

City Clerk File No. Ord. 16.176

Agenda No. 3.D 1st Reading

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



# ORDINANCE OF JERSEY CITY, N.J.

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

CITY ORDINANCE 16,176

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

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

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

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

**§69-68. Purpose.**

The purposes of this Article are to:

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

**§69-69. Definitions.**

- A. Special Improvement District (also referred to as "District") means that area of Exchange Place described by Block and Lot numbers and street addresses as set forth in Schedule A and designated by this Ordinance, in which a special assessment on property shall be imposed for the purposes of promoting the economic and general welfare of the District and the City.
- B. "District Management Corporation" means the Exchange Place Alliance, (also referred to as "Management Corporation") an entity incorporated pursuant to Title 15A of the New Jersey Statutes and designated by this Ordinance to receive funds collected by a special assessment within the Special Improvement District, as authorized by this Ordinance and any amendments thereto.

**§69-70. Findings.**

The Council finds and declares that:

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

**§69-71. Creation of District.**

- A. There is hereby created and designated within the City of Jersey City a Special Improvement District to be known as the Exchange Place Special Improvement District consisting of those properties designated by tax Block and Lot and street addresses on Schedule A attached hereto and on file in the Office of the City Clerk. The Special Improvement District shall be subject to special assessments on all affected property within the District which assessment shall be imposed by the City for the purposes of promoting the economic and general welfare of the District and the City.
- B. All commercial properties within the Special Improvement District, including all private properties; and tax exempt land which contain improvements subject to property tax, are deemed included in the assessing and taxing provisions of this Article and are expressly subject to any fee, tax or assessment made for Special Improvement District purposes.
- C. Only those properties within the Special Improvement District that are fully tax-exempt are deemed excluded from the assessing provisions of this Article and are expressly exempt from any fee, tax or assessment made for Special Improvement District purposes.

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

Any owner of property included within the Special Improvement District and subject to the assessing and taxing provisions of this Article may appeal to the Tax Assessor of the City of Jersey City requesting to be excluded from the District and from any assessment and taxing provisions of this Article. This appeal is only as to whether or not a property should be included within the District under the standards set forth in §69.70 of this Article. It is not an appeal with regard to any taxes. Appeals with regard to taxes should be taken in the usual manner to the Hudson County Board of Taxation or to the Tax Court. This appeal seeking exclusion from the District and any assessment and taxing provisions

of this Article shall be in writing and specifically detail the factual basis for the appeal. The Assessor shall investigate the matter and conduct an informal hearing or conference within thirty (30) days of receipt of the appeal. Within ten (10) days after the conclusion of the informal hearing or conference, the Assessor shall file a report and recommendation with the Municipal Council. The Municipal Council shall review the matter and act within thirty (30) days upon receipt of the report and recommendation from the Assessor.

**§69-72. Assessments.**

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

**§69-73. Designation of District Management Corporation.**

The nonprofit corporation, Exchange Place Alliance, is hereby designated as the District Management Corporation for the District. This corporation shall conduct its business in accordance with the Open Public Meetings Law. It shall file copies of its minutes of its meetings with the City Clerk, so as to be available for public inspection. This Management Corporation, in addition to acting as an Advisory Board to the Mayor and Council, shall have all powers necessary and requisite to effectuate the purposes of this Article and the District. In order to receive any funds or exercise any of the powers granted herein, the Board of Trustees of the Exchange Place Alliance must include as members, the Mayor or his designee and a Member of the City Council as appointed by the Council. The Mayoral and Council members shall serve at the pleasure of, respectively, the Mayor and the Council.

**§69-74. Powers of District Management Corporation.**

The Exchange Place Alliance may:

- A. Adopt by-laws for the regulation of its affairs and the conduct of its business and to prescribe rules, regulations and policies in connection with the performance of its functions and duties.
- B. Employ such persons as may be required and fix and pay their compensation from funds available to the Corporation.
- C. Apply for, accept, administer and comply with the requirements respecting an appropriation of funds or a gift, grant or donation of property or money.

