

Title 34.  
Chapter 1B.  
Part XIV (New)  
Public  
Infrastructure Tax  
Credit.  
§10 –  
C.34:1B-251

P.L.2014, CHAPTER 63, *approved October 24, 2014*  
Assembly, No. 3213 (*Fifth Reprint*)

1 AN ACT concerning incentives for certain economic development  
2 projects and designated as the Economic Opportunity Act of  
3 2014, Part 3, <sup>4</sup>supplementing P.L.1974, c.80 (C.34:1B-1 et  
4 seq.),<sup>2</sup> and <sup>4</sup>amending <sup>3</sup>P.L.2008, c.46,<sup>2</sup><sup>3</sup> P.L.2009, c.90  
5 <sup>1</sup>[and],<sup>1</sup> P.L.2011, c.149<sup>1</sup>, and P.L.2013, c.161<sup>1</sup> <sup>4</sup>, and  
6 supplementing P.L.1974, c.80 (C.34:1B-1 et seq.)<sup>4</sup>.

7  
8 **BE IT ENACTED** by the Senate and General Assembly of the State  
9 of New Jersey:

10  
11 1. Section 33 of P.L.2009, c.90 (C.34:1B-209.1) is amended to  
12 read as follows:

13 33. A business may apply to the Director of the Division of  
14 Taxation in the Department of the Treasury and the executive  
15 director of the authority for a tax credit transfer certificate, covering  
16 one or more years, in lieu of the business being allowed any amount  
17 of the credit against the tax liability of the business. The tax credit  
18 transfer certificate, upon receipt thereof by the business from the  
19 director and the executive director of the authority, may be sold or  
20 assigned, in full or in part, in an amount not less than **[\$100,000]**  
21 \$25,000 of tax credits **[**, although one transfer in each tax period  
22 may be in an amount less than \$100,000**]** to any other person that  
23 may have a tax liability pursuant to section 5 of P.L.1945, c.162  
24 (C.54:10A-5), pursuant to sections 2 and 3 of P.L.1945, c.132  
25 (C.54:18A-2 and 54:18A-3), pursuant to section 1 of P.L.1950,  
26 c.231 (C.17:32-15), or pursuant to N.J.S.17B:23-5. The certificate  
27 provided to the business shall include a statement waiving the  
28 business's right to claim that amount of the credit against the taxes  
29 that the business has elected to sell or assign. The sale or  
30 assignment of any amount of a tax credit transfer certificate allowed

**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:

<sup>1</sup>Assembly ACE committee amendments adopted June 5, 2014.

<sup>2</sup>Assembly AAP committee amendments adopted June 23, 2014.

<sup>3</sup>Assembly floor amendments adopted June 23, 2014.

<sup>4</sup>Senate floor amendments adopted June 26, 2014.

<sup>5</sup>Assembly amendments adopted in accordance with Governor's recommendations September 11, 2014.

1 under this section shall not be exchanged for consideration received  
2 by the business of less than 75 percent of the transferred credit  
3 amount before considering any further discounting to present value  
4 which shall be permitted. Any amount of a tax credit transfer  
5 certificate used by a purchaser or assignee against a tax liability  
6 shall be subject to the same limitations and conditions that apply to  
7 the use of the credit by the business that originally applied for and  
8 was allowed the credit.

9 (cf: P.L.2013, c.161, s.5)

10

11 2. Section 2 of P.L.2011, c.149 (C.34:1B-243) is amended to  
12 read as follows:

13 2. As used in P.L.2011, c.149 (C.34:1B-242 et seq.):

14 "Affiliate" means an entity that directly or indirectly controls, is  
15 under common control with, or is controlled by the business.  
16 Control exists in all cases in which the entity is a member of a  
17 controlled group of corporations as defined pursuant to section 1563  
18 of the Internal Revenue Code of 1986 (26 U.S.C.s.1563) or the  
19 entity is an organization in a group of organizations under common  
20 control as defined pursuant to subsection (b) or (c) of section 414 of  
21 the Internal Revenue Code of 1986 (26 U.S.C.s.414). A taxpayer  
22 may establish by clear and convincing evidence, as determined by  
23 the Director of the Division of Taxation in the Department of the  
24 Treasury, that control exists in situations involving lesser  
25 percentages of ownership than required by those statutes. An  
26 affiliate of a business may contribute to meeting either the qualified  
27 investment or full-time employee requirements of a business that  
28 applies for a credit under section 3 of P.L.2007, c.346 (C.34:1B-  
29 209).

30 "Authority" means the New Jersey Economic Development  
31 Authority established by section 4 of P.L.1974, c.80 (C.34:1B-4).

32 "Aviation district" means the area within a one-mile radius of the  
33 outermost boundary of the "Atlantic City International Airport,"  
34 established pursuant to section 24 of P.L.1991, c.252 (C.27:25A-  
35 24).

36 "Business" means an applicant proposing to own or lease  
37 premises in a qualified business facility that is:

38 a corporation that is subject to the tax imposed pursuant to  
39 section 5 of P.L.1945, c.162 (C.54:10A-5);

40 a corporation that is subject to the tax imposed pursuant to  
41 sections 2 and 3 of P.L.1945, c.132 (C.54:18A-2 and 54:18A-3),  
42 section 1 of P.L.1950, c.231 (C.17:32-15) or N.J.S.17B:23-5;

43 a partnership;

44 an S corporation;

45 a limited liability company; or

46 a non-profit corporation.

47 If the business or tenant is a cooperative or part of a cooperative,  
48 then the cooperative may qualify for credits by counting the full-

1 time employees and capital investments of its member  
2 organizations, and the cooperative may distribute credits to its  
3 member organizations. If the business or tenant is a cooperative  
4 that leases to its member organizations, the lease shall be treated as  
5 a lease to an affiliate or affiliates.

6 A business shall include an affiliate of the business if that  
7 business applies for a credit based upon any capital investment  
8 made by or full-time employees of an affiliate.

9 <sup>2</sup>[A business shall include any owner of a partnership or an S  
10 corporation that is a business.]<sup>2</sup>

11 "Capital investment" in a qualified business facility means  
12 expenses by a business or any affiliate of the business incurred after  
13 application for:

14 a. <sup>1</sup>[site acquisition, if purchased within 24 months prior to  
15 project application,]<sup>1</sup> site preparation and construction, repair,  
16 renovation, improvement, equipping, or furnishing on real property  
17 or of a building, structure, facility, or improvement to real property;

18 b. obtaining and installing furnishings and machinery,  
19 apparatus, or equipment, including but not limited to material goods  
20 subject to bonus depreciation under sections 168 and 179 of the  
21 federal Internal Revenue Code (26 U.S.C. s.168 and s.179), for the  
22 operation of a business on real property or in a building, structure,  
23 facility, or improvement to real property;

24 c. receiving Highlands Development Credits under the  
25 Highlands Transfer Development Rights Program authorized  
26 pursuant to section 13 of P.L.2004, c.120 (C.13:20-13); or

27 d. any of the foregoing.

28 In addition to the foregoing, in a Garden State Growth Zone, the  
29 following qualify as a capital investment: any and all  
30 <sup>1</sup>development,<sup>1</sup> redevelopment and relocation costs, including, but  
31 not limited to, site acquisition if made within 24 months of  
32 application to the authority, engineering, legal, accounting, and  
33 other professional services required; and relocation, environmental  
34 remediation, and infrastructure improvements for the project area,  
35 including, but not limited to, on- and off-site utility, road, pier,  
36 wharf, bulkhead, or sidewalk construction or repair.

37 In addition to the foregoing, if a business acquires or leases a  
38 qualified business facility, the capital investment made or acquired  
39 by the seller or owner, as the case may be, if pertaining primarily to  
40 the premises of the qualified business facility, shall be considered a  
41 capital investment by the business and, if pertaining generally to the  
42 qualified business facility being acquired or leased, shall be  
43 allocated to the premises of the qualified business facility on the  
44 basis of the gross leasable area of the premises in relation to the  
45 total gross leasable area in the qualified business facility. The  
46 capital investment described herein may include any capital  
47 investment made or acquired within 24 months prior to the date of  
48 application so long as the amount of capital investment made or

1 acquired by the business, any affiliate of the business, or any owner  
2 after the date of application equals at least 50 percent of the amount  
3 of capital investment, allocated to the premises of the qualified  
4 business facility being acquired or leased on the basis of the gross  
5 leasable area of such premises in relation to the total gross leasable  
6 area in the qualified business facility made or acquired prior to the  
7 date of application.

8 "Commitment period" means the period of time that is 1.5 times  
9 the eligibility period.

10 "Deep poverty pocket" means a population census tract having a  
11 poverty level of 20 percent or more, and which is located within the  
12 qualified incentive area and has been determined by the authority to  
13 be an area appropriate for development and in need of economic  
14 development incentive assistance.

15 "Disaster recovery project" means a project located on property  
16 that has been wholly or substantially damaged or destroyed as a  
17 result of a federally-declared disaster which, after utilizing all  
18 disaster funds available from federal, State, county, and local  
19 funding sources, demonstrates to the satisfaction of the authority  
20 that access to additional funding authorized pursuant to the "New  
21 Jersey Economic Opportunity Act of 2013," P.L.2013, c.161  
22 (C.52:27D-489p et al.), is necessary to complete such  
23 redevelopment project, and which is located within the qualified  
24 incentive area and has been determined by the authority to be in an  
25 area appropriate for development and in need of economic  
26 development incentive assistance.

27 "Distressed municipality" means a municipality that is qualified  
28 to receive assistance under P.L.1978, c.14 (C.52:27D-178 et seq.), a  
29 municipality under the supervision of the Local Finance Board  
30 pursuant to the provisions of the "Local Government Supervision  
31 Act (1947)," P.L.1947, c.151 (C.52:27BB-1 et seq.), a municipality  
32 identified by the Director of the Division of Local Government  
33 Services in the Department of Community Affairs to be facing  
34 serious fiscal distress, a SDA municipality, or a municipality in  
35 which a major rail station is located.

