City Clerk File No. Ord. 11-077

Agenda No. 3.A 1st Reading

Agenda No. 4.A. 2nd Reading & Final Passage

ORDINANCE OF JERSEY CITY, N.J.

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

CITY ORDINANCE 11-077

TITLE:

AN ORDINANCE GRANTING PERMISSION TO 222-224 FIRST STREET LLC., ITS SUCCESSORS AND ASSIGNS, TO CONSTRUCT AND INSTALL AN ENTRY PORCH, STAIRS, FENCING AND LANDSCAPING APPROXIMATELY 40 FEET IN LENGTH AND 7 FEET IN DEPTH ALONG THE PUBLIC RIGHT OF WAY OF FIRST STREET ADJACENT TO BLOCK 243, LOTS 12 & 13, IN ACCORD WITH THE REVISED SITE PLAN AS SUBMITTED IN THE ATTACHED EXHIBIT "A".

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

WHEREAS, Petitioner is the owner of real property in Jersey City known as: 222-224 First Street, Block 243, Lots 12 and 13, and

WHEREAS, Petitioner has filed a petition with the Municipal Council of Jersey City, requesting a franchise as shown on a Site Plan prepared by Minervini Vandermark Architects, (hereinafter referred to as Exhibit "A"), said Petition and Site Plan being on file with the Office of the City Clerk, requesting a franchise giving permission to use an area of approximately 40 feet in length and 7 feet in depth of the public right of way of First Street as and for the construction and installation of an entry porch, stairs, fencing and landscaping as depicted on Exhibit "A", and

WHEREAS, the public interest will be served by this franchise as it will advance the public safety and welfare, and

WHEREAS, the use of the area in question is consistent with the adjacent buildings, the Petitioner requests that this ordinance be adopted, and

WHEREAS, 222-224 First Street, LLC., its successors and assigns, has made application to the Municipal Council of Jersey City by written Petition for the franchise herein referred to:

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

SECTION 1: Permission is hereby granted to 222-224 First Street, LLC., its successors and assigns to construct and install an entry porch, stairs, fencing and landscaping as depicted on Exhibit "A" and in accordance with the approved revised Site Plan adopted by the Jersey City Zoning Board of Adjustment.

SECTION 2: This Ordinance shall remain in full force and effect for a period of ninety-nine (99) years. This ordinance shall take effect upon final passage and publication according to law. In the event that the Municipal Council determines that this Ordinance must be cancelled 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 Petitioner one year prior to the date of cancellation.

SECTION 3: 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 4: In accepting the privileges of this ordinance and the installation, maintenance and use hereby authorized, 222-224 First Street, 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 installations, 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 for the term of this ordinance.

A) 222-224 First Street, LLC., its successors and assigns shall maintain in effect, during the term of this franchise, liability insurance naming the City of Jersey City, its officers and employees as insureds, covering the use and occupancy of the franchised portion of First Street. A Certificate of the Insurance, in the amount of $1,000,000.00 in a form deemed acceptable by the City's Risk Manager, shall be delivered to the Risk Manager before use or occupancy of the premises subject to the Franchise Ordinance.

SECTION 5: All 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. After construction, there shall remain no damage to the area or interference with the free and safe flow of pedestrian traffic. The Petitioner, and its successor or assigns, shall maintain all improvements installed by it for the entire term of this franchise at no cost to the City.

SECTION 6: The costs and expenses incidental to the introduction, passage and publication of this Ordinance shall be paid by the Petitioner.

SECTION 7: The Ordinance shall not become effective unless an acceptance hereof in writing be filed by the Petitioner.

SECTION 8: In the event that the Petitioner shall not file with the City Clerk its acceptance, in writing, of the provisions of this Ordinance within thirty (30) days after receiving notice of its passage, this Ordinance shall become void and be of no effect.

SECTION 9: For the Franchise herein granted, the Petitioner shall pay annually to the City of Jersey City the sum of ONE DOLLAR ($1.00), which payment shall be made in advance to the City Finance Director, at his/her office at City Hall, on the first day of January in each year after this Ordinance becomes effective and remains in force.

SECTION 10: This Franchise Ordinance shall be subject to the following conditions:

a) An easement upon the portion of the Property subject to this Franchise Ordinance is hereby reserved for the benefit of the City of Jersey City and all public utility companies for the purpose of operating, maintaining, inspecting, protecting, repairing, replacing or reconstructing any existing water, sewer or utility lines together with the right of ingress and egress at all times for such purposes and all other purposes in connection with or in any way relating to the City of Jersey City's or public utility companies', use or operation of water, sewer or utility lines.

b) No building or structure of any kind may be constructed over the water or sewer utilities within the area subject to this franchise without the consent of the Chief Engineer of the City of Jersey City.

c) The Petitioner shall install the porch and landscaping in accord with the approved Site Plan.

d) All inconsistent Ordinances and parts of Ordinances are hereby repealed.

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

f) This Ordinance shall take effect at the time and in the manner provided by law.

g) The City Clerk and the Corporation Counsel 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 repeal of the existing provisions.

APPROVED ~~AS TO LEGAL~~ FORM

Corporation Counsel

APPROVED: _____

APPROVED: _____
Business Administrator

Certification Required ☐

Not Required ☐

Ordinance of the City of Jersey City, N.J.

ORDINANCE NO. Ord. 11-077

TITLE: 3.A. JUL 20 2011 4.A. AUG 10 2011

An ordinance granting permission to 222-224 First Street, LLC its successors and assigns, to construct and install an entry porch, stairs, fencing and landscaping approximately 40 feet in length and 7 feet in depth along the public right of way of First Street adjacent to Block 243, Lots 12 & 13, in accord with the revised site plan.

RECORD OF COUNCIL VOTE ON INTRODUCTION JUL 20 2011 7-0

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	ABSENT			BRENNAN	✓		
DONNELLY	✓			FULOP	✓			AHMAD	✓		
LOPEZ	✓			RICHARDSON	ABSENT			VELAZQUEZ	✓		

✓ Indicates Vote N.V.-Not Voting (Abstain)

RECORD OF COUNCIL VOTE TO CLOSE PUBLIC HEARING AUG 10 2011 7-0

Councilperson VELAZQUEZ moved, seconded by Councilperson BRENNAN to close P.H.

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	ABSENT			BRENNAN	✓		
DONNELLY	✓			FULOP	ABSENT			AHMAD	✓		
LOPEZ	✓			RICHARDSON	✓			VELAZQUEZ	✓		

✓ Indicates Vote N.V.-Not Voting (Abstain)

RECORD OF COUNCIL VOTE ON AMENDMENTS, IF ANY

Councilperson _____ moved to amend* Ordinance, seconded by Councilperson _____ & adopted _____

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO				GAUGHAN				BRENNAN			
DONNELLY				FULOP				AHMAD			
LOPEZ				RICHARDSON				VELAZQUEZ			

✓ Indicates Vote N.V.-Not Voting (Abstain)

RECORD OF FINAL COUNCIL VOTE AUG 10 2011 8-0

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	ABSENT			BRENNAN	✓		
DONNELLY	✓			FULOP	✓			AHMAD	✓		
LOPEZ	✓			RICHARDSON	✓			VELAZQUEZ	✓		

✓ Indicates Vote N.V.-Not Voting (Abstain)

Adopted on first reading of the Council of Jersey City, N.J. on JUL 20 2011

Adopted on second and final reading after hearing on AUG 10 2011

This is to certify that the foregoing Ordinance was adopted by the Municipal Council at its meeting on

Robert Byrne, City Clerk

APPROVED:

Peter M. Brennan, Council President

*Amendment(s):

Date:

APPROVED:

Jeramiah T. Healy, Mayor

Date AUG 11 2011

Date to Mayor AUG 11 2011

Tolonda Griffin-Ross

From: Rita McKenna [ritamckenna@ymail.com]
Sent: Wednesday, June 08, 2011 6:08 PM
To: Tolonda Griffin-Ross
Cc: Jon Campbell
Subject: 222-224 First Street Franchise
Attachments: Stoop Redesign May 20th 2011.pdf; Amended Franchise packet.11.06.06.doc

Tolanda,

Attached below is Chuck Lee's approval of the revised franchise that we submitted to you on Tuesday. The architects advised us that they have sent Mr. Lee the documents he requested.

For your convenience we have also attached the packet of franchise documents we submitted to you on Tuesday.

If there is anything else we can do to move this along please let us know.

Thank you.

take care,
Rita

----- Forwarded Message ----
From: Chuck Lee <CLee@jcnj.org>
To: Ciaran Kelly <ciarankelly@mvarchitecture.com>
Cc: "jeremy@doppelt.org" <jeremy@doppelt.org>; Anthony Vandermark <anthonyvandermark@mvarchitecture.com>; Rita McKenna <ritamckenna@ymail.com>; "jonpcampbell@hotmail.com" <jonpcampbell@hotmail.com>; Lichuan Wang <Lichuan@jcnj.org>; Robert Byrne <RByrne@jcnj.org>
Sent: Fri, June 3, 2011 1:09:26 PM
Subject: RE: 222 1st street, Jersey City

Ms. Kelly

I have been on vacation and apologize for not able to check my emails.

We have reviewed the attached revised layout you emailed to us and we find it acceptable. Please provide a title block on this sketch along with your signature, and resubmit it with the Franchise Petition to us. We will also need a written metes and bound description for the franchise area.

Chuck F. Lee, P.E.
City Engineer
575 Route 440
Jersey City, NJ 07305
Office: 201-547-4413
Fax: 201-547-6848

From: Ciaran Kelly [mailto:ciarankelly@mvarchitecture.com]
Sent: Friday, May 20, 2011 4:45 PM
To: Chuck Lee
Cc: jeremy@doppelt.org; 'Anthony Vandermark'; 'Rita McKenna'; jonpcampbell@hotmail.com; Lichuan Wang
Subject: 222 1st street, Jersey City

Mr. Lee,
Please take a look at the attached stoop redesign proposal. In the interest of bringing this matter to a close we are proposing a solution which, based on your last email, should satisfy your requirements. We are proposing that the stoop extend 7 feet only beyond the face of the building leaving 8 feet between the first step and the curb line. The front face of our proposed building will line up with the rest of the buildings and be 15'-0" from the curb. As your department previously requested we have positioned the fenceline to match the existing fence line to the east @ 3'-11" off the face of the building.
To quote from your last email..

"We will have no objection to your Franchise Petition if you will locate the building outside of our Right-of-Way line (15' from the curb line like everyone else) and the stoop at least 8' behind the curb line to match with all others along that street. "

We will meet both these criteria. Please review the attachment and confirm that this proposal will be acceptable so that I can then proceed and prepare formal submissions for approval.

Thank you and have a nice weekend

Ciaran Kelly,
Project Architect,
Minervini Vandermark Architecture,
360 Fourteenth Street,
Hoboken, New Jersey, 07030.
Tel: 201 386 0637
Fax: 201 386 0628

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For more information please visit http://www.messagelabs.com/email

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Raymond Reddington

From: Raymond Reddington
Sent: Tuesday, September 21, 2010 4:14 PM
To: Tolonda Griffin-Ross
Subject: Franchise Ordinance 222-224 First Street LLC

My comments are:

1) Section 1, page 2, 3rd line; typo, should be "in accordance with.."

2) Section 2, needs to be replaced with:

   This Ordinance shall remain in full force and effect for a period of ninety-nine 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 Petitioner one year prior to the date of cancellation.

NOTICE: The contents of this message, together with any attachments, are intended only for the use of the individual or entity to which they are addressed and contain information that is legally privileged, confidential and exempt from disclosure. If you are not the intended recipient, you are hereby notified that any review, use, transmission, conversion to hard copy, dissemination, distribution, or copying of this message, or any attachments, is strictly prohibited. If you have received this message in error, please notify the original sender by email or telephone (201) 547-5229 and immediately delete this message, along with any attachments, from your computer. Thank you.

Franchise/Vacation Ordinance
Reply Sheet

FRANCHISE ORDINANCE

222-224 - First Street
Stoop, fencing and landscaping

Amended metes and bounds description submitted 7/26/10
Revised Exhibit A submitted 8/16/10

DEPARTMENT	DATE	COMMENT	YES	NO	REVISE
Business Administrator John Kelly- 5147	8/2		-----	----	-----
Construction Official Raymond Meyer - 5697	8/5		-----	----	-----
Engineering Chuck Lee, Mun. Engineer - 4413	8/3	**make changes**	-----	----	-----
Fire Department Armando Roman, Director - 4239	6/23		-----		
Housing, Economic Dev. & Commerce Carl Czaplicki, Director - 5070					
Div. of Planning Ext. 4499 Robert Cotter, Director	8/5		-----		
Law Department Ext. 5229 William Matsikoudis, Corp. Counsel	9/21	**make changes**	-----		
Police Department Samuel Jefferson, Director - 5300	8/6		-----		
Public Works Rodney Hadley, Director - 4402	6/22		-----		
Risk Manager Peter Soriero - 6929	6/24		-----		
Tax Assessor Ed Toloza- 4707	6/24		-----		
Tax Collector Maureen Cosgrove - 5120	6/22		-----		

Attorney: Jon P. Campbell, 317 Belleville Avenue, Bloomfield, New Jersey 07003, 973-818-7792

G:\WPDOCS\TOLONDA\Franchise Ordinance Correspondence\222-224 First Street\REPLY TABLE.wpd
September 21, 2010

CITY OF JERSEY CITY
Office of the City Clerk
Interdepartmental Memorandum

DATE: July 29, 2010

TO: Business Administrator: John Kelly
Construction Official: Raymond Meyer
Engineering: Chuck Lee, Municipal Engineer
Housing, Economic Dev. & Commerce: Carl Czaplicki, Director
Division of City Planning: Robert Cotter, Director
Law Department: William Matsikoudis, Corp. Counsel
Police Department: Samuel Jefferson, Director

Tolonda
I have no comment.
Jack Kelly.

FROM: Tolonda Griffin-Ross, Deputy City Clerk
tolonda@jcnj.org

RE: PROPOSED FRANCHISE ORDINANCE
PETITIONER: 222-224 FIRST STREET LLC
Stoop, fencing and landscaping

*****SECOND REQUEST******

Enclosed, please find the above-referenced franchise ordinance and its corresponding petition and survey. The Municipal Council requires your opinion before they will consider taking legislative action. Therefore, when responding, please be aware of the essential need to be accurate and comprehensive. Your response must then be forwarded to the Office of the City Clerk for the Council's final determination. I would appreciate a prompt response.

Should you have any questions in respect to this matter, please contact the attorney for the petitioner:

ATTORNEY'S INFORMATION
Jon P. Campbell
317 Belleville Avenue
Bloomfield, New Jersey 07003
Tel: 973-818-7792

2010 AUG -2 AM 10:21

G:\WPDOCS\TOLONDA\Franchise Ordinance Correspondence\222-224 First Street\Memo.wpd

Tolonda Griffin-Ross

From: Raymond Meyer
Sent: Thursday, August 05, 2010 8:30 AM
To: Tolonda Griffin-Ross
Subject: 222-224 First Street

Be advise I have no comments or objections for this matter

Tolonda Griffin-Ross

From: Ciaran Kelly [ciarankelly@mvarchitecture.com]
Sent: Friday, October 08, 2010 4:08 PM
To: Chuck Lee
Cc: Lichuan Wang; Claire Davis; ritamckenna@ymail.com; jeremy@doppelt.org; Tolonda Griffin-Ross; Dan Wrieden; Peter Brennan; Robert Byrne; Robert Cotter; Rodney Hadley; Steve Fulop
Subject: 222 1st street

Hello Chuck,

The items below are in direct response to your recent email dated 10/7/10 regarding the project at 222 First Street. There are some important items that seemed to be absent when making your determination. Our office is not trying to be difficult in this process. However we would like all facts to be known so that we can all make a more educated decision.

First of all we think it is important to remember that this 'Stoop' was added to the building at the specific request of the historic department of the city and was not part of the original facade design. The 1st floor unit does not require the direct access from the street. It can easily be eliminated. However this changes the facade design completely. Once requested however, we needed to make it code compliant. It has been designed to ascend from grade to the 1st floor level at B.F.E. with the least number of risers required. It is not 'excessive'. It is what is required by federal flood plane & code.

In your email you make repeated comparisons to the existing street conditions, specifically in terms of building and fence lines, but for some reason you only talk about the east side of the building between our lot and Manila Street.

You say "Your problem was created by your building being proposed much closer to the street than your neighbor's house to the right" and "We were willing to allow the proposed planters and fence encroach 3'-11" into the sidewalk area, which will line up with the existing adjacent fence line all the way to Manila Street" What about the rest of the street though? Our lot lies about 2/5 of the way between Manila and Erie and in truth the street scape between our proposed building and Erie street to the west is a far more influential in terms of consistent street line, consistent fence line, repetition of stoops, existence and repetition of trees. To just look east from out lot makes for a poor comparison.

The front line of our building **matches** that of the adjoining building on the left (west) and which in fact is the predominant building line on the street. All building positioning, stair and fence lines were reviewed & scrutinized to great extent by both the Historic & Planning Department. We spent months considering all of these items an their relation to the entire street as a whole. Items, such as the fence line to the left (west) extending further out than on the right and it being the predominant fence line on the street, were carefully considered when designing our site elements.

Your department recently requested that our fence line be pulled back and that the proposed tree pits, which were previously designed as 3ftx3ft, be increased to 5ftx5ft. It is our opinion that these two changes have had a negative effect on the overall design. It also neglects all the predominant properties situation to the left (west) of our site.This is because pulling the fence line back has increased the distance the stair projects beyond it to 4'-6" <u>and</u> increasing the tree pit size way beyond the predominant pit size throughout the rest of the street causes an awkward condition in front of our building. These items, as requested, have no relevance to the rest of the predominant design characteristics that were carefully considered when designing the original application, yet we have changed them at your request. Our firm can abide by your request for a stair modification by recessing it back into the structure, though we think it an unfair imposition on our client at this late stage. We will not be changing the position of the structure itself in relation to he site. In addition, this design alteration will have to be approved once again by both historic and zoning departments. We request you review this issue once last time before making such strong judgments.

Sincerely,

Anthony Vandermark & Ciaran Kelly,

Minervini Vandermark Architecture,

360 Fourteenth Street,

Hoboken, New Jersey, 07030.

Tel: 201 386 0637

Tolonda Griffin-Ross

From: Rita McKenna [ritamckenna@ymail.com]
Sent: Wednesday, June 08, 2011 6:08 PM
To: Tolonda Griffin-Ross
Cc: Jon Campbell
Subject: 222-224 First Street Franchise
Attachments: Stoop Redesign May 20th 2011.pdf; Amended Franchise packet.11.06.06.doc

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If there is anything else we can do to move this along please let us know.

Thank you.

take care,
Rita

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To: Ciaran Kelly <ciarankelly@mvarchitecture.com>
Cc: "jeremy@doppelt.org" <jeremy@doppelt.org>; Anthony Vandermark <anthonyvandermark@mvarchitecture.com>; Rita McKenna <ritamckenna@ymail.com>; "jonpcampbell@hotmail.com" <jonpcampbell@hotmail.com>; Lichuan Wang <Lichuan@jcnj.org>; Robert Byrne <RByrne@jcnj.org>
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Chuck F. Lee, P.E.
City Engineer
575 Route 440
Jersey City, NJ 07305
Office: 201-547-4413
Fax: 201-547-6848

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Cc: jeremy@doppelt.org; 'Anthony Vandermark'; 'Rita McKenna'; jonpcampbell@hotmail.com; Lichuan Wang
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Project Architect,
Minervini Vandermark Architecture,
360 Fourteenth Street,
Hoboken, New Jersey, 07030.
Tel: 201 386 0637
Fax: 201 386 0628

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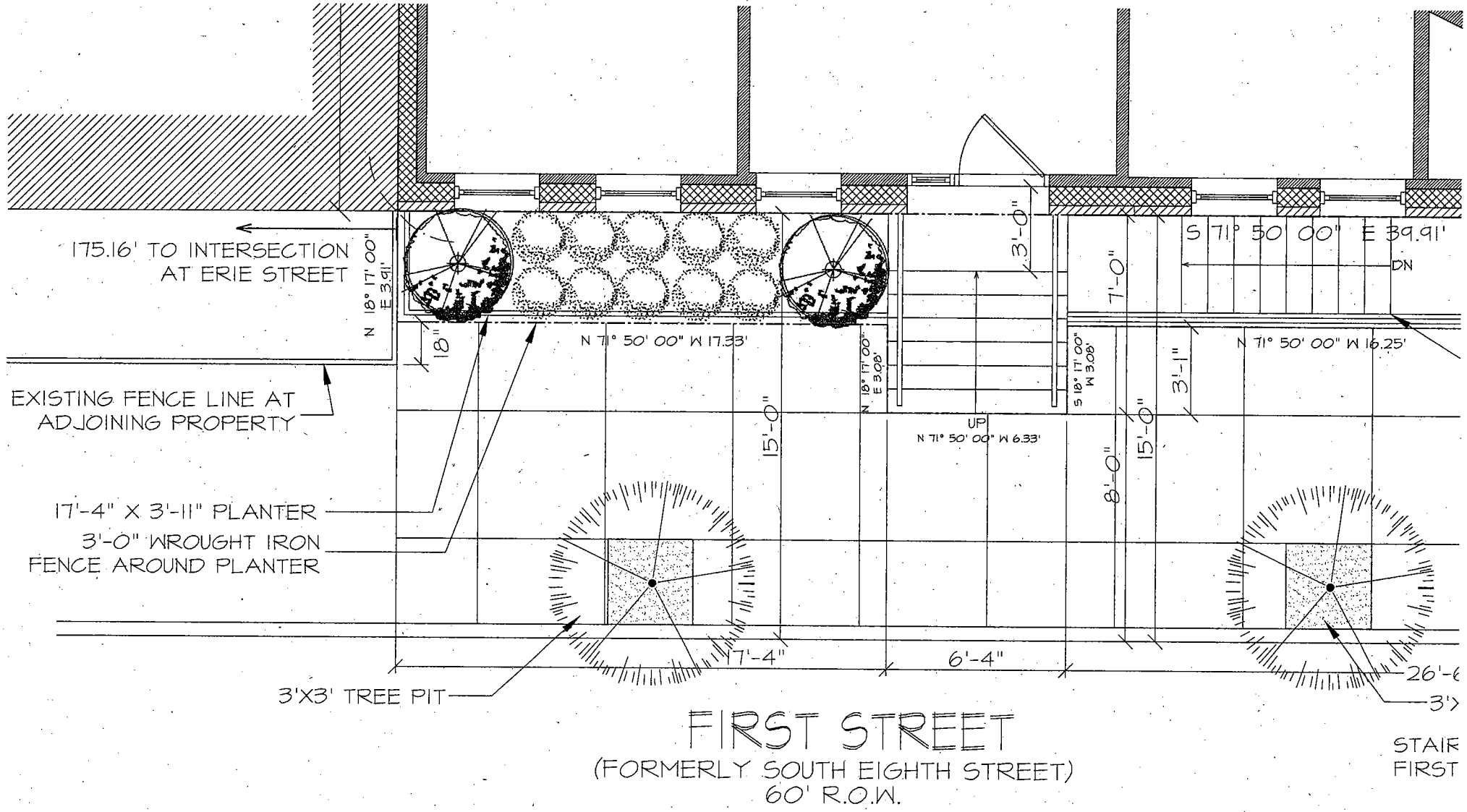

FIRST STREET

(FORMERLY SOUTH EIGHTH STREET)
60' R.O.W.

JON P. CAMPBELL
ATTORNEY AT LAW OF NEW JERSEY
317 Belleville Avenue
Bloomfield, New Jersey 07003
Phone: 973-818-7792 Fax: 973-575-5367
jonpcampbell@hotmail.com

June 7, 2011

Honorable City Clerk of the City of Jersey City
City Hall – 280 Grove Street
Jersey City, New Jersey 07302
Attn: Tolonda Griffin-Ross, Deputy City Clerk

Re: Franchise Ordinance
222-224 First Street
Block 243 Lots 12 & 13

Dear Ms. Griffin-Ross,

Attached please find an amended Petition, Ordinance, and Exhibit A in the above referenced matter. These amendments are the result of ongoing discussions between the architect, Minervini Vandermark, and Chuck Lee of Engineering. Mr. Lee has approved the amendments. Both Claire Davis of Zoning and Dan Wrieden of Historic have also reviewed these changes. At this point they have not voiced any objections.

Mr. Lee has requested revised documents in support of these amendments and such documents have been forwarded to him. The revised documents that Mr. Wrieden has requested are being prepared and should be forwarded to him by the end of this week.

Please advise as to a date, time and place for the caucus meeting.

Thank you for your assistance.

Sincerely,

Jon Campbell

Enclosures

City Clerk File No. Ord.
Agenda No. 1st Reading
Agenda No. 2nd Reading

ORDINANCE
OF
JERSEY CITY, NEW JERSEY

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

AN ORDINANCE GRANTING PERMISSION TO 222-224 FIRST STREET LLC., ITS SUCCESSORS AND ASSIGNS, TO CONSTRUCT AND INSTALL AN ENTRY PORCH, STAIRS, FENCING AND LANDSCAPING APPROXIMATELY 40 FEET IN LENGTH AND 7 FEET IN DEPTH ALONG THE PUBLIC RIGHT OF WAY OF FIRST STREET ADJACENT TO BLOCK 243, LOTS 12 & 13, IN ACCORD WITH THE REVISED SITE PLAN AS SUBMITTED IN THE ATTACHED EXHIBIT "A".

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

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WHEREAS, Petitioner has filed a petition with the Municipal Council of Jersey City, requesting a franchise as shown on a Site Plan prepared by Minervini Vandermark Architects, (hereinafter referred to as Exhibit "A"), said Petition and Site Plan being on file with the Office of the City Clerk, requesting a franchise giving permission to use an area of approximately 40 feet in length and 7 feet in depth of the public right of way of First Street as and for the construction and installation of an entry porch, stairs, fencing and landscaping as depicted on Exhibit "A", and

WHEREAS, the public interest will be served by this franchise as it will advance the public safety and welfare, and

WHEREAS, the use of the area in question is consistent with the adjacent buildings, the Petitioner requests that this ordinance be adopted, and

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

SECTION 1: Permission is hereby granted to 222-224 First Street, LLC., its successors and assigns to construct and install an entry porch, stairs, fencing and landscaping as depicted on Exhibit "A" and in accord with the approved revised Site Plan adopted by the Jersey City Zoning Board of Adjustment.

SECTION 2: This Ordinance shall remain in full force and effect for a period of ninety-nine (99) years. However, in the event that this building and all the buildings on the block on which the subject site lays should be demolished, thereby enabling all new construction to establish a uniform front setback which complies with the then effective set back regulations, the City of Jersey City reserves the right to cancel this Ordinance by giving written notice to the Petitioner of the cancellation of this franchise and the requirement that such new construction adhere to the zoning ordinance.

SECTION 3: 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 4: In accepting the privileges of this ordinance and the installation, maintenance and use hereby authorized, 222-224 First Street, 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 installations, 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 for the term of this ordinance.

A) 222-224 First Street, LLC., its successors and assigns shall maintain in effect, during the term of this franchise, liability insurance naming the City of Jersey City, its officers and employees as insureds, covering the use and occupancy of the franchised portion of First Street. A Certificate of the Insurance, in the amount of $1,000,000.00 in a form deemed acceptable by the City's Risk Manager, shall be delivered to the Risk Manager before use or occupancy of the premises subject to the Franchise Ordinance.

SECTION 5: All 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. After construction, there shall remain no damage to the area or interference with the free and safe flow of pedestrian traffic. The Petitioner, and its successor or assigns, shall maintain all improvements installed by it for the entire term of this franchise at no cost to the City.

SECTION 6: The costs and expenses incidental to the introduction, passage and publication of this Ordinance shall be paid by the Petitioner.

SECTION 7: The Ordinance shall not become effective unless an acceptance hereof in writing be filed by the Petitioner.

SECTION 8: In the event that the Petitioner shall not file with the City Clerk its acceptance, in writing, of the provisions of this Ordinance within thirty (30) days after receiving notice of its passage, this Ordinance shall become void and be of no effect.

SECTION 9: For the Franchise herein granted, the Petitioner shall pay annually to the City of Jersey City the sum of ONE DOLLAR ($1.00), which payment shall be made in advance to the City Finance Director, at his/her office at City Hall, on the first day of January in each year after this Ordinance becomes effective and remains in force.

SECTION 10: This Franchise Ordinance shall be subject to the following conditions:

a) An easement upon the portion of the Property subject to this Franchise Ordinance is hereby reserved for the benefit of the City of Jersey City and all public utility companies for the purpose of operating, maintaining, inspecting, protecting, repairing, replacing or reconstructing any existing water, sewer or utility lines together with the right of ingress and egress at all times for such purposes and all other purposes in connection with or in any way relating to the City of Jersey City's or public utility companies', use or operation of water, sewer or utility lines.

b) No building or structure of any kind may be constructed over the water or sewer utilities within the area subject to this franchise without the consent of the Chief Engineer of the City of Jersey City.

c) The Petitioner shall install the porch and landscaping in accord with the approved Site Plan.

d) All inconsistent Ordinances and parts of Ordinances are hereby repealed.

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

f) This Ordinance shall take effect at the time and in the manner provided by law.

g) The City Clerk and the Corporation Counsel 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 repeal of the existing provisions.

PETITION FOR FRANCHISE ORDINANCE

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

Your petitioner, 222-224 FIRST STREET, LLC., a corporation of the State of New Jersey, its successors and assigns, having offices located at: c/o Doppelt, Suite 502, 408 Main Street, in the City of Boonton, County of Morris, and State of New Jersey, 07005, respectfully says that:

1. The petitioner is the owner of real property in Jersey City known as:
222-224 First Street, Block 243, Lots 12 & 13

2. The lot is presently occupied by a dilapidated residential building which is to be replaced by new construction.

3. The subject site is in the Harsimus Cove Historic Zoning District and the petitioner proposes to construct on the site an eight unit residential building.

4. The petitioner has received approvals for Site Plan and Variances from the Jersey City Zoning Board of Adjustment.

5. In order to enhance the aesthetics of the area and the proposed building, Petitioner proposes to provide an appropriate front setback for the front stoop, along with appropriate fencing and landscaping, requiring Petitioner to seek a franchise ordinance from the City of Jersey City.

6. The proposed improvements to the public Right-of-way requiring a franchise were recommended by the Jersey City Historic Preservation Commission and Zoning Board of Adjustment approval was conditioned on application for a franchise in order to construct the recommended improvements.

WHEREFORE, Petitioner respectfully prays for itself, its successors and assigns, permission by virtue of a Franchise Ordinance to be adopted by the City Council of the City of Jersey City, to construct the stoop and fencing and to install landscaping in the right of way of First Street, in accord with the approved revised Site Plan.

222-224 FIRST STREET, LLC

By:_____
Jon P. Campbell, Agent

EXHIBIT A

Tolonda Griffin-Ross

From: Chuck Lee
Sent: Thursday, October 07, 2010 8:30 AM
To: Jon Campbell
Cc: ciarankelly@mvarchitecture.com; rita mckenna; Tolonda Griffin-Ross; jeremy doppelt; Lichuan Wang; Claire Davis; Dan Wrieden; Peter Brennan; Robert Byrne; Robert Cotter; Rodney Hadley; Steve Fulop; 'Althea Bernheim'; Pamandes@comcast.net; Patricia Andes; g.remsen@jcmua.com; Chris Piersa
Subject: Div of Engineering does not recommend approval of the Franchise Ordinance for 222-224 First St., B243, Lots 12&13
Attachments: 222 First Street Franchise Petition looking toward Manila (Large).JPG; 222 First Street Franchise Petition from Manila looking toward site (Large).JPG

Jon,

The Division of Engineering **strongly** opposes the staircase encroachment being proposed for this project because it is too excessive and poses a safety hazard to the general public. We have objected to this proposal since 2008 (see our Engineering review letter dated June 11, 2008). Our opinion has not changed.

We were willing to allow the proposed planters and fence encroach 3'-11" into the sidewalk area, which will line up with the existing adjacent fence line all the way to Manila Street (see attached photos). However, to allow the staircase encroach another 4'-6" beyond the fence line will break this line-of-sight and will make this staircase closer to the street more so than everyone else along First Street. We believe this will create an unsafe condition.

Your problem was created by your building being proposed much closer to the street than your neighbor's house to the right. Our field measurement showed that your neighbor's house is situated 22'-1" behind the street curb line. You are proposing your new building at 13'-11" behind the curb line. Your proposed building is 8'-2" closer to the street than your neighbor's house. We believe you should be able to move your house back at least 4'-6" or recess the front door into the building in order to keep your stairs behind the fence line.

The Division of Engineering does not recommend approval of this Franchise Petition based on the above finding.

Chuck F. Lee, P.E.
City Engineer
575 Route 440
Jersey City, NJ 07305
Office: 201-547-4413
Fax: 201-547-6848

From: Jon Campbell [mailto:jonpcampbell@hotmail.com]
Sent: Sunday, October 03, 2010 10:59 AM
To: ciarankelly@mvarchitecture.com; rita mckenna; Tolonda Griffin-Ross; jeremy doppelt; Chuck Lee; Lichuan Wang; jonpcampbell@hotmail.com; Claire Davis; Dan Wrieden
Subject: RE: Franchise Ordinance: 222-224 First St., B243, Lots 12&13

Dear Mr Lee and Ms Wang,

Upon further review of your comments regarding the franchise at 222 First St, we are of a mind to pursue our request as is with the city council.

The Historic Preservation Commission and the Zoning Board of Adjustment both approved the plan as is,

notwithstanding engineering comments predating the approvals. The attached photos show an irregular fence and stoop line, and the architecture as proposed is more consistent with the area. The sidewalk width, while not optimum, is consistent with much of the area and is nearly conforming to planning standards.

To resdesign the stoop would conflict with the historic scheme, require resubmissions to multiple boards, and lead to costly delay.

For these reasons, while we respect your opinion, we feel we are disinclined to revise the plans at this time.

If you feel stronly about this, please feel free to contact me to further discuss it.

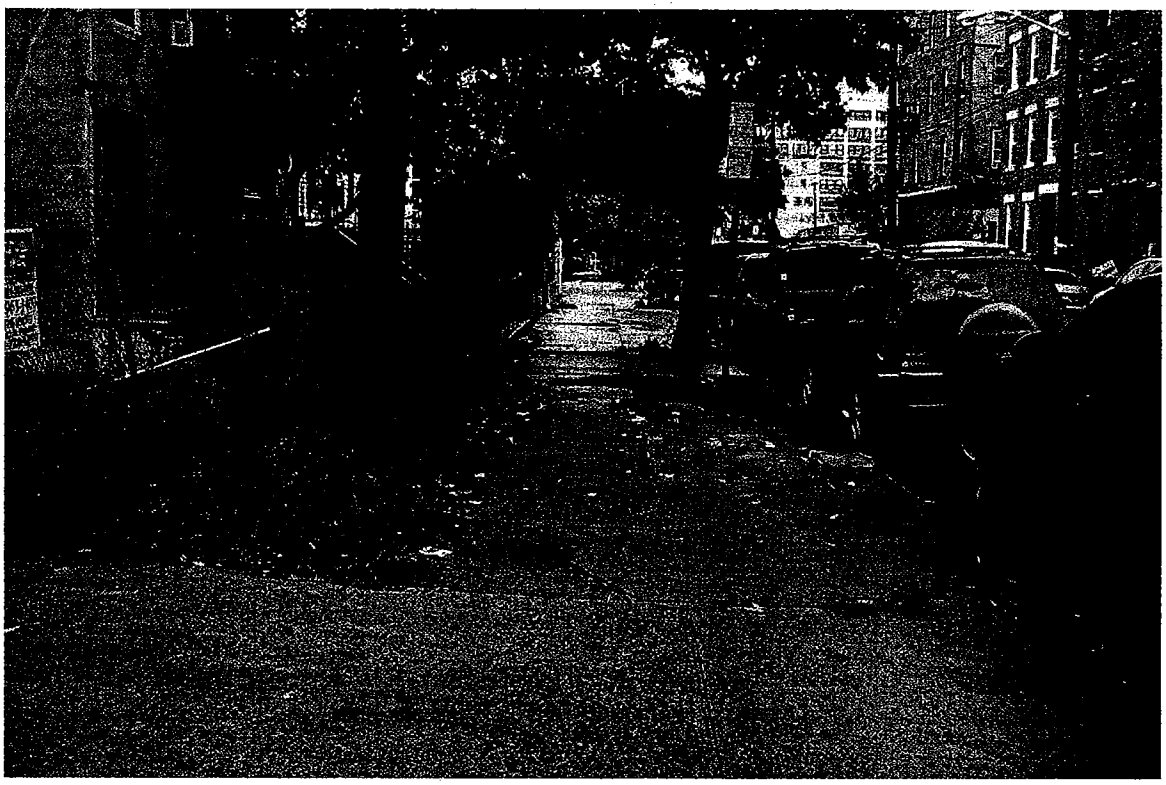
Date: Tue, 21 Sep 2010 18:18:54 -0400
From: ciarankelly@mvarchitecture.com
Subject: RE: Franchise Ordinance: 222-224 First St., B243, Lots 12&13
To: ritamckenna@ymail.com; jonpcampbell@hotmail.com; tolonda@jcnj.org; jeremy@doppelt.org; CLee@jcnj.org; Lichuan@jcnj.org

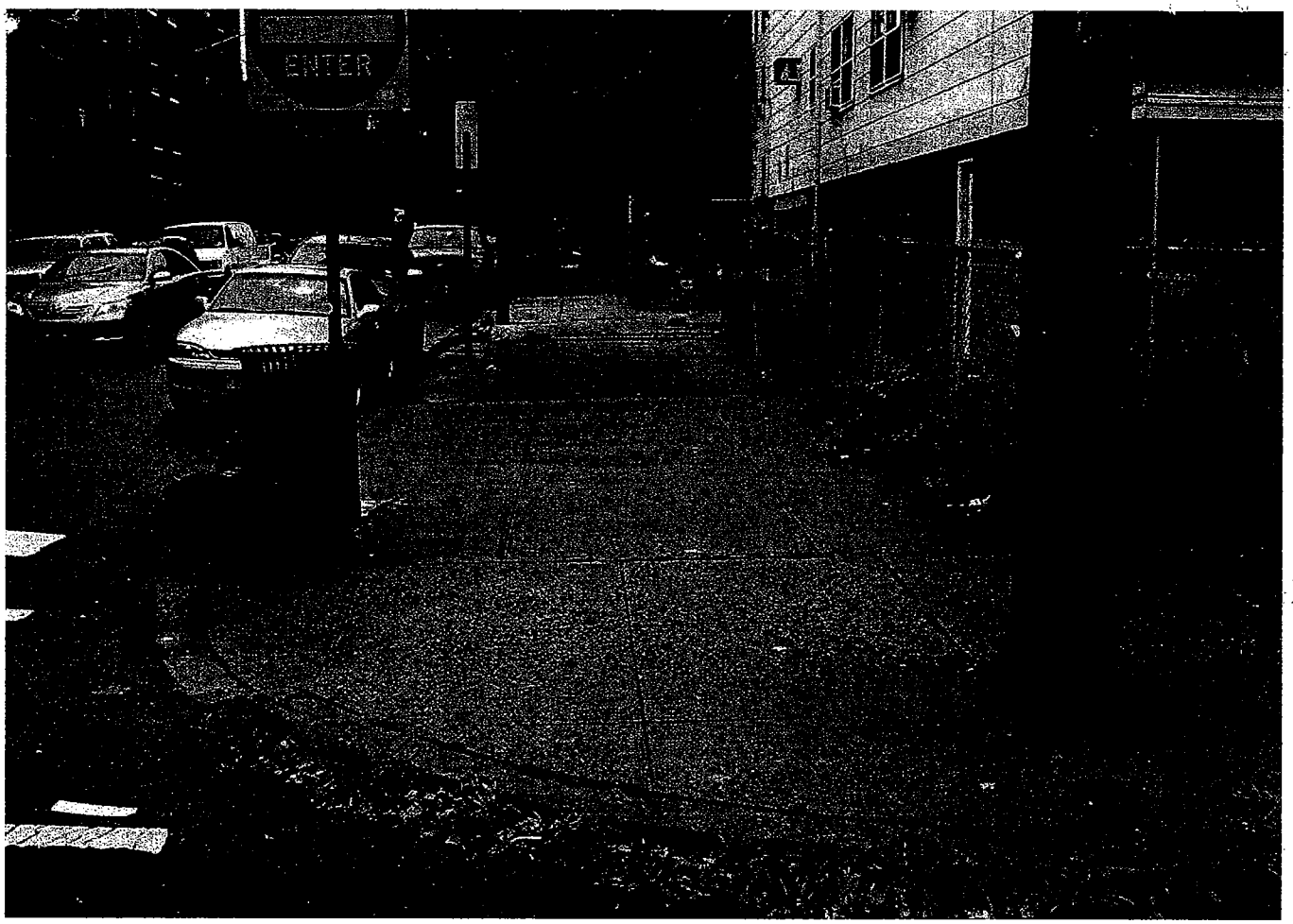
Dear Rita, Jon, Lichuan, Chuck, Jeremy, and all interested parties.

