

**MINUTES OF A MEETING OF THE COUNCIL OF THE CITY OF HOBOKEN, NEW
JERSEY, HELD IN THE COUNCIL CHAMBERS, CITY HALL, HOBOKEN, NEW
JERSEY, TUESDAY, OCTOBER 25, 2011 AT 7:00 PM**

President Bhalla opened the meeting at 7:00 PM and stated, "I would like to advise all those present that notice of this meeting has been provided to the public in accordance with the provisions of the Open Public Meeting Act, and that notice published in the Jersey Journal, City website, copies were provided in the Hoboken Reporter, The Record, The Newark Star-Ledger and also placed on the bulletin board in the lobby of City Hall

The Council President then called for the Salute to the Flag.

The Clerk then called the roll:

PRESENT: Council persons Castellano, Cunningham, Giattino, Marsh, Mason, Mello, Occhipinti, Russo and President Bhalla

11-194

City Clerk reads the Revised and Amended letter from Council President for the Council for calling the Special Meeting:

October 20, 2011

James J. Farina, City Clerk
94 Washington Street
Hoboken, NJ 07030

Dear City Clerk Farina,

AMENDED AND REVISED

Please be advised that I hereby **AMEND AND REVISE** the agenda for the Special Meeting of the Hoboken City Council for Tuesday, October 25, 2011 to commence at 7:00 p.m. in the City Council Chamber at 94 Washington Street, First Floor, Hoboken, New Jersey 07030 for the following purpose (additions shown in underline):

1. **Second Reading and Public Hearing on: "AN ORDINANCE TO AUTHORIZE THE LEASING OF MUNICIPAL PROPERTY IN ACCORDANCE WITH THE 'PARKING ACCESS AGREEMENT' BETWEEN THE CITY OF HOBOKEN AND HUMC OPCO, LLC"**
2. **RESOLUTION DECLARING AN EMERGENCY PURUSANT TO N.J.S.A. 40:69A-181(B) AND MAKING OF HOBOKEN TO ENTER INTO THE 'PARKING ACCESS AGREEMENT BETWEEN THE CITY OF HOBOKEN AND HUMC OPCO, LLC'."**
3. **RESOLUTION AUTHORIZING THE CITY OF HOBOKEN TO ENTER INTO THE 'MIDTOWN GARAGE OFFICE SPACE LEASE AGREEMENT" LEASE AGREEMENT" BETWEEN THE CITY OF HOBOKEN AND HUMC OPCO, LLC**
4. **RESOLUTION FOR AN EMERGENCY APPROPRIATION FOR LEGAL COSTS RELATING TO THE BANKRUPTCY AND OUTSTANDING RENT CONTROL LITIGATION IN THE AMOUNT OF SIX HUNDRED THOUSAND DOLLARS (\$600,000,000)**

5. RESOLUTION OF THE CITY OF HOBOKEN, COUNTY OF HUDSON, NEW JERSEY, AUTHROIZING THE DEFEASANCE OF A PORTION OF THE CITY'S OUTSTANDING PARKING UTILITY GENERAL OBLIGATION BONDS, SERIES 2002A; AUTHORIZING AND APPROVING THE EXECUTION OF AN ESCROW DEPOSIT AGREEMENT WITH RESPECT TO THE DEFEASANCE OF SAID BONDS; AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF ANY NOTICES AND CERTIFICATES REQUIRED TO EFFECTUATE THE DEFEASANCE AND REDEMPTION OF SAID BONDS; AND AUTHORIZING OTHER NECESSARY ACTIONS IN CONNECTION THEREWITH

No other matters may be discussed, introduced, considered or voted upon at this meeting. Action on the foregoing items may be taken at the meeting. A Public Hearing will be conducted by the City Council prior to determining Item #1. Please note this meeting in accordance with the Open Public Meetings Act.

Very Truly yours,

Dawn Zimmer
Mayor Dawn Zimmer

cc/City Council Members

Arch Liston, Business Administrator
Mark A. Tabakin, Corporation Counsel
The Jersey Journal/The Star Ledger/The Bergen Record

Received and Filed.

SECOND READING/PUBLIC HEARING AND FINAL VOTE

AN ORDINANCE AUTHORIZING THE CITY OF HOBOKEN TO ENTER INTO THE "PARKING ACCESS AGREEMENT BETWEEN THE CITY OF HOBOKEN AND HUMC OPCO, LLC" RELATING TO CITY OWNED REAL PROPERTY AND CAPITAL IMPROVEMENTS THEREON ON LAND COMMONLY IDENTIFIED AS 302-330 CLINTON STREET, UPON THE SATISFACTION OF THE CONDITIONS SET FORTH HEREIN

President Bhalla directed the City Clerk to announce that the Council would consider for final passage the aforesaid ordinance and all persons interested at this time would be given an opportunity to be heard concerning said ordinance of which the heading was read in full.

