

City Clerk File No. Ord. 13.112

Agenda No. 3.M 1st Reading

Agenda No. 4.L 2nd Reading & Final Passage



## ORDINANCE OF JERSEY CITY, N.J.

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

CITY ORDINANCE 13.112

TITLE: ORDINANCE CONSENTING TO THE SALE AND ASSIGNMENT OF MASTER CONDOMINIUM 1 AND THE ASSIGNMENT IN PART OF A TAX EXEMPTION AND FINANCIAL AGREEMENT FROM ACC TOWERS 1A URBAN RENEWAL, LLC TO MANA CONTEMPORARY TRIBECA WEST URBAN RENEWAL, LCC PURSUANT TO SECTION 9.1 OF THE FINANCIAL AGREEMENT AND 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, ACC Towers 1A Urban Renewal, LLC, is 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. [Entity]; and

WHEREAS, the Entity was the owner of the entire property known as Block 7701, Lot 5 on the City's Official Tax map, and more commonly known by the street address of 50 Dey Street, Jersey City, New Jersey, all of which is located within the boundaries of an urban enterprise zone area; and

WHEREAS, by the adoption of Ordinance 06-054 on April 26, 2006, the Municipal Council of the City of Jersey City approved the tax exemption on two sections of a portion of the Project and authorized the execution of a financial agreement for those two sections, which was executed on May 18, 2006; and

WHEREAS, on August 9, 2006, the Entity submitted an application to amend its financial agreement to include tax exemption for the entire property; and

WHEREAS, by the adoption of Ordinance 06-121 on October 11, 2006, the Municipal Council of the City of Jersey City approved the tax exemption on the entire Project and authorized the execution of an amended financial agreement; and

WHEREAS, on May 9, 2008, the Entity submitted an application for a second amended and restated financial agreement to convert the property into seven master condominium units, known as Unit 1 (Block 7701, Lot 5 C0001), Unit 2 (Block 7701, Lot 5 C0002), Unit 3 (Block 7701, Lot 5 C0003), Unit 4 (Block 7701, Lot 5 C0004), Unit 5 (Block 7701 Lot 5 C0005), Unit 6 (Block 7701, Lot 5 C0006), Unit 7 (Block 7701, Lot 5 C0007), by a master deed dated December 2, 2008 to amend the tax exemption and financial agreement; and

WHEREAS, by the adoption of Ordinance 08-090 on June 25, 2008, the Municipal Council of the City of Jersey City approved the second amended application and authorized the execution of a second amended and restated financial agreement, for a mixed use project, consisting of 551 residential units, with a service charge calculated as 10% of gross revenue for the first ten (10) years which is presently \$726,553; 12% of gross revenue for the second ten (10) years; and 14% of the gross revenue for the final ten (10) years; and

WHEREAS, Master Condominium Unit 2 and Unit 3 were substantially completed and sold to individual condominium unit purchasers; and

WHEREAS, the tax exemption for Master Condominium Units 4, 5 and 6 was terminated by the Entity on December 27, 2012; and

WHEREAS, the tax exemption for the Master Units (1,2,3 and 7) remaining subject to the Financial Agreement commenced on December 10, 2008; and

WHEREAS, in accordance with an agreement of sale dated May 14, 2013, ACC Towers 1A Urban Renewal, LLC has agreed to sell Unit 1 of the Project to Mana Contemporary Tribeca West Urban Renewal, LLC ("Mana") subject to the City's consent to the assignment of the Financial Agreement for Master Condominium Unit 1 to Mana; and

WHEREAS, on July 22, 2013, the Entity applied to the City for its consent to the sale of Unit 1 the project to Mana Contemporary Tribeca West 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., which has agreed to assume all obligations of the Entity under the Financial Agreement as amended; and

WHEREAS, pursuant to Section 9.1 of the Financial Agreement dated July 15, 2008, upon written application by the Entity, the City is required to consent to the sale or transfer of a tax exemption, or a portion thereof, if: 1) the New Entity does not own any other tax exempt projects; 2) the New Entity is formed and eligible to operate under the Law; 3) the existing Entity is not in default of its financial agreement; and 4) the New Entity agrees to assume all obligations of the existing Entity; and

WHEREAS, in addition, pursuant to Section 9.1 of the Financial Agreement, an Entity seeking to sell a project, is also required to pay the City an amount equal to 2% of the annual service charge as consideration for continuation of the tax exemption; and

WHEREAS, based upon the current service charge, 2% of the annual service charge is estimated to be \$14,531.00, which sum will be paid at closing, anticipated to occur on or before October 30, 2013; and

WHEREAS, the Project will continue to pay 10% of gross revenue for years 1-10, which in 2012 was approximately \$726,553; then 12% of gross revenue for the second ten (10) years, and 14% gross revenue for the final ten (10) years.

