



March 13, 2015

Dear City Council Members:

Working together

I recognize that there are many concerns from residents, and I am writing to propose a process between my Administration and all Council members to ensure that concerns can be addressed as efficiently as possible within the limits of budgetary constraints.

In order to ensure resident concerns are being adequately addressed by City Hall, the most efficient process to submit routine constituent issues (potholes, lights out, trash, etc.) which some Council Members are already using is through the Hoboken 311 system. It can be accessed through www.hoboken311.com or with the Hoboken 311 application for iOS and Android mobile devices. If you prefer, you can also reach out directly to my Chief of Staff Vijay Chaudhuri at vchaudhuri@hobokennj.gov, and include the appropriate director on the email with the specific issue. Mr. Chaudhuri will work with the director to ensure you receive communication within a reasonable time period regarding the status of the request, and when it is completed. He will respond to you shortly afterwards so you can be assured he has received the request and will be working on it.

For more non-routine requests that require engineering or planning or more significant budgetary resources, please direct them in writing to Business Administrator Quentin Wiest. We also ask that you copy Mr. Chaudhuri on any email to Mr. Wiest. Mr. Chaudhuri will follow up with you to confirm receipt and collect any additional information needed. If matters are discussed at a Council meeting, we ask that you please follow up in writing to the Business Administrator with a copy to Mr. Chaudhuri to avoid any miscommunication.

As an example, we regularly receive requests for more significant traffic control and traffic calming measures like speed humps, traffic signals, and raised crosswalks. Even stop signs require conducting engineering work for a warrant analysis. Since we are in the process of finalizing a budget for introduction, this is a good time for Council Members to provide us with all of the traffic and pedestrian safety issues you would like to see addressed. We will develop cost estimates so the Council can decide on how much to allocate in the budget to address these matters. In prior years, we have received many more requests for traffic calming and traffic control measures than we are able to address through the budget, so we want to provide as much information as possible to the Council before a budget is finalized and adopted.

Municipal budget

While we are pursuing cost-saving initiatives when it comes to health care, this year, the cost of group health benefits increased by \$1,183,000. Largely because of this increase, the introduced budget includes an increase of the municipal purposes tax levy of \$1,057,306. As a result, the tax increase on the average assessed residential property is \$1.50 on the municipal purposes tax bill.

The 2015 introduced budget proposes using \$8,800,000 of surplus as revenue, down from \$9,838,522 in 2014. My Administration is committed to responsible use of surplus and preserving a healthy surplus balance. The amount of surplus to be used as revenue is the amount resulting from 2014 operations. We have also increased the appropriation for the capital improvement fund to provide down payment money for bonding for needed capital improvements. Finally, our improved credit rating of AA+ and ability to issue debt on our own versus being part of the County debt pool has resulted in debt service savings.

Potholes and paving

Additionally, I want to update you on the status of addressing potholes on city streets. We have recently leased a "Pothole Killer" truck which has filled over 1,000 potholes, including hundreds on Washington Street, in just five days of operation. The attached map shows the progress including three days in late January as well as on March 9th and March 10th. We will continue using the "Pothole Killer" across town for the next week, including along Washington Street, and we intend to lease the vehicle for an additional two weeks.

The Pothole Killer is a more efficient and cost-effective solution to repairing roads. With spray injection technology, a single vehicle operator controls a hydraulic boom, which clears the pothole of debris, applies liquid asphalt to fill and seal it, and then tops it off with a dry aggregate coating. The whole process takes roughly 90 seconds per pothole. Whereas previously the City relied on cold patches in the winter which often had to be replaced several times per season, this equipment allows long-lasting hot asphalt repairs to be made even in cold and wet weather.

In addition to repairing potholes, as you know, we have an aggressive repaving program planned for this year thanks to the Council's support. A map of streets planned for repaving this year is attached. Please note that since PSE&G will be conducting gas main work along northern Bloomfield Street and 11th Street, the repaving of those road segments will take place after PSE&G completes their work.

Affordable housing

I also want to let you know about a great potential opportunity to expand the number of affordable housing units within Clock Towers. On the agenda this week, we are requesting the Council's approval of a 6 month extension to the Clock Towers PILOT so we can explore a potential new HUD affordable housing program that may soon be announced and which could enable us to expand the number of affordable housing units in Clock Towers.

There are a number of projects subject to a payment in lieu of taxes (PILOT) that will be expiring soon, and my Administration is working to ensure that there is fair access to affordable housing for all members of the community. This includes working with property owners to understand how they manage their waiting lists and creating a website to provide the public with information on accessing affordable housing, among other measures.

The housing development Clock Towers at 300 Adams Street is a project that has been subject to a PILOT agreement with the City since December 19, 1974. The PILOT was established because Clock

OFFICE OF THE MAYOR

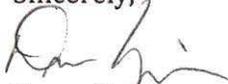
Towers is a non-profit that provides some level of affordable housing. Their PILOT agreement will end at the end of March 2015.

