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Mayor Fulop to Introduce 2015 Budget With No Tax Increase; Second Consecutive Year With Substantial Tax Base Growth as Fulop Administration Utilizes Smart, Responsible Fiscal Planning

Budget Reflects \$57 Million in New Tax Ratables, Stabilizing Taxes While Improving Services & Adding Programming; Follows Tax Cut From Prior Year

JERSEY CITY – **Mayor Steven M. Fulop** announced today that the administration will introduce to the City Council the **2015 budget with no tax increase** and that for the **second consecutive year the City’s tax base grew substantially** as the administration continues to implement smart and responsible fiscal planning to keep taxes stable while also improving services and adding new programming.

The announcement follows the **2.13 percent tax decrease in 2014** - a rare accomplishment for cities in New Jersey - as part of the first Fulop administration budget.

“We are changing the way the municipal budget is developed, using a multi-year forecast and not relying on one shot revenue deals,” said **Mayor Fulop**. “We delivered a tax cut last year and kept taxes stable this year, while hiring more police officers and firefighters, investing in our parks and increasing recreational programming. We are being smart and responsible with our taxpayer dollars and are planning for the future.”

The tax base, or ratable base, **grew in Jersey City by \$57 million in 2015** due to Fulop Administration policies encouraging economic investment throughout the city. In 2014, the tax base grew by \$118 million, **with Jersey City now having the largest municipal tax base in the state.**

As a direct result of incentive program changes implemented by the Fulop administration, Jersey City is currently experiencing the greatest construction activity in the City’s history, **with 6,000 units under construction** (including Journal Square for the first time in decades) and **another 18,000 approved.** This economic growth has led to the increase in the property tax base, as well as the increase in fees from construction permits.

(more)

The 2015 budget reflects this new revenue, as well as cost savings:

- Property tax ratables increased by approximately \$57 million
- Municipal Utilities Authority (MUA) revenue increased by \$4 million
- PILOT revenue increased by \$6 million
- Land sales in the amount of \$7.1 million
- Construction permits increased by \$1 million
- Parking Authority Consolidation saved \$1 million (annual)
- Municipal pension changes we sought through state legislature saved \$1 million (annual)

“Our pledge was to consolidate services and cut pension costs, and while it took time, we were able to achieve that goal,” said **Mayor Fulop**. “By working with our legislators in Trenton and state government, we adopted important changes that combined will save us \$2 million or more annually.”

The administration has also developed a budget framework for the next three years to provide a better understanding of cost exposures and provide the ability to correct gradually. This practice will allow the administration to use smart fiscal planning and a long-term budget outlook to identify potential expenditures and savings.

“It only makes sense that you want to know what future liabilities are ahead of you in the coming years as you budget for this year,” said **Mayor Fulop**. “This corporate sector practice is one rarely if ever used by governments, but it is one that works and we believe it can be a model for cities across the country.”

In addition to cutting costs and stabilizing taxes, the 2015 budget will include the hiring of an additional 50 police officers, approximately 30 firefighters, and the continued expansion of recreational programming and park investments throughout the city. The Department of Health and Human Services will grow its senior affairs and the senior nutrition program to reach more senior citizens, while the Jersey City Summer Works program will place nearly 1,000 Jersey City students in summer jobs and internships. The City will also implement an aggressive citywide street repaving program during the spring and summer.

“With increased ratables and streamlined services, Jersey City is moving toward long-term fiscal stability,” said **Council President Rolando Lavarro, Jr.** “The Council will continue to work with the Mayor to keep taxes stable and enhance our residents’ quality of life.”

In 2014, the Fulop administration introduced a budget with a **2.13 percent tax decrease**, while also hiring 38 new police officers and 26 new firefighters, and investing millions of dollars into park improvements and recreation programs citywide.

“We know that lowering taxes is not common in New Jersey, however in Jersey City Mayor Fulop continues to grow the tax base which is significant,” said **Maria Nieves, President and CEO of the Hudson County Chamber of Commerce**. “Stable taxes both attracts and maintains businesses large and small and is an important factor in helping them thrive.”

All media inquiries should be directed to Jennifer Morrill, Press Secretary for Mayor Steven M. Fulop at 201-547-4836 or 201-376-0699.////