36 "Eligibility period" means the period in which a business may  
37 claim a tax credit under the Grow New Jersey Assistance Program,  
38 beginning with the tax period in which the authority accepts  
39 certification of the business that it has met the capital investment  
40 and employment requirements of the Grow New Jersey Assistance  
41 Program and extending thereafter for a term of not more than 10  
42 years, with the term to be determined solely at the discretion of the  
43 applicant.

44 "Eligible position" or "full-time job" means a full-time position  
45 in a business in this State which the business has filled with a full-  
46 time employee.

47 "Full-time employee" means a person:

1 a. who is employed by a business for consideration for at least  
2 35 hours a week, or who renders any other standard of service  
3 generally accepted by custom or practice as full-time employment,  
4 or

5 b. who is employed by a professional employer organization  
6 pursuant to an employee leasing agreement between the business  
7 and the professional employer organization, in accordance with  
8 P.L.2001, c.260 (C.34:8-67 et seq.) for at least 35 hours a week, or  
9 who renders any other standard of service generally accepted by  
10 custom or practice as full-time employment, and whose wages are  
11 subject to withholding as provided in the "New Jersey Gross  
12 Income Tax Act," N.J.S.54A:1-1 et seq., or

13 c. who is a resident of another State but whose income is not  
14 subject to the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1  
15 et seq. or who is a partner of a business who works for the  
16 partnership for at least 35 hours a week, or who renders any other  
17 standard of service generally accepted by custom or practice as full-  
18 time employment, and whose distributive share of income, gain,  
19 loss, or deduction, or whose guaranteed payments, or any  
20 combination thereof, is subject to the payment of estimated taxes, as  
21 provided in the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1  
22 et seq., and

23 d. who <sup>5</sup>, except for purposes of the Statewide workforce,<sup>5</sup> is  
24 provided, by the business, with employee health benefits under a  
25 health benefits plan authorized pursuant to State or federal law.

26 With respect to a logistics, manufacturing, energy, defense,  
27 aviation, or maritime business, excluding primarily warehouse or  
28 distribution operations, located in a port district having a container  
29 terminal:

30 the requirement that employee health benefits are to be provided  
31 shall be deemed to be satisfied if such benefits are provided in  
32 accordance with industry practice by a third party obligated to  
33 provide such benefits pursuant to a collective bargaining agreement;

34 full-time employment shall include, but not be limited to,  
35 employees that have been hired by way of a labor union hiring hall  
36 or its equivalent;

37 35 hours of employment per week at a qualified business facility  
38 shall constitute one "full-time employee," regardless of whether or  
39 not the hours of work were performed by one or more persons.

40 For any project located in a Garden State Growth Zone which  
41 qualifies under the "Municipal Rehabilitation and Economic  
42 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), or any  
43 project located in the Atlantic City Tourism District as established  
44 pursuant to section 5 of P.L.2011, c.18 (C.5:12-219) and regulated  
45 by the Casino Reinvestment Development Authority, and which  
46 will include a retail facility of at least 150,000 square feet, of which  
47 at least 50 percent will be occupied by either a full-service  
48 supermarket or grocery store, [the authority shall accept a standard

1 of service generally accepted by custom or practice as full-time  
2 employment in a supermarket, grocery store, or other like retail  
3 industry] 30 hours of employment per week at a qualified business  
4 facility shall constitute one "full-time employee," regardless of  
5 whether or not the hours of work were performed by one or more  
6 persons, and the requirement that employee health benefits are to be  
7 provided shall be deemed to be satisfied if the employees of the  
8 business are covered by a collective bargaining agreement.

9 "Full-time employee" shall not include any person who works as  
10 an independent contractor or on a consulting basis for the business.

11 <sup>5</sup>Full-time employee shall also not include any person who at the  
12 time of project application works in New Jersey for consideration  
13 for at least 35 hours per week, or who renders any other standard of  
14 service generally accepted by custom or practice as full-time  
15 employment but who prior to project application was not provided,  
16 by the business, with employee health benefits under a health  
17 benefits plan authorized pursuant to State or federal law.<sup>5</sup>

18 "Garden State Growth Zone" or "growth zone" means the four  
19 New Jersey cities with the lowest median family income based on  
20 the 2009 American Community Survey from the US Census, (Table  
21 708. Household, Family, and Per Capita Income and Individuals,  
22 and Families Below Poverty Level by City: 2009) <sup>5</sup>; or a  
23 municipality which contains a Tourism District as established  
24 pursuant to section 5 of P.L.2011, c.18 (C.5:12-219) and regulated  
25 by the Casino Reinvestment Development Authority<sup>5</sup>.

26 "Highlands development credit receiving area or redevelopment  
27 area" means an area located within a qualified incentive area and  
28 designated by the Highlands <sup>4</sup>Water Protection and Planning<sup>4</sup>  
29 Council for the receipt of Highlands Development Credits under the  
30 Highlands Transfer Development Rights Program authorized  
31 pursuant to section 13 of P.L.2004, c.120 (C.13:20-13).

32 "Incentive agreement" means the contract between the business  
33 and the authority, which sets forth the terms and conditions under  
34 which the business shall be eligible to receive the incentives  
35 authorized pursuant to the program.

36 "Incentive effective date" means the date the authority issues a  
37 tax credit based on documentation submitted by a business pursuant  
38 to paragraph (1) of subsection b. of section 6 of P.L.2011, c.149  
39 (C.34:1B-247).

40 "Major rail station" means a railroad station located within a  
41 qualified incentive area which provides access to the public to a  
42 minimum of six rail passenger service lines operated by the New  
43 Jersey Transit Corporation.

44 "Mega project" means:

45 a. a qualified business facility located in a port district housing  
46 a business in the logistics, manufacturing, energy, defense, or  
47 maritime industries, either:

1 (1) having a capital investment in excess of \$20,000,000, and at  
2 which more than 250 full-time employees of such business are  
3 created or retained, or

4 (2) at which more than 1,000 full-time employees of such  
5 business are created or retained;

6 b. a qualified business facility located in an aviation district  
7 housing a business in the aviation industry, in a Garden State  
8 Growth Zone, or in a priority area housing the United States  
9 headquarters and related facilities of an automobile manufacturer,  
10 either:

11 (1) having a capital investment in excess of \$20,000,000, and at  
12 which more than 250 full-time employees of such business are  
13 created or retained, or

14 (2) at which more than 1,000 full-time employees of such  
15 business are created or retained; <sup>1</sup>[or]<sup>1</sup>

16 c. a qualified business facility located in an urban transit hub  
17 housing a business of any kind, having a capital investment in  
18 excess of \$50,000,000, and at which more than 250 full-time  
19 employees of a business are created or retained<sup>1</sup>; <sup>4</sup>or<sup>4</sup>

20 d. <sup>4</sup>a qualified business facility housing the corporate  
21 headquarters of a business of any kind having a capital investment  
22 in excess of \$50,000,000, and at which more than 250 full-time  
23 employees of <sup>2</sup>[such] the<sup>2</sup> business are created; or

24 e.]<sup>4</sup> a project located in an area designated in need of  
25 redevelopment <sup>4</sup>, pursuant to P.L.1992, c.79 (C.40A:12A-1 et al.)<sup>4</sup>  
26 prior to the enactment of P.L. , c. (C. ) (pending before the  
27 Legislature as this bill) within Atlantic, Burlington, Camden, Cape  
28 May, Cumberland, Gloucester, Ocean, or Salem counties having a  
29 capital investment in excess of \$20,000,000, and at which more  
30 than 150 full-time employees of <sup>2</sup>[such] a<sup>2</sup> business are created or  
31 retained<sup>1</sup>.

32 "Minimum environmental and sustainability standards" means  
33 standards established by the authority in accordance with the green  
34 building manual prepared by the Commissioner of Community  
35 Affairs pursuant to section 1 of P.L.2007, c.132 (C.52:27D-130.6),  
36 regarding the use of renewable energy, energy-efficient technology,  
37 and non-renewable resources in order to reduce environmental  
38 degradation and encourage long-term cost reduction.

39 "Moderate-income housing" means housing affordable,  
40 according to United States Department of Housing and Urban  
41 Development or other recognized standards for home ownership  
42 and rental costs, and occupied or reserved for occupancy by  
43 households with a gross household income equal to more than 50  
44 percent but less than 80 percent of the median gross household  
45 income for households of the same size within the housing region in  
46 which the housing is located.

1 "Municipal Revitalization Index" means the 2007 index by the  
2 Office for Planning Advocacy within the Department of State  
3 measuring or ranking municipal distress.

4 "New full-time job" means an eligible position created by the  
5 business at the qualified business facility that did not previously  
6 exist in this State. For the purposes of determining a number of  
7 new full-time jobs, the eligible positions of an affiliate shall be  
8 considered eligible positions of the business.

9 "Other eligible area" means the portions of the qualified  
10 incentive area that are not located within a distressed municipality,  
11 or the priority area.

12 "Partnership" means an entity classified as a partnership for  
13 federal income tax purposes.

14 "Port district" means the portions of a qualified incentive area  
15 that are located within:

16 a. the <sup>4</sup>**[port district]** "Port of New York District"<sup>4</sup> of the Port  
17 Authority of New York and New Jersey, as defined in Article II of  
18 the Compact Between the States of New York and New Jersey of  
19 1921; or

20 b. a 15-mile radius of the outermost boundary of each marine  
21 terminal facility established, acquired, constructed, rehabilitated, or  
22 improved by the South Jersey Port District established pursuant to  
23 "The South Jersey Port Corporation Act," P.L.1968, c.60  
24 (C.12:11A-1 et seq.).

