

City Clerk File No. Ord. 14.045

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 14.045

TITLE:

**AN ORDINANCE AMENDING CHAPTER 254, (PROPERTY MAINTENANCE)
ARTICLE IV, TO ESTABLISH A REGISTRATION FEE FOR VACANT LOTS AND TO
PROVIDE MAINTENCE STANDARDS FOR VACANT LOTS**

WHEREAS, the City of Jersey City contains many vacant lots; and

WHEREAS, often the owners of these vacant lots are neglectful of them, fail to maintain or secure them to an adequate standard, or plan to return to productive use; and

WHEREAS, it has been demonstrated that vacant lots cause harm to the health, welfare and safety of the community, including an increase in criminal activity, litter, environmental degradation and diminution of adjacent and neighboring property values; and

WHEREAS, the citizens of Jersey City must bear the increased cost associated with dealing with the problems of vacant lots including, but not limited to excessive police calls, and property inspections; and

WHEREAS, it is in the public's best interest that the City of Jersey City establish minimum standards of accountability on the owners or other responsible parties of vacant lots in order to protect the health, welfare and safety of the community; and

WHEREAS, it is in the public's best interest that the City of Jersey City impose a fee in conjunction with a registration ordinance to for vacant lots in light of the costs imposed upon the citizens of Jersey City by the presence of these structures.

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

- A. The following amendments to Chapter 254 (Property Maintenance) creating a Vacant Lot Registry are set forth below and shall be adopted:

**PROPERTY MAINTENANCE
Article IV ~~Unfit Buildings~~ Vacant Properties**

§ 254-20. ~~Vacant structures, Inspection; notice; hearings.~~

- A. ~~The Chief Director of the Division of Housing Code Enforcement (HCE) on his or her own, or upon the filing of a petition by a public authority or by at least five residents of the eCity, shall make an inspection of any building believed to be unfit for human habitation, occupancy or use; and if his or her a preliminary investigation discloses a basis for such charges, the Director of the Division of Construction Code Official~~ Housing Code Enforcement or his or her designee,

thereupon shall serve upon the owner of the building and parties in interest in such a building, a notice stating the charges in that respect and setting a date for a hearing before the ~~Director of the Division of Construction Code Official~~ Director of Housing Code Enforcement not less than seven nor more than 30 days from the date of service of said notice. The owner and parties in interest shall be given the right to file an answer to the notice and to appear in person or otherwise and give testimony at the time and place fixed in the notice. The rules of evidence prevailing in the courts shall not be controlling in hearings before the ~~Director of the Division of Construction Code Official~~ Director of Housing Code Enforcement.

- B. The ~~Construction Official~~ Director of Housing Code Enforcement shall determine within 90 days after notice to the owner whether a building should be condemned and the owner directed to either repair or demolish the building.
- C. The ~~Construction Official~~ Director of Housing Code Enforcement shall provide the Mayor and Council with quarterly reports on the status of all buildings reported to his or her division as abandoned or unfit for human occupancy. Such report shall indicate the ~~Construction Official's~~ Housing Code Enforcement Director's decision as to each such building.

§ 254-21. Vacant or boarded structures.

- A. Any residential or commercial building or structure in the City of Jersey City remaining vacant or boarded for a period exceeding six (6) months shall be deemed a fire hazard and unsafe.
- B. If any residential or commercial building or structure remains vacant or boarded for more than six (6) months, the ~~Construction Official~~ Director of Housing Code Enforcement or his or her designee shall serve upon the owner, agent or person in control of the building or structure a written notice describing the building or structure and requiring the owner, agent or person in control of the building or the structure to abate this condition by taking one (1) of the following corrective measures within six (6) months of the date of written notification.
 - (1) Actual and legal occupancy of the building or structure, which occupancy shall be made only after obtaining a certificate of occupancy.
 - (2) Submission of a fully executed and binding contract of sale for the ~~property~~ building, which contract shall contain a clause advising the prospective purchaser that occupancy must be achieved within six (6) months of the service of the written notice specified above.
 - (3) Demolition of the building or structure, upon obtaining the necessary demolition permit(s).
 - (4) Any other action required or necessary to render the building or structure safe and in a habitable condition.
- C. Where a building or structure has been abandoned for a period exceeding six (6) months and ownership cannot be determined, the city shall institute appropriate legal action to acquire title to the building or structure pursuant to the police powers vested in the City of Jersey City and upon acquisition, the building or structure shall be maintained by the ~~e~~City in a condition compatible with the

surrounding neighborhood until such time as said property is disposed of at public auction or as otherwise permitted by law.

§ 254-21.1. Purpose.

The purpose of this ~~Section~~ Article IV is to require accountability from the owners of vacant buildings and ~~abandoned properties~~ lots within the City of Jersey City by establishing a system of registration and the maintenance plan approval, and impose the fees to fund these efforts which will protect public health, safety and general welfare of the citizens and improve unsightly neighborhoods, require secure structures, prevent structural deterioration, and protect neighborhood property values and safety.

§ 254-22.2. Definitions.

The following words, terms and phrases, when, used in this ~~division~~ section, shall have the meaning ascribed to them in this section, except where the context clearly indicates a different meaning.

ABANDONED PROPERTY defined in accordance with N.J.S.A. 55:19-78 means improved real property that has not been legally occupied for six (6) months and which meets any one of the criteria set forth in N.J.S.A. 55:19-78.

DIVISION OF HOUSING CODE ENFORCEMENT (HCE) is the City division charged with enforcing the provisions of this Ordinance.

ENFORCEMENT OFFICIAL means any duly authorized City employee or designated representative.

EVIDENCE OF VACANCY means any condition that on its own, or combined with other conditions present would lead a reasonable person to believe that the property is or has been vacant for six (6) or more months. Such conditions include, but are not limited to, overgrown or dead vegetation, accumulation of newspapers, circulars, flyers or mail, past due utility notices or disconnected utilities, accumulation of trash, junk or debris, the absence of window coverings -such as curtains, blinds or shutters, the absence of furnishings or personal items consistent with residential habitation, statements by neighbors, delivery agents, or government employees that the property is vacant or abandoned.

OWNER means any person, co-partnership, agent, operator, firm, association, corporation, or fiduciary having a legal or equitable interest in the property; or appears on the official records of the state, country, or municipality as holding title to the property; or otherwise exercises control of the property, including the trustee or guardian of the estate of any such person, and the executor or administrator of the estate of such person if ordered to take possession of real property by a court.

PROPERTY means any unimproved or improved real property, or portion thereof, located in the City of Jersey City, including the buildings or structures located on the property regardless of condition.

VACANT PROPERTY BUILDING means any ~~property~~ building used or to be used as a residence which is (i) not legally occupied or (ii) at which substantially all lawful construction operations or residential occupancy has ceased, and which is in such condition that it cannot legally be re-occupied without repair or rehabilitation; provided, however, that any property with all "building systems" in working order that is also being actively marketed by its owner for sale or rental, shall not be deemed vacant.

VACANT LOT means a platted or unplatted parcel of land, which does not contain a habitable or commercial structure.

§ 254-21.3. General requirements for vacant buildings and lots.

- A. ~~Effective October 15, 2011, the owner of any property building which is, becomes or is found to be vacant shall within sixty (60) days (or within thirty (30) days of assuming ownership of such property building) Sixty (60) days after the effective date of this Ordinance or thirty (30) days after a building or lot becomes vacant the owner shall file a registration statement for each such property vacant building or lot with the City Division of Housing Code Enforcement (HCE) on forms provided by HCE for such purposes. The registration shall, remain valid until the subsequent October 15 for one (1) year. The owner shall be required to renew the registration annually as long as the property building or lot remains vacant or abandoned and shall pay a registration or renewal fee in the amount prescribed in § 254-21.9.~~
- B. ~~The owner of property which was vacant prior to October 1, 2011, shall file a registration statement for that property on or before October 31, 2011. The registration statement shall include the information required under § 254-21.4 of this Chapter, as well as any additional information that the HCE may reasonably require.~~
- C.B. The Owner shall notify the HCE within thirty (30) days of any change in the registration information by filing an amended registration statement on a form provided by the HCE for such purpose.
- D.C. The registration statement shall be deemed prima facie proof of the statements therein contained in any administrative enforcement proceeding or court proceeding instituted by the City of Jersey City against the owner or owners of the property.

§ 254-21.4. Registration requirements for vacant buildings and lots.

The owner of a vacant building(s) or lot(s) shall provide the following information to HCE on ~~a~~ the registration form or form(s) prescribed by HCE:

- (1) Name, address, email address and contact telephone number of the owner; the owner's address must include a street address; a post office box is not acceptable.
- (2) Name, address, email address and contact telephone number of any local agent(s) or representative for the ~~property building or lot~~;
- (3) Name, address, email address and contact telephone number of the person assigned to the property for the security and maintenance of the ~~property building or lot~~;
- (4) Common address and tax assessor's block and lot designation of the ~~property building or lot~~;
- (5) If a vacant building, the date on which the property building became vacant;
- (6) If a vacant building, proof of utility (gas, electric, water) connections or disconnections; and
- (7) Any other information reasonably required by the HCE the City to ensure the safety of all persons and to prevent neglect.
- (8) Any government entity that owns a vacant building or lot will be required to register with Jersey City, but the registration fee shall be waived.

- (8)(9) By designating an authorized agent under the provisions of this section, the owner consents to receive any and all notices of code violations concerning the registered vacant property building or lot and all process in any court proceeding or administrative enforcement proceeding brought to enforce code provisions concerning the registered building or lot by service of the notice of process on the authorized agent. Any owner who has designated an authorized agent under the provisions of this section shall be deemed to consent to the continuation of the agent's designation for the purposes of this section until the owner notifies the HCE City of a change of an authorized agent or until the owner files a new annual registration statement.
- (10) The owner is required to update the form within thirty (30) days of a change of any information contained within the form.
- (11) The registration statement shall be deemed prima facie proof of the statements therein contained in any administrative enforcement proceeding or court proceeding instituted by the City of Jersey City against the owner or owners of the vacant building or lot.
- (12) An Enforcement Official may identify vacant lots through his/her routine inspection process as well as through notification by residents, or other community groups that a lot may be eligible for inclusion on the registry. Notice will be served upon, or sent by mail, to the owner and will be deemed received by the owner, upon personal delivery; or five days after service by first class mail.
- (13) The Director of Housing Code Enforcement shall provide the Mayor and Council with quarterly reports on the status of all vacant lots.

§ 254-21.5. Property Vacant building inspection.

After filing a registration statement or a renewal of a registration statement and upon reasonable notice, the owner of any vacant property building shall provide access to the City to conduct an exterior and interior inspection of the building to determine compliance with the municipal code, during the period covered by the initial registration or any subsequent renewal.

§ 254-21.6. Requirements for owners of vacant property buildings.

The owner of any property building that has become vacant, and any person maintaining, operating or collecting rent for any such property building shall, within thirty (30) days:

- (1) Enclose and secure the property building against unauthorized entry in accordance with the applicable provisions of the Code of the City of Jersey City.
- (2) Post a sign affixed to the property building indicating the name, address and telephone number of the owner, the owner's authorized agent for the purpose of service of process (if designated pursuant to this Chapter) and the person responsible for day-to-day supervision and management of the property, if such person is different from the owner or authorized agent. The sign shall be of a size and placed in such a location so as to be legible from the nearest public street or sidewalk, whichever is nearer, but shall be no smaller than 18" x 24"; and

- (3) Secure the property building from unauthorized entry and maintain the sign until the property building is again legally occupied or demolished or until repair or rehabilitation of the property is complete.

§ 254-21.7. Vacant property building deemed abandoned property building; list of abandoned property building to be maintained by the director of housing and economic development; remedies for abandoned property building.

If the Director of ~~HED~~ Housing Code Enforcement determines that vacant property building as defined herein has been abandoned as defined in N.J.S.A. 55:19-81, the Director shall place the property building on a list of abandoned properties buildings to be maintained by the Director in accordance with N.J.S.A. 55:19-55. The abandoned property building list shall become effective either upon the expiration date of the period for appeal with respect to any property building placed on the list or upon the denial of an appeal brought by the owner. Thereafter, the municipality may pursue any statutory remedy with respect to properties buildings on the Abandoned Property list, including the sale of tax sale certificate subject to the condition that the purchase or assignee shall be obliged to complete any rehabilitation or repairs required to render the property building eligible for removal from the abandoned property building list.

~~§ 254-21.8. Fees.~~

~~The initial registration fee, and subsequent renewals, for each vacant property shall be as provided in Chapter 160, Fees and Charges.~~

~~§ 254.21.9. Violations and penalties.~~

~~Any person violating any of the provisions of this chapter shall, upon conviction, be punished as provided for in Chapter 1, General Provisions, § 1-25.~~

§254.21.8. Requirements for owners of vacant lots.

The owner of any vacant lot and any person maintaining such a lot shall within 60 days:

- a) Register the vacant lot of which they are in possession.
- b) Enclose and secure the property against unauthorized entry with a six (6) foot tall fence in accordance with § 345-67, (Fences and walls) and with any other applicable provisions of the Code of the City of Jersey City. Broken or open fences must be repaired or replaced in a timely fashion.
- c) Ensure that all bushes and trees are trimmed and that they do not interfere with neighboring properties.
- d) Ensure that grass does not exceed twelve (12) inches height and that all grass clippings are removed from the lot when the grass is cut.
- e) Lots must be clear of all garbage, litter and debris. Vacant lots must be clear of all vehicles: cars, boats, campers, etc.
- f) All sidewalks bordering vacant lots must be maintained and be cleared of snow, ice, tripping hazards, obstructions, garbage, litter and debris.
- g) The owner or owner's agent shall perform regular weekly inspections of the vacant lot to ensure compliance with the requirements of this section.

§254.21.9. Fees.

The initial registration fee for each vacant building or vacant lot shall be two hundred fifty dollars (\$250.00). The fee for subsequent renewals shall be five hundred dollars

(\$500.00). The renewal fee for the annual registration shall be due on the yearly anniversary of the initial registration. The registration fee will not be prorated or refunded.

The initial registration fee, and subsequent renewals, for each vacant building or lot shall be as provided in Chapter 160, Fees and Charges.

§254.21.10. Violations and Penalties.

Any person violating any of the provisions of this chapter, shall, upon conviction, be punished as provided for in Chapter 1, General Provisions, Sec. 1-25.

- B. All Ordinances and parts of Ordinances inconsistent herewith are hereby repealed.
- C. This Ordinance shall be part of the Jersey City Code as though codified and fully set forth therein. The City shall have this Ordinance codified and incorporated in the official copies of the Jersey City Code.
- 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 be and hereby are authorized and directed to change any chapter numbers, article numbers and section numbers in the event the codification of this Ordinance reveals that there is conflict between those numbers and the existing code.

Note: All new material is underlined; words ~~struck through~~ are omitted. For purposes of advertising only, new matter is **boldface** and repealed by *italics*.

JH
4/14/14

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required

Not Required

ORDINANCE FACT SHEET

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

Full Title of Ordinance

AN ORDINANCE AMENDING CHAPTER 254, (PROPERTY MAINTENANCE) ARTICLE IV, TO ESTABLISH A REGISTRATION FEE FOR VACANT LOTS AND TO PROVIDE MAINTENCE STANDARDS FOR VACANT LOTS.

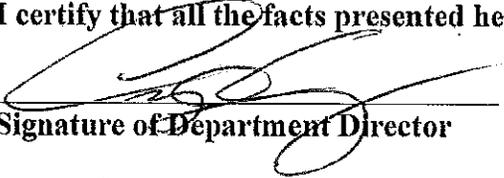
Initiator

Department/Division	Department of Housing, Economic Development & Commerce	Division of Housing Code Enforcement
Name/Title	Edward Coleman	Director <i>Edward Coleman</i>
Phone/email	(201) 547-4825	edco@cnj.org

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

Ordinance Purpose

I certify that all the facts presented herein are accurate.


Signature of Department Director

4/16/14
Date

City Clerk File No. Ord. 14.046

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 14.046

**TITLE: ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY
REPEALING ORDINANCE 13.099 AMENDING THE DANFORTH AVENUE TRANSIT
VILLAGE REDEVELOPMENT PLAN**

WHEREAS, the Municipal Council of the City of Jersey City adopted the Danforth Avenue Transit Village Redevelopment Plan at its meeting of October 7, 2008, by Ordinance 08-142; and

WHEREAS, the Municipal Council of the City of Jersey City at its meeting of September 25, 2013, adopted Ordinance 13.099 creating an port industrial overlay district and adding Block 30305, Lot 24 to the Danforth Avenue Transit Village Redevelopment Plan; and

WHEREAS, the Local Redevelopment and Housing Law (N.J.S.A. 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 Municipal Council seeks resolve pending litigation prior to reconsidering land use changes with the Danforth Avenue Transit Village Redevelopment Plan; and

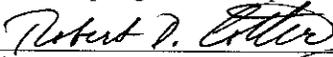
WHEREAS, repealing the prior amendments to the Danforth Avenue Transit Village Redevelopment Plan was reviewed by the Jersey City Planning Board at its meeting of April 8, 2014; and

WHEREAS, the Planning Board voted favorably to recommend repealing Ordinance 13.099; and

NOW, THEREFORE, BE IT ORDAINED by the Municipal Council of the City of Jersey City that Ordinance 13.099 be, and hereby is, repealed in its entirety, as recommended by the Jersey City Planning Board.

BE IT FURTHER ORDAINED THAT:

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


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

APPROVED AS TO LEGAL FORM

APPROVED: 

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required

Not Required

Summary

ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY REPEALING ORDINANCE 13.099 AMENDING THE DANFORTH AVENUE TRANSIT VILLAGE REDEVELOPMENT PLAN

This ordinance repeals Ordinance 13.099 for the purpose of resolving litigation against the City. Ordinance 13.099 had adopted a port industrial overlay zone and added Block 30305, Lot 24 to the Danforth Avenue Transit Village Redevelopment Plan.

ORDINANCE/RESOLUTION FACT SHEET – NON-CONTRACTUAL

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

Full Title of Ordinance/Resolution

**ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY REPEALING
ORDINANCE 13.099 AMENDING THE DANFORTH AVENUE TRANSIT VILLAGE
REDEVELOPMENT PLAN**

Initiator

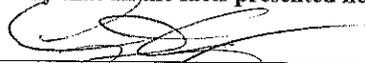
Department/Division	HEDC	City Planning
Name/Title	Robert Cotter, PP, AICP	Director
Phone/email	201-547-5010	bobbyc@jcnj.org

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

Resolution Purpose

Will rescind Ordinance 13.099. Ordinance 13.099 had created a port industrial overlay zone and added Block 30305, Lot 24 to the Danforth Avenue Transit Village Redevelopment Plan. The rescinding of this Ordinance is intended to help resolve pending litigation against the City.

I certify that all the facts presented herein are accurate.



Signature of Department Director

4/15/14

Date

City Clerk File No. Ord. 14.047

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 14.047

TITLE: AN ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY ADOPTING AMENDMENTS TO THE PAULUS HOOK REDEVELOPMENT PLAN TO PERMIT THE SUBDIVISION OF DEVELOPED PROPERTY WHILE REQUIRING THE SUM OF THE NEW MULTIPLE LOTS TO MEET THE APPLICABLE ZONING REQUIREMENTS

WHEREAS, the Municipal Council of the City of Jersey City adopted the Paulus Hook Redevelopment Plan ("Plan") in April, 1969, and amended the Plan in September, 1971; in September, 1973; in December, 1997; and most recently on September, 13, 2012; and

WHEREAS, the existing zoning standards and regulations in the Plan are premised on former planning principals that are outdated, and the subdivision of existing development parcels would be difficult under the existing zoning standards and regulations and may result in undesirable development lots; and

WHEREAS, the purpose of the proposed amendments is to permit the subdivision of property while requiring the sum of the new multiple lots to meet the applicable zoning requirements; and

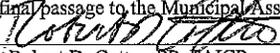
WHEREAS, the existing zoning standards and regulations will remain in place, and any amendments to these zoning regulations and standards would be subject to further review by the Planning Board and approval by the Municipal Council; and

WHEREAS, the Planning Board, at its meeting of March 25, 2014, determined that the Paulus Hook Redevelopment Plan should be amended to permit the subdivision of property and voted to recommend the adoption of the proposed amendment to the City Council; and

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

NOW, THEREFORE, BE IT ORDAINED, by the Municipal Council of the City of Jersey City, 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 fully set forth therein. The City Clerk shall have this Ordinance certified and incorporated in the official copies of the Jersey City Code.
- C. This Ordinance shall take effect at the time and in the manner as provided by law.
- D. The City Clerk and the Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this Ordinance reveals that there is a conflict between those numbers and the existing Code, in order to avoid confusion and possible accidental repeals 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.A. 40:55D-15 and N.J.S.A. 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.A. 40:55D-16. The clerk shall also forthwith transmit a copy of this Ordinance after final passage to the Municipal Assessor as required by N.J.S.A. 40:49-2.1


Robert D. Cotter, PP, FAICP

APPROVED AS TO LEGAL FORM

APPROVED: 

APPROVED: _____

Corporation Counsel

Business Administrator

Certification Required

Not Required

ORDINANCE/RESOLUTION FACT SHEET – NON-CONTRACTUAL

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Full Title of Ordinance/Resolution

AN ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY ADOPTING AMENDMENTS TO THE PAULUS HOOK REDEVELOPMENT PLAN TO PERMIT THE SUBDIVISION OF DEVELOPED PROPERTY WHILE REQUIRING THE SUM OF THE NEW MULTIPLE LOTS TO MEET THE APPLICABLE ZONING REQUIREMENTS

Initiator

Department/Division	HEDC/Planning	
Name/Title	R. Cotter, Director, PP, FAICP	M. Bucci-Carter, Supervising Planner, PP, AICP
Phone/email	201-457-5050 ; bobbyc@icnj.org	201-547-4499; maryamb@icnj.org

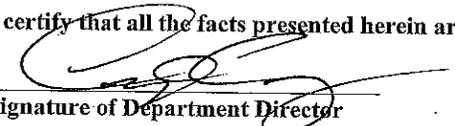
Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

Resolution Purpose

This ordinance permits the subdivision of developed property within the redevelopment area while requiring the sum of the new multiple lots to meet the applicable zoning requirements.

The purpose for allowing the subdivision is to legally separate the existing building from the rest of the parcel for financing reasons without making it non-conforming.

I certify that all the facts presented herein are accurate.


Signature of Department Director

_____ Date

Proposed Paulus Hook Redevelopment Plan Amendments

ver. 2013.12.11

F. Land Disposition Supplement

1. Specific land use designations and standards to be imposed on disposition parcels to be offered for sale or lease in NDP Area I (Paulus Hook A-3-I)

- A. Planning and design objectives and standards for residential parcels.

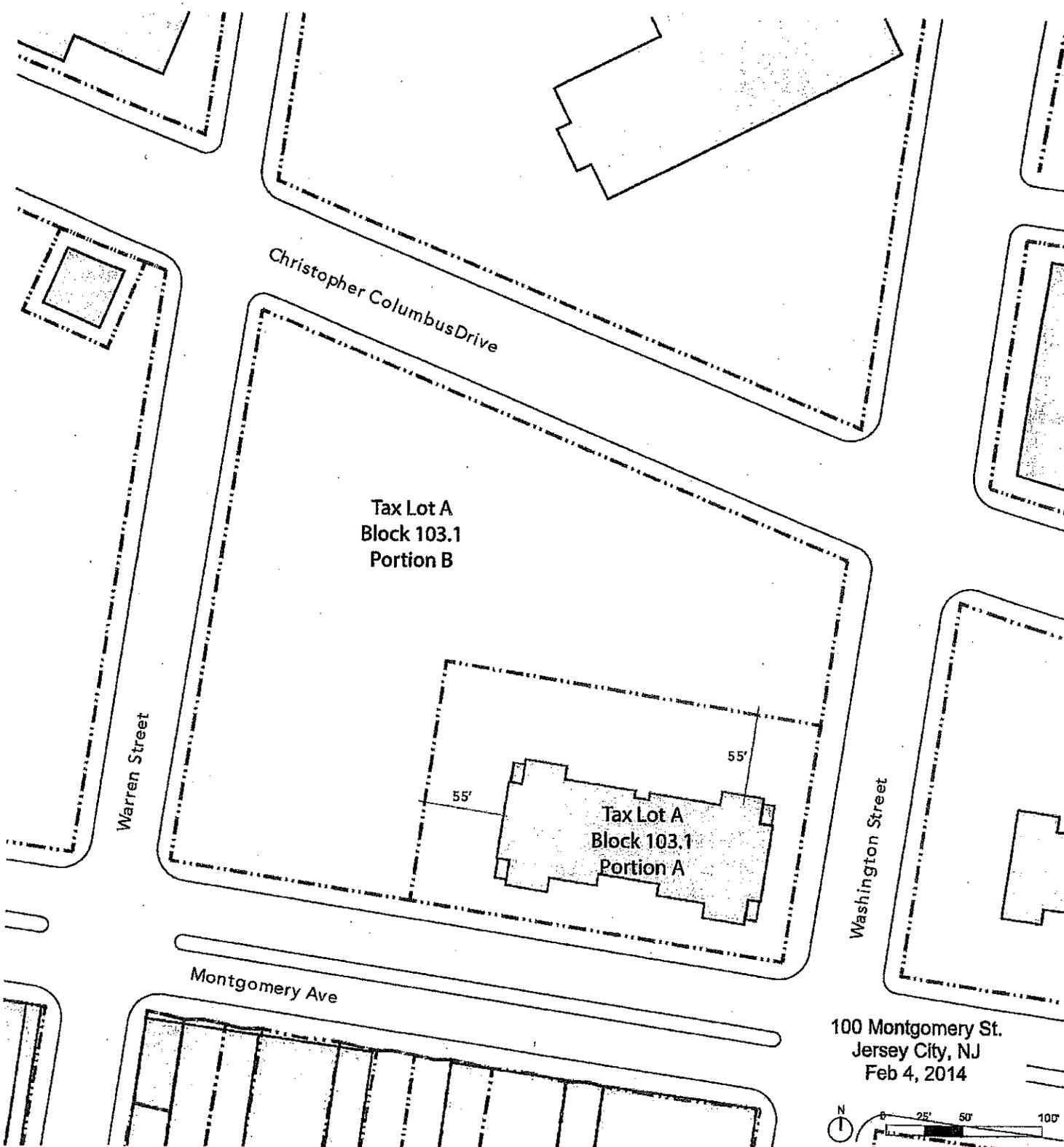
These parcels shall be utilized for the construction of a multiple family dwelling or dwellings accessory uses customary incidental thereto including enclosed and open parking and outdoor recreation facilities and commercial uses designed to serve immediate residential needs. Limited commercial uses may include actives clearly compatible with the dominant residential use as, for example, pharmacies, eating facilities, retail establishments and professional offices. Non-residential uses shall not occupy more than 15 per cent of the gross interior floor area, exclusive of underground parking facilities, developed pursuant to this plan. Vehicular traffic generated from redevelopment parcels shall be discharged onto adjacent streets as to minimize interference with proximate traffic flows.

