

City Clerk File No. Ord. 16.176

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 16.176

TITLE: ORDINANCE AMENDING AND SUPPLEMENTING CHAPTER 69 (SPECIAL IMPROVEMENT DISTRICTS) IMPLEMENTING ARTICLE VI (EXCHANGE PLACE SPECIAL IMPROVEMENT DISTRICT) OF THE JERSEY CITY MUNICIPAL CODE

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY HEREBY ORDAINS:

- A. The following amendments to Chapter 69 (Special Improvement) Article VI (Exchange Place Special Improvement District) are hereby adopted:

**SPECIAL IMPROVEMENT DISTRICTS
ARTICLE VI
Exchange Place Special Improvement District**

§69-68. Purpose.

The purposes of this Article are to:

- A. Promote economic growth and employment within the Exchange Place business district;
- B. Foster and encourage self-help programs to enhance the local business climate;
- C. Create a self-financing Special Improvement District to assist in meeting local needs, goals and objectives;
- D. Designate a District Management Corporation to implement and manage the programs and carry out local needs, goals and objectives;
- E. Impose and collect a special assessment on property and parking lots located within the Exchange Place Business District.

§69-69. Definitions.

- A. Special Improvement District (also referred to as "District") means that area of Exchange Place described by Block and Lot numbers and street addresses as set forth in Schedule A, copy of the assessment role dated November 9, 2016, which is on file in the office of the City Clerk, and designated by this Ordinance, in which a special assessment on the commercial property within the District (including multi-tenant residential rental buildings), including without limitation those properties set forth on Schedule B, shall be imposed for the purposes of promoting the economic and general welfare of the District and the City. The amount of the special assessment for each property subject to the special assessment shall be equal to the percentage derived by dividing the assessed value of such property as of January 1 of any given calendar year, notwithstanding that the assessment may thereafter change, by the assessed value of all properties subject to the special

assessment on January 1 of a given year, notwithstanding that the assessment may thereafter change, multiplied by the total amount of the budget proposed by the District Management Corporation and approved by the Municipal Council.

- B. "District Management Corporation" means the Exchange Place Alliance, (also referred to as "Management Corporation") an entity incorporated pursuant to Title 15A of the New Jersey Statutes and designated by this Ordinance to receive funds collected by a special assessment within the Special Improvement District, as authorized by this Ordinance and any amendments thereto.

§69-70. Findings.

The Council finds and declares that:

- A. The Exchange Place Special Improvement District area of the City has special needs and requires special services separate and apart from the municipal services already provided to the District by the City.
- B. These specific services can best be provided through a private-public partnership implemented by the creation of a Special Improvement District to be managed by a District Management Corporation.
- C. The creation of a Special Improvement District and the designation of a District Management Corporation will promote economic growth and employment; foster and encourage business vitality, expansion and self-help; enhance the local business climate and otherwise be in the best interest of the property owners in the District and the City.
- D. A District Management Corporation will provide administrative and other services to benefit the businesses, employees, residents and consumers within the Special Improvement District and assist the city in promoting economic growth and employment.
- E. A special assessment shall be imposed and collected by the City with the regular property tax payment or payment in lieu of taxes or otherwise, and that all or a portion of these payments shall be transferred to the District Management Corporation to effectuate the purposes of this Article and to exercise the powers given to it by this Article.

§69-71. Creation of District.

- A. There is hereby created and designated within the City of Jersey City a Special Improvement District to be known as the Exchange Place Special Improvement District consisting of those properties designated by tax Block and Lot and street addresses on Schedule A attached hereto and on file in the Office of the City Clerk. The properties within the Special Improvement District that shall be subject to special assessment for the purposes of promoting the economic and general welfare of the District and the City includes all commercial properties (including multi-tenant residential rental buildings), including without limitation those properties set forth on Schedule B, shall be imposed for the purposes of promoting the economic and general welfare of the District and the City. The amount of the special assessment for each property subject to the special assessment shall be equal to the percentage derived by dividing the assessed value of such property as of January 1 of any given calendar year, notwithstanding that the assessment may thereafter change, by the assessed value of all properties subject to the special assessment on January 1 of a given year, notwithstanding that the assessment may thereafter change, multiplied by the total amount of the budget proposed by the District Management Corporation and approved by the Municipal Council.

- B. All commercial properties within the Special Improvement District, (including multi-tenant residential rental buildings), including without limitation those properties set forth on Schedule B, all private properties; and tax exempt land which contain improvements subject to property tax, are deemed included in the assessing and taxing provisions of this Article and are expressly subject to any fee, tax or assessment made for Special Improvement District purposes.
- C. Only those properties within the Special Improvement District that are fully tax-exempt or are deemed excluded from the assessing provisions of this Article and are expressly exempt from any fee, tax or assessment made for Special Improvement District purposes.

§69-72. Appeal of property owner from inclusion in the district.

Any owner of property included within the Special Improvement District and subject to the assessing and taxing provisions of this Article may appeal to the Tax Assessor of the City of Jersey City requesting to be excluded from the District and from any assessment and taxing provisions of this Article. This appeal is only as to whether or not a property should be included within the District under the standards set forth in §69.70 of this Article. It is not an appeal with regard to any taxes. Appeals with regard to taxes should be taken in the usual manner to the Hudson County Board of Taxation or to the Tax Court. This appeal seeking exclusion from the District and any assessment and taxing provisions of this Article shall be in writing and specifically detail the factual basis for the appeal. The Assessor shall investigate the matter and conduct an informal hearing or conference within thirty (30) days of receipt of the appeal. Within ten (10) days after the conclusion of the informal hearing or conference, the Assessor shall file a report and recommendation with the Municipal Council. The Municipal Council shall review the matter and act within thirty (30) days upon receipt of the report and recommendation from the Assessor.

§69-72. Assessments.

- A. It is hereby determined that the operation and maintenance of the District may involve annual costs relating to services peculiar to the District, as distinguished from operation and maintenance services normally provided by the City outside of the District. Those annual costs shall be assessed or taxed to the benefited properties or businesses pursuant to this Article and N.J.S.A. 40:56-65 et seq.
- B. Each year after the Council shall have acted on the estimated costs and/or on the budget of the District, the Assessor shall prepare an assessment roll setting forth separately the amounts to be specially assessed against the benefited and assessable properties in the District. Descriptions of such properties and the names of the then current owners of such properties, so far as names are available, shall be included in each annual assessment roll. The assessment roll, when so prepared, shall be filed in the Office of the City Clerk and be there available for inspection. The Council shall annually meet to consider objections to the amounts of such special assessments at least ten (10) days after a notice of hearing has been published once in the official newspaper and mailed to the named owners of all tracts, parcels and lots of property proposed to be assessed. The notice shall set forth the time and place of meeting, and set forth the purpose of such meeting, but may refer to the assessment roll for further particulars. When the Council shall have approved the amounts of the special assessments set forth therein or as may be changed by it, the City Clerk shall forthwith certify a copy of the assessment roll with such changes, if any, to the Hudson County Tax Board.

§69-73. Designation of District Management Corporation.

The nonprofit corporation, Exchange Place Alliance, is hereby designated as the District Management Corporation for the District. This corporation shall conduct its business in accordance with the Open Public Meetings Law. It shall file copies of its minutes of its meetings with the City Clerk, so as to be available for public inspection. This Management

Corporation, in addition to acting as an Advisory Board to the Mayor and Council, shall have all powers necessary and requisite to effectuate the purposes of this Article and the District. In order to receive any funds or exercise any of the powers granted herein, the Board of Trustees of the Exchange Place Alliance must include as members, the Mayor or his designee and a Member of the Municipal Council as appointed by the Council. The Mayoral and Council members shall serve at the pleasure of, respectively, the Mayor and the Council.

§69-74. Powers of District Management Corporation.

The Exchange Place Alliance may:

- A. Adopt by-laws for the regulation of its affairs and the conduct of its business and to prescribe rules, regulations and policies in connection with the performance of its functions and duties.
- B. Employ such persons as may be required and fix and pay their compensation from funds available to the Corporation.
- C. Apply for, accept, administer and comply with the requirements respecting an appropriation of funds or a gift, grant or donation of property or money.
- D. Make and execute agreements which may be necessary or convenient to the exercise of the powers and functions of the Corporation, including contracts with a person, firm, corporation, governmental agency or other entity.
- E. Administer and manage its own funds and accounts and pay its own obligations.
- F. Borrow money from private lenders for periods not to exceed one hundred eighty (180) days and from governmental entities for that or longer periods.
- G. Fund the improvement for the exterior appearance of properties in the District through grants or loans.
- H. Fund the rehabilitation of properties in the District.
- I. Accept, lease or manage property in the District.
- J. Enforce the conditions of any loan, grant, sale or lease made by the Corporation.
- K. Provide security, sanitation and other services to the District, supplemental to those provided normally by the municipality.
- L. Undertake improvements designated to increase the safety or attractiveness of the district to businesses which may wish to locate there or to visitors to the District including, but not limited to, litter cleanup and control, landscaping, parking areas and facilities, recreational and rest areas and facilities, pursuant to pertinent regulations of the City of Jersey City.
- M. Publicize the District and the businesses included within the District boundaries.
- N. Recruit new businesses to fill vacancies in and to balance the business mix of the District.
- O. Organize special business related events in the District.
- P. Provide special parking arrangements for the District for customers of businesses within the District.
- Q. Provide temporary decorative lighting in the District to attract customers to businesses in the District.

- R. Advise the Municipal Council in connection with the acquisition and construction of improvements in the Special Improvement District, the making of a plan therefore and the operation and maintenance thereof, and to meet and furnish recommendations or comments and requests of members of the public and of owners and occupants of property included within the Special Improvement District.

§69-75. By-laws.

The Exchange Place Alliance shall file with the City Clerk a certified copy of the adopted by-laws of the Corporation, which by-laws shall be in substantial conformity with the draft by-laws filed with the Clerk prior to the adoption of this Article. The Exchange Place Alliance shall have the right to amend these by-laws from time to time as its members so decide, provided that a certified copy of the adopted amendments shall be filed with the City Clerk no later than fourteen (14) days prior to the date they are to become effective.

§69-76. Municipal Powers Retained.

- A. Notwithstanding the creation of a Special Improvement District, the City of Jersey City expressly retains all its powers and authority over the area designated as within the Special Improvement District.
- B. Nothing contained herein shall be interpreted or construed to be a vacation, in whole or in part, of any municipal street or part thereof.
- C. The District Management Corporation shall not make or enter into any contracts for the improvement of any publicly owned or operated facility or property within the Special Improvement District nor adopt any regulations relating to public property in such District without the consent of the City.
- D. The District Management Corporation shall comply with all applicable ordinances or regulations of the City.

§69-77. Annual Budget.

- A. The fiscal year of the District shall be July 1-June 30.
- B. Except with respect to the initial budget which may be presented for approval by the City Council at any time, the District Management Corporation shall submit a detailed annual budget for the upcoming calendar year no later than April 1st, to the Mayor and Municipal Council.
- C. The budget shall be submitted with a report which explains how the budget contributes to goals and objectives for the Special Improvement District. The budget shall be reasonably itemized and shall include a summary of the categories of cost properly chargeable as follows:
 - 1. The amount of such costs to be charged against the general funds of the municipality, if any.
 - 2. The amount of costs to be charged and assessed against properties benefited in the District in proportion to benefits which shall be the aggregate of costs of annual improvements to be made in the District during the ensuing year.
 - 3. The amount of costs, if any, to be specially taxed against properties in the District.
- D. The budget shall be introduced, approved, amended and adopted by resolution passed by not less than a majority of the full membership of the Municipal Council.

The procedure shall be as follows:

1. Introduction and approval;
 2. Public advertising;
 3. Public hearing;
 4. Amendments and public hearings, if required; and
 5. Adoption.
- E. The budget shall be introduced, in writing, at a meeting of the Municipal Council. Approval thereof shall constitute a first reading, which may be by title. Upon the approval of the budget by the Municipal Council, it shall fix the time and place for the holding of a hearing upon the budget.
- F. The budget shall be advertised after approval. The advertisement shall contain a copy of the budget and shall set forth the date, the time and place of the hearing. It shall be published at least ten (10) days prior to the date fixed therefore in the official newspaper of the City.
- G. No budget shall be adopted until a public hearing has been held thereon and all persons having an interest therein shall have been given an opportunity to present objections. The hearing shall be held not less than twenty-eight (28) days after the approval of the budget.
- H. The public hearing shall be held at the time and place specified in the advertisement thereof, but may be adjourned from time to time until the hearing is closed.
- I. The budget, as advertised, shall be read at the public hearing in full or it may be read by its title, if:
1. At least one week prior to the date of the hearing, a complete copy of the approved budget as advertised:
 - a. shall be posted in City of Jersey City, City Clerk's Office;
 - b. is made available to each person requesting the same during that week and during the public hearing;
 2. The Municipal Council shall, by Resolution passed by not less than a majority of the full membership, determine that the budget shall be read by its title and declare that the conditions set forth in subsection (I)(1) have been met.
- J. The Municipal Council may amend the budget during or after the public hearing. No amendment by the Municipal Council shall be effective until taxpayers and all persons having an interest therein shall have been granted a public hearing thereon, if the amendment shall:
1. Add a new item in an amount in excess of one percent of the total amount as stated in the approved budget;
 2. Increase or decrease any item by more than ten (10) percent; or
 3. Increase the amount to be raised pursuant to Section 16 of P.O. 1972, c.134 (C.40:56-80) or Section 19 of this amendatory and supplementary act by more than five percent, unless the same is made pursuant to an emergency temporary appropriation only. Notice of hearing on an amendment shall be advertised at least three days before the date set therefore. The amendment shall be published in full in the same manner as an original publication and shall be read in full at the hearing and before adoption.
- K. Final adoption shall be by resolution, adopted by a majority of the full membership of the Municipal Council, and may be by title.

§69-78. Fiscal requirements; annual report; audit.

A.

1. Funds appropriated and collected for the annual costs of operating and maintaining a Special Improvement District, shall be credited to a special account. The Mayor and Municipal Council may incur the annual costs of improving, operating and maintaining a Special Improvement District, during any fiscal year, though not specifically provided for by line item or other category in an approved estimate for such fiscal year, if in their sole discretion it shall be deemed necessary to provide for such annual improvements or operation or maintenance prior to the succeeding fiscal year and so long as the total amount of the account as approved for that year is not exceeded by that expenditure. Any balances to the credit of the account and remaining unexpended at the end of the fiscal year shall be conserved and applied towards the financial requirements of the succeeding year.
2. The Mayor and Municipal Council may retain a portion of the collected special assessment proceeds to offset the direct costs incurred in the required assessment and budget processes.
3. The Mayor and Municipal Council shall pay over funds to the Management Corporation quarterly on the first day of March, June, September and December of each year. The City shall not be obligated to pay over any funds not actually received by the City.

B. The District Management Corporation shall cause an annual audit of its books, accounts and financial transactions to be made and filed with the Mayor and Municipal Council and for that purpose the Corporation shall employ a Certified Public Accountant of New Jersey. The annual audit shall be completed and filed with the Municipal Council within four months after the close of the fiscal year of the Corporation, and a certified duplicate copy of the audit shall be filed with the Director of the Division of Local Government Services in the Department of Community Affairs within five days of the filing of the audit with the Mayor and Council.

C. The District Management Corporation shall, within thirty (30) days after the close of each fiscal year, make an annual report of its activities for the preceding fiscal year to the Mayor and Municipal Council.

§69-79. No limitations of powers.

Nothing contained herein shall prevent the Council at any time subsequent to the adoption of this Article by Ordinance, from abandoning the operation of the Special Improvement District, changing the extent of the Special Improvement District, supplementing or amending the description of the District to be specially assessed or taxed for annual costs of the Special Improvement District, changing or repealing any plan, rules, requisitions or limitations adopted for the operation of the Special Improvement District or rescinding the designation of or re-designating a District Management Corporation.

§69-80. Implementation.

This Special Improvement District shall become operable when the by-laws of the Exchange Place Alliance are adopted by a vote of the eligible participants in the manner provided for in the draft by-laws on file with the City Clerk.

§69-81. Severability.

If any provision of this Article or the application thereof to any person or circumstance is held invalid, such holding shall not affect other provisions or applications of the act and to this end the provisions of this act are severable.

§69-82. Effective date.

- B. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
- C. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
- D. This ordinance shall take effect at the time and in the manner as provided by law.
- E. 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: All material is new. Therefore, underlining has been omitted.

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

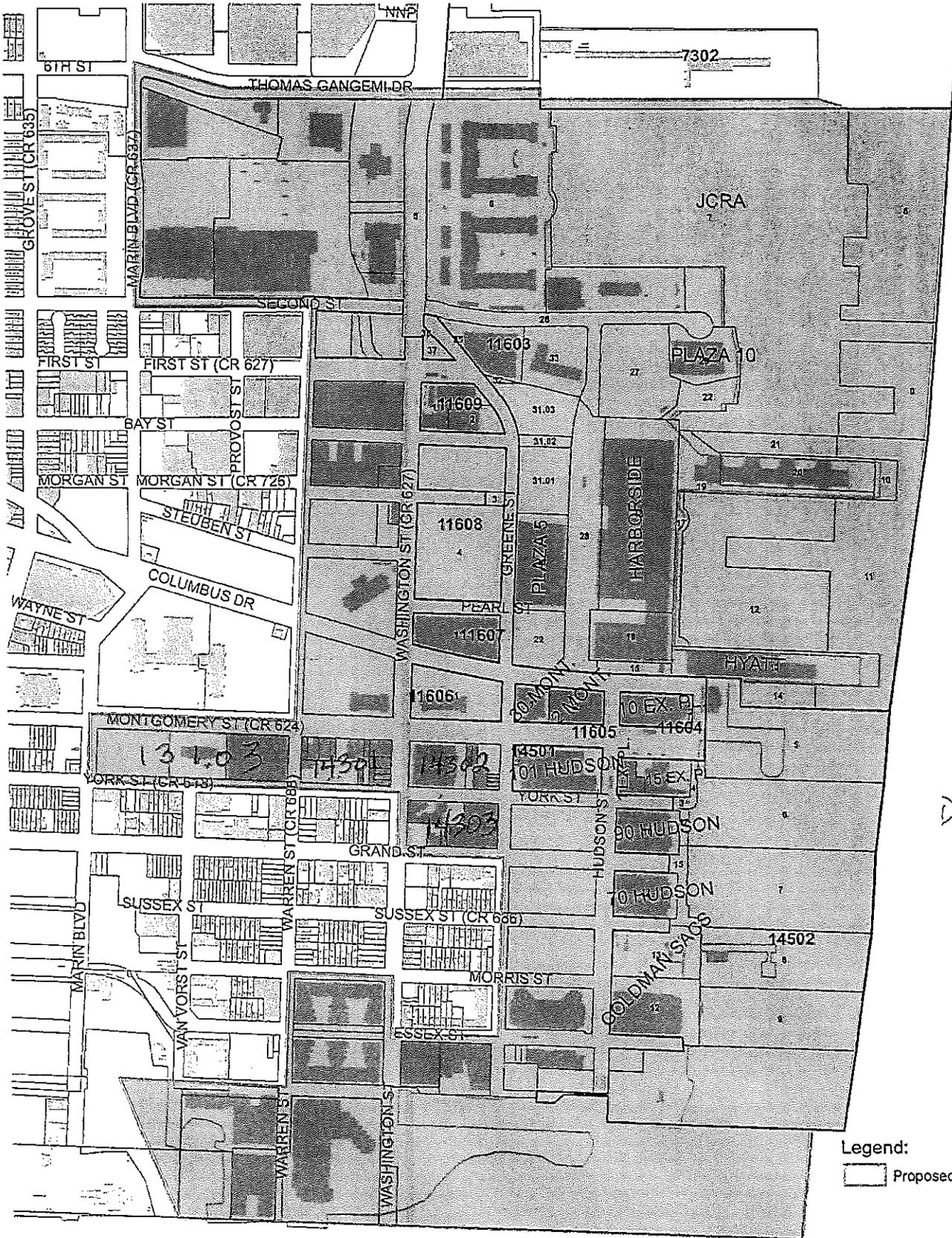
Certification Required
Not Required

EXCHANGE PLACE SID - BOUNDARY MAP

JERSEY CITY, NJ

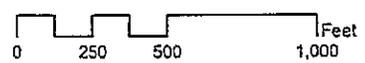
NEW

NOVEMBER 7, 2016



Legend:
 Proposed SID Boundary

1 inch = 600 feet



City Clerk File No. Ord. 16.181

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 16.181

TITLE:

AN ORDINANCE SUPPLEMENTING CHAPTER 332 (VEHICLES AND TRAFFIC) ARTICLE III (PARKING, STANDING AND STOPPING) AMENDING SECTION 332-22 (PARKING PROHIBITED AT ALL TIMES) OF THE JERSEY CITY CODE DESIGNATING 25 FEET IN FRONT OF 259 VAN NOSTRAND AVENUE, THE HARDWOOD PAVILION, AS NO PARKING ANYTIME

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

1. Chapter 332 (Vehicles and Traffic) Article III (No Parking Any Time) of the Jersey City Code is hereby supplemented as follows:

Section 332-22 **PARKING PROHIBITED AT ALL TIMES**
No person shall park a vehicle on any of the streets or parts thereof described.

