

**Transitional Aid Application for Calendar Year 2026
and Fiscal Year 2027**

**Division of Local Government Services
Department of Community Affairs**

General Instructions: This application must be submitted in its entirety by February 27, 2026, for CY 2026 applicants and September 25, 2026, for FY 2027 applicants for funding consideration under this program. Information contained in the application is subject to independent verification by the Division of Local Government Services (DLGS). Refer to Local Finance Notice 2026-03 when preparing this application for specific instructions and definitions and review the Submission Checklist on page 19 of this application.

Name of Municipality:		Paterson		County:	Passaic
Contact Person:		Daniel Golabek		Title:	Business Administrator
Phone:	973-321-1370	Fax:	973-321-1372	E-mail:	dgolabek@patersonnj.gov

I. Aid History

List the amount of Transitional Aid received for the last three years, if any:

FY 2026 / CY 2025	FY 2025 / CY 2024	FY 2024 / CY 2023
\$29,700,000	\$27,000,000	\$25,000,000

II. Aid Request for Application Year

If not seeking a decrease, a letter from the Mayor is required. See Local Finance Notice 2026-03.

Amount of aid requested for the Application Year:	\$78,200,000
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III. Submission Requirements

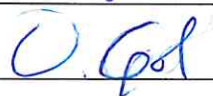
The following items must be submitted with or prior to the submission of this application. Indicate the date of submission of each.

Item	Date Submitted to DLGS
2026 Annual Financial Statement	March 7, 2026
2025 Annual Audit	October 30, 2026
2025 Corrective Action Plan	November 31, 2026
Application Year Introduced Budget	April 14, 2026
Budget Documentation Submitted to Governing Body	April 7, 2026

Application Year: CY2026 / FY2027	Municipality:	County:
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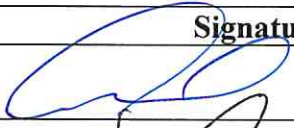
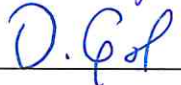
IV. A. Application Certification

The undersigned herewith certify that they have reviewed this application and, individually, believe the contents to be true and accurately portray the circumstances regarding the municipality's fiscal practices and need for financial assistance. By submitting the application, the municipality acknowledges that the law provides that the decision of the Director regarding an aid award is final and not subject to appeal.

Official	Signature	Date
Mayor/Chief Executive Officer		2/27/26
Governing Body Presiding Officer		2/26/26
Chief Financial Officer		2/27/26
Chief Administrative Officer		2/27/26

B. Transitional Aid Recipients Applying in CY2026 / FY2027

Municipalities operating under a MOU must certify that they are in substantial compliance with all conditions and requirements of the MOU.

Official	Signature	Date
Mayor/Chief Executive Officer		2/27/26
Governing Body Presiding Officer		2/26/26
Chief Financial Officer		2/27/26
Chief Administrative Officer		2/27/26

V. A. Explanation of Need for Transitional Aid

Explain the circumstances that warrant Transitional Aid in narrative form. Include factors that result in a constrained ability to raise sufficient revenues to meet budgetary requirements, and if such revenues were raised, how would it jeopardize the fiscal integrity of the municipality?

The City of Paterson respectfully requests Transitional Aid because it faces a convergence of structural constraints and extraordinary cost pressures that cannot be solved through local revenue increases without jeopardizing the City's fiscal integrity and the continued delivery of essential municipal services.

Paterson is an older, formerly industrial city that is among the most densely populated municipalities in New Jersey. In recent years, Paterson's population has been increasing, placing growing demand on core municipal services—most notably public safety. The City's police and fire departments are required to meet the operational needs of a dense, active community while responding to rising service calls and the realities of urban service delivery. These pressures are not discretionary; they are fundamental to maintaining public safety and basic quality of life.

At the same time, Paterson's ability to raise sufficient recurring revenue locally is constrained. The City's tax base has remained comparatively stagnant, in part due to State initiatives designed to spur redevelopment, including the Garden State Growth Zone. While these initiatives and related administrative efforts have successfully attracted more than \$1 billion in new development activity, the abatements associated with these projects mean that the City must wait years before realizing the full financial benefit of those investments on the tax rolls. In other words, Paterson is experiencing the service-demand impacts of growth now, while the corresponding ratable-base benefit is deferred.

The City's tax capacity is further limited by the composition and recent shifts within its tax base. Paterson's average tax bill is now approximately \$10,600. A recent revaluation shifted a greater portion of the tax burden from commercial and industrial properties to residential properties, resulting in more than one-half of city residential properties experiencing an increase. In this context, large levy increases are not only difficult, but risk being counterproductive—placing added stress on residents, increasing the likelihood of delinquencies and appeals, and undermining revenue predictability.

Even if the City attempted to address the budget gap solely through local taxation, the mathematics do not work. A one percent increase in the municipal tax levy yields only approximately \$1.8 million in new revenue. For illustration, the 2026 municipal tax levy—assuming at least a 2% increase—will generate roughly \$178 million. Yet Police and Fire salaries and Citywide health benefits alone are projected to cost approximately \$173 million. This means that, through local taxation and the City's limited additional revenue sources, Paterson is nearly at the point where its local revenue capacity can barely cover its core public safety payroll and benefit obligations—before accounting for sanitation collection, public works, parks, recreation, code enforcement, general government, and all the many other services that a city must provide.

Paterson has not ignored these realities. The City has routinely trimmed its workforce over the last 15 years to produce balanced budgets, and it continues to pursue efficiencies wherever feasible. However, the current year's pressures are driven by contractual and market-based cost increases that are largely outside the City's immediate control. As the City heads into 2026, contractual obligations have increased over \$34 million in the aggregate across essential areas—police salaries and wages, fire salaries and wages, citywide health benefits, solid waste, and insurance. Compounding this challenge, the City is also facing a "27th pay" year in 2026, requiring approximately \$6 million in additional payroll expense.

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Without a substantial increase in Transitional Aid, the City would face an untenable choice: either impose draconian tax levy increases or pursue reductions so severe that they would compromise public safety and essential operations. Given that each 1% levy increase yields only \$1.8 million, covering tens of millions of dollars in new obligations would require a municipal levy increase on the order of 25%—an increase that is not realistically achievable and would jeopardize affordability, revenue stability, and taxpayer compliance. The alternative—attempting to generate tens of millions of dollars in savings through layoffs—would be equally unworkable without materially reducing the size of the police and fire departments. For a densely populated city with rising service demands, substantial reductions in public safety staffing are simply not attainable for operational and public safety reasons. Transitional Aid is therefore respectfully requested to preserve fiscal integrity and maintain essential municipal services while Paterson continues its long-term strategy to strengthen structural balance. The City is actively pursuing redevelopment and economic growth initiatives, but the full ratable benefits will materialize over time as abatements phase out and projects mature. In the interim, Transitional Aid remains necessary to bridge the gap created by immediate, unavoidable cost increases and constrained local revenue capacity—ensuring Paterson can continue to operate safely, responsibly, and in a manner consistent with sound fiscal stewardship.		

Application Year: CY2026 / FY2027	Municipality: Paterson	County: Passaic
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B. Demonstration of Revenue Loss/Substantial Cost Increase

Show: (1) specific, extraordinary revenue losses, but not as the aggregate of many revenues line items; and (2) specific, extraordinary increases in appropriations, but not as the aggregate of many appropriation line items. Describe the item in the cell below each entry. If applicable, indicate in the description of the extraordinary expenditure increase if the increase resulted from a policy decision made by the municipality (i.e., a back-loaded debt service schedule, deferred payment, costs associated with additional hires, etc.).

Revenue or Appropriation	2024 Value	2025 Value	Amount of Loss/Increase
Insurance OE	\$45,700,000	\$48,721,840	\$3,021,840
Description:	SHB costs went up		
Fire SW	\$43,000,000	\$46,000,000	\$3,000,000
Description:	Increase due to contract for FF		
Police and Fire Retirement	\$26,612,042	\$28,290,697	\$1,678,655
Description:	Increased pension cost for Police and Fire		
Description:			
Description:			
Description:			
Description:			

C. Actions to Reduce Future Need for Aid

Detail the steps the municipality is taking to reduce the need for future aid. Include details about shared services and consolidation, long-term cost-cutting and enhanced revenue plans, the impact of new development, the potential for grants to offset costs, and estimated short and long-term annual savings.

