

City Clerk File No. Ord. 13.097

Agenda No. 3.A 1st Reading

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



## ORDINANCE OF JERSEY CITY, N.J.

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

CITY ORDINANCE 13.097

**TITLE:**  
**ORDINANCE AMENDING AND SUPPLEMENTING CHAPTER 3  
(ADMINISTRATION OF GOVERNMENT) ARTICLE VI (DEPARTMENT OF  
ADMINISTRATION) OF THE JERSEY CITY MUNICIPAL CODE TO IMPLEMENT  
PAID SICK TIME**

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

**WHEREAS**, most workers in Jersey City will at some time during each year need limited time off from work to take care of his or her own health needs or the health needs of family members; and

**WHEREAS**, nationally, nearly forty percent of private sector workers are without access to any paid sick time, and many workers who do have access to paid sick time are disciplined for using it, or cannot use that time to care for sick children; and

**WHEREAS**, the lack of paid sick days is a problem for residents of Jersey City as well; and

**WHEREAS**, low-income workers are significantly less likely to have access to paid sick time than other members of the workforce, and nationally, only one in five of the lowest-income workers (21 percent) has access to paid sick time; and

**WHEREAS**, providing workers time off to attend to their own health care and the health care of family members will ensure a healthier and more productive workforce in Jersey City; and

**WHEREAS**, paid sick time will have a positive effect on the individual and public health of Jersey City by allowing workers to earn a limited number of hours per year to care for themselves or a close family member when illness strikes or medical needs arise. Paid sick time will reduce recovery time, promote the use of regular medical providers rather than hospital emergency departments, and reduce the likelihood of people spreading illness to other members of the workforce and to the public; and

**WHEREAS**, paid sick time will also reduce health care expenditures by promoting access to primary and preventive care. Nationally, providing all workers with paid sick time would result in \$1.1 billion in annual savings in hospital emergency department costs, including more than \$500 million in savings to publicly-funded health insurance programs such as Medicare, Medicaid and SCHIP. Access to paid sick time can also help decrease the likelihood that a worker will put off needed care, and can increase the rates of preventive care among workers and their children; and

**WHEREAS**, paid sick time will allow parents to provide personal care for their sick children. Parental care makes children's recovery faster and can prevent future health problems. Parents who do not have paid sick time are more than twice as likely as parents with paid sick days to send a sick child to school or daycare, and five times more likely to report taking their child or a

family member to a hospital emergency room because they were unable to take time off work during their regular work hours; and

**WHEREAS**, paid sick time will reduce the spread of contagious diseases. Workers in jobs with high levels of public contact, such as restaurant workers and child care workers, are very unlikely to have access to paid sick time. As a result, these workers may have no choice but to go to work when they are ill, thereby increasing the risk of passing illnesses on to co-workers and customers while jeopardizing their own health. Overall, people without paid sick days are 1.5 times more likely than people with paid sick days to go to work with a contagious illness like the flu; and

**WHEREAS**, a recent peer-reviewed epidemiological study found that nearly one in five food service workers have come to work with vomit and/or diarrhea inducing illnesses in the past year, creating dangerous health conditions. The largest national survey of U.S. restaurant workers found that two-thirds of restaurant wait staff and cooks have come to work sick; and

**WHEREAS**, in the event of a disease outbreak that presents a threat to public health, for example the H1N1 outbreak of 2009, government officials request that sick workers stay home and keep sick children home from school or child care to prevent the spread of illness, and to safeguard workplace productivity. However, because many workers lack paid sick time, they may be unable to comply; and

**WHEREAS**, during the height of the H1N1 pandemic, workers with lower rates of access to paid sick days were more likely than those with higher rates of access to paid sick days to go to work sick and, as a result, the pandemic lasted longer in their workplaces as the virus spread from co-worker to co-worker. A new study estimates that lack of paid sick time was responsible for five million cases of influenza-like illness during the pandemic; and

**WHEREAS**, providing paid sick time is good for businesses because paid sick time results in reduced worker turnover, which leads to reduced costs incurred from advertising, interviewing and training new hires. Firing and replacing workers can cost anywhere from 25 to 200 percent of an employee's annual compensation; and

**WHEREAS**, paid sick time will reduce the risk of "presenteeism," workers coming to work with illnesses and health conditions that reduce their productivity, a problem that costs the national economy \$160 billion annually; and

**WHEREAS**, paid sick time will reduce the competitive disadvantage that many employers face when they choose to provide sick time to their workers.

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

- A. The following amendments to Chapter 3 (Administration of Government) Article VI (Department of Administration) are hereby adopted:

ADMINISTRATION OF GOVERNMENT  
ARTICLE VI  
Department of Administration

**§3-50. Definitions.**

For the purposes of this Ordinance, the following terms shall have the meanings indicated:

**CALENDAR YEAR** – is a regular and consecutive twelve-month period, as determined by an employer.

**DEPARTMENT**– is the Department of Health & Human Services.

**EMPLOYER** – Any entity as defined by N.J.S.A. 34:11-56a1(g) that operates as a

business in Jersey City.

EMPOYEE(S) - Employee(s) as defined in N.J.S.A. 34:11-56a1(h) including an employee of a franchise(s) or business(s) owner located in Jersey City, who works in Jersey City for at least 80 hours in a year. Employee(s) for purposes of this ordinance does not include any person employed by any governmental entity or instrumentality including any New Jersey school district or Board of Education and including Rutgers, The State University and subdivisions of Rutgers.

FAMILY MEMBER - is defined as:

(a) a biological, adopted or foster child, stepchild or legal ward, a child of a domestic partner, a child of a civil union partner, or a child to whom the employee stands *in loco parentis*; (b) a biological, foster, stepparent or adoptive parent or legal guardian of an employee or an employee's spouse, domestic partner or civil union partner or a person who stood *in loco parentis* when the employee was a minor child; (c) a person to whom the employee is legally married under the laws of New Jersey or any other State or with whom the employee has entered into a civil union; (d) a grandparent or spouse, civil union partner or domestic partner of a grandparent; (e) a grandchild; (f) a sibling; (g) a domestic partner of an employee as defined in N.J.S.A. 26:8A-3 et seq.

HEALTH CARE PROFESSIONAL - means any person licensed under Federal or New Jersey law to provide medical or emergency services, including but not limited to doctors, nurses and emergency room personnel.

PAID SICK TIME - means time that is compensated at the same hourly rate and with the same benefits, including health care benefits, as the employee normally earns during hours worked and is provided by an employer to an employee for the purposes described in Section 3-52A(1-11) of this Ordinance, but in no case shall the hourly wage be less than that provided under N.J.S.A. 34:11-56a.

RETALIATION - means the denial of any right guaranteed under this Ordinance and any threat, discipline, discharge, suspension, demotion, reduction of hours, or any other adverse action against an employee for the exercise of any right guaranteed herein.

UNPAID SICK TIME - means time that is allowed and accrued in the same manner as Paid Sick Time however, but for which leave an employee is neither penalized nor compensated.

**§3-51. Purpose.**

Purposes of this ordinance are:

1. To diminish public and private health care costs and promote preventive health services in Jersey City by enabling workers to seek early and routine medical care for themselves and their family members;
2. To protect the public's health in Jersey City by reducing the spread of contagious diseases;
3. To promote the economic security and stability of workers and their families;
4. To protect employees in Jersey City from losing their jobs or facing workplace discipline while they use paid sick time to care for themselves or their families;
5. To safeguard the public welfare, health, safety and prosperity of the people of Jersey City; and
6. To accomplish the purposes described in paragraphs (1)-(7) in a manner that is feasible for employers.

**§3-52. Application.**

This Ordinance requires all those employed within the City of Jersey City to accrue either paid or unpaid sick time from their employer as mandated by this Ordinance utilizing the formula applied herein.

Individuals who work for employers who employ ten (10) or more employees shall accrue compensated sick time.

Individuals who work for employers who employ less than ten (10) employees shall accrue sick time. However, this sick time need not be compensated.

Taking of sick time, whether compensated or not shall not be the basis of an adverse employment action.

**A. Accrual of Paid Sick Time.**

1. Employees shall accrue a minimum of one hour of paid sick time for every 30 hours worked.
2. Employers who employ ten or more employees for compensation are not required to provide more than 40 hours of paid sick time in a calendar year. In determining the number of employees performing work for an employer, all employees performing work for compensation on a full-time, part-time, or temporary basis shall be counted, provided that where the number of employees who work for an employer for compensation fluctuates, the number of employees may be determined for the current calendar year based upon the average number of employees who worked for compensation during the preceding calendar year.
3. Employees who are exempt from overtime requirements under 29 U.S.C. § 201 et seq. of the Federal Fair Labor Standards Act are assumed to work 40 hours in each work week for purposes of paid sick time accrual unless their normal work week is less than 40 hours, in which case paid sick time accrues based upon that normal work week.
4. Paid sick time as provided in this section begins to accrue at the commencement of employment.
5. Employees begin to accrue paid sick time on the first day of employment. Employees are entitled to use accrued paid sick time beginning on the 90th calendar day of their employment. After the 90th calendar day of employment, employees may use paid sick time as it is accrued.
6. Paid sick time is carried over to the following calendar year except that no employer is required to carry over more than 40 hours of paid sick time from one calendar year to the next and nothing in this section entitles an employee to use more than 40 hours of paid sick time in a calendar year.
7. Any employer with a paid leave policy, such as a paid time off policy, that provides an amount of paid leave sufficient to meet the total annual accrual requirements of this section that may be used for the same purposes and under the same conditions as paid sick time under this Ordinance is not required to provide additional paid sick time.
8. Nothing in this section shall be construed as requiring financial or other reimbursement to an employee from an employer upon the employee's termination, resignation, retirement, or other separation from employment for accrued paid sick time that has not been used.
9. If an employee is transferred to a separate division, entity, or location, but remains employed by the same employer, the employee is entitled to all paid sick time accrued at the prior division, entity, or location and is entitled to use all paid sick time as provided in this section. If there is a separation from employment and the employee is rehired within

six (6) months of separation, previously accrued paid sick time that had not been used shall be reinstated. Further, the employee is entitled to use accrued paid sick time and accrue additional paid sick time at the re-commencement of employment.

10. When a different employer succeeds or takes the place of an existing employer, all employees of the original employer who remain employed by the successor employer are entitled to all paid sick time accrued when employed by the original employer and are entitled to use all paid sick leave previously accrued.
11. At its discretion, an employer may loan sick time to an employee in advance of accrual by such employee.

**B. Accrual of Unpaid Sick Time.**

1. Employees who are not entitled to paid sick time under this ordinance, shall accrue a minimum of one hour of unpaid sick time for every 30 hours worked.
2. Employers who employ less than ten employees for compensation are not required to provide more than 40 hours of unpaid sick time in a calendar year. In determining the number of employees performing work for an employer, all employees performing work for compensation on a full-time, part-time, or temporary basis shall be counted, provided that where the number of employees who work for an employer for compensation fluctuates, business size may be determined for the current calendar year based upon the average number of employees who worked for compensation during the preceding calendar year.
3. Employees who are exempt from overtime requirements under 29 U.S.C. § 201 et seq. of the Federal Fair Labor Standards Act are assumed to work 40 hours in each work week for purposes of paid sick time accrual unless their normal work week is less than 40 hours, in which case paid sick time accrues based upon that normal work week.
4. Unpaid sick time as provided in this section begins to accrue at the commencement of employment.
5. Employees begin to accrue unpaid sick time on the first day of employment. Employees are entitled to use accrued unpaid sick time beginning on the 90th calendar day of their employment. After the 90th calendar day of employment, employees may use unpaid sick time as it is accrued.
6. Unpaid sick time is carried over to the following calendar year except that no employer is required to carry over more than 40 hours of unpaid sick time from one calendar year to the next and nothing in this section entitles an employee to use more than 40 hours of unpaid sick time in a calendar year.
7. Any employer with a paid leave policy, such as a paid time off policy, that provides an amount of paid leave sufficient to meet the total annual accrual requirements of this section that may be used for the same purposes and under the same conditions as paid sick time under this Ordinance is not required to provide additional paid sick time.
8. Nothing in this section shall be construed as requiring financial or other reimbursement to an employee from an employer upon the employee's termination, resignation, retirement, or other separation from employment for accrued paid sick time that has not been used.
9. If an employee is transferred to a separate division, entity, or location, but remains employed by the same employer, the employee is entitled to all unpaid sick time accrued at the prior division, entity, or location and is entitled to use all unpaid sick time as provided in this section. If there is a separation from employment and the employee is rehired within six (6) months of separation, previously accrued unpaid sick time that had not been used shall be reinstated. Further, the employee is entitled to use accrued unpaid sick time and accrue additional unpaid sick time at the re-commencement of

employment.

10. When a different employer succeeds or takes the place of an existing employer, all employees of the original employer who remain employed by the successor employer are entitled to all paid sick time accrued when employed by the original employer and are entitled to use all paid sick leave previously accrued.
11. At its discretion, an employer may loan sick time to an employee in advance of accrual by such employee.

**C. Use of Sick Time.**

1. Sick time shall be provided to an employee by an employer for:
  - a. An employee's mental or physical illness, injury, or health condition; an employee's need for medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; an employee's need for preventive medical care;
  - b. Care of a family member with a mental or physical illness, injury, or health condition; care of a family member who needs medical diagnosis, care, or treatment of a mental or physical illness, injury, or health condition; care of a family member who needs preventive medical care; and
  - c. Closure of the employee's place of business by order of a public official due to a public health emergency or an employee's need to care for a child whose school or place of care has been closed by order of a public official due to a public health emergency, or care for a family member when it has been determined by the health authorities having jurisdiction or by a health care provider that the family member's presence in the community would jeopardize the health of others because of the family member's exposure to a communicable disease, whether or not the family member has actually contracted the communicable disease.
2. Sick time shall be provided upon the oral request of an employee.
3. An employee shall give an employer notice of the need to use sick time as soon as practicable.
4. An employer may not require, as a condition of an employee's taking sick time, that the employee search for or find a replacement worker to cover the hours during which the employee is absent.
5. Accrued sick time may be used in the smaller of hourly increments or the smallest increment that the employer's payroll system uses to account for absences or use of other time.
6. For sick time of more than three (3) consecutive days, an employer may require reasonable documentation that the paid sick time has been used for a purpose covered by Section 3-51.1A of this Ordinance. Reasonable documentation includes: documentation signed by a health care professional indicating that paid sick time is necessary. An employer may not require that the documentation explain the nature of the illness.