I have just received an engineers report dated 09/21/2010 denying the franchise application at the above address because "the proposed stairs must not encroach beyond the adjacent fence line".

The proposed front stairs were designed to enable residents to accend from sidewalk (grade) level to the first floor residential level which has to be above base flood elevation. In this case base flood is 5'-0" above grade which requires a minimum of 9 risers, thus extending the stair beyond the fence line. The design has already been approved by both Historical and Zoning and to ammend it now would require resubmissions to both entities and a new board appearance would also be required.

An alternative approach of having the stair run parallel to the front facade was ruled out at the cities request pre-zoning. The stair reconfiguration can be accommodated by recessing the entry door, however our firm will only make this ammendment on full agreement by all agencies having authority.




ENTER

Tolonda Griffin-Ross

From: Chuck Lee
Sent: Tuesday, October 12, 2010 8:16 AM
To: Ciaran Kelly
Cc: Lichuan Wang; Claire Davis; ritamckenna@ymail.com; jeremy@doppelt.org; Tolonda Griffin-Ross; Dan Wrieden; Peter Brennan; Robert Byrne; Robert Cotter; Rodney Hadley; Steve Fulop; Jon Campbell
Subject: Div of Engineering does not recommend approval of the Franchise Ordinance for 222-224 First St., B243, Lots 12&13

We have reviewed your 10/8/10 email and our objection stands. We believe you can mitigate our safety concerns as indicated in our 10/7/10 email.

Chuck F. Lee, P.E., P.P., C.M.E.
City Engineer
Director of Engineeriing
575 Route 440
Jersey City, NJ 07305
Office: 201-547-4413
Fax: 201-547-6848

From: Ciaran Kelly [mailto:ciarankelly@mvarchitecture.com]
Sent: Friday, October 08, 2010 4:08 PM
To: Chuck Lee
Cc: Lichuan Wang; Claire Davis; ritamckenna@ymail.com; jeremy@doppelt.org; Tolonda Griffin-Ross; Dan Wrieden; Peter Brennan; Robert Byrne; Robert Cotter; Rodney Hadley; Steve Fulop
Subject: 222 1st street

Hello Chuck,

The items below are in direct response to your recent email dated 10/7/10 regarding the project at 222 First Street. There are some important items that seemed to be absent when making your determination. Our office is not trying to be difficult in this process. However we would like all facts to be known so that we can all make a more educated decision.

First of all we think it is important to remember that this 'Stoop' was added to the building at the specific request of the historic department of the city and was not part of the original facade design. The 1st floor unit does not require the direct access from the street. It can easily be eliminated. However this changes the facade design completely. Once requested however, we needed to make it code compliant. It has been designed to ascend from grade to the 1st floor level at B.F.E. with the least number of risers required. It is not 'excessive'. It is what is required by federal flood plane & code.

In your email you make repeated comparisons to the existing street conditions, specifically in terms of building and fence lines, but for some reason you only talk about the east side of the building between our lot and Manila Street.

You say "Your problem was created by your building being proposed much closer to the street than your neighbor's house to the right" and "We were willing to allow the proposed planters and fence encroach 3'-11" into the sidewalk area, which will line up with the existing adjacent fence line all the way to Manila Street" What about the rest of the street though? Our lot lies about 2/5 of the way between Manila and Erie and in truth the street scape between our proposed building and Erie street to the west is a far more influential in terms of consistent street line, consistent fence line, repetition of stoops, existence and repetition of trees. To just look east from out lot makes for a poor comparison.

The front line of our building **matches** that of the adjoining building on the left (west) and which in fact is the predominant building line on the street. All building positioning, stair and fence lines were reviewed & scrutinized to great extent by both the Historic & Planning Department. We spent months considering all of these items an their relation to the entire street as a whole. Items, such as the fence line to the left (west) extending further out

than on the right and it being the predominant fence line on the street, were carefully considered when designing our site elements.

Your department recently requested that our fence line be pulled back and that the proposed tree pits, which were previously designed as 3ftx3ft, be increased to 5ftx5ft. It is our opinion that these two changes have had a negative effect on the overall design. It also neglects all the predominant properties situation to the left (west) of our site.This is because pulling the fence line back has increased the distance the stair projects beyond it to 4'-6" and increasing the tree pit size way beyond the predominant pit size throughout the rest of the street causes an awkward condition in front of our building. These items, as requested, have no relevance to the rest of the predominant design characteristics that were carefully considered when designing the original application, yet we have changed them at your request. Our firm can abide by your request for a stair modification by recessing it back into the structure, though we think it an unfair imposition on our client at this late stage. We will not be changing the position of the structure itself in relation to he site. In addition, this design alteration will have to be approved once again by both historic and zoning departments. We request you review this issue once last time before making such strong judgments.

Sincerely,

Anthony Vandermark & Ciaran Kelly,

Minervini Vandermark Architecture,

360 Fourteenth Street,

Hoboken, New Jersey, 07030.

Tel: 201 386 0637

Fax: 201 386 0628

CITY OF JERSEY CITY

Division of Engineering, Traffic & Transportation

MEMORANDUM

DATE: September 21, 2010

FROM: Lichuan Wang, P.E., Principal Engineer

TO: Tolonda Griffin-Ross, Deputy City Clerk

SUBJECT: Franchise Ordinance Petition

222 – 224 First Street, Block 243, Lots 12 & 13

The Division of Engineering has reviewed the revised Franchise Ordinance Petition application for compliance with our previous review comments dated August 3, 2010 for the subject project. The petition proposes to construct stoop, stairs, fencing and landscaping that will encroach 40 feet in length and 8.5 feet in depth onto the adjoining sidewalk within the City public right-of-way.

Based on our further review, we do not recommend approval based on the following observation:

- The proposed stairs must not encroach beyond the adjacent fence line. Please revise and resubmit.

9/21/10

Approved By: Chuck F. Lee, P.E., P.P., CME, City Engineer

Cc: Rodney Hadley, Director, Department of Public Works
Robert Carter, Director, Division of Planning
Gerry Remsen, JCMUA
Brian Weller, Division of Architecture

575 Route 440, Jersey City, New Jersey 07305 ♦ 201-547-4411 phone ♦ 547-4729 fax

CITY OF JERSEY CITY

Division of Engineering, Traffic & Transportation

MEMORANDUM

DATE: August 3, 2010

FROM: Lichuan Wang, P.E., Principal Engineer

TO: Tolonda Griffin-Ross, Deputy City Clerk

SUBJECT: Franchise Ordinance Petition

222 – 224 First Street, Block 243, Lots 12 & 13

The Division of Engineering has reviewed the revised Franchise Ordinance Petition application for compliance with our previous review comments dated July 6, 2010 for the subject project. The petition proposes to construct stoop and fencing, and to install landscaping that will encroach 40 feet in length and 8.5 feet in depth onto the adjoining sidewalk within the City public right-of-way.

Based on our further review, we find that the revised application still lacking the following:

1. Provide an easement map showing dimensions for the sidewalk and the encroachments.
2. The applicant mentioned Exhibit "A" as part of the application. Please provide this.
3. The metes and bounds description for the franchise area is still incorrect. Please revise.
4. The encroachment must be in line with or not exceed the existing fences on both sides of the property. The plan must indicate the location of the adjacent fences.

8/4/10

Approved By: Chuck F. Lee, P.E., P.P., City Engineer

575 Route 440, Jersey City, New Jersey 07305 ♦ 201-547-4411 phone ♦ 547-4729 fax

CITY OF JERSEY CITY

Division of Engineering, Traffic & Transportation

MEMORANDUM

DATE: July 6, 2010

FROM: Lichuan Wang, P.E., Principal Engineer

TO: Tolonda Griffin-Ross, Deputy City Clerk

SUBJECT: Franchise Ordinance Petition

222 – 224 First Street, Block 243, Lots 12 & 13

The Division of Engineering has reviewed the Franchise Ordinance Petition application for the subject project which proposes to construct the stoop and fencing and to install landscaping that will encroach 40 feet in length and 8.5 feet in depth onto the adjoining sidewalk within the City public right-of-way.

Based on our review, we need the following information to be provided for further consideration:

1. Provide an easement map showing dimensions for the sidewalk and the encroachments.
2. The applicant mentioned Exhibit "A" as part of the application. Please provide this.
3. The metes and bounds description for the franchise area is incorrect. Please revise.
4. The encroachment must be in line with or not exceed the existing fences on both sides of the property.

Approved By: Chuck F. Lee, P.E., P.P., City Engineer

575 Route 440, Jersey City, New Jersey 07305 ♦ 201-547-4411 phone ♦ 547-4729 fax

CITY OF JERSEY CITY

FIRE DEPARTMENT

INTERDEPARTMENTAL MEMORANDUM

To: Robert Byrne
City Clerk

From: Armando Roman AR.
Director of Fire & Emergency Services

Date: June 23, 2010

Re: Proposed Franchise Ordinance - A Franchise Ordinance Granting Permission to 222-224 First Street, LLC, a Limited Liability Company Organized under the Laws of the State of New Jersey, its Successors and Assigns, to Construct the Stoop and Fencing and to Install Landscaping in the Right of Way of First Street, in Accord with the Approved Site Plan

---

The Fire Department has reviewed the above proposed franchise ordinance and has no objections to it's approval.

RECEIVED
2010 JUN 23 P 2:48
CLERK'S OFFICE
JERSEY CITY, N.J.

Robert Byrne

From: Robert Cotter [bobbyc@jcnj.org]
Sent: Thursday, August 05, 2010 12:53 PM
To: Robert Byrne; Armando Roman; Robert Cotter; Carl Czaplicki; Edward Toloza; John Kelly; Joao D'Souza; Karen Yanick; William Matsikoudis; Maureen Cosgrove; Irene McNulty; Peter Soriero; Raymond Meyer; Rodney Hadley; Sean Gallagher; Samuel Jefferson; Tolonda Griffin-Ross
Subject: 222-224 First Street

Please be advised that changes made to the petition and ordinance at City Planning's request have now brought the franchise request into compliance with the approvals previously granted by the Historic Preservation Commission and the Jersey City Planning Board.

Accordingly, we offer our support for the franchise request.

Robert D. Cotter, PP, AICP
Jersey City Planning Director
Division of City Planning
30 Montgomery Street, Suite 1400
Jersey City, NJ 07302
Phone: 201-547-5050
Fax: 201-547-4323
email: bobbyc@jcnj.org

JERSEY CITY POLICE DEPARTMENT

OFFICE OF THE DIRECTOR

8 Erie Street – Jersey City, NJ 07302
Office # (201) -547-5300 – Fax # (201) 547-4283

Memorandum

Date: August 5, 2010

To: Tolanda Griffin –Ross, Deputy City Clerk

From: Samuel Jefferson, Director of Police

Subject: Proposed Franchise Ordinance/
222-224 First Street

As per your request, the attached above subject has been inspected by the East District personnel and offer no objection to the site other then parking issues.

SJ/do
Cc: File

RECEIVED
2010 AUG -6 A 9: 36
CLERK'S OFFICE
JERSEY CITY, N.J.

OPERATIONS DIVISION
PATROL BUREAU
BUCK SLIP

~~579~~
474

To: D/C P. Nalbach, Operations Division Commander

From: Insp. H. Donaghue Patrol Bureau Commander

Date: August 4, 2010

Subject: **Proposed Franchise Ordinance 222-224 First Street**

☐ **For your action**
☐ **For your information**

☐ **Distribute to members of your Command**
☐ **Return by** _____

COMMENTS **Please see attached.**

To: Director Samuel Jefferson

From: D/Chief [illegible] Nalbach

Date: 08/05/10

☑ **For your action**
☐ **For your information**

☐ **Distribute to members of your Command For**
☐ **Return by** _____

COMMENTS East District personnel have inspected the above site and offer no objection to the proposed franchise ordinance, other than parking issues.

To:

From:

Date:

☐ **For your action**
☐ **For your information**

☐ **Distribute to members of your Command For**
☐ **Return by** _____

COMMENTS

EAST DISTRICT

474

OPERATIONS DIVISION
PATROL BUREAU
BUCK SLIP

#~~479~~

238

To: Inspector Hugh Donaghue, Patrol Bureau Commander

From: Captain Joseph A. Connors

Date: **August 2, 2010**

Subject: 222-224 First Street

- [x] **For your information**
- [x] **For your action**
- [ ] **Distribute to members of your Command**
- [ ] **Return by Month ___ Day ____ Year _____**

COMMENTS: **Attached for your review and forwarding is a report outlining PO Molina's inspection of 222-224 first St. I concur with his observations, noting no major adverse effect on the neighborhood with exception to the parking situation.**

To:

From:

Date:

Subject:

- [ ] **For your information**
- [ ] **For your action**
- [ ] **Distribute to members of your Command**
- [ ] **Return by Month ___ Day ____ Year**

COMMENTS:

203A (3-72)

JERSEY CITY POLICE DEPARTMENT

FROM: P.O. Frank Molina, #1899

TO: Capt. Joseph Connors

SUBJECT: 222-224 First Street

FILE #

DATE 8/2/10

Sir,

The u/s Officer responded to the area of 222-224 First Street and noticed the following:

- the area is comprised of two to eight family houses
- the area is a considerably quiet residential neighborhood
- the lot in question is currently vacant and fenced off
- the building adjacent to the lot is an old three story structure in need of repairs and should include new sidewalks

As per my observations, an eight unit building should not have an adverse effect on the existing area, however, it will impact on the limited street parking.

Respectfully submitted,

Frank Molina

P.O. Frank Molina, #1899

285

474

Jersey City Police Department
Office of the Chief

Date: 6-23-10

Subject: Proposed Franchise Ordinance - 222-224 First St.

From: Chief of Police - Thomas Comey

To: Capt. Gallagher - East District Commander Via: Inspector Donaghue - Operations Division Commander

(X) For Your Information (X) For Your Action

( ) Distribute to Members of Your Command

Send to Capt Gallagher

Comments:

Date: 6-25-10

Subject: S.A.A.

From: Insp. H. Donaghue - Patrol Bureau Commander

To: Capt Gallagher - East District Commander. Via:

( ) For Your Information ( ) For Your Action

( ) Distribute to Members of Your Command

Comments: Please review and return with any recommendation

Date:

Subject:

From:

To: Via:

( ) For Your Information ( ) For Your Action

( ) Distribute to Members of Your Command

Comments:

JB/FORMBSCO

JERSEY CITY POLICE DEPARTMENT

OFFICE OF THE DIRECTOR

8 Erie Street – Jersey City, NJ 07302
Office # (201) -547-5300 – Fax # (201) 547-4283

Memorandum

Date: June 22, 2010

To: Thomas Comey, Chief of Police

From: Samuel Jefferson, Director of Police

Subject: Proposed Franchise Ordinance
Petitioner: 222-224 First Street LLC

Please see the attached memo for your review and action.

SJ/do
Cc: file

CITY OF
JERSEY CITY
Department of Public Works

JERRAMIAH HEALY
Mayor
RODNEY W. HADLEY
Director

575 Route 440
Jersey City, NJ 07305
(201) 547-4400
Fax: (201) 547-5264

June 22, 2010

RECEIVED
2010 JUN 23 A 9:43
CITY CLERK'S OFFICE
JERSEY CITY, N.J.

Tolonda Griffin – Ross, Deputy City Clerk

City Hall, City of Jersey City

280 Grove Street

Jersey City, NJ 07302

RE: Proposed Franchise Ordinance

Petitioner: 222-224 First Street, LLC

Please be advised that after careful review by this office we see no issue with this request to grant a franchise ordinance.

Please do not hesitate to give me a call with any problems or questions regarding this decision.

Thanks so much,

Rodney Hadley

Rodney Hadley, Director of Public Works

CITY OF JERSEY CITY

INTERDEPARTMENTAL MEMORANDUM

OFFICE OF RISK MANAGEMENT

PHONE 201 547-5034 FAX 201-547-4761

Franchise Ordinance: 222-224 First Street LLC

The insurance requirements, as requested in the reference, are:

(A) General Liability Insurance Requirements:

() No insurance required
(X) Comprehensive General Liability Insurance, including

( ) a Contractual Liability Endorsement
(x) the inclusion of the City of Jersey City as Additional Insured
( ) the Immunity Clause
( ) A Broad Form Property Damage Endorsement
( ) other:
(x) Liability limits for the above: $2.0 million combined single limit per occurrence for bodily injury and property damage liability.
( ) Comprehensive Automobile Liability covering owned, non-owned and hired vehicles, as applicable. $ million combined single limit per accident for bodily injury and property damage liability.

(b) Property Damage Insurance Requirements:

( ) Real Property to be insured at 100% of Replacement Cost covering All Risks of physical loss or damage including Flood and Earthquake. The City of Jersey City shall be included as a Named Insured, and the policy shall be endorsed to include losses adjusted with, and payable to, the City of Jersey City.
( ) Builders' Risk Insurance (All Risk coverage) on a completed value form covering new construction, or existing property, and new construction covered under one form until construction is completed.

(c) Special Instructions:

( ) The above insurance requirements are preliminary requirements pending Risk Management's review of the draft agreement from originating department. Risk Management must receive a copy of the final draft agreement and the executed agreement in order to advise of the insurance submitted is in proper order.

INTERDEPARTMENTAL MEMORANDUM

OFFICE OF THE ASSESSOR

(201) 547-5131

DATE: June 24, 2010

TO: Tolanda Griffin-Ross, Deputy City Clerk

FROM: Ed Toloza, Assessor

SUBJECT: **Proposed Franchise Ordinance**
222-224 First Street LLC
Block 243 Lot 41 (Formerly 12 & 13)
A/k/a 222 First Street

I have reviewed the above subject Proposed Franchise Ordinance and find that the contemplated construction of the stoop and landscaping will advance the public interest. Therefore, this Office recommends adoption.

RECEIVED
2010 JUN 25 A 9:41
CLERK'S OFFICE
JERSEY CITY, N.J.

Tolonda Griffin-Ross

From: Postmaster@jcnj.org
Sent: Tuesday, June 22, 2010 9:46 AM
To: Tolonda Griffin-Ross; Tolonda.PALPO.PALDOM@jcnj.org
Subject: Proposed Franchise Ordinance

Hi Tolanda

Regarding the Proposed Franchise Ordinance for 222-224 First Street LLC, be advised that the Tax Collector' 's Office has no objection.

If you need any additional information, please do not hesitate to contact this office.

Lorraine

Lorraine Cecchini
Tax Collector's Office
City Hall-Room 101
201-547-5032
201-547-5120

Tolonda Griffin-Ross

From: Raymond Reddington
Sent: Wednesday, July 06, 2011 12:13 PM
To: Tolonda Griffin-Ross
Subject: 222-224 First St. Franchise Ordinance
Attachments: FO 222-224 First.TIF; Sept 21 e-mail.TIF

Section 2 needs to be replaced with the language that's in my Sept 21st e-mail that's attached.

NOTICE: The contents of this message, together with any attachments, are intended only for the use of the individual or entity to which they are addressed and contain information that is legally privileged, confidential and exempt from disclosure. If you are not the intended recipient, you are hereby notified that any review, use, transmission, conversion to hard copy, dissemination, distribution, or copying of this message, or any attachments, is strictly prohibited. If you have received this message in error, please notify the original sender by email or telephone (201) 547-5229 and immediately delete this message, along with any attachments, from your computer. Thank you.

JON P. CAMPBELL
ATTORNEY AT LAW OF NEW JERSEY
317 Belleville Avenue
Bloomfield, New Jersey 07003
Phone: 973-818-7792 Fax: 973-575-5367
jonpcampbell@hotmail.com

June 7, 2011

Honorable City Clerk of the City of Jersey City
City Hall – 280 Grove Street
Jersey City, New Jersey 07302
Attn: Tolonda Griffin-Ross, Deputy City Clerk

Re: Franchise Ordinance
222-224 First Street
Block 243 Lots 12 & 13

Dear Ms. Griffin-Ross,

Attached please find an amended Petition, Ordinance, and Exhibit A in the above referenced matter. These amendments are the result of ongoing discussions between the architect, Minervini Vandermark, and Chuck Lee of Engineering. Mr. Lee has approved the amendments. Both Claire Davis of Zoning and Dan Wrieden of Historic have also reviewed these changes. At this point they have not voiced any objections.

Mr. Lee has requested revised documents in support of these amendments and such documents have been forwarded to him. The revised documents that Mr. Wrieden has requested are being prepared and should be forwarded to him by the end of this week.

Please advise as to a date, time and place for the caucus meeting.

Thank you for your assistance.

Sincerely,

Jon Campbell

Enclosures

City Clerk File No. Ord.
Agenda No. 1st Reading
Agenda No. 2nd Reading

ORDINANCE
OF
JERSEY CITY, NEW JERSEY

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

AN ORDINANCE GRANTING PERMISSION TO 222-224 FIRST STREET LLC., ITS SUCCESSORS AND ASSIGNS, TO CONSTRUCT AND INSTALL AN ENTRY PORCH, STAIRS, FENCING AND LANDSCAPING APPROXIMATELY 40 FEET IN LENGTH AND 7 FEET IN DEPTH ALONG THE PUBLIC RIGHT OF WAY OF FIRST STREET ADJACENT TO BLOCK 243, LOTS 12 & 13, IN ACCORD WITH THE REVISED SITE PLAN AS SUBMITTED IN THE ATTACHED EXHIBIT "A".

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

WHEREAS, Petitioner is the owner of real property in Jersey City known as: 222-224 First Street, Block 243, Lots 12 and 13, and

WHEREAS, Petitioner has filed a petition with the Municipal Council of Jersey City, requesting a franchise as shown on a Site Plan prepared by Minervini Vandermark Architects, (hereinafter referred to as Exhibit "A"), said Petition and Site Plan being on file with the Office of the City Clerk, requesting a franchise giving permission to use an area of approximately 40 feet in length and 7 feet in depth of the public right of way of First Street as and for the construction and installation of an entry porch, stairs, fencing and landscaping as depicted on Exhibit "A", and

WHEREAS, the public interest will be served by this franchise as it will advance the public safety and welfare, and

WHEREAS, the use of the area in question is consistent with the adjacent buildings, the Petitioner requests that this ordinance be adopted, and

WHEREAS, 222-224 First Street, LLC., its successors and assigns, has made application to the Municipal Council of Jersey City by written Petition for the franchise herein referred to:

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

SECTION 1: Permission is hereby granted to 222-224 First Street, LLC., its successors and assigns to construct and install an entry porch, stairs, fencing and landscaping as depicted on Exhibit "A" and in accord with the approved revised Site Plan adopted by the Jersey City Zoning Board of Adjustment.

SECTION 2: This Ordinance shall remain in full force and effect for a period of ninety-nine (99) years. However, in the event that this building and all the buildings on the block on which the subject site lays should be demolished, thereby enabling all new construction to establish a uniform front setback which complies with the then effective set back regulations, the City of Jersey City reserves the right to cancel this Ordinance by giving written notice to the Petitioner of the cancellation of this franchise and the requirement that such new construction adhere to the zoning ordinance.

SECTION 3: 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 4: In accepting the privileges of this ordinance and the installation, maintenance and use hereby authorized, 222-224 First Street, 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 installations, 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 for the term of this ordinance.

A) 222-224 First Street, LLC., its successors and assigns shall maintain in effect, during the term of this franchise, liability insurance naming the City of Jersey City, its officers and employees as insureds, covering the use and occupancy of the franchised portion of First Street. A Certificate of the Insurance, in the amount of $1,000,000.00 in a form deemed acceptable by the City's Risk Manager, shall be delivered to the Risk Manager before use or occupancy of the premises subject to the Franchise Ordinance.

SECTION 5: All 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. After construction, there shall remain no damage to the area or interference with the free and safe flow of pedestrian traffic. The Petitioner, and its successor or assigns, shall maintain all improvements installed by it for the entire term of this franchise at no cost to the City.

SECTION 6: The costs and expenses incidental to the introduction, passage and publication of this Ordinance shall be paid by the Petitioner.

SECTION 7: The Ordinance shall not become effective unless an acceptance hereof in writing be filed by the Petitioner.

SECTION 8: In the event that the Petitioner shall not file with the City Clerk its acceptance, in writing, of the provisions of this Ordinance within thirty (30) days after receiving notice of its passage, this Ordinance shall become void and be of no effect.

SECTION 9: For the Franchise herein granted, the Petitioner shall pay annually to the City of Jersey City the sum of ONE DOLLAR ($1.00), which payment shall be made in advance to the City Finance Director, at his/her office at City Hall, on the first day of January in each year after this Ordinance becomes effective and remains in force.

SECTION 10: This Franchise Ordinance shall be subject to the following conditions:

a) An easement upon the portion of the Property subject to this Franchise Ordinance is hereby reserved for the benefit of the City of Jersey City and all public utility companies for the purpose of operating, maintaining, inspecting, protecting, repairing, replacing or reconstructing any existing water, sewer or utility lines together with the right of ingress and egress at all times for such purposes and all other purposes in connection with or in any way relating to the City of Jersey City's or public utility companies', use or operation of water, sewer or utility lines.

b) No building or structure of any kind may be constructed over the water or sewer utilities within the area subject to this franchise without the consent of the Chief Engineer of the City of Jersey City.

c) The Petitioner shall install the porch and landscaping in accord with the approved Site Plan.

d) All inconsistent Ordinances and parts of Ordinances are hereby repealed.

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

f) This Ordinance shall take effect at the time and in the manner provided by law.

g) The City Clerk and the Corporation Counsel 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 repeal of the existing provisions.

PETITION FOR FRANCHISE ORDINANCE

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

Your petitioner, 222-224 FIRST STREET, LLC., a corporation of the State of New Jersey, its successors and assigns, having offices located at: c/o Doppelt, Suite 502, 408 Main Street, in the City of Boonton, County of Morris, and State of New Jersey, 07005, respectfully says that:

1. The petitioner is the owner of real property in Jersey City known as:
222-224 First Street, Block 243, Lots 12 & 13

2. The lot is presently occupied by a dilapidated residential building which is to be replaced by new construction.

3. The subject site is in the Harsimus Cove Historic Zoning District and the petitioner proposes to construct on the site an eight unit residential building.

4. The petitioner has received approvals for Site Plan and Variances from the Jersey City Zoning Board of Adjustment.

5. In order to enhance the aesthetics of the area and the proposed building, Petitioner proposes to provide an appropriate front setback for the front stoop, along with appropriate fencing and landscaping, requiring Petitioner to seek a franchise ordinance from the City of Jersey City.

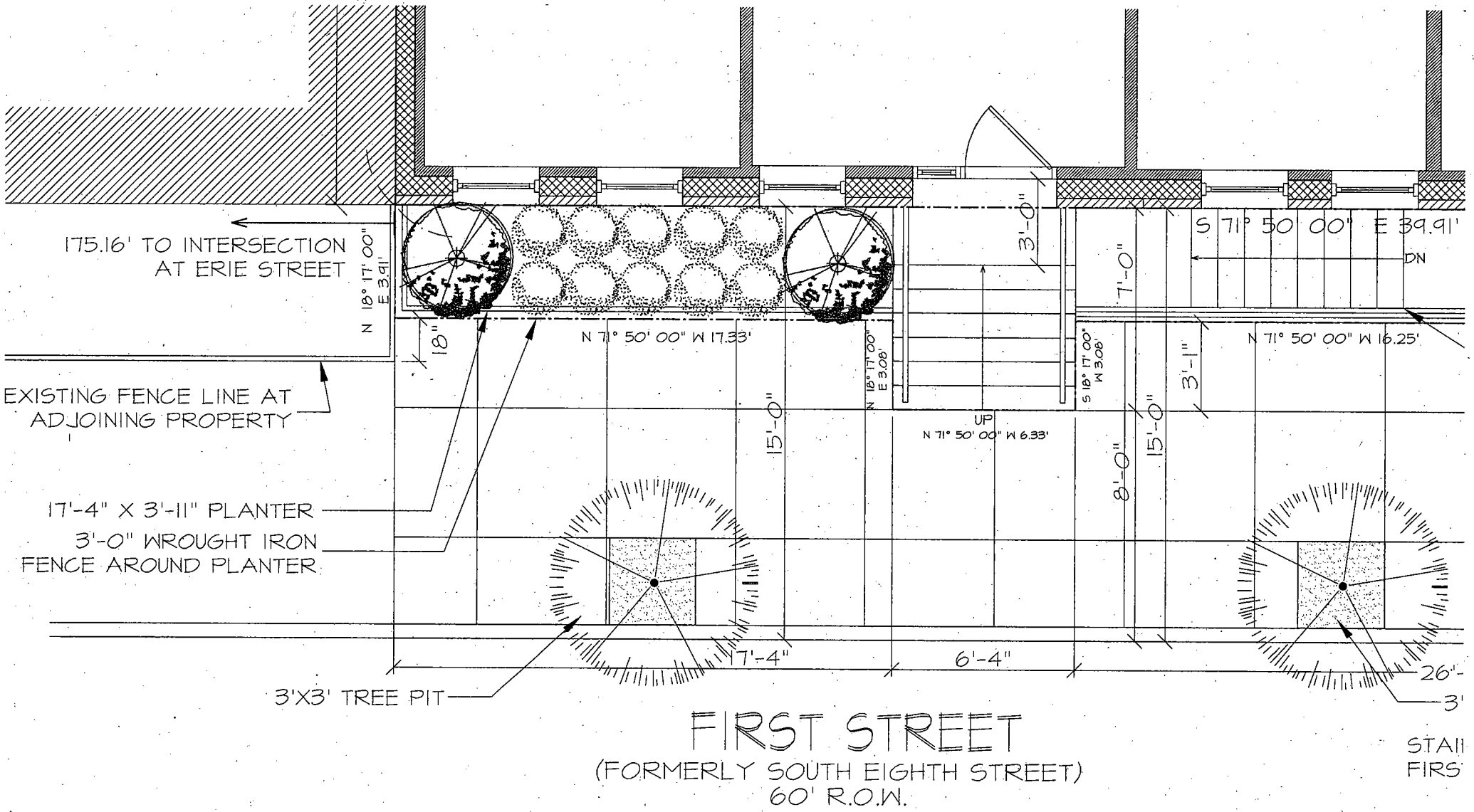
6. The proposed improvements to the public Right-of-way requiring a franchise were recommended by the Jersey City Historic Preservation Commission and Zoning Board of Adjustment approval was conditioned on application for a franchise in order to construct the recommended improvements.

WHEREFORE, Petitioner respectfully prays for itself, its successors and assigns, permission by virtue of a Franchise Ordinance to be adopted by the City Council of the City of Jersey City, to construct the stoop and fencing and to install landscaping in the right of way of First Street, in accord with the approved revised Site Plan.

222-224 FIRST STREET, LLC

By:_____
Jon P. Campbell, Agent

EXHIBIT A



FIRST STREET

(FORMERLY SOUTH EIGHTH STREET)
60' R.O.W.

City Clerk File No. Ord. 11-078

Agenda No. 3.B 1st Reading

Agenda No. 4.B. 2nd Reading & Final Passage

ORDINANCE OF JERSEY CITY, N.J.

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

CITY ORDINANCE 11-078

TITLE: **AN ORDINANCE SUPPLEMENTING CHAPTER 332(VEHICLES AND TRAFFIC) ARTICLE III(PARKING, STANDING AND STOPPING) OF THE JERSEY CITY CODE AMENDING SECTION 332-24(PARKING PROHIBITED CERTAIN HOURS) DESIGNATING 188 FEET ON THE WEST SIDE OF VAN HORNE STREET, AT THE LAFAYETTE POOL, AS NO PARKING DAILY, 7:00 A.M. TO 10:00 P.M., JUNE THROUGH AUGUST**

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
Van Horne Street	West	Daily June through August	7:00 a.m. to 10:00 p.m.	61 feet south of Johnston Avenue 188 feet south

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

3. 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.

4. 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 to be inserted is new and underscored.

JDS:pcl
(06.29.11)

APPROVED: Stanley Kwang for JD
Director of Traffic & Transportation

APPROVED: 6/30/11
Municipal Engineer

APPROVED AS TO LEGAL FORM

Corporation Counsel

APPROVED: 7/1/11
Director, Dept. of Public Works

APPROVED:
Business Administrator

Certification Required ☐

Not Required ☐

This summary sheet is to be attached to the front of any ordinance, resolution, cooperation agreement or contract that is submitted for Council consideration. Incomplete or sketchy summary sheets will be returned with the resolution or ordinance. The Department, Division or Agency responsible for the overall implementation of the proposed project or program should provide a concise and accurate statement of facts.

1.Full title of ordinance/resolution/cooperation agreement:

An ordinance supplementing Chapter 332(Vehicles and Traffic) Article III(Parking, Standing and Stopping) of the Jersey City Code amending Section 332-24(Parking Prohibited During Certain Hours) designating 188 feet on the west side of Van Horne Street, at the Lafayette Pool, as No Parking Daily, 7:00 a.m. to 10:00 p.m., June through August

2. Name and title of person initiating the ordinance/resolution, etc.:

Joao D'Souza, Director of Traffic & Transportation, Division of Engineering, Traffic and Transportation, Department of Public Works at the request of Director of Public Works Rodney Hadley.

3. Concise description of program, project or plan proposed in the ordinance/resolution:

Clear 188 feet at the entrance to the Lafayette Pool on the west side of Van Horne Street between Johnston Avenue and Maple Street with no parking, Daily, 7:00 a.m. to 10:00 p.m., June through August

4. Reasons (need) for the proposed program, project, etc.:

Clear the entrance to the Lafayette Pool to allow for buses to discharge and pick up individuals going to the pool and provide an area for emergency vehicles that may be called to the facility.

5. Anticipated benefits to the community:

Increased pedestrian and traffic safety

6. Cost of proposed program, project, etc. (Indicate the dollar amount of City, state, and Federal Funds to be used, as well as match and in-kind contribution:

At approximately $200.00 per sign/post installation, $800.00, (4 channels & 4 signs required)

7.Date proposed program, or project will commence:

Pending adoption by the Jersey City Municipal Council

8.Anticipated completion date:

Twenty days after adoption by the Jersey City Municipal Council

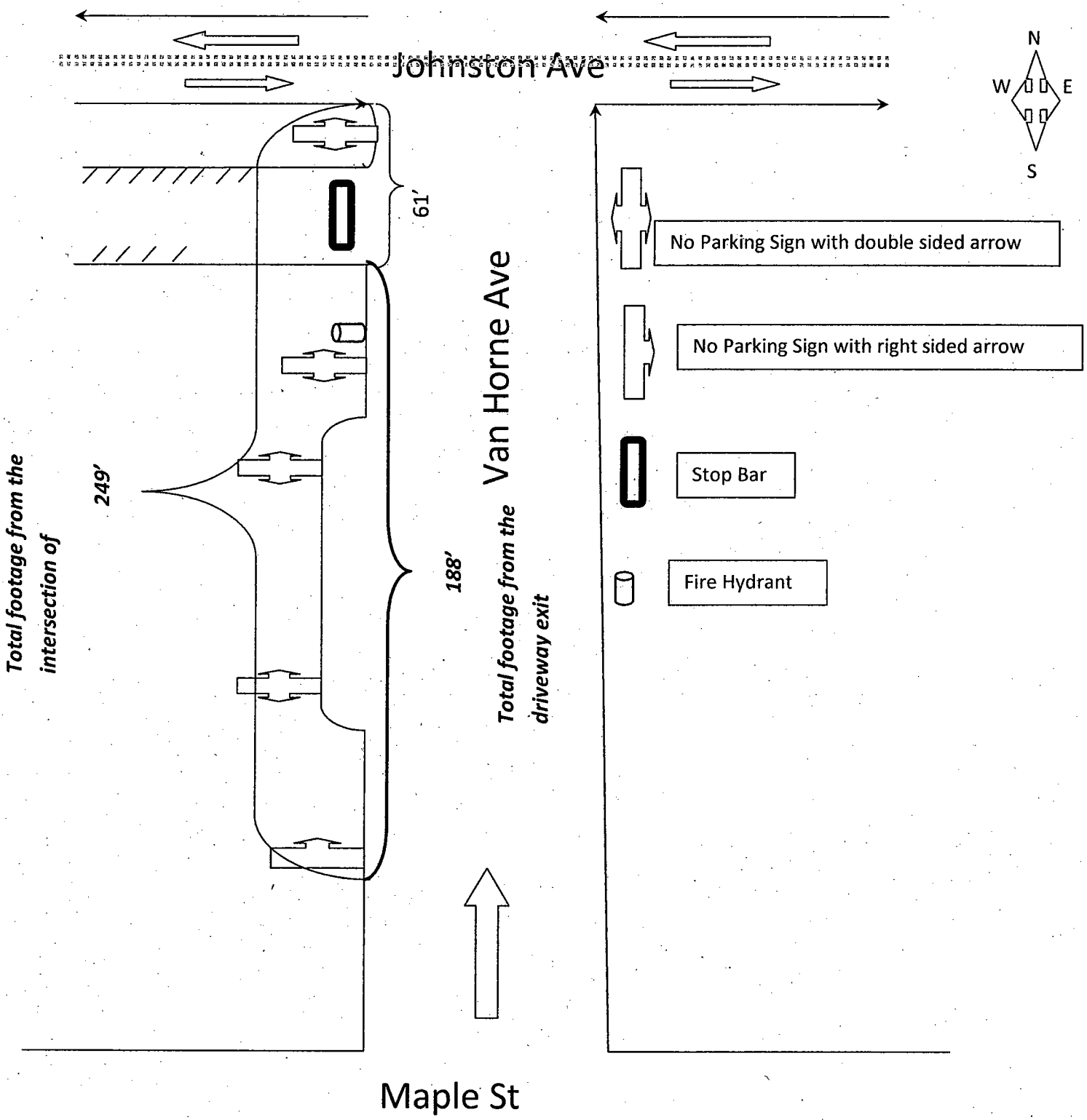
9.Person responsible for coordinating proposed program, project, etc.:

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

10.Additional comments:

Based on the information provided to me, I certify that all the facts presented herein are accurate, to the best of my knowledge.

