

O-20-36
07/15/20

ORDINANCE OF THE CITY OF BAYONNE, COUNTY OF HUDSON APPROVING A FINANCIAL AGREEMENT BY AND BETWEEN THE CITY OF BAYONNE AND LEG-BP BAYONNE OWNER URBAN RENEWAL, LLC FOR THE PROPERTY LOCATED WITHIN THE MARITIME DISTRICT AT MOTBY, WHICH PROPERTY IS IDENTIFIED AS BLOCK 1180, LOTS 1.01 AND 1.02 AS SHOWN ON THE OFFICIAL TAX MAP OF THE CITY OF BAYONNE (Lincoln equities)

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, LEG-BP BAYONNE OWNER, LLC (the “**Redeveloper**”) is the owner of certain property identified on the Tax Maps of the City as Block 1180 Lots 1.01 and 1.02, (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 **Redeveloper** intends to transfer all rights and obligation for the development of the Property to LEG-BP BAYONNE OWNER URBAN RENEWAL, LLC (the “**Entity**”), and

WHEREAS, the on November 23, 1999 the City Council designated the Property as a non-condemnation area in need of redevelopment (the Redevelopment Area”).

WHEREAS, pursuant to N.J.S.A. 40A:12A-7, on August 24, 2001, the City duly adopted an ordinance approving the redevelopment plan entitled “The Peninsula at Bayonne Harbor BLRA Redevelopment Plan”, (the “**Redevelopment Plan**”) for the Redevelopment Area; and

WHEREAS, pursuant to N.J.S.A. 40A:12A-7, the city has amended the Redevelopment on several occasions with the last amendment being adopted by the City Council on May 16, 2018, (the “**Amended Redevelopment Plan**”); and

WHEREAS, on April 18, 2018, the City Council designated the Redeveloper as the redeveloper of the property; and

WHEREAS, the proposed project to be undertaken on the Property consists of the construction of approximately one million four hundred and fifty thousand square ft of warehousing and associated parking and infrastructure improvements approved by City of Bayonne Planning Board (the “**Project**”); and

WHEREAS, the Entity has submitted an Application to the City for approval of an a 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”) with respect to the Project; and

WHEREAS, the City and the Entity reviewed the request and adjusted the terms of the Financial Agreement, and

WHEREAS, the City Council finds that the requested tax exemptions will benefit the City and its inhabitants by furthering and improving the quality life, restoring a contaminated site, providing economic opportunities to 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, 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, 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 to LEG-BP BAYONNE OWNER 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 to LEG-BP BAYONNE OWNER 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 to LEG-BP BAYONNE OWNER 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 LEG-BP BAYONNE OWNER 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.