, documents and papers. Such examination or audit shall be made during the reasonable hours of the business day, in the presence of an officer or agent designated by the Entity for any year during which the tax exemption financial agreement was in full force and effect.

All costs incurred by the City to conduct a review of the Entity's audits, including reasonable attorneys' fees if appropriate, shall be billed to the Entity and paid to the City as part of the Entity's Annual Service Charge. Delinquent payments shall accrue interest at the same rate as for a delinquent service charge.

### **ARTICLE VIII- LIMITATION OF PROFITS AND RESERVES**

#### **Section 8.1 Limitation of Profits and Reserves**

During the period of tax exemption as provided herein, the Entity shall be subject to a limitation of its profits pursuant to the provisions of N.J.S.A. 40A:20-15.

The Entity shall have the right to establish a reserve against vacancies, unpaid rentals, and reasonable contingencies in an amount equal to five (5%) percent of the Gross Revenue of the Entity for the last full fiscal year preceding the year and may retain such part of the Excess Net Profits as is necessary to eliminate a deficiency in that reserve, as provided in N.J.S.A. 40A:20-15. The reserve is to be non-cumulative, it being intended that no further credits thereto shall be permitted after the reserve shall have attained the allowable level of five (5%) percent of the preceding year's Gross Revenue.

#### **Section 8.2 Annual Payment of Excess Net Profit**

In the event the Net Profits of the Entity, in any year, exceeds the Allowable Net Profits for such year, then the Entity, within one hundred and twenty (120) days after the end of the year, shall pay such excess Net Profits to the City as an additional annual service charge; provided, however, that the Entity may maintain a reserve as determined pursuant to aforementioned paragraph 8.1. The calculation of the Entity's Excess Net Profits shall include those project costs directly attributable to site remediation and cleanup expenses and any other costs excluded in the definition of Total Project Cost in Section 1.2 (xx) of this Agreement even though those costs may have been deducted from the project costs for purposes of calculating the annual service charge.

**Section 8.3 Payment of Reserve/ Excess Net Profit Upon Termination, Expiration or Sale**

The date of termination, expiration or sale shall be considered to be the close of the fiscal year of the Entity. Within ninety (90) days after such date, the Entity shall pay to the City the amount of the reserve, if any, maintained by it pursuant to this section and the balance of the Excess Net Profit, if any.

**ARTICLE IX - ASSIGNMENT AND/OR ASSUMPTION**

**Section 9.1 Approval of Sale**

Any sale or transfer of the Project, shall be void unless approved in advance by Ordinance of the Municipal Council. It is understood and agreed that the City, on written application by the Entity, will not unreasonably withhold its consent to a sale of the Project and the transfer of this Agreement provided 1) the new Entity does not own any other Project subject to long term tax exemption at the time of transfer; 2) the new Entity is formed and eligible to operate under the Law; 3) the Entity is not then in default of this Agreement or the Law; 4) the Entity's obligations under this Agreement are fully assumed by the new Entity; 5) the Entity pays in full the maximum transfer fee, 2% of the Annual Service Charge, as permitted by N.J.S.A. 40A:20-10(d); and 6) as to projects that are not Substantially Complete, the Entity is comprised of principals possessing substantially the same or better financial qualifications and credit worthiness as the Entity.

Nothing herein shall prohibit any transfer of the ownership interest in the Entity itself provided that the transfer, if greater than 10%, is disclosed to the City in the annual disclosure statement or in correspondence sent to the City in advance of the filing of the annual disclosure statement.

**Section 9.2 Transfer Application Fee**

Where the consent or approval of the City is sought for approval of a change in ownership or sale or transfer of the Project, the Entity shall be required to pay to the City a new tax exemption application fee for the legal and administrative services of the City, as it relates to the review, preparation and/or submission of documents to the Municipal Council for appropriate action on the requested assignment. The fee shall be non-refundable.

## ARTICLE X - COMPLIANCE

### **Section 10.1 Operation**

During the term of this Agreement, the Project shall be maintained and operated in accordance with the provisions of the Law. Operation of Project under this Agreement shall not only be terminable as provided by N.J.S.A. 40A:20-1, et seq., as amended and supplemented, but also by a Default under this Agreement. The Entity's failure to comply with the Law shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

### **Section 10.2 Disclosure of Lobbyist Representative**

During the term of this Agreement, the Entity must comply with Executive Order 2002-005, and Ordinance 02-075, requiring Written Disclosure of Lobbyist Representative Status. The Entity's failure to comply with the Executive Order or the Ordinance shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

## ARTICLE XI - DEFAULT

### **Section 11.1 Default**

Default shall be failure of the Entity to conform with the terms of this Agreement or failure of the Entity to perform any obligation imposed by the Law, beyond any applicable notice, cure or grace period.

### **Section 11.2 Cure Upon Default**

Should the Entity be in Default, the City shall send written notice to the Entity of the Default [Default Notice]. The Default Notice shall set forth with particularity the basis of the alleged Default. The Entity shall have sixty (60) days, from receipt of the Default Notice, to cure any Default which shall be the sole and exclusive remedy available to the Entity. However, if, in the reasonable opinion of the City, the Default cannot be cured within sixty (60) days using reasonable diligence, the City will extend the time to cure.

Subsequent to such sixty (60) days, or any approved extension, the City shall have the right to terminate this Agreement in accordance with Section 12.1.

Should the Entity be in default due to a failure to pay any charges defined as Material

Conditions in Section 4.7, or a sale of the Project occurs without the consent of the City, the Entity shall not be subject to the default procedural remedies as provided herein but shall allow the City to proceed immediately to terminate the Agreement as provided in Article XII herein.

### **Section 11.3 Remedies Upon Default**

The City shall, among its other remedies, have the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. In order to secure the full and timely payment of the Annual Service Charge, the City on its own behalf, or on behalf of the Trustee, reserves the right to prosecute an In Rem Tax Foreclosure action against the Project Area in accordance with Applicable Law, as more fully set forth in this Financial Agreement.

In addition, the City may declare a Default and terminate this Agreement. Any default arising out of the Entity's failure to pay Land Taxes, the Minimum Annual Service Charge, Administrative Fees, Affordable Housing Contribution, or the Annual Service Charges shall not be subject to the default procedural remedies as provided herein, but shall allow the City to proceed immediately to terminate the Agreement as provided herein. All of the remedies provided in this Agreement to the City, and all rights and remedies granted to it by law and equity shall be cumulative and concurrent. No termination of any provision of this Agreement shall deprive the City of any of its remedies or actions against the Entity because of its failure to pay Land Taxes, the Minimum Annual Service Charge, Annual Service Charge, Affordable Housing Contribution or Administrative Fees. This right shall apply to arrearages that are due and owing at the time or which, under the terms hereof, would in the future become due as if there had been no termination. Further, the bringing of any action for Land Taxes, the Minimum Annual Service Charge, the Annual Service Charge, Affordable Housing Contribution, Administrative Fees, or for breach of covenant or the resort to any other remedy herein provided for the recovery of Land Taxes shall not be construed as a waiver of the rights to terminate the tax exemption or proceed with a tax sale or Tax Foreclosure action or any other specified remedy.

In the event of a Default on the part of the Entity to pay any charges set forth in Article IV, the City among its other remedies, reserves the right to proceed against the Entity's land and property, in the manner provided by the In Rem Foreclosure Act, and any act supplementary or

amendatory thereof. Whenever the word taxes appear, or is applied, directly or impliedly to mean taxes or municipal liens on land, such statutory provisions shall be read, as far as is pertinent to this Agreement, as if the charges were taxes or municipal liens on land.

## **ARTICLE XII- TERMINATION**

### **Section 12.1 Termination Upon Default of the Entity**

In the event the Entity fails to cure or remedy the Default within the time period provided in Section 11.2, the City may terminate this Agreement upon thirty (30) days written notice to the Entity [Notice of Termination].

### **Section 12.2 Voluntary Termination by the Entity**

The Entity may notify the City that it will relinquish its status as a tax exempt Project, after the expiration of one year from the Substantial Completion of the Project , as of the January 1<sup>st</sup> of the year next ensuing. The Notice of Voluntary Termination must be received by the City no later than October 1<sup>st</sup> of the tax year preceding the calendar year in which the termination is to occur. As of the date so set, the tax exemption, the Annual Service Charges and the profit and dividend restrictions shall terminate. However, under no circumstances will the Entity be entitled to any refund, in whole or in part, of any funds paid to the City to obtain the tax exemption, including but not limited to the Affordable Housing Contribution. In addition, the due date for all Affordable Housing Contribution and any other fees that the Entity agreed to pay under this Agreement, shall be accelerated so that all fees to be paid shall be due on January 1<sup>st</sup> as a condition precedent of the voluntary termination.

### **Section 12.3 Final Accounting**

Within ninety (90) days after the date of termination, whether by affirmative action of the Entity or by virtue of the provisions of the Law or pursuant to the terms of this Agreement, the Entity shall provide a final accounting and pay to the City the reserve, if any, pursuant to the provisions of N.J.S.A. 40A:20-13 and 15 as well as any remaining excess Net Profits. For purposes of rendering a final accounting the termination of the Agreement shall be deemed to be the end of the fiscal year for the Entity.

### **Section 12.4 Conventional Taxes**

Upon Termination or expiration of this Agreement, the tax exemption for the Project

shall expire and the land and the Improvements thereon shall thereafter be assessed and conventionally taxed according to the general law applicable to other nonexempt taxable property in the City.

### **ARTICLE XIII - DISPUTE RESOLUTION**

#### **Section 13.1 Arbitration**

In the event of a breach of the within Agreement by either of the parties hereto or a dispute arising between the parties in reference to the terms and provisions as set forth herein, either party may apply to the Superior Court of New Jersey by an appropriate proceeding, to settle and resolve the dispute in such fashion as will tend to accomplish the purposes of the Law. In the event the Superior Court shall not entertain jurisdiction, then the parties shall submit the dispute to the American Arbitration Association in New Jersey to be determined in accordance with its rules and regulations in such a fashion to accomplish the purpose of the Long Term Tax Exemption Law. The cost for the arbitration shall be borne by the Entity. The parties agree that the Entity may not file an action in Superior Court or with the Arbitration Association unless the Entity has first paid in full all charges defined in Section 4.7 as Material Conditions.

#### **Section 13.2 Appeal of Assessment**

In calculating the amount of the Staged Adjustments that is, taxes otherwise due, pursuant to Section 4.2 and N.J.S.A. 40A:20-12, either party may file an appeal of the conventional assessment to determine the value of land and improvements.

### **ARTICLE XIV - WAIVER**

#### **Section 14.1 Waiver**

Nothing contained in this Financial Agreement or otherwise shall constitute a waiver or relinquishment by the City of any rights and remedies, including, without limitation, the right to terminate the Agreement and tax exemption for violation of any of the conditions provided herein. Nothing herein shall be deemed to limit the City's right to audit or recover any amount which the City has under law, in equity, or under any provision of this Agreement.

### **ARTICLE XV - INDEMNIFICATION**

#### **Section 15.1 Defined**

It is understood and agreed that in the event the City shall be named as party defendant in

any action by a third party alleging any breach, default or a violation of any of the provisions of this Agreement and/or the provisions of N.J.S.A. 40A:20-1 et seq., the Entity shall indemnify and hold the City harmless against any and all liability, loss, cost, expense (including reasonable attorneys' fees and costs), arising out of this Agreement. In addition, the Entity expressly waives all statutory or common law defenses or legal principles which would defeat the purposes of this indemnification. The Entity also agrees to defend the suit at its own expense. However, the City maintains the right to intervene as a party thereto, to which intervention the Entity consents; the expense thereof to be borne by the City.

#### **ARTICLE XVI- NOTICE**

##### **Section 16.1 Certified Mail**

Any notice required hereunder to be sent by either party to the other shall be sent by certified or registered mail, return receipt requested.