Municipal Engineer	**Date** 6/30/11
Signature of Department Director	**Date** 7/1/11



On the west side of Van Horne Ave beginning at 61'ft south of Johnston Ave and extending 188'ft southerly

Daniella Gordon

June 24, 2011

Ordinance of the City of Jersey City, N.J.

ORDINANCE NO. Ord. 11-078

TITLE: 3.B. JUL 20 2011 4.B. AUG 10 2011

An ordinance supplementing Chapter 332 (Vehicles and Traffic) Article III (Parking, Standing and Stopping) of the Jersey City Code amending Section 332-24 (Parking Prohibited certain hours) designating 188 feet on the west side of Van Horne Street at the Lafayette Pool as No Parking Daily, 7:00 a.m. to 10:00 p.m., June through August.

RECORD OF COUNCIL VOTE ON INTRODUCTION JUL 20 2011 7-0

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	ABSENT			BRENNAN	✓		
DONNELLY	✓			FULOP	✓			AHMAD	✓		
LOPEZ	✓			RICHARDSON	ABSENT			VELAZQUEZ	✓		

✓ Indicates Vote N.V.-Not Voting (Abstain)

RECORD OF COUNCIL VOTE TO CLOSE PUBLIC HEARING AUG 10 2011 8-0

Councilperson SOTTOLANO moved, seconded by Councilperson RICHARDSON to close P.H.

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	ABSENT			BRENNAN	✓		
DONNELLY	✓			FULOP	✓			AHMAD	✓		
LOPEZ	✓			RICHARDSON	✓			VELAZQUEZ	✓		

✓ Indicates Vote N.V.-Not Voting (Abstain)

RECORD OF COUNCIL VOTE ON AMENDMENTS, IF ANY

Councilperson_____ moved to amend* Ordinance, seconded by Councilperson_____ & adopted_____

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO				GAUGHAN				BRENNAN			
DONNELLY				FULOP				AHMAD			
LOPEZ				RICHARDSON				VELAZQUEZ			

✓ Indicates Vote N.V.-Not Voting (Abstain)

RECORD OF FINAL COUNCIL VOTE AUG 10 2011 8-0

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	ABSENT			BRENNAN	✓		
DONNELLY	✓			FULOP	✓			AHMAD	✓		
LOPEZ	✓			RICHARDSON	✓			VELAZQUEZ	✓		

✓ Indicates Vote N.V.-Not Voting (Abstain)

Adopted on first reading of the Council of Jersey City, N.J. on JUL 20 2011

Adopted on second and final reading after hearing on AUG 10 2011

This is to certify that the foregoing Ordinance was adopted by the Municipal Council at its meeting on AUG 10 2011

Robert Byrne, City Clerk

APPROVED:

Peter M. Brennan, Council President

Date: AUG 10 2011

APPROVED:

Jerramiah T. Healy, Mayor

Date AUG 11 2011

Date to Mayor AUG 11 2011

*Amendment(s):

City Clerk File No. Ord. 11-080

Agenda No. 3.D 1st Reading

Agenda No. 4.C. 2nd Reading & Final Passage

WITHDRAWN

ORDINANCE OF JERSEY CITY, N.J.

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

CITY ORDINANCE 11-080

TITLE: **Ordinance dedicating that the waterfront walkway between Sussex Street and the Southern Terminus also be known as**

"Spc. Marlon P. Jackson Walk"

WHEREAS, Marlon P. Jackson was born in Mandeville, Jamaica. He was adopted by Leighton Jackson and Lois LaGrenade. Marlon attended lived in Jersey City, NJ. Jackson loved basketball. He enjoyed deejaying at parties and was a reggae connoisseur. Marlon regularly attended St. Aedan's Church. After graduating from Hudson Catholic High School in 1997, he attended Hudson County Community College majoring in political science. In 1999, Marlon enlisted in the United States Army; and

WHEREAS, after doing basic training at Missouri's Fort Leonard Wood and service at Hawaii's Schofield Army Base, Jackson was deployed to Viiseck, Germany. During his breaks before shipping off to Europe, Jackson would return to Jersey City and seek out Vanessa Selby and her similarly aged children, Khalia and Kajbir. Marlon met the Selbys during his childhood and slowly became part of the Selby family; and

WHEREAS, Spc. Jackson, a combat engineer for the A Company in the 94th Engineer Battalion of the 130th Engineer Brigade spent some time Kuwait before being deployed to Iraq in February 2003. In a letter he sent home, written in April from Baghdad, Jackson had a modest request: he wanted newspaper clippings reporting on the NBA playoffs, and a few issues of Source and Vibe magazines; and

WHEREAS, on November 11, 2003, Veterans Day, Spc. Marlon Jackson, died from injuries he sustained when a roadside bomb exploded on a roadside outside the Iraqi capital, Baghdad; and

WHEREAS, it was almost a full week before his parents and the Selbys were notified that he had been killed. Jackson had given the Army Vanessa Selby's address because he had been staying with her and her family in Jersey City during his leaves since joining the army in 1999. His father now lives in Barbados, where he teaches law school. His mother, a doctor, lives in Chevy Chase, Maryland; and

WHEREAS, the Jersey City soldier was honorably laid to rest on November 23, 2005.

NOW, THEREFORE BE IT ORDAINED, that the Municipal Council of the City of Jersey City deems it fitting and most appropriate to preserve the memory of Army Specialist Marlon P. Jackson by dedicating that the waterfront walkway between Sussex Street and the southern terminus also be known as "SPC Marlon P. Jackson Walk." He will continue to be remembered for his bravery and sacrifice in support of America and Operation Iraqi Freedom.

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

G:\WPDOCS\TOLONDA\RESOS\RENAME\Christ the King Church Way.wpd

APPROVED AS TO LEGAL FORM

Corporation Counsel

APPROVED:

APPROVED:

Business Administrator

Certification Required ☐

Not Required ☐

City Clerk File No. Ord. 11-081

Agenda No. 3.E 1st Reading

Agenda No. 4.D. 2nd Reading & Final Passage

ORDINANCE OF JERSEY CITY, N.J.

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

CITY ORDINANCE 11-081

TITLE: **AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-9 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 1297.5, LOTS 66, 67, 68 AND 69.A (TO BE CHANGED AND DESIGNATED AS LOT 75), ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 319 GRANT AVENUE**

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 304-1 et seq. of the Municipal Code), and as amended by Ordinance 07-146, to allow Five (5) Year Tax Exemptions which allows the Tax Assessor to regard the full and true value or a portion thereof of certain improvements as not increasing the full and true value of certain property for a period of five (5) years, provided the owner's application is approved by the Tax Assessor and by Ordinance of the Municipal Council; and

WHEREAS, pursuant to N.J.S.A. 40A:21-9 and Section 304-12 of the Municipal Code, a tax exemption for a newly constructed multiple dwelling, is permitted for a period of five (5) years; and

WHEREAS, Grant Avenue 319, LLC, is the owner of a newly constructed six (6) story building with 27 apartment units and 22 indoor parking spaces, located in Block 1297.5, Lots 66, 67, 68 and 69.A (to be changed and designated as Lot 75) on the City's Tax Map and more commonly known by the street address of 319 Grant Avenue, Jersey City, N.J.; and

WHEREAS, the Tax Assessor has certified that Grant Avenue 319, LLC, substantially completed the improvements and received a Certificate of Occupancy on May 15, 2011; and

WHEREAS, on May 10, 2011, within 30 days of substantial completion, the owner filed an application to tax exempt the newly constructed multiple dwelling six (6) story building, a copy of which application is attached hereto; and

WHEREAS, as determined by the assessor on October 1st of the year following completion, the owner proposes to pay the City (in addition to the full taxes on the land, which shall continue to be conventionally assessed and taxed) a tax payment for the new improvements on the property, as follows:

(a) 2011: the tax year in which the structure will be completed. $0 taxes;

(b) 2012: the second tax year, 39% of actual full taxes, estimated to be $19,874;

(c) 2013: the third tax year, 59% of actual full taxes, estimated to be $30,069;

(d) 2014: the fourth tax year, 79% of actual full taxes, estimated to be $40,265; and

AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-9 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 1297.5, LOTS 66, 67, 68 AND 69.A (TO BE CHANGED AND DESIGNATED AS LOT 75), ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 319 GRANT AVENUE

(e) 2015: the fifth tax year, 80% of actual full taxes, estimated to be $40,769;

WHEREAS, 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 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 Tax Assessor has determined that the full and true value of the new improvements will generate an additional tax payment of $166,508 a year upon completion; and

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

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

1. The application, attached hereto, for a five (5) year tax exemption for the full and true value of the newly constructed a six (6) story building with 27 apartment units and 22 indoor parking spaces, located in Block 1297.5, Lots 66, 67, 68 and 69.A (to be changed and designated as Lot 75), and more commonly known by the street address of 319 Grant Avenue, 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;

(ii) Year 2: the second tax year, 39% of actual full taxes, estimated to be $19,874;

(iii) Year 3: the third tax year, 59% of actual full taxes, estimated to be $30,069;

(iv) Year 4: the fourth tax year, 79% of actual full taxes, estimated to be $40,265; and

(v) Year 5: the fifth tax year, 80% of actual full taxes, estimated to be $40,769.

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 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

(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 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.

AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-9 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 1297.5, LOTS 66, 67, 68 AND 69.A (TO BE CHANGED AND DESIGNATED AS LOT 75), ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 319 GRANT AVENUE

(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.

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

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

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

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

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

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

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

JM/he
7/13/11

Ed Toloza, Tax Assessor

APPROVED AS TO LEGAL FORM

Corporation Counsel

APPROVED:

APPROVED:

Business Administrator

Certification Required ☐

Not Required ☐

Ordinance of the City of Jersey City, N.J.

ORDINANCE NO. Ord. 11-081

TITLE: 3.E. JUL 20 2011 4.D. AUG 10 2011

An ordinance approving a five (5) year tax exemption pursuant to the provisions of N.J.S.A.40A:21-1, et seq., and Section 304-9 of the Municipal Code for property designated as Block 1297.5, Lots 66, 67, 68 and 69.A (To be changed and designated as Lot 75), on the City's Tax Map and more commonly known by the street address of 319 Grant Avenue.

RECORD OF COUNCIL VOTE ON INTRODUCTION JUL 20 2011 6-1

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	ABSENT			BRENNAN	✓		
DONNELLY	✓			FULOP	✓			AHMAD	✓		
LOPEZ		✓		RICHARDSON	ABSENT			VELAZQUEZ	✓		

✓ Indicates Vote N.V.-Not Voting (Abstain)

RECORD OF COUNCIL VOTE TO CLOSE PUBLIC HEARING AUG 10 2011 7-0

Councilperson VELAZQUEZ moved, seconded by Councilperson SOTTOLANO to close P.H.

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	ABSENT			BRENNAN	✓		
DONNELLY	✓			FULOP	✓			AHMAD	ABSENT		
LOPEZ	✓			RICHARDSON	✓			VELAZQUEZ	✓		

✓ Indicates Vote N.V.-Not Voting (Abstain)

RECORD OF COUNCIL VOTE ON AMENDMENTS, IF ANY

Councilperson_____ moved to amend* Ordinance, seconded by Councilperson_____ & adopted_____

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO				GAUGHAN				BRENNAN			
DONNELLY				FULOP				AHMAD			
LOPEZ				RICHARDSON				VELAZQUEZ			

✓ Indicates Vote N.V.-Not Voting (Abstain)

RECORD OF FINAL COUNCIL VOTE AUG 10 2011 7-1

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	ABSENT			BRENNAN	✓		
DONNELLY	✓			FULOP	✓			AHMAD	✓		
LOPEZ		✓		RICHARDSON	✓			VELAZQUEZ	✓		

✓ Indicates Vote N.V.-Not Voting (Abstain)

Adopted on first reading of the Council of Jersey City, N.J. on JUL 20 2011

Adopted on second and final reading after hearing on AUG 10 2011

This is to certify that the foregoing Ordinance was adopted by the Municipal Council at its meeting on AUG 10 2011

Robert Byrne, City Clerk

*Amendment(s):

APPROVED:

Peter M. Brennan, Council President

Date: AUG 10 2011

APPROVED:

Jeramiah T. Healy, Mayor

Date AUG 11 2011

Date to Mayor AUG 11 2011

3E.
11-081

7-13-11

TAX AGREEMENT
FIVE YEAR/NEW CONSTRUCTION

THIS AGREEMENT made on this ____day of _____,2011, 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, and, **GRANT AVENUE 319, LLC,** [Applicant], whose principal place of business is 6317 Avenue N, Brooklyn, NY 11234.

WITNESSETH:

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

WHEREAS, the Applicant is owner of certain property located at 319 Grant Avenue, in the City of Jersey City, County of Hudson and State of New Jersey, designated as Block Block 1297.5, Lots 66, 67, 68 and 69.A (to be changed and designated as Lot 75) on the Tax Assessor's Map, more commonly known by the street address of 319 Grant Avenue and more particularly described in the metes and bounds description attached hereto as Exhibit A [Property];

WHEREAS, on or about May 10, 2011, the Applicant applied for a five year tax exemption to construct a new Multiple Dwelling six (6) story building on the Property with 27 apartment units and 22 indoor parking spaces [Improvements] pursuant to N.J.S.A. 40A:21-1 et seq and Section 304-12 of the Municipal Code [Law]; and

WHEREAS, the City has reviewed the application, approved the construction of the Improvements and authorized the execution of a Tax Exemption Agreement by the adoption of Ordinance_____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 Multiple Dwelling [Improvements] on the Property, as further described in the Application, attached hereto as Exhibit B, pursuant to the provisions of N.J.S.A. 40A:21-1 et seq. and Ordinance_____which authorized the execution of this Tax Agreement [Law], subject to the terms and conditions hereof.

ARTICLE II: IN LIEU OF TAX PAYMENTS

The Applicant agrees to make 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 year of 2011, no payment in lieu of taxes;

2. For the full calendar year of 2012, thirty-nine (39%) percent of the actual taxes otherwise due, currently estimated to be the sum of $19,874;

3. For the full calendar year of 2013, fifty-nine (59%) percent of the actual taxes otherwise due, currently estimated to be the sum of $30,069;

4. For the full calendar year of 2014, seventy-nine (79%) percent of the actual taxes otherwise due, currently estimated to be the sum of $40,265; and

5. For the full calendar year of 2015 eighty (80%) percent of the actual taxes otherwise due, currently estimated to be the sum of $40,769.

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

ARTICLE III: APPLICATION FEE

The Applicant agrees to pay the application fee to the City on or before the date this Agreement is executed. Failure to make such payment shall cause the tax exemption to terminate.

ARTICLES IV: FEDERAL, STATE AND LOCAL LAW

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

ARTICLE V: TERM OF EXEMPTION

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

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

ARTICLE VI: REVALUATION

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 taxes due shall be calculated on the higher of the amount estimated hereunder or the actual taxes otherwise due.

ARTICLE VII: 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 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: 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 under this agreement from 2011 to the date of termination.

ARTICLE X: PROJECT EMPLOYMENT 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 Agreement which is attached hereto as Exhibit C.

ARTICLE XI: 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: Grant Avenue 319, LLC
6317 Avenue N
Brooklyn, NY 11234

ARTICLE XII: 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 an 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:

_____

GRANT AVENUE 319, LLC

BY:_____
Serafino Tomassetti, Member

ATTEST:

_____
Robert Byrne
City Clerk

CITY OF JERSEY CITY

BY:_____
John Kelly
Business Administrator

Form E/A-1 (Rev. 11/96) STATE OF NEW JERSEY

APPLICATION FOR EXEMPTION AND/OR ABATEMENT FOR THE IMPROVEMENT, CONVERSION OR CONSTRUCTION OF PROPERTY PURSUANT TO P.L. 1991, C.441

(N.J.S.A. 40A:21-1 et seq.) AND AUTHORIZED BY MUNICIPAL ORDINANCE.

(Italicized words are defined in law excerpts on reverse side)

Municipality Jersey City County Hudson

This application must be filed with the assessor within 30 days following completion of the improvement, conversion or conversion alteration, or construction.

I. I/we, Grant Avenue 319, LLC (Name of Applicant), residing/having offices at 6317 Avenue N, Brooklyn, New York 11234 (Address) 718 444 1970 (Phone #)

in the Municipality of _____ in the County of _____

hereby make claim for a tax *exemption* and/or *abatement* of taxes, pursuant to P.L.1991, Chapter 441, and the authorizing municipal ordinance, for premises located at 319 Grant Avenue, Jersey City, New Jersey which is further described as Block 1297.5, Lot 66, 67, 68, 69.A on the Tax Map of the municipality.

Lot to be designated 75

II. COMPLETE THE APPLICABLE SECTION "A" OR "B"

The following statements are made in support of this claim:

A. The subject property is a one or two family *dwelling upon which claimant has completed*:
- New *construction*;
- *Conversion or conversion alteration* of a building or structure into a *dwelling*;
- *Improvement* of an existing *dwelling*.

B. The subject property is a *multiple dwelling, commercial or industrial structure*:
- *Improvement* to a *multiple dwelling*;
- *Conversion or conversion alteration* of building or structure to a *multiple dwelling*;
- *Improvement* to a *commercial or industrial* building or structure;
- *Construction of multiple dwelling* under tax agreement;
- *Construction of commercial or industrial structure* under tax agreement.

III. ALL APPLICANTS MUST COMPLETE THIS SECTION

A. Date of *completion* of new *construction, conversion,* or *improvement* April 25 20 11

B. Total *cost* of project $ 9,290,276 (See Attached)

C. Brief description of the nature and type of construction, conversion, or improvement:
27 unit multi-family rental building containing 22 parking spaces and with concrete construction

IV. Prior exemptions and/or abatement granted under P.L.1991, c.441 amount to $ None

(State "none" if no prior exemptions have been granted on subject premises.)

Attached hereto is proof of all matters required (Assessor may require copy of ordinance, evidence of governing body's approval of categories of improvements or specific project improvements, and such additional proof as may be required to establish eligibility.)

Attached hereto is a copy of the tax agreement, if applicable, executed between the municipality and claimant.

There are no delinquent or unpaid property taxes or penalties for non-payment of taxes due on the property.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Date 5/10/11 Signature Serafino Tomassetti

Title (if any) Member

Date 2/11/11 ☐ Approved

☐ Disapproved (Assessor)

This form is prescribed by the Director, Division of Taxation, in the Department of the Treasury, as required by law and may be reproduced for distribution, but no alteration may be made therein without prior approval.

APPLICATION FOR TAX EXEMPTION/ABATEMENT
OF

Grant Avenue 319, LLC

In compliance with Executive Order 02-003 of the Mayor of City of Jersey City, the Applicant herewith submits the following information in support of its application for a Five Year Tax Exemption under and pursuant to N.J.S.A. 40A:21-1 et seq.

Applicant:	Grant Avenue 319, LLC 6317 Avenue N Brooklyn, NY 11234
Project:	Grant Avenue West (Six Story Multifamily Building) 319 Grant Avenue Jersey City, New Jersey Block 1297.5, Lot 66, 67, 68, 69.A (to be changed and designated Lot 75)

The Grant Avenue West multifamily building is referred to herein as the "Project".

LIST OF EXHIBITS

A.	-	Description of Property;
B.	-	Cost of Completed Project;
C.	-	Estimated Tax Computation;
D.	-	Municipal Land Use Approvals;
E. and E-1	-	Disclosure Statement and Certificate of Formation;
F.	-	Certification of Compliance with State and Local Laws;
G.	-	Certification of Diligent Inquiry;
H.	-	Proposed Tax Agreement;

1. Identification of the Property:

The Property is located at 319 F Grant Avenue, Jersey City, New Jersey and is more particularly known as Block 1297.5, Lot 66, 67, 68, 69.A, on the official tax map of the City of Jersey City, State of New Jersey. The Property is more particularly described on Exhibit A attached hereto and made a part hereof.

2. General Statement of the Nature of the Project:

The Project was constructed on a lot area of 10,750 square feet and is located in the West Side Avenue Redevelopment Plan. The Gross square footage on the building is 45,433 SF over six (6) stories. The land was purchased January 31, 2008 and the City Council approved the Final Site plans in a resolution dated June 24, 2008. Permits were issued on November 18, 2008 to begin construction. The construction was completed on April 15, 2011 and the Project was issued its final certificate of occupancy. The site is located on a dead end street and is directly across from a hub of transportation for the light rail system in Jersey City.

3. Term of Abatement:

The Applicant requests that the term of the exemption be for five (5) years beginning the date of completion of the project on April 15, 2011 (the "Exemption Commencement Date") and ending on the date that is one day prior to the fifth anniversary of the Exemption Commencement Date.

4. Improvement that was Constructed:

The Project was originally approved as a condominium building, including twenty-seven (27) apartments and twenty-two (22) indoor parking spaces. The apartments include seven (7) one-bedroom units on the first floor and twenty (20) two-bedroom units above the first floor. Concrete construction was used to build the six (6) stories.

Due to the depressed economic real estate market conditions, the Project's ownership changed the project late in 2010, after substantial construction, to one of rental as replacement to the original condominium building plans. Rentals are offered at the prevailing market price that has enabled the building to be fully occupied. However, the Project has to obtain the five year real estate tax abatement in order to allow for the revenue in five years to be sufficient to meet the building's permanent mortgage debt service, real property tax, and operating expense requirements.

5. Total Cost of the Project:

The construction cost of the project, as indicated on Exhibit B, includes $6,349,857 paid to contractors and subcontractors. This amount excludes the cost of the land, soft costs, construction loan interest and cost of the construction loan.

6. **Financing Structure:**

The Project is financed by capital provided by the members of Grant Avenue 319, LLC and, the construction loan funds from the Magyar Bank, New Brunswick, N.J. On May 13, 2011, Grant Avenue 319, LLC received approval from Northfield Bank of the Commerical Mortgage for the project.

7. **Exemption Requested:**

The Applicant seeks a five (5) year tax exemption under and pursuant to N.J.S.A 40A:21-1 et seq. (The "Five Year Exemption and Abatement Law") for the Multi-family rental Project. The Applicant requests that the tax agreement be based on the following formula:

Project Taxes during the Term of Exemption

Year One		Land Tax Only
Year Two	$10,195	20% real estate taxes on new improvements
Year Three	$20,384	40 % real estate taxes on new improvements
Year Four	$30,580	60% real estate taxes on new improvements
Year Five	$40,769	80% on real estate taxes on new improvements

Following the expiration of the term of the exemption, the Applicant will pay full real estate taxes.

A fiscal plan for the management of the Project and a calculation and breakdown of the aforementioned real estate taxes is set forth in Exhibit C attached hereto.

Based on the above formula it is estimated that the Project will generate real estate taxes payable to the City of Jersey City in the amount of approximately **$166,508** during the term of the exemption.

8. **Municipal Land Use Approvals:**

On June 24, 2008, in a Resolution, the City Council approved the Final Site Plans.

9. **Real Estate Tax Assessments:**

The total 2010 estimated real estate tax assessment for the Property at which The project is located was valued as follows; Land was assessed at **$187,100** and the improvements were assessed at **$738,300** for a Total assessment of **$925,400.** Taxes are estimated using the current (2010) tax rate of $69.03 per thousand of assessment. See Exhibit C for details.

10. Real Estate Tax Levied:

The total payment for municipal real estate taxes for 2009 totaled **$11,113.85**. Refer to Exhibit C for details of the tax on the property.

11. Status of Municipal Taxes and Other Charges:

The Applicant is the owner of the Property known as Block 1297.5, Lot 66, 67, 68, and 69.A on the official tax map of the City of Jersey City, County of Hudson, State of New Jersey. To the best of the Applicant's knowledge and belief, all real estate taxes and other assessments against the property have been paid in full. The Applicant will pay or cause to be paid all real estate taxes or other assessments due on the property to be paid prior to the execution of the Exemption/Abatement Agreement.

12. Disclosure Statement and Certificate of Formation:

A Disclosure Statement is attached hereto as Exhibit E. The Applicant is a Limited Liability Company organized under the laws of the State of New Jersey. A copy of the Certificate of Formation is attached hereto as part of Exhibit E-1.

13. Estimated Jobs Created:

The Applicant does not expect to have any employees at the project now or in the future. The rental of the apartments will be performed by unrelated real estate companies. Other services provided to the building will be by outside vendors and/or other non-related building services companies.

14. Compliance with State and Local Law:

A Certification by the Applicant that the Project meets the requirements of the laws of The State of New Jersey and the City of Jersey City is attached hereto as Exhibit F.

15. Certification of Truthfulness and Diligent Inquiry:

A Certification of the Applicant that all information contained in the application is true and correct to the best of its knowledge after having made diligent inquiry id attached hereto as Exhibit G.

16. Tax Agreement:

The Proposed Tax Agreement for the Applicant is attached hereto as Exhibit H.

17. <u>Fee:</u>

The fee for this application is $5,400 and submitted herewith.

EXHIBIT A

LEGAL DESCRIPTION

Address: 319 Grant Avenue
Jersey City, New Jersey
Block 1297.5, Lot 66, 67, 68, & 69.A (to be known as lot 75)

(SEE METES AND BOUNDS DESCRIPTION ATTACHED)

SCHEDULE A-4

LEGAL DESCRIPTION

ALL that tract or parcel of land and premises, situate, lying and being in the City of Jersey City, County of Hudson and State of New Jersey, more particularly described as follows:

Beginning at a point in the southwesterly line of Grant Avenue, said point being distant northwesterly 204.74 feet from the corner formed by the intersection of the said line of Grant Avenue with the northwesterly line of West Side Avenue; thence running

1. South 41 degrees 37 minutes 21 seconds West, 100.00 feet to a point; thence running
2. Northwesterly and parallel with Grant Avenue North 49 degrees 00 minutes 00seconds West, 107.50 feet to a point; thence running
3. North 41 degrees 37 minutes 21 seconds East, 100.00 feet to a point on the aforesaid southwesterly sideline of Grant Avenue, thence running
4. Southeasterly along said sideline South 49 degrees 00 minutes 00 seconds East, 107.50 feet to the point and place of Beginning.

The above premises is also known as Lots 66, 67, 68 and 69 in Block 3 and the westerly 7.50' of Lot 70 in Block 3 on "Map of Building Lots on the Line of the Newark and New York Railroad, 20 minutes from New York at West Bergen, "dated 1867 and filed in the Hudson County Register's Office on May 16, 1867 as Map # 576.

Above Description is in accordance with a Survey prepared by Pronesti Surveying , Inc., P.L.S., dated July 10, 2006.

Note for Information: Being known and designated as Tax Lot 66,67,68 & 69.A in Block 1297.05 on the Tax Map of the City of Jersey City, County of Hudson, State of New Jersey.

Note for Information: Being commonly known as 312-325 Grant Avenue, Jersey City, New Jersey.

BA+ A

Bodnar Architect & Associates
52 Long Hill Road
Long Valley, NJ 07853
(908) 879-8900
(908) 391-2255 cell
(908) 879-5985 fax

Certification to:
Grant Avenue LLC
6317 Avenue N
Brooklyn, NY 11234

March 5 2011

RE: 319 Grant Avenue Jersey City NJ
Block1297.5 Lots 66,67,68,69A

The building is complete and has final zoning and building reviews and approvals.

The gross square footage on the building is 45,433 SF over 6 stories. The lot area is 10,750 square feet and is located in the west side avenue redevelopment plan.
The site is located on a dead end street and is directly across from a main hub of transportation for the light rail system in Jersey City.
The building consists of 27 apartments (20 two bedrooms units and 7 one bedroom units).
The building has an indoor parking facility has the ability to house 22 cars.
The building is constructed of a poured concrete structure and has brick and stone veneer façade.
The apartments are self contained units that have their own heating and cooling system as well as hot water generation.
The building is also contains several life safety elements that include sprinkler systems, fire/smoke/ carbon monoxide alarm systems.
The building also has an elevator to accommodate a per son in a gurney as well as an emergency backup generator for the elevator.

The height of the building is 67'-0" measured from grade to top of parapet.
The building is 97'-6" wide by 75'-0" wide at the residential level which covers 68% of the lot area.
The first floor dimensions are 97'-6" wide by 94'-0" and the lot coverage at this floor is 86.5%.

Sincerely,

Russell L. Bodnar

Bodnar Architect & Associates
52 Long Hill Road
Long Valley, NJ 07853
(908) 879-8900
(908) 391-2255 cell
(908) 879-5985 fax

Grant Avenue LLC
6317 Avenue N
Brooklyn, NY 11234

March 5 2011

RE: 319 Grant Avenue Jersey City NJ
Block1297.5 Lots 66, 67, 68,69A

Project data

The project know as 319 Grant Avenue is a 27 unit Residential apartment building located in jersey City, New jersey.

The gross square footage on the building is 45,433 SF over 6 stories. The lot area is 10,750 square feet and lot is 107.5 feet wide by 100 feet deep. The project was designed in accordance with the west side avenue redevelopment plan.
The site is located on a dead end street and is directly across from a main hub of transportation for the light rail system in Jersey City.
The building consists of 27 apartments (20 two bedrooms units and 7 one bedroom units).
The building has an indoor parking facility has the ability to house 22 cars.
The building is constructed of a poured concrete structure and has brick and stone veneer façade.
The apartments are self contained units that have their own heating and cooling system as well as hot water generation.
The roof structure if a flat style modified roofing membrane system.
The building is also contains several life safety elements that include sprinkler systems, fire/smoke/ carbon monoxide alarm systems.
The building also has an elevator to accommodate a per son in a gurney as well as an emergency backup generator for the elevator.

The height of the building is 67'-0" measured from grade to top of parapet.
The building is 97'-6" wide by 75'-0" wide at the residential level which covers 68% of the lot area.
The first floor dimensions are 97'-6" wide by 94'-0" and the lot coverage at this floor is 86.5%.

The apartment square footages are as follows.

Unit 201	950 sf	1 bedroom
Unit 202	860 sf	1 bedroom
Unit 203	849 sf	1 bedroom
Unit 204	904 sf	1 bedroom
Unit 205	650 sf	1 bedroom
Unit 206	1010 sf	1 bedroom
Unit 207	1100 sf	1 bedroom

BA+ A

Unit type at 319 Grant Avenue

Unit 301-401-501-601	1278 sf	2 bedroom
Unit 302-402-502-602	1340 sf	2 bedroom
Unit 303-403-503-603	1240 sf	2 bedroom
Unit 304-404-504-604	1300 sf	2 bedroom
Unit 305-405-505-605	1372 sf	2 bedroom

Sincerely,

Russell L. Bodnar

EXHIBIT B

Estimated Cost of Project Construction

The Estimated Cost is calculated pursuant to N.J.S.A. 40A-21-3(j) as follows:

Cost (see note 1 below)**:**

a. Direct Labor and Materials (inclusive of Contractor's fees):	$6,349,857.00
b. Architectural:	82,850.00
c. Engineering:	99,167.00
Estimated Cost:	**$6,531.874.00**

Note 1- N.J.S.A. 40A:21-3(j) states estimated "costs" does not include land costs, soft costs (other than architectural and engineering costs), and financing costs. For the foregoing reason the cost differs from the total project costs calculated under the Long Term Tax Exemption Law and set out in the Financial Agreement.

EXHIBIT C

ESTIMATED TAX COMPUTATION FOR YEAR 2011

See Attached Letter
From

Office of the City Assessor
280 Grove Street
Jersey City, New Jersey 07302

OFFICE OF THE CITY ASSESSOR
280 Grove Street
Jersey City, NJ 07302
Tel. 201-547-5131 Fax 201-547-4949

Eduardo Toloza
Assessor

March 8, 2011

Grant Avenue 319, LLC
2026 E. 74th St.
Brooklyn, NY 11234
Att: Mr. Sorrentino

Re: Block 1297.5 Lots 66,67,68 & 69A (To Be Known as Lot 75)
A/k/a 319 Grant Avenue
Jersey City, New Jersey

Dear Mr. Sorrentino:

Please be advised that the following estimated assessments will be applied on the above captioned property upon completion of the improvement as evidenced by a Certificate of Occupancy. These assessments include Chapter 441 Tax Abatement that will be effective for 5 years, subject to the approval of the Council;

	1st Yr 0%	2nd Yr 20%	3rd Yr 40%	4th Yr 60%	5th Yr 80%
Land	187,100	187,100	187,100	187,100	187,100
Building	738,300	738,300	738,300	738,300	738,300
Less: Abatement	738,300	590,600	443,000	295,300	147,700
Net Total	187,100	334,800	482,400	630,100	777,000
Taxes	**12,916**	**23,111**	**33,300**	**43,496**	**53,685**

Taxes were estimated using the current (2010) tax rate of $69.03 per thousand of assessment and at the expiration of the abatement, the projected total taxes would be at $63,880 or $5,323 per month.

Should you have any question on this matter, please don't hesitate to give us a call.

Eduardo Toloza
City Tax Assessor

EXHIBIT D

ZONING APPROVALS

(SEE ATTACHED)

RESOLUTION OF THE PLANNING BOARD OF THE CITY OF JERSEY CITY GRANTING FINAL MAJOR SITE PLAN APPROVAL

APPLICANT:	**GRANT AVENUE 319, LLC**
FOR:	**FINAL MAJOR SITE PLAN APPROVAL**
PROPERTY:	**319-323 GRANT AVENUE** **Block 1297.5, Lots 66, 67, 68 & 69A**
CASE NO.	**P06-094.2**

WHEREAS, an application having been made by Grant Avenue 319, LLC, for the approval of its final major site plan originally approved by the Board on January 9th, 2007, as amended on June 24th, 2008 and further amended on December 15th, 2009 for the premises located at 319-323 Grant Avenue, designated as Lots 66, 67, 68 & 69A, in Block 1297.5, on the official tax maps for the City of Jersey City, County of Hudson, State of New Jersey (the "Premises"); and

WHEREAS, the Premises is located within the boundaries of the West Side Avenue Redevelopment Plan (Residential) District; and

WHEREAS, on January 9th, 2007 the Jersey City Planning Board (the "Board") granted preliminary major site plan approval for the construction multi-family building containing twenty-seven (27) residential dwelling units with twenty-two (22) on site parking spaces; and

WHEREAS, on June 28th, 2009 the Board granted an amendment to the preliminary major site plan approval for the construction multi-family building containing twenty-seven (27) residential dwelling units with twenty-three (23) on site parking spaces; and

WHEREAS, on December 15th, 2009 the Board granted an amendment to the preliminary major site plan allowing for the reduction in the number of on-site parking spaces from twenty-three (23) to twenty-two (22); and

WHEREAS, the Planning Board having considered the evidence and testimony presented by the Applicant, including the oral recommendations of planning staff and no objectors appearing in opposition to the application; and

WHEREAS, after careful consideration, the Planning Board made the following findings of fact and reached the following conclusions:

FINDING OF FACTS

1. The Applicant is the owner of the Premises and requests a final approval of its preliminary major site plan originally approved by the Board on January 9th, 2007 and amended on June 28th, 2008 and further amended on December 15th, 2009 for the construction of the multi-family building containing twenty-seven (27) residential dwelling units and twenty-two (22) on-site parking spaces (the "Project").

2. The applicant has constructed the Project in accordance with the preliminary major site plan approval, as amended, except for *de minimus* deviations to the midline cornice and front porch entry of the building.

3. The Board finds that the deviations were aesthetically beneficial to the Project and supported by planning staff in its recommendation of approval.

4. The Applicant has met the procedural requirements of the Ordinance, including the payment of fees, and in all other respects the application conforms to the requirements of the Ordinance and the Plan for approval of the final major site plan in the City of Jersey City.

5. Excepting the deviations stated above, the Applicant constructed the Project in accordance with the preliminary site plan approved by the Board on January 9th, 2007, as amended on June 24th, 2008 and further amended on December 15th, 2009.

6. The Board finds that approving the final major site plan application would not have a substantial impact on the character of the neighborhood, the existing zoning, or the existing building and land use patterns and will generally conform with the neighborhood zoning scheme, the Ordinance, the Plan and the intent of the City's Master Plan, and the benefit of granting such an approval greatly outweighs any substantial determent to the neighborhood, the existing zoning,

the existing building and land use patterns, the Ordinance, the Plan or the intent of the City's Master Plan.

THEREFORE, BE IT RESOLVED, that the Planning Board of the City of Jersey City, for the foregoing reasons as well as those stated on the record by the board members which are incorporated herein by reference, approves the within application, Case Number P06-094.2 for Final Major Site Plan as submitted.

RESOLUTION OF THE PLANNING BOARD OF THE CITY OF JERSEY CITY GRANTING FINAL MAJOR SITE PLAN APPROVAL

APPLICANT: **GRANT AVENUE 319, LLC**

FOR: **FINAL MAJOR SITE PLAN APPROVAL**

PROPERTY: **319-323 GRANT AVENUE**
Block 1297.5, Lots 66, 67, 68 & 69A

CASE NO. **P06-094.2**

DATE OF HEARING: February 8th, 2011

VOTE: 5-0-0

VOTING IN FAVOR:

1. Vice-Chairman Leon Yost
2. Commissioner Roseanna Petruzzelli
2. Commissioner Franklyn Perez
3. Commissioner Michael Sims
5. Chairman Michael Ryan

VOTING AGAINST: NONE
ABSTAINING: NONE

MICHAEL RYAN, Chairman
JERSEY CITY PLANNING BOARD

ROBERT D. COTTER, Secretary
JERSEY CITY PLANNING BOARD

APPROVED AS TO LEGAL FORM:

JOHN F. HAMILL, ESQ.
JERSEY CITY PLANNING BOARD

DATE OF MEMORIALIZATION: March 8th, 2011

EXHIBIT E

DISCLOSURE STATEMENT

NAME OF ENTITY: GRANT AVENUE 319, LLC

ADDRESS: 6317 Avenue N
Brooklyn, NY 11234

OWNER'S NAME	ADDRESS	PERCENT OWNED
Seraffino Tomassetti	6317 Avenue N Brooklyn, NY 11234	40
Neil Sorrentino	6317 Avenue N Brooklyn, NY 11234	40
Joseph R. Sorrentino	6317 Avenue N Brooklyn, NY 11234	20
Total:		**100**

I certify that the above represents the names and addresses of all members in the above Limited Liability Company [LLC]. If one or more of the above named is itself an entity, the applicant will provide the names and addresses of any entity owning a 10% or greater interest therein.