These steps should demonstrate initiatives taken to bring structural balance to the municipality's finances and shall include, but are not limited to, the following:

- Efforts to bring economic development to the municipality; and
- A plan to constrain or reduce staffing costs through collective negotiation, attrition, consolidation, restructuring, or other personnel actions; and
- A plan to eliminate, reduce, or constrain the costs of non-essential services and activities; and
- A plan to maximize recurring revenues, including, as appropriate, updating fees, fines, and penalties; maximizing enforcement of delinquencies; and selling surplus land and property; and
- A plan to address findings contained in various audits, investigations, and reports with respect to the municipality, including municipal audits, applicable State Comptroller and State Auditor reports and audits, federal program audits, and other audits as identified by the Director.

Use additional pages if necessary.

The City of Paterson is implementing a multi-year structural balance plan to reduce reliance on future Transitional Aid by (1) stabilizing and reducing health benefit costs, (2) increasing recurring revenues through targeted fee modernization and economic development initiatives, (3) expanding shared services and interlocal agreements to create recurring revenue and operational efficiencies, and (4) pursuing transformative long-term strategies that can materially improve the City's financial position.

1) Stabilizing and reducing health benefit costs through SHBP exit planning (estimated savings: \$5–\$7 million in Year 1)

The City is actively exploring a transition away from the State Health Benefits Plan (SHBP) to either a private insured model or a self-insured model. Preliminary estimates indicate that a change could generate **approximately \$5 million to \$7 million in savings in the first year** following implementation. While the City previously realized meaningful savings by joining SHBP, the recent cost trajectory has produced unsustainable increases that far exceed normal inflation and materially impair the City's ability to achieve structural balance.

The City recognizes that exiting SHBP is a complex and arduous process requiring **labor engagement, detailed claims analysis, precise transition timing, and careful implementation planning**. However, if and when the City transitions, Paterson will gain the ability to directly oversee claims trends, pursue more effective plan design, and negotiate pricing and networks in a manner that can better manage costs. In contrast to SHBP—where the City has limited ability to influence utilization management and cost containment—local control of healthcare expenditures is expected to **stabilize annual increases toward normal inflationary trends** and reduce the risk of recurring double-digit increases. Over time, this initiative is expected to yield additional savings beyond Year 1 and materially improve predictability in the City's largest non-discretionary cost center.

2) Maximizing recurring revenues through fee modernization and targeted ordinance updates

The City is pursuing a recurring revenue enhancement plan that updates outdated fee structures and better aligns user fees and charges with the costs of providing municipal services. In 2026, the Administration intends to advance the following initiatives:

- **Modified UCC fee increase ordinance** (to make the office self-sufficient);
- **Modified sewer utility ordinance** (to modernize charges and strengthen utility sustainability);
- **Increases to administrative and vehicle fees** for third-party vendors seeking police protections and related municipal services;
- **Increases to discretionary court fines** to better deter quality-of-life violations and produce incremental revenue (e.g., modernizing penalties where certain fines are currently nominal, such as a public drinking fine of \$50);
- **Exploration of increases to liquor license fees**, consistent with legal requirements and market conditions.

Collectively, these actions are intended to produce **recurring annual revenue gains**, diversify the City's revenue base beyond property taxes, and improve fairness by ensuring that those who utilize or drive the need for certain municipal services pay an appropriate share of their cost.

3) Economic development initiatives to increase recurring revenues, including expansion of cannabis businesses

Paterson continues to prioritize economic development that strengthens the tax base and diversifies revenue sources. One near-term opportunity is the expansion of the local cannabis marketplace. The City has benefitted from the establishment of the **RISE dispensary** since the inception of legalized cannabis; however, no additional businesses have opened to date. A **second cannabis location is in the final stages of approval**, and its entry into the market is expected to produce **additional recurring municipal revenue** through local cannabis receipts and related economic activity. The City will continue to pursue additional compliant cannabis businesses to expand this revenue stream and stimulate investment in appropriate corridors.

4) Renewing and expanding shared service agreements to generate recurring revenue and operational efficiencies

The City is recommitting to shared services and interlocal agreements as a key tool to improve structural balance. Due to leadership turnover during a transitional year in 2025 (departure of a long-tenured Business Administrator, an interim Business Administrator, and a short-tenured Business Administrator), several agreements that historically generated value for Paterson have lapsed and require renewal. The City is now actively working to restore and expand these arrangements.

A. St. Joseph's Hospital Community Service Contribution Agreement (goal: \$2,000,000 annually)

In lieu of property taxes, the City and St. Joseph's Hospital previously maintained a long-term Community Service Contribution agreement establishing an annual financial contribution. That agreement expired at the end of 2024, with the last year producing approximately \$1.5 million. The City's goal is to negotiate and execute a renewed agreement that yields **at least \$2,000,000 annually** in recurring revenue.

B. EMS shared services with neighboring municipalities and institutions (estimated new revenue: \$200,000–\$300,000 annually)

For approximately 15 years, Paterson has provided EMS services to **North Haledon, Haledon, Prospect Park, and William Paterson University**. Shared service agreements with these entities have long since expired, and the City has initiated requests for renewed contracts. These agreements are expected to generate **approximately \$200,000 to \$300,000 in new recurring annual revenue**.

In addition, the City is evaluating whether to transition residents of these communities to a **“hard billing” model**. Presently, patients are billed only for amounts covered by Medicaid/Medicare or private insurance. A hard-billing model would seek to improve cost recovery and ensure that the cost of providing EMS services is appropriately reimbursed, consistent with lawful billing practices and operational considerations.

Lastly, the City has identified that its current billing amount is low compared to other municipalities, and that it has not fully

C. Shared services and efficiencies with Paterson Public Schools, Passaic County, and the Paterson Parking Authority

The City will pursue cost-saving and efficiency opportunities with other local public entities, including **Paterson Public Schools, the County of Passaic, and the Paterson Parking Authority**. These partnerships are intended to reduce duplication, improve procurement and service delivery, and identify opportunities for cooperative operations, shared purchasing, or consolidated functions where appropriate.

5) Evaluating a long-term transformative revenue strategy: potential sewer system sale (potential one-time infusion: \$75+ million; timeline: 12–18 months)

The City is aggressively evaluating the feasibility of selling its sewer utility system as a long-term strategy to materially strengthen the City’s financial condition. Across New Jersey and nationally, cash-strapped municipalities have realized significant fiscal benefit through well-structured utility transactions. Paterson’s sewer system is aging, and continued capital investment is difficult given the City’s broader financial constraints.

The City anticipates that the due diligence and vetting process—followed by procurement steps and, if appropriate, issuance of an RFP—would require approximately **12 to 18 months**. Conservative preliminary figures of **\$75 million or more** have been referenced as potential sale proceeds. While the City will proceed cautiously and only in a manner consistent with legal, operational, and public interest considerations, such an infusion—if achieved—would significantly improve liquidity, reduce fiscal stress, and accelerate the City’s ability to reduce Transitional Aid dependency.

D. Discussion of Health Benefits

Please provide details on the municipality's current medical, prescription, and other health benefits plans (SHBP, HIF, self-insured, etc.) and all research undertaken to confirm they are the most cost-effective options. Additionally, if applicable, list all brokers (primary broker or risk manager, all co-brokers, and sub-brokers) together with their compensation for the current and prior two fiscal years. Compensation must be disclosed in this section, whether provided directly by the municipality or as a commission from the insurance provider. It is the municipality's right and obligation to determine whether the broker is compensated with a commission. If commissions are being earned, provide both how the commission is calculated (percentage of premium or self-insurance) and the actual dollar value of the commission paid each year.