##### **Section 16.2 Sent by City**

When sent by the City to the Entity the notice shall be addressed to:

Vaishmo Ma Summit Urban Renewal, LLC  
2449 Kennedy Blvd.  
Jersey City, New Jersey 07304

With a copy to:

Neeraj Gupta, Esq.  
Gupta Law  
2449 Kennedy Blvd.  
Jersey City, New Jersey 07304

unless prior to giving of notice the Entity shall have notified the City in writing otherwise.

In addition, provided the City is sent a formal written notice in accordance with this Agreement, of the name and address of Entity's Mortgagee, the City agrees to provide such Mortgagee with a copy of any notice required to be sent to the Entity.

##### **Section 16.3 Sent by Entity**

When sent by the Entity to the City, it shall be addressed to:

City of Jersey City, Office of the City Clerk  
City Hall  
280 Grove Street  
Jersey City, New Jersey 07302,

with copies sent to the Corporation Counsel, the Business Administrator, and the Tax Collector unless prior to the giving of notice, the City shall have notified the Entity otherwise. The notice to the City shall identify the Project to which it relates, (i.e., the Urban Renewal Entity and the Property's Block and Lot number).

#### **ARTICLE XVII-SEVERABILITY**

##### **Section 17.1 Severability**

If any term, covenant or condition of this Agreement or the Application, except a Material Condition, shall be judicially declared to be invalid or unenforceable, the remainder of this Agreement or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

If a Material Condition shall be judicially declared to be invalid or unenforceable and provided the Entity is not in Default of this Agreement, the parties shall cooperate with each other to take the actions reasonably required to restore the Agreement in a manner contemplated by the parties and the Law. This shall include, but not be limited to the authorization and re-execution of this Agreement in a form reasonably drafted to effectuate the original intent of the parties and the Law. However, the City shall not be required to restore the Agreement if it would modify a Material Condition, the amount of the periodic adjustments or any other term of this Agreement which would result in any economic reduction or loss to the City.

#### **ARTICLE XVIII - MISCELLANEOUS**

##### **Section 18.1 Construction**

This Agreement shall be construed and enforced in accordance with the laws of the State of New Jersey, and without regard to or aid of any presumption or other rule requiring construction against the party drawing or causing this Agreement to be drawn since counsel for

both the Entity and the City have combined in their review and approval of same.

**Section 18.2 Conflicts**

The parties agree that in the event of a conflict between the Application and the language contained in the Agreement, the Agreement shall govern and prevail. In the event of conflict between the Agreement and the Law, the Law shall govern and prevail.

**Section 18.3 Oral Representations**

There have been no oral representations made by either of the parties hereto which are not contained in this Agreement. This Agreement, the Ordinance authorizing the Agreement, and the Application constitute the entire Agreement between the parties and there shall be no modifications thereto other than by a written instrument approved and executed by both parties and delivered to each party.

**Section 18.4 Entire Document**

This Agreement and all conditions in the Ordinance of the Municipal Council approving this Agreement are incorporated in this Agreement and made a part hereof.

**Section 18.5 Good Faith**

In their dealings with each other, utmost good faith is required from the Entity and the City.

**ARTICLE XIX - EXHIBITS**

**Section 19 Exhibits**

The following Exhibits are attached hereto and incorporated herein as if set forth at length herein:

1. Metes and Bounds description of the Project;
2. Ordinance of the City authorizing the execution of this Agreement;
3. The Application with Exhibits;
4. Certificate of the Entity;
5. Estimated Construction Schedule;
6. The Financial Plan for the undertaking of the Project;
7. Good Faith Estimate of Initial Rents;
8. Project Employment and Contracting Agreement;
9. Architect's Certification of Actual Construction Costs.
10. Entity's Deed [or Lease]

**IN WITNESS WHEREOF**, the parties have caused these presents to be executed the day and year first above written.

**WITNESS:**

**VAISHMO MA SUMMIT URBAN RENEWAL, LLC**

\_\_\_\_\_

\_\_\_\_\_

**ATTEST:**

**CITY OF JERSEY CITY**

\_\_\_\_\_

\_\_\_\_\_

**ROBERT BYRNE  
CITY CLERK**

**ROBERT KAKOLESKI  
BUSINESS ADMINISTRATOR**

## PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

This Project Employment & Contracting Agreement is made on the 10<sup>th</sup> day of February, 2016, between the **CITY OF JERSEY CITY [City]** and **VAISHNO MA SUMMIT URBAN RENEWAL, LLC** having its principal office at 2449 John F. Kennedy Boulevard, Jersey City, New Jersey 07304. Recipient agrees as follows:

### **I. Definitions:**

The following words and terms, when used in this agreement, shall have the following meanings unless the context clearly indicates otherwise.

1. "City" means the Business Administrator of the City of Jersey City, or his designee, including any person or entity which enters into a contract with the City to implement, in whole or in part, this agreement.
2. "Construction Contract" means any agreement for the erection, repair, alteration or demolition of any building, structure, bridge, roadway, or other improvement on a Project Site.
3. "Contractor" means any party performing or offering to perform a prime contract on behalf of the Recipient.
4. "DEO" means the Division of Economic Opportunity under the Department of Administration, located at 280 Grove Street, Jersey City, New Jersey 07302, Telephone #(201) 547-5611. DEO is in charge of Project Employment & Contracting coordination and monitoring on projects receiving abatements.
5. "Economic Incentive" means a tax abatement or exemption for a property or project which requires approval of the Municipal Council and which reduces the annual amount of taxes otherwise due, by \$25,000 or more in the aggregate;
6. "Employment" means any job or position during the construction and operational phase of the project. It includes positions created as a result of internal promotions, terminations, or expansions within the Recipient's work force which are to be filled by new employees. However, positions filled through promotion from within the Recipient's existing work force are not covered positions under this agreement.
7. "Local Business" means a bona fide business located in Jersey City.
8. Mayor Steven M. Fulop's Business Cooperative Program means the group within DEO under the Department of Administration responsible for collecting local and minority business contracts and capability information. This group operates the Supplier Alert service which is to be used by the Recipient to meet their good faith business contracting and construction subcontracting goals.

9. "Minority" means a person who is African, Hispanic, Asian, or American Indian defined as follows:
  - a) "African-American" means a person having origins in any of the black racial groups of Africa.
  - b) "Hispanic" means a person of Mexican, Puerto Rican, Cuban, Central or South American or other Latino culture or origin, regardless of race, excluding, however, persons of European origin.
  - c) "Asian" means a person having origins in any of the original people of the Far East, Southeast Asia, and subcontinent India, Hawaii or the Pacific Islands.
  - d) "American Indian" means a person having origins in any of the original people of North America who maintains cultural identification through tribal affiliation or community recognition.
10. "Minority or Woman Owned Local Business" means a bona fide business located in Jersey City which is fifty-one (51%) percent or more owned and controlled by either a Minority or woman.
11. "Non-Traditional Jobs" means jobs which are held by less than twenty (20%) percent women, as reported by the New Jersey Department of Labor, Division of Labor Market, and Demographic Research for Jersey City, which report shall be on file with the City Clerk.
12. "Permanent Jobs" mean newly created long term salaried positions, whether permanent, temporary, part time or seasonal.
13. "Project or Project Site" means the specific work location or locations specified in the contract.
14. The "Project Employment & Contracting Coordinator" is a member of the DEO staff under the Department of Administration who is in charge of coordinating Project Employment & Contracting projects. Contractors and developers engaged in projects covered by Project Employment & Contracting Agreements will direct inquiries to the Project Employment & Contracting Coordinator.
15. The "Project Employment & Contracting Monitor" or "Monitor" is a member of the DEO staff under the Department of Administration directly under the command of the Project Employment & Contracting Coordinator, who is in charge of monitoring the site, collecting the reports and documentation, and other day-to-day Project Employment & Contracting housekeeping as stipulated by this agreement.
16. The "Project Employment & Contracting Officer" or "Officer" is an employee of the Recipient who is designated by the Recipient to make sure the Recipient is in compliance with the Recipient's Project Employment & Contracting agreement.

17. "Recipient" means any individual, partnership, association, organization, corporation or other entity, whether public or private, or for profit or non-profit, or agent thereof, which receives an Economic Incentive and shall include any Contractor, Subcontractor or agent of the Recipient.
18. "The Registry" or "Jersey City Employment Registry" means a list maintained by the City or its designee of Jersey City residents seeking employment and Local Businesses, including Minority or Woman Owned Local Businesses, seeking contracts.
19. "Subcontract" means a binding legal relationship involving performance of a contract that is part of a prime contract.
20. "Subcontractor" means a third party that is engaged by the prime Contractor to perform under a subcontract all or part of the work included in an original contract.
21. "Substantial Completion" means the determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the date on which the Project receives, or is eligible to receive any Certificate of Occupancy for any portion of the Project.

## **II. Purpose:**

The City wishes to assure continuing employment opportunities for City residents, particularly residents who are Minorities, and business opportunities for Local Businesses, especially Minority and Women Owned Local Businesses, with employers located in or relocating to the City who are the Recipients of Economic Incentives. The City has determined to accomplish that goal by requiring the Recipient of an Economic Incentive to act in Good Faith, as defined herein, and discharge its obligations under this Agreement. To the extent mandated by State and Federal law and so long as the Entity discharges its Good Faith obligations under this agreement, the City acknowledges that the Recipient and its contractors are free to hire whomever they choose.

## **III. Good Faith Goals:**

In the event the Recipient is able to demonstrate that its work force already meets the goals set forth below or is able to meet such goals during the term of this agreement, the Recipient will not be required to comply with the interviewing or reporting obligations set forth in Section VI 1., A-L (Construction Jobs) and Section VI, 2., A-J (Permanent Jobs). All goals for Construction Jobs shall be calculated as a percentage of the total number of work hours in each trade from the beginning of the project to its completion.

1. **Employment:** The Recipient shall make a Good Faith effort to achieve the goal of a work force representing fifty-one (51%) percent City residents, fifty-one (51%) percent of whom are residents who are Minorities and, in Non-Traditional Jobs, six point nine (6.9%) percent of whom are residents who are women, it being understood that one employee may satisfy more than one category.

2. **Business Contracting:** The Recipient shall make a Good Faith effort to achieve the goal of awarding twenty (20%) percent of the dollar amount of its contracts to Local Businesses, fifty-one (51%) percent of which shall be Minority or Women Owned Local Businesses. If fifty-one (51%) percent of Minority or Women Owned Local Businesses cannot be obtained, that percentage of contracts must still be applied to local vendors.

#### **IV. Recipient Designee:**

The Recipient shall designate a principal officer of its firm to be responsible for administering the agreement detailed herein and to report to and confer with the City in order to discharge its Good Faith obligations as defined in this agreement. This officer should be designated as the Project Employment & Contracting Officer.

The Recipient should send a letter of introduction regarding the "Project Employment & Contracting Compliance Officer" to the Project Employment & Contracting Coordinator prior to any preconstruction meetings. An example of this letter can be found in Appendix A. This principle officer should also be present for all preconstruction meetings.

The Recipient should send a letter regarding the "Project Employment & Contracting Compliance Officer" to the employees of the Recipient's company. An example of this letter can be found in Appendix AZ

#### **V. Term:**

This agreement shall be in effect for a period co-terminus with the effective period of the tax exemption [the Economic Incentive]. Thus, it will commence on the date the City Council adopted Ordinance 16.\_\_\_\_\_ approving the tax exemption and terminate the earlier of thirty-five (35) years from the date of the adoption of that Ordinance or thirty (30) years from the date of Substantial Completion of the Project.

#### **VI. Good Faith Defined:**

1. **Construction Jobs:** Good Faith shall mean compliance with all of the following conditions:

##### **A. Initial Manning Report:**

- i) Prior to the commencement of their work on the Project, each Contractor /Subcontractor shall prepare an Initial Manning Report.
- ii) The Initial Manning Report should contain an estimate of the total hours in each construction trade or craft and the number of hours to be worked by City residents, including a list of the number of minority residents and women residents that will work in each trade or craft, including the work hours to be performed by such employees of any and all Contractors and Subcontractors. Attached hereto as Appendix B is the Recipient's Initial Manning Report.