**§3-52.1. Exercise of Rights Protected; Retaliation Prohibited.**

- A. No person shall interfere with, restrain, or deny the exercise of, or the attempt to exercise, any right protected under this Ordinance.
- B. No person shall retaliate against an employee because the employee has exercised rights protected under this Ordinance.

- C. The rights protected under this Ordinance include but are not limited to the right to request and use paid sick time pursuant to this Ordinance; the right to file a complaint or inform any person about any employer's alleged violation of this Ordinance; the right to cooperate with the Agency in its investigations of alleged violations of this Ordinance; the right to participate in any administrative or judicial action regarding an alleged violation of this chapter; and the right to inform any person of his or her potential rights under this Ordinance.
- D. It is unlawful for an employer's absence control policy to count paid sick time taken under this Ordinance as an absence that may lead to or result in discipline, discharge, demotion, suspension, or any other adverse action.
- E. Protections of this section apply to any person who mistakenly but in good faith alleges violations of this Ordinance.
- F. There is a rebuttable presumption of unlawful retaliation under this section whenever an employer takes adverse action against a person within 90 days of when that person: (a) files a complaint with the Agency or a court alleging a violation of any provision of this Ordinance; (b) informs any person about an employer's alleged violation of this Ordinance; (c) cooperates with the Agency or other persons in the investigation or prosecution of any alleged violation of this Ordinance; (d) opposes any policy, practice, or Ordinance that is unlawful under this Ordinance; or (e) informs any person of his or her potential rights under this Ordinance.

#### **§3-52.2. Notice and Posting.**

- A. All employers shall give individual written notice to each of their employees at the commencement of the employee's employment (or as soon as practicable if the employee is already employed on the effective date of this law) regarding employee's rights under this Ordinance. Such notice shall describe the right to paid sick time, the accrual rate and the amount of paid sick time, and the terms of its use guaranteed under this Ordinance; the right to be free from retaliation for requesting use of paid sick time; and the right to file a complaint or bring a civil action if paid sick time is denied by the employer or the employee is retaliated against for requesting or taking paid sick time. Such notice shall be in English and the primary language spoken by that employee provided that the Department has made available a translation of such notice into such language.
- B. Employers shall also display a poster in a conspicuous and accessible place in each establishment where employees are employed containing notice of this Ordinance. The poster shall be in English and in any language that is the first language of at least 10% of the employer's workforce provided that the Department has made available a translation of such notice into such language.
- C. The Department shall create and make available to employers individual notices and posters. Notices and posters shall be provided in English, Spanish, Italian, Chinese, Polish, Portuguese, Tagalog, and any other languages selected by the Agency.
- D. An employer who violates the notice and posting requirements of this section is subject to a civil fine in an amount not to exceed \$100 for each employee who was not given appropriate notice pursuant to this section and \$500 for each establishment in which a poster was not displayed.

#### **§3-52.3. Employer Records.**

Employers shall retain for three years records documenting hours worked by employees and paid sick time taken by employees and shall allow the Department reasonable access to such records, to monitor compliance with the requirements of this Ordinance. An employer's failure to maintain or retain adequate records documenting hours worked by an employee and paid sick time taken by an employee create a rebuttable presumption that the employer has violated the

Ordinance, absent clear and convincing evidence otherwise.

**§3-52.4. Enforcement and Regulations.**

- A. The Department shall coordinate implementation and enforcement of this Ordinance and shall promulgate appropriate guidelines or regulations for such purposes.
- B. The Department shall coordinate implementation and enforcement of this Ordinance, including, but not limited to:
  1. establishing a system to receive complaints, in writing and by telephone, in English, Spanish, and any other language deemed appropriate by the Department regarding the employers non-compliance with this Ordinance;
  2. investigate and resolve complaints received by the Department in a timely manner and keep complainants notified regarding the status of the investigation;
  3. engage in pro-active enforcement of this Ordinance through the use of audits, on-site investigations, or other measures to ensure employer's compliance. Investigators from the Department shall be empowered to interview employees and former employees in private outside the presence of the employer, and the power to determine whether or not employers have complied with this Ordinance. The Department shall also have the power to inform residents of the City of their rights under this Ordinance.
- C. The Department shall maintain confidential the identity of any complaining person unless disclosure of the identity is necessary for resolution of the investigation. The Department shall, to the extent practicable, notify a complaining person that the Department will be disclosing his or her identity prior to such a disclosure.
- D. The Department shall establish a system for reviewing and adjudicating complaints by employees. Employees deemed by the Department to be in violation of this Ordinance shall be subject to the penalty prescribed in § 1-25 of the Municipal Code: the maximum penalty for violating this Ordinance shall be, in the discretion of the Court, a fine of up to \$1,250.00 and/or a period of community service not exceeding ninety (90) days. This penalty shall apply to each individual infraction of this Ordinance. This section shall not affect any mandatory minimum penalty established by any section of the Code or ordinance.
- E. Any person claiming to be aggrieved by the violation of this Ordinance may bring a cause of action in any court of competent jurisdiction. Submitting a complaint to the Department is neither a prerequisite nor a bar to bringing private action.

**§3-52.5. Confidentiality and Non-disclosure.**

An employer may not require disclosure of details relating to an employee's or an employee's family member's medical condition as a condition of providing paid sick time under this Ordinance. If an employer possesses health information about an employee or employee's family member, such information shall be treated as confidential and not disclosed except to the affected employee or with the permission of the affected employee.

**§3-52.6. Encouragement of More Generous Paid Sick Time Policies; No Effect on More Generous Policies.**

- A. Nothing in this Ordinance shall be construed to discourage or prohibit an employer from the adoption or retention of a paid sick time policy more generous than the one required herein.
- B. Nothing in this Ordinance shall be construed as diminishing the obligation of an employer to comply with any contract, collective bargaining agreement, employment

benefit plan, or other agreement providing more generous paid sick time to an employee than required herein.

C. Nothing in this Ordinance shall be construed as diminishing the rights of public employees regarding paid sick time or use of paid sick time as provided in the laws of the State of New Jersey pertaining to public employees.

**§3-52.7. Research.**

The City shall contract to have a research study undertaken to measure and evaluate the economic impact on businesses and the impact on the health of residents as a result of this Ordinance. This study shall begin one year from the effective date of this Ordinance, and the City shall engage the services of a competent research institution to conduct this study.

**§3-52.8. Severability.**

If any provision of this Ordinance or application thereof to any person or circumstance is judged invalid, the invalidity shall not affect other provisions or applications of the Ordinance that can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are declared severable.

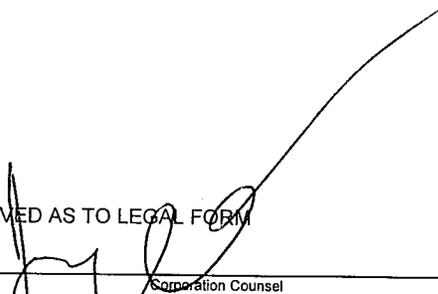
**§3-52.9. Effective Date.**

This Ordinance will take effect 120 days following enactment except that in the case of employees covered by a collective bargaining agreement in effect on the effective date prescribed herein, this Ordinance shall apply on the date of the termination of such agreement.

- 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



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

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

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

Certification Required

Not Required

City Clerk File No. Ord. 13.098

Agenda No. 3.B 1st Reading

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



## ORDINANCE OF JERSEY CITY, N.J.

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

CITY ORDINANCE 13.098

**TITLE: ORDINANCE APPROVING A 30 YEAR TAX EXEMPTION FOR A LOW INCOME AFFORDABLE HOUSING PROJECT INCLUDING RETAIL SPACE, TO BE CONSTRUCTED BY GENESIS OCEAN URBAN RENEWAL CO., LLC, A QUALIFIED HOUSING SPONSOR UNDER THE NEW JERSEY MORTGAGE HOUSING FINANCE AGENCY LAW N.J.S.A. 55:14K-1 ET SEQ.**

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

**WHEREAS**, Genesis Ocean Urban Renewal Co., LLC, is a qualified housing sponsor under the New Jersey Mortgage Housing Finance Agency Law N.J.S.A. 55:14K-1 et seq.; and

**WHEREAS**, Genesis Ocean Urban Renewal Co., LLC, is the ground lessee of certain property known as: Block 25804, Lots 21, 20, 19, 18 & 17, on City's Tax map and more commonly known by the street addresses of 445, 447, 449, 451-457 Ocean Avenue and 79-81 Dwight Street, respectively, Jersey City, New Jersey [Property]; and

**WHEREAS**, Genesis Ocean Urban Renewal Co., LLC, proposes to construct a housing project to be regulated and financed pursuant to the provisions of the New Jersey Housing and Mortgage Finance Agency Law, N.J.S.A. 55:14K-1 et seq. on the Property; and

**WHEREAS**, Genesis Ocean Urban Renewal Co., LLC, applied for a 30 year tax exemption to construct certain improvements on the Property to create a total of 54 units of affordable residential rental, 2,000 square feet of retail space, and 22 on-site parking spaces; and

**WHEREAS**, Genesis Ocean Urban Renewal Co., LLC, has agreed to pay a service charge estimated to be \$29,402 or approximately \$544 per unit, which sum is equal to 6.28 % of Annual Gross Revenue per year and to provide employment and other economic opportunities for City residents and businesses in accordance with a Project Employment Agreement; 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 City will apply to receive credit for creating 54 units of low or moderate income family rental housing against the units needed within the City of Jersey City as determined by the New Jersey Council on Affordable Housing;
2. There is an especially compelling need for decent safe and affordable housing for low or moderate income families, especially for senior citizens who are currently paying over 30% of their income for housing; and
3. The construction of the improvements will stabilize the neighborhood; and

**WHEREAS**, the City hereby determines that the tax exemption is necessary to insure the success of the project for the following reasons:

1. The reduced tax payments allow the owner to stable its operating budget, allowing a high level of maintenance to the building over the life of the project;
2. The reduction in taxes makes the Project attractive to investors of low income housing tax credits and makes the project eligible for financing from the New Jersey Housing and Mortgage Finance Agency, needed to fund the Project; and
3. The reduced tax payments will allow the owner to maintain the low and moderate income units at the lowest rents possible within the income guidelines; and

**ORDINANCE APPROVING A 30 YEAR TAX EXEMPTION FOR A LOW INCOME AFFORDABLE HOUSING PROJECT INCLUDING RETAIL SPACE, TO BE CONSTRUCTED BY GENESIS OCEAN URBAN RENEWAL CO., LLC, A QUALIFIED HOUSING SPONSOR UNDER THE NEW JERSEY MORTGAGE HOUSING FINANCE AGENCY LAW N.J.S.A. 55:14K-1 ET SEQ.**

4. The project provides 54 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, that indicates that the amount of the service charge will not support the cost of providing municipal services to the Project; and

**WHEREAS**, Mayor Steven M. Fulop has reviewed the application and recommends approval of the tax abatement by the Municipal Council.

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

1. The application of Genesis Ocean Urban Renewal Co., LLC, a qualified housing sponsor under the New Jersey Mortgage Housing Finance Agency Law N.J.S.A. 55:14K-1 et seq., for a tax exemption is hereby approved, subject to the following terms and conditions:

- (a) Term: 30 years;
- (b) Service Charge: 6.28 % of Annual Gross Revenue, estimated to be \$29,402 or approximately \$544 per unit;
- (c) Project: 54 units of affordable residential rental, 2,000 square feet of retail space, and 22 on-site parking spaces; and
- (d) Property: Block 25804, Lots 21,20,19,18 & 17 on the City's Tax map and more commonly known by the street addresses of 445,447,449, 451-457 Ocean Avenue and 79-81 Dwight Street, respectively, Jersey City, New Jersey.

2. The Mayor or Business Administrator is authorized to execute a tax exemption Financial Agreement, which includes a Project Employment Agreement in substantially the form on file in the Office of the City Clerk, subject to such modification as the Business Administrator and Corporation Counsel deems appropriate or necessary.

3. This Ordinance will sunset and the Tax Exemption will terminate unless construction of the Project begins within two (2) years of the adoption of the within Ordinance.

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

5. 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.

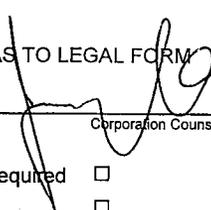
6. This ordinance shall take effect at the time and in the manner provided by law.

7. 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  
9/04/13

APPROVED AS TO LEGAL FORM

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

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

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

Certification Required   
Not Required

Rev. 9-04-13  
HMFA  
N.J.S.A. 55:14K-1 et seq.

Re: 445,447,449, 451-457 Ocean Avenue  
and 79-81 Dwight Street  
Block 25804, Lots 21,20,19,18 & 17 Respectively  
Turnkey Redevelopment Plan Area

**PREAMBLE**

**THIS FINANCIAL AGREEMENT**, [Agreement] made this \_\_\_\_day of \_\_\_\_\_, 2013, by and between **GENESIS OCEAN URBAN RENEWAL CO., LLC**, is a qualified housing sponsor under the New Jersey Mortgage Housing Finance Agency N.J.S.A. 55:14K-1 et seq., having its principal office 594 Broadway, Suite 1107, New York, New York 10012, and the **CITY OF JERSEY CITY**, a Municipal Corporation in the County of Hudson and the State of New Jersey, [City], having its principal office at 280 Grove Street, Jersey City, New Jersey 07302.