Name of Street	Side	Limits
Van Nostrand Avenue	South	650 feet east of Sterling Av 25 feet easterly

- 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 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 to be inserted is new and underscored.

JDS:pcl
(11.14.16)

APPROVED: _____
Director of Traffic & Transportation

APPROVED AS TO LEGAL FORM

APPROVED: _____
Municipal Engineer

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 resolution.

Full Title of Ordinance

AN ORDINANCE SUPPLEMENTING CHAPTER 332 (VEHICLES AND TRAFFIC) ARTICLE III (PARKING, STANDING AND STOPPING) AMENDING SECTION 332-22 (PARKING PROHIBITED AT ALL TIMES) OF THE JERSEY CITY CODE DESIGNATING 25 FEET IN FRONT OF 259 VAN NOSTRAND AVENUE, THE HARDWOOD PAVILION, AS NO PARKING ANYTIME

Initiator

Department/Division	Administration	Engineering, Traffic and Transportation
Name/Title	Joao D'Souza at the request of Council Woman At Large Joyce Watterman on behalf of Assemblywoman Angela V. McKnight, LD31	Director of Traffic & Transportation
Phone/email	201.547.4470	JOAO@jenj.org

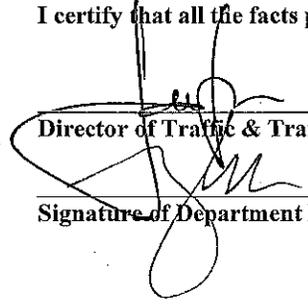
Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

Ordinance Purpose

AN ORDINANCE DESIGNATING 25 FEET IN FRONT OF 259 VAN NOSTRAND AVENUE, THE HARDWOOD PAVILION, AS NO PARKING ANYTIME

This no parking area will serve as a parking area for emergency vehicles responding to Hardwood Pavilion, a senior residence.

I certify that all the facts presented herein are accurate.



Director of Traffic & Transportation

Signature of Department Director

11/14/16
Date
11/14/16
Date



STEVEN M. FULOP
MAYOR OF JERSEY CITY

CITY OF JERSEY CITY
DEPARTMENT OF ADMINISTRATION
DIVISION OF ENGINEERING, TRAFFIC & TRANSPORTATION
MUNICIPAL SERVICES COMPLEX | 13-15 LINDEN AVE EAST | JERSEY CITY, NJ 07305
P: 201 547 4470 | F: 201 369 7292



ROBERT KAKOLESKI
BUSINESS ADMINISTRATOR

MEMORANDUM

DATE: November 14, 2016

TO: Jeremy Farrell, Corporation Counsel
Robert Kakoleski, Business Administrator
Robert Byrne, City Clerk
Councilman Frank Gajewski, Ward A
Councilwoman At Large, Joyce Watterman

FROM: Patricia Logan, Supervising Traffic Investigator
Division of Engineering, Traffic and Transportation

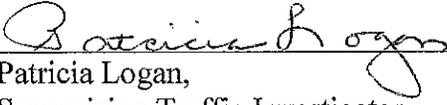
SUBJECT: PROPOSED ORDINANCE -259 VAN NOSTRAND AVENUE

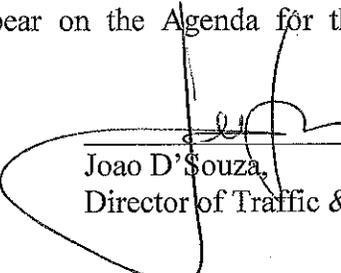
Please be advised, at the request of Councilwoman At Large, Joyce Watterman, on behalf of Assemblywoman Angela McKnight, LD31, this Division has proposed legislation (for the Council's consideration) amending Chapter 332(Vehicles and Traffic) Section 332-22(No parking any time) of the Jersey City Traffic Code.

The purpose of this Ordinance is to designate 25 feet in front of 259 Van Nostrand Avenue as no parking any time. This no parking area will facilitate emergency vehicles summoned to the Harwood Pavilion, a senior residence.

Councilwoman Watterman and Councilman Gajewski have been notified of the proposed Ordinance via E Mail, (copy attached).

The recommended amendments should appear on the Agenda for the November 22, 2016 Municipal Council Meeting.


Patricia Logan,
Supervising Traffic Investigator


Joao D'Souza,
Director of Traffic & Transportation

- C: Jose R. Cunha, P.E., Municipal Engineer
- Andrew Vischio, P.E.
- Chief of Staff Mark Albiez
- Mary Paretti, Business Manager, Parking Enforcement Division, Dept. of Public Safety
- Council President LaVarro, Jr. Councilman Rivera Councilman Hallanan, III
- Councilman Boggiano Councilman Yun Councilwoman Osborne
- Councilwoman Coleman

261 Van Nostrand Ave

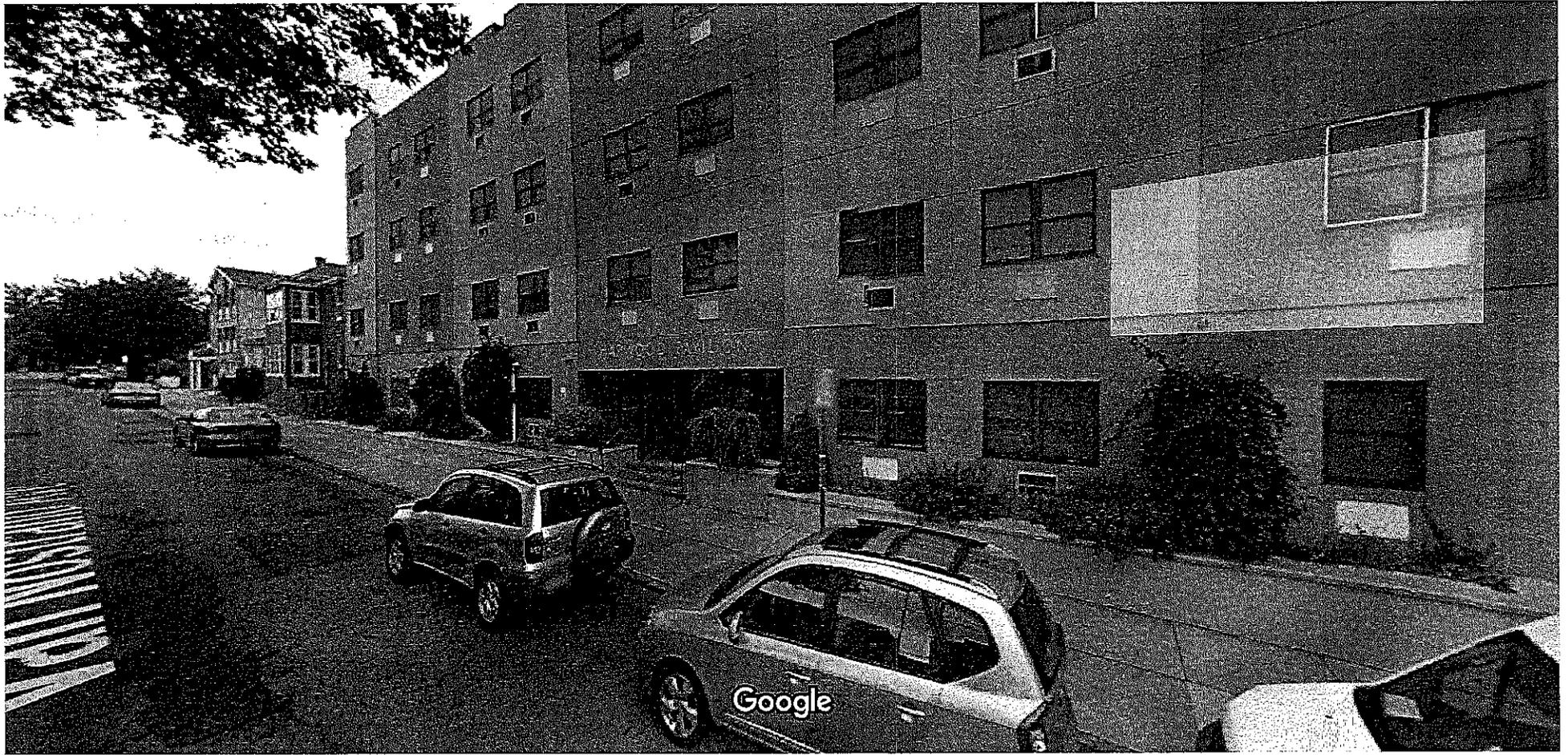


Image capture: Aug 2013 © 2016 Google

Jersey City, New Jersey

Street View - Aug 2013

City Clerk File No. Ord. 16.182

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 16.182

TITLE: AN ORDINANCE SUPPLEMENTING CHAPTER 332(VEHICLES AND TRAFFIC) ARTICLE III(PARKING, STANDING AND STOPPING) OF THE JERSEY CITY CODE AMENDING SECTION 332-24 (NO PARKING CERTAIN HOURS) DESIGNATING 335-337 NEWARK AVENUE, IN FRONT OF WHITE EAGLE HALL, AS NO PARKING, TUESDAY THROUGH SUNDAY, 6:00 P.M. TO 10:00 P.M.

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
Newark Av	Both	M - F	4:00 pm to 6:00 pm	Kennedy Blvd to Summit Av
	North	All Days	7:00 am to 9:00 am	105 ft east of Summit Av 400 ft east
	South	Tu - Sun	4:00 pm to 6:00 pm	
	Both	M - Th	6:00 p.m. to 10:00 p.m.	63 feet east of Merseles Street 48 feet east
		F - Sun	3:00 pm to Mid-Night	Erie St to Grove St

- 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 be and they are 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 new material to be inserted is underscored.

JDS:pcl
(10.31.16)

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 (NO PARKING CERTAIN HOURS) DESIGNATING 335-337 NEWARK AVENUE, IN FRONT OF WHITE EAGLE HALL, AS NO PARKING, TUESDAY THROUGH SUNDAY, 6:00 P.M. TO 10:00 P.M.

Initiator

Department/Division	Administration	Engineering, Traffic and Transportation
Name/Title	Joao D'Souza at the request of Charles Harrington, Attorney for Ben LoPiccolo, Managing Member, White Eagle Hall, LLC, 335-337 Newark Avenue, JCNJ 201.653.5220	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

AN ORDINANCE DESIGNATING 335-337 NEWARK AVENUE, IN FRONT OF WHITE EAGLE HALL, AS NO PARKING, TUESDAY THROUGH SUNDAY, 6:00 P.M. TO 10:00 P.M.

This no parking area will facilitate the drop-off and pick-up of patrons attending the Theater performances and the Restaurants. A shuttle bus will go back and forth between White Eagle Hall and 2 different parking lots to pick up and drop of the patrons. This will reduce the impact on the neighborhood of patrons of the Theater and the Restaurants.

The no parking area will service:

- White Eagle Hall – Restaurant/Bar and Theater/live performances
- Cellar 335 – Restaurant
- Madame Claude Bis – Restaurant/Bar

I certify that all the facts presented herein are accurate.

Director of Traffic & Transportation

Signature of Department Director

11/3/16

Date

11/24/16

Date

Google Maps 331 Newark Ave

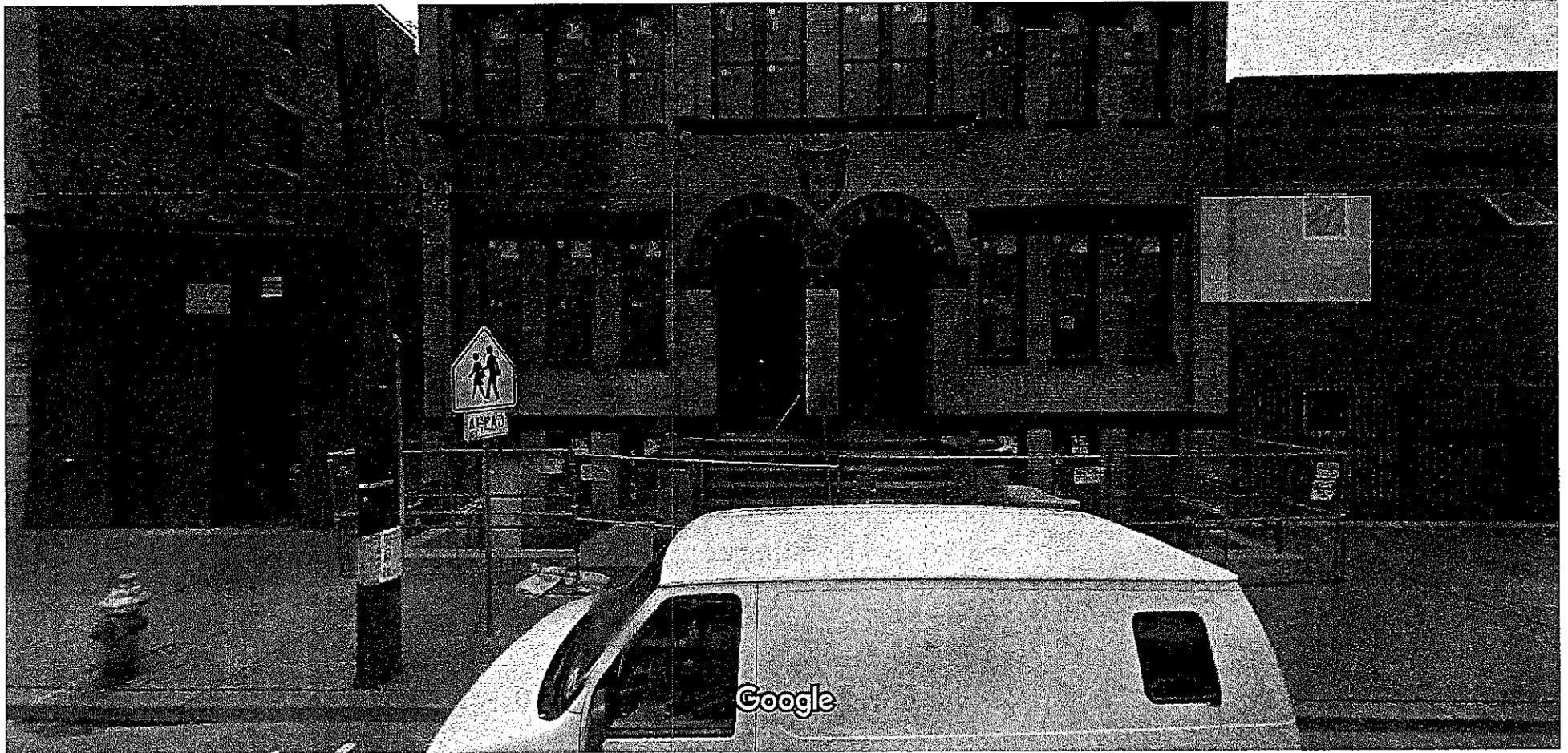


Image capture: Jun 2015 © 2016 Google

Jersey City, New Jersey

Street View - Jun 2015





STEVEN M. FULOP
MAYOR OF JERSEY CITY

CITY OF JERSEY CITY
DEPARTMENT OF ADMINISTRATION
DIVISION OF ENGINEERING, TRAFFIC & TRANSPORTATION
MUNICIPAL SERVICES COMPLEX | 13-15 LINDEN AVE EAST | JERSEY CITY, NJ 07305
P: 201 547 4470 | F: 201 369 7292



ROBERT KAKOLESKI
BUSINESS ADMINISTRATOR

MEMORANDUM

DATE: November 1, 2016

TO: Jeremy Farrell, Corporation Counsel
Robert Kakoleski, Business Administrator
Robert Byrne, City Clerk
Councilwoman Candice Osborne, Ward E

FROM: Patricia Logan, Supervising Traffic Investigator
Division of Engineering, Traffic and Transportation

SUBJECT: WHITE EAGLE HALL – PROPOSED LEGISLATION

Attached for your review is an Ordinance proposed by this Division, (for Municipal Council approval), supplementing Chapter 332(Vehicles and Traffic) Section 332-24 (No parking certain hours.) of the Jersey City Code.

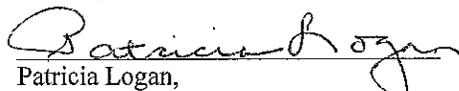
The proposed legislation will prohibit parking in front of 335-337 Newark Avenue (White Eagle Hall) Tuesday through Sunday, 6:00 p.m. to 10:00 p.m. This area will serve as a drop-off and pick up area for the shuttle bus that will be transporting patrons to and from White Eagle Hall to two (2) different parking lots. The Van will shuttle the Patrons attending performances at the Theater or going to the Restaurants.

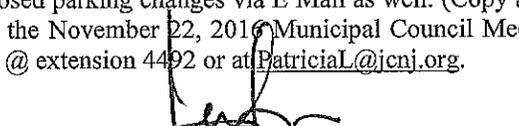
Also attached is a Resolution designating two (2) loading zones. One, measuring 48 feet, in front of 335-337 Newark Avenue, Tuesday through Sunday, 10:00 a.m. to 2:00 p.m. This loading area will facilitate deliveries of food, beverages, lines, glassware, etc for the restaurants at Eagle Hall; and the other loading zone measuring 45 feet on the west side of Fourth St, at the rear of White Eagle Hall, Tuesday through Sunday, 10:00 a.m. to 2:00 p.m. and 6:00 p.m. to 10 p.m. This loading zone will accommodate trucks making deliveries to the restaurants and the delivery of sound & stage equipment, props, costumes and lights to the Theater.

All of these no parking areas will facilitate the deliveries and the individuals patronizing:

- White Eagle Hall – Restaurant/Bar and Theater/Live Performances
- Cellar 335 – Restaurant
- Madame Claude Bis – Restaurant/Bar

Councilwoman Osborne has been advised of the proposed parking changes via E Mail as well. (Copy attached) It is anticipated this Ordinance will be on the Agenda for the November 22, 2016 Municipal Council Meeting. If you have any questions, feel free to contact Patricia Logan @ extension 4492 or at PatriciaL@jcnj.org.


Patricia Logan,
Supervising Traffic Investigator


Joao D'Souza,
Director of Traffic & Transportation

- C: Andrew Vischio, P.E., Assistant Traffic Engineer
Jose R Cunha, P.E., Municipal Engineer
Mark Albiez, Chief of Staff
Mary Spinello-Paretti, Business Manager, Division of Parking Enforcement, Dept. of Public Safety
Charles J. Harrington, III, Partner, Connell Foley LLP
- | | | |
|--------------------------------|--------------------------|---------------------|
| Council President Lavarro, Jr. | Councilwoman Watterman | Councilman Rivera |
| Councilman Gajewski | Councilman Hallanan, III | Councilman Boggiano |
| Councilman Yun | Councilwoman Coleman | |

Patricia Logan

From: Candice Osborne [candice@candiceosborne.com]
Sent: Friday, November 04, 2016 9:18 AM
To: Patricia Logan
Cc: Joao D'Souza; Andrew Vischio; Joe Cunha; Robert Kakoleski
Subject: Re: White Eagle Hall Legislation

Yes. This is very logical. Thanks!

--- sent from handheld, excuse typos ---

On Nov 2, 2016, at 11:40 AM, Patricia Logan <PatriciaL@jcnj.org> wrote:

Good morning Councilwoman

We are proposing legislation for the November 22nd Council meeting restricting parking in front of and at the rear of White Eagle Hall.

The proposed Ordinance will prohibit parking in front of 335-337 Newark Avenue (White Eagle Hall) Tuesday through Sunday, 6:00 p.m. to 10:00 p.m. This area will serve as a drop-off and pick up area for the shuttle bus that will be transporting patrons to and from White Eagle Hall to two (2) different parking lots. The Van will shuttle the Patrons attending performances at the Theater or going to the Restaurants.

The proposed Resolution designates two (2) loading zones, one, measuring 48 feet, in front of 335-337 Newark Avenue, Tuesday through Sunday, 10:00 a.m. to 2:00 p.m. This loading area will facilitate deliveries of food, beverages, lines, glassware, etc for the restaurants at Eagle Hall; and the other loading zone measuring 45 feet on the west side of Fourth St, at the rear of White Eagle Hall, Tuesday through Sunday, 10:00 a.m. to 2:00 p.m. and 6:00 p.m. to 10 p.m. This loading zone will accommodate trucks making deliveries to the restaurants and the delivery of sound & stage equipment, props, costumes and lights to the Theater.

All of these no parking areas will facilitate the deliveries and the individuals patronizing:

- White Eagle Hall – Restaurant/Bar and Theater/Live Performances
- Cellar 335 – Restaurant
- Madame Claude Bis – Restaurant/Bar

Please advise if you have any objection to proposing this legislation. Feel free to contact me at PatriciaL@jcnj.org or at extension 4492 if you have any questions.