Redevelopment parcels may be made available for development of new housing for persons of moderate income.

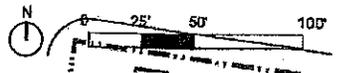
- (i) No structure or structures shall:
 - (a) Be sited more closely than fifteen (15) feet to any property line.
 - (b) Cover more than twenty-five (25) per cent of the land within respective disposition parcels.
 - (c) Exceed a density of one hundred twenty six (126) housing units per acre.
 - (d) Exceed the lesser of twenty-three (23) stories or two hundred and thirty (230) feet in height.
- (ii) ***Notwithstanding the standards setforth in Section f.1.A.(i) herein, parcels and development may be subdivided. When a development parcel is subdivided, the coverage and density requirements above shall be averaged over the tax block and new lots that are created from the subdivided parcel.***

(iii) Redevelopment within each disposition parcel shall provide:

- (a) A minimum of four vehicular parking spaces per ten housing units. In the event that structures or a specified number of housing units are specifically constructed for occupancy by elderly persons and a covenant to that effect is inserted within disposition agreements, four parking spaces shall be required for each ten housing units.**
- (b) A minimum of one (1) square foot of vehicular parking space per two (2) square feet of accessory commercial floor space.**
- (c) Space for commercial loading and unloading generated by the predominant residential use. No commercial loading or unloading, whether for residential or accessory uses, shall occur from public rights-of-way or residential parking lots.**
- (d) That a minimum of fifteen (15) percent of each disposition parcel shall be landscaped. All areas not developed for buildings, access drives, parking areas or recreational areas shall be landscaped.**
- (e) Residential parcels and development may be subdivided. The above parking, loading and landscaping requirements may be provided on the development parcel or on an adjacent lot within the subdivided tax block.***



100 Montgomery St.
Jersey City, NJ
Feb 4, 2014



SUMMARY STATEMENT

AN ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY ADOPTING AMENDMENTS TO THE PAULUS HOOK REDEVELOPMENT PLAN TO PERMIT THE SUBDIVISION OF DEVELOPED PROPERTY WHILE REQUIRING THE SUM OF THE NEW MULTIPLE LOTS TO MEET THE APPLICABLE ZONING REQUIREMENTS

The Paulus Hooke Redevelopment Area is bounded by Christopher Columbus Drive on the North, Warren Street on the West, Montgomery Street to the South and Greene Street on the East.

This ordinance permits the subdivision of developed property within the redevelopment area while requiring the sum of the new multiple lots to meet the applicable zoning requirements.

The purpose for allowing the subdivision is to legally separate the existing building from the rest of the parcel for financing reasons without making it non-conforming.



Inter-Office Memorandum

DATE: April 7, 2014

TO: Rolando Lavarro, Council President
Member of the Municipal Council

FROM: Robert D. Cotter, PP, FAICP; Planning Director
Maryann Bucci-Carter, PP, AICP; Supervising Planner

SUBJECT: ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY
CITY ADOPTING AMENDMENTS TO THE PAULUS HOOK
REDEVELOPMENT PLAN TO PERMIT THE SUBDIVISION OF DEVELOPED
PROPERTY WHILE REQUIRING THE SUM OF THE NEW MULTIPLE LOTS
TO MEET THE APPLICABLE ZONING REQUIREMENTS

The development firm L+M Development Partners has requested an amendment to the Paulus Hook Redevelopment Plan that would allow them to subdivide off the existing Paulus Hook Towers from the parking lot and landscaped area of the block at Montgomery and Washington. The purpose for the subdivision is to legally separate the building from the rest of the parcel for financing reasons, but also, ultimately, to redevelop the parking lot into a new complex of parking garage, apartment tower(s?), and ancillary development.

We are not prepared to move the amendments to allow the ambitious desire to redevelop the bulk of the site, as we are just beginning to discuss what can and should happen here. But the subdivision will permit the pending purchase to go forward and will assure that the existing building gets rehabbed as it certainly needs, and we will get back to you in the near future with the concepts for the parking lot area of the block.

We agree that the urban renewal project from the 1970s is outdated and needs to be repaired. It now appears unfinished with limited landscaping and a wide expansive of parking lot. The "tower in the parking lot" idea was never a good one, but back in the days of urban renewal, the City tore down the old, blighted relics from the Victorian era and put up sprawling parking lots and dreary apartment towers.

It is time to fix the problems created during the urban renewal era. This is a first step toward that goal.

City Clerk File No. Ord. 14.048

Agenda No. 3.D 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

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

CITY ORDINANCE 14.048

**TITLE: ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF
JERSEY CITY ADOPTING AMENDMENTS TO THE MCGINLEY
SQUARE EAST REDEVELOPMENT PLAN**

WHEREAS, the Municipal Council of the City of Jersey City adopted the McGinley Square East Redevelopment Plan at its meeting of October 12, 2011, by Ordinance 11-089; and

WHEREAS, the Municipal Council seeks renewed investment and development in the McGinley Square area ; and

WHEREAS, the following amendments to the McGinley Square East Redevelopment Plan have been reviewed by the Jersey City Planning Board at its meeting of April 8, 2014; and

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

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

NOW, THEREFORE, BE IT ORDAINED by the Municipal Council of the City of Jersey City that the attached amendments to the McGinley Square East Redevelopment Plan be, and hereby is, adopted as recommended by the Jersey City Planning Board.

BE IT FURTHER ORDAINED THAT:

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


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

APPROVED AS TO LEGAL FORM

APPROVED: 

APPROVED: _____

Corporation Counsel

Business Administrator

Certification Required

Not Required

ORDINANCE/RESOLUTION FACT SHEET – NON-CONTRACTUAL

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

Full Title of Ordinance/Resolution

ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY ADOPTING AMENDMENTS TO THE MCGINLEY SQUARE EAST REDEVELOPMENT PLAN

Initiator

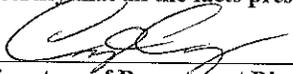
Department/Division	HEDC	City Planning
Name/Title	Robert Cotter, PP, AICP	Director
Phone/email	201-547-5010	bobbyc@cnj.org

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

Resolution Purpose

The Redevelopment Area consists of a variety of residential, commercial, and industrial uses that contain a variety of negative influences, including vacant lots, vacant and dilapidated buildings, and underutilized or obsolete facilities, which contribute to a lack of private investment in the Area. The original plan relied on mass consolidation of properties for the full implementation of the plan, which is no longer feasible. The amended plan will clarify development rights and allow for redevelopment without mass consolidation of property within the plan area.

I certify that all the facts presented herein are accurate.


Signature of Department Director

4/14/14
Date

Summary

ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY ADOPTING AMENDMENTS TO THE MCGINLEY SQUARE EAST REDEVELOPMENT PLAN

This ordinance adopts amendments to the McGinley Square East Redevelopment Plan. The amendment reorients the plan towards the development of individual parcels rather than the mass consolidation of those parcels which is no longer considered feasible.

Paper streets and increased street widths are removed to clarify development rights within the plan. The single largest development lot is permitted to increase its allowable building height from 175 to 275 feet with various building setback requirements.

The remainder of the plan area keeps the same maximum building height of 175 feet, indexed to the size of the development parcel.

PROPOSED AMENDMENTS TO THE MCGINLEY SQUARE EAST REDEVELOPMENT PLAN

PRESENTED TO THE JERSEY CITY PLANNING BOARD ON APRIL 8, 2014

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

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

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

I INTRODUCTION

The intent of this Redevelopment Plan is to promote the resurgence of McGinley Square as a center of commerce, education, and entertainment within a revitalized and livable transit oriented neighborhood in the City of Jersey City.

The McGinley Square East Redevelopment Plan area (a.k.a. the Redevelopment Area) is approximately 10.2 acres ~~and includes 53 tax lots~~ near the geographic center of Jersey City. The McGinley Square East Study Area was found to be an area in need of rehabilitation pursuant to NJSA 40A:12A-14 on September 27, 2011. A portion of the Redevelopment Area was previously found to be an area in need of redevelopment and included in the Armory Redevelopment Plan by ordinance number 99-106. The Armory Redevelopment Plan included Lot A3 on Block ~~189713504~~ (700 Montgomery Street) owned by Saint Peter's College **University** and the armory building owned by the State of New Jersey Department of Defense. This Redevelopment Plan will incorporate Lot **A3** on Block ~~189713504~~ into the plan area and replace the Armory Redevelopment Plan as it relates to this particular tax lot. The Armory Redevelopment Plan shall continue to apply to the Armory Building itself.

McGinley Square has good mass transit access and opportunities. It is located little more than ½ mile south of the Journal Square Transportation Center, which is serviced by both the PATH line from Newark to lower Manhattan and the PATH line from Journal Square to midtown Manhattan. The Transportation Center is also serviced by more than a dozen bus lines operated by New Jersey Transit and independent bus companies. McGinley Square itself is crisscrossed by four different bus lines:

- The Bergen Avenue Bus, which runs from the Bayonne-Jersey City municipal boundary line to Journal Square, primarily along Old Bergen Road and Bergen Avenue.
- The Montgomery Westside Bus, which runs from the Greenville section of Jersey City to Downtown Jersey City, primarily along Westside Avenue and Montgomery Street, connecting to two PATH stations.

- The NJ Transit #80 Bus, which connects the Greenville section with Journal Square and Exchange Place in downtown Jersey City; passing through the McGinley Square East Redevelopment Area on Montgomery Street and Bergen Avenue.
- The NJ Transit #87 Bus, which also runs from the Greenville section to Journal Square and then on to Hoboken Station; passing through the McGinley Square East Redevelopment Area along Bergen Avenue.

The mass transit network is a legacy of McGinley Square's history as a crossroads of the Jersey City trolley system. Public Service Electric, which operated the trolley system, had two active trolley storage and repair facilities at 700 and 711 Montgomery Street in the McGinley Square neighborhood. Today, the "Journal Square 2060 Redevelopment Plan" envisions the creation of a street car / light rail link from Journal Square to McGinley Square. This Redevelopment Plan incorporates that long term vision by reference, and in the near term recommends improvements to the existing bus lines and bus stop locations, and bringing "bus rapid transit" to the area, linking McGinley Square and Journal Square in order to encourage increased mass transit ridership.

Historically, McGinley Square was a thriving business center. Retail stores, restaurants and the Pix movie theater served not only the immediate neighborhood, but the entire city. Over time McGinley Square declined as a center of business and commerce, a victim of suburban malls, business centers and multi-screen cinemas; not unlike many neighborhoods in northeastern cities. More recently, there have been positive signs of revitalization in the area. Saint Peters College *University* is expanding and has undertaken the construction of a new Student Center on Montgomery Street. The former 7th Precinct Building at 769 Montgomery Street has been converted into new housing. Further to the east, the Beacon (the former Jersey City Medical Center) is in the process of being converted into a "city within a city" including luxury apartments, health club facilities, and many more amenities.

It is now time to begin the process of re-planning and redeveloping this former focal point and center of activity within the larger neighborhood so that McGinley Square will once again serve as the center piece of a vibrant mixed-use neighborhood.

This *Redevelopment* Plan envisions a neighborhood incorporating the best principals of sustainable development, including the combined principals of smart growth, new urbanism and green building design. The intent is to maintain and enhance an open network of streets interconnected within the area, as well as with the surrounding neighborhoods and to create usable open spaces for social interaction. Convenient retail facilities and services are envisioned, along with business offices, a hotel, a movie theater, a range of housing types for various income brackets, education facilities and student housing for Saint Peters College *University*. This *Redevelopment* Plan also incorporates the recommendations and development actions proposed in the New Jersey Division of Community Affairs approved Neighborhood Plan prepared by Bergen Communities United, a steering committee comprised of local community groups, businesses, and residents.

These enhanced facilities and improved transportation networks are intended to not only revitalize McGinley Square itself, but to promote the revitalization of the surrounding neighborhoods, to bind each of the existing neighborhoods and redevelopment areas surrounding McGinley Square into a cohesive whole, and to once again have McGinley Square become a focal point for commerce, education, entertainment, and social interaction.

II. BOUNDARY DESCRIPTION

The ~~R~~redemption ~~P~~plan shall include all tax lots on tax blocks ~~1896, 1896.5, 1897, 1903, 13504, 14902, 14903, 15101, and 1905-515004~~. The boundary of the Study Area is also depicted on Map 1 - Boundary Map. Block and lot numbers can change over time due to subdivisions and lot consolidations. Therefore, in the event of a discrepancy between the lots listed and the Map, the Map shall take precedence.

III. REDEVELOPMENT PLAN GOALS & OBJECTIVES

- A. To redevelop the McGinley Square East Study Area in a manner that recognizes McGinley Square's traditional position as a neighborhood center of commerce, retail, education, entertainment and culture.
- B. To expand, redesign and rebuild the McGinley Square plaza as the central open space and focal point within the community so as to serve as a location for community activity and social interaction.
- C. To encourage development of buildings with a mixture of uses, high quality building design, and an intensity of development that will fuel commercial activity throughout the McGinley Square commercial district.
- D. To provide a variety of market rate and workforce housing types, both rental and for sale, suitable to meet the need of varying family types and income levels.
- E. To encourage innovative mixed-use development through new construction of low rise, mid-rise and high rise structures, thereby providing for an intensity of development suitable to support the implementation of needed infrastructure improvements and transit.
- F. To provide for urban amenities and activities such as transit, open space, entertainment, retail, education facilities, and housing variety that will attract a range of new residents and employers and encourage a balance of jobs and housing.
- G. To provide for the interconnection of uses, blocks, and streets to create an integrated development and a greater sense of community by respecting and enhancing the traditional urban street grid pattern.
- H. To increase pedestrian capacity and improve the pedestrian environment by providing wider sidewalks, additional street trees, improved lighting, active retail along sidewalks, and other pedestrian amenities.
- I. To reduce automobile dependency by encouraging higher intensity development in proximity to neighborhood services, lower automobile parking ratios, and safe convenient facilities for bicycle storage and parking.
- J. To encourage the greater use of mass transit by improving bus stop locations within the

Redevelopment Area, promoting increased bus ridership and by encouraging the “street car” / light rail system as discussed in the Journal Square 2060 Redevelopment Plan to connect to McGinley Square and beyond when feasible.

- K. To preserve the building located on Lot N.13 of Block 1903-15101 and require its rehabilitation.
- L. To coordinate redevelopment activities to provide for a uniform and consistent attack on blight and the removal of vacant, deteriorated, dilapidated, and obsolete structures within the Area.
- M. To promote the principles of sustainable development *by promoting development that is consistent with the goals of the “Green Guide”, as prepared by the Jersey City Redevelopment Agency, March, 2013.* ~~through adherence to the standards and principals of the Leadership in Energy and Environmental Design (LEED) Green Building and Neighborhood Rating Systems or equivalent rating systems.~~
- N. To promote the principles of “New Urbanism,” “Smart Growth,” and “Transit Village” development through a variety of housing choices, providing pedestrian friendly streets, minimize automobile use, encourage reduced parking and shared use parking solutions, and creating a livable community with convenient access to commercial facilities.
- O. To recognize and incorporate the recommendations and development actions contained within the Bergen Communities United Neighborhood Plan.
- P. Utilize the Bergen Communities United Jobs Bank for employee placement in newly developed retail and commercial establishments.
- Q. To develop in a manner that is compatible with other neighboring redevelopment plans.
- R. All housing pursuant to inclusionary housing requirements are recommended to be mixed in with market rate units within each building.
- S. Foye Place is recommended to be renamed McGinley Square.
- T. Parking decks should provide hourly car rental services and be made available to the general public.
- U. Community participation in the design of public plazas, parks, and new buildings.
- V. Redesign public streets in accordance with the NJ Complete Streets manual, and utilize traffic calming design features, and incorporate bike lanes where feasible.

IV. GENERAL ADMINISTRATIVE PROVISIONS

- A. No building or elevated pedestrian walkway shall be constructed over a public right-of-way in the Redevelopment Area. ~~Elevated pedestrian walkways may be built over private pedestrian plazas or public easements on private property, but shall be constructed such that there is a minimum 20 feet of clearance between the lowest portion of the elevated walkway and the grade below.~~
- B. Underground parking may extend beneath a public right-of-way subject to approval by the Municipal Council.
- C. Prior to commencement of construction, site plans for the construction and/or rehabilitation of improvements to the *Redevelopment* Area shall be submitted by the developer to the Planning Board of the City of Jersey City for review and approval so that compliance of such plans with the redevelopment objectives and regulations can be determined. Site plan review shall be conducted by the Planning Board pursuant to

NJSA 40:55D-1 et. seq. Applications must be submitted for an entire project. ~~and may~~ *Multi-phase projects must* include a phasing plan.

D. *Required Community Notice Requirements:*

- 1) *A copy of all application documents and site plan drawings must be sent to Bergen Communities United at their address maintained with the City Planning Division simultaneously with application filing with the City Planning Division.*
- 2) *All development projects are recommended to conduct pre-application meetings to review architectural and site plan design with the City Planning Division in conjunction with the Bergen Communities United's architectural review committee prior to submission of a development application.*

E. As part of any site plan approval, the Planning Board may require a developer to furnish performance guarantees pursuant to NJSA 40:55D-53 et seq. Such performance guarantees shall be in favor of the City in a form approved by the Jersey City Corporation Counsel. The amount of any such performance guarantees shall be determined by the City Engineer and shall be sufficient to assure completion of on and off site improvements within one (1) year of the issuance of a certificate of occupancy for that portion of the project which is the subject of the final site plan approval.

F. ~~All proposed new construction pursuant to the majority block development bonus (Section XIII) may only be undertaken by a redeveloper designated by the Jersey City Redevelopment Agency and shall be subject to a fee of \$10,000 to cover administrative costs of the Division of City Planning~~ *adaptive reuse projects shall be exempt from required parking standards.*

G. The Planning Board shall have the discretion to require a phasing plan as part of a development application or approval *for a multi-phase development project*, and shall have the discretion to require suitable mechanisms to insure the balanced development of the project and the construction of planned open space, infrastructure and other necessary facilities.

H. All traffic impact studies shall incorporate, as part of the study, all projects approved or proposed in the immediate area. A listing of the projects may be obtained from the Division of City Planning.

I. No use or reuse shall be permitted, which, when conducted under proper safeguards, will produce corrosive, toxic or noxious fume, glare, electromagnetic disturbances, radiation, smoke, cinders, odors, dust or waste, undue noise or vibration (60 decibels), or other objectionable features so as to be detrimental to the public health, safety or general welfare.

J. All residential development and plans shall meet or exceed applicable Federal Housing Administration minimum room size requirements prior to approval by the Planning Board.

K. This Redevelopment Plan shall supersede all provisions of the Jersey City Zoning Ordinance that are specifically addressed herein. Any zoning related question that is not addressed herein shall refer to the Jersey City Zoning Ordinance for clarification. Upon final adoption of this *Redevelopment* Plan by the Municipal Council of Jersey City, the Jersey City Zoning Map shall be amended to rezone the Redevelopment Area covered by this Plan as a Redevelopment Area, and all prior zoning will be voided.

L. The provisions of this plan specifying the redevelopment of the project area and the requirements and restrictions with respect thereto shall be in effect for a period of fifty

(50) years from the date of approval of this plan by the Municipal Council of the City of Jersey City. At the end of this fifty (50) year period, the zoning regulations contained herein shall be incorporated into the zoning ordinance of the City of Jersey City in accordance with the appropriate State statutes.

- M. Any subdivision of lots and parcels of land within the Redevelopment Area shall be in accordance with the requirements of this plan and the Land Development Ordinance (LDO) of Jersey City.
- N. Upon demolition of existing structures, sites shall be graded and planted or sodded, with a durable dust free surface in the interim period prior to construction of new buildings.
- O. Deviation Requests: The Planning Board may grant deviations from the regulations contained within this Redevelopment Plan, where, by reason of exceptional narrowness, shallowness or shape of a specific piece of property, or by reason of exceptional topographic conditions, pre-existing structures or physical features uniquely affecting a specific piece of property, the strict application of any area, yard, bulk or design objective or regulation adopted pursuant to this Redevelopment Plan, would result in peculiar and exceptional practical difficulties to, or exceptional and undue hardship upon, the developer of such property. The Planning Board may also grant such relief in an application relating to a specific piece of property where the purposes of this Redevelopment Plan would be advanced by a deviation from the strict requirements of this *Redevelopment* Plan and the benefits of the deviation would outweigh any detriments. Deviations from the required ground floor use as per Section XI shall be cognizable by the Planning Board. Deviations relative to the location, width and design of rights-of-way and pedestrian ways as per Section VII and Map 5, shall be considered a design waiver, cognizable by the Planning Board. No relief may be granted under the terms of this Section unless such deviation or relief can be granted without substantial detriment to the public good and will not substantially impair the intent and purpose of the Redevelopment Plan.

No deviations may be granted which will result in permitting:

- 1) A use or principal structure in a district which does not permit such use or principal structure, including free standing signage;
- 2) An expansion of a non-conforming use;
- 3) An increase in height of more than ten feet or 10% of the maximum permitted height in feet, whichever is less.
- 4) A breach in the required minimum or maximum building base height requirement of 10% or more;
- 5) An increase in the parking ratio of 10% or more above the maximum permitted;
- 6) A breach in the minimum or maximum number of permitted stories.
- 7) A reduction in the required sidewalk pavement width beyond normal adjustments encountered during survey synchronization;
- 8) Non-completion of required open space, parks, or other type of phased improvements required to be implemented;
- 9) Non-compliance with the specific goals and objectives enumerated in ~~the~~*this Redevelopment* Plan.

Any deviation in the above categories (1-9) or any other deviation that would otherwise

constitute a "d" type variance or deviation constitutes a request for a legislative plan amendment cognizable only by the Governing Body. The Jersey City Zoning Board of Adjustment's powers are strictly limited to "a" and "b" appeals (N.J.S.A. 40:53D-70A&B) with respect to this ~~#~~**Redevelopment p**Plan.

- P. Procedure for amending ~~the~~ **this Redevelopment** Plan: This Redevelopment Plan may be amended from time to time upon compliance with the requirements of law. A fee of \$5,000.00 plus all costs for copying and transcripts shall be payable to the City of Jersey City for any request by a private entity to amend this plan. The City of Jersey City reserves the right to amend this plan.
- Q. Interim Uses: Interim uses may be approved and permitted, subject to agreements between the developer and the Planning Board, where such use will not have an adverse effect upon existing or contemplated development during the interim use period. Interim uses may include surface parking and construction staging areas. Interim uses must be approved by the Planning Board, which may establish an interim use period of between one (1) month and 36 months in duration, subject to the Planning Board's discretion. Additional renewals of an interim use may be granted by the Planning Board, subject to the same interim period limitations specified above. The Planning Board may require the developer to post a bond for the removal of any approved interim use.
- R. If any section paragraph, division, subdivision, clause or provision of this plan is adjudged by the courts to be invalid, such adjudication shall only apply to the section, paragraph, division, subdivision, clause or provision so judged, and the remainder of this plan shall be deemed valid and remain in effect.

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

- A. The Local Redevelopment and Housing Law, N.J.S.A 40A:12A-1 et seq. requires that a Redevelopment Plan shall include an outline for the planning, development, redevelopment, or rehabilitation of the project area sufficient to indicate:
 - 1) This Redevelopment Plan achieves the stated objectives of the Jersey City Master Plan by providing for the revitalization of the McGinley Square as a mixed-use commercial and residential area and encouraging the expansion of Saint Peters ~~College~~**University** into McGinley Square consistent with the Land Use Element of the Master Plan. This Redevelopment Plan also encourages the expansion of the University District along Montgomery Street to further support the revitalization of McGinley Square. The Jersey City Master Plan encourages mixed-use development in targeted areas and recognizes McGinley Square as one of the existing neighborhood commercial/residential areas of Jersey City. In speaking about McGinley Square in particular, the Master Plan describes the district as being characterized by ground floor retail uses with multi-family residential above. The Master Plan also recognizes that McGinley Square benefits from the presence of institutional anchors, such as Saint Peter's ~~College~~**University**, The Armory, The Beacon (former Medical Center), St. Aedans Church, and that ~~St.~~**Saint Peter's CollegeUniversity** has developed a plan to expand eastward into the McGinley Square area in a manner that will complement efforts to improve the area. This Redevelopment Plan permits and anticipates the construction of new ~~College~~**University related** dormitories and other facilities by Saint

Peter's College ~~University~~, in keeping with the Jersey City Master Plan, and addresses the following specific issues raised in this portion of the Master Plan.

- (a) Increase business investment in the district.
 - (b) Improve the mix of goods and services provided by the district.
 - (c) Provide opportunities for residential and office uses on the upper floors.
 - (d) Promote and implement streetscape improvements in the district.
 - (e) Enhance pedestrian access and circulation to the district.
 - (f) Address the need for additional shopper's and merchant's parking in the district.
- 2) This Redevelopment Plan provides for a list of permitted principal uses, as well as accessory uses and prohibited uses in the redevelopment area. The plan also provides for density restriction through the use of maximum height limits, setback and stepback requirements and various design controls.
 - 3) There will be no displacement of existing residents through the implementation of this plan.
 - 4) ~~The~~ *This* McGinley Square East Redevelopment Plan proposes no acquisition or condemnation of private property for private redevelopment purposes.
 - 5) The area covered by this Redevelopment Plan constitutes an area of higher intensity urban commercial and residential activity. It is within walking distance of Journal Square and the Transportation Center. McGinley Square is a crossroads of traffic and mass transportation in its own rite. This location is near the very center of Jersey City and is remote from any adjacent municipality. Jersey City is designated as a "Planning Area 1" in the State Plan and is at the center of the Hudson County "urban complex." The development envisioned by this plan is in conformity with the "State Planning Act" P.L. 1985, c. 398 (C.52:18A-196 et al) as well as the Master Plan of Hudson County and all contiguous municipalities.
 - 6) No affordable units are identified to be removed as part of the implementation of this redevelopment plan.

