



June 19, 2019

Dear City Councilmembers,

I want to take this opportunity to update you on some important priorities my office is working on, that I hope the City Council can support.

Union Dry Dock

As you likely know, last week I made it known that the City would be moving forward to directly acquire the Union Dry Dock property from New York Waterway. The City's appraiser is finalizing the appraisal amount, and when complete, I am respectfully requesting your support to move forward with acquisition through eminent domain of the property, potentially at the next council meeting.

Northwest Park

The City is moving forward with the construction of our Northwest Resiliency Park so we can break ground on the park by the end of this year. On the agenda for tonight's meeting is a resolution awarding a contract to Tomco Construction, Inc. for the park's construction, as recommended by the City's engineering and legal teams. The bid is within the \$54.5 million bond ordinance authorizing the construction of the Northwest Resiliency Park approved by the Council in March.

So we do not lose the ability to close on a low-interest loan from the New Jersey i-Bank by June 30 which would result in a \$4.5 million cost savings over the life of the project, it is extremely important to award the construction contract tonight. If the construction contract is not awarded, the City may not be able to begin construction on the park by the fall of 2019, as required by an ordinance passed by the Council in April, 2017, which would cause the City to default on its \$31.5 million low interest loan for acquisition of the park.

Open Space Trust Fund

Over the past 12 years, Hoboken's Open Space Trust Fund has been used to both directly acquire land for public open space, as well as develop City parks. For example, for our current Southwest Resiliency Park, the City utilized the Open Space Trust Fund for land acquisition and construction costs.

Given the City's interest in acquiring Union Dry Dock for the purposes of a public park, there will be substantial costs involved to construct the park that go beyond the funding currently available in the

Open Space Trust Fund. So taxpayers are not burdened with covering the costs of the buildout of Union Dry Dock and other park projects through the City's traditional budgeting process, I believe we should ask voters to consider, by referendum, an increase of .01 cent per \$100 of assessed value for our Open Space Trust Fund. Unfortunately, if we are unable to have this additional funding in our Open Space Trust Fund, the City will not be in the financial position to construct the Union Dry Dock waterfront park, in addition to our Northwest Park, in a fiscally responsible manner.

Additionally, as it stands in the current Open Space Trust Fund ordinance, the City must use 75% of the funding for the acquisition of land, with 25% allocated for the development of park space. So the City has ability to utilize this funding in a more flexible manner to develop Union Dry Dock into a public park and build out other park projects, along with identified historic preservation initiatives, I'm also asking for your support of an ordinance to put this question to the voters as a referendum question. This proposal is strongly supported by the Fund for a Better Waterfront, please see the attached memo from Director Jennifer Gonzalez expanding on this topic.

Southwest Park

I remain committed to expanding our Southwest Park to include the adjacent vacant lot at Block 10. It remains my strong preference to acquire the property (currently owned by Academy Bus) through an amicable agreement that is fair to the City and taxpayers, and if that cannot be reached, through eminent domain. I have spoken to representatives from Academy and their legal team, and have a meeting scheduled this upcoming Monday to discuss the City's acquisition of Block 10. I look forward to keeping you updated on our progress.

Purchasing ordinance

For the Council's consideration on second reading, is an ordinance that would lower the threshold of all City Departments, including Police and Fire, to purchase materials, equipment, and services. For example, critical equipment that can be purchased through current rules and regulations without Council approval for up to \$17,5000 would now, under Councilman DeFusco's ordinance, be required to go out to bid for purchasing services requiring Council authorization through two meetings and an additional 20 day waiting period. This would be a dangerous precedent that could cripple the ability of our Police and Fire Department to purchase critical equipment in a timely fashion, substantially slow down key projects due to the added red tape, and more. Given the public safety concerns raised by Police Chief Ken Ferrante, Fire Chief Brian Crimmins, and all of our City Directors in the enclosed memos, I strongly urge you to vote against this ordinance. If this passes, I will have no choice but to veto it.

Thank you for your time and consideration, and please don't hesitate to contact my office should you have any questions regarding the topics above.