I further certify that no officer or employee of the City of Jersey City has any interest, direct or indirect, in Grant Avenue 319, LLC.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment

DATE: May 11, 2011

Grant Avenue 319, LLC

By: Serafino Tomassetti
Serafino Tomassetti, Member

EXHIBIT E-1

CERTIFICATION OF FORMATION

(SEE ATTACHED)

NEW JERSEY DEPARTMENT OF TREASURY
DIVISION OF REVENUE, BUSINESS GATEWAY SERVICES

CERTIFICATE OF FORMATION

GRANT AVENUE 319 LLC
0400214270

The above-named DOMESTIC LIMITED LIABILITY COMPANY was duly filed in accordance with New Jersey State Law on 01/28/2008 and was assigned identification number 0400214270. Following are the articles that constitute its original certificate.

1. Name:
GRANT AVENUE 319 LLC

2. The Registered Agent:
JOSEPH SORRENTINO

3. The Registered Office:
16-10 ROUTE 88 WEST
BRICK, NJ 08724

4. Business Purpose:
Real Estate

5. Effective Date of this filing is:
01/28/2008

6. Members/Managers:
JOSEPH SORRENTINO
16-10 ROUTE 88 WEST

BRICK, NJ 08724

Signatures:
JOSEPH SORRENTINO
AUTHORIZED REPRESENTATIVE

Continued on next page ...

NEW JERSEY DEPARTMENT OF TREASURY
DIVISION OF REVENUE, BUSINESS GATEWAY SERVICES

CERTIFICATE OF FORMATION

GRANT AVENUE 319 LLC
0400214270

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal at Trenton, this 01/29/2008

R. David Rousseau
Treasurer of the State of New Jersey

EXHIBIT F

COMPLIANCE WITH STATE AND LOCAL LAWS

CERTIFICATION

The undersigned being a member of Grant Avenue 319, LLC, the Applicant under this Application, hereby certifies that:

1. The Project meets the requirements of the laws of the State of New Jersey and the City of Jersey City for consideration for granting the tax exemption requested in this application.

2. The foregoing statements made by me this 11 day of May, 2010 are true to the best of my knowledge and I understand that if it is willfully false, I am subject to punishment .

Grant Avenue 319, LLC

By: Serafino Tomassetti
Serafino Tomassetti, Member

EXHIBIT G

CERTIFICATION

DILIGENT INQUIRY

The undersigned being a member of Grant Avenue 319, LLC, the Applicant under this Application and the developer of the project located at 319 Grant Avenue, Jersey City, New Jersey hereby certifies that:

1. All information contained in the application for the five (5) year tax exemption is true and correct to the developer's knowledge, after he has made diligent inquiry to conform the accuracy of all information.

2. The foregoing statements made by me this 11 day of May, 2011 are true to the best of my knowledge and I understand that if it is willfully false, I am subject to punishment.

Grant Avenue 319, LLC

By: Serafino Tomassetti
Serafino Tomassetti, Member

EXHIBIT H

PROPOSED TAX AGREEMENT

FOR

GRANT AVENUE 319, LLC

TAX AGREEMENT
FIVE YEAR / NEW CONSTRUCTION

THIS AGREEMENT made on this 11 day of May, 2011, 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, and **GRANT AVENUE 319, LLC** [Applicant], whose principal place of business is 456 Fifth Avenue, Brooklyn, New York 11215.

WITNESSETH:

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

WHEREAS, the applicant is owner of certain property located at 319 Grant Avenue, in the City of Jersey City, County of Hudson and State of New Jersey, designated as Block 1297.5, Lots 66, 67, 68 & 69.A, on the Tax Assessor's Map, more commonly known as Grant Avenue West located at the street address of 319 Grant Avenue, and more particularly described in the metes and bounds description attached hereto as Exhibit A [Property];

WHEREAS, on or about May 10th, 2011, the Applicant applied for a five year abatement of taxes for the newly completed, on April 15, 2011, 27 unit multiple dwelling Residential Apartment Building with 22 indoor parking spaces and containing gross square footage on the building of 45,433 SF over 6 stories [Improvements] pursuant to N.J.S.A. 40A:21-I et seq and Section 304-12 of the Municipal Code [Law]; and

WHEREAS, the City has reviewed the application, approved the construction of the Improvements and authorized the execution of a Tax Exemption Agreement by the adoption of Ordinance 11-day of May __, 2011.

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

ARTICLE I: APPROVAL OF TAX EXEMPTION

The city hereby agrees to a tax exemption for the newly constructed Grant Avenue West Project located at 319 Grant Avenue, Jersey City, New Jersey containing forty-five thousand, four hundred thirty-three gross square footage (45,433 SF) and 22 indoor parking spaces, over six stories (Improvements) on the property, as further described in the Application, attached hereto as Exhibit B, pursuant to Law and Ordinance 10-021 which authorized the execution of this Tax Agreement (Law), subject to the terms and conditions, hereof.

ARTICLE II: IN LIEU OF TAX PAYMENTS

The Applicant agrees to make payments on the Improvements (separate and apart from taxes on the land which shall continue to be subject to conventional assessment and taxation 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 first full calendar year of 2011, after completion, no payment in lieu of taxes on the new improvements.

2. For the 2nd full calendar year of 2012, approximately 20% to be the sum of $10,195 on the new improvements.

3. For the 3rd full calendar year of 2013, approximately 40% percent of the actual taxes otherwise due, currently estimated to be $20,384 on the new improvements.

4. For the 4th calendar year of 2014, approximately 60% of the actual taxes otherwise due, currently estimated to be the sum of $30,580 on the new improvements.

5. For the 5th calendar year of 2015, approximately 80 % of the actual taxes otherwise due, currently estimated to be the sum of $40,769 on the new improvements.

ARTICLE III: APPLICATION FEE

The Applicant has paid the sum of **$5,400** to the City on or before the date this Agreement is executed. Failure to make such payment shall cause the tax exemption to terminate.

ARTICLES IV: FEDERAL, STATE AND LOCAL LAW

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

ARTICLE V: TERM OF EXEMPTION

The tax Exemption granted shall be valid and effective for a period of five (5) full calendar years from the date of Substantial Completion of the Project, which shall ordinarily mean the date on which the City issues, or the project is eligible to receive, a Certificate of Occupancy, whether temporary or final, for part or the whole of the Project. During the term of the tax exemption, the Applicant shall make an in lieu of tax payment to the City in accordance with the schedule set forth above. Prior to the commencement of the tax exemption, and upon expiration thereof, the Applicant shall pay full conventional taxes on the Improvements.

ARTICLE VI: 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 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 the Law shall no longer apply.

ARTICLE VII: 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 a Agreement shall remain in full force and effect.

ARTICLE XI: 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 agreement.

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

WITNESS:

GRANT AVENUE 319, LLC

BY: _____
Serafino Tomassetti
Member

ATTEST:

CITY OF JERSEY CITY

_____
Robert Byrne
City Clerk

_____
Brian O'Reilly
Business Administrator

ARTICLE XI: 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 couterparts, each of which shall constitute but one and the same agreement.

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

WITNESS:

GRANT AVENUE 319, LLC

BY: Serafino Tomassetti
Serafino Tomassetti
Member

ATTEST:

CITY OF JERSEY CITY

Robert Byrne
City Clerk

Brian O'Reilly
Business Administrator

City Clerk File No. ORD. 11-082

Agenda No. 3.F. 1st Reading

Agenda No. 4.E. 2nd Reading & Final Passage

ORDINANCE OF JERSEY CITY, N.J.

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

CITY ORDINANCE 11-082

TITLE: **AN ORDINANCE 1) RESCINDING ORDINANCE 05-002, WHICH APPROVED A LONG TERM TAX EXEMPTION FOR JERSEY AVENUE 833 URBAN RENEWAL COMPANY, LLC, AND 2) APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:2-1, ET SEQ., AND SECTION 304-9 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 330, LOT 10, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 837 JERSEY AVENUE**

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

WHEREAS, Jersey Avenue 833 Urban Renewal Company, LLC, proposed to construct a seven (7) story building, to contain eighty-four (84) market rate residential condominium units and eighty-four (84) internal parking spaces, partially underground; and

WHEREAS, by the adoption of Ordinance 05-002 on January 26, 2005, the City of Jersey City approved a Long Term Tax Exemption for Jersey Avenue 833 Urban Renewal Company, LLC, on property located within Block 330, Lot 10 (formerly known as Block 330, Lots 1, 2, 3, 4, 5 and 3C), and more commonly known as 833 Jersey Avenue; and

WHEREAS, Jersey Avenue 833 Urban Renewal Company, LLC, executed a Financial Agreement and Prepayment Agreement dated January 26, 2005; and

WHEREAS, as a result of the rising market for residential rental housing, Jersey Avenue 833 Urban Renewal Company, LLC, applied to rescind its long term tax exemption and 837 Jersey Avenue, LLC [the Owner], applied for a five (5) year tax exemption 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 304-1 et seq. of the Municipal Code) and as amended by Ordinance 07-146, 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, which includes for a newly constructed commercial and multiple dwellings, is permitted for a period of five (5) years; and

WHEREAS, 837 Jersey Avenue, LLC, proposes to construct a new seven (7) story building to contain total of approximately one hundred fifty-five (155) market rate residential rental units, one hundred seventy-five (175) on-site parking spaces and approximately over 12,000 square feet of commercial ground level retail, located in Block 330, Lot 10, on the City's Tax Map and more commonly known by the street address of 837 Jersey Avenue [formerly known as 833 Jersey Avenue], Jersey City, N.J.; and

AN ORDINANCE 1) RESCINDING ORDINANCE 05-002, WHICH APPROVED A LONG TERM TAX EXEMPTION FOR JERSEY AVENUE 833 URBAN RENEWAL COMPANY, LLC, AND 2) APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:2-1, ET SEQ., AND SECTION 304-9 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 330, LOT 10, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 837 JERSEY AVENUE

WHEREAS, on May 23, 2011, the owner filed an application for a five (5) year tax exemption for the new mixed use project, a copy of which application is attached hereto; and

WHEREAS, as determined by the assessor, on October 1st of the year following completion, the owner proposes to pay the City (in addition to the full taxes on the land, which shall continue to be conventionally assessed and taxed) a tax payment for the new improvements on the property, as follows:

(a) 2013; the tax year in which the structure will be completed; $0 taxes;

(b) 2014; the second tax year: 39% of actual full taxes, estimated to be $243,747;

(c) 2015; the third tax year: 59% of actual full taxes, estimated to be $368,746;

(d) 2016; the fourth tax year: 79% of actual full taxes, estimated to be $493,744; and

(e) 2017; the fifth tax year: 80% of actual full taxes, estimated to be $499,994;

WHEREAS, the Tax Assessor has determined that the full and true value of the new improvements will generate an additional tax payment of $624,993 a year upon completion; and

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

WHEREAS, the application for tax exemption was complete and timely filed; the application was approved by the Tax Assessor and the newly constructed multiple dwelling 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 will generate a total tax payment of $624,993; and

WHEREAS, 837 Jersey Avenue, LLC, the Owner, has agreed to waive $220,000 of the reimbursement otherwise due under its January 26, 2005 Prepayment Agreement with the City of Jersey City, and to make a payment of $42,000 in addition to the payment already made of $42,000, to the City's Affordable Housing Trust Fund, since Jersey City relied on the receipt of these affordable housing payments.

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

1. The application, attached hereto, for a five (5) year tax exemption for the full and true value of the newly constructed seven (7) story building with multiple dwelling, located in Block 330, Lot 10, and more commonly known by the street address of 837 Jersey Avenue (f/k/a 833 Jersey Avenue), Jersey City, N.J., and the Assignment of the Prepayment credit are hereby approved, provided that 837 Jersey Avenue, LLC, and Jersey Avenue 833 Urban Renewal Company, LLC, waive in writing any entitlement to reimbursement of $220,000 of the Prepayment or payments already paid and pays the additional sum of $42,000 for affordable housing.

AN ORDINANCE 1) RESCINDING ORDINANCE 05-002, WHICH APPROVED A LONG TERM TAX EXEMPTION FOR JERSEY AVENUE 833 URBAN RENEWAL COMPANY, LLC, AND 2) APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:2-1, ET SEQ., AND SECTION 304-9 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 330, LOT 10, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 837 JERSEY AVENUE

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;

(ii) Year 2: the second tax year, 39% of actual full taxes, estimated to be $243,747;

(iii) Year 3: the third tax year, 59% of actual full taxes, estimated to be $368,746;

(iv) Year 4: the fourth tax year, 79% of actual full taxes, estimated to be $493,744; and

(v) Year 5: the fifth tax year, 80% of actual full taxes, estimated to be $499,994; and

(vi) the Tax Assessor has determined that the full and true value of the new improvements will generate an additional tax payment of $624,993 a year upon completion.

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 the then tax year but not previous years, shall become due and payable from the owner 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.

(d) With respect to the disposal of the property, where it is determined that a 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.

AN ORDINANCE 1) RESCINDING ORDINANCE 05-002, WHICH APPROVED A LONG TERM TAX EXEMPTION FOR JERSEY AVENUE 833 URBAN RENEWAL COMPANY, LLC, AND 2) APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:2-1, ET SEQ., AND SECTION 304-9 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 330, LOT 10, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 837 JERSEY AVENUE

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

4. The Mayor or the Business Administrator is authorized to execute an agreement to terminate the Financial Agreement with Jersey Avenue 833 Urban Renewal Company, LLC, and assign and amend the Prepayment Agreement to 837 Jersey Avenue, LLC.

5. The form of tax agreement is attached hereto as Exhibit B. The Amended Prepayment Agreement is attached as Exhibit C. Both agreements are subject to such modification as the Corporation counsel or Business Administrator deems appropriate or necessary.

A. All ordinances and parts of ordinances inconsistent herewith, specifically Ordinance 05-002, 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*.

JM/he
7/14/11

Ed Toloza, Tax Assessor

APPROVED ~~AS TO LEGAL FORM~~

Corporation Counsel

APPROVED:

APPROVED:

Business Administrator

Certification Required ☐

Not Required ☐

Ordinance of the City of Jersey City, N.J.

ORDINANCE NO. Ord. 11-082

3.F. JUL 20 2011 4.E. AUG 10 2011

TITLE:

An ordinance 1) Rescinding Ordinance 05-002, which approved a long term tax exemption for Jersey Avenue 833 Urban Renewal Company, LLC., and 2) Approving a five (5) year tax exemption pursuant to the provisions of N.J.S.A.40A:2-1, et seq., and Section 304-9 of the Municipal Code for property designated as Block 330, Lot 10, on the City's Tax Map and more commonly known by the street address of 837 Jersey Avenue.

RECORD OF COUNCIL VOTE ON INTRODUCTION JUL 20 2011 6-1

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	ABSENT			BRENNAN	✓		
DONNELLY	✓			FULOP		✓		AHMAD	✓		
LOPEZ	✓			RICHARDSON	ABSENT			VELAZQUEZ	✓		

✓ Indicates Vote N.V.-Not Voting (Abstain)

RECORD OF COUNCIL VOTE TO CLOSE PUBLIC HEARING AUG 10 2011 8-0

Councilperson VELAZQUEZ moved, seconded by Councilperson BRENNAN to close P.H.

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	ABSENT			BRENNAN	✓		
DONNELLY	✓			FULOP	✓			AHMAD	✓		
LOPEZ	✓			RICHARDSON	✓			VELAZQUEZ	✓		

✓ Indicates Vote YVONNE BALCER N.V.-Not Voting (Abstain)

RECORD OF COUNCIL VOTE ON AMENDMENTS, IF ANY

Councilperson _____ moved to amend* Ordinance, seconded by Councilperson _____ & adopted _____

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO				GAUGHAN				BRENNAN			
DONNELLY				FULOP				AHMAD			
LOPEZ				RICHARDSON				VELAZQUEZ			

✓ Indicates Vote N.V.-Not Voting (Abstain)

RECORD OF FINAL COUNCIL VOTE AUG 10 2011 8-0

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	ABSENT			BRENNAN	✓		
DONNELLY	✓			FULOP	✓			AHMAD	✓		
LOPEZ	✓			RICHARDSON	✓			VELAZQUEZ	✓		

✓ Indicates Vote N.V.-Not Voting (Abstain)

Adopted on first reading of the Council of Jersey City, N.J. on JUL 20 2011

Adopted on second and final reading after hearing on AUG 10 2011

This is to certify that the foregoing Ordinance was adopted by the Municipal Council at its meeting on AUG 10 2011

Robert Byrne, City Clerk

APPROVED:

Peter M. Brennan, Council President

Date: AUG 10 2011

APPROVED:

Jerramiah T. Healy, Mayor

Date AUG 11 2011

Date to Mayor AUG 11 2011

*Amendment(s):

OLD 11-080
3X. 7/20/11

AGREEMENT TO TERMINATE FINANCIAL AGREEMENT AND TO AMEND AND ASSIGN THE PREPAYMENT AGREEMENT TO 837 JERSEY AVENUE, LLC

This Agreement is made as of the ____ day of _____ 2011 by and among **JERSEY AVENUE 833 URBAN RENEWAL COMPANY, LLC,** having its principal office at 500 First Street, Hoboken, New Jersey, [Entity], **837 JERSEY AVENUE, LLC**, whose principal place of business is 101 Marshall Street, Suite 1, Hoboken, New Jersey 07030, 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].

WHEREAS, by adoption of Ordinance 05-002 on January 27, 2005, the City of Jersey City [City] approved a 20 year Long Term Tax Exemption with a service charge equal to sixteen percent (16%) of the Annual Gross Revenue with a term of the earlier of twenty-five (25) years from adoption of the ordinance or twenty (20) years from substantial completion of the Project; and

WHEREAS, as contemplated by the tax exemption application and Ordinance 05-002, Jersey Avenue 833 Urban Renewal Company, LLC, is the owner of the Property; and

WHEREAS, on January 26, 2005, the City executed a financial agreement with Jersey Avenue 833 UR for the Project [Financial Agreement]; and

WHEREAS, on January 26, 2005, the City executed a prepayment agreement with Jersey Avenue 833 Urban Renewal Company, LLC, for the Project [Prepayment Agreement]; and

WHEREAS, pursuant to Section 4.3 and 4.4 of the Financial Agreement, Jersey Avenue 833 Urban Renewal Company, LLC, was required to make an advance payment equal to the Annual Service Charge of $445,845 on or before June 1, 2005, which sum was to have been credited over the ensuing four (4) years [Prepayment]; and

WHEREAS, Jersey Avenue 833 Urban Renewal Company, LLC, advises that despite making good faith efforts, due to the continued downturn in the current market conditions, it has decided not to pursue the condominium model for the Project and has opted instead to develop a rental project; and

WHEREAS, on May 23, 2011, Jersey Avenue 833 Urban Renewal Company, LLC, gave the City formal written notice under Section 16.3 of the Financial Agreement, that the Entity was not able to substantially complete the Project and due to the continued downturn in the current market conditions and further, that Jersey Avenue 833 UR is abandoning the Project; and

WHEREAS, Jersey Avenue 833 Urban Renewal seeks to terminate the tax exemption approved by Ordinance 05-002 and be released from any liability thereunder; and

WHEREAS, Jersey Avenue 833 Urban Renewal has also agreed in writing to waive any entitlement it may have had to a reimbursement of $220,000 of the $445,845 prepayment and to assign the Prepayment Agreement and the balance of the credit due under the Prepayment Agreement to 837 Jersey Avenue, LLC.

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

1. The Tax Exemption Financial Agreement for the Project is hereby terminated.

2. The assignment of the Prepayment Agreement to 837 Jersey Avenue, LLC, is approved, subject to the following amendments:

(a) $220,000 of the Prepayment is hereby waived;

(b) the balance of the Prepayment credit or $225,845 shall be credited only against the municipal portion of the taxes otherwise due on the improvements only, and only commence on the 1st day of the year after the five (5) year tax exemption expires; and

(c) 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 <u>higher</u> of the amount estimated above or the actual taxes due after the revaluation.

3. Jersey Avenue 833 Urban Renewal Company, LLC, hereby assigns and 837 Jersey Avenue, LLC, hereby assumes all rights and obligations of the Prepayment Agreement, as amended hereby.

4. Jersey Avenue 833 Urban Renewal Company, LLC, and 837 Jersey Avenue, LLC, release the City from any and all claims, rights, charges, debts, and obligations under the Financial Agreement and Prepayment Agreement or its amendment.

5. This Agreement shall be binding upon the City and Jersey Avenue 833 Urban Renewal Company, LLC, and 837 Jersey Avenue, LLC, and anyone who succeeds to their rights in connection with the Property.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

ATTEST:

_____

JERSEY AVENUE 833 URBAN RENEWAL, LLC

_____

ATTEST:

_____

837 JERSEY AVENUE, LLC

_____

ATTEST:

_____

ROBERT BYRNE,
CITY CLERK

CITY OF JERSEY CITY

_____

JOHN KELLY
BUSINESS ADMINISTRATOR

7-15-11

TAX AGREEMENT
FIVE YEAR/NEW CONSTRUCTION

THIS AGREEMENT made on this ____day of _____,2011, 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, and, **837 JERSEY AVENUE, LLC**, [Applicant], whose principal place of business is 101 Marshall Street, Suite 1, Hoboken, New Jersey 07030.

WITNESSETH:

WHEREAS, by the adoption of Ordinance 05-002 on January 26, 2005, the City of Jersey City approved a Long Term Tax Exemption for Jersey Avenue 833 Urban Renewal Company, LLC, on property located within Block 330, Lot 10 (formerly known as Block 330, Lots 1, 2, 3, 4, 5 and 3C), and more commonly known as 833 Jersey Avenue; and

WHEREAS, Jersey Avenue 833 Urban Renewal Company, LLC, proposed to construct a seven (7) story building, to contain eighty-four (84) market rate residential condominium units and eighty-four (84) internal parking spaces, partially underground; and

WHEREAS, as a result of the rising market for residential rental housing, Jersey Avenue 833 Urban Renewal Company, LLC, has applied to rescind its tax abatement and terminate the project; and

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 304-1 et seq. of the Municipal Code) and as amended by Ordinance 07-146, 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, which includes for a newly constructed commercial structure and a multiple dwelling, is permitted for a period of five (5) years; and

WHEREAS, 837 Jersey Avenue UR Co., LLC [owner] proposes to construct a new seven (7) story building to contain total of approximately one hundred fifty-five (155) market rate residential rental units, one hundred seventy-five (175) on-site parking spaces and approximately over 12,000 square feet of commercial ground level retail, located in Block 330, Lot 10, on the City's Tax Map and more commonly known by the street address of 837 Jersey Avenue, Jersey City, N.J.; and

WHEREAS, on May 23, 2011, the owner filed an application for a five (5) year tax exemption for the new mixed use project, a copy of which application is attached hereto; and

WHEREAS, as determined by the assessor, on October 1st of the year following completion, the owner proposes to pay the City (in addition to the full taxes on the land, which shall continue to be conventionally assessed and taxed) a tax payment for the new improvements on the property, as follows:

(a) 2013; the tax year in which the structure will be completed; $0 taxes;

(b) 2014; the second tax year: 39% of actual full taxes, estimated to be $243,747;

(c) 2015; the third tax year: 59% of actual full taxes, estimated to be $368,746;

(d) 2016; the fourth tax year: 79% of actual full taxes, estimated to be $493,744; and

(e) 2017; the fifth tax year: 80% of actual full taxes, estimated to be $499,994;

WHEREAS, the Tax Assessor has determined that the full and true value of the new improvements will generate an additional tax payment of $624,993 a year upon completion; and

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

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

ARTICLE I: APPROVAL OF TAX EXEMPTION

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

Ordinance 11-___ which authorized the execution of this Tax Agreement [Law], subject to the terms and conditions hereof.

ARTICLE II: IN LIEU OF TAX PAYMENTS

The Applicant agrees to make 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 year of 2013, $0 taxes;

2. For the full calendar year of 2014, thirty-nine (39%) percent of the actual taxes otherwise due, currently estimated to be the sum of $243,747;

3. For the full calendar year of 2015, fifty-nine (59%) percent of the actual taxes otherwise due, currently estimated to be the sum of $368,746;

4. For the full calendar year of 2016, seventy-nine (79%) percent of the actual taxes otherwise due, currently estimated to be the sum of $493,744; and

5. For the full calendar year of 2017 eighty (80%) percent of the actual taxes otherwise due, currently estimated to be the sum of $499,994.

ARTICLE III: CITY-WIDE REVALUATION

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.

ARTICLE IV: APPLICATION FEE

The Applicant has paid the sum of $_____ to the City before the execution of this Agreement. Failure to make such payment shall cause the tax exemption to terminate.

ARTICLES V: 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 VI: TERM OF EXEMPTION

The Tax Exemption granted shall be valid and effective for a period of five (5) full calendar years from the date of Substantial Completion of the Project, which shall ordinarily mean the date on which the City issues, or the Project is eligible to receive, a Certificate of Occupancy, whether temporary or final, for part or the whole of the Project. During the term of the tax exemption, the Applicant shall make an in lieu of tax payment to the City in accordance with the schedule set forth above. Prior to the commencement of the tax exemption, and upon expiration thereof, the Applicant shall pay full conventional taxes on the Improvements.

ARTICLE VII: 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 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

In the event that 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, as set forth under N.J.S.A. 40A:21-1, et seq., for tax exemption under this Agreement or pursuant to Law, then the tax which would have otherwise been payable for that year, but not previous years, shall become due and payable from the Applicant as if no exemption had been granted. However, with respect to the disposal of the property, in the event it is determined that the new owner will continue to use the property pursuant to the Conditions for Qualifying the property for exemption, the tax exemption shall continue and this Agreement shall remain in full force and effect.

An amendment to the Entity's Certificate of Formation to discontinue and terminate its status as an Urban Renewal Company pursuant to N.J.S.A. 40A:20-1 et seq., shall not be considered a disposal of the Property. The City hereby agreeing that the Entity shall have the right to take any and all action to discontinue its treatment as an Urban Renewal Company and such actions shall not effect the terms, conditions, rights and obligations under this Agreement.

ARTICLE IX: 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.

ARTICLE X: PROJECT EMPLOYMENT 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 Agreement which is attached hereto as Exhibit C..

ARTICLE XI: 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: 837 Jersey Avenue, LLC
101 Marshall Street -- Suite 1
Hoboken, New Jersey 07030

ARTICLE XII: 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 an 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:

_____

837 JERSEY AVENUE, LLC

BY:_____

Sanford Weiss, Member

ATTEST:

_____

Robert Byrne
City Clerk

CITY OF JERSEY CITY

BY:_____

John Kelly
Business Administrator

G&T | Attorneys At Law
GARCIA TURULA, LLC

Joseph A. Turula*
George L. Garcia†

Steven A. Llorens†
Of Counsel

May 23, 2011

Via Hand Delivery
City of Jersey City
Division of Housing and Economic Development
30 Montgomery Street, 14th Flr.
Jersey City, New Jersey 07302
Attn.: Mr. Albert Cameron

Re: Application for
Conversion of Existing Long Term Tax Exemption
Into a Five (5) Year Tax Exemption
For the property located at
837 Jersey Avenue
Jersey City, New Jersey
Block 330, Lot 10 (the "Property")

Dear Mr. Cameron:

Please be advised that this office represents, 837 Jersey Avenue. We enclose twenty-five (25) copies of the application to convert an existing Long Term taxation to a five (5) year tax exemption for the Property.

Please let us now when this matter will be scheduled for a committee hearing.

Thank you.

Very truly yours,

George L. Garcia

cc: 837 Jersey Avenue LLC – w/encl.
(via e-mail)

Harborside Plaza 10
Suite 1201
3 2nd Street
Jersey City, NJ 07311
(201) 200-1900
Fax (201) 200-1982

PLEASE REPLY TO:
P. O. Box 291
Jersey City, NJ 07303-0291

*Member NJ, PA and US Supreme Court Bars
†Member NJ and NY Bars

MAY 24 2011
HOUSING ECONOMIC DEVELOPMENT AND COMMERCE

City Clerk File No. Ord. 11-083

Agenda No. 3.G 1st Reading

Agenda No. 4.F 2nd Reading & Final Passage

ORDINANCE OF JERSEY CITY, N.J.

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

CITY ORDINANCE 11-083

TITLE: **ORDINANCE APPROVING A 30 YEAR TAX EXEMPTION FOR AN AFFORDABLE HOUSING PROJECT TO BE CONSTRUCTED BY GLENNVIEW TOWNHOUSES II URBAN RENEWAL ASSOCIATES, L.P., 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, Glennview Townhouses II Urban Renewal Associates, L.P., 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 Ground Leasee certain property known as Block 2088.1, Lot 5, on the City's Official Tax map, and Block 2088.1, Lot 16 (formerly a part of Lot 11 and identified as Lot 11.03), more commonly known by the street addresses of 296 Woodward Street and 511 Grand Street respectively, and more specifically described by metes and bounds, in the application (Property); and

WHEREAS, the Property is located within the Lafayette Redevelopment Plan Area and an Urban Enterprise Zone as required by N.J.S.A. 40A:20-4 and N.J.S.A. 40A:12A-5(g).; and

WHEREAS, on or about June 8, 2011, and as amended on July 11, 2011, the Entity applied for a 30 year long term tax exemption to construct two (2) residential rental buildings containing 64 units, consisting of 15 one-bedroom, 29 two-bedroom, 18 three-bedroom, and two (2) four-bedroom units of housing; and

WHEREAS, 56 units will be occupied by and affordable to families of low income within the meaning of the New Jersey Council on Affordable Housing, and eight (8) units will be market rate units; and

WHEREAS, Glennview Townhouses II Urban Renewal Associates, L.P., has agreed to:

1. pay the greater of (i) the Minimum Annual Service Charge or (ii) 8% of Annual Gross Revenue (excluding all utilities), which sum is estimated to be $33,840 for the 56 low and moderate income units, and 15% of the Annual Gross Revenue (with no deductions for any utilities), which sum is estimated to be $22,914 for the eight (8) market rate units 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, or $1,135; 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 amount equal to 5% of the Annual Service Charge upon receipt of that charge, or $2,838; 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 is currently exempt and generates no revenue for the City; however, based on the current assessment, the real estate taxes would generate revenue, whereas, the Annual Service Charge as estimated, will generate revenue of more than $56,754 to the City;

2. it is expected that the Project will create approximately 55 jobs during construction and two (2) new full-time and one (1) new part-time permanent 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 various Redevelopment Plans;

5. the project provides 56 units of low and moderate income affordable housing which advances an inherently beneficial public purpose, notwithstanding that the City's impact analysis, on file with the Office of the City Clerk, indicates that the service charge will not support the cost of providing municipal services to the Project; and

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

1. the relative stability and predictability of the Annual Service Charges will make the Project more attractive to investors needed to finance the Project;

2. the relative stability and predictability of the Annual Service Charges will allow the Ground Leasee 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, Glennview Townhouses II Urban Renewal Associates, L.P., has initially complied with Executive Order 2002-005 concerning "Disclosure of Lobbyist Representative Status" by filing a letter, in the Office of the City Clerk; and

WHEREAS, because total development costs are estimated to be $16.3 million, Glennview Townhouses II Urban Renewal Associates, L.P., will not need to comply with the City of Jersey City's Ordinance 07-123 Requiring Apprenticeships and Project Labor Agreement; and

WHEREAS, on June 21, 2011, the Tax Exemption Committee recommended the approval of the tax exemption to the Mayor and Municipal Council.

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

A. The application of Glennview Townhouses II Urban Renewal Associates, L.P., 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, Block 2088.1, Lot 5, on the City's Official Tax map, and Block 2088.1, Lot 16 (formerly a part of Lot 11 and identified as Lot 11.03), more commonly known by the street addresses of 296 Woodward Street and 511 Grand Street respectively, and more specifically described by metes and bounds in the application, is hereby approved.

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

1. Term: the earlier of 33 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; or

(b) 8% of Annual Gross Revenue (with no deductions for any utilities), which sum is estimated to be $33,840 for the 56 income restricted units pursuant to the New Jersey Council on Affordable Housing, and 15% of the Annual Gross Revenue (excluding all utilities), which sum is estimated to be $22,914 for the eight (8) market rate units, which shall be subject to statutory increases during the term of the tax exemption.

3. Administrative Fee: 2% of the prior year's Annual Service Charge; and

4. Pay to the City, for remittance to Hudson County, an amount equal to 5% of the Annual Service Charge upon receipt of that charge, or $2,838; and

5. Project: 64 residential rental units containing 56 units to be occupied by and affordable to families of low income within the meaning of the New Jersey Council on Affordable Housing, and eight (8) units will be unrestricted, market rate units.

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

7. This Ordinance will sunset and the Tax Exemption approved thereby will terminate, unless the Entity receives approval of the low income housing tax credits from the NJHMFA no later than December 31, 2012.

C. 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.

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

E. 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.

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

G. 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*.

JM/he
7/12/11

APPROVED AS TO LEGAL FORM

Corporation Counsel

APPROVED:

APPROVED:

Business Administrator

Certification Required ☐

Not Required ☐

Ordinance of the City of Jersey City, N.J.

ORDINANCE NO. Ord. 11-083

TITLE: 3.G. JUL 20 2011 4.F. AUG 10 2011

Ordinance approving a 30 year tax exemption for an affordable housing project to be constructed by Glennview Townhouse II Urban Renewal Associates, L. P., an urban renewal entity, pursuant to the Long Term Tax Exemption Law N.J.S.A.40A:20-1 et seq.,

RECORD OF COUNCIL VOTE ON INTRODUCTION JUL 20 2011 7-0

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	ABSENT			BRENNAN	✓		
DONNELLY	✓			FULOP	✓			AHMAD	✓		
LOPEZ	✓			RICHARDSON	ABSENT			VELAZQUEZ	✓		

✓ Indicates Vote N.V.-Not Voting (Abstain)

RECORD OF COUNCIL VOTE TO CLOSE PUBLIC HEARING AUG 10 2011 8-0

Councilperson SOTTOLANO moved, seconded by Councilperson RICHARDSON to close P.H.

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	O			BRENNAN	✓		
DONNELLY	✓			FULOP	✓			AHMAD	✓		
LOPEZ	✓			RICHARDSON	✓			VELAZQUEZ	✓		

✓ Indicates Vote N.V.-Not Voting (Abstain)

YVONNE BALCER
MARIN MAIO

RECORD OF COUNCIL VOTE ON AMENDMENTS, IF ANY

Councilperson _____ moved to amend* Ordinance, seconded by Councilperson _____ & adopted _____

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO				GAUGHAN				BRENNAN			
DONNELLY				FULOP				AHMAD			
LOPEZ				RICHARDSON				VELAZQUEZ			

✓ Indicates Vote N.V.-Not Voting (Abstain)

RECORD OF FINAL COUNCIL VOTE AUG 10 2011 8-0

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	ABSENT			BRENNAN	✓		
DONNELLY	✓			FULOP	✓			AHMAD	✓		
LOPEZ	✓			RICHARDSON	✓			VELAZQUEZ	✓		

✓ Indicates Vote N.V.-Not Voting (Abstain)

Adopted on first reading of the Council of Jersey City, N.J. on JUL 20 2011

Adopted on second and final reading after hearing on AUG 10 2011

This is to certify that the foregoing Ordinance was adopted by the Municipal Council at its meeting on AUG 10 2011

Robert Byrne, City Clerk

APPROVED:

Peter M. Brennan, Council President

Date: AUG 10 2011

APPROVED:

Jerramiah T. Healy, Mayor

Date AUG 11 2011

Date to Mayor AUG 11 2011

*Amendment(s):

3.G.
11-083

Rev. 7-12-11
Long Term Tax Exemption
N.J.S.A. 40A:20-1, et seq.
(Affordable Residential Rental)

Re: 296 Woodward Street and 511 Grand Street
Block 2088.1, Lots 5 and Lot 16
An Urban Enterprise Zone

PREAMBLE

THIS FINANCIAL AGREEMENT, [Agreement] is made as of this __ day of _____ _____, 2011, by and between **GLENNVIEW TOWNHOUSES II URBAN RENEWAL ASSOCIATES, L.P.,** 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 c/o Jersey City Housing Authority, 400 US Highway No. 1 (Marion Gardens) Jersey City, New Jersey 07306 [Entity], and the **CITY OF JERSEY CITY**, a Municipal Corporation of the State of New Jersey, having its principal office at 280 Grove Street, Jersey City, New Jersey 07302 [City].

RECITALS

WITNESSETH:

WHEREAS, the Entity is the Lessee of certain property designated as Block 2088.1, Lot 5, on the City's Official Tax map, and Block 2088.1, Lot 16 (formerly a part of Lot 11 and identified as Lot 11.03), more commonly known by the street addresses of 296 Woodward Street and 511 Grand Street respectively, and more particularly described by the metes and bounds description set forth as Exhibit 1 to this Agreement; and

WHEREAS, this property is an affordable housing project located within the boundaries of Lafayette Redevelopment Plan Area and an Urban Enterprise Zone; and

WHEREAS, the Entity plans to construct two (2) residential rental buildings containing 64 units, consisting of 15 one-bedroom, 29 two-bedroom, 18 three-bedroom, and two (2) four-bedroom units of housing, of which 56 units will be occupied by and affordable to families of low income within the meaning of the Law, and eight (8) units will be non-restricted market rate units [Project]; and

WHEREAS, on or about June 8, 2011, and as amended on July 11, 2011, the Entity filed an Application with the City for a long term tax exemption for the Project; 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 would have generate $_____, if the property were subject to conventional taxes, whereas, the Annual Service charge as estimated, and will generate revenue to the City of approximately $$56,754;

2. prior to the redevelopment, this property was a public housing development which under the cooperation agreement generated no real estate tax revenue;

3. it is expected that the Project will create approximately 55 jobs during construction and two (2) new full-time and one (1) new part-time permanent jobs;

4. the project should stabilize and contribute to the economic growth of existing local business and to the creation of new business, which cater to the new residents;

5. the project provides 56 units of affordable housing which advances an inherently beneficial public purpose notwithstanding that the City's impact analysis, on file with the Office of the City Clerk, indicates that the service charge will not support the cost of providing municipal services to the Project; 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 insure the likelihood of the success of the Project and insure that it will have a positive impact on the surrounding area; and

WHEREAS, by the adoption of Ordinance _____ on _____, 2011, the Municipal Council approved the above findings and the tax exemption application and authorized the execution

of this Agreement.

