

O-17-61  
12/13/17

**ORDINANCE OF THE CITY OF BAYONNE, COUNTY OF HUDSON APPROVING A FINANCIAL AGREEMENT BY AND BETWEEN THE CITY OF BAYONNE AND PENINSULA VIEW URBAN RENEWAL, LLC FOR THE PROPERTY LOCATED AT 77-87 EAST 31<sup>ST</sup> STREET, 74 AND 80 EAST 32<sup>ND</sup> STREET AND 268-270 PROSPECT AVENUE, WHICH PROPERTY IS IDENTIFIED AS BLOCK 411, LOTS 2, 3, 4, 5, 6, 7, 8 AND 10.01 AS SHOWN ON THE OFFICIAL TAX MAP OF THE CITY OF BAYONNE**

**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 77-87 East 31<sup>st</sup> Street, 74 and 80 East 32<sup>nd</sup> Street and 268-270 Prospect Avenue, collectively designated as Block 411 Lots 2, 3, 4, 5, 6, 7, 8 and 10.01 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 February 19, 2014 the Municipal Council of the City of Bayonne adopted a redevelopment plan for Block 411, Lots 2, 3, 4 and 5 entitled "Redevelopment Plan Block 411, Lots 2, 3, 4 and 5, City of Bayonne, Hudson County, New Jersey" dated January 7, 2014 (the "Redevelopment Plan."); and

**WHEREAS**, on February 19, 2014, the Municipal Council adopted a redevelopment plan for Block 411, Lots 2, 3, 4, and 5, titled "Redevelopment Plan Block 411, Lots 2, 3, 4, and 5, City of Bayonne, Hudson County, New Jersey" dated January 7, 2014 (the "Redevelopment Plan"); and

**WHEREAS**, on August 19, 2015, the Municipal Council, pursuant to Resolution No. 15-08-19-072, directed the Planning Board to review the Redevelopment Plan, and make recommendations to the Municipal Council regarding an update to the Redevelopment Plan in accordance with the Redevelopment Law; and

**WHEREAS**, on November 10, 2015, the Municipal Council adopted the "Amended and Restated Redevelopment Plan, 77 & 79-87 East 31st Street, 80 East 32nd Street, Block 411, Lots 2, 3, 4, & 5" dated October 13, 2015 ("Amended Redevelopment Plan"); and

**WHEREAS**, the City of Bayonne, Division of Planning & Zoning, Department of Municipal Services has prepared an amended and expanded redevelopment plan to the Amended Redevelopment Plan for the Redevelopment Area titled "Redevelopment

Plan Block 411, Lots 1, 6, 7, 8, 10.01, 11, 12, 13, 14, and 15” dated June 3, 2016 (the “**Amended and Expanded Redevelopment Plan**”); and

**WHEREAS**, by resolution on May 18, 2016, the Planning Board of the City was directed by the Municipal Council to prepare and review the Amended and Expanded Redevelopment Plan, and to transmit its recommendations relating to the Amended and Expanded Redevelopment Plan to the Municipal Council in accordance with the provisions of *N.J.S.A. 40A:12A-7* of the Redevelopment Law; and

**WHEREAS**, at the City’s direction the Planning Board’s staff prepared an Amended and Expanded Redevelopment Plan and the Planning Board reviewed same at a public hearing on June 14, 2016 and recommended its adoption; and

**WHEREAS**, on June 22, 2016, the Municipal Council of the City of Bayonne passed Resolution#16-06-22-071 designating the property at 73 East 31<sup>st</sup> Street, 74-78 East 32<sup>nd</sup> Street and 258-270 Prospect Avenue, Bayonne NJ, also designated as Block 411, Lots 1, 6, 7, 8, 10.01, 11, 12, 13, 14 and 15 on the City’s Tax Maps as an “Area in Need of Redevelopment” under the Redevelopment Law (the “Redevelopment Area”) in accordance with the provisions of *N.J.S.A. 40A: 12A-6* of the Redevelopment Law; and

**WHEREAS**, on July 20, 2016 this Municipal Council passed Ordinance O-16-41 Adopting and Amending and Amended and Expanded Redevelopment Plan for the Property Located at 73 East 31<sup>st</sup> Street, 74-78 East 32<sup>nd</sup> Street and 258-270 Prospect Avenue, which property is also identified as Block 411, Lots 1, 6, 7, 8, 10.01, 11, 12, 13, 14 and 15 to include lots 2, 3, 4 and 5; and

**WHEREAS**, Peninsula View Urban Renewal, LLC proposes to develop a parcel of approximately 1.6 acres, depending on the final amount of land acquired in Block 411, with a Project comprised of 232 residential units to be developed in a holistic manner including the construction of on-site parking improvements. Subject to the limitation set forth above, it is projected that the Project will encompass Block 411, Lots 2, 3, 4, 5, 6, 7, 8 and 10.01; and

**WHEREAS**, Peninsula View 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 underutilized and in disrepair 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, Peninsula View 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**, Peninsula View 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 Peninsula View 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 Peninsula View 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 Peninsula View 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 Peninsula View 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

Revised 7-23-2017  
Long Term Tax Exemption-N.J.S.A. 40A:20-1, et seq.

Re: The City of Bayonne, New Jersey

Block 411
Lot 3-77 East 31st Street
Lot 2-75 East 31st Street
Lot 4-79-87 East 31st Street
Lot 5-80 East 32nd Street
Lot 8-74 East 32nd Street
Lot 6-80 East 32nd Street
Lot 7-80 East 32nd Street
Lot 10.01 268-270 Prospect Avenue

**FINANCIAL AGREEMENT**  
**BY AND BETWEEN**  
**THE CITY OF BAYONNE**  
**AND**  
**PENINSULA VIEW URBAN RENEWAL LLC**

DATED AS OF \_\_\_\_\_, 2017



OFFICE OF THE MAYOR  
**CITY OF BAYONNE**

630 AVENUE C • BAYONNE, NEW JERSEY 07002-3898  
TEL. (201) 858-6010 • FAX (201) 436-2413



**JAMES DAVIS, Mayor**

November 1, 2017

Municipal Council  
City of Bayonne  
630 Avenue C  
Bayonne, NJ 07002

RE: FINANCIAL AGREEMENT  
BY AND BETWEEN  
THE CITY OF BAYONNE  
AND PENINSULA VIEW URBAN RENEWAL, LLC.

Block 411
Lot 3-77 East 31st Street
Lot 2-75 East 31st Street
Lot 4-79-87 East 31st Street
Lot 5-80 East 32nd Street
Lot 8-74 East 32nd Street
Lot 6-80 East 32nd Street
Lot 7-80 East 32nd Street
Lot 10.01 268-270 Prospect Avenue

Dear Council Members:

Please be advised that I am in receipt of an application for a PILOT agreement from PENINSULA VIEW URBAN RENEWAL, LLC, for the properties set forth above. I would ask that you consider this application at your next council meeting. I have also attached a copy of the proposed financial agreement for your consideration.

Very truly yours,

James Davis

JJD/jc  
Enclosure