

AN ORDINANCE OF THE CITY OF BAYONNE ESTABLISHING A CONSTRUCTION COMMENCEMENT DEADLINE FOR DEVELOPMENTS RECEIVING A PAYMENT IN LIEU OF TAXES (PILOT) AGREEMENT

WHEREAS, the City of Bayonne is authorized pursuant to the laws of the State of New Jersey, including but not limited to Long-Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq., to grant financial agreements commonly known as Payment in Lieu of Taxes (PILOTs) to qualified development projects: and

WHEREAS, the purpose of granting PILOT agreements is to promote timely economic development, redevelopment, housing production, and job creation within the City of Bayonne; and

WHEREAS, the Municipal Council of the City of Bayonne finds that it is in the public interest to ensure that developments receiving the benefit of a PILOT proceed to construction in a prompt and reasonable manner; and

WHEREAS, delays in commencing construction on projects that have been granted PILOT agreements may hinder community planning, infrastructure coordination, housing availability, and anticipated economic benefits; and

WHEREAS, the Municipal Council desires to establish a clear and enforceable timeframe within which construction must begin following the approval of a PILOT agreement; and

WHEREAS, the Municipal Council further finds that establishing such a timeframe promotes accountability, transparency, and the responsible use of tax incentives:

NOW, THEREFORE, BE IT ORDAINED, by the Municipal Council of the City of Bayonne, County of Hudson, State of New Jersey, as follows:

SECTION 1. Construction Commencement Requirement

Any new development project that is granted a Payment in Lieu of Taxes (PILOT) agreement by ordinance of the Municipal Council of the City of Bayonne shall be required to commence construction within one (1) year from the date of final adoption of the ordinance approving said PILOT agreement.

SECTION 2. Definition of Commencement of Construction

For purposes of this ordinance, “commencement of construction” shall mean the start of actual physical construction activities on the project site, including but not limited to site preparation, excavation, or foundation work, as evidenced by the issuance of appropriate construction permits and verification by the City’s Construction Official or other authorized municipal representative.

SECTION 3. Failure to Commence Construction

In the event that construction has not commenced within the one (1) year period set forth herein, the PILOT agreement shall be deemed **null and void**, without further action by the Municipal Council.

SECTION 4. Reapplication Required

Upon voiding of a PILOT agreement pursuant to this ordinance, the developer shall be required to submit a new application to the Municipal Council in order to seek approval of any future PILOT agreement for the project. Any such subsequent application shall be subject to review under the laws, ordinances, policies, and conditions in effect at the time of reapplication, and may include **new or revised terms and conditions**, at the sole discretion of the Municipal Council.

SECTION 5. Effective Date

This ordinance shall take effect upon final adoption and publication as required by law.