

**ORDINANCE OF THE CITY OF BAYONNE, COUNTY OF HUDSON APPROVING A FINANCIAL AGREEMENT BY AND BETWEEN THE CITY OF BAYONNE AND 175 WEST 7<sup>TH</sup> URBAN RENEWAL, LLC FOR THE PROPERTY LOCATED AT 175 WEST 7<sup>TH</sup> STREET, WHICH PROPERTY IS IDENTIFIED AS BLOCK 304, LOT 1 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 8<sup>th</sup> 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 December 13, 2016 the Planning Board of the City of Bayonne passed Resolution P-16-037 granting JINCO, INC. preliminary and final major site plan approval and bulk variance relief to allow the construction of a five (5) story residential building with fifty-six (56) luxury residential units and fifty-six (56) on-site parking spaces on property located at 175 West 7<sup>th</sup> Street in City Block 304, Lot 1, (the “**Property**”) which property is located within the Rehabilitation Area and is within an Urban Enterprise Zone (a “**UEZ**”); and

**WHEREAS**, 175 West 7<sup>th</sup>, LLC is the successor in interest and in title to JINCO, INC. and is owner of the Property located within the Rehabilitation Area, which is designated as 175 West 7<sup>th</sup> Street, and identified as Block 304, Lot 1 on the official Tax Maps of the City of Bayonne (the “**Property**”); and

**WHEREAS**, 175 West 7<sup>th</sup>, LLC applied to and received from the State of New Jersey Department of Community Affairs a Certificate of Compliance dated April 2, 2018 authorizing it to amend its Certificate of Formation to qualify as an Urban Renewal Entity and change its name to 175 West 7<sup>th</sup> Urban Renewal, LLC; and

**WHEREAS**, the amended and restated Certificate of Formation was filed with the Treasurer of the State of New Jersey on July 11, 2018; and

**WHEREAS**, 175 West 7<sup>th</sup> Urban Renewal, LLC proposes to develop the Property by constructing one building consisting of approximately fifty-six (56) residential units with a parking garage containing fifty-six (56) parking spaces along with common space areas, including a lounge/gym area and an outdoor roof deck located on top of the first floor parking garage which shall include seating and planters consistent with terms of the site plan approval and with the Rehabilitation Plan; and

**WHEREAS**, 175 West 7<sup>th</sup> 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, 175 West 7<sup>th</sup> 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**, 175 West 7<sup>th</sup> 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 175 West 7<sup>th</sup> 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 175 West 7<sup>th</sup> 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 175 West 7<sup>th</sup> 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 175 West 7<sup>th</sup> 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