

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

File No. Ord. 20-032
Agenda No. 3.1 (1st Reading)
Agenda No. 4.2 (2nd Reading and Final Passage)



AN ORDINANCE PROVIDING FOR THE SPECIAL ASSESSMENT OF THE COST OF CERTAIN PUBLIC INFRASTRUCTURE IMPROVEMENTS WITHIN AND NEARBY COLES STREET PARK IN THE CITY OF JERSEY CITY, IN THE COUNTY OF HUDSON, STATE OF NEW JERSEY, AND AUTHORIZING THE EXECUTION OF CERTAIN AGREEMENTS IN CONNECTION THEREWITH.

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

WHEREAS, the New Jersey Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the "Act") authorizes municipalities to determine whether certain parcels of land in the municipality constitute areas in need of redevelopment; and

WHEREAS, the Act confers certain contract, planning and financial powers upon a redevelopment entity, as defined at Section 3 of the Act, in order to implement redevelopment plans adopted pursuant thereto; and

WHEREAS, the Jersey City Redevelopment Agency (the "Agency") was established as an instrumentality of the City of Jersey City (the "City") with responsibility for implementing redevelopment plans and carrying out redevelopment projects in the City, as permitted by Section 4 of the Act; and

WHEREAS, in accordance with the criteria set forth in the Act, the City designated an area in need of redevelopment, entitled the "Jersey Avenue Park Redevelopment Area" (the "Redevelopment Area") and adopted a redevelopment plan for the Redevelopment Area entitled the Jersey Avenue Park Redevelopment Plan (the "Redevelopment Plan"), as may be further amended and supplemented from time to time; and

WHEREAS, on July 18, 2018 the Jersey City Planning Board granted Emerson Leasing Co. I, LLC ("Emerson") Preliminary and Final Major site plan approval to construct a multi-phased project (the "Emerson Project") including a new park along Coles Street (the "Coles Street Park"); and

WHEREAS, Phase I of the Emerson Project is to be located on the Emerson Phase I Property (as defined below); and

WHEREAS, Emerson is the ground tenant of Block 6903, Lots 1.01, 1.02, 3.01, 3.02 and 4 (the "Emerson Phase I Property"), Emerson Leasing Co. II, LLC is the ground tenant of Block 6903, Lot 2.01 (the "Emerson Phase II Property"), Emerson Leasing Co. III, LLC is the ground tenant of Block 6903, Lot 3.04 (the "Emerson Phase III Property") and Emerson Leasing Co. IV, LLC is the ground tenant of Block 6903, Lot 3.03 (the "Emerson Phase IV Property") (the Emerson Phase I Property, Emerson Phase II Property, the Emerson Phase III Property and the Emerson Phase IV Property are collectively referred to as the "Emerson Properties"); and

WHEREAS, as a condition of the approvals for the Emerson Project, Emerson is to construct and deliver to the City the park known as Coles Street Park located on Block 6004, Lot 1.06 [formerly Block 6004, Lot 1.03 and Block 6005, Lot 13.04] (the "Coles Street Park Property") as shown on that certain Plat dated February 13, 2020 prepared by Dresdner Robin and titled Amended Final Subdivision Plat (the "Subdivision"); and

WHEREAS, Coles Jersey Development Co., LLC and Coles Jersey Development Co. II, LLC ("Coles Development") is the owner of the Coles Street Park Property as well as Block 6004, Lot 1.04 and 1.05 [formerly Block 6005, Lots 13.01 and 13.03 and Block 6004, Lots 1.01 and 1.02] and Block 6003, Lots 1, 2.02 and 2.03 [formerly Block 6003, Lot 1 and 2.01] as reflected on the Subdivision (cumulatively, the "Coles Property") and together with the Emerson Properties but excluding the Coles Street Park Property, the "Land"; and

WHEREAS, in order to facilitate the development of Coles Street Park by Emerson, Property Owner has entered into that certain escrow agreement with the Agency (the "Coles Street Park Escrow Agreement"), which will allow the duly executed conveyance documents for the Coles Street Park Property to be held in escrow by the Agency while Emerson undertakes the construction of the Coles Street Park thereon in accordance with the terms and conditions more fully set forth in the Coles Street Park Escrow Agreement; and

WHEREAS, Emerson's obligation to commence construction on the Coles Street Park Property became effective upon execution of the Coles Street Park Escrow Agreement; and

WHEREAS, in order to construct the Coles Street Park and otherwise improve the infrastructure in the surrounding area, urgent upgrades and improvements are required to be made to: (a) Coles Street, between 16th and 18th Street and (b) 17th Street, between Coles Street and Jersey Avenue to address chronic flooding and other issues, including without limitation, construction of water and sewer infrastructure, roadway improvements, sidewalks, drainage facilities, etc. (the "Park Street Improvements"), which Park Street Improvements will specifically benefit the Land; and

WHEREAS, the Park Street Improvements, administrative costs to the Agency, certain other related costs described in the Coles Street Park Escrow Agreement, and a contingency amount for any cost overruns (the "Public Infrastructure Improvements") are estimated not to exceed \$2,900,000 (the "Infrastructure Improvements Costs"); and

WHEREAS, pursuant to that certain Redevelopment Agreement, dated October 28, 2019, Emerson has agreed to be responsible for any Infrastructure Improvements Costs in excess of \$2,900,000 (the "Infrastructure Improvements Costs Cap"); and

WHEREAS, the Infrastructure Improvements Costs will be, and are intended to be, costs that may be specially assessed (the "Special Assessment") against the Land pursuant to the Redevelopment Law, the Redevelopment Area Bond Financing Law (N.J.S.A. 40A:12A-67 et seq., the "RAB Law") and the Local and Other Improvements Law (N.J.S.A. 40:56-1 et seq., the "Local Improvements Law"); and

APPROVED AS TO LEGAL FORM

A handwritten signature in black ink, appearing to be "K.B.", is written over a horizontal line.