The City participates in the State Health Benefit program. The City is actively exploring a transition away from the State Health Benefits Plan (SHBP) to either a private insured model or a self-insured model. Brokers are not permitted to make a commission from a municipality's participation in the State Health Benefit Plan. The City's broker is Fairview Insurance. While the City previously realized meaningful savings by joining SHBP, the recent cost trajectory has produced unsustainable increases that far exceed normal inflation and materially impair the City's ability to achieve structural balance.

Application Year: CY2026 / FY2027	Municipality: Paterson	County: Passaic
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VI. Historical Fiscal Statistics

Item	2024	2025	Introduced Application Year
A. Property Tax/Budget Information			
Municipal tax rate	2.812	2.905	1.356
Municipal Purposes tax levy	\$170,788,291	\$174,236,172	\$177,720,895
Municipal Open Space tax levy	\$	\$	\$
Total general appropriations	\$286,441,459	\$330,589,092	\$372,606,753
B. Cash Status Information			
% Of current taxes collected	93.74%	94.23%	%
% Used in the computation of reserve	95.00%	94.23%	94.91%
Reserve for uncollected taxes	\$15,360,682	\$18,422,275	\$18,063,172
Total year-end cash surplus	\$	\$	
Total non-cash surplus	\$	\$	
Year-end deferred charges	\$	\$	
C. Assessment Data			
Assessed value (as of January 10)	\$6,074,629,921	\$6,072,520,536	\$14,149,554,200
Average residential assessment	\$195,151	\$194,100	\$482,000
Number of tax appeals granted			
Amount budgeted for tax appeals	\$0.00	\$0.00	\$0.00
Refunding bonds for tax appeals	\$0.00	\$0.00	\$0.00
D. Staffing Levels			
Total Number of Sworn Police -	439	439	439
Total S&W Expenditures	\$46,500,000	\$46,000,000	\$50,000,000
Class 2 and Class 3 Officers			
Total S&W Expenditures			
Uniformed Fire – Staff Number	366	366	366
Total S&W Expenditures	\$43,000,000	\$46,000,000	\$51,700,000
Number of Other Full-time Employees	689	689	682
Total S&W Expenditures	\$27,697,282	\$28,251,228	\$28,816,252
Number of Other Part-time Employees	540	540	535
Total S&W Expenditures	\$2,650,000	\$2,652,000	\$2,705,040

E. Impact of Proposed Tax Levy

			Amount
Current Year Taxable Value			14,149,554,200
Introduced Tax Levy			177,720,895
Proposed Municipal Tax Rate	1.356	Average res. value	482,100
Current Year Taxes on average residential value			10,618.06
Prior Year Taxes on average residential value			10,087.38
Proposed increase in average residential taxes (Only Municipal)			319.00

VII. Application Year Budget Information

A. Year of latest revaluation/reassessment

1. Most current equalized ratio

2026

100

B. Proposed Budget – Appropriation Cap Information

1. Was an appropriation cap index rate ordinance adopted last year?

If YES: % that was used

2. Amount of appropriation cap bank available going into this year

3. Is the Application Year budget at (appropriation) cap?

If NO, amount of remaining balance

4. Does the Application Year anticipate the use of a waiver to exceed the appropriation cap?

If YES, the amount:

	Yes	No
1. Was an appropriation cap index rate ordinance adopted last year?		X
If YES: % that was used		
2. Amount of appropriation cap bank available going into this year		
3. Is the Application Year budget at (appropriation) cap?	X	
If NO, amount of remaining balance		
4. Does the Application Year anticipate the use of a waiver to exceed the appropriation cap?	X	
If YES, the amount:		
\$ TBD		

C. List the five largest item appropriation increases.

Appropriation	Prior Year Actual	Application Year Proposed	\$ Amount of Increase
Insurance OE	48,721,840	72,000,000	23,378,160
Police SW	46,000,000	50,000,000	4,000,000
Fire SW	46,000,000	51,700,000	4,700,000
Solid Waste	12,500,000	13,500,000	1,000,000
Ins- Workers Comp	4,657,500	5,200,000	542,500
Ins- Liability	4,968,000	5,400,000	432,000

D. List all new property tax-funded full-time positions planned in the Application Year.

Department/Agency	Position	Number	Dollar Amount

Application Year: CY2026 / FY2027	Municipality: Paterson	County: Passaic
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- E. Display projected tax levies, local revenues (not grants), anticipated (gradually reduced) Transitional Aid, total salary and wages, and total other expenses projected for the three post-application years.**

	Tax Levy	Local Revenues	Transitional Aid	Total S&W	Total OE
First year	181,275,312	12,900,000	63,070,000	126,850,576	117,100,125
Second year	184,900,819	12,900,000	53,609,500	130,656,093	120,613,128
Third year	188,598,835	12,900,000	45,568,075	134,575,776	124,231,522

VIII. Financial Practices

A. Expenditure controls and practices

Question	Yes	No
1. Is an encumbrance system used for the current fund?	X	
2. Is an encumbrance system used for other funds?	X	
3. Is a general ledger maintained for the current fund?	X	
4. Is a general ledger maintained for other funds?	X	
5. Are financial activities largely automated? If so, please identify the system being used.	X	
6. Does the municipality operate a public assistance program?		X
7. Are expenditures controlled centrally (Yes) or de-centrally by dept. (No)?	X	
8. At any point during the year, are expenditures routinely frozen?		X
9. Has the municipality adopted a cash management plan?	X	
10. Have all negative findings in the prior year's audit report been corrected?	X	
If not, be prepared to discuss why not in your application meeting.	X	

B. Risk Management: Indicate ("x") how each type of risk is insured.

Coverage	JIF/HIF	Self	Commercial
General Liability		X	
Vehicle/Fleet Liability		X	
Workers Compensation		X	
Property Coverage			X
Public Official Liability			X
Employment Practices Liability			X
Environmental			X
Health Benefits	SHBP		
	X		

C. 1. Salary and employee contract information

When more than one bargaining unit for each category, use the average.

Question	Police	Fire	Other Contract	Non-Contract
Year of last salary increase	CY26	CY26	CY26	CY26
Average total cost percentage increase	3.5%	3.5%	3.0%	2.0%
Last contract settlement date	Various	Various	Various	
Contract expiration date	7/2024	11/2025	Various	

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2. Explain, if any, actions that have been taken/are under consideration for the Application Year.

Action	Police	Fire	Other Contract	Non-Contract
Furloughs (describe below)				
Discussed in section X.1				
Wage Freezes (describe below)				
Layoffs (describe below)				
Described in section X.1				

D. Tax Enforcement Practices

Question	Yes	No
1. Did the municipality complete its accelerated tax sale by December 31, if included in the 2026 budget? If not, please include a letter from the tax collector explaining why he/she failed to complete the sale in a timely manner and what the impacts were on cash flow and lost investment earnings.		X
2. When was the last foreclosure action taken or tax assignment sale held? Date:	11/29/2018	
3. On what dates were tax delinquency notices sent out in 2025? Date:	11/30/2025	
4. Date of last tax sale? Date:	12/08/2025	

E. Specialized Service Delivery

If the answer to either question is "Yes," provide (as an appendix) a cost justification for maintaining the service without changes.

Service	Yes	No
Sworn police or firefighters are used to handle emergency service call-taking and dispatch (in lieu of civilians).		X
The municipality provides rear-yard solid waste collection through the budget.		X

F. Other Financial Practices

1. Amount of interest on investment earned in:

2024	\$1,208,987	2025	\$1,276,315	Anticipated Application Year:	\$1,200,000
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2. List the instruments in which idle funds are invested:

3. What was the average return on investments during 2025?

4. The name and firm of the municipality's auditor?

5. When was the last time the municipality changed auditors?

3.6%
Wielkotz & Company LLC
2019

G. Status of Collective Negotiation (Labor) Agreements. List each labor agreement by employee group, contract expiration date, and the status of negotiations of expired contracts.