Respectfully,
The City of Jersey City
Department of Administration

Patricia Logan, Supervising Traffic Investigator
Division of Engineering, Traffic and Transportation
Municipal Services Complex/13-15 Linden Avenue East
Jersey City, New Jersey 07305
201.547.4492

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For more information please visit <http://www.symanteccloud.com>

City Clerk File No. Ord. 16.183

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 16.183

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 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 17101, LOT 40, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 712 GRAND STREET

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 the construction of a new four (4) story mixed-use market rate rental building to contain approximately nine (9) residential units, one thousand two hundred ninety-six (1,296) square feet of parking space and five hundred (500) square feet of commercial space on the Property, is permitted for a period of five (5) years; and

WHEREAS, Zenith Grand Apartments, LLC [Entity], is the owner of Property designated as Block 17101, Lot 40, on the City's Tax Map and more commonly known by the street address of 712 Grand Street, Jersey City, NJ; and

WHEREAS, the Entity now plans to construct a new four (4) story mixed-use market rate rental building to contain approximately nine (9) residential units, one thousand two hundred ninety-six (1,296) square feet of parking space and five hundred (500) square feet of commercial space on the Property; and

WHEREAS, construction will be substantially complete on December 31, 2017; and

WHEREAS, on October 11, 2016, the Entity filed an application for a five (5) year tax exemption to construct a new commercial use Project, a copy of which application is attached hereto; and

WHEREAS, Zenith Grand Apartments, LLC, proposes to pay the City (in addition to the full taxes on the land, which shall continue to be conventionally assessed and are currently taxed at the sum of \$8,448) a tax payment for the new improvements on the property, as follows:

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 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 17101, LOT 40, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 712 GRAND STREET

- (a) 2017: the tax year in which the structure will be completed, \$0 taxes due on improvements;
- (b) 2018: the second tax year, 20% of taxes otherwise due on improvements, estimated to be \$6,441;
- (c) 2019: the third tax year, 40% of taxes otherwise due on improvements, estimated to be \$12,882;
- (d) 2020: the fourth tax year, 60% of taxes otherwise due on improvements, estimated to be \$19,323; and
- (e) 2021: the fifth tax year, 80% of taxes otherwise due on improvements, estimated to be \$25,764;

WHEREAS, the Tax Assessor has determined that the new construction will generate an additional tax payment of \$8,448 for land and \$32,206 for improvements, for a total of \$40,654 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 commercial Project is 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, including both land and improvements, will generate a total tax payment of \$40,654; and

WHEREAS, Zenith Grand Apartments, LLC, has agreed to pay the sum of \$16,194 to the City's Affordable Housing Trust Fund, which shall be paid in intervals set forth in Section 304-28 of the Municipal Code.

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 a new four (4) story mixed-use market rate rental building to contain approximately nine (9) residential units, one thousand two hundred ninety-six (1,296) square feet of parking space and five hundred (500) square feet of commercial space, located in Block 17101, Lot 40, and more commonly known by the street address of 712 Grand Street, Jersey City, N.J., 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) tax payment on the new improvements shall be:
 - (i) Year 1: the tax year in which the structure will be completed. \$0 taxes;

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 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 17101, LOT 40, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 712 GRAND STREET

- (ii) Year 2: the second tax year, 20% of taxes otherwise due on improvements, estimated to be \$6,441;
- (iii) Year 3: the third tax year, 40% of taxes otherwise due on improvements, estimated to be \$12,882;
- (iv) Year 4: the fourth tax year, 60% of taxes otherwise due on improvements, estimated to be \$19,323; and
- (v) Year 5: the fifth tax year, 80% of taxes otherwise due on improvements, estimated to be \$25,764.

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 x 9 residential units plus \$1.50 x 1,296 square feet of parking space and \$1.50 x 500 square feet of commercial space, for a total of \$16,194.

3. An obligation to execute a Project Employment and Contracting Agreement to insure employment and other economic benefits to City residents and businesses.

4. This Ordinance will sunset and the Tax Exemption will terminate unless construction of the Project achieves Substantial Completion within thirty-six (36) months of the date of adoption of the within Ordinance.

5. 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.

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 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 17101, LOT 40, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 712 GRAND STREET

6. The Tax Assessor shall send a copy of the fully executed Financial Agreement 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*.

LC/he
11/04/16

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 PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-12 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 17101, LOT 40, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 712 GRAND STREET

Initiator

Department/Division	Mayor's Office	
Name/Title	Marcos Vigil	Deputy Mayor
Phone/email	(201) 547-5200	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, Zenith Grand Apartments, LLC, is applying for a five (5) year tax abatement for a mixed use project under NJSA 40A:21-1 et seq. The fee of \$3,300 was paid with the application. The construction of the project has not begun yet in compliance with the requirement of five-year abatement applications.

I certify that all the facts presented herein are accurate.

Signature of Department Director

Date

DATE: November 10, 2016
TO: Lee Chang (For distribution to City Council and City Clerk)
FROM: Al Cameron Tax Collector's Office
SUBJECT: FIVE-YEAR TAX ABATEMENT: Zenith Grand Apartments, LLC
Mixed-use Market Rate Rental Project - 712 Grand Street
Block 17101, Lot 40
CC: J. Monahan, M. Vigil, R. Kakoleski, R. Lavarro, E. Toloza E. Borja,
P. Leandre, K. Kane

INTRODUCTION

PHASE-IN RATE UPDATED

The applicant, Zenith Grand Apartments, LLC is applying for a five (5) Year tax abatement for a Mixed-use market rate rental project under N.J.S.A. 40 A: 21-1 et seq. The fee of \$7,300 was paid with the application.

LOCATION OF THE PROPERTY:

The property is a vacant lot located on Grand Street between Summit Avenue and Prescott Streets. It is designated as Block 17101 Lot 40 on the Jersey City Tax Map and known as 712 Grand Street.

PROPERTY TO BE CONSTRUCTED

The proposed project is new construction of a four (4) story market rate rental building with nine (9) residential units, one (1) Commercial unit and nine (9) parking spaces. The residential units are all three (3) bedrooms.

TOTAL CONSTRUCTION COST:

The cost of construction is certified by the applicant's architect, Jose Carballo at \$1,717,500. (Labor \$912,500; Materials \$805,000)

CONSTRUCTION SCHEDULE:

The applicant will begin construction as soon as all approvals are obtained and construction is expected within twelve (12) months of commencement.

ESTIMATED JOBS:

The applicant estimates ten (10) jobs to be created during Construction and three (3) full-time jobs after construction.

Zenith Grand Apartments, LLC 5-yr Sum
11/10/2016 9:54 AM

AFFORDABLE HOUSING TRUST FUND CONTRIBUTION:

Zenith Grand Apartments

		Rate	Amount
Residential Units	9	\$1,500.00	\$13,500.00
Square footage Parking	1,296	\$1.50	\$1,944.00
Square footage Commercial	500	\$1.50	\$750.00
			<hr/>
	Total AHTF Payment		<u>\$16,194.00</u>

CURRENT REAL ESTATE TAXES:

The assessment provided by the Tax Assessor for the land alone is \$109,700 Based upon that assessment at the current rate of \$77.01 the full tax on the land is \$8,448. All 2016 property taxes of the applicant and affiliates are paid for 2016.

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. Since this development does not produce a positive cost benefit to the City we have increased rate of phase-in of the improvements from the norm.

In year one (1) the applicant would pay taxes on thirty percent (30%) of improvements. In year two (2) it would increase to fifty percent (50%), sixty percent (60%) in year three (3), eighty percent (80%) in year four (4) and ninety percent (90%) in year five (5).

Only taxes on improvements are exempted. In each year full tax would be paid on the land. The projected land tax in year one (1) is \$8,448.

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

PROPOSED REVENUE TO THE CITY:

The total taxes on the improvements projected for the five-year term of the abatement are \$167,599.14.

Total exempted taxes for the term are \$62,692.83. The net taxes collected for the Zenith Grand Apartments, LLC 5-yr Sum

11/10/2016 9:54 AM

term are \$104,906.31.

The Tax Assessor estimated the final assessment based upon information provided by the Applicant. They reflect an estimated annual tax increase of two percent (2%) during the period. The estimated annual tax increase is not included in the Assessor's schedule.

Block 17100 Lot 40

Tax Projections on Improvements Only

Zenith Grand Apartments, LLC						Five Year
Year	1	2	3	4	5	Totals
Current Tax Rate	77.01	78.55	80.12	81.72	83.36	
Full Tax on Improvements	32,205.58	32,849.69	33,506.69	34,176.82	34,860.36	167,599.14
Phase in %	30%	50%	60%	80%	90%	
Phase in Tax on Improvements	9,661.67	16,424.85	20,104.01	27,341.46	31,374.32	104,906.31
Exempted Tax	22,543.91	16,424.85	13,402.68	6,835.36	3,486.04	62,692.83

Assumes 2% Annual Tax Rate Increase

Per Tax Assessor

Assessments

Land \$109,700

Improvements \$418,200

Total \$527,900

ZENITH GRAND APARTMENTS, LLC
 BLOCK 17101 Lot 40
 714 Grand St.

17101-40

Block	Lot		Existing Assessments	New Assessments	Assessment (Phased-In)
17101	40	Land	109700	109700	0
		Bldg	0	418200	418200
		Total	109700	527900	418200

Est. In-Lieu of Full Property Tax On Such Propety An Amount Equal To A Percentage Of Taxes Otherwise Due, According To The Following Schedule:

Year

1	In the first full tax year after completion, 30% of conventinal taxes otherwise due;	9661.67
2	In the second tax year, an amount equal to 50% of conventional taxes otherwise due, estimated to be the sum of;	16102.79
3	In the third tax year, an amount equal to 60% of conventional taxes otherwise due, estimated to be the sum of ;	19323.35
4	In the fourth tax year, an amount equal to 80% of conventional taxes otherwise due, estimated to be the sum of;	25764.47
5	In the fifth tax year, an amount equal to 90% of conventional taxes otherwise due, estimated to be the sum of;	28985.02

AT THE EXPIRATION OF THE EXEMPTION, THE PROJECT'S
 NEW IMPROVEMENT WILL GENERATE APPROXIMATELY THE SUM OF; \$ 32,205.58

11/9/2016

FISCAL IMPACT COST PROJECTION (TIER 1 - 5 YEAR)

Block: 17101 Lot: 40 Loc: 712 GRAND ST.

Market Rate Units	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
3 Bedroom	9	2,798	0,560	25.18	5.04	\$1,172.97	\$3,673.00	\$29,537.80	\$18,511.92	\$48,049.72
TOTAL	9			25.18	5.04			\$29,537.80	\$18,511.92	\$48,049.72

1. Total Municipal Ratables	\$6,093,045,337	4. CY 2016 Budget	\$570,918,095	6. Population of Jersey City (2014 Census)	262,146	9. Increase in Services Incurred Per Development	\$ 48,049.72
2. Residential Ratables	\$3,281,646,604			7. Per Capita Municipal Cost	\$1,172.97	10. Anticipated Taxes (77.01 w/ 2% Annual Increase)	
Commercial Ratables	\$1,524,059,780			8. Annual Expenditures Per Student**	\$3,673.00	1st Year \$	18,109.67
3. Residential Ratables as a Percentage of Total Ratables	53.86%	5. Residential Portion	\$307,490,150			2nd Year \$	25,041.80
						3rd Year \$	28,893.31
						4th Year \$	36,306.54
						5th Year \$	40,518.71
						11. Implied Surplus (Cost)	
						1st Year \$	(29,940.05)
						2nd Year \$	(23,007.92)
						3rd Year \$	(19,156.41)
						4th Year \$	(11,743.18)
						5th Year \$	(7,531.02)

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: 2015-2016 Jersey City Municipal Cost Per Pupil*

NEW ASSESSMENT AFTER IMPROVEMENTS

LAND: 109,700
BLDG: 418,200

TIER ONE (5 YEAR)
11/04/16
NJSA 40A:21-1 et seq
(Multiple Dwelling, Industrial, Commercial)

TAX AGREEMENT
FIVE YEAR/NEW CONSTRUCTION

THIS AGREEMENT made on this _____ day of _____, 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 **ZENITH GRAND APARTMENTS, LLC** [Applicant/Owner], whose principal place of business is 1135 Clifton Avenue, Clifton, New Jersey 07013.

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 Ordinances 07-146 and 14-027; and

WHEREAS, the Applicant is owner of certain property located at 712 Grand Street, in the City of Jersey City, County of Hudson and State of New Jersey, designated as Block 17101, Lot 40 on the Tax Assessor's Map, more commonly known by the street address of 712 Grand Street and more particularly described in the metes and bounds description attached hereto as Exhibit A [Property];

WHEREAS, on or about October 11, 2016, the Applicant applied for a five year tax exemption to construct a new four (4) story mixed-use market rate rental building to contain approximately nine (9) residential units, one thousand two hundred ninety-six (1,296) square feet of parking space for nine (9) parking spaces, and five hundred (500) square feet of commercial space on the Property, pursuant to N.J.S.A. 40A:21-1 et seq. and Section 304-12 of the Municipal Code; 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 _____ on _____.

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 four (4) story mixed-use market rate rental building to contain approximately nine (9) residential

units, one thousand two hundred ninety-six (1,296) square feet of parking space for nine (9) parking spaces, and five hundred (500) square feet of commercial space 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 _____ which authorized the execution of this Tax Agreement, 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 \$6,441;
3. For the full calendar of Year 3, forty (40%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$12,882;
4. For the full calendar of Year 4, sixty (60%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$19,323; 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 \$25,764.

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 \$7,300 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 years beginning the first day of the month after 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 \$16,194, or \$1,500 x 9 residential units plus \$1.50 x 1,296 square feet of parking, and \$1.50 x 500 square

feet of commercial space 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 1st 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: PROJECT LABOR AGREEMENT
AND LIVING WAGE REQUIREMENT
(Projects with Construction Exceeding \$25 Million)**

The Applicant shall execute a Project Labor Agreement as required by Ordinance 07-123 as it exists or as it may be amended from time to time.

The Applicant 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 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 XIII: 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: Zenith Grand Apartments, LLC
c/o Real Estate Renaissance Group, LLC
1135 Clifton Avenue
Clifton, New Jersey 07013
Attn: Ankit Duggal

ARTICLE XIV: 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.

WITNESS:

ZENITH GRAND APARTMENTS, LLC

BY: _____

Ankit Duggal, Managing Member

ATTEST:

CITY OF JERSEY CITY

BY: _____

Robert Byrne
City Clerk

BY: _____

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 **ZENITH GRAND APARTMENTS, LLC** [Recipient], having its principal office at 1135 Clifton Avenue, Clifton, New Jersey 07013.

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 ____ 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 1st 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 1st 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 1st 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 seven (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:

Zenith Grand Apartments, LLC
c/o Real Estate Renaissance Group, LLC
1135 Clifton Avenue
Clifton, New Jersey 07013
Att: Ankit Duggal, Managing Member

With a copy to:

Sean R. McGowan Law, LLC
14 Forest Avenue
P.O. Box 284
Caldwell, New Jersey 07006
Att: Sean R. McGowan, Esq.

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 - 2nd 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

Robert Byrne
City Clerk

Robert J. Kakoleski
Business Administrator

WITNESS:

ZENITH GRAND APARTMENTS, LLC

Ankit Duggal
Managing Member

City Clerk File No. Ord. 16.184

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 16.184

TITLE: ORDINANCE AMENDING AND SUPPLEMENTING CHAPTER 1 (GENERAL PROVISIONS), ARTICLE III (ENFORCEMENT; PENALTIES); CHAPTER 254 (PROPERTY MAINTENANCE), ARTICLE IV (VACANT PROPERTIES); AND CHAPTER 287 (SOLID WASTE), ARTICLE IV (RECYCLING), OF THE JERSEY CITY MUNICIPAL CODE TO 1) INCREASE THE PENALTIES FOR VIOLATIONS OF THE SOLID WASTE SECTION; 2) MODIFY THE CURRENT SECTION FOR REPEAT OFFENDERS PURSUANT TO N.J.S.A. 40:69A-29; AND 3) ESTABLISH MINIMUM PENALTIES FOR VIOLATIONS TO THE RECYCLING AND VACANT PROPERTIES ORDINANCES

COUNCIL offered and moved adoption of the following Ordinance:

- A. The following amendments to Chapter 1 (General Provisions), Article III (Enforcement; Penalties) are hereby adopted:

Chapter 1
ARTICLE III
Enforcement; Penalties

§1-22. Through §1-24.- No Change.

§1-25.- General Penalty.

- A. Notwithstanding any other section of this Code or any other ordinance, the maximum penalty for violating any provision of this Code shall be, in the discretion of the Court, a fine of up to two thousand dollars (\$2,000.00) and/or imprisonment for a period of up to ninety (90) days and/or a period of community service not exceeding ninety (90) days; provided, however, that for the violation of an ordinance pertaining to solid waste disposal the minimum penalty shall be a fine of \$500, and the maximum penalty shall be \$10,000. Each day a violation of any provision of this Code or any ordinance shall continue shall constitute a separate offense. This section shall not affect any mandatory minimum penalty established by any section of the Code or ordinance.
- B. In addition to the penalties hereinabove provided, any condition caused or permitted to exist in violation of any of the provisions of this Code or any ordinance shall be deemed to be a public nuisance and may be abated by the city as provided by law, and each day that such condition continues shall be regarded as a new and separate offense
- C. Pursuant to N.J.S.A. 40:69A-29, any person who is convicted of violating an ordinance within one (1) year of the date of a previous violation of the same ordinance and who was fined for the previous violation, shall be sentenced by a court to an additional fine as a repeat offender. The additional fine imposed by the court upon a person for a repeated offense shall not be less than the minimum or exceed the maximum fine fixed for a violation of the ordinance, but shall be calculated separately from the fine imposed for the violation of the ordinance.
- B. The following amendments to Chapter 254 (Property Maintenance), Article IV (Vacant Properties) are hereby adopted:

Chapter 254
ARTICLE IV
Vacant Properties

§254-20. Through §254-21.9.- No Change.

§254-21.10.- Purpose.

Any person violating any of the provisions of this chapter shall, upon conviction, be punished as provided for in Chapter 1, General Provisions, Section 1-25; provided, however, that the minimum penalty for a violation of this chapter shall be a fine of \$100.

C. The following amendments to Chapter 287 (Solid Waste), Article IV (Recycling) are hereby adopted:

Chapter 287
ARTICLE IV
Recycling

§287-41. Through §287-48.- No Change.

§287-49. Violations and Penalties.

Any person, corporation, occupant or other entity that violated or fails to comply with any provision of this Ordinance or any of the rules and regulations promulgated hereunder shall, upon conviction thereof, be punishable as provided for in Chapter 1, General Provisions, Section 1-25 ~~by a fine no less than one hundred dollars (\$100.00) for the first three violations, nor more than the maximum penalty set in accordance with Section 1-25 of this Code. Each day for which a violation of this Ordinance occurs shall be considered a separate offense.~~

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

E. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.

F. This ordinance shall take effect on January 1, 2017.

G. 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: All new material is underlined; words in [brackets] are omitted.
For purposes of advertising only, new matter is **boldface**
and repealed matter by *italics*.

SS/he
11/10/16

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required
Not Required

ORDINANCE / RESOLUTION FACT SHEET

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 AMENDING AND SUPPLEMENTING CHAPTER 1 (GENERAL PROVISIONS), ARTICLE III (ENFORCEMENT; PENALTIES); CHAPTER 254 (PROPERTY MAINTENANCE), ARTICLE IV (VACANT PROPERTIES); AND CHAPTER 287 (SOLID WASTE), ARTICLE IV (RECYCLING), OF THE JERSEY CITY MUNICIPAL CODE TO 1) INCREASE THE PENALTIES FOR VIOLATIONS OF THE SOLID WASTE SECTION; 2) MODIFY THE CURRENT SECTION FOR REPEAT OFFENDERS PURSUANT TO N.J.S.A. 40:69A-29; AND 3) ESTABLISH MINIMUM PENALTIES FOR VIOLATIONS TO THE RECYCLING AND VACANT PROPERTIES ORDINANCES

Initiator

Department/Division	Mayor's Office	Mayor's Office
Name/Title	Steven M. Fulop	Mayor
Phone/email	(201) 547-5200	

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

Ordinance Purpose

A Quality of Life Initiative: 1) Increase the penalties for violations of the Solid Waste ordinance; 2) modify the current Ordinance for repeat offenders pursuant to N.J.S.A. 40:69A-20; and 3) establish minimum penalties for violations to the Recycling and Vacant Properties Ordinances.

The Acting Director will appear to answer any questions.

I certify that all the facts presented herein are accurate.