**RECITALS**

**WITNESSETH:**

**WHEREAS**, the Entity is the ground Lessee of certain property designated as Block 25804, Lots 21,20,19,18 & 17, more commonly known by the street addresses of 445,447,449, 451-457 Ocean Avenue and 79-81 Dwight Street, respectively, in Jersey City, NJ, and more particularly described by the metes and bounds description set forth as Exhibit 1 to this Agreement; and

**WHEREAS**, this property is located within the boundaries of the Turnkey Redevelopment Plan Area; and

**WHEREAS**, the Entity plans to construct certain improvements on the Property to create a total of 54 units of affordable residential rental, 2,000 square feet of retail space, and 22 on-site parking spaces [Project]; and

**WHEREAS**, on \_\_\_\_\_ 2013, the Entity's Application for a tax exemption for the Project was approved by the City by the adoption of Ordinance \_\_\_\_\_; and

**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 New Jersey Housing and Mortgage Finance Agency Law, N.J.S.A. 55:14K-1 et seq., Executive Order of E.O. 02-003, 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. Agency- The New Jersey Housing and Mortgage Finance Agency.
- ii. Annual Gross Revenue- The total gross income, including 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, or other services, including any Section 8 certificate revenue derived from the Project, including all rent and other income, with an allowable vacancy rate of up to 5%. It also includes the cost of insurance, gas, electricity, water and sewer charges, other utilities, garbage removal and insurance charges even if paid for directly by the Tenant, if such expense is ordinarily paid for by the Landlord.
- iii. Annual Service Charge -Estimated Service Charge: \$29,402 based upon 6.28% of actual gross revenue over the 30 year term of the tax exemption.
- iv. 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 stockholder's equity, 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 reasonably required by the City or its auditors. 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.

v. Certificate of Occupancy - 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.

vi. 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.

vii. Entity - The term Entity within this Agreement shall mean Genesis Ocean Urban Renewal Co., LLC, which Entity is formed and qualified pursuant to Law. It shall also include any subsequent purchasers or successors in interest of the Project, provided they are formed and operate under by Law and the transfer has been duly approved by the City.

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

ix. 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.

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

xi. Land Tax Payments - If the law requires, 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.

xii. Law - Law shall refer to the New Jersey Housing and Mortgage Finance Agency Law, N.J.S.A. 55:14K-1 et seq.; Executive Order 10-001, relating to long term tax exemption, as it may be amended and supplemented; Ordinance \_\_\_\_\_ which authorized the execution of this Agreement; and all other relevant Federal, State or City statutes, ordinances, resolutions, rules and/or regulations.

xiii. Minimum Annual Service Charge - The Minimum Annual Service Charge shall be the amount of the total taxes that would have been levied against all real property in the area covered by the Project in the last full tax year preceding the recording of the HMFA mortgage which amount the parties agree is approximately \$29,402. The Minimum Annual Service Charge shall be paid in each year in which the Annual Service Charge, calculated pursuant to the Financial Agreement would be less than the Minimum Annual Service Charge.

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

xv. 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.

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

## **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 25804, Lots 21,20,19,18 & 17, more commonly known by the street addresses of 445,447,449, 451-

457 Ocean Avenue and 79-81 Dwight Street, respectively, Jersey City, NJ, 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 Law; has been reviewed and approved by the Commissioner of the Department of Community Affairs; and has been filed with, as appropriate, the Secretary of State or Office of the Hudson County Clerk.

**Section 2.3 Improvements to be Constructed**

Entity represents that it will construct certain improvements on the Property to create a total of 54 units of affordable residential rental, 2,000 square feet of retail space, and 22 on-site parking spaces, all of which is more specifically described in the Application attached hereto as Exhibit 3.

**Section 2.4 Construction Schedule**

The Entity agrees to diligently undertake to commence construction no later than two (2) years from the date the ordinance approving the tax abatement was adopted and complete the Project in accordance with the Estimated Construction Schedule, attached hereto as Exhibit 5.

**Section 2.5 Ownership, Management and Control**

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

1. The Entity shall manage both the residential dwelling units and retail space.
2. The parking facility will be operated by a third party Lessee pursuant to and in accordance with the terms of a certain lease between the Entity and third-party Lessee.

**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, attached hereto.

**ARTICLE III - DURATION OF AGREEMENT**

**Section 3.1 Term**

So long as there is compliance with the Law and this Agreement, it is understood and agreed by the parties hereto that this Agreement shall remain in effect for the earlier of: thirty three (33) years from the date of the adoption of Ordinance \_\_\_\_\_ which approved this exemption or thirty (30) years from the date of the recording of the HMFA mortgage as funded and approved by the Agency. The tax exemption shall only be effective only while the Project is owned by an entity formed and operating as a housing sponsor under the Law and subject to an HMFA mortgage. Thereafter, the tax exemption shall expire and the land and improvements thereon shall be assessed and taxed according to the general law applicable to other non-exempt property in the City.

**ARTICLE IV - ANNUAL SERVICE CHARGE**

**Section 4.1 Annual Service Charge**

In consideration of the tax exemption, the Entity shall make payment to the City of an amount equal to the greater of: the Minimum Annual Service Charge or an Annual Service Charge. The Annual Service Charge shall be billed initially based upon the Entity's estimates of Annual 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 date this Agreement is executed. The Annual Service Charge or Minimum Annual Service Charge, as the case may be, 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 amount unpaid shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on land until paid.

**Section 4.2 Administrative Fee**

The Entity shall also pay an annual administrative fee to the City in addition to the Minimum or Annual Service Charge. This administrative fee shall equal half of one (0.5%) percent of the Annual Service Charge and shall be payable and due on or before December 31st of each year and collected in the same manner as the Annual Service Charge.

**Section 4.3 Land Tax Credit**

If the Law requires the Entity to pay Land Taxes in addition to the service charges, then the Entity will be entitled to a land tax credit against the service charges. In order to be entitled to the credit, however, the Entity is obligated to make timely Land Tax Payments, 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 year 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 year. 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 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 4.5 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, and any other fees, including any interest thereon, are Material Conditions of this Agreement.

**ARTICLE V - PROJECT EMPLOYMENT & CONTRACTING AGREEMENT**

**Section 5.1 Project Labor Agreement and Project Employment 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 & 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. The failure to secure the Certificates of Occupancy shall subject the property to full taxation.

**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 mitigate against any action or non-action, taken by the City, including, if appropriate retroactive billing with interest for any charges determined to be due, in the absence of such filing by the Entity.

**Section 6.3 Construction Permits**

The estimated cost basis disclosed by the Entity's application and proposed Financial Agreement may, at the option of the City, be used as the basis for the construction cost in the issuance of any construction permit(s) for the Project.

**ARTICLE VII - ANNUAL REPORTS**

## **Section 7.1 Accounting System**

The Entity agrees to maintain a system of accounting and internal controls established and administered in accordance with generally accepted accounting principles.

## **Section 7.2 Periodic Reports**

A. Auditor's Report: Within ninety (90) days after the close of each fiscal or calendar year, depending on the Entity's accounting basis that this Agreement shall continue 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, 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: Rental schedule of the urban renewal Project, 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. Total Project Cost Audit: Within ninety (90) days after the Substantial Completion of the Project, 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, an audit of Total Project Cost, certified as to actual construction costs by an independent and qualified architect, utilizing the form attached hereto as Exhibit 9, and as to all other costs, certified its conformance with generally accepted accounting principles, by a certified public accountant who is licensed to practice that profession in the State of New Jersey.

C. Disclosure Statement: On the anniversary date of the execution of this Agreement, if there has been a change in ownership or interest from the prior year's filing, 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 Mortgage**

Within ninety (90) days after the date the Entity closes on its loan with the Agency, the Entity shall file with the City a fully executed copy of the Note and a recorded copy of its HMFA Mortgage.

**Section 7.4 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. Interest shall accrue 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's return on investment shall be limited in accordance with the regulations and conditions imposed by the Agency pursuant to N.J.S.A. 55:14K-7(6) or any other Law applicable.

**ARTICLE IX - ASSIGNMENT AND/OR ASSUMPTION**

**Section 9.1 Prior Approval of Sale**

Any change made in the ownership of the Project and 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 is formed and eligible to operate under the Law; 2) the Entity is not then in default of this Agreement or the Law; and 3) the Entity's obligations under this

Agreement is fully assumed by the new Entity.

**Section 9.2 Severability.**

It is an express condition of the granting of this tax exemption that during its duration, the Entity shall not, without the prior consent of the Municipal Council by Ordinance, convey, mortgage or transfer, all or part of the Project so as to sever, disconnect, or divide the improvements from the lands which are basic to, embraced in, or underlying the exempted improvements.

**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. 55:14K-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.

**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 failure to pay any charges defined as Material Conditions in Section 4.5, 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, or the Annual Service Charges shall not be subject to the default procedural remedies as provided in Article XI Land Taxes 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 herein. All of the remedies provided in this Agreement to the City, and all rights and remedies granted to it by law and equity shall be cumulative and concurrent. No determination 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, 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 determination. Further, the bringing of any action for Land Taxes, the Minimum Annual Service Charge, the Annual Service Charge, or 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 to the City. For purposes of rendering a final accounting the termination of the Agreement shall be deemed to be the end of the fiscal year for the Entity.

### **Section 12.4 Conventional Taxes**

Upon Termination or expiration of this Agreement, the tax exemption for the Project shall expire and the land and the Improvements thereon shall thereafter be assessed and conventionally taxed according to the general law applicable to other nonexempt taxable property in the City.

## **ARTICLE XIII - DISPUTE RESOLUTION**

### **Section 13.1 Disputes**

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. The parties agree that the Entity may not file an action in Superior Court unless the Entity has first paid in full all charges defined in Article IV, Section 4.5 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 (other than an action commenced by the Entity) alleging any breach, default or a violation of the Law as it relates to the approval of this tax exemption, the Entity shall indemnify and hold the City harmless, and the Entity agrees to defend the suit at its own expense. However, the City maintains the right to intervene as a party thereto, to which intervention the Entity consents; the expense thereof to be borne by the Entity.

#### **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:

Genesis Ocean Urban Renewal Co., LLC  
594 Broadway – Suite 1107  
New York, NY 10012

with a cc to:

Genova Burns Giantomasi & Webster  
30 Montgomery Street – 15<sup>th</sup> Floor  
Jersey City, NJ 07302  
Attn: George L. Garcia, Esq.

and

New Jersey Housing and Mortgage Finance Agency  
637 South Clinton Avenue  
P.O. Box 18550  
Trenton, NJ 08650-2085

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. 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. 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 terms of this Agreement, the Agreement shall govern and prevail. In the event of conflict between the Agreement and the Law, the Law shall govern and prevail.

#### **Section 18.3 Oral Representations**

There have been no oral representations made by either of the parties hereto which are not contained in this Agreement. This Agreement, the Ordinance authorizing the Agreement, and the Application constitute the entire Agreement between the parties and there shall be no modifications thereto other than by a written instrument approved and executed by both parties and delivered to each party.

#### **Section 18.4 Entire Document**

This Agreement and all conditions in the Ordinance of the Municipal Council approving this Agreement are incorporated in this Agreement and made a part hereof.

#### **Section 18.5 Good Faith**

In their dealings with each other, utmost good faith is required from the Entity and

the City.

**ARTICLE XIX - EXHIBITS**

**Section 19 Exhibits**

The following Exhibits are attached hereto and incorporated herein as if set forth at length herein:

1. Metes and Bounds description of the Project;
2. Ordinance of the City authorizing the execution of this Agreement;
3. The Application with Exhibits;
4. Certificate of the Entity;
5. Estimated Construction Schedule;
6. The Financial Plan for the undertaking of the Project;
7. Initial Rental Schedules and Lease Terms;
8. Project Employment & Contracting Agreement;
9. Architect's Certification of Actual Construction Costs;
10. Written approval of HMFA mortgage loan, including the amount and term thereof.

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

**ATTEST:**

**OCEAN GENESIS URBAN RENEWAL  
CO., LLC**

\_\_\_\_\_  
**SECRETARY**

\_\_\_\_\_  
**MEMBER MANAGER**

**ATTEST:**

**CITY OF JERSEY CITY**

\_\_\_\_\_  
**ROBERT BYRNE  
CITY CLERK**

\_\_\_\_\_  
**ROBERT KAKOLESKI  
ACTING BUSINESS ADMINISTRATOR**

**APPLICATION FOR TAX EXEMPTION  
OF**

**GENESIS OCEAN URBAN RENEWAL CO., 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 Tax Exemption under and pursuant to N.J.S.A. 40A:20-1 et seq.

Applicant: Genesis Ocean Urban Renewal Co., LLC  
594 Broadway, Suite 1107  
New York, New York 10012  
Attn.: Karim Hutson

Project: Ocean and Dwight  
445, 447, 449, 451-457 Ocean Avenue and 79-  
81 Dwight Street  
Jersey City, New Jersey

Applicant's  
General Contractor: TBD

Applicant's Architect: Kitchen & Associates, Inc.  
756 Haddon Avenue  
Collingswood, New Jersey 08108  
Tele. (856) 854-1880 ext. 223

Applicant's Attorney: Genova Burns Giantomasi & Webster  
30 Montgomery Street, 15<sup>th</sup> Floor  
Jersey City, New Jersey 07302  
Tele. (201) 249-1900  
Attn: George L. Garcia, Esq.

