

City Clerk File No. Ord. 17-003

Agenda No. 3.C 1st Reading

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



## **ORDINANCE OF JERSEY CITY, N.J.**

**COUNCIL AS A WHOLE**

offered and moved adoption of the following ordinance:

**CITY ORDINANCE 17-003**

**TITLE:**

**ORDINANCE AUTHORIZING THE SETTLEMENT AGREEMENT RESOLVING THE FEDERAL AND STATE LITIGATION CONCERNING BLOCK 11612, LOT 2, MORE COMMONLY KNOWN AS 311 WASHINGTON STREET UNITS 2A, 2B, 2C, 2D, 2E, 2F & 2G AND CONVEYING CONDOMINIUM UNITS 2E & 2F TO WASHINGTON COMMONS IN EXCHANGE FOR REPAIRS AND RENOVATIONS TO ALL SEVEN UNITS**

**COUNCIL**

offered and moved adoption of the following Ordinance:

**WHEREAS**, the Courts concluded that the City of Jersey City ["City"] is the rightful owner of seven condominium units located within Block 11612, Lot 2, more commonly known as 311 Washington Street, Units 2A, 2B, 2C, 2D, 2E, 2F, and 2G ["Property"]; and

**WHEREAS**, the Property sustained extensive damage prior to the City acquiring possession of the Property, which became the subject of a lawsuit filed by the City in the Hudson County Superior Court, Law Division bearing Docket No.: HUD-L-4044015 [State Court Action], against Washington Commons, LLC [Developer], The Washington Commons at Jersey City Condominium Association, Inc. [Association], Jack Ching Kung Kao and Hsun Hsun; and

**WHEREAS**, the Developer, Neil Sorrentino, Serifino Tomasetti, Maria Tomasetti and Joseph Sorrentino [Federal Court Plaintiffs] filed a complaint in United States District Court bearing Case No.: 2:16-cv-1458-WJM-MF [Federal Court Action] against the City, Mariano Vega and Jeremy Farrell, Esq. demanding the conveyance of title to the Federal Court Plaintiffs, \$10,000,000 (ten million dollars), attorneys fees and costs of suit; and

**WHEREAS**, all parties to the Federal Court Action and the State Court Action, with the exception of Jack Ching Kung Kao and Hsun Hsun, have agreed to amicably settle both lawsuits pursuant to the terms set forth in the Settlement Agreement; and

**WHEREAS**, the Federal Court Plaintiffs have agreed to make all necessary repairs to the Property in exchange for title to Units 2E and 2F; and

**WHEREAS**, the City will convey title to Unit 2E in good faith that the Federal Court Plaintiffs will complete the renovations to the Property; and

**WHEREAS**, the City will convey title to the second unit after the Federal Court Plaintiffs have completed the renovations of the Property to the City's satisfaction; and

**ORDINANCE AUTHORIZING THE SETTLEMENT AGREEMENT RESOLVING THE  
FEDERAL AND STATE LITIGATION CONCERNING BLOCK 11612, LOT 2, MORE  
COMMONLY KNOWN AS 311 WASHINGTON STREET UNITS 2A, 2B, 2C, 2D, 2E, 2F  
& 2G AND CONVEYING CONDOMINIUM UNITS 2E & 2F TO WASHINGTON  
COMMONS IN EXCHANGE FOR REPAIRS AND RENOVATIONS TO ALL SEVEN  
UNITS**

**WHEREAS**, the City is authorized to transfer title of Units 2E and 2F to the Federal Court Plaintiffs in exchange for consideration pursuant to N.J.S.A. 40A:12-13;

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

- A. The conveyance of Units 2E and 2F located at Block 1161, Lot 2 on Jersey City's Official Tax Assessment Map, more commonly known as 311 Washington Street, by the City of Jersey City to the Federal Court Plaintiffs is hereby approved, subject to the following:
1. Upon execution of the Settlement Agreement:
    - a. The City of Jersey City shall make an initial, good faith conveyance of title in fee simple of Unit 2E to the Federal Court Plaintiffs;
    - b. The City shall execute and file a Stipulation of Dismissal *Without Prejudice* with respect to its claims against Developer and the Association in the State Court Action;
    - c. The City shall execute and deliver an assignment to Developer of the City's claims in the State Court Action against Jack Ching Kung Kao and Hsun Hsun;
    - d. The Federal Court Plaintiffs shall execute and file a Stipulation of Dismissal *Without Prejudice* with respect to the Federal Court Action;
    - e. The Federal Court Plaintiffs shall execute all documents (including deeds) and take all necessary actions to transfer title to Units 2A, 2B, 2C, 2D, 2F and 2G to the City; and
    - f. The Federal Court Plaintiffs shall complete all necessary repairs and renovations to the Property to the City's satisfaction within 180 days of transfer of title to Unit 2E
  2. Upon Federal Court Plaintiffs' completion of all necessary repairs and renovations to the Property as outlined in the Settlement Agreement:
    - a. The City shall transfer title to Unit 2F to the Federal Court Plaintiffs in fee simple;
    - b. The City shall execute and file a Stipulation of Dismissal *With Prejudice* with respect to its claims against Developer and the Association in the State Court Action; and
    - c. The Federal Court Plaintiffs shall execute and file a Stipulation of Dismissal *With Prejudice* with respect to the Federal Court Action