VI. INCLUSIONARY HOUSING REQUIREMENTS

- A. Inclusionary housing shall be provided as part of any development within this Redevelopment Area which will result in the construction of 40 or more residential units. In such case, for every five (5) residential units constructed, one (1) unit shall be designated as an inclusionary housing unit, i.e. twenty percent (20%) of all units constructed shall be inclusionary. The number of required inclusionary units will be rounded down to the nearest whole number.
- B. Inclusionary housing shall be further sub-divided such that twenty (20%) of the inclusionary housing units shall be affordable to households with a gross household income greater or equal to sixty percent (60%) but not more than eighty percent (80%) of the median gross household income for households of the same size; and eighty percent (80%) of the inclusionary housing units shall be affordable to households with a gross household income equal to eighty percent (80%) but not more than one-hundred and twenty percent (120%) of the median gross household income for households of the same size. For example: in a project of 100 residential dwelling units, 20 units would be required to be inclusionary housing units. Of the inclusionary housing units, 4 units would be required to be affordable to families with a gross household income between

sixty percent (60%) and eighty percent (80%) of the median gross household income for households of the same size; and 16 units would be required to be affordable to families with a gross household income between eighty percent (80%) and one-hundred and twenty percent (120%) of the median gross household income for households of the same size.

- C. Median gross household income shall be as determined and defined by the New Jersey Council On Affordable Housing (COAH).

VII. TRANSPORTATION AND CIRCULATION

- A. The *Redevelopment* Plan proposes to maintain the current street pattern of the Area. The *Redevelopment* Plan includes the widening of certain rights-of-way to improve traffic flow and circulation, provide wider sidewalk widths and a safer pedestrian and bicycle environment, and accommodate improvements to the mass transit system. The *Redevelopment* Plan also proposes to ~~widen and extend Nevin Street and to create mid-block streets and~~ *as a vehicular street or* pedestrian ways, where appropriate, in order to promote safer and more convenient pedestrian circulation in the area. ~~The~~*This* *Redevelopment* Plan also requires improvements to existing streets and pedestrian sidewalk areas, as well as promoting improvements to the bus network within the Redevelopment Area, and the eventual development of a streetcar/ light rail line along Bergen Avenue to service McGinley Square, Journal Square and the surrounding neighborhoods. Certain streets within the Redevelopment Area may be vacated or pedestrianized subject to approval by City Council, and provided that the streets remain fully open to public use (see Map 54 - Circulation Plan). ~~Development undertaken pursuant to Section XII of this plan related to Infill Development are not required by this Plan to construct the new streets, or street widening, but shall be required to apply the required sidewalk widths for all infill development.~~
- B. Mercer Street, Tuers Avenue and Jordan Avenue shall maintain their current right-of-way widths of 60 feet as the minimum required width. The curb to curb width may be reduced or increased based on whether the street is to function as a one-way or two-way street. The minimum sidewalk width shall be 15 feet on ~~these streets~~ *Mercer Street and Tuers Avenue, and 12 feet on Jordan Avenue.*
- C. Storms Avenue may maintain its current right-of-way width of 53 feet as the minimum required width since it functions as a one-way street, or it may be increased where appropriate and feasible. The minimum sidewalk width on Storms Avenue within the Redevelopment Area shall be 15 feet.
- D. Montgomery Street shall maintain its current right-of-way width of 80 feet as the minimum required width. The minimum side walk width shall be 20 feet.
- E. Bergen Avenue shall maintain its current right-of-way width of 75 feet as the minimum required width. The minimum sidewalk width shall be 20 feet. A possible future light rail / trolley station is proposed on Bergen Avenue, just south of Glenwood Avenue. To the extent feasible, Bergen Avenue should be widened at this point to accommodate a station location.
- F. Nevin Street shall ~~be widened on the south side of the street such that its right-of-way width is at least 60 feet. Nevin Street shall also be extended to Montgomery Street~~ *as a vehicular street or pedestrian plaza, as appropriate.* ~~to form a four legged perpendicular~~

~~intersection of Tuers Avnue, Nevin Street and Montgomery Street. The minimum sidewalk width within the Area shall be 15 feet.~~

- G. Monticello Avenue shall maintain its current right-of-way width of 60 feet as the minimum required right-of-way width, and shall continue to function as a two-way street. The minimum sidewalk width shall be 15 feet.
- H. Orchard Street may be closed to vehicular traffic between Montgomery Street and Monticello Avenue, such that it serves as a pedestrian street and public open space. In the alternative, if Orchard Street continues as a vehicular street, then it shall maintain its current right-of-way width of 60 feet, and shall maintain its current one-way status. The minimum sidewalk width shall be 15 feet.
- I. ~~A new minor street shall be constructed on Block 1905.5 parallel to Storms Avenue running between Monticello Avenue and Nevin Street as indicated on Map 5– Circulation Plan. This street shall have a minimum right-of-way width of 50 feet and a minimum sidewalk width of 10 feet.~~
- J. On street parking should be provided on both sides of the street wherever possible.
- K. Sidewalk bicycle parking shall be provided in such as way as to not disrupt pedestrian sidewalk areas. ~~At~~***It is recommended that at least one bike rack per 100 linear feet of sidewalk shall be constructed in concentrations of commercial activity and public open space;*** and protected through a change in paving style or other similar design features. Bike parking shall ~~should~~ be situated parallel to the flow of pedestrian ***in order to limit impact on pedestrian traffic.***
- L. ~~A new pedestrian street shall be constructed on Blocks 1896 and 1897. This private pedestrian plaza shall be constructed generally parallel to Montgomery Street and Mercer Street, and shall run from Jordan Avenue to Bergen Avenue when completed. It shall be a minimum of 50 feet in width from building line to building line. Buildings or walkways may be constructed over this pedestrian street, provided that the lowest portion of any building or elevated pedestrian walkway provides 20 feet or more of clearance to grade level. All site plan applications must include the adjacent public rights-of-way in their development applications, and include traffic calming features such as sidewalk bump-outs at all street intersections where required by the Planning Board as part of any approved development project.~~
- M. A “streetcar” / light rail line is envisioned in the Journal Square 2060 Redevelopment Plan which would run in the right-of-way of Bergen Avenue from Journal Square to McGinley Square. Similarly, the McGinley Square East Redevelopment Plan, consistent with this recommendation of the Journal Square 2060 Redevelopment Plan, recognizes that this light rail connection would be a critical north/south component of a comprehensive transit network designed to service McGinley Square, Journal Square and surrounding neighborhoods in the future and encourages the construction of such a rail line when feasible.
- N. McGinley Square is serviced by four different bus lines operating on both Bergen Avenue and Montgomery Street. These include two New Jersey Transit routes, the #80 and the # 87; as well as two independent bus lines, the Montgomery Westside and the Bergen Avenue bus routes. Bus priority lanes and bus rapid transit should be considered along Bergen Avenue and Montgomery Street to improve bus operations in the interim before the suggested rail line becomes operational. Improvements should also be made to all bus stops within the ***Redevelopment*** Area as well as along Bergen Avenue to Journal

Square and along Montgomery Street, from the Saint Peters College Area *University area* to the Beacon / County Administrative Complex area. These improvements should include new architecturally uniform bus shelters, clear signage indicating bus line numbers and routes, and electronic informational signage displaying anticipated bus arrival times. Bus stop areas should also be enhanced with seating, better lighting, decorative paving materials, and wider sidewalk areas where feasible; to improve passenger comfort, safety and convenience.

VIII. OPEN SPACE PLAN

- A. Public open space areas, as well as streetscape and landscape improvements, shall be developed as specified in this *Redevelopment* Plan and are subject to site plan approval by the Planning Board. The location of proposed open space, new pedestrian walkways and plazas and the expanded McGinley Square is illustrated on Map 32 – Land Use Map. ~~Development undertaken pursuant to Section XII of this plan related to Infill Development are not required by this Plan to construct the new publicly accessible open space indicated on Map 3.~~
- B. Prior to the commencement of any construction within this *the Redevelopment Plan Area* pursuant to Section XIII, an overall open space design plan and a streetscape plan shall be presented for each project to and approved by the Jersey City Planning Board. This plan shall be prepared by a licensed landscape architect. The plan shall respect and incorporate the design parameters and right-of-way landscaping requirements provided within this *Redevelopment* Plan, but provide more detail to insure all roadway segments incorporate consistent design patterns and materials. The Planning Board shall assure that any such plan or plans are consistent with the design requirements of this *Redevelopment* Plan and compatible with other previously approved plans within the Redevelopment Area.
- C. A unified streetscape plan shall be required. The streetscape plan shall be submitted to the Jersey City Planning Board for its review and approval in conjunction with the project site plan application and implemented contemporaneously with the construction of the redevelopment project. The streetscape plan shall include all street frontages, existing and proposed. The plan shall identify, but not be limited to: decorative paving materials, curbing materials, colors, tree pit treatments, trash receptacles, benches, bicycle racks, decorative street lighting, bus stop shelters, planters and planting pots. The streetscape plan shall respect and incorporate the design requirements provided with this *Redevelopment* Plan. The Planning Board shall assure that any such plan or plans are consistent with the design requirements of this *Redevelopment* Plan and compatible with other previously approved plans with the Redevelopment Area.
- D. The Planning Board may require a pro-rata fair share assessment to be paid by each development within the Redevelopment Area to off-set the construction costs of new public open space and streetscape improvements. The value of the assessment shall be based upon a formula to be developed by the City of Jersey City and/or the Planning Board, with the assistance of their professional staff and consultants, and shall be determined at the time of developer designation or site plan approval as appropriate.
- E. All open space, including yards, landscaped rooftop plazas on buildings and green rooftops shall be landscaped with trees, shrubbery, ground covers and/or other

appropriate plant material appropriate to the planned use of the space, unless said open space is specifically designated for other activities which require paving or other surface treatment.

- F. Screen planting, when required shall consist of evergreen plant materials. Additional decorative plants may be incorporated into the design of the screen planting area to provide seasonal variety. Only species with proven resistance to the urban environment in this area will be acceptable.
- G. Specific improvements to be made to McGinley Square plaza, sidewalks, other pedestrian areas, and open spaces shall be as negotiated and specified with the Redeveloper as part of the redeveloper designation and contract process.

IX. DESIGN REQUIREMENTS

A. GENERAL REQUIREMENTS

- 1) All structures within the project area shall be situated with proper consideration of their relationship to other buildings, both within the Redevelopment Area and in the surrounding neighborhood, in terms of light, air and open space, access to public rights-of-way and off-street parking, height and bulk. Special attention should be paid to the relationship of proposed buildings to buildings of particular architectural significance, such as the Jersey City Armory and Saint Aedan's Church and Rectory.
- 2) All minimum building height requirements shall be measured as stories above sidewalk grade. No mezzanines or split levels or any floor partially or fully below grade shall be considered for minimum height requirements. All floors necessary to meet the minimum height requirement must be approximately equal in floor area. No required minimum floor may be less than 60% of the second floor gross floor area.
- 3) All lots at the time of adoption of this plan are conforming lots for development, however any newly created lots or development sites through subdivision or consolidation shall have a maximum shape factor of 30. Shape factor is defined as the perimeter of the lot squared, divided by the lot area ($\frac{\text{Perimeter}^2}{\text{area}}$).
 - (a) Example for a standard 25' by 100' rectangular lot:
perimeter = 250'
perimeter squared = 62,500
area = 2500 square feet
shape factor is $\frac{62500}{2500} = 25$
- 4) All buildings with a commercial frontage shall be designed to include a clear distinguishable sign band integrated into the architectural design of the building. The sign band shall be proportionately sized in height to the size and scale of the ground floor or base of the structure, and the size, scale, and width of the storefront or commercial unit façade. The sign band must read as part of the architecture of the building, taking into consideration features such as column spacing, horizontal elements of the building and fenestration. *Theater marquees are exempt from this design standard.*
- 5) Groups of related buildings shall be designed to present a harmonious appearance in terms of architectural style and exterior materials.

- 6) Buildings shall be designed so as to have an attractive, finished appearance when viewed from all vantage points within and outside of the project area. Each façade shall be treated as being of equal importance in terms of material selection and architectural design.
- 7) Access by the elderly, physically handicapped and/or disabled shall meet barrier free design regulations as specified in the New Jersey and Federal ADA Standard Uniform Construction Code. ADA required features should be seamlessly integrated into the architectural design of the building and circulation system and designed for general use by the public.
- 8) All utility distribution lines, including multi-media telecommunication lines, and utility service connections from such lines to the project area's individual use shall be located underground.
- 9) Roof treatment, mechanical screening and electrical equipment:
 - (a) All mechanical equipment located on any roof of a building shall be screened from view from all vantage points with a material complementary with the façade of the structure. The screening shall not resemble a utility or rooftop elevator or stair tower. It shall instead resemble an upper level extension of the building and be designed to contribute to the building top design.
 - (b) A roof plan must be developed and submitted for approval. Roof plans shall include mechanical equipment, trellises *and screening* to obscure *the view of the mechanical equipment*, colored roof patterns and landscaping. Parking deck roofs shall be designed to maximize recreational amenity space and all remaining *parking deck* rooftop areas shall be developed as a green roof.
 - (c) All electrical communication equipment shall be located in such a way that it does not negatively impact the appearance of the building nor create objectionable views as seen from surrounding structures.
 - (d) Transformers and primary and back-up generators shall be located interior to the building or vaulted underground within the pavement area of an adjacent street or sidewalk. Location within and upon the sidewalk, between the sidewalk and the building, or anywhere outside at grade is not permitted.
 - (e) All new or reconstructed signal boxes are required to be placed below grade.
 - (f) The screening of all new or reconstructed telecom equipment is required.
- 10) Streetscape:
 - (a) All buildings shall be designed to front on a public right-of-way to create a street wall and a pedestrian environment at a human scale. ~~In addition, retail frontage is required along all private pedestrian plazas.~~
 - (b) Main entrances into buildings shall be located on public streets or pedestrian plazas. Secondary entrances may also be provided from parking areas and/or as necessary according to the design and use of the structure.
 - (c) Entrances shall be designed to be attractive and functional. Indicators such as awnings, changes in sidewalk paving material or other indicators consistent with the design, proportions, material and character of the surrounding area shall be provided.
 - (d) Where residential units occupy the first floor of any building, a landscaped front yard area shall be provided of not less than 5 feet in depth. The front yard shall be separated from the sidewalk area by raised curbing in order to better define the

landscaped area and distinguish between the public and private domain. In the alternative, the residential floor level must be at least 2.5 feet above sidewalk grade and the window sill located no less than 5 feet above grade to provide a level of privacy for these residential units. Building lobbies may be at grade for ADA accessibility.

- (e) Automobile parking between the building line and a public right-of-way is expressly prohibited. Parking is not permitted in any front yard.
- (f) Porte-cocheres and drop-off lanes are prohibited except for hotels. Where approved, driveway design shall be such that vehicles cross the sidewalk at a right angle to the flow of pedestrian traffic. ***Curb side drop off zones are permitted, subject to site plan review and approval, and in accordance with the municipal approval process; provided that the minimum sidewalk width is maintained in conformance with Section VII of this Redevelopment Plan.***
- 11) A cornerstone marking the date of construction shall be located in an appropriate ground level corner of any building five or more stories. The cornerstone shall be incorporated into the primary facade material.
- 12) Overhead walkways (skywalks) connecting buildings and or parking above streets or rights-of-ways are prohibited, ~~except that buildings and walkways may be constructed over pedestrian plazas and blocks 1896 and 1897.~~
- 13) All facade vents for air conditioning or heating units must be incorporated into the window opening and mullion design such that vent grills and windows appear as a single unit. This is best achieved by lining up vent grills with the vertical or horizontal edge of the adjacent window and matching the window's length or width or using a spandrel panel to fill any voids.
- 14) All new sidewalk concrete shall be tinted grey and scored in a simple saw-cut fashion in 4 foot by 4 foot squares or in conformance with a streetscape plan to be presented by the developer and as approved by the Planning Board.
- 15) All storefronts shall incorporate a cornice element or horizontal projection above the storefront glazing separating ground floor uses from the building above.
- 16) Ground floor storefront bulkheads below the display windows shall be a maximum of 18 inches in height above sidewalk grade.
- 17) All ground floor retail ***storefront*** facades shall incorporate a minimum of 80% transparent glass. This ***design*** requirement may be waived or modified by the Planning Board for uses such as supermarkets, which do not typically contain display windows on all sides.
- 18) All ground floor entryways shall be recessed to avoid door swings into any public right-of-way.
- 19) Residential development projects are strongly recommended to include provisions for a dog run, where feasible.
- 20) The bronze plaque marking the location of Jane Tuer's house (a Revolutionary War heroine) on the Bergen Avenue wall of Hudson Catholic must be preserved and appropriately relocated on site.
- 21) Large blank walls without fenestration surrounding large commercial uses such as theatres, parking garages, bowling alleys, big box retail, or similar uses must incorporate facade relief, an expressed structural system, sculpted, carved or

penetrated wall surfaces, architectural lighting, or other architectural techniques to provide visual interest.

- 22) Temporary fencing surrounding construction sites must be 90% opaque. Such fencing is recommended to include design features to provide visual interest by incorporating local art displays.
- 23) Street furniture such as bike racks, benches, and kiosks are strongly recommended to be designed by local artists rather than generally available catalog designs to give the redevelopment area a unique and local character.

B. FLOOR HEIGHT REQUIREMENTS

- 1) Residential floor-to-ceiling heights must be a minimum of 9 feet and a maximum of 12 feet.
- 2) Ground floor floor-to-~~floor~~ceiling height minimums for a commercial use are regulated by the following table:

Building Height (stories)	Minimum First Floor Height	Maximum First Floor Height	Maximum First Floor Height within 30' of a Rear Lot Line
1 to 4	12'	16'	12'
5 to 8	14'	18'	12'
9 to 12	16'	20'	12'
13 and up	18'	30'	12'

It is recognized that where uses such as theaters, galleries, gymnasiums, banquet facilities, conference centers or other similar uses are proposed *on the ground floor or upper floors*; higher ceiling heights may be necessary and are permitted.

C. SPECIAL BUILDING REQUIREMENTS FOR A TOWER ON A BASE – ZONE 1

For all buildings *in Zone 1* greater than 8 stories:

- 1) All buildings shall have a base, which shall be designed according to the following:
 - (a) The base of all buildings shall be a minimum of 20 feet in height and a maximum of 60 feet. Except that, for buildings fronting on Montgomery Street containing a theater or other similar use necessitating higher than typical floor to ceiling heights, the base height may be increased to 80 feet. The base shall contain a minimum of two and a maximum of four stories.
 - (b) The base of all buildings shall be setback from the adjoining street line the distance necessary to provide the required sidewalk width.
- 2) Building Base Design Requirements:
 - (a) A visual cue or indicator such as a cornice, belt coursing, a significant change in the glass to solid ratio, horizontal projection, or any other indicator consistent with the design, proportions, and materials shall be provided at the top of the base.
 - (b) Decorative features and materials are required in order to provide detail and interest to the pedestrian level of the building.

- (c) Building bases shall be constructed of durable material of high quality, including but not limited to glass, stone, brick, textured concrete, metal paneling, etc.
- (d) A decorative screening facade may substitute for glass to wrap parking facilities, subject to approval by the Planning Board.
- (e) Retail and/or other permitted uses required along all public rights-of-way shall be a minimum depth of 30 feet from the front facade into the building. No more than 15 percent of the linear first floor street frontage and no more than 15 consecutive linear feet along a public right-of-way may be dedicated to other uses such as meter rooms, blank walls, garage doors or loading zones, emergency exits, etc.
- 3) First floor retail height shall be regulated by the ground floor floor-to-ceiling height requirements in Section IX. B. 32.
- 4) Towers (i.e. any portion of the building constructed over the base) shall be setback at least 15 feet from any exterior facade of the base.
- 5) Towers greater than 100 feet in length shall provide facade articulation such that the building facade does not read as a continuous slab and is broken up with building indentations such that the building facade is not built within a single plane. ***No tower shall be longer than 150 along any facade.***
- 6) Towers facades, other than dormitories, built over the base must be separated by at least 50 feet, except that where buildings are not directly facing each other the distance between towers as measured from corner to corner of the respective buildings shall be a minimum of 30 feet. Dormitory structures must provide at least 30 feet of separation between room windows facing each other.
- 7) Building Tower Design Requirements:
 - (a) A visual cue or indicator such as a cornice, belt coursing, a significant change in the glass to solid ratio, horizontal projection, or any other indicator consistent with the design, proportions, and materials shall be provided at the top of the tower.
 - (b) Building towers shall be constructed of durable material of high quality, including, but not limited to glass, stone, textured concrete, brick, metal paneling etc. Glass shall constitute a minimum of 40% of the facade.

D. PARKING AND LOADING STANDARDS

All parking shall be provided in multi-tiered structures or automatic garages, and may be both above and below ground. Parking structures shall meet the following requirements:

- 1) Bicycle Parking Provisions: ***The bicycle parking requirements of the Jersey City Land Development Ordinance shall apply within this Redevelopment Area.***
 - (a) ~~For development on all lots greater than 2,500 square feet or residential projects of more than four units, bicycle parking is required. A bicycle storage room, located in a convenient and accessible location to the front entry of the building with no more than four vertical steps (ramps may be utilized) between the bicycle room and the sidewalk with room for 1 bicycle space per dwelling unit and 1 bicycle space per 5000 square feet of non residential use is required. Short term bicycle parking must also be provided in the sidewalk and accessory parking areas for all retail or similar ground floor uses at a rate of 1 space per 5000 square feet to a maximum requirement of 10 spaces.~~

(b) Bike racks must permit the ability to secure the frame of the bike to the rack system, and must be located so as not to disrupt pedestrian sidewalk areas. (See also Section VII.K.)

2) Automobile Parking Ratios By Use:

Use	Minimum Parking Requirement	Maximum Parking Requirement
Residential & Work/Live	0.4 per unit	1.0 per unit (1.2 if underground parking)
Office*	1/1,000 sq. ft.	3/1,000 sq. ft.
Medical Office*	2/1,000 sq. ft.	3/1,000 sq. ft.
Retail & Financial Institutions*	1/1,200 sq. ft.	3/1,000 sq. ft.
Restaurants & Bars*	1/1,000 sq. ft.	3/1,000 sq. ft.
Theaters	1/10 seats	4-2/10 seats
Museums & Galleries	0/1,000 sq. ft.	1/1,000 sq. ft.
Hotels	1 per 8 rooms	1 per 4 rooms
Colleges, Universities, etc.	0 per classroom	4 per classroom
Dormitories	0 / bed	0.5 / bed
Child Day Care	0/1,000 sq. ft.	2/1,000 sq. ft.

* *excluding the first 5,000 square feet of floor area.*

3) Other Automobile Parking Provisions

- (a) Three hundred (300) parking spaces, in addition to the maximum parking requirements listed above, may be provided for the use of Saint Peters College *University* faculty, students and visitors *within Zone 2 only*.
- (b) To assure the most efficient and effective use of the parking resources located within the Redevelopment Area, the shared use of the parking facilities is permitted and encouraged.
- (c) In order to provide for convenient shopper parking, the required parking for retail uses shall be located nearest to the garage entrance to the greatest degree practical and shall be limited to retail users of the on-site retail and neighboring retail uses during normal retail hours. Consistent with the concept of shared use of parking facilities, these parking spaces may be used for other purposes during off-hours and other parking spaces within the parking facility may also be used for shopper parking when available.

4) Parking Design Standards:

- (a) In any building over six stories, or any stand-alone parking structure, a parking level at grade may not contain any parking or mechanical floor area adjacent to the sidewalk/street frontage. Atrium, lobby, and/or active commercial use shall occupy these areas with a minimum depth of 30 feet.

- (b) Any parking level at grade not screened by an active use shall be set back from the sidewalk a minimum of 5 feet to provide for landscaping and screening of the parking use.
- (c) Any parking structure shall be designed to eliminate headlight glare to the greatest degree practical. Interior garage lighting shall be located to direct light into the structure and shall be mounted on the interior side of columns to prevent glare from such lighting to be visible from the street or adjacent property. Light fixture details and location shall be included within the garage floor plan at the time of site plan application. Dark tinted glass shall be used in all window openings so as to further reduce headlight and lighting glare.
- (d) The facade of all parking levels shall be of a compatible material to that used throughout the development or adjacent structures and shall be designed to provide visual interest.
- (e) All openings onto a public right-of-way or pedestrian way must be screened with glass or decorative screening materials. Any openings shall be in a vertical proportion. Open horizontal bands along the facade of any parking structure are prohibited.
- (f) Exterior lighting of the screening materials on a parking structure facade is required in order to provide additional visual interest in terms of light and shadow and to further mask the interior lighting of the parking structure and headlight glare.
- (g) Pedestrian access points shall be provided at street level and designed to encourage street activity.
- (h) All parking spaces shall be a minimum of 9 feet wide by 18 feet deep. Compact parking spaces, a minimum of 8 feet wide by 16 feet deep, may be provided, and may comprise up to twenty (20) percent of the approved parking spaces. All compact spaces shall be marked as such.
- (i) Aisle widths shall conform to the following minimum standards:
 - (i) 90 degree parking 22' wide two-way aisle
 - (ii) 60 degree parking 18' wide one-way aisle
 - (iii) 45 degree parking 15' wide one-way aisle
 - (iv) 30 degree parking 12' wide one-way aisle
- (j) All one-way aisles shall be clearly designated and marked.
- (k) Automatic garage parking is exempt from the above dimensional requirements.
- (l) Off-street parking and loading areas shall be coordinated with the public street system serving the project area in order to avoid conflicts with through traffic or obstruction of pedestrian walks and thoroughfares.
- (m) Surface parking lots (as an interim use) and all loading areas, shall provide a screen planting of dense evergreens along any street line and along all property lines except those instances where a building intervenes or where the proposed planting may interfere with sight triangles. Within the parking area, a minimum of three percent (3%) of the parking area shall be landscaped and maintained with shrubs no higher than three (3) feet and trees with branches no lower than six (6) so that the landscaping is dispersed throughout the parking area. Landscaping shall be enclosed by a 6 inch curb as in Section IX. F. 9. below.

