

O-23-21
5/17/23

MUNICIPAL COUNCIL OF THE CITY OF BAYONNE

AN ORDINANCE AMENDING AND SUPPLEMENTING THE GENERAL ORDINANCES OF THE CITY OF BAYONNE, CHAPTER 33, PLANNING AND DEVELOPMENT REGULATIONS

BE IT ORDAINED, by the Municipal Council of the City of Bayonne, as follows:

Section 1. That the Revised General Ordinances of the City of Bayonne, Chapter 33, "PLANNING AND ZONING REGULATIONS" Section 12. "Application Fees and Escrow Requirements, is hereby amended and supplemented as follows (Additions ****between asterisks and/or in bold****, deletions ~~{within brackets and/or struck through}~~):

****§ 33-12.6 Escrow Fees for Redevelopment Matters**

- (a) **Purpose.** Pursuant to N.J.S.A. 40A:12A-8(f) of the Local Housing and Redevelopment Law, potential redevelopers with the City of Bayonne ("City") shall be required to enter into a Redevelopment Escrow Funding Agreement ("Funding Agreement") to cover the City's administrative expenses, evaluations, negotiation and approval of agreements, and other costs associated with the implementation and administration of redevelopment projects (collectively "Redevelopment Project Costs and Expenses") with the City. This Funding Agreement shall be a prerequisite to all Redevelopment Agreements and Financial Agreements with the City where the cost of the Redevelopment Project is as described below.
- (b) **Escrow Funding Agreement and Procedures.** The Funding Agreement acknowledges and binds the Developer to post an escrow with the City of Bayonne to pay the City's Redevelopment Project Costs and Expenses. This includes, but is not limited to, all legal, engineering and planning costs associated with the redevelopment. The Chief Financial Officer will establish an escrow account for the Redevelopment Project. The escrow deposit will be held by the City of Bayonne's Division of Finance, for the expenses incurred by the Department of Planning, Zoning, and Development and Department of Law, and disbursed, pursuant to a Funding Agreement.

(c) Escrow Amounts. Potential Redevelopers shall be required to make payments to an escrow account to cover the City's Redevelopment Project Costs and Expenses towards the potential redeveloper's project. The initial deposit requirement and, if necessary, the amount to be replenished shall be based on the cost of the potential redeveloper's project as described below:

| Redevelopment Escrow Table | |
|--------------------------------------|-----------------------|
| Cost of Redevelopment Project | Escrow Deposit |
| Up to \$500,000 | \$2,500 |
| \$500,000 to \$1,000,000 | \$5,000 |
| \$1,000,000 to \$5,000,000 | \$10,000 |
| \$5,000,000 to \$15,000,000 | \$15,000 |
| \$15,000,000 to \$25,000,000 | \$25,000 |
| Above \$25,000,000 | \$50,000 |

If, when and as often as may occur that the Escrow is drawn down to or below \$5,000 for escrow amounts greater than \$5,000 or is drawn down to or below \$1,500 for escrow amounts \$5,000 or less, the Potential Redeveloper shall be notified and shall within 10 days of the notification provide to the Escrow Agent an additional amount sufficient to replenish the Escrow to the amounts set forth in this Ordinance.

(d) The City of Bayonne shall create and have on file a model Funding Agreement with 1) the Department of Planning, Zoning, and Development and 2) Department of Law, to be completed and filed with the City before the City incurs any expenses for a redevelopment project.**