25 "Priority area" means the portions of the qualified incentive area  
26 that are not located within a distressed municipality and which:

27 a. are designated pursuant to the "State Planning Act,"  
28 P.L.1985, c.398 (C.52:18A-196 et seq.), as Planning Area 1  
29 (Metropolitan), Planning Area 2 (Suburban), a designated center  
30 under the State Development and Redevelopment Plan, or a  
31 designated growth center in an endorsed plan until June 30, 2013, or  
32 until the State Planning Commission revises and readopts New  
33 Jersey's State Strategic Plan and adopts regulations to revise this  
34 definition;

35 b. intersect with portions of: a deep poverty pocket, a port  
36 district, or federally-owned land approved for closure under a  
37 federal <sup>4</sup>Commission on<sup>4</sup> Base Realignment <sup>4</sup>**[Closing**  
38 **Commission]** and Closure<sup>4</sup> action;

39 c. are the proposed site of a disaster recovery project, a  
40 qualified incubator facility, a highlands development credit  
41 receiving area or redevelopment area, a tourism destination project,  
42 or transit oriented development; or

43 d. contain: a vacant commercial building having over 400,000  
44 square feet of office, laboratory, or industrial space available for  
45 occupancy for a period of over one year; or a site that has been  
46 negatively impacted by the approval of a "qualified business  
47 facility," as defined pursuant to section 2 of P.L.2007, c.346  
48 (C.34:1B-208).



1 "Professional employer organization" means an employee leasing  
2 company registered with the Department of Labor and Workforce  
3 Development pursuant to P.L.2001, c.260 (C.34:8-67 et seq.).

4 "Program" means the "Grow New Jersey Assistance Program"  
5 established pursuant to section 3 of P.L.2011, c.149 (C.34:1B-244).

6 "Qualified business facility" means any building, complex of  
7 buildings or structural components of buildings, and all machinery  
8 and equipment located within a qualified incentive area, used in  
9 connection with the operation of a business that is not engaged in  
10 final point of sale retail business at that location unless the building,  
11 complex of buildings or structural components of buildings, and all  
12 machinery and equipment located within a qualified incentive area,  
13 are used in connection with the operation of:

14 a. a final point of sale retail business located in a Garden State  
15 Growth Zone that will include a retail facility of at least 150,000  
16 square feet, of which at least 50 percent is occupied by either a full-  
17 service supermarket or grocery store; or

18 b. a tourism destination project located in the Atlantic City  
19 Tourism District as established pursuant to section 5 of P.L.2011,  
20 c.18 (C.5:12-219).

21 "Qualified incentive area" means:

22 a. an aviation district;

23 b. a port district;

24 c. a distressed municipality or urban transit hub municipality;

25 d. an area (1) designated pursuant to the "State Planning Act,"  
26 P.L.1985, c.398 (C.52:18A-196 et seq.), as:

27 (a) Planning Area 1 (Metropolitan);

28 (b) Planning Area 2 (Suburban); or

29 (c) Planning Area 3 (Fringe Planning Area);

30 (2) located within a smart growth area and planning area  
31 designated in a master plan adopted by the New Jersey  
32 Meadowlands Commission pursuant to subsection (i) of section 6 of  
33 P.L.1968, c.404 (C.13:17-6) or subject to a redevelopment plan  
34 adopted by the New Jersey Meadowlands Commission pursuant to  
35 section 20 of P.L.1968, c.404 (C.13:17-21);

36 (3) located within any land owned by the New Jersey Sports and  
37 Exposition Authority, established pursuant to P.L.1971, c.137  
38 (C.5:10-1 et seq.), within the boundaries of the Hackensack  
39 Meadowlands District as delineated in section 4 of P.L.1968, c.404  
40 (C.13:17-4);

41 (4) located within a regional growth area, town, village, or a  
42 military and federal installation area designated in the  
43 comprehensive management plan prepared and adopted by the  
44 Pinelands Commission pursuant to the "Pinelands Protection Act,"  
45 P.L.1979, c.111 (C.13:18A-1 et seq.);

46 (5) located within the planning area of the Highlands Region as  
47 defined in section 3 of P.L.2004, c.120 (C.13:20-3) or a highlands  
48 development credit receiving area or redevelopment area;

- 1 (6) located within a Garden State Growth Zone;
- 2 (7) located within land approved for closure under any federal  
3 <sup>4</sup>Commission on<sup>4</sup> Base <sup>4</sup>**["Closure and"]**<sup>4</sup> Realignment  
4 <sup>4</sup>**["Commission"] and Closure**<sup>4</sup> action; or
- 5 (8) located only within the following portions of the areas  
6 designated pursuant to the "State Planning Act," P.L.1985, c.398  
7 (C.52:18A-196 et al.), as Planning Area 4A (Rural Planning Area),  
8 Planning Area 4B (Rural/Environmentally Sensitive) or Planning  
9 Area 5 (Environmentally Sensitive) if Planning Area 4A (Rural  
10 Planning Area), Planning Area 4B (Rural/Environmentally  
11 Sensitive) or Planning Area 5 (Environmentally Sensitive) is  
12 located within:
- 13 (a) a designated center under the State Development and  
14 Redevelopment Plan;
- 15 (b) a designated growth center in an endorsed plan until the  
16 State Planning Commission revises and readopts New Jersey's State  
17 Strategic Plan and adopts regulations to revise this definition as it  
18 pertains to Statewide planning areas;
- 19 (c) any area determined to be in need of redevelopment pursuant  
20 to sections 5 and 6 of P.L.1992, c.79 (C.40A:12A-5 and 40A:12A-  
21 6) or in need of rehabilitation pursuant to section 14 of P.L.1992,  
22 c.79 (C.40A:12A-14);
- 23 (d) any area on which a structure exists or previously existed  
24 including any desired expansion of the footprint of the existing or  
25 previously existing structure provided such expansion otherwise  
26 complies with all applicable federal, State, county, and local  
27 permits and approvals;
- 28 (e) the planning area of the Highlands Region as defined in  
29 section 3 of P.L.2004, c.120 (C.13:20-3) or a highlands  
30 development credit receiving area or redevelopment area; or
- 31 (f) any area on which an existing tourism destination project is  
32 located.
- 33 "Qualified incentive area" shall not include any property located  
34 within the preservation area of the Highlands Region as defined in  
35 <sup>4</sup>**["the "Highlands Water Protection and Planning Act,"]** section 3  
36 of<sup>4</sup> P.L.2004, c.120 <sup>4</sup>**["(C.13:20-1 et al.)"]** (C.13:20-3)<sup>4</sup>.
- 37 "Qualified incubator facility" means a commercial building  
38 located within a qualified incentive area: which contains  
39 <sup>1</sup>**["100,000"]** 50,000<sup>1</sup> or more square feet of office, laboratory, or  
40 industrial space; which is located near, and presents opportunities  
41 for collaboration with, a research institution, teaching hospital,  
42 college, or university; and within which, at least <sup>1</sup>**["75"]** 50<sup>1</sup> percent  
43 of the gross leasable area is restricted for use by one or more  
44 technology startup companies during the commitment period.
- 45 "Retained full-time job" means an eligible position that currently  
46 exists in New Jersey and is filled by a full-time employee but  
47 which, because of a potential relocation by the business, is at risk of

1 being lost to another state or country, or eliminated. For the  
2 purposes of determining a number of retained full-time jobs, the  
3 eligible positions of an affiliate shall be considered eligible  
4 positions of the business. <sup>1</sup>For the purposes of the certifications  
5 and annual reports required <sup>2</sup>[pursuant to] in<sup>2</sup> the incentive  
6 agreement <sup>2</sup>[in] pursuant to<sup>2</sup> subsection e. of section 4 of P.L.2011,  
7 c.149 (C.34:1B-245), to the extent an eligible position that was the  
8 basis of the award no longer exists, a business shall include as a  
9 retained full-time job a new eligible position that is filled by a full-  
10 time employee provided that the position is included in the order of  
11 date of hire and is not the basis for any other incentive award. For a  
12 project located in a Garden State Growth Zone which qualified for  
13 the "Municipal Rehabilitation and Economic Recovery Act,"  
14 P.L.2002, c.43 (C.52:27BBB-1 et al.), retained full-time job shall  
15 include any employee previously employed in New Jersey and  
16 transferred to the new location in the Garden State Growth Zone  
17 which qualified for the "Municipal Rehabilitation and Economic  
18 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.).<sup>1</sup>

19 "SDA district" means an SDA district as defined in section 3 of  
20 P.L.2000, c.72 (C.18A:7G-3).

21 "SDA municipality" means a municipality in which an SDA  
22 district is situate.

23 "Targeted industry" means any industry identified from time to  
24 time by the authority including initially, a transportation,  
25 manufacturing, defense, energy, logistics, life sciences, technology,  
26 health, and finance business, but excluding a primarily warehouse  
27 or distribution business.

28 "Technology startup company" means a for profit business that  
29 has been in operation fewer than five years and is developing or  
30 possesses a proprietary technology or business method of a high-  
31 technology or life science-related product, process, or service which  
32 the business intends to move to commercialization.

33 "Tourism destination project" means a qualified <sup>5</sup>non-gaming<sup>5</sup>  
34 business facility that will be among the most visited privately  
35 owned or operated tourism or recreation sites in the State, and  
36 which is located within the qualified incentive area and has been  
37 determined by the authority to be in an area appropriate for  
38 development and in need of economic development incentive  
39 assistance <sup>5</sup>, including a non-gaming business within an established  
40 Tourism District with a significant impact on the economic viability  
41 of that District<sup>5</sup>.

42 "Transit oriented development" means a qualified business  
43 facility located within a 1/2-mile radius, or one-mile radius for  
44 projects located in a Garden State Growth Zone, surrounding the  
45 mid-point of a New Jersey Transit Corporation, Port Authority  
46 Transit Corporation, or Port Authority Trans-Hudson Corporation

1 rail, bus, or ferry station platform area, including all light rail  
2 stations.

3 "Urban transit hub" means an urban transit hub, as defined in  
4 section 2 of P.L.2007, c.346 (C.34:1B-208), that is located within  
5 an eligible municipality, as defined in section 2 of P.L.2007, c.346  
6 (C.34:1B-208) and also located within a qualified incentive area.