- D. Make and execute agreements which may be necessary or convenient to the exercise of the powers and functions of the Corporation, including contracts with a person, firm, corporation, governmental agency or other entity.
- E. Administer and manage its own funds and accounts and pay its own obligations.
- F. Borrow money from private lenders for periods not to exceed one hundred eighty (180) days and from governmental entities for that or longer periods.
- G. Fund the improvement for the exterior appearance of properties in the District through grants or loans.
- H. Fund the rehabilitation of properties in the District.
- I. Accept, lease or manage property in the District.
- J. Enforce the conditions of any loan, grant, sale or lease made by the Corporation.
- K. Provide security, sanitation and other services to the District, supplemental to those provided normally by the municipality.
- L. Undertake improvements designated to increase the safety or attractiveness of the district to businesses which may wish to locate there or to visitors to the District including, but not limited to, litter cleanup and control, landscaping, parking areas and facilities, recreational and rest areas and facilities, pursuant to pertinent regulations of the City of Jersey City.
- M. Publicize the District and the businesses included within the District boundaries.
- N. Recruit new businesses to fill vacancies in and to balance the business mix of the District.
- O. Organize special business related events in the District.
- P. Provide special parking arrangements for the District for customers of businesses within the District.
- Q. Provide temporary decorative lighting in the District to attract customers to businesses in the District.
- R. Advise the Municipal Council in connection with the acquisition and construction of improvements in the Special Improvement District, the making of a plan therefore and the operation and maintenance thereof, and to meet and furnish recommendations or comments and requests of members of the public and of owners and occupants of property included within the Special Improvement District.

**§69-75. By-laws.**

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

**§69-76. Municipal Powers Retained.**

- A. Notwithstanding the creation of a Special Improvement District, the City of Jersey City expressly retains all its powers and authority over the area designated as within the Special Improvement District.

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

**§69-77. Annual Budget.**

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

The procedure shall be as follows:

- 1. Introduction and approval;
  - 2. Public advertising;
  - 3. Public hearing;
  - 4. Amendments and public hearings, if required; and
  - 5. Adoption.
- E. The budget shall be introduced, in writing, at a meeting of the Municipal Council. Approval thereof shall constitute a first reading, which may be by title. Upon the approval of the budget by the Municipal Council, it shall fix the time and place for the holding of a hearing upon the budget.
- F. The budget shall be advertised after approval. The advertisement shall contain a copy of the budget and shall set forth the date, the time and place of the hearing. It shall be published at least ten (10) days prior to the date fixed therefore in the official newspaper of the City.
- G. No budget shall be adopted until a public hearing has been held thereon and all persons having an interest therein shall have been given an opportunity to present objections. The hearing shall be held not less than twenty-eight (28) days after the approval of the budget.

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

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

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

- B. The District Management Corporation shall cause an annual audit of its books, accounts and financial transactions to be made and filed with the Mayor and Municipal Council and for that purpose the Corporation shall employ a Certified Public Accountant of New Jersey. The annual audit shall be completed and filed with the Municipal Council within four months after the close of the fiscal year of the Corporation, and a certified duplicate copy of the audit shall be filed with the Director of the Division of Local Government Services in the Department of Community Affairs within five days of the filing of the audit with the Mayor and Council.
- C. The District Management Corporation shall, within thirty (30) days after the close of each fiscal year, make an annual report of its activities for the preceding fiscal year to the Mayor and Municipal Council.

**§69-79. No limitations of powers.**

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

**§69-80. Implementation.**

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

**§69-81. Severability.**

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

**§69-82. Effective date.**

- B. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
- C. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
- D. This ordinance shall take effect at the time and in the manner as provided by law.
- E. The City Clerk and the Corporation Counsel may change any chapter numbers, article numbers and section numbers if codification of this ordinance reveals a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

**NOTE:** All material is new. Therefore, underlining has been omitted.

APPROVED AS TO LEGAL FORM

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

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

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

- Certification Required
- Not Required