

O-26-10
1/21/26

ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF BAYONNE, COUNTY OF HUDSON, STATE OF NEW JERSEY APPROVING AN AMENDED FINANCIAL AGREEMENT BY AND BETWEEN THE CITY OF BAYONNE AND SHREE LAKSHMI VARDAYINI URBAN RENEWAL, LLC FOR THE PROPERTY LOCATED AT HARBOR STATION SOUTH, WHICH PROPERTY IS IDENTIFIED AS BLOCK 751, LOTS 1.06, 1.07, 1.08, 1.09, 1.10, 1.12, 1.14 AND 1.16 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 "Municipal Council") designated the area that comprises the Harbor Station South as a redevelopment area (the "Redevelopment Area") in accordance with N.J.S.A. 40A:12A-4; and

WHEREAS, pursuant to Ordinance #O-16-1, on January 20, 2016, the City adopted a redevelopment plan with respect to Harbor Station South entitled "Redevelopment Plan for the Peninsula at Bayonne Harbor - Harbor Station South City of Bayonne Hudson County, New Jersey December 2015," which then was amended by Ordinance O-18-36, on July 18, 2018, and O-24-46 on August 14, 2024 (hereinafter referred to as the "Redevelopment Plan"); and

WHEREAS, the Redevelopment Plan supersedes and replaces all prior redevelopment plans applicable to the Redevelopment Area; and

WHEREAS, MAHALAXMI BAYONNE, LLC ("Original Redeveloper"), an entity owned, controlled or affiliated with certain family members which are principals of SHREE LAKSHMI VARDAYINI URBAN RENEWAL LLC (the "Entity"), and certain other family members which are principals of another redeveloper entity which is to undertake redevelopment of Lots 1.04, 1.11 & 1.15 on Block 751, was the designated redeveloper of the Property and other properties pursuant to a Redevelopment and Purchase and Sale Agreement, dated February 21, 2017 (the "Original Redevelopment Agreement"); and

WHEREAS, in connection with the Original Redevelopment Agreement, the City has sold and affiliates of the Original Redeveloper have purchased the Property for redevelopment purposes (with the exception of Lot 1.13 which is located within the same rectangular portion of Block 751 as Lot 1.12), which will be conveyed to the Entity on the terms set forth in the Original Redevelopment Agreement; and

WHEREAS, Original Redeveloper has assigned all of its right, title and interest in the Original Redevelopment Agreement to the various affiliated entities pursuant to assignments, consented to by the City; and

WHEREAS, the Parties recognized that, certain rights and obligations under the Original Redevelopment Agreement needed to be clarified and modified and that in order to accomplish the proper division of rights and obligations, the Original Redevelopment Agreement has been separated into two redevelopment agreements, one with the Entity as the redeveloper of the Property (defined below) and one with the new redeveloper entity for Lots 1.04, 1.11 & 1.15 on Block 751; and

WHEREAS, the Affiliates of the Entity to which the Original Redeveloper had assigned its interests under the Original Redevelopment Agreement with respect to the Property have assigned their rights under the Original Redevelopment Agreement to the Entity which has thereby become the successor to the Original Redeveloper's rights under the Original Redevelopment Agreement, and the City and the Entity have entered into a modified new redevelopment agreement for the Property (the "Redevelopment Agreement") for the development defined in the Redevelopment Agreement (the "Project"); and

WHEREAS, certain Affiliates of the Entity had submitted applications to the City for approval of an exemption for projects to be developed pursuant to the Original Redevelopment Agreement, pursuant to the Long Term Tax Exemption Law (collectively, "Original Applications"); and

WHEREAS, in 2017, the Municipal Council adopted an ordinance approving the application and Agreement for tax exemption of GAURI SHANKAR FLAGSHIP URBAN RENEWAL, LLC ("Gauri") for the construction of the Project located on Block 751, Lot 1.01 (now known as Lot 1.06) and authorized the execution of a financial agreement pursuant thereto (the "Gauri Financial Agreement"); and

WHEREAS, on November 7, 2018, the Municipal Council adopted Ordinance No. O-18-67, entitled, "Ordinance of the City of Bayonne, County of Hudson. New Jersey approving the application and Agreement for tax exemption of DEVI MATA FLAGSHIP URBAN RENEWAL, LLC ("Devi") for the construction of the Project located on Block 751, Lot 1.03 (now known as Lot 1.07) and authorized the execution of a financial agreement pursuant thereto; and

WHEREAS, on June 19, 2019, the Municipal Council adopted Ordinance No. O-19-40, entitled, "Ordinance of the City of Bayonne, County of Hudson approving a Financial Agreement by and between the City of Bayonne and MALAKSHMI GOLDSBOROUGH URBAN RENEWAL, LLC" ("Malakshmi") for the construction of the Project located on Block 751, Lot 1.05 and part of 1.01 (now known as Lots 1.08, 1.09. and 1.12) and authorized the execution of a financial agreement pursuant thereto (collectively the financial agreements with Guari, Devi and Malakshmi described above are referred to herein as the "Original Financial Agreements"); and

WHEREAS, the Affiliates of the Entity who were parties to the Original Financial Agreements have assigned their rights under the Original Financial Agreements to the Entity, and thus the Entity has become the successor to the rights and obligations under the Original Financial Agreements; and

WHEREAS, SHREE LAKSHMI VARDAYINI 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 751, Lots 1.06, 1.07, 1.08, 1.09, 1.10, 1.12, 1.14 and 1.16 (the “Property”), which Property is more particularly described by the legal description set forth in the application submitted by the Entity as further described herein (the “Application”); and

WHEREAS, the Entity is or will be the designated redeveloper of the Property; 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 an amended financial agreement pursuant to the LTTE Law (the “Amended 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 Amended Financial Agreement with the Entity on the terms and conditions stated in the applicable form of Amended Financial Agreement attached to this Ordinance, which determination is made in large part based on the analysis undertaken for the City by NW Financial.

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 City does hereby adopt the recitals set forth above as part of this Ordinance, and 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 Financial Agreement with the Entity in substantially the form attached hereto or on file with the Clerk of the City 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 Amended 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 Financial Agreement.