Sincerely,



Ravi S. Bhalla

Ravinder S. Bhalla, Mayor
City of Hoboken
94 Washington Street
Hoboken, New Jersey 07030



Jennifer Gonzalez AICP, PP, CFM
Director of Environmental Services
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MEMORANDUM

Date: 6/19/2019

To: Hoboken City Council

Cc: Hon. Mayor Bhalla; Stephen Marks, Business Administrator; Linda Landolfi, Director of Finance; Brian Aloia, Corporation Counsel

From: Jennifer Gonzalez

Subject: Ordinances for Voter Ballot Questions regarding the Open Space Trust Fund

The Administration respectfully requests Council authorization via ordinance to allow the residents of Hoboken to vote on two ballot questions regarding the Open Space Trust Fund. As the attached borrowing capacity calculation shows, the Trust Fund has an estimated \$14.5 million of remaining borrowing capacity after allowing for the acquisition of the Northwest and Southwest Park (Block 12) properties, as well as the proposed acquisition of an expanded Southwest Park (Block 10), and the former Union Dry Dock property.

Currently, a minimum of 75% of the annual amount raised by the Trust Fund shall be utilized for acquisition. As the City has acquired 11 acres of open space in the last decade, the need for developing those parks is increasing. As evidenced by both Southwest and Northwest Park, the cost of acquiring a property for parkland is typically less than the cost of developing the park. While park acquisition remains a high priority, greater flexibility for the allocation of funds between acquisition and development would enable the City to build out parks identified in the Master Plan, such as an expanded Southwest Park (Block 10), Northwest Park, and former Union Dry Dock property. Therefore, the first question would ask if a minimum of 75% of the amount raised by the Open Space Trust Fund should be used for both park acquisition and development.

In addition, Hoboken has more than 20 state and national eligible historic sites, but historic preservation was not included as an eligible purpose in the voter referendum that established the Trust Fund in 2007. Increasing the amount raised in the Trust Fund could increase funding for acquisition and development of lands for recreation and conservation purposes, as well as provide funding for historic preservation. In other words, the second question asks if historic preservation should be added as an eligible purpose for the Open Space Trust Fund, and if the annual amount of assessment should increase by one cent (from \$0.02 cents to \$0.03 cents per \$100 of assessed value).

This request is time sensitive, as the proposed ordinance must be submitted to the County Clerk by August 16, 2019. Working backwards, the following timeline would apply based on the current City Council regular meeting schedule: June 19, 2019 – 1st reading; July 10, 2019 – 2nd reading; August 8, 2019 – expiration of 20-day estoppel period; August 16, 2019 – deadline to submit proposed ordinance to County Clerk; November 5, 2019 – Election Day. If the City Council wishes to adopt a proposed ordinance and needs additional time, it may hold a special meeting, but must meet the August 16, 2019 deadline.