Business Administrator

A handwritten signature in black ink, appearing to be "D. W. ...", is written over a horizontal line.

Corporation Counsel

An Ordinance providing for the special assessment of the cost of certain public infrastructure improvements within and nearby Coles Street Park in the City of Jersey City, in the County of Hudson, State of New Jersey, and authorizing the execution of certain agreements in connection therewith.

WHEREAS, to fund the Infrastructure Improvements Costs, the Agency will issue bonds or notes (the “**Bonds**”) pursuant to the Redevelopment Law and the RAB Law; and

WHEREAS, in order to secure payment of the debt service on the Bonds, the Special Assessment will be irrevocably pledged to the trustee for the Bonds and each of the owners of the Land will enter into a special assessment agreement(s) with the City and Agency in substantially the form as that attached hereto as Exhibit A (each, a “**Special Assessment Agreement**”) and the City will enter into a subsidy agreement with the Agency in substantially the form as that attached hereto as Exhibit B (the “**Subsidy Agreement**”); and

WHEREAS, the City has determined to authorize the imposition of the Special Assessment and the execution of the Special Assessment Agreement and Subsidy Agreement.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF JERSEY CITY, IN THE COUNTY OF HUDSON, NEW JERSEY AS FOLLOWS:

Section 1. The recitals hereof are incorporated by reference as it is set forth at length herein.

Section 2. The Public Infrastructure Improvements shall be undertaken by the Agency or its designee and the Infrastructure Improvements Costs shall be specially assessed against the Land as permitted by, and in accordance with, the Redevelopment Law, the RAB Law, the Local Improvements Law and the Special Assessment Agreements. The City will not contribute to the payment of any part of the Infrastructure Improvements Costs.

Section 3. The Special Assessment Agreements are approved and may be executed with such changes, additions and deletions as shall be agreed to by the Mayor with the advice of the City attorney and special counsel.

Section 4. The Subsidy Agreement is approved and may be executed with such changes, additions and deletions as shall be agreed to by the Mayor with the advice of the City attorney and special counsel.

Section 5. Mayor, City Clerk, Business Administrator and Chief Financial Officer are authorized to execute the Special Assessment Agreements, the Subsidy Agreement and such other documents and certificates as may be necessary to carry out the terms of this ordinance and the issuance of the Bonds.

Section 6. This ordinance shall take effect as provided by law.

Exhibit A

Form of Special Assessment Agreement

Exhibit B

Form of Subsidy Agreement

An Ordinance providing for the special assessment of the cost of certain public infrastructure improvements within and nearby Coles Street Park in the City of Jersey City, in the County of Hudson, State of New Jersey, and authorizing the execution of certain agreements in connection therewith.

RECORD OF COUNCIL VOTE ON INTRODUCTION – Apr 15 2020						
RIDLEY	AYE	YUN		LAVARRO	AYE	8-0
PRINZ-AREY	AYE	SOLOMON	AYE	RIVERA	AYE	
BOGGIANO	AYE	ROBINSON	AYE	WATTERMANN, PRES	AYE	

RECORD OF COUNCIL VOTE TO CLOSE PUBLIC HEARING – May 6 2020						
RIDLEY	AYE	SALEH	AYE	LAVARRO	AYE	9-0
PRINZ-AREY	AYE	SOLOMON	AYE	RIVERA	AYE	
BOGGIANO	AYE	ROBINSON	AYE	WATTERMANN, PRES.	AYE	

SPEAKERS:

Alex Hecht
 Flaguni Chawdo
 Jeanne Daly
 Bhavini Doshi
 George Garcia

RECORD OF COUNCIL VOTE ON AMENDMENTS, IF ANY –						
RIDLEY		SALEH		LAVARRO		
PRINZ-AREY		SOLOMON		RIVERA		
BOGGIANO		ROBINSON		WATTERMANN, PRES.		

RECORD OF FINAL COUNCIL VOTE – May 6 2020						
RIDLEY	AYE	SALEH	AYE	LAVARRO	NAY	8-1
PRINZ-AREY	AYE	SOLOMON	AYE	RIVERA	AYE	
BOGGIANO	AYE	ROBINSON	AYE	WATTERMANN, PRES.	AYE	

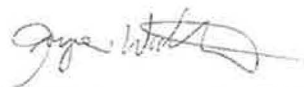
Adopted on first reading of the Council of Jersey City, N.J. on Apr 15 2020

Adopted on second and final reading after hearing on May 6 2020

This is to certify that the foregoing Ordinance was adopted
 by the Municipal Council at its meeting on May 6 2020



City Clerk



Joyce E. Watterman, President of Council
 Approved: May 6 2020



Steven M. Fulop, Mayor
 Date to Mayor: May 7 2020
 Approved: May 15 2020