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, 02-003, Ordinance 02-075, and Ordinance _____, which authorized the execution of this Agreement. It being expressly understood and agreed that the City expressly relies upon the facts, data, and representations contained in the Application, attached hereto as Exhibit 3, in granting this tax exemption.

Section 1.2 General Definitions

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

i. Affordable Low or Moderate Income - A Person or Household whose total Gross Annual Income is equal to between 30% and 80% or less of the median gross income figure established by geographic region and household size using the income guideline approved for use by the New Jersey Council on Affordable Housing or as it may be amended pursuant to N.J.A.C. 5:92-12.

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

iii. 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.

iv. Annual Service Charge - The amount the Entity has agreed to pay the City 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.

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

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

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

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

ix. Entity - The term Entity within this Agreement shall mean Glennview Townhouses II Urban Renewal Associates, LP, 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. 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, laundry, health club user fees or other services (such as lease premiums for views, fireplaces, etc.). 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, except for customary operating expenses of commercial tenants such as utilities, insurance and taxes (including payments in lieu of taxes) which shall be deducted from Gross Revenue based on the actual amount of such costs incurred.

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, if any, on which the project is located and, if applicable, taxes on any pre-existing improvements. Land Taxes may be exempt; however, if Land Taxes are levied, Entity shall receive 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 02-003, relating to long term tax exemption, as it may be amended and supplemented; Ordinance 02-075, and Ordinance _____ which authorized the execution of this Agreement; and Ordinance 07-123, as may be amended or supplemented from time to time, which requires the execution of a Project Labor 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 the greater of:

(a) 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, or in the case of tax exempt property, the projected tax levy based upon the assessed value for the year in which the application is filed, which amount the parties agree would be $_____; or

(b) the sum of $56,754 per year, which sum will be prorated only in the years in which Substantial Completion occurs and this Agreement terminates.

The Minimum Annual Service Charge 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.

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

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

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 date on which the Project receives, or is eligible to receive any Certificate of Occupancy 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 included in Total Project Cost the actual costs incurred by the Entity and certified by an independent and qualified architect or engineer, which are associated with site remediation and cleanup of environmentally hazardous materials or contaminants in accordance with State or Federal law and any extraordinary costs incurred including the cost of demolishing structures, relocation or removal of public utilities, cost of relocating displaced residents or buildings and the clearing of title. The Entity agrees that final Total Project Cost shall not be less than its estimated Total Project Cost.

ARTICLE II - APPROVAL

Section 2.1 Approval of Tax Exemption

The City hereby grants its approval for a tax exemption for all the Improvements to be constructed and maintained in accordance with the terms and conditions of this Agreement and the provisions of the Law which Improvements shall be constructed on certain property known on the Official Tax Assessor's Map of the City as: Block 2088.1, Lot 5, on the City's Official Tax map, and Block 2088.1, Lot 16 (formerly a part of Lot 11 and identified as Lot 11.03), more commonly known by the street addresses of 296 Woodward Street and 511 Grand Street respectively, 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 two (2) residential rental buildings containing 64 units, consisting of 15 one-bedroom, 29 two-bedroom, 18 three-bedroom, and two (2) four-bedroom units of housing, of which 56 units will be occupied by and affordable to families of low income within the meaning of the Law, and eight (8) units will be non-restricted market rate units, all of which is specifically described in the Application attached hereto as Exhibit 3.

Section 2.4 Construction Schedule

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

Section 2.5 Ownership, Management and Control

The Entity represents that it is the owner of the property upon which the Project is to be constructed. Upon construction, the Entity represents that the Improvements will be managed and controlled as follows:

The Entity represents that it is the owner of the Land upon which the project is to be constructed and will manage and control the Project. The City acknowledges that the Entity may enter into a management agreement for the Project and will pay a management fee in accordance with HUD regulations as provided in the Entity's agreement with HUD, which fee was disclosed in its tax exemption application. The City acknowledges that the Entity may enter into future management agreements so long as such agreements are not used to reduce the City's economic benefits under this Agreement and the management fees to be paid are comparable to those disclosed in the application.

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 estimated 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 Statement of Rental Schedules and Lease Terms

The Entity represents that its good faith projections of the initial rental schedules and lease

terms 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 33 years from the date of the adoption of Ordinance_____ on _____ , 2011, 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 a corporation or association formed and operating under the Law.

ARTICLE IV - ANNUAL SERVICE CHARGE

Section 4.1 Annual Service Charge

In consideration of the tax exemption, the Entity shall make the following payments to the City:

(i) City Service Charge: an amount equal to the greater of: the Minimum Annual Service Charge or an Annual Service Charge equal to 15% of the Annual Gross Revenue for the market rate units and 8% for the low and moderate income units. The Annual Service Charge shall be billed initially based upon the Entity's estimates of Annual Gross Revenue which shall not be less than the its estimate of Gross Revenue as set forth in its Financial Plan, attached hereto as Exhibit 6. Thereafter, the Annual Service Charge shall be adjusted in accordance with this Agreement.

A Minimum Annual Service Charge shall be due beginning on the effective date of this Agreement. The 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.

(ii) County Service Charge: an amount equal to 5% of the Annual Service Charge upon receipt of that charge, for remittance to the County by the City.

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 first day of the month following Substantial Completion until the last day of the fifteenth year, the Annual Service Charge shall be 15% of Annual Gross Revenue for the market rate units and 8% for the low and moderate income units;

ii. Stage Two: Beginning on the 1st day of the 16th year following Substantial Completion until the last day of the 21st year, an amount equal to the greater of the Annual Service Charge or 20% of the amount of the taxes otherwise due on the value of the land and Improvements;

iii. Stage Three: Beginning on the1st day of the 22nd year following the Substantial Completion until the last day of the 27th year, an amount equal to the greater of the Annual Service Charge or 40% of the amount of the taxes otherwise due on the value of the land and Improvements;

iv. Stage Four: Beginning on the1st day of the 28th year following Substantial Completion until the last day of the 29th year, an amount equal to the greater of the Annual Service Charge or 60% of the amount of the taxes otherwise due on the value of the land and Improvements.

v. Final Stage: Beginning on the1st day of the 30th 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 value of the land and Improvements.

Section 4.3 Credits

The Entity is required to pay both the Annual Service Charge and the Land Tax Payments. The Entity is obligated to make timely Land Tax Payments, including any tax on the pre-existing improvements, in order to be entitled to a Land Tax credit against the Annual Service Charge for the subsequent year. The Entity shall be entitled to credit for the amount, without interest, of the Land Tax Payments made in the last four preceding quarterly installments against the Annual Service Charge. In any quarter that the Entity fails to make any Land Tax Payments when due and owing, such delinquency shall render the Entity ineligible for any Land Tax Payment credits against the Annual Service Charge for that quarter. No credit will be applied against the Annual Service Charge for partial payments of Land Taxes. In addition, the City shall have, among this remedy and other remedies, the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. and/or declare a Default and terminate this Agreement.

Section 4.4 Quarterly Installments

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, 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.

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. In the event that the Entity fails to timely pay the Administrative Fee, the amount unpaid shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on the land until paid.

Section 4.6 Material Conditions

It is expressly agreed and understood that the timely payments of Land Taxes, Minimum Annual Service Charges, Annual Service Charges, including 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 Labor Agreement and 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.

ARTICLE VI - CERTIFICATE OF OCCUPANCY

Section 6.1 Certificate of Occupancy

It is understood and agreed that it shall be the obligation of the Entity to obtain all Certificates of Occupancy in a timely manner so as to complete construction in accordance with the proposed construction schedule attached hereto as Exhibit 5. The failure to secure the Certificates of Occupancy shall subject the property to full taxation for the period between the date of Substantial Completion and the date the Certificate of Occupancy is obtained.

Section 6.2 Filing of Certificate of Occupancy

It shall be the primary responsibility of the Entity to forthwith file with both the Tax Assessor and the Tax Collector a copy of each Certificate of Occupancy.

Failure of the Entity to file such issued Certificate of Occupancy as required by the preceding paragraph, shall not militate against any action or non-action, taken by the City, including, if appropriate retroactive billing with interest for any charges determined to be due, in the absence of such filing by the Entity.

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. An 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: condominium unit purchase price, 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.

B. 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.

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 and 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.

All costs incurred by the City to conduct the audit, 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. Pursuant to N.J.S.A. 40A:20-14(b) there is expressly excluded from the calculation of Gross Revenue and Net Profit in the determination of Excess Profit, any gain realized by the Entity on the sale of any condominium unit, whether or not taxable under federal or state law.

Section 8.2 Annual Payment of Excess Net Profit

In the event the Net Profits of the Entity, in any fiscal year, shall exceed the Allowable Net Profits for such period, then the Entity, within one hundred and twenty (120) days after the end of such fiscal year, shall pay such excess Net Profits to the City as an additional service charge; provided, however, that the Entity may maintain a reserve as determined pursuant to aforementioned paragraph 8.1. The calculation of the entity's excess net profits shall include those project costs

directly attributable to site remediation and cleanup expenses and any other costs excluded in the definition of Total Project Cost in Section 1.2 (xx) of this agreement even though those costs may have been deducted from the project costs for purposes of calculating the annual service charge.

Section 8.3 Payment of Reserve/ Excess Net Profit Upon Termination, Expiration or Sale

The date of termination, expiration or sale shall be considered to be the close of the fiscal year of the Entity. Within ninety (90) days after such date, the Entity shall pay to the City the amount of the reserve, if any, maintained by it pursuant to this section and the excess Net Profit, if any.

ARTICLE IX - ASSIGNMENT AND/OR ASSUMPTION

Section 9.1 Approval

Any sale or transfer of the Project, shall be void unless approved in advance by Ordinance of the Municipal Council. It is understood and agreed that the City, on written application by the Entity, will not unreasonably withhold its consent to a sale of the Project and the transfer of this Agreement provided 1) the new Entity does not own any other Project subject to long term tax exemption at the time of transfer; 2) the new Entity is formed and eligible to operate under the Law; 3) the Entity is not then in default of this Agreement or the Law; 4) the Entity's obligations under this Agreement is fully assumed by the new Entity, 5) the Entity shall pay the City a transfer fee equal to 2% of the then current Annual Service Charge as required by N.J.S.A. 40A:20-10d.

Section 9.2 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 currently amended and

supplemented, but also by a Default under this Agreement. The Entity's failure to comply with the Law shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

Section 10.2 Disclosure of Lobbyist Representative

During the term of this Agreement, the Entity must comply with Executive Order 2002-005, and Ordinance 02-075, requiring Written Disclosure of Lobbyist Representative Status. The Entity's failure to comply with the Executive Order or the Ordinance shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

ARTICLE XI - DEFAULT

Section 11.1 Default

Default shall be failure of the Entity to conform with the terms of this Agreement or failure of the Entity to perform any obligation imposed by the Law, beyond any applicable notice, cure or grace period.

Section 11.2 Cure Upon Default

Should the Entity be in Default, the City shall send written notice to the Entity of the Default [Default Notice]. The Default Notice shall set forth with particularity the basis of the alleged Default. The Entity shall have sixty (60) days, from receipt of the Default Notice, to cure any Default which shall be the sole and exclusive remedy available to the Entity. However, if, in the reasonable opinion of the City, the Default cannot be cured within sixty (60) days using reasonable diligence, the City will extend the time to cure.

Subsequent to such sixty (60) days, or any approved extension, the City shall have the right to terminate this Agreement in accordance with Section 12.1.

Should the Entity be in default due to a failure to pay any charges defined as Material Conditions in Section 4.8, the Entity shall not be subject to the default procedural remedies as provided herein but shall allow the City to proceed immediately to terminate the Agreement as provided in Article XII herein.

Section 11.3 Remedies Upon Default

The City shall, among its other remedies, have the right to proceed against the property

pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. and/or 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 in Article XI herein, but shall allow the City to proceed immediately to terminate the Agreement as provided in Article XII. All of the remedies provided in this Agreement to the City, and all rights and remedies granted to it by law and equity shall be cumulative and concurrent. No termination of any provision of this Agreement shall deprive the City of any of its remedies or actions against the Entity because of its failure to pay Land Taxes, the Minimum Annual Service Charge, Annual Service Charge, Affordable Housing Contribution or Administrative Fees. This right shall apply to arrearages that are due and owing at the time or which, under the terms hereof, would in the future become due as if there had been no termination. Further, the bringing of any action for Land Taxes, the Minimum Annual Service Charge, the Annual Service Charge, Affordable Housing Contribution, Administrative Fees, or for breach of covenant or the resort to any other remedy herein provided for the recovery of Land Taxes shall not be construed as a waiver of the rights to terminate the tax exemption or proceed with a tax sale or Tax Foreclosure action or any other specified remedy.

In the event of a Default on the part of the Entity to pay any charges set forth in Article IV, the City among its other remedies, reserves the right to proceed against the Entity's land and property, in the manner provided by the In Rem Foreclosure Act, and any act supplementary or amendatory thereof. Whenever the word taxes appear, or is applied, directly or impliedly to mean taxes or municipal liens on land, such statutory provisions shall be read, as far as is pertinent to this Agreement, as if the charges were taxes or municipal liens on land.

ARTICLE XII- TERMINATION

Section 12.1 Termination Upon Default of the Entity

In the event the Entity fails to cure or remedy the Default within the time period provided in Section 11.2, the City may terminate this Agreement upon thirty (30) days written notice to the Entity [Notice of Termination].

Section 12.2 Voluntary Termination by the Entity

The Entity may after the expiration of one year from the Substantial Completion of the

Project notify the City that as of a certain date designated in the notice, it relinquishes its status as a tax exempt Project. As of the date so set, the tax exemption, the Annual Service Charges and the profit and dividend restrictions shall terminate.

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 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.

Section 12.5 Termination Payment

In addition to any other remedies available to the City upon termination whether voluntary or upon default, the Entity shall pay to the City an amount equal to the difference between the service charge actually paid and the service charge that would have been due had each adjustment period provided in Section 4.2 hereof, been of the shortest duration permitted by law, thereby generating the most accelerated increases, permitted by law.

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 equally by the parties. 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 Article IV, Section 4.7 as Material Conditions.

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 any right of recovery of 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 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, through trial and all stages of any appeal, including the cost of enforcing this indemnity) arising out of 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, counsel to be selected by the City, subject to the reasonable consent of the Entity. 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:

Glennview Townhouses II Urban Renewal Associates, LP
Three East Stow Road - P.O. Box 994

Marlton, New Jersey 08053
Attn: Joel Silver, Vice President

and

Jersey City Housing Authority
400 U.S. Highway #1
Jersey City, New Jersey 07306
Attn: Maria T. Maio, Executive Director

and

Connell Foley, LLP
Harborside Financial Center
2510 Plaza Five
Jersey City, New Jersey 07311
Attn: Charles J. Harrington, 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, good faith is required from the Entity and the City.

Section 18.6 Pending Litigation

The Entity fully and freely holds the City harmless and assumes any risk that may effect the present or future validity of the within financial agreement, or arising from any other litigation.

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 Rental Schedule and Lease Terms;
8. Project Employment and Contracting Agreement & Project Labor Agreement;
9. Architect's Certification of Actual Construction Costs.

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

ATTEST:

GLENNVIEW TOWNHOUSES II URBAN RENEWAL ASSOCIATES, L.P.

_____ _____

ATTEST:

CITY OF JERSEY CITY

_____ _____

Robert Byrne
City Clerk

John Kelly
Business Administrator

7-12-11

PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

This Project Employment & Contracting Agreement is made on the __ day of ____, 2011, between the **CITY OF JERSEY CITY** [City] and **GLENNVIEW TOWNHOUSES II URBAN RENEWAL ASSOCIATES, L.P.,** having its principal office at c/o Jersey City Housing Authority, 400 US Highway No. 1 (Marion Gardens) Jersey City, New Jersey 07306. Recipient agrees as follows:

I. Definitions:

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

1. "City" means the Business Administrator of the City of Jersey City, or his designee, including any person or entity which enters into a contract with the City to implement, in whole or in part, this agreement.

2. "Construction Contract" means any agreement for the erection, repair, alteration or demolition of any building, structure, bridge, roadway, or other improvement on a Project Site.

3. "Contractor" means any party performing or offering to perform a prime contract on behalf of the Recipient.

4. "DEO" means the Division of Economic Opportunity under the Department of Administration, located at 1 Journal Square Plaza, 2nd Floor, Jersey City, NJ 07306, Telephone #(201) 547-5611. DEO is in charge of Project Employment & Contracting coordination and monitoring on projects receiving abatements.

5. "Economic Incentive" means a tax abatement or exemption for a property or project which requires approval of the Municipal Council and which reduces the annual amount of taxes otherwise due, by $25,000 or more in the aggregate;

6. "Employment" means any job or position during the construction and operational phase of the project. It includes positions created as a result of internal promotions, terminations, or expansions within the Recipient's work force which are to be filled by new employees. However, positions filled through promotion from within the Recipient's existing work force are not covered positions under this agreement.

7. "Local Business" means a bona fide business located in Jersey City.

8. Mayor Jerramiah T. Healy's Business Cooperative Program means the group within DEO under the Department of Administration responsible for collecting local and minority business contracts and capability information. This group operates the Supplier Alert service which is to be used by the Recipient to meet their good faith business contracting and

construction subcontracting goals.

9. "Minority" means a person who is African, Hispanic, Asian, or American Indian defined as follows:

   a) "African-American" means a person having origins in any of the black racial groups of Africa.

   b) "Hispanic" means a person of Mexican, Puerto Rican, Cuban, Central or South American or other Latino culture or origin, regardless of race, excluding, however, persons of European origin.

   c) "Asian" means a person having origins in any of the original people of the Far East, Southeast Asia, and subcontinent India, Hawaii or the Pacific Islands.

   d) "American Indian" means a person having origins in any of the original people of North America who maintains cultural identification through tribal affiliation or community recognition.

10. "Minority or Woman Owned Local Business" means a bona fide business located in Jersey City which is fifty-one (51%) percent or more owned and controlled by either a Minority or woman.

11. "Non-Traditional Jobs" means jobs which are held by less than twenty (20%) percent women, as reported by the New Jersey Department of Labor, Division of Labor Market, and Demographic Research for Jersey City, which report shall be on file with the City Clerk.

12. "Permanent Jobs" mean newly created long term salaried positions, whether permanent, temporary, part time or seasonal.

13. "Project or Project Site" means the specific work location or locations specified in the contract.

14. The "Project Employment & Contracting Coordinator" is a member of the DEO staff under the Department of Administration who is in charge of coordinating Project Employment & Contracting projects. Contractors and developers engaged in projects covered by Project Employment & Contracting Agreements will direct inquiries to the Project Employment & Contracting Coordinator.

15. The "Project Employment & Contracting Monitor" or "Monitor" is a member of the DEO staff under the Department of Administration directly under the command of the Project Employment & Contracting Coordinator, who is in charge of monitoring the site, collecting the reports and documentation, and other day-to-day Project Employment & Contracting housekeeping as stipulated by this agreement.

16. The "Project Employment & Contracting Officer" or "Officer" is an employee of the

Recipient who is designated by the Recipient to make sure the Recipient is in compliance with the Recipient's Project Employment & Contracting agreement.

17. "Recipient" means any individual, partnership, association, organization, corporation or other entity, whether public or private, or for profit or non-profit, or agent thereof, which receives an Economic Incentive and shall include any Contractor, Subcontractor or agent of the Recipient.

18. "The Registry" or "Jersey City Employment Registry" means a list maintained by the City or its designee of Jersey City residents seeking employment and Local Businesses, including Minority or Woman Owned Local Businesses, seeking contracts.

19. "Subcontract" means a binding legal relationship involving performance of a contract that is part of a prime contract.

20. "Subcontractor" means a third party that is engaged by the prime Contractor to perform under a subcontract all or part of the work included in an original contract.

21. "Substantial Completion" means the determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the date on which the Project receives, or is eligible to receive any Certificate of Occupancy for any portion of the Project.

II. Purpose:

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

III. Good Faith Goals:

In the event the Recipient is able to demonstrate that its work force already meets the goals set forth below or is able to meet such goals during the term of this agreement, the Recipient will not be required to comply with the interviewing or reporting obligations set forth in Section VI 1., A-L (Construction Jobs) and Section VI, 2., A-J (Permanent Jobs). All goals for Construction Jobs shall be calculated as a percentage of the total number of work hours in each trade from the beginning of the project to its completion.

1. **Employment:** The Recipient shall make a Good Faith effort to achieve the goal of a work force representing fifty-one (51%) percent City residents, fifty-one (51%) percent of whom are residents who are Minorities and, in Non-Traditional Jobs, six point nine (6.9%) percent of whom

are residents who are women, it being understood that one employee may satisfy more than one category.

2. **Business Contracting:** The Recipient shall make a Good Faith effort to achieve the goal of awarding twenty (20%) percent of the dollar amount of its contracts to Local Businesses, fifty-one (51%) percent of which shall be Minority or Women Owned Local Businesses. If fifty-one (51%) percent of Minority or Women Owned Local Businesses cannot be obtained, that percentage of contracts must still be applied to local vendors.

IV. Recipient Designee:

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

The Recipient should send a letter of introduction regarding the "Project Employment & Contracting Compliance Officer" to the Project Employment & Contracting Coordinator prior to any preconstruction meetings. An example of this letter can be found in Appendix A. This principle officer should also be present for all preconstruction meetings.

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

V. Term:

This agreement shall be in effect for a period co-terminus with the effective period of the tax exemption [the Economic Incentive]. Thus, it will commence on the date the City Council adopted Ordinance _____ approving the tax exemption and terminate the earlier of 33 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. Construction Jobs: Good Faith shall mean compliance with all of the following conditions:

A. <u>Initial Manning Report</u>:

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 Jerramiah T. Healy'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 Jerramiah T. Healy's Business Cooperative Program at DEO under the Department of Administration. An example of this letter can be found in Appendix D2.

C. Contractor's/Subcontractor's Compliance Statement

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

D. Union Statement of Using Its Best Efforts

i) Prior to commencement of their work on the Project, the contractor/subcontractor must submit a statement expressing its adherence to the Project Employment & Contracting Agreement to each union with which he/she has a collective bargaining agreement covering workers to be employed on the project.

ii) The Compliance Statement shall include a union statement for the particular union to sign, which claims the union will use its best efforts to comply with the employment goals articulated in the Project Employment & Contracting agreement. This compliance statement is detailed in Appendix F. A copy of the signed compliance statement must be sent to the Project Employment & Contracting Monitor in DEO under the Department of Administration before work starts in order for a developer to be in compliance.

iii) The Recipient will require the Contractor or Subcontractor to promptly notify the City of any refusal or failure of a union to sign the statement. If a particular union refuses to sign a statement, the Recipient will document its efforts to obtain such

statement and the reasons given by the union for not signing such statement, and submit such documentation to the Project Employment & Contracting Monitor in DEO under the Department of Administration.

E. Sub-Contractors

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

F. Union Apprentices

The contractor is responsible for assuring that resident and minority apprentices account for at least fifty (50%) percent of the total hours worked by union apprentices on the job in each trade listed in which apprentices are employed, according to the apprentice-to-journey-worker ratio contained in the collective bargaining agreement between the various unions, and shall hold each of his/her subcontractors to this requirement. The Recipient will require the contractor or subcontractor to promptly notify the City of any refusal of a union to utilize resident and minority apprentices.

G. Monthly Manning Report

i) The Recipient will cause the Contractor to complete and submit Monthly Project Manning Reports to the Project Employment & Contracting Monitor in DEO under the Department of Administration by the seventh day of the month following the month during which the work is performed, for the duration of the contract.

ii) The report will accurately reflect the total hours in each construction trade or craft and the number of hours worked by City residents, including a list of the number of minority resident and women resident workers in each trade or craft, and will list separately the work hours performed by such employees of the Contractor and each of its Subcontractors during the previous month. The Monthly Manning Report shall be in the form attached hereto as Appendix G.

iii) The Recipient is responsible for maintaining or causing the Contractor to maintain records supporting the reported work hours of its Contractors or Subcontractors.

H. Monthly Certified Payroll Report

i) The Recipient will cause the Contractor to furnish the Project Employment & Contracting Monitor with copies of its weekly Certified Payroll reports. The reports will specify the residence, gender and ethnic/racial origin of each worker, work hours and rate of pay and benefits provided. The Certified Payroll report shall be in the form attached hereto as Appendix H.

ii) Payroll reports must be submitted on a monthly basis with the Monthly Manning Report or the Recipient is no longer in compliance.

I. Equal Employment Opportunity Reports

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

J. Other Reports

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

K. Records Access

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

L. Work Site Access For Monitor

i) The City will physically monitor the work sites subject to this agreement to verify the accuracy of the monthly reports. Each work site will be physically monitored approximately once every two weeks, and more frequently if it is deemed reasonably necessary by the City. The City's findings shall be recorded in a "Site Visit Report." An example of a bi-weekly site visit report can be found in Appendix I.

ii) The Recipient shall require the Contractor and Sub-contractor to cooperate with the City's site monitoring activities and inform the City as to the dates they are working at the Project site. This includes specifically instructing the on-site construction manager about the monitoring process, and informing him/her that the monitor will contact him/her to set up an initial meeting. In the case of projects with multiple locations, the Recipient shall inform the City of the dates they are working at each site location(s) where they are working, in order to facilitate the monitoring.

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

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

i) whether subcontractors will be used in the hiring process.

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

1. Subcontractor Notification -- If the Recipient decides to subcontract any portion or all of its permanent workforce, then the Recipient must receive a signed acknowledgment from the subcontracting party that it will abide by the Project Employment & Contracting Agreement before said subcontractor begins staffing permanent employees. The Recipient must forward a copy of the signed acknowledgment to the Project Employment & Contracting Monitor. An example of this signed acknowledgment can be found in Appendix E.

2. Subcontractor Pre-Hiring Job Awareness Meeting -- Each subcontractor hired to staff permanent job positions must appoint a Project Employment & Contracting Officer to meet with the head of the Registry to discuss the same issues presented above in VI 2.A(I-vi).

3. Subcontractors of Subcontractors--Subcontractors of subcontractors are subject to the same requirements for the initial subcontractors above in Section VI 2.A.

B. Documentation of Hiring Plan--Once the Pre-Hiring Job Awareness Meeting has taken place, the Recipient must put together a document with goals and totals for future permanent employment needs. This plan should summarize all that was discussed in the Pre-Hiring Awareness Meeting, list estimates for manpower needs, set residential and minority employment goals commensurate with the Project Employment & Contracting Agreement, and show how the Recipient plans to meet these goals. An example of this plan is found in Appendix J.

C. Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the Registry with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the Registry to refer qualified applicants to the Recipient.

D. Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the Project Employment & Contracting Coordinator in DEO under the Department of Administration with a copy of this advertisement.

E. Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it from the Registry, to be maintained by the City or its designee. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.

F. Semi-Annual Employment Reports: The Recipient will submit written semi-annual employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will describe the job, whether the job is held by a City resident, minority

resident or woman resident. The report will explain in writing the reasons why any qualified applicant referred by the Registry (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired. An example of this report is found in Appendix K.

G. Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.

H. Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the semi-annual reports.

I. Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.

J. Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

3. Business Contracting

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

1) Solicitation of Businesses:

a) One month before accepting bids for goods and services, the Recipient must forward a letter with requests for quotation or bid to Mayor Jerramiah T. Healy's Business Cooperative Program for local and local minority vendors for any construction or building operating goods, services and subcontracting opportunities. An example of this letter can be found in Appendix D.

b) After submission of bids, the Recipient will document whether the bid was accepted or rejected, and state the reason why. An example of this documentation can be found in Appendix D2.

i) Semi-Annual Purchasing Reports: The Recipient will submit written semi-annual purchasing reports which will include a list of all contracts awarded over a six month period and the dollar amounts of these contracts. The reports will specify the number and dollar amount of contracts awarded to Local Businesses and Minority or Women Owned Local Businesses. An example of these reports can be found in Appendix L.

ii) No Utilization of Local and Local Minority Vendors As Conduits For Vendors That Are Not Local Or Minority Owned:

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

4. <u>Summation of Documentation Needed For Compliance with Agreement</u>

1. Letter Designating Project Employment & Contracting Officer (Appendix A)
2. Letter designating Project employment & Contracting Officer to Recipient's Employees (App.) AZ
3. Example of Initial Manning Report (Appendix B)
4. Letter Of Acceptance of Initial Manning Report (Appendix C)
5. Letter From Developer Forwarding Requests for Quotation or Bid for Minority and Residential Vendors from Mayor Jerramiah T. Healy's Business Cooperative Program (Appendix D)
6. Documentation of Bid Submission (Appendix D2)
7. Letter Expressing Project Employment & Contracting Obligations to Contractors/ Subcontractors (Appendix E)
8. Union Statement of Best Efforts (Appendix F)
9. Example of Monthly Manning Report (Appendix G)
10. Example of Monthly Certified Payroll Report (Appendix H)
11. Example of Bi-Weekly Site Visit Report (Appendix I)
12. Example of Documentation of Hiring Plan (Appendix J)
13. Example of Semi-Annual Employment Report (Appendix K)
14. Example of Semi-Annual Purchasing Report (Appendix L)

VII. Notices of Violation:

1. Advisory Notice: The City will issue a written Advisory Notice to the Recipient if there is non-compliance with a Good Faith requirement as defined in this agreement. The Advisory Notice shall explain in sufficient detail the basis of the alleged violation. The Recipient shall have four (4) working days to correct the violation. An example of an Advisory Notice can be found in Appendix M.

2. Violation Notice: If the alleged violation set forth in the Advisory Notice has not been corrected to the satisfaction of the City within four (4) working days, the City shall then issue a Violation Notice to the Recipient. The Violation Notice shall explain in sufficient detail the basis of the alleged, continuing violation. The Recipient will have three (3) working days to correct the violation. An example of a Violation Notice can be found in Appendix N.

3. Correcting the Violation: Either or both the Advisory Notice or the Violation Notice may be considered corrected if the Recipient satisfies the requirements of this agreement and so advises the City in writing, subject to confirmation by the City.

4. Extension of Time to Correction: Either the Advisory Notice or the Violation Notice may

be held in abeyance and the time for correction extended if the Recipient enters into satisfactory written agreement with the City for corrective action which is designed to achieve compliance. If Recipient fails to abide by the terms of such agreement the violation will be considered not corrected.

5. Meetings Concerning Violations: The City may provide an opportunity for a meeting with the Recipient, his Contractors or Subcontractors in an effort to achieve compliance; or may respond to Recipient's request for a meeting after the Recipient has made timely submission of a written explanation pursuant to the above. The meeting shall be requested no later than two days after the alleged violator has submitted the written explanation.

6. Interviews Relating to Violations: The City may conduct interviews and may request additional information from appropriate parties as is considered necessary to determine whether the alleged violation has occurred.

7. Determination of Violation: The City shall issue a determination of whether the Recipient is in violation of this agreement as soon as possible but not later than thirty days after the delivery of the Violation Notice to the Recipient. If the City determines that the Recipient is in violation, the City shall be entitled to the liquidated damages provided below.

VIII. Liquidated Damages/Interest:

While reserving any other remedies the City may have at law or equity for a material breach of the above terms and conditions, the parties agree that damages for violations of this agreement by the Recipient cannot be calculated within any reasonable degree of mathematical certainty. Therefore, the parties agree that upon the occurrence of a material breach of any of the above terms and conditions and after notice and expiration of any period to correct the violation, the City will be entitled to liquidated damages from the Recipient in the following amounts:

a) failure to file Initial Manning Reports (Construction Jobs) or Pre-Hiring Notification (Permanent Jobs) or Pre-Contracting Notification (Business Contracting): an amount equal to a Five (5%) percent increase in the estimated annual payment in lieu of taxes;

b) failure to conduct Pre-hiring Interviews or submit Compliance Statement (Construction Jobs) or Solicit Bids (Business Contracting): an amount equal to Three (3%) percent increase in the estimated annual payment in lieu of taxes;

c) failure to allow record or work place access or submit any other required reports (all categories): an amount equal to Two (2%) percent increase in the estimated annual payment in lieu of taxes.

d) the use of the local or local minority business' masthead for labor or work supplied by a non local or local minority vendor: An amount equal to Five (5%) percent increase in the estimated annual payment in lieu of taxes. Interest shall be charged on any damages at the legal rate of interest as calculated by the Tax Collector.

e) the late payment of any liquidated sum shall accrue interest at the rate of 8%.

IX. Commercial Tenants at the Project Site:

1. The Recipient shall send all tenants of commercial space within the Project Site a letter and a Tenant Employment Services Guide in the form attached as Appendix O.

2. The Recipient shall solicit information from tenants of commercial space about the composition of the work force of each tenant. The information solicited will be submitted to the Project Employment & Contracting Monitor, which shall provide the Recipient with a questionnaire in the form attached as Appendix P.

3. The Recipient will send the results of its solicitation to the Project Employment & Contracting Monitor no later than October 31 of each year.

4. The Recipient shall send all tenants of commercial space within the Project Site a Supplier Alert Service Registration Package in the form attached as Appendix Q.

X. Notices

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

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

   Glennview Townhouses II Urban Renewal Associates, LP
   Three East Stow Road - P.O. Box 994
   Marlton, New Jersey 08053
   Attn: Joel Silver, Vice President

and

   Jersey City Housing Authority
   400 U.S. Highway #1
   Jersey City, New Jersey 07306
   Attn: Maria T. Maio, Executive Director

and

   Connell Foley, LLP
   Harborside Financial Center
   2510 Plaza Five
   Jersey City, New Jersey 07311
   Attn: Charles J. Harrington, Esq.

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

   Project Employment & Contracting Monitor

Department of Administration
Division of Economic Opportunity
1 Journal Square Plaza
2nd Floor
Jersey City, New Jersey 07306

with separate copies to the Mayor and the Business Administrator; unless prior to giving of such notice, the City or the Recipient shall have notified the other in writing.

XI. Adoption, Approval, Modification:

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

XII. Controlling Regulations and Laws:

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

ATTEST:

CITY OF JERSEY CITY

Robert Byrne
City Clerk

John Kelly
Business Administrator

WITNESS:

GLENNVIEW TOWNHOUSES II URBAN RENEWAL ASSOCIATES, L.P.

Secretary

President

City Clerk File No. Ord. 11-084

Agenda No. 3.H 1st Reading

Agenda No. 4.G. 2nd Reading & Final Passage

ORDINANCE OF JERSEY CITY, N.J.

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

CITY ORDINANCE 11-084

TITLE: **ORDINANCE APPROVING A 30 YEAR TAX EXEMPTION FOR AN URBAN RENEWAL SENIOR LOW AND MODERATE INCOME AFFORDABLE HOUSING PROJECT TO BE CONSTRUCTED BY MONTGOMERY SENIOR LIVING CENTER URBAN RENEWAL ASSOCIATES, L.P., 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, Montgomery Senior Living Urban Renewal Associates, L.P., 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 ground lessee of certain property owned by the Jersey City Housing Authority (JCHA) known as Block 2116, Lot P1 (formerly a portion of Lot P), on the City's Official Tax map, more commonly known by the street address of 561 Montgomery Street, and more specifically described by metes and bounds in the application (Property); and

WHEREAS, on or about June 8, 2011, the Entity applied for a 30 year long term tax exemption to rehabilitate an existing unoccupied ten (10) story high rise building containing 70 dwelling units which are dedicated as senior low or moderate income affordable housing (JCHA); and

WHEREAS, because the Property is low and moderate income affordable housing it is eligible for tax exemption pursuant to N.J.S.A. 40A:20-4, although it is in neither a redevelopment area or an urban enterprise zone; and

WHEREAS, on May 24, 2011, the Entity received site plan approval to rehabilitate an and reconfigure existing building into sixty-eight (68) residential units, of which sixty-seven (67) units will be reserved for senior citizen of low or moderate income aged sixty-two (62) years of age pursuant to the New Jersey Council on Affordable Housing; and

WHEREAS, of the 68 units, fifty-eight (58) will be one-bedroom units and nine (9) will be two-bedroom units; and one (1) additional two-bedroom unit will be dedicated for an on-site non-income producing superintendent; and

WHEREAS, Montgomery Senior Living Urban Renewal Associates, L.P., has agreed to:

1. pay the greater of (i) the Minimum Annual Service Charge or (ii) 8% of Annual Gross Revenue (with no deductions), which sum is estimated to be $32,254, 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 or approximately $645; and

3. pay an annual sum equal to 5% of the annual service charge to Hudson County; or

4. provide employment and other economic opportunities for City residents and businesses; 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 is currently exempt and generates no revenue for the City; however, based on the current assessment, the real estate taxes would generate revenue whereas, the Annual Service Charge as estimated, will generate revenue of more than $32,254 to the City;

2. it is expected that the Project will create approximately 125 jobs during construction and 2 new full-time and one (1) new part-time permanent 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 various Redevelopment Plans;

5. the project provides 67 units of low or moderate income affordable housing which advances an inherently beneficial public purpose notwithstanding that the City's impact analysis, on file with the Office of the City Clerk, indicates that the service charge will not support the cost of providing municipal services to the Project; and

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

1. the relative stability and predictability of the Annual Service Charges will make the Project more attractive to investors needed to finance the Project;

2. the relative stability and predictability of the Annual Service Charges will allow the owner to stabilize its operating budget, allowing a high level of maintenance to the building over the life of the Project, which will attract tenants to the Project and insure the likelihood of the success of the Project; and

WHEREAS, Montgomery Senior Living Urban Renewal Associates, L.P., has initially complied with Executive Order 2002-005 concerning "Disclosure of Lobbyist Representative Status" by filing a letter in the Office of the City Clerk; and

WHEREAS, this Project does not need to comply with the City of Jersey City's Ordinance 07-123 Requiring Apprenticeships and Project Labor Agreement; and

WHEREAS, on June 21, 2011, the Tax Exemption Committee recommended the approval of the tax exemption to the Mayor or Municipal Council.

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

A. The application of Montgomery Senior Living Urban Renewal Associates, L.P., an urban renewal company, formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq. a copy of which is on file in the office of the City Clerk, for Block 2116, Lot P1 (formerly a portion of Lot P), more commonly known by the street address of 561 Montgomery Street, and more specifically described by metes and bounds in the application, is hereby approved.

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

1. Term: the earlier of 33 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) 8% of Annual Gross Revenue (with no deductions for any utilities), estimated at $32,254, which shall be subject to statutory increases during the term of the tax exemption;

(b) 5% of the Annual Service Charge or $1,613, for remittance to the County by the City.

3. Administrative Fee: 2% of the prior year's Annual Service Charge, or $646;

4. Project: A 10 story building to contain approximately sixty-eight (68) residential units, of which sixty-seven (67) units will be reserved for senior citizen households aged sixty-two (62) years of age of low or moderate income, earning at or below 60% of Area Median Income (AMI), and constitute affordable housing pursuant to the New Jersey Council on Affordable Housing;

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

6. This Ordinance will sunset and the Tax Exemption approved thereby will terminate, unless the Entity receives approval of the low income housing tax credits from the NJHMFA no later than December 31, 2012.

