SYNOPSIS

Allows municipalities adjacent to two or more municipalities having urban enterprise zones to qualify for NJ Redevelopment Authority financing assistance.

CURRENT VERSION OF TEXT

As reported by the Assembly Commerce and Economic Development Committee on June 10, 2010, with amendments.
AN ACT concerning financing by the New Jersey Redevelopment Authority and amending P.L.1996, c.62.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

1. Section 3 of P.L.1996, c.62 (C.55:19-22) is amended to read as follows:

2. As used in P.L.1996, c.62 (C.55:19-20 et al.), except as otherwise clearly required by the context:

   "Authority" means the New Jersey Redevelopment Authority established pursuant to section 4 of P.L.1996, c.62 (C.55:19-23).


   "Department" means the [Department of Commerce and Economic Development] [New Jersey Economic Development Authority] Department of Community Affairs.1

   "Project" means a specific work or improvement, including lands, buildings, improvements, real and personal property or any interest therein, including lands under water, riparian rights, space rights and air rights, acquired, owned, constructed, reconstructed, rehabilitated or improved by the authority or a subsidiary, or by any other person, firm or corporation under agreement with the authority or subsidiary pursuant to the provisions of P.L.1996, c.62 (C.55:19-20 et al.) in a qualified municipality, and which falls within any of the following classifications:

   (1) "Industrial project"--a project designed and intended to provide facilities for manufacturing, industrial, commercial, wholesale, retail, warehousing, or research and development purposes, including but not limited to machinery and equipment deemed necessary for the operation thereof, when the authority finds that there is a compelling public need to undertake such project.

   (2) "Land-use improvement project"--a project for the clearance, replanning, reconstruction, rehabilitation, renewal, redevelopment, conservation, restoration or improvement of an area, in cooperation or under agreement with a qualified municipality which has designated the area in need of redevelopment.

   (3) "Civil project"--a project designed and intended to provide facilities for educational, cultural, health, recreational, community or other civic purposes.

   (4) "Utility project"--a project designed and intended to provide facilities for provision of water, sewerage, solid waste disposal, transportation, utility or other public services necessary for the

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.
Matter enclosed in superscript numerals has been adopted as follows:
1Assembly ACE committee amendments adopted June 10, 2010.
accommodation of a project of another classification undertaken pursuant to P.L.1996, c.62 (C.55:19-20 et al.), but accommodation of needs greater than those of the other project may be encompassed.

(5) "Mixed-use project"—a project consisting of housing development and commercial development, in which the prorated cost of the housing development is equivalent to no more than one-third of the cost of the total project.

(6) "Multi-purpose project"—a project combining the purposes of two or more of the foregoing classifications.

"Qualified municipality" means any municipality which at the time of the initiation of a project: (1) was eligible to receive aid under the "Special Municipal Aid Act," P.L.1987, c.75 or (2) was coextensive with a school district which qualified for designation as a "special needs district" pursuant to the "Quality Education Act of 1990," P.L.1990, c.52 (C.18A:7D-1 et seq.); or (3) was adjacent to two or more "qualifying municipalities" in which an enterprise zone is located pursuant to P.L.1983, c.303 (C.52:27H-60 et seq.).


2. Section 4 of P.L.1996, c.62 (C.55:19-23) is amended to read as follows:

4. a. The New Jersey Urban Development Corporation established pursuant to P.L.1985, c.227 (C.55:19-1 et seq.) is reconstituted as the New Jersey Redevelopment Authority. For the purpose of complying with the provisions of Article V, Section IV, paragraph 1 of the Constitution of the State of New Jersey, this authority is allocated to the Department of [Commerce and Economic Development] Community Affairs; but, notwithstanding that allocation, the authority shall be independent of any supervision or control by the department or by any other board or officer thereof. All references in any law, order, rule, regulation, contract, loan, document or otherwise to the New Jersey Urban Development Corporation in the Department of Commerce and Economic Development shall mean the New Jersey Redevelopment Authority in the Department of [Commerce and Economic Development] Community Affairs.