Employee Group			Expir Da
PBA - Paterson Police PBA, Local #1	8/31/2024	Pending – in mediation	
SOA - Paterson Police PBA, Local #1A	8/1/2027		
DPW Blue – AFSCME, Local 2272	12/31/2026		
DPW Supervisors – AFSCME, Local 3474	12/31/2026		
Library Supervisors – AFSCME, Local 3474B	12/31/2026		
Library – AFSCME, Local 2903	12/31/2026		
White Collar Supervisors – AFSCME, Local 3474A	12/31/2026		
White Collar – AFSCME, Local 3724	12/31/2022	Pending – Impasse	
Police Motor Pool – CWA, Local 463	6/30/2023	Pending – in negotiations	
Firefighters – Paterson Firefighters Association	1/30/2027		
Fire Deputy Chiefs, Battalion Chiefs, Captains – Paterson Fire Officers Association	1/31/2027		
Health – AFSCME, Local 430	12/31/2027		
Law – Teamsters, Local 97	12/31/2023	Pending – Impasse	
Crossing Guards – United Service Workers IUJAT, Local 74	6/30/2027		
Dispatcher/Telecommunications – Teamsters, Local 125	6/30/2024	Pending - Impasse	

H. Tax Abatements. Please provide a detailed discussion of any short-term or long-term tax abatements that are currently in place or are currently being negotiated, including the following information:

The City's existing PILOT portfolio is primarily associated with affordable-housing developments and housing stock under the management umbrella of the Paterson Housing Authority and related public/assisted-housing entities. These long-term PILOT structures are maintained to ensure that the underlying projects remain financially feasible, affordable to income-restricted households, and operationally manageable over time. In practice, long-term PILOT arrangements provide predictability and stability for projects where affordability controls and operating constraints limit the ability to absorb conventional property-tax volatility, and are therefore used as a policy and financial tool to help preserve long-term affordable units.

With respect to abatements, the City of Paterson is located within a Garden State Growth Zone and has implemented the Growth Zone property tax exemption framework. As administered locally, the Growth Zone

structure functions as a tax phase-in on qualifying improvements—i.e., improvements are treated as not increasing taxable value for an initial period and then step up on a defined schedule until they reach full taxation. As a result, properties in the abatement category typically show gradual annual increases in taxable amounts over time as the phase-in progresses toward full taxation.

Importantly for the City’s fiscal planning and reporting, the Growth Zone framework is not a discretionary, case-by-case abatement program once the municipality has opted in; rather, qualifying projects meeting the statutory requirements receive the exemption pursuant to law. Accordingly, the City treats these abatements as a matter of right under the governing statutory framework and local opt-in provisions, rather than as individually negotiated incentives in the traditional sense.

Finally, the City notes that the Growth Zone program has been extended through 2028, which affects the City’s forecasting and planning for abatements that may be triggered by qualifying projects within the program’s eligibility window.

While these abatements have drawn record investment to the City of Paterson, the delay in full taxation does place great stress on municipal finances. As demonstrated below, Paterson is currently collecting taxes on properties with abatements at a fraction of the assessed values.

Project Name/Property	Type of Project	2026 PILOT Billing	2025 Assessed Value	2025 Taxes If Billed in Full at 2024 Total Tax Rate	Term of Tax Abatement
Heritage Alexander Hamilton	PILOT	\$160,286.00	\$25,016,200.00	\$1,278,289	99 Years
Hamilton Square	PILOT	\$109,300.00	\$2,649,900.00	133,025.00	30 Years
Congdon Mills	PILOT	\$91,902.00	\$3,736,200.00	\$161,729.00	25 Years
Seniors Tower Paterson	PILOT	\$160,000.00	\$6,632,000.00	\$287,080.00	30 Years
INCCA-Triangle Village	PILOT	\$238,830.00	\$14,561,600.00	\$630,329.00	50 Years
Jackson Slater/Martin DePorres	PILOT	\$258,150.00	\$4,160,000.00	\$180,074.00	50 Years
Madison Ave Apts	PILOT	\$269,252.00	\$6,926,200.00	\$299,815.00	50 Years
Paterson Housing Authority	PILOT	\$117,524.00	\$123,984,200.00	\$5,366,918.00	Var. Abate
Great Falls	PILOT	\$270,447.00	\$7,928,200.00	\$343,188.00	20 Years

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446-460 E 19 th St	PILOT	\$22,012.00	\$2,985,900.00	\$129,251.00	30 Years
Belmont/McBride Towers	PILOT	\$61,325.00	\$4,605,300.00	\$199,350.00	30 Years
Hope '98 N Main St Scattered	PILOT	\$245,000.00	\$8,762,700.00	\$379,312.00	30 Years
Hope '98 Beech St	PILOT	\$65,460.00	\$2,304,800.00	\$99,768.00	30 Years
Hope '98 Van Houten St	PILOT	\$115,000.00	\$4,030,200.00	\$174,455.00	30 Years
Rising Dove Senior Apts	PILOT	\$36,829.00	\$5,076,100.00	\$219,729.00	40 Years

Project Name/Property	2025 Assessed Value	<u>Taxes If Billed in Full at</u> <u>Total Tax Rate</u>
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SILK CITY DEVELOPMENT, LLC	\$28,200.00	\$96,228.00
SILK CITY DEVELOPMENT, LLC	\$35,400.00	\$105,967.00
SILK CITY DEVELOPMENT, LLC	\$9,900.00	\$45,654.00
JCM PROPERTIES, LLC	\$6,300.00	\$83,559.00
JCM PROPERTIES, LLC	\$7,300.00	\$96,647.00
JCM PROPERTIES, LLC	\$7,300.00	\$96,647.00
JCM INVESTORS 1012, LLC	\$18,300.00	\$19,162.00
SILK CITY DEVELOPMENT	\$14,400.00	\$72,145.00
SILK CITY CV IV, LLC	\$13,900.00	\$146,594.00
SILK CITY DEVELOPMENT	\$16,200.00	\$62,826.00
JCM PROPERTIES XIV, LLC	\$16,200.00	\$26,492.00
JCM PROPERTIES, LLC	\$25,300.00	\$85,129.00
SCDH II DCV 2019, LLC	\$17,000.00	\$142,510.00
SILK CITY CV III	\$17,100.00	\$157,170.00
JCM PROPERTIES XIX	\$16,300.00	\$74,030.00
SILK CITY DEVELOPMENT, LLC	\$22,900.00	\$118,322.00
SILK CITY DEVELOPMENT, LLC	\$29,300.00	\$156,751.00
JCM INVESTORS 1012, LLC	\$45,900.00	\$60,941.00

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JCM PROPERTIES XIV, LLC	\$25,500.00	\$110,993.00
PARAGON NJ PROPERTIES, LLC	\$22,400.00	\$23,455.00
TORIBIO, ILVIN, & TORRES, JIMENEZ	\$20,500.00	\$21,466.00
JCM 2019N CV1	\$12,500.00	\$13,089.00
PARAGON NJ PROPERTIES	\$8,200.00	\$8,586.00
SILK CITY DEVELOPMENT, LLC	\$20,800.00	\$99,370.00
SILK CITY DEVELOPMENT, LLC	\$20,100.00	\$21,047.00
SILK CITY DEVELOPMENT, LLC	\$20,800.00	\$153,610.00
JCM PROPERTIES XIV, LLC	\$15,200.00	\$107,014.00
SILK CITY DEVELOPMENT, LLC	\$14,600.00	\$27,853.00
SILK CITY DEVELOPMENT, LLC	\$19,500.00	\$62,198.00
ASHLEY & NICHOLAS VERTEUIL	\$43,800.00	\$317,271.00
TOCAS-CHAVEZ, OMAR	\$33,500.00	\$176,122.00
BREA KIRZZARYS A & BURGOS DIOGENES	\$31,900.00	\$33,402.00
VRAPI, SKENDER & VRAPI, ALBANA	\$53,000.00	\$198,111.00
JCM INVESTORS 1012, LLC	\$36,600.00	\$218,006.00
JCM PROPERTIES VIII, LLC	\$36,600.00	\$208,059.00
AZ PROMISE, LLC	\$43,300.00	\$162,196.00
MICHAEL BUENO	\$46,100.00	\$205,755.00
JCM PROPERTIES XV11	\$39,100.00	\$123,872.00
OXFORD HOMES, LLC	\$33,300.00	\$34,868.00
OXFORD HOMES	\$112,600.00	\$152,772.00
SCDH II CV II 2019, LLC	\$29,800.00	\$145,861.00
PENA NUNEZ, CARLOS	\$56,300.00	\$211,200.00
COMMUNITY ASSET PREVENTION CORP	\$34,800.00	\$158,636.00
MOHAMMED T. ISLAM	\$42,200.00	\$55,077.00
JCM PROPERTIES XIV, LLC	\$42,400.00	\$167,327.00
GOSWAMI, KRISHNA & GANESH CHANDRA	\$42,200.00	\$93,087.00
DISCOVER REALTY CORP	\$41,100.00	\$160,311.00
LANTIGUA, ANA & FANA, ANTONIO	\$52,300.00	\$54,763.00
ABUROUMI, MAHMOUD	\$75,000.00	\$438,316.00
WAYNE AVE REALTY, LLC	\$55,800.00	\$379,678.00
REDWOOD PROPERTY, LLC	\$42,200.00	\$117,485.00

