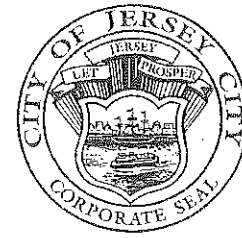


City Clerk File No. Ord. 17-095

Agenda No. 3. J 1st Reading

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



## ORDINANCE OF JERSEY CITY, N.J.

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

CITY ORDINANCE 17-095

**TITLE: 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 19401, LOT 19.06, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 435-437 BERGEN 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 new five (5) story mixed-use market rate rental building with approximately seventy-two (72) residential rental units and approximately 2,150 square feet of ground floor commercial space and fifty (50) parking spaces; and

**WHEREAS**, Bergen Avenue Investments LLC [Entity], is the owner of Property designated as Block 19401, Lot 19.06, on the City's Tax Map and more commonly known by the street address of 435-437 Bergen Avenue, Jersey City, NJ; and

**WHEREAS**, the Entity now plans to construct a new five (5) story mixed-use market rate rental building with approximately seventy-two (72) residential rental units and approximately 2,150 square feet of ground floor commercial space and fifty (50) parking spaces; and

**WHEREAS**, construction is projected to be completed within eighteen (18) to twenty four (24) months of approval of the exemption; and

**WHEREAS**, on or about May 2017, the Entity filed an application for a five (5) year tax exemption to construct a five (5) story mixed-use market rate rental building with approximately seventy-two (72) residential rental units and approximately 2,150 square feet of ground floor commercial space and fifty (50) parking spaces; and

**WHEREAS**, Bergen Avenue Investments LLC proposes to pay the City (in addition to the full taxes on the land, which shall continue to be conventionally assessed and are currently taxed at the sum of \$32,768) a tax payment for the new improvements on the property, estimated as follows:

**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 19401, LOT 19.06, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 435-437 BERGEN AVENUE**

- (a) Year 1: the tax year in which the structure will be completed. \$0 taxes;
- (b) Year 2: the second tax year, 20% of actual full taxes, estimated to be \$32,462;
- (c) Year 3: the third tax year, 40% of actual full taxes, estimated to be \$66,222;
- (d) Year 4: the fourth tax year, 60% of actual full taxes, estimated to be \$101,319; and
- (e) Year 5: the fifth tax year, 80% of actual full taxes, estimated to be \$137,794;

**WHEREAS**, the Tax Assessor has determined that the new construction will generate an additional tax payment of \$32,768 for land and \$172,243 for improvements, for a total of \$205,011 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 commercial Project is 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 \$205,011; and

**WHEREAS**, Bergen Avenue Investments LLC has agreed to pay the sum of \$135,017 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 new five (5) year tax exemption for the full and true value of the five (5) story mixed-use market rate rental building with approximately seventy-two (72) residential rental units and approximately 2,150 square feet of ground floor commercial space and fifty (50) parking spaces, located in Block 19401, Lot 19.06 on the City's Tax Map and more commonly known by the street address of 435-437 Bergen 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;

**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 19401, LOT 19.06, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 435-437 BERGEN AVENUE**

- (ii) Year 2: the second tax year, 20% of actual full taxes, estimated to be \$32,462;
- (iii) Year 3: the third tax year, 40% of actual full taxes, estimated to be \$66,222;
- (iv) Year 4: the fourth tax year, 60% of actual full taxes, estimated to be \$101,319; and
- (v) Year 5: the fifth tax year, 80% of actual full taxes, estimated to be \$137,794.

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 \$108,000 and \$1.50 per square foot x 18,011 square feet of commercial and parking spaces or \$27,017, for a total of \$135,017.

- 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.

**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 19401, LOT 19.06, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 435-437 BERGEN AVENUE**

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/mw*  
6/21/17

APPROVED AS TO LEGAL FORM

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

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

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

Certification Required

Not Required

**ORDINANCE FACT SHEET**

This summary sheet is to be attached to the front of any Ordinance that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the Ordinance.

**Full Title of Ordinance**

**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 19401, LOT 19.01, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 435 BERGEN AVENUE**

**Initiator**

Department/Division	Office of the Mayor	Office of the Deputy Mayor
Name/Title	Marcos D. Vigil	Deputy Mayor
Phone/email	201-547-6542	mvigil@jcnj.org

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

**Ordinance Purpose**

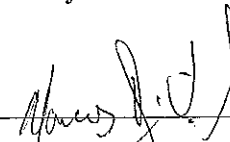
The applicant, Bergen Avenue Investments, LLC, is applying for a five (5) Year tax abatement for a five (5) story, mixed-use market rate rental project pursuant to N.J.S.A. 40 A: 21-1 et seq.

The property is located at the North-East corner of Bergen and Clendenny Avenues. It is Block 19401, Lot 19.06 on the Jersey City Tax Map. It will be known as 435 Bergen Avenue. The property is located in the R-3 Multi-Family Mid-Rise District.

The project will be a five (5) story building with seventy-two (72) market rate residential rental units. There will also be 2,150 square feet of ground floor commercial space and fifty (50) parking spaces  
The residential units will be broken down as follows:

<u>Unit Type</u>	<u>Number of Units</u>
One Bedroom	49
<u>Two Bedroom</u>	<u>23</u>
<b>Total</b>	<b>72</b>

**I certify that all the facts presented herein are accurate.**

  
\_\_\_\_\_  
**Marcos D. Vigil**  
**Deputy Mayor**

June 21, 2017

**Date**

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



ORDINANCE NO. Ord. 17-095  
 TITLE: 3.J JUN 28 2017 4.J JUL 19 2017

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 194101, Lot 19.06, on the City's tax map and more commonly known by the street address of 435-437 Bergen Avenue.

RECORD OF COUNCIL VOTE ON INTRODUCTION											
JUN 28 2017 6-0											
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI	✓			YUN	✓			RIVERA	✓		
GADSDEN		ABSENT		OSBORNE		ABSENT		WATTERMAN	✓		
BOGGIANO	✓			ROBINSON	✓			LAVARRO, PRES.		ABSENT	

RECORD OF COUNCIL VOTE TO CLOSE PUBLIC HEARING											
JUL 19 2017 9-0											
Councilperson <u>WATTERMAN</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	✓			WATTERMAN	✓		
BOGGIANO	✓			ROBINSON	✓			LAVARRO, PRES.	✓		

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

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			
GADSDEN				OSBORNE				WATTERMAN			
BOGGIANO				ROBINSON				LAVARRO, PRES.			

RECORD OF FINAL COUNCIL VOTE											
JUL 19 2017 9-0											
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI	✓			YUN	✓			RIVERA	✓		
GADSDEN	✓			OSBORNE	✓			WATTERMAN	✓		
BOGGIANO	✓			ROBINSON	✓			LAVARRO, PRES.	✓		

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

Adopted on first reading of the Council of Jersey City, N.J. on JUN 28 2017

Adopted on second and final reading after hearing on JUL 19 2017

This is to certify that the foregoing Ordinance was adopted by the Municipal Council at its meeting on JUL 19 2017

Robert Byrne  
 Robert Byrne, City Clerk

APPROVED: [Signature]  
 Rolando R. Lavarro, Jr., Council President

Date JUL 19 2017

\*Amendment(s):

APPROVED: [Signature]  
 Steven M. Fulop, Mayor

Date JUL 20 2017

Date to Mayor JUL 20 2017