- (n) The number and design of off-street loading spaces shall be demonstrated by an applicant *to be adequate* according to ~~an~~*the* anticipated need. All freight loading activities are encouraged to be restricted to early morning and/or late evening hours. ~~The design and number of off-street loading shall be regulated by the Jersey City Land-Development Ordinance.~~
 - (o) Drop off areas are not permitted unless required by the Planning Board for uses generating organized pick-up and drop-off services such as, but not limited to, medical offices. *Curb side drop off zones are permitted, subject to site plan review and approval, and in accordance with the municipal approval process; provided that the minimum sidewalk width is maintained in conformance with Section VII of this Redevelopment Plan.*
 - (p) All open entry ways to off-street parking and loading structures shall incorporate finished materials coordinated with the primary base façade on all surfaces twenty-five (25) feet deep into the structure to create an attractive view from the sidewalk and adjacent pedestrian areas and incorporate architectural lighting features.
 - (q) Parking and service access should not be located on the main traffic oriented streets. A head-in/head-out design is required for all loading and parking facilities. For parking facilities with 30 spaces or less, driveway widths shall be a maximum of 10 feet. For all other parking facilities, driveway widths shall be a maximum of 12 feet for one way and 20 feet for two way. *A driveway serving an underground parking facility of at least 300 parking spaces may be increased to a maximum width of 30 feet.* Driveway widths for loading areas may be increased, with Planning Board approval, to accommodate the anticipated type of trucks and deliveries.
 - (r) All parking and loading facilities must be designed to minimize pedestrian and traffic conflicts and shall be designed such that vehicles cross pedestrian traffic flows at right angles only.
 - (s) All site plan applications for parking structures should demonstrate the ability to provide for electric vehicle charging stations in the future.
- 5) Below grade parking is permitted to cover 100% of the lot and may also extend into the right-of-way under sidewalk and roadway areas pursuant to a “franchise ordinance” as approved by the City of Jersey City.
- 6) All developments which propose valet parking shall submit a parking management plan. Such plan shall include but not be limited to: number of vehicles to be parked, number of rows of cars to be stacked, all parking stall and aisle widths and any other information deemed necessary to effectively evaluate the management plan. All parking management plans shall be subject to review and approval of the Division of Traffic Engineering, the Division of City Planning and the Planning Board. Valet parking schemes shall not be permitted to increase the total number of parked cars above the maximum number of permitted spaces.

E. OPEN SPACE DESIGN REQUIREMENTS

- 1) Where possible, new structures surrounding or enclosing open space should be designed and sited to allow the greatest penetration of sunlight onto open space areas throughout the year.

- 2) Open space shall provide visual and functional elements such as bicycle parking, benches, seating walls, drinking fountains, refuse containers, planters, and public fountains. Open space amenities shall include decorative material such as: stone pavers, brick pavers, asphalt pavers, stamped and tinted concrete, and decorative lighting and detailing.
- 3) Adequate lighting shall be provided to encourage active usage and a sense of security in the open space.
- 4) Open space shall be distributed so as to provide for maximum usability. Roof top open space on top of the base of the buildings is encouraged.
- 5) Through creative design, open space features shall address the need for human comfort and enjoyment and provide both active and passive leisure uses for secure and pleasant outdoor and indoor settings to meet public and private use requirements. Open space and plazas shall be designed at a human scale to invite and attract the public.
- 6) Open space shall be oriented to maximize views.
- 7) As a general guide, one (1) linear foot of seating for each linear foot of plaza perimeter shall be provided. Seating space may include planters, benches, fountains, etc.
- 8) Landscape features shall be enclosed by a curb as per Section IX. F. 9.

F. LANDSCAPING AND LIGHTING REQUIREMENTS

- 1) Landscaping shall be required for any part of any parcel not used for buildings, off-street parking, plaza areas or loading zones. The developer's plan shall include proposals for landscaping indicating the location, size and quantity of the various species to be used.
- 2) All plant material used must be able to withstand an urban environment. All screen planting shall be a minimum of 4 feet high and shall be planted, balled and burlapped as established by the American Association of Nurserymen. A planting schedule shall be provided by the developer and approved by the Planning Board. Ground cover shall be used in place of mulch.
- 3) All new trees shall be of a species and gender so as to minimize fruit and pollen.
- 4) Any landscaping which is not resistant to the environment or dies within 2 years of planting shall be replaced by the developer.
- 5) Underground watering facilities shall be required for all landscaped areas. Hose bibs shall be provided immediately adjacent to planting areas abutting a building.
- 6) Street trees shall be planted along curb lines of streets in a regular pattern, spaced at one-half the mature spread of the tree canopy to further enhance the aesthetic quality of the redevelopment area. All trees shall be a minimum of four (4) inches in caliper.
- 7) Lighting within the site shall sufficiently illuminate all areas, including those areas where buildings are setback or offset to prevent dark corners.
- 8) All lighting sources must be adequately shielded to avoid any off-site glare. The area of illumination shall have a uniform pattern of at least one-half (0.5) foot candles.
- 9) All landscaping must be fully enclosed by curb or seating wall constructed of a masonry, metal, or wood material with a minimum of 6 inch in height. Landscaping shall be elevated to match the height of the curb or seating wall. Fencing is discouraged, but may be set into the required curb.

G. SUSTAINABLE BUILDING REQUIREMENTS

- 1) All new buildings will be required to *provide a 15% improvement in energy efficiency over ASHRAE 90.1 2007*. ~~comply with the “LEED for New Construction Rating System” (LEED-NC) or equivalent as approved by the Planning Board.~~
- 2) *Compliance with the requirements of G.1 above shall be certified by a licensed engineer or other licensed professional with accepted competence in the field of sustainable design.* ~~All buildings will be required to achieve a minimum of a Silver LEED Certification level, or equivalent as approved by the Planning Board. Silver credits are awarded based on five (5) categories of performance: Sustainable Sites, Water Efficiency, Energy & Atmosphere, Materials & Resources, and Indoor Environmental Quality.~~
- 3) ~~Any single development comprising more than one block is required to comply with the “LEED for Neighborhood Development” rating system or equivalent as approved by the Planning Board. Sustainable Neighborhood Development is intended to revitalize existing urban areas, reduce land consumption, reduce automobile dependence, promote pedestrian activity, improve air quality, decrease polluted storm water runoff, and build more livable sustainable communities for people of all income levels.~~
- 4) ~~Neighborhood Developments will be required to achieve a minimum of a Silver LEED Certification level, or equivalent as approved by the Jersey City Planning Board. The project can achieve a variety of points from four separate categories: Smart Location and Linkage, Neighborhood Pattern Design, Green Construction and Technology, and Innovation and Design.~~

H. BUILDING AMENITY REQUIREMENTS

- 1) All buildings with 4 or more residential units must provide a washer/dryer room in the building.
- 2) Buildings with over 50 residential units must include at least 2% of the units designed with 3 bedrooms or more.
- 3) Buildings with 4 or more floors must provide an elevator. Buildings with less than 5 units shall be exempt from this requirement.
- 4) A minimum of ~~30~~**25%** of the lot area must be dedicated to useable recreation space ~~by occupants~~. This space may be placed in a ~~rear yard~~ **and setback areas**, or on a roof. Roof decks are encouraged and may be necessary to achieve this requirement. *The area of indoor or covered active recreation uses such as swimming pools, basketball courts, racquetball courts and other similar play courts may be calculated toward meeting a portion of this requirement up to a maximum of 40% of the 25% requirement. Game rooms, weight rooms, gyms, yoga rooms and other similar indoor spaces may not be utilized to meet this requirement. Any sidewalk or pedestrian plaza area located within the property lines of the subject property shall be calculated as part of the required 25% useable recreation area.*
- 5) Showers and other facilities necessary to support people biking to work are required in all office buildings and other major centers of employment greater than 100,000 square feet.

I. BUILDING MATERIAL REQUIREMENTS

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

X. SIGNAGE REGULATIONS

A. Signage Approval Process

- 1) All signs are subject to site plan review when included as part of a major site plan application.
- 2) All temporary banner signs for marketing projects on site shall be considered as an interim use.
- 3) All new signage that complies with ~~the~~***this redevelopment plan Redevelopment Plan*** shall not require site plan approval.
- 4) Minor Site Plan application with deviation request must be submitted to the Planning board for all non-conforming sign proposals.
- 5) Signage above the ground floor is not permitted in this Redevelopment Plan, except as related to theaters, office buildings and hotels, as further defined in this Section. All requests for this type of signage is subject minor site plan review by the Planning Board, and may not be constructed without Planning Board approval.
- 6) All marquees for theatres or other similar uses are permitted and subject to minor site plan review.
- 7) During construction, one (1) temporary sign indicating: the name of the project or development, general contractor, subcontractor, financing institution and public entity officials (where applicable) shall be permitted. The sign area shall not exceed forty (40) square feet.

- 8) Kiosks listing uses and tenants of the various buildings in the area, as well as cultural, educational and other similar facilities are permitted. Such kiosks may be located in public or private plazas and/or on public streets where sidewalk width is adequate. Such kiosks may not exceed 25 square feet of sign area per sign face, and may not exceed 10 feet in height. Kiosks may also be illuminated. All Kiosks are subject to minor site plan review and approval of the Planning Board as to size, location, and other design features.

B. Sign Design Requirements

- 1) All signs on commercial structures, *other than theater marquees*, shall be designed to fit within the architectural designed sign bands as described in Section IX. A. 4.
- 2) All signage, *other than theater marquees*, shall be organized in a rational manner and shall be aligned with the design features of the building, storefront, or commercial unit, such as column spacing, horizontal design elements (cornices), and fenestration.
- 3) In existing buildings, where the security gate boxes cannot be removed or relocated to the interior of the commercial space, these boxes shall be integrated into the signage design in order to hide or disguise the security gate boxes within the design of the signage.
- 4) All signs, *other than theater marquees*, shall be attached to the first floor level of the building only, although blade signs may be attached to the first or second floor façade. Upper story commercial signage may be permitted subject to minor site plan review and approval by the Planning Board on structures containing upper story retail uses, restaurants, theaters and similar uses.
- 5) All wall signs shall be flush mounted;
- 6) All blade signs shall project no more than 30 inches from the facade and the bottom of the sign must be a minimum of 9 feet above the sidewalk.
- 7) Window signs (other than lettering and logos as specifically permitted) shall be prohibited. Lettering or logos shall be limited to decorative metal leaf, flat black or etched / frosted glass style lettering and shall be limited to the name of the business occupying the commercial space / storefront and shall cover no more than twenty (20%) of the window area.
- 8) Permitted signage material includes:
 - (a) Painted wood.
 - (b) Painted metals including aluminum and steel.
 - (c) Brushed finished aluminum, stainless steel, brass, copper, or bronze.
 - (d) Carved wood or wood substitute.
 - (e) *Theater marquees may utilize alternative materials as approved by the Planning Board as part of Site Plan review and approval.*
- 9) Permitted lettering material includes:
 - (a) Lettering forms applied to the surface of the sign.
 - (b) Single colored lettering forms applied to the surface of the sign.
 - (c) Metallic solid body letters with or without returns.
 - (d) Painted acrylic or metal letter.
 - (e) Vinyl lettering attached permanently to a wood, wood substitute or metal signboard.

- (f) *Theater marquees may utilize alternative lettering materials, including video displays, as approved by the Planning Board as part of Site Plan review and approval.*
- 10) Signs may be lit from backlit halo, and up-lights. Internally lit signs and sign boxes are prohibited. *Internally lit channel letters are permitted. Theater marquees may utilize alternative methodologies as approved by the Planning Board as part of Site Plan review and approval.*
- 11) Storefront windows shall not be blocked by any interior display case or other form of barrier. Pedestrians on the street shall have the ability to see into the shop and view the activity within.
- 12) Signs may include the name of the store only. Building address, phone number, operating hours and other additional information may be stenciled on the door. *Theater signage may include additional information such as coming attraction signage, show times, pricing and other similar information.*
- 13) ~~One portable sign is permitted within of 8 feet of the entryway of the associated use. Portable signs are not permitted for parking garages.~~

C. Number and Size of Signage

- 1) All buildings must clearly display their street address. The building address is required to be placed on either the main entry door, transom window, building, or awning flap at a maximum font height of 10 inches.
- 2) Corner lot development is encouraged to display the street names on the building facade or imprinted into the sidewalk.
- 3) Sign requirements along all Rights-of-Way where retail is mandatory (see ~~Map 4 and 6~~ *Required Ground Floor Use*):
- (a) For retail, restaurants, bars, nightclubs, and other similar ground floor uses:
- (i) Each use fronting on a public street may be permitted one (1) exterior sign per ~~street front~~ *retail bay*.
- (ii) Maximum sign height shall be 24 inches.
- (b) *Theaters:*
- (i) *Theater signage may include a horizontal marquee which may extend out from the front façade a maximum of 20 feet, and may also include a vertical element that may extend up to 15 feet from the front façade for a height of up to 50 feet. The marquee must be cantilevered from the building. Columns and/or other structural elements may not extend into the pedestrian areas below the sign. The above signage must be no lower than 14 feet above sidewalk grade or such additional height as required by State or Local Codes. Additional exterior theater signage is permitted and may include information related to coming attractions, show times, pricing and other similar information. The size, design and location of said signage is subject to Planning Board review and approval as part of the Site Plan application process.*
- (ii) *Theater signage may include additional signage such as coming attractions signage, show times, pricing and other similar information; including video display.*
- (c) All other uses:

- (i) Each such use fronting on a public street may be permitted one (1) exterior sign per entryway per street frontage. Buildings with multiple uses shall have no more than one (1) sign per use.
 - (ii) The total exterior sign area shall not exceed the equivalent of three (3) percent of the first story portion of the wall to which it is attached. In no case shall a sign on any structure exceed 10 square feet.
- 4) Sign requirements along all Rights-of-Way where retail is not required (see *Map 4 and 6 - Required Ground Floor Use*):
- (a) For retail, restaurants, bars, nightclubs, and other similar storefront uses:
 - (i) Each such use fronting on a public street may be permitted one (1) exterior sign per street frontage.
 - (ii) Maximum sign height shall be 18 inches.
 - (b) All other uses:
 - (i) Each such use fronting on a public street may be permitted one (1) exterior sign per entryway per street frontage. Buildings with multiple uses shall have not more than one (1) sign per use.
 - (ii) The total exterior sign area shall not exceed the equivalent of two (2) percent of the first story portion of the wall to which it is attached. In no case shall a sign on any structure exceed 8 square feet

D. Parking Garage Signage

- 1) One (1) sign shall be provided per entrance to garages indicating the parking facility by the international parking symbol and direction arrow. The sign area shall not exceed twenty (20) square feet. If applicable, one (1) sign per entrance may be allowed indicating parking rates, not to exceed eight (8) square feet.
- 2) Portable signs are not permitted for parking garages.

E. Prohibited Signs

- 1) Freestanding signs and Monument signs, except for those indicating direction, transportation, circulation and parking.
- 2) Portable advertising signs not associated with a use within 10 feet.
- 3) Billboards and Outdoor Advertising Signs.
- 4) Roof signs.
- 5) Signage attached to parking meters, light poles, benches, or other street furniture.
- 6) Internally or externally illuminated box signs
- 7) Flashing or animated signs, spinners, pennants, reflective materials that sparkle or twinkle, except for marquees
- 8) Window signs, posters, plastic or paper that appear to be attached to the window.
- 9) Pole signs
- 10) Waterfall style or plastic awnings.

XI. REQUIRED LAND USE REGULATIONS

- A. Where ground floor ~~retail~~ **commercial** use is indicated as required along a street frontage on Map 43 - Ground Floor Use; only permitted uses which activate the adjacent sidewalk shall be permitted and are required. Active type uses include: retail sales of goods and services, retail banking, building lobbies, hotels, theaters, art galleries, bars and restaurants.

- 1) Minimum depth of use area from the front building façade shall be thirty (30) feet.
 - 2) No more than fifteen (15) percent and no more than fifteen (15) consecutive linear feet may be dedicated to other uses such as meter rooms, blank walls, emergency exits, etc.
- B. ~~Where ground floor commercial use is indicated as required along a street frontage on Map 4 - Ground Floor Use, any permitted commercial use may be provided.~~
- 1) ~~Minimum depth of use area from the front building façade shall be twenty (20) feet.~~
 - 2) ~~No more than fifteen (15) percent and no more than fifteen (15) consecutive linear feet may be dedicated to other uses such as meter rooms, blank walls, emergency exits, etc.~~
- C. ~~Where ground floor commercial use is indicated as optional along a street frontage on Map 43 - Ground Floor Use, any permitted use may be provided. **Parking shall be screened from all public right-of-ways by a commercial or residential use to the extent possible.**~~
- 1) ~~Minimum depth of use area from the front building façade shall be thirty (30) feet.~~
 - 2) ~~No more than fifteen (15) percent and no more than fifteen (15) consecutive linear feet may be dedicated to other uses such as meter rooms, blank walls, emergency exits, etc.~~
- D. ~~Where ground floor residential use is indicated as required along a street frontage on Map 43 - Ground Floor Use, **only residential and live/work uses are required and shall be used to screen any ground floor parking from public rights-of-way to the extent practical.** and live/work units are permitted.~~
- 1) ~~Minimum depth of use area from the front building façade shall be thirty (30) feet.~~
 - 2) ~~No more than fifteen (15) percent and no more than fifteen (15) consecutive linear feet may be dedicated to other uses such as meter rooms, blank walls, emergency exits, etc.~~
- E. ~~For infill development pursuant to Section XII below, retail or residential uses are required on the ground floor of all principal structures where indicated on Map 6 - Required Ground Floor Use.~~
- 1) ~~Minimum depth of retail use shall be thirty (30) feet.~~
 - 2) ~~No more than fifteen (15) percent and no more than fifteen (15) consecutive linear feet may be dedicated to other uses such as meter rooms, blank walls, emergency exits, etc.~~

XII. SPECIFIC LAND USE REGULATIONS: ~~INFILL DEVELOPMENT~~ **ZONE 1**

The following regulations shall apply to development *in Zone 1*. ~~that is done on an infill basis. Buildings developed pursuant to these infill regulations shall not be required to construct the new streets, street widenings or pedestrian ways depicted in Map 5 - Circulation Plan nor construct the publicly accessible open space depicted in~~ **Please also refer to Map 32 - Land Use Map. Minimum sidewalk widths as described in Section VII are required. Ground floor uses as depicted in and Map 63 - Required Ground Floor Use are also required.**

A. Principal Permitted Uses:

- 1) Residential Dwelling Units, including Work/Live Units and Work/Live Artist Units.
- 2) Offices, including Medical Offices

- 3) Retails Sales of Goods and Services
 - 4) Financial Institutions
 - 5) Restaurants, category one and two
 - 6) Bars & Night Clubs
 - 7) Theaters, Live and Film
 - 8) Museums and Art Galleries
 - 9) Hotels
 - 10) Colleges, Universities, Accredited Schools of Primary and Secondary Education and Accredited Educational and Vocational Training Programs
 - 11) Dormitories
 - 12) Structured Parking Garage *with ground floor commercial (see Section IX.D.4.) Structured parking may not front on Bergen Avenue or Montgomery Street.*
 - 13) Day Care Centers, Child and Adult
 - 14) Open Space, Parks and Plazas
 - 15) Any combination of the above
- B. Accessory Uses:
- 1) Parking and Loading within principal structures
 - 2) District / Area - Wide Cooperative Energy Generation Facilities within a principal structure
 - 3) Improved Open Space, at grade and on rooftops
 - 4) Signs
 - 5) Home Occupations
 - 6) Sidewalk Cafés (Pursuant to City Ordinances).
- C. Prohibited Uses:
- 1) Surface parking, except as an interim use
 - 2) Drive-thru facilities of any type; such as restaurants, banks, pharmacies, etc.
 - 3) Gas stations, service stations, auto repair and similar uses.
- D. Lot Size and Dimension Requirements:
- 1) All existing lots at the time of adoption of this plan are conforming lots.
 - 2) Subdivisions must conform to the following minimum standards:
 - (i) Minimum lot area: 5,000 square feet.
 - (ii) Minimum lot width: 50 feet.
 - (iii) Minimum lot depth: 100 feet.
 - (iv) Maximum shape factor: 30
- E. Density and Height Requirements:
- 1) Density is not regulated by floor area ratio or units per acre. Instead, a "building envelope" is defined, depending on the size and shape of the site. Minimum room and unit sizes are regulated by building code. Buildings on lots of less than 30 x 100 feet or 3,000 square feet shall be limited to not more than one dwelling unit per floor.
 - 2) Maximum and minimum building height shall be calculated based on the lot size according to the following table.

Approximate Lot Dimension	Lot Area up to: (square feet)	Minimum Building Height (stories)/(feet)	Maximum Building Height (stories)/(feet)
	0 to 2499	2 / 22'	3 / 34 35'
25x100	2500 to 4999	2 / 22'	4 / 44 45'
50x100	5000 to 7499 9999	3 / 32'	5 / 54 55'
75x100	7500 to 9999	3 / 32'	6 / 64'
100x100	10000 and up to 24,999	4/42'	8/ 85 90'
250x100	25,000 and up	8 / 90'	16 / 175'

- 3) The building located on Block **15101** 1903, Lot 3 N-1 shall be maintained at a height of 5 stories. New buildings constructed on Lots A & B 1 & 2 of Block 1903 **15101** may match the height of the building located on Lot N-1 3.
- 4) Building Stepbacks: To provide light and air to adjacent lots, buildings must provide a "stepback" from property lines at the following intervals:

Story Level	Front Stepback	Side Stepback	Rear Stepback
1	none	none	5'
2 to 4	none	none	30'
5 to 8	10'	5'	30'

All buildings over 8 stories shall comply with the Tower on a Base requirements found in Section IX.C. of this Redevelopment Plan.

F. Yard Requirements:

1) Front Yard Requirements:

- (a) Front yard setbacks shall be sufficient to achieve the minimum required sidewalk widths described in Section VII. Example: If the existing sidewalk width is 10 feet, and the required sidewalk is 20 feet, then the front yard setback shall be 10 feet.

2) Side Yard Requirements:

- (a) Where the adjacent building is less than four stories, the minimum side yard setback shall be 10% of the lot width up to a maximum requirement of 6 feet and the minimum required by fire or building code to accommodate adjacent windows.
- (b) Where a ground floor retail use is mandatory (see *Map 3 6: Required Ground Floor Use*), side yards are not permitted within 10 feet of a right-of-way except where required by fire or building code to accommodate adjacent windows.
- (c) Where the adjacent building is 4 stories or more, or where the adjacent building is built on the lot line, side yards are not permitted within 10 feet of a right-of-way except where required by fire or building code to accommodate adjacent windows.

3) Rear Yard Requirements:

- (a) A rear yard of 5 feet is required as per the building step back table above.
- (b) For through lots, a 50 foot "rear yard" is required at grade or above the first floor, where parking is provided on the ground level, and centered in the middle of the block.
- (c) Where a rear lot line abuts a side lot line, only a side yard is required.

XIII. SPECIFIC LAND USE REGULATIONS: MAJORITY BLOCK DEVELOPMENT BONUS ZONE 2

The following regulations shall apply to all development *within Zone 2*, where 75% or more of the land area of a tax block is consolidated under single ownership, or on block 1896 where 25% is consolidated. Development sites must have a shape factor less than 30, except for Block 1903, where the entire block must be consolidated to utilize this bonus provision. All consolidated majority block development sites must submit the entire development site as a single site plan application to the Jersey City Planning Board, but development may be undertaken in phases as described in the site plan application.

~~The intensity of development permitted under these regulations is a bonus specifically linked to the provision of new streets, street improvements, open space, pedestrian ways and other improvements as specified in this Redevelopment Plan. The construction of new streets, street widenings, pedestrian plazas, publicly accessible open space and improvements to McGinley Square (Foye Place), as depicted on Maps 3 & 5 of this Plan and as described in Sections VII and VIII, shall be undertaken concurrently with the development of the particular tax block upon which the development and improvements are located. Developments on Block 1896 shall also improve the McGinley Square Plaza (Foye Place) including Block 1896.5.~~

~~Where property ownership of a proposed development site does not allow for the proposed public improvements envisioned on Maps 3 and 5, the developer must make a formal request to the City for the acquisition of the lands necessary for the public improvements. Where the acquisition request is denied by the City, the Planning Board may require alternative improvements to City owned portions of the McGinley Square Plaza or other nearby public areas to qualify the majority block development bonus.~~

~~The improvements on Maps 3 and 5 necessary to qualify a development for the majority block development bonus are drawn in approximate locations and are not intended to be a precise mapping of such improvements.~~

A. Permitted Principal Uses:

- 1) Residential Dwelling Units, including Work/Live Units and Work/Live Artist Units.
- 2) Offices, including Medical Offices
- 3) Retail Sales of Goods and Services
- 4) Financial Institutions

- 5) Restaurants, category one and two
- 6) Bars & Night Clubs
- 7) Theaters, Live and Film
- 8) Museums and Art Galleries
- 9) Hotels
- 10) Colleges, Universities, Accredited Schools of Primary and Secondary Education and Accredited Educational and Vocational Training Programs
- 11) Dormitories
- 12) Day Care Centers, Child and Adult
- 13) ***Underground Structured Parking***
- 14) Open Space, Parks and Plazas
- 15) Any combination of the above

B. Accessory Uses:

- 1) Parking and Loading within principal structures
- 2) District / Area - Wide Cooperative Energy Generation Facilities within a principal structure
- 3) Improved Open Space, at grade and on rooftops
- 4) Signs
- 5) Home Occupations
- 6) Sidewalk Cafés (Pursuant to City Ordinances).
- 7) ***Dining areas on rooftops, terraces and top of marquee signage.***

C. Prohibited Uses:

- 1) Surface parking, except as an interim use
- 2) Drive-thru facilities of any type; such as restaurants, banks, pharmacies, etc.
- 3) Gas stations, service stations, auto repair and similar uses.