7 "Urban transit hub municipality" means a municipality: a. which  
8 qualifies for State aid pursuant to P.L.1978, c.14 (C.52:27D-178 et  
9 seq.), or which has continued to be a qualified municipality  
10 thereunder pursuant to P.L.2007, c.111; and b. in which 30 percent  
11 or more of the value of real property was exempt from local  
12 property taxation during tax year 2006. The percentage of exempt  
13 property shall be calculated by dividing the total exempt value by  
14 the sum of the net valuation which is taxable and that which is tax  
15 exempt.

16 (cf: P.L.2013, c.161, s.7)

17

18 3. Section 3 of P.L.2011, c.149 (C.34:1B-244) is amended to  
19 read as follows:

20 3. a. The Grow New Jersey Assistance Program is hereby  
21 established as a program under the jurisdiction of the New Jersey  
22 Economic Development Authority and shall be administered by the  
23 authority. The purpose of the program is to encourage economic  
24 development and job creation and to preserve jobs that currently  
25 exist in New Jersey but which are in danger of being relocated  
26 outside of the State. To implement this purpose, the program may  
27 provide tax credits to eligible businesses for an eligibility period not  
28 to exceed 10 years.

29 To be eligible for any tax credits pursuant to P.L.2011, c.149  
30 (C.34:1B-242 et al.), a business's chief executive officer or  
31 equivalent officer shall demonstrate to the authority, at the time of  
32 application, that:

33 (1) the business, expressly including its landlord or seller, will  
34 make, acquire, or lease a capital investment equal to, or greater  
35 than, the applicable amount set forth in subsection b. of this section  
36 at a qualified business facility at which it will:

37 (a) retain full-time jobs in an amount equal to or greater than the  
38 applicable number set forth in subsection c. of this section;

39 (b) create new full-time jobs in an amount equal to or greater  
40 than the applicable number set forth in subsection c. of this section;  
41 or

42 (c) in combination, retain full-time jobs and create new full-time  
43 jobs in an amount equal to or greater than the applicable number set  
44 forth in subsection c. of this section;

45 (2) the qualified business facility shall be constructed in  
46 accordance with the minimum environmental and sustainability  
47 standards;

1 (3) the capital investment resultant from the award of tax credits  
2 and the resultant retention and creation of full-time jobs will yield a  
3 net positive benefit to the State **[,] <sup>1</sup>[and to the municipality]**<sup>1</sup>  
4 equaling at least 110 percent of the requested tax credit allocation  
5 amount, which determination is calculated prior to taking into  
6 account the value of the requested tax credit and shall be based on  
7 the benefits generated during the first 20 years following the  
8 completion of the project, except that:

9 (a) for a mega project or a project located in a Garden State  
10 Growth Zone, the determination shall be based on the benefits  
11 generated during a period of up to 30 years following the  
12 completion of the project, as determined by the authority, and  
13 **[except that,]**

14 (b) for a project located in a Garden State Growth Zone which  
15 qualified for the "Municipal Rehabilitation and Economic Recovery  
16 Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), the net positive benefit  
17 determination shall be based on the benefits generated during a  
18 period of up to 35 years following completion of the project, as  
19 determined by the authority, and shall equal at least 100 percent of  
20 the requested tax credit allocation amount and may utilize the value  
21 of those property taxes subject to the provisions of section 24 of  
22 P.L.2013 c.161 <sup>4</sup>**[(C.52:27D-489r)]** (C.52:27D-489s)<sup>4</sup> <sup>5</sup>, or the  
23 value of those property taxes that would have been assessed on the  
24 new construction, improvements, or substantial rehabilitation of  
25 structures on real property if the structures were not exempt because  
26 they are on real property owned by a public entity,<sup>5</sup> and incremental  
27 sales and excise taxes that are derived from activities within the  
28 area and which are rebated or retained by the municipality pursuant  
29 to the "New Jersey Urban Enterprise Zones Act," P.L.1983, c.303  
30 (C.52:27H-60 et seq.) or any other law providing for such rebate or  
31 retention <sup>1</sup>**[, and**

32 (c) for a project undertaken by a non-profit corporation, the net  
33 positive benefit determination shall be calculated prior to taking  
34 into account the value of the requested tax credit and the value of  
35 exemptions pursuant to R.S.54:4-3.6, subsection (b) of section 9 of  
36 P.L.1966, c.30 (C.54:32B-9), and section 3 of P.L.1945, c.162  
37 (C.54:10A-3)]<sup>1</sup>; and

38 (4) except as provided in subsection f. of this section, the award  
39 of tax credits will be a material factor in the business's decision to  
40 create or retain the minimum number of new or retained full-time  
41 jobs for eligibility under the program.

42 With respect to the provisions of paragraph (3) of this  
43 subsection, in the case of a project located in a Garden State  
44 Growth Zone, the authority, in its discretion, may award bonuses in  
45 its net positive benefit calculation.

1       b. <sup>2</sup>**[The]** For all projects approved after the effective date of  
2 P.L.2013, c.161, the<sup>2</sup> minimum capital investment required to be  
3 eligible under this program shall be as follows:

4       (1) for the rehabilitation, improvement, fit-out, or retrofit of an  
5 existing industrial<sup>1</sup>, warehousing, logistics, <sup>2</sup>or<sup>2</sup> research <sup>2</sup>**[, or]**  
6 and<sup>2</sup> development<sup>1</sup> premises for continued <sup>1</sup>**[industrial]** similar<sup>1</sup>  
7 use by the business <sup>2</sup>in at least <sup>4</sup>**[51%]** 51 percent<sup>4</sup> of the gross  
8 leasable area of the premises<sup>2</sup>, a minimum investment of \$20 per  
9 square foot of gross leasable area;

10       (2) for the new construction of an industrial <sup>1</sup>, warehousing,  
11 logistics, <sup>2</sup>or<sup>2</sup> research <sup>2</sup>**[, or]** and<sup>2</sup> development<sup>1</sup> premises for  
12 <sup>1</sup>**[industrial]** similar<sup>1</sup> use by the business <sup>2</sup>in at least <sup>4</sup>**[51%]** 51  
13 percent<sup>4</sup> of the gross leasable area of the premises<sup>2</sup>, a minimum  
14 investment of \$60 per square foot of gross leasable area;

15       (3) for the rehabilitation, improvement, fit-out, or retrofit of an  
16 existing <sup>1</sup>**[non-industrial]**<sup>1</sup> premises <sup>2</sup>**[not used for industrial,**  
17 warehousing, logistics, or research and development purposes<sup>1</sup> for  
18 continued]<sup>2</sup> <sup>1</sup>**[non-industrial]** <sup>2</sup>**[similar**<sup>1</sup> use by the business] that  
19 does not qualify pursuant to paragraphs (1) or (2) of this  
20 subsection<sup>2</sup>, a minimum investment of \$40 per square foot of gross  
21 leasable area; and

22       (4) for the new construction of a <sup>1</sup>**[non-industrial]**<sup>1</sup> premises  
23 <sup>2</sup>**[not used for industrial, warehousing, logistics, or research and**  
24 development purposes<sup>1</sup> for]<sup>2</sup> <sup>1</sup>**[non-industrial]** <sup>2</sup>**[similar**<sup>1</sup> use by  
25 the business] that does not qualify pursuant to paragraphs (1) or (2)  
26 of this subsection<sup>2</sup>, a minimum investment of \$120 per square foot  
27 of gross leasable area.

28       The minimum capital investment required by this subsection  
29 shall be reduced by one-third for projects located in a Garden State  
30 Growth Zone or projects located within Atlantic, Burlington,  
31 Camden, Cape May, Cumberland, Gloucester, Ocean, or Salem  
32 counties.

33       c. The minimum number of new or retained full-time jobs  
34 required to be eligible under this program shall be as follows:

35       (1) for a business that is a technology startup company or a  
36 manufacturing company, a minimum of 10 new or 25 retained full-  
37 time jobs;

38       (2) for a business engaged primarily in a targeted industry other  
39 than a technology startup company or a manufacturing company, a  
40 minimum of 25 new or 35 retained full-time jobs; and

41       (3) for any other business, a minimum of 35 new or 50 retained  
42 full-time jobs.

43       The minimum number of new or retained full-time jobs required  
44 by this subsection shall be reduced by one-quarter for projects  
45 located in a Garden State Growth Zone or projects located within

1 Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester,  
2 Ocean, or Salem counties.

3 d. To assist the authority in determining whether a proposed  
4 capital investment will yield a net positive benefit, the business's  
5 chief executive officer, or equivalent officer, shall submit a  
6 certification to the authority indicating: (1) that any existing full-  
7 time jobs are at risk of leaving the State or being eliminated; (2)  
8 that any projected creation or retention, as applicable, of new full-  
9 time jobs would not occur but for the provision of tax credits under  
10 the program; and (3) that the business's chief executive officer, or  
11 equivalent officer, has reviewed the information submitted to the  
12 authority and that the representations contained therein are accurate,  
13 provided however, that in satisfaction of the provisions of  
14 paragraphs (1) and (2) of this subsection, the certification with  
15 respect to a project in a Garden State Growth Zone that qualifies  
16 under the "Municipal Rehabilitation and Economic Recovery Act,"  
17 P.L.2002, c.43 (C.52:27BBB-1 et al.), <sup>5</sup>or a project located in a  
18 Garden State Growth Zone which contains a Tourism District as  
19 established pursuant to section 5 of P.L.2011, c.18 (C.5:12-219) and  
20 regulated by the Casino Reinvestment Development Authority.<sup>5</sup>  
21 shall indicate that~~[,]~~ the provision of tax credits under the program  
22 is a material factor in the business decision to make a capital  
23 investment and locate in a Garden State Growth Zone that qualifies  
24 under the "Municipal Rehabilitation and Economic Recovery Act,"  
25 P.L.2002, c.43 (C.52:27BBB-1 et al.) <sup>5</sup>, or a Garden State Growth  
26 Zone which contains a Tourism District as established pursuant to  
27 section 5 of P.L.2011, c.18 (C.5:12-219) and regulated by the  
28 Casino Reinvestment Development Authority<sup>5</sup>. In the event that  
29 this certification by the business's chief executive officer, or  
30 equivalent officer, is found to be willfully false, the authority may  
31 revoke any award of tax credits in their entirety, which revocation  
32 shall be in addition to any other criminal or civil penalties that the  
33 business and the officer may be subject to. When considering an  
34 application involving intra-State job transfers, the authority shall  
35 require the business to submit the following information as part of  
36 its application: a full economic analysis of all locations under  
37 consideration by the business; all lease agreements, ownership  
38 documents, or substantially similar documentation for the business's  
39 current in-State locations; and all lease agreements, ownership  
40 documents, or substantially similar documentation for the potential  
41 out-of-State location alternatives, to the extent they exist. Based on  
42 this information, and any other information deemed relevant by the  
43 authority, the authority shall independently verify and confirm, by  
44 way of making a factual finding by separate vote of the authority's  
45 board, the business's assertion that the jobs are actually at risk of  
46 leaving the State, and as to the date or dates at which the authority  
47 expects that those jobs would actually leave the State, or, with  
48 respect to projects located in a Garden State Growth Zone that

