

O-08-39
12/10/08

AMENDED ORDINANCE OF THE CITY OF BAYONNE, IN THE COUNTY OF HUDSON, NEW JERSEY ESTABLISHING A REVENUE ALLOCATION DISTRICT PURSUANT TO N.J.S.A. 52:27D-459 ET SEQ. AND SETTING FORTH CERTAIN PROVISIONS RELATED THERETO

WHEREAS, the City Council of the City of Bayonne (the “**City**”), in the County of Hudson (the “**County**”), New Jersey (the “**State**”) established the City of Bayonne Redevelopment Agency, also known as the Bayonne Local Redevelopment Authority (the “**BLRA**”) by ordinance number O-98-26, adopted on June 10, 1998 and amended on March 19, 2008 by ordinance number O-08-04 as an instrumentality and agency of the City pursuant to the provisions of Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (the “**Redevelopment Law**”) with responsibility for implementing redevelopment plans and carrying out redevelopment projects within the City; and

WHEREAS, pursuant to a decision by the United States of America to decommission the Bayonne Military Ocean Terminal (the “**Peninsula**”), the Peninsula was transferred to the BLRA pursuant to Quitclaim Deeds dated September 28, 2001 and December 11, 2002 and recorded on October 3, 2001 and January 24, 2003, respectively; and

WHEREAS, in accordance with the criteria set forth in Section 5 of the Redevelopment Law, the City identified and designated the Peninsula as an “area in need of redevelopment” (the “**Redevelopment Area**”) and, pursuant to Section 7 of the Redevelopment Law, adopted a redevelopment plan for the Peninsula entitled the “Peninsula at Bayonne Harbor Redevelopment Plan” as the same may be further amended and supplemented from time to time (the “**Redevelopment Plan**”); and

WHEREAS, consistent with the Redevelopment Plan and pursuant to the provisions of the Revenue Allocation District Financing Act, N.J.S.A. 52:27D-459 et seq. (the “**RAD Law**”) the City desires to establish the entire Redevelopment Area as a revenue allocation district (defined terms not otherwise defined herein shall have the meaning given to such terms in the RAD Law);

WHEREAS, on September 17, 2008, the City passed on first reading an ordinance, entitled, “Ordinance of the City of Bayonne, in the County of Hudson, New Jersey Establishing a Revenue Allocation District Pursuant to N.J.S.A. 52:27D-459 et seq. and Setting Forth Certain Provisions Related Thereto” (the “**Original Ordinance**”), wherein the City established the entire Redevelopment Area as a District (as defined in the RAD Law) (the “**Peninsula District**”); and

WHEREAS, on October 10, 2008, the City made application to the Local Finance Board, in the Division of Local Government Services, Department of Community Affairs (the “**Board**”), seeking approval of the Original Ordinance pursuant to N.J.S.A. 52:27D-464 (the “**Application**”); and

WHEREAS, on November 12, 2008, pursuant to N.J.S.A. 40:49-2(b), the City held a public hearing on the Original Ordinance; and

WHEREAS, on December 10, 2008, the Board held a public hearing on the Application, and, by resolution, approved the Original Ordinance with the condition that the geographic boundaries of the proposed District be limited to the Peninsula neighborhood districts commonly known as Harbor Station, Bayonne Bay and the Maritime Industrial District (collectively, the “**Bayonne District**”); and

WHEREAS, the Board and its staff has indicated to the City that it will consider expanding the Bayonne District to include the entire Redevelopment Area at a later date; and

WHEREAS, on December 10, 2008, the City adopted an amendment to the Original Ordinance in the form of this amended ordinance, specifically reducing the geographic boundaries of the District from the Peninsula District to the Bayonne District; and

WHEREAS, final adoption of this amended ordinance, containing the conditions set forth by the Board, is consistent with the procedural requirements of the RAD Law for adoption of an ordinance creating a District.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BAYONNE, IN THE COUNTY OF HUDSON, NEW JERSEY as follows:

SECTION 1. The Revised District as described on the map attached hereto as *Exhibit A* (the “**Bayonne District**”) shall be a District (as defined in the RAD Law).

