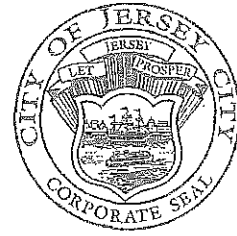


City Clerk File No. Ord. 15.150

Agenda No. 3-E 1st Reading

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



## ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE

offered and moved adoption of the following ordinance:

CITY ORDINANCE 15.150

TITLE:

**ORDINANCE AUTHORIZING A SIXTH AMENDMENT TO THE CITY'S LEASE WITH JOURNAL SQUARE PLAZA URBAN RENEWAL ASSOCIATES FOR ONE JOURNAL SQUARE PLAZA, BLOCK 586.5, LOT PLOT B TO AMEND THE TERM.**

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

**WHEREAS**, the City of Jersey City (City) needs office space for various Departments; and

**WHEREAS**, N.J.S.A. 40A:12-5 provides that a municipality may by ordinance authorize a lease of real property if it determines it is needed for municipal purposes; and

**WHEREAS**, Journal Square Plaza Urban Renewal Associates is the owner of Block 586.5, Lot Plot B, more commonly known by the street address as One Journal Square Plaza (property); and

**WHEREAS**, by the adoption of Ordinance 05-015, the City approved a lease with Journal Square Plaza Urban Renewal Associates (Landlord) for ten (10) years for approximately 28,202 square feet of space at the Property, consisting of the entire 2<sup>nd</sup> and 3<sup>rd</sup> floors of the Property; and

**WHEREAS**, the lease expired on May 31, 2015; and

**WHEREAS**, the rent for the space was \$21.25 per square foot or \$599,292.50 per year for the last five (5) years of the term of the lease; and

**WHEREAS**, by the adoption of Ordinance 06-008 the parties amended the lease, effective March 1, 2006, and increased the Premises by 3,200 square feet, located on the 4<sup>th</sup> floor; and

**WHEREAS**, by the adoption of Ordinance 12-076, the parties amended the lease, effective June 1, 2012, to add the remainder of the 4<sup>th</sup> floor, which increases the total leased premises consisting of all of the 2<sup>nd</sup>, 3<sup>rd</sup> and 4<sup>th</sup> floors of property to 42,326 square feet; and

**WHEREAS**, the total annual rent for the entire 42,326 square feet, shall be \$787,456.50 each year and;

**WHEREAS**, Ordinance 12-124, adopted on October 10, 2012 a third amendment to amend the lease to include as additional rent the construction costs of improvements to be performed by the Landlord; and

**WHEREAS**, by adoption of Ordinance 13-106 a fourth amendment was agreed by the parties to amend the lease to include the Architecture fees; and

**WHEREAS**, by adoption of Ordinance 15-069 a fifth amendment was agreed to by the parties to amend the lease for the third floor consisting of 14,101 sq. ft for Information Technology, Accounts & Control, Treasury, Pension & Payroll from June 1, 2015 thru October 1, 2015 and the fourth floor consisting of 14,101 sq. ft. for Police Headquarters with a term with a term from June 1, 2015 to May 31, 2016, and

**WHEREAS**, the City desires to extend the term of the Lease for the 3<sup>rd</sup> fl. consisting of 14,101 sq. ft. with offices consisting of Divisions of Information Technology, Accounts & Control, Treasury, Pension and Payroll with a term effective November 1, 2015 on a month to month basis with the right to terminate upon 30 days prior written notice by either party, and

**WHEREAS**, the 4<sup>th</sup> floor consisting of 14,101 sq. ft. has the Police Headquarters with a term from June 1, 2015 to May 31, 2016 with the City's right to terminate said Extended Term upon ninety (90) days prior written notice to Landlord; and

**WHEREAS**, Journal Square Plaza Urban Renewal Associates is willing to extend the term of the Lease for the 3<sup>rd</sup> floor of the premises effective November 1, 2015 on a month to month basis and for the 4<sup>th</sup> floor of the premises from June 1, 2015 to May 31, 2016 subject to the terms and conditions herein contained; and

**WHEREAS**, the rent for the 3<sup>rd</sup> and 4<sup>th</sup> floors of 28,202 sq. ft. shall be \$19.40 per sq. ft. for a total of \$45,593.24 monthly ( \$22,796.62 for each floor ) or \$547,118.88 annually.