1 qualifies under the "Municipal Rehabilitation and Economic  
2 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), <sup>5</sup>or projects  
3 located in a Garden State Growth Zone which contains a Tourism  
4 District as established pursuant to section 5 of P.L.2011, c.18  
5 (C.5:12-219) and regulated by the Casino Reinvestment  
6 Development Authority,<sup>5</sup> the business's assertion that the provision  
7 of tax credits under the program is a material factor in the business's  
8 decision to make a capital investment and locate in a Garden State  
9 Growth Zone that qualifies under the "Municipal Rehabilitation and  
10 Economic Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.),  
11 <sup>5</sup>or in a Garden State Growth Zone which contains a Tourism  
12 District as established pursuant to section 5 of P.L.2011, c.18  
13 (C.5:12-219) and regulated by the Casino Reinvestment  
14 Development Authority,<sup>5</sup> before a business may be awarded any tax  
15 credits under this section.

16 e. A project that consists solely of point-of-final-purchase  
17 retail facilities shall not be eligible for a grant of tax credits. If a  
18 project consists of both point-of-final-purchase retail facilities and  
19 non-retail facilities, only the portion of the project consisting of  
20 non-retail facilities shall be eligible for a grant of tax credits. <sup>1</sup>**[In]**  
21 For a qualified business facility that is a mixed-use project that  
22 includes retail facilities and that is located in<sup>1</sup> a Garden State  
23 Growth Zone or the Atlantic City Tourism District as established  
24 pursuant to section 5 of P.L.2011, c.18 (C.5:12-219) and regulated  
25 by the Casino Reinvestment Development Authority, <sup>1</sup>**[up to 7.5**  
26 **percent of]**<sup>1</sup> retail facilities <sup>1</sup>**[included in a mixed use project shall**  
27 **be eligible]** in an amount up to 7.5 percent of the mixed-use project  
28 may be included in the mixed-use project application<sup>1</sup> for a grant of  
29 tax credits along with the non-retail facilities <sup>1</sup>, and <sup>2</sup>**[such]** that<sup>2</sup>  
30 application may include in the aggregate the pro-rata number of  
31 full-time employees employed by any number of tenants or other  
32 occupants of the included retail facilities<sup>1</sup>. If a warehouse facility is  
33 part of a point-of-final-purchase retail facility and supplies only that  
34 facility, the warehouse facility shall not be eligible for a grant of tax  
35 credits. For the purposes of this section, a retail facility of at least  
36 150,000 square feet, of which at least 50 percent is occupied by a  
37 full-service supermarket or grocery store, located in a Garden State  
38 Growth Zone which qualified under the "Municipal Rehabilitation  
39 and Economic Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et  
40 al.), or a tourism destination project in the Atlantic City Tourism  
41 District as established pursuant to section 5 of P.L.2011, c.18  
42 (C.5:12-219), or catalog distribution centers shall not be considered  
43 point-of-final-purchase retail facilities.

44 f. The authority may determine as eligible for tax credits under  
45 the program any business that is required to respond to a request for  
46 proposals and to fulfill a contract with the federal government  
47 although the business's chief executive officer or equivalent officer



1 has not demonstrated to the authority that the award of tax credits  
2 will be a material factor in the business's decision to retain the  
3 minimum number of retained full-time jobs, as otherwise required  
4 by this section. The authority may, in its discretion, consider the  
5 economic benefit of the retained jobs servicing the contract in  
6 conducting a net benefit analysis required by paragraph (4) of  
7 subsection a. of this section. For the purposes of this subsection,  
8 "retained full-time jobs" includes jobs that are at risk of being  
9 eliminated. Applications to the authority for eligibility under the  
10 program pursuant to the criteria set forth in this subsection shall be  
11 completed by December 31, 2013. Submission of a proposal to the  
12 federal government prior to authority approval shall not disqualify a  
13 business from the program.

14 g. Nothing shall preclude a business from applying for tax  
15 credits under the program for more than one project pursuant to one  
16 or more applications.

17 (cf: P.L.2013, c.161, s.8)

18

19 4. Section 5 of P.L.2011, c.149 (C.34:1B-246) is amended to  
20 read as follows:

21 5. a. The total amount of tax credit for an eligible business for  
22 each new or retained full-time job shall be as set forth in  
23 subsections b. through f. of this section. The total tax credit amount  
24 shall be calculated and credited to the business annually for each  
25 year of the eligibility period. Notwithstanding any other provisions  
26 of P.L.2013, c.161 (C.52:27D-489p et al.), a business may assign its  
27 ability to apply for the tax credit under this subsection to a non-  
28 profit organization with a mission dedicated to attracting investment  
29 and completing development and redevelopment projects in a  
30 Garden State Growth Zone. The non-profit organization<sup>1</sup> or  
31 organization operating a qualified incubator facility<sup>1</sup> may make an  
32 application on behalf of <sup>2</sup>[the] a<sup>2</sup> business which meets the  
33 requirements for the tax credit, or a group of non-qualifying  
34 businesses<sup>1</sup> or positions<sup>1</sup>, <sup>5</sup>located at a qualified business facility.<sup>5</sup>  
35 <sup>2</sup>[such]<sup>2</sup> that <sup>2</sup>[these will] shall<sup>2</sup> be considered a unified project  
36 for the purposes of the incentives provided under this section. For  
37 any project located in a Garden State Growth Zone that qualifies  
38 under the "Municipal Rehabilitation and Economic Recovery Act,"  
39 P.L.2002, c.43 (C.52:27BBB-1 et al.)<sup>5</sup>, or any project located in a  
40 Garden State Growth Zone which contains a Tourism District as  
41 established pursuant to section 5 of P.L.2011, c.18 (C.5:12-219) and  
42 regulated by the Casino Reinvestment Development Authority,<sup>5</sup> and  
43 which will include a retail facility of at least 150,000 square feet, of  
44 which at least 50 percent will be occupied by either a full-service  
45 supermarket or grocery store, a business may assign its ability to  
46 apply for the tax credit under this subsection to the developer of the  
47 facility. The developer may make an application on behalf of the

1 business which meets the requirements for the tax credit, or a group  
2 of non-qualifying businesses located at the business facility,  
3 <sup>2</sup>[such]<sup>2</sup> that <sup>2</sup>[these will] shall<sup>2</sup> be considered a unified project  
4 for the purposes of the incentives provided under this section, and  
5 the developer may apply for tax credits available based on the  
6 number of jobs provided by the business or businesses and the total  
7 capital investment of the business or businesses and the developer.

8 b. The base amount of the tax credit for each new or retained  
9 full-time job shall be as follows:

10 (1) for a qualified business facility located within an urban  
11 transit hub municipality or Garden State Growth Zone or is a mega  
12 project, \$5,000 per year;

13 (2) for a qualified business facility located within a distressed  
14 municipality but not qualifying under paragraph (1) of this  
15 subsection, \$4,000 per year;

16 (3) for a project in a priority area, \$3,000 per year; and

17 (4) for a project in other eligible areas, \$500 per year.

18 c. In addition to the base amount of the tax credit, the amount  
19 of the tax credit to be awarded for each new or retained full-time  
20 job shall be increased if the qualified business facility meets any of  
21 the following priority criteria or other additional or replacement  
22 criteria determined by the authority from time to time in response to  
23 evolving economic or market conditions:

24 (1) for a qualified business facility located in a deep poverty  
25 pocket or in an area that is the subject of a Choice Neighborhoods  
26 Transformation Plan funded by the federal Department of Housing  
27 and Urban Development, an increase of \$1,500 per year;

28 (2) for a qualified business facility located in a qualified  
29 incubator facility, an increase of \$500 per year;

30 (3) for a qualified business facility located in a mixed-use  
31 development that incorporates sufficient moderate income housing  
32 on site to accommodate a minimum of 20 percent of the full-time  
33 employees of the business, an increase of \$500 per year;

34 (4) for a qualified business facility located within a transit  
35 oriented development, an increase of \$2,000 per year;

36 (5) for a qualified business facility, other than a mega project, at  
37 which the capital investment in industrial premises for industrial  
38 use by the business is in excess of the minimum capital investment  
39 required for eligibility pursuant to subsection b. of section 3 of  
40 P.L.2011, c.149 (C.34:1B-244), an increase of \$1,000 per year for  
41 each additional amount of investment that exceeds the minimum  
42 amount required for eligibility by 20 percent, with a maximum  
43 increase of \$3,000 per year;

44 (6) for a business with new full-time jobs and retained full-time  
45 jobs at the project with an average salary in excess of the existing  
46 average salary for the county in which the project is located, or, in  
47 the case of a project in a Garden State Growth Zone, a business that  
48 employs full-time positions at the project with an average salary in

