

O-23-26
7/19/23

**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 AVE E DEV AMS
URBAN RENEWAL, LLC FOR THE PROPERTY LOCATED AT 132 AND 140
AVENUE E, WHICH PROPERTY IS IDENTIFIED AS BLOCK 458, LOT 1.02
(FORMERLY KNOWN AS BLOCK 458, LOT 1.01 AND BLOCK 467, LOTS 24-26) AND
BLOCK 467, LOT 23 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 (the "Municipal 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, most of the property is located within the designated Urban Enterprise Zone in the City of Bayonne; and

WHEREAS, on October 11, 2011, the City of Bayonne Planning Board ("the Planning Board") reviewed a report prepared by John D. Fussa, P.P., planner for the Planning Board (the "Planner") and a redevelopment plan prepared by the Planner, dated October 11, 2011 and entitled, "Redevelopment Plan Maidenform Redevelopment Area" (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 an area in need of redevelopment area and the Redevelopment Plan be adopted; and

WHEREAS, on November 9, 2011, the City Council adopted the Redevelopment Plan with amendments for the property and designated the Zone Area as an area in need of redevelopment; and

WHEREAS, on May 17, 2017, by Resolution 17-05-17-055, the Municipal Council authorized and directed the Planning Board to conduct such an investigation to determine if certain properties located at 122 Avenue E, 124 Avenue E, 126 Avenue E, 126 1/2 Avenue E, 128 Avenue E, 130 Avenue E, 132 Avenue E, 134-136 Avenue E, 138 Avenue E, 140 Avenue E, 165 Avenue E, 167 Avenue E, 169 Avenue E, 170-180 Avenue E, and 157-163 Avenue E, which properties are identified as Block 467, Lots 17, 18, 19, 20, 21, 22, 23, 24, 25, and 26, Block 234, Lots 8.01, 11, 12, and 13, and Block 458, Lots 1 and 1.01 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 July 11, 2017, the Planning Board held a public hearing, duly noticed under the Redevelopment Law, and reviewed an investigation/report titled "City of Bayonne: Preliminary Investigation Non-Condensation Area in Need of Redevelopment Silk Lofts Expansion Study" prepared by the City of Bayonne, 630 Avenue C Bayonne, NJ 07002, dated June 19, 2017 (the "Study") and any persons interested in or affected by a determination that the Study Area is a non-condemnation redevelopment area were given an opportunity to be heard, and any objections to such a determination and evidence in support of those objections, were received and considered and made part of the public record; and

WHEREAS, on July 11, 2017, the Planning Board further adopted the resolution recommending that the Study Area be determined by the Municipal Council to be a non-condemnation "area in need of redevelopment" under the Redevelopment Law, N.J.S.A. 40A:12A-1 et seq.; and

WHEREAS, on July 19, 2017, the Municipal Council by resolution designated the Study Area as a non-condemnation "area in need of redevelopment" (the "Redevelopment Area") and authorized the Planning Board to prepare and review an amendment and expansion to the Redevelopment Plan, which includes the Redevelopment Area pursuant to N.J.S.A. 40A:12A-7; and

WHEREAS, an amended Redevelopment Plan titled the "Silk Lofts Redevelopment Plan and an Overlay of a Portion of the Maidenform Plan" (the "Amended Redevelopment Plan") dated October 3, 2017, has been prepared by the City Planning Department which incorporates the Redevelopment Area to the Redevelopment Plan; and

WHEREAS, on October 18, 2017, the Municipal Council by Ordinance adopted the Amended Redevelopment Plan which incorporates the Redevelopment Area to the Amended Redevelopment Plan; and

WHEREAS, a further amended Redevelopment Plan entitled the "Amended and Restated Silk Lofts Redevelopment Plan" (the "Further Amended Redevelopment Plan") dated October 6, 2020, has been prepared by the City Planning Department which incorporates the Redevelopment Area to the Redevelopment Plan; and

WHEREAS, on January 20, 2021, the Municipal Council by Ordinance adopted the Further Amended Redevelopment Plan which incorporates the Redevelopment Area to the Further Amended Redevelopment Plan; and

WHEREAS, **AVE E DEV AMS URBAN RENEWAL, LLC** (the "Entity") is or will be the owner or long-term lessee of property identified on the Tax Maps of the City as Block 458, Lot 1.02 (formerly known as Block 458, Lot 1.01 and Block 467, Lots 24-26) and Block 467, Lot 23 (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 or will be the designated redeveloper of the Property; and

WHEREAS, the Entity proposes to redevelop the Property with a multi-family residential and commercial building containing 250 residential apartments, 1,975 square feet of commercial/retail space, 389 mechanical/stacked on-site parking spaces (plus the use of a 20-parking space surface parking lot on Block 458, Lot 1.03), 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 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.