Signature of Department Director

Date

City Clerk File No. Ord. 16.185

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 16.185

TITLE:

A FRANCHISE ORDINANCE GRANTING PERMISSION TO ROSEVILLE AVENUE REDEVELOPMENT URBAN RENEWAL LLC, ITS SUCCESSORS AND ASSIGNS, TO MAKE PRIVATE IMPROVEMENTS TO A PORTION OF LANDS WITHIN THE SIDEWALK AREA OF MONTGOMERY STREET AND YORK STREET PUBLIC RIGHT-OF-WAY LOCATED ADJACENT TO 391-413 MONTGOMERY STREET AND 451-489 MONTGOMERY STREET, JERSEY CITY, NJ

WHEREAS, Roseville Avenue Redevelopment Urban Renewal LLC, having a business address of c/o 6 Faneuil Hall Marketplace, Boston, MA 02109, is the owner of the property located at Block 12606, Lot 1 (*aka* 391-413 Montgomery Street), and Block 13603, Lot 3 (*aka* 451-489 Montgomery Street), on the current tax maps of the City of Jersey City, and more commonly known as Brunswick Estates, and as part of its development desires to make site improvements to a portion of lands located within the sidewalk areas of Montgomery Street and York Street public right-of-way. The proposed development of the property includes the renovation of Brunswick Estates, a 131 unit low and moderate income housing project, including 7 households who benefit from fully ADA compliant apartments; and

WHEREAS, part of the renovation includes the proposed construction of handicap ramps and landings within the Montgomery Street and York Street sidewalk areas of the public right-of-way, which encroachment occurs at four ramps along Montgomery Street and one ramp along York Street; and

WHEREAS, Roseville Avenue Redevelopment Urban Renewal LLC has filed a petition for relief and represented to the Municipal Council of the City of Jersey City that the passage of this Ordinance is essential for the construction of the handicap ramps for handicap accessibility to the building; and

WHEREAS, after due notice was given in accordance with law, a public hearing was held on the Petition filed by Roseville Avenue Redevelopment Urban Renewal LLC to grant permission to construct private improvements within the public right-of-way for the following purposes:

1. The contemplated improvements will include the installation of handicap ramps and landings to be located within the sidewalk area of the Montgomery Street and York Street public right-of-way for the purpose of providing handicap accessibility to the building, said encroachment occurs at four ramps along Montgomery Street and one ramp along York Street; and
2. All costs associated with these improvements will be incurred by the Petitioner, and there being no objections thereto; and

WHEREAS, the Jersey City Zoning Officer and Building Department approved the construction of the improvements at the subject 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 private improvements within the public right-of-way; and

WHEREAS, by reason of the character of the development of the area within which this property is situated, and the area requested for the franchise is minimal, and the said improvements will assist in meeting handicap access to the property and greatly benefit Jersey City and the surrounding neighborhood; and

WHEREAS, the public interest will be served by said 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, BE IT ORDAINED, by the Municipal Council of the City of Jersey City, that:

SECTION I. Permission be, and is hereby granted to Roseville Avenue Redevelopment Urban Renewal LLC, its successors and assigns, to make private improvements to a portion of lands located at Montgomery Street and York Street, in the City of Jersey City, said areas being more particularly described as follows and on the plan attached hereto as Exhibit A (survey and metes and bounds description).

1. The contemplated improvements will include the installation of handicap ramps and landings to be located within the sidewalk area of the Montgomery Street and York Street public right-of-way (see Exhibit A; survey and metes and bounds description); and
2. The contemplated improvements will be constructed consistent with the Plans approved by the Jersey City Zoning Officer and Building Department and there will remain sufficient area in the right-of-way for pedestrian use.

SECTION II. 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. After construction there shall remain no damage to the sidewalk or roadway or interference with the free and safe flow of pedestrian traffic and vehicular traffic. Roseville Avenue Redevelopment Urban Renewal LLC, and its successors and assigns, shall maintain all improvements installed by it for the entire term of this Franchise at no cost to the City.

SECTION III. This Ordinance shall remain in full force and effect for a period of thirty (30) 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 giving written notice to the Petitioners one year prior to the date of cancellation.

SECTION IV. All costs and expenses incident to the introduction, passage and publication of this Ordinance shall be borne and paid by said Roseville Avenue Redevelopment Urban Renewal LLC.

SECTION V. In accepting the privileges of this Ordinance and the installation, maintenance and use hereby authorized, Roseville Avenue Redevelopment Urban Renewal LLC, its successors and assigns hereby agree to assume full, complete and undivided responsibility for any and all injury or damage to persons or property by reason of said installation, maintenance and use, and to indemnify and hold the City of Jersey City harmless from all injury or damage to persons or property by reason of such installation, 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 this Ordinance. Roseville, Avenue Redevelopment Urban Renewal LLC, its successor and assigns, shall maintain in effect, during the term of this Franchise, \$2,000,000 in general liability insurance or in such amount and type as the City's Risk Manager may reasonably require from time to time (with required liability satisfied by the combination of primary general liability and excess umbrella 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 Ordinance. A certificate of insurance, in the amount of \$2,000,000.00 in a form deemed acceptable by the City's Risk Manager, shall be delivered to the Risk Manager before use or occupancy of the public property subject to this Franchise Ordinance.

SECTION VI. This Ordinance shall not become effective unless an acceptance hereof in writing is filed by the Petitioner with the City Clerk. In the event, that the Petitioner shall not file with the City Clerk its acceptance in writing of the provisions of this Ordinance within 30 days after receiving notice of its passage, this Ordinance shall become void and be of no effect.

SECTION VII. 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 assign or otherwise transfer its rights under this Franchise Ordinance.

SECTION VIII. An easement for the duration of this Ordinance is reserved for the benefit of the City of Jersey City and all public utility companies including any cable television company as defined in the "Cable Television Act", P.L. 1972, c. 186 (c. 48:5A-1 et seq.) for the purpose of ingress and egress over and upon the area subject to this Franchise Ordinance in order to maintain, repair or replace existing utility facilities including water lines, sewer lines, gas lines and telephone, electrical and cable television wires and poles which may be located either beneath or above the surface of the area subject to this Franchise Ordinance.

SECTION IX. For the rights and privileges herein granted, said beneficiaries hereunder, their successors and assigns, shall pay annually to the City of Jersey City the sum of One Dollar (\$1.00), which payment shall be made annually on the 1st day of July next succeeding the time when this Ordinance shall become effective and on each first day of July thereafter until the termination of this Ordinance.

SECTION X.

- 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 certified and incorporated in the official copies of the Jersey City Code.
- C. This Ordinance shall take effect immediately pursuant to *N.J.S.A. 40:69A-181(b)*. The City acknowledges that Roseville Avenue Redevelopment Urban Renewal LLC, is receiving Low Income Housing Tax Credits for the renovation of Brunswick Estates and the project cannot proceed if this Ordinance does not take effect until 20 days after final passage; and therefore, the City hereby waives such 20-day period, as provided for in *N.J.S.A. 40:69A-181(b)*.
- 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.

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required
Not Required

PETITION

TO: THE HONORABLE MAYOR AND MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY:

Your Petitioner, Roseville Avenue Redevelopment Urban Renewal LLC ("Petitioner"), having a business address of c/o 6 Faneuil Hall Marketplace, Boston, MA 02109, respectfully says that:

1. Petitioner, is the owner of the property located at Block 12606, Lot 1 (aka 391-413 Montgomery Street), and Block 13603, Lot 3 (aka 451-489 Montgomery Street), on the current tax maps of the City of Jersey City (the "Property"). The proposed development of the Property includes the renovation of Brunswick Estates, a 131 unit low and moderate income housing project, including 7 households who benefit from fully ADA compliant apartments.

2. Petitioner proposes to make the following site improvements within the areas of the public right-of-way:

A. Part of the renovation of Brunswick Estates includes the proposed construction of handicap ramps and landings within the Montgomery Street and York Street sidewalk areas of the public right-of-way, which encroachment occurs at four ramps along Montgomery Street and one ramp along York Street.

B. All costs associated with these improvements will be incurred by the Petitioner.

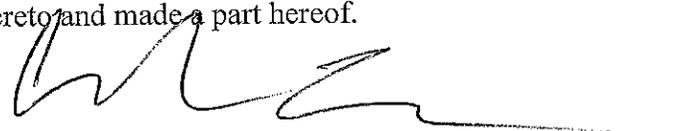
3. The contemplated improvements will assist in meeting handicap access to the Property and greatly benefit Jersey City and the surrounding neighborhood; and

4. The Petitioner presented the proposed improvements to the Jersey City Zoning Officer and Building Department, which can approve proposed improvements conditioned upon the Petitioner being granted a franchise ordinance by the City of Jersey City.

5. The contemplated improvements are necessary to construct the proposed development and the public interest will be served by said improvements, which will be of great benefit to the citizens of Jersey City and Hudson County.

WHEREFORE, your Petitioner respectfully petitions for itself, its successors and assigns, for the enactment of a Franchise Ordinance to allow it to make private improvements within the public right-of-way of Montgomery Street and York Street sidewalk areas, all as more particularly shown on the survey annexed hereto and made a part hereof.

By: _____


Cecilia I. Lassiter, Esq.
Sills Cummis & Gross, P.C.
o/b/o Roseville Avenue Redevelopment Urban
Renewal, LLC
Attorneys for the Petitioner

Re: Brunswick Estates Rehabilitation
ADA Ramp Landing

Dear Mr. Farrell,

As you know the Brunswick Estates rehabilitation project is well underway and is slated for completion by December of this year. The construction effort has moved as anticipated and we have been able to incorporate many of the City of Jersey City's priorities, including:

1. Modifying our scope of work to include storm doors along all street facing entryways. As requested, this addition will provide more visual privacy and increased security for residents, increasing quality of life and curb appeal.
2. Making application to and committing funds to the Jersey City Division of Parks and Forestry for their Fall 2016 Tree Planting Series. Winn has coordinated for the installation of nearly 50 street trees in the public sidewalks directly adjacent to Brunswick Estates. These plantings, which will be maintained and watered by Winn, will dramatically increase the facades along Montgomery Street, Bright Street, York Street, Colgate Street, and Merseles Street.
3. While no new PILOT and corresponding PECA was entered into at closing, Winn was made aware in May of 2016 of the City's goals for local and minority labor forces. Since May the Brunswick Estates project has seen 52% of new hires be verified Jersey City residents, with 72% of new labor hours from minority workers.

A critical component of the Brunswick Estates project is the substantial renovation of 7 units in order to make them fully accessible to residents with physical disabilities. However, clarity in the ADA Design Codes have created an issue with our contemplated ramp design at 5 locations along public right of ways. The scenario is as follows:

1. Per ADA code Winn is required to provide two means of egress for the Handicap accessible units. At Brunswick Estates this is achieved with one entryway and ramp facing towards the internal parking areas and a second facing towards the adjacent roadway and sidewalk.
2. Per our ALTA Survey the property line is ~3' 6" from the face of our building.
3. While the entirety of the ADA ramp can be constructed within our property line, the ADA code also requires:
 - a. That all ramps have a railed landing at the entryway.
 - b. That there be 5' foot clearance between walls and rails.
4. Therefore in order to construct ADA compliant ramps (see the attached architectural detail) at 5 locations throughout the two sites, the ramp landings will have to encroach 1'-9" beyond the property line into the public sidewalk. The landing area is 5'-3" wide, therefore there are approximately 9 square feet in the public sidewalk (see attached elevation).
5. This encroaching condition occurs at four ramps along Montgomery Street and one ramp along York Street (see the attached site plans).
6. It is Winn's intention to pay for the ramp/landing infrastructure, maintain the encroaching portion, and properly insure these built areas.





6 Faneuil Hall Marketplace
Boston | MA | 02109

(617) 742-4500

winncompanies.com

As stated, Winn is making great progress towards construction completion at Brunswick Estates on time and on budget. The transformation of this property will greatly improve the lives of the approximately 400 residents who live in its 131 units, including the 7 households who benefit from fully ADA compliant apartments. Requesting state and federal waivers from complying with ADA standards is a lengthy, costly, and uncertain proposition. Therefore, WinnDevelopment kindly requests that the City of Jersey City enter into an easement with a Winn subsidiary or the property's ownership entity which will allow for the construction of the five ADA ramp landings that encroach 1'-9" into the public right of way and Winn to properly insure the ramps.

Sincerely,

A handwritten signature in black ink, appearing to read 'Brett Meringoff'.

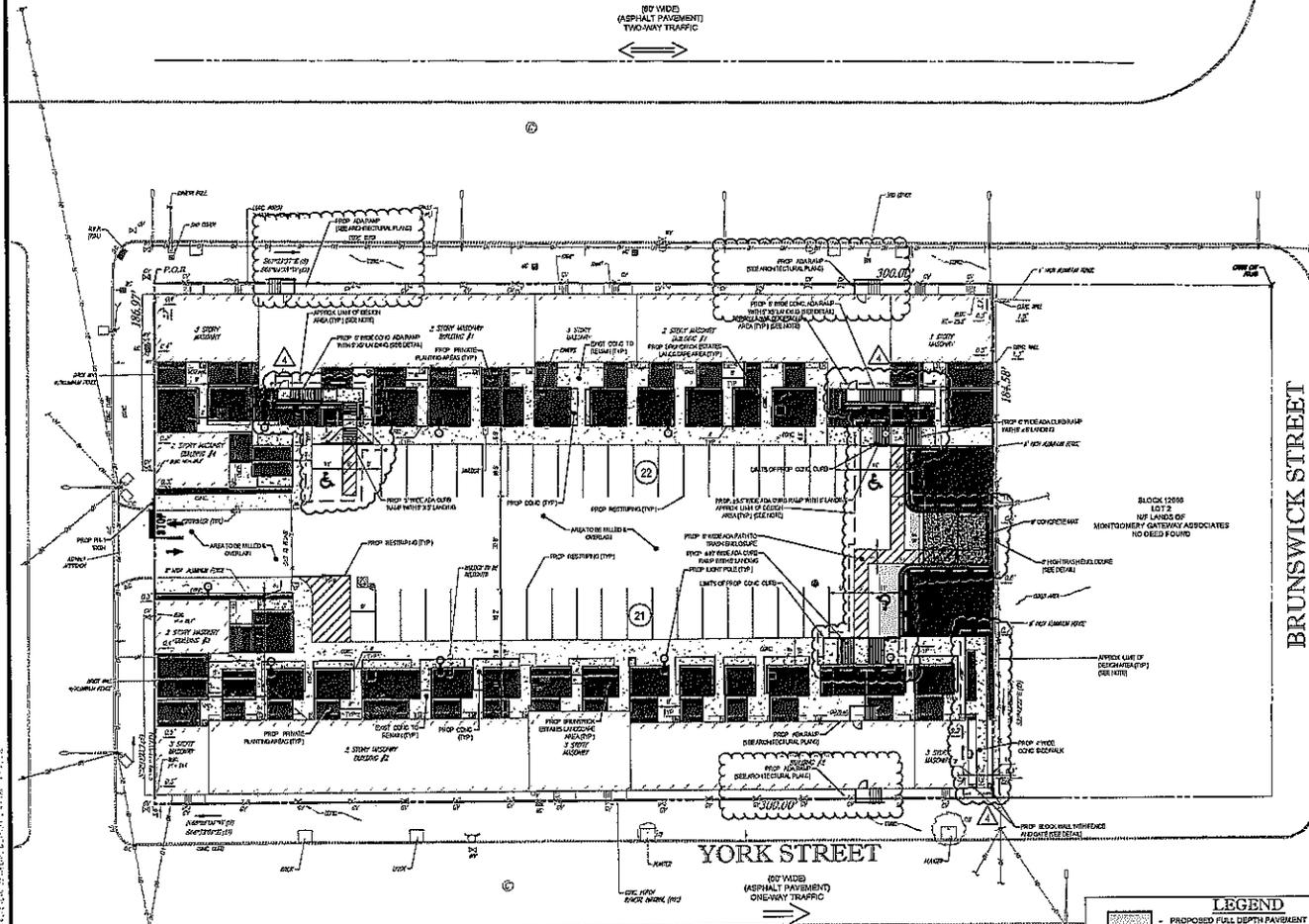
Brett Meringoff
Senior Vice President
WinnDevelopment





MONTGOMERY STREET

(8' WIDE)
(ASPHALT PAVEMENT)
TWO-WAY TRAFFIC



YORK STREET

(8' WIDE)
(ASPHALT PAVEMENT)
ONE-WAY TRAFFIC

BRUNSWICK STREET

ASBESTOS
ABSTAIN FROM
CHEMICAL TRAFFIC

LEGEND

- PROPOSED FULL DEPTH PAVEMENT
- PROPOSED CONCRETE
- PROPOSED BRUNSWICK ESTATES LANDSCAPE AREAS
- PROPOSED PRIVATE PLANTING AREAS

APPROXIMATE LIMIT OF DESIGN AREA NOTE
BOHLER ENGINEERING HAS ONLY DESIGNED THE PORTIONS OF THE SITE AS INDICATED ON THE PLANS. THE REMAINING AREAS ARE SHOWN FOR ILLUSTRATION PURPOSES ONLY. THE PROPOSED GRADING AND DRAINAGE OUTSIDE THE LIMIT OF DESIGN AREA SHOULD BE CONSISTENT WITH EXISTING DRAINAGE PATTERNS.

EXISTING CURB TO REMAIN UNLESS OTHERWISE NOTED

THIS PLAN TO BE UTILIZED FOR SITE LAYOUT PURPOSES ONLY



GENERAL NOTES:

1. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE CITY OF JERSEY CITY AND THE STATE OF NEW JERSEY.
2. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE CITY OF JERSEY CITY AND THE STATE OF NEW JERSEY.
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40. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE CITY OF JERSEY CITY AND THE STATE OF NEW JERSEY.
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50. THE CONTRACTOR SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE CITY OF JERSEY CITY AND THE STATE OF NEW JERSEY.

BOHLER ENGINEERING
REGISTERED PROFESSIONAL ENGINEER
STATE OF NEW JERSEY
NO. 123456789
1000 MAIN STREET
NEW JERSEY, NJ 07102
TEL: 973-555-1234
WWW.BOHLENERGINEERING.COM

REVISIONS

REV.	DATE	DESCRIPTION	BY	CHK
1	01/15/2024	REVISED PER CITY COMMENTS	JM	SM
2	01/20/2024	REVISED PER CITY COMMENTS	JM	SM
3	01/25/2024	REVISED PER CITY COMMENTS	JM	SM
4	02/01/2024	REVISED PER CITY COMMENTS	JM	SM

ISSUED FOR CONSTRUCTION

CONSTRUCTION DRAWINGS
FOR
WinnDevelopment
Proposed
BRUNSWICK ESTATES

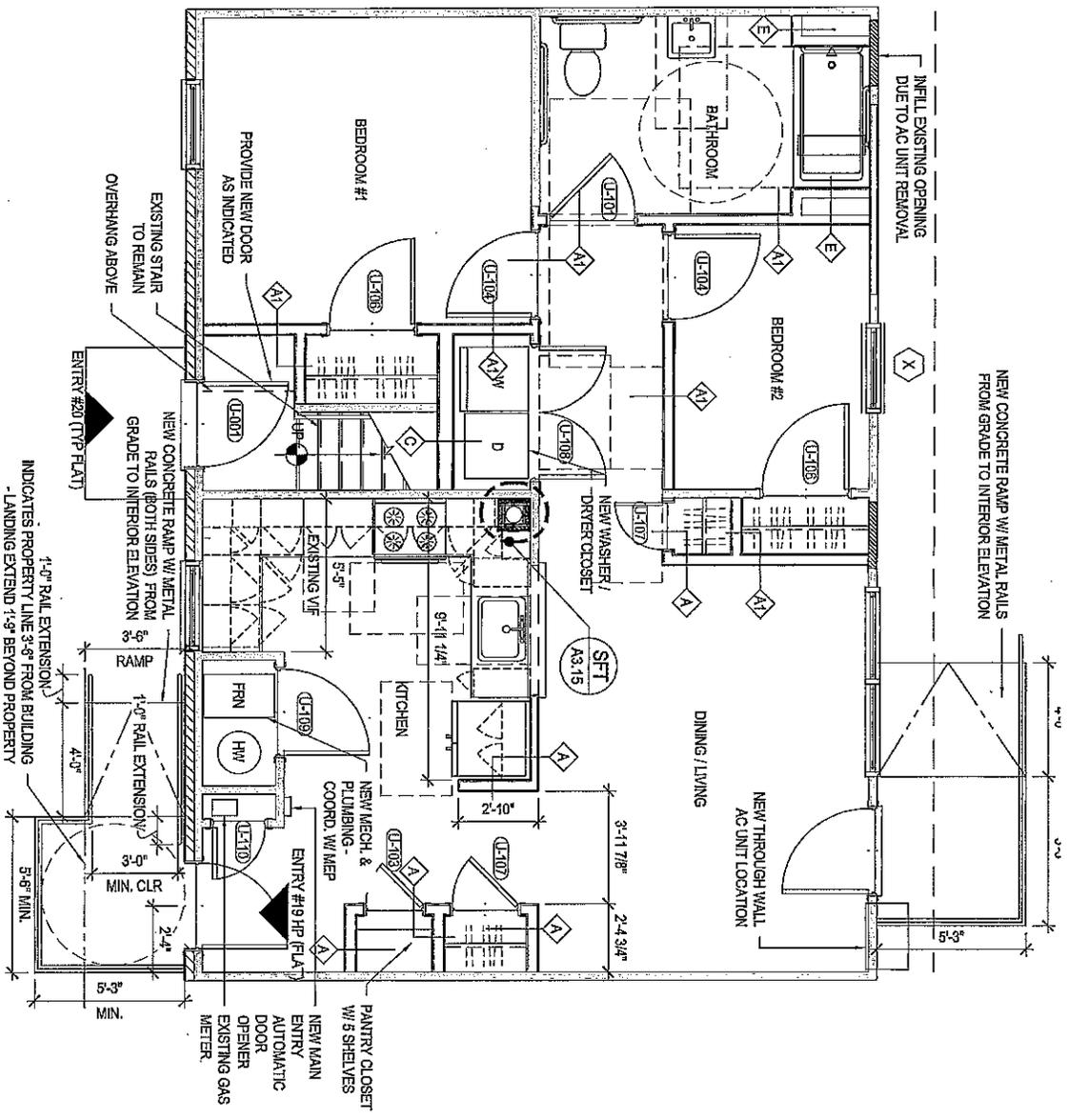
BLOCK 12008 LOT 1
391-45 MONTGOMERY STREET
CITY OF JERSEY CITY
HUDSON COUNTY, NEW JERSEY

BOHLER ENGINEERING
38 TREMONT LANE
WARRINGTON, NJ 07093
TEL: 973-555-1234
WWW.BOHLENERGINEERING.COM

D.F. WISOTSKY
PROFESSIONAL ENGINEER
NEW JERSEY LICENSE NO. 0491
1000 MAIN STREET
NEW JERSEY, NJ 07102

SITE PLAN
SHEET NUMBER:
3
OF 9
REVISION 4 - 08/12/2024

20
 SCALE: 1/4" = 1'-0"
PROPOSED - 2BR TOWNHOUSE TO FLAT (HC MODIFICATION) (UNITS # 19 & #20)



LOCATED AT BUILDING #2

tat | the architectural team
 50 Commandant's Way
 at Admiral's Hill
 Chelsea MA 02150
 T 617.889.4402
 F 617.884.4329
 www.architecturalteam.com
 ©2008 The Architectural Team, Inc.

