



**ORDINANCE APPROVING A 30 YEAR TAX EXEMPTION FOR AN URBAN RENEWAL AFFORDABLE HOUSING PROJECT TO BE CONSTRUCTED BY GENESIS OCEAN ASSOCIATES URBAN RENEWAL CO., LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.**

1. the property is currently exempt and generates no revenue for the City; however, based on the current assessment, the real estate taxes would generate revenue of only \$7,669, whereas, the Annual Service Charge as estimated, will generate revenue of more than \$45,202 to the City;
2. it is expected that the Project will create approximately 100 jobs during construction and 4 new part-time permanent jobs;
3. the Project will stabilize and contribute to the economic growth of businesses in the surrounding area;
4. the Project will further the overall redevelopment objectives of an Urban Enterprise Zone and the Morris Canal Redevelopment Plan;
5. the project provides 64 units of low income affordable housing which advances an inherently beneficial public purpose notwithstanding that the City's impact analysis, on file with the Office of the City Clerk, indicates that the service charge will not support the cost of providing municipal services to the Project; and

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

1. the relative stability and predictability of the Annual Service Charges will make the Project more attractive to investors needed to finance the Project;
2. the relative stability and predictability of the Annual Service Charges will allow the 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**, Genesis Ocean Associates Urban Renewal Co., LLC, has initially complied with Executive Order 2002-005 concerning "Disclosure of Lobbyist Representative Status" by filing a letter in the Office of the City Clerk; and

**WHEREAS**, because total development costs are estimated to be \$17.3 million, Genesis Ocean Associates Urban Renewal Co., LLC, will not need to comply with the City of Jersey City's Ordinance 07-123 Requiring Apprenticeships and Project Labor Agreement; and

**WHEREAS**, on August 4, 2011, the Tax Exemption Committee met and voted to recommend the approval of the tax exemption to the Mayor.

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

A. The application of Genesis Ocean Associates Urban Renewal Co., 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 1332, Lots 1, 2, A, B, C, 20.99 and 18.92, more commonly known by the street addresses of 441-443, 445, 447, 449, 451-457 Ocean Avenue and 79-81 Dwight Street, and more specifically described by metes and bounds in the application is hereby approved.

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

Continuation of City Ordinance Page  
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1. Term: the earlier of 33 years from the adoption of the within Ordinance or 30 years from the date the project is Substantially Complete;
  2. Annual Service Charge: each year the greater of:
    - (a) the Minimum Annual Service Charge equal to \$7,669 upon Project Completion, whether or not the Project is occupied; or
    - (b) 8% of Annual Gross Revenue from the residential units, estimated at \$40,033, and 15% of Annual Gross Revenue for the commercial space, which sum is estimated to be \$5,168, which shall be subject to statutory increases during the term of the tax exemption.
  3. Administrative Fee: 2% of the prior year's Annual Service Charge, or approximately \$904; and
  4. Pay to the City, for remittance to Hudson County: 5% of the Annual Service Charge, or approximately \$2,260; and
  5. Project: A five-story 64 unit residential building consisting of 24 one bedroom, 20 two bedroom and 20 three bedroom units of rental housing to be occupied by and affordable to families of low income with and approximately 4,465 square feet of commercial office/retail space on the ground floor with 22 on-site parking spaces;
  6. An obligation to execute a Project Employment and Contracting Agreement to insure employment and other economic benefits to City residents and businesses.
  7. This Ordinance will sunset and the Tax Exemption will terminate unless construction of the Project begins within two (2) years of the adoption of the within Ordinance.
- C. The application is on file with the office of the City Clerk. The Financial Agreement and Project Employment and Contracting Agreement shall be in substantially the form on file in the Office of the City Clerk, subject to such modification as the Business Administrator or Corporation Counsel deems appropriate or necessary.
- D. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
- E. This ordinance shall be part of the Jersey City Code as though codified and fully set forth therein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
- F. This ordinance shall take effect at the time and in the manner provided by law.
- G. The City Clerk and Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

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

JM/he  
8/04/11

APPROVED AS TO LEGAL FORM

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

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

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

Certification Required   
Not Required

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

ORDINANCE NO. Ord. 11-101  
 TITLE: 3.M. AUG 10 2011 4.L. AUG 31 2011



Ordinance approving a 30 year tax exemption for an urban renewal affordable housing project to be constructed by Genesis Ocean Associates Urban Renewal Co., LLC. an urban renewal entity pursuant to the long Term Tax Exemption Law N.J.S.A. 40A:20-1 et seq.

RECORD OF COUNCIL VOTE ON INTRODUCTION <span style="float: right;">AUG 10 2011</span>											
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	ABSENT			BRENNAN	✓		
DONNELLY	✓			FULOP	✓			AHMAD	✓		
LOPEZ	✓			RICHARDSON	✓			VELAZQUEZ	✓		

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

RECORD OF COUNCIL VOTE TO CLOSE PUBLIC HEARING <span style="float: right;">AUG 31 2011 9-0</span>											
Councilperson <u>SOTTOLANO</u>				moved, seconded by Councilperson <u>RICHARDSON</u>				to close PH.			
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	✓			BRENNAN	✓		
DONNELLY	✓			FULOP	✓			AHMAD	✓		
LOPEZ	✓			RICHARDSON	✓			VELAZQUEZ	✓		

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

RECORD OF COUNCIL VOTE ON AMENDMENTS, IF ANY											
Councilperson _____				moved to amend* Ordinance, seconded by Councilperson _____				& adopted			
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO				GAUGHAN				BRENNAN			
DONNELLY				FULOP				AHMAD			
LOPEZ				RICHARDSON				VELAZQUEZ			

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

RECORD OF FINAL COUNCIL VOTE <span style="float: right;">AUG 31 2011 9-0</span>											
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
SOTTOLANO	✓			GAUGHAN	✓			BRENNAN	✓		
DONNELLY	✓			FULOP	✓			AHMAD	✓		
LOPEZ	✓			RICHARDSON	✓			VELAZQUEZ	✓		

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

Adopted on first reading of the Council of Jersey City, N.J. on AUG 10 2011

Adopted on second and final reading after hearing on AUG 31 2011

This is to certify that the foregoing Ordinance was adopted by the Municipal Council at its meeting on AUG 31 2011

\_\_\_\_\_  
 Robert Byrne, City Clerk

\*Amendment(s):

APPROVED:

*Peter M. Brennan*

Peter M. Brennan, Council President

Date: AUG 31 2011

APPROVED:

*Jerramiah T. Heaty*

Jerramiah T. Heaty, Mayor

Date: SEP -1 2011

Date to Mayor AUG 31 2011