b. The authority shall constitute a body corporate and politic and an instrumentality exercising public and essential governmental functions, and the exercise by the authority of the powers conferred
by P.L.1996, c.62 (C.55:19-20 et al.) shall be deemed and held to be an essential governmental function of the State.

c. The authority shall consist of the State Treasurer, the Attorney General, the Commissioner of Community Affairs, the Commissioner of Education, the Commissioner of Environmental Protection, the Commissioner of Health and Senior Services, the Commissioner of Human Services, the Commissioner of Labor and Workforce Development, the Commissioner of Transportation, and the Commissioner of Commerce and Economic Development. Executive Director of the New Jersey Economic Development Authority who shall be members and who shall serve ex officio, and eleven public members of whom seven shall be appointed by the Governor with the advice and consent of the Senate, two shall be appointed by the Senate President and two shall be appointed by the Speaker of the General Assembly, for terms of three years, except as provided hereunder. Of the seven members appointed by the Governor, one shall represent the interests of the for-profit development industry; one shall represent the interests of the nonprofit development community, two shall be mayors of municipalities which are coextensive with "special needs districts" as defined pursuant to section 3 of P.L.1990, c.52 (C.18A:7D-3); two shall be mayors of municipalities which are contiguous to municipalities which are coterminous with special needs districts; and one shall represent the interest of the banking, insurance or real estate financing industries. Each member shall hold office for the term of the member’s appointment and until the member’s successor shall have been appointed and qualified. A member shall be eligible for reappointment. Each mayor shall serve for a term of three years, but shall continue to serve only as long as the mayor continues to hold mayoral office. The members appointed by each of the presiding officers of both Houses of the Legislature shall not represent the same political party. Any vacancy in the membership occurring other than by expiration of term shall be filled in the same manner as the original appointment but for the unexpired term only. In appointing public members, the presiding officers shall have regard to providing an adequate depth and diversity of knowledge and experience in the financial, physical and social aspects of urban development, and of other relevant expertise in urban matters.

d. Each ex officio member may designate an officer or employee of his department to represent him at authority meetings. The designation shall be in writing, delivered into the hands of the secretary of the authority, and shall continue in effect until revoked or amended in the same manner.

e. Each member appointed by the Governor may be removed from office by the Governor, for cause, after a public hearing, and may be suspended by the Governor pending the completion of the hearing. Each member before entering upon the member’s
duties shall take and subscribe an oath to perform the duties of the member’s office faithfully, impartially and justly to the best of his ability. A record of such oaths shall be filed in the office of the Secretary of State.

f. The Commissioner of [Commerce and Economic Development] Community Affairs may, at the commissioner's discretion, serve as the chairperson of the authority or may appoint one of the public members of the authority as chairperson. Any such designation or appointment shall be made in writing and shall be delivered to the authority and to the Governor and shall continue in effect until revoked or amended by a writing delivered to the authority and the Governor. The members of the authority shall elect from their remaining number a vice chairperson and a treasurer thereof. The authority shall employ an executive director who shall be its secretary and chief executive officer. The powers of the authority shall be vested in the members thereof in office from time to time and eleven members of the authority shall constitute a quorum at any meeting thereof. Action may be taken, and motions and resolutions adopted, by the authority at any meeting thereof by the affirmative vote of at least eleven members of the authority. No vacancy in the membership of the authority shall impair the right of a quorum of the members to exercise all of the powers and perform all of the duties of the authority.

g. Each public member of the authority shall execute a bond to be conditioned upon the faithful performance of the duties of such member in such form and amount as may be prescribed by the State Comptroller. Such bonds shall be filed in the office of the Secretary of State. At all times thereafter the members and treasurer of the authority shall maintain such bonds in full force and effect. All costs of such bonds shall be borne by the authority.