- iii) The Initial Manning Report shall be filed with the Project Employment and Contracting Monitor, who must accept said Report prior to the Recipient entering into any construction contract. An example of this acceptance letter is given in Appendix C.

B. Developer's Contracting Obligations

- i) Once the developer submits the project's initial manning report, he/she must forward a letter with requests for quotation or bid to Mayor Steven M. Fulop's Business Cooperative Program for local and minority vendors for any construction or building operating goods, services and sub-contracting opportunities. An example of this letter is given in Appendix D.
- ii) The developer shall make a good faith effort to contact those businesses and individuals who submit bids. This effort must be documented by letter, which will be sent to Mayor Steven M. Fulop's Business Cooperative Program at DEO under the Department of Administration. An example of this letter can be found in Appendix D2.

C. Contractor's/Subcontractor's Compliance Statement

Prior to commencement of their work on the Project, each Contractor or Subcontractor must agree in writing to comply with this agreement and the employment goals elaborated herein. An example of this Compliance Statement can be found in Appendix E.

D. Union Statement of Using Its Best Efforts

- i) Prior to commencement of their work on the Project, the contractor/subcontractor must submit a statement expressing its adherence to the Project Employment & Contracting Agreement to each union with which he/she has a collective bargaining agreement covering workers to be employed on the project.
- ii) The Compliance Statement shall include a union statement for the particular union to sign, which claims the union will use its best efforts to comply with the employment goals articulated in the Project Employment & Contracting agreement. This compliance statement is detailed in Appendix F. A copy of the signed compliance statement must be sent to the Project Employment & Contracting Monitor in DEO under the Department of Administration before work starts in order for a developer to be in compliance.
- iii) The Recipient will require the Contractor or Subcontractor to promptly notify the City of any refusal or failure of a union to sign the statement. If a particular union refuses to sign a statement, the Recipient will document its efforts to obtain such statement and the reasons given by the union for not signing such statement, and submit such documentation to the Project Employment & Contracting Monitor in DEO under the Department of Administration.

E. Sub-Contractors

The developer shall require that each prime contractor be responsible for the compliance of his/her subcontractors with the aforementioned Project Employment & Contracting requirements during the performance of the contract. Whenever the contractor sub-contracts a portion of the work on the project, the contractor shall bind the subcontractor to the obligations contained in these supplemental conditions to the full extent as if he/she were the contractor.

F. Union Apprentices

The contractor is responsible for assuring that resident and minority apprentices account for at least fifty (50%) percent of the total hours worked by union apprentices on the job in each trade listed in which apprentices are employed, according to the apprentice-to-journey-worker ratio contained in the collective bargaining agreement between the various unions, and shall hold each of his/her subcontractors to this requirement. The Recipient will require the contractor or subcontractor to promptly notify the City of any refusal of a union to utilize resident and minority apprentices.

G. Monthly Manning Report

- i) The Recipient will cause the Contractor to complete and submit Monthly Project Manning Reports to the Project Employment & Contracting Monitor in DEO under the Department of Administration by the seventh day of the month following the month during which the work is performed, for the duration of the contract.
- ii) The report will accurately reflect the total hours in each construction trade or craft and the number of hours worked by City residents, including a list of the number of minority resident and women resident workers in each trade or craft, and will list separately the work hours performed by such employees of the Contractor and each of its Subcontractors during the previous month. The Monthly Manning Report shall be in the form attached hereto as Appendix G.
- iii) The Recipient is responsible for maintaining or causing the Contractor to maintain records supporting the reported work hours of its Contractors or Subcontractors.

H. Monthly Certified Payroll Report

- i) The Recipient will cause the Contractor to furnish the Project Employment & Contracting Monitor with copies of its weekly Certified Payroll reports. The reports will specify the residence, gender and ethnic/racial origin of each worker, work hours and rate of pay and benefits provided. The Certified Payroll report shall be in the form attached hereto as Appendix H.
- ii) Payroll reports must be submitted on a monthly basis with the Monthly Manning Report or the Recipient is no longer in compliance.

I. Equal Employment Opportunity Reports

Prior to commencement of work on the Project, the Recipient will request copies of the most recent Local Union Report (EEO-3) and Apprenticeship Information Report (EEO-2) which are required to be filed with the US Commission of Equal Employment Opportunity Commission by the collective bargaining unit. These reports will be forwarded to the Project Employment & Contracting Monitor within one month of the signing of the Project Employment & Contracting Agreement.

J. Other Reports

In addition to the above reports, the Recipient shall furnish such reports or other documents to the City as the City may request from time to time in order to carry out the purposes of this agreement.

K. Records Access

The Recipient will insure that the City will have reasonable access to all records and files reasonably necessary to confirm the accuracy of the information provided in the reports.

L. Work Site Access For Monitor

- i) The City will physically monitor the work sites subject to this agreement to verify the accuracy of the monthly reports. Each work site will be physically monitored approximately once every two weeks, and more frequently if it is deemed reasonably necessary by the City. The City's findings shall be recorded in a "Site Visit Report." An example of a bi-weekly site visit report can be found in Appendix I.
- ii) The Recipient shall require the Contractor and Sub-contractor to cooperate with the City's site monitoring activities and inform the City as to the dates they are working at the Project site. This includes specifically instructing the on-site construction manager about the monitoring process, and informing him/her that the monitor will contact him/her to set up an initial meeting. In the case of projects with multiple locations, the Recipient shall inform the City of the dates they are working at each site location(s) where they are working, in order to facilitate the monitoring.

**2. Permanent Jobs:** Good Faith shall mean compliance with all of the following conditions:

A. Pre-hiring Job Awareness: At least eight (8) months prior to the hiring of a Recipient's permanent workforce, the Project Employment & Contracting officer for the Recipient will sit down with the head of the Registry to discuss how the Recipient plans to hire its permanent workforce. The following issues should be covered in this meeting:

- i) whether subcontractors will be used in the hiring process.

- ii) the specific types of jobs that need to be filled.
- iii) the qualifications needed for these particular jobs.
- iv) possible training programs offered by the permanent employer.
- v) the Recipient's goals and how it plans to meet these goals.
- vi) any other issues which need to be addressed by the Registry.

1. Subcontractor Notification -- If the Recipient decides to subcontract any portion or all of its permanent workforce, then the Recipient must receive a signed acknowledgment from the subcontracting party that it will abide by the Project Employment & Contracting Agreement before said subcontractor begins staffing permanent employees. The Recipient must forward a copy of the signed acknowledgment to the Project Employment & Contracting Monitor. An example of this signed acknowledgment can be found in Appendix E.

2. Subcontractor Pre-Hiring Job Awareness Meeting -- Each subcontractor hired to staff permanent job positions must appoint a Project Employment & Contracting Officer to meet with the head of the Registry to discuss the same issues presented above in VI 2.A(I-vi).

3. Subcontractors of Subcontractors--Subcontractors of subcontractors are subject to the same requirements for the initial subcontractors above in Section VI 2.A.

B. Documentation of Hiring Plan--Once the Pre-Hiring Job Awareness Meeting has taken place, the Recipient must put together a document with goals and totals for future permanent employment needs. This plan should summarize all that was discussed in the Pre-Hiring Awareness Meeting, list estimates for manpower needs, set residential and minority employment goals commensurate with the Project Employment & Contracting Agreement, and show how the Recipient plans to meet these goals. An example of this plan is found in Appendix J.

C. Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the Registry with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the Registry to refer qualified applicants to the Recipient.

D. Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the Project Employment & Contracting Coordinator in DEO under the Department of Administration with a copy of this advertisement.

E. Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it from the Registry, to be maintained by the City or its designee. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.

F. Semi-Annual Employment Reports: The Recipient will submit written semi-annual employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will describe the job, whether the job is held by a City resident,

minority resident or woman resident. The report will explain in writing the reasons why any qualified applicant referred by the Registry (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired. An example of this report is found in Appendix K.

G. Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.

H. Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the semi-annual reports.

I. Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.

J. Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

### **3. Business Contracting**

Good Faith shall mean compliance with all of the following conditions:

- 1) Solicitation of Businesses:
  - a) One month before accepting bids for goods and services, the Recipient must forward a letter with requests for quotation or bid to Mayor Steven M. Fulop's Business Cooperative Program for local and local minority vendors for any construction or building operating goods, services and subcontracting opportunities. An example of this letter can be found in Appendix D.
  - b) After submission of bids, the Recipient will document whether the bid was accepted or rejected, and state the reason why. An example of this documentation can be found in Appendix D2.
    - i) Semi-Annual Purchasing Reports: The Recipient will submit written semi-annual purchasing reports which will include a list of all contracts awarded over a six month period and the dollar amounts of these contracts. The reports will specify the number and dollar amount of contracts awarded to Local Businesses and Minority or Women Owned Local Businesses. An example of these reports can be found in Appendix L.
    - ii) No Utilization of Local and Local Minority Vendors As Conduits For

## Vendors That Are Not Local Or Minority Owned:

The Recipient pledges not to use local and local minority vendors solely as conduits for vendors that are not local and minority owned. Any discovery by DEO under the Department of Administration of a Recipient, either knowingly or unknowingly, using the masthead of a local or minority owned business as a way to get credit for local or minority employment when it should not, will immediately subject the Recipient to the penalties listed in Section VIII (d) below.

### 4. **Summation of Documentation Needed For Compliance with Agreement**

1. Letter Designating Project Employment & Contracting Officer (Appendix A)
2. Letter Designating Project employment & Contracting Officer to Recipient's Employees (App.) AZ
3. Example of Initial Manning Report (Appendix B)
4. Letter Of Acceptance of Initial Manning Report (Appendix C)
5. Letter From Developer Forwarding Requests for Quotation or Bid for Minority and Residential Vendors from Mayor Steven M. Fulop's Business Cooperative Program (Appendix D)
6. Documentation of Bid Submission (Appendix D2)
7. Letter Expressing Project Employment & Contracting Obligations to Contractors/ Subcontractors (Appendix E)
8. Union Statement of Best Efforts (Appendix F)
9. Example of Monthly Manning Report (Appendix G)
10. Example of Monthly Certified Payroll Report (Appendix H)
11. Example of Bi-Weekly Site Visit Report (Appendix I)
12. Example of Documentation of Hiring Plan (Appendix J)
13. Example of Semi-Annual Employment Report (Appendix K)
14. Example of Semi-Annual Purchasing Report (Appendix L)

### VII. **Notices of Violation:**

1. **Advisory Notice:** The City will issue a written Advisory Notice to the Recipient if there is non-compliance with a Good Faith requirement as defined in this agreement. The Advisory Notice shall explain in sufficient detail the basis of the alleged violation. The Recipient shall have four (4) working days to correct the violation. An example of an Advisory Notice can be found in Appendix M.
2. **Violation Notice:** If the alleged violation set forth in the Advisory Notice has not been corrected to the satisfaction of the City within four (4) working days, the City shall then issue a Violation Notice to the Recipient. The Violation Notice shall explain in sufficient detail the basis of the alleged, continuing violation. The Recipient will have three (3) working days to correct the violation. An example of a Violation Notice can be found in Appendix N.
3. **Correcting the Violation:** Either or both the Advisory Notice or the Violation Notice may be considered corrected if the Recipient satisfies the requirements of this agreement and

so advises the City in writing, subject to confirmation by the City.

4. **Extension of Time to Correction:** Either the Advisory Notice or the Violation Notice may be held in abeyance and the time for correction extended if the Recipient enters into satisfactory written agreement with the City for corrective action which is designed to achieve compliance. If Recipient fails to abide by the terms of such agreement the violation will be considered not corrected.
5. **Meetings Concerning Violations:** The City may provide an opportunity for a meeting with the Recipient, his Contractors or Subcontractors in an effort to achieve compliance; or may respond to Recipient's request for a meeting after the Recipient has made timely submission of a written explanation pursuant to the above. The meeting shall be requested no later than two days after the alleged violator has submitted the written explanation.
6. **Interviews Relating to Violations:** The City may conduct interviews and may request additional information from appropriate parties as is considered necessary to determine whether the alleged violation has occurred.
7. **Determination of Violation:** The City shall issue a determination of whether the Recipient is in violation of this agreement as soon as possible but not later than thirty days after the delivery of the Violation Notice to the Recipient. If the City determines that the Recipient is in violation, the City shall be entitled to the liquidated damages provided below.

