

O-21-07
1/20/21

ORDINANCE OF THE CITY OF BAYONNE, COUNTY OF HUDSON AMENDING A FINANCIAL AGREEMENT BY AND BETWEEN THE CITY OF BAYONNE AND PARKVIEW REALTY URBAN RENEWAL, LLC FOR THE PROPERTY LOCATED AT 101 EAST 23rd STREET, WHICH PROPERTY IS IDENTIFIED AS BLOCK 445, LOT 1.01 AS SHOWN ON THE OFFICIAL TAX MAP OF THE CITY OF BAYONNE TO CORRECT THE ANNUAL SERVICE CHARGE SCHEDULE.

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, Parkview Realty Urban Renewal, LLC (the “Entity”) is the owner of certain property identified on the Tax Maps of the City as Block 445, Lot 1.01 (the “Property”); and

WHEREAS, the Entity and the City previously entered into a Financial agreement pursuant to the New Jersey Long Term Tax Exemption Law, *N.J.S.A. 40A:20-1 et. seq.* (the “Exemption Law”) dated December 18, 2017, which was duly approved by adoption of an Ordinance of the City Council and duly recorded in the Hudson County Register’s Office on February 16, 2018, in Deed Book 9283 at Page 161 for the Property; and

WHEREAS, upon further review and inspection an error was discovered related to the schedule of payments of the Annual Service Charge and term contained in the Financial Agreement; and

WHEREAS, in order to comply with *N.J.S.A. 40A:20-1 et. seq.* it is necessary to amend the agreement to correct the payment schedule; and

WHEREAS, the City Council recognizes the need to amended the Financial Agreement as stated in the Corrective Amendment to Financial Agreement attached hereto as Exhibit A .

NOW THEREFORE, be it Ordained that the City Council of the City of Bayonne does hereby amend the Financial Agreement entered into with Parkview Realty Urban Renewal, LLC as follows:

Section 1. The aforementioned recitals are incorporated herein as though fully set forth at length.

Section 2. Article III of the Financial Agreement, entitled “Duration of Agreement”, Section 3.01, entitled “Term” is corrected as follows:

The time frames stated in Section 3.01 with respect to the term are corrected to be (i) thirty-five (35) years from the date of the Effective Date or (ii) thirty (30) years from the Annual Service Charge Start Date.

All other provisions of Article III shall remain unchanged.

Article IV of the Financial Agreement, entitled “Annual Service Charge”, Section 4.03, entitled “Annual Service Charge Amount”, is corrected as follows:

Delete entirety of provisions labeled “Stage One” through “Stage Five” and replace with the following:

- (a) **Stage One:** From the date of issuance of a Certificate of Occupancy ("ASC Commencement Date") until the 10th anniversary of the ASC Commencement Date, the Annual Service Charge shall be 11% of the Annual Gross Revenue; from the first day after the 10th anniversary of the ASC Commencement Date until the 15th anniversary of the ASC Commencement Date, the Annual Service Charge shall be 12% of the Annual Gross Revenue;
- (b) **Stage Two:** From the first day after the 15th anniversary of the ASC Commencement Date until the 20th anniversary of the ASC Commencement Date, the Annual Service Charge shall be equal to the greater of 12% of the Annual Gross Revenue or 20% of otherwise applicable taxes;
- (c) **Stage Three:** From the first day after the 20th anniversary of the ASC Commencement Date until the 25th anniversary of the ASC Commencement Date, the Annual Service Charge shall be equal to the greater of 13% of the Annual Gross Revenue or 40% of otherwise applicable taxes;
- (d) **Stage Four:** From the first day after the 25th anniversary of the ASC Commencement Date until the 27th anniversary of the ASC Commencement Date, the Annual Service Charge shall be equal to the greater of 13% of the Annual Gross Revenue or 60% of otherwise applicable taxes;
- (e) **Stage Five:** From the first day after the 27th anniversary of the ASC Commencement Date until the 30th anniversary of the ASC Commencement Date, the Annual Service Charge shall be equal to the greater of 13% of the Annual Gross Revenue or 80% of otherwise applicable taxes.

All other provisions of Article IV shall remain unchanged.

Article X of the Financial Agreement, Section 10.01, entitled Notice, Paragraph A, is amended to provide:

When sent to the Entity, it shall be addressed as follows:

Parkview Realty Urban Renewal, LLC
c/o Cypress Equity Investments
248 Columbia Turnpike, Ste. 302
Florham Park, NJ 07932
Att: Mr. James Puleo, Project Manager

All other provisions of Article X shall remain unchanged

Section 3. All other terms and conditions of the Financial Agreement between the City of Bayonne and Parkview Realty Urban Renewal, LLC remain in full force and effect.

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 Ordinance.

Section 5. This Ordinance shall take effect in accordance with all applicable laws.