

O-16-43
07/20/16

**ORDINANCE OF THE CITY OF BAYONNE, COUNTY OF HUDSON
APPROVING A FINANCIAL AGREEMENT WITH 230-250 AVENUE E
URBAN RENEWAL, LLC**

WHEREAS, on the basis of a preliminary investigation and recommendation of the Planning Board of the City of Bayonne (the “Planning Board”) pursuant to the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et. seq., the City Council of the City of Bayonne (the “City Council”) determined that certain property known as 230-250 AVENUE E, and designated as Block 454, on the Tax Map of the City of Bayonne (the “City”), and all air rights and riparian rights attached or associated with those parcels, should be classified as a redevelopment area in accordance with N.J.S.A. 40A: 12A-5 (the “Redevelopment Area”); and

WHEREAS, at the discretion of the City Council, the Planning Board prepared and recommended adoption of a proposed redevelopment plan; and

WHEREAS, on October 17, 2013, the Municipal Council of the City of Bayonne (the “Municipal Council”) passed a Resolution designating the property at 230-250 Avenue E and commonly known as Block 454, Lot 2 as an “are in need of redevelopment” under the Redevelopment Law (the “Bayonne Plumbing South Redevelopment Area”) in accordance with the provisions of N.J.S.A. 40A: 12A-6 of the Redevelopment Law; and

WHEREAS, on November 13, 2013 the Municipal Council adopted an Ordinance adopting a Redevelopment Plan from the Bayonne Plumbing South Development Area (the “Bayonne Plumbing South Redevelopment Plan”); and

WHEREAS, the Redevelopment Plan calls for the Redevelopment Area to be developed as a residential community consisting of up to 90 residential units and associated uses, including parking; and

WHEREAS, 230-250 AVENUE E URBAN RENEWAL, LLC proposes to construct up to 90 residential apartment units, along with associated parking and improvements (the “Project”) in the project area;

WHEREAS, 230-250 AVENUE E URBAN RENEWAL, LLC has applied to the City Council for tax exemption pursuant to the New Jersey Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et. seq. (the “Exemption Law”) with respect to the Project; and

WHEREAS, the City Council finds that the requested tax exemptions will benefit the City and its inhabitants by furthering the redevelopment of the property which had remained vacant for many years, and that the benefits would substantially outweigh the costs, if any, associated with the tax exemptions; and

WHEREAS, the City Council further finds that the requested tax exemptions

are important to the City and that without the incentive of the tax exemptions, it is unlikely that the Project will be undertaken; and

WHEREAS, as part of its application for a tax exemption, 230-250 AVENUE E URBAN RENEWAL, LLC has submitted a form of Financial Agreement (the “Financial Agreement”) providing for payments in lieu of taxes, a copy of which is attached to this Ordinance; and

WHEREAS, 230-250 AVENUE E URBAN RENEWAL, LLC has presented to this body certain financial information, copies of which are attached as exhibits to this Ordinance; and

WHEREAS, the City Council deems it to be in the best interest of the City to pass an Ordinance authorizing the City to enter into the proposed Financial Agreement with 230-250 AVENUE E URBAN RENEWAL, LLC on the terms and conditions stated in the applicable form of Financial Agreement attached to this Ordinance;

NOW THEREFORE, be it Ordained that the City Council of the City of Bayonne does hereby adopt the tax exemptions for 230-250 AVENUE E URBAN RENEWAL, LLC as follows:

Section 1. The development of the Project is hereby approved for the grant of a tax exemption under the Exemption Law by virtue of, pursuant to, and in conformity with the provisions of the Exemption Law.

Section 2. The Mayor is hereby authorized to execute the Financial Agreement with 230-250 AVENUE E URBAN RENEWAL, LLC in substantially the form attached hereto 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 230-250 AVENUE E URBAN RENEWAL, LLC 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.

JFC/jc

FINANCIAL AGREEMENT

BY AND BETWEEN

THE CITY OF BAYONNE

AND

230-250 Avenue E Urban Renewal, LLC

DATED AS OF ____, 2016

Pilot Financial Agreement - 230-250 Avenue E