SECTION 2. In accordance with the certification of the City’s tax assessor which is attached hereto as *Exhibit B*, on the basis of the property assessments within the City and within the Bayonne District as of October 1, 2007, the total taxable property value in the Bayonne District does not exceed 15% of the total taxable property value assessed in the City.

SECTION 3. The City shall be the District Agent for the Bayonne District.

SECTION 4. One Hundred Per Cent (100%) of the Property Tax Increment (as defined by N.J.S.A. 52:27D-461 and permitted by N.J.S.A. 52:27D-469(j)) and incremental payments in lieu of taxes, with respect to property located in the Bayonne District, made pursuant to the “**Five-Year Exemption and Abatement Law** (N.J.S.A. 40A:21-1 et seq.) or the “**Long Term Tax Exemption Law**” (N.J.S.A. 40A:20-1 et al.) (as permitted by N.J.S.A. 52:27D-469(a)) shall be Pledged Revenues.

SECTION 5. The City may guaranty Bonds issued by the District Agent. The City may issue Bonds pursuant to the Municipal Qualified Bond Act, constituting N.J.S.A. 40A:3-1 et seq.

SECTION 6. The proposed preliminary Plan is attached hereto as *Exhibit C*.

SECTION 7. The portion of the Redevelopment Plan that identifies the Bayonne District is attached hereto as *Exhibit D*.

SECTION 8. It is hereby determined that: the planned developments are likely to be realized and would not be accomplished by private enterprise without the creation of the Bayonne District and the financing of the proposed Projects; the Pledged Revenues will be sufficient to pay debt service on Bonds and discharge any obligations undertaken by the District Agent to effectuate the Plan; the credit of the City and its ability to pay the principal of and interest on its debts and to provide essential public services will not be impaired; any insufficiency or shortfall in the amount of the revenues or guarantees pledged to pay debt service on Bonds issued to effectuate the Plan would not pose inappropriate risk or undue financial hardship to the taxpayers of the City; there are no other factors which will impair the credit of the City or reduce its ability to pay punctually the principal of and interest on its debts and supply other essential public improvements and services; and the planned development does one or more of the following: promote approaches and concepts to reduce congestion; enhance mobility; assist in the redevelopment of the City; and otherwise improve the quality of life of its citizens.

SECTION 9. The appropriate City officials are hereby authorized and directed to take all actions necessary to effectuate this ordinance.

SECTION 10. This ordinance shall take effect subject to the approval of the LFB, as provided by the RAD Law.

EXHIBIT A
THE DISTRICT MAP

EXHIBIT B
THE CITY TAX ASSESSOR'S CERTIFICATE

CERTIFICATE OF THE CITY OF BAYONNE TAX ASSESSOR PURSUANT TO THE REVENUE ALLOCATION DISTRICT ACT AT N.J.S.A. 52:27D-462(b)

I, Joseph G. Nichols, Tax Assessor for the City of Bayonne, in the County of Hudson, New Jersey (the “City”) hereby certify as follows:

1. I have reviewed the boundary map of a proposed revenue allocation district (the “District”) which map mirrors the redevelopment area known as the Peninsula at Bayonne Harbor..

2. The total taxable property value throughout the City as of October 1, 2007 was \$2,381,576,097.

3. The total taxable property value of those properties located within the District as of October 1, 2007 was \$_____.

4. The percentage of the total taxable properties in the District to the total taxable properties throughout the City is _____%, which amount is less than 15%.

5. This certificate is made in accordance with the provisions of the Revenue Allocation District Financing Act at N.J.S.A. 52:27D-462(b).

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of December, 2008.

Joseph G. Nichols, Tax Assessor

EXHIBIT C
THE PROPOSED PRELIMINARY PLAN

EXHIBIT D
PORTIONS OF THE REDEVELOPMENT PLAN