D. Permitted ~~Minimum & Maximum~~ ***Building Height and Form:***

- 1) ***Minimum*** Building Heights shall be ***15 Stories and 165 feet*** as indicated on the ~~Map 2 - Building Height Plan.~~
- 2) ***Maximum Building Height shall be 21 Stories and 275 feet*** The building located on Block 1903, Lot N.1 shall be retained and rehabilitated. Also on Block 1903, any new building constructed on Lot B may be constructed to a height of 7 stories, and any new building to be constructed on Lot A may be constructed to a height of 8 stories. Floors in the new buildings constructed on Lots A & B shall be aligned to the greatest extent practical with the floors of the existing building on Lot N.1.
- 3) ***All buildings shall have a base. The minimum height of the base shall be 20 feet. The maximum height shall be 60 feet*** adaptive reuse of existing structures shall not be required to meet minimum building height requirements.
- 4) ***First floor height shall be as regulated by the ground floor height requirements in Section IX.B.2*** All buildings 8 stories or less shall incorporate building step backs as described in Section XII. E. 4. Buildings greater than 8 stories are subject to the tower on a base requirements in Section IX. C.
- 5) ***Building Base Design Requirements:***

- (a) *A visual cue or indicator such as a cornice, belt coursing, a significant change in the glass to solid ratio, horizontal projection, or any other indicator consistent with the design, proportions, and materials shall be provided at the top of the base.*
 - (b) *Decorative features and materials are required in order to provide detail and interest to the pedestrian level of the building.*
 - (c) *Building bases shall be constructed of durable material of high quality, including but not limited to glass, stone, brick, textured concrete, metal paneling, etc.*
 - (d) *All off-street parking must be located in a parking structure below grade.*
 - (e) *Retail and/or other permitted uses required along all public rights-of-way shall be a minimum depth of 30 feet from the front facade into the building. No more than 15 percent of the linear first floor street frontage and no more than 15 consecutive linear feet along a public right-of-way may be dedicated to other uses such as meter rooms, blank walls, emergency exits, etc.*
 - (f) *The width of garage doors, parking and loading access shall be minimized to the extent practical, while still accommodating public safety and convenience; and located so as to minimize their impact.*
- 6) *Towers (i.e. any portion of the building constructed over the base) that is greater than 100 feet in length shall provide façade articulation such that the building façade does not read as a continuous slab and is broken up with building indentations such that the building façade is built with multiple façade planes.*
- 7) *Towers shall be setback from the exterior façade of the base of the building on all sides as follows:*
- (a) *Montgomery Street – At least 1/3 of the tower facade length shall be setback a minimum of 15 feet from the façade of the base. Not more than 1/3 of the tower facade length may be setback zero feet from the façade of the base at the western end of the base façade. The remainder of the tower facade shall be setback a minimum of 5 feet from the façade of the base.*
 - (b) *Tuers Avenue - At least 1/3 of the tower facade length shall be setback a minimum of 15 feet from the façade of the base. Not more than 1/3 of the tower facade length may be setback zero feet from the façade of the base at the southern end of the base façade. The remainder of the tower facade shall be setback a minimum of 5 feet from the façade of the base.*
 - (c) *Jordan Avenue – At least 1/2 of the tower facade length shall be setback a minimum of 15 feet from the façade of the base. The remainder of the tower may have varied setbacks from the base façade to provide additional architectural interest, but in no case less than 5 feet.*
 - (d) *Decorative elements at the top of tower structures may protrude into required setback areas and over adjacent sidewalk areas subject to approval of the Jersey City Planning Board and in compliance with local and state laws and regulations.*
- 8) *Towers facades, built over the base and facing each other, must be separated by at least 50 feet.*
- 9) *Tower Building Design Requirements:*

- (a) *A visual cue or indicator such as a cornice, belt coursing, a significant change in the glass to solid ratio, horizontal projection, or any other indicator consistent with the design, proportions, and materials shall be provided at the top of the tower.*
 - (b) *Building towers shall be constructed of durable material of high quality, including, but not limited to glass, stone, textured concrete, brick, metal paneling etc. Glass shall constitute a minimum of 40% of the façade.*
- E. Permitted Intensity of Development: This plan does not regulate the permitted intensity of development by traditional floor area ratio or units per acre requirements. Rather, the intensity of development is determined by the building envelope and the types of uses contained therein. For instance an office building may have a lesser number of floors, and therefore a lesser floor area ratio than a residential building because the office use may have a taller floor to ceiling height than a residential dwelling unit might have.
- F. *Minimum Yard Requirements:*
- 1) *The base of all buildings shall be setback from adjoining street lines the distance necessary to provide the required sidewalk widths as per Section VII of this Redevelopment Plan. Additional setbacks shall also be provided along Montgomery Street and Tuers Avenue as follows:*
 - (a) *Montgomery Street Frontage - In addition to the required minimum sidewalk width, the base of the building shall be setback the distance necessary to achieve a minimum sidewalk width of 30 feet as measured from the curb to the building.*
 - (b) *Tuers Avenue Frontage – Except for that portion of the southwest corner of the building where the tower is permitted to be setback zero feet from the base façade (see paragraph D.7.(b) above); the remainder of the building base shall be setback the distance necessary to achieve a minimum sidewalk width of 25 feet as measured from the curb to the building.*
 - 2) *The base of all buildings shall be setback a minimum of 5 feet from all adjoining interior property lines.*
 - 3) *The tower portion of all buildings shall be setback a minimum of 10 feet from all adjoining interior property lines.*

~~Each majority block development parcel is to be developed as a comprehensive whole. Therefore, side and rear setback requirements are not necessary except where adjacent to other properties not included in the majority block development parcel. In such situations, a side and rear yard of 10 feet is required. Sufficient air, light and open space will be provided through adherence to the base and tower design criteria found in Section IX. C. of this plan and by adherence to the open space requirements and locations as found in Section VIII of this Plan and on Map 3 Land Use Map. Additional light, air, and open space will be provided through the maintenance of existing streets and rights of way, right of way widening, and the construction of the required new streets and pedestrian ways as indicated in Section VII of this plan and on Map 5 Circulation Plan. Buildings shall be setback a distance from all street lines sufficient to provide the required sidewalk widths on all streets as stated in Section VII of this Plan.~~

- G. All site plan applications must include the adjacent public rights-of-way and include traffic calming features such as sidewalk bump-outs at all street intersections as part of any approved development project.
- H. ~~Development projects pursuant to this majority block development bonus shall not include single use structures. Each building must include at least 2 permitted principal uses. In addition, each structure which includes more than 50,000 square feet of retail or commercial space must also include a minimum of 80 residential housing units or a minimum of 200 dormitory units.~~
- I. ~~Required community notice and architectural review process:~~
- ~~1) All development projects are recommended to conduct pre-application meetings to review architectural and site plan design with the City Planning Division in conjunction with the Bergen Communities United's architectural review committee.~~
 - ~~2) A copy of all application documents and site plan drawings must be sent to Bergen Communities United at their address maintained with the City Planning Division simultaneously with application filing with the City Planning Division.~~
 - ~~3) The design of the McGinley Square plaza (Foye Place) and public open space at the foot of Nevins Street must incorporate community input through a design charrette process undertaken by the developer prior to site plan approval. Notice of all design charrettes must be given to Bergen Communities United and the City Planning Division. A minimum of two (2) design charrettes must be conducted over a three (3) week period prior to site plan approval.~~

XIV. PUBLIC OPEN SPACE

- A. *The areas indicated as Public Open Space on Map 2 – Land Use Map include McGinley Square Park and a public park/open space at the foot of Nevins Street. Permitted uses in these areas shall include Public Parks and Pedestrian Plazas. These public open spaces may include buildings and structures to support passive and active recreational uses. The parks and pedestrian plazas shall remain as public open spaces, but may be maintained and/or operated by a not-for-profit corporation, under contract with the City of Jersey City, for the benefit of the general public.*
- B. *The design of McGinley Square Park and other public open space within the Redevelopment Area must incorporate community input. This community input may take the form of design presentations to the community to solicit feedback and comments on the design of the park; &/or may include the formation of a steering committee comprised of stakeholders from the surrounding neighborhoods. Members of the steering committee should include, at a minimum, representatives of Bergen Communities United, Saint Peters University, the McGinley Square Special Improvement District, the Division of City Planning, other representatives of the City of Jersey City, and other neighborhood associations in the immediate area as appropriate.*

XIV. ACQUISITION PLAN

No property located within the Redevelopment Area is subject to acquisition, eminent domain, or condemnation for the purposes of private development or redevelopment under this ~~Redevelopment~~ ~~Plan~~.

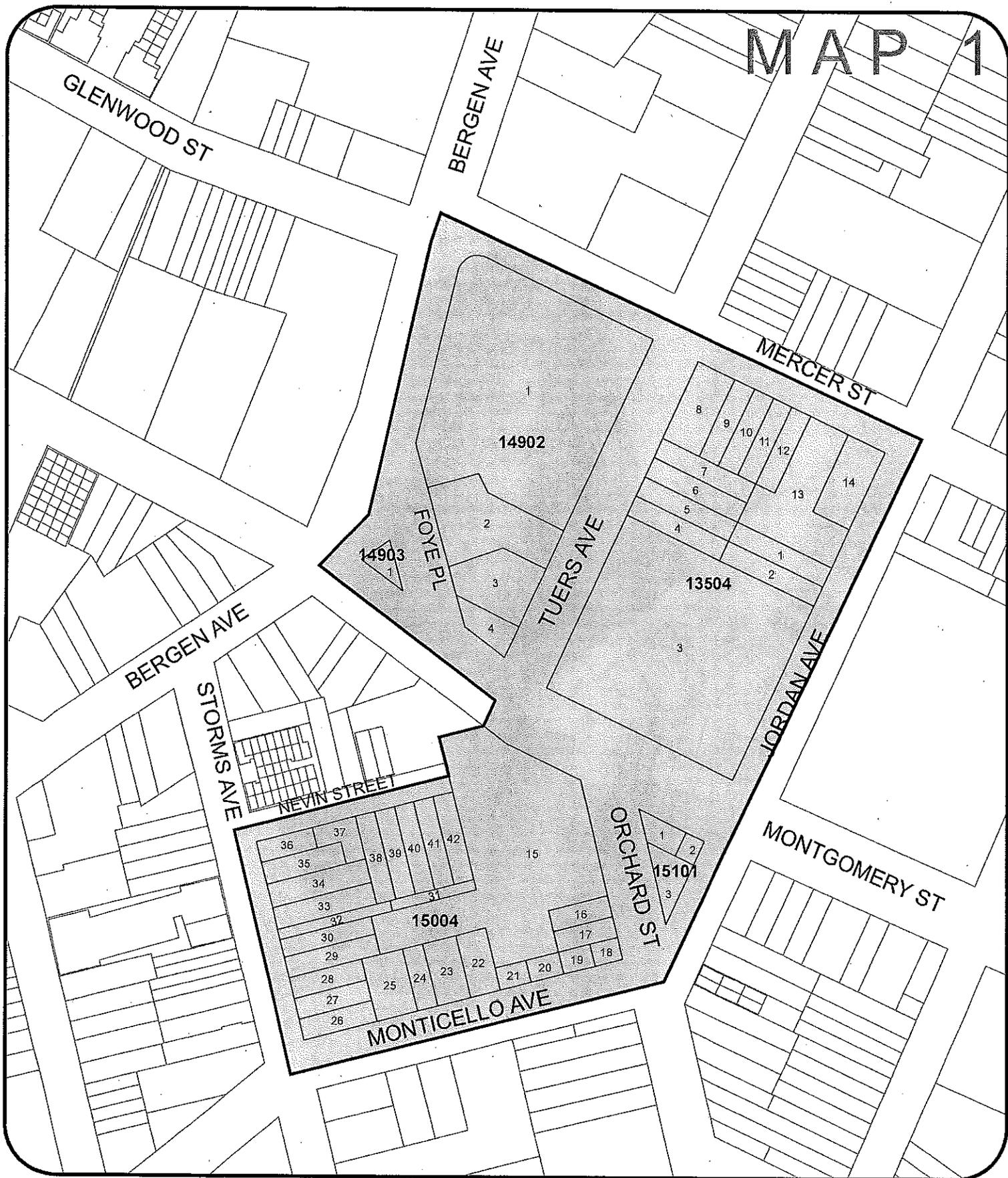
XVI. DEFINITIONS

For definitions refer to the Jersey City Land Development Ordinance:

[end of text]

All attached maps (map 1 through map 6) are deleted as part of this amendment and replaced with the following attached maps:

MAP 1

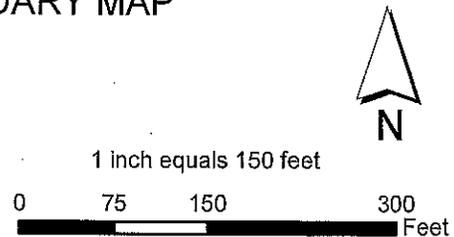


MCGINLEY SQUARE EAST REDEVELOPMENT PLAN: BOUNDARY MAP

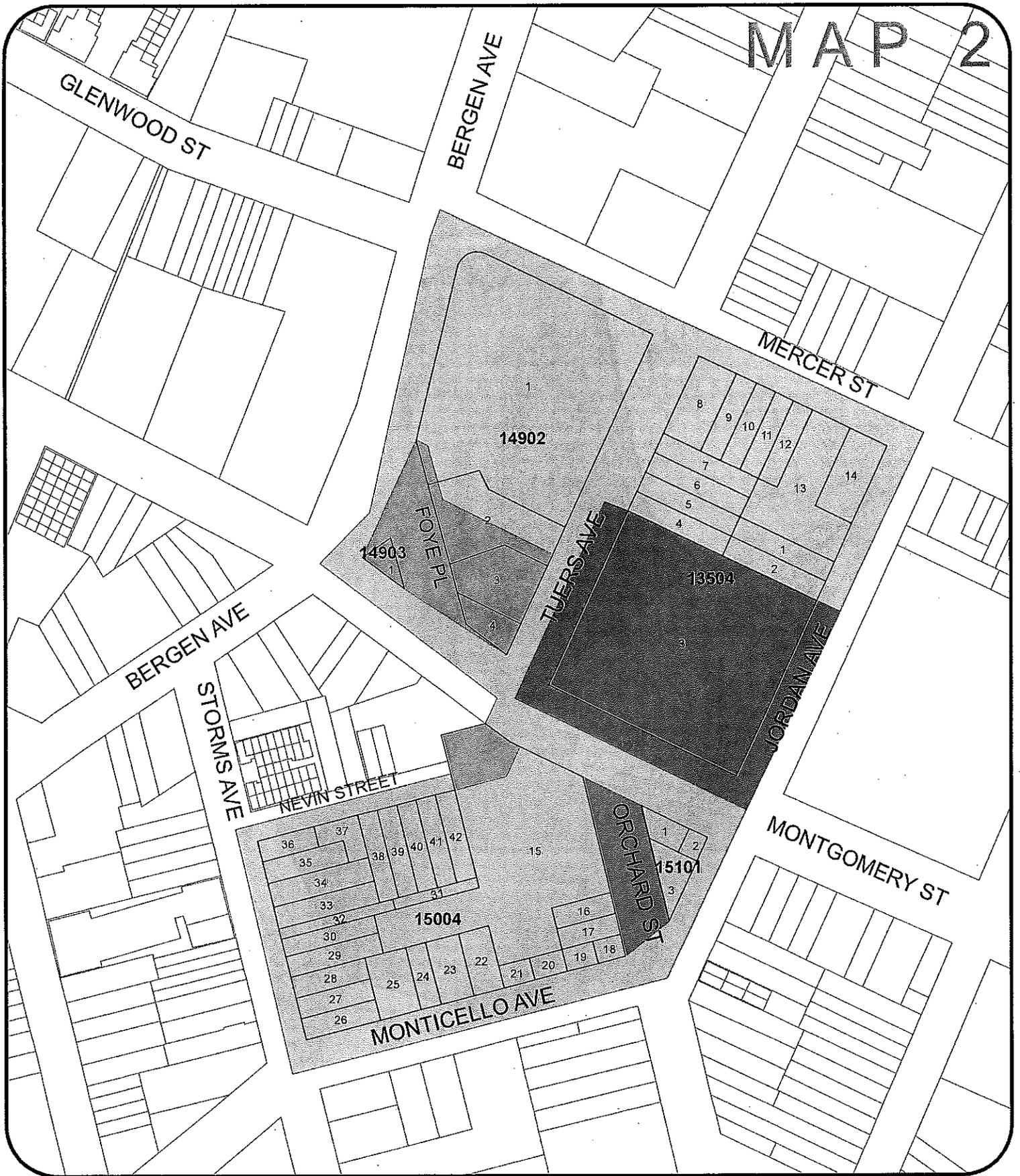



Jersey City
City Planning Division
30 Montgomery Street Suite 1400
Jersey City, NJ 07302-3821
Phone: 201.547.3010
Fax: 201.547.4323

March 24, 2014



MAP 2



MCGINLEY SQUARE EAST REDEVELOPMENT PLAN: LAND USE MAP



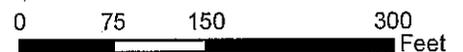

 Jersey City
 City Planning Division
 30 Montgomery Street Suite 1400
 Jersey City, NJ 07302 5821
 Phone: 201.547.5010
 Fax: 201.547.4323

Legend

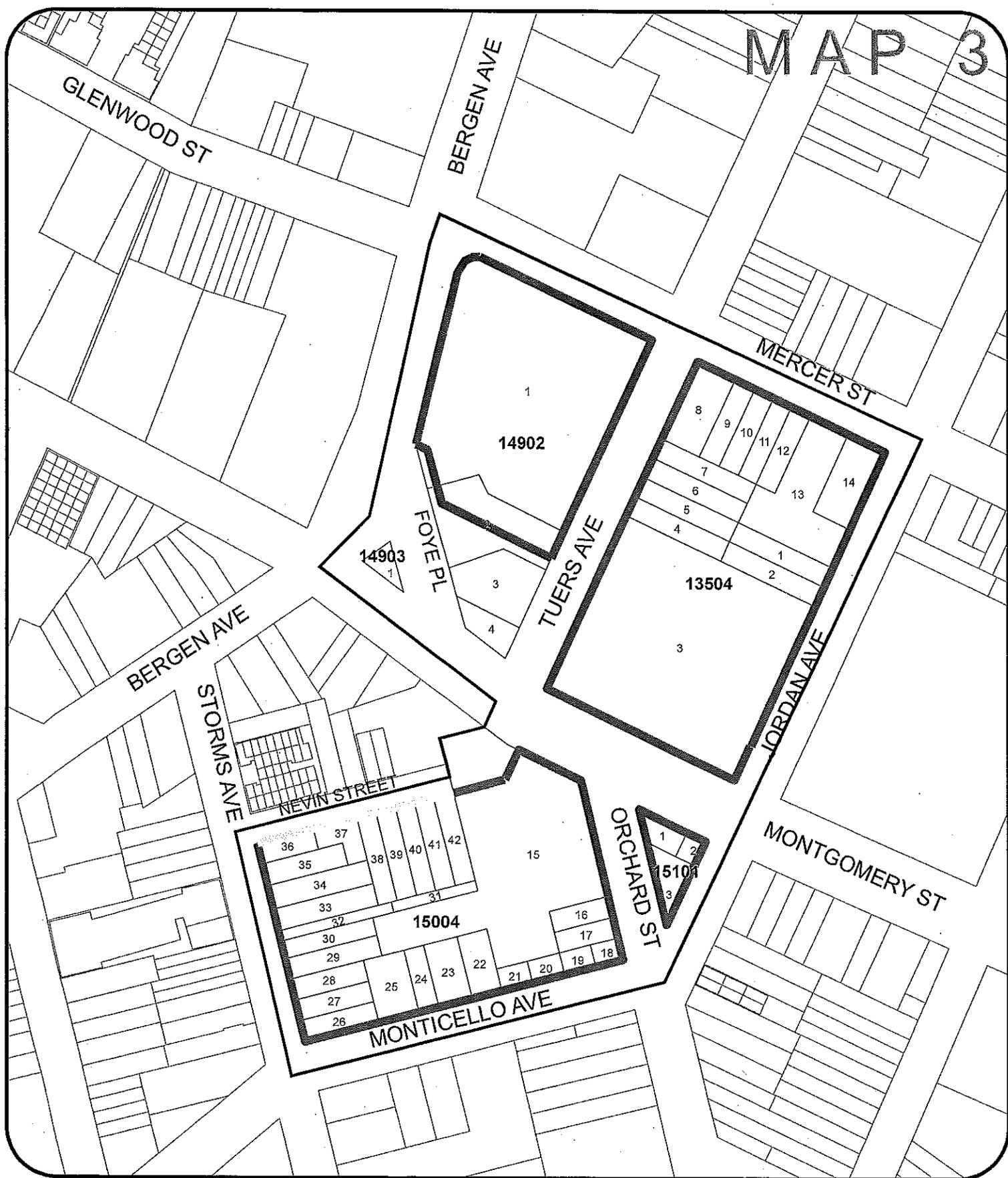
-  Optional Pedestrian Plaza
-  Public Open Space
-  Zone 1
-  Zone 2



1 inch equals 150 feet



March 24, 2014

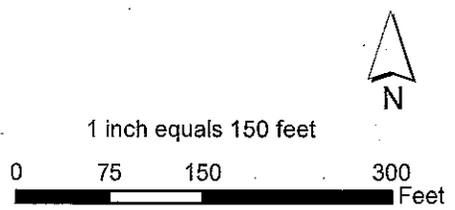


MCGINLEY SQUARE EAST REDEVELOPMENT PLAN: REQUIRED GROUND FLOOR USE

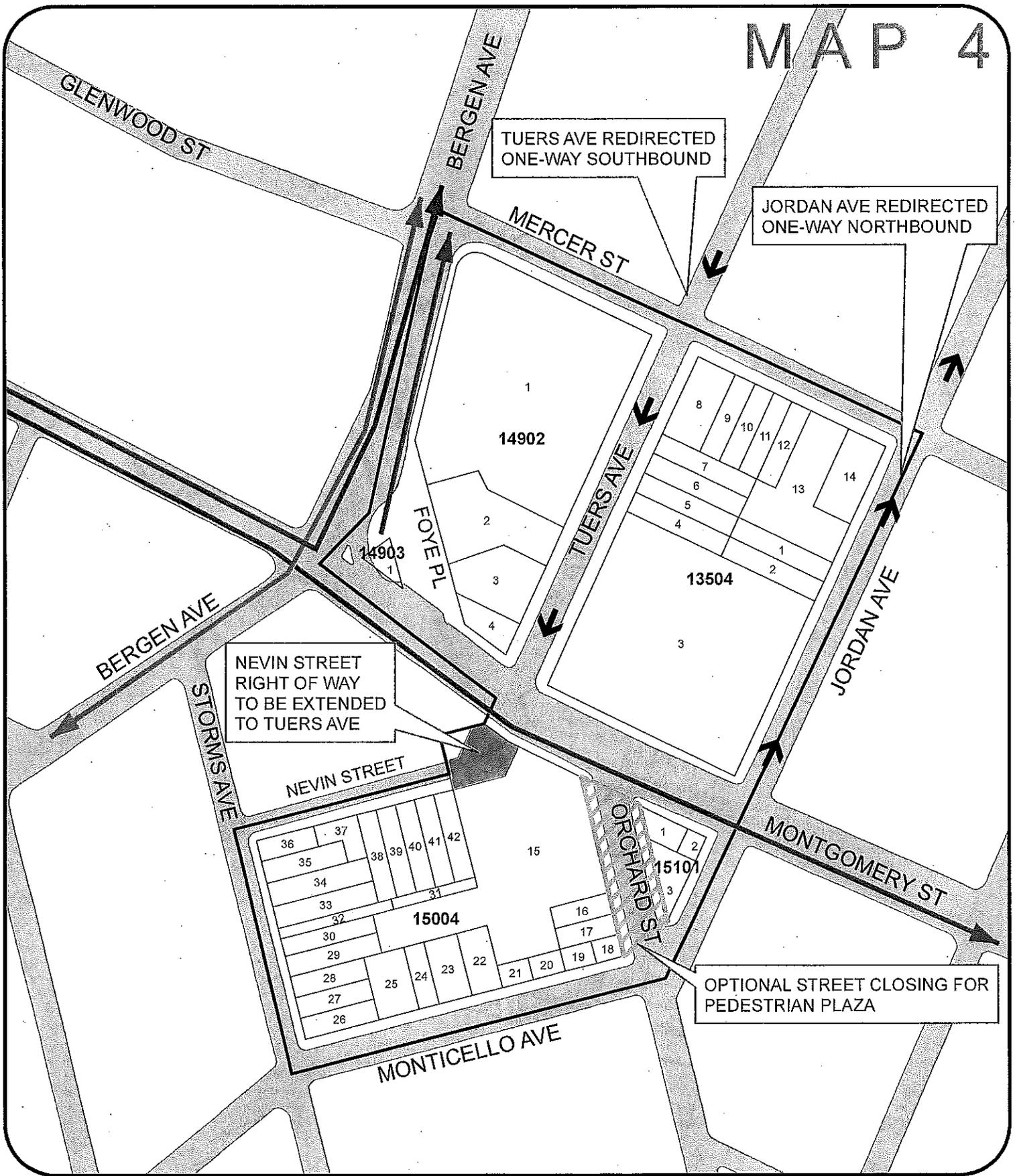



 Jersey City
 City Planning Division
 30 Montgomery Street Suite 1400
 Jersey City, NJ 07302-5621
 Phone: 201.547.5010
 Fax: 201.547.4923

- Legend**
-  REQUIRED COMMERCIAL
 -  OPTIONAL COMMERCIAL
 -  REQUIRED RESIDENTIAL



MAP 4



MCGINLEY SQUARE EAST REDEVELOPMENT PLAN: CIRCULATION PLAN



Jersey City

City Planning Division

 30 Montgomery Street Suite 1400

 Jersey City, NJ 07302 3821

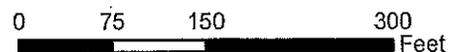
 Phone: 201.547.3010

 Fax: 201.547.4323

- MONTGOMERY-WEST SIDE BUS
- NJT #80 BUS
- NJT BUS #87 & BERGEN AVE BUS
- PROPOSED STREET CAR



1 inch equals 150 feet



March 24, 2014

City Clerk File No. Ord. 14.049

Agenda No. 3.E 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE

offered and moved adoption of the following ordinance:

CITY ORDINANCE 14.049

TITLE: ORDINANCE APPROVING A 20 YEAR TAX EXEMPTION FOR A MARKET RATE RESIDENTIAL CONDOMINIUM PROJECT TO BE CONSTRUCTED BY 160 FIRST STREET URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.

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

WHEREAS, 160 First Street Urban Renewal, LLC, is an urban renewal entity, formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq. (Entity); and

WHEREAS, the Entity owns certain property known as Block 11502, Lots 9, 10 & 11, on the City's Official Tax map, and more commonly known by the street address of 160 Street (a/k/a 162, 164 and 168-170 First Street), and more specifically described by metes and bounds, in the application [Property]; and

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

WHEREAS, the Entity has applied for a 20 year long term tax exemption to construct a fourteen (14) story building with approximately one hundred forty-five (145) market rate residential condominium units; fourteen (14) units of moderate and/or workforce affordable housing, of which seven (7) will be on-site and seven (7) will be off-site; one unit of approximately three thousand eight hundred nineteen (3,819) square feet of ground level retail/commercial space; and one unit of approximately sixty-four (64) parking spaces; and

WHEREAS, the Project received a site plan approval from the Planning Board on February 25, 2014; and

WHEREAS, 160 First Street Urban Renewal, LLC, has agreed to:

1. pay the greater of (i) the Minimum Annual Service Charge or (ii) 10% of Annual Gross Revenue each year, which sum is estimated to be \$780,859, and which shall be subject to statutory staged increases over the term of the tax exemption; and
2. pay an annual sum equal to 1% of each prior year's Annual Service Charge as an Administrative Fee; and
3. provide employment and other economic opportunities for City residents and businesses;
4. pay to City for remittance to Hudson County, an equal to 5% of the Annual Service Charge upon receipt of that charge;

5. provide fourteen (14) units of moderate and/or workforce affordable housing as required in the Redevelopment Plan; seven (7) units of moderate and or workforce affordable housing will be provided on site. The remaining seven (7) units of moderate and or workforce affordable housing will be provided off-site, at 239 Liberty Avenue, in the City of Jersey City;
6. provide a contribution to the City's Affordable Housing Trust Fund, pursuant to Ordinance 03-112, in the amount of \$223,228; and
7. buy an additional 15 years of tax exemption, (from Tier 1 to Tier 3) by making a one-time contribution to the City equal to 3.0% of the Project's actual Construction Costs as an element of Total Project Costs as defined in the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq., estimated to be \$34,000,000, or approximately \$1,020,000; 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 current real estate taxes generate revenue of only \$26,300, whereas, the Annual Service Charge as estimated, will generate revenue of more than \$780,859 to the City and an additional sum of approximately \$39,043 to Hudson County;
2. it is expected that the Project will create approximately 90 jobs during construction and 14 new permanent jobs;
3. the Project will stabilize and contribute to the economic growth of businesses in the surrounding area;
4. the Project will further the overall redevelopment objectives of the Powerhouse Arts District Redevelopment Plan Area;
5. the City's impact analysis, on file with the Office of the City Clerk, indicates that the benefits of the Project outweigh the costs to the City; and

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

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

WHEREAS, 160 First Street Urban Renewal, LLC, has initially complied with Executive Order 2002-005 concerning "Disclosure of Lobbyist Representative Status" by filing an appropriate letter in the Office of the City Clerk; and

WHEREAS, 160 First Street Urban Renewal, LLC has agreed to comply with the City of Jersey City's Ordinance 07-123 Requiring Apprenticeships and Project Labor Agreement.