Loan Advisor and/or  
Consultants: N/A

## LIST OF EXHIBITS

### Exhibit

A.	-	Description of Property
B.	-	Descriptions of Leases
C.	-	Annual Gross Revenue Computation
D. and D-1	-	Total Project Cost
E.	-	Projected Statement of Property Operations
F.	-	Municipal Land Use Approvals
G. and G-1	-	Real Estate Tax Assessments and Real Estate Taxes
H. and H-1	-	Disclosure Statement
I.	-	Commencement Certification
J.	-	Certification of Compliance with laws
K.	-	Certification of Diligent Inquiry
L.	-	Proposed Financial Agreement

## APPLICATION

A. Identification of the Property: The Property located at 445, 447, 449, 451 457 Ocean Avenue and 79 - 81 Dwight Street Jersey City, New Jersey and is more particularly known as Blocks 25,804, Lots 17,18,19,20,21,22,and 23 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.

B. Site Control:

The Applicant is under contract to purchase from the Jersey City Redevelopment Agency the Property

C. General Statement of the Nature of the Project:

The Applicant proposes to develop an affordable housing project pursuant to and in furtherance of the objectives of the Turnkey Redevelopment Plan. The development shall consist of a four (4) story multi-family building containing sixty (54) affordable residential rental dwelling units, containing twenty-one (21) one (1) bedroom units, twenty—seven 27 two (2) bedroom units and six (6) three (3) units and approximately 4,465 square feet of office/retail space on the ground floor with twenty-two (22) on-site parking spaces.

The Projects affordable nature, its dynamic and diverse commercial attributes, makes it ideally situated.

D. Type and Term of Exemption Requested:

The Applicant is a qualified Housing Sponsor pursuant to N.J.S.A. 55:14K-3(i) and seeks a tax exemption under and pursuant to N.J.S.A. 55:14K-37 (b), (The New Jersey Housing and Mortgage Finance Agency Law of 1983) for a five (5) story mixed use development. The development shall consist of forty (54) affordable residential rental dwelling units, and approximately 2,000 square feet of retail space on the ground floor (the "Project"). The applicant seeks a thirty (30) year exemption based upon the 6.28% of annual gross revenue formula under N.J.S.A. 55:14K-37 (b). The Estimated Annual Service Charge is \$ **29,402.00** as set forth on Exhibit B.

E. Improvement to be Constructed: The development shall consist of a four (4) story multi-family building containing sixty (54) affordable residential rental dwelling units, containing twenty-one(21) one (1) bedroom units, twenty-seven 27 two (2) bedroom units and six (6) three (3) units and approximately 2,000 square feet of office/retail space on the ground floor with twenty-two (22) on-site parking spaces (the "Project"). A description of the terms leases for the Project is attached as Exhibit C.

F. Certified Estimated Total Cost of the Project (Exhibit D and D-1): \$15,512,949

G. Source of Funds:

A schedule of sources and uses of funds is attached as Exhibit E.

H. Fiscal Plan: A schedule of the Fiscal Plan for the Project is attached as Exhibit F.

I. Construction Schedule:

The construction of the Project is scheduled to commence within 180 days of the date the execution of the Financial Agreement and will be completed within approximately twenty-four (24) months thereafter.

J. Municipal Land Use Approvals:

The Applicant has applied for preliminary site plan approval for the Project from the Jersey City Planning Board on August 9<sup>th</sup>, 2011 Exhibit G.

K. Eligible Redevelopment Plan or UEZ Location of the Project. The Project is located within the boundaries of the Turnkey Redevelopment Plan.

L. Real Estate Tax Assessments and Levied:

The tax assessments information for the property upon which the Project is to be located is attached hereto as Exhibit H.

The total payment for the municipal real estate taxes for 2012 was approximately \$0.00 computed in accordance with Exhibit H-1.

M. Status of Municipal Taxes and Other Charges:

The Applicant is under contract to purchase from the Jersey City Redevelopment Agency the Property known as Block 25804, Lots 17,18,19,20,21,22, and 23 on the official tax map of the City of Jersey City. 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 all real estate taxes or other assessments due on the property to be paid prior to the execution of the Financial Agreement.

N. Disclosure Statement:

A Disclosure Statement is attached hereto as Exhibit I. The Applicant is a limited liability company organized under the laws of the State of New Jersey and has petitioned for qualification as an urban renewal entity pursuant to N.J.S.A. 40A:20-5. A copy of the proposed Certificate of Formation is attached hereto as part of Exhibit I-1.

O. Certificate of Construction Commencement:

The Certification of Construction Commencement and Construction Completion scheduled are attached hereto as Exhibit J.

P. Estimated Jobs Created:

The Applicant estimates that construction of the Project will generate 100 jobs over the construction period. Approximately 4 permanent real estate rental, management, clerical, and service positions will be created.

Q. Compliance with State and Local Law and Certification of Truthfulness and Diligent Inquiry:

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 K.

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 is attached hereto as Exhibit L.

S. Financial Agreement:

The proposed Financial Agreement is attached hereto as Exhibit M.

T. Project Employment Agreement:

The proposed Project Employment Agreement is attached hereto as Exhibit N.

U. Fee:

Pursuant to Chapter 160, Section KK, Chapter 304, Taxation of the Ordinance of the City of Jersey City a filing is not required for this application.

**EXHIBIT A**  
**LEGAL DESCRIPTION**

(SEE ATTACHED)



# Commonwealth Land Title Insurance Company

File No. MTANJ-046621

## TITLE INSURANCE COMMITMENT SCHEDULE A LEGAL DESCRIPTION

All that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of Jersey City, County of Hudson, State of New Jersey

BEING known and designated as Lot A in Block 1332, as shown on a certain map entitled "Map of the Estate of John J. Bouton, Deceased shoeing property of George T. Bouton, George T. Bouton and Robert Duncanson, Jr., Trustees and George T. Bouton, Trustee", duly filed in the Office of the Clerk of Hudson County on March 10, 1902 as Map # 1251.

BEGINNING at a point on the northwesterly line of Ocean Avenue, distant northeasterly 50.12 feet from the northeasterly line of Fulton Avenue; thence running

1. Northwesterly and parallel with Fulton Avenue, 99.84 feet; thence
2. Northeasterly and at right angles with the last course, 16.67 feet to a point opposite the center of party wall, standing partly on the premises herein described and partly on the premises adjoining northeasterly thereto; thence
3. Southeasterly to, through and beyond the center of said party wall, parallel with the first course run, 98.65 feet to the northwesterly line of Ocean Avenue; thence
4. Southwesterly along the same, 16.71 feet to the point or place of BEGINNING

NOTE: Being Lot(s) A, Block 1332, Tax Map of the City of Jersey City, County of Hudson.

NOTE: Lot and Block shown for informational purposes only.

Madison Title Agency, LLC  
1125 Ocean Avenue, Lakewood, NJ 08701  
Telephone: 732-905-9400 Fax: 732-905-9420

**Commonwealth Land Title Insurance Company**

File No. MTANJ-046622

**TITLE INSURANCE COMMITMENT  
SCHEDULE A  
LEGAL DESCRIPTION**

All that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of Jersey City, County of Hudson, State of New Jersey

BEING known and designated as Lot B in Block 1332, as shown on a certain map entitled "Map of the Estate of John J. Bouton" made by Edward B. See. Del., duly filed in the Office of the Clerk of Hudson County on March 10, 1902 as Map # 1251.

BEGINNING at a point on the northwesterly line of Ocean Avenue, distant northeasterly 66.83 feet from the northeasterly line of Fulton Avenue; thence running

1. Northwesterly and parallel with Fulton Avenue, 98.65 feet; thence
2. Northeasterly and at right angles with Fulton Avenue or nearly so, 16.67 feet; thence
3. Southeasterly parallel with the first course, 97.46 feet to the northwesterly line of Ocean Avenue; thence
4. South westerly along the same, 16.71 feet to the point or place of BEGINNING.

NOTE: Being Lot(s) B, Block 1332, Tax Map of the City of Jersey City, County of Hudson.

NOTE: Lot and Block shown for informational purposes only.

**Madison Title Agency, LLC**  
1125 Ocean Avenue, Lakewood, NJ 08701  
Telephone: 732-905-9400 Fax: 732-905-9420

**Commonwealth Land Title Insurance Company**

File No. MTANJ-046623

**TITLE INSURANCE COMMITMENT  
SCHEDULE A  
LEGAL DESCRIPTION**

All that certain lot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the City of Jersey City, County of Hudson, State of New Jersey

BEING known and designated as Lot C in Block 1332, as shown on a certain map entitled "Map of the Estate of John J. Bouton", duly filed in the Office of the Clerk of Hudson County on March 10, 1902 as Map # 1251.

BEGINNING at a point on the northwesterly line of Ocean Avenue distant northeasterly 83.54 feet from the northeasterly side of Fulton Avenue; thence

1. Northwesterly and parallel with Fulton Avenue to, through and beyond a party wall standing partly on the premises hereby conveyed and partly on the premises next adjoining south westerly thereto 97.46 feet; thence
2. Northeasterly and at right angles with Fulton Avenue or nearly so 16.67 feet to the line of lands of Ross; thence
3. Southeasterly and along the line of lands of Ross, 96.26 feet to the northwesterly side of Ocean Avenue; thence
4. Southwesterly along the northwesterly side of Ocean Avenue 16.71 feet to the point or place of BEGINNING.

NOTE: Being Lot(s) C, Block 1332, Tax Map of the City of Jersey City, County of Hudson.

NOTE: Lot and Block shown for informational purposes only.

**Madison Title Agency, LLC**  
1125 Ocean Avenue, Lakewood, NJ 08701  
Telephone: 732-905-9400 Fax: 732-905-9420

**EXHIBIT B**

**ANNUAL GROSS REVENUE AND ANNUAL SERVICE CHARGE  
COMPUTATION**

Total Annual Gross Rental

Apartments:

One Bedrooms:	\$ 174,732
Two Bedrooms:	\$ 253,992
Three Bedrooms:	\$ 65,688
Other - Commercial:	\$ 10,000
Other – Laundry:	\$ 1,000

Vacancy Residential at 5 %: (\$ 24,720)

Vacancy Commercial at 15 %: (\$ 1,500)

**Total** \$ **468,191**

**Total Annual Service Charge  
at 6.28% of  
Annual Gross Revenue:**

\$ 29,402

**Total Annual Service Charge:**

\$ 29,402

**EXHIBIT C**

**DESCRIPTION OF LEASES**

- |    |   |   |
|----|---|---|
| 1. | Name of Tenant  | Various   |
| 2. | Term of Lease   | Initial term of lease not less than one (1) year  |
| 3. | Number of Apartments  | 21 - One Bedroom<br>27 - Two Bedrooms<br>6 - Three bedrooms   |
| 4. | Projected Annual Rent per Apartment                             | One Bedroom: \$8,320<br><br>Two Bedrooms: \$9,768<br><br>Three Bedrooms: <u>\$10,948</u><br>Total: \$29,036 |
| 5. | Anticipated Vacancy   | 5% (\$24,720)   |
| 6. | Total Annual Rent   | \$469,691   |
| 7. | Premium Paid directly by Tenant Annually: <b>N/A</b>            |   |
|    | a. Fire and other insurance:                                    |   |
|    | b. Real Estate Taxes of assessments in project:                 |   |
|    | c. Operating and maintenance Expense ordinarily paid by tenant: |   |
| 8. | Renewal Option: Yes   |   |
|    | a. Number of years: One (1) year.                               |   |
|    | b. Renewal Rent: TBA/market increases                           |   |
| 9. | Special Features (step-up rents, etc.):                         | N/A   |

**EXHIBIT D**

**TOTAL PROJECT COST-40A:20-3(h) as amended**

a.	Cost of land and improvements to the	\$ 100,000
b.	Architects, engineers, attorneys, and accounting fees (paid or payable) in connection with the planning, construction and financing of the Project.	\$ 900,242
c.	Surveying and testing charges	\$ 75,000
d.	Projected construction cost preliminary contractor bids including site preparation	\$ 11,070,992
e.	Insurance, interest and finance costs during construction	\$ 886,889
f.	Cost of obtaining initial permanent financing	\$ 682,316
g.	Commissions and other expenses payable in connection with initial lease or sale of units	\$ 96,000
h.	Real Estate taxes during construction period	\$ 60,000
i.	Developer's overhead based on a percentage of (d) above, to be computed in accordance with Percentage given in law (40A:20-3(h))	<u>\$ 1,641,510</u>
	<b>TOTAL</b>	<b>\$ 15,512,949</b>

**EXHIBIT D-1**

**TOTAL PROJECT COST ARCHITECT'S CERTIFICATION**

I, Stephen Schoch, the architect for the Applicant do certify that to the best of my knowledge and belief Exhibit D accurately reflects the estimates construction cost of the Project as of the date hereof.