C. 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.

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

E. 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.

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

G. 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*.

JM/he
7/11/11

APPROVED AS TO LEGAL FORM

Corporation Counsel

APPROVED:

APPROVED:

Business Administrator

Certification Required ☐

Not Required ☐

Ordinance of the City of Jersey City, N.J.

ORDINANCE NO. Ord. 11-084

TITLE: 3.H. JUL 20 2011 4.G. AUG 10 2011

Ordinance approving a 30 year tax exemption for an Urban Renewal Senior Low and Moderate Income Affordable Housing Project to be constructed by Montgomery Senior Living Center Urban Renewal Associates, LP., an urban renewal entity, pursuant to the Long Term Tax Exemption Law N.J.S.A.40A:20-1 et seq.

RECORD OF COUNCIL VOTE ON INTRODUCTION JUL 20 2011 7-0

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	ABSENT			BRENNAN	✓		
DONNELLY	✓			FULOP	✓			AHMAD	✓		
LOPEZ	✓			RICHARDSON	ABSENT			VELAZQUEZ	✓		

✓ Indicates Vote N.V.-Not Voting (Abstain)

RECORD OF COUNCIL VOTE TO CLOSE PUBLIC HEARING AUG 10 2011 8-0

Councilperson RICHARDSON moved, seconded by Councilperson VELAZQUEZ to close P.H.

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	ABSENT			BRENNAN	✓		
DONNELLY	✓			FULOP	✓			AHMAD	✓		
LOPEZ	✓			RICHARDSON	✓			VELAZQUEZ	✓		

✓ Indicates Vote N.V.-Not Voting (Abstain)

RECORD OF COUNCIL VOTE ON AMENDMENTS, IF ANY

Councilperson_____ moved to amend* Ordinance, seconded by Councilperson_____ & adopted_____

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO				GAUGHAN				BRENNAN			
DONNELLY				FULOP				AHMAD			
LOPEZ				RICHARDSON				VELAZQUEZ			

✓ Indicates Vote N.V.-Not Voting (Abstain)

RECORD OF FINAL COUNCIL VOTE AUG 10 2011 8-0

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	ABSENT			BRENNAN	✓		
DONNELLY	✓			FULOP	✓			AHMAD	✓		
LOPEZ	✓			RICHARDSON	✓			VELAZQUEZ	✓		

✓ Indicates Vote N.V.-Not Voting (Abstain)

Adopted on first reading of the Council of Jersey City, N.J. on JUL 20 2011

Adopted on second and final reading after hearing on AUG 10 2011

This is to certify that the foregoing Ordinance was adopted by the Municipal Council at its meeting on AUG 10 2011

Robert Byrne, City Clerk

APPROVED:

Peter M. Brennan, Council President

*Amendment(s):

Date: AUG 10 2011

APPROVED:

Jerramiah T. Healy, Mayor

Date AUG 11 2011

Date to Mayor AUG 11 2011

3.H.
11-084

Rev. 7-11-11
Long Term Tax Exemption
N.J.S.A. 40A:20-1, et seq.
(Affordable Residential Rental)

Re: 561 Montgomery Street
Block 2116, Lot P1 (formerly a portion of Lot P)
An Urban Enterprise Zone

PREAMBLE

THIS FINANCIAL AGREEMENT, [Agreement] is made as of this __ day of _____ _____, 2011, by and between **MONTGOMERY SENIOR LIVING URBAN RENEWAL ASSOCIATES, L.P.,** 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 c/o Jersey City Housing Authority, 400 US Highway No. 1 (Marion Gardens) Jersey City, New Jersey 07306 [Entity], and the **CITY OF JERSEY CITY**, a Municipal Corporation of the State of New Jersey, having its principal office at 280 Grove Street, Jersey City, New Jersey 07302 [City].

RECITALS

WITNESSETH:

WHEREAS, the Entity is the ground Lessee of certain property designated as Block 2116, Lot P1 (formerly a portion of Lot P), more commonly known by the street address of 561 Montgomery Street, and more particularly described by the metes and bounds description set forth as Exhibit 1 to this Agreement; and

WHEREAS, this property is an all affordable housing project and is thus eligible for tax exemption pursuant to N.J.S.A. 40A:20-4 and N.J.S.A. 40A:12A-5(g), although it is in neither a redevelopment area or an urban enterprise zone; and

WHEREAS, the Property currently consists of an existing unoccupied ten (10) story high rise building containing 70 dwelling units which are dedicated as senior affordable housing and is currently owned by the Jersey City Housing Authority (JCHA); and

WHEREAS, the Entity plans to rehabilitate an and reconfigure existing building into sixty-eight (68) residential units, of which sixty-seven (67) units will be reserved for senior headed low

income households aged sixty-two (62) years of age earning at or below 60% of Area Median Income (AMI), that is, affordable housing pursuant to the Council on Affordable Housing and the United States Department of Housing and Urban Development; and

WHEREAS, of the 68 units, fifty-eight (58) will be one-bedroom units and nine (9) will be two-bedroom units; and one (1) additional two-bedroom unit will be dedicated for an on-site non-income producing superintendent [Project]; and

WHEREAS, on or about June 8, 2011, the Entity filed an Application with the City for a long term tax exemption for the Project; 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 would generate $_____, if the property were subject to conventional taxes, whereas, the Annual Service charge as estimated, and will generate revenue to the City of approximately $32,254;

2. <u>prior to the redevelopment, this property was a public housing development which under the cooperation agreement generated no real estate tax revenue;</u>

3. it is expected that the Project will create approximately 125 jobs during construction, two (2) new full-time and one (1) part-time permanent jobs;

4. the project should stabilize and contribute to the economic growth of existing local business and to the creation of new business, which cater to the new residents;

5. the project provides 68 units of affordable housing which advances an inherently beneficial public purpose notwithstanding that the City's impact analysis, on file with the Office of the City Clerk, indicates that the service charge will not support the cost of providing municipal services to the Project; 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 insure the likelihood of the success of the Project and insure that it will have a positive impact on the surrounding area; and

WHEREAS, by the adoption of Ordinance _____ on _____, 2011, the Municipal Council approved the above findings and the tax exemption application and authorized the execution of this Agreement.

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, 02-003, Ordinance 02-075, and Ordinance _____, which authorized the execution of this Agreement. It being expressly understood and agreed that the City expressly relies upon the facts, data, and representations contained in the Application, attached hereto as Exhibit 3, in granting this tax exemption.

Section 1.2 General Definitions

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

i. Affordable Low or Moderate Income - A Person or Household whose total Gross Annual Income is equal to between 30% and 80% or less of the median gross income figure established by geographic region and household size using the income guideline approved for use by the New Jersey Council on Affordable Housing or as it may be amended pursuant to N.J.A.C. 5:92-12.

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

iii. 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.

iv. Annual Service Charge - The amount the Entity has agreed to pay the City 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.

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

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

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

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

grace or cure periods.

ix. Entity - The term Entity within this Agreement shall mean Montgomery Senior Living Urban Renewal Associates, LP, 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. 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, laundry, health club user fees or other services (such as lease premiums for views, fireplaces, etc.). 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, except for customary operating expenses of commercial tenants such as utilities, insurance and taxes (including payments in lieu of taxes) which shall be deducted from Gross Revenue based on the actual amount of such costs incurred.

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, if any, on which the project is located and, if applicable, taxes on any pre-existing improvements. Land Taxes may be exempt; however, if Land Taxes are levied, Entity shall receive 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 02-003, relating to long term tax exemption, as it may be amended and supplemented; Ordinance 02-075, and Ordinance _____ which authorized the execution of this Agreement.

xvi. Minimum Annual Service Charge - The Minimum Annual Service Charge shall be the greater of:

(a) 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, or in the case of tax exempt property, the projected tax levy based upon the assessed value for the year in which the application is filed, which amount the parties agree would be $_____; or

(b) the sum of $32,254 per year, which sum will be prorated only in the years in which Substantial Completion occurs and this Agreement terminates.

The Minimum Annual Service Charge 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.

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

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

officers, partners or other persons holding a proprietary ownership interest in the entity.

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 date on which the Project receives, or is eligible to receive any Certificate of Occupancy 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 included in Total Project Cost the actual costs incurred by the Entity and certified by an independent and qualified architect or engineer, which are associated with site remediation and cleanup of environmentally hazardous materials or contaminants in accordance with State or Federal law and any extraordinary costs incurred including the cost of demolishing structures, relocation or removal of public utilities, cost of relocating displaced residents or buildings and the clearing of title. The Entity agrees that final Total Project Cost shall not be less than its estimated Total Project Cost.

ARTICLE II - APPROVAL

Section 2.1 Approval of Tax Exemption

The City hereby grants its approval for a tax exemption for all the Improvements to be constructed and maintained in accordance with the terms and conditions of this Agreement and the provisions of the Law which Improvements shall be constructed on certain property known on the Official Tax Assessor's Map of the City as: Block 2116, Lot P1 (formerly a portion of Lot P), more commonly known by the street address of 561 Montgomery Street, and described by metes and bounds in Exhibit 1 attached hereto.

Section 2.2 Approval of Entity

Approval is granted to the Entity whose Partnership Agreement is attached hereto as Exhibit 4. Entity represents that its Partnership 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 rehabilitate an and reconfigure existing building into sixty-eight (68) residential units, of which sixty-seven (67) units will be reserved for senior headed low or moderate income households aged sixty-two (62) years of age. Of the 68 units, fifty-eight (58) will be one-bedroom units and nine (9) will be two-bedroom units; and one (1) additional two-bedroom unit will be dedicated for an on-site non-income producing superintendent, all of which is specifically described in the Application attached hereto as Exhibit 3.

Section 2.4 Construction Schedule

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

Section 2.5 Ownership, Management and Control

The Entity represents that it is the owner of the property upon which the Project is to be constructed. Upon construction, the Entity represents that the Improvements will be managed and controlled as follows:

The Entity represents that it is the ground lessee of the Land upon which the project is to be constructed and will manage and control the Project. The City acknowledges that the Entity may enter into a management agreement for the Project and will pay a management fee in accordance with HUD regulations as provided in the Entity's agreement with HUD, which fee was disclosed in its tax exemption application. The City acknowledges that the Entity may enter into future management agreements so long as such agreements are not used to reduce the City's economic benefits under this Agreement and the management fees to be paid are comparable to those disclosed in the application.

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 estimated 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 Statement of Rental Schedules and Lease Terms

The Entity represents that its good faith projections of the initial rental schedules and lease terms 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 33 years from the date of the adoption of Ordinance_____ on _____ , 2011, 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 a corporation or association formed and operating under the Law.

ARTICLE IV - ANNUAL SERVICE CHARGE

Section 4.1 Annual Service Charge

In consideration of the tax exemption, the Entity shall make the following payments to the City:

(i) City Service Charge: an amount equal to the greater of: the Minimum Annual Service Charge or an Annual Service Charge equal to 8% for the low and moderate income units. The Annual Service Charge shall be billed initially based upon the Entity's estimates of Annual Gross Revenue which shall not be less than the its estimate of Gross Revenue as set forth in its Financial Plan, attached hereto as Exhibit 6. Thereafter, the Annual Service Charge shall be adjusted in accordance with this Agreement.

A Minimum Annual Service Charge shall be due beginning on the effective date of this Agreement. The 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.

(ii) County Service Charge: an amount equal to 5% of the Annual Service Charge upon receipt of that charge, for remittance to the County by the City.

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 first day of the month following Substantial Completion until the last day of the fifteenth year, the Annual Service Charge shall be 8% of Annual Gross Revenue for the low and moderate income units;

ii. Stage Two: Beginning on the 1st day of the 16th year following Substantial Completion until the last day of the 21st year, an amount equal to the greater of the Annual Service Charge or 20% of the amount of the taxes otherwise due on the value of the land and Improvements;

iii. Stage Three: Beginning on the1st day of the 22nd year following the Substantial Completion until the last day of the 27th year, an amount equal to the greater of the Annual Service Charge or 40% of the amount of the taxes otherwise due on the value of the land and Improvements;

iv. Stage Four: Beginning on the1st day of the 28th year following Substantial Completion until the last day of the 29th year, an amount equal to the greater of the Annual Service Charge or 60% of the amount of the taxes otherwise due on the value of the land and Improvements.

v. Final Stage: Beginning on the1st day of the 30th 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 value of the land and Improvements.

Section 4.3 Credits

The Entity is required to pay both the Annual Service Charge and the Land Tax Payments. The Entity is obligated to make timely Land Tax Payments, including any tax on the pre-existing improvements, in order to be entitled to a Land Tax credit against the Annual Service Charge for the subsequent year. The Entity shall be entitled to credit for the amount, without interest, of the Land Tax Payments made in the last four preceding quarterly installments against the Annual Service Charge. In any quarter that the Entity fails to make any Land Tax Payments when due and owing, such delinquency shall render the Entity ineligible for any Land Tax Payment credits against the Annual Service Charge for that quarter. No credit will be applied against the Annual Service Charge for partial payments of Land Taxes. In addition, the City shall have, among this remedy and other

remedies, the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. and/or declare a Default and terminate this Agreement.

Section 4.4 Quarterly Installments

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, 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.

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. In the event that the Entity fails to timely pay the Administrative Fee, the amount unpaid shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on the land until paid.

Section 4.6 Material Conditions

It is expressly agreed and understood that the timely payments of Land Taxes, Minimum Annual Service Charges, Annual Service Charges, including 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 Labor Agreement and 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.

ARTICLE VI - CERTIFICATE OF OCCUPANCY

Section 6.1 Certificate of Occupancy

It is understood and agreed that it shall be the obligation of the Entity to obtain all Certificates of Occupancy in a timely manner so as to complete construction in accordance with the

proposed construction schedule attached hereto as Exhibit 5. The failure to secure the Certificates of Occupancy shall subject the property to full taxation for the period between the date of Substantial Completion and the date the Certificate of Occupancy is obtained.

Section 6.2 Filing of Certificate of Occupancy

It shall be the primary responsibility of the Entity to forthwith file with both the Tax Assessor and the Tax Collector a copy of each Certificate of Occupancy.

Failure of the Entity to file such issued Certificate of Occupancy as required by the preceding paragraph, shall not militate against any action or non-action, taken by the City, including, if appropriate retroactive billing with interest for any charges determined to be due, in the absence of such filing by the Entity.

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. An 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: condominium unit purchase price, 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.

B. 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.

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 and 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.

All costs incurred by the City to conduct the audit, 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. Pursuant to N.J.S.A. 40A:20-14(b) there is expressly excluded from the calculation of Gross Revenue and Net Profit in the determination of Excess Profit, any gain realized by the Entity on the sale of any condominium unit, whether or not taxable under federal or state law.

Section 8.2 Annual Payment of Excess Net Profit

In the event the Net Profits of the Entity, in any fiscal year, shall exceed the Allowable Net Profits for such period, then the Entity, within one hundred and twenty (120) days after the end of

such fiscal year, shall pay such excess Net Profits to the City as an additional service charge; provided, however, that the Entity may maintain a reserve as determined pursuant to aforementioned paragraph 8.1. The calculation of the entity's excess net profits shall include those project costs directly attributable to site remediation and cleanup expenses and any other costs excluded in the definition of Total Project Cost in Section 1.2 (xx) of this agreement even though those costs may have been deducted from the project costs for purposes of calculating the annual service charge.

Section 8.3 Payment of Reserve/ Excess Net Profit Upon Termination, Expiration or Sale

The date of termination, expiration or sale shall be considered to be the close of the fiscal year of the Entity. Within ninety (90) days after such date, the Entity shall pay to the City the amount of the reserve, if any, maintained by it pursuant to this section and the excess Net Profit, if any.

ARTICLE IX - ASSIGNMENT AND/OR ASSUMPTION

Section 9.1 Approval

Any sale or transfer of the Project, shall be void unless approved in advance by Ordinance of the Municipal Council. It is understood and agreed that the City, on written application by the Entity, will not unreasonably withhold its consent to a sale of the Project and the transfer of this Agreement provided 1) the new Entity does not own any other Project subject to long term tax exemption at the time of transfer; 2) the new Entity is formed and eligible to operate under the Law; 3) the Entity is not then in default of this Agreement or the Law; 4) the Entity's obligations under this Agreement is fully assumed by the new Entity, 5) the Entity shall pay the City a transfer fee equal to 2% of the then current Annual Service Charge as required by N.J.S.A. 40A:20-10d.

Section 9.2 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 currently amended and supplemented, but also by a Default under this Agreement. The Entity's failure to comply with the Law shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

Section 10.2 Disclosure of Lobbyist Representative

During the term of this Agreement, the Entity must comply with Executive Order 2002-005, and Ordinance 02-075, requiring Written Disclosure of Lobbyist Representative Status. The Entity's failure to comply with the Executive Order or the Ordinance shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

ARTICLE XI - DEFAULT

Section 11.1 Default

Default shall be failure of the Entity to conform with the terms of this Agreement or failure of the Entity to perform any obligation imposed by the Law, beyond any applicable notice, cure or grace period.

Section 11.2 Cure Upon Default

Should the Entity be in Default, the City shall send written notice to the Entity of the Default [Default Notice]. The Default Notice shall set forth with particularity the basis of the alleged Default. The Entity shall have sixty (60) days, from receipt of the Default Notice, to cure any Default which shall be the sole and exclusive remedy available to the Entity. However, if, in the reasonable opinion of the City, the Default cannot be cured within sixty (60) days using reasonable diligence, the City will extend the time to cure.

Subsequent to such sixty (60) days, or any approved extension, the City shall have the right to terminate this Agreement in accordance with Section 12.1.

Should the Entity be in default due to a failure to pay any charges defined as Material Conditions in Section 4.8, the Entity shall not be subject to the default procedural remedies as provided herein but shall allow the City to proceed immediately to terminate the Agreement as

provided in Article XII herein.

Section 11.3 Remedies Upon Default

The City shall, among its other remedies, have the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. and/or 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 in Article XI herein, but shall allow the City to proceed immediately to terminate the Agreement as provided in Article XII. All of the remedies provided in this Agreement to the City, and all rights and remedies granted to it by law and equity shall be cumulative and concurrent. No termination of any provision of this Agreement shall deprive the City of any of its remedies or actions against the Entity because of its failure to pay Land Taxes, the Minimum Annual Service Charge, Annual Service Charge, Affordable Housing Contribution or Administrative Fees. This right shall apply to arrearages that are due and owing at the time or which, under the terms hereof, would in the future become due as if there had been no termination. Further, the bringing of any action for Land Taxes, the Minimum Annual Service Charge, the Annual Service Charge, Affordable Housing Contribution, Administrative Fees, or for breach of covenant or the resort to any other remedy herein provided for the recovery of Land Taxes shall not be construed as a waiver of the rights to terminate the tax exemption or proceed with a tax sale or Tax Foreclosure action or any other specified remedy.

In the event of a Default on the part of the Entity to pay any charges set forth in Article IV, the City among its other remedies, reserves the right to proceed against the Entity's land and property, in the manner provided by the In Rem Foreclosure Act, and any act supplementary or amendatory thereof. Whenever the word taxes appear, or is applied, directly or impliedly to mean taxes or municipal liens on land, such statutory provisions shall be read, as far as is pertinent to this Agreement, as if the charges were taxes or municipal liens on land.

ARTICLE XII- TERMINATION

Section 12.1 Termination Upon Default of the Entity

In the event the Entity fails to cure or remedy the Default within the time period provided in Section 11.2, the City may terminate this Agreement upon thirty (30) days written notice to the

Entity [Notice of Termination].

Section 12.2 Voluntary Termination by the Entity

The Entity may after the expiration of one year from the Substantial Completion of the Project notify the City that as of a certain date designated in the notice, it relinquishes its status as a tax exempt Project. As of the date so set, the tax exemption, the Annual Service Charges and the profit and dividend restrictions shall terminate.

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 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.

Section 12.5 Termination Payment

In addition to any other remedies available to the City upon termination whether voluntary or upon default, the Entity shall pay to the City an amount equal to the difference between the service charge actually paid and the service charge that would have been due had each adjustment period provided in Section 4.2 hereof, been of the shortest duration permitted by law, thereby generating the most accelerated increases, permitted by law.

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 equally by the parties. 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 Article IV, Section 4.7 as Material Conditions.

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 any right of recovery of 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 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, through trial and all stages of any appeal, including the cost of enforcing this indemnity) arising out of 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, counsel to be selected by the City, subject to the reasonable consent of the Entity. 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:

Montgomery Senior Living Urban Renewal Associates, LP
Three East Stow Road - P.O. Box 994
Marlton, New Jersey 08053
Attn: Joel Silver, Vice President

and

Jersey City Housing Authority
400 U.S. Highway #1
Jersey City, New Jersey 07306
Attn: Maria T. Maio, Executive Director

and

Connell Foley, LLP
Harborside Financial Center
2510 Plaza Five
Jersey City, New Jersey 07311
Attn: Charles J. Harrington, 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.

Section 18.6 Pending Litigation

The Entity fully and freely holds the City harmless and assumes any risk that may effect the present or future validity of the within financial agreement, arising from any other litigation.

ARTICLE XIX - EXHIBITS

Section 19. Exhibits

The following Exhibits are attached hereto and incorporated herein as if set forth at length herein:

1. Copy of Ground Lease and Metes and Bounds description of the Project;
2. Ordinance of the City authorizing the execution of this Agreement;
3. The Application with Exhibits;
4. Partnership Agreement;
5. Estimated Construction Schedule;
6. The Financial Plan for the undertaking of the Project;
7. Good Faith Estimate of Initial Rental Schedule and Lease Terms;
8. Project Employment and Contracting Agreement & Project Labor Agreement;
9. Architect's Certification of Actual Construction Costs.

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

ATTEST:

MONTGOMERY SENIOR LIVING URBAN RENEWAL ASSOCIATES, L.P.

_____

_____

Joel Silver, Vice President

ATTEST:

CITY OF JERSEY CITY

_____

Robert Byrne
City Clerk

_____

John Kelly
Business Administrator

6-23-11

PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

This Project Employment & Contracting Agreement is made on the ___ day of _____, 2011,between the **CITY OF JERSEY CITY** [City] and **MONTGOMERY SENIOR LIVING URBAN RENEWAL ASSOCIATES, L.P.**, having its principal office at c/o Jersey City Housing Authority, 400 US Highway No. 1 (Marion Gardens) Jersey City, New Jersey 07306. Recipient agrees as follows:

I. Definitions:

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

1. "City" means the Business Administrator of the City of Jersey City, or his designee, including any person or entity which enters into a contract with the City to implement, in whole or in part, this agreement.

2. "Construction Contract" means any agreement for the erection, repair, alteration or demolition of any building, structure, bridge, roadway, or other improvement on a Project Site.

3. "Contractor" means any party performing or offering to perform a prime contract on behalf of the Recipient.

4. "DEO" means the Division of Economic Opportunity under the Department of Administration, located at 1 Journal Square Plaza, 2nd Floor, Jersey City, NJ 07306, Telephone #(201) 547-5611. DEO is in charge of Project Employment & Contracting coordination and monitoring on projects receiving abatements.

5. "Economic Incentive" means a tax abatement or exemption for a property or project which requires approval of the Municipal Council and which reduces the annual amount of taxes otherwise due, by $25,000 or more in the aggregate;

6. "Employment" means any job or position during the construction and operational phase of the project. It includes positions created as a result of internal promotions, terminations, or expansions within the Recipient's work force which are to be filled by new employees. However, positions filled through promotion from within the Recipient's existing work force are not covered positions under this agreement.

7. "Local Business" means a bona fide business located in Jersey City.

8. Mayor Jerramiah T. Healy's Business Cooperative Program means the group within DEO under the Department of Administration responsible for collecting local and minority business contracts and capability information. This group operates the Supplier Alert service which is to be used by the Recipient to meet their good faith business contracting and

construction subcontracting goals.

9. "Minority" means a person who is African, Hispanic, Asian, or American Indian defined as follows:

   a) "African-American" means a person having origins in any of the black racial groups of Africa.

   b) "Hispanic" means a person of Mexican, Puerto Rican, Cuban, Central or South American or other Latino culture or origin, regardless of race, excluding, however, persons of European origin.

   c) "Asian" means a person having origins in any of the original people of the Far East, Southeast Asia, and subcontinent India, Hawaii or the Pacific Islands.

   d) "American Indian" means a person having origins in any of the original people of North America who maintains cultural identification through tribal affiliation or community recognition.

10. "Minority or Woman Owned Local Business" means a bona fide business located in Jersey City which is fifty-one (51%) percent or more owned and controlled by either a Minority or woman.

11. "Non-Traditional Jobs" means jobs which are held by less than twenty (20%) percent women, as reported by the New Jersey Department of Labor, Division of Labor Market, and Demographic Research for Jersey City, which report shall be on file with the City Clerk.

12. "Permanent Jobs" mean newly created long term salaried positions, whether permanent, temporary, part time or seasonal.

13. "Project or Project Site" means the specific work location or locations specified in the contract.

14. The "Project Employment & Contracting Coordinator" is a member of the DEO staff under the Department of Administration who is in charge of coordinating Project Employment & Contracting projects. Contractors and developers engaged in projects covered by Project Employment & Contracting Agreements will direct inquiries to the Project Employment & Contracting Coordinator.

15. The "Project Employment & Contracting Monitor" or "Monitor" is a member of the DEO staff under the Department of Administration directly under the command of the Project Employment & Contracting Coordinator, who is in charge of monitoring the site, collecting the reports and documentation, and other day-to-day Project Employment & Contracting housekeeping as stipulated by this agreement.

16. The "Project Employment & Contracting Officer" or "Officer" is an employee of the

Recipient who is designated by the Recipient to make sure the Recipient is in compliance with the Recipient's Project Employment & Contracting agreement.

17. "Recipient" means any individual, partnership, association, organization, corporation or other entity, whether public or private, or for profit or non-profit, or agent thereof, which receives an Economic Incentive and shall include any Contractor, Subcontractor or agent of the Recipient.

18. "The Registry" or "Jersey City Employment Registry" means a list maintained by the City or its designee of Jersey City residents seeking employment and Local Businesses, including Minority or Woman Owned Local Businesses, seeking contracts.

19. "Subcontract" means a binding legal relationship involving performance of a contract that is part of a prime contract.

20. "Subcontractor" means a third party that is engaged by the prime Contractor to perform under a subcontract all or part of the work included in an original contract.

21. "Substantial Completion" means the determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the date on which the Project receives, or is eligible to receive any Certificate of Occupancy for any portion of the Project.

II. Purpose:

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

III. Good Faith Goals:

In the event the Recipient is able to demonstrate that its work force already meets the goals set forth below or is able to meet such goals during the term of this agreement, the Recipient will not be required to comply with the interviewing or reporting obligations set forth in Section VI 1., A-L (Construction Jobs) and Section VI, 2., A-J (Permanent Jobs). All goals for Construction Jobs shall be calculated as a percentage of the total number of work hours in each trade from the beginning of the project to its completion.

1. **Employment:** The Recipient shall make a Good Faith effort to achieve the goal of a work force representing fifty-one (51%) percent City residents, fifty-one (51%) percent of whom are residents who are Minorities and, in Non-Traditional Jobs, six point nine (6.9%) percent of whom

are residents who are women, it being understood that one employee may satisfy more than one category.

2. **Business Contracting:** The Recipient shall make a Good Faith effort to achieve the goal of awarding twenty (20%) percent of the dollar amount of its contracts to Local Businesses, fifty-one (51%) percent of which shall be Minority or Women Owned Local Businesses. If fifty-one (51%) percent of Minority or Women Owned Local Businesses cannot be obtained, that percentage of contracts must still be applied to local vendors.

IV. Recipient Designee:

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

The Recipient should send a letter of introduction regarding the "Project Employment & Contracting Compliance Officer" to the Project Employment & Contracting Coordinator prior to any preconstruction meetings. An example of this letter can be found in Appendix A. This principle officer should also be present for all preconstruction meetings.

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

V. Term:

This agreement shall be in effect for a period co-terminus with the effective period of the tax exemption [the Economic Incentive]. Thus, it will commence on the date the City Council adopted Ordinance _____ approving the tax exemption and terminate the earlier of 33 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. **Construction Jobs:** Good Faith shall mean compliance with all of the following conditions:

A. <u>Initial Manning Report</u>:

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 Jerramiah T. Healy'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 Jerramiah T. Healy's Business Cooperative Program at DEO under the Department of Administration. An example of this letter can be found in Appendix D2.

C. Contractor's/Subcontractor's Compliance Statement

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

D. Union Statement of Using Its Best Efforts

i) Prior to commencement of their work on the Project, the contractor/subcontractor must submit a statement expressing its adherence to the Project Employment & Contracting Agreement to each union with which he/she has a collective bargaining agreement covering workers to be employed on the project.

ii) The Compliance Statement shall include a union statement for the particular union to sign, which claims the union will use its best efforts to comply with the employment goals articulated in the Project Employment & Contracting agreement. This compliance statement is detailed in Appendix F. A copy of the signed compliance statement must be sent to the Project Employment & Contracting Monitor in DEO under the Department of Administration before work starts in order for a developer to be in compliance.

iii) The Recipient will require the Contractor or Subcontractor to promptly notify the City of any refusal or failure of a union to sign the statement. If a particular union

refuses to sign a statement, the Recipient will document its efforts to obtain such statement and the reasons given by the union for not signing such statement, and submit such documentation to the Project Employment & Contracting Monitor in DEO under the Department of Administration.

E. Sub-Contractors

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

F. Union Apprentices

The contractor is responsible for assuring that resident and minority apprentices account for at least fifty (50%) percent of the total hours worked by union apprentices on the job in each trade listed in which apprentices are employed, according to the apprentice-to-journey-worker ratio contained in the collective bargaining agreement between the various unions, and shall hold each of his/her subcontractors to this requirement. The Recipient will require the contractor or subcontractor to promptly notify the City of any refusal of a union to utilize resident and minority apprentices.

G. Monthly Manning Report

i) The Recipient will cause the Contractor to complete and submit Monthly Project Manning Reports to the Project Employment & Contracting Monitor in DEO under the Department of Administration by the seventh day of the month following the month during which the work is performed, for the duration of the contract.

ii) The report will accurately reflect the total hours in each construction trade or craft and the number of hours worked by City residents, including a list of the number of minority resident and women resident workers in each trade or craft, and will list separately the work hours performed by such employees of the Contractor and each of its Subcontractors during the previous month. The Monthly Manning Report shall be in the form attached hereto as Appendix G.

iii) The Recipient is responsible for maintaining or causing the Contractor to maintain records supporting the reported work hours of its Contractors or Subcontractors.

H. Monthly Certified Payroll Report

i) The Recipient will cause the Contractor to furnish the Project Employment & Contracting Monitor with copies of its weekly Certified Payroll reports. The reports will specify the residence, gender and ethnic/racial origin of each worker, work hours and rate of pay and benefits provided. The Certified Payroll report shall be in the

form attached hereto as Appendix H.

ii) Payroll reports must be submitted on a monthly basis with the Monthly Manning Report or the Recipient is no longer in compliance.

I. Equal Employment Opportunity Reports

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

J. Other Reports

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

K. Records Access

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

L. Work Site Access For Monitor

i) The City will physically monitor the work sites subject to this agreement to verify the accuracy of the monthly reports. Each work site will be physically monitored approximately once every two weeks, and more frequently if it is deemed reasonably necessary by the City. The City's findings shall be recorded in a "Site Visit Report." An example of a bi-weekly site visit report can be found in Appendix I.

ii) The Recipient shall require the Contractor and Sub-contractor to cooperate with the City's site monitoring activities and inform the City as to the dates they are working at the Project site. This includes specifically instructing the on-site construction manager about the monitoring process, and informing him/her that the monitor will contact him/her to set up an initial meeting. In the case of projects with multiple locations, the Recipient shall inform the City of the dates they are working at each site location(s) where they are working, in order to facilitate the monitoring.

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

A. Pre-hiring Job Awareness: At least eight (8) months prior to the hiring of a Recipient's permanent workforce, the Project Employment & Contracting officer for the Recipient will sit down with the head of the Registry to discuss how the Recipient plans to hire its permanent workforce.

The following issues should be covered in this meeting:

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

1. Subcontractor Notification -- If the Recipient decides to subcontract any portion or all of its permanent workforce, then the Recipient must receive a signed acknowledgment from the subcontracting party that it will abide by the Project Employment & Contracting Agreement before said subcontractor begins staffing permanent employees. The Recipient must forward a copy of the signed acknowledgment to the Project Employment & Contracting Monitor. An example of this signed acknowledgment can be found in Appendix E.

2. Subcontractor Pre-Hiring Job Awareness Meeting -- Each subcontractor hired to staff permanent job positions must appoint a Project Employment & Contracting Officer to meet with the head of the Registry to discuss the same issues presented above in VI 2.A(I-vi).

3. Subcontractors of Subcontractors--Subcontractors of subcontractors are subject to the same requirements for the initial subcontractors above in Section VI 2.A.

B. Documentation of Hiring Plan--Once the Pre-Hiring Job Awareness Meeting has taken place, the Recipient must put together a document with goals and totals for future permanent employment needs. This plan should summarize all that was discussed in the Pre-Hiring Awareness Meeting, list estimates for manpower needs, set residential and minority employment goals commensurate with the Project Employment & Contracting Agreement, and show how the Recipient plans to meet these goals. An example of this plan is found in Appendix J.

C. Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the Registry with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the Registry to refer qualified applicants to the Recipient.

D. Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the Project Employment & Contracting Coordinator in DEO under the Department of Administration with a copy of this advertisement.

E. Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it from the Registry, to be maintained by the City or its designee. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.

F. Semi-Annual Employment Reports: The Recipient will submit written semi-annual employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will describe the job, whether the job is held by a City resident, minority resident or woman resident. The report will explain in writing the reasons why any qualified applicant referred by the Registry (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired. An example of this report is found in Appendix K.

G. Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.

H. Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the semi-annual reports.

I. Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.

J. Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

3. Business Contracting

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

1) Solicitation of Businesses:

a) One month before accepting bids for goods and services, the Recipient must forward a letter with requests for quotation or bid to Mayor Jerramiah T. Healy's Business Cooperative Program for local and local minority vendors for any construction or building operating goods, services and subcontracting opportunities. An example of this letter can be found in Appendix D.

b) After submission of bids, the Recipient will document whether the bid was accepted or rejected, and state the reason why. An example of this documentation can be found in Appendix D2.

i) Semi-Annual Purchasing Reports: The Recipient will submit written semi-annual purchasing reports which will include a list of all contracts awarded over a six month period and the dollar amounts of these contracts. The reports will specify the number and dollar amount of contracts awarded to Local Businesses and Minority or Women Owned Local Businesses. An example of these reports can be found in Appendix L.

ii) No Utilization of Local and Local Minority Vendors As Conduits For Vendors That Are Not Local Or Minority Owned:

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

4. <u>Summation of Documentation Needed For Compliance with Agreement</u>

1. Letter Designating Project Employment & Contracting Officer (Appendix A)
2. Letter designating Project employment & Contracting Officer to Recipient's Employees (App.) AZ
3. Example of Initial Manning Report (Appendix B)
4. Letter Of Acceptance of Initial Manning Report (Appendix C)
5. Letter From Developer Forwarding Requests for Quotation or Bid for Minority and Residential Vendors from Mayor Jerramiah T. Healy's Business Cooperative Program (Appendix D)
6. Documentation of Bid Submission (Appendix D2)
7. Letter Expressing Project Employment & Contracting Obligations to Contractors/ Subcontractors (Appendix E)
8. Union Statement of Best Efforts (Appendix F)
9. Example of Monthly Manning Report (Appendix G)
10. Example of Monthly Certified Payroll Report (Appendix H)
11. Example of Bi-Weekly Site Visit Report (Appendix I)
12. Example of Documentation of Hiring Plan (Appendix J)
13. Example of Semi-Annual Employment Report (Appendix K)
14. Example of Semi-Annual Purchasing Report (Appendix L)

VII. Notices of Violation:

1. Advisory Notice: The City will issue a written Advisory Notice to the Recipient if there is non-compliance with a Good Faith requirement as defined in this agreement. The Advisory Notice shall explain in sufficient detail the basis of the alleged violation. The Recipient shall have four (4) working days to correct the violation. An example of an Advisory Notice can be found in Appendix M.

2. Violation Notice: If the alleged violation set forth in the Advisory Notice has not been corrected to the satisfaction of the City within four (4) working days, the City shall then issue a Violation Notice to the Recipient. The Violation Notice shall explain in sufficient detail the basis of the alleged, continuing violation. The Recipient will have three (3) working days to correct the violation. An example of a Violation Notice can be found in Appendix N.

3. Correcting the Violation: Either or both the Advisory Notice or the Violation Notice may be considered corrected if the Recipient satisfies the requirements of this agreement and so

advises the City in writing, subject to confirmation by the City.

4. Extension of Time to Correction: Either the Advisory Notice or the Violation Notice may be held in abeyance and the time for correction extended if the Recipient enters into satisfactory written agreement with the City for corrective action which is designed to achieve compliance. If Recipient fails to abide by the terms of such agreement the violation will be considered not corrected.

5. Meetings Concerning Violations: The City may provide an opportunity for a meeting with the Recipient, his Contractors or Subcontractors in an effort to achieve compliance; or may respond to Recipient's request for a meeting after the Recipient has made timely submission of a written explanation pursuant to the above. The meeting shall be requested no later than two days after the alleged violator has submitted the written explanation.

6. Interviews Relating to Violations: The City may conduct interviews and may request additional information from appropriate parties as is considered necessary to determine whether the alleged violation has occurred.

7. Determination of Violation: The City shall issue a determination of whether the Recipient is in violation of this agreement as soon as possible but not later than thirty days after the delivery of the Violation Notice to the Recipient. If the City determines that the Recipient is in violation, the City shall be entitled to the liquidated damages provided below.

VIII. Liquidated Damages/Interest:

While reserving any other remedies the City may have at law or equity for a material breach of the above terms and conditions, the parties agree that damages for violations of this agreement by the Recipient cannot be calculated within any reasonable degree of mathematical certainty. Therefore, the parties agree that upon the occurrence of a material breach of any of the above terms and conditions and after notice and expiration of any period to correct the violation, the City will be entitled to liquidated damages from the Recipient in the following amounts:

a) failure to file Initial Manning Reports (Construction Jobs) or Pre-Hiring Notification (Permanent Jobs) or Pre-Contracting Notification (Business Contracting): an amount equal to a Five (5%) percent increase in the estimated annual payment in lieu of taxes;

b) failure to conduct Pre-hiring Interviews or submit Compliance Statement (Construction Jobs) or Solicit Bids (Business Contracting): an amount equal to Three (3%) percent increase in the estimated annual payment in lieu of taxes;

c) failure to allow record or work place access or submit any other required reports (all categories): an amount equal to Two (2%) percent increase in the estimated annual payment in lieu of taxes.

d) the use of the local or local minority business' masthead for labor or work supplied

by a non local or local minority vendor: An amount equal to Five (5%) percent increase in the estimated annual payment in lieu of taxes. Interest shall be charged on any damages at the legal rate of interest as calculated by the Tax Collector.

e) the late payment of any liquidated sum shall accrue interest at the rate of 8%.