**WHEREAS**, funds will be made available in the CY 2015 temporary, permanent and future year budgets in the Municipal Rent Account # 01-201-31-432-304.

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

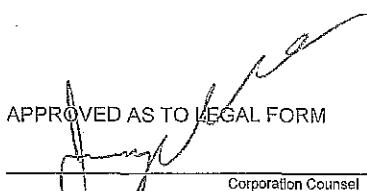
1. The Mayor of business Administrator is authorized to execute a Sixth Amendment to the Lease Agreement with Journal Square Plaza Urban Renewal Associates to amend the term and square footage space.
2. The Sixth Amendment to the Lease shall be in substantially in the form attached, subject to such modifications as may be deemed necessary or appropriate by the Business Administrator or Corporation Counsel.
3. All Ordinances and parts of Ordinances inconsistent herewith are hereby repealed.
4. 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 codified and incorporated in the official copies of the Jersey City Code.
5. This Ordinance shall take effect at the time and in the manners provided by law.
6. 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 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.

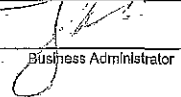
I hereby certify that there are sufficient funds available in Municipal Rent Account # 01-201-32-432- 304 for P.O. # \_\_\_\_\_.

\_\_\_\_\_  
Donna Mauer, Chief Financial Officer

APPROVED AS TO LEGAL FORM

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

APPROVED:  Real Estate Manager

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

Certification Required   
Not Required

**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 AUTHORIZING A SIXTH AMENDMENT TO THE CITY'S LEASE WITH JOURNAL SQUARE PLAZA URBAN RENEWAL ASSOCIATES FOR ONE JOURNAL SQUARE PLAZA, BLOCK 586.5 LOT PLOT B TO AMEND THE TERM.**

**Initiator**

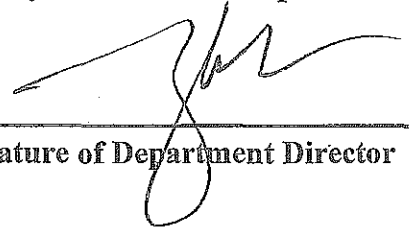
<b>Department/Division</b>	<b>Administration</b>	<b>Real Estate</b>
<b>Name /Title</b>	<b>Ann Marie Miller</b>	<b>Real Estate Manager</b>
<b>Phone/E-Mail</b>	<b>(201) 547-5234</b>	<b>annmarie@jcnj.org</b>

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

**Resolution Purpose**

To extend the term of the Lease for the 3<sup>rd</sup> floor consisting of 14,101 sq ft. until the new office space construction has been completed for offices consisting of Division of Information Technology, Accounts & Control, Treasury, Pension and Payroll with a term effective November 1, 2015 on a month to month basis with the right to terminate upon 30 days prior written notice by either party. The rent shall remain the same for the 3<sup>rd</sup> & 4<sup>th</sup> Floor @ \$19.40 per sq. ft. for a total of \$45,593.24 monthly (22,796.62 each floor) or \$547,118.88 annually.

I certify that all the facts presented herein are accurate.