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

A. The application of 160 First Street Urban Renewal, LLC, an urban renewal company, formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq. a copy of which is on file in the office of the City Clerk, for Block 11502, Lots 9, 10 & 11, more commonly known by the street address of 160 Street (a/k/a 162, 164 and 168-170 First Street), more specifically described by metes and bounds in the application is hereby approved.

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

1. Term: the earlier of 25 years from the adoption of the within Ordinance or 20 years from the date the project is Substantially Complete;
2. Annual Service Charge: each year the greater of:
 - (a) the Minimum Annual Service Charge equal to \$26, 527 upon Project Completion, whether or not the Project is occupied; or
 - (b) 10% of Annual Gross Revenue, estimated at \$780,859, which shall be subject to statutory increases during the term of the tax exemption.
3. Administrative Fee: 1% of the prior year's Annual Service Charge;
4. County Payment: an additional 5% of the Annual Service Charge for remittance by the City to Hudson County;
5. Affordable Housing: provide fourteen (14) units of moderate and/or workforce affordable housing as required in the Redevelopment Plan; seven (7) units of moderate and or workforce affordable housing will be provided on site. The remaining seven (7) units of moderate and or workforce affordable housing will be provided off-site, at 239 Liberty Avenue, in the City of Jersey City;
6. Affordable Housing Trust Fund: provide a contribution to the City's Affordable Housing Trust Fund, pursuant to Ordinance 03-112, in the amount of \$223,228;
7. Project: a fourteen (14) story building with approximately one hundred forty-five (145) market rate residential condominium units; fourteen (14) units of moderate and/or workforce affordable housing, of which seven (7) will be on-site and seven (7) will be off-site; one unit of approximately three thousand eight hundred nineteen (3,819) square feet of ground level retail/commercial space; and one unit of approximately sixty-four (64) parking spaces;
8. A one-time contribution to the City equal to 3.0% of the Project's actual Construction Costs as an element of Total Project Costs as defined in the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq., estimated to be \$34,000,000, which sum is estimated to be approximately \$1,020,000 to buy an additional 15 years of tax exemption, (from Tier 1 to Tier 3); and
9. An obligation to execute a Project Employment and Contracting Agreement and Project Labor Agreement to insure employment and other economic benefits to City residents and businesses;

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

C. The City Clerk shall deliver a certified copy of the Ordinance and Financial Agreement to the Tax Assessor and Director of the Division of Local Government Services.

D. The application is on file with the office of the City Clerk. The Financial Agreement and Project Employment and Contracting Agreement shall be in substantially the form on file in the Office of the City Clerk, subject to such modification as the Business Administrator or Corporation Counsel deems appropriate or necessary.

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

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

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

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

NOTE: All 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*.

DJ/he
4/17/14

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required

Not Required

TIER 3 - FINANCIAL AGREEMENT (20 YEAR)
Rev. 4-17-14
Long Term Tax Exemption
N.J.S.A. 40A:20-1, et seq.

Re: 160 First Street
Approximately .4017 Acres
Block 11502, Lots 9, 10 & 11
Powerhouse Arts District Redevelopment Plan

PREAMBLE

THIS FINANCIAL AGREEMENT, [Agreement] is made the ___ day of _____, 2014, by and between **160 FIRST STREET URBAN RENEWAL, LLC**, an urban renewal entity formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq., having its principal office at 155 Second Street, Jersey City, NJ 07302 [Entity], and the **CITY OF JERSEY CITY**, a Municipal Corporation of the State of New Jersey, having its principal office at 280 Grove Street, Jersey City, New Jersey 07302 [City].

RECITALS

WITNESSETH:

WHEREAS, the Entity is the Owner pursuant to Deed dated December 13, 2013, of certain property designated as Block 11502, Lots 9, 10 & 11, more commonly known by the street address of 160 Street (a/k/a 162, 164 and 168-170 First Street), Jersey City, and more particularly described by the metes and bounds description set forth as Exhibit 1 to this Agreement; and

WHEREAS, this property is located within the boundaries of the Powerhouse Arts District Redevelopment Plan Area; and

WHEREAS, the Entity plans to construct a fourteen (14) story building with approximately one hundred forty-five (145) market rate residential condominium units; fourteen (14) units of moderate and/or workforce affordable housing, of which seven (7) will be on-site and seven (7) will be off-site; one unit of approximately three thousand eight hundred nineteen (3,819) square feet of ground level retail/commercial space; and one unit of approximately sixty-four (64) parking spaces [Project]; and

WHEREAS, on February 25, 2014, the Project received site plan approval from the Planning Board; and

WHEREAS, on March 12, 2014, the Entity filed an Application with the City for a long term tax exemption for the Project; and

WHEREAS, by the adoption of Ordinance _____ on _____, 2014, the Municipal Council approved a long term tax exemption for the Project and authorized the execution of a Financial Agreement; and

WHEREAS, the City made the following findings:

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

1. the current real estate tax generates revenue of only \$26,300, whereas, the Annual Service charge as estimated, will generate revenue to the City of approximately \$780,859;
2. the Entity will provide fourteen (14) units of moderate and/or workforce affordable housing as required by the Redevelopment Plan; of which seven (7) units of moderate and/or workforce affordable housing will be provided on site. The remaining seven (7) units of moderate and/or workforce affordable housing will be provided off-site, at 239 Liberty Avenue, in the City of Jersey City;
3. the Applicant will be making an affordable housing contribution in the amount of \$223,228 pursuant to Ordinance 13-088;
4. make a one-time contribution to the City equal to 3.0% of the Project's actual Gross Construction Costs, estimated to be \$34,000,000, which sum is estimated to be approximately \$1,020,000 to buy an additional 15 years of tax exemption (from Tier 1 to Tier 3);
5. it is expected that the Project will create approximately 90 new construction jobs and 14 new permanent full time jobs;
6. the project should stabilize and contribute to the economic growth of existing local business and to the creation of new businesses, which cater to the new occupants;
7. the Project will further the objectives of the Powerhouse Arts District Redevelopment Plan, and will include the development of vacant property;
8. the City's Impact Analysis, on file with the Office of the City Clerk,

indicates that the benefits of the Project outweigh the costs to the City; and

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

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

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

ARTICLE I - GENERAL PROVISIONS

Section 1.1 Governing Law

This Agreement shall be governed by the provisions of the Long Term Tax Exemption Law, as amended and supplemented, N.J.S.A. 40A:20-1 et seq., Executive Order of the Mayor 2013-004, Disclosure of Lobbyist Status, Ordinance 02-075, and Ordinance _____, which authorized the execution of this Agreement. It being expressly understood and agreed that the City expressly relies upon the facts, data, and representations contained in the Application, attached hereto as Exhibit 3, in granting this tax exemption.

Section 1.2 General Definitions

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

- i. Allowable Net Profit- The amount arrived at by applying the Allowable Profit Rate each year to Total Project Cost pursuant to N.J.S.A. 40A:20-3(c).
- ii. Allowable Profit Rate - The greater of 12% or the percentage per annum arrived at by adding 1.25% to the annual interest percentage rate payable on the Entity's initial permanent mortgage financing. If the initial permanent mortgage is insured or guaranteed by a governmental agency, the mortgage insurance premium or similar charge, if payable on a per

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

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

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

v. Auditor's Report - A complete annual financial statement outlining the financial status of the Project, which shall also include a certification of Total Project Cost and clear computation of the annual Net Profit. The contents of the Auditor's Report shall have been prepared in conformity with generally accepted accounting principles and shall contain at a minimum the following: a balance sheet, a statement of income, a statement of retained earnings

or changes in stockholders' equity, a statement of cash flows, descriptions of accounting policies, notes to financial statements and appropriate schedules and explanatory material results of operations, cash flows and any other items required by Law. The Auditor's Report shall be certified as to its conformance with such principles by a certified public accountant who is licensed to practice that profession in the State of New Jersey.

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

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

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

ix. Entity - The term Entity within this Agreement shall mean 160 First Street Urban Renewal, LLC, which Entity is formed and qualified pursuant to N.J.S.A. 40A:20-5. It shall also include any subsequent purchasers or successors in interest of the Project, provided they are formed and operate under the Law.

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

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

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

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

xiv. Law - Law shall refer to the Long Term Tax Exemption Law, as amended and supplemented, N.J.S.A. 40A:20-1, et seq.; Executive Order of the Mayor 02-003, relating to long term tax exemption, as it may be supplemented; Ordinance 02-075 requiring Disclosure of Lobbyist Status and Ordinance _____, which authorized the execution of this Agreement and all other relevant Federal, State or City statutes, ordinances, resolutions, rules and regulations.

xv. Minimum Annual Service Charge - The Minimum Annual Service Charge shall be the greater of: (a) the amount of the total taxes levied against all real property in the area covered by the Project in the last full tax year in which the area was subject to taxation, which amount the parties agree is \$26,300; or (b) the sum of \$780,859 per year, which sum is equal to the estimated Annual Service Charge will be due 12 months following Substantial Completion of the Project [Minimum Annual Service Charge for condominium is based on initial assessed value].

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

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

(1) there shall be included in expenses: (a) all Annual Service charges paid pursuant to N.J.S.A. 40A:20-12; (b) all annual payments to the City of excess profits pursuant to N.J.S.A. 40A:20-15 or N.J.S.A. 40A:20-16; (c) an annual amount sufficient to amortize (utilizing the straight line method-equal annual amounts) the Total Project Cost and all capital costs determined in accordance with generally accepted accounting principles, of any other entity whose revenue is included in the computation of excess profits over the term of this agreement; (d) all reasonable annual operating expenses of the Entity and any other entity whose revenue is included in the computation of excess profits including the cost of all management fees, brokerage commissions, insurance premiums, all taxes or service charges paid, legal, accounting, or other professional service fees, utilities, building maintenance costs, building and office supplies and payments into repair or maintenance reserve accounts; (e) all payments of rent

including but not limited to ground rent by the Entity; (f) all debt service; and

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

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

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

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

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

ARTICLE II - APPROVAL

Section 2.1 Approval of Tax Exemption

The City hereby grants its approval for a tax exemption for all the Improvements to be constructed and maintained in accordance with the terms and conditions of this Agreement and the provisions of the Law which Improvements shall be constructed on certain property known on the Official Tax Assessor's Map of the City as: Block 11502, Lots 9, 10 & 11, more commonly known by the street address 160 Street (a/k/a 162, 164 and 168-170 First Street),

Jersey City, and described by metes and bounds in Exhibit 1 attached hereto.

Section 2.2 Approval of Entity

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

Section 2.3 Improvements to be Constructed

Entity represents that it will construct a fourteen (14) story building with approximately one hundred forty-five (145) market rate residential condominium units; fourteen (14) units of moderate and/or workforce affordable housing, of which seven (7) will be on-site and seven (7) will be off-site, to be located at 239 Liberty Avenue, pursuant to the Redevelopment Plan and requirements of the site plan; one unit of approximately three thousand eight hundred nineteen (3,819) square feet of ground level retail/commercial space; and one unit of approximately sixty-four (64) parking spaces; all of which is specifically described in the Application attached hereto as Exhibit 3.

Section 2.4 Construction Schedule

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

Section 2.5 Ownership, Management and Control

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

Section 2.6 Financial Plan

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

terms of any mortgage amortization.

Section 2.7 Good Faith Estimate of Initial Rents [or Sales Prices]

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

ARTICLE III - DURATION OF AGREEMENT

Section 3.1 Term

So long as there is compliance with the Law and this Agreement, it is understood and agreed by the parties hereto that this Agreement shall remain in effect for the earlier of 25 years from the date of the adoption of Ordinance _____ on _____, 2014, which approved the tax exemption or 20 years from the original date of Substantial Completion of the Project or _____20_____. The tax exemption shall only be effective during the period of usefulness of the Project and shall continue in force only while the Project is owned by a corporation or association formed and operating under the Law.

ARTICLE IV - ANNUAL SERVICE CHARGE

Section 4.1 Annual Service Charge

In consideration of the tax exemption, the Entity shall make the following annual payments to the City for services provided to the Project:

i. City Service Charge: an amount equal to the greater of: the Minimum Annual Service Charge or an Annual Service Charge equal to 10% of the Annual Gross Revenue. The Annual Service Charge shall be billed initially based upon the Entity's estimates of Annual Gross Revenue, attached hereto as Exhibit 6. Thereafter, the Annual Service Charge shall be adjusted in accordance with this Agreement.

ii. County Service Charge: an amount equal to 5% of the Municipal Annual Service Charge shall be paid to the City and remitted by the City to the County.

iii. The Minimum Annual Service Charge pursuant to Section 1.2xv(a) shall be due beginning on the effective date of this Agreement. The Minimum Annual Service Charge pursuant to Section 1.2xv(b) shall be due 12 months following Substantial Completion of the Project. The City Service Charge and the County Annual Service Charge shall be due on the first day of the month following the Substantial Completion of the Project. In the event the Entity fails to timely pay the Minimum Annual Service Charge or the Annual Service Charge,

the unpaid amount shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on land until paid.

Section 4.2 Staged Adjustments

The Annual Service Charge shall be adjusted, in Stages over the term of the tax exemption in accordance with N.J.S.A. 40A:20-12(b) as follows:

i. Stage One: From the 1st day of the month following Substantial Completion until the last day of the 6th year, the Annual Service Charge shall be 10% of Annual Gross Revenue;

ii. Stage Two: Beginning on the 1st day of the 7th year following Substantial Completion until the last day of the 9th year, an amount equal to the greater of the Annual Service Charge or 20% of the amount of the taxes otherwise due on the assessed value of the land and Improvements;

iii. Stage Three: Beginning on the 1st day of the 10th year following the Substantial Completion until the last day of the 14th year, an amount equal to the greater of the Annual Service Charge or 40% of the amount of the taxes otherwise due on the assessed value of the land and Improvements;

iv. Stage Four: Beginning on the 1st day of the 15th year following Substantial Completion until the last day of the 18th year, an amount equal to the greater of the Annual Service Charge or 60% of the amount of the taxes otherwise due on the assessed value of the land and Improvements.

v. Final Stage: Beginning on the 1st day of the 19th year following Substantial Completion through the date the tax exemption expires, an amount equal to the greater of the Annual Service Charge or 80% of the amount of the taxes otherwise due on the assessed value of the land and Improvements.

Section 4.3 Land Tax

The Entity is required to pay both the Annual Service Charge and the Land Tax Payments. The Entity is obligated to make timely Land Tax Payments, including any tax on the pre-existing improvements, in order to be entitled to a Land Tax credit against the Annual Service Charge for the subsequent year. The Entity shall be entitled to credit for the amount, without interest, of the Land Tax Payments made in the last four preceding quarterly installments against the Annual Service Charge. In any quarter that the Entity fails to make any Land Tax

Payments when due and owing, such delinquency shall render the Entity ineligible for any Land Tax Payment credit against the Annual Service Charge. No credit will be applied against the Annual Service Charge for a partial payment of Land Taxes. In addition, the City shall have, among this remedy and other remedies, the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. and/or declare a Default and terminate this Agreement.

Section 4.4 Quarterly Installments / Interest

The Entity expressly agrees that the Annual Service Charge shall be made in quarterly installments on those dates when real estate tax payments are due; subject, nevertheless, to adjustment for over or underpayment within thirty (30) days after the close of each calendar year. In the event that the Entity fails to pay the Annual Service Charge or any other charge due under this agreement, the unpaid amount shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on the land until paid in full.

Section 4.5 Administrative Fee

The Entity shall also pay an annual Administrative Fee to the City in addition to the Annual Service Charge and Land Tax levy. The Administrative Fee shall be calculated as one (1%) percent of each prior year's Annual Service Charge. This fee shall be payable and due on or before December 31st of each year, and collected in the same manner as the Annual Service Charge.

Section 4.6 Affordable Housing Contribution and Remedies

A. **Contribution.** The Entity will pay the City the sum of \$223,228 or [\$1,500 per unit or \$1.50 per square foot of commercial/retail space] as a contribution. The sum shall be due and payable as follows:

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

Agreement.

Section 4.7 Material Conditions

It is expressly agreed and understood that the timely payments of Land Taxes, Minimum Annual Service Charges, Annual Service Charges, including any Additional Service Charge, Annual Net Profits and any adjustments thereto, Administrative Fees, Affordable Housing Contributions, and any interest thereon, are Material Conditions of this Agreement.

Section 4.8 Additional Service Charge

The Entity agrees to make a one time contribution to the City equal to 3% of the actual Gross Construction Cost, an element of Total Project Cost as defined in the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1. This sum is estimated to be \$1,020,000 based on the estimated Construction Costs of approximately \$34,000,000. It is due and payable upon the adoption of Ordinance _____ approving this Financial Agreement. The amount of the Buy-Up is subject to a “true up”, which shall occur at the end of the year following Project Completion and the Audit of the Total Project Cost. The Entity agrees that the amount of the Buy-Up can be increased but never reduced. Failure to make timely payment will be considered a material breach of this Agreement.

ARTICLE V - PROJECT EMPLOYMENT AND CONTRACTING AGREEMENT

Section 5.1 Project Employment and Contracting Agreement

In order to provide City residents and businesses with certain employment and other economic related opportunities, the Entity is subject to the terms and conditions of the Project Employment and Contracting Agreement, attached hereto as Exhibit 8.

Section 5.2 Project Labor Agreement (for projects with construction costs exceeding \$25 million)

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

ARTICLE VI - CERTIFICATE OF OCCUPANCY

Section 6.1 Certificate of Occupancy

It is understood and agreed that it shall be the obligation of the Entity to obtain all Certificates of Occupancy in a timely manner so as to complete construction in accordance with

the proposed construction schedule attached hereto as Exhibit 5. The failure to secure the Certificates of Occupancy shall subject the Property to full taxation for the period between the date of Substantial Completion and the date the Certificate of Occupancy is obtained.

Section 6.2 Filing of Certificate of Occupancy

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

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

Section 6.3 Construction Permits

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

ARTICLE VII - ANNUAL REPORTS

Section 7.1 Accounting System

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

Section 7.2 Periodic Reports

A. Auditor's Report: Within ninety (90) days after the close of each fiscal or calendar year, depending on the Entity's accounting basis that the Agreement shall continue in effect, the Entity shall submit to the Mayor and Municipal Council and the NJ Division of Local Government Services in the Department of Community Affairs, its Auditor's Report for the preceding fiscal or calendar year. The Auditor's Report shall include, but not be limited to gross revenue, and the terms and interest rate on any mortgage(s) associated with the purchase or construction of the Project and such details as may relate to the financial affairs of the Entity and to its operation and performance hereunder, pursuant to the Law and this Agreement. The Report shall clearly identify and calculate the Net Profit for the Entity during the previous year, the excess of which shall be paid to the City each year an excess profit is generated.

B. Total Project Cost Audit: Within ninety (90) days after Substantial Completion of the Project, the Entity shall submit to the Mayor, Municipal Council, the Tax Collector and the City Clerk, who shall advise those municipal officials required to be advised, an audit of Total Project Cost, including but not limited to an audit of actual construction costs as certified by the Project architect.

C. Disclosure Statement: On the anniversary date of the execution of this Agreement, and each and every year thereafter while this agreement is in effect, the Entity shall submit to the Municipal Council, the Tax Collector and the City Clerk, who shall advise those municipal officials required to be advised, a Disclosure Statement listing the persons having an ownership interest in the Project, and the extent of the ownership interest of each and such additional information as the City may request from time to time. All disclosures shall include ownership interests of the individual persons owning any corporate interest in the Entity.

Section 7.3 Inspection/Audit

The Entity shall permit the inspection of its property, equipment, buildings and other facilities of the Project and, if deemed appropriate or necessary, any other related Entity by representatives duly authorized by the City or the NJ Division of Local Government Services in the Department of Community Affairs. It shall also permit, upon request, examination and audit of its books, contracts, records, documents and papers. Such examination or audit shall be made during the reasonable hours of the business day, in the presence of an officer or agent designated by the Entity for any year during which the tax exemption financial agreement was in full force and effect.

All costs incurred by the City to conduct a review of the Entity's audits, including reasonable attorneys' fees if appropriate, shall be billed to the Entity and paid to the City as part of the Entity's Annual Service Charge. Delinquent payments shall accrue interest at the same rate as for a delinquent service charge.

ARTICLE VIII- LIMITATION OF PROFITS AND RESERVES

Section 8.1 Limitation of Profits and Reserves

During the period of tax exemption as provided herein, the Entity shall be subject to a limitation of its profits pursuant to the provisions of N.J.S.A. 40A:20-15.

The Entity shall have the right to establish a reserve against vacancies, unpaid rentals, and reasonable contingencies in an amount equal to five (5%) percent of the Gross Revenue of the Entity for the last full fiscal year preceding the year and may retain such part of the Excess Net Profits as is necessary to eliminate a deficiency in that reserve, as provided in N.J.S.A. 40A:20-15. The reserve is to be non-cumulative, it being intended that no further credits thereto shall be permitted after the reserve shall have attained the allowable level of five (5%) percent of the preceding year's Gross Revenue.

Section 8.2 Annual Payment of Excess Net Profit

In the event the Net Profits of the Entity, in any year, exceeds the Allowable Net Profits for such year, then the Entity, within one hundred and twenty (120) days after the end of the year, shall pay such excess Net Profits to the City as an additional annual service charge; provided, however, that the Entity may maintain a reserve as determined pursuant to aforementioned paragraph 8.1. The calculation of the Entity's Excess Net Profits shall include those project costs directly attributable to site remediation and cleanup expenses and any other costs excluded in the definition of Total Project Cost in Section 1.2 (xx) of this Agreement even though those costs may have been deducted from the project costs for purposes of calculating the annual service charge.

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

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

ARTICLE IX - ASSIGNMENT AND/OR ASSUMPTION

Section 9.1 Approval of Sale

Any sale or transfer of the Project, shall be void unless approved in advance by Ordinance of the Municipal Council. It is understood and agreed that the City, on written application by the Entity, will not unreasonably withhold its consent to a sale of the Project and the transfer of this Agreement provided 1) the new Entity does not own any other Project subject

to long term tax exemption at the time of transfer; 2) the new Entity is formed and eligible to operate under the Law; 3) the Entity is not then in default of this Agreement or the Law; 4) the Entity's obligations under this Agreement are fully assumed by the new Entity; 5) the Entity pays in full the maximum transfer fee, 2% of the Annual Service Charge, as permitted by N.J.S.A. 40A:20-10(d); and 6) as to projects that are not Substantially Complete, the Entity is comprised of principals possessing substantially the same or better financial qualifications and credit worthiness as the Entity.

Nothing herein shall prohibit any transfer of the ownership interest in the Entity itself provided that the transfer, if greater than 10%, is disclosed to the City in the annual disclosure statement or in correspondence sent to the City in advance of the filing of the annual disclosure statement.

Section 9.2 Transfer Application Fee

Where the consent or approval of the City is sought for approval of a change in ownership or sale or transfer of the Project, the Entity shall be required to pay to the City a new tax exemption application fee for the legal and administrative services of the City, as it relates to the review, preparation and/or submission of documents to the Municipal Council for appropriate action on the requested assignment. The fee shall be non-refundable.

ARTICLE X - COMPLIANCE

Section 10.1 Operation

During the term of this Agreement, the Project shall be maintained and operated in accordance with the provisions of the Law. Operation of Project under this Agreement shall not only be terminable as provided by N.J.S.A. 40A:20-1, et seq., as amended and supplemented, but also by a Default under this Agreement. The Entity's failure to comply with the Law shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

Section 10.2 Disclosure of Lobbyist Representative

During the term of this Agreement, the Entity must comply with Executive Order 2002-005, and Ordinance 02-075, requiring Written Disclosure of Lobbyist Representative Status. The Entity's failure to comply with the Executive Order or the Ordinance shall constitute a

Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

ARTICLE XI - DEFAULT

Section 11.1 Default

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

Section 11.2 Cure Upon Default

Should the Entity be in Default, the City shall send written notice to the Entity of the Default [Default Notice]. The Default Notice shall set forth with particularity the basis of the alleged Default. The Entity shall have thirty (30) days, from receipt of the Default Notice, to cure any Default which shall be the sole and exclusive remedy available to the Entity. However, if, in the reasonable opinion of the City, the Default cannot be cured within sixty (60) days using reasonable diligence, the City will extend the time to cure.

Subsequent to such thirty (30) days, or any approved extension, the City shall have the right to terminate this Agreement in accordance with Section 12.1.

Should the Entity be in default due to a failure to pay any charges defined as Material Conditions in Section 4.7, the Entity shall not be subject to the default procedural remedies as provided herein but shall allow the City to proceed immediately to terminate the Agreement as provided in Article XII herein.

Section 11.3 Remedies Upon Default

The City shall, among its other remedies, have the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. In order to secure the full and timely payment of the Annual Service Charge, the City on its own behalf, or on behalf of the Trustee, reserves the right to prosecute an In Rem Tax Foreclosure action against the Project Area in accordance with Applicable Law, as more fully set forth in this Financial Agreement.