  
\_\_\_\_\_  
Stephen Schoch, AIA, LEED AP

**EXHIBIT E**

**SOURCES AND USES**

**USES**

<b>Land Acquisition</b>	<b>\$ 50,000</b>
<b>Sitework</b>	<b>\$ 100,000</b>
<b>Soft Costs</b>	<b>\$ 1,812,131</b>
<b>Hard Costs</b>	<b>\$ 11,070,992</b>
<b>Financing &amp; Carrying Costs</b>	<b>\$ 742,316</b>
<b>Marketing &amp; Leasing</b>	<b>\$ 96,000</b>
<b>Developer Fee</b>	<b>\$ 1,641,510</b>

**SOURCES**

<b>NJHMFA CDBG-DR</b>	<b>\$6,480,000</b>	
<b>FHLB AHP</b>		<b>\$500,000</b>
<b>LIHTC Equity</b>		<b>\$5,683,947</b>
<b>City of Jersey City HOME</b>		<b>\$1,500,000</b>
<b>Deferred Developer Fee</b>		<b>\$826,002</b>
<b>NJHMFA First Mortgage Loan</b>		<b>\$523,000</b>

**EXHIBIT F  
PROJECTED STATEMENT OF STABILIZED PROPERTY OPERATION**

**Residential**

One Bedroom	\$ 174,732
Two Bedroom	\$ 253,992
Three Bedroom	\$ 65,688
Other-Commercial	\$ 10,000
Other-Laundry	\$ 1,000
<b>Total Gross Income</b>	<b>\$ 468,191</b>

**Less Residential Vacancy (5%)** (\$ 24,720)

**Less Commercial Vacancy (15%)** (\$ 1,500)

**Total Net Income** \$ 441,971

**Operating Expenses**

Administrative	\$ 37,954
Salaries	\$ 75,000
Maintenance & Repairs	\$ 22,000
Maintenance Contracts	\$ 26,300
Utilities	\$ 96,000
Management Fee	\$ 31,752
Insurance	\$ 40,500
PILOT on Residential Income	\$ 29,402
PILOT on Commercial Income	\$ 1,500
Reserve for Repair and Replacement	\$ 23,760
<b>Total Operating Expenses</b>	<b>\$ 384,168</b>

**Net Operating Income Before  
Debt Service and Taxes** \$ 57,803

**EXHIBIT G**  
**MUNICIPAL LAND USE APPROVALS**

(SEE ATTACHED)

**RESOLUTION OF THE PLANNING BOARD OF THE CITY OF JERSEY CITY  
GRANTING APPROVAL OF A PRELIMINARY AND FINAL MAJOR SITE PLAN  
APPLICATION AND DESIGN WAIVER FROM THE PARKING SPACE SIZE  
REQUIREMENT OF THE JERSEY CITY LAND DEVELOPMENT ORDINANCE**

**APPLICANT:** GENESIS OCEAN ASSOCIATES, LLC  
**FOR:** APPROVAL OF PRELIMINARY AND FINAL MAJOR SITE  
PLAN WITH A DESIGN WAIVER  
**PROPERTY:** 445, 447, 449, 451-457 OCEAN AVENUE AND 79-81  
DWIGHT STREET  
Block 1332, Lots, 1, 2, A, B, C, 18.99 and 20.99  
**CASE NO.** P11-046

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**WHEREAS**, application have been made by Genesis Ocean Associates, LLC (the "Applicant") per Garcia & Turula, LLC (George L. Garcia, Esq. appearing) for the approval of a preliminary and final major site plan application pursuant to the requirements of the Turnkey Redevelopment Plan (the "Plan") for the premises located at 445, 447, 449, 451-457 Ocean Avenue and 79-81 Dwight Street, designated as Block 1332, Lots 1, 2, A, B, C, 18.99 and 20.99 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 Turnkey Redevelopment Plan area; and

**WHEREAS**, the Applicant proposes to construct a five (5) story building, which shall contain sixty-four (64) affordable residential dwelling units and twenty-two (22) on site parking spaces; and

**WHEREAS**, the Applicant has submitted proof that it has complied with the applicable procedural requirements including the payment of fees under the Ordinance; and

**WHEREAS**, the Applicant and its witnesses first having been sworn and all testimony having been formally heard for this application and no objectors appearing; and

**WHEREAS**, after consideration of the application and the testimony presented at the meeting, the oral comments and recommendations of the staff planner, and the oral reports of the staff planner and other expert review agents for the City of Jersey City, the Planning Board of the City of Jersey City has made the following findings of fact and reached the following conclusions:

## FINDING OF FACTS

1. All the recitals hereinabove set forth are incorporated herein by reference and all the exhibits, drawings and documents, including the City planner's testimony, are hereby incorporated by reference.
  
2. The Applicant is the designated redeveloper for the Premises and requests approval of its preliminary and final major site plan application to construct a five (5) story building, which shall contain sixty-four (64) affordable residential dwelling units and twenty-two (22) on site parking spaces
  
3. The Premises is currently fallow and underutilized. The structures located upon the Premises are dilapidated and obsolete.
  
4. The Applicant requires *de minimus* design waiver from the parking space size requirements of the Jersey City Land Development Ordinance (the "Ordinance"). The Ordinance requires the parking spaces measure 9'x18' and the applicant proposed parking spaces that measure 9'x17.4'.
  
5. The Applicant's proposed development fully complies with the zoning requirements of the Turnkey Redevelopment plan.

6. The Board finds that approving the preliminary and final major site plan with the design waiver for parking space size will not result in a detriment to the public good. The project is consistent with the purpose and intent of the Plan, the Ordinance and the City's Master Plan and it will not substantially impair the intent and purpose of the zone 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 P11-046, for Preliminary and Final Major Site Plan with a design waiver, as more particularly described above and as submitted.

Subject to the following conditions:

① THAT THE GARAGE DOORS BE AUTOMATIC GATE AND EACH TENANT WITH AN ASSIGNED PARKING SPACE SHALL BE PROVIDED WITH AN ACCESS FOB OR CARD OR OTHER SIMILAR DEVICE.

RESOLUTION OF THE PLANNING BOARD OF THE CITY OF JERSEY CITY  
GRANTING APPROVAL OF A PRELIMINARY AND FINAL MAJOR SITE PLAN  
APPLICATION AND DESIGN WAIVER FROM THE PARKING SPACE SIZE  
REQUIREMENT OF THE JERSEY CITY LAND DEVELOPMENT ORDINANCE

APPLICANT: GENESIS OCEAN ASSOCIATES, LLC  
FOR: APPROVAL OF PRELIMINARY AND FINAL MAJOR SITE  
PLAN WITH A DESIGN WAIVER  
PROPERTY: 445, 447, 449, 451-457 OCEAN AVENUE AND 79-81  
DWIGHT STREET  
Block 1332, Lots, 1, 2, A, B, C, 18.99 and 20.99  
CASE NO. P11-046

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DATE OF HEARING: August 9<sup>th</sup>, 2011

VOTE:

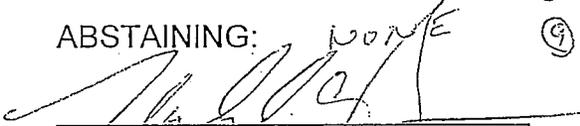
VOTING IN FAVOR:  
COMMISSIONERS

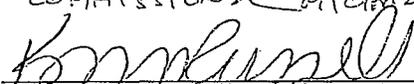
1. Commissioner PESTRUZZULLI, ROSEMARIE
2. Commissioner McNEEL, JAMES
3. Commissioner LOPEZ, NEDIA
4. Commissioner ECCLESTON, CAROL
5. Commissioner ROMANO, MADELINE
6. Commissioner McINTYRE, KAREN
7. Chairman RYAN, MICHAEL

VOTING AGAINST: NONE

ABSTAINING: NONE

8. Commissioner GONZALEZ, ORLANDO
9. Commissioner MICHAEL SIMS

  
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: August 9<sup>th</sup>, 2011

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## Exhibit H

<b>THE LAND AND IMPROVEMENTS HAVE BEEN ASSESSED FOR THE YEAR 2013 AS FOLLOWS:</b>			
<b>Parcel</b>	<b>Land</b>	<b>Improvement</b>	<b>Total</b>
1. Block 25804 Lot 17	\$40,000.00	\$0.00	\$ 40,000.00
2. Block 25804 Lot 18	\$176,200.00	\$0.00	\$176,200.00
3. Block 25804 Lot 19	\$4,400.00	\$ 25,600.00	\$30,000.00
4. Block 25804 Lot 20	\$4,400.00	\$53,600.00	\$58,000.00
5. Block 25804 Lot 21	\$8,400.00	\$49,800.00	\$58,200.00
6. Block 25804 Lot 22	\$12,800.00	\$0.00	\$12,800.00
7. Block 25804 Lot 23	\$12,800.00	\$0.00	\$12,800.00

[New Search](#) [Assessment Postcard](#)

Block: 25804	Prop Loc: 79-81 DWIGHT ST.	Owner: JERSEY CITY REDEVELOPMENT AGENCY	Square Ft: 0
Lot: 17	District: 0906 JERSEY CITY	Street: 30 MONTGOMERY ST.	Year Built:
Qual: 15C	Class: 15C	City State: JERSEY CITY, NJ 07302	Style:
Additional Information			
Prior Block: 1332	Acct Num: 00600330	Addl Lots:	EPL Code: 4 1 47
Prior Lot: 18.99	Mtg Acct:	Land Desc: 40X102.10	Statute: 54:4-3.3
Prior Qual:	Bank Code: 0	Bldg Desc: VACANT LAND	Initial: 000000 Further: 000000
Updated: 02/04/12	Tax Codes: A01	Class4Cd: 0	Desc: TAX LIEN FORECLOSURE
Zone:	Map Page: 258	Acreage: 0	Taxes: 0.00 / 0.00

Sale Date: 06/30/10	Book: 8752 Page: 484	Price: 4270000 NU#: 6					
Srla	Date	Book	Page	Price	NU#	Ratio	Grantee

TAX-LIST-HISTORY

Year	Owner Information	Land/Imp/Tot	Exemption	Assessed	Property Class
2013	JERSEY CITY REDEVELOPMENT AGENCY 30 MONTGOMERY ST. JERSEY CITY, NJ 07302	40000	0	40000	15C
2012	JERSEY CITY REDEVELOPMENT AGENCY 30 MONTGOMERY ST. JERSEY CITY, NJ 07302	40000	0	40000	15C
2011	JERSEY CITY REDEVELOPMENT AGENCY 30 MONTGOMERY ST. JERSEY CITY, NJ 07302	40000	0	40000	15C
2010	CITY OF JERSEY CITY 280 GROVE ST., RM. #B-10 JERSEY CITY, NJ 07302	40000	0	40000	15C

[New Search](#) [Assessment Postcard](#)

Block: 25804	Prop Loc: 451-457 OCEAN AVE.	Owner: JERSEY CITY REDEVELOPMENT AGENCY	Square Ft: 0
Lot: 18	District: 0906 JERSEY CITY	Street: 30 MONTGOMERY ST.	Year Built:
Qual:	Class: 15C	City State: JERSEY CITY, NJ 07302	Style:
Additional Information			
Prior Block: 1332	Acct Num: 00596615	Addl Lots:	EPL Code: 4 1 95
Prior Lot: 20.99	Mtg Acct:	Land Desc: 102.35X108.95IRR	Statute: 54:4-3.3
Prior Qual:	Bank Code: 0	Bldg Desc: VACANT LAND	Initial: 000000 Further: 000000
Updated: 02/04/12	Tax Codes: A01	Class4Cd: 0	Desc: VACANT LAND
Zone:	Map Page: 258	Acreage: 0	Taxes: 0.00 / 0.00
Sale Information			
Sale Date: 06/30/10	Book: 8752 Page: 484	Price: 4270000 NU#: 6	
Sr1a	Date	Book	Page
			Price
			NU#
			Ratio
			Grantee

TAX-LIST-HISTORY

Year	Owner Information	Land/Imp/Tot	Exemption	Assessed	Property Class
2013	JERSEY CITY REDEVELOPMENT AGENCY 30 MONTGOMERY ST. JERSEY CITY, NJ 07302	176200 0 176200	0	176200	15C
2012	JERSEY CITY REDEVELOPMENT AGENCY 30 MONTGOMERY ST. JERSEY CITY, NJ 07302	176200 0 176200	0	176200	15C
2011	JERSEY CITY REDEVELOPMENT AGENCY 30 MONTGOMERY ST. JERSEY CITY, NJ 07302	176200 0 176200	0	176200	15C
2010	CITY OF JERSEY CITY 280 GROVE ST JERSEY CITY, NJ 07302	176200 0 176200	0	176200	15C

[New Search](#) [Assessment Postcard](#)

Block: 25804	Prop Loc: 449 OCEAN AVE.	Owner: ROBINSON, MARY	Square Ft: 0
Lot: 19	District: 0906 JERSEY CITY	Street: 449 OCEAN AVE.	Year Built:
Qual:	Class: 2	City State: JERSEY CITY, N.J. 07305	Style:

Additional Information

Prior Block: 1332	Acct Num: 00204651	Addl Lots:	EPL Code: 0 0 0
Prior Lot: C	Mtg Acct:	Land Desc: 16.71X97 AV.	Statute:
Prior Qual:	Bank Code: 0	Bldg Desc: 2S-BT-B-D-3U-H	Initial: 000000 Further: 000000
Updated: 02/04/12	Tax Codes: A01	Class4Cd: 0	Desc:
Zone:	Map Page: 258	Acreage: 0.0372	Taxes: 2155.20 / 2239.80

Sale Information

Sale Date: 10/28/96	Book: 5068	Page: 98	Price: 1	NU#: 4			
Sr1a	Date	Book	Page	Price	NU#	Ratio	Grantee

TAX-LIST-HISTORY

Year	Owner Information	Land/Imp/Tot	Exemption	Assessed	Property Class
2013	ROBINSON, MARY 449 OCEAN AVE. JERSEY CITY, N.J. 07305	4400 25600 30000	0	30000	2
2012	ROBINSON, MARY 449 OCEAN AVE. JERSEY CITY, N.J. 07305	4400 25600 30000	0	30000	2
2011	ROBINSON, MARY 449 OCEAN AVE. JERSEY CITY, N.J. 07305	4400 25600 30000	0	30000	2
2010	ROBINSON, MARY 449 OCEAN AVE. JERSEY CITY, N.J. 07305	4400 25600 30000	0	30000	2

[New Search](#) [Assessment Postcard](#)