The speakers who spoke: David Leibler, Helen Hirsch, Peter Belfiore, Franz Paetzold.

No other person present desiring to be heard and no written protests or objections received, President Bhalla asked for a motion to close the hearing.

President Bhalla moved that the hearing be closed.

---Motion duly seconded by Councilman Cunningham.

---Adopted by the following vote: YEAS: 9 - NAYS: 0 –

---Yeas: Council persons Castellano, Cunningham, Giattino, Marsh, Mason, Mello, Occhipinti, Russo and President Bhalla.

---Nays: None.

President Bhalla then instructed the City Clerk to call the Final Vote for the above Ordinance.

---Adopted by the following vote: YEAS - 5 – NAYS - 4

---Yeas: Council persons Cunningham, Giattino, Marsh, Mello and President Bhalla

---Nays: Castellano, Mason, Russo and Occhipinti

Council President asks Director Sacs to give an overview for spaces issued in the garage, with 1,000 transponders at a peak time, (40% or 400 transponders would be occupied at max) Director Sacs comments that it's not spaces but transponders which are different, only a certain amount of parking spaces would be occupied in at one time

Councilman Russo comments on the transponders

Council President comments

Councilman Occhipinti comments on the transponders and peak time and average of time parking for the hospital employees

Council President comments and asks Corporation Counsel to explain the difference between leasing and a licensing an entity such as the garage

Corporation Counsel explains the provisions and says it's a license agreement not a leasing agreement to the Hospital Operator

Councilman Russo comments that is this a license agreement and handing it to a developer, it's not HOLDCO, its MBT

Corporation Counsel comments that it is HOLDCO

Councilman Occhipinti comments on a clarification written in the Star Ledger

Councilwoman Giattino comments on the \$45/mo. the discounted rate which turns to \$.26/hour but the monthly residential is also \$.26/hour ~~and the discounted rate is not true~~

Corporation Counsel comments on the rates and the time allowed which is 8 hours a day, there is a provision that if they go over there time, they will pay market rate, where the city will maximize their return on that rate, it is \$185 today but it could increase in the future

Councilman Cunningham comments that there is value in this transaction and thanks Director Sacs and Corporation Counsel, P3 public private partnership for profit entities with the government and reducing taxes to the taxpayers where private entities which could do better than the government and thanks them for saving the hospital and is in support of this ordinance.

Councilwoman Castellano comments on developer deals and why is the city giving an asset to the developer and the City should run the garage not anyone else

Councilman Mello comments on the critics of a few things - subsidies, going to a private ownership, Governor Christie is behind this and thanks Governor Christie for saving the hospital versus the 50/50 chance Governor Corzine had. He thanks the Mayor for her efforts on saving the hospital.

Councilwoman Mason comments that it is a real estate deal; the developer is based in Alabama and no incentive to keep this hospital and a financial dis-incentive and an illegal parking deal and does not support this ordinance

Council President comments that the City is defeasing a \$52 Million Bond and this is a huge burden off the Hoboken tax payers

RESOLUTIONS

11-195

---By Councilman Mello

RESOLUTION DECLARING AN EMERGENCY PURSUANT TO N.J.S.A. 40:69A-181(B) AND MAKING IMMEDIATELY EFFECTIVE ORDINANCE NO. Z-139 ENTITLED "AN ORDINANCE AUTHORIZING THE CITY OF HOBOKEN TO ENTER INTO THE 'PARKING ACCESS AGREEMENT BETWEEN THE CITY OF HOBOKEN AND HUMC OPCO, LLC' "

WHEREAS, the City Council ("City Council") of the City of Hoboken ("City") introduced, on October 15, 2011, Ordinance No. Z-139, entitled "An Ordinance Authorizing the City of Hoboken to Enter into the "Parking Access Agreement Between the City of Hoboken and HUMC OPCO, LLC", and

WHEREAS, said Ordinance was advertised for second reading, public hearing and final adoption on October 25, 2011; and

WHEREAS, said Ordinance proceeded to second reading, a public hearing on the Ordinance as amended and final adoption ad an Ordinance on October 25, 2011; and

WHEREAS, without acknowledging any validity of demands or orders that the City take the action as authorized in said Ordinance by a date certain, the City desires to make said Ordinance effective immediately to forestall any claims or litigation that may ensue if the effective date of the Ordinance id delayed for the requisite 20 days after its adoption (in accordance with N.J.S.A. 40:69A-181(b)) and therefore the Council desires to declare an emergency pursuant to said statute cited above and make said Ordinance effective immediately in order to enhance the public good and public welfare.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Hoboken, County of Hudson, State of New Jersey (**not less than two-thirds of all members thereof affirmatively concurring**) as follows:

1. In order to expedite the effective date of the Ordinance entitled "An Ordinance Authorizing the City of Hoboken to Enter into the "Parking Access Agreement Between the City of Hoboken and HUMC OPCO,LLC", for the reasons set forth in the Preamble of this Resolution, the City Council hereby declares an emergency in accordance with N.J.S.A. 40:69A-181(b) and further determines and declares said Ordinance be and the same is hereby effective immediately and not 20 days after its final passage by the City Council as otherwise required under N.J.S.A. 40:69A-181(b).
2. The City Clerk and all other municipal officers are hereby authorized and directed to take all steps necessary to effectuate the purposes of this Resolution.
3. This Resolution shall take effect immediately.

---duly seconded by President Bhalla

---**FAILED** by the following vote: YEAS: 5 - NAYS: 4

---Yeas: Council persons Cunningham, Giattino, Marsh, Mello and President Bhalla

---Nays: Castellano, Mason, Russo and Occhipinti

Council President comments and asks Corporation Counsel for more clarification

Corporation Counsel comments that this resolution to allow the ordinance to go into effect immediately versus a regular ordinance which takes 20 days and has nothing to do with the closing of the hospital and the larger transaction is the sale of the hospital, this agreement is part of a larger transaction is closing tomorrow, it will not close without this agreement

Councilman Russo comments and would like an explanation

Councilman Occhipinti comments and asks Corporation Counsel a question
Council President comments
Corporation Counsel comments

11-196

---By Councilman Mello

RESOLUTION AUTHORIZING THE CITY OF HOBOKEN TO ENTER INTO THE “MIDTOWN GARAGE OFFICE SPACE LEASE AGREEMENT” BETWEEN THE CITY OF HOBOKEN AND HUMC OPCO, LLC

WHEREAS, the Administration been presented with a request for assignment of the lease interests of HHI to HUMC OPCO< LLC (“HUMCo”) relating to lease of office space at the Midtown Garage; and

WHEREAS, the execution of the authorization of assignment of the “Office Space Lease Agreement” is essential to effectuate the sale of Hoboken University Medical Center (“HUMC”), which is vital to the fiscal health of the City of Hoboken and its taxpayers; and,

WHEREAS, the agreed upon terms are laid out in the Office Space Lease Agreement, and the City Council is now called upon to either accept or reject the assignment of the Agreement from HHI to HUMU OPCO, LLC.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Hoboken in the County of Hudson as follows:

1. The City Council hereby accepts and authorizes the assignment of the Office Space Lease Agreement, as negotiated between the City, HHI and HUMCo’s and,
2. The City Council hereby directs the Mayor and her Administration to notify HHI and HUMCo of this acceptance immediately.
3. The Mayor, her Administration and Corporation Counsel are hereby authorized and directed to proceed to expeditiously execute and finalize any documents and to take any steps necessary to effectuate this Resolution.

---duly seconded by President Bhalla

---Adopted by the following vote: YEAS - 5 – NAYS - 4

---Yeas: Council persons Cunningham, Giattino, Marsh, Mello and President Bhalla

---Nays: Castellano, Mason, Russo and Occhipinti

11-197

---By Councilman Cunningham

RESOLUTION OF EMERGENCY APPROPRIATION

WHEREAS, an emergency has arises with respect to the City’s legal costs as they pertains to ongoing and newly instituted litigation, and no adequate provision was made in

the CY 2011 budget for the aforesaid purpose, and N.J.S.A. 40A:4-46 provides for the creation on an emergency appropriation for the purpose mentioned above, and

WHEREAS, the total amount of the emergency appropriations created, including the appropriation to be created by this resolution is \$700,000.00 and three (3) percent of the total operating appropriations in the budget for CY2011 is \$3,715,344.00 and

WHEREAS, the foregoing appropriation together with prior appropriations does not exceed three (3) percent of the total operating appropriations (including utility operation appropriations) in the budget for CY2011.

NOW, THEREFORE, BE IT RESOLVED (*not less than 2/3 of all members of the governing body affirmatively concurring*)

1. An emergency appropriation in the amount of \$700,000.00 is hereby made for:
2. That said emergency appropriation shall be provided for in full in the CY 2011 budget, and is requested to be excluded from CAPS, pursuant to NJSA 40A:4-53.3(e)(1)
3. That two (2) certified copies of this resolution be filed with the Director of the Division of Local Government Services.

