

O-23-04
01/18/23

ORDINANCE OF THE CITY OF BAYONNE, COUNTY OF HUDSON, STATE OF NEW JERSEY APPROVING AND AUTHORIZING THE EXECUTION OF A REIMBURSEMENT AGREEMENT BY AND BETWEEN THE CITY OF BAYONNE AND 7 HOOK ROAD URBAN RENEWAL, LLC

WHEREAS, 7 Hook Road Urban Renewal, LLC (“Redeveloper”) owns and is under agreement with the City to redevelop property located at 7 Hook Road, Bayonne, New Jersey (the “Property”), which Property is identified as Block 479, Lot 1 on the official tax map of the City of Bayonne; and

WHEREAS, the Property and adjacent properties and other properties in the immediate area are currently not served by public water and sewer; and

WHEREAS, in order to provide water and sewer to the Property and adjoining properties, the Redeveloper will, at its own cost and expense, construct the improvements necessary to expand the City’s water and sewer system (the “Improvements”) to this area of the City that will allow for the connection to the City’s water and sewer system; and

WHEREAS, the costs associated with the construction of the Improvements is substantial; and

WHEREAS, upon completion of the Improvements, the owners of adjacent properties and others in the area not currently served by public water and sewer will benefit by being able to connect their properties to the public water and sewer infrastructure Improvements being constructed by the Redeveloper at its sole cost and expense; and

WHEREAS, the Redeveloper has requested that the City enter into a reimbursement agreement (“Reimbursement Agreement”) allowing the Redeveloper to recapture fair share contribution reimbursements from the other third party property owners who are the beneficiaries of the public water and infrastructure improvements being constructed by the Redeveloper based on a pro rata share of the cost of the Improvements at such time as those third party property owners seek permits or approvals to connect their respective properties and/or development projects to the Improvements installed by the Redeveloper; and

WHEREAS, the City Council believes that it is fair and equitable to allow the Redeveloper to seek fair share contribution reimbursements from such third-party property owners benefiting from the Improvements to be installed by the Redeveloper which will allow those property owners to connect to the City’s public water and sewer systems, and is amenable to entering into a Reimbursement Agreement with the Redeveloper; and

WHEREAS, the Reimbursement Agreement provides, among other things, that the City shall still collect all applicable water and sewer connection and/or tapping fees and water and sewer service fees from the Redeveloper and any third-parties seeking approval to connect to the Improvements, and that at no time, shall the City ever become responsible for the payment of any fair share contribution reimbursements otherwise due and owing from any such third-party property owners.

NOW THEREFORE, be it ordained that the City Council of the City of Bayonne does hereby approve and authorize the execution of a Reimbursement Agreement by and between the City of Bayonne and 7 Hook Road Urban Renewal, LLC as follows:

Section 1. The Mayor is hereby authorized to execute the Reimbursement Agreement with the 7 Hook Road Urban Renewal, LLC in substantially the form attached hereto and subject to any further review, analysis or modifications that counsel may deem appropriate.

Section 2. This Ordinance shall take effect immediately.