#### **VIII. Liquidated Damages/Interest:**

While reserving any other remedies the City may have at law or equity for a material breach of the above terms and conditions, the parties agree that damages for violations of this agreement by the Recipient cannot be calculated within any reasonable degree of mathematical certainty. Therefore, the parties agree that upon the occurrence of a material breach of any of the above terms and conditions and after notice and expiration of any period to correct the violation, the City will be entitled to liquidated damages from the Recipient in the following amounts:

- a) failure to file Initial Manning Reports (Construction Jobs) or Pre-Hiring Notification (Permanent Jobs) or Pre-Contracting Notification (Business Contracting): an amount equal to a Five (5%) percent increase in the estimated annual payment in lieu of taxes;
- b) failure to conduct Pre-hiring Interviews or submit Compliance Statement (Construction Jobs) or Solicit Bids (Business Contracting): an amount equal to Three (3%) percent increase in the estimated annual payment in lieu of taxes;
- c) failure to allow record or work place access or submit any other required reports (all categories): an amount equal to Two (2%) percent increase in the estimated annual payment in lieu of taxes.
- d) the use of the local or local minority business' masthead for labor or work

supplied by a non local or local minority vendor: An amount equal to Five (5%) percent increase in the estimated annual payment in lieu of taxes. Interest shall be charged on any damages at the legal rate of interest as calculated by the Tax Collector.

- e) the late payment of any liquidated sum shall accrue interest at the rate of 8%.

**IX. Commercial Tenants at the Project Site:**

1. The Recipient shall send all tenants of commercial space within the Project Site a letter and a Tenant Employment Services Guide in the form attached as Appendix O.
2. The Recipient shall solicit information from tenants of commercial space about the composition of the work force of each tenant. The information solicited will be submitted to the Project Employment & Contracting Monitor, which shall provide the Recipient with a questionnaire in the form attached as Appendix P.
3. The Recipient will send the results of its solicitation to the Project Employment & Contracting Monitor no later than October 31 of each year.
4. The Recipient shall send all tenants of commercial space within the Project Site a Supplier Alert Service Registration Package in the form attached as Appendix Q.

**X. Notices**

Any notice required hereunder to be sent by either party to the other, shall be sent by certified mail, return receipt requested, addressed as follows:

1. When sent by the City to the Recipient it shall be addressed to:

**Vaishno MA Summit Urban Renewal, LLC**  
2449 John F. Kennedy Boulevard  
Jersey City, New Jersey 07304  
Attention: Neeraj Gupta, Esq.

2. When sent by the Recipient to the City, it shall be addressed to:

**Project Employment & Contracting Monitor**  
Department of Administration  
Division of Economic Opportunity  
280 Grove Street – 1<sup>st</sup> Floor  
Jersey City, New Jersey 07302

with separate copies to the Mayor and the Business Administrator; unless prior to giving of such notice, the City or the Recipient shall have notified the other in

writing.

**XI. Adoption, Approval, Modification:**

This agreement shall take effect on the date that the Economic Incentive is approved by the Municipal Council.

**XII. Controlling Regulations and Laws:**

To the extent required by State and Federal Law and so long as the Entity discharges its Good Faith obligations under this agreement, the City agrees and acknowledges that the Recipient and its contractors are free to hire whomever they choose. If this agreement conflicts with any collective bargaining agreement, the City agrees to defer to such agreements so long as the Recipient provides the City with a copy of the offending provision in the collective bargaining agreement.

**ATTEST:**

**CITY OF JERSEY CITY**

\_\_\_\_\_  
**Robert Byrne**  
**City Clerk**

\_\_\_\_\_  
**Robert J. Kakoleski**  
**Business Administrator**

**WITNESS:**

**VAISHNO MA SUMMIT URBAN RENEWAL, LLC**

\_\_\_\_\_  
**Secretary**

\_\_\_\_\_  
**President**

**RESOLUTION FACT SHEET – NON-CONTRACTUAL**

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

**Full Title of Ordinance/Resolution**

Ordinance approving Thirty year tax abatement for Vaishno Ma Urban Renewal, LLC, for a mixed use market rate rental project at 632 Summit Avenue, Block 12301, Lot 2 pursuant to N.J.S.A. 40 A: 20-1 et seq.

**Initiator**

Department/Division	Office of the Mayor	
Name/Title	Marcos D. Vigil	Deputy Mayor
Phone/email	(201)-547-6542	mvigil@icnj.org

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

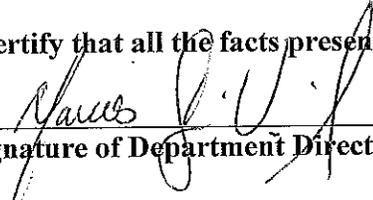
**Resolution Purpose**

The applicant, – Vaishno Ma Urban Renewal, LLC, is applying for a thirty (30) year tax abatement under N.J.S.A. 40 A: 20-1 et seq. It will be a six (6) story market rate mixed use rental project within the Journal Square 2060 Redevelopment Plan area. The proposed project at Block 12301 – Lot 2 is located in Tier IV on the Jersey City Tax Exemption Policy Map. The application fee of \$9,500 was paid.

The property know as, 632 Summit Avenue, is at the corner Summit Avenue and Academy Street with a small portion at Rock Street.

The proposed project will be a six (6) story building with Sixty-nine (69) market rate residential units. Ground floor retail/commercial and eighteen (18) parking spaces.

I certify that all the facts presented herein are accurate.

  
Signature of Department Director

1-14-16  
Date

**DATE:** December 21, 2015  
**TO:** John Hallanan (For distribution to City Council and City Clerk)  
**FROM:** Al Cameron, Fiscal Officer - Tax Collector's Office  
**SUBJECT:** THIRTY YEAR TAX ABATEMENT: MARKET RATE MIXED USE RENTAL PROJECT – VAISHNO MA SUMMIT URBAN RENEWAL, LLC  
632 SUMMIT AVENUE - Block 12301 Lot 2  
**CC:** M. Cosgrove, E. Borja, E. Toloza, J. Monahan, M. Vigil, R. Kakoleski, G. Corrado

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**INTRODUCTION:**

The applicant, – Vaishno Ma Urban Renewal, LLC, is applying for a thirty (30) year tax abatement pursuant to N.J.S.A. 40 A: 20-1 et seq. It will be a six (6) story market rate mixed use rental project within the Journal Square 2060 Redevelopment Plan area. The proposed project at Block 12301 – Lot 2 is located in Tier IV on the Jersey City Tax Exemption Policy Map. The application fee of \$9,500 was paid.

**LOCATION OF THE PROPERTY:**

The property know as, 632 Summit Avenue, is at the corner Summit Avenue and Academy Street with a small portion at Rock Street.

**PROPERTY TO BE CONSTRUCTED:**

The proposed project will be a six (6) story building with Sixty-nine (69) market rate residential units with 1,740 square feet of retail/commercial space. Eighteen (18) parking spaces will be provided. The residential units are as follows:

<u>Unit Type</u>	<u>Number of Units</u>
Studio	20
One Bedroom	32
Two Bedroom	15
Three Bedroom	2

**ESTIMATED TOTAL CONSTRUCTION COST:**

The cost of construction estimated at \$11,024,200 is certified by Eli Martin, the applicant's architect. Total Project Cost is projected at \$13,358,410.

**CONSTRUCTION SCHEDULE:**

The applicant expects to begin construction as soon as all approvals are

Vaishno Ma UR LLC MKT Rate Rental 30-Yr Sum (2)  
12/30/2015 3:13 PM

received. Completion is expected within eighteen (18) months of commencement.

**ESTIMATED JOBS CREATED:**

The applicant estimates creation of fifteen (15) jobs during Construction and approximately three (3) permanent jobs after construction. The applicant will execute a Project Employment and Contracting Agreement. However; based upon the estimated construction cost, a Project Labor Agreement is not required.

**AFFORDABLE HOUSING TRUST FUND CONTRIBUTION:**

Vaishno Ma Summit Urban Renewal,  
LLC

		Rate	Amount
Residential Units	69	\$1,500.00	\$103,500.00
Square footage Commercial Space	1,740	\$1.50	\$2,610.00
Square footage Parking Garage	5,769	\$1.50	\$8,653.50
		Total AHTF Payment	<u>\$114,763.50</u>

**CURRENT REAL ESTATE TAX:**

The existing assessment for the land is \$238,700. At the current tax rate of \$74.82 the estimated annual tax for the land is \$17,860.

The new assessment on the land is \$580,200 and for the improvements it is \$2,726,000. All taxes are current.

**PROPOSED ABATEMENT:**

The property is in Tier IV of the Jersey City Tiered Tax Exemption Policy Map. The applicant has requested a term of the lesser of thirty-five (35) years from the date of approval of an ordinance approving the abatement or thirty (30) years from substantial completion of the project.

The tier IV Tax Abatement Policy provides for a PILOT of a minimum of eleven percent (11%) of Annual Gross Revenue for years one (1) through nine (9). An additional two percent (2%) City administrative fee and a five percent (5%) service charge to Hudson County will be charged annually.

Beginning the first day of year ten (10) through the end of year thirteen (13) the PILOT would be the greater of eleven percent (11%) of Annual Gross Revenue or twenty percent (20%) of conventional taxes.

Beginning in year fourteen (14) through the end of year seventeen (17) it would be the greater of eleven percent (11%) of annual gross revenue, or forty percent (40%) of conventional taxes.

Beginning in year eighteen (18) through the end of year twenty-one (21) it would be the greater of eleven percent (11%) of Annual Gross Revenue, or sixty percent (60%) of conventional taxes.

Beginning in year twenty-two (22) until the end of year thirty (30) it would be the greater of eleven percent (11%) of Annual Gross Revenue, or eighty percent (80%) of conventional taxes.

**PROPOSED REVENUE TO THE CITY:**

At full occupancy the Applicant's good faith estimated initial annual revenue is \$1,617,000. The Annual Service Charge at the rate of eleven percent (11%) is \$177,870. The City Administrative fee at two percent (2%) is \$3,557.40 and the Hudson County fee of five percent (5%) is \$8,893.50.

