

O-20-13
02/19/20

ORDINANCE OF THE CITY OF BAYONNE, COUNTY OF HUDSON APPROVING A FINANCIAL AGREEMENT BY AND BETWEEN THE CITY OF BAYONNE AND LOFTS ON AVENUE E URBAN RENEWAL ENTITY I, LLC FOR THE PROPERTY LOCATED AT 306-322 AVENUE E, WHICH PROPERTY IS IDENTIFIED AS BLOCK 440, LOTS 3.01 AND 4 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, the Municipal Council of the City (the “**Municipal Council**”) adopted 98-02-04-040, which designated the entire City of Bayonne as an area in need of rehabilitation in accordance with the provisions of *N.J.S.A. 40A:12A-14* of the Redevelopment Law; and

WHEREAS, the Rehabilitation Area is located within the **St. Joseph’s Redevelopment Area** (the “**Redevelopment Area**”); and

WHEREAS, on **July 19, 2017**, the Municipal Council adopted Ordinance **O-17-33** approving the redevelopment plan entitled “City of Bayonne: St. Joseph’s Redevelopment Plan, Block **191**, Lot **5.02**, Block **440**, Lots **3, 4, 5**, Hudson County, NJ” as amended by such ordinance (and as same may be further amended from time to time, the “**Redevelopment Plan**”) for the Redevelopment Area; and

WHEREAS, on **October 17, 2018** **LOFTS ON AVENUE E URBAN RENEWAL ENTITY I, LLC** was designated redeveloper of the Property known as **306-322 Avenue E, Block 440, Lots 3.01 and 4** by Resolution of this Municipal Council; and

WHEREAS, **LOFTS ON AVENUE E URBAN RENEWAL ENTITY I, LLC** proposes to construct a new, residential development, comprised of two six story buildings with associated facilities, including parking and amenities with approximately 67 units, together with related site improvements as required by the Redevelopment Plan; and

WHEREAS, **LOFTS ON AVENUE E URBAN RENEWAL ENTITY I, 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, **LOFTS ON AVENUE E URBAN RENEWAL ENTITY I, 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, **LOFTS ON AVENUE E URBAN RENEWAL ENTITY I, 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 **LOFTS ON AVENUE E URBAN RENEWAL ENTITY I, 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 **LOFTS ON AVENUE E URBAN RENEWAL ENTITY I, 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 **LOFTS ON AVENUE E URBAN RENEWAL ENTITY I, 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 **LOFTS ON AVENUE E URBAN RENEWAL ENTITY I, 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. Legal 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