The owner of Clock Towers has requested an extension of the PILOT agreement for an additional 10 years, to get the full 50 year tax abatement. As part of negotiating that agreement, the City Administration and Clock Towers would like to explore the possibility of increasing the number of affordable housing units for the site. It is my understanding that HUD is preparing to announce a program that might make project-based vouchers (vouchers attached to a specific housing unit in the building) available to projects such as this one. To explore the possibility of applying for and including those additional affordable units in a potential 10-year PILOT agreement extension, I am proposing a temporary 6-month extension of the PILOT agreement. The owner is in agreement with this temporary extension and has informed me that they are interested in pursuing the option of additional project-based vouchers to expand the number of affordable units on site.

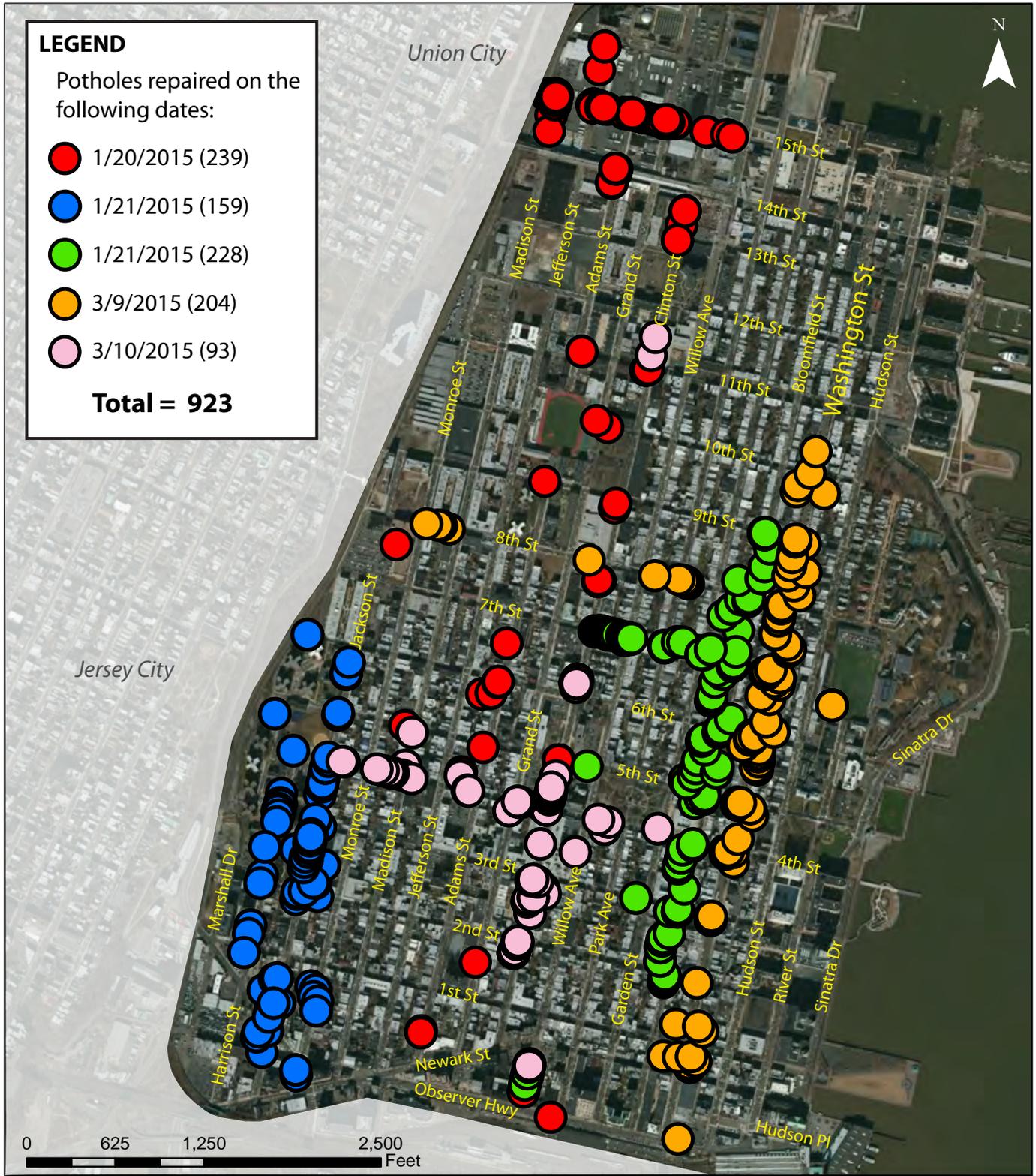
On the agenda for the March 18th meeting is a resolution to authorize that extension that I hope you will all support. Our special legal counsel for this matter, Jong Sook Nee from McManimon Scotland & Baumann has prepared a memo dated March 4, 2015 with additional information and will be at that meeting to answer any questions you may have regarding the temporary extension.

