

O-17-62  
12/13/17

**ORDINANCE OF THE CITY OF BAYONNE, COUNTY OF HUDSON APPROVING A FINANCIAL AGREEMENT BY AND BETWEEN THE CITY OF BAYONNE AND PENINSULA LOFTS URBAN RENEWAL, LLC FOR A PORTION OF THE BROADWAY CORRIDOR REDEVELOPMENT AREA LOCATED NEAR STANDARD PLACE ON EAST 19<sup>TH</sup> STREET AND ON AVENUE E MORE PARTICULARLY IDENTIFIED AS BLOCK 221, LOTS 8, 9, 10, 11, 12 AND 13 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**”) identified certain properties in the City, designated as Block 211, Lots 16, 17, 18 and 19, Block 221, Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28 and 29, Block 226, Lots 30, 31, 32, 33, 34 and 35, and Block 458, Lots 12 and 13 on the City’s Tax Maps (the “**Study Area**”), to be considered for designation as an “area in need of redevelopment” under the Redevelopment Law; and

**WHEREAS**, by Resolution No. 03-07-16-071 adopted on July 16, 2003, the Municipal Council authorized and directed the Planning Board to conduct a preliminary investigation to determine whether the Study Area constitutes an “area in need of redevelopment” according to the criteria set forth in *N.J.S.A. 40A:12A-5*; and

**WHEREAS**, John Fussa, P.P., then City Planner of the City of Bayonne, Division of Planning & Zoning, prepared a written report, which included the Property, entitled “Redevelopment Study – Broad Corridor Study Area, City of Bayonne, Hudson County, New Jersey” dated August 2004; and

**WHEREAS**, on September 14, 2004 and October 12, 2004, the Planning Board held a public hearing, duly noticed under the Redevelopment Law, and any persons interested in or affected by a determination that the Property is an area in need of redevelopment were given an opportunity to be heard, and any objections to such a determination and evidence in support of those objections, were received and considered and made part of the public record; and

**WHEREAS**, by Resolution 04-11-10-082 adopted on November 10, 2004, the Municipal Council adopted a Resolution formally designating the Property as an “area in need of redevelopment” (the “**Broadway Corridor Redevelopment Area**”); and

**WHEREAS**, the Broadway Corridor Redevelopment Area includes certain properties located at 33-43 East 19<sup>th</sup> Street, 197-205 Avenue E Rear and 4 Standard

Place in the City, which properties are identified as Block 221, Lots 8, 9, 10, 11, 12 and 13, on the official Tax Map of the City (the “**Property**”);

**WHEREAS**, on January 20, 2016, the Planning Board of the City (the “**Planning Board**”) was directed by the Municipal Council pursuant to Resolution No. 16-01-20-011 to prepare and review a Redevelopment Plan, and to transmit its recommendations relating to the Redevelopment Plan to the Municipal Council in accordance with the provisions of N.J.S.A. 40A:12A-7 of the Redevelopment Law; and

**WHEREAS**, the City of Bayonne, Division of Planning and Zoning, Department of Municipal Services, prepared a redevelopment plan entitled the “Redevelopment Plan Block 221, Lots 8,9,10,11,12,13 Villa Nova Site Known as 33-43 East 19<sup>th</sup> Street, 197-205 Avenue E Rear and 4 Standard Place” dated March 8, 2016, (the “**Redevelopment Plan**”) for the Municipal Council’s consideration; and

**WHEREAS**, on March 8, 2016, the Planning Board reviewed the Redevelopment Plan and adopted a Resolution, which recommended the adoption of the Redevelopment Plan to the Municipal Council and concluded that said Plan is consistent with the Master Plan of the City of Bayonne (the “**Resolution**”); and

**WHEREAS**, on April 20, 2016 this Municipal Council passed Ordinance O-16-17 adopting a Redevelopment Plan for a Portion of the Broadway Corridor Redevelopment Area identified as Block 221, Lots 8-13 on the Tax Map of the City of Bayonne; and

**WHEREAS**, Peninsula Lofts Urban Renewal, LLC proposes to develop a parcel of approximately one acre, depending on the final amount of land acquired in Block 221, with a Project comprised of 177 residential units to be developed in a holistic manner including the construction of on-site parking improvements and the repurposing of vacant and underutilized properties in close proximity to Avenue E. Subject to the limitation set forth above, it is projected that the Project will encompass Block 221, Lots 8, 9, 10, 11, 12 and 13; and

**WHEREAS**, Peninsula Lofts 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, Peninsula Lofts 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**, Peninsula Lofts 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 Peninsula Lofts 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 Peninsula Lofts 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 Peninsula Lofts 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 Peninsula Lofts 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

Revised 7-23-2017  
Long Term Tax Exemption-N.J.S.A. 40A:20-1, et seq.

Re: The City of Bayonne, New Jersey  
Block 221 at 19<sup>th</sup> Street, near Standard Place  
Lot 8-East 19th Street  
Lot 9 East 19th Street  
Lot 10 Avenue E-Rear  
Lot 11-East 19th Street  
Lot 12-East 19<sup>th</sup> Street  
Lot 13 East 20th Street

**FINANCIAL AGREEMENT**  
**BY AND BETWEEN**  
**THE CITY OF BAYONNE**  
**AND**  
**PENINSULA LOFTS URBAN RENEWAL LLC**

DATED AS OF \_\_\_\_\_, 2017