

Jersey City Municipal Council approves a sweeter tax abatement for luxury waterfront condo developer

by Amy Sara Clark / The Jersey Journal

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Amy Sara Clark / The Jersey Journal Jersey City Councilman Peter Brennan explains his reasons for sweetening Crystal Point's tax abatement as Councilwoman Viola Richardson, right, who voted against the ordinance, and Councilmen Mariano Vega and William Gaughan, who voted for it, listen.

By a vote of 6-3, the Jersey City Municipal Council sweetened the PILOT agreement a luxury condo tower on the Jersey City waterfront.

Council members **Phil Kenny**, **Steve Fulop** and **Viola Richardson** voted against the ordinance.

Fisher Development Associates, the developer of Crystal Point, located at 2 Second St., requested the revised deal due to slow sales.

The developer of the 42-story Crystal Point says only 24 of the eventual 269 condos have sold since going on the market a few months ago -- despite a 30 percent price reduction.

Fisher is asking to extend the length of the PILOT, or Payments in Lieu of Taxes, agreement from 20 to 30 years and reduce the percentage of annual gross revenue paid from 16 to 11 percent for the first five years, with 13 percent payments for the next five years, and 16 percent payments for the final 20 years.

Jersey City's Tax Abatement Committee recommended approval, despite a memo against it from **Al Cameron**, deputy director of the city's Department of Housing, Economic Development and Commerce, arguing that the change would cost the city millions of dollars.

Nearly two dozen people spoke against the abatement (none spoke for it) -- including **Dan Levin**, **Norrice Raymaker**, **Andrew Hubsch** and **Rolando Lavarro**, who all ran unsuccessfully in last month's municipal election -- saying it sets a dangerous precedence, was "an arbitrary handout" and just doesn't make sense.

"The game of real estate is like a game of poker," said resident **Sebastian Bernheim**. "Times are tough for all of us. The citizens of Jersey City should not be forced to bail out a gambler."

"I don't get it," said resident Meg Cohen. "All other major cities that have these kinds of views, they don't give these kinds of tax abatements on these kinds of properties. If you vote for this, I'm just flabbergasted."

But several of those voting for it defended their decision, saying the city won't get any taxes from units that remain empty.

"I've heard the same argument for 16 years, abatements are bad, abatements are bad, abatements are bad," said Ward D Councilman **Bill Gaughan**. "To me an abatement is a tool. It's a tool to move our city forward."