

O-23-03
01/18/23

ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF BAYONNE, COUNTY OF HUDSON, STATE OF NEW JERSEY APPROVING A FINANCIAL AGREEMENT BY AND BETWEEN THE CITY OF BAYONNE AND 7 HOOK ROAD URBAN RENEWAL, LLC FOR THE PROPERTY LOCATED AT 7 LOWER HOOK ROAD, WHICH PROPERTY IS IDENTIFIED AS BLOCK 479, LOT 1 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"), 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, pursuant to the Redevelopment Law, the Municipal Council of the City of Bayonne (the "City Council") adopted Resolution No. 98-02-04-040, designating the entire City as an area in need of rehabilitation in accordance with N.J.S.A. 40A:12A- 14; and

WHEREAS, the property is located within the designated Urban Enterprise Zone in the City of Bayonne; and

WHEREAS, on December 16, 2020, by Resolution 20-12-16-066, the Municipal Council authorized and directed the Planning Board to conduct such an investigation to determine if certain properties located at 7-9 New Hook Road, which properties are identified as Block 479, Lot 1 and Block 481, Lot 5.02 as shown on the Official Tax Map of the City (the "Study Area"), constitute a non-condemnation "Area in Need of Redevelopment," in accordance with the Redevelopment Law; and

WHEREAS, on February 9, 2021, the City of Bayonne Planning Board (the "Planning Board") reviewed a report prepared by Suzanne Mack, P.P., planner for the Planning Board (the "Planner") and a redevelopment plan prepared by the Planner, dated February 9, 2021 and entitled, "Redevelopment Plan for DJ Plastics, 7 Lower Hook Road, Block 479, Lot 1" (the "Redevelopment Plan"), at which hearing the Planning Board discussed the report and the Redevelopment Plan as presented and then resolved to recommend to the Municipal Council that the Zone Area be designated a redevelopment area and the Redevelopment Plan be adopted; and

WHEREAS, on April 14, 2021, the Municipal Council adopted the Redevelopment Plan with amendments for the property and designated the Zone Area as an area in need of redevelopment; and

WHEREAS, 7 HOOK ROAD URBAN RENEWAL, LLC (the “Entity”) is the owner of property identified on the Tax Maps of the City as Block 479, Lot 1 (the “Property”), which Property comprises part of the Redevelopment Area and is more particularly described by the legal description set forth in the application submitted by the Entity (the “Application”); and

WHEREAS, the Entity is the designated redeveloper of the Property; and

WHEREAS, the Entity proposes to redevelop the Property with an approximately 70,000 square foot industrial building which may include accessory office space along with ancillary site improvements located on Block 479, Lot 1, as well as related improvements, in accordance with the Redevelopment Plan (the “Project”); and

WHEREAS, the Entity submitted an application to the City for approval of an exemption for the Project pursuant to the Long-Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. (the “LTTE Law”), which Application is attached hereto as Exhibit A; and

WHEREAS, the City and the Entity reviewed the application and negotiated the terms of a financial agreement pursuant to the LTTE Law (the “Financial Agreement”); and

WHEREAS, the Municipal 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; and

WHEREAS, the Municipal 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 Municipal 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 the Entity on the terms and conditions stated in the applicable form of Financial Agreement attached to this Ordinance;

NOW THEREFORE, be it ordained that the Municipal Council of the City of Bayonne does hereby adopt the tax exemptions for the Entity as follows:

Section 1. The development of the Project is hereby approved for the grant of a tax exemption under the LTTE Law by virtue of, pursuant to and in conformity with the provisions of the LTTE Law.

Section 2. The Mayor is hereby authorized to execute the Financial Agreement with the Entity in substantially the form attached hereto and subject to any further review, analysis or modifications that Counsel for the City may deem appropriate.

Section 3. During the term of the tax exemption with respect to the Entity 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.