- 1 excess of the average salary for the Garden State Growth Zone, an  
2 increase of \$250 per year during the commitment period for each 35  
3 percent by which the project's average salary levels exceeds the  
4 county or Garden State Growth Zone average salary, with a  
5 maximum increase of \$1,500 per year;
- 6 (7) for a business with large numbers of new full-time jobs and  
7 retained full-time jobs during the commitment period, the increases  
8 shall be in accordance with the following schedule:
- 9 (a) if the number of new full-time jobs and retained full-time  
10 jobs is between 251 and 400, \$500 per year;
- 11 (b) if the number of new full-time jobs and retained full-time  
12 jobs is between 401 and 600, \$750 per year;
- 13 (c) if the number of new full-time jobs and retained full-time  
14 jobs is between 601 and 800, \$1000 per year;
- 15 (d) if the number of new full-time jobs and retained full-time  
16 jobs is between 801 and 1,000, \$1,250 per year;
- 17 (e) if the number of new full-time jobs and retained full-time  
18 jobs is in excess of 1,000, \$1,500 per year;
- 19 (8) for a business in a targeted industry, an increase of \$500 per  
20 year;
- 21 (9) for a qualified business facility exceeding the Leadership in  
22 Energy and Environmental Design's "Silver" rating standards or  
23 completes substantial environmental remediation, an additional  
24 increase of \$250 per year;
- 25 (10) for a mega project or a project located within a Garden State  
26 Growth Zone at which the capital investment in industrial premises  
27 for industrial use by the business is in excess of the minimum  
28 capital investment required for eligibility pursuant to subsection b.  
29 of section 3 of P.L.2011, c.149 (C.34:1B-244), an increase of  
30 \$1,000 per year for each additional amount of investment that  
31 exceeds the minimum amount by 20 percent, with a maximum  
32 increase of \$5,000 per year;
- 33 (11) for a project in which a business retains at least 400 jobs  
34 and is located within the municipality in which it was located  
35 immediately prior to the filing of the application hereunder and is  
36 the United States headquarters of an automobile manufacturer, an  
37 increase of \$1,500 per year;
- 38 (12) for a project located in a municipality in Atlantic,  
39 Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean,  
40 and Salem counties with a 2007 Municipality Revitalization Index  
41 greater than 465, an increase of \$1,000 per year;
- 42 (13) for a project located within a half-mile of any light rail  
43 station constructed after the effective date of P.L.2013, c.161  
44 (C.52:27D-489p et al.), an increase of \$1,000 per year;
- 45 (14) for a marine terminal project in a municipality located  
46 outside the Garden State Growth Zone, but within the geographical  
47 boundaries of the South Jersey Port District, an increase of \$1,500  
48 per year;

1 (15) for a project located within an area determined to be in need  
2 of redevelopment pursuant to sections 5 and 6 of P.L.1992, c.79  
3 (C.40A:12A-5 and C.40A:12A-6), and which is located within a  
4 quarter mile of at least one United States Highway and at least two  
5 New Jersey State Highways, an increase of \$1,500 per year;  
6 <sup>2</sup>**[and]**<sup>2</sup>

7 (16) for a project that generates solar energy on site for use  
8 within the project of an amount that equals at least 50 percent of the  
9 project's electric supply service needs, an increase of \$250 per  
10 year <sup>2</sup>; and

11 (17) for a qualified business facility that includes a vacant  
12 commercial building having over 1,000,000 square feet of office or  
13 laboratory space available for occupancy for a period of over one  
14 year, an increase of \$1,000 per year<sup>2</sup>.

15 d. The gross amount of the tax credit for an eligible business  
16 for each new or retained full-time job shall be the sum of the base  
17 amount as set forth pursuant to subsection b. of this section and the  
18 various additional bonus amounts for which the business is eligible  
19 pursuant to subsection c. of this section, subject to the following  
20 limitations:

21 (1) for a mega project or a project in a Garden State Growth  
22 Zone, the gross amount for each new or retained full-time job shall  
23 not exceed \$15,000 per year;

24 (2) for a qualified business facility located within an urban  
25 transit hub municipality, the gross amount for each new or retained  
26 full-time job shall not exceed \$12,000 per year;

27 (3) for a qualified business facility in a distressed municipality  
28 the gross amount for each new or retained full-time job shall not  
29 exceed \$11,000 per year;

30 (4) for a qualified business facility in other priority areas, the  
31 gross amount for each new or retained full-time job shall not exceed  
32 \$10,500 per year;

33 (5) for a qualified business facility in other eligible areas, the  
34 gross amount for each new or retained full-time job shall not exceed  
35 \$6,000 per year; and

36 (6) for a disaster recovery project, the gross amount for each  
37 new or retained full-time job shall not exceed \$2,000 per year.

38 Notwithstanding anything to the contrary set forth herein and in  
39 the provisions of subsections a. through f. of this section, <sup>1</sup>but  
40 subject to <sup>2</sup>the provisions of<sup>2</sup> paragraph (1) of subsection f. of this  
41 section,<sup>1</sup> for a project located within a Garden State Growth Zone  
42 which qualifies for the "Municipal Rehabilitation and Economic  
43 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), <sup>1</sup>which  
44 creates 35 or more full-time jobs new to the municipality,<sup>1</sup> the total  
45 tax credit shall be:

46 (a) for a project which creates 35 or more <sup>1</sup>**[new or retained]**<sup>1</sup>  
47 full-time jobs <sup>1</sup>new to the municipality<sup>1</sup> and makes a capital

1 investment of at least \$5,000,000, the total tax credit amount per  
2 full-time job shall be the greater of: (i) the total tax credit amount  
3 for a qualifying project in a Garden State Growth Zone as  
4 calculated pursuant to subsections a. through f. of this section; or  
5 (ii) the total capital investment of the project divided by the total  
6 number of full-time jobs at that project but not greater than  
7 ~~1~~ ~~[\$20,000,000]~~ \$2,000,000 per year<sup>1</sup> over the grant term <sup>1</sup>of ten  
8 years<sup>1</sup>;

9 (b) for a project which creates 70 or more ~~1~~ ~~new or retained~~<sup>1</sup>  
10 full-time jobs <sup>1</sup>new to the municipality<sup>1</sup> and makes a capital  
11 investment of at least \$10,000,000, the total tax credit amount per  
12 full-time job shall be the greater of: (i) the total tax credit amount  
13 for a qualifying project in a Garden State Growth Zone as  
14 calculated pursuant to subsections a. through f. of this section; or  
15 (ii) the total capital investment of the project divided by the total  
16 number of full-time jobs at that project but not greater than  
17 ~~1~~ ~~[\$30,000,000]~~ \$3,000,000 per year<sup>1</sup> over the grant term <sup>1</sup>of ten  
18 years<sup>1</sup>;

19 (c) for a project which creates 100 or more ~~1~~ ~~new or retained~~<sup>1</sup>  
20 full-time jobs <sup>1</sup>new to the municipality<sup>1</sup> and makes a capital  
21 investment of at least \$15,000,000, the total tax credit amount per  
22 full-time job shall be the greater of: (i) the total tax credit amount  
23 for a qualifying project in a Garden State Growth Zone as  
24 calculated pursuant to subsections a. through f. of this section; or  
25 (ii) the total capital investment of the project divided by the total  
26 number of full-time jobs at that project but not greater than  
27 ~~1~~ ~~[\$40,000,000]~~ \$4,000,000 per year<sup>1</sup> over the grant term <sup>1</sup>of ten  
28 years<sup>1</sup>;

29 (d) for a project which creates 150 or more ~~1~~ ~~new or retained~~<sup>1</sup>  
30 full-time jobs <sup>1</sup>new to the municipality<sup>1</sup> and makes a capital  
31 investment of at least \$20,000,000, the total tax credit amount per  
32 full-time job shall be the greater of: (i) the total tax credit amount  
33 for a qualifying project in a Garden State Growth Zone as  
34 calculated pursuant to subsections a. through f. of this section; or  
35 (ii) the total capital investment of the project divided by the total  
36 number of full-time jobs at that project but not greater than  
37 ~~1~~ ~~[\$50,000,000]~~ \$5,000,000 per year<sup>1</sup> over the grant term <sup>1</sup>of ten  
38 years<sup>1</sup>; or

39 (e) for a project which creates 250 or more ~~1~~ ~~new or retained~~<sup>1</sup>  
40 full-time jobs <sup>1</sup>new to the municipality<sup>1</sup> and makes a capital  
41 investment of at least \$30,000,000, the total tax credit amount per  
42 full-time job shall be the greater of: (i) the total tax credit amount  
43 for a qualifying project in a Garden State Growth Zone as  
44 calculated pursuant to subsections a. through f. of this section; or  
45 (ii) the total capital investment of the project divided by the total

1 number of full-time jobs as defined herein at that project <sup>1</sup>divided  
2 by the ten-year grant term<sup>1</sup>.

3 e. After the determination by the authority of the gross amount  
4 of tax credits for which a business is eligible pursuant to subsection  
5 d. of this section, the final total tax credit amount shall be  
6 calculated as follows: (1) for each new full-time job, the business  
7 shall be allowed tax credits equaling 100 percent of the gross  
8 amount of tax credits for each new full-time job; and (2) for each  
9 retained full-time job, the business shall be allowed tax credits  
10 equaling <sup>2</sup>the lesser of<sup>2</sup> 50 percent of the gross amount of tax  
11 credits for each retained full-time job, <sup>2</sup>["but not greater than"] or<sup>2</sup>  
12 one-tenth of the capital investment divided by the number of  
13 ["each"] retained and new<sup>2</sup> full-time <sup>2</sup>["job"] jobs per year over the  
14 grant term of ten years<sup>2, 1</sup>, unless the jobs are part of a mega project  
15 which is the United States headquarters of an automobile  
16 manufacturer located within a priority area or in a Garden State  
17 Growth Zone, in which case the business shall be entitled to tax  
18 credits equaling 100 percent of the gross amount of tax credits for  
19 each retained full-time job, or unless the new qualified business  
20 facility would replace a facility that has been wholly or  
21 substantially damaged as a result of a federally-declared disaster, in  
22 which case the business shall be entitled to tax credits equaling 100  
23 percent of the gross amount of tax credits for each retained full-time  
24 job.

