

**O-16-28**  
**05/18/16**

**ORDINANCE OF THE CITY OF BAYONNE, COUNTY OF HUDSON  
APPROVING A FINANCIAL AGREEMENT WITH BARNABAS BAYONNE  
DEVELOPMENT URBAN RENEWAL CORP.**

**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

**WWHEREAS**, on April 9, 2014, the municipal council of the City (the “City Council”) adopted Resolution No. 14-04-09-004 designating the property commonly known as Block 195, Lot 2 and Block 196, Lots 1-7 on the tax map of the city as an area in need of redevelopment pursuant to the provisions of the Redevelopment Law; and

**WHEREAS**, on September 10, 2014, the Municipal Council adopted Resolution No. 14-12-10-053 rescinding the designation of Block 196, Lot 3 as an area in need of redevelopment, and affirming the prior designation of Block 195, Lot 2 and Block 196, Lots 1-2 and 4-7 (the “Redevelopment Area”) as an area in need of redevelopment under the Redevelopment Law; and

**WHEREAS**, the Redevelopment Area encompasses approximately 2.1452 acres of land located on the western side of Broadway between W. 23<sup>rd</sup> and W. 24<sup>th</sup> Streets, including that portion of Del Monte Drive between W. 23<sup>rd</sup> and W.24<sup>th</sup> Streets; and

**WHEREAS**, Pursuant to N.J.S.A. 40A:12A-7, on March 18, 2015, the City duly adopted Ordinance No. 0-15-06 approving a redevelopment plan entitled “Redevelopment Plan for Block 195, Lot 2; Block 196, Lots 1-2 and 4-7 Del Monte Drive” as amended by such ordinance (and as same may be further amended from time to time, the “Redevelopment Plan”) for the aforesaid Redevelopment Area; and

**WHEREAS**, on December 1, 2015 the City of Bayonne entered into a Redevelopment Agreement with Bayonne Landco, LLC in connection with a redevelopment project concerning the property designated as Block 195, Lot 2 and Block 196, Lots 1 through 7 on the tax maps of the City of Bayonne (Broadway between 23<sup>rd</sup> and 24<sup>th</sup> streets, including a portion of Del Monte Drive); and

**WHEREAS**, as set forth within the body of the aforesaid Redevelopment Agreement, Bayonne Landco, LLC had been acting as an agent for an entity known as “Barnabas Health Realty – Bayonne Project, LLC” in connection with this redevelopment project; and

**WHEREAS**, Barnabas Health Realty – Bayonne Project, LLC requested that the City of Bayonne permit the former to transfer the aforesaid Redevelopment Agreement and the designation of Redeveloper from Bayonne Landco, LLC to Barnabas Bayonne

Development Corp., a wholly owned affiliate of Barnabas Health Realty - Bayonne Project, LLC; and

**WHEREAS**, Bayonne Landco, LLC further sought approval from the City of Bayonne that once the transfer and re-designation to Barnabas Bayonne Development Corp. was approved, Barnabas Health Realty – Bayonne Project, LLC would transfer title to the Project Premises and the appurtenant ground lease to Barnabas Bayonne Development Corp. which, in turn, would be reconstituted as an urban renewal entity; and

**WHEREAS**, on March 16, 2016, The City Council of the City of Bayonne passed Resolution 16-03-16-070 approving of the transfers noted above in order to allow for Barnabas Bayonne Development Urban Renewal Corp. to be the title owner and Redeveloper of the Project and/or Redevelopment Area; and

**WHEREAS**, the Redeveloper proposes to redevelop the Redevelopment Area with an approximately 80,000 square foot, three story ambulatory care center, including a satellite emergency department, outpatient imaging facility, outpatient laboratory and medical office clinic space (the “Medical Facility”), a structured parking facility (the “Parking Garage”) and all related improvements (the “Project”); and

**WHEREAS**, Barnabas Bayonne Redevelopment Urban Renewal Corp 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, Barnabas Bayonne Development Urban Renewal Corp. 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**, Barnabas Bayonne Development Urban Renewal Corp. 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 Barnabas Bayonne Development Urban Renewal Corp. 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 Barnabas Bayonne Development Urban Renewal Corp. 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 Barnabas Bayonne Development Urban Renewal Corp. 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 Barnabas Bayonne Development Urban Renewal Corp. 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