**The City of Hoboken
Open Space Borrowing Capacity - \$11.2m Beginning Balance
Preliminary, Subject to Change**

FYE	31-Dec	Project: BASF Z-370, Z-441 Spring 2022				Project: SW Resiliency Park (Bik 10) Z-503, Z-94 Spring 2022				Project: SW Resiliency Park (Bik 12) Z-370 Spring 2017				Project: Union Dry Dock Fall 2020				Project: n/a Spring 2021							
		Principal	Int + Fees	Debt Service	Net Interest Cost:	Principal	Int + Fees	Debt Service	Net Interest Cost:	Principal	Int + Fees	Debt Service	Net Interest Cost:	Principal	Int + Fees	Debt Service	Net Interest Cost:	Principal	Int + Fees	Debt Service	Net Interest Cost:				
2018		895,558	520,278	1,415,836	4.27%	161,381	88,443	249,824	3.40%	148,259	39,834	188,093	3.40%	280,000	280,000	925,000	n/a	1,113,093	2,343,871	1,230,778	11,164,817				
2019		741,116	676,356	1,417,472		127,763	115,973	243,735		148,259	37,834	186,093		849,184	466,093	640,813		466,093	2,367,310	1,901,217	14,296,812				
2020		751,116	666,839	1,417,955		127,763	114,284	242,047		153,259	35,834	184,093		991,138	3,482,275	638,384		1,674,090	2,390,983	1,901,217	15,013,705				
2021		761,116	666,839	1,418,099		127,763	114,284	242,047		153,259	35,834	184,093		991,138	3,482,275	638,384		1,674,090	2,390,983	1,901,217	15,013,705				
2022		771,116	646,786	1,417,902		132,763	110,891	243,653		153,259	35,834	184,093		991,138	3,482,275	638,384		1,674,090	2,390,983	1,901,217	15,013,705				
2023		781,116	636,178	1,417,294		132,763	109,019	241,781		163,259	26,834	185,093		988,738	3,476,062	641,186		1,674,090	2,390,983	1,901,217	15,013,705				
2024		791,116	625,083	1,416,199		132,763	107,117	239,879		163,259	22,684	185,943		988,738	3,476,062	642,276		1,674,090	2,390,983	1,901,217	15,013,705				
2025		806,116	613,419	1,415,335		137,763	105,173	242,935		163,259	21,034	184,293		988,738	3,476,062	642,276		1,674,090	2,390,983	1,901,217	15,013,705				
2026		816,116	601,007	1,414,122		137,763	103,021	240,784		168,259	19,384	187,643		988,738	3,476,062	642,276		1,674,090	2,390,983	1,901,217	15,013,705				
2027		831,116	587,917	1,412,032		142,763	100,811	243,574		168,259	17,584	185,843		988,738	3,476,062	642,276		1,674,090	2,390,983	1,901,217	15,013,705				
2028		846,116	573,957	1,420,072		142,763	98,368	241,131		173,259	15,784	184,043		988,738	3,476,062	642,276		1,674,090	2,390,983	1,901,217	15,013,705				
2029		861,116	559,017	1,420,132		147,763	95,848	243,611		173,259	13,984	182,243		988,738	3,476,062	642,276		1,674,090	2,390,983	1,901,217	15,013,705				
2030		876,116	543,064	1,419,179		147,763	93,066	240,828		173,259	12,034	182,293		988,738	3,476,062	642,276		1,674,090	2,390,983	1,901,217	15,013,705				
2031		891,116	526,109	1,417,225		152,763	90,208	242,971		178,259	10,003	188,262		988,738	3,476,062	642,276		1,674,090	2,390,983	1,901,217	15,013,705				
2032		911,116	508,215	1,415,331		152,763	87,096	239,859		178,259	7,728	185,987		988,738	3,476,062	642,276		1,674,090	2,390,983	1,901,217	15,013,705				
2033		926,116	489,159	1,415,275		157,763	83,920	241,683		178,259	5,453	183,712		988,738	3,476,062	642,276		1,674,090	2,390,983	1,901,217	15,013,705				
2034		946,116	469,310	1,415,425		162,763	80,512	243,274		178,259	3,184	182,488		988,738	3,476,062	642,276		1,674,090	2,390,983	1,901,217	15,013,705				
2035		971,116	448,349	1,415,465		162,763	76,849	239,611		178,259	1,000	182,488		988,738	3,476,062	642,276		1,674,090	2,390,983	1,901,217	15,013,705				
2036		991,116	426,047	1,417,163		167,763	73,132	240,894		178,259	1,000	182,488		988,738	3,476,062	642,276		1,674,090	2,390,983	1,901,217	15,013,705				
2037		1,016,116	402,583	1,418,699		172,763	69,151	241,914		178,259	1,000	182,488		988,738	3,476,062	642,276		1,674,090	2,390,983	1,901,217	15,013,705				
2038		1,041,116	377,721	1,418,836		177,763	64,901	242,664		178,259	1,000	182,488		988,738	3,476,062	642,276		1,674,090	2,390,983	1,901,217	15,013,705				
2039		1,066,116	351,430	1,417,545		182,763	60,376	243,138		178,259	1,000	182,488		988,738	3,476,062	642,276		1,674,090	2,390,983	1,901,217	15,013,705				
2040		1,096,116	323,807	1,419,223		187,763	55,591	243,353		178,259	1,000	182,488		988,738	3,476,062	642,276		1,674,090	2,390,983	1,901,217	15,013,705				
2041		1,121,116	294,680	1,419,796		192,763	50,554	243,316		178,259	1,000	182,488		988,738	3,476,062	642,276		1,674,090	2,390,983	1,901,217	15,013,705				
2042		1,151,116	264,320	1,418,436		197,763	45,274	243,036		178,259	1,000	182,488		988,738	3,476,062	642,276		1,674,090	2,390,983	1,901,217	15,013,705				
2043		1,186,116	232,496	1,418,612		202,763	39,749	242,511		178,259	1,000	182,488		988,738	3,476,062	642,276		1,674,090	2,390,983	1,901,217	15,013,705				
2044		1,221,116	199,050	1,420,165		207,763	33,990	241,752		178,259	1,000	182,488		988,738	3,476,062	642,276		1,674,090	2,390,983	1,901,217	15,013,705				
2045		1,256,116	163,974	1,420,089		212,763	27,996	240,758		178,259	1,000	182,488		988,738	3,476,062	642,276		1,674,090	2,390,983	1,901,217	15,013,705				
2046		1,291,116	127,261	1,418,377		217,763	21,766	239,528		178,259	1,000	182,488		988,738	3,476,062	642,276		1,674,090	2,390,983	1,901,217	15,013,705				
2047		1,331,116	88,905	1,420,021		227,763	15,299	243,061		178,259	1,000	182,488		988,738	3,476,062	642,276		1,674,090	2,390,983	1,901,217	15,013,705				
2048		28,942,917	13,600,295	42,543,212		4,936,500	2,330,959	7,267,459		2,943,663	405,089	3,348,752		14,000,000	5,919,028	19,919,028		14,000,000	5,919,028	19,919,028	14,000,000				
2049																									
2050																									
2051																									
						Total Net Debt Service				Total Net Debt Service				Total Net Debt Service				Total Net Debt Service				Total Net Debt Service			
						93,184,596				93,184,596				93,184,596				93,184,596				93,184,596			
						20,106,145				20,106,145				20,106,145				20,106,145				20,106,145			
						1,174,256				1,174,256				1,174,256				1,174,256				1,174,256			
						94,358,852				94,358,852				94,358,852				94,358,852				94,358,852			

