

O-24-04
1/17/24

**ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF BAYONNE,
COUNTY OF HUDSON, STATE OF NEW JERSEY APPROVING AN AMENDED AND
RESTATED FINANCIAL AGREEMENT BY AND BETWEEN THE CITY OF
BAYONNE AND TFG 115-117 W 2ND STREET URBAN RENEWAL, LLC FOR THE
PROPERTY LOCATED AT 115-117 W 2ND STREET, WHICH PROPERTY IS
IDENTIFIED AS BLOCK 365, LOT 9 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, on September 12, 2018, the Municipal Council passed a resolution designating TFG 115-117 W 2nd Street Urban Renewal, LLC as the redeveloper of the Property (the "Redeveloper") and authorized the execution of a Redevelopment Agreement by and between the City of Bayonne as Redevelopment Entity and TFG 115-117 W 2nd Street Urban Renewal, LLC (the "Redevelopment Agreement"); and

WHEREAS, the City subsequently entered into the Redevelopment Agreement with the Redeveloper, which specifies the rights and responsibility of the City and the Redeveloper with respect to certain aspects of the Project; and

WHEREAS, the Redevelopment Agreement contains a Redevelopment Project Schedule (Exhibit C) where the Redeveloper was required to substantially complete the Project and Project Improvements by 2023; and

WHEREAS, the Redeveloper has advised the City that the Project commencement date has been delayed by nearly three (3) years due to construction delays in the field; and

WHEREAS, in accordance with the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. (the "Exemption Law"), the Redeveloper filed an application with the City for approval of a long term tax exemption (the "Long Term Tax Exemption") for the Project, which is incorporated herein by reference (the "Application"); and

WHEREAS, on April 15, 2020, by Ordinance No. O-20-30 (the "Ordinance"), the Municipal Council authorized the execution of the Long Term Tax Exemption Financial Agreement (the "Financial Agreement"); and

WHEREAS, the Redeveloper and the Municipal Council seek to amend and restate the Financial Agreement and enter into an Amended and Restated Financial Agreement for the Property to extend the timelines set forth in §3.01 of the Financial Agreement by three (3) years and to require that the Redeveloper be responsible for all private hauling on the Property; and

WHEREAS, pursuant to this Amended and Restated Financial Agreement for Block 365, Lot 9, the City and the Redeveloper desire to set forth in detail their mutual rights and obligations with respect to the Long Term Tax Exemption; and

WHEREAS, **TFG 115-117 W 2nd STREET URBAN RENEWAL, LLC** is or will be the owner or long-term lessee of property identified on the Tax Maps of the City as Block 365, Lot 9, which Property 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 residential project that will consist of twelve (12) for sale residential units which will be subject to a condominium regime pursuant to the New Jersey Condominium Act, N.J.S.A. 46:8B-1 et seq. and other site improvements (the “Project”); and

WHEREAS, the Entity submitted an application to the City for approval of an exemption for the Revised 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 an amended and restated financial agreement pursuant to the LTTE Law (the “Amended And Restated 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 Revised 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 Amended And Restated Financial Agreement with the Entity on the terms and conditions stated in the applicable form of the Amended And Restated Financial Agreement attached as Exhibit C 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 Amended And Restated Financial Agreement with the Entity in substantially the form attached hereto and subject to the determination of how the units will be valued and owned by virtue of an Amended Master Deed, and 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 Amended And Restated 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 Amended And Restated Financial Agreement.