h. The members of the authority shall serve without compensation, but the authority shall reimburse its members for actual expenses necessarily incurred in the discharge of their duties. Notwithstanding the provisions of any other law, no officer or employee of the State shall be deemed to have forfeited or shall forfeit his or her office or employment or any benefits or emoluments thereof by reason of his or her acceptance of the office of ex officio member of the authority or his or her services therein.

i. The authority may be dissolved by act of the Legislature on condition that the authority has no debts or obligations outstanding or that provision has been made for the payment or retirement of such debts or obligations. Upon any such dissolution of the authority, all property, funds and assets thereof shall be vested in the State.

j. A true copy of the minutes of every meeting of the authority shall be forthwith delivered by and under the certification of the secretary thereof to the Governor. No action taken at such meeting by the authority shall have force or effect until 10 days, Saturdays,
Sundays, and public holidays excepted, after a copy of the minutes shall have been so delivered unless during that 10-day period the Governor shall approve the same in which case such action shall become effective upon approval. If, within the 10-day period, the Governor returns the copy of the minutes with a veto of any action taken by the authority or any member thereof at the meeting, that action shall be null and void and of no effect. The powers conferred in this subsection upon the Governor shall be exercised with due regard for the rights of the holders of bonds and notes of the authority at any time outstanding, and nothing in or done pursuant to this subsection shall in any way limit, restrict or alter the obligation or powers of the authority or any representative or officer of the authority to carry out and perform in every detail each and every covenant, agreement or contract at any time made or entered into by or on behalf of the authority with respect to its bonds or notes or for the benefit, protection or security of the holders thereof. The Governor may approve all or part of the action taken at such meeting prior to the expiration of the 10-day period.

k. On or before March 31 of each year, the authority shall make an annual report of its activities for the preceding calendar year to the Governor and pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the Legislature. Each such report shall set forth a complete operating and financial statement covering the authority’s operations during the year. The authority shall cause an audit of its books and accounts to be made at least once in each year by certified public accountants and cause a copy thereof to be filed with the Secretary of State and the State Comptroller.

l. The State Comptroller and his legally authorized representatives are hereby authorized and empowered from time to time to examine the accounts, books and records of the authority, including its receipts, disbursements, contracts, sinking funds, investments, and any other matters relating thereto and to its financial standing.

m. No member, officer, employee or agent of the authority shall be interested, either directly or indirectly, in any project or in any contract, sale, purchase, lease or transfer of real or personal property to which the authority is a party.

Section 6 of P.L.1996, c.62 (C.55:19-25) is amended to read as follows:

6. The authority, in determining which projects to approve for financing, shall accord first priority to any project situated in a municipality which at the time the application for project financing is submitted is eligible to receive aid under the "Special Municipal Aid Act," P.L.1987, c.75 (C.52:27D-118.24 et seq.) and is coextensive with a "special needs district" designated pursuant to the "Quality Education Act of 1990,” P.L.1990, c.52 (C.18A:7D-1
et seq.). Subsequent priority shall be assigned to projects in any municipality which, at the time the application for project financing is submitted, is coextensive with a "special needs district" and projects other than those in a qualified municipality shall receive last priority. In making project financing decisions, the authority shall give preference to any project situated in an empowerment neighborhood designated pursuant to section 54 of P.L.1996, c.62 (C.55:19-69). With respect to projects for which costs are to be financed by the authority, the authority shall consider the following factors:

1. the economic feasibility of the project;
2. the extent of economic and related social distress in the municipality and the area to be affected by the project;
3. the degree to which the project will advance State, regional and local development strategies;
4. the likelihood that the project shall upon completion be capable of repaying all or part of any financing costs incurred;
5. the relationship of the project to a comprehensive local development strategy, including other major projects undertaken within the municipality; and
6. the degree to which the project interfaces with public transportation systems.

(c.f. P.L.1996, c.62, s.6)

This act shall take effect on the 30th day after the date of enactment, but the New Jersey Redevelopment Authority may take such anticipatory administrative action in advance thereof as shall be necessary for the implementation of this act.