In addition, the City may declare a Default and terminate this Agreement. Any default arising out of the Entity's failure to pay Land Taxes, the Minimum Annual Service Charge, Administrative Fees, Affordable Housing Contribution, or the Annual Service Charges shall not

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

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

ARTICLE XII- TERMINATION

Section 12.1 Termination Upon Default of the Entity

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

Section 12.2 Voluntary Termination by the Entity

The Entity may notify the City that it will relinquish its status as a tax exempt Project, after the expiration of one year from the Substantial Completion of the Project , as of the January 1st of the year next ensuing. The Notice of Voluntary Termination must be received by the City

no later than October 1st of the tax year preceding the calendar year in which the termination is to occur. As of the date so set, the tax exemption, the Annual Service Charges and the profit and dividend restrictions shall terminate. However, under no circumstances will the Entity be entitled to any refund, in whole or in part, of any funds paid to the City to obtain the tax exemption, including but not limited to the Affordable Housing Contribution. In addition, the due date for all Affordable Housing Contribution and any other fees that the Entity agreed to pay under this Agreement, shall be accelerated so that all fees to be paid shall be due on January 1st as a condition precedent of the voluntary termination.

Section 12.3 Final Accounting

Within ninety (90) days after the date of termination, whether by affirmative action of the Entity or by virtue of the provisions of the Law or pursuant to the terms of this Agreement, the Entity shall provide a final accounting and pay to the City the reserve, if any, pursuant to the provisions of N.J.S.A. 40A:20-13 and 15 as well as any remaining excess Net Profits. For purposes of rendering a final accounting the termination of the Agreement shall be deemed to be the end of the fiscal year for the Entity.

Section 12.4 Conventional Taxes

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

ARTICLE XIII - DISPUTE RESOLUTION

Section 13.1 Arbitration

In the event of a breach of the within Agreement by either of the parties hereto or a dispute arising between the parties in reference to the terms and provisions as set forth herein, either party may apply to the Superior Court of New Jersey by an appropriate proceeding, to settle and resolve the dispute in such fashion as will tend to accomplish the purposes of the Law. In the event the Superior Court shall not entertain jurisdiction, then the parties shall submit the dispute to the American Arbitration Association in New Jersey to be determined in accordance with its rules and regulations in such a fashion to accomplish the purpose of the Long Term Tax

Exemption Law. The cost for the arbitration shall be borne by the Entity. The parties agree that the Entity may not file an action in Superior Court or with the Arbitration Association unless the Entity has first paid in full all charges defined in Section 4.7 as Material Conditions.

Section 13.2 Appeal of Assessment

In calculating the amount of the Staged Adjustments that is, taxes otherwise due, pursuant to Section 4.2 and N.J.S.A. 40A:20-12, either party may file an appeal of the conventional assessment to determine the value of land and improvements.

ARTICLE XIV - WAIVER

Section 14.1 Waiver

Nothing contained in this Financial Agreement or otherwise shall constitute a waiver or relinquishment by the City of any rights and remedies, including, without limitation, the right to terminate the Agreement and tax exemption for violation of any of the conditions provided herein. Nothing herein shall be deemed to limit the City's right to audit or recover any amount which the City has under law, in equity, or under any provision of this Agreement.

ARTICLE XV - INDEMNIFICATION

Section 15.1 Defined

It is understood and agreed that in the event the City shall be named as party defendant in any action by a third party alleging any breach, default or a violation of any of the provisions of this Agreement and/or the provisions of N.J.S.A. 40A:20-1 et seq., the Entity shall indemnify and hold the City harmless against any and all liability, loss, cost, expense (including reasonable attorneys' fees and costs), arising out of this Agreement. In addition, the Entity expressly waives all statutory or common law defenses or legal principles which would defeat the purposes of this indemnification. The Entity also agrees to defend the suit at its own expense. However, the City maintains the right to intervene as a party thereto, to which intervention the Entity consents; the expense thereof to be borne by the City.

ARTICLE XVI- NOTICE

Section 16.1 Certified Mail

Any notice required hereunder to be sent by either party to the other shall be sent by certified or registered mail, return receipt requested.

Section 16.2 Sent by City

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

160 First Street Urban Renewal, LLC
155 Second Street
Jersey City, NJ 07302
Att:

and

Connell Foley, LLP
Harborside Financial Center
2510 Plaza Five
Jersey City, NJ 07311
Att: Charles Harrington, Esq.

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

In addition, provided the City is sent a formal written notice in accordance with this Agreement, of the name and address of Entity's Mortgagee, the City agrees to provide such Mortgagee with a copy of any notice required to be sent to the Entity.

Section 16.3 Sent by Entity

When sent by the Entity to the City, it shall be addressed to:

City of Jersey City, Office of the City Clerk
City Hall
280 Grove Street
Jersey City, New Jersey 07302,

with copies sent to the Corporation Counsel, the Business Administrator, and the Tax Collector unless prior to the giving of notice, the City shall have notified the Entity otherwise. The notice to the City shall identify the Project to which it relates, (i.e., the Urban Renewal Entity and the Property's Block and Lot number).

ARTICLE XVII-SEVERABILITY

Section 17.1 Severability

If any term, covenant or condition of this Agreement or the Application, except a Material Condition, shall be judicially declared to be invalid or unenforceable, the remainder of this Agreement or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be

affected thereby, and each term, covenant or condition of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

If a Material Condition shall be judicially declared to be invalid or unenforceable and provided the Entity is not in Default of this Agreement, the parties shall cooperate with each other to take the actions reasonably required to restore the Agreement in a manner contemplated by the parties and the Law. This shall include, but not be limited to the authorization and re-execution of this Agreement in a form reasonably drafted to effectuate the original intent of the parties and the Law. However, the City shall not be required to restore the Agreement if it would modify a Material Condition, the amount of the periodic adjustments or any other term of this Agreement which would result in any economic reduction or loss to the City.

ARTICLE XVIII - MISCELLANEOUS

Section 18.1 Construction

This Agreement shall be construed and enforced in accordance with the laws of the State of New Jersey, and without regard to or aid of any presumption or other rule requiring construction against the party drawing or causing this Agreement to be drawn since counsel for both the Entity and the City have combined in their review and approval of same.

Section 18.2 Conflicts

The parties agree that in the event of a conflict between the Application and the language contained in the Agreement, the Agreement shall govern and prevail. In the event of conflict between the Agreement and the Law, the Law shall govern and prevail.

Section 18.3 Oral Representations

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

Section 18.4 Entire Document

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

Section 18.5 Good Faith

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

ARTICLE XIX - EXHIBITS

Section 19 Exhibits

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

1. Metes and Bounds description of the Project;
2. Ordinance of the City authorizing the execution of this Agreement;
3. The Application with Exhibits;
4. Certificate of the Entity;
5. Estimated Construction Schedule;
6. The Financial Plan for the undertaking of the Project;
7. Good Faith Estimate of Initial [Rents or Sales Prices];
8. Project Employment and Contracting Agreement;
9. Architect's Certification of Actual Construction Costs.
10. Entity's Deed.

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

WITNESS:

160 FIRST STREET URBAN RENEWAL, LLC

ATTEST:

CITY OF JERSEY CITY

ROBERT BYRNE
CITY CLERK

ROBERT KAKOLESKI
BUSINESS ADMINISTRATOR

PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

This Project Employment & Contracting Agreement is made as of the ___ day of ___, 2014, between the **CITY OF JERSEY CITY** [City] having its principal office at 280 Grove Street, Jersey City, NJ 07302, and **160 FIRST STREET URBAN RENEWAL, LLC**, [Recipient], having its principal office at 155 Second Street, Jersey City, NJ 07302.

I. Definitions:

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

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

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

II. Purpose: Business Contracting and Permanent Jobs

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

Because this project is subject to the terms of a Project Labor Agreement during construction, this agreement shall apply only to Business Contracting and non-construction Permanent Jobs.

III. Good Faith Goals:

In the event the Recipient is able to demonstrate that its work force already meets the goals set forth below or is able to meet such goals during the term of this agreement, the Recipient shall only be required to submit the periodic certified manning and certified payroll reports described below to confirm ongoing compliance. All other Recipients must comply with the following Good Faith goals.

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

IV. Recipient Designee:

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

The Recipient shall send a letter designating its "Project Employment & Contracting Compliance Officer" to the Project Employment & Contracting Coordinator prior to any

preconstruction meetings. An example of this letter can be found in Appendix 1. This Officer should also be present for all preconstruction meetings.

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

V. Term:

This agreement shall be in effect for a period co-terminus with the effective period of the tax exemption [the Economic Incentive]. Thus, it will commence on the date the City Council adopted Ordinance _____, approving the tax exemption and terminate the earlier of 25 years from the date of the adoption of that Ordinance or 20 years from the date of Substantial Completion of the Project.

VI. Good Faith Defined:

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

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

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

B. Subcontractor Notification -- If the Recipient decides to subcontract any portion or all of its permanent workforce, then the Recipient must receive a signed acknowledgment from the subcontracting party that it will abide by the Project Employment & Contracting Agreement before said subcontractor begins staffing permanent employees. The Recipient must forward a copy of the signed acknowledgment to the Project Employment & Contracting Monitor. An example of this signed acknowledgment can be found in Appendix 3.

C. Subcontractor Pre-Hiring Job Awareness Meeting -- Each subcontractor hired to staff permanent job positions must appoint a Project Employment & Contracting Officer to meet with the head of the Registry to discuss the same issues presented above in VI 1.A.(i)-(vi) and notify the City.

- D. Subcontractors of Subcontractors--Subcontractors of subcontractors are subject to the same requirements for the initial subcontractors.
- E. Documentation of Hiring Plan--Once the Pre-Hiring Job Awareness Meeting has taken place, the Recipient must put together a document with goals and totals for future permanent employment needs. This plan should summarize all that was discussed in the Pre-Hiring Awareness Meeting, list estimates for manpower needs, set residential and minority employment goals commensurate with the Project Employment & Contracting Agreement, and show how the Recipient plans to meet these goals. An example of this plan is found in Appendix 4.
- F. Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the DEO and the JCEPT with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the referral of qualified applicants to the Recipient.
- G. Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the DEO with a copy of this advertisement.
- H. Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it pursuant to the agreement. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.
- I. Monthly Employment Reports: The Recipient will submit written employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will be submitted on the 1st day of every month. It will describe each job and state whether the job was filled or held by a City resident, minority resident or woman resident and date of hire. The report will explain in writing the reasons why any qualified referred applicant (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired and the reason therefore. The form of this report shall be in substantially the form found in Appendix 5, subject to such revision as the City deems appropriate and reasonable. Monthly reports may be extended to semi-annually reports once the initial workforce is hired.
- J. Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.
- K. Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the any reports.

- L. Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.
- M. Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

2. **Business Contracting**

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

i) Solicitation of Businesses:

- a) One month before the solicitation for any goods or services, the Recipient must forward a letter with a description of the goods or services to the Project Employment and Contracting Coordinator;
- b) The Recipient shall provide the City with a written Purchasing Report every month. The form of this report shall be in substantially the form found in Appendix 6.
- c) Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the DEO and the JCEPT with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the referral of qualified applicants to the Recipient.
- d) Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the DEO with a copy of this advertisement.
- e) Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it pursuant to the agreement. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.
- f) Monthly Employment Reports: The Recipient will submit written employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will be submitted on the 1st day of every month. It will describe each job and state whether the job was filled or held by a City resident, minority resident or woman resident and date of hire. The report will explain in writing the reasons why any qualified referred applicant (or in the event advertisement is required, any qualified person responding to the advertisement)

was not hired and the reason therefore. The form of this report shall be in substantially the form found in Appendix 5, subject to such revision as the City deems appropriate and reasonable. Monthly reports may be extended to semi-annually reports once the initial workforce is hired.

- g) Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.
 - h) Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the any reports.
 - i) Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.
 - j) Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.
- B. The Recipient pledges not to use local and local minority vendors solely as conduits for vendors that are not local and minority owned. Any discovery by Project Employment and Contracting Monitor of a Recipient, using the masthead of a local or minority owned business as a way to get credit for local or minority employment when it should not, will immediately subject the Recipient to the penalties listed in Section VIII (d) below.

3. **Commercial Tenants at the Project Site**

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

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

VII. Notices of Violation:

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

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

VIII. Liquidated Damages:

1. While reserving any other remedies the City may have at law or equity for a material breach of the above terms and conditions, the parties agree that damages for violations of this agreement by the Recipient cannot be calculated within any reasonable degree of mathematical certainty. Therefore, the parties agree that upon the occurrence of a material breach of any of the above terms and conditions and after notice and expiration of any cure period, the City will be entitled to liquidated damages from the Recipient in the following amounts:
 - A. Failure to conduct Pre-hiring Interviews or submit Compliance Statement (Submit description of goods or services, (Business Contracting): an amount equal to Three (3%) percent of the estimated annual service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
 - B. Failure to allow record or work place access or submit any other required reports (all categories): an amount equal to Three (3%) percent increase service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
 - C. The use of the local or local minority business' masthead for labor or work supplied by a non local or local minority vendor: An amount equal to Ten (10%) service charge as set

forth in the Financial Agreement for each quarter or part thereof, the Recipient is non compliant.

IX. Notices

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

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

160 First Street Urban Renewal, LLC
155 Second Street
Jersey City, NJ 07302
Att:

and

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

City of Jersey City
Department of Administration
Division of Economic Opportunity
Project Employment & Contracting Monitor
280 Grove Street
Jersey City, New Jersey 07302
Att: Division Director

and

Director of Jersey City Employment and Training Program, Inc
895 Bergen Avenue—2nd Floor
Jersey City, NJ 07306
Att: Executive Director

with separate copies to the Mayor and the Business Administrator.

X. Appendix

These forms are examples only and shall be in substantially the form attached, subject to modifications from time to time by the City as necessary or appropriate.

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

XI. Adoption, Approval, Modification:

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

XII. Controlling Regulations and Laws:

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

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

ATTEST:

CITY OF JERSEY CITY

Robert Byrne
City Clerk

Robert J. Kakoleski
Business Administrator

WITNESS:

160 FIRST STREET URBAN
RENEWAL, LLC

Secretary

President

City Clerk File No. Ord. 14.050

Agenda No. 3.F 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE

offered and moved adoption of the following ordinance:

CITY ORDINANCE 14.050

TITLE **ORDINANCE APPROVING A 30 YEAR TAX EXEMPTION FOR A MARKET RATE MIXED USE RENTAL PROJECT TO BE CONSTRUCTED BY 3 JOURNAL SQUARE URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.**

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

WHEREAS, 3 Journal Square Urban Renewal, LLC, is an urban renewal entity, formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq. (Entity); and

WHEREAS, the Entity is the owner of certain property known as Condo Unit 2 within a portion of Block 9403, Lot 15, on the City's Official Tax map, consisting of approximately 1.15 acres, and more commonly known by the street address of 2 Journal Square, and more specifically described by metes and bounds, in the application (Property); and

WHEREAS, the Property is located within a redevelopment plan area, specifically the Journal Square 2060 Redevelopment Plan Area, as required by N.J.S.A. 40A:20-4 and N.J.S.A. 40A:12A-5(g).; and

WHEREAS, the Entity has applied for a 30 Year long term tax exemption to construct a mixed use residential rental project, which will consist of a thirteen (13) story building on top of the existing parking deck to contain approximately two hundred forty (240) market rate residential units and approximately two thousand four hundred (2,400) square feet of mixed permitted uses on the ground level (Project); and

WHEREAS, the Project received site plan approval from the Planning Board on December 4, 2012; and

WHEREAS, 3 Journal Square Urban Renewal, LLC, has agreed to:

1. pay the greater of (i) the Minimum Annual Service Charge or (ii) 10% of the Annual Gross Revenue, which sum is estimated to be \$518,507; and which shall be subject to statutory staged increases over the term of the tax exemption; and
2. pay an annual sum equal to 0.5% of each prior year's Annual Service Charge as an Administrative Fee; and
3. provide employment and other economic opportunities for City residents and businesses; and
4. pay to the City, for remittance to Hudson County, an amount equal to 5% of the Annual Service Charge upon receipt of that charge; and
5. pay the sum of \$363,600 to the City's Affordable Housing Trust Fund; 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 current real estate taxes assessed on the parcel on which the existing parking garage sits, approximately 49% of the total parcel, generate revenue of only \$114,290, whereas, the Annual Service Charge as estimated, will initially generate revenue of more than \$518,507 to the City and an additional sum of approximately \$25,925.35 to Hudson County;
2. it is expected that the Project will create approximately 400 jobs during construction and 12 new permanent jobs;
3. the Project will stabilize and contribute to the economic growth of businesses in the surrounding area;
4. the Project will further the overall redevelopment objectives of the Journal Square 2060 Redevelopment Plan;
5. the City's impact analysis, on file with the Office of the City Clerk, indicates that the benefits of the Project outweigh the costs to the City; and

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

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

WHEREAS, 3 Journal Square Urban Renewal, LLC, has initially complied with Executive Order 2002-005 concerning "Disclosure of Lobbyist Representative Status" by filing an appropriate letter in the Office of the City Clerk; and

WHEREAS, 3 Journal Square Urban Renewal, LLC, has agreed to comply with the City of Jersey City's Ordinance 07-123, Requiring Apprenticeships and Project Labor Agreements.

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

A. The application of 3 Journal Square Urban Renewal, LLC, an urban renewal company, formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq. a copy of which is on file in the office of the City Clerk, for Condo Unit 2 located within a portion of Block 9403, Lot 15, more commonly known by the street address of 2 Journal Square, more specifically described by metes and bounds in the application is hereby approved.

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

1. Term: the earlier of 35 years from the adoption of the within Ordinance or 30 years from the date the project is Substantially Complete;
2. Annual Service Charge: each year the greater of:
 - (a) the Minimum Annual Service Charge equal to \$114,290 upon Project Completion, whether or not the Project is occupied; or

(b) 10% of the Annual Gross Revenue, which initial sum is estimated to be \$518,507, and which shall be subject to statutory increases during the term of the tax exemption.

- 3. Administrative Fee: 0.5% of the prior year's Annual Service Charge;
- 4. County Payment: 5% of the Annual Service Charge to the City for remittance by the City to Hudson County;
- 5. Project: A mixed use residential rental project, which will consist of a mixed use residential rental project, which will consist of a thirteen (13) story building on top of the existing parking deck to contain approximately two hundred forty (240) market rate residential units and approximately two thousand four hundred (2,400) square feet of mixed permitted uses on the ground level;
- 6. Affordable Housing Trust Fund: \$1,500 per unit or \$360,000 and \$1.50 per square foot x 2,400 square feet or \$3,600, for a total of \$363,600;
- 7. An obligation to execute a Project Employment and Contracting Agreement and a Project Labor Agreement to insure employment and other economic benefits to City residents and businesses;
- 8. This Ordinance will sunset and the Tax Exemption will terminate unless construction of the Project begins within two (2) years of the adoption of the within Ordinance.

C. The City Clerk shall deliver a certified copy of the Ordinance and Financial Agreement to the Tax Assessor and Director of the Division of Local Government Services.

D. The application is on file with the office of the City Clerk. The Financial Agreement and Project Employment and Contracting Agreement shall be in substantially the form on file in the Office of the City Clerk, subject to such modification as the Business Administrator or Corporation Counsel deems appropriate or necessary.

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

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

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

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

NOTE: All 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*.

DJ/he
4/17/14

APPROVED AS TO LEGAL FORM

APPROVED: _____

Corporation Counsel

APPROVED: _____
Business Administrator

Certification Required
Not Required

TIER 4 - FINANCIAL AGREEMENT (30 YEAR)
Rev. 4-16-14
Long Term Tax Exemption
N.J.S.A. 40A:20-1, et seq.

Re: 2 Journal Square
Approximately 3.039 Acres
Block 9403, Lot 15
Journal Square 2060 Redevelopment Plan

PREAMBLE

THIS FINANCIAL AGREEMENT, [Agreement] is made the _____ day of __, 2014, by and between **3 JOURNAL SQUARE URBAN RENEWAL, LLC**, an urban renewal entity formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq., having its principal office at 400 Plaza Drive, P.O. Box 1515, Secaucus, NJ 07096-1515 [Entity], and the **CITY OF JERSEY CITY**, a Municipal Corporation of the State of New Jersey, having its principal office at 280 Grove Street, Jersey City, New Jersey 07302 [City].

RECITALS

WITNESSETH:

WHEREAS, the Entity is the Owner pursuant to Deed dated _____, of certain property designated as Block 9403, Lot 15, more commonly known by the street address of a portion of 2 Journal Square, Condominium Unit 2, Jersey City, and more particularly described by the metes and bounds description set forth as Exhibit 1 to this Agreement; and

WHEREAS, this property is located within the boundaries of the Journal Square 2060 Redevelopment Plan Area; and

WHEREAS, the Entity plans to construct a mixed use residential rental project, which will consist of a thirteen (13) story building on top of the existing parking deck to contain approximately two hundred forty (240) market rate residential units and approximately two thousand four hundred (2,400) square feet of mixed permitted uses on the ground level [Project]; and

WHEREAS, on December 4, 2012, the Project received site plan approval from the Planning Board; and

WHEREAS, on December 5, 2013, the Entity filed an Amended Application with the City for a long term tax exemption for the Project, which superceded its initial Application of March 8, 2013; and

WHEREAS, by the adoption of Ordinance _____ on _____, 2014, the Municipal Council approved a long term tax exemption for the Project and authorized the execution of a Financial Agreement; and

WHEREAS, the City made the following findings:

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

1. the current real estate tax assessed on the parcel on which the existing parking garage sits, approximately 49% of the total parcel, generates revenue of only \$114,290, whereas, the Annual Service charge as estimated, will generate revenue to the City of approximately \$518,507;
2. as required by ordinance 13-088, the Entity shall pay the City the sum of \$121,200 on or before the effective date of the ordinance approving the Financial Agreement, and will pay the balance of \$242,400 as an affordable housing contribution as required by the ordinance;
3. it is expected that the Project will create approximately over 400 new construction jobs and approximately 12 new permanent full time jobs;
4. the project should stabilize and contribute to the economic growth of existing local business and to the creation of new businesses, which cater to the new occupants;
5. the Project will further the objectives of the Journal Square 2060 Redevelopment Plan, and will include the development of vacant property;
6. the City's Impact Analysis, on file with the Office of the City Clerk, indicates that the benefits of the Project outweigh the costs to the City; and

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

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

occupants to the Project, insure the likelihood of stabilized rents to tenants and the success of the Project; and

3. have a positive impact on the surrounding area.

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

ARTICLE I - GENERAL PROVISIONS

Section 1.1 Governing Law

This Agreement shall be governed by the provisions of the Long Term Tax Exemption Law, as amended and supplemented, N.J.S.A. 40A:20-1 et seq., Executive Order of the Mayor 2013-004, Disclosure of Lobbyist Status, Ordinance 02-075, and Ordinance _____, which authorized the execution of this Agreement. It being expressly understood and agreed that the City expressly relies upon the facts, data, and representations contained in the Application, attached hereto as Exhibit 3, in granting this tax exemption.

Section 1.2 General Definitions

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

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

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

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

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

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

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

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

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

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

ix. Entity - The term Entity within this Agreement shall mean 3 Journal Square Urban Renewal, LLC, which Entity is formed and qualified pursuant to N.J.S.A. 40A:20-5. It shall also include any subsequent purchasers or successors in interest of the Project, provided they are formed and operate under the Law.

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

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

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

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

xiv. Law - Law shall refer to the Long Term Tax Exemption Law, as amended and supplemented, N.J.S.A. 40A:20-1, et seq.; Executive Order of the Mayor 13-088, relating to long term tax exemption, as it may be supplemented; Ordinance 02-075 requiring Disclosure of Lobbyist Status and Ordinance _____, which authorized the execution of this Agreement and all other relevant Federal, State or City statutes, ordinances, resolutions, rules and regulations.

xv. Minimum Annual Service Charge - The Minimum Annual Service Charge shall be the greater of: (a) the amount of the total taxes levied against all real property in the area covered by the Project in the last full tax year in which the area was subject to taxation, which

amount the parties agree is \$114,290; or (b) the sum of \$518,507 per year, which sum is equal to the estimated Service Charge, will be due 12 months following Substantial Completion of the Project.

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

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

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

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

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

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

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

ARTICLE II - APPROVAL

Section 2.1 Approval of Tax Exemption

The City hereby grants its approval for a tax exemption for all the Improvements to be constructed and maintained in accordance with the terms and conditions of this Agreement and the provisions of the Law which Improvements shall be constructed on certain property known on the Official Tax Assessor's Map of the City as: Block 9403, Lot 15, more commonly known by the street address of a portion of 2 Journal Square, Condominium Unit 2, Jersey City, and described by metes and bounds in Exhibit 1 attached hereto.

Section 2.2 Approval of Entity

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

Section 2.3 Improvements to be Constructed

Entity represents that it will construct a mixed use residential rental project, which will consist of a thirteen (13) story building on top of the existing parking deck to contain approximately two hundred forty (240) market rate residential units and approximately two thousand four hundred (2,400) square feet of mixed permitted uses on the ground level; all of which is specifically described in the Application attached hereto as Exhibit 3.

Section 2.4 Construction Schedule

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

Section 2.5 Ownership, Management and Control

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

Section 2.6 Financial Plan

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

Section 2.7 Good Faith Estimate of Initial Sale Prices or Rents

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

ARTICLE III - DURATION OF AGREEMENT

Section 3.1 Term

So long as there is compliance with the Law and this Agreement, it is understood and agreed by the parties hereto that this Agreement shall remain in effect for the earlier of 35 years from the date of the adoption of Ordinance _____ on _____, 2014, which approved the tax exemption or 30 years from the original date of Substantial Completion of the Project or _____20_____. The tax exemption shall only be effective during the period of usefulness of the Project and shall continue in force only while the Project is owned by a corporation or association formed and operating under the Law.

ARTICLE IV - ANNUAL SERVICE CHARGE

Section 4.1 Annual Service Charge

In consideration of the tax exemption, the Entity shall make the following annual

payments to the City for services provided to the Project:

i. City Service Charge: an amount equal to the greater of: the Minimum Annual Service Charge or an Annual Service Charge equal to 10% of the Annual Gross Revenue. The Annual Service Charge shall be billed initially based upon the Entity's estimates of Annual Gross Revenue, attached hereto as Exhibit 6. Thereafter, the Annual Service Charge shall be adjusted in accordance with this Agreement.

ii. County Service Charge: an amount equal to 5% of the Municipal Annual Service Charge shall be paid to the City and remitted by the City to the County.

iii. The Minimum Annual Service Charge pursuant to Section 1.2xv(a) shall be due beginning on the effective date of this Agreement. The Minimum Annual Service Charge pursuant to Section 1.2xv(b), the City Service Charge and the County Annual Service Charge shall be due on the first day of the month following the Substantial Completion of the Project. In the event the Entity fails to timely pay the Minimum Annual Service Charge or the Annual Service Charge, the unpaid amount shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on land until paid.