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ARAFAT, KAZI EASIR	\$35,400.00	\$37,067.00
NEW JERSEY HOLDING VI, LLC	\$35,400.00	\$37,067.00
72 LAAUWE AVE, LLC	\$19,000.00	\$20,837.00
SILK CITY DEVELOPMENT	\$58,700.00	\$197,588.00
NAZIRI, TILA AND HAJI	\$40,700.00	\$157,379.00
RAPAIC, MILAN	\$82,100.00	\$192,248.00
ABRANTES, ROBERTO C. & JENNY	\$81,300.00	\$169,944.00
RAMIREZ, JACINTO	\$79,600.00	\$205,755.00
ESPINAL, HECTOR & LOZADA, MAIRNE	\$77,900.00	\$231,409.00
SANCHEZ-VENEGAS, MERCELINO E	\$75,400.00	\$186,384.00
RODRIGUEZ, JERRY	\$94,000.00	\$229,105.00
CUELLAR, DENNIS	\$83,800.00	\$297,691.00
SILK CITY DEVELOPMENT & RESTORATION	\$162,600.00	\$170,258.00
HIRSCH, CHARLES E & NORMA B	\$3,146,300.00	\$5,712,873.00
DBA WAITE STREET ASSOCIATES, LLC		\$0.00
RODRIGUEZ, ALESST & NUNENEZ A.A. JR.	\$57,600.00	\$189,735.00
NESSA BUILDERS	\$59,000.00	\$61,779.00
BENZAN AYBAR, JAVIER	\$52,200.00	\$173,086.00
PENA, MARIE A.	\$62,100.00	\$254,341.00
VERA CRUZ	\$46,100.00	\$62,407.00
SILVA, GLADYS & PAULO	\$47,300.00	\$172,772.00
ENSUNCHO, WINSTON	\$46,100.00	\$116,961.00
POMPEY, TERRANCE	\$29,000.00	\$138,217.00
LLANOS MESTANZA, IVAN	\$56,900.00	\$205,650.00
111 E 22 ND ST, LLC	\$51,800.00	\$54,240.00
BRITO, MIGUEL A & ANTHONY SOTO	\$55,600.00	\$198,216.00
HAYDEE ESTEVEZ	\$58,700.00	\$175,180.00
LOPEZ, RUDY	\$47,700.00	\$237,901.00
337 9 TH AVENUE LLC	\$50,000.00	\$52,355.00
337 9 TH AVENUE LLC	\$50,000.00	\$52,355.00
337 9 TH AVENUE LLC	\$50,000.00	\$52,355.00
221-223 EASAT 15 TH STREET, LLC	\$60,000.00	\$62,826.00
239 17 TH , LLC	\$80,600.00	\$84,396.00

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SILK CITY DEVELOPMENT, LLC	\$27,200.00	\$67,643.00
JCM PROPERTIES XIV, LLC	\$38,100.00	\$177,274.00
406 12 TH AVENUE, LLC	\$26,100.00	\$273,398.00
PLACERES, EDWIN & LAURIE	\$21,500.00	\$89,213.00
JCM INVESTORS 1012 LLC	\$23,600.00	\$122,930.00
HADJIYSKI, RAMIZ	\$21,600.00	\$280,728.00
JCM INVESTORS 1012, LLC	\$18,999.00	\$127,534.00
VAN BLARCOM ST, LLC	\$30,000.00	\$31,413.00
JCM PROPERTIES XIV, LLC	\$23,600.00	\$24,712.00
3KASBOYS, LLC	\$23,600.00	\$24,712.00
JCM INVESTORS 1012, LLC	\$17,600.00	\$18,429.00
SILK CITY DEVELOPMENT I, LLC	\$23,600.00	\$24,712.00
JCM PROPERTIES XIX	\$16,300.00	\$74,030.00
SILK CITY DEVELOPMENT II LLC	\$15,100.00	\$15,811.00
PATERSON FALLS REALTY GROUP, LLC	\$21,400.00	\$22,408.00
PAT 2020 I, LLC	\$21,900.00	\$22,931.00
3 KASBOYS, LLC	\$17,500.00	\$18,324.00
FVM HOLDINGS, LLC	\$46,600.00	\$48,795.00
150 LAWRENCE HOLDING, LLC	\$101,400.00	\$106,176.00
SILK CITY CVIII	\$21,500.00	\$22,513.00
UNITED ASSETS M CV LLC	\$23,000.00	\$169,525.00
JCM XXI CARROLL GROUP CV20, LLC	\$21,900.00	\$191,200.00
SILK CITY DEVELOPMENT, LLC	\$17,100.00	\$32,355.00
460 EAST 24 TH STREET, LLC	\$36,500.00	\$38,219.00
WILLIAMS, TENECIA	\$59,000.00	\$153,295.00
MORIAMA SOTO	\$52,300.00	\$129,840.00
MICHAEL PEREZ	\$52,300.00	\$129,840.00
TOMCZYK, PAWEL	\$41,900.00	\$209,420.00
PATERSON FALLS REALTY GROUP, LLC	\$33,000.00	\$34,554.00
478-480 11 TH AVENUE, LLC	\$51,400.00	\$212,980.00
DEDIOS ALMONTE, JUAN	\$44,100.00	\$241,985.00
UNITED ASSETS MANAGEMENT CV, LLC	\$55,600.00	\$133,296.00
SILK CITY CVV 2019, LLC	\$41,100.00	\$130,050.00

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SILK CITY SV II, LLC	\$35,300.00	\$126,490.00
UNITED ASSETS MANAGEMENT, LLC	\$42,200.00	\$44,188.00
NORTHEAST REALTY & MNGT, LLC	\$54,400.00	\$128,479.00
PRFG FORTE 79 CV20, LLC	\$47,400.00	\$63,245.00
JCM PROPERTIES, LLC	\$27,800.00	\$29,109.00
JCM XXI CARROLL GROUP CV20 LLC	\$26,300.00	\$181,358.00
JCM PROPERTIES XVII, LLC	\$31,600.00	\$33,088.00
JCM PROPERTIES XVII, LLC	\$21,600.00	\$33,193.00
PARAGON NJ PROPERTIES LLC	\$10,600.00	\$11,099.00
SILK CITY CV IV	\$17,000.00	\$18,953.00
SILK CITY DEVELOPMENT, LLC	\$17,000.00	\$87,852.00
SILK CITY CVV 2019, LLC	\$53,800.00	\$56,334.00
SILK CITY DEVELOPMENT, LLC	\$17,200.00	\$87,328.00
JCM PROPERTIES XVII	\$19,400.00	\$92,564.00
SILK CITY DEVELOPMENT LLC	\$17,200.00	\$18,010.00
JCM INVESTORS 1012, LLC	\$155,300.00	\$1,234,740.00
JCM XXI CARROLL GROUP CV20 LLC	\$20,800.00	\$71,203.00
JCM XXI CARROLL GROUP CV20 LLC	\$20,800.00	\$71,203.00
JCM XXI CARROLL GROUP CV20 LLC	\$20,800.00	\$71,203.00
JCM INVESTORS 1012, LLC	\$81,600.00	\$180,101.00
SILK CITY DEVELOPMENT	\$20,700.00	\$21,675.00
JCM CONDO GROUP CV 2019, LLC	\$22,700.00	\$23,769.00
SILK CITY CV IV, LLC	\$21,900.00	\$22,931.00
SILK CITY DEVELOPMENT, LLC	\$21,200.00	\$147,746.00
SILK CITY DEVELOPMENT II, LLC	\$42,600.00	\$53,402.00
SILK CITY DEVELOPMENT, LLC	\$21,300.00	\$83,559.00
JCM PROPERTIES XIV, LLC	\$21,300.00	\$62,512.00
PARAGON NJ PROPERTIES, LLC	\$22,700.00	\$23,769.00
CORE PARTNERS 1012, LLC	\$21,900.00	\$22,931.00
JCM INVESTORS 1012, LLC	\$21,600.00	\$154,866.00
JCM INVESTORS 1012, LLC	\$22,000.00	\$23,036.00
SILK CITY DEVELOPMENT, LLC	\$22,300.00	\$109,527.00
SILK CITY DEVELOPMENT I, LLC	\$21,400.00	\$99,160.00