Project: Brunswick Estates
 Jersey City, New Jersey
 Title: HC Unit - Ramp Modification
 Ref Dwg: 20/A2.06
 Date: 10/19/2016
 Project #: 15034

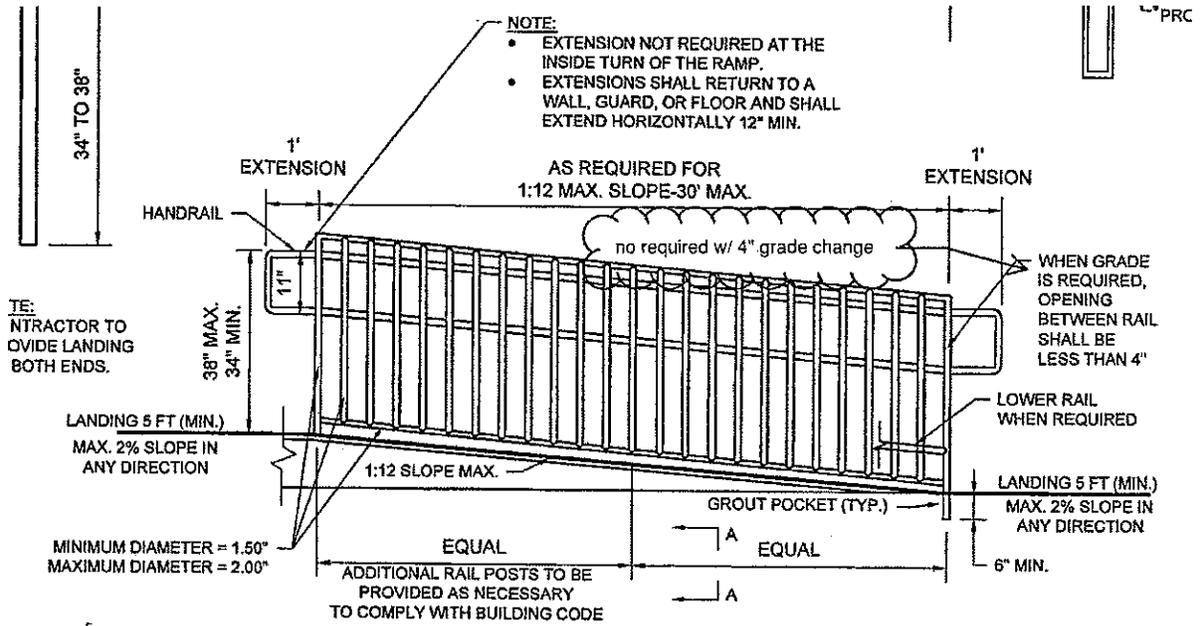
ASK:

05

Revision: -
 Scale: AS NOTED

Brunswick Estates

ADA Ramp Detail



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL NOTICE OF CANCELLATION
(AMENDMENT OF CANCELLATION CONDITION)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Section IV – Commercial General Liability Conditions is amended to include the following additional condition:

In the event that we cancel this policy for any reason, other than for the nonpayment of premium, we will provide advance written notice of such cancellation to the entity(ies) or individual(s) shown in the Schedule below in accordance with the number of days stated.

SCHEDULE		
Entity or Individual	Address	Number of Days Advance Written Notice of Cancellation (Other Than Nonpayment of Premium)
On file with company	On file with company	90

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – WHERE REQUIRED UNDER CONTRACT OR AGREEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Section II – Who Is An Insured is amended to include any person or organization to whom you become obligated to include as an additional insured under this policy, as a result of any contract or agreement you enter into which requires you to furnish insurance to that person or organization of the type provided by this policy, but only with respect to liability arising out of your operations or premises owned by or rented to you. However, the insurance provided will not exceed the lesser of:

- a. The coverage and/or limits of this policy; or
- b. The coverage and/or limits required by said contract or agreement.



BOHLERTM

ENGINEERING

35 Technology Drive
Warren, NJ 07059
PHONE 908.668.8300

November 14, 2016

Via Hand Delivery

Mr. David Ginsberg
Winn Companies
6 Faneuil Hall Marketplace
Boston, MA 02109

**RE: Proposed Brunswick Estates
Block 12606, Lot 1
391-413 Montgomery Street
City of Jersey City
Hudson County, New Jersey
BENJ File No. J150642**

Dear Mr. Ginsberg:

Enclosed please find the following items regarding the above referenced project for your use in submitting the application for franchise ordinance with the City of Jersey City:

- Twenty-Nine (29) signed and sealed copies of the Metes and Bounds Descriptions, prepared by Control Point Associates, Inc., dated November 11, 2016.
- Twenty-Nine (29) signed and sealed copies of the Easement Exhibit, prepared by Bohler Engineering, dated November 11, 2016.

Should you have any questions or require any additional information, please contact the undersigned at your earliest convenience.

Sincerely,

BOHLER ENGINEERING NJ, LLC

Kyle McKenna

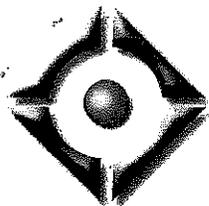
Brad Thompson, P.E.

RECEIVED

2016 NOV 14 P 1:01

CITY CLERK'S OFFICE
JERSEY CITY, N.J.

BMT/KM/ac G:\2015\150642\Admin\Letters-OUT\Winn 04 (Ginsberg) 11-14-16.docx



CONTROL POINT ASSOCIATES, INC.

traditional methods | modern approaches

35 Technology Drive
Warren, NJ 07059
Tel: 908.668.0099
www.cpasurvey.com

NOVEMBER 11, 2016
C15224.01

**METES AND BOUNDS DESCRIPTION
EASEMENT 'C'
ACROSS A PORTION OF MONTGOMERY STREET
ADJACENT TO LOT 1, BLOCK 12606
CITY OF JERSEY CITY
HUDSON COUNTY, STATE OF NEW JERSEY**

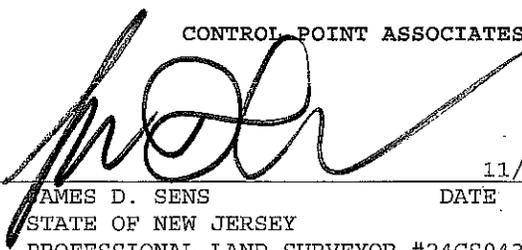
BEGINNING AT A POINT ON THE NORTHERLY LINE OF YORK STREET (60' WIDE RIGHT OF WAY), SAID POINT BEING SOUTH 68 DEGREES - 01 MINUTES - 00 SECONDS EAST, A DISTANCE OF 250.46 FEET AS MEASURED ALONG THE SAME FROM THE INTERSECTION WITH THE EASTERLY LINE OF COLGATE STREET AND FROM SAID POINT OF BEGINNING RUNNING, THENCE;

1. SOUTH 21 DEGREES - 58 MINUTES - 34 SECONDS WEST, A DISTANCE OF 2.17 FEET TO A POINT, THENCE;
2. SOUTH 68 DEGREES - 01 MINUTES - 00 SECONDS EAST, A DISTANCE OF 6.50 FEET TO A POINT, THENCE;
3. NORTH 21 DEGREES - 58 MINUTES - 34 SECONDS WEST, A DISTANCE OF 2.17 FEET TO THE A POINT IN SAID NORTHERLY SIDE LINE OF YORK STREET, THENCE;
4. ALONG SAID NORTHERLY SIDE LINE OF YORK STREET, NORTH 68 DEGREES -01 MINUTES - 00 SECONDS WEST, A DISTANCE OF 6.50 FEET TO SAID POINT AND PLACE OF BEGINNING.

CONTAINING 14 SQUARE FEET OR 0.0003 ACRES.

THIS DESCRIPTION IS WRITTEN WITH REFERENCE TO A MAP ENTITLED "EASEMENT EXHIBIT, FE BRUNSWICK ESTATES, 391-413 MONTGOMERY STREET (TRACT I), LOT 1, BLOCK 12606, CITY OF JERSEY CITY, HUDSON COUNTY, STATE OF NEW JERSEY " PREPARED BY CONTROL POINT ASSOCIATES, DATED 11-11-2016.

CONTROL POINT ASSOCIATES, INC.



JAMES D. SENS
STATE OF NEW JERSEY
PROFESSIONAL LAND SURVEYOR #24GS04322600

11/11/2016

DATE

JDS P:\surveys\2015\C15244-BrunswickEstates-JerseyCity-NJ-PJ\M&B

PREPARED BY: _____

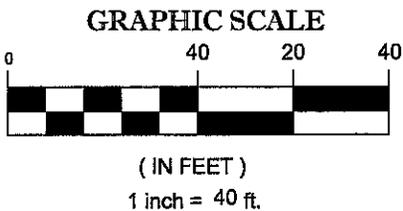
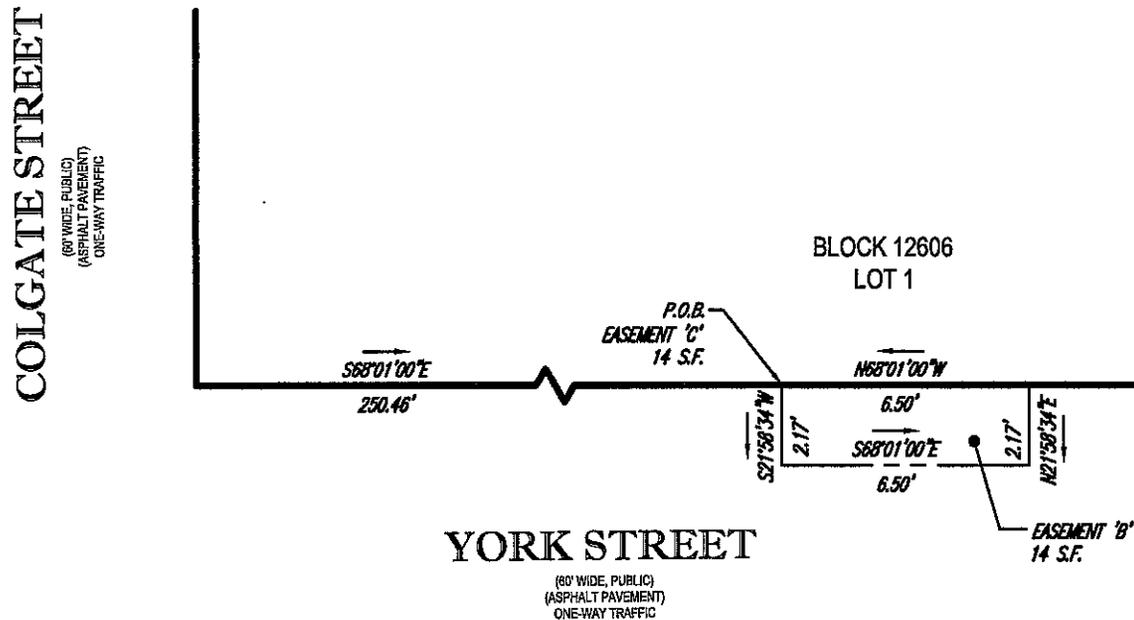
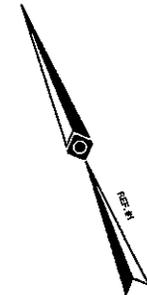
REVIEWED BY: _____

Corporate Headquarters
35 Technology Drive, Warren, NJ 07059
Tel: 908.668.0099 Fax: 908.668.9595

Professional Land Surveying, Geospatial and Consulting Services

REFERENCES:

1. MAP ENTITLED "ALTA/ACSM LAND TITLE SURVEY, BRUNSWICK ESTATES, 391-413 MONTGOMERY STREET (TRACT I) LOT 1, BLOCK 12606, CITY OF JERSEY CITY, HUDSON COUNTY, STATE OF NEW JERSEY" PREPARED BY CONTROL POINT ASSOCIATES, INC., DATED JUNE 5, 2015, LAST REVISED DECEMBER 11, 2015 AS REVISION NO. 2.
2. SITE PLAN PROVIDED BY BOHLER ENGINEERING IN AUTOCAD DIGITAL DWG FORMAT.



THIS SURVEY HAS BEEN PERFORMED IN THE FIELD UNDER MY SUPERVISION, AND TO THE BEST OF MY KNOWLEDGE, BELIEF, AND INFORMATION, THIS SURVEY HAS BEEN PERFORMED IN ACCORDANCE WITH CURRENTLY ACCEPTED ACCURACY STANDARDS.

NOT A VALID ORIGINAL DOCUMENT UNLESS EMBOSSED WITH RAISED IMPRESSION SEAL

11/11/16
DATE

JAMES D. SENS
NEW JERSEY PROFESSIONAL LAND SURVEYOR #24GS04322600
NEW JERSEY CERTIFICATE OF AUTHORIZATION #24GA27938600

FIELD DATE	N/A
FIELD BOOK NO.	N/A
FIELD BOOK PG.	N/A
FIELD CREW	N/A
DRAWN:	J.R.R.
REVIEWED:	J.D.S.

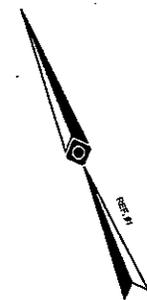
EASEMENT 'C' EXHIBIT
BRUNSWICK ESTATES
391-413 MONTGOMERY STREET (TRACT I)
LOT 1, BLOCK 12606
CITY OF JERSEY CITY
HUDSON COUNTY, STATE OF NEW JERSEY

CONTROL POINT ASSOCIATES, INC.
35 TECHNOLOGY DRIVE
WARREN, NJ 07059
908.668.0099 - 908.668.9595 FAX
CHALFONT, PA 215.712.9800
SOUTHBOROUGH, MA 508.948.3000

APPROVED:	J.D.S.	DATE	11/11/16	SCALE	1"=40'	FILE NO.	C15244.01	DWG. NO.	1 OF 1
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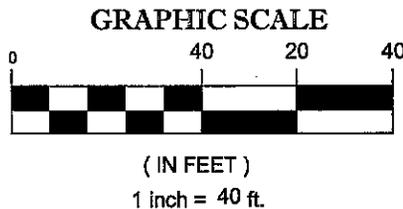
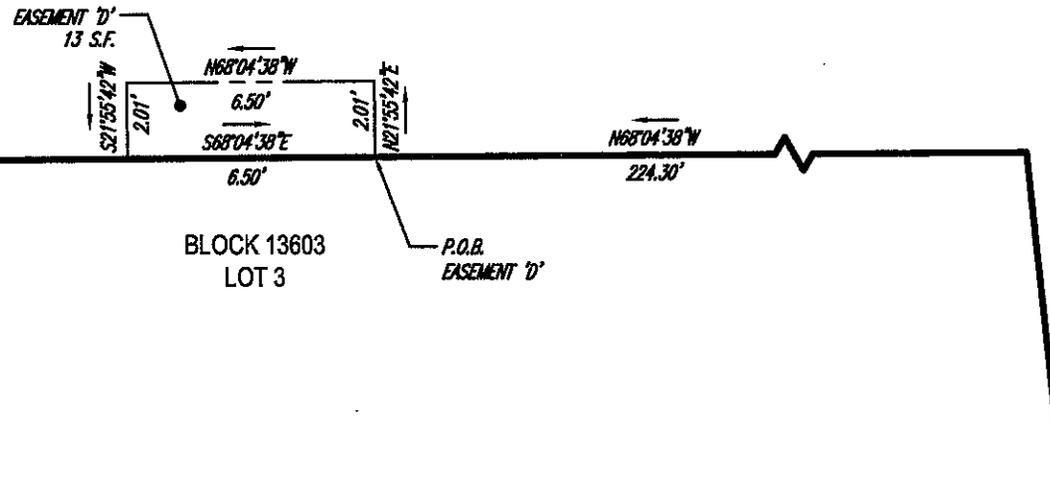
REFERENCES:

1. MAP ENTITLED "ALTA/ACSM LAND TITLE SURVEY, BRUNSWICK ESTATES, 451-489 MONTGOMERY STREET (TRACT II) LOT 3, BLOCK 13603, CITY OF JERSEY CITY, HUDSON COUNTY, STATE OF NEW JERSEY" PREPARED BY CONTROL POINT ASSOCIATES, INC., DATED JUNE 5, 2015, LAST REVISED DECEMBER 11, 2015 AS REVISION NO. 2.
2. SITE PLAN PROVIDED BY BOHLER ENGINEERING IN AUTOCAD DIGITAL DWG FORMAT.



MONTGOMERY STREET

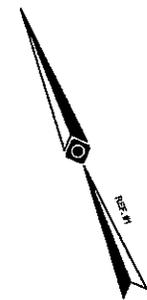
(80' WIDE, PUBLIC)
(ASPHALT PAVEMENT)
TWO-WAY TRAFFIC



THIS SURVEY HAS BEEN PERFORMED IN THE FIELD UNDER MY SUPERVISION, AND TO THE BEST OF MY KNOWLEDGE, BELIEF, AND INFORMATION, THIS SURVEY HAS BEEN PERFORMED IN ACCORDANCE WITH CURRENTLY ACCEPTED ACCURACY STANDARDS.	FIELD DATE	EASEMENT 'D' EXHIBIT					
	N/A	BRUNSWICK ESTATES					
NOT A VALID ORIGINAL DOCUMENT UNLESS EMBOSSED WITH RAISED IMPRESSION SEAL	FIELD BOOK NO.	451-489 MONTGOMERY STREET (TRACT II)					
	N/A	LOT 3, BLOCK 13603					
11/11/16	FIELD BOOK PG.	CITY OF JERSEY CITY					
	N/A	HUDSON COUNTY, STATE OF NEW JERSEY					
JAMES D. SENS NEW JERSEY PROFESSIONAL LAND SURVEYOR #24GS0432260D NEW JERSEY CERTIFICATE OF AUTHORIZATION #24GA27938600	FIELD CREW	CONTROL POINT ASSOCIATES, INC. 35 TECHNOLOGY DRIVE WARREN, NJ 07059 908.668.0099 - 908.668.9595 FAX					
	N/A	CHALFONT, PA 215.712.9800 SOUTHBOROUGH, MA 508.948.3000					
DATE	DRAWN:	REVIEWED:	APPROVED:	DATE	SCALE	FILE NO.	DWG. NO.
11/11/16	J.R.R.	J.D.S.	J.D.S.	11/11/16	1"=40'	C15244.01	1 OF 1

REFERENCES:

1. MAP ENTITLED "ALTA/ACSM LAND TITLE SURVEY, BRUNSWICK ESTATES, 451-489 MONTGOMERY STREET (TRACT II) LOT 3, BLOCK 13603, CITY OF JERSEY CITY, HUDSON COUNTY, STATE OF NEW JERSEY" PREPARED BY CONTROL POINT ASSOCIATES, INC., DATED JUNE 5, 2015, LAST REVISED DECEMBER 11, 2015 AS REVISION NO. 2.
2. SITE PLAN PROVIDED BY BOHLER ENGINEERING IN AUTOCAD DIGITAL DWG FORMAT.



MONTGOMERY STREET

(60' WIDE, PUBLIC)
(ASPHALT PAVEMENT)
TWO-WAY TRAFFIC

EASEMENT 'E'
13 S.F.

S21°49'57"W
2.00'

2.00'

N68°04'38"W

S68°04'38"E

6.50'

2.00'
N21°49'57"E

P.O.B.
EASEMENT 'E'

N68°04'38"W

324.85'

BLOCK 13603
LOT 3

MERSELES STREET
(60' WIDE, PUBLIC)
(ASPHALT PAVEMENT)

GRAPHIC SCALE



(IN FEET)
1 inch = 40 ft.

THIS SURVEY HAS BEEN PERFORMED IN THE FIELD UNDER MY SUPERVISION, AND TO THE BEST OF MY KNOWLEDGE, BELIEF, AND INFORMATION, THIS SURVEY HAS BEEN PERFORMED IN ACCORDANCE WITH CURRENTLY ACCEPTED ACCURACY STANDARDS.