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

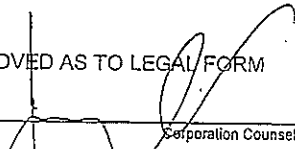
- A. The Application of ACC Towers 1A Urban Renewal, LLC, an urban renewal company formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq. attached hereto, for the sale of Unit 1, a portion of Block 7701, Lot 5 and more commonly known by the street address of 50 Dey Street, Unit 1, and transfer the tax exemption for Unit 1 to Mana Contemporary Tribeca West Urban Renewal, LLC, for Unit 1 is hereby approved, subject to payment to the City of 2% of the annual service charge estimated to be \$14,531.00.
- B. The Mayor or Business Administrator is hereby authorized to execute a consent to assignment with ACC Towers 1A Urban Renewal, LLC, for Unit 1 and an assumption agreement with Mana Contemporary Tribeca West Urban Renewal, LLC, as well as any other documents appropriate or necessary to effectuate the sale and transfer of Unit 1 of the Project and the tax exemption financial agreement for Unit 1, and the purposes of this ordinance.
- C. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
- D. 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.
- E. This ordinance shall take effect at the time and in the manner provided by law.

F. 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/kn  
9-18-13

APPROVED AS TO LEGAL FORM

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

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

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

Certification Required   
Not Required

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



ORDINANCE NO. Ord. 13.112

TITLE: 3.M SEP 25 2013 4.L OCT 09 2013

Ordinance consenting to the sale and assignment of Master Condominium 1 and the assignment in part of a tax exemption and financial agreement from ACC Towers 1A Urban Renewal, LLC to Mana Contemporary Tribeca West Urban Renewal, LLC pursuant to Section 9.1 of the financial agreement and 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;">SEP 25 2013 <u>9-0</u></span>											
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI	✓			YUN	✓			RIVERA	✓		
RAMCHAL	✓			OSBORNE	✓			WATTERMAN	✓		
BOGGIANO	✓			COLEMAN	✓			LAVARRO, PRES.	✓		

RECORD OF COUNCIL VOTE TO CLOSE PUBLIC HEARING <span style="float: right;">OCT 09 2013 <u>9-0</u></span>											
Councilperson <u>Rivera</u> moved, seconded by Councilperson <u>Osborne</u> to close P.H.											
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI	✓			YUN	✓			RIVERA	✓		
RAMCHAL	✓			OSBORNE	✓			WATTERMAN	✓		
BOGGIANO	✓			COLEMAN	✓			LAVARRO, PRES.	✓		

✓ Indicates Vote

N.V.--Not Voting (Abstain)

Yvonne Balcer  
Jayson Burg

SPEAKERS:

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.
GAJEWSKI				YUN				RIVERA			
RAMCHAL				OSBORNE				WATTERMAN			
BOGGIANO				COLEMAN				LAVARRO, PRES.			

RECORD OF FINAL COUNCIL VOTE <span style="float: right;">OCT 09 2013 <u>8-1</u></span>											
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI	✓			YUN		✓		RIVERA	✓		
RAMCHAL	✓			OSBORNE	✓			WATTERMAN	✓		
BOGGIANO	✓			COLEMAN	✓			LAVARRO, PRES.	✓		

✓ Indicates Vote

N.V.--Not Voting (Abstain)

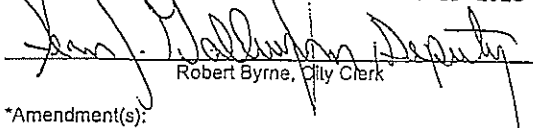
Adopted on first reading of the Council of Jersey City, N.J. on \_\_\_\_\_

SEP 25 2013

Adopted on second and final reading after hearing on \_\_\_\_\_


OCT 09 2013

This is to certify that the foregoing Ordinance was adopted by the Municipal Council at its meeting on OCT 09 2013

  
Robert Byrne, City Clerk

\*Amendment(s):

APPROVED:

  
\_\_\_\_\_  
Rolando R. Lavarro, Jr., Council President

Date

OCT 09 2013

APPROVED:

  
\_\_\_\_\_  
Steven M. Fulop, Mayor

Date

OCT 15 2013

OCT 11 2013