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JCM PROPERTIES XVI, LLC	\$19,300.00	\$95,914.00
SILK CITY DEVELOPMENT, LLC	\$20,500.00	\$106,909.00
JCM INVESTORS 1012, LLC	\$17,600.00	\$62,093.00
JCM INVESTORS 1012, LLC	\$14,700.00	\$31,727.00
SILK CITY DEVELOPMENT, LLC	\$16,500.00	\$130,783.00
BKS REALTY, LLC	\$144,400.00	\$617,789.00
JCM INVESTORS 1012, LLC	\$43,000.00	\$45,025.00
BASCOM CORP	\$21,600.00	\$22,617.00
JCM CONDO GROUP CV 2019 LLC	\$24,700.00	\$25,863.00
84-86 AUBURN STREET, LLC	\$27,600.00	\$122,092.00
SILK CITY CV III	\$21,600.00	\$22,617.00
SILK CITY DEVELOPMENT, LLC	\$39,200.00	\$41,675.00
22 PATERSON, LLC	\$57,600.00	\$75,601.00
LB PROPERTIES HOLDINGS, LLC	\$54,800.00	\$237,063.00
SILK CITY DEVELOPMENT & RESTO, LLC	\$50,000.00	\$52,355.00
COURTNEY PARKS	\$50,000.00	\$154,552.00
GABO INVESTMENTS, LLC	\$51,700.00	\$217,902.00
JCM PROPERTIES XVII	\$38,300.00	\$126,385.00
736 EAST 28 TH STREET, LLC	\$65,000.00	\$68,062.00
JCM INVESTORS 1012, LLC	\$20,300.00	\$21,256.00
VALDEZ, ESTEFANI	\$53,000.00	\$287,220.00
ABL ONE PATERSON E VENTURES, LLC	\$52,900.00	\$258,738.00
JC FAMILY GROUP, LLC	\$59,600.00	\$62,407.00
GUTIERREZ, CHRISTINE	\$15,800.00	\$178,112.00
JCM CONDO GROUP CV 2019, LLC	\$17,300.00	\$18,115.00
PIMIENTA, YAMIL F.	\$16,800.00	\$124,081.00
LOPEZ JR., JOSE R.	\$25,300.00	\$44,083.00
JCM INVESTORS 1012, LLC	\$18,200.00	\$84,920.00
HOLMES, TYSEME J.	\$20,800.00	\$175,494.00
BASCOM CORP	\$23,000.00	\$24,083.00
SILK CITY CV II, LLC	\$26,200.00	\$145,128.00
JCM PROPERTIES XV111	\$24,000.00	\$180,206.00
SILK CITY CVV 2019, LLC	\$21,600.00	\$22,617.00

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SILK CITY CV II, LLC	\$21,500.00	\$96,228.00
SCDHII CV III 2019, LLC	\$21,600.00	\$97,485.00
TETRAD INVESTMENTS, LLC	\$22,100.00	\$23,141.00
PARAGON NJ PROPERTIES, LLC	\$15,300.00	\$16,021.00
JCM 2019 CVI, LLC	\$19,400.00	\$144,500.00
JCM 2019 CVI, LLC	\$20,900.00	\$21,884.00
JCM INVESTORS FK5, LLC	\$567,000.00	\$805,010.00
SILK CITY DEVELOPMENT, LLC	\$21,600.00	\$78,323.00
JCM INVESTOR FK5, LLC	\$79,900.00	\$587,737.00
GABO INVESTMENTS, LLC	\$17,500.00	\$160,625.00
SHALATI, FADI	\$76,100.00	\$153,505.00
5 COLT STREET, LLC	\$377,000.00	\$3,154,808.00
218 REALTY, LLC	\$181,200.00	\$418,840.00
42 BROADWAY, LLC	\$242,300.00	\$1,309,608.00
302-308 MAIN STREET, LLC	\$336,000.00	\$1,044,168.00
VIERA, JIOVANE P.	\$15,500.00	\$181,358.00
28 MARSHALL STREET, LLC	\$42,000.00	\$471,195.00
35 HOXEY STREET, LLC	\$42,600.00	\$44,606.00
EYAD, ASDELAZIZ	\$64,500.00	\$364,077.00
BIJELONIC, NEDELJKO	\$59,300.00	\$168,793.00
JAVIER & BANESA GARCIA	\$50,600.00	\$52,983.00
60-62 CARLISLE AVENUE, LLC	\$62,000.00	\$64,920.00
NASSIRY, MOHAMHAD & IZADMEHR, BAHMAN	\$171,400.00	\$179,473.00
S.A. BELKYS HOMES, LLC	\$35,500.00	\$37,172.00
AMU, ABDUL	\$43,800.00	\$45,863.00
5RG REALTY, LLC	\$176,500.00	\$237,273.00
KENNEDY, JASMINE	\$31,400.00	\$122,825.00
258-262 ATLANTIC STREET, LLC	\$77,600.00	\$481,561.00
161 BLOOMFIELD AVENUE, LLC	\$63,800.00	\$66,805.00
5RG REALTY, LLC	\$364,600.00	\$3,118,997.00
311-313 MARSHALL STREET	\$130,600.00	\$255,388.00
WALGREENS PAT RX DEV	\$1,103,100.00	\$1,155,056.00

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ABUROUMI, MAHMOUD	\$71,200.00	\$512,451.00
ABUROUMI, MAHMOUD	\$69,200.00	\$72,459.00
JAHAD EMAN	\$24,900.00	\$26,073.00
348-358 STRAIGHT ST, LLC	\$708,800.00	\$742,184.00
HUTCHINSON, JOSHUA	\$17,300.00	\$124,710.00
44 BEECH STREET, LLC	\$1,634,200.00	\$9,644,733.00
NJ PREMIER PROPERTY, LLC	\$17,500.00	\$141,463.00
JCM INVESTORS XVIII, LLC	\$41,000.00	\$51,098.00
JCM INVESTORS XIX, LLC	\$21,600.00	\$22,617.00
JCM INVESTORS 1012, LLC	\$21,400.00	\$58,114.00
ACEKS PROPERTY MANAGEMENT, LLC	\$628,000.00	\$1,633,895.00
SOLENNY AVINODER VARGIS	\$21,900.00	\$179,159.00
LIAQUAT, SHUWAIB & CHOWDURY, NISHAT	\$38,200.00	\$217,587.00
374 PAXTON, LLC	\$62,600.00	\$65,548.00
GARCIA, CARLOS & VERONICA, KARLA	\$57,100.00	\$59,789.00
YASSEN, LLC	\$88,500.00	\$725,117.00
ABUROUMI, MAHMOUD & ISMAT	\$55,800.00	\$58,428.00
ABUROUMI, MAHMOUD & ISMAT	\$257,600.00	\$269,733.00
ABUROUMI, MAHMOUD & ISMAT	\$77,600.00	\$81,255.00
AMMAR, BASEM	\$62,100.00	\$189,735.00
17 MICHIGAN REALTY, LLC	\$124,400.00	\$256,540.00
62 GOULD AVENUE, LLC	\$50,200.00	\$63,035.00
Z & S DEVELOPERS	\$56,250.00	\$58,899.00
Z & S DEVELOPERS	\$56,250.00	\$58,899.00
33-35 LLC	\$61,800.00	\$200,834.00
GADALLA HISHAM	\$51,900.00	\$230,153.00
ABOROUMI, MAHMOUD	\$45,600.00	\$184,290.00
GAETA	\$537,900.00	\$1,953,574.00
ABDERABBO, ABDALLAH, REBHI, NPORA, INC	\$152,400.00	\$607,527.00
GARBER, MUSTAFA	\$170,000.00	\$230,362.00
205 PENNSYLVANIA PROPERTY MGT	\$286,800.00	\$300,308.00
DINGMANS PATERSON REALTY, LLC	\$89,300.00	\$93,506.00
OLIVERA, ARIEL	\$95,500.00	\$199,054.00

