

O-20-29
04/15/20

ORDINANCE OF THE CITY OF BAYONNE, COUNTY OF HUDSON APPROVING A FINANCIAL AGREEMENT BY AND BETWEEN THE CITY OF BAYONNE AND PLATTYKILL URBAN RENEWAL, LLC FOR THE PROPERTY LOCATED AT 18-52 EAST 12TH STREET, WHICH PROPERTY IS IDENTIFIED AS BLOCK 268, LOT 2 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 9802-04-040, 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, Plattykill Urban Renewal, LLC (the “**Entity**”) is the owner of certain property identified on the Tax Maps of the City as Block 268, Lot 2 (the “**Property**”) as more particularly described by the metes and bounds description set forth in the application submitted by the Entity (the “**Application**”); and

WHEREAS, the Property is currently receiving a tax exemption pursuant to the New Jersey Long Term Tax Exemption Law, *N.J.S.A. 40A:20-1 et. seq.* (the “**Exemption Law**”) as the property operates as a 147 unit low and moderate income apartment complex; and

WHEREAS, the Entity has submitted an Application to the City for approval of an extension of the tax exemption for the Project pursuant to the Exemption Law, which Application is attached hereto as *Exhibit A*; and

WHEREAS, the Entity 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**”) and *N.J.S.A. 55:16-18* with respect to the Project; and

WHEREAS, under the terms of the proposed agreement the Entity will undertake the rehabilitation of each individual unit within the property to be completed within twenty four months of the effective date of the financial agreement; and

WHEREAS, under the terms of the proposed agreement the Entity will be required to maintain the low and moderate income units as a condition of the financial agreement; and

WHEREAS, the City Council finds that the requested tax exemptions will benefit the City and its inhabitants by furthering the improving the quality live of the projects residents and maintaining the affordability of the property, and that the benefits would substantially outweigh the costs, if any, associated with the tax exemptions;

WHEREAS, as part of its application for a tax exemption, the Entity 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, the Entity 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 Plattykill 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 Plattykill 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 Plattykill 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 Plattykill 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. The tax exemption grated is conditioned on the rehabilitation of the 147 units within the property and the maintenance of the low- and moderate-income designation of each unit.

Section 5. 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.