<b>Block:</b> 25804	<b>Prop Loc:</b> 447 OCEAN AVE.	<b>Owner:</b> JERSEY CITY REDEVELOPMENT AGENCY	<b>Square Ft:</b> 0
<b>Lot:</b> 20	<b>District:</b> 0906 JERSEY CITY	<b>Street:</b> 30 MONTGOMERY STREET	<b>Year Built:</b>
<b>Qual:</b>	<b>Class:</b> 15C	<b>City State:</b> JERSEY CITY, NJ 07302	<b>Style:</b>
Additional Information			
<b>Prior Block:</b> 1332	<b>Acct Num:</b> 00204644	<b>Add Lots:</b>	<b>EPL Code:</b> 4 9 998
<b>Prior Lot:</b> B	<b>Mtg Acct:</b>	<b>Land Desc:</b> 16.71X98 AV.	<b>Statute:</b> 54:4-3.3
<b>Prior Qual:</b>	<b>Bank Code:</b> 0	<b>Bldg Desc:</b> 2S-BT-B-C-2U	<b>Initial:</b> 000000 <b>Further:</b> 000000
<b>Updated:</b> 11/13/12	<b>Tax Codes:</b> A01	<b>Class4Cd:</b> 0	<b>Desc:</b> URBAN RENEWAL
<b>Zone:</b> R-2	<b>Map Page:</b> 258	<b>Acreage:</b> 0.0376	<b>Taxes:</b> 4166.72 / 0.00
Sale Information			
<b>Sale Date:</b> 09/11/12	<b>Book:</b> 8871 <b>Page:</b> 432	<b>Price:</b> 210000 <b>NU#:</b> 15	
<b>Sr1a</b>	<b>Date</b>	<b>Book</b>	<b>Page</b>
			<b>Price</b>
			<b>NU#</b>
			<b>Ratio</b>
			<b>Grantee</b>

TAX-LIST-HISTORY

Year	Owner Information	Land/lmp/Tot	Exemption	Assessed	Property Class
2013	JERSEY CITY REDEVELOPMENT AGENCY 30 MONTGOMERY STREET JERSEY CITY, NJ 07302	4400	0	58000	15C
2012	OLIVER, CARLOS R. & MARIA 5 VAN CLEEF ST JERSEY CITY, NJ 07305	4400	0	58000	4A
2011	OLIVER, CARLOS R. & MARIA 5 VAN CLEEF ST JERSEY CITY, NJ 07305	4400	0	58000	4A
2010	OLIVER, CARLOS R. & MARIA 447 OCEAN AVENUE JERSEY CITY, N.J. 07305	4400	0	58000	4A

[New Search](#) [Assessment Postcard](#)

Block: 25804	Prop Loc: 445 OCEAN AVE.	Owner: JERSEY CITY REDEVELOPMENT AGENCY	Square Ft: 0
Lot: 21	District: 0906 JERSEY CITY	Street: 30 MONTGOMERY ST.	Year Built: 1890
Qual: 15C	Class: 15C	City State: JERSEY CITY, NJ 07305	Style:
Additional Information			
Prior Block: 1332	Acct Num: 00204636	Add Lots:	EPL Code: 4 1 4
Prior Lot: A	Mtg Acct:	Land Desc: 16.71X99 AV.	Statute: 54:4-3.3
Prior Qual:	Bank Code: 0	Bldg Desc: 3S-BT-B-C-2U-H	Initial: 000000 Further: 000000
Updated: 02/04/12	Tax Codes: A01	Class4Cd: 0	Desc: COMMERCIAL BLDG.
Zone:	Map Page: 258	Acceage: 0.038	Taxes: 0.00 / 0.00

Sale Date: 10/25/11	Book: 8817	Page: 610	Price: 72000	NU#: 11	
Sr1a	Date	Book	Page	Price	
			NU#	Ratio	Grantee

TAX-LIST-HISTORY

Year	Owner Information	Land/Imp/Tot	Exemption	Assessed	Property Class
2013	JERSEY CITY REDEVELOPMENT AGENCY 30 MONTGOMERY ST. JERSEY CITY, NJ 07305	8400 49800 58200	0	58200	15C
2012	JERSEY CITY REDEVELOPMENT AGENCY 30 MONTGOMERY ST. JERSEY CITY, NJ 07305	8400 49800 58200	0	58200	15C
2011	NEW JERSEY SAND,LLC., 445 OCEAN AVE. JERSEY CITY, NJ 07305	8400 49800 58200	0	58200	4A
2010	NEW JERSEY SAND,LLC., 445 OCEAN AVE. JERSEY CITY, NJ 07305	8400 49800 58200	0	58200	4A

[New Search](#) [Assessment Postcard](#)

Block: 25804	Prop Loc: 443 OCEAN AVE.	Owner: JERSEY CITY REDEVELOPMENT AGENCY	Square Ft: 0
Lot: 22	District: 0906 JERSEY CITY	Street: 30 MONTGOMERY ST., #910	Year Built:
Qual:	Class: 15C	City State: JERSEY CITY, N.J. 07302	Style:
Additional Information			
Prior Block: 1332	Acct Num: 00608950	Addl Lots:	EPL Code: 4 1 95
Prior Lot: 2	Mtg Acct:	Land Desc: 25.06X99.84	Statute: 54:4.3.3
Prior Qual:	Bank Code: 0	Bldg Desc: VACANT LAND	Initial: 000000 Further: 000000
Updated: 02/04/12	Tax Codes: A01	Class4Cd: 0	Desc: VACANT LAND
Zone: R-2	Map Page: 258	Acreege: 0	Taxes: 0.00 / 0.00

Sale Date: 06/06/03	Book: 7174 Page: 13	Price: 75000 NU#: 0					
Sr1a	Date	Book	Page	Price	NU#	Ratio	Grantee

TAX-LIST-HISTORY

Year	Owner Information	Land/Imp/Tot	Exemption	Assessed	Property Class
2013	JERSEY CITY REDEVELOPMENT AGENCY 30 MONTGOMERY ST., #910 JERSEY CITY, N.J. 07302	12800	0	12800	15C
2012	JERSEY CITY REDEVELOPMENT AGENCY 30 MONTGOMERY ST., #910 JERSEY CITY, N.J. 07302	12800	0	12800	15C
2011	JERSEY CITY REDEVELOPMENT AGENCY 30 MONTGOMERY ST., #910 JERSEY CITY, N.J. 07302	12800	0	12800	15C
2010	JERSEY CITY REDEVELOPMENT AGENCY 30 MONTGOMERY ST., #910 JERSEY CITY, N.J. 07302	12800	0	12800	15C

[New Search](#) [Assessment Postcard](#)

Block: 25804	Prop Loc: 441 OCEAN AVE.	Owner: JERSEY CITY REDEVELOPMENT AGENCY	Square Ft: 0
Lot: 23	District: 0906 JERSEY CITY	Street: 30 MONTGOMERY ST., #910	Year Built:
Qual:	Class: 15C	City State: JERSEY CITY, N.J. 07302	Style:
Additional Information			
Prior Block: 1332	Acct Num: 00204727	Addl Lots:	EPL Code: 4 1 95
Prior Lot: 1	Mtg Acct:	Land Desc: 25.06X101.63	Statute: 54:4.3.3
Prior Qual:	Bank Code: 0	Bldg Desc: VACANT LAND	Initial: 000000 Further: 000000
Updated: 02/04/12	Tax Codes: A01	Class4Cd: 0	Desc: VACANT LAND
Zone: R-2	Map Page: 258	Acreeage: 0	Taxes: 0.00 / 0.00

Sale Date: 06/06/03	Book: 7174	Page: 13	Price: 75000	NU#: 0			
Sria	Date	Book	Page	Price	NU =	Ratio	Grantee

TAX-LIST-HISTORY

Year	Owner Information	Land/Imp/Tot	Exemption	Assessed	Property Class
2013	JERSEY CITY REDEVELOPMENT AGENCY 30 MONTGOMERY ST., #910 JERSEY CITY, N.J. 07302	12800 0 12800	0	12800	15C
2012	JERSEY CITY REDEVELOPMENT AGENCY 30 MONTGOMERY ST., #910 JERSEY CITY, N.J. 07302	12800 0 12800	0	12800	15C
2011	JERSEY CITY REDEVELOPMENT AGENCY 30 MONTGOMERY ST., #910 JERSEY CITY, N.J. 07302	12800 0 12800	0	12800	15C
2010	JERSEY CITY REDEVELOPMENT AGENCY 30 MONTGOMERY ST., #910 JERSEY CITY, N.J. 07302	12800 0 12800	0	12800	15C

**EXHIBIT H-1**

<b>The Real Estate Taxes Billed to the Property in the Year 2013 were:</b>	
<b>Parcel</b>	<b>Total Taxes</b>
1. Block 25804 Lot 17	Exempt \$0.00
2. Block 25804 Lot 18	Exempt \$0.00
3. Block 25804 Lot 1	\$2,081.25
4. Block 25805 Lot 20	Exempt \$0.00
5. Block 25804 Lot 21	Exempt \$0.00
6. Block 25804 Lot 22	Exempt \$0.00
7. Block 25804 Lot 23	Exempt \$0.00
<b>Total</b>	<b>\$2,081.25</b>

**EXHIBIT I**

**DISCLOSURE STATEMENT**

NAME OF ENTITY: Genesis Ocean Associates Urban Renewal Co., LLC

PRINCIPAL PLACE OF BUSINESS: 594 Broadway Suite, 1107 New York, New York

NAME OF REGISTERED AGENT:

ADDRESS: 360 Communipaw Avenue Jersey City, New Jersey

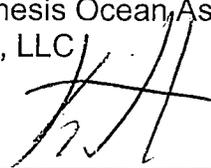
NAME	ADDRESS	PERCENT OWNED
1. Karim Hutson	594 Broadway Suite, 1107 New York, New York	100%

I CERTIFY THAT THE ABOVE REPRESENTS THE NAMES AND ADDRESSES OF ALL MEMBERS OWNING A 10% OR GREATER INTEREST IN THE ABOVE LIMITED LIABILITY COMPANY. IF ONE OR MORE OF THE ABOVE NAMED IS ITSELF AN ENTITY, THE APPLICANT WILL PROVIDE THE NAMES AND ADDRESSES OF ANY ENTITY OWING 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 THIS ENTITY. 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.

Genesis Ocean Associates Urban Renewal Co., LLC

DATE: 8/19/13

By:   
Karim Hutson, Member

**EXHIBIT I-1**  
**CERTIFICATION OF FORMATION**

(SEE ATTACHED)



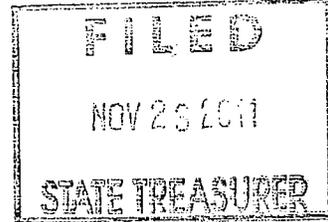
State of New Jersey  
 DEPARTMENT OF COMMUNITY AFFAIRS  
 101 SOUTH BROAD STREET  
 PO Box 805  
 TRENTON, NJ 08625-0805

CHRIS CHRISTIE  
*Governor*

KIM GUADAGNO  
*Lt. Governor*

CGN

LORI GRIFA  
*Commissioner*



DEPARTMENT OF COMMUNITY AFFAIRS

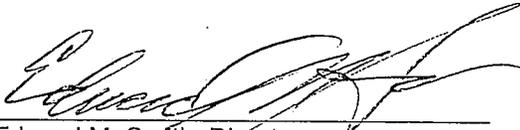
0400420249

TO: State Treasurer  
 RE: GENESIS OCEAN URBAN RENEWAL CO., LLC  
 (formerly Genesis Ocean Associates, LLC)  
 File # 1111  
 An Urban Renewal Entity

This is to certify that the attached CERTIFICATE OF FIRST AMENDMENT TO THE CERTIFICATE OF FORMATION OF AN URBAN RENEWAL ENTITY has been examined and approved by the Department of Community Affairs, pursuant to the power vested in it under the "Long Term Tax Exemption Law," P.L. 1991, c.431.

Done this 10th day of November 2011 at Trenton, New Jersey.

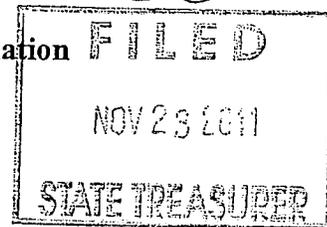
DEPARTMENT OF COMMUNITY AFFAIRS

BY   
 Edward M. Smith, Director  
 Division of Codes and Standards



Certificate of First Amendment to the Certificate of Formation  
of

GENESIS OCEAN ASSOCIATES, LLC



1. The name of the Limited Liability is: **Genesis Ocean Associates, LLC.**
2. The Identification Number of the Limited Liability Company is: 0400420249X.
3. The new name of the Limited Liability Company is: **Genesis Ocean Urban Renewal Co., LLC.**
4. The following shall be added as paragraph (4) to the Certificate of Formation of the Limited Liability Company dated May 26<sup>th</sup>, 2011 and filed with the Treasurer of the State of New Jersey on May 26<sup>th</sup>, 2011:

4. (i) The purpose for which the Company is formed shall be to operate under P.L.1991, c.431 (C.40A:20-1 et seq.) and to initiate and conduct projects for the redevelopment of a redevelopment area pursuant to a redevelopment plan, or projects necessary, useful, or convenient for the relocation of residents displaced or to be displaced by the redevelopment of all or part of one or more redevelopment areas, or low and moderate income housing projects, and, when authorized by financial agreement with the City of Jersey City (the "City"), to acquire, plan, develop, construct, alter, maintain or operate housing, senior citizen housing, business, industrial, commercial, administrative, community, health, recreational, educational or welfare projects, or any combination of two or more of these types of improvement in a single project, under such conditions as to use, ownership, management and control as regulated pursuant to P.L.1991, c.431 (C.40A:20-1 et seq.).

(ii) So long as the Company is obligated under financial agreement with the City made pursuant to P.L.1991, c.431 (C.40A:20-1 et seq.), it shall engage in no business other than the ownership, operation and management of the project.

(iii) The Company has been organized to serve a public purpose, its operations shall be directed toward: (1) the redevelopment of redevelopment areas, the facilitation of the relocation of residents displaced or to be displaced by redevelopment, or the conduct of low and moderate income housing projects; (2) the acquisition, management and operation of a project, redevelopment relocation housing project, or low and moderate income housing project under P.L.1991, c.431 (C.40A:20-1 et seq.); and (3) the Company shall be subject to regulation by the City, and to a limitation on profits or dividends, as appropriate, for so long as the Company remains the owner of a project subject to P.L.1991, c.431 (C.40A:20-1 et seq.).