Please do not hesitate to contact me if you have any questions.

Sincerely,



Dawn Zimmer



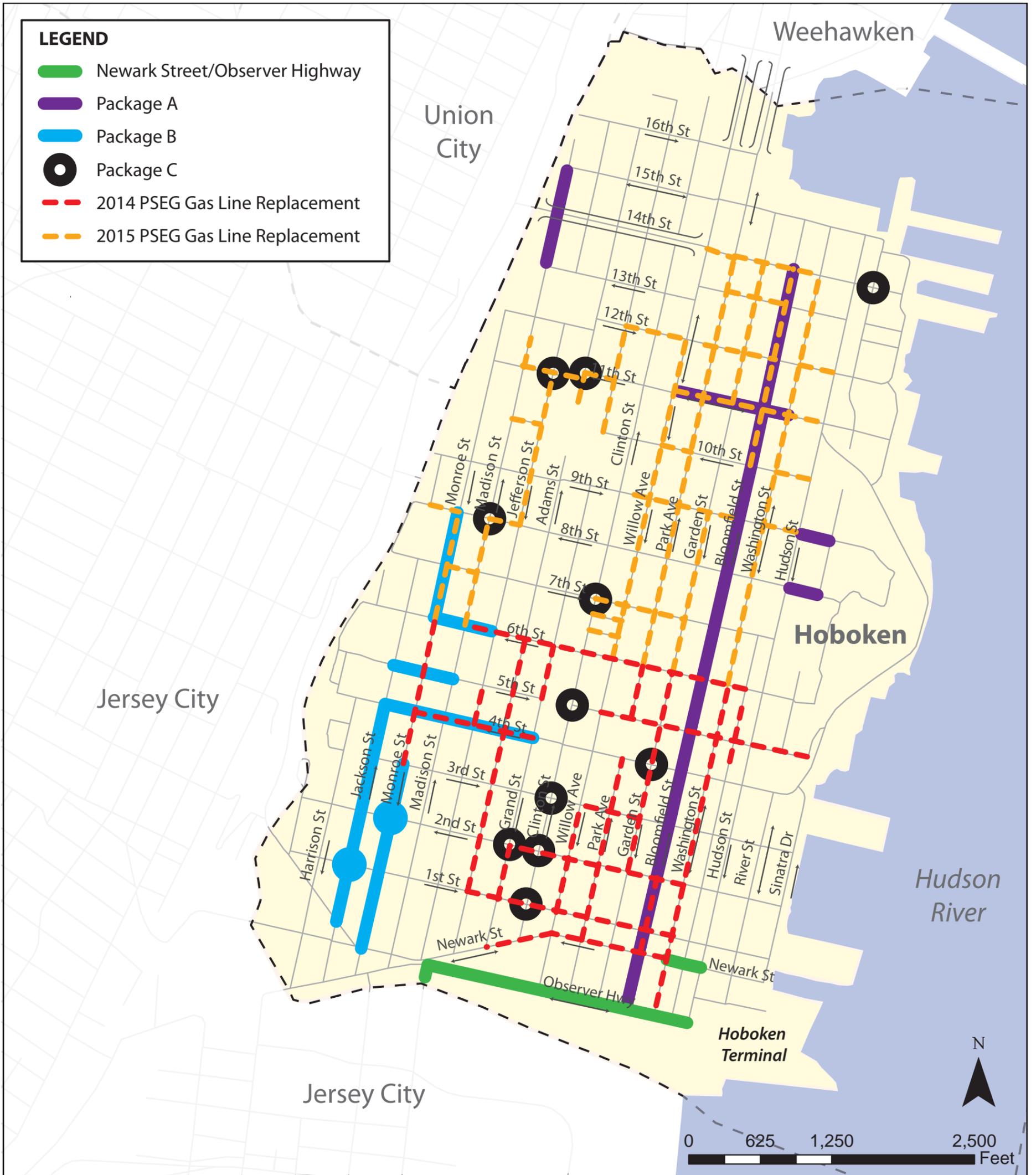
Source: Esri, DigitalGlobe, GeoEye, USGS, City of Hoboken

March 2015

Potholes Repaired (2015)



City of Hoboken
Department of Transportation & Parking



Source: City of Hoboken, Hudson County, Public Service Electric & Gas

February 2015

NOTE: Information outside of Hoboken city limits has not been verified.

Prepared by: Ryan Sharp

2015 Roadway Improvement Projects and PSE&G Gas Line Replacement



City of Hoboken
Department of Transportation & Parking