

O-16-12
03/16/16

**ORDINANCE OF THE CITY OF BAYONNE, COUNTY OF HUDSON
APPROVING A FINANCIAL AGREEMENT WITH 195 EAST 22ND
STREET URBAN RENEWAL LLC**

WHEREAS, the Local Redevelopment and Housing Law, *N.J.S.A. 40A:12A-1, et seq.* (the "**Redevelopment Law**"), authorizes municipalities to determine whether certain parcels of land in the municipality constitute areas in need of redevelopment; and

WHEREAS, pursuant to Section 6 of the Redevelopment Law (*N.J.S.A. 40A:12A-6*), on October 6, 2004 and January 19, 2005, the Municipal Council of the City of Bayonne, in the County of Hudson, New Jersey (the "**City**") designated the property commonly known as Tax Map Block 452.01, Lots 1, 2, 3, 4 and 9 (Tax Book Block 452, Lots 1, 2, 3, 4 and 9); Tax Map Block 453.01, Lots 1, 2, 5, 6, 7, 8, 9, 10 and 11 (Tax Book Block 453, Lots 1, 2, 5, 6, 7, 8, 9, 10 and 11); and Tax Map Block 503, Lots 8 and 9 (Tax Book Block 503, Lots 8 and 9) on the tax map of the City, as an area in need of redevelopment, said area consisting of 17 lots with a total area of approximately 52.25 acres (the "**Redevelopment Area**"); and

WHEREAS, on January 19, 2005, the City Council adopted a resolution (a) designating the area commonly known as Tax Map Block 453, Lot 2 (Tax Map Block 453.01, Lot 2) as an area in need of redevelopment (the "**Second Redevelopment Area**") and together with the First Redevelopment area the ("**Redevelopment Area**") and (b) reaffirming its designation of the First Redevelopment Area; and

WHEREAS, on June 15, 2005, the City Council adopted the Redevelopment Plan for the Redevelopment Area through Ordinance 0-05-20 (the "**Original Redevelopment Plan**"); and

WHEREAS, on December 6, 2006, the City Council adopted amendments to the Original Redevelopment Plan through Ordinance 0-06-43 (the "**First Amended Redevelopment Plan**"); and

WHEREAS, on December 12, 2006, the City Planning Board granted Cameron Bayonne, LLC, the designated redeveloper (the "**Redeveloper**") of the Redevelopment Area, major site plan approval with respect to its proposed redevelopment project the ("**Original Planning Board Approval**"); and

WHEREAS, on February 18, 2009, the City Council (a) adopted further amendments to the Original Redevelopment Plan, as amended by the First Amended Redevelopment Plan, and (b) restated the Original Redevelopment Plan incorporating all amendments therein through Ordinance 0-09-04 (the "**Amended and Restated Redevelopment Plan**"); and

WHEREAS, on February 18, 2009, the City Council (a) adopted further amendments to the Original Redevelopment Plan, as amended by the First Amended Redevelopment Plan, and restated the Original Redevelopment Plan incorporating all amendments therein through Ordinance 0-09-04 (the "**Amended and Restated Redevelopment Plan**"); and

WHEREAS, on November 5, 2014 the Municipal Council requested the Planning Board to consider an Amendment to the Route 440 Corridor East Redevelopment Area Redevelopment Plan by providing for overlay zoning for Block 452.02 Lots 1, 2, 3, 4 and 9 to allow changes to the permitted uses in the Redevelopment Plan a portion of the Redevelopment Area that is not part and parcel of the Bayonne Crossing Shopping Center, specifically that portion of the Redevelopment Area known as Block 452.01, Lots 1, 2 and 9, located at the southeast corner of the Redevelopment Area, bounded by Route 440 and East 22nd Street to the South, consisting of approximately 2.7 acres, might benefit from an overlay plan or zone and the consideration of uses not permitted under the Redevelopment Plan and other site amendments; and

WHEREAS, on November 12, 2014, the Municipal Council passed an Ordinance approving said overlay plan or zone; and

WHEREAS, 195 EAST 22nd STREET URBAN RENEWAL LLC will be acquiring Block **452.01**, Lot **9** and is already the owner of Block **452.01**, Lots **1 and 2**, all of which combined are designated as the "Property"; and

WHEREAS, the Property is located within a designated Urban Enterprise Zone of the City of Bayonne pursuant to N.J.S.A. 52:27H-61 et seq.; and

WHEREAS, 195 EAST 22nd STREET URBAN RENEWAL, LLC proposes to construct three (3) separate buildings containing 26,056 square feet of retail space, along with associated parking and improvements (the "Project") in the project area;

WHEREAS, 195 EAST 22nd STREET 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 vacant 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, 195 EAST 22nd STREET 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, 195 EAST 22nd STREET 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 195 EAST 22ND STREET 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 195 EAST 22nd STREET 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 195 EAST 22nd STREET 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 195 EAST 22nd STREET 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