NOT A VALID ORIGINAL DOCUMENT UNLESS EMBOSSED WITH RAISED IMPRESSION SEAL

[Signature]
DATE 11/11/16
JAMES D. SENS
NEW JERSEY PROFESSIONAL LAND SURVEYOR #24GS04322600
NEW JERSEY CERTIFICATE OF AUTHORIZATION #24GA27938600

FIELD DATE N/A		EASEMENT 'E' EXHIBIT			
FIELD BOOK NO. N/A		BRUNSWICK ESTATES			
FIELD BOOK PG. N/A		451-489 MONTGOMERY STREET (TRACT II) LOT 3, BLOCK 13603 CITY OF JERSEY CITY HUDSON COUNTY, STATE OF NEW JERSEY			
FIELD CREW N/A		 CONTROL POINT ASSOCIATES, INC. 35 TECHNOLOGY DRIVE WARREN, NJ 07059 908.668.0099 - 908.668.9595 FAX CHALFONT, PA 215.712.9800 SOUTHBOROUGH, MA 508.948.3000			
DRAWN: J.R.R.		APPROVED: J.D.S.		DATE 11/11/16	SCALE 1"=40'
REVIEWED: J.D.S.		APPROVED: J.D.S.		DATE 11/11/16	SCALE 1"=40'
FILE NO. C15244.01		DWG. NO. 1 OF 1			

City Clerk File No. Ord. 16.186

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 16.186

TITLE: ORDINANCE APPROVING A 30 YEAR TAX EXEMPTION FOR A MIXED USE MARKET RATE RENTAL PROJECT TO BE CONSTRUCTED BY KKF BLOCK 1 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, KKF Block 1 Urban Renewal, LLC, 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 Lessee of certain property under a Ground Lease with New Jersey City University under the New Jersey Economic Stimulus Act of 2009, dated September 21, 2015, designated as Block 21902.02, Lot 2, located on NJCU West Campus, on the City's Official Tax map, consisting of approximately 1.289 acres which will be known by the street address of 13 Carbon Place and 35 Carbon Place, and more specifically described by metes and bounds, in the application (Property); and

WHEREAS, the Property is located within the NJCU West Campus 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 Section 31 Review from the Planning Board on October 20, 2015 to construct two (2) four (4) story market rate rental buildings with approximately one hundred and fifty-two (152) units; 11,903 square feet of commercial/retail space; approximately sixteen (16) parking spaces and twenty-three (23) garage spaces for residential tenants (Project); and

WHEREAS, by application dated August 25, 2016, the Entity applied for a 30 year Long Term Tax Exemption; and

WHEREAS, KKF Block 1 Urban Renewal, LLC, has agreed to:

1. pay the greater of (i) the Minimum Annual Service Charge or (ii) 11% of the Annual Gross Revenue, which sum is initially estimated to be \$465,115; 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 initially estimated at \$9,302; and
3. provide employment and other economic opportunities for City residents and businesses; and
4. pay to the City, for remittance to Hudson County, an additional amount equal to 5% of the Annual Service Charge estimated to be \$23,256; and
5. pay the sum of \$254,441 to the City's Affordable Housing Trust Fund;

- 6. execute a Project Employment & Contracting Agreement; execute a Project Labor Agreement pursuant to Section 304-33 of the Jersey City Municipal Code, and comply with the Living Wage Ordinance, Section 3-76 of the Jersey City Municipal Code; and

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 property generates a land tax of only \$-0-, whereas, the Annual Service charge as estimated, will generate revenue to the City of at least \$465,115 upon Substantial Completion;
- 2. the Project will create approximately two hundred sixty-four (264) new construction jobs and twenty-four (24) new permanent full time jobs;
- 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 NJCU West Campus 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 will 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 Charge will make the Project more attractive to investors needed to finance the Project;
- 2. the relative stability and predictability of the Annual Service Charge 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 tenants to the Project and insure the likelihood of the success of the Project; and

WHEREAS, KKF Block 1 Urban Renewal, LLC, has initially complied with Executive Order 2002-005 concerning "Disclosure of Lobbyist Representative Status" by filing appropriate letters of its lobbyists in the Office of the City Clerk; and

WHEREAS, KKF Block 1 Urban Renewal, LLC, has agreed to execute a Project Employment & Contracting Agreement, and a Project Labor Agreement, and also to comply with the requirements of Section 3-76 of the Jersey City Municipal Code concerning required Wage, Benefit and Leave standards for any building service workers.

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

A. The August 25, 2016, application of KKF Block 1 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, property designated as Block 21902.02, Lot 2, located on NJCU West Campus, on the City's Official Tax map, consisting of approximately 1.289 acres, and which will be known by the street address of 13 Carbon Place and 35 Carbon Place, 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. 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 is \$-0-, but will be \$465,115 upon Substantial Completion, whether or not the Project is occupied; or
 - (b) 11% of the Annual Gross Revenue, which initial sum is estimated to be \$465,115, and which shall be subject to statutory increases during the term of the tax exemption;
 - (c) the Annual Service Charge shall be reduced to an amount equal to the greater of the Minimum Annual Service Charge or an Annual Service Charge equal to 10% of Annual Gross Revenue provided the Jersey City Office of Tax Abatement Compliance certifies in writing that the Entity has satisfied the requirements of Ordinance 07-123.
3. Administrative Fee: 2% of the prior year's Annual Service Charge estimated to be \$9,302;
4. County Payment: 5% of the Annual Service Charge to the City for remittance by the City to Hudson County estimated to be \$23,256;
5. Project: A mixed use market rate rental project to consist of two (2) four (4) story market rate rental buildings with approximately one hundred and fifty-two (152) units; 11,903 square feet of commercial/retail space; approximately sixteen (16) parking spaces and twenty-three (23) garage spaces for residential tenants;
6. Affordable Housing Trust Fund: \$1,500 per unit x 152 units or \$228,000; and \$1.50 per square foot x 17,627 square feet of commercial/parking space or \$26,441; for a total of \$254,441. Such funds will be accelerated and are non-refundable and may not be transferred in the event of a termination or expiration of the Financial Agreement;
7. Staged Adjustments:
 - (a) Stage One: years 1-9, Annual Service Charge shall be 11% of Annual Gross Revenue;
 - (b) Stage Two: years 10-13, Annual Service Charge or 20% of the amount of the taxes otherwise due;
 - (c) Stage Three: years 14-17, Annual Service Charge or 40% of the amount of the taxes otherwise due;
 - (d) Stage Four: years 18-21, Annual Service Charge or 60% of the amount of the taxes otherwise due;
 - (e) Final Stage: Beginning on the 1st day of the 22nd year 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.
8. Project Employment & Contracting Agreement: an obligation to execute a Project Employment and Contracting Agreement to insure employment and other economic benefits to City residents and businesses;
9. Project Labor Agreement: an obligation to execute a Project Labor Agreement pursuant to Section 304-37(3) of the Municipal Code.
10. Compliance with the Living Wage Ordinance, Section 3-76 of the Jersey City Municipal Code for any building service workers serving the Project.
11. The Affordable Housing Trust Fund contribution: payments shall be due on execution of the Financial Agreement, but in no event later than 30 days from the date of the adoption

of the within ordinance. If the Financial Agreement is not executed for any reason whatsoever, interest shall accrue on such payments as of the 31st day at the highest rate permitted for unpaid real estate taxes.

12. The Financial Agreement shall be executed by the Entity no later than 90 days following adoption of the within Ordinance unless extended at the City's sole discretion. Failure to comply shall result in a repeal of the herein Ordinance and the tax exemption will be voided.

13. This Ordinance will sunset and the Tax Exemption will terminate unless construction of the Project: 1) commences no later than four (4) years from the date the within ordinance is adopted; and 2) is Substantially Complete no later than five (5) years from the date of adoption of the within Ordinance.

C. The City Clerk shall deliver a certified copy of the Ordinance and Financial Agreement to the Chief Financial Officer of the county and to the County Council, for information purposes, within ten (10) calendar days following the later of the effective date of an ordinance following its final adoption by the governing body approving the tax exemption or the execution of the financial agreement by the urban renewal entity.

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.

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

F. 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.

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

H. 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 new material is underlined; words in [brackets] are omitted. For purposes of advertising only, new matter is indicated by **boldface** and repealed matter by *italic*.

JF
9/06/16

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required
Not Required

DATE: November 17, 2016
TO: Lee Chang (For distribution to City Council and City Clerk)
FROM: Al Cameron, Fiscal Officer - Tax Collector's Office
SUBJECT: THIRTY YEAR TAX ABATEMENT: MIXED-USE MARKET- RATE RENTAL PROJECT – KKF Block 1 Urban Renewal, LLC
Block 21902.02 Lot 2

CC: E. Borja, J. Monahan, E. Toloza, M. Vigil, R. Kakoleski, R. Lavarro, R. Field, P. Leandre, K. Kane

INTRODUCTION:

The applicant, KKF Block 1 Urban Renewal, LLC, is applying for a thirty (30) year tax abatement under N.J.S.A. 40A:20-1 et seq. It will be new construction of a two (2) building market rate mixed use rental project within the NJCU West Campus Redevelopment Plan. The application fee of \$9,500 was paid.

LOCATION OF THE PROPERTY:

The applicant entered into a ground lease with New Jersey City University for property located on the West Campus between Route 440 and West Side Avenue. The project on consists of Block 21902.02 Lot 2. It is referred to as West Campus Block 1 the two (2) buildings will be known as 13 Carbon Place and 35 Carbon Place.

PROPERTY TO BE CONSTRUCTED:

The proposed project will be two (2) four (4) story market rate mixed-use rental buildings. Each building will contain home occupation units.

A home occupation unit is a one (1) Bedroom unit that is adjacent to and connected with a separate office/retail space. The commercial area of the home occupation units is included in the total shown for each building. The home occupation units are included in the one (1) bedroom tally below.

The building at 13 Carbon place will contain approximately seventy-four (74) dwelling units, twelve (12) single car parking garages and 7,609 square feet of commercial space.

The building at 35 Carbon place will contain approximately seventy-eight (78) dwelling units, eleven (11) single car parking garages and 4,294 square feet of commercial space.

There will be a shared surface parking lot with approximately one hundred and twenty-three (123) parking spaces available for lease to tenants of the two (2) buildings.

The residential units for the total project are as follows:

KKF Block 1 Urban REnewal, LLC Sum 30 Yr . docx

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<u>Unit Type</u>	<u>Number of Units</u>
Studio	13
One Bedroom	100
One Bedroom (Home Occupation)	8
Two Bedroom	<u>31</u>
Total	<u>152</u>

ESTIMATED TOTAL PROJECT COST:

The cost of construction estimated at \$33,326,020 is certified by William Feinberg, the applicant's architect. The estimated breakdown is \$13,330,408 for labor and \$19,995,612 for materials. Total Project Cost is projected at \$39,681,388.

CONSTRUCTION SCHEDULE:

The applicant estimates construction will begin in April 2020 with completion in December 2021. Since this is beyond the normal requirement that construction must commence within two (2) years of the approval of the abatement, the applicant will request a waiver.

ESTIMATED JOBS CREATED:

The applicant estimates creation of two hundred and sixty-four (264) jobs during Construction. Post-construction jobs are projected at four (4) part-time and twenty-four (24) full-time and permanent positions. The applicant will execute both a Project Employment and Contracting Agreement and a Project Labor Agreement.

AFFORDABLE HOUSING TRUST FUND CONTRIBUTION:

KKF BLOCK 1 URBAN RENEWAL LLC AHTF PAYMENT

		Rate	Amount
Residential Units	152	\$1,500	\$228,000.00
Commercial Sq. Ft.	11,903	\$1.50	\$17,854.50
Parking Sq. Ft.	6,318	\$1.50	\$9,477.00
Total AHTF Payment			<u>\$255,331.50</u>

CURRENT REAL ESTATE TAX:

The property owned by New Jersey City University is currently tax exempt. The new assessment for the land based upon the proposed project of Block 21902.02 Lot 2 is \$1,068,500. The proposed Improvements are assessed at \$7,798,400.

KKF Block 1 Urban RENEwal, LLC Sum 30 Yr . docx

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At the current tax rate of \$77.01 the estimated annual land tax based upon the new assessment is \$82,285.

PROPOSED ABATEMENT:

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 Applicant proposes an Annual Service Charge of eleven percent (11%) of Annual gross revenue, a two percent (2%) City administrative fee and a five percent (5%) service charge to Hudson County.

The applicant intends to comply with all terms in both the Project Employment and Contracting Agreement and Project Labor Agreement in order to reduce the Annual Service Charge from eleven percent (11%) to ten percent (10%) of annual gross revenue.

The Applicant maintains that tax on the land should be exempt since it is owned by NJCU. A ground lease was executed between the Applicant and the University on September 15, 2015. Typically land tax is paid during construction and the Applicant does not receive a land tax credit until the abatement takes effect. The applicant has indicated its intent to appeal the decision to tax the land. If the applicant is successful and we have imposed land tax from the date of the ground lease to the time the applicant is entitled to a land tax credit at \$80,000 per year we would be required to refund approximately \$580,000. With or without the land tax the Fiscal Impact Analysis shows a positive Cost Benefit.

STAGED ADJUSTMENTS:

While the applicant proposed to begin the staged adjustments in year sixteen (16), our approved schedule beginning in year ten (10) is below.

Beginning the first day of year ten (10) through the end of year thirteen (13) it would be the greater of the Annual Service Charge or twenty percent (20%) of conventional taxes otherwise due.

Beginning the first day of year fourteen (14) through the end of year seventeen (17) it would be the greater of the Annual Service Charge or forty percent (40%) of conventional taxes otherwise due.

Beginning the first day of year eighteen (18) through the end of year twenty-one (21) it would be the greater of the Annual Service Charge or sixty percent (60%) of conventional taxes otherwise due.

Beginning in year twenty-two (22) through the end of year thirty (30) it would be the

greater of the Annual Service Charge or eighty percent (80%) of conventional taxes otherwise due.

Beginning in year thirty-one (31) the project would pay full conventional tax.

The PILOT would be the greater of the Annual Service Charge (ASC) or the result of the staged adjustments.

PROPOSED REVENUE TO THE CITY:

At full occupancy the Good Faith estimated annual revenue is \$4,228,317. The Annual Service charge at the rate of eleven percent (11%) is \$465,115. The City Administrative fee at two percent (2%) would be \$9,302 and the Hudson County fee of five percent (5%) would be \$23,256.

FISCAL IMPACT COST PROJECTION (MARKET RATE RENTAL UNITS - 30 YEAR)

Block: 21902.02 Lot: 2

Loc: 13 & 35 CARBON PLACE

Market Rate Units	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	13	1.000	0.000	13.00	0.00	\$1,181.83	\$3,673.00	\$15,363.77	\$0.00	\$15,363.77
1 Bedroom	108	1.421	0.050	153.47	5.40	\$1,181.83	\$3,673.00	\$181,372.91	\$19,834.20	\$201,207.11
2 Bedroom	31	2.012	0.120	62.37	3.72	\$1,181.83	\$3,673.00	\$73,713.03	\$13,663.56	\$87,376.59
TOTAL	152			228.84	9.12			\$270,449.71	\$33,497.76	\$303,947.47

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	\$ 303,947.47
2. Residential Ratables	\$3,278,586,056			7. Per Capita Municipal Cost	\$1,181.83	10. Anticipated Gross PILOT (1st Year)	465,115.00
Commercial Ratables	\$1,512,274,524			8. Annual Expenditures Per Student**	\$3,673.00	11% AGR	\$ 9,302.30
3. Residential Ratables as a Percentage of Total Ratables	54.66%	5. Residential Portion	\$292,617,271			2% Admin	\$ (79,945.17)
						11. 1st Year Net PILOT	\$ 394,472.13
						12. Implied Surplus (Cost)	\$ 90,524.66

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

NEW ASSESSMENT AFTER IMPROVEMENTS

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

**Source: 2015-2016 Jersey City Municipal Cost Per Pupil

LAND: 1,068,500
BLDG: 7,798,400

FISCAL IMPACT COST PROJECTION (MARKET RATE RENTAL UNITS - 30 YEAR)

Block: 21902.02 Lot: 2

Loc: 13 & 35 CARBON PLACE

Market Rate Units	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
Planned Development										
Studio	13	1.000	0.000	13.00	0.00	\$1,181.83	\$3,673.00	\$15,363.77	\$0.00	\$15,363.77
1 Bedroom	108	1.421	0.050	153.47	5.40	\$1,181.83	\$3,673.00	\$181,372.91	\$19,834.20	\$201,207.11
2 Bedroom	31	2.012	0.120	62.37	3.72	\$1,181.83	\$3,673.00	\$73,713.03	\$13,663.56	\$87,376.59
TOTAL	152			228.84	9.12			\$270,449.71	\$33,497.76	\$303,947.47

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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**	\$3,673.00	11% AGR	465,115.00
						2% Admin	\$ 9,302.30
3. Residential Ratables as a Percentage of Total Ratables	54.66%	5. Residential Portion	\$292,617,271			11. 1st Year Net PILOT	\$ 474,417.30
						12. Implied Surplus (Cost)	\$ 170,469.83

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

NEW ASSESSMENT AFTER IMPROVEMENTS

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

**Source: 2015-2016 Jersey City Municipal Cost Per Pupil

LAND: 1,068,500
BLDG: 7,798,400

TIER 3 - FINANCIAL AGREEMENT (30 YEAR)
Rev. 9/09/16
Long Term Tax Exemption
N.J.S.A. 40A:20-1, et seq.
Residential Rental or Residential Condominium

Re: 13 Carbon Place and 35 Carbon Place
Approximately 1.289 Acres
Block 21902.02, Lot 2
NJCU West Campus Redevelopment Plan Area

PREAMBLE

THIS FINANCIAL AGREEMENT, [Agreement] is made the ___ day of _____, 2016, by and between **KKF BLOCK 1 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 12 Hidden Glen, Skillman, NJ 08558, 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 Ground Lessee pursuant to Ground Lease, hereinafter defined, of certain property designated as Block 21902.02, Lot 2, located on NJCU West Campus, on the City's Official Tax Map, consisting of approximately 1.289 acres, which will be known by the street address of 13 Carbon Place and 35 Carbon Place, 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 NJCU West Redevelopment Plan Area; and

WHEREAS, the Entity plans to construct two (2) four (4) story market rate rental buildings with approximately one hundred and fifty-two (152) units; 11,903 square feet of commercial/retail space; approximately sixteen (16) parking spaces and twenty-three (23) garage spaces for residential tenants; and

WHEREAS, on October 20, 2015 the Project received a Section 31 Review from the

Planning Board; and

WHEREAS, on August 25, 2016, the Entity filed an Application with the City for a long term tax exemption for the Project; and

WHEREAS, by the adoption of Ordinance _____ on _____, 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 approximately \$-0-, whereas, the Annual Service charge as estimated, will generate revenue to the City of at least \$465,115;
2. as required by ordinance 13-088, the Entity shall pay the City the total sum of \$254,441, with \$84,814 to be paid on the effective date of the ordinance approving the Financial Agreement, and the balance of \$169,627 as an affordable housing contribution as required by the ordinance;
3. it is expected that the Project will create approximately two hundred sixty-four (264) new construction jobs and twenty-four (24) 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 NJCU West Campus 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, on a non-accrual basis, the Allowable Profit Rate to Total Project Cost pursuant to N.J.S.A. 40A:20-3(c), each year of the tax exemption.
- 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 an annual 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 not accrued Net Profit., and annual Excess Profit due to the City, if any. 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 KKF Block 1 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. Ground Lease - That certain Ground Lease entered into by New Jersey City University as Landlord and KKF Enterprises, LLC, as Tenant for the Property dated September 21, 2015 under and pursuant to the New Jersey Economic Stimulus Act of 2009 (N.J.S.A. 18:64-5) as transferred to the Entity, pursuant to that certain Transfer Agreement between KKF Enterprises, LLC and the Entity dated August 26, 2016, each of which are attached hereto as Exhibit 10.

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

xii. 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.

xiii. 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.

xiv. 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.

xv. 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 _____, 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 expect will be \$82,285; and (b) upon Substantial Completion, the sum of \$465,115 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 set forth in subsection (b).

xvii. 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 annual 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.

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

xix. 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.

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

xxi. 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 other 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.

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 21902.02, Lot 2, located on NJCU West Campus, which will be known by the street address of 13 Carbon Place and 35 Carbon Place, 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 two (2) four (4) story market rate rental buildings with approximately one hundred and fifty-two (152) units; 11,903 square feet of commercial/retail space; approximately sixteen (16) parking spaces and twenty-three (23) garage spaces for residential tenants; all of which is specifically described in the Application dated

August 25, 2016 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.

Section 2.5 Ownership, Management and Control

The Entity represents that it is the Ground Lessee under the Ground Lease 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

The Entity represents that its good faith projections of the initial 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 35 years from the date of the adoption of Ordinance _____ on _____, 2016, which approved the tax exemption or 30 years from the 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 an Entity 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 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 9th year, the Annual Service Charge shall be 11% of Annual Gross Revenue;

ii. Stage Two: Beginning on the 1st day of the 10th year following Substantial Completion until the last day of the 13th 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 14th year following the Substantial Completion until the last day of the 17th 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 18th year following Substantial

Completion until the last day of the 21st 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 22nd 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, if the Entity is obligated by the Ground Lease to make Land Tax Payments, including any tax on the pre-existing improvements, payment must be timely made 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 made by it 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 for that quarter. 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 any other remedies (including the appointment of a rent receiver), the right to proceed against the urban renewal entity personally pursuant to the Leasehold Taxing Act, N.J.S.A. 54:4-2.3 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 two (2%) 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 \$228,000 or \$1,500 x 152 units; and \$26,441 or \$1.50 x 17,627 square feet of commercial and parking space, for a total of \$254,441 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 or commencement of construction, 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)

The Entity shall execute a Project Labor Agreement as required by Section 304-33 of the Jersey City Municipal Code as it exists or as it may be amended from time to time.