IX. Commercial Tenants at the Project Site:

1. The Recipient shall send all tenants of commercial space within the Project Site a letter and a Tenant Employment Services Guide in the form attached as Appendix O.

2. The Recipient shall solicit information from tenants of commercial space about the composition of the work force of each tenant. The information solicited will be submitted to the Project Employment & Contracting Monitor, which shall provide the Recipient with a questionnaire in the form attached as Appendix P.

3. The Recipient will send the results of its solicitation to the Project Employment & Contracting Monitor no later than October 31 of each year.

4. The Recipient shall send all tenants of commercial space within the Project Site a Supplier Alert Service Registration Package in the form attached as Appendix Q.

X. Notices

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

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

_____

_____

_____

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

Project Employment & Contracting Monitor
Department of Administration
Division of Economic Opportunity
1 Journal Square Plaza
2nd Floor
Jersey City, New Jersey 07306

with separate copies to the Mayor and the Business Administrator; unless prior to giving of such notice, the City or the Recipient shall have notified the other in writing.

XI. Adoption, Approval, Modification:

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

XII. Controlling Regulations and Laws:

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

ATTEST:

CITY OF JERSEY CITY

_____

Robert Byrne
City Clerk

_____

John Kelly
Business Administrator

ATTEST:

MONTGOMERY SENIOR LIVING URBAN RENEWAL ASSOCIATES, L.P.

_____

Secretary

_____

Joel Silver, Vice President

City Clerk File No. Ord. 11-086

Agenda No. 3.J 1st Reading

Agenda No. 4.H. 2nd Reading & Final Passage

ORDINANCE OF JERSEY CITY, N.J.

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

CITY ORDINANCE 11-086

TITLE: **ORDINANCE APPROVING A 30 YEAR TAX EXEMPTION FOR A SENIOR CITIZEN AFFORDABLE HOUSING PROJECT TO BE CONSTRUCTED BY ST. BRIDGET'S SENIOR RESIDENCE 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, St. Bridget's Senior Residence Urban Renewal, LLC, is an urban renewal limited liability 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 ground lessee of certain property known as Block 380, Lots N1, A and B, on the City's Official Tax map, more commonly known by the street address of 372 Montgomery Street, 193 and 195 Mercer Street, more specifically described by metes and bounds, in the application and what were formerly known as a school, convent and rectory (Property); and

WHEREAS, the Entity will rent the property from St. Bridget's Church under a ground lease for a minimum period of 30 years and for an up-front rent of between $552,000 to $720,000, all of which is more specifically described in the application; and

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

WHEREAS, on or about June 10, 2011, the Entity applied for a 30 year long term tax exemption to rehabilitate the property to create a total of forty-six (46) units: forty three (43) rental residential units to be occupied by and affordable to low income senior citizens, plus three (3) non-income producing units, one (1) for a superintendent and two (2) to be reserved by St. Bridget's Senior Residence Urban Renewal, LLC; and

WHEREAS, on July 12, 2011, the Planning Board approved a site plan for the project; and

WHEREAS, St. Bridget's Senior Residence Urban Renewal, LLC, has agreed to:

1. pay the greater of (i) the Minimum Annual Service Charge, or (ii) 8% of Annual Gross Revenue, which sum is estimated to be $22,798 or $495 per unit, 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, estimated to be $455; and 5% of the Annual Service Charge to the County, which sum is estimated to be $1,139; and

3. provide employment and other economic opportunities for City residents and businesses; 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 is currently exempt and generates no revenue for the City; however, based on the current assessment, the real estate taxes would generate revenue of $_____, whereas, the Annual Service Charge as estimated, will generate revenue of more than $22,798 to the City;

2. it is expected that the Project will create approximately 73 jobs during construction and 2 new permanent 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 various Redevelopment Plans;

5. the project provides 46 units of low income affordable housing which advances an inherently beneficial public purpose notwithstanding that the City's impact analysis, on file with the Office of the City Clerk, indicates that the service charge will not support the cost of providing municipal services to the Project; and

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

1. the relative stability and predictability of the Annual Service Charges will make the Project more attractive to investors needed to finance the Project;

2. the relative stability and predictability of the Annual Service Charges will allow the ground lessee 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, St. Bridget's Senior Residence Urban Renewal, LLC, has initially complied with Executive Order 2002-005 concerning "Disclosure of Lobbyist Representative Status" by filing a letter if appropriate, in the Office of the City Clerk; and

WHEREAS, this Project does not need to comply with the City of Jersey City's Ordinance 07-123 Requiring Apprenticeships and Project Labor Agreement since it is affordable housing; and

WHEREAS, on June 21, 2011, the Tax Exemption Committee recommended the approval of the tax exemption to the Mayor, subject to the approval of low income housing tax credits from the Housing and Mortgage Finance Agency (HMFA) and a grant from the Jersey City Affordable Housing Trust Fund no later than September 1, 2012.

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

A. The application of St. Bridget's Senior Residence Urban Renewal, LLC, an urban renewal company, formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq. a copy of which is on file in the office of the City Clerk, for Block 380, Lots N1, A and B, more commonly known by the street address of 372 Montgomery Street, 193 and 195 Mercer Street, and more specifically described by metes and bounds in the application is hereby approved.

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

1. Term: the earlier of 33 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; or

   (b) 8% of Annual Gross Revenue (with no deductions), estimated at $22,798, which shall be subject to statutory increases during the term of the tax exemption;

3. County Service Charge: 5% of the Annual Service Charge or $1,140, for remittance to the County by the City.

4. Administrative Fee: 2% of the prior year's Annual Service Charge, or $456;

5. Project: renovate, rehabilitate and adaptively reuse a school, convent and rectory to create a total of forty-six (46) units: forty three (43) rental residential units to be occupied by and affordable to low income senior citizens, plus three (3) non-income producing units, one (1) of which will be occupied by a superintendent;

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

7. This Ordinance will sunset and the Tax Exemption approved thereby, will terminate unless the Entity receives approval of the low income housing tax credits from the HMFA and a grant from the Jersey City Affordable Housing Trust Fund, no later than December 31, 2012.

C. 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.

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

E. 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.

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

G. 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*.

JM/he
7/11/11

APPROVED AS TO LEGAL FORM

_____
Corporation Counsel

APPROVED: _____

APPROVED: _____
Business Administrator

Certification Required ☐
Not Required ☐

Ordinance of the City of Jersey City, N.J.

ORDINANCE NO. Ord. 11-086

TITLE: 3.J. JUL 20 2011 4.H.

Ordinance approving a 30 year tax exemption for a Senior Citizen Affordable Housing Project to be constructed by St. Bridget's Senior Residence Urban Renewal, LLC., an urban renewal entity, pursuant to the Long Term Tax Exemption Law N.J.S.A.40A:20-1 et seq.

RECORD OF COUNCIL VOTE ON INTRODUCTION JUL 20 2011 7-0

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	ABSENT			BRENNAN	✓		
DONNELLY	✓			FULOP	✓			AHMAD	✓		
LOPEZ	✓			RICHARDSON	ABSENT			VELAZQUEZ	✓		

✓ Indicates Vote N.V.-Not Voting (Abstain)

RECORD OF COUNCIL VOTE TO CLOSE PUBLIC HEARING AUG 10 2011 6-0

Councilperson SOTTOLANO moved, seconded by Councilperson AHMAD to close P.H.

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	ABSENT			BRENNAN	ABSENT		
DONNELLY	✓			FULOP	✓			AHMAD	✓		
LOPEZ	✓			RICHARDSON	ABSENT			VELAZQUEZ	✓		

✓ Indicates Vote IMTIAZ SYED N.V.-Not Voting (Abstain)

RECORD OF COUNCIL VOTE ON AMENDMENTS, IF ANY

Councilperson _____ moved to amend* Ordinance, seconded by Councilperson _____ & adopted _____

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO				GAUGHAN				BRENNAN			
DONNELLY				FULOP				AHMAD			
LOPEZ				RICHARDSON				VELAZQUEZ			

✓ Indicates Vote N.V.-Not Voting (Abstain)

RECORD OF FINAL COUNCIL VOTE AUG 10 2011 8-0

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	ABSENT			BRENNAN	✓		
DONNELLY	✓			FULOP	✓			AHMAD	✓		
LOPEZ	✓			RICHARDSON	✓			VELAZQUEZ	✓		

✓ Indicates Vote N.V.-Not Voting (Abstain)

Adopted on first reading of the Council of Jersey City, N.J. on JUL 20 2011

Adopted on second and final reading after hearing on AUG 10 2011

This is to certify that the foregoing Ordinance was adopted by the Municipal Council at its meeting on AUG 10 2011

Robert Byrne, City Clerk

*Amendment(s):

APPROVED:

Peter M. Brennan, Council President

Date: AUG 10 2011

APPROVED:

Jefframiah T. Healy, Mayor

AUG 11 2011

Date

Date to Mayor AUG 11 2011

3.J.
11-086

Rev. 7-11-11
Long Term Tax Exemption
N.J.S.A. 40A:20-1, et seq.
(Affordable Residential Rental)

Re: 372 Montgomery Street, 193 & 195 Mercer Street
Block 380, Lots N1, A and B, to be known as Lot __
Montgomery Gateway Redevelopment Area

PREAMBLE

THIS FINANCIAL AGREEMENT, [Agreement] is made as of this __ day of _____ __, 2011, by and between **ST. BRIDGET'S SENIOR RESIDENCE 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 26 Park Street, Montclair, NJ 07042 [Entity], and the **CITY OF JERSEY CITY,** a Municipal Corporation of the State of New Jersey, having its principal office at 280 Grove Street, Jersey City, New Jersey 07302 [City].

RECITALS

WITNESSETH:

WHEREAS, the Entity is the Ground Lessee of certain property designated as Block 380, Lots N1, A and B, more commonly known by the street address of 372 Montgomery Street, 193 & 195 Mercer Street, and more particularly described by the metes and bounds description set forth as Exhibit 1 to this Agreement; and

WHEREAS, a copy of the Ground Lease with St. Bridget's Church for a minimum period of 30 years and for an up-front rent of between $552,000 to $720,000, all of which is more specifically described in the application, is attached hereto as Exhibit 10; and

WHEREAS, this property is an affordable housing project located within the boundaries of Montgomery Gateway Redevelopment Plan; and

WHEREAS, the Entity plans to rehabilitate the property to create a total of forty-six (46) units: forty three (43) rental residential units to be occupied by and affordable to low income senior citizens, plus three (3) non-income producing units, one (1) of which will be occupied by a superintendent [Project]; and

WHEREAS, on June 10, 2011, the Entity filed an Application with the City for a long term tax exemption for the Project; 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 would generate $_____, if the property were subject to conventional taxes; whereas, the Annual Service charge as estimated, and will generate revenue to the City of approximately $22,798 or $495 per unit;

2. it is expected that the Project will create approximately 73 jobs during construction and 2 new permanent jobs;

3. the project should stabilize and contribute to the economic growth of existing local business and to the creation of new business, which cater to the new residents;

4. the project provides 46 units of affordable housing which advances an inherently beneficial public purpose notwithstanding that the City's impact analysis, on file with the Office of the City Clerk, indicates that the service charge will not support the cost of providing municipal services to the Project; 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 insure the likelihood of the success of the Project and insure that it will have a positive impact on the surrounding area; and

WHEREAS, by the adoption of Ordinance _____ on _____, 2011, the Municipal Council approved the above findings and the tax exemption application and authorized the execution of this Agreement.

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, 02-003, Ordinance 02-075, and Ordinance _____, which authorized the execution of this Agreement. It being expressly understood and agreed that the City expressly relies upon the facts, data, and representations contained in the Application, attached hereto as Exhibit 3, in granting this tax exemption.

Section 1.2 General Definitions

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

i. Affordable Low Income - A Person or Household whose total Gross Annual Income is equal to no more than 30% of the median gross income figure established by geographic region and household size using the income guideline approved for use by the New Jersey Council on Affordable Housing or as it may be amended pursuant to N.J.A.C. 5:92-12.

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

iii. 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.

iv. Annual Service Charge - The amount the Entity has agreed to pay the City 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.

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

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

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

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

ix. Entity - The term Entity within this Agreement shall mean St. Bridget's Senior Residence 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. 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, laundry, health club user fees or other services (such as lease premiums for views, fireplaces, etc.). 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.

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, if any, on which the project is located and, if applicable, taxes on any pre-existing improvements. Land Taxes may be exempt; however, if Land Taxes are levied, Entity shall receive 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 02-003, relating to long term tax exemption, as it may be amended and supplemented; Ordinance 02-075, 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 the greater of:

(a) 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, or in the case of tax exempt property, the projected tax levy based upon the assessed value for the year in which the application is filed, which amount the parties agree would be $_____; or

(b) the sum of $22,798 per year or $495 per unit, which sum will be prorated only in the years in which Substantial Completion occurs and this Agreement terminates.

The Minimum Annual Service Charge 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.

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

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

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 date on which the Project receives, or is eligible to receive any Certificate of Occupancy 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 included in Total Project Cost the actual costs incurred by the Entity and certified by an independent and qualified architect or engineer, which are associated with

site remediation and cleanup of environmentally hazardous materials or contaminants in accordance with State or Federal law and any extraordinary costs incurred including the cost of demolishing structures, relocation or removal of public utilities, cost of relocating displaced residents or buildings and the clearing of title. The Entity agrees that final Total Project Cost shall not be less than its estimated Total Project Cost.

ARTICLE II - APPROVAL

Section 2.1 Approval of Tax Exemption

The City hereby grants its approval for a tax exemption for all the Improvements to be constructed and maintained in accordance with the terms and conditions of this Agreement and the provisions of the Law which Improvements shall be constructed on certain property known on the Official Tax Assessor's Map of the City as: Block 380, Lots N1, A and B, more commonly known by the street address of 372 Montgomery Street, 193 & 195 Mercer Street, 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 rehabilitate the property to create a total of forty-six (46) units: forty three (43) rental residential units to be occupied by and affordable to low income senior citizens, plus three (3) non-income producing units, one (1) of which will be occupied by a superintendent, all of which is specifically described in the Application attached hereto as Exhibit 3.

Section 2.4 Construction Schedule

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

Section 2.5 Ownership, Management and Control

The Entity represents that it is the owner of the property upon which the Project is to be constructed. Upon construction, the Entity represents that the Improvements will be managed and controlled as follows:

The Entity represents that it is the owner of the Land upon which the project is to be constructed and will manage and control the Project. The City acknowledges that the Entity may enter into a management agreement for the Project and will pay a management fee in accordance with HUD regulations as provided in the Entity's agreement with HUD, which fee was disclosed in its tax exemption application. The City acknowledges that the Entity may enter into future management agreements so long as such agreements are not used to reduce the City's economic benefits under this Agreement and the management fees to be paid are comparable to those disclosed in the application.

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 estimated 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 Statement of Rental Schedules and Lease Terms

The Entity represents that its good faith projections of the initial rental schedules and lease terms 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 _____ , 2011, 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 a corporation or association formed and operating under the Law.

ARTICLE IV - ANNUAL SERVICE CHARGE

Section 4.1 Annual Service Charge

In consideration of the tax exemption, the Entity shall make the following payments to the City:

(i) City Service Charge: an amount equal to the greater of: the Minimum Annual Service Charge or an Annual Service Charge equal to 8% of the Annual Gross Revenue for the low and moderate income units. The Annual Service Charge shall be billed initially based upon the Entity's estimates of Annual Gross Revenue which shall not be less than the its estimate of Gross Revenue as set forth in its Financial Plan, attached hereto as Exhibit 6. Thereafter, the Annual Service Charge shall be adjusted in accordance with this Agreement.

A Minimum Annual Service Charge shall be due beginning on the effective date of this Agreement. The 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.

(ii) County Service Charge: an amount equal to 5% of the Annual Service Charge upon receipt of that charge, for remittance to the County by the City.

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 first day of the month following Substantial Completion until the last day of the 15th year, the Annual Service Charge shall be 8% of Annual Gross Revenue;

ii. Stage Two: Beginning on the 1st day of the 16th year following Substantial Completion until the last day of the 21st year, an amount equal to the greater of the Annual Service Charge or 20% of the amount of the taxes otherwise due on the value of the land and Improvements;

iii. Stage Three: Beginning on the1st day of the 22nd year following the Substantial Completion until the last day of the 27th year, an amount equal to the greater of the Annual Service Charge or 40% of the amount of the taxes otherwise due on the value of the land and Improvements;

iv. Stage Four: Beginning on the1st day of the 28th year following Substantial Completion until the last day of the 29th year, an amount equal to the greater of the Annual Service

Charge or 60% of the amount of the taxes otherwise due on the value of the land and Improvements.

v. Final Stage: Beginning on the1st day of the 30th 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 value of the land and Improvements.

Section 4.3 Credits

The Entity is required to pay both the Annual Service Charge and the Land Tax Payments. The Entity is obligated to make timely Land Tax Payments, including any tax on the pre-existing improvements, in order to be entitled to a Land Tax credit against the Annual Service Charge for the subsequent year. The Entity shall be entitled to credit for the amount, without interest, of the Land Tax Payments made in the last four preceding quarterly installments against the Annual Service Charge. In any quarter that the Entity fails to make any Land Tax Payments when due and owing, such delinquency shall render the Entity ineligible for any Land Tax Payment credits against the Annual Service Charge for that quarter. No credit will be applied against the Annual Service Charge for partial payments of Land Taxes. In addition, the City shall have, among this remedy and other remedies, the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. and/or declare a Default and terminate this Agreement.

Section 4.4 Quarterly Installments

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, 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.

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. In the event that the Entity fails to timely pay the Administrative Fee, the amount unpaid shall bear the

highest rate of interest permitted in the case of unpaid taxes or tax liens on the land until paid.

Section 4.6 Material Conditions

It is expressly agreed and understood that the timely payments of Land Taxes, Minimum Annual Service Charges, Annual Service Charges, including 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 Labor Agreement and 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.

ARTICLE VI - CERTIFICATE OF OCCUPANCY

Section 6.1 Certificate of Occupancy

It is understood and agreed that it shall be the obligation of the Entity to obtain all Certificates of Occupancy in a timely manner so as to complete construction in accordance with the proposed construction schedule attached hereto as Exhibit 5. The failure to secure the Certificates of Occupancy shall subject the property to full taxation for the period between the date of Substantial Completion and the date the Certificate of Occupancy is obtained.

Section 6.2 Filing of Certificate of Occupancy

It shall be the primary responsibility of the Entity to forthwith file with both the Tax Assessor and the Tax Collector a copy of each Certificate of Occupancy.

Failure of the Entity to file such issued Certificate of Occupancy as required by the preceding paragraph, shall not militate against any action or non-action, taken by the City, including, if appropriate retroactive billing with interest for any charges determined to be due, in the absence of such filing by the Entity.

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. An 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: condominium unit purchase price, 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.

B. 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.

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 and 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.

All costs incurred by the City to conduct the audit, 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. Pursuant to N.J.S.A. 40A:20-14(b) there is expressly excluded from the calculation of Gross Revenue and Net Profit in the determination of Excess Profit, any gain realized by the Entity on the sale of any condominium unit, whether or not taxable under federal or state law.

Section 8.2 Annual Payment of Excess Net Profit

In the event the Net Profits of the Entity, in any fiscal year, shall exceed the Allowable Net Profits for such period, then the Entity, within one hundred and twenty (120) days after the end of such fiscal year, shall pay such excess Net Profits to the City as an additional service charge; provided, however, that the Entity may maintain a reserve as determined pursuant to aforementioned paragraph 8.1. The calculation of the entity's excess net profits shall include those project costs directly attributable to site remediation and cleanup expenses and any other costs excluded in the definition of Total Project Cost in Section 1.2 (xx) of this agreement even though those costs may have been deducted from the project costs for purposes of calculating the annual service charge.

Section 8.3 Payment of Reserve/ Excess Net Profit Upon Termination, Expiration or Sale

The date of termination, expiration or sale shall be considered to be the close of the fiscal year of the Entity. Within ninety (90) days after such date, the Entity shall pay to the City the amount of the reserve, if any, maintained by it pursuant to this section and the excess Net Profit, if any.

ARTICLE IX - ASSIGNMENT AND/OR ASSUMPTION

Section 9.1 Approval

Any sale or transfer of the Project, shall be void unless approved in advance by Ordinance

of the Municipal Council. It is understood and agreed that the City, on written application by the Entity, will not unreasonably withhold its consent to a sale of the Project and the transfer of this Agreement provided 1) the new Entity does not own any other Project subject to long term tax exemption at the time of transfer; 2) the new Entity is formed and eligible to operate under the Law; 3) the Entity is not then in default of this Agreement or the Law; 4) the Entity's obligations under this Agreement is fully assumed by the new Entity, 5) the Entity shall pay the City a transfer fee equal to 2% of the then current Annual Service Charge as required by N.J.S.A. 40A:20-10d.

Section 9.2 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 currently amended and supplemented, but also by a Default under this Agreement. The Entity's failure to comply with the Law shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

Section 10.2 Disclosure of Lobbyist Representative

During the term of this Agreement, the Entity must comply with Executive Order 2002-005, and Ordinance 02-075, requiring Written Disclosure of Lobbyist Representative Status. The Entity's failure to comply with the Executive Order or the Ordinance shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

ARTICLE XI - DEFAULT

Section 11.1 Default

Default shall be failure of the Entity to conform with the terms of this Agreement or failure of the Entity to perform any obligation imposed by the Law, beyond any applicable notice, cure or grace period.

Section 11.2 Cure Upon Default

Should the Entity be in Default, the City shall send written notice to the Entity of the Default [Default Notice]. The Default Notice shall set forth with particularity the basis of the alleged Default. The Entity shall have sixty (60) days, from receipt of the Default Notice, to cure any Default which shall be the sole and exclusive remedy available to the Entity. However, if, in the reasonable opinion of the City, the Default cannot be cured within sixty (60) days using reasonable diligence, the City will extend the time to cure.

Subsequent to such sixty (60) days, or any approved extension, the City shall have the right to terminate this Agreement in accordance with Section 12.1.

Should the Entity be in default due to a failure to pay any charges defined as Material Conditions in Section 4.8, the Entity shall not be subject to the default procedural remedies as provided herein but shall allow the City to proceed immediately to terminate the Agreement as provided in Article XII herein.

Section 11.3 Remedies Upon Default

The City shall, among its other remedies, have the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. and/or 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 in Article XI herein, but shall allow the City to proceed immediately to terminate the Agreement as provided in Article XII. All of the remedies provided in this Agreement to the City, and all rights and remedies granted to it by law and equity shall be cumulative and concurrent. No termination of any provision of this Agreement shall deprive the City of any of its remedies or actions against the Entity because of its failure to pay Land Taxes, the Minimum Annual Service Charge, Annual Service Charge, Affordable Housing Contribution or Administrative Fees. This right shall apply to arrearages that are due and owing at the time or which, under the terms hereof, would in the future

become due as if there had been no termination. Further, the bringing of any action for Land Taxes, the Minimum Annual Service Charge, the Annual Service Charge, Affordable Housing Contribution, Administrative Fees, or for breach of covenant or the resort to any other remedy herein provided for the recovery of Land Taxes shall not be construed as a waiver of the rights to terminate the tax exemption or proceed with a tax sale or Tax Foreclosure action or any other specified remedy.

In the event of a Default on the part of the Entity to pay any charges set forth in Article IV, the City among its other remedies, reserves the right to proceed against the Entity's land and property, in the manner provided by the In Rem Foreclosure Act, and any act supplementary or amendatory thereof. Whenever the word taxes appear, or is applied, directly or impliedly to mean taxes or municipal liens on land, such statutory provisions shall be read, as far as is pertinent to this Agreement, as if the charges were taxes or municipal liens on land.

ARTICLE XII- TERMINATION

Section 12.1 Termination Upon Default of the Entity

In the event the Entity fails to cure or remedy the Default within the time period provided in Section 11.2, the City may terminate this Agreement upon thirty (30) days written notice to the Entity [Notice of Termination]. This Tax Exemption will terminate unless the Entity receives approval of the low income housing tax credits from the HMFA and a grant from the Jersey City Affordable Housing Trust Fund no later than September 1, 2012.

Section 12.2 Voluntary Termination by the Entity

The Entity may after the expiration of one year from the Substantial Completion of the Project notify the City that as of a certain date designated in the notice, it relinquishes its status as a tax exempt Project. As of the date so set, the tax exemption, the Annual Service Charges and the profit and dividend restrictions shall terminate.

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 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.

Section 12.5 Termination Payment

In addition to any other remedies available to the City upon termination whether voluntary or upon default, the Entity shall pay to the City an amount equal to the difference between the service charge actually paid and the service charge that would have been due had each adjustment period provided in Section 4.2 hereof, been of the shortest duration permitted by law, thereby generating the most accelerated increases, permitted by law.

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 equally by the parties. 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 Article IV, Section 4.7 as Material Conditions.

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 any right of recovery of 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 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, through trial and all stages of any appeal, including the cost of enforcing this indemnity) arising out of 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, counsel to be selected by the City, subject to the reasonable consent of the Entity. 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:

St. Bridget's Senior Residence Urban Renewal, LLC
c/o RCG Development Group, LLC
26 Park Street
Montclair, NJ 07042

and

Jersey City Housing Authority
400 U.S. Highway #1
Jersey City, New Jersey 07306
Attn: Maria T. Maio, Executive Director

and

Connell Foley, LLP
Harborside Financial Center
2510 Plaza Five
Jersey City, New Jersey 07311
Attn: Charles J. Harrington, 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.

Section 18.6 Pending Litigation

The Entity fully and freely holds the City harmless and assumes any risk that may effect the present or future validity of the within financial agreement or arising from any other litigation.

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 Rental Schedule and Lease Terms;

8. Project Employment and Contracting Agreement & Project Labor Agreement;

9. Architect's Certification of Actual Construction Costs.

10. Ground Lease.

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

ATTEST:

ST. BRIDGET'S SENIOR RESIDENCE URBAN RENEWAL, LLC

_____

_____

ATTEST:

CITY OF JERSEY CITY

_____

Robert Byrne
City Clerk

_____

John Kelly
Business Administrator

6-27-11

PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

This Project Employment & Contracting Agreement is made on the ___ day of _____, 2011,between the **CITY OF JERSEY CITY** [City] and **ST. BRIDGET'S SENIOR RESIDENCE URBAN RENEWAL, LLC**, having its principal office at c/o Jersey City Housing Authority, 400 US Highway No. 1 (Marion Gardens) Jersey City, New Jersey 07306. Recipient agrees as follows:

I. Definitions:

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

1. "City" means the Business Administrator of the City of Jersey City, or his designee, including any person or entity which enters into a contract with the City to implement, in whole or in part, this agreement.

2. "Construction Contract" means any agreement for the erection, repair, alteration or demolition of any building, structure, bridge, roadway, or other improvement on a Project Site.

3. "Contractor" means any party performing or offering to perform a prime contract on behalf of the Recipient.

4. "DEO" means the Division of Economic Opportunity under the Department of Administration, located at 1 Journal Square Plaza, 2nd Floor, Jersey City, NJ 07306, Telephone #(201) 547-5611. DEO is in charge of Project Employment & Contracting coordination and monitoring on projects receiving abatements.

5. "Economic Incentive" means a tax abatement or exemption for a property or project which requires approval of the Municipal Council and which reduces the annual amount of taxes otherwise due, by $25,000 or more in the aggregate;

6. "Employment" means any job or position during the construction and operational phase of the project. It includes positions created as a result of internal promotions, terminations, or expansions within the Recipient's work force which are to be filled by new employees. However, positions filled through promotion from within the Recipient's existing work force are not covered positions under this agreement.

7. "Local Business" means a bona fide business located in Jersey City.

8. Mayor Jerramiah T. Healy's Business Cooperative Program means the group within DEO under the Department of Administration responsible for collecting local and minority business contracts and capability information. This group operates the Supplier Alert service which is to be used by the Recipient to meet their good faith business contracting and construction subcontracting goals.

9. "Minority" means a person who is African, Hispanic, Asian, or American Indian defined as follows:

   a) "African-American" means a person having origins in any of the black racial groups of Africa.

   b) "Hispanic" means a person of Mexican, Puerto Rican, Cuban, Central or South American or other Latino culture or origin, regardless of race, excluding, however, persons of European origin.

   c) "Asian" means a person having origins in any of the original people of the Far East, Southeast Asia, and subcontinent India, Hawaii or the Pacific Islands.

   d) "American Indian" means a person having origins in any of the original people of North America who maintains cultural identification through tribal affiliation or community recognition.

10. "Minority or Woman Owned Local Business" means a bona fide business located in Jersey City which is fifty-one (51%) percent or more owned and controlled by either a Minority or woman.

11. "Non-Traditional Jobs" means jobs which are held by less than twenty (20%) percent women, as reported by the New Jersey Department of Labor, Division of Labor Market, and Demographic Research for Jersey City, which report shall be on file with the City Clerk.

12. "Permanent Jobs" mean newly created long term salaried positions, whether permanent, temporary, part time or seasonal.

13. "Project or Project Site" means the specific work location or locations specified in the contract.

14. The "Project Employment & Contracting Coordinator" is a member of the DEO staff under the Department of Administration who is in charge of coordinating Project Employment & Contracting projects. Contractors and developers engaged in projects covered by Project Employment & Contracting Agreements will direct inquiries to the Project Employment & Contracting Coordinator.

15. The "Project Employment & Contracting Monitor" or "Monitor" is a member of the DEO staff under the Department of Administration directly under the command of the Project Employment & Contracting Coordinator, who is in charge of monitoring the site, collecting the reports and documentation, and other day-to-day Project Employment & Contracting housekeeping as stipulated by this agreement.

16. The "Project Employment & Contracting Officer" or "Officer" is an employee of the Recipient who is designated by the Recipient to make sure the Recipient is in compliance with the Recipient's Project Employment & Contracting agreement.

17. "Recipient" means any individual, partnership, association, organization, corporation or other entity, whether public or private, or for profit or non-profit, or agent thereof, which receives an Economic Incentive and shall include any Contractor, Subcontractor or agent of the Recipient.

18. "The Registry" or "Jersey City Employment Registry" means a list maintained by the City or its designee of Jersey City residents seeking employment and Local Businesses, including Minority or Woman Owned Local Businesses, seeking contracts.

19. "Subcontract" means a binding legal relationship involving performance of a contract that is part of a prime contract.

20. "Subcontractor" means a third party that is engaged by the prime Contractor to perform under a subcontract all or part of the work included in an original contract.

21. "Substantial Completion" means the determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the date on which the Project receives, or is eligible to receive any Certificate of Occupancy for any portion of the Project.

II. Purpose:

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

III. Good Faith Goals:

In the event the Recipient is able to demonstrate that its work force already meets the goals set forth below or is able to meet such goals during the term of this agreement, the Recipient will not be required to comply with the interviewing or reporting obligations set forth in Section VI 1., A-L (Construction Jobs) and Section VI, 2., A-J (Permanent Jobs). All goals for Construction Jobs shall be calculated as a percentage of the total number of work hours in each trade from the beginning of the project to its completion.

1. **Employment:** The Recipient shall make a Good Faith effort to achieve the goal of a work force representing fifty-one (51%) percent City residents, fifty-one (51%) percent of whom are residents who are Minorities and, in Non-Traditional Jobs, six point nine (6.9%) percent of whom are residents who are women, it being understood that one employee may satisfy more than one category.

2. **Business Contracting:** The Recipient shall make a Good Faith effort to achieve the goal of awarding twenty (20%) percent of the dollar amount of its contracts to Local Businesses, fifty-one (51%) percent of which shall be Minority or Women Owned Local Businesses. If fifty-one (51%) percent of Minority or Women Owned Local Businesses cannot be obtained, that percentage of contracts must still be applied to local vendors.

IV. Recipient Designee:

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

The Recipient should send a letter of introduction regarding the "Project Employment & Contracting Compliance Officer" to the Project Employment & Contracting Coordinator prior to any preconstruction meetings. An example of this letter can be found in Appendix A. This principle officer should also be present for all preconstruction meetings.

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

V. Term:

This agreement shall be in effect for a period co-terminus with the effective period of the tax exemption [the Economic Incentive]. Thus, it will commence on the date the City Council adopted Ordinance _____ approving the tax exemption and terminate the earlier of 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. **Construction Jobs:** Good Faith shall mean compliance with all of the following conditions:

A. <u>Initial Manning Report</u>:

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 Jerramiah T. Healy'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 Jerramiah T. Healy's Business Cooperative Program at DEO under the Department of Administration. An example of this letter can be found in Appendix D2.

C. Contractor's/Subcontractor's Compliance Statement

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

D. Union Statement of Using Its Best Efforts

i) Prior to commencement of their work on the Project, the contractor/subcontractor must submit a statement expressing its adherence to the Project Employment & Contracting Agreement to each union with which he/she has a collective bargaining agreement covering workers to be employed on the project.

ii) The Compliance Statement shall include a union statement for the particular union to sign, which claims the union will use its best efforts to comply with the employment goals articulated in the Project Employment & Contracting agreement. This compliance statement is detailed in Appendix F. A copy of the signed compliance statement must be sent to the Project Employment & Contracting Monitor in DEO under the Department of Administration before work starts in order for a developer to be in compliance.

iii) The Recipient will require the Contractor or Subcontractor to promptly notify the City of any refusal or failure of a union to sign the statement. If a particular union refuses to sign a statement, the Recipient will document its efforts to obtain such statement and the reasons given by the union for not signing such statement, and submit such documentation to the Project Employment & Contracting Monitor in DEO under the Department of Administration.

E. Sub-Contractors

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

F. Union Apprentices

The contractor is responsible for assuring that resident and minority apprentices account for at least fifty (50%) percent of the total hours worked by union apprentices on the job in each trade listed in which apprentices are employed, according to the apprentice-to-journey-worker ratio contained in the collective bargaining agreement between the various unions, and shall hold each of his/her subcontractors to this requirement. The Recipient will require the contractor or subcontractor to promptly notify the City of any refusal of a union to utilize resident and minority apprentices.

G. Monthly Manning Report

i) The Recipient will cause the Contractor to complete and submit Monthly Project Manning Reports to the Project Employment & Contracting Monitor in DEO under the Department of Administration by the seventh day of the month following the month during which the work is performed, for the duration of the contract.

ii) The report will accurately reflect the total hours in each construction trade or craft and the number of hours worked by City residents, including a list of the number of minority resident and women resident workers in each trade or craft, and will list separately the work hours performed by such employees of the Contractor and each of its Subcontractors during the previous month. The Monthly Manning Report shall be in the form attached hereto as Appendix G.

iii) The Recipient is responsible for maintaining or causing the Contractor to maintain records supporting the reported work hours of its Contractors or Subcontractors.

H. Monthly Certified Payroll Report

i) The Recipient will cause the Contractor to furnish the Project Employment & Contracting Monitor with copies of its weekly Certified Payroll reports. The reports will specify the residence, gender and ethnic/racial origin of each worker, work hours and rate of pay and benefits provided. The Certified Payroll report shall be in the form attached hereto as Appendix H.

ii) Payroll reports must be submitted on a monthly basis with the Monthly Manning Report or the Recipient is no longer in compliance.

I. Equal Employment Opportunity Reports

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

J. Other Reports

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

K. Records Access

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

L. Work Site Access For Monitor

i) The City will physically monitor the work sites subject to this agreement to verify the accuracy of the monthly reports. Each work site will be physically monitored approximately once every two weeks, and more frequently if it is deemed reasonably necessary by the City. The City's findings shall be recorded in a "Site Visit Report." An example of a bi-weekly site visit report can be found in Appendix I.

ii) The Recipient shall require the Contractor and Sub-contractor to cooperate with the City's site monitoring activities and inform the City as to the dates they are working at the Project site. This includes specifically instructing the on-site construction manager about the monitoring process, and informing him/her that the monitor will contact him/her to set up an initial meeting. In the case of projects with multiple locations, the Recipient shall inform the City of the dates they are working at each site location(s) where they are working, in order to facilitate the monitoring.

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

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

i) whether subcontractors will be used in the hiring process.
ii) the specific types of jobs that need to be filled.
iii) the qualifications needed for these particular jobs.
iv) possible training programs offered by the permanent employer.

v) the Recipient's goals and how it plans to meet these goals.
vi) any other issues which need to be addressed by the Registry.

1. Subcontractor Notification -- If the Recipient decides to subcontract any portion or all of its permanent workforce, then the Recipient must receive a signed acknowledgment from the subcontracting party that it will abide by the Project Employment & Contracting Agreement before said subcontractor begins staffing permanent employees. The Recipient must forward a copy of the signed acknowledgment to the Project Employment & Contracting Monitor. An example of this signed acknowledgment can be found in Appendix E.

2. Subcontractor Pre-Hiring Job Awareness Meeting -- Each subcontractor hired to staff permanent job positions must appoint a Project Employment & Contracting Officer to meet with the head of the Registry to discuss the same issues presented above in VI 2.A(I-vi).

3. Subcontractors of Subcontractors--Subcontractors of subcontractors are subject to the same requirements for the initial subcontractors above in Section VI 2.A.

B. Documentation of Hiring Plan--Once the Pre-Hiring Job Awareness Meeting has taken place, the Recipient must put together a document with goals and totals for future permanent employment needs. This plan should summarize all that was discussed in the Pre-Hiring Awareness Meeting, list estimates for manpower needs, set residential and minority employment goals commensurate with the Project Employment & Contracting Agreement, and show how the Recipient plans to meet these goals. An example of this plan is found in Appendix J.

C. Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the Registry with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the Registry to refer qualified applicants to the Recipient.

D. Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the Project Employment & Contracting Coordinator in DEO under the Department of Administration with a copy of this advertisement.

E. Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it from the Registry, to be maintained by the City or its designee. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.

F. Semi-Annual Employment Reports: The Recipient will submit written semi-annual employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will describe the job, whether the job is held by a City resident, minority resident or woman resident. The report will explain in writing the reasons why any qualified applicant referred by the Registry (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired. An example of this report is found in Appendix K.

G. Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.

H. Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the semi-annual reports.

I. Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.

J. Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

3. Business Contracting

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

1) Solicitation of Businesses:

a) One month before accepting bids for goods and services, the Recipient must forward a letter with requests for quotation or bid to Mayor Jerramiah T. Healy's Business Cooperative Program for local and local minority vendors for any construction or building operating goods, services and subcontracting opportunities. An example of this letter can be found in Appendix D.

b) After submission of bids, the Recipient will document whether the bid was accepted or rejected, and state the reason why. An example of this documentation can be found in Appendix D2.

i) Semi-Annual Purchasing Reports: The Recipient will submit written semi-annual purchasing reports which will include a list of all contracts awarded over a six month period and the dollar amounts of these contracts. The reports will specify the number and dollar amount of contracts awarded to Local Businesses and Minority or Women Owned Local Businesses. An example of these reports can be found in Appendix L.

ii) No Utilization of Local and Local Minority Vendors As Conduits For Vendors That Are Not Local Or Minority Owned:

The Recipient pledges not to use local and local minority vendors solely as conduits for vendors that are not local and minority owned. Any discovery by DEO under the Department of Administration of a Recipient, either knowingly or unknowingly, using the masthead of a local or minority owned

business as a way to get credit for local or minority employment when it should not, will immediately subject the Recipient to the penalties listed in Section VIII (d) below.

