

**ORDINANCE OF THE CITY OF UNION CITY, COUNTY OF HUDSON
APPROVING A FINANCIAL AGREEMENT WITH RPM
DEVELOPMENT URBAN RENEWAL, LLC (720 8TH STREET UNION
CITY URBAN RENEWAL ASSOCIATES, L.P.)**

Ordinance 2020-09

WHEREAS, the Housing Element and Fair Share Plan adopted in 2017 envisions the development of affordable senior housing at 720 8th Street, designated as Block 42 Lot 9 (the "Property") in the City of Union City (the "City"), and

WHEREAS, the City issued a request for proposals ("RFP") which was consistent with the Housing and Mortgage Finance Agency guidelines; and

WHEREAS, RPM Development Urban Renewal, LLC ("RPM Development") responded to the City's RFP; and

WHEREAS, the City's Board of Commissioners selected RPM Development as the designed developer of the Property by resolution dated July 18, 2017; and

WHEREAS, RPM Development will be the contract purchaser of the Property; and

WHEREAS, RPM Development proposes to construct a six-story, senior citizen affordable housing project consisting of one hundred and one (101) units, two levels of parking and ground floor retail (the "Project"); and

WHEREAS, RPM Development has applied to the City to designate the Project as tax exempt pursuant to the New Jersey Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq. (the "Exemption Law"); and

WHEREAS, the Board of Commissioners 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 Board of Commissioners 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, RPM Development 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, RPM Development has presented to this body certain financial information, copies of which are attached as exhibits to this Ordinance; and

WHEREAS, the Financial Agreement is subject to all applicable laws, resolutions and

prior agreements; and

WHEREAS, the Board of Commissioners 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 RPM Development on the terms and conditions stated in the applicable form of Financial Agreement attached to this Ordinance;

NOW THEREFORE, be it Ordained that the Board of Commissioners of the City of Union City does hereby adopt the tax exemptions for RPM Development 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 RPM Development 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 RPM Development 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.

Commissioners	Yea	Nay	Abstain/Present	Absent
Lucio P. Fernandez	x			
Wendy A. Grullon	x			
Celin J. Valdivia	x			
Maryury A. Martinetti	x			
Mayor Brian P. Stack	x			

I HEREBY CERTIFY this to be a true and correct Ordinance of the City of Union City Board of Commissioners, introduced on March 24, 2020 and was further considered and adopted after a Public Hearing held on April 16, 2020.

INTRODUCED: March 24, 2020

ADOPTED: April 16, 2020

ATTEST:

Erin Knoedler
City Clerk

Date