

O-24-13
2/14/24

ORDINANCE OF THE CITY OF BAYONNE, IN THE COUNTY OF HUDSON, NEW JERSEY AMENDING AND SUPERSEDING ORDINANCE O-23-21 AMENDING AND SUPPLEMENTING THE GENERAL ORDINANCES OF THE CITY OF BAYONNE, CHAPTER 33, PLANNING AND DEVELOPMENT REGULATIONS

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 a “redevelopment entity” as defined in the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the “**Redevelopment Law**”); and

WHEREAS, on May 17, 2023, the City passed Ordinance Numbered O-23-21 amending and supplementing the general ordinances of the City of Bayonne, Chapter 33, Planning and Development Regulations (the “**Original Ordinance**”);

WHEREAS, this ordinance is intended to amend and supersede the Original Ordinance;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Bayonne, in the County of Hudson, and State of New Jersey, 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 an 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.~~

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

- (a) Purpose.** Potential redevelopers with the City of Bayonne (“City”) shall be required to enter into a Funding Agreement (“Funding Agreement”) to cover the City's third-party costs including but not limited to, all legal, engineering, financial and planning expenses (“City Pre-Redevelopment Expenses”) in connection with a

request that the City conduct a study to determine if property(ies) meet the criteria to be “an area in need of redevelopment” and, if applicable, to create a “redevelopment plan” as such terms are defined in the Local Housing and Redevelopment Law, N.J.S.A. 40A:12A-1 et. seq. (the “Redevelopment Law”) (“Pre-Redevelopment Activities”). Nothing herein shall ensure a particular outcome in connection with the Pre-Redevelopment Activities and the City may terminate such Pre-Redevelopment Activities at any time for no reason or any reason in its sole discretion.

(b) **Funding Agreement.** The Funding Agreement acknowledges and binds the potential redeveloper to post an escrow with the City to pay Pre-Redevelopment Activities. The escrow deposit will be held by the City’s Division of Finance, for the expenses incurred by the Department of Planning, Zoning, and Development and Department of Law, and disbursed, pursuant to the Funding Agreement.

(c) **Escrow Amounts.** Potential redevelopers shall be required to make payments to an escrow account to cover the Pre-Redevelopment Activities in the amount of \$15,000 subject to replenishment as set forth in the Funding Agreement.

(d) The City 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 Pre-Redevelopment Activities.

****§33-12.7 Escrow Fees for Redevelopment Matters.**

(a) **Purpose.** Pursuant to the Redevelopment Law, potential redevelopers with the City shall be required to enter into an Interim Cost and Conditional Designation Agreement (“Interim Cost Agreement”) to cover the City's third-party costs including but not limited to, all legal, engineering, financial and planning expenses (“Redevelopment Project Costs and Expenses”) in connection with the negotiation all redevelopment, financial and related agreements with the City (“Redevelopment Activities”). Nothing herein shall ensure a particular outcome in connection with the Redevelopment Activities and the City may terminate such Redevelopment Activities at any time for no reason or any reason in its sole discretion.

(b) **Interim Cost Agreement and Procedures.** The Interim Cost Agreement acknowledges and binds the potential redeveloper 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 potential 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 an Interim Cost Agreement.

(c) **Escrow Amounts.** Potential Redevelopers shall be required to make payments to an escrow account to cover the 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	
Total Project Cost	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 City an additional amount sufficient to replenish the escrow to the amounts set forth in this ordinance.

(d) The City shall create and have on file a model Interim Cost Agreement with 1) the Department of Planning, Zoning, and Development and 2) Department of Law, to be completed and filed with the City by the potential redeveloper before the City incurs any Redevelopment Project Costs and Expenses.

§ 33-12.8 Application Fees and Administrative Fees for Redevelopment Projects.

(a) **Application Fee.** Notwithstanding any other fees authorized by this code, in the event a redeveloper seeks a material modification or amendment to a redevelopment plan that is already in existence, the redeveloper shall remit an application fee in the amount of five thousand dollars (\$5,000.00) to the City, to process the modification or amendment request, which shall be subject to the approval of the City Council. Notwithstanding any other fees authorized by this code, in the event a redeveloper seeks a material modification or amendment to a redevelopment agreement that is already in existence, the redeveloper shall remit an application fee in the amount of two thousand dollars (\$2,000.00) to the City, to process the amendment request, which shall be subject to the approval of the City Council.

(b) Administrative Fee. Notwithstanding any other fees authorized by this code, every redevelopment agreement shall require the redeveloper pay an annual fee to the City from the date of execution of such redevelopment agreement until the issuance of a certificate of completion and for each phase of a multi-phased project as follows:

Administrative Fee Table	
Total Project Cost	Fee
Up to \$4,999,999	\$2,500
\$5,000,000 to \$14,999,999	\$5,000
\$15,000,000 to \$24,999,999	\$7,500
\$25,000,000 to \$49,999,999	\$10,000
\$50,000,000 and above	\$15,000

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Section 2. All provisions of the Code of the City of Bayonne inconsistent with the provisions of this ordinance are hereby repealed.

Section 3. This ordinance shall take effect upon final adoption and publication according to law.