Section 5.3 Living Wage Mandate (Projects with construction costs exceeding \$25 million)

Since construction costs are certified to exceed \$25 million, the Entity shall comply with the Living Wage mandate and the Entity shall immediately require compliance with Section 3-76(c) in all its contracts and leases. This means that janitors and unarmed security guards employed at the Projects, including by any and all tenants or subtenants of the developer, will not be paid less than the standard hourly rate of pay and benefits for their respective classifications. It also means that they will be provided with the paid leave in accordance with the provisions of the Jersey City Municipal Code Section 3-51G(1).

Section 5.4 Annual Service Charge Reduction Following Compliance With City Ordinance 07-123

Notwithstanding anything in this Agreement to the contrary, the City Service Charge described in Article 4, Section 4.1(i) hereof shall be reduced to an amount equal to the greater of the Minimum Annual Service Charge or an Annual Service Charge equal to 10% of Annual Gross Revenue provided the Jersey City Office of Tax Abatement Compliance certifies in writing that the Entity has satisfied the following requirements in connection with Ordinance 07-123 (PLA Compliance Certificate) as amended:

PLA Ordinance:

- 1) At least 90 days prior to the commencement of construction the Entity has:
 - A) Met with the City Office of Tax Abatement Compliance to present its workforce needs;
 - B) Provided job descriptions of the positions to be filled for the duration of the Project;
 - C) Provided a written construction schedule;
 - D) Filed an Initial Project Manning Report;
 - E) Filed a letter appointing the Entity's PLA compliance officer;

- F) If required by the City, participated with the City and the Labor Organizations in at least two (2) job fairs; and
 - G) Paid a pro rata share of the cost(s) of the job fairs referred to in the preceding section, including advertising costs;
- 2) Upon the commencement of construction and until the Project receives a temporary certificate of occupancy, the Entity or its contractor shall file the following documentation by the 15th day of every month:
- A) A Monthly Project Manning Report in compliance with Section IV(1) of Ordinance 07-123 as amended;
 - B) A Certified Payroll Report in compliance with Section IV(2) of Ordinance 07-123 as amended;
 - C) Copies of all written direct requests made by contractors and subcontractors to the Labor Organizations notifying them that they are required to provide the Project with Jersey City resident apprentices;
 - D) Copies of all written general notices provided by the Entity to the contractor notifying the contractor that it is required to comply with Ordinance 07-123 as amended, by providing Jersey City resident apprentices on the Project; and
 - E) Copies of all general written notices provided by any contractor to a subcontractor notifying the subcontractor that it is required to hire Jersey City apprentices as required by Ordinance 07-123 as amended.

The Entity shall apply in writing for the PLA Compliance Certificate not less than thirty (30) days prior to the date that it intends for apply to the Jersey City Construction Code Official for a temporary certificate of occupancy for any portion of the Project. The Jersey City Office of Tax Abatement Compliance shall have thirty (30) days to act upon the Entity's application. Upon the Jersey City Office of Tax Abatement Compliance making a finding that the Entity has complied with items 1(A) through 1(G) and 2(A) through 2(E) above, it shall issue the PLA Compliance Certificate to the Jersey City Tax Collector (with copies to the President of the City Council and the City Clerk) who shall promptly reduce the Entity's Annual Service Charge to ten (10%) percent of Annual Gross Revenue for the duration of the Financial Agreement

regardless of whether the Project has complied with the twenty (20%) percent Jersey City resident apprenticeship requirement set forth in Section III (5) of Ordinance 07-123 as amended.

Project Employment Agreement:

Notwithstanding the above, if following the expiration of all required cure periods set forth in Article VII of the Project Employment Agreement, the City determines that the Entity is in violation thereof, in addition to the remedies available to the City in Article VIII, the City shall be entitled to increase the Entity's Annual Service Charge to eleven (11%) percent of Annual Gross Revenue for the duration of the Financial Agreement.

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.

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 not include those project costs directly attributable to site remediation and cleanup expenses or any other costs excluded in the definition of Total Project Cost in Section 1.2 (xx) of this Agreement.

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 without the prior consent approval by Ordinance of the Municipal Council shall cause the tax exemption to automatically terminate without notice, by operation of law. 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 original 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 and does not violate the Law.

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 prior 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

In order to secure the full and timely payment of the Annual Service Charge, the City reserves the right to perfect and enforce a lien under the Leasehold Taxing Act or appoint a rent receiver or avail itself of any other remedy to protect the City's interests.

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 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 property, in the manner provided by the Leasehold Taxing 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 1st of the year next ensuing. The Notice of Voluntary Termination must be received by the City no later than October 1st 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 1st 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 hereof 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:

KKF Block 1 Urban Renewal, LLC
12 Hidden Glen
Skillman, NJ 08558
Attn: Peter S. Wersinger, III

And copy to:

Connell Foley, LP
Harborside Financial Center
2510 Plaza Five
Jersey City, NJ 07311
Attn: James C. McCann, Esq.

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 Prices;
8. Project Employment and Contracting Agreement;
9. Architect's Certification of Actual Construction Costs.
10. Entity's Ground Lease.

IN WITNESS WHEREOF, the parties have caused these presents to be executed the day and year first above written.

WITNESS:

**KKF BLOCK 1 URBAN
RENEWAL, LLC**

Peter S. Wersinger III, President

ATTEST:

CITY OF JERSEY CITY

**ROBERT BYRNE
CITY CLERK**

**ROBERT KAKOLESKI
BUSINESS ADMINISTRATOR**

PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

This Project Employment & Contracting Agreement is made as of the ____ day of _____, 2016, between the **CITY OF JERSEY CITY** [City] having its principal office at 280 Grove Street, Jersey City, NJ 07302, and **KKF BLOCK 1 URBAN RENEWAL, LLC** [Recipient], having its principal office at 12 Hidden Glen, Skillman, NJ 08558.

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. "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.
4. "Economic Incentive" means a tax abatement or tax exemption for a property or project which requires approval of the Municipal Council
5. "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.
6. 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.
7. "Local Business" means a bona fide business located in Jersey City.
8. "Minority" means a person who is defined as such under federal or state law.
9. "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.
10. "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.

11. "Permanent Jobs" mean newly created long term salaried positions, whether permanent, temporary, part time or seasonal.
12. "Project or Project Site" means the specific work location or locations specified in the contract.
13. 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.
14. 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.
15. 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.
16. "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.
17. "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.
18. "Subcontract" means a binding legal relationship involving performance of a contract that is part of a prime contract.
19. "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.
20. "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: Business Contracting and 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 subject to the terms of a Project Labor Agreement during construction, this agreement shall apply only to Business Contracting and non-construction Permanent Jobs.

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 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:** 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 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.

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 35 years from the date of the adoption of that Ordinance or 30 years from the date of Substantial Completion of the Project.

VI. Good Faith Defined:

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 1st 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.

2. **Business Contracting**

- 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 1st 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 mashead 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.

3. **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 1st of each year.

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 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.

VIII. 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 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.

IX. 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:

KKF Block 1 Urban Renewal, LLC
12 Hidden Glen
Skillman, NJ 08558
Att: Peter S. Wersinger, III

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—2nd Floor
Jersey City, NJ 07306
Att: Executive Director

with separate copies to the Mayor and the Business Administrator.

X. Appendix

These forms are examples only and shall be in substantially the form attached, 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

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.

Notwithstanding anything in this Agreement to the contrary, if the Recipient has entered into a Project Labor Agreement with a Labor Organization, then any and all sections of this Agreement pertaining to construction jobs and the construction portion of any Project, are null and void and may be disregarded by the Recipient. In the event the Recipient has entered into a Project Labor Agreement, then this Agreement shall become effective upon Substantial Completion of the Project. In the event there are any conflicts between this Agreement and any Project Labor Agreement, then the Project Labor Agreement shall govern.

ATTEST:

CITY OF JERSEY CITY

Robert Byrne
City Clerk

Robert J. Kakoleski
Business Administrator

WITNESS:

**KKF BLOCK 1 URBAN
RENEWAL, LLC**

Secretary

Peter S. Wersinger III, President

City Clerk File No. Ord. 16.187

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 16.187

TITLE ORDINANCE APPROVING A 30 YEAR TAX EXEMPTION FOR A MIXED USE MARKET RATE RENTAL PROJECT TO BE CONSTRUCTED BY KKF BLOCK 5B 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, KKF Block 5B Urban Renewal, LLC, 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 Lessee of certain property under a Ground Lease with New Jersey City University under the New Jersey Economic Stimulus Act of 2009, dated September 21, 2015, designated as Block 21902.04, Lot 2, located on NJCU West Campus, south of Carbon Place between Route 440 and West Side Avenue, on the City's Official Tax map, consisting of approximately 0.968 acres which will be known by the street address of 33 University Place Boulevard, and more specifically described by metes and bounds, in the application (Property); and

WHEREAS, the Property is located within the NJCU West Campus 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 Section 31 Review from the Planning Board on October 20, 2015 to construct a four (4) story residential market rate rental Project with approximately one hundred and forty-nine (149) units; and approximately one hundred fifty-one (151) parking spaces for residential tenants (Project); and

WHEREAS, by application dated July 15, 2016, as amended on August 25, 2016, the Entity applied for a 30 year Long Term Tax Exemption; and

WHEREAS, KKF Block 5B Urban Renewal, LLC, has agreed to:

1. pay the greater of (i) the Minimum Annual Service Charge or (ii) 11% of the Annual Gross Revenue, which sum is initially estimated to be \$402,880; 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 initially estimated at \$8,058; and
3. provide employment and other economic opportunities for City residents and businesses; and
4. pay to the City, for remittance to Hudson County, an additional amount equal to 5% of the Annual Service Charge estimated to be \$20,144; and
5. pay the sum of \$260,193 to the City's Affordable Housing Trust Fund;

6. execute a Project Employment & Contracting Agreement; execute a Project Labor Agreement pursuant to Section 304-33 of the Jersey City Municipal Code, and comply with the Living Wage Ordinance, Section 3-76 of the Jersey City Municipal Code; and

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 property generates a land tax of only \$-0-, whereas, the Annual Service charge as estimated, will generate revenue to the City of at least \$402,880 upon Substantial Completion;
2. the Project will create approximately two hundred ninety-six (296) new construction jobs and five (5) new permanent full time jobs; and one (1) new part-time job;
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 NJCU West Campus 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 will 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 Charge will make the Project more attractive to investors needed to finance the Project;
2. the relative stability and predictability of the Annual Service Charge 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 tenants to the Project and insure the likelihood of the success of the Project; and

WHEREAS, KKF Block 5B Urban Renewal, LLC, has initially complied with Executive Order 2002-005 concerning "Disclosure of Lobbyist Representative Status" by filing appropriate letters of its lobbyists in the Office of the City Clerk; and

WHEREAS, KKF Block 5B Urban Renewal, LLC, has agreed to execute a Project Employment & Contracting Agreement, and a Project Labor Agreement, and also to comply with the requirements of Section 3-76 of the Jersey City Municipal Code concerning required Wage, Benefit and Leave standards for any building service workers.

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

A. The August 25, 2016, application of KKF Block 5B 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, property designated as Block 21902.04, Lot 2, located on NJCU West Campus, south of Carbon Place between Route 440 and West Side Avenue, on the City's Official Tax map, consisting of approximately 0.968 acres, and which will be known by the street address of 33 University Place Boulevard, 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. 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 is \$-0-, but will be \$402,880 upon Substantial Completion, whether or not the Project is occupied; or
 - (b) 11% of the Annual Gross Revenue, which initial sum is estimated to be \$402,880, and which shall be subject to statutory increases during the term of the tax exemption;
 - (c) the Annual Service Charge shall be reduced to an amount equal to the greater of the Minimum Annual Service Charge or an Annual Service Charge equal to 10% of Annual Gross Revenue provided the Jersey City Office of Tax Abatement Compliance certifies in writing that the Entity has satisfied the requirements of Ordinance 07-123.
3. Administrative Fee: 2% of the prior year's Annual Service Charge estimated to be \$8,058;
4. County Payment: 5% of the Annual Service Charge to the City for remittance by the City to Hudson County estimated to be \$20,144;
5. Project: A mixed use market rate rental project to consist of a four (4) story residential market rate rental Project with approximately one hundred and forty-nine (149) units; and approximately one hundred fifty-one (151) parking spaces for residential tenants;
6. Affordable Housing Trust Fund: \$1,500 per unit or \$223,500; and \$1.50 per square foot x 24,462 square feet of parking space or \$36,693; for a total of \$260,193. Such funds will be accelerated and are non-refundable and may not be transferred in the event of a termination or expiration of the Financial Agreement;
7. Staged Adjustments:
 - (a) Stage One: years 1-9, Annual Service Charge shall be 11% of Annual Gross Revenue;
 - (b) Stage Two: years 10-13, Annual Service Charge or 20% of the amount of the taxes otherwise due;
 - (c) Stage Three: years 14-17, Annual Service Charge or 40% of the amount of the taxes otherwise due;
 - (d) Stage Four: years 18-21, Annual Service Charge or 60% of the amount of the taxes otherwise due;
 - (e) Final Stage: Beginning on the 1st day of the 22nd year 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.
8. Project Employment & Contracting Agreement: an obligation to execute a Project Employment and Contracting Agreement to insure employment and other economic benefits to City residents and businesses;
9. Project Labor Agreement: an obligation to execute a Project Labor Agreement pursuant to Section 304-37(3) of the Municipal Code.
10. Compliance with the Living Wage Ordinance, Section 3-76 of the Jersey City Municipal Code for any building service workers serving the Project.

- 11. The Affordable Housing Trust Fund contribution: payments shall be due on execution of the Financial Agreement, but in no event later than 30 days from the date of the adoption of the within ordinance. If the Financial Agreement is not executed for any reason whatsoever, interest shall accrue on such payments as of the 31st day at the highest rate permitted for unpaid real estate taxes.
- 12. The Financial Agreement shall be executed by the Entity no later than 90 days following adoption of the within Ordinance unless extended at the City's sole discretion. Failure to comply shall result in a repeal of the herein Ordinance and the tax exemption will be voided.
- 13. This Ordinance will sunset and the Tax Exemption will terminate unless construction of the Project: 1) commences no later than two (2) years from the date the within ordinance is adopted; and 2) is Substantially Complete no later than five (5) years from the date of adoption of the within Ordinance.

C. The City Clerk shall deliver a certified copy of the Ordinance and Financial Agreement to the Chief Financial Officer of the county and to the County Council, for information purposes, within ten (10) calendar days following the later of the effective date of an ordinance following its final adoption by the governing body approving the tax exemption or the execution of the financial agreement by the urban renewal entity.

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.

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

F. 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.

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

H. 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 new material is underlined; words in [brackets] are omitted. For purposes of advertising only, new matter is indicated by **boldface** and repealed matter by *italic*.

JF
9/06/16

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required
Not Required

DATE: November 17, 2016
TO: Lee Chang (For distribution to City Council and City Clerk)
FROM: Al Cameron, Fiscal Officer - Tax Collector's Office
SUBJECT: THIRTY YEAR TAX ABATEMENT: MARKET- RATE RESIDENTIAL RENTAL PROJECT – KKF Block 5B Urban Renewal, LLC Block 21902.04 Lot 2

CC: E. Borja, J. Monahan, E. Toloza, M. Vigil, R. Kakoleski, R. Field, R. Lavarro, P. Leandre, K. Kane

INTRODUCTION:

The applicant, KKF Block 5B Urban Renewal, LLC, is applying for a thirty (30) year tax abatement under N.J.S.A. 40A:20-1 et seq. It will be new construction of a four (4) story market rate residential rental project within the NJCU West Campus Redevelopment Plan. The application fee of \$9,500 was paid.

LOCATION OF THE PROPERTY:

The applicant entered into a ground lease with New Jersey City University for property located on the West Campus between Route 440 and West Side Avenue. The project on consists of Block 21902.04 Lot 2. It is referred to as West Campus Block 5B. It will be known as 33 University Place Blvd.

PROPERTY TO BE CONSTRUCTED:

The proposed project will be a four (4) story market rate residential rental project. The building will contain approximately one hundred and forty-nine (149) dwelling units. There will be a parking garage with approximately one hundred and fifty-one (151) parking spaces. The residential units are as follows:

<u>Unit Type</u>	<u>Number of units</u>
One Bedroom	120
Two Bedroom	<u>29</u>
<u>Total</u>	<u>149</u>

ESTIMATED TOTAL PROJECT COST:

The cost of construction estimated at \$37,759,165 is certified by William Feinberg, the applicant's architect. The estimated breakdown is \$15,103,666 for labor and \$22,655,499 for materials. Total Project Cost is projected at \$44,940,039.

CONSTRUCTION SCHEDULE:

The applicant estimates construction will begin in April 2017 with completion in January 2019.

ESTIMATED JOBS CREATED:

The applicant estimates creation of two hundred and ninety-six (296) jobs during Construction. Post-construction jobs are projected at one (1) part-time and five (5) full-time and permanent positions. The applicant will execute both a Project Employment and Contracting Agreement and a Project Labor Agreement.

AFFORDABLE HOUSING TRUST FUND CONTRIBUTION:

KKF BLOCK 5B URBAN RENEWAL LLC AHTF PAYMENT

		Rate	Amount
Residential			
Units	149	\$1,500	\$223,500.00
Square footage Parking	24,462	\$1.50	\$36,693.00
Total AHTF Payment			<u>\$260,193.00</u>

CURRENT REAL ESTATE TAX:

The property owned by New Jersey City University is currently tax exempt. The new assessment for the land based upon the proposed project of Block 21902.04 Lot 2 is \$1,022,300. The proposed Improvements are assessed at \$6,658,200.

At the current tax rate of \$77.01 the estimated annual land tax based upon the new assessment is \$78,727.32.

PROPOSED ABATEMENT:

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 Applicant proposes an Annual Service Charge of eleven percent (11%) of Annual gross revenue, a two percent (2%) City administrative fee and a five percent (5%) service charge to Hudson County.

The applicant intends to comply with all terms in both the Project Employment and Contracting Agreement and Project Labor Agreement in order to reduce the Annual Service Charge from eleven percent (11%) to ten percent (10%) of annual gross revenue.

The Applicant maintains that tax on the land should be exempt since it is owned by NJCU. A ground lease was executed between the Applicant and the University on September 15, 2015. Typically land tax is paid during construction and the Applicant does not receive a land tax credit until the abatement takes effect. The applicant has indicated its intent to appeal the decision to tax the land. If the applicant is successful and we have imposed land tax from the date of the ground lease to the time the applicant is entitled to a land tax credit at \$80,000 per year we would be required to refund approximately \$350,000. With or without the land tax the Fiscal Impact Analysis shows a positive Cost Benefit.

STAGED ADJUSTMENTS:

While the applicant proposed to begin the staged adjustments in year sixteen (16), our approved schedule beginning in year ten (10) is below.

Beginning the first day of year ten (10) through the end of year thirteen (13) it would be the greater of the Annual Service Charge or twenty percent (20%) of conventional taxes otherwise due.

Beginning the first day of year fourteen (14) through the end of year seventeen (17) it would be the greater of the Annual Service Charge or forty percent (40%) of conventional taxes otherwise due.

Beginning the first day of year eighteen (18) through the end of year twenty-one (21) it would be the greater of the Annual Service Charge or sixty percent (60%) of conventional taxes otherwise due.

Beginning in year twenty-two (22) through the end of year thirty (30) it would be the greater of the Annual Service Charge or eighty percent (80%) of conventional taxes otherwise due.

Beginning in year thirty-one (31) the project would pay full conventional tax.

The PILOT would be the greater of the Annual Service Charge (ASC) or the result of the staged adjustments.

PROPOSED REVENUE TO THE CITY:

At full occupancy the Good Faith estimated annual revenue is \$3,662,549. The

Annual Service charge at the rate of eleven percent (11%) is \$402,880. The City Administrative fee at two percent (2%) would be \$8,058 and the Hudson County fee of five percent (5%) would be \$20,144.

