

City Clerk File No. Ord. 14.002

Agenda No. 3.B 1st Reading

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

4.F FEB 11 2014



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE

offered and moved adoption of the following ordinance:

CITY ORDINANCE 14.002
TITLE: AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-9 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 9902, LOT 25.01, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 334-336 & 340 THIRD STREET AND 292-294 NEWARK AVENUE

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

WHEREAS, the City of Jersey City as an area in need of rehabilitation, is authorized to adopt an ordinance to utilize tax exemptions pursuant to N.J.S.A. 40A:21-1, et seq., the Five (5) Year Exemption and Abatement Law; and

WHEREAS, pursuant to N.J.S.A. 40A:21-1 et seq., the City of Jersey City adopted Ordinance 05-060, Section 304-6 et seq. of the Municipal Code, to allow Five (5) Year Tax Exemptions which allows the Tax Assessor to regard the full and true value or a portion thereof of certain improvements as not increasing the full and true value of certain property for a period of five (5) years, provided the owner's application is approved by the Tax Assessor and by Ordinance of the Municipal Council; and

WHEREAS, pursuant to N.J.S.A. 40A:21-9 and Section 304-12 of the Municipal Code, a tax exemption for a newly constructed five (5) story building with approximately forty-eight (48) residential rental units and approximately 2,728 square feet of commercial retail space on the ground floor, and nine (9) on-site parking spaces, is permitted for a period of five (5) years; and

WHEREAS, 292-294 Newark Street, LLC, is the owner of a newly constructed five (5) story building with approximately forty-eight (48) residential rental units and approximately 2,728 square feet of commercial retail space on the ground floor, and nine (9) on-site parking spaces, located in Block 9902, Lot 25.01 (f/k/a Block 387, Lots 12,13, 37, 38 and 39) on the City's Tax Map and more commonly known by the street address of 334-336 & 340 Third Street and 292-294 Newark Avenue, Jersey City, N.J., now known as 340 Third Street; and

WHEREAS, on September 23, 2013, the City issued a Certificate of Occupancy for the Property; and

WHEREAS, on October 22, 2013, the owner filed an application with the Tax Assessor to tax exempt the newly constructed multiple dwelling, commercial retail space on the ground floor and parking, a copy of which application is attached hereto; and

WHEREAS, 292-294 Newark Street, LLC, proposes to pay the City (in addition to the full taxes on the land, which shall continue to be conventionally assessed and taxed) a tax payment for the new improvements on the property, estimated as follows:

- (a) 2014: the tax year in which the structure will be completed. \$0 taxes;
- (b) 2015: the second tax year, 20% of actual full taxes, estimated to be \$36,529;

- (c) 2016: the third tax year, 40% of actual full taxes, estimated to be \$73,059;
- (d) 2017: the fourth tax year, 60% of actual full taxes, estimated to be \$109,588; and
- (e) 2018: the fifth tax year, 80% of actual full taxes, estimated to be \$146,118;

WHEREAS, the Tax Assessor has determined that the full and true value of the new construction will generate an additional tax payment of \$182,648 a year; and

WHEREAS, the applicant has agreed that in the event the Citywide revaluation results in a decrease in the estimated amount of actual taxes otherwise due, then for purposes of calculating a tax payment hereunder and for the five (5) year period, the amount shall be calculated on the higher of the amount estimated hereunder or the actual taxes otherwise due; and

WHEREAS, the application for tax exemption was complete and timely filed; the application was approved by the Tax Assessor and the newly constructed multiple dwelling and commercial space are eligible for tax exemption pursuant to N.J.S.A. 40A:21-9 and Section 304-12 of the Municipal Code; and

WHEREAS, upon the expiration of the tax exemption, the total assessment will generate a total tax payment of \$222,195 including land taxes of \$39,547; and

WHEREAS, 292-294 Newark Street, LLC, has agreed to pay the sum of \$76,092 to the City's Affordable Housing Trust Fund.

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

1. The application, attached hereto, for a five (5) year tax exemption for the full and true value of the newly constructed five (5) story building with approximately forty-eight (48) residential rental units and approximately 2,728 square feet of commercial retail space on the ground floor, and nine (9) on-site parking spaces, located in Block 9902, Lot 25.01 (f/k/a Block 387, Lots 12,13, 37, 38 and 39), and more commonly known by the street address of 334-336 & 340 Third Street and 292-294 Newark Avenue, Jersey City, N.J., is hereby approved.

2. The Mayor or Business Administrator is hereby authorized to execute a tax exemption agreement which shall contain at a minimum, the following terms and conditions:

- (a) estimated tax payment on the new improvements shall be:
 - (i) Year 1: the tax year in which the structure will be completed. \$0 taxes;
 - (ii) Year 2: the second tax year, 20% of actual full taxes, estimated to be \$36,529;
 - (iii) Year 3: the third tax year, 40% of actual full taxes, estimated to be \$773,059;
 - (iv) Year 4: the fourth tax year, 60% of actual full taxes, estimated to be \$109,588; and
 - (v) Year 5: the fifth tax year, 80% of actual full taxes, estimated to be \$146,118.

