

O-17-57
11/08/17

**ORDINANCE OF THE CITY OF BAYONNE, COUNTY OF HUDSON
APPROVING A FINANCIAL AGREEMENT WITH MAHALAXMI
BAYONNE URBAN RENEWAL, LLC**

WHEREAS, on the basis of a preliminary investigation and recommendation of the Planning Board of the City of Bayonne (the “Planning Board”) pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et. seq., the City Council of the City of Bayonne (the “City Council”) determined that certain property located at Goldsborough Drive and Flagship Street and designated as Block 751 Lots 1.01, 1.02, 1.03, 1.4 and 1.05, (the “**Property**”) on the Tax Map of the City of Bayonne (the “City”), and all air rights and riparian rights attached or associated with those parcels, should be classified as a redevelopment area in accordance with N.J.S.A. 40A: 12A-5 (the “**Redevelopment Area**”); and

WHEREAS, at the discretion of the City Council, the Planning Board prepared and recommended adoption of a proposed redevelopment plan; and

WHEREAS, MAHALAXMI BAYONNE URBAN RENEWAL, LLC is the owner or designated redeveloper of the Property which is located within the Harbor Station South 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 O-16-1, approving the Redevelopment Plan entitled “redevelopment Plane 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 URBAN RENEWAL , LLC proposes to construct a five (5) story mixed use building consisting of 97 residential units and commercial space as approved by the Planning Board of the City of Bayonne on July 17, 2017 and memorialized in Resolution P-17-013; and

WHEREAS, MAHALAXMI BAYONNE 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, MAHALAXMI BAYONNE 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, MAHALAXMI BAYONNE 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 MAHALAXMI BAYONNE 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 MAHALAXMI BAYONNE 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 MAHALAXMI BAYONNE 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 MAHALAXMI BAYONNE 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