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Z & S, LLC	\$83,500.00	\$87,433.00
SOLANO, JAVIER	\$83,800.00	\$87,747.00
6130 WASHINGTON STREET REALTY CORP	\$511,400.00	\$937,573.00
PARAGON NJ PROPERTIES, LLC	\$51,600.00	\$54,030.00
BEM PROPERTIES	\$49,900.00	\$172,457.00
ABREU, FRANCISCO	\$56,600.00	\$59,266.00
C & D CONSTRUCTION	\$54,900.00	\$57,486.00
NA QWAN, DONALD AND KENNISA	\$45,700.00	\$47,852.00
HICIANO, A & HENRIQUEZ, BRADY & JEAN c	\$69,200.00	\$236,645.00
KHALAF, ADEL	\$30,100.00	\$31,518.00
ROSARIO, LYDIA	\$37,900.00	\$39,685.00
CHEATOM, LASHAWN	\$37,900.00	\$39,685.00
FERMIN, WILTON & TAMARA	\$30,100.00	\$31,518.00
MCCOY, BRANDY	\$35,400.00	\$37,067.00
ABDULAZEEZ, SAMEH	\$49,600.00	\$51,936.00
MONSTASER, ABDELGHANI	\$46,050.00	\$251,042.00
FAWZI, ABDELGANI	\$46,050.00	\$48,219.00
LANDRON, ROBERTO	\$76,500.00	\$281,251.00
ALMUKHTAR, NASSIR	\$43,500.00	\$45,549.00
RIJO, MARIO C.	\$67,500.00	\$176,122.00
NEW K REALTY	\$41,200.00	\$43,141.00
CARRASCO, DARIS	\$86,800.00	\$218,530.00
RAMIREZ, CARLOS	\$87,800.00	\$261,566.00
EC PROPERTIES HOLDINGS, LLC	\$23,100.00	\$24,188.00
EC PROPERTIES HOLDINGS, LLC	\$23,100.00	\$24,188.00
CEDRO PROPERTIES	\$117,600.00	\$280,728.00
ALIALUDI, ABDALLAH A	\$102,600.00	\$312,245.00
BEM PROPERTIES	\$65,000.00	\$68,062.00
GABO INVESTMENTS, LLC	\$35,000.00	\$36,649.00
BROWN, TAMIKA & COOPER, SHARLYN	\$120,300.00	\$365,961.00
UNITED ASSET MANAGEMENT, LLC	\$58,500.00	\$271,513.00
709 14 TH AVENUE, LLC	\$52,600.00	\$55,077.00
205 EAST 32 ND STREET ASSOCIATION, LLC	\$125,000.00	\$130,888.00

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BETAR REALTY INC	\$65,000.00	\$68,062.00
SILK CITY DEVELOPMENT & RESTO, LLC	\$49,500.00	\$51,831.00
GABO INVESTMENTS	\$45,900.00	\$109,422.00
RESTREPO, IVAN H.	\$63,000.00	\$227,849.00
NK MADISON PROPERTY, LLC	\$76,000.00	\$463,865.00
GARDEN STATE PROPERTIES, LLC	\$50,100.00	\$319,994.00
KHALIFEH GROUP, LLC	\$15,500.00	\$136,961.00
GINAT, RONI	\$427,500.00	\$1,088,460.00
914 EAST 22 ND STREET, LLC	\$49,300.00	\$54,240.00

C. Evaluate existing local revenues as to whether the rates or collections can be increased or imposed, and if so, how changes will be implemented.

Local Revenues and services provided through the General/Current Fund	Check if services are provided	Are fees charged to cover the costs of the program?	If fees do not cover costs, what is the subsidy amount?	If there is a subsidy, explain why fees cannot be increased to reduce or eliminate the subsidy.
Recreation programs	☒	No	The net program services are covered by municipal budget.	The city's socioeconomic profile is below poverty. Thus, many of the residents who need recreation programs the most would be unable to participate if a fee were charged.
Sewer Fees	☒	Yes		
Water Fees	☐			
Swimming Pool	☒	No	The net program services are covered by municipal budget.	The city's socioeconomic profile is below poverty. Thus, many of the residents who have little to no access to private swimming pools would be unable to utilize city pools if a fee were charged.
Uniform Construction Code	☒	Yes		Statutory
Uniform Fire Code	☒	Yes		Statutory
Land Use Fees	☐			
Parking Fees	☐			
Beach Fees	☐			
Insert other local fees below:	☐			
Land Use Escrow fees for in-house staff	☒	Yes		Continuing to improve process to utilize escrow payments to fully cover review by ED staff.
Land Use Escrow fees for independent contractors	☒	Yes		Continuing to improve process to utilize escrow payments to fully cover expenses for board professionals.

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X. Service Delivery

List all services the municipality contracts to another organization, i.e., shared services with another government agency, including formal and informal shared services, memberships in cooperative purchasing programs, and private (commercial) or non-profit organizations.

