

O-23-10
3/15/23

ORDINANCE OF THE CITY OF BAYONNE, COUNTY OF HUDSON, STATE OF NEW JERSEY APPROVING TOGUS URBAN RENEWAL, LLC'S APPLICATION FOR TAX EXEMPTION AND AUTHORIZING THE EXECUTION OF A FINANCIAL AGREEMENT BY AND BETWEEN THE CITY OF BAYONNE AND TOGUS URBAN RENEWAL, LLC FOR THE PROPERTY IDENTIFIED AS BLOCK 332, LOT 3, BLOCK 360, LOT 2, BLOCK 390, LOTS 1 AND 2 (A.K.A. RG67), AND BLOCK 391, LOTS 1 AND 2

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, in August 2003, the Municipal Council of the City (the "**Governing Body**"), acting in accordance with the Redevelopment Law adopted a resolution declaring property identified as Block 332, Lot 3, Block 360, Lot 2, Block 373, Lots 1, 2, 13, 14, and 15, Block 390, Lots 1 and 2 (a.k.a. RG67), and Block 391, Lots 1 and 2, and Block 511, Lots 5 and 6, as an "area in need of redevelopment" (collectively, the "**Texaco Redevelopment Area**"); and

WHEREAS, Togus Urban Renewal, LLC (the "**Entity**") is the fee title owner to the following properties within the Texaco Redevelopment Area: Block 332, Lot 3, Block 360, Lot 2; Block 390, Lots 1 and 2 (a.k.a. RG67); and Block 391, Lots 1 and 2 (the "**Property**"); and

WHEREAS, the Governing Body adopted a redevelopment plan for the Texaco Redevelopment Area entitled "Redevelopment Plan Texaco Redevelopment Area" and dated January 2004 (the "**Original Redevelopment Plan**"); and

WHEREAS, pursuant to Resolution No. 14-09-17-096, adopted September 17, 2014, the Governing Body directed the Planning Board of the City (the "**Planning Board**") to consider and recommend amendments to the Original Redevelopment Plan, conduct hearings on the recommended amendments and return its findings to the Governing Body for consideration, comment, approval and/or any other actions as may be deemed necessary by the Governing Body in accordance with the Redevelopment Law; and

WHEREAS, the "Amended and Restated Redevelopment Plan, Texaco Redevelopment Area, City of Bayonne, Hudson County, New Jersey" (the "**Amended and Restated Redevelopment Plan**") dated September 8, 2015, was prepared for the Governing Body's consideration; and

WHEREAS, the Planning Board reviewed the Amended and Restated Redevelopment Plan on September 8, 2015 and adopted a resolution recommending the adoption of the Amended and Restated Redevelopment Plan to the Governing Body and concluded that the Amended and Restated Redevelopment Plan is consistent with the Master Plan of the City; and

WHEREAS, on September 16, 2015, the Governing Body adopted Ordinance No. O-8 approving the Amended and Restated Redevelopment Plan, which superseded and replaced the Original Redevelopment Plan; and

WHEREAS, on June 19, 2019, the Governing Body adopted Ordinance No. O-19-41 authorizing an amendment to the Amended and Restated Redevelopment Plan, to include billboards as a permitted use, which amendment was entitled the “Amended Redevelopment Plan, Texaco” dated May 15, 2019 (“**Amendment No. 1**”); and

WHEREAS, on October 21, 2020, the Governing Body adopted Ordinance O-20-54, approving a redevelopment plan, entitled “Amended Redevelopment Plan Texaco Redevelopment Area” dated September 2020 (the “**Redevelopment Plan**”) for the Texaco Redevelopment Area which amended and superseded the Original Redevelopment Plan, Amended and Restated Redevelopment Plan, and Amendment No. 1; and

WHEREAS, on December 16, 2020, the City adopted Resolution R-15 authorizing the negotiation and preparation of a redevelopment agreement with the Entity for the redevelopment of the Property; and

WHEREAS, Resolution R-15 also authorized the negotiation of a redevelopment agreement with the Entity (the “**Redevelopment Agreement**”); and

WHEREAS, the Entity proposes to develop, redevelop, and construct an entertainment and film studio, and additional principal and accessory uses complimentary to the principal film studio use in accordance with the Redevelopment Plan and related improvements on the Property as further described in the Redevelopment Agreement (the “**Project**”); and

WHEREAS, the Entity is or will be designated redeveloper of the Property; and

WHEREAS, in order to improve the feasibility of the Project, the Entity applied to the Mayor and Governing Body for a long term tax exemption for the Project in accordance with the Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. (the “**Exemption Law**”), and the Redevelopment Area Bond Financing Law, N.J.S.A. 40A:12A-64 et seq. (the “**RAB Law**”), pursuant to an application dated January 26, 2022 (as amended and supplemented, the “**Application**”), which is on file with the City Clerk; and

WHEREAS, the City and the Entity reviewed the Application and negotiated the terms of a financial agreement pursuant to the Exemption Law (the “**Financial Agreement**”); and

WHEREAS, the City Council finds that the requested tax exemption will benefit the City and its inhabitants by improving the use of the Property and providing economic opportunities for residents through construction and permanent job creation, and the benefits would substantially outweigh the costs, if any, associated with the tax exemption; and

WHEREAS, the City Council further finds that the requested tax exemption is important to the City and that without the incentive of the tax exemption, it is unlikely that the Project will be undertaken; and

WHEREAS, the City Council deems it to be in the best interest of the City to pass an Ordinance approving the Entity's Application and authorizing the City to enter into the proposed Financial Agreement with the Entity attached to this ordinance; and

NOW THEREFORE, be it ordained that the City Council of the City of Bayonne does hereby adopt the tax exemptions for the Entity 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. The Application submitted by the Entity is hereby approved in accordance with Section 8 of the Exemption Law.

Section 2. The Mayor is hereby authorized to execute the Financial Agreement with the Entity, in substantially the form on file with the City Clerk and attached hereto as **Exhibit A** 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 the Entity 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.

EXHIBIT A

Financial Agreement