25 f. Notwithstanding the provisions of subsections a. through e.  
26 of this section, for each application approved by the authority's  
27 board, the amount of tax credits available to be applied by the  
28 business annually shall not exceed:

29 (1) \$35,000,000 and provides a net benefit to the State as  
30 provided herein with respect to a qualified business facility in a  
31 Garden State Growth Zone which qualifies under the "Municipal  
32 Rehabilitation and Economic Recovery Act," P.L.2002, c.43  
33 (C.52:27BBB-1 et al.) <sup>5</sup>, or which contains a Tourism District as  
34 established pursuant to section 5 of P.L.2011, c.18 (C.5:12-219) and  
35 regulated by the Casino Reinvestment Development Authority<sup>5</sup> ;

36 (2) \$30,000,000 and provides a net benefit to the State as  
37 provided herein with respect to a mega project or a qualified  
38 business facility in a Garden State Growth Zone;

39 (3) \$10,000,000 and provides a net benefit to the State as  
40 provided herein with respect to a qualified business facility in an  
41 urban transit hub municipality;

42 (4) \$8,000,000 and provides a net benefit to the State as  
43 provided herein with respect to a qualified business facility in a  
44 distressed municipality;

45 (5) \$4,000,000 and provides a net benefit to the State as  
46 provided herein with respect to a qualified business facility in other

1 priority areas, but not more than 90 percent of the withholdings of  
2 the business from the qualified business facility; and

3 (6) \$2,500,000 and provides a net benefit to the State as  
4 provided herein with respect to a qualified business facility in other  
5 eligible areas, but not more than 90 percent of the withholdings of  
6 the business from the qualified business facility.

7 <sup>2</sup>Notwithstanding the foregoing provisions of paragraphs (5)  
8 and (6) of this subsection, the limitations on tax credits relating to  
9 90 percent of the withholdings of the business from the qualified  
10 business facility shall not apply to projects located in an area  
11 determined to be in need of redevelopment pursuant to the "Local  
12 Development and Housing Law," P.L.1992, c.79 (C.40A:12A-1 et  
13 seq.) or an "area in need of rehabilitation" as defined in section 3 of  
14 P.L.1991, c.441 (C.40A:21-3).]<sup>2</sup>

15 Under paragraphs (1) through (6) of this subsection, <sup>1</sup>with the  
16 exception of a project located within a Garden State Growth Zone  
17 which qualifies for the "Municipal Rehabilitation and Economic  
18 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.) <sup>5</sup>, or which  
19 contains a Tourism District as established pursuant to section 5 of  
20 P.L.2011, c.18 (C.5:12-219) and regulated by the Casino  
21 Reinvestment Development Authority, <sup>5</sup> that divides the total capital  
22 investment of the project by the total number of full-time jobs at  
23 that project,<sup>1</sup> for each application for tax credits in excess of  
24 \$4,000,000 annually, the amount of tax credits available to be  
25 applied by the business annually shall be the lesser of the maximum  
26 amount under the applicable subsection or an amount determined by  
27 the authority necessary to complete the project, with such  
28 determination made by the authority's utilization of a full economic  
29 analysis of all locations under consideration by the business; all  
30 lease agreements, ownership documents, or substantially similar  
31 documentation for the business's current in-State locations, as  
32 applicable; and all lease agreements, ownership documents, or  
33 substantially similar documentation for the potential out-of-State  
34 location alternatives, to the extent they exist. Based on this  
35 information, and any other information deemed relevant by the  
36 authority, the authority shall independently verify and confirm the  
37 amount necessary to complete the project.

38 (cf: P.L.2013, c.161, s.10)

39

40 5. Section 6 of P.L.2011, c.149 (C.34:1B-247) is amended to  
41 read as follows:

42 6. a. (1) The combined value of all credits approved by the  
43 authority pursuant to P.L.2007, c.346 (C.34:1B-207 et seq.) and  
44 P.L.2011, c.149 (C.34:1B-242 et al.) prior to December 31, 2013  
45 shall not exceed \$1,750,000,000, except as may be increased by the  
46 authority as set forth in paragraph (5) of subsection a. of <sup>4</sup>section 35  
47 of<sup>4</sup> P.L.2009, c.90 (C.34:1B-209.3). Following the enactment of

1 the "New Jersey Economic Opportunity Act of 2013," P.L.2013,  
2 c.161 (C.52:27D-489p et al.), there shall be no monetary cap on the  
3 value of credits approved by the authority attributable to the  
4 program pursuant to the "New Jersey Economic Opportunity Act of  
5 2013," P.L.2013, c.161 (C.52:27D-489p et al.).

6 (2) (Deleted by amendment, P.L.2013, c.161).

7 (3) (Deleted by amendment, P.L.2013, c.161).

8 (4) (Deleted by amendment, P.L.2013, c.161).

9 (5) (Deleted by amendment, P.L.2013, c.161).

10 b. (1) A business shall submit an application for tax credits  
11 prior to July 1, 2019. The authority shall not approve an application  
12 for tax credits unless the application was submitted prior to July 1,  
13 2019.

14 (2) A business shall submit its documentation indicating that it  
15 has met the capital investment and employment requirements  
16 specified in the incentive agreement for certification of its tax credit  
17 amount within three years following the date of approval of its  
18 application by the authority. The authority shall have the discretion  
19 to grant two six-month extensions of this deadline. In no event  
20 shall the incentive effective date occur later than four years  
21 following the date of approval of an application by the authority.

22 (3) Full-time employment for an accounting or privilege period  
23 shall be determined as the average of the monthly full-time  
24 employment for the period.

25 (4) A business seeking a credit for a mega project shall apply for  
26 the credit within four years after the effective date of the "New  
27 Jersey Economic Opportunity Act of 2013," P.L.2013, c.161  
28 (C.52:27D-489p et al.).

29 c. (1) In conducting its annual review, the authority may  
30 require a business to submit any information determined by the  
31 authority to be necessary and relevant to its review.

32 The credit amount for any tax period for which the  
33 documentation of a business' credit amount remains uncertified as  
34 of a date three years after the closing date of that period shall be  
35 forfeited, although credit amounts for the remainder of the years of  
36 the eligibility period shall remain available to it.

37 The credit amount <sup>2</sup>[that]<sup>2</sup> may be taken <sup>2</sup>[for a tax period of]  
38 by<sup>2</sup> the [business] <sup>2</sup>[tax certificate holder that exceeds the final  
39 liabilities of the]<sup>2</sup> [business] tax certificate holder for the tax  
40 period <sup>2</sup>for which it was issued or<sup>2</sup> may be carried forward for use  
41 by the [business] tax certificate holder in <sup>2</sup>any of<sup>2</sup> the next 20  
42 successive tax periods, and shall expire thereafter. <sup>2</sup>The tax  
43 certificate holder may transfer the tax credit amount on or after the  
44 date of issuance or at any time <sup>5</sup>[prior to its expiration]<sup>5</sup> within  
45 three years of the date of issuance<sup>5</sup> for use by the transferee in the  
46 tax period <sup>5</sup>[for] during<sup>5</sup> which it was <sup>5</sup>[issued]<sup>5</sup> transferred<sup>5</sup> or in  
47 any of the next <sup>5</sup>[20]<sup>5</sup> three<sup>5</sup> successive tax periods.



1 Notwithstanding the foregoing, no more than the amount of tax  
2 credits equal to the total credit amount divided by the duration of  
3 the eligibility period in years may be taken in any tax period.<sup>2</sup>

4 (2) **【A business that is】** Credits granted to a partnership shall  
5 **【not be allowed a credit under this section directly, but the amount**  
6 **of credit of an owner of a business shall be determined by allocating**  
7 **to each owner of the partnership that proportion of the credit of the**  
8 **business that is equal to the owner of the partnership's share,**  
9 **whether or not distributed, of the total distributive income or gain**  
10 **of the partnership for its tax period ending within or with the**  
11 **owner's tax period, or that proportion that is allocated by an**  
12 **agreement, if any, among the owners of the partnership that has**  
13 **been】** be passed through to the partners, members, or owners,  
14 respectively, pro-rata or pursuant to an executed agreement among  
15 the partners, members, or owners documenting an alternate  
16 distribution method provided to the Director of the Division of  
17 Taxation in the Department of the Treasury **【by such time and】**  
18 accompanied by **【such】** any additional information as the director  
19 may require.

20 (3) <sup>5</sup>**【(a)】**<sup>5</sup> The amount of credit allowed may be applied  
21 against the tax liability otherwise due pursuant to section 5 of  
22 P.L.1945, c.162 (C.54:10A-5), pursuant to sections 2 and 3 of  
23 P.L.1945, c.132 (C.54:18A-2 and 54:18A-3), pursuant to section 1  
24 of P.L.1950, c.231 (C.17:32-15), <sup>2</sup>**【pursuant to N.J.S.54A:1-1 et**  
25 **seq.,】**<sup>2</sup> or pursuant to N.J.S.17B:23-5.

26 <sup>5</sup>**【(b) (i) For any project located in a Garden State Growth Zone**  
27 <sup>2</sup>**【or any mega project conducted】** which is also a municipality  
28 which qualifies under the "Municipal Rehabilitation and Economic  
29 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), and  
30 undertaken<sup>2</sup> by a <sup>2</sup>partnership or<sup>2</sup> corporation, if the corporation has  
31 made a valid election as a New Jersey S corporation pursuant to  
32 section 3 of P.L.1993, c.173 (C.54:10A-5.22), <sup>2</sup>the credit may be  
33 applied by the partners of the partnership or shareholders of the  
34 corporation against the tax liability otherwise due pursuant to  
35 N.J.S.54A:1-1 et seq., provided that<sup>2</sup> the amount of credit that may  
36 be used by <sup>2</sup>a partner of a partnership or<sup>2</sup> a shareholder of the  
37 corporation shall be determined by allocating to each <sup>2</sup>partner or<sup>2</sup>  
38 shareholder of the S corporation that proportion of the tax credit of  
39 the <sup>2</sup>partnership or<sup>2</sup> corporation that is equal to the <sup>2</sup>partner's or<sup>2</sup>  
40 shareholder's proportionate share of the <sup>2</sup>partnership or<sup>2</sup>  
41 corporation, whether or not distributed, or the total distributive  
42 income or gain of the <sup>2</sup>partnership or<sup>2</sup> S corporation for its tax  
43 period ending with or within the <sup>2</sup>partner's or<sup>2</sup> shareholder's tax  
44 period, and the credit may be applied by the <sup>2</sup>partners or<sup>2</sup>  
45 shareholders against the tax liability otherwise due pursuant to  
46 N.J.S.54A:1-1 et seq.