FISCAL IMPACT COST PROJECTION (MARKET RATE RENTAL UNITS - 30 YEAR)

Block: 21902.04 Lot: 2

Loc: 33 UNIVERSITY PLACE BLVD

Market Rate Units	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
1 Bedroom	120	1.421	0.050	170.52	6.00	\$1,181.83	\$3,673.00	\$201,525.45	\$22,038.00	\$223,563.45
2 Bedroom	29	2.012	0.120	58.35	3.48	\$1,181.83	\$3,673.00	\$68,957.35	\$12,782.04	\$81,739.39
TOTAL	149			228.87	9.48			\$270,482.80	\$34,820.04	\$305,302.84

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	\$ 305,302.84
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					11% AGR	\$ 402,880.00
						2% Admin	\$ 8,057.60
						Less Land Tax (74.82)	\$ (76,488.49)
3. Residential Ratables as a Percentage of Total Ratables	54.66%	5. Residential Portion	\$292,617,271	8. Annual Expenditures Per Student**	\$3,673.00	11. 1st Year Net PILOT	\$ 334,449.11
						12. Implied Surplus (Cost)	\$ 29,146.28

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

NEW ASSESSMENT AFTER IMPROVEMENTS

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

**Source: 2015-2016 Jersey City Municipal Cost Per Pupil

LAND: 1,022,300
BLDG: 6,658,200

FISCAL IMPACT COST PROJECTION (MARKET RATE RENTAL UNITS - 30 YEAR)

Block: 21902.04 Lot: 2

Loc: 33 UNIVERSITY PLACE BLVD

Market Rate Units	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
1 Bedroom	120	1.421	0.050	170.52	6.00	\$1,181.83	\$3,673.00	\$201,525.45	\$22,038.00	\$223,563.45
2 Bedroom	29	2.012	0.120	58.35	3.48	\$1,181.83	\$3,673.00	\$68,957.35	\$12,782.04	\$81,739.39
TOTAL	149			228.87	9.48			\$270,482.80	\$34,820.04	\$305,302.84

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	\$ 305,302.84
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					11% AGR	\$ 402,860.00
						2% Admin	\$ 8,057.60
3. Residential Ratables as a Percentage of Total Ratables	54.66%	5. Residential Portion	\$292,617,271	8. Annual Expenditures Per Student**	\$3,673.00	11. 1st Year Net PILOT	\$ 410,937.60
						12. Implied Surplus (Cost)	\$ 105,634.76

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

NEW ASSESSMENT AFTER IMPROVEMENTS

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

**Source: 2015-2016 Jersey City Municipal Cost Per Pupil

LAND: 1,022,300
BLDG: 6,658,200

TIER 3 - FINANCIAL AGREEMENT (30 YEAR)
Rev. 9/09/16
Long Term Tax Exemption
N.J.S.A. 40A:20-1, et seq.
Residential Rental or Residential Condominium

Re: 33 University Place Boulevard
Approximately 0.968 Acres
Block 21902.04, Lot 2
NJCU West Campus Redevelopment Plan Area

PREAMBLE

THIS FINANCIAL AGREEMENT, [Agreement] is made the ___ day of _____, 2016, by and between **KKF BLOCK 5B 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 12 Hidden Glen, Skillman, NJ 08558, 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 Ground Lessee pursuant to Ground Lease, hereinafter defined, of certain property designated as Block 21902.04, Lot 2, located on NJCU West Campus, south of Carbon Place between Route 440 and West Side Avenue, on the City's Official Tax Map, consisting of approximately 0.968 acres, which will be known by the street address of 33 University Place Boulevard, 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 NJCU West Redevelopment Plan Area; and

WHEREAS, the Entity plans to construct a four (4) story residential market rate rental Project with approximately one hundred and forty-nine (149) units; and approximately one hundred fifty-one (151) parking spaces for residential tenants; and

WHEREAS, on October 20, 2015 the Project received a Section 31 Review from the Planning Board; and

WHEREAS, on August 25, 2016, the Entity filed an Application with the City for a long term tax exemption for the Project; and

WHEREAS, by the adoption of Ordinance _____ on _____, 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 approximately \$-0-, whereas, the Annual Service charge as estimated, will generate revenue to the City of at least \$402,880;
2. as required by ordinance 13-088, the Entity shall pay the City the total sum of \$260,193, with \$86,731 to be paid on the effective date of the ordinance approving the Financial Agreement, and the balance of \$173,462 as an affordable housing contribution as required by the ordinance;
3. it is expected that the Project will create approximately two hundred ninety-six (296) new construction jobs and five (5) new permanent full time jobs; and one (1) new part-time job;
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 NJCU West Campus 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, on a non-accrual basis, the Allowable Profit Rate to Total Project Cost pursuant to N.J.S.A. 40A:20-3(c), each year of the tax exemption.
- 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 an annual 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 not accrued Net Profit., and annual Excess Profit due to the City, if any. 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 HC West Campus 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. Ground Lease - That certain Ground Lease entered into by New Jersey City University as Landlord and KKF Enterprises, LLC, as Tenant for the Property dated September 21, 2015 under and pursuant to the New Jersey Economic Stimulus Act of 2009 (N.J.S.A. 18:64-5) as transferred to the Entity, pursuant to that certain Transfer Agreement between KKF Enterprises, LLC and the Entity dated August 26, 2016, each of which are attached hereto as Exhibit 10.

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

xii. 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.

xiii. 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.

xiv. 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.

xv. 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 _____, 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 expect will be \$78,727; and (b) upon Substantial Completion, the sum of \$402,880 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 set forth in subsection (b).

xvii. 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 annual 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.

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

xix. 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.

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

xxi. 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 other 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.

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 21902.04, Lot 2, located on NJCU West Campus, south of Carbon Place between Route 440 and West Side Avenue, which will be known by the street address of 33 University Place Boulevard, 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 residential market rate rental Project with approximately one hundred and forty-nine (149) units; and approximately one hundred fifty-one (151) parking spaces for residential tenants; all of which is specifically

described in the Application dated August 25, 2016 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 Ground Lessee under the Ground Lease 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

The Entity represents that its good faith projections of the initial 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 35 years from the date of the adoption of Ordinance _____ on _____, 2016, which approved the tax exemption or 30 years from the 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 an Entity 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 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 9th year, the Annual Service Charge shall be 11% of Annual Gross Revenue;

ii. Stage Two: Beginning on the 1st day of the 10th year following Substantial Completion until the last day of the 13th 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 14th year following the Substantial Completion until the last day of the 17th 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 18th year following Substantial Completion until the last day of the 21st 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 22nd 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, if the Entity is obligated by the Ground Lease to make Land Tax Payments, including any tax on the pre-existing improvements, payment must be timely made 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 made by it 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 for that quarter. 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 any other remedies (including the appointment of a rent receiver), the right to proceed against the urban renewal entity personally pursuant to the Leasehold Taxing Act, N.J.S.A. 54:4-2.3 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 two (2%) 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 \$223,500 or \$1,500 x 149 units; and \$36,693 or \$1.50 x 24,462 square feet of parking space, for a total of \$260,193 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 or commencement of construction, 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)

The Entity shall execute a Project Labor Agreement as required by Section 304-33 of the Jersey City Municipal Code as it exists or as it may be amended from time to time.

Section 5.3 Living Wage Mandate (Projects with construction costs exceeding \$25 million)

Since construction costs are certified to exceed \$25 million, the Entity shall comply with the Living Wage mandate and the Entity shall immediately require compliance with Section 3-76(c) in all its contracts and leases. This means that janitors and unarmed security guards employed at the Projects, including by any and all tenants or subtenants of the developer, will not be paid less than the standard hourly rate of pay and benefits for their respective classifications. It also means that they will be provided with the paid leave in accordance with the provisions of the Jersey City Municipal Code Section 3-51G(1).

Section 5.4 Annual Service Charge Reduction Following Compliance With City Ordinance 07-123

Notwithstanding anything in this Agreement to the contrary, the City Service Charge described in Article 4, Section 4.1(i) hereof shall be reduced to an amount equal to the greater of the Minimum Annual Service Charge or an Annual Service Charge equal to 10% of Annual Gross Revenue provided the Jersey City Office of Tax Abatement Compliance certifies in writing that the Entity has satisfied the following requirements in connection with Ordinance 07-123 (PLA Compliance Certificate) as amended:

PLA Ordinance:

- 1) At least 90 days prior to the commencement of construction the Entity has:
 - A) Met with the City Office of Tax Abatement Compliance to present its workforce needs;
 - B) Provided job descriptions of the positions to be filled for the duration of the Project;
 - C) Provided a written construction schedule;
 - D) Filed an Initial Project Manning Report;

- E) Filed a letter appointing the Entity's PLA compliance officer;
 - F) If required by the City, participated with the City and the Labor Organizations in at least two (2) job fairs; and
 - G) Paid a pro rata share of the cost(s) of the job fairs referred to in the preceding section, including advertising costs;
- 2) Upon the commencement of construction and until the Project receives a temporary certificate of occupancy, the Entity or its contractor shall file the following documentation by the 15th day of every month:
- A) A Monthly Project Manning Report in compliance with Section IV(1) of Ordinance 07-123 as amended;
 - B) A Certified Payroll Report in compliance with Section IV(2) of Ordinance 07-123 as amended;
 - C) Copies of all written direct requests made by contractors and subcontractors to the Labor Organizations notifying them that they are required to provide the Project with Jersey City resident apprentices;
 - D) Copies of all written general notices provided by the Entity to the contractor notifying the contractor that it is required to comply with Ordinance 07-123 as amended, by providing Jersey City resident apprentices on the Project; and
 - E) Copies of all general written notices provided by any contractor to a subcontractor notifying the subcontractor that it is required to hire Jersey City apprentices as required by Ordinance 07-123 as amended.

The Entity shall apply in writing for the PLA Compliance Certificate not less than thirty (30) days prior to the date that it intends for apply to the Jersey City Construction Code Official for a temporary certificate of occupancy for any portion of the Project. The Jersey City Office of Tax Abatement Compliance shall have thirty (30) days to act upon the Entity's application. Upon the Jersey City Office of Tax Abatement Compliance making a finding that the Entity has complied with items 1(A) through 1(G) and 2(A) through 2(E) above, it shall issue the PLA Compliance Certificate to the Jersey City Tax Collector (with copies to the President of the City Council and the City Clerk) who shall promptly reduce the Entity's Annual Service Charge to

ten (10%) percent of Annual Gross Revenue for the duration of the Financial Agreement regardless of whether the Project has complied with the twenty (20%) percent Jersey City resident apprenticeship requirement set forth in Section III (5) of Ordinance 07-123 as amended.

Project Employment Agreement:

Notwithstanding the above, if following the expiration of all required cure periods set forth in Article VII of the Project Employment Agreement, the City determines that the Entity is in violation thereof, in addition to the remedies available to the City in Article VIII, the City shall be entitled to increase the Entity's Annual Service Charge to eleven (11%) percent of Annual Gross Revenue for the duration of the Financial Agreement.

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.

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 not include those project costs directly attributable to site remediation and cleanup expenses or any other costs excluded in the definition of Total Project Cost in Section 1.2 (xx) of this Agreement.

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 without the prior consent approval by Ordinance of the Municipal Council shall cause the tax exemption to automatically terminate without notice, by operation of law. 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 original 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 and does not violate the Law.

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 prior 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

In order to secure the full and timely payment of the Annual Service Charge, the City reserves the right to perfect and enforce a lien under the Leasehold Taxing Act or appoint a rent receiver or avail itself of any other remedy to protect the City's interests.

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 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 property, in the manner provided by the Leasehold Taxing 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 1st of the year next ensuing. The Notice of Voluntary Termination must be received by the City no later than October 1st 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 1st 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 hereof 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:

KKF Block 5B Urban Renewal, LLC
12 Hidden Glen
Skillman, NJ 08558
Attn: Peter S. Wersinger, III

And copy to:

Connell Foley, LP
Harborside Financial Center
2510 Plaza Five
Jersey City, NJ 07311
Attn: James C. McCann, Esq.

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 Prices;
8. Project Employment and Contracting Agreement;
9. Architect's Certification of Actual Construction Costs.
10. Entity's Ground Lease.

IN WITNESS WHEREOF, the parties have caused these presents to be executed the day and year first above written.

WITNESS:

**KKF BLOCK 5B URBAN
RENEWAL, LLC**

Peter S. Wersinger III, President

ATTEST:

CITY OF JERSEY CITY

**ROBERT BYRNE
CITY CLERK**

**ROBERT KAKOLESKI
BUSINESS ADMINISTRATOR**

PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

This Project Employment & Contracting Agreement is made as of the ___ day of ___, 2016, between the **CITY OF JERSEY CITY** [City] having its principal office at 280 Grove Street, Jersey City, NJ 07302, and **KKF BLOCK 5B URBAN RENEWAL, LLC** [Recipient], having its principal office at 12 Hidden Glen, Skillman, NJ 08558.

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. "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.
4. "Economic Incentive" means a tax abatement or tax exemption for a property or project which requires approval of the Municipal Council
5. "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.
6. 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.
7. "Local Business" means a bona fide business located in Jersey City.
8. "Minority" means a person who is defined as such under federal or state law.
9. "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.
10. "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.

11. "Permanent Jobs" mean newly created long term salaried positions, whether permanent, temporary, part time or seasonal.
12. "Project or Project Site" means the specific work location or locations specified in the contract.
13. 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.
14. 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.
15. 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.
16. "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.
17. "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.
18. "Subcontract" means a binding legal relationship involving performance of a contract that is part of a prime contract.
19. "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.
20. "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: Business Contracting and 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 subject to the terms of a Project Labor Agreement during construction, this agreement shall apply only to Business Contracting and non-construction Permanent Jobs.

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 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:** 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 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.

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 35 years from the date of the adoption of that Ordinance or 30 years from the date of Substantial Completion of the Project.

VI. Good Faith Defined:

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 1st 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.

2. **Business Contracting**

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 1st 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.

3. **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 1st of each year.

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 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.

VIII. 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 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 business² 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.

IX. 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:

KKF Block 5B Urban Renewal, LLC
12 Hidden Glen
Skillman, NJ 08558
Att: Peter S. Wersinger, III

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—2nd Floor
Jersey City, NJ 07306
Att: Executive Director

with separate copies to the Mayor and the Business Administrator.

X. Appendix

These forms are examples only and shall be in substantially the form attached, 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

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.

Notwithstanding anything in this Agreement to the contrary, if the Recipient has entered into a Project Labor Agreement with a Labor Organization, then any and all sections of this Agreement pertaining to construction jobs and the construction portion of any Project, are null and void and may be disregarded by the Recipient. In the event the Recipient has entered into a Project Labor Agreement, then this Agreement shall become effective upon Substantial Completion of the Project. In the event there are any conflicts between this Agreement and any Project Labor Agreement, then the Project Labor Agreement shall govern.

ATTEST:

CITY OF JERSEY CITY

Robert Byrne
City Clerk

Robert J. Kakoleski
Business Administrator

WITNESS:

**KKF BLOCK 5B URBAN
RENEWAL, LLC**

Secretary

Peter S. Wersinger III, President

City Clerk File No. Ord. 16.188

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 16.188

ORDINANCE AMENDING CHAPTER 3 (ADMINISTRATION OF GOVERNMENT),
TITLE: ARTICLE XII (DEPARTMENT OF HEALTH AND HUMAN SERVICES, ABOLISHING
THE DIVISION OF HEALTH AND THE DIVISION OF CLINICAL SERVICES AND
CREATING THE DIVISIONS OF ENVIRONMENTAL HEALTH, THE DIVISION
COMMUNITY HEALTH AND WELLNESS, THE DIVISION OF FOOD AND
NUTRITION, THE DIVISION OF DISEASE PREVENTION AND THE DIVISION OF
ANIMAL CARE AND CONTROL WITHIN THE DEPARTMENT OF HEALTH AND
HUMAN SERVICES

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

- A. The following amendments and supplements to Chapter 3 (Administration of Government) Article XII (Department of Health and Human Services) are hereby adopted:

CHAPTER 3

ADMINISTRATION OF GOVERNMENT

ARTICLE XII

DEPARTMENT OF HEALTH AND HUMAN SERVICES

§ 3-99. - Department created; head.

[Amended 8-19-1992 by Ord. No. 92-106]

There shall be a Department of Health and Human Services, the head of which shall be the Director of Health and Human Services; provided, however, that in accordance with N.J.S.A. 26:3-19, the licensed health officer shall, be the general agent of the City of Jersey City for the enforcement of health ordinances and the sanitary laws of the state

§ 3-100. - Organization of Department.

Within the Department of Health and Human Services there shall be the following divisions and offices:

- A. Division of Environmental Health.
- B. Division of Clinical Services Disease Prevention
- C. Division of Senior Citizens Affairs.
- D. Division of Disease Prevention
- E. Division of Community Health and Wellness;
- F. Division of Food and Nutrition
- D. Division of Animal Care and Control

§ 3-101. - Adopt a Lot Program.
[No change]

§ 3-102. - Repealed.

§ 3-103. - Repealed.

§§ 3-104, 3-104.1. - Repealed.

§ 3-104.2. - Repealed.

§ 3-105. - Division of Environmental Health; functions

[Amended 7-18-2007 by Ord. No. 07-129]

~~A. Creation of the Division of Health; Health Officer in charge. There is hereby created within the Department of Health and Human Services the Division of Health, the head of which shall be the Health Officer.~~

(1) Under the supervision and direction of the Director of Health and Human Services and the Director of Inspections, the Division of Environmental Health shall:

(a) Administer the state laws and provisions of this Code which confer functions, powers and duties upon a board or department of health or a local health officer.

(b) Enforce the state laws and the provisions of the Jersey City Code for the prevention and control of disease and perform the related inspections essential thereto, including any provisions herein and in state laws relating to industrial hygiene and to air pollution.

(c) Prepare and supply statistical and educational material for purposes of internal administration and reporting or for public education.

(d) Administer a public health nursing service and a parochial school health program.

~~(e) Operate child health clinics and other public health clinics.~~

(f) Arrange for the following services, to be performed either in-house or by outside contractor:

- [1] For bacteriological and chemical analysis of milk, food and water;
- [2] For the diagnosis and control of communicable diseases; and
- [3] For research requirements of other city departments.

(g) Establish and implement a sterile syringe access program in the form and manner consistent with state law and in accordance with the Blood Borne Disease Harm Reduction Act.

(h) Administer the lead testing notification program for all licensed Day Care Center operators established under Section 182-35 of the Jersey City Code and licensed by the State of New Jersey pursuant to N.J.S.A. 30:5B-3.

(i) Supervise the administration of various health service programs for senior citizen

(2) All departments and agencies of the City of Jersey City shall cooperate with the Division of Environmental Health and provide the Division with any requested information necessary to administer state laws and provisions of this code and to carry out the functions and duties of the Division. [Added 9-22-1988 by Ord. No. C-823]

- (3) Within the Division of Environmental Health, there shall be a Bureau of Licensing, the head of which shall be the Director of Licensing. The Bureau of Licensing shall issue all licenses administered by the Department of Health and Human Services.
- (4) Within the Division of Environmental Health, there shall be a Bureau of Healthy Homes, which shall be responsible for—
- a) consolidating existing lead prevention and rodent control programs;
 - b) developing and implementing a strategic plan for the City to reduce or eliminate housing-related health hazards and to promote housing that is healthy, safe, affordable, and accessible;
 - c) monitoring for lead exposure and provide case management and environmental investigations of lead poisoned children;
 - d) building a consortium of strategic partners to address unsafe and/or unhealthy housing conditions;
 - e) assuring that follow up care and interventions are provided for vulnerable populations;
 - f) establish surveillance system to include not only blood lead levels, but also environmental tests results and selected healthy homes
 - g) training existing registered environmental health specialists in lead inspection techniques as well as Healthy Homes principles.
- (5) Within the Division of Environmental Health, there shall be a Bureau of Inspections, which shall be responsible for all inspections required by the Department of Health and Human Services.

~~§ 3-106. - Division of Clinical Services.~~

~~[Amended 8-13-1997 by Ord. No. 97-052]~~

~~There is hereby created within the Department of Health and Human Services the Division of Clinical Services, the which shall have supervision of all clinical services provided by the city.~~

• § 3-107. - Division of Senior Citizens' Affairs.

A. Creation of the Division of Senior Citizens Affairs. There is hereby created within the Department of Health and Human Services the Division of Senior Citizens Affairs.

Under the supervision and direction of the Director of Health and Human Services, the Division of Senior Citizens Affairs shall:

- (a) Supervise the administration of various social, recreational, educational, and transportation for the City's senior citizens.
- (b) Organize and operate senior citizen centers and the multipurpose services in relation thereto.
- (c) Propose and evaluate studies of senior citizen problems and programs and acting as city liaison with community groups involved in senior citizen affairs.

Sec. 3-107.1 Division of Disease Prevention

These is hereby created within the Department of Health and Human Services the Division of Disease Prevention, the head of which shall be the Director of Disease Prevention. Under the supervision of the Director of Health and Human Services, The Division of Disease Prevention shall be responsible for the administration of the all child health programs and the Preventive Medicine Clinic which shall administer programs programs for the prevention of sexually transmitted diseases (STD).

Sec. 3-107.2 Division of Community Health and Wellness

There is hereby created within the Department of Health and Human Services the Division of Community Health and Wellness, the head of which shall be the Director of Community Health and Wellness. The Division of Community Health and Wellness shall have responsibility for the administration of the Affordable Care Act and the Right to Know Law and shall develop and administer programs to provide health education and personalized health improvement programs.

Sec. 3-107.3 Division of Food and Nutrition

There is hereby created within the Department of Health and Human Services the Division of Food and Nutrition, the head of which shall be the Director of Food and Nutrition. The Division of Food and Nutrition shall provide education and training related to food preparation and administer the Women's Infants and Children (WIC) program, the Meals on Wheels program, the Senior Lunch Program and shall supervise all farmer's markets authorized by the City.

Sec. 3-107.4 Division of Animal Care and Control

There is hereby created within the Department of Health and Human Services the Division of Animal Care and Control, The Division of Animal Care and Control shall provide a variety of services related to the well-being of animals and residents who come in contact with them, including--

- (a) State-mandated animal control services, including picking up stray and abandoned animals, rabies prevention, responding to animal bites and attacks, and oversight of dangerous dogs;
- (b) Responding to animal nuisance complaints;
- (c) Investigating reports of animal cruelty or neglect;
- (d) Educating residents on pet care and other animal issues; and ordinance enforcement.

- **§ 3-108. - Repealed.**
- **§ 3-109. - Repealed.**

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required
Not Required