(1) Assumes 1% annual escalation in revenues.

(2) Assumes an issuance in November 2020.

All figures are preliminary and subject to change.



CITY OF HOBOKEN
DEPARTMENT OF PUBLIC SAFETY
DIVISION OF FIRE
201 Jefferson Street, Hoboken, NJ 07030
www.hobokenfire.org



MEMORANDUM

To: Business Administrator Marks
From: Brian Crimmins, Fire Chief
Date: June 7, 2019
Re: Ordinance to Amend "Procedure for Purchases Under Statutory Limit"

Director Marks:

Please accept this memorandum as per your request from June 4, 2019 regarding an Ordinance Amending Chapter 60 of the Code of the City of Hoboken Entitled "Purchasing" at § 60-10 "Procedure for Purchases Under Statutory Limit." The proposed ordinance lowers the bid threshold to \$17,500 and the three-quote threshold to \$2,625.

If approved, this ordinance would create a significant burden on the Hoboken Fire Department. Last year, we had over 40 purchases for goods and services above \$2,625. We simply do not have the administrative personnel needed to write bid specifications and collect multiple quotes for all of these purchases.

Thank you for your consideration. As always, I am available to discuss this matter and other topics related to the HFD.

Director Marks,

As a public safety agency, we have specific and unique needs that require, at times, time sensitive purchases. Our public safety needs are varied and we deal with many vendors to include services such as equipment, safety and security needs, supplies, computer security & programming and radio equipment, infrastructure etc., including professional development and training which are mandatory requirements for this agency. The \$ 2, 650 threshold could hamper some time sensitive purchases (over 2,650) by way of getting three quotes if an emergency or unique need(s) should arise. Most of the vendors that we deal with are NJ Licensed State Contract Vendors, however at times a specific purchase is not available from a state contract vendor. If a quote is above the \$2,650 threshold, and it's a NJ State Licensed Vendor, would we be required still to get three quotes?

17, 500 Aggregate Spending – Throughout the course of a fiscal year, we receive quotes for services and functions required for day to day police operations. Included in these quotes are the numerous service contracts that are necessary for the twenty four demand of police services which include computer software applications that assist with arrest processing including AFIS, data , voice recording functions, etc. that are required to be kept. Although many of these vendors are under state contract , I believe a resolution is required if it exceeds this threshold. Can you please clarify.

Please contact me if you should have any questions.

Thank you!

Capt. Tory Pasculli
Hoboken Police Department
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