4. Summation of Documentation Needed For Compliance with Agreement

1. Letter Designating Project Employment & Contracting Officer (Appendix A)
2. Letter designating Project employment & Contracting Officer to Recipient's Employees (App.) AZ
3. Example of Initial Manning Report (Appendix B)
4. Letter Of Acceptance of Initial Manning Report (Appendix C)
5. Letter From Developer Forwarding Requests for Quotation or Bid for Minority and Residential Vendors from Mayor Jerramiah T. Healy's Business Cooperative Program (Appendix D)
6. Documentation of Bid Submission (Appendix D2)
7. Letter Expressing Project Employment & Contracting Obligations to Contractors/ Subcontractors (Appendix E)
8. Union Statement of Best Efforts (Appendix F)
9. Example of Monthly Manning Report (Appendix G)
10. Example of Monthly Certified Payroll Report (Appendix H)
11. Example of Bi-Weekly Site Visit Report (Appendix I)
12. Example of Documentation of Hiring Plan (Appendix J)
13. Example of Semi-Annual Employment Report (Appendix K)
14. Example of Semi-Annual Purchasing Report (Appendix L)

VII. Notices of Violation:

1. Advisory Notice: The City will issue a written Advisory Notice to the Recipient if there is non-compliance with a Good Faith requirement as defined in this agreement. The Advisory Notice shall explain in sufficient detail the basis of the alleged violation. The Recipient shall have four (4) working days to correct the violation. An example of an Advisory Notice can be found in Appendix M.

2. Violation Notice: If the alleged violation set forth in the Advisory Notice has not been corrected to the satisfaction of the City within four (4) working days, the City shall then issue a Violation Notice to the Recipient. The Violation Notice shall explain in sufficient detail the basis of the alleged, continuing violation. The Recipient will have three (3) working days to correct the violation. An example of a Violation Notice can be found in Appendix N.

3. Correcting the Violation: Either or both the Advisory Notice or the Violation Notice may be considered corrected if the Recipient satisfies the requirements of this agreement and so advises the City in writing, subject to confirmation by the City.

4. Extension of Time to Correction: Either the Advisory Notice or the Violation Notice may be held in abeyance and the time for correction extended if the Recipient enters into satisfactory written agreement with the City for corrective action which is designed to achieve compliance. If Recipient fails to abide by the terms of such agreement the violation

will be considered not corrected.

5. Meetings Concerning Violations: The City may provide an opportunity for a meeting with the Recipient, his Contractors or Subcontractors in an effort to achieve compliance; or may respond to Recipient's request for a meeting after the Recipient has made timely submission of a written explanation pursuant to the above. The meeting shall be requested no later than two days after the alleged violator has submitted the written explanation.

6. Interviews Relating to Violations: The City may conduct interviews and may request additional information from appropriate parties as is considered necessary to determine whether the alleged violation has occurred.

7. Determination of Violation: The City shall issue a determination of whether the Recipient is in violation of this agreement as soon as possible but not later than thirty days after the delivery of the Violation Notice to the Recipient. If the City determines that the Recipient is in violation, the City shall be entitled to the liquidated damages provided below.

VIII. Liquidated Damages/Interest:

While reserving any other remedies the City may have at law or equity for a material breach of the above terms and conditions, the parties agree that damages for violations of this agreement by the Recipient cannot be calculated within any reasonable degree of mathematical certainty. Therefore, the parties agree that upon the occurrence of a material breach of any of the above terms and conditions and after notice and expiration of any period to correct the violation, the City will be entitled to liquidated damages from the Recipient in the following amounts:

a) failure to file Initial Manning Reports (Construction Jobs) or Pre-Hiring Notification (Permanent Jobs) or Pre-Contracting Notification (Business Contracting): an amount equal to a Five (5%) percent increase in the estimated annual payment in lieu of taxes;

b) failure to conduct Pre-hiring Interviews or submit Compliance Statement (Construction Jobs) or Solicit Bids (Business Contracting): an amount equal to Three (3%) percent increase in the estimated annual payment in lieu of taxes;

c) failure to allow record or work place access or submit any other required reports (all categories): an amount equal to Two (2%) percent increase in the estimated annual payment in lieu of taxes.

d) the use of the local or local minority business' masthead for labor or work supplied by a non local or local minority vendor: An amount equal to Five (5%) percent increase in the estimated annual payment in lieu of taxes. Interest shall be charged on any damages at the legal rate of interest as calculated by the Tax Collector.

e) the late payment of any liquidated sum shall accrue interest at the rate of 8%.

IX. Commercial Tenants at the Project Site:

1. The Recipient shall send all tenants of commercial space within the Project Site a letter and a Tenant Employment Services Guide in the form attached as Appendix O.

2. The Recipient shall solicit information from tenants of commercial space about the composition of the work force of each tenant. The information solicited will be submitted to the Project Employment & Contracting Monitor, which shall provide the Recipient with a questionnaire in the form attached as Appendix P.

3. The Recipient will send the results of its solicitation to the Project Employment & Contracting Monitor no later than October 31 of each year.

4. The Recipient shall send all tenants of commercial space within the Project Site a Supplier Alert Service Registration Package in the form attached as Appendix Q.

X. Notices

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

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

   _____

   _____

   _____

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

   Project Employment & Contracting Monitor
   Department of Administration
   Division of Economic Opportunity
   1 Journal Square Plaza
   2nd Floor
   Jersey City, New Jersey 07306

   with separate copies to the Mayor and the Business Administrator; unless prior to giving of such notice, the City or the Recipient shall have notified the other in writing.

XI. Adoption, Approval, Modification:

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

XII. Controlling Regulations and Laws:

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

ATTEST:

CITY OF JERSEY CITY

_____

Robert Byrne
City Clerk

_____

John Kelly
Business Administrator

ATTEST:

ST. BRIDGET'S SENIOR RESIDENCE URBAN RENEWAL, LLC

_____

Secretary

_____

President

City Clerk File No. Ord. 11-087

Agenda No. 3.K 1st Reading

Agenda No. 4.I. 2nd Reading & Final Passage

ORDINANCE OF JERSEY CITY, N.J.

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

CITY ORDINANCE 11-087

TITLE: **ORDINANCE 1) AUTHORIZING THE RESCISSION OF ORDINANCES 08-011 AND 07-149; 2) AUTHORIZING THE TERMINATION OF THE FINANCIAL AND PREPAYMENT AGREEMENTS BETWEEN THE CITY OF JERSEY CITY AND THE WARREN @ YORK URBAN RENEWAL, LLC, AND 106 YORK STREET URBAN RENEWAL COMPANY, LLC; AND 3) APPROVING A FIVE-YEAR TAX EXEMPTION WITH THE WARREN @ YORK URBAN RENEWAL, LLC, FOR BOTH PROPERTIES**

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

WHEREAS, on or about November 30, 2007, The Warren @ York Urban Renewal, LLC, applied for a Long Term Tax Exemption under N.J.S.A. 40A:20-1 et seq., for land and improvements located within an urban enterprise zone, known as Block 102, Lots T, V.1, V.2, 72 and 73 (now known as Lot 76), and more commonly known by the street address of 254-258 Warren Street and 120-124 York Street [Property]; and

WHEREAS, The Warren @ York Urban Renewal, LLC, was to have constructed a twelve (12) story building, containing approximately fifty (50) market rate residential condominium units with approximately 1,400 square feet of ground floor retail space and fifty (50) on site parking spaces [Project]; and

WHEREAS, by adoption of Ordinance 08-011 on February 13, 2008, the City of Jersey City [City] approved a 20 year long term tax exemption with a service charge equal to sixteen percent (16%) of the Annual Gross Revenue with a term of the earlier of twenty-five (25) years from adoption of the ordinance or twenty (20) years from substantial completion of the Project; and

WHEREAS, on March 4, 2008, the City executed a financial agreement with The Warren @ York Urban Renewal, LLC, for the Project [Financial Agreement-I] and a Prepayment Agreement for the Project [Prepayment Agreement-I]; and

WHEREAS, pursuant to the Prepayment Agreement, The Warren @ York Urban Renewal, LLC, was required to make a prepayment equal to the Annual Service Charge of $460,458 on or before June 1, 2008, which sum was to have been credited over the ensuing four (4) years [Prepayment]; and

WHEREAS, The Warren @ York Urban Renewal, LLC, paid the full amounts of the Prepayment and its Affordable Housing contribution; and

WHEREAS, on or about June 7, 2007, 106 York Street Urban Renewal Company, LLC, applied for a Long Term Tax Exemption under N.J.S.A. 40A:20-1 et seq., for land and improvements located within an urban enterprise zone, known as Block 102, Lot X, and more commonly known by the street address of 106-118 York Street [Property]; and

WHEREAS, 106 York Street Urban Renewal Company, LLC, was to have constructed a ten (10) story building, containing approximately sixty (60) market rate residential condominium units, one (1) commercial condominium consisting of approximately 1,700 square feet and sixty-two (62) parking spaces [Project]; and

WHEREAS, by adoption of Ordinance 07-149 on August 22, 2007, the City of Jersey City [City] approved a 20 year long term tax exemption with a service charge equal to sixteen percent (16%) of the Annual Gross Revenue with a term of the earlier of twenty-five (25) years from adoption of the ordinance or twenty (20) years from substantial completion of the Project; and

ORDINANCE 1) AUTHORIZING THE RESCISSION OF ORDINANCES 08-011 AND 07-149; 2) AUTHORIZING THE TERMINATION OF THE FINANCIAL AND PREPAYMENT AGREEMENTS BETWEEN THE CITY OF JERSEY CITY AND THE WARREN @ YORK URBAN RENEWAL, LLC, AND 106 YORK STREET URBAN RENEWAL COMPANY, LLC; AND 3) APPROVING A FIVE-YEAR TAX EXEMPTION WITH THE WARREN @ YORK URBAN RENEWAL, LLC, FOR BOTH PROPERTIES

WHEREAS, the September 12, 2007 Financial Agreement with 106 York Street Urban Renewal Company, LLC, for the Project [Financial Agreement-II] and a Prepayment Agreement for the Project [Prepayment Agreement-II] were never implemented and no payments were made; and

WHEREAS, both The Warren @ York Urban Renewal, LLC, and 106 York Street Urban Renewal Company, LLC, advised that despite making good faith efforts, due to the continued downturn in the current market conditions, they decided not to pursue the condominium model for the Projects and have opted instead to combine the Projects and build a single rental project; and

WHEREAS, on June 7, 2011, The Warren @ York Urban Renewal, LLC, and 106 York Street Urban Renewal Company, LLC, gave the City formal written notice under Section 16.3 of the Financial Agreements, that the Entities wished to terminate their tax exemption agreements upon approval of a requested five (5) year tax exemption and execution of a five (5) year tax exemption agreement; and

WHEREAS, accordingly, The Warren @ York Urban Renewal, LLC, and 106 York Street Urban Renewal Company, LLC, seek to terminate the tax exemptions approved by Ordinances 08-011 and 07-149 and be released from any liability thereunder upon approval of the requested five (5) year tax exemption and execution of a five (5) year tax exemption agreement; and

WHEREAS, the Projects will be combined into a single rental project [New Project] under one owner, the Warren @ York Urban Renewal, LLC, which Entity seeks a five (5) year tax exemption for the New Project in lieu of the long term tax exemption; and

WHEREAS, as a condition of such release and approval, The Warren @ York Urban Renewal, LLC, has also agreed to waive $250,000 of the $460,458 reimbursement otherwise due under its Prepayment Agreement with the City of Jersey City, and the $77,100 Affordable Housing payment it already made; and

WHEREAS, pursuant to N.J.S.A. 40A:21-1 et seq., the City of Jersey City adopted Ordinance 05-060 (Section 304-1 et seq. of the Municipal Code), and as amended by Ordinance 07-146, to allow Five (5) Year Tax Exemptions which allows the Tax Assessor to regard the full and true value or a portion thereof of certain improvements as not increasing the full and true value of certain property for a period of five (5) years, provided the owner's application is approved by the Tax Assessor and by Ordinance of the Municipal Council; and

WHEREAS, pursuant to N.J.S.A. 40A:21-9 and Section 304-12 of the Municipal Code, a tax exemption for a newly constructed building [commercial, industrial, or multiple dwelling], is permitted for a period of five (5) years; and

WHEREAS, the New Project shall consist of the construction of an eleven story building, containing 139 residential rental units, approximately 6,080 square feet of retail rental space, and 104 parking spaces located in Block 102, Lots 76 and X, on the City's Tax Map and more commonly known by the street addresses of 254-258 Warren Street and 120-124 York Street, and 106-118 York Street, Jersey City, N.J.; and

WHEREAS, the Tax Assessor will certify that Warren @ York Urban Renewal, LLC, has substantially completed the improvements upon receipt of a Certificate of Occupancy; and

WHEREAS, as determined by the assessor on October 1st of the year following completion, the owner proposes to pay the City (in addition to the full taxes on the land, which shall continue to be conventionally assessed and taxed) a tax payment for the new improvements on the property, estimated as follows:

(a) 2013: the tax year in which the structure is estimated to be completed. $0 taxes;

(b) 2014: the second tax year, 39% of actual full taxes, estimated to be $262,205;

(c) 2015: the third tax year, 59% of actual full taxes, estimated to be $396,669;

(d) 2016: the fourth tax year, 79% of actual full taxes, estimated to be $531,134; and

(e) 2017: the fifth tax year, 80% of actual full taxes, estimated to be $537,857;

ORDINANCE 1) AUTHORIZING THE RESCISSION OF ORDINANCES 08-011 AND 07-149; 2) AUTHORIZING THE TERMINATION OF THE FINANCIAL AND PREPAYMENT AGREEMENTS BETWEEN THE CITY OF JERSEY CITY AND THE WARREN @ YORK URBAN RENEWAL, LLC, AND 106 YORK STREET URBAN RENEWAL COMPANY, LLC; AND 3) APPROVING A FIVE-YEAR TAX EXEMPTION WITH THE WARREN @ YORK URBAN RENEWAL, LLC, FOR BOTH PROPERTIES

WHEREAS, the Tax Assessor has determined that the full and true value of the new improvements will generate an additional tax payment of $672,321 a year upon completion; and

WHEREAS, the applicant has agreed that in the event the City-wide revaluation results in a decrease in the amount of actual taxes otherwise due 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 New 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 will generate a total tax payment of $672,321; and

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

1. The application of The Warren @ York Urban Renewal, LLC, attached hereto, for a five (5) year tax exemption for the full and true value of the New Project, consisting of an eleven-story building containing 139 residential rental units, approximately 6,080 square feet of retail rental space, and 104 parking spaces, located in Block 102, Lots 76 and X, on the City's Tax Map and more commonly known by the street addresses of 254-258 Warren Street and 120-124 York Street, and 106-118 York Street, Jersey City, N.J., is hereby approved, provided that The Warren @ York Urban Renewal, LLC, and 106 York Street Urban Renewal Company, LLC, waive in writing any entitlement to reimbursement of the sum of $250,000 of the $460,458 Prepayment already paid pursuant to Ordinances 08-011 and 07-149; and

2. The Financial Agreements and Prepayment Agreements with The Warren @ York Urban Renewal, LLC, and 106 York Street Urban Renewal Company, LLC, for the Property shall be terminated by the within approval of the five (5) year tax exemption and the execution of a five (5) year tax exemption agreement.

3. The Mayor or Business Administrator is authorized to execute a Termination of the Financial Agreement and Amended Prepayment Agreement, substantially in the forms attached hereto or any documents appropriate or necessary to effectuate the purposes of the within Ordinance. The Warren @ York Urban Renewal, LLC shall waive any right to reimbursement of the Affordable Housing Trust Fund payment of approximately $77,100 and $250,000 of the Prepayment. The balance of the Prepayment or $210,458 will be credited in the form of a credit against the municipal portion of conventional taxes due on the improvements only, commencing on the 1st day of the month following expiration of the five (5) year tax abatement to be approved by the within ordinance.

4. The Mayor or Business Administrator is hereby authorized to execute a five (5) year 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 is to be completed. $0 taxes;

(ii) Year 2: the second tax year, 39% of actual full taxes, estimated to be $262,205;

(iii) Year 3: the third tax year, 59% of actual full taxes, estimated to be $396,669;

(iv) Year 4: the fourth tax year, 79% of actual full taxes, estimated to be $531,134;

(v) Year 5: the fifth tax year, 80% of actual full taxes, estimated to be $537,857; and

(vi) the Tax Assessor has determined that the full and true value of the new improvements will generate an additional tax payment of $672,321 a year upon completion.

ORDINANCE 1) AUTHORIZING THE RESCISSION OF ORDINANCES 08-011 AND 07-149; 2) AUTHORIZING THE TERMINATION OF THE FINANCIAL AND PREPAYMENT AGREEMENTS BETWEEN THE CITY OF JERSEY CITY AND THE WARREN @ YORK URBAN RENEWAL, LLC, AND 106 YORK STREET URBAN RENEWAL COMPANY, LLC; AND 3) APPROVING A FIVE-YEAR TAX EXEMPTION WITH THE WARREN @ YORK URBAN RENEWAL, LLC, FOR BOTH PROPERTIES

The applicant has agreed that in the event the City-wide revaluation results in a decrease in the amount of actual taxes otherwise due 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

(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 the then tax year but not previous years, shall become due and payable from the owner 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.

(d) With respect to the disposal of the property, where it is determined that a 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, and receiving the full benefits of, any other tax preferences provided by law.

5. The Tax Assessor shall send a copy of the fully executed Five-Year Tax 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).

6. All Ordinances and parts of Ordinances inconsistent herewith, specifically Ordinances 07-149 and 08-011, are hereby repealed.

7. 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.

8. This Ordinance shall take effect at the time and in the manner provided by the law.

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

JM/he
7/14/11

Ed Toloza, Tax Assessor

APPROVED AS TO LEGAL FORM

Corporation Counsel

APPROVED:

APPROVED:

Business Administrator

Certification Required ☐

Not Required ☐

Ordinance of the City of Jersey City, N.J.

ORDINANCE NO. Ord. 11-087

TITLE: 3.K. JUL 20 2011 4.I. AUG 10 2011

Ordinance 1) Authorizing the rescission of Ordinance 08-011 and 07-149; 2) Authorizing the termination of the financial and prepayment agreements between the City of Jersey City and the Warren @ York Urban Renewal, LLC and 106 York Street Urban Renewal Company, LLC; and 3) Approving a five year tax exemption with the Warren @ York Urban Renewal, LLC for both properties.

RECORD OF COUNCIL VOTE ON INTRODUCTION JUL 20 2011 6-1

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	ABSENT			BRENNAN	✓		
DONNELLY	✓			FULOP		✓		AHMAD	✓		
LOPEZ	✓			RICHARDSON	ABSENT			VELAZQUEZ	✓		

✓ Indicates Vote N.V.-Not Voting (Abstain)

RECORD OF COUNCIL VOTE TO CLOSE PUBLIC HEARING AUG 10 2011 8-0

Councilperson SOTTOLANO moved, seconded by Councilperson AHMAD to close P.H.

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	ABSENT			BRENNAN	✓		
DONNELLY	✓			FULOP	✓			AHMAD	✓		
LOPEZ	✓			RICHARDSON	✓			VELAZQUEZ	✓		

✓ Indicates Vote N.V.-Not Voting (Abstain)

RECORD OF COUNCIL VOTE ON AMENDMENTS, IF ANY

Councilperson _____ moved to amend* Ordinance, seconded by Councilperson _____ & adopted _____

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO				GAUGHAN				BRENNAN			
DONNELLY				FULOP				AHMAD			
LOPEZ				RICHARDSON				VELAZQUEZ			

✓ Indicates Vote N.V.-Not Voting (Abstain)

RECORD OF FINAL COUNCIL VOTE AUG 10 2011 7-1

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	ABSENT			BRENNAN	✓		
DONNELLY	✓			FULOP		✓		AHMAD	✓		
LOPEZ	✓			RICHARDSON	✓			VELAZQUEZ	✓		

✓ Indicates Vote N.V.-Not Voting (Abstain)

Adopted on first reading of the Council of Jersey City, N.J. on JUL 20 2011

Adopted on second and final reading after hearing on AUG 10 2011

This is to certify that the foregoing Ordinance was adopted by the Municipal Council at its meeting on AUG 10 2011

Robert Byrne, City Clerk

APPROVED:

Peter M. Brennan, Council President

Date: AUG 10 2011

APPROVED:

Jerramiah T. Healy, Mayor

Date AUG 11 2011

Date to Mayor AUG 11 2011

*Amendment(s):

3.K
11-087

AGREEMENT TO TERMINATE FINANCIAL AGREEMENTS AND AMEND THE PREPAYMENT AGREEMENT

This Agreement is made as of the ____ day of _____ 2011 by and between **THE WARREN @ YORK URBAN RENEWAL, LLC,** having its principal office at 16 Microlab Road, Suite A, Livingston, New Jersey, [Entity-I], **106 YORK STREET URBAN RENEWAL COMPANY, LLC,** having its principal office at c/o G.A.P. Properties, LLC, 204 Grand Street, Suite 3B, Hoboken, New Jersey [Entity-II], 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].

WHEREAS, on or about November 30, 2007, The Warren @ York Urban Renewal, LLC, applied for a Long Term Tax Exemption under N.J.S.A. 40A:20-1 et seq., for land and improvements located within an urban enterprise zone, known as Block 102, Lots T, V.1, V.2, 72 and 73 (now known as Lot 76), and more commonly known by the street address of 254-258 Warren Street and 120-124 York Street [Property]; and

WHEREAS, by adoption of Ordinance 08-011 on February 13, 2008, the City of Jersey City [City] approved a 20 year long term tax exemption with a service charge equal to sixteen percent (16%) of the Annual Gross Revenue with a term of the earlier of twenty-five (25) years from adoption of the ordinance or twenty (20) years from substantial completion of the Project; and

WHEREAS, on March 4, 2008, the City executed a financial agreement with The Warren @ York Urban Renewal, LLC, for the Project [Financial Agreement-I] and a Prepayment Agreement for the Project [Prepayment Agreement-I]; and

WHEREAS, pursuant to the Prepayment Agreement I, The Warren @ York Urban Renewal, LLC, was required to make a prepayment equal to the Annual Service Charge of $460,458 on or before June 1, 2008, which sum was to have been credited over the ensuing four (4) years [Prepayment]; and

WHEREAS, The Warren @ York Urban Renewal, LLC, paid the full amounts of the Prepayment and its Affordable Housing contribution; and

WHEREAS, on or about June 7, 2007, 106 York Street Urban Renewal Company, LLC, applied for a Long Term Tax Exemption under N.J.S.A. 40A:20-1 et seq., for land and improvements located within an urban enterprise zone, known as Block 102, Lot X, and more commonly known by the street address of 106-118 York Street [Property]; and

WHEREAS, by adoption of Ordinance 07-149 on August 22, 2007, the City of Jersey City [City] approved a 20 year long term tax exemption with a service charge equal to sixteen percent (16%) of the Annual Gross Revenue with a term of the earlier of twenty-five (25) years from adoption of the ordinance or twenty (20) years from substantial completion of the Project; and

WHEREAS, the September 12, 2007 Financial Agreement with 106 York Street Urban Renewal Company, LLC, for the Project [Financial Agreement-II] and a Prepayment Agreement for the Project [Prepayment Agreement-II] were never implemented and no payments were made; and

WHEREAS, both The Warren @ York Urban Renewal, LLC, and 106 York Street Urban Renewal Company, LLC, advised that despite making good faith efforts, due to the continued downturn in the current market conditions, they decided not to pursue the condominium model for the Projects and have opted instead to combine the Projects and build a single rental project; and

WHEREAS, on June 7, 2011, The Warren @ York Urban Renewal, LLC, and 106 York Street Urban Renewal Company, LLC, gave the City formal written notice under Section 16.3 of the Financial Agreements, that the Entities wished to terminate their tax exemption agreements upon approval of a requested five (5) year tax exemption and execution of a five (5) year tax exemption agreement; and

WHEREAS, accordingly, The Warren @ York Urban Renewal, LLC, and 106 York Street Urban Renewal Company, LLC, seek to terminate the tax exemptions approved by

Ordinances 08-011 and 07-149 and be released from any liability thereunder upon approval of the requested five (5) year tax exemption and execution of a five (5) year tax exemption agreement; and

WHEREAS, the Properties will be combined into a single rental project [New Project] under one owner, the Warren @ York Urban Renewal, LLC, which Entity seeks a five (5) year tax exemption for the New Project in lieu of the long term tax exemption; and

WHEREAS, as a condition of such release and approval, The Warren @ York Urban Renewal, LLC, has also agreed to waive $250,000 of the $460,458 reimbursement otherwise due under Prepayment Agreement I with the City of Jersey City, and the $77,100 Affordable Housing payment it already made under Financial Agreement I; and

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

1. The long term tax exemption for The Warren @ York Urban Renewal, LLC, for Block 102, Lot 76, approved by Ordinance 08-011 is hereby rescinded.

2. The Financial Agreement I with The Warren @ York Urban Renewal, LLC for the property, is hereby terminated.

3. The Warren @ York Urban Renewal, LLC, hereby waives and forfeits any right to reimbursement of the Affordable Housing Trust Fund payment previously made pursuant to the Financial Agreement in the approximate sum of $77,100.

4. The Prepayment Agreement with The Warren @ York Urban Renewal, LLC, is hereby amended to provide that any entitlement to reimbursement of $250,000 of the $460,458 previously paid, will be waived and forfeited. The Warren @ York Urban Renewal, LLC, will receive a credit of only $210,458 and only against the municipal portion of conventional taxes due on the improvements for Block 102, Lot 76 and Lot X, and only, commencing on the 1st day of the year following expiration of the five (5) year tax exemption approved by Ordinance 11-_____.

5. The long term tax exemption for 106 York Street Urban Renewal Company, LLC for Block 102, Lot X is hereby rescinded.

6. The long term tax exemption Financial Agreement and Prepayment Agreement with 106 York Street Urban Renewal Company, LLC, for Block 102, Lot X, are hereby terminated.

7. The Warren @ York and 106 York Street Urban Renewal Company, LLC and any of its successors or assigns, hereby release the City from any liability whatsoever arising directly or indirectly out of the Financial Agreements or Prepayment Agreements.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

ATTEST:

106 YORK STREET URBAN RENEWAL COMPANY, LLC

_____ _____

ATTEST:

THE WARREN @ YORK URBAN RENEWAL, LLC,

_____ _____

ATTEST:

CITY OF JERSEY CITY

_____ _____

ROBERT BYRNE,
CITY CLERK

JOHN KELLY
BUSINESS ADMINISTRATOR

7-15-11

TAX AGREEMENT
FIVE YEAR/NEW CONSTRUCTION

THIS AGREEMENT made on this ____day of _____,2011, 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, and, **THE WARREN @ YORK URBAN RENEWAL, LLC,** [Applicant], whose principal place of business is 16 Microlab Road, Suite A, Livingston, New Jersey 07039.

WITNESSETH:

WHEREAS, pursuant to N.J.S.A. 40A:21-1 et seq., the City of Jersey City adopted Ordinance 05-060 (Section 304-1 et seq. of the Municipal Code), and as amended by Ordinance 07-146, to allow Five (5) Year Tax Exemptions which allows the Tax Assessor to regard the full and true value or a portion thereof of certain improvements as not increasing the full and true value of certain property for a period of five (5) years, provided the owner's application is approved by the Tax Assessor and by Ordinance of the Municipal Council; and

WHEREAS, pursuant to N.J.S.A. 40A:21-9 and Section 304-12 of the Municipal Code, a tax exemption for a newly constructed building [commercial, industrial, or multiple dwelling], is permitted for a period of five (5) years; and

WHEREAS, The Warren @ York Urban Renewal, LLC, which Entity seeks a five (5) year tax exemption for a new Project in lieu of the long term tax exemptions previously approved by Ordinances 07-149 and 08-011; and

WHEREAS, the New Project shall consist of the construction of an eleven story building, containing 139 residential rental units, approximately 6,080 square feet of retail rental space, and 104 parking spaces located in Block 102, Lots 76 and X, on the City's Tax Map and more commonly known by the street addresses of 254-258 Warren Street and 120-124 York Street, and 106-118 York Street, Jersey City, N.J.; and

WHEREAS, the Tax Assessor will certify that The Warren @ York Urban Renewal, LLC, has substantially completed the improvements upon receipt of a Certificate of Occupancy; and

WHEREAS, as determined by the assessor on October 1st of the year following completion, the owner proposes to pay the City (in addition to the full taxes on the land, which shall continue to be conventionally assessed and taxed) a tax payment for the new improvements on the property, estimated as follows:

(a) 2013: the tax year in which the structure is estimated to be completed. $0

taxes;

(b) 2014: the second tax year, 39% of actual full taxes, estimated to be $262,205;

(c) 2015: the third tax year, 59% of actual full taxes, estimated to be $396,669;

(d) 2016: the fourth tax year, 79% of actual full taxes, estimated to be $531,134; and

(e) 2017: the fifth tax year, 80% of actual full taxes, estimated to be $537,857;

WHEREAS, the Tax Assessor has determined that the full and true value of the new improvements will generate an additional tax payment of $672,321 a year upon completion; and

WHEREAS, the applicant has agreed that in the event the City-wide revaluation results in a decrease in the amount of actual taxes otherwise due 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 after the revaluation, otherwise due; and

WHEREAS, the application for tax exemption was complete and timely filed; the application was approved by the Tax Assessor and the New Project is eligible for tax exemption pursuant to N.J.S.A. 40A:21-9 and Section 304-12 of the Municipal Code; and

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

ARTICLE I: APPROVAL OF TAX EXEMPTION

The City hereby agrees to a tax exemption for the construction of a new Multiple Dwelling [Improvements] on the Property, as further described in the Application, attached hereto as Exhibit B, pursuant to the provisions of N.J.S.A. 40A:21-1 et seq. and Ordinance 11-___ which authorized the execution of this Tax Agreement [Law], subject to the terms and conditions hereof.

ARTICLE II: IN LIEU OF TAX PAYMENTS

The Applicant agrees to make 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 year of 2013, $0 taxes;

2. For the full calendar year of 2014, thirty-nine (39%) percent of the actual taxes otherwise due, currently estimated to be the sum of $262,205;

3. For the full calendar year of 2015, fifty-nine (59%) percent of the actual taxes otherwise due, currently estimated to be the sum of $396,669;

4. For the full calendar year of 2016, seventy-nine (79%) percent of the actual taxes otherwise due, currently estimated to be the sum of $531,134; and

5. For the full calendar year of 2017 eighty (80%) percent of the actual taxes otherwise due, currently estimated to be the sum of $537,857.

ARTICLE III: CITY WIDE REVALUATION

In the event that the revaluation reduces the amount otherwise due, the owner shall pay the above estimated amount; if the revalue increases the amount otherwise, the owner shall pay based upon the revaluation.

ARTICLE IV: APPLICATION FEE

The Applicant has paid the sum of $_____ to the City before the execution of this Agreement. Failure to make such payment shall cause the tax exemption to terminate.

ARTICLES V: 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 VI: TERM OF EXEMPTION

The Tax Exemption granted shall be valid and effective for a period of five (5) full calendar years from the date of Substantial Completion of the Project, which shall ordinarily mean the date on which the City issues, or the Project is eligible to receive, a Certificate of Occupancy, whether temporary or final, for part or the whole of the Project. During the term of the tax exemption, the Applicant shall make an in lieu of tax payment to the City in accordance with the schedule set forth above. Prior to the commencement of the tax exemption, and upon expiration thereof, the Applicant shall pay full conventional taxes on the Improvements.

ARTICLE VII: 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 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

In the event that 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, as set forth under N.J.S.A. 40A:21-1, et seq., for tax exemption under this Agreement or pursuant to Law, then the tax which would have otherwise been payable for that year, but not previous years, shall become due and payable from the Applicant as if no exemption had been granted. However, with respect to the disposal of the property, in the event it is determined that the new owner will continue to use the property pursuant to the Conditions for Qualifying the property for exemption, the tax exemption shall continue and this Agreement shall remain in full force and effect.

An amendment to the Entity's Certificate of Formation to discontinue and terminate its status as an Urban Renewal Company pursuant to N.J.S.A. 40A:20-1 et seq., shall not be considered a disposal of the Property. The City hereby agreeing that the Entity shall have the right to take any and all action to discontinue its treatment as an Urban Renewal Company and such actions shall not effect the terms, conditions, rights and obligations under this Agreement.

ARTICLE IX: 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.

ARTICLE X: PROJECT EMPLOYMENT 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 Agreement which is attached hereto as Exhibit C.

ARTICLE XI: 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:	The Warren @ York Urban Renewal, LLC 16 Microlab Road – Suite A Livingston, New Jersey 07039

ARTICLE XII: 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 an 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:

_____

THE WARREN @ YORK URBAN RENEWAL, LLC

BY:_____

ATTEST:

_____
Robert Byrne
City Clerk

CITY OF JERSEY CITY

BY:_____
John Kelly
Business Administrator

City Clerk File No. Ord. 11-088

Agenda No. 3.L 1st Reading

Agenda No. 4.J 2nd Reading & Final Passage

ORDINANCE OF JERSEY CITY, N.J.

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

CITY ORDINANCE 11-088

TITLE: **ORDINANCE AMENDING CHAPTER 263 (RETAIL AND COMMERCIAL PREMISES) ARTICLE II (HOURS OF RETAIL BUSINESSES) OF THE JERSEY CITY MUNICIPAL CODE TO ADD CENTRAL AVENUE AND BOWERS STREET**

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

A. The following amendments to Chapter 263 (Retail and Commercial Premises) Article II (Hours of Retail Businesses) are hereby adopted:

RETAIL AND COMMERCIAL PREMISES

ARTICLE II
Hours of Retail Businesses

§ 263-2. No Change.

§ 263-3. No Change.

§ 263-4. Businesses to be closed during certain hours; exceptions.

A. Subject to Subsection B, no restaurant or retail sales establishment shall conduct any business between the hours of 11:00 p.m. and 5:00 a.m. of the next day in any of the following districts of Jersey City:

Name of Street	From	To
Communipaw Avenue	Martin Luther King Drive	Grand Street
Communipaw Avenue	Monticello Avenue	Westside Avenue
Communipaw Avenue	Pine Street	Manning Avenue
Franklin Street	Central Avenue	Palisade Avenue
Kennedy Boulevard	North Street	Secaucus Road
Martin Luther King Drive	McAdoo Avenue	Communipaw Avenue
Monticello Avenue	Communipaw Avenue	Orchard Street
Ocean Avenue	Bayonne Line	Bramhall Avenue
Pacific Avenue	Communipaw Avenue	Grand Street
Palisade Avenue	Beacon Avenue	North Street
Sip Avenue	Summit Avenue	Bergen Avenue
Summit Avenue	North Street	Secaucus Road
Paterson Plank Road and Secaucus Road	Central Avenue	Summit Avenue

ORDINANCE AMENDING CHAPTER 263 (RETAIL AND COMMERCIAL PREMISES) ARTICLE II (HOURS OF RETAIL BUSINESSES) OF THE JERSEY CITY MUNICIPAL CODE TO ADD CENTRAL AVENUE AND BOWERS STREET

B. The restriction upon business hours imposed by Subsection A shall not apply to pharmacies or other holders of plenary retail distribution licenses under the Alcoholic Beverage Law, N.J.S.A. 33:1-1 et seq.; except that the holders of such licenses may not conduct any business between the hours of 11:00 p.m. and 5:00 a.m. other than that permitted by N.J.S.A. 33:1-40.3 and Chapter 84, Alcoholic Beverages.

C. Subject to Subsection B, no restaurant or retail sales establishment shall conduct any business between the hours of 12:00 a.m. and 5:00 a.m. of the next day in any of the following districts of Jersey City:

Name of Street	From	To
Central Avenue	Manhattan Avenue	North Street
Bowers Street	Cambridge Avenue	Central Avenue

§ 263-5. No Change.

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

AV/igp
7/13/11

APPROVED AS TO LEGAL FORM

Corporation Counsel

APPROVED: _____

APPROVED: _____
Business Administrator

Certification Required ☐
Not Required ☐

Ordinance of the City of Jersey City, N.J.

ORDINANCE NO. Ord. 11-088

TITLE: 3.L. JUL 20 2011 4.J. AUG 10 2011

Ordinance amending Chapter 263 (Retail and Commercial Premises) Article II (Hours of Retail Businesses) of the Jersey City Municipal Code to add Central Avenue and Bowers Street.(This ordinance creates a business curfew on Central Avenue & Bowers Street

RECORD OF COUNCIL VOTE ON INTRODUCTION JUL 20 2011 7-0

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	ABSENT			BRENNAN	✓		
DONNELLY	✓			FULOP	✓			AHMAD	✓		
LOPEZ	✓			RICHARDSON	ABSENT			VELAZQUEZ	✓		

✓ Indicates Vote N.V.-Not Voting (Abstain)

RECORD OF COUNCIL VOTE TO CLOSE PUBLIC HEARING AUG 10 2011 8-0

Councilperson SOTTOLANO moved, seconded by Councilperson BRENNAN to close P.H.

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	ABSENT			BRENNAN	✓		
DONNELLY	✓			FULOP	✓			AHMAD	✓		
LOPEZ	✓			RICHARDSON	✓			VELAZQUEZ	✓		

✓ Indicates Vote N.V.-Not Voting (Abstain)

RECORD OF COUNCIL VOTE ON AMENDMENTS, IF ANY

Councilperson_____ moved to amend* Ordinance, seconded by Councilperson_____ & adopted_____

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO				GAUGHAN				BRENNAN			
DONNELLY				FULOP				AHMAD			
LOPEZ				RICHARDSON				VELAZQUEZ			

✓ Indicates Vote N.V.-Not Voting (Abstain)

RECORD OF FINAL COUNCIL VOTE AUG 10 2011 8-0

COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	ABSENT			BRENNAN	✓		
DONNELLY	✓			FULOP	✓			AHMAD	✓		
LOPEZ	✓			RICHARDSON	✓			VELAZQUEZ	✓		

✓ Indicates Vote N.V.-Not Voting (Abstain)

Adopted on first reading of the Council of Jersey City, N.J. on JUL 20 2011

Adopted on second and final reading after hearing on AUG 10 2011

This is to certify that the foregoing Ordinance was adopted by the Municipal Council at its meeting on AUG 10 2011

Robert Byrne, City Clerk

APPROVED:

Peter M. Brennan, Council President

Date: AUG 10 2011

APPROVED:

Jerramiah T. Healy, Mayor

Date AUG 11 2011

Date to Mayor AUG 11 2011

*Amendment(s):