**FISCAL IMPACT COST PROJECTION (MARKET RATE RENTAL UNITS - 30 YEAR)**

**Block: 12301 Lot: 2 Loc: 632 SUMMIT AVE**

Planned Development	Number of Units	Demographic Multipliers (Transit Oriented Development)*		Total		Annual Expenditures		Total Annual Expenditures		
		Household	Students	Residents	Students	Per Capita Municipal	Per Pupil Per School District	Municipal	School District	Total
Studio	20	1.000	0.000	20.00	0.00	\$1,181.83	\$3,445.00	\$23,636.58	\$0.00	\$23,636.58
1 Bedroom	32	1.421	0.050	45.47	1.60	\$1,181.83	\$3,445.00	\$53,740.12	\$5,512.00	\$59,252.12
2 Bedroom	15	2.012	0.120	30.18	1.80	\$1,181.83	\$3,445.00	\$35,867.59	\$6,201.00	\$41,868.59
3 Bedroom	2	2.798	0.560	5.60	1.12	\$1,181.83	\$3,445.00	\$6,613.51	\$3,858.40	\$10,471.91
<b>TOTAL</b>	<b>69</b>			<b>101.25</b>	<b>4.52</b>			<b>\$119,657.80</b>	<b>\$15,571.40</b>	<b>\$135,229.20</b>

1. Total Municipal Ratables	\$5,997,768,597	4. CY 2015 Budget	\$535,307,187	6. Population of Jersey City (2010 Census)	247,597	9. Increase in Services Incurred Per Development	\$ 135,229.20
2. Residential Ratables	\$3,278,586,056			7. Per Capita Municipal Cost	\$1,181.83	10. Anticipated Gross PILOT (1st Year)	
Commercial Ratables	\$1,512,274,524			8. Annual Expenditures Per Student**	\$3,445.00	11% AGR	\$ 177,870.00
						2% Admin	\$ 3,557.40
3. Residential Ratables as a Percentage of Total Ratables	54.66%	5. Residential Portion	\$292,617,271			Less Land Tax (74.82)	\$ (43,410.56)
						11. 1st Year Net PILOT	\$ 138,016.84
						12. Implied Surplus (Cost)	\$ 2,787.64

*Classic Average costing approach for projecting the impact of population change and local Municipal and School District costs*

\*Source: New Jersey Demographic Multipliers: Profile of the Occupants of Residential and Nonresidential Development; Listokin, November 2006

\*\*Source: 2014-2015 Jersey City Municipal Cost Per Pupil

**SERVICE CHARGE VS CONVENTIONAL**

**362 SUMMIT AVE**

**\*ASSUMING 74.82 TAX RATE WITH 2% ANNUAL INCREASE**

**NEW ASSESSMENTS BASED ON TAX ASSESSOR ANALYSIS**

LAND	580,200	COUNTY	0%	EXISTING ASSESSMENT	238,700
BLDG	2,726,000	ADMIN	2%		
TOTAL	3,306,200			PROJECTED SERVICE CHARGE (1ST YEAR)	177,870

YEAR	ASC w/ Phase-In Less Land Tax Credit	ASC w/ 2% Annual Increase	ASC w/ 2% Annual Increase & Phase-In	County	Admin	Estimated Conventional Taxes On New Assessment	Staged Adj Rate	% of Conv.	Conventional Taxes at 51% (Estimated)	Current Taxes On Existing Assessment	Land Tax
1	134,459	177,870	177,870	-	3,557	247,370			126,159	17,860	43,411
2	137,149	181,427	181,427	-	3,629	252,317			128,682	18,217	44,279
3	139,892	185,056	185,056	-	3,701	257,364			131,255	18,581	45,164
4	142,689	188,757	188,757	-	3,775	262,511			133,881	18,953	46,068
5	145,543	192,532	192,532	-	3,851	267,761			136,558	19,332	46,989
6	148,454	196,383	196,383	-	3,928	273,116			139,289	19,718	47,929
7	151,423	200,311	200,311	-	4,006	278,579			142,075	20,113	48,887
8	154,452	204,317	204,317	-	4,086	284,150			144,917	20,515	49,865
9	157,541	208,403	208,403	-	4,168	289,833			147,815	20,925	50,862
10	160,691	212,571	212,571	-	4,251	295,630	20%	59,126	150,771	21,344	51,880
11	163,905	216,823	216,823	-	4,336	301,543	20%	60,309	153,787	21,771	52,917
12	167,183	221,159	221,159	-	4,423	307,573	20%	61,515	156,862	22,206	53,976
13	170,527	225,582	225,582	-	4,512	313,725	20%	62,745	160,000	22,650	55,055
14	173,938	230,094	230,094	-	4,602	319,999	40%	128,000	163,200	23,103	56,156
15	177,416	234,696	234,696	-	4,694	326,399	40%	130,560	166,464	23,565	57,279
16	180,965	239,390	239,390	-	4,788	332,927	40%	133,171	169,793	24,037	58,425
17	184,584	244,177	244,177	-	4,884	339,586	40%	135,834	173,189	24,517	59,593
18	188,276	249,061	249,061	-	4,981	346,378	60%	207,827	176,653	25,008	60,785
19	192,041	254,042	254,042	-	5,081	353,305	60%	211,983	180,186	25,508	62,001
20	195,882	259,123	259,123	-	5,182	360,371	60%	216,223	183,789	26,018	63,241
21	199,800	264,305	264,305	-	5,286	367,579	60%	220,547	187,465	26,538	64,506
22	234,148	269,592	299,944	-	5,999	374,930	80%	299,944	191,214	27,069	65,796
23	238,831	274,983	305,943	-	6,119	382,429	80%	305,943	195,039	27,610	67,112
24	243,608	280,483	312,062	-	6,241	390,077	80%	312,062	198,939	28,163	68,454
25	248,480	286,093	318,303	-	6,366	397,879	80%	318,303	202,918	28,726	69,823
26	253,450	291,815	324,669	-	6,493	405,837	80%	324,669	206,977	29,300	71,220
27	258,519	297,651	331,163	-	6,623	413,953	80%	331,163	211,116	29,886	72,644
28	263,689	303,604	337,786	-	6,756	422,232	80%	337,786	215,338	30,484	74,097
29	268,963	309,676	344,542	-	6,891	430,677	80%	344,542	219,645	31,094	75,579
30	274,342	315,869	351,432	-	7,029	439,290	80%	351,432	224,038	31,716	77,090
<b>TOTAL</b>	<b>5,750,839</b>	<b>7,215,844</b>	<b>7,511,923</b>	<b>-</b>	<b>150,238</b>	<b>10,035,321</b>		<b>4,553,682</b>	<b>5,118,014</b>	<b>724,527</b>	<b>1,761,083</b>

ASC phase-in reflects annual 2% increase in conventional taxes AND Gross Rents  
 Projected figures subject to rounding discrepancies

**VAISHNO MA SUMMIT, LLC  
BLOCK 12301 Lot 2  
362 Summit Avenue**

Block	Lot	Existing	New	Good Faith	Land	Bldg. Assmt	Total Tax
12301	2		Assessments	ASC	Tax	(Phased-In)	Land & Bldg)
	Land	238,700	580,200				
	Bldg	-	2,726,000	177,870		2,726,000	
	Total	238,700	3,306,200	177,870		2,726,000	

**Est. In-Lieu of Full Conventional Property Tax, An Amount Equal To A Percentage Of Taxes Otherwise Due On The Land and New Improvement According To The Following Schedule;**

Stages	Annual Taxes ( Bldg)
1 From the 1st day of the month following substantial completion until the last day of the 9th year, the ASC shall be at 11% ;	\$ 177,870 \$43,411 0 \$ 43,411
2 Beginning on the 1st day of the 10th year and the last day of the 13th year of substantial completion, an amount equal to the greater of the ASC at 11% or 20% of the amount of taxes otherwise due;	\$ 177,870 \$43,411 \$ 84,202 \$ 127,613
3 Beginning on the 1st day of the 14th year and the last day of the 17th year of substantial completion, an amount equal to the greater of the ASC at 11% or 40% of the amount of taxes otherwise due;	\$ 177,870 \$43,411 \$ 124,994 \$ 168,405
4 Beginning on the 1st day of the 18th year and the last day of the 21st year of substantial completion, an amount equal to the greater of the ASC at 11% or 60% of the amount of taxes otherwise due;	\$ 177,870 \$43,411 \$ 165,786 \$ 209,197
5 Beginning on the 1st day of the 22nd year and the last day of the 30th year of substantial completion, an amount equal to the greater of the ASC at 11% or 80% of the amount of taxes otherwise due;	\$ 177,870 \$43,411 \$ 206,578 \$ 249,989
Yearly Land and Improvement Tax	\$ 247,370

12/18/15

City Clerk File No. Ord. 16.024

Agenda No. 3 - L 1st Reading

Agenda No. \_\_\_\_\_ 2nd Reading & Final Passage



## ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE

offered and moved adoption of the following ordinance:

CITY ORDINANCE 16.024

**TITLE: A FRANCHISE ORDINANCE OF THE CITY COUNCIL OF THE CITY OF JERSEY CITY GRANTING PERMISSION TO PS FIRST HUDSON URBAN RENEWAL, LLC, ITS SUCCESSORS AND ASSIGNS, TO MAKE IMPROVEMENTS IN THE FIRST STREET, SECOND STREET, PROVOST STREET AND WARREN STREET RIGHT OF WAYS ADJACENT TO THE PROPERTY LOCATED AT 133 SECOND STREET AND DESIGNATED AS BLOCK 11503, LOT 1 ON THE TAX MAP OF THE CITY OF JERSEY CITY, NEW JERSEY.**

**WHEREAS**, PS First Hudson Urban Renewal, LLC (the "Petitioner") having offices at 701 Western Avenue, Glendale, California 91201, is the owner of the property located at 133 Second Street, Jersey City, (formerly known as 124-142 First Street) and designated as Block 11503, Lot 1 on the current tax maps of the City of Jersey City (the "Property"); and

**WHEREAS**, the Property contains an existing seven (7) story building measuring approximately 361,368 square feet in gross floor area, which is proposed to be rehabilitated for self-storage and accessory uses related thereto along with first floor commercial space ("Project"); and

**WHEREAS**, the Property and structures located thereon have been designated a Local Historic Landmark; and the Petitioner has submitted an application to the Historic Preservation Commission of the City of Jersey City for review of the Project in accordance with N.J.S.A. 40:55D-110; and

**WHEREAS**, the Petitioner has also submitted an application for preliminary and final site plan approval with deviations to the Planning Board of the City of Jersey for approval of the Project; and

**WHEREAS**, in connection with the Project, the Petitioner proposes to rehabilitate and construct several new improvements in portions of the public right-of-way areas, known as First Street, Second Street, Provost Street and Warren Street, which are adjacent to the Property (collectively referred to as the "Right-of-Way Improvements"); and

**WHEREAS**, The Right-of-Way Improvements include, repair to the building façade and loading docks, repair of existing stairways, construction of handicap-accessible ramps, construction of new sidewalks, and the removal and replacement of existing building canopies; and

**WHEREAS**, the areas of the proposed Right-of-Way Improvements are particularly depicted and described on the exhibits attached hereto and made a part hereof as follows (collectively referred to as the "Franchise Area"):

- a. Exhibit A-1: Building Encroachment Survey, entitled "Franchise Ordinance Schedule 'A' for Building Encroachment", prepared by Dresdner Robin, dated August 29, 2014 and last revised December 15, 2015, consisting of one sheet.
- b. Exhibit A-2: Metes and Bounds Description of Building Encroachment, entitled "Deed Description Building Encroachment Franchise Ordinance for Block 11503, Lot 1 City of Jersey City, Hudson County, New Jersey", prepared by Dresdner Robin, and dated December 15, 2015.
- c. Exhibit B-1: Raised Walkway, Stairs, Awning and Ramps Survey for Provost and First Streets, entitled "Franchise Ordinance Schedule 'B' for Raised Walkway, Stairs, Awning & Ramps", prepared by Dresdner Robin, dated August 29, 2014 and last revised December 15, 2015, consisting of one sheet.

- d. Exhibit B-2: Metes and Bounds Description of Raised Walkway, Stairs, Awning and Ramps for Provost and First Streets, entitled "Deed Description Raised Walkway, Stairs, Awning & Ramps Franchise Ordinance for Block 11503, Lot 1 City of Jersey City, Hudson County, New Jersey, prepared by Dresdner Robin, and dated December 15, 2015.
- e. Exhibit C-1: Raised Walkway, Stairs, Awning and Ramps Survey for Second and Warren Streets, entitled "Franchise Ordinance Schedule 'C' for Raised Walkway, Stairs, Awning & Ramps, prepared by Dresdner Robin, dated August 29, 2014 and last revised December 15, 2015, consisting of one sheet.
- f. Exhibit C-2: Metes and Bounds Description of Raised Walkway, Stairs, Awning and Ramps for Second and Warren Streets, entitled "Deed Description Raised Walkway, Stairs, Awning & Ramps Franchise Ordinance for Block 11503, Lot 1 City of Jersey City, Hudson County, New Jersey", prepared by Dresdner Robin, and dated December 15, 2015.

**WHEREAS**, the Right-of-Way Improvements will allow for more efficient pedestrian walkways; and

**WHEREAS**, the Petitioner is required to file the Petition for a Franchise Ordinance to make any private improvements within the public right-of-way; and

**WHEREAS**, after due notice was given in accordance with law, a public hearing was held on the Petition filed by PS First Hudson Urban Renewal, LLC, to grant permission to construct private improvements within the public right-of-way for the following purposes:

- 1. The Right-of-Way Improvements will include repair to the building façade and loading docks, repair of existing stairways, construction of handicap-accessible ramps, construction of new sidewalks, and the removal and replacement of existing building canopies within a portion of the First Street, Second Street, Provost Street, and Warren Street public right-of-ways, respectively.
- 2. There will be sufficient area in the right-of-way for typical pedestrian use.
- 3. All costs associated with these improvements will be incurred by the Petitioner, and there being no objections thereto.