**ORDINANCE AUTHORIZING THE SETTLEMENT AGREEMENT RESOLVING THE  
FEDERAL AND STATE LITIGATION CONCERNING BLOCK 11612, LOT 2, MORE  
COMMONLY KNOWN AS 311 WASHINGTON STREET UNITS 2A, 2B, 2C, 2D, 2E, 2F  
& 2G AND CONVEYING CONDOMINIUM UNITS 2E & 2F TO WASHINGTON  
COMMONS IN EXCHANGE FOR REPAIRS AND RENOVATIONS TO ALL SEVEN  
UNITS**

- B. The Mayor or Business Administrator is directed to execute the Settlement Agreement with Jeremy Farrell, Esq; Washington Commons, LLC; The Washington Commons at Jersey City Condominium Association, Inc.; Neil Sorrentino; Serifino Tomasetti; Maria Tomasetti; and Joseph Sorrentino and any other documents, including deeds deemed legally necessary or appropriate by the Corporation Counsel to effectuate the transfer Units 2E and 2F in accordance with the terms of the Settlement Agreement.
- C. The Settlement Agreement shall be in substantially the form attached hereto, subject to such modifications as the Corporation Counsel deems appropriate or necessary.
- D. All Ordinances and parts of Ordinances inconsistent herewith, are hereby repealed.
- E. This Ordinance shall take effect at the time and in the manner as provided by law.

CR/mw  
12/9/16

APPROVED AS TO LEGAL FORM

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

Certification Required ☐  
Not Required ☐

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

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

\_\_\_\_\_  
Business Administrator

## **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 THE SETTLEMENT AGREEMENT RESOLVING THE FEDERAL AND STATE LITIGATION CONCERNING BLOCK 11612, LOT 2, MORE COMMONLY KNOWN AS 311 WASHINGTON STREET UNITS 2A, 2B, 2C, 2D, 2E, 2F & 2G AND CONVEYING CONDOMINIUM UNITS 2E & 2F TO WASHINGTON COMMONS IN EXCHANGE FOR REPAIRS AND RENOVATIONS TO ALL SEVEN UNITS**

### **Initiator**

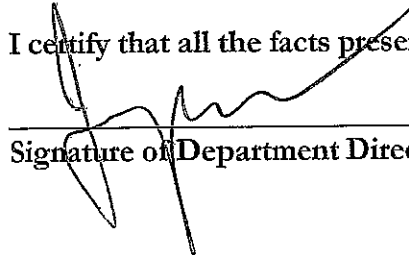
Department/Division	LAW	LAW
Name/Title	JEREMY FARRELL	CORPORATION COUNSEL
Phone/email	201-547-4667	JFARRELL@JCNJ.ORG

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

### **Resolution Purpose**

This ordinance authorizes the transfer of two condominium units to Washington Commons to resolve the pending federal and state litigation involving the seven condominium units owned by the City of Jersey City at 311 Washington Street.

I certify that all the facts presented herein are accurate.

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

\_\_\_\_\_  
Date

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



ORDINANCE NO. Ord. 17-003  
TITLE: J.C. JAN 11 2017 4.C **JAN 25 2017**

Ordinance authorizing the settlement agreement resolving the Federal and State litigation concerning Block 11612, Lot 2, more commonly known as 311 Washington Street Units 2A, 2B, 2C, 2D, 2E, 2F & 2G and conveying condominium units 2B & 2F to Washington Commons in exchange for repairs and renovations to all seven units.

RECORD OF COUNCIL VOTE ON INTRODUCTION <b>JAN 11 2017 8-0</b>											
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI	✓			YUN	✓			RIVERA	✓		
GADSDEN	✓			OSBORNE	✓			WATTERMEN	✓		
BOGGIANO	✓							LAVARRO, PRES.	✓		

RECORD OF COUNCIL VOTE TO CLOSE PUBLIC HEARING <b>JAN 25 2017 8-0</b>											
Councilperson <u>RIVERA</u> moved, seconded by Councilperson <u>LAVARRO</u> to close P.H.											
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI	✓			YUN	✓			RIVERA	✓		
GADSDEN	✓			OSBORNE	ABSENT			WATTERMEN	✓		
BOGGIANO	✓			ROBINSON	✓			LAVARRO, PRES.	✓		

✓ Indicates Vote

N.V.--Not Voting (Abstain)

## SPEAKERS:

MIKE KULOWSKI

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			
GADSDEN				OSBORNE				WATTERMEN			
BOGGIANO				ROBINSON				LAVARRO, PRES.			

RECORD OF FINAL COUNCIL VOTE <b>JAN 25 2017 8-0</b>											
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI	✓			YUN	✓			RIVERA	✓		
GADSDEN	✓			OSBORNE	ABSENT			WATTERMEN	✓		
BOGGIANO	✓			ROBINSON	✓			LAVARRO, PRES.	✓		

✓ Indicates Vote

N.V.--Not Voting (Abstain)

**JAN 11 2017**

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

**JAN 25 2017**

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

This is to certify that the foregoing Ordinance was adopted by the Municipal Council at its meeting on **JAN 25 2017**

Robert Byrne  
Robert Byrne, City Clerk

\*Amendment(s):

APPROVED:

Rolando R. Lavarro, Jr., Council President

Date **JAN 25 2017**

APPROVED:

Steven M. Fulop, Mayor

Date **JAN 30 2017**

Date to Mayor **JAN 26 2017**