

ORDINANCE OF THE CITY OF BAYONNE, COUNTY OF HUDSON APPROVING A FINANCIAL AGREEMENT BY AND BETWEEN THE CITY OF BAYONNE AND 26 NORTH AVENUE URBAN RENEWAL, LLC FOR THE PROPERTY LOCATED AT 26 NORTH STREET, WHICH PROPERTY IS IDENTIFIED AS BLOCK 297, LOT 3 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 98-02-04-040, 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, the Municipal Council, pursuant to Resolution No. 15-02-18-022, directed the Planning Board, to prepare and review a redevelopment plan for 8th Street Station Area (the “**Rehabilitation Area**”) and make recommendations to the Municipal Council in accordance with the Redevelopment Law; and

WHEREAS, the City of Bayonne, Division of Planning & Zoning, Department of Administration in conjunction with Local and Planning Services of the Department of Community Affairs, prepared a rehabilitation plan for the Rehabilitation Area titled “City of Bayonne 8th Street Station Rehabilitation Area Plan” revised through April 24, 2015 (the “**Redevelopment Plan**”); and

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

WHEREAS, on May 20, 2015, the Municipal Council pursuant to Ordinance O-15-13 adopted the Redevelopment Plan dated March 9, 2015 and revised through April 24, 2015; and

WHEREAS, on May 20, 2015, 26 North Avenue, LLC was the owner of the property located within the Rehabilitation Area, which is designated as 26 North Street, and identified as Block 297, Lot 3 on the official Tax Maps of the City of Bayonne (the “**Property**”); and

WHEREAS, on October 21, 2015, 26 North Avenue, LLC, was designated redeveloper of the Property; and

WHEREAS, on August 30, 2016, 26 North Avenue, LLC became 26 NORTH AVENUE URBAN RENEWAL, LLC via an Amendment to the Certificate of Formation filed with the State of New Jersey; and

WHEREAS, 26 NORTH AVENUE URBAN RENEWAL, LLC proposes to develop a parcel of approximately 1.8 acres with a Project consisting of the development and construction of a twenty-two (22) story residential structure containing 170 residential units, approximately 3, 990 square feet of ground floor commercial space, approximately 237 vehicular parking spaces and other improvements and community amenities required by the Rehabilitation Plan; and

WHEREAS, 26 NORTH AVENUE 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, 26 NORTH AVENUE 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, 26 NORTH AVENUE 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 26 NORTH AVENUE 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 26 NORTH AVENUE 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 the Financial Agreement with 26 NORTH AVENUE URBAN RENEWAL, LLC 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 26 NORTH AVENUE 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.

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