(iv) The Company shall not voluntarily transfer more than 10% of the ownership of the project or any portion thereof undertaken by the Company under P.L.1991, c.431 (C.40A:20-1 et seq.), until it has first removed both itself and the project from all restrictions of P.L.1991, c.431 (C.40A:20-1 et seq.), in the manner required by P.L.1991, c.431 (C.40A:20-1 et seq.), and, if the project includes housing units, has obtained the consent of the Commissioner of Community Affairs to such transfer; with the exception of transfer to another urban renewal entity, as approved by the City, which other urban renewal entity shall assume all contractual obligations of the transferor entity under the financial agreement with the City. The Company shall file annually with the municipal governing body of the City a disclosure of the persons having an ownership interest in the project, and of the extent of the ownership interest of each. Nothing herein shall prohibit any transfer of the ownership interest in the Company itself, provided that the transfer, if greater than 10 percent, is disclosed to the municipal governing body of the City in the annual disclosure statement or in correspondence sent to the City in advance of the annual disclosure statement referred to above.

(v) The Company is subject to the provisions of section 18 of P.L.1991, c.431 (C.40A:20-18), as amended, respecting the powers of the City to alleviate financial difficulties of the Company or to perform actions on behalf of the Company upon a determination of financial emergency.

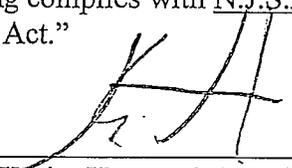
(vi) Any housing units constructed or acquired by the Company shall be managed subject to the supervision of, and rules adopted by, the Commissioner of Community Affairs.

5. This Certificate shall be effective upon its filing with the Secretary of State.

6. In all other respects the Certificate of Formation dated January 5<sup>th</sup>, 2011 and filed with the Treasurer of the State of New Jersey on January 5<sup>th</sup>, 2011 shall remain in full force and effect.

**IN WITNESS WHEREOF**, the undersigned being over the age of eighteen (18) years, hereby represents that he is authorized to sign this certificate on behalf of the Limited Liability Company and that this filing complies with N.J.S.A. 42:2B-1 et seq., the "New Jersey Limited Liability Company Act."

Date: July 27, 2011

  
\_\_\_\_\_  
Karim Hutson, Managing Member

**EXHIBIT J**

**CERTIFICATION AS TO CONSTRUCTION START**

The undersigned being a sole member of Genesis Ocean Associates Urban Renewal Co., LLC, the Applicant and developer of the a proposed Project hereby certifies that:

1. Construction of the Project has not and will not commence prior to the final approval and execution of a Financial Agreement between the city and the undersigned.
2. The foregoing statements made by me this \_\_\_\_\_ day of August, 2013 are true to the best of my knowledge and I understand that if it is willfully false, I am subject to punishment.

Genesis Ocean Associates Urban Renewal  
Co., LLC,

DATE: 8/19/13

By:   
\_\_\_\_\_  
Karim Hutson, Member

Member  
Title of Person Signing

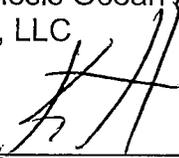
**EXHIBIT K**

**CERTIFICATION OF COMPLINACE WITH LAWS**

The undersigned being the sole member of Genesis Ocean Associates, Urban Renewal Co., LLC, the Applicant and developer of the a proposed Project 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 *19* day of *August* August, 2013 are true to the best of my knowledge and I understand that if it is willfully false, I am subject to punishment.

Genesis Ocean Associates Urban Renewal  
Co., LLC

By: 

Karim Hutson, Member

DATE: *8/19/13*

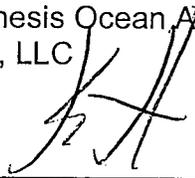
**EXHIBIT L**

**CERTIFICATION OF DUE DILIGENCE**

The undersigned being the sole Member of Genesis Ocean Associates, Urban Renewal Co., LLC, the Applicant and developer of the a proposed Project hereby certifies that:

1. All information contained in the application for tax abatement is true and correct to the developer's knowledge, after he has made diligent inquiry to confirm the accuracy of all information.
2. The foregoing statements made by me this *19* day of *August* August, 2013 are true to the best of my knowledge and I understand that if it is willfully false, I am subject to punishment.

Genesis Ocean Associates Urban Renewal  
Co., LLC

By: 

Karim Hutson, Member

DATE: *8/19/13*

**EXHIBIT M**

**PROPOSED FINANCIAL AGREEMENT**

**FOR**

**GENESIS OCEAN ASSOCIATES URBAN RENEWAL CO., LLC**

(SEE ATTACHED)

HMFA: N.J.S.A. 55:14K-1 et seq.  
Low Income/Market Rate Rental Housing

Re: 445, 447, 449, 451 and 457 Ocean Avenue and 79 - 81 Dwight Street  
Jersey City, New Jersey and is more particularly known as Blocks 25,804,  
Lots 17,18,19,20,21,22,and 23 on the official tax map of the City of Jersey  
City, State of New Jersey.

### FINANACIAL AGREEMENT FOR PAYMENT IN LIEU OF TAXES

THIS FINANCIAL AGREEMENT, (the "Agreement") made this day of  
, 2013, by and between Genesis Ocean Urban Renewal Co., LLC, a  
New Jersey Delaware Limited Liability Company and qualified housing sponsor  
under the New Jersey Mortgage Housing Finance Agency(the "Agency") Law,  
N.J.S.A. 55:14K-1 et seq. having its principal office at 594 Broadway, Suite 1106  
New York, New York, and the City of Jersey City, a Municipal Corporation in the  
County of Hudson and the State of New Jersey, (the "City"), having its principal  
office at 280 Grove Street, Jersey City, New Jersey 07302.

### WITNESSETH:

WHEREAS, the Entity is under contract to purchase from the Jersey City  
Redevelopment 445, 447, 449, 451 457 Ocean Avenue and 79 - 81 Dwight  
Street Jersey City, New Jersey and is more particularly known as Blocks 25,804,  
Lots 17,18,19,20,21,22,and 23 on the official tax map of the City of Jersey City,  
State of New Jersey more particularly described by the metes and bounds  
description set forth as Exhibit 1 to this Agreement; and

WHEREAS, this property is located within the boundaries of the Turnkey Redevelopment Plan Area; and

WHEREAS, the Entity plans to construct a four (4) story multi-family building containing sixty (54) affordable residential rental dwelling units, containing twenty-one (21) one (1) bedroom units, twenty—seven 27 two (2) bedroom units and six (6) three (3) units and approximately 4,465 square feet of office/retail space on the ground floor with twenty-two (22) on-site parking spaces; and

WHEREAS, This Agreement is made pursuant to the authority contained in Section 37 of the New Jersey Housing and Mortgage Finance Law of 1983 (N.J.S.A. 55:14K-1 et seq.);

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 New Jersey Housing and Mortgage Finance Agency Law, N.J.S.A. 55:14K-1 et seq., Executive Order of the Mayor, E.O. 02-003, 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. Agency- The New Jersey Housing and Mortgage Finance Agency.
- ii. Annual Gross Revenue- The total gross income, including 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, including all rent and other income, with an allowable vacancy rate of up to 15% and utility allowance of \$100,000.00. It also includes the cost of insurance, gas, electricity, water and sewer charges, other utilities, garbage removal and insurance charges even if paid for directly by the Tenant, if such expense is ordinarily paid for by the Landlord.
- iii. Annual Service Charge 6.28% of Annual Gross Revenue for a total estimated Annual Service Charge of **\$29,402.00** in accordance with the financial plan attached hereto as Exhibit 2, which sum is in lieu of any taxes on the Improvements.

iv. 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 stockholder's equity, 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 reasonably required by the City or its auditors. 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. The report shall also contain audited financial statement of the operation of the Project, setting forth the Project's Gross Revenues and the total Annual Service Charge due to the Municipality calculated at 6.28 percent of Project Revenues as set forth in the Auditor's Report (the "Audit Amount").

v. Certificate of Occupancy - 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.

vi. 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.

vii. Entity - The term Entity within this Agreement shall mean Genesis Ocean Urban Renewal Co., LLC which Entity is formed and qualified pursuant to Law. It shall also include any subsequent purchasers or successors in interest of the Project, provided they are formed and operate under the Law and the transfer has been duly approved by the City.

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

ix. 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.

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

xi. 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.

xii. Law - Law shall refer to the New Jersey Housing and Mortgage Finance Agency Law, N.J.S.A. 55:14K-1 et seq.; Executive Order of the Mayor E.O. 02-003, relating to long term tax exemption, as it may be amended and supplemented; Ordinance \_\_\_\_\_ which authorized the execution of this Agreement and all other relevant Federal, State or City statutes, ordinances, resolutions, rules and/or regulations.

xiii. Minimum Annual Service Charge - The Minimum Annual Service Charge shall be 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 is **\$2,081.25**

The Minimum Annual Service Charge shall be paid in each year in which the Annual Service Charge, calculated pursuant to this Agreement, would be less than the Minimum Annual Service Charge.

xiv. Net Profit - The Project Revenue of the Entity less all operating and non-operating expenses of the Entity, all determined in accordance with generally accepted accounting principles and the provisions of the Law.

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

xvi. 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.

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

## 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 445, 447, 449, 451 and 457 Ocean Avenue and 79 - 81 Dwight Street Jersey City, New Jersey and is more particularly known as Blocks 25,804, Lots 17,18,19,20,21,22,and 23 on the official tax map of the City of Jersey City, State of New Jersey 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 Law; and has been filed with, as appropriate, the Secretary of State.

## **Section 2.2 Improvements to be Constructed**

Entity represents that it will to construct a four (4) story multi-family building containing sixty (54) affordable residential rental dwelling units, containing twenty-one (21) one (1) bedroom units, twenty—seven 27 two (2) bedroom units and six (6) three (3) units and approximately 4,465 square feet of office/retail space on the ground floor with twenty-two (22) on-site parking spaces Exhibit 3.

## **Section 2.3 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 2.4 Ownership, Management and Control**

The Entity represents that it is contract purchaser 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: 1. The Entity shall manage the improvements with regard to the residential dwelling units and retail space.

## **Section 2.5 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 2.6 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, attached hereto.

### **ARTICLE III - DURATION OF AGREEMENT**

#### **Section 3.1 Term**

The tax exemption provided herein shall apply only so long as the Entity or its successors and assigns and the Project remain subject to the provisions of the Law and Regulations made thereunder and the supervision of the Agency, but in no event longer than the term of the Agency Mortgage. In the event of (a) sale, transfer or conveyance of the Project by the Entity or (b) a change in the organizational structure of the Entity, this Agreement shall be assigned to the Entity's successor and shall continue in full force and effect so long as the successor entity qualifies under the Law or any other state law applicable at the time of the assignment of this Agreement and assumes the Agency Mortgage and obtains the approval of the Municipality.

### **ARTICLE IV - ANNUAL SERVICE CHARGE**

#### **Section 4.1 Annual Service Charge**

In consideration of the tax exemption, (1) From the date of the execution of the Agency Mortgage until the date of substantial completion of the Project, the Entity shall make payment to the Municipality in an amount equal to **\$2,081.25** (pursuant to the Law, the annual amount may not exceed the amount of taxes due on the property for the year preceding the recording

of the Agency Mortgage).

(2) (a) From the date of Substantial Completion of the Project and for the remaining term of the Agency Mortgage, the Entity shall make payment to the Municipality in an amount equal to the greater of the Minimum Annual Service Charge or 6.28 percent of Project's Annual Gross Revenues, the Annual Service Charge.

(b) For Projects receiving permanent financing only from the Agency, the Sponsor shall make payment to the Municipality in an amount equal to the greater of the Minimum Annual Service Charge or 6.28 percent of Project's Annual Gross Revenues, the Annual Service Charge from the date of the Agency Mortgage and for the remaining term of the Agency Mortgage.

Payments by the Entity shall be made on a quarterly basis in accordance with bills issued by the Tax Collector of the Municipality in the same manner and on the same dates as real estate taxes are paid to the Municipality and shall be based upon the Annual Gross Revenues of the previous quarter. No later than three (3) months following the end of the first fiscal year of operation after the date of Substantial Completion and each year thereafter that this Agreement remains in effect, the Entity shall submit to the Municipality the certified, Auditor's Report. The Entity simultaneously shall pay the difference, if any, between, (i) the Audit Amount and (ii) payments made by the Entity to the Municipality for the preceding fiscal year. The Municipality may accept any such payment without prejudice to its right to challenge the amount due. In the event that the payments made by the Entity for any fiscal year shall exceed the Audit Amount for such fiscal year, the Municipality shall credit the amount of such excess to the account of the Entity.

A Minimum Annual Service Charge shall be due beginning on the date this Agreement is executed. The Annual Service Charge or Minimum Annual Service Charge, as the case may be, 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 amount unpaid shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on land until paid.

All payments pursuant to this Agreement shall be in lieu of taxes and the Municipality shall have all the rights and remedies of tax enforcement granted to Municipalities by law just as if said payments constituted regular tax obligations on real property within the Municipality. If, however, the Municipality disputes the total amount of the Annual Service Charge due it, based upon the Audit, it may apply to the Superior Court, Chancery Division for an accounting of the service charge due the Municipality, in accordance with this Agreement and the Law. Any such action must be commenced within one year of the receipt of the Audit by the Municipality.

In the event of any delinquency in the aforesaid payments, the Municipality shall give notice to the Entity and Agency in the manner provided for in this Agreement.

## **Section 4.2 Land Tax Credit**

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 year 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 year. 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 4.3 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 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 4.4 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, Additional Consideration, and any interest thereon, are Material Conditions of this Agreement.