1       (ii) For purposes of this subparagraph (b), in the case of a  
2 corporation that has made a valid election as a New Jersey S  
3 corporation pursuant to section 3 of P.L.1993, c.173 (C.54:10A-  
4 5.22) and is recognized as a New Jersey Qualified Subchapter S  
5 Subsidiary (NJ-QSSS), as defined in N.J.A.C.18:7-20.2, as may be  
6 amended, the credit <sup>2</sup>~~will~~ shall<sup>2</sup> be allocated to the parent  
7 shareholder corporation which shall allocate the credit among its  
8 shareholders in the manner described in subparagraph (i)  
9 <sup>2</sup>~~above~~ of this subparagraph<sup>2</sup>.

10       (iii) For purposes of this subparagraph (b), if a parent  
11 shareholder corporation of a New Jersey Qualified Subchapter S  
12 Subsidiary (NJ-QSSS) is itself also a New Jersey Qualified  
13 Subchapter S Subsidiary (NJ-QSSS), the parent shareholder  
14 corporation shall allocate the credit to its parent shareholder  
15 corporation that is a New Jersey S corporation, which may then  
16 allocate the credit among its shareholders in the manner described  
17 in subparagraph (i) <sup>4</sup>~~above~~ of this subparagraph<sup>4</sup> .]<sup>5</sup>

18       d. (1) If, in any tax period, the business reduces the total  
19 number of full-time employees in its Statewide workforce by more  
20 than 20 percent from the number of full-time employees in its  
21 Statewide workforce in the last tax period prior to the credit amount  
22 approval under section 3 of P.L.2011, c.149 (C.34:1B-244), then  
23 ~~the business shall forfeit its~~ <sup>1</sup>there shall be a pro rata reduction  
24 of the business's ~~the business shall forfeit its~~<sup>1</sup> credit amount for  
25 that tax period and each subsequent tax period, until the first tax  
26 period for which documentation demonstrating ~~the restoration of~~  
27 <sup>1</sup>the restoration of<sup>1</sup> the business' Statewide workforce ~~the~~  
28 threshold levels required by this paragraph <sup>1</sup>has been restored to  
29 at least 80 percent of the number of full-time employees in its  
30 Statewide workforce in the last tax period prior to the credit amount  
31 approval <sup>1</sup>to the threshold levels required by this paragraph<sup>1</sup> has  
32 been reviewed and approved by the authority, for which tax period  
33 and each subsequent tax period the full amount of the credit shall be  
34 allowed.

35       (2) If, in any tax period, the number of full-time employees  
36 employed by the business at the qualified business facility located  
37 within a qualified incentive area drops below 80 percent of the  
38 number of new and retained full-time jobs specified in the incentive  
39 agreement, then ~~the business shall forfeit its~~ <sup>1</sup>there shall be a  
40 pro rata reduction of the business's tax ~~the business shall forfeit~~  
41 ~~its~~<sup>1</sup> credit amount for that tax period and each subsequent tax  
42 period, until the first tax period for which documentation  
43 demonstrating ~~the restoration of~~ <sup>1</sup>the restoration of<sup>1</sup> the number  
44 of full-time employees employed by the business at the qualified  
45 business facility <sup>1</sup>has been restored<sup>1</sup> to <sup>1</sup>at least<sup>1</sup> 80 percent of  
46 the number of jobs specified in the incentive agreement <sup>1</sup>has been  
47 reviewed and approved by the authority, for which tax period and

1 each subsequent tax period the full amount of the tax credit shall be  
2 allowed<sup>1</sup>.

3 (3) (a) If the qualified business facility is sold by the owner in  
4 whole or in part during the eligibility period, the new owner shall  
5 not acquire the capital investment of the seller and the seller shall  
6 forfeit all credits for the tax period in which the sale occurs and all  
7 subsequent tax periods, provided however that any credits of the  
8 business shall remain unaffected.

9 (b) In connection with a regional distribution facility of  
10 foodstuffs, the business entity or entities which own or lease such  
11 facility shall qualify as a business regardless of: (i) the type of the  
12 business entity or entities which own or lease such facility; (ii) the  
13 ownership or leasing of such facility by more than one business  
14 entity; or (iii) the ownership of the business entity or entities which  
15 own or lease such facility. Such ownership or leasing, whether by  
16 members, shareholders, partners, or other owners of the business  
17 entity or entities, shall be treated as ownership or leasing by  
18 affiliates. Such members, shareholders, partners, or other  
19 ownership or leasing participants and others that are tenants in the  
20 facility shall be treated as affiliates for the purpose of counting the  
21 full-time employees and capital investments in the facility. The  
22 business entity or entities may distribute credits to members,  
23 shareholders, partners, or other ownership or leasing participants in  
24 accordance with their respective interests. If the business entity or  
25 entities or their members, shareholders, partners, or other ownership  
26 or leasing participants lease space in the facility to members,  
27 shareholders, partners, or other ownership or leasing participants or  
28 others as tenants in the facility, the leases shall be treated as a lease  
29 to an affiliate, and the business entity or entities shall not be subject  
30 to forfeiture of the credits. For the purposes of this section, leasing  
31 shall include subleasing and tenants shall include subtenants.

32 (4) <sup>4</sup>~~[(a)]~~ (a)<sup>4</sup> For a project located within a Garden State  
33 Growth Zone, if, in any tax period, the number of full-time  
34 employees employed by the business at the qualified business  
35 facility located within a qualified incentive area increases above the  
36 number of full-time employees specified in the incentive agreement,  
37 then the business shall be entitled to an increased base credit  
38 amount for that tax period and each subsequent tax period, for each  
39 additional full-time employee added above the number of full-time  
40 employees specified in the incentive agreement, until the first tax  
41 period for which documentation demonstrating a reduction of the  
42 number of full-time employees employed by the business at the  
43 qualified business facility, at which time the tax credit amount will  
44 be adjusted accordingly pursuant to this section.

45 (b) For a project located within a Garden State Growth Zone  
46 which qualifies under the "Municipal Rehabilitation and Economic  
47 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), <sup>5</sup>or which  
48 contains a Tourism District as established pursuant to section 5 of

1 P.L.2011, c.18 (C.5:12-219) and regulated by the Casino  
2 Reinvestment Development Authority,<sup>5</sup> and which qualifies for a  
3 tax credit pursuant to <sup>1</sup>subsubparagraph (ii) of<sup>1</sup> subparagraphs (a)  
4 through (e) of paragraph (6) of subsection d. of section 5 of  
5 P.L.2011, c.149 (C.34:1B-246), if, in any tax period the number of  
6 full-time employees employed by the business at the qualified  
7 business facility located within a qualified incentive area increases  
8 above the number of full-time employees specified in the incentive  
9 agreement such that the business <sup>2</sup>**[will]** <sup>2</sup>**shall**<sup>2</sup> then meet the  
10 minimum number of employees required in <sup>4</sup>**[subparagraph]**  
11 subparagraphs<sup>4</sup> (b), (c), (d), or (e) of paragraph (6) of subsection d.  
12 of section 5 of P.L.2011, c.149 (C.34:1B-246), then the authority  
13 shall recalculate the total tax credit amount per full-time job by  
14 using the <sup>1</sup>**[total]**<sup>1</sup> certified capital investment of the project  
15 <sup>1</sup>allowable under the applicable subsubparagraph<sup>1</sup> and the number  
16 of full-time jobs certified on the date of the recalculation and  
17 applying those numbers to subparagraphs (b), (c), (d), or (e) of  
18 paragraph (6) of subsection d. of section 5 of P.L.2011, c.149  
19 (C.34:1B-246) <sup>1</sup>, until the first tax period for which documentation  
20 demonstrating a reduction of the number of full-time employees  
21 employed by the business at the qualified business facility, at which  
22 time the tax credit amount <sup>2</sup>**[will]** <sup>2</sup>**shall**<sup>2</sup> be adjusted accordingly  
23 pursuant to this section<sup>1</sup>. <sup>1</sup>**[From the date of the recalculation**  
24 through the end of the eligibility period, the annual tax credit for the  
25 business shall be the amount determined after the recalculation.]<sup>1</sup>

26 e. The authority shall not enter into an incentive agreement  
27 with a business that has previously received incentives pursuant to  
28 the "Business Retention and Relocation Assistance Act," P.L.1996,  
29 c.25 (C.34:1B-112 et seq.), the "Business Employment Incentive  
30 Program Act," P.L.1996, c.26 (C.34:1B-124 et seq.), or any other  
31 program administered by the authority unless:

32 (1) the business has satisfied all of its obligations underlying the  
33 previous award of incentives or is compliant with section 4 of  
34 P.L.2011, c.149 (C.34:1B-245); or

35 (2) the capital investment incurred and new or retained full-time  
36 jobs pledged by the business in the new incentive agreement are  
37 separate and apart from any capital investment or jobs underlying  
38 the previous award of incentives.

39 f. A business which has already applied for a tax credit  
40 incentive award prior to the effective date of the "New Jersey  
41 Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-  
42 489p et al.), but who has not yet been approved for such tax credits,  
43 or has not executed an agreement with the authority, may proceed  
44 under that application or seek to amend such application or reapply  
45 for a tax credit incentive award for the same project or any part  
46 thereof for the purpose of availing itself of any more favorable

1 provisions of the program.  
2 (cf: P.L.2013, c.161, s.11)

3

4 6. Section 7 of P.L.2011, c.149 (C.34:1B-248) is amended to  
5 read as follows:

6 7. A business may apply to the Director of the Division of  
7 Taxation in the Department of the Treasury and the chief executive  
8 officer of the authority for a tax credit transfer certificate, covering  
9 one or more years, in lieu of the business being allowed any amount  
10 of the credit against the tax liability of the business