ORDINANCE OF THE CITY OF BAYONNE, COUNTY OF HUDSON
APPROVING A FINANCIAL AGREEMENT BY AND BETWEEN THE CITY OF
BAYONNE AND DEVI MATA FLAGSHIP URBAN RENEWAL, LLC FOR THE
PROPERTY IS IDENTIFIED AS BLOCK 751, LOT 1.03 AS SHOWN ON THE
OFFICIAL TAX MAP OF THE CITY OF BAYONNE

WHEREAS, the City of Bayonne, in the County of Hudson, New Jersey
(the “City”), a public body corporate and politic of the State of New Jersey (the
“State”), is authorized pursuant to the Local Redevelopment and Housing Law,
N.J.S.A. 40A:12A-1 et seq. (the “Redevelopment Law”), to determine whether
certain parcels of land within the City constitute an area in need of
rehabilitation and/or an area in need of redevelopment; and

WHEREAS, the Municipal Council of the City (the “Municipal Council”)
adopted 9802-04-040, which designated the entire City of Bayonne as an area
in need of rehabilitation in accordance with the provisions of N.J.S.A. 40A:12A-
14 of the Redevelopment Law; and

WHEREAS, Entity is the owner of certain property identified on the
Tax Maps of the City as Block 751, Lots 1.03 (the "Property") as more
particularly described by the metes and bounds description set forth in the
application submitted by the Entity (the "Application"); and

WHEREAS, the Property is located within an Urban Enterprise Zone (a
“UEZ”); and

WHEREAS, the Property is located within the Harbor Station South
redevelopment area (the "Redevelopment Area"), which has been
designated as an area in need of redevelopment pursuant to the Local
Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq., as amended
and supplemented (the "Local Redevelopment and Housing Law"); and

WHEREAS, pursuant to N.J.S.A. 40A:12A-7, on January 20, 2016,
the City duly adopted Ordinance 0-16-1, approving the redevelopment plan
entitled "Redevelopment Plan For The Peninsula at Bayonne Harbor - Harbor
Station South" as amended by such ordinance (and as same may be further
amended from time to time, the "Redevelopment Plan") for the
Redevelopment Area; and

WHEREAS, MAHALAXMI BAYONNE, LLC, an affiliate of Entity, is the
designated redeveloper of the Property pursuant to a Development and
Purchase and Sale Agreement, dated February 21, 2017 (the “Redevelopment
Agreement”); and
WHEREAS, DEVI MATA FLAGSHIP, LLC, an affiliate of Entity, became the designated redeveloper of the Property pursuant to an assignment from MAHALAXMI BAYONNE, LLC dated May 15, 2018; and

WHEREAS, the proposed project to be undertaken on the Property consists of the construction of a of a new 10-story residential development with associated facilities, including parking and amenities with approximately 598 units together with related site improvements as set forth in the Application (the "Project"); and

WHEREAS, the Entity submitted an Application to the City for approval of an exemption for the Project pursuant to the Long Term Tax Exemption Law, which Application is attached hereto as Exhibit A; and

WHEREAS, DEVI MATA FLAGSHIP URBAN RENEWAL, LLC has applied to the City Council for tax exemption pursuant to the New Jersey Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et. seq. (the “Exemption Law”) with respect to the Project; and

WHEREAS, the City Council finds that the requested tax exemptions will benefit the City and its inhabitants by furthering the redevelopment of the property which had remained underutilized and in disrepair for many years, and that the benefits would substantially outweigh the costs, if any, associated with the tax exemptions; and

WHEREAS, the City Council further finds that the requested tax exemptions are important to the City and that without the incentive of the tax exemptions, it is unlikely that the Project will be undertaken; and

WHEREAS, as part of its application for a tax exemption, DEVI MATA FLAGSHIP URBAN RENEWAL, LLC has submitted a form of Financial Agreement (the “Financial Agreement”) providing for payments in lieu of taxes, a copy of which is attached to this Ordinance; and

WHEREAS, DEVI MATA FLAGSHIP URBAN RENEWAL, LLC has presented to this body certain financial information, copies of which are attached as exhibits to this Ordinance; and

WHEREAS, the City Council deems it to be in the best interest of the City to pass an Ordinance authorizing the City to enter into the proposed Financial Agreement with DEVI MATA FLAGSHIP URBAN RENEWAL, LLC on the terms and conditions stated in the applicable form of Financial Agreement attached to this Ordinance;

NOW, THEREFORE, be it Ordained that the City Council of the City of Bayonne does hereby adopt the tax exemptions for DEVI MATA FLAGSHIP URBAN RENEWAL, LLC as follows:
Section 1. The development of the Project is hereby approved for the grant of a tax exemption under the Exemption Law by virtue of, pursuant to and in conformity with the provisions of the Exemption Law.

Section 2. The Mayor is hereby authorized to execute a 25 year Financial Agreement with DEVI MATA FLAGSHIP URBAN RENEWAL, LLC at the greater of (a) 11% of Gross Annual Revenue or 20% of the otherwise applicable taxes until the 10th anniversary of the ASC Commencement Date, (b) 11% of Gross Annual Revenue or 40% of the otherwise applicable taxes from the first day after the 10th anniversary to the 15th anniversary, (c) 12.5% of Gross Annual Revenue or 60% of the otherwise applicable taxes from the first day after the 15th anniversary to the 21st anniversary and (d) 14% of Gross Annual Revenue or 80% of the otherwise applicable taxes from the first day after the 21st anniversary to the 25th anniversary in substantially the form attached hereto and subject to any further review, analysis or modifications that counsel may deem appropriate.

Section 3. During the term of the tax exemption with respect to DEVI MATA FLAGSHIP URBAN RENEWAL, LLC there shall be paid to the City in lieu of any taxes to be paid on the improvements of the Project, an annual service charge determined as provided in the Financial Agreement and as set forth above.

Section 4. Counsel is authorized to prepare, and the Mayor is hereby authorized to execute, any additional documents that may be necessary to implement and carry out the intent of the Financial Agreement.

JFC/jc