### **ARTICLE V - PROJECT EMPLOYMENT AGREEMENT**

#### **Section 5.1 Project Employment 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 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. The failure to secure the Certificates of Occupancy shall subject the property to full taxation.

#### **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 mitigate against any action or non-action, taken by the City, including, if appropriate retroactive billing with interest for any charges determined to be due, in the absence of such filing by the Entity.

### **Section 6.3 Construction Permits**

The estimated cost basis disclosed by the Entity's application and proposed Financial Agreement may, at the option of the City, be used as the basis for the construction cost in the issuance of any construction permit(s) for the Project.

## **ARTICLE VII - ANNUAL REPORTS**

### **Section 7.1 Accounting System**

The Entity agrees to maintain a system of accounting and internal controls established and administered in accordance with generally accepted accounting principles.

### **Section 7.2 Periodic Reports**

A. Auditor's Report: Within ninety (90) days after the close of each fiscal or calendar year, depending on the Entity's accounting basis that this Agreement shall continue 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, 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: Rental schedule of the Project, 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. Total Project Cost Audit: Within 90 days after the Substantial Completion of the Project, 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, an audit of Total Project Cost, certified as to actual construction costs by an independent and qualified architect, utilizing the form attached hereto as Exhibit 9, and as to all other costs, certified its conformance with generally accepted accounting principles, by a certified public accountant who is licensed to practice that profession in the State of New Jersey.

C. Disclosure Statement: On the anniversary date of the execution of this Agreement, if there has been a change in ownership or interest from the prior year's filing, 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**

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.

## **ARTICLE VIII - ASSIGNMENT AND/OR ASSUMPTION**

### **Section 8.1 Approval**

Any change made in the ownership of the Project and sale or transfer of the Project, shall be void unless approved in advance by the Agency and by an 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.

### **Section 8.2 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 fee equivalent to one (1%) percent of the Annual Service Charge.

**Section 8.3 Transfer to Nonprofit.**

In the event that the Entity transfers, sells, demises, conveys, or in any manner relinquishes ownership or title to the land and improvements covered by this tax exemption agreement to a tax exempt non-profit organization or institution during the term of the tax exemption agreement, it is understood and agreed by the Entity that it shall pay to the City a sum equal to the total taxes which would have been assessed on Improvements covered by the Project for the three (3) years preceding the transfer of the Project.

**Section 8.4 Severability.**

It is an express condition of the granting of this tax exemption that during its duration, the Entity shall not, without the prior consent of the Municipal Council by Ordinance, convey, mortgage or transfer, all or part of the Project so as to sever, disconnect, or divide the improvements from the lands which are basic to, embraced in, or underlying the exempted improvements.

**ARTICLE IX - COMPLIANCE**

**Section 9.1 Operation**

During the term of this Agreement, the Project shall be maintained and operated in accordance with the provisions of the Law. 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 9.2 Termination**

Upon any termination of such tax exemption, whether by affirmative action of the Entity, its successors or assigns, or by virtue of the provisions of the Law, or any other applicable state law, the Project shall be taxed as omitted property in accordance with the law.

## **ARTICLE X - DEFAULT**

### **Section 10.1 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 10.2 Cure Upon Default**

Should the Entity be in Default, the City shall send written notice to the Entity and the Agency of the Default (the "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 11.1.

Should the Entity be in default, failure to pay any charges defined as Material Conditions in Section 4.4, shall not be subject to the default procedural remedies as provided in Section 10.2 herein but shall allow the City to proceed immediately to terminate the Agreement as provided in Article XI herein.

### **Section 10.3 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, Additional Consideration or the Annual Service Charges shall not be subject to the default procedural remedies as provided in Article X Land Taxes or the Annual Service Charges shall not be subject to the default procedural remedies as provided in Article X herein but shall allow the City to proceed immediately to terminate the Agreement as provided in Article XI herein. All of the remedies provided in this Agreement to the City, and all rights and remedies granted to it by law and equity shall be cumulative and concurrent.

No determination 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, Administrative Fees or Additional Consideration. 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 determination. Further, the bringing of any action for Land Taxes, the Minimum Annual Service Charge, the Annual Service Charge, 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 XI- TERMINATION**

### **Section 11.1 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 10.2, the City may terminate this Agreement upon thirty (30) days written notice to the Entity and the Agency (the "Notice of Termination").

### **Section 11.2 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. Provided, However that the tax exemption provided herein shall apply so long as the Sponsor or its successors and assigns and the Project remain subject to the provisions of the HMFA Law and Regulations made thereunder and the supervision of the Agency, but in no event longer than the term of the Agency Mortgage.

**Section 11.3 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 11.4 Conventional Taxes**

Upon Termination or expiration of this Agreement, the tax exemption for the Project shall expire and the land and the Improvements thereon shall thereafter be assessed and conventionally taxed according to the general law applicable to other nonexempt taxable property in the City.

**ARTICLE XII - DISPUTE RESOLUTION**

**Section 12.1 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 III, Section 4.8 as Material Conditions.

#### **ARTICLE XIII- WAIVER**

##### **Section 13.1 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 XIV - INDEMNIFICATION**

##### **Section 14.1 Defined**

It is understood and agreed that in the event the City shall be named as party defendant in any action (other than an action commenced by the Entity) alleging any breach, default or a violation of any of the provisions of this Agreement and/or the provisions of the Law, the Entity shall indemnify and hold the City harmless, and the Entity agrees to defend the suit at its own expense.

However, the City maintains the right to intervene as a party thereto, to which intervention the Entity consents; the expense thereof to be borne by the Entity.

## ARTICLE XV- NOTICE

### **Section 15.1      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 15.2      Sent by City**

When sent by the City to the Entity or Agency the notice shall be addressed to:

The Entity:

Genesis Jersey City Partners, LLC  
594 Broadway, Suite 1106  
New York, New York 100  
Attn.: Mr. Karim Hutson

The Agency:

New Jersey Housing and Mortgage Finance Agency  
637 South Clinton Avenue  
PO Box 18550  
Trenton, New Jersey 08650-2085.

unless prior to giving of notice the Entity and the Agency shall have notified the City in writing otherwise.

**Section 15.3 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 Property's Block and Lot number).

**ARTICLE XVI-SEVERABILITY**

**Section 16.1 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. 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. 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 XVII - MISCELLANEOUS

### **Section 17.1      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 17.2      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 17.3      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 17.4      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 17.5      Good Faith**

In their dealings with each other, utmost good faith is required from the Entity and the City.

**ARTICLE XVIII - EXHIBITS**

**Section 18   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.      Initial Rental Schedules and Lease Terms.
8.      Project Employment Agreement;
9.      Architect's Certification of Actual Construction Costs;

City Clerk File No. Ord. 13.099

Agenda No. 3.C 1st Reading

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



# ORDINANCE OF JERSEY CITY, N.J.

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

CITY ORDINANCE 13.099

**TITLE: ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY  
ADOPTING AMENDMENTS TO THE DANFORTH AVENUE TRANSIT VILLAGE  
REDEVELOPMENT PLAN TO ALLOW FOR AN INDUSTRIAL OVERLAY**

**WHEREAS**, the Local Redevelopment and Housing Law, (NJSA 40A:12A-1 et seq.) permits municipalities to adopt and amend regulations dealing with areas declared to be "in need of redevelopment," and "in need of rehabilitation;" and

**WHEREAS**, the Danforth Avenue Transit Village Redevelopment Plan was adopted in October of 2007 by Council Ordinance 08-142; and

**WHEREAS**, the Planning Board of Jersey City, at its meeting of September 10, 2013, recommended that the Municipal Council adopt the proposed amendment to the Danforth Avenue Transit Village Redevelopment Plan in order to better regulate future development within the Plan Area; and

**WHEREAS**, this amendment will allow the existing industrial uses to improve and expand their businesses, creating jobs and economic activity in the area; and

**WHEREAS**, the proposed amendment to the Danforth Avenue Transit Village Redevelopment Plan is attached hereto and made a part hereof, which amendments are available for public inspection in the Office of the City Clerk, City Hall, Jersey City, NJ;

**NOW, THEREFORE, BE IT ORDAINED** by the Municipal Council of the City of Jersey City that the revised Danforth Avenue Transit Village Redevelopment Plan be, and hereby is, adopted.

**BE IT FURTHER ORDAINED THAT:**

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

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

APPROVED AS TO LEGAL FORM

APPROVED: 

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

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

Business Administrator

Certification Required

Not Required

**ORDINANCE FACT SHEET**

**1. Full Title of Ordinance:**

**ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY  
ADOPTING AMENDMENTS TO THE DANFORTH AVENUE TRANSIT VILLAGE  
REDEVELOPMENT PLAN TO ALLOW FOR AN INDUSTRIAL OVERLAY**

**2. Name and Title of Person Initiating the Ordinance, etc.:**

Anthony Cruz, Director, Department of Housing, Economic Development, and Commerce

**3. Concise Description of the Plan Proposed in the Ordinance:**

Adopts an amendment to the redevelopment plan to include 15 East Linden Avenue and allows for an industrial zoning overlay.

**4. Reasons (Need) for the Proposed Program, Project, etc.:**

The Redevelopment Area contains two older industrial properties that contain on-going light industrial businesses that wish to remain in the area and grow their businesses. The current redevelopment plan does not allow these industrial uses, so to grow or build new facilities, they must go elsewhere.

**5. Anticipated Benefits to the Community:**

The amendment will allow for an expansion of the light industrial businesses at this site, which will create additional jobs in a location that is somewhat removed from the residential neighborhood on the west side of the light rail tracks.

**6. Cost of Proposed Plan, etc.:**

\$0.00 all work performed in house

**7. Date Proposed Plan will commence:**

Upon approval

**8. Anticipated Completion Date: N/A**

**9. Person Responsible for Coordinating Proposed Program, Project, etc.:**

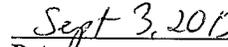
Robert D. Cotter, Director, City Planning

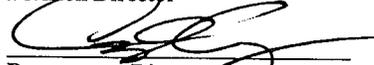
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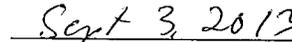
**10. Additional Comments: None**

**I Certify that all the Facts Presented Herein are Accurate.**

  
\_\_\_\_\_  
Division Director

  
\_\_\_\_\_  
Date

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

  
\_\_\_\_\_  
Date

**SUMMARY STATEMENT**

**ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY  
ADOPTING AMENDMENTS TO THE DANFORTH AVENUE TRANSIT VILLAGE  
REDEVELOPMENT PLAN TO ALLOW FOR AN INDUSTRIAL OVERLAY**

This ordinance will allow for an industrial overlay zoning that will allow existing businesses to expand and add 15 East Linden Avenue to the redevelopment area.

**DEPARTMENT OF HOUSING, ECONOMIC DEVELOPMENT & COMMERCE**  
**Division of City Planning**



**Inter-Office Memorandum**

**DATE:** August 29, 2013  
**TO:** Council President, Rolando R. Lavarro, Jr.  
Members, Municipal Council  
**FROM:** Robert D. Cotter, FAICP, PP, Planning Director *RD Cotter*  
**SUBJECT:** Danforth Avenue Transit Village Redevelopment Plan Amendment

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The proposed amendments to this redevelopment plan will allow 15 East Linden to be added to the redevelopment plan area, thus allowing for the Jersey City Redevelopment Agency to dispose of the property through the redevelopment process. This will allow for greater control over the new users as the JCRA can enter into a contract guaranteeing performance. This is appropriate as this property is adjacent to the new public works complex and we want to protect our investment there.

The change to the zoning is what we call a “zoning overlay” which means that there would be two zoning options for the property. The current zoning allows for a residential community of 4 to 17 stories, with ground floor commercial uses; industrial uses are prohibited. The overlay would allow the option of industrial uses which are permitted on the south side of East Linden Avenue. The site is separated from the residential neighborhood along Princeton Avenue by the light rail right-of-way.

It is unlikely that the residential mixed-use community envisioned in 2007 will emerge anytime soon. This plan was promulgated by the property owners at the height of the housing bubble and it was envisioned that this might happen relatively quickly. Meanwhile, the lands sit fallow and opportunities to create employment are missed. This amendment will address those concerns.

c. John Thieroff, Deputy Mayor  
Anthony Cruz, Acting Director, HEDC



**Inter-Office Memorandum**

**DATE:** September 3, 2013  
**TO:** Council President Rolando R. Lavarro, Jr.  
**Members, Municipal Council**  
**FROM:** Robert D. Cotter, FAICP, PP, Planning Director *RD Cotter*  
**SUBJECT:** Proposed Amendments to the Danforth Avenue Transit Village RDP

The following are the recommended changes to the Danforth Avenue Redevelopment Plan.

Add 15 East Linden Avenue (Liberty Self Storage) to the Redevelopment Plan Area but do not change its zoning. 15 East Linden will remain zoned PORT INDUSTRIAL only.

Add an Overlay Zone to the current Danforth Avenue Transit Village Redevelopment Plan Area that will allow property owners to take advantage of an option to develop their property according to the PORT INDUSTRIAL zoning in addition to the existing Transit Village zoning.

The Port Industrial zoning is as follows:

Permitted principal uses:

1. Offices.
2. Warehousing and distribution.
3. Manufacturing, processing, research and assembly operations.
4. Terminal facilities for rail, truck and waterborne transportation, including storage and containerization facilities.
5. Marinas and the construction and repair of boats.
6. Service stations.

It is only the first three uses that would be expected to be developed in this area.



**DANFORTH TRANSIT VILLAGE REDEVELOPMENT PLAN  
PROPOSED EXPANSION**

**Legend**

-  Proposed Expansion Area
-  Current Redevelopment Plan Boundary

SEPTEMBER 3, 2013

0 150 300 600 900 1 200