---duly seconded by Councilman Mello

---**FAILED** by the following vote: YEAS - 5 – NAYS - 4

---Yeas: Council persons Cunningham, Giattino, Marsh, Mello and President Bhalla

---Nays: Castellano, Mason, Russo and Occhipinti

11-198

---By Councilman Cunningham

RESOLUTION OF THE CITY OF HOBOKEN, COUNTY OF HUDSON, NEW JERSEY, AUTHORIZING THE DEFEASANCE OF A PORTION OF THE CITY'S OUTSTANDING PARKING UTILITY GENERAL OBLIGATION BONDS, SERIES 2002A; AUTHORIZING AND APPROVING THE EXECUTION OF AN ESCROW DEPOSIT AGREEMENT WITH RESPECT TO THE DEFEASANCE OF SAID BONDS; AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF ANY NOTICES AND CERTIFICATES REQUIRED TO EFFECTUATE THE DEFEASANCE AND REDEMPTION OF SAID BONDS; AND AUTHORIZING OTHER NECESSARY ACTIONS IN CONNECTION THEREWITH

The speakers who spoke: Helen Hirsch.

---duly seconded by Councilman Mello

---Adopted by the following vote: YEAS -5 - NAYS -4

---Yeas: Council persons Cunningham, Giattino, Marsh, Mello and President Bhalla

--Nays: Castellano, Mason, Russo and Occhipinti

Council President comments and asks Bond Counsel to give an overview
Jeffrey Winitsky comments and gives an overview of the resolution and allow the City to do remediation action to defeasing the defeased bonds
Helen Hirsch comments
Scott Siegel comments
Councilman Occhipinti comments and asks BA Liston
BA Liston comments that \$3.1 M out of this year's budget but will be short \$1.5 M which will be next year
BA Liston comments that the Transportation and Parking Authority has \$166,000
BA Liston comments that they are projecting layoffs in the first of the year
Councilman Russo comments that it was projected \$3.1 M but there should be a surplus projected in the Transportation and Parking Utility
Councilwoman Castellano comments
Councilman Cunningham comments on the issues on hiring
BA Liston comments that there are certain positions that need to be filled
Councilman Cunningham comments that there has been unforeseen expenses such as a bankruptcy around \$500-\$600K and the ongoing litigation with Rent Control and the \$2.8 M infrastructure issues that will come out of the budget and another \$250K on retirements and the minority of the Council for causing layoffs, perhaps we can bring back the refunding of the Bond Ordinance back on the agenda which requires (6) six votes
Councilman Russo comments that \$3.1M was moved back in a line item back in August and it was prepared for it
Councilwoman Giattino comments and asks BA Liston if he was able to foresee the Hurricane
BA Liston comments that he was not able to foresee
Councilman Occhipinti comments and asks BA Liston the Transportation and Parking Authority recently hired a planner
BA Liston comments that it was budgeted for \$75K and that Councilman Russo is correct that there will be no layoffs in the end of this year but in the new year
Council President comments if the Governing Body passed the bond ordinance there is irresponsible financial
Councilman Mello comments a point of order if the Revised and Amended agenda was properly noticed
The City Clerk comments that it was published on Sat. Oct. 22, 2011 in the Jersey Journal and Star Ledger

ORDINANCES

Introduction and First Reading

11-199

---By Councilwoman Castellano

AN ORDINANCE AUTHORIZING SPECIAL EMERGENCY APPROPRIATION PURSUANT TO N.J.S.A. 40A:4-53 FOR SEVERANCE LIABILITIES RESULTING FROM ACCRUED LEAVE IN CONNECTION WITH THE RETIREMENT OF POLICE OFFICERS [\$250,000.00]

---duly seconded by Councilman Russo.
---**FAILED** by the following vote: YEAS - 4 – NAYS - 5
---Yeas Council persons Castellano, Mason, Occhipinti, Russo
---Nays: Cunningham, Giattino, Marsh, Mello and President Bhalla

Councilwoman Castellano comments and gives an overview on the ordinance

Councilman Russo has left the table at 9:20 PM
Councilman Russo returned to the table at 9:23 PM

PUBLIC PORTION

All regular business concluded the following members of the public spoke at the “Public Portion” of the meeting: Helen Hirsch, Scott Siegel, Cheryl Fallick, Nicholas Calicchio.

Councilwoman Castellano has left the table at 9:28 PM
Councilwoman Castellano has returned to the table at 9:29 PM

At 9:44 PM. the Governing Body on a motion by Council President
duly seconded by the Governing Body.

President Bhalla then adjourned the meeting at 9:44 PM

PRESIDENT OF THE COUNCIL

CITY CLERK