Agenda No. O-3

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 CENTRE STREET REDEVELOPER URBAN RENEWAL, LLC FOR THE PROPERTY IDENTIFIED AS BLOCK 660.01, LOT 1 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**"), a 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, the former Military Ocean Terminal of Bayonne was designated an "area in need of redevelopment" in accordance the Redevelopment Law (the "**Redevelopment Area**"), and the Redevelopment Area has undergone a transformational process of redevelopment in accordance with the Peninsula at Bayonne Harbor Redevelopment Plan (the "**Peninsula Redevelopment Plan"**); and

WHEREAS, the Municipal Council duly adopted an ordinance determining that a portion of the Redevelopment Area which includes the property designed on the tax maps of the City as Block 660.01, Lot 1 (the "**Property**"), should be governed by a sub-area redevelopment plan within the Peninsula Redevelopment Plan entitled the Harbor Station North Redevelopment Plan (the **"Redevelopment Plan**"); and

WHEREAS, in order to implement the development, financing, construction, operation and management of the project to be constructed on the Property, the Municipal Council by Resolution 14-08-13-090, authorized that certain "Amended and Restated Redevelopment and Purchase and Sale Agreement," dated March 16, 2015**,** between the City and Fidelco Bayonne Realty, LLC, as Redeveloper (the "**Fidelco Agreement**"), which was thereafter amended as authorized by the Municipal Council by Resolution 17-02-15-056, adopted February 15, 2017 (the "**First Amendment**") and by Resolution 17-1108-048, adopted November 8, 2017 (the "**Second Amendment**"); and

WHEREAS, the Municipal Council, by Resolution 18-06-20-069, adopted June 20, 2018**,** authorized the assignment of the Fidelco Agreement to Centre Street Redeveloper LLC (the "**Redeveloper**"), and the Municipal Council authorized an additional amendment to the Fidelco Agreement by Resolution 25-08-13-077, adopted August 13, 2025 (the "**Third Amendment**") and

WHEREAS, the Governing Body, by resolution adopted June 17, 2026, authorized an additional amendment to the Fidelco Agreement to allow potential alternative uses for Phase III of the Original Project (the "**Fourth Amendment**"); and

WHEREAS, the Governing Body, by resolution adopted September 16, 2026, extended the closing date for the Property, described herein, to December 31, 2026 (the "**Fifth Amendment**," and together with the Fidelco Agreement, the First Amendment, the Second Amendment, the Third Amendment, and the Fourth Amendment the "**Original Redevelopment Agreement**"); and

WHEREAS, the Original Redevelopment Agreement contemplated a project involving phases of multi-family residential apartment construction and associated site improvements (the "**Original Project**"); and

WHEREAS, Redeveloper has completed Phase IA, Phase IB, and Phase II of the Original Project and, in consultation with the City, has proposed an alternative concept for Phase III: the design, finance and construction of a commercial recreational and entertainment venue, along with associated parking and site improvements (the "**Project**"), which is now permitted by the Plan Amendment; and

WHEREAS, the Municipal Council adopted a resolution authorizing a Redevelopment Agreement with the Redeveloper to provide for the construction of the Project on the Property; and

WHEREAS, the Redevelopment Agreement permitted the Redeveloper to transfer its interest in the Redevelopment Agreement, the Property and the Project, to a qualified urban renewal entity which is an affiliate of the Redeveloper (the "**Transfer**"); and

WHEREAS, Centre Street Redeveloper Urban Renewal, LLC (the "**Entity**"), or an affiliate thereof, is the recipient of the Transfer; and

WHEREAS, the Entity, and has assumed the responsibilities of the Redeveloper to undertake development, redevelopment, and construction of the Project on the Property in accordance with the Redevelopment Plan; and

WHEREAS, the Entity will be the owner of 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 proposes to redevelop the Property with 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 on file with the City Clerk; 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 adopt 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 long-term tax exemption pursuant to the LTTE Law, 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 on file with the City Clerk and subject to any further review, analysis or modifications that the Mayor, in consultation with 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.