Type of Service	Name of Contracted Entity	Estimated Amount of Contract	Estimated Savings	Year Last Negotiated (as applicable)
THE PURCHASE OF COPY PAPER FOR VARIOUS DEPARTMENTS AND DIVISIONS	EDUCATIONAL SERVICES COMMISSION OF NEW JERSEY CO-OP 65MCESCCPS BID #ESCNJ 23/24-15	\$100,000.00	N/A	03/04/2025
TREE TRIMMING PRUNING AND REMOVAL SERVICES	NEW JERSEY STATE CONTRACT 18-DPP-00645	\$ 200,000.00	N/A	10/21/2025
THE PURCHASE OF FIREFIGHTER PROTECTIVE CLOTHING AND EQUIPMENT	STATE CONTRACT 17-FLEET-00811	\$73,145.05	N/A	04/15/2025
THE INSTALLATION OF NEW SYNTHETIC TURF FIELD AT THE LESTER TITUS PARK	EDUCATIONAL SERVICES COMMISSION OF NEW JERSEY CO-OP 65MCESCCPS BID #ESCNJ #18/19-55	\$214,023.00	N/A	02/14/2023
MAINTENANCE OF THE VOICE SOFTWARE SUPPORT	NEW JERSEY STATE CONTRACT A-80802	\$46,035.00	N/A	12/16/2025
PURCHASE AND INSTALLATION OF LIGHTS AND EQUIPMENT	BERGEN COUNTY COOPERATIVE BID # 23-17	\$196,612.55	N/A	09/16/2025
SOFTWARE SUPPORT SERVICES RELATED TO THE SDL SYSTEM	NEW JERSEY COOPERATIVE ALLIANCE, CK-04 BERGEN COUNTY BID# 24-38	\$112,876.68	N/A	03/10/2025
THE PURCHASE OF LUMBER INSTALLATION HARDWARE PAINT AND PAINT SUPPLIES	MORRIS COUNTY COOPERATIVE PRICING CONTRACT #10	\$ 30,000.00	N/A	02/18/2025
MAINTENANCE OF RADIOS AND ACCESSORIES	MORRIS COUNTY COOPERATIVE PRICING COUNCIL CONTRACT # 38	\$46,000.00	N/A	08/01/2025
THE PURCHASE OF AMMUNITION	NEW JERSEY STATE CONTRACT NUMBER 17-FLEET-00740	\$65,061.00	N/A	02/18/2025
THE PURCHASE OF TRAFFIC SIGNS AND MATERIALS	MORRIS COUNTY COOPERATIVE PRICING COUNCIL CONTRACT #28	\$140,000.00	N/A	05/20/2025
THE PURCHASE OF LED SIGNAL INDICATION AND WARNING DEVICES	NEW JERSEY STATE CONTRACT NUMBER 24-FOOD-71856	\$140,000.00	N/A	05/20/2025
THE PURCHASE OF THREE FORD VEHICLES	BERGEN COUNTY COOPERATIVE BID# BC-24-43	\$140,476.20	N/A	09/16/2025
PURCHASE OF EQUIPMENT AND ACCESSORIES (POLICE)	BERGEN COUNTY COOPERATIVE CONTRACT CK-04 BID #23.17	\$ 145,482.39	N/A	11/12/2025
THE MAINTENANCE AND REPAIRS OF PORTABLE CAMERAS	BERGEN COUNTY COOPERATIVE CONTRACT CK-04 BID # 24.38	\$79,466.14	N/A	11/12/2025
SYNTHETIC FIELD MAINTENANCE VARIOUS CITY PARKS	EDUCATIONAL SERVICES COMMISSION OF NEW JERSEY CO-OP 65MCESCCPS BID# ESCNJ 22/23-37	\$65,000.00	N/A	02/18/2025
MAINTENANCE REPAIRS TESTING AND INSPECTION SERVICES	NEW JERSEY STATE CONTRACT 22-GN SV2-01885	\$45,000.00	N/A	10/21/2025
THE PURCHASE OF ROCK SALT	PASSAIC COUNTY COOPERATIVE PRICING SYSTEM #38-PCCP	\$300,000.00	N/A	11/12/2025
PURCHASE OF SIX SOLAR POWERED SURVEILLANCE TRAILERS	BERGEN COUNTY COOPERATIVE CONTRACT CK-04 BID #24.38	\$377,852.64	N/A	03/18/2025
PURCHASE AND INSTALLATION OF FOUR PORTABLE SURVEILLANCE SYSTEM WITH MULTI SENSOR CAMERA AND MODEM	BERGEN COUNTY COOPERATIVE CONTRACT CK-04 BID # 24.38	\$60,158.43	N/A	03/18/2025

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MAINTENANCE OF VOICE HARDWARE SUPPORT	NEW JERSEY STATE CONTRACT A- 80802	\$43,110.20	N/A	12/16/2025
THE PURCHASE OF EQUIPMENT AND ACCESSORIES FOR THE POLICE DEPARTMENT	BERGEN COUNTY COOPERATIVE CONTRACT CK-04 BID #23.17	\$196,612.55	N/A	09/16/2025
WIRELESS DEVICES AND SERVICES FOR THE FIRE DEPARTMENT	NEW JERSEY STATE CONTRACT A- 85016	\$60,000.00	N/A	01/17/2025
THE PURCHASE OF ONE 2025 FORD F-150 SPECIAL SERVICE VEHICLE	CRANFORD COOPERATIVE PRICING SYSTEM #47 CPCPS	\$44,358.86	N/A	02/18/2025
THE PURCHASE OF MASK AND REGULATORS FOR NEW RECLUITERS FIRE DEPARTMENT	NEW JERSEY STATE CONTRACT NUMBER 24-FLEET-61850	\$44,315.77	N/A	06/17/2025
PURCHASE OF MEDICAL SUPPLIES FOR THE FIRE DEPARTMENT	EDUCATIONAL SERVICES COMMISSION OF NEW JERSEY CO- OP 65MCESCCPS BID# ESCNJ 23/24-29	\$ 150,000.00	N/A	10/21/2025
THE PURCHASE OF FIVE FORD EXPLORER POLICE VEHICLES	BERGEN COUNTY COOPERATIVE CONTRACT CK-04 BID 24-43	\$220,397.35	N/A	04/15/2025
THE PURCHASE OF TWO 2024 FORD TRANSIT VEHICLES	BERGEN COUNTY COOPERATIVE CONTRACT CK-04 BID # 24-23	\$117,594.00	N/A	02/18/2025
DEMOLITION AND CONSTRUCTION OF THE POLICE OPERATIONAL CENTER	HUNTERTON COUNTY EDUCATIONAL SERVICES # HCESC-SER 20F	\$497,930.00	N/A	01/21/2025

XI. Impact of Limited or No Aid Award

Describe (in detail) the impact of not being granted aid for the current fiscal year. Essential service needs should be given priority. List the appropriate category of impact if the aid is not received. Rank each item from both lists as to the order in which elimination will take place. If across-the-board cuts will be made, indicate under service. **For rank order purposes, consider the two sections as one list. The cuts outlined here are ones the municipality will make without a grant of aid.**

Rank Order	Department/ Division	# Of Layoffs	Effective Date	2025 Full-Time Staffing	2026 Full-Time Staffing	\$ Amount to be Saved
1	City Wide Furlough (Except for all Public Safety department employees, uniformed and non-uniformed)	682 furloughed	7/1/2026 12/31/2026	689	682	Furlough 2 day per pay period: \$1,650,000 total savings
2	General Layoff	28 (\$34,000) 18 (\$50,000) 7 (\$80,000) 3 (\$100,000)	7/1/2026	1585	1578	Per 50 employees laid off, over a 5 month period, and after paying self-insured SUI \$690,800 total savings,
3	Furlough referenced above					The general government services, which cover the day-to-day operations in the City Clerk, City Council, Mayor's Office, Business Administration, Health & Human Services, Finance, DPW, Law, Economic Development, Municipal Court, Library, and Museum would be reduced dramatically. The "quality of life" services that provide garbage and recycling pickup, pick-up downed trees, repair broken street lights, provide health services for the indigent and elderly, etc. would all be reduced to 95% of efficiencies.

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If services will be reduced, describe the service, impact, and associated cost savings.

Rank Order	Service	Cost Savings	Impact on Services

XII. Agreement to Improve Financial Position of Municipality

If aid is granted, the municipality will be required to submit to certain reporting conditions and oversight as authorized by law, and a new MOU will need to be signed. Please mark each box below indicating that the applicant understands and agrees to comply with these broad reporting and oversight provisions.

	Yes	No
1. Allow the Director of DLGS to assign management, financial, and operational specialists to assess your municipal operations.	X	
2. Implement actions directed by the Director to address the findings of DLGS staff.	X	
3. Enter into a new MOU and comply with all its provisions without exception.	X	

XIII. Certification of Past Compliance for Municipalities Currently Operating Under a TA MOU

The undersigned certifies that the municipality is in substantial compliance with the conditions and requirements of the 2025 MOU and is operating in good faith to correct those areas of noncompliance that have been identified.

Mayor: _____

Date: _____

Chief Financial Officer: _____

Date: _____

Chief Administrative Officer: _____

Date: _____

XIV. CAMPS Certification

(County and Municipal Personnel System - Civil Service municipalities only)

For Civil Service municipalities, the undersigned, being knowledgeable thereof, hereby certify that the municipality has listed the names of all current civil service employees in NJ "CAMPS."

Human Resources or Personnel Director: _____

Date: _____

Chief Administrative Officer: _____

Date: _____

XV. Public Employment Relations Commission (PERC) Certification

The undersigned certifies that copies of all active collective negotiations' agreements and the cost-out of each have been delivered to PERC. Support documentation regarding the method of cost out must also be provided.

Chief Administrative Officer: D. G. L. Date: 2/27/26

XV. CERTIFICATION OF APPLICATION FOR TRANSITIONAL AID

The undersigned acknowledges that the municipality must comply with the foregoing requirements to receive Transitional Aid. In addition, included with this application is a copy (printed or electronic) of the budget documentation supporting the budget calculation that was provided to the governing body.

Mayor: [Signature] Date: 2/27/26

Chief Financial Officer: M. Date: 2/27/26

Chief Administrative Officer: D. G. L. Date: 2/27/26