**WHEREAS**, the Jersey City Zoning Officer and the Building Department can approve the construction of the Right-of-Way Improvements at the Property conditioned upon the Petitioner being granted a Franchise Ordinance by the City Council of the City of Jersey City; and

**WHEREAS**, a Franchise Ordinance is required to permit the construction of the Right-of-Way Improvements within the public right-of-ways; and

**WHEREAS**, by reason of the character of the development of the area within which the Property is situated, and the use of the right-of-way by the public, the Right-of-Way Improvements will enhance the aesthetic character of the Property and greatly benefit Jersey City and the surrounding neighborhood; and

**WHEREAS**, the public interest will be served by the Right-of-Way Improvements, which will be of great benefit to the citizens of Jersey City and Hudson County, and the rights of the public will not be injuriously or adversely affected by the requested relief;

**NOW, THEREFORE BY IT ORDAINED** the City Council of the City of Jersey City that:

**SECTION 1:** Permission is hereby granted to Petitioner, its successors and assigns, to rehabilitate and complete private improvements on the Property and portions of lands located within the public rights of way adjacent thereto, said areas more particularly depicted and described on Exhibits A-1 and A-2; B-1 and B-2; and C-1 and C-2 attached hereto and made a part hereof.

1. The Right-of-Way Improvements include repair to the building façade and loading docks, repair of the existing stairways, construction of handicap-accessible ramps, construction of new sidewalks, and the removal and replacement of the existing building canopies that will be located within portions of the First Street, Second Street, Provost Street, and Warren Street public right-of-way.
2. There will remain sufficient area in the right-of-way for typical pedestrian use.
3. The Right-of-Way Improvements will be constructed consistent with the development approvals received and/or plans approved by the Building Department.
4. All costs associated with the Right-of-Way Improvements will be incurred by the Petitioner.
5. The Right-of-Way Improvements are necessary for the rehabilitation of the existing building and structures located on the Property and will greatly benefit the Property as well as the surrounding neighborhood.

**SECTION 2:** All the work herein authorized shall be done under the supervision of the proper department or departments of the City of Jersey City. Further, all the work herein authorized shall comply with any State of New Jersey Uniform Construction Code requirements. The construction plans shall be submitted to the City Engineer for his review and comments prior to the start of construction.

**SECTION 3:** This Ordinance shall remain in full force and effect for a period of ninety-nine (99) years. This Ordinance shall take effect upon final passage and publication according to law. In the event that the Municipal Council determines that this Ordinance must be canceled in whole or in part because of a public purpose, the City reserves the right to cancel this Ordinance or any part thereof by given written notice to the Petitioner one year prior to the date of cancellation.

**SECTION 4:** Only, with prior written consent and approval by the City Council of the City of Jersey City, which consent and approval shall not be unreasonably withheld, shall Petitioner have the right to transfer its rights under this Franchise Ordinance.

**SECTION 5:** In accepting the privileges under this Ordinance and in the maintenance and the use herein authorized, Petitioner, its successors and assigns shall agree to assume full, complete, and undivided responsibility for any and all injury and damages to persons or property by reason of such maintenance and use and to indemnify and hold the City of Jersey City harmless from any injury or damage to persons or property by reason of such maintenance and use (except such injury or damage which is caused by the negligence or misconduct of the City or its officers, employees or agents) for the term of the Ordinance.

- a) Petitioner, its successor and assigns, shall maintain in effect, during the term of this franchise, liability insurance naming the City of Jersey City, its officers and employees as additional insured, covering the use and occupancy of the public property subject to this franchise. A certificate of insurance, in the amount of Two Million Dollars (\$2,000,000.00) or in such amount and type as the City's Risk Manager may deem reasonable shall be delivered to the Risk Manager before use or occupancy of the premises subject to this Franchise Ordinance. Insurance limits shall be reviewed annually by the City's Risk Manager to determine if they need to be increased.

**SECTION 6:** The Petitioner shall maintain all improvements installed by it for the entire term of the franchise at no cost to the City of Jersey City.

**SECTION 7:** The costs and expenses incidental to the introduction, passage and publication of this Ordinance shall be paid by the Petitioner.

**SECTION 8:** The Ordinance shall not become effective unless an acceptance hereof in writing is filed by the Petitioner with the City Clerk.

**SECTION 9:** In the event that the Petitioner shall not file with the City Clerk, their acceptance, in writing, of the provisions of this Ordinance within thirty (30) days after receiving notice of its passage, this Ordinance shall become void and be of no effect.

**SECTION 10:** For the franchise herein granted, the Petitioner shall pay annually to the City of Jersey City the sum of ONE DOLLAR (\$1.00), which payment shall be made in advance to the City Finance Director, at his/her office in City Hall, on the first day of January in each year after this Ordinance becomes effective and remains in force.

**SECTION 11:** This Franchise Ordinance shall be subject to the following conditions:

- a) An easement upon the portion of the Property subject to this Franchise Ordinance is hereby reserved for the benefit of the City of Jersey City and all public utility companies for the purpose of operating, maintaining, inspecting, protecting, repairing, replacing or reconstructing any existing water, sewer or utility lines together with the right of ingress and egress at all times for such purposes and all other purposes in connection with or in any way relating to the City of Jersey City's or public utility companies' use or operation of water, sewer or utility lines.
- b) No building or structure of any kind may be constructed over water or sewer utilities within the area subject to this franchise without the consent of the Engineer of the City of Jersey City.

**SECTION 12:** All Ordinances and parts of Ordinances inconsistent herewith are hereby repealed, including Ordinance 15-044.

- a. This Ordinance shall be a part of the Jersey City Code as though codified and fully set forth therein. The City Clerk shall have this Ordinance codified and incorporated in the official copies of the Jersey City Code.
- b. This Ordinance shall take effect at the same time and in the manner provided by law.
- c. The City Clerk and the Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this Ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repeal of the existing provisions.
- d. In the event any provision, section, sentence, clause, or part of this Ordinance is held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of the Ordinance, it being the intent of the City Council that such remainder shall be and shall remain in effect.

APPROVED AS TO LEGAL FORM

APPROVED: \_\_\_\_\_

\_\_\_\_\_  
Corporation Counsel

APPROVED: \_\_\_\_\_  
Business Administrator

Certification Required

Not Required

D:\2015\10461-001\10461-001.dwg, PLOT DATE: 08/29/14, PLOT SCALE: 1"=50', PLOT SHEET: 1 OF 1, PLOT BY: JDR

**FRANCHISE ORDINANCE SCHEDULE "A"  
FOR BUILDING ENCROACHMENT**

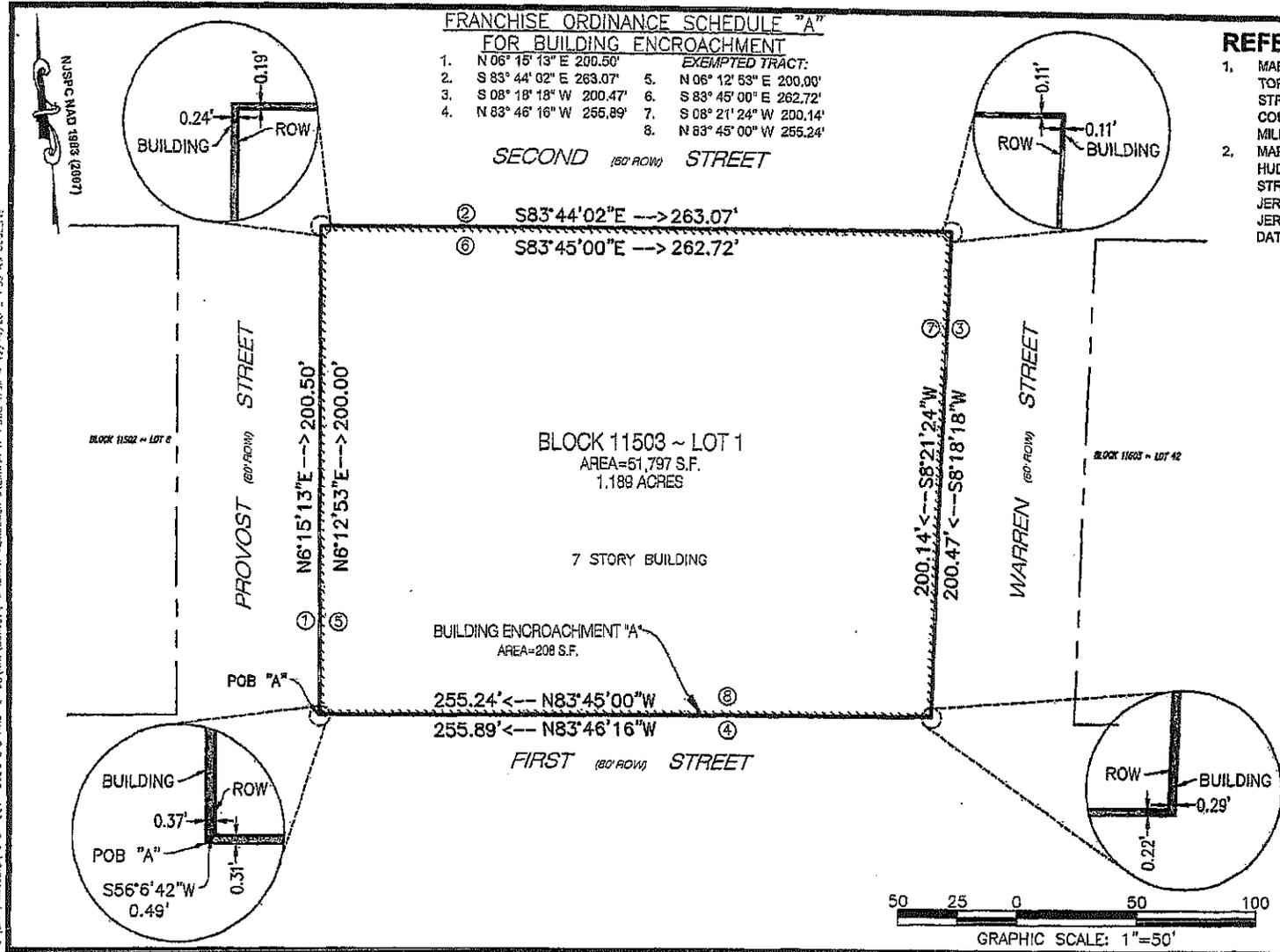
- |                            |                            |
|----------------------------|----------------------------|
| 1. N 06° 15' 13" E 200.50' | EXEMPTED TRACT:            |
| 2. S 83° 44' 02" E 263.07' | 5. N 06° 12' 53" E 200.00' |
| 3. S 08° 18' 18" W 200.47' | 6. S 83° 45' 00" E 262.72' |
| 4. N 83° 46' 16" W 255.89' | 7. S 08° 21' 24" W 200.14' |
|                            | 8. N 83° 45' 00" W 255.24' |

SECOND (80' ROW) STREET

- ② S83°44'02"E → 263.07'  
 ⑥ S83°45'00"E → 262.72'

**REFERENCES:**

- MAP ENTITLED "ALTA/CASM LAND TITLE AND TOPO SURVEY PS #NJ13207, 124-142 1ST STREET, CITY OF JERSEY CITY, HUDSON COUNTY, NEW JERSEY" PREPARED BY MILLMAN SURVEYING, INC, JOB No. 32332.
- MAP ENTITLED "C-101 SITE PLAN, PS FIRST HUDSON URBAN RENEWAL LLC, 133 SECOND STREET, BLOCK 11503, LOT 1, CITY OF JERSEY CITY, HUDSON COUNTY, NEW JERSEY" PREPARED BY DRESNER ROBIN, DATED 10/23/2015 REVISED TO 11/23/2015.



