

O-21-23
5/12/21

ORDINANCE OF THE CITY OF BAYONNE, COUNTY OF HUDSON APPROVING A FINANCIAL AGREEMENT BY AND BETWEEN THE CITY OF BAYONNE AND SWL URBAN RENEWAL, LLC FOR THE PROPERTY LOCATED AT 69-71 NEW HOOK ROAD, WHICH PROPERTY IS IDENTIFIED AS BLOCK 416, LOT 2.01 AS SHOWN ON THE OFFICIAL TAX MAP OF THE CITY OF BAYONNE (Delta Storage)

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, by Resolution No. R-8, adopted on January 9, 2018, the City designated as an “area in need of redevelopment”, as defined in and in accordance with the Redevelopment Law, property identified as Block 416, Lots 1 and 2 on the tax maps of the City of Bayonne (the “Redevelopment Area”); and

WHEREAS, by Resolution No. R-19-02-20-070, adopted on February 20, 2019, the Municipal Council authorized and directed the Planning Board of the City of Bayonne to prepare a redevelopment plan for the Redevelopment Area; and

WHEREAS, by Ordinance No. 0-19-18, adopted on March 20, 2019 and Ordinance No. O-19-36, adopted on May 15, 2019, the Municipal Council adopted a redevelopment plan for the Redevelopment Area entitled “Redevelopment Plan 69-71 New Hook Road,” prepared by the City of Bayonne Office of Planning & Zoning, Department of Community Development, dated February 13, 2019; and

WHEREAS, Sixth Wave Logistics, LLC obtained site plan and minor subdivision approvals from the Planning Board of the City of Bayonne, as set forth in a written memorialization resolution adopted by the Planning Board on October 13, 2020 to modify the lot line to create new Lots 1.01 and 2.01 and provide for development and redevelopment of Lots 1.01 and 2.01 consistent with the Redevelopment Plan; and

WHEREAS, by Resolution the City Council has designated Sixth Wave Logistics, LLC as “redeveloper”, as defined in the Redevelopment Law, of Block 416, Lot 2.01 to undertake development, redevelopment, and construction on Lot 2.01 (the “Property”) in accordance with the Redevelopment Plan, and related improvements; and

WHEREAS, prior to commencement of construction, Sixth Wave Logistics, LLC will transfer Block 416, Lot 2.01 to SWL Urban Renewal, LLC and Sixth Wave Logistics, LLC will assign the Redevelopment Agreement to SWL Urban Renewal, LLC.

WHEREAS, the SWL Urban Renewal, LLC proposes to construct, on the planned Lot 2.01, a new 205,000 square foot flex space warehouse building, which will include 185,000 square feet of storage warehouse, 10,000 square feet for office space, and an additional 10,000 square feet for a mezzanine level inside the warehouse (the “**Project**”). The flex space warehouse will utilize the two existing driveways already onsite, and will construct two new driveways. The Project anticipates 148 parking spaces for off-street parking, 32 trailer parking spaces, and 48 loading bays; and

WHEREAS, the SWL Urban Renewal, LLC has submitted an Application to the City for approval of a tax exemption for the Project pursuant to the LTTE 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 LTTE 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 exemption will benefit the City and its inhabitants by improving the use of the Property and providing economic opportunities for residents through construction and permanent job creation, and the benefits would substantially outweigh the costs, if any, associated with the tax exemption;

WHEREAS, the City Council further finds that the requested tax exemption is important to the City and that without the incentive of the tax exemption, it is unlikely that the Project will be undertaken; and

WHEREAS, the City has undertaken a policy to encourage jobs, both construction related and permanent, and has determined to suspend certain affordable housing requirements in furtherance of such policy; 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 SWL 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 SWL 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 SWL 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 SWL 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.