Section 4.2 Staged Adjustments

The Annual Service Charge shall be adjusted, in Stages over the term of the tax exemption in accordance with N.J.S.A. 40A:20-12(b) as follows:

i. Stage One: From the 1st day of the month following Substantial Completion until the last day of the 10th year, the Annual Service Charge shall be 10% of Annual Gross Revenue;

ii. Stage Two: Beginning on the 1st day of the 11th year following Substantial Completion until the last day of the 15th year, an amount equal to the greater of the Annual Service Charge or 20% of the amount of the taxes otherwise due on the assessed value of the land and Improvements;

iii. Stage Three: Beginning on the 1st day of the 16th year following the Substantial Completion until the last day of the 20th year, an amount equal to the greater of the Annual Service Charge or 40% of the amount of the taxes otherwise due on the assessed value of the land and Improvements;

iv. Stage Four: Beginning on the 1st day of the 21st year following Substantial Completion until the last day of the 25th year, an amount equal to the greater of the Annual

Service Charge or 60% of the amount of the taxes otherwise due on the assessed value of the land and Improvements.

v. Final Stage: Beginning on the 1st day of the 26th year following Substantial Completion through the date the tax exemption expires, an amount equal to the greater of the Annual Service Charge or 80% of the amount of the taxes otherwise due on the assessed value of the land and Improvements.

Section 4.3 Land Tax

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

Section 4.4 Quarterly Installments / Interest

The Entity expressly agrees that the Annual Service Charge shall be made in quarterly installments on those dates when real estate tax payments are due; subject, nevertheless, to adjustment for over or underpayment within thirty (30) days after the close of each calendar year. In the event that the Entity fails to pay the Annual Service Charge or any other charge due under this agreement, the unpaid amount shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on the land until paid in full.

Section 4.5 Administrative Fee

The Entity shall also pay an annual Administrative Fee to the City in addition to the Annual Service Charge and Land Tax levy. The Administrative Fee shall be calculated as half of

one (0.5%) percent of each prior year's Annual Service Charge. This fee shall be payable and due on or before December 31st of each year, and collected in the same manner as the Annual Service Charge.

Section 4.6 Affordable Housing Contribution and Remedies

A. **Contribution.** The Entity will pay the City the sum of \$363,600 or [\$1,500 per unit or \$1.50 per square foot of commercial space] as a contribution. The sum shall be due and payable as follows:

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

Section 4.7 Material Conditions

It is expressly agreed and understood that the timely payments of Land Taxes, Minimum Annual Service Charges, Annual Service Charges, including Annual Net Profits and any adjustments thereto, Administrative Fees, Affordable Housing Contributions, and any interest thereon, are Material Conditions of this Agreement.

ARTICLE V - PROJECT EMPLOYMENT AND CONTRACTING AGREEMENT

Section 5.1 Project Employment and Contracting Agreement

In order to provide City residents and businesses with certain employment and other economic related opportunities, the Entity is subject to the terms and conditions of the Project Employment and Contracting Agreement, attached hereto as Exhibit 8.

Section 5.2 Project Labor Agreement (for projects with construction costs exceeding \$25 million)

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

ARTICLE VI - CERTIFICATE OF OCCUPANCY

Section 6.1 Certificate of Occupancy

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

Section 6.2 Filing of Certificate of Occupancy

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

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

Section 6.3 Construction Permits

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

ARTICLE VII - ANNUAL REPORTS

Section 7.1 Accounting System

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

Section 7.2 Periodic Reports

A. Auditor's Report: Within ninety (90) days after the close of each fiscal or calendar year, depending on the Entity's accounting basis that the Agreement shall continue in effect, the Entity shall submit to the Mayor and Municipal Council and the NJ Division of Local Government Services in the Department of Community Affairs, its Auditor's Report for the preceding fiscal or calendar year. The Auditor's Report shall include, but not be limited to gross revenue, and the terms and interest rate on any mortgage(s) associated with the purchase or construction of the Project and such details as may relate to the financial affairs of the Entity and

to its operation and performance hereunder, pursuant to the Law and this Agreement. The Report shall clearly identify and calculate the Net Profit for the Entity during the previous year, the excess of which shall be paid to the City each year an excess profit is generated.

B. Total Project Cost Audit: Within ninety (90) days after Substantial Completion of the Project, the Entity shall submit to the Mayor, Municipal Council, the Tax Collector and the City Clerk, who shall advise those municipal officials required to be advised, an audit of Total Project Cost, including but not limited to an audit of actual construction costs as certified by the Project architect.

C. Disclosure Statement: On the anniversary date of the execution of this Agreement, and each and every year thereafter while this agreement is in effect, the Entity shall submit to the Municipal Council, the Tax Collector and the City Clerk, who shall advise those municipal officials required to be advised, a Disclosure Statement listing the persons having an ownership interest in the Project, and the extent of the ownership interest of each and such additional information as the City may request from time to time. All disclosures shall include ownership interests of the individual persons owning any corporate interest in the Entity.

Section 7.3 Inspection/Audit

The Entity shall permit the inspection of its property, equipment, buildings and other facilities of the Project and, if deemed appropriate or necessary, any other related Entity by representatives duly authorized by the City or the NJ Division of Local Government Services in the Department of Community Affairs. It shall also permit, upon request, examination and audit of its books, contracts, records, documents and papers. Such examination or audit shall be made during the reasonable hours of the business day, in the presence of an officer or agent designated by the Entity for any year during which the tax exemption financial agreement was in full force and effect.

All costs incurred by the City to conduct a review of the Entity's audits, including reasonable attorneys' fees if appropriate, shall be billed to the Entity and paid to the City as part of the Entity's Annual Service Charge. Delinquent payments shall accrue interest at the same rate as for a delinquent service charge.

ARTICLE VIII- LIMITATION OF PROFITS AND RESERVES

Section 8.1 Limitation of Profits and Reserves

During the period of tax exemption as provided herein, the Entity shall be subject to a limitation of its profits pursuant to the provisions of N.J.S.A. 40A:20-15.

The Entity shall have the right to establish a reserve against vacancies, unpaid rentals, and reasonable contingencies in an amount equal to five (5%) percent of the Gross Revenue of the Entity for the last full fiscal year preceding the year and may retain such part of the Excess Net Profits as is necessary to eliminate a deficiency in that reserve, as provided in N.J.S.A. 40A:20-15. The reserve is to be non-cumulative, it being intended that no further credits thereto shall be permitted after the reserve shall have attained the allowable level of five (5%) percent of the preceding year's Gross Revenue.

Section 8.2 Annual Payment of Excess Net Profit

In the event the Net Profits of the Entity, in any year, exceeds the Allowable Net Profits for such year, then the Entity, within one hundred and twenty (120) days after the end of the year, shall pay such excess Net Profits to the City as an additional annual service charge; provided, however, that the Entity may maintain a reserve as determined pursuant to aforementioned paragraph 8.1. The calculation of the Entity's Excess Net Profits shall include those project costs directly attributable to site remediation and cleanup expenses and any other costs excluded in the definition of Total Project Cost in Section 1.2 (xx) of this Agreement even though those costs may have been deducted from the project costs for purposes of calculating the annual service charge.

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

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

ARTICLE IX - ASSIGNMENT AND/OR ASSUMPTION

Section 9.1 Approval of Sale

Any sale or transfer of the Project, shall be void unless approved in advance by

Ordinance of the Municipal Council. It is understood and agreed that the City, on written application by the Entity, will not unreasonably withhold its consent to a sale of the Project and the transfer of this Agreement provided 1) the new Entity does not own any other Project subject to long term tax exemption at the time of transfer; 2) the new Entity is formed and eligible to operate under the Law; 3) the Entity is not then in default of this Agreement or the Law; 4) the Entity's obligations under this Agreement are fully assumed by the new Entity; 5) the Entity pays in full the maximum transfer fee, 2% of the Annual Service Charge, as permitted by N.J.S.A. 40A:20-10(d); and 6) as to projects that are not substantially complete, the Entity is comprised of principals possessing substantially the same or better financial qualifications and credit worthiness as the Entity.

Nothing herein shall prohibit any transfer of the ownership interest in the Entity itself provided that the transfer, if greater than 10%, is disclosed to the City in the annual disclosure statement or in correspondence sent to the City in advance of the filing of the annual disclosure statement.

Section 9.2 Transfer Application Fee

Where the consent or approval of the City is sought for approval of a change in ownership or sale or transfer of the Project, the Entity shall be required to pay to the City a new tax exemption application fee for the legal and administrative services of the City, as it relates to the review, preparation and/or submission of documents to the Municipal Council for appropriate action on the requested assignment. The fee shall be non-refundable.

ARTICLE X - COMPLIANCE

Section 10.1 Operation

During the term of this Agreement, the Project shall be maintained and operated in accordance with the provisions of the Law. Operation of Project under this Agreement shall not only be terminable as provided by N.J.S.A. 40A:20-1, et seq., as amended and supplemented, but also by a Default under this Agreement. The Entity's failure to comply with the Law shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

Section 10.2 Disclosure of Lobbyist Representative

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

ARTICLE XI - DEFAULT

Section 11.1 Default

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

Section 11.2 Cure Upon Default

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

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

Should the Entity be in default due to a failure to pay any charges defined as Material Conditions in Section 4.7, the Entity shall not be subject to the default procedural remedies as provided herein but shall allow the City to proceed immediately to terminate the Agreement as provided in Article XII herein.

Section 11.3 Remedies Upon Default

The City shall, among its other remedies, have the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. In order to secure the full and timely payment of the Annual Service Charge, the City on its own behalf, or on behalf of the Trustee, reserves the right to prosecute an In Rem Tax Foreclosure action against the Project

Area in accordance with Applicable Law, as more fully set forth in this Financial Agreement.

In addition, the City may declare a Default and terminate this Agreement. Any default arising out of the Entity's failure to pay Land Taxes, the Minimum Annual Service Charge, Administrative Fees, Affordable Housing Contribution, or the Annual Service Charges shall not be subject to the default procedural remedies as provided herein, but shall allow the City to proceed immediately to terminate the Agreement as provided herein. All of the remedies provided in this Agreement to the City, and all rights and remedies granted to it by law and equity shall be cumulative and concurrent. No termination of any provision of this Agreement shall deprive the City of any of its remedies or actions against the Entity because of its failure to pay Land Taxes, the Minimum Annual Service Charge, Annual Service Charge, Affordable Housing Contribution or Administrative Fees. This right shall apply to arrearages that are due and owing at the time or which, under the terms hereof, would in the future become due as if there had been no termination. Further, the bringing of any action for Land Taxes, the Minimum Annual Service Charge, the Annual Service Charge, Affordable Housing Contribution, Administrative Fees, or for breach of covenant or the resort to any other remedy herein provided for the recovery of Land Taxes shall not be construed as a waiver of the rights to terminate the tax exemption or proceed with a tax sale or Tax Foreclosure action or any other specified remedy.

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

ARTICLE XII- TERMINATION

Section 12.1 Termination Upon Default of the Entity

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

Section 12.2 Voluntary Termination by the Entity

The Entity may notify the City that it will relinquish its status as a tax exempt Project, after the expiration of one year from the Substantial Completion of the Project , as of the January 1st of the year next ensuing. The Notice of Voluntary Termination must be received by the City no later than October 1st of the tax year preceding the calendar year in which the termination is to occur. As of the date so set, the tax exemption, the Annual Service Charges and the profit and dividend restrictions shall terminate. However, under no circumstances will the Entity be entitled to any refund, in whole or in part, of any funds paid to the City to obtain the tax exemption, including but not limited to the Affordable Housing Contribution. In addition, the due date for all Affordable Housing Contribution and any other fees that the Entity agreed to pay under this Agreement, shall be accelerated so that all fees to be paid shall be due on January 1st as a condition precedent of the voluntary termination.

Section 12.3 Final Accounting

Within ninety (90) days after the date of termination, whether by affirmative action of the Entity or by virtue of the provisions of the Law or pursuant to the terms of this Agreement, the Entity shall provide a final accounting and pay to the City the reserve, if any, pursuant to the provisions of N.J.S.A. 40A:20-13 and 15 as well as any remaining excess Net Profits. For purposes of rendering a final accounting the termination of the Agreement shall be deemed to be the end of the fiscal year for the Entity.

Section 12.4 Conventional Taxes

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

ARTICLE XIII - DISPUTE RESOLUTION

Section 13.1 Arbitration

In the event of a breach of the within Agreement by either of the parties hereto or a dispute arising between the parties in reference to the terms and provisions as set forth herein, either party may apply to the Superior Court of New Jersey by an appropriate proceeding, to

settle and resolve the dispute in such fashion as will tend to accomplish the purposes of the Law. In the event the Superior Court shall not entertain jurisdiction, then the parties shall submit the dispute to the American Arbitration Association in New Jersey to be determined in accordance with its rules and regulations in such a fashion to accomplish the purpose of the Long Term Tax Exemption Law. The cost for the arbitration shall be borne by the Entity. The parties agree that the Entity may not file an action in Superior Court or with the Arbitration Association unless the Entity has first paid in full all charges defined in Section 4.7 as Material Conditions.

Section 13.2 Appeal of Assessment

In calculating the amount of the Staged Adjustments that is, taxes otherwise due, pursuant to Section 4.2 and N.J.S.A. 40A:20-12, either party may file an appeal of the conventional assessment to determine the value of land and improvements.

ARTICLE XIV - WAIVER

Section 14.1 Waiver

Nothing contained in this Financial Agreement or otherwise shall constitute a waiver or relinquishment by the City of any rights and remedies, including, without limitation, the right to terminate the Agreement and tax exemption for violation of any of the conditions provided herein. Nothing herein shall be deemed to limit the City's right to audit or recover any amount which the City has under law, in equity, or under any provision of this Agreement.

ARTICLE XV - INDEMNIFICATION

Section 15.1 Defined

It is understood and agreed that in the event the City shall be named as party defendant in any action by a third party alleging any breach, default or a violation of any of the provisions of this Agreement and/or the provisions of N.J.S.A. 40A:20-1 et seq., the Entity shall indemnify and hold the City harmless against any and all liability, loss, cost, expense (including reasonable attorneys' fees and costs), arising out of this Agreement. In addition, the Entity expressly waives all statutory or common law defenses or legal principles which would defeat the purposes of this indemnification. The Entity also agrees to defend the suit at its own expense. However, the City maintains the right to intervene as a party thereto, to which intervention the Entity consents; the expense thereof to be borne by the City.

ARTICLE XVI- NOTICE

Section 16.1 Certified Mail

Any notice required hereunder to be sent by either party to the other shall be sent by certified or registered mail, return receipt requested.

Section 16.2 Sent by City

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

3 Journal Square Urban Renewal, LLC
400 Plaza Drive
P.O. Box 1515
Secaucus, NJ 07096-1515
Attn:

and

Connell Foley, LLP
Harborside Financial Center
2510 Plaza Five
Jersey City, NJ 07311
Att: Charles Harington, Esq.

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

In addition, provided the City is sent a formal written notice in accordance with this Agreement, of the name and address of Entity's Mortgagee, the City agrees to provide such Mortgagee with a copy of any notice required to be sent to the Entity.

Section 16.3 Sent by Entity

When sent by the Entity to the City, it shall be addressed to:

City of Jersey City, Office of the City Clerk
City Hall
280 Grove Street
Jersey City, New Jersey 07302,

with copies sent to the Corporation Counsel, the Business Administrator, and the Tax Collector unless prior to the giving of notice, the City shall have notified the Entity otherwise. The notice to the City shall identify the Project to which it relates, (i.e., the Urban Renewal Entity and the Property's Block and Lot number).

ARTICLE XVII-SEVERABILITY

Section 17.1 Severability

If any term, covenant or condition of this Agreement or the Application, except a Material Condition, shall be judicially declared to be invalid or unenforceable, the remainder of this Agreement or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

If a Material Condition shall be judicially declared to be invalid or unenforceable and provided the Entity is not in Default of this Agreement, the parties shall cooperate with each other to take the actions reasonably required to restore the Agreement in a manner contemplated by the parties and the Law. This shall include, but not be limited to the authorization and re-execution of this Agreement in a form reasonably drafted to effectuate the original intent of the parties and the Law. However, the City shall not be required to restore the Agreement if it would modify a Material Condition, the amount of the periodic adjustments or any other term of this Agreement which would result in any economic reduction or loss to the City.

ARTICLE XVIII - MISCELLANEOUS

Section 18.1 Construction

This Agreement shall be construed and enforced in accordance with the laws of the State of New Jersey, and without regard to or aid of any presumption or other rule requiring construction against the party drawing or causing this Agreement to be drawn since counsel for both the Entity and the City have combined in their review and approval of same.

Section 18.2 Conflicts

The parties agree that in the event of a conflict between the Application and the language contained in the Agreement, the Agreement shall govern and prevail. In the event of conflict between the Agreement and the Law, the Law shall govern and prevail.

Section 18.3 Oral Representations

There have been no oral representations made by either of the parties hereto which are not contained in this Agreement. This Agreement, the Ordinance authorizing the Agreement, and the Application constitute the entire Agreement between the parties and there shall be no

modifications thereto other than by a written instrument approved and executed by both parties and delivered to each party.

Section 18.4 Entire Document

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

Section 18.5 Good Faith

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

ARTICLE XIX - EXHIBITS

Section 19 Exhibits

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

1. Metes and Bounds description of the Project;
2. Ordinance of the City authorizing the execution of this Agreement;
3. The Application with Exhibits;
4. Certificate of the Entity;
5. Estimated Construction Schedule;
6. The Financial Plan for the undertaking of the Project;
7. Good Faith Estimate of Initial Rents;
8. Project Employment and Contracting Agreement;
9. Architect's Certification of Actual Construction Costs.
10. Entity's Deed

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

WITNESS:

3 JOURNAL SQUARE URBAN RENEWAL, LLC

ATTEST:

CITY OF JERSEY CITY

ROBERT BYRNE
CITY CLERK

ROBERT J. KAKOLESKI
BUSINESS ADMINISTRATOR

PROJECT EMPLOYMENT & CONTRACTING AGREEMENT

This Project Employment & Contracting Agreement is made as of the ___ day of ____, 2014, between the **CITY OF JERSEY CITY** [City] having its principal office at 280 Grove Street, Jersey City, NJ 07302, and **3 JOURNAL SQUARE URBAN RENEWAL, LLC** [Recipient], having its principal office at 400 Plaza Drive, P.O. Box 1515, Secaucus, NJ 07096-1515.

I. Definitions:

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

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

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

II. Purpose: Business Contracting and Permanent Jobs

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

Because this project is subject to the terms of a Project Labor Agreement during construction, this agreement shall apply only to Business Contracting and non-construction Permanent Jobs.

III. Good Faith Goals:

In the event the Recipient is able to demonstrate that its work force already meets the goals set forth below or is able to meet such goals during the term of this agreement, the Recipient shall only be required to submit the periodic certified manning and certified payroll reports described below to confirm ongoing compliance. All other Recipients must comply with the following Good Faith goals.

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

IV. Recipient Designee:

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

The Recipient shall send a letter designating its "Project Employment & Contracting Compliance Officer" to the Project Employment & Contracting Coordinator prior to any

preconstruction meetings. An example of this letter can be found in Appendix 1. This Officer should also be present for all preconstruction meetings.

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

V. Term:

This agreement shall be in effect for a period co-terminus with the effective period of the tax exemption [the Economic Incentive]. Thus, it will commence on the date the City Council adopted Ordinance _____, approving the tax exemption and terminate the earlier of 35 years from the date of the adoption of that Ordinance or 30 years from the date of Substantial Completion of the Project.

VI. Good Faith Defined:

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

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

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

B. Subcontractor Notification -- If the Recipient decides to subcontract any portion or all of its permanent workforce, then the Recipient must receive a signed acknowledgment from the subcontracting party that it will abide by the Project Employment & Contracting Agreement before said subcontractor begins staffing permanent employees. The Recipient must forward a copy of the signed acknowledgment to the Project Employment & Contracting Monitor. An example of this signed acknowledgment can be found in Appendix 3.

C. Subcontractor Pre-Hiring Job Awareness Meeting -- Each subcontractor hired to staff permanent job positions must appoint a Project Employment & Contracting Officer to meet with the head of the Registry to discuss the same issues presented above in VI 1.A.(i)-(vi) and notify the City.

- D. Subcontractors of Subcontractors--Subcontractors of subcontractors are subject to the same requirements for the initial subcontractors.
- E. Documentation of Hiring Plan--Once the Pre-Hiring Job Awareness Meeting has taken place, the Recipient must put together a document with goals and totals for future permanent employment needs. This plan should summarize all that was discussed in the Pre-Hiring Awareness Meeting, list estimates for manpower needs, set residential and minority employment goals commensurate with the Project Employment & Contracting Agreement, and show how the Recipient plans to meet these goals. An example of this plan is found in Appendix 4.
- F. Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the DEO and the JCEPT with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the referral of qualified applicants to the Recipient.
- G. Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the DEO with a copy of this advertisement.
- H. Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it pursuant to the agreement. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.
- I. Monthly Employment Reports: The Recipient will submit written employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will be submitted on the 1st day of every month. It will describe each job and state whether the job was filled or held by a City resident, minority resident or woman resident and date of hire. The report will explain in writing the reasons why any qualified referred applicant (or in the event advertisement is required, any qualified person responding to the advertisement) was not hired and the reason therefore. The form of this report shall be in substantially the form found in Appendix 5, subject to such revision as the City deems appropriate and reasonable. Monthly reports may be extended to semi-annually reports once the initial workforce is hired.
- J. Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.
- K. Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the any reports.

- L. Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.
- M. Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.

2. **Business Contracting**

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

i) Solicitation of Businesses:

- a) One month before the solicitation for any goods or services, the Recipient must forward a letter with a description of the goods or services to the Project Employment and Contracting Coordinator;
- b) The Recipient shall provide the City with a written Purchasing Report every month. The form of this report shall be in substantially the form found in Appendix 6.
- c) Pre-Hiring Notification: At least ten (10) working days prior to advertising for any employees, the Recipient or the Recipient's subcontractor shall provide the DEO and the JCEPT with a written notice, which shall state the job title, job description and minimum qualifications, rate of pay, hours of work and the hiring date for each position to be filled, in qualitative and objective terms which will enable the referral of qualified applicants to the Recipient.
- d) Advertisement: At the request of the City, or because the City does not have qualified applicants to refer to the Recipient, the Recipient will place an advertisement for the jobs in a newspaper which is regularly published in Jersey City. The Recipient must furnish the DEO with a copy of this advertisement.
- e) Pre-Hiring Interview: The Recipient shall interview any qualified applicants referred to it pursuant to the agreement. In the event advertisement is required, the Recipient agrees to interview any qualified persons responding to the advertisement.
- f) Monthly Employment Reports: The Recipient will submit written employment reports to the Project Employment & Contracting Monitor in the form to be provided by the City. The report will be submitted on the 1st day of every month. It will describe each job and state whether the job was filled or held by a City resident, minority resident or woman resident and date of hire. The report will explain in writing the reasons why any qualified referred applicant (or in the event advertisement is required, any qualified person responding to the advertisement)

was not hired and the reason therefore. The form of this report shall be in substantially the form found in Appendix 5, subject to such revision as the City deems appropriate and reasonable. Monthly reports may be extended to semi-annually reports once the initial workforce is hired.

- g) Record Access: The Recipient shall provide the City with reasonable access to all files and records including payroll and personnel information reasonably necessary to confirm the accuracy of the information set forth in the semi-annual reports.
 - h) Work Place Access: The Recipient shall provide the City with reasonable access to the site to physically monitor the work site to verify the accuracy of the information set forth in the any reports.
 - i) Other Reports, Documents: In addition to the above reports, the Recipient shall furnish such reports or other documents that the City may request from time to time in order to implement the purposes of this agreement.
 - j) Incorporation of Agreement: The Recipient shall incorporate the provisions of this Agreement in all contracts, agreements and purchase orders for labor with any service, maintenance, security or management agent or Contractor engaged by the Recipient whose personnel will be assigned to the Recipient project.
- B. The Recipient pledges not to use local and local minority vendors solely as conduits for vendors that are not local and minority owned. Any discovery by Project Employment and Contracting Monitor of a Recipient, using the masthead of a local or minority owned business as a way to get credit for local or minority employment when it should not, will immediately subject the Recipient to the penalties listed in Section VIII (d) below.

3. **Commercial Tenants at the Project Site**

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

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

VII. Notices of Violation:

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

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

VIII. Liquidated Damages:

1. While reserving any other remedies the City may have at law or equity for a material breach of the above terms and conditions, the parties agree that damages for violations of this agreement by the Recipient cannot be calculated within any reasonable degree of mathematical certainty. Therefore, the parties agree that upon the occurrence of a material breach of any of the above terms and conditions and after notice and expiration of any cure period, the City will be entitled to liquidated damages from the Recipient in the following amounts:
 - A. Failure to conduct Pre-hiring Interviews or submit Compliance Statement (Submit description of goods or services, (Business Contracting): an amount equal to Three (3%) percent of the estimated annual service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
 - B. Failure to allow record or work place access or submit any other required reports (all categories): an amount equal to Three (3%) percent increase service charge as set forth in the Financial Agreement for each quarter or part thereof that the Recipient is non compliant.
 - C. The use of the local or local minority business' masthead for labor or work supplied by a non local or local minority vendor: An amount equal to Ten (10%) service charge as set

forth in the Financial Agreement for each quarter or part thereof, the Recipient is non compliant.

IX. Notices

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

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

3 Journal Square Urban Renewal, LLC
400 Plaza Drive
P.O. Box 1515
Secaucus, NJ 07096-1515
Att:

and

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

City of Jersey City
Department of Administration
Division of Economic Opportunity
Project Employment & Contracting Monitor
280 Grove Street
Jersey City, New Jersey 07302
Att: Division Director

and

Director of Jersey City Employment and Training Program, Inc
895 Bergen Avenue—2nd Floor
Jersey City, NJ 07306
Att: Executive Director

with separate copies to the Mayor and the Business Administrator.

X. Appendix

These forms are examples only and shall be in substantially the form attached, subject to modifications from time to time by the City as necessary or appropriate.

1. Letter designating Recipient's Project Employment & Contracting Officer
2. Letter from Recipient to Employees of Recipient's Company
3. Acknowledgment of PECA compliance of Subcontractor
4. Example of Hiring Plan
5. Example of Monthly Employment Report
6. Example of Monthly Purchasing Report

- 7. Tenant Employment Services Guide
- 8. Commercial Retail Annual Questionnaire

XI. Adoption, Approval, Modification:

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

XII. Controlling Regulations and Laws:

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

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

ATTEST:

CITY OF JERSEY CITY

Robert Byrne
City Clerk

Robert J. Kakoleski
Business Administrator

WITNESS:

**3 JOURNAL SQUARE URBAN
RENEWAL, LLC**

Secretary

President