  
\_\_\_\_\_  
Signature of Department Director

10/16/15  
\_\_\_\_\_  
Date

Requisition #  
0171886

**CITY OF JERSEY CITY**

394 CENTRAL AVE.  
2ND FLOOR  
JERSEY CITY NJ 07307

**Requisition**

Assigned PO #  
118648

**Vendor**  
JOURNAL SQUARE PLAZA URBAN  
RENEWAL ASSOCIATES  
PO BOX 842333  
BOSTON MA 02284  
JO441260

**Dept. Bill To**  
DIVISION OF REAL ESTATE  
MUNICIPAL COURT BUILDING  
365 SUMMIT AVENUE  
JERSEY CITY NJ 07306

**Dept. Ship To**  
DIVISION OF REAL ESTATE  
MUNICIPAL COURT BUILDING  
365 SUMMIT AVENUE  
JERSEY CITY NJ 07306

**Contact Info**  
PEGGY RAUSCH X5234  
0000000000

Quantity	UOM	Description	Account	Unit Price	Total
1.00	EA	ENCUMBRANCY	01-201-31-432-304	91,200.00	91,200.00
THIS PURCHASE ORDER IS FOR ENCUMBRANCY PURPOSES ONLY TO ESTABLISH FUNDING FOR OFFICE SPACE AT ONE JOURNAL SQUARE NAME OF CONTRACT: JOURNAL SQUARE PLAZA URA TOTAL CONTRACT:\$91,186.48 ENCUMBRANCY : \$91,200.00 TO COVER FROM 11/1/15 THRU 12/31/15 PAYMENTS WILL BE MADE ON PARTIAL PAYMENT VOUCHERS.					

Requisition Total 91,200.00

Req. Date: 10/09/2015

Requested By: PEGGYR

Buyer Id:

Approved By: \_\_\_\_\_

**This Is Not A Purchase Order**

**SIXTH AMENDMENT TO LEASE BETWEEN JOURNAL SQUARE PLAZA URBAN RENEWAL ASSOCIATES [LANDLORD] AND THE CITY OF JERSEY CITY [TENANT]**

WHEREAS, by Lease Agreement dated March, 2005, [the Lease] Landlord leased certain Premises, including the entire second and third floors of the building and certain outside parking spaces commonly known as One Journal Square Plaza, Jersey City, New Jersey [the Premises] to Tenant; and

WHEREAS, by First Amendment to Lease effective as of March 1, 2006, the Lease was amended so as to add a portion of the 4<sup>th</sup> floor to the Premises consisting of an additional 3,200 square feet of space, which increased the Tenant's Rent and share of Additional Rent, as more particularly set forth therein; and

WHEREAS, by Second Amendment to Lease effective as of June 1, 2012, the Lease was amended so as to add the remaining 10,900 square feet of the 4<sup>th</sup> floor to the Premises, resulting in the entirety of the Second, Third and Fourth Floors as constituting the Premises, together with a kiosk area consisting of approximately 10 feet x 10 feet in the main floor lobby of the building in which the Premises are located, resulting in a total of 42,326 square feet and an annual Rent in the amount of \$787,456.50; and

WHEREAS, by Third Amendment to Lease effective June 1, 2012, Landlord constructed certain improvements to the Premises for the benefit of Tenant; and

WHEREAS, by Fourth Amendment to Lease, the costs for the Third Amendment improvements were increased to include architect fees; and

WHEREAS, effective April 1<sup>st</sup>, 2014, the 2<sup>nd</sup> floor was removed from the Premises, resulting in a reduction of the Annual Rent, a reduction in Tenant's "proportionate share" for Additional Rent, as defined in Section 2.02(1)(iii) to 53.33% and a reduction in the number of parking spaces allocated to Tenant to 32.

WHEREAS, by Fifth Amendment to Lease, the term of the Lease for the 3<sup>rd</sup> floor Premises containing 14,101 sq. ft., occupied by the Divisions of Information, Technology, Accounts and Control, Treasury, Pension and Payroll was extended from June 1, 2015 to October 31, 2015 and the Lease for the 4<sup>th</sup> floor Premises containing 14,101 sq. ft. occupied by the Police Headquarters was extended for an additional one (1) year from June 1, 2015 to May 31, 2016 with the right to terminate said Extended Term upon ninety (90) days prior written notice to Landlord; and

WHEREAS, Tenant is desirous of extending the term of the Lease for the 3<sup>rd</sup> floor Premises effective November 1, 2015 on a month-to-month basis with the right to terminate upon 30 days prior written notice by either party.