The applicant has agreed that in the event the Citywide revaluation results in a decrease in the amount of actual taxes otherwise due for purposes of calculating a tax payment hereunder; during this five (5) year period, the amount due hereunder shall be

calculated on the higher of the amount estimated above or the actual taxes due after the revaluation; and

(b) The project shall be subject to all federal, state and local laws, and regulations on pollution control, worker safety, discrimination in employment, zoning, planning, and building code requirements pursuant to N.J.S.A.40A:21-11(b).

(c) If, during any tax year prior to the termination of the tax agreement, the property owner ceases to operate or disposes of the property, or fails to meet the conditions for qualifying, then the tax which would have otherwise been payable for each tax year shall become due and payable from the property owner as if no exemption and abatement had been granted. The collector forthwith ad the tax collector shall, within 15 days thereof, notify the owner of the property of the amount of taxes due.

(d) With respect to the disposal of the property, where it is determined that the new owner of the property will continue to use the property pursuant to the conditions which qualified the property, no tax shall be due, the exemption shall continue, and the agreement shall remain in effect.

(e) At the termination of a tax exemption agreement, the new improvements shall be subject to all applicable real property taxes as provided by State law and regulation and local ordinance; but nothing herein shall prohibit a project, at the termination of an agreement, from qualifying for, an receiving the full benefits of, any other tax preferences provided by law.

(f) Affordable Housing Trust Fund: \$1,500 per unit or \$72,000 and \$1.50 per square foot x 2,728 square feet or \$4,092, for a total of \$76,092.

3. The form of tax exemption agreement is attached hereto as Exhibit B, subject to such modification as the Corporation counsel or Business Administrator deems necessary.

4. The Tax Assessor shall send a copy of the fully executed Financial Agreement will be sent to the Director of the Division of Local Government Services in the Department of Community Affairs within thirty (30) days of execution pursuant to N.J.S.A. 40a:21-11(d).

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

B. 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.

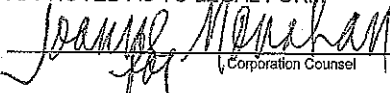
C. This ordinance shall take effect at the time and in the manner provided by law.

D. 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*.

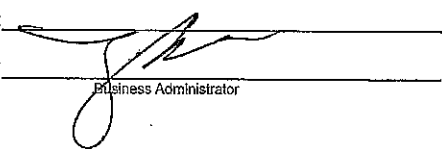
JM/he
1/06/14

APPROVED AS TO LEGAL FORM


Corporation Counsel

APPROVED:

APPROVED:


Business Administrator

Certification Required ☐
Not Required ☒

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



ORDINANCE NO. Ord. 14.002

TITLE: 3.B JAN 15 2014 4.B JAN 29 2014 4.F FEB 11 2014

An ordinance approving a five (5) year tax exemption pursuant to the provisions of N.J.S.A. 40A:21-1, et seq., and Section 304-09 of the Municipal Code for property designated as Block 9902, Lot 25.01, on the city's tax map and more commonly known by the street address of 334-336 Third Street and 292-294 Newark Avenue.

RECORD OF COUNCIL VOTE ON INTRODUCTION JAN 15 2014 8-1											
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI	✓			YUN		✓		RIVERA	✓		
RAMCHAL	✓			OSBORNE	✓			WATTERMANN	✓		
BOGGIANO	✓			COLEMAN	✓			LAVARRO, PRES.	✓		

RECORD OF COUNCIL VOTE TO CLOSE PUBLIC HEARING JAN 29 2014 9-0											
Councilperson <u>OSBORNE</u> moved, seconded by Councilperson <u>COLEMAN</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	✓			WATTERMANN	✓		
BOGGIANO	✓			COLEMAN	✓			LAVARRO, PRES.	✓		

✓ Indicates Vote

N.V.--Not Voting (Abstain)

SPEAKERS:

YVONNE BALZER
KABILI TAYARI
CHARLES HARRINGTON
CHESTER ROTHMAN

TABLED 9-0 AFTER THE CLOSE OF
THE PUBLIC HEARING ON A MOTION
BY LAVARRO, SECONDED BY COLEMAN

Removed 9-0 from the tabled agenda
on a motion by Coleman, seconded
by Ramchal

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				WATTERMANN			
BOGGIANO				COLEMAN				LAVARRO, PRES.			

RECORD OF FINAL COUNCIL VOTE FEB 11 2014 8-1											
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI	✓			YUN		✓		RIVERA	✓		
RAMCHAL	✓			OSBORNE	✓			WATTERMANN	✓		
BOGGIANO	✓			COLEMAN	✓			LAVARRO, PRES.	✓		

✓ Indicates Vote

N.V.--Not Voting (Abstain)

Adopted on first reading of the Council of Jersey City, N.J. on JAN 15 2014
Adopted on second and final reading after hearing on FEB 11 2014

This is to certify that the foregoing Ordinance was adopted by the Municipal Council at its meeting on FEB 11 2014

Robert Byrne
Robert Byrne, City Clerk

APPROVED:

Rolando R. Lavarro, Jr.

Rolando R. Lavarro, Jr., Council President

Date

FEB 11 2014

*Amendment(s):

APPROVED:

Steven M. Fulop
Steven M. Fulop, Mayor

Date

FEB 19 2014

Date to Mayor

FEB 18 2014