NO.	DATE	ISSUE OR REVISION	BY
1	12-16-15	RESUBMISSION TO JERSEY CITY	JDM
REVISIONS			

DRESNER ROBIN  
 CIVIL ENGINEER LICENSE NO. 34176, SURV 201  
 JERSEY CITY, NJ 07310  
 (TEL) 201-217-7200 (FAX) 201-217-8057  
 CERTIFICATE OF AUTHORITY # 2004570000

**BUILDING ENCROACHMENT  
 FRANCHISE ORDINANCE  
 EXHIBIT "A-1"**  
 FOR  
 BLOCK 11503, LOT 1  
 CITY OF JERSEY CITY  
 HUDSON COUNTY, NEW JERSEY

PREPARED FOR  
**PUBLIC STORAGE**  
 133 SECOND STREET

JOSEPH MELE  
 PROFESSIONAL ENGINEER & LAND SURVEYOR  
 NJ LICENSE NUMBER 21029322900

RPB	JDR
SCALE: 1" = 50'	
10461-001	08/29/14
SHEET 1 OF 1	

A-1

DUE TO INHERENT ERRORS IN REPRODUCTION METHODS, ERRORS MAY OCCUR WHEN SCALING THIS DRAWING

JOB NO. 10461-001

**EXHIBIT A-2**  
**Building Encroachment Franchise Ordinance**

December 15, 2015

Job No. 10461-001

DEED DESCRIPTION  
Building Encroachment Franchise Ordinance  
for Block 11503, Lot 1  
City of Jersey City, Hudson County, New Jersey

BEGINNING at a point South 56 degrees 06 minutes 42 seconds West a distance of 0.49 feet from the point of intersection of the northerly line of First Street (80 feet wide) and the easterly line of Provost Street (60 feet wide) and within the right of ways of Provost Street and First Street, thence;

1. North 6 degrees 15 minutes 13 seconds East, 200.50 feet within the right of way of Provost Street, thence;
2. South 83 degrees 44 minutes 02 seconds East, 263.07 feet within right of way of Second Street; thence
3. South 8 degrees 18 minutes 18 seconds West, 200.47 feet within the right of way of Warren Street, thence;
4. North 83 degrees 46 minutes 16 seconds West, 255.89 feet within the right of way of First Street to the herein described point and place of BEGINNING.

Exempting therefrom Lot 1, Block 11503, said tract being more particularly described as follows:

BEGINNING at a point, said point being the intersection of the northerly line of First Street (80 feet wide) and the easterly line of Provost Street (60 feet wide) and running, thence;

1. Along the easterly line of Provost Street, North 6 degrees 12 minutes 53 seconds East, 200.00 feet to a point, said point being the intersection of the easterly line of Provost Street and the southerly line of Second Street, thence;
2. Along said southerly line of Second Street, South 83 degrees 45 minutes 00 seconds East, 262.72 feet to a point, said point being the intersection of the southerly line of Second Street and the westerly line of Warren Street, thence;
3. Along said westerly line of Warren Street, South 8 degrees 21 minutes 24 seconds West, 200.14 feet to a point, said point being the intersection of the westerly line of Warren Street and the northerly line of First Street, thence;
4. Along said northerly line of First Street, North 83 degrees 45 minutes 00 seconds West, 255.24 feet to the herein described point and place of BEGINNING.

Containing 208 square feet.



**Jersey City**  
Corporate Office  
One Evertrust Plaza  
Suite 901  
Jersey City, NJ 07303-0038  
PHONE: 201-217-9200  
FAX: 201-217-9607

**Asbury Park Office**  
603 Mattison Avenue  
Asbury Park, NJ 07712  
PHONE: 732-988-7020  
FAX: 732-988-7032

**Pennsauken Office**  
Parks Quarter Division  
Fairway Corporate Center  
4300 Haddonfield Road, Suite 115  
Pennsauken, NJ 08109  
PHONE: 856-488-6200  
FAX: 856-488-4302

**Fairfield Office**  
Hanson Engineering Division  
55 Lane Road, Suite 220  
Fairfield, NJ 07004  
PHONE: 973-696-2600  
FAX: 973-696-1362

[www.dresdnerrobin.com](http://www.dresdnerrobin.com)

This description was prepared in accordance with a map entitled "Building Encroachment Franchise Ordinance Exhibit A-1 for Block 11503, Lot 1, City of Jersey City, Hudson County, New Jersey", prepared for Public Storage, 133 Second Street, last revised December 15, 2015, prepared by Dresdner Robin.

A handwritten signature in black ink, appearing to read "Joe Mole", written over a horizontal line.

Joseph Mole  
Professional Engineer and Land Surveyor  
New Jersey License No. 24GB04323900

G:\ENR\PROJECTS\10461-001 PUBLIC STG FIRST ST JO\CAD\SURVEY\FRANCHISE AGREEMENTS\EXHIBIT B-1.LWG B.SX14 1/2/2016 2:43 PM CCOLLINS



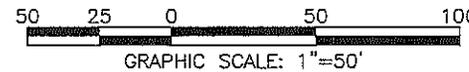
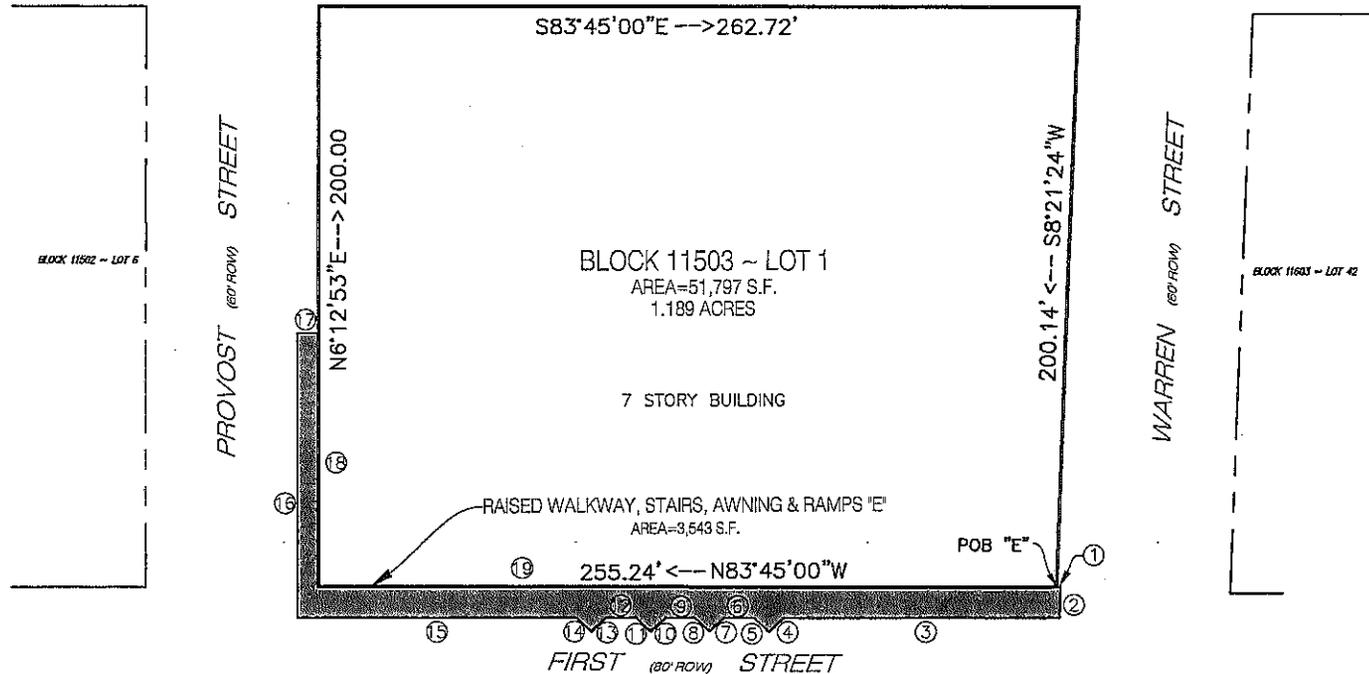
**FRANCHISE ORDINANCE SCHEDULE "B"  
FOR RAISED WALKWAY, STAIRS, AWNING, & RAMPS**

- |                           |                            |                             |
|---------------------------|----------------------------|-----------------------------|
| 1. S 83° 45' 00" E 1.40'  | 8. N 40° 59' 40" W 6.91'   | 15. N 83° 45' 00" W 96.35'  |
| 2. S 8° 5' 58" W 10.62'   | 9. N 83° 45' 00" W 9.56'   | 16. N 6° 12' 53" E 97.58'   |
| 3. N 83° 45' 00" W 95.61' | 10. S 53° 26' 41" W 7.00'  | 17. S 83° 47' 07" E 7.41'   |
| 4. S 53° 26' 41" W 7.08'  | 11. N 40° 59' 40" W 7.01'  | 18. S 6° 12' 53" W 86.97'   |
| 5. N 40° 59' 40" W 7.08'  | 12. N 83° 45' 00" W 10.31' | 19. S 83° 45' 00" E 255.24' |
| 6. N 83° 45' 00" W 10.46' | 13. S 53° 26' 41" W 6.95'  |                             |
| 7. S 53° 26' 41" W 6.90'  | 14. N 40° 59' 40" W 6.95'  |                             |

SECOND (60' ROW) STREET

**REFERENCES:**

- MAP ENTITLED "ALTA/ACSM LAND TITLE AND TOPO SURVEY PS #NJ13207, 124-142 1ST STREET, CITY OF JERSEY CITY, HUDSON COUNTY, NEW JERSEY" PREPARED BY MILLMAN SURVEYING, INC. JOB No. 32332.
- MAP ENTITLED "C-101 SITE PLAN, PS FIRST HUDSON URBAN RENEWAL LLC, 133 SECOND STREET, BLOCK 11503, LOT 1, CITY OF JERSEY CITY, HUDSON COUNTY, NEW JERSEY" PREPARED BY DRESDNER ROBIN, DATED 10/23/2015 REVISED TO 11/23/2015.



2	01-08-18	REV. PER JC ENG. COMMENTS	JJM
1	12-15-15	RESUBMISSION TO JERSEY CITY	JJM
		ISSUE OR REVISION	BY
REVISIONS			
 ONE EVERTRUST PLAZA, SUITE 801 JERSEY CITY, NJ 07310 (TEL) 201.217.9000 (FAX) 201.217.9007 CERTIFICATE OF AUTHORIZATION # - 240427926000			
<b>RAISED WALKWAY, STAIRS, AWNING, &amp; RAMPS FRANCHISE ORDINANCE EXHIBIT "B-1"</b> FOR BLOCK 11503, LOT 1 CITY OF JERSEY CITY HUDSON COUNTY, NEW JERSEY			
PREPARED FOR: PUBLIC STORAGE 133 SECOND STREET			
 JOSEPH MELE PROFESSIONAL ENGINEER & LAND SURVEYOR NJ LICENSE NUMBER 240804323900			
DRAWN BY: RPB		CHECKED BY: JDR	
SCALE: 1" = 50'		DATE: 08/25/14	
JOB NUMBER: 10461-001		SHEET 1 OF 1	
		<b>B-1</b>	

DUE TO INHERENT ERRORS IN REPRODUCTION METHODS, ERRORS MAY OCCUR WHEN SCALING THIS DRAWING

JOB No.10461-001

**EXHIBIT B-2**

**Raised Walkway, Stairs, Awning & Ramps Franchise Ordinance**

December 15, 2015

Job No. 10461-001

**DEED DESCRIPTION**

Raised Walkway, Stairs, Awning, & Ramps Franchise Ordinance  
for Block 11503, Lot 1  
City of Jersey City, Hudson County, New Jersey



**Jersey City**  
Corporate Office  
One Sverdrup Plaza  
Suite 901  
Jersey City, NJ 07303-0038  
PHONE: 201-217-9200  
FAX: 201-217-9607

**Asbury Park Office**  
603 Mattison Avenue  
Asbury Park, NJ 07712  
PHONE: 732-988-7020  
FAX: 732-988-7032

**Pennsauken Office**  
Perks Ruetter Division  
Fairway Corporate Center  
4300 Haddonfield Road, Suite 115  
Pennsauken, NJ 08109  
PHONE: 856-488-6200  
FAX: 856-488-4302