WHEREAS, the rent for the 3<sup>rd</sup> and 4<sup>th</sup> floors containing 28,202 sq. ft. shall be \$19.40 per sq. ft. monthly for a total of \$45,593.24 monthly (\$22,796.62 for each floor) or \$547,118.88 annually

**NOW THEREFORE**, in consideration of the covenants and conditions herein contained, the parties hereto agree as follows:

1. The term of the Lease for the 3<sup>rd</sup> floor Premises containing 14,101 sq.ft. occupied by Divisions of Information, Technology, Accounts and Control, Treasury, Pension and Payroll is extended for one (1) month effective November 1, 2015 and from month-to-month thereafter with the right by either party to terminate upon 30 days prior written notice.
2. The rent for the 3<sup>rd</sup> and 4<sup>th</sup> floors (containing a total of 28,202 sq. ft.) shall continue to be \$19.40 per sq. ft. monthly for a total of \$45,593.24 per month (\$22,796.62 for each floor) or \$547,118.88 annually. Upon the 3<sup>rd</sup> floor premises being vacated by the Divisions of Information, Technology, Accounts and Control, Treasury, Pension and Payroll: a) Tenant's "proportionate share" as defined in Section 2.02 (a) (iii) shall be reduced to 26.666% and b) the number of parking spaces allocated to Tenant shall be reduced to 16.
3. This Sixth Amendment shall become effective only after execution hereof by both Landlord and Tenant.
4. Except as herein modified, all of the terms and conditions of the Lease and the First, Second, Third, Fourth and Fifth Amendments to Lease shall remain in full force and effect.

**WITNESS:**

\_\_\_\_\_

**Landlord:**  
**Journal Square Plaza Urban Renewal Associates**  
**By: JSQ REALTY, LLC, General Partner**

**By:** \_\_\_\_\_  
**Joseph A. Panepinto, Managing Member**  
**Dated:** \_\_\_\_\_

**WITNESS:**

\_\_\_\_\_

**Tenant:**  
**City of Jersey City**

**By:** \_\_\_\_\_  
**Business Administrator**  
**Dated:** \_\_\_\_\_

**City Clerk**

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



ORDINANCE NO. Ord. 15.150  
 TITLE: 3.E OCT 28 2015 4.D NOV 10 2015

Ordinance authorizing a sixth amendment to the City's lease with Journal Square Plaza Urban Renewal Associates for One Journal Square Plaza, Block 586.5, Lot Plot B to amend the term.

RECORD OF COUNCIL VOTE ON INTRODUCTION											
OCT 28 2015 9-0											
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											
NOV 10 2015											
Councilperson <u>WATTERMAN</u> moved, seconded by Councilperson <u>LAVARRO</u> to close P.H. <u>9-0</u>											
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)

LA KEW WASHINGTON

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.			

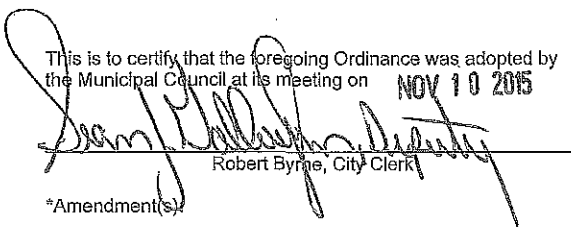
RECORD OF FINAL COUNCIL VOTE											
NOV 10 2015 9-0											
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI	✓			YUN	✓			RIVERA	✓		
RAMCHAL	✓			OSBORNE	✓			WATTERMAN	✓		
BOGGIANO	✓			COLEMAN	✓			LAVARRO, PRES.	✓		

✓ Indicates Vote

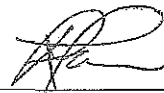
N.V.--Not Voting (Abstain)

Adopted on first reading of the Council of Jersey City, N.J. on OCT 28 2015

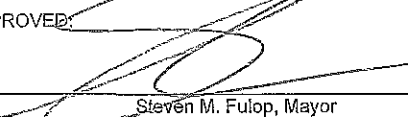
Adopted on second and final reading after hearing on NOV 10 2015

This is to certify that the foregoing Ordinance was adopted by the Municipal Council at its meeting on NOV 10 2015  
  
 Robert Byrne, City Clerk

\*Amendment(s)

APPROVED:   
 Rolando R. Lavarro, Jr., Council President

Date NOV 10 2015

APPROVED:   
 Steven M. Fulop, Mayor

Date NOV 13 2015

Date to Mayor NOV 12 2015