**Fairfield Office**  
Hanson Engineering Division  
55 Lane Road, Suite 220  
Fairfield, NJ 07004  
PHONE: 973-696-2600  
FAX: 973-696-1362

[www.dresdnerobin.com](http://www.dresdnerobin.com)

BEGINNING at a point, said point being the intersection of the westerly line of Warren Street (60 feet wide) and the northerly line of First Street (80 feet wide) and running, thence;

1. Into the right of way of Warren Street, South 83 degrees 45 minutes 00 seconds East, 1.40 feet, thence;
2. South 08 degrees 05 minutes 58 seconds West, 10.62 feet, thence;
3. North 83 degrees 45 minutes 00 seconds West, 95.61 feet, thence;
4. South 53 degrees 26 minutes 41 seconds West, 7.08 feet, thence;
5. North 40 degrees 59 minutes 40 seconds West, 7.08 feet, thence;
6. North 83 degrees 45 minutes 00 seconds West, 10.46 feet, thence;
7. South 53 degrees 26 minutes 41 seconds West, 6.90 feet, thence;
8. North 40 degrees 59 minutes 40 seconds West, 6.91 feet, thence;
9. North 83 degrees 45 minutes 00 seconds West, 9.56 feet, thence;
10. South 53 degrees 26 minutes 41 seconds West, 7.00 feet, thence;
11. North 40 degrees 59 minutes 40 seconds West, 7.01 feet, thence;
12. North 83 degrees 45 minutes 00 seconds West, 10.31 feet, thence;
13. South 53 degrees 26 minutes 41 seconds West, 6.95 feet, thence;
14. North 40 degrees 59 minutes 40 seconds West, 6.95 feet, thence;
15. North 83 degrees 45 minutes 00 seconds West, 96.35 feet, thence;
16. North 6 degrees 12 minutes 53 seconds East, 97.58 feet, thence;
17. South 83 degrees 47 minutes 7 seconds East, 7.41 feet to a point along the easterly line of Provost Street, thence;
18. Along said easterly line of Provost Street, South 6 degrees 12 minutes 53 seconds East, 86.97 feet to the intersection of the northerly line of First Street, thence;
19. Along said northerly line of First Street, South 83 degrees 45 minutes 00 seconds West, 255.24 feet to the herein described point and place of BEGINNING.

Containing 3,543 square feet.

This description was prepared in accordance with a map entitled "Building Encroachment Franchise Ordinance Exhibit B-1 for Block 11503, Lot 1, City of Jersey City, Hudson County, New Jersey", prepared for Public Storage, 133 Second Street, last revised December 15, 2015, prepared by Dresdner Robin.

A handwritten signature in black ink, appearing to read "Joe Mele", written over a horizontal line.

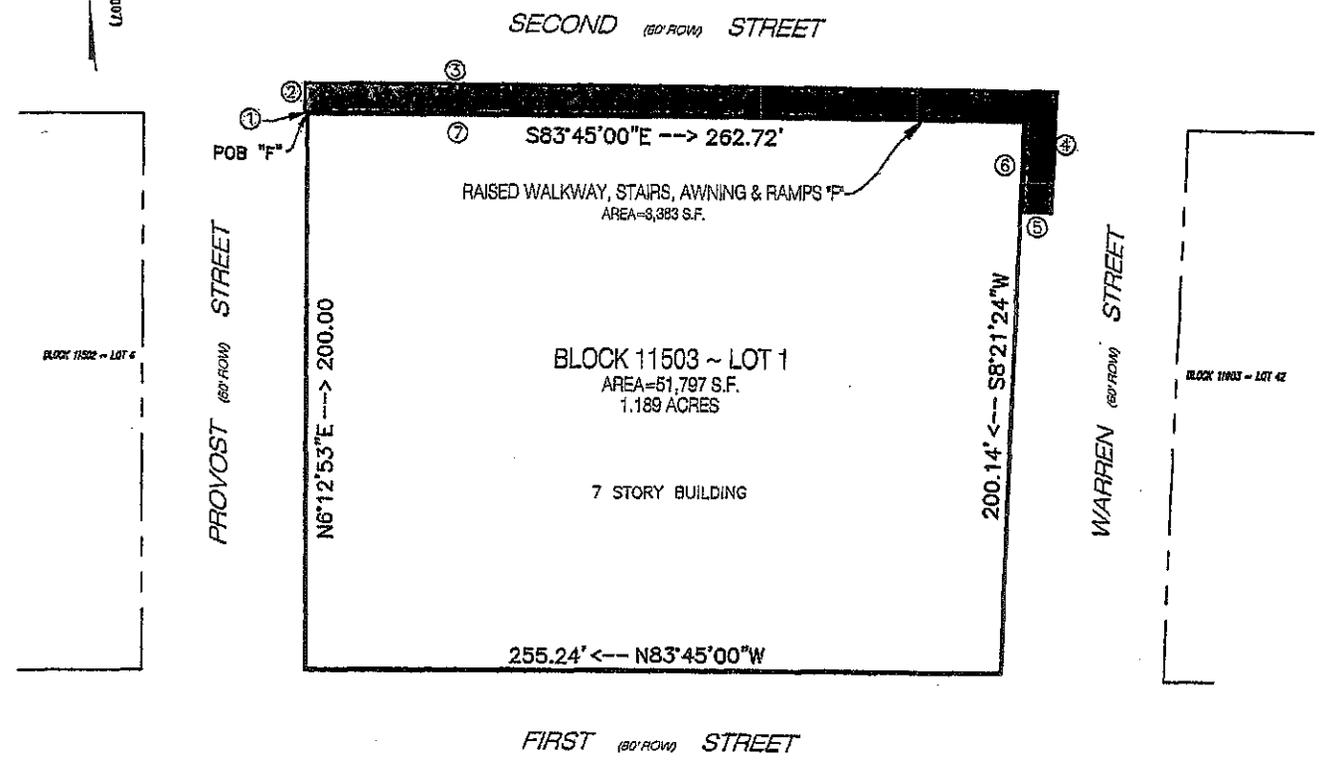
Joseph Mele  
Professional Engineer and Land Surveyor  
New Jersey License No. 24GB04323900

C:\ENR\PROJECTS\10461-001 PUBLIC STD FIRST ST JOCKO SURVEY\FRANCHISE AGREEMENT\EXHIBIT C-1.DWG 8/24/15 12:14:2015 7:42 AM COLLINS



**FRANCHISE ORDINANCE SCHEDULE "C"  
FOR RAISED WALKWAY, STAIRS, AWNING, & RAMPS**

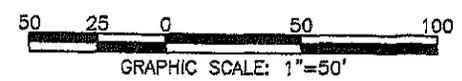
- |                            |                            |
|----------------------------|----------------------------|
| 1. N 83° 45' 00" W 1.07'   | 6. N 81° 38' 36" W 11.50'  |
| 2. N 08° 12' 53" E 11.00'  | 6. N 08° 21' 24" E 32.85'  |
| 3. S 83° 45' 00" E 275.71' | 7. N 83° 45' 00" W 262.72' |
| 4. S 08° 21' 24" W 44.28'  |                            |



**REFERENCES:**

- MAP ENTITLED "ALTA/ACSM LAND TITLE AND TOPO SURVEY PS #N13207, 124-142 1ST STREET CITY OF JERSEY CITY, HUDSON COUNTY, NEW JERSEY" PREPARED BY MILLMAN SURVEYING, INC. JOB No. 32332.
- MAP ENTITLED "C-101 SITE PLAN, PS FIRST HUDSON URBAN RENEWAL LLC, 133 SECOND STREET BLOCK 11503, LOT 1, CITY OF JERSEY CITY, HUDSON COUNTY, NEW JERSEY" PREPARED BY DRESDNER ROBIN, DATED 10/23/2015 REVISED TO 11/23/2015.

2/22/15-15	REBUBMISSION TO JERSEY CITY	JM
11/23/14	JD ENGINEERING REVISION	TRP
1/24/14	ISSUE OF PERMITS	BY
REVISIONS		
 <b>DRESDNER ROBIN</b> <small>CIVIL ENGINEER PLAZA SUITE 901          JERSEY CITY, NJ 07310          TEL 201 217 9200 FAX 201 217 9807          CERTIFICATE OF AUTHORIZATION # 240421525000</small>		
<b>RAISED WALKWAY, STAIRS, AWNING, &amp; RAMPS</b> <b>FRANCHISE ORDINANCE EXHIBIT "C-1"</b> FOR BLOCK 11503, LOT 1 CITY OF JERSEY CITY HUDSON COUNTY, NEW JERSEY		
PREPARED FOR: <b>PUBLIC STORAGE</b> 133 SECOND STREET		
 <b>JOSEPH MELE</b> <small>PROFESSIONAL ENGINEER &amp; LAND SURVEYOR          NJ LICENSE NUMBER: 240421525000</small>		
<small>PROJECT CONTROL:</small> RPB SCALE: 1"=50' DRAWN BY: 110461-001 08/28/14	C-1	
SHEET 1 OF 1		



DUE TO INHERENT ERRORS IN REPRODUCTION METHODS, ERRORS MAY OCCUR WHEN SCALING THIS DRAWING

JOB No. 10461-001

**EXHIBIT C-2**  
**Raised Walkway, Stairs, Awning & Ramps Franchise Ordinance**

December 15, 2015

Job No. 10461-001

DEED DESCRIPTION

Raised Walkway, Stairs, Awning, & Ramps Franchise Ordinance  
for Block 11503, Lot 1

City of Jersey City, Hudson County, New Jersey

BEGINNING at a point, said point being the intersection of the easterly line of Provost Street (60 feet wide) and the southerly line of Second Street (60 feet wide) and running; thence

1. Into the right of way of Provost Street, North 83 degrees 45 minutes 00 seconds West, 1.07 feet, thence;
2. Into the right of way of Second Street, North 6 degrees 12 minutes 53 seconds East, 11.00 feet, thence;
3. Within the right of way of Second Street, South 83 degrees 45 minutes 00 seconds East, 275.71 feet, thence;
4. Into the right of way of Warren Street, South 8 degrees 21 minutes 24 seconds West, 44.28 feet, thence;
5. Within the right of way of Warren Street, North 81 degrees 38 minutes 36 seconds West, 11.50 feet to a point along the westerly line of Warren Street, thence;
6. Along said westerly line of Warren Street, North 8 degrees 21 minutes 24 seconds East, 32.85 feet to the intersection of said line of Warren Street and southerly line of Second Street, thence;
7. Along said southerly line of Second Street, North 83 degrees 45 minutes 00 seconds West, 262.72 feet to the herein described point and place of BEGINNING.

Containing 3,383 square feet.

This description was prepared in accordance with a map entitled "Building Encroachment Franchise Ordinance Exhibit C-1 for Block 11503, Lot 1, City of Jersey City, Hudson County, New Jersey", prepared for Public Storage, 133 Second Street, last revised December 15, 2015, prepared by Dresdner Robin.



Joseph Mele  
Professional Engineer and Land Surveyor  
New Jersey License No. 24GB04323900

  
**DRESDNER ROBIN**

**Jersey City**

Corporate Office  
One Evertrust Plaza  
Suite 901  
Jersey City, NJ 07303-0038  
PHONE: 201-217-9200  
FAX: 201-217-9607

**Asbury Park Office**

603 Mattison Avenue  
Asbury Park, NJ 07712  
PHONE: 732-988-7020  
FAX: 732-988-7032

**Pennsauken Office**

Park & Ruster Division  
Fairway Corporate Center  
4300 Haddonfield Road, Suite 115  
Pennsauken, NJ 08109  
PHONE: 856-488-6200  
FAX: 856-488-4302

**Fairfield Office**

Hanson Engineering Division  
55 Lane Road, Suite 220  
Fairfield, NJ 07004  
PHONE: 973-696-2600  
FAX: 973-696-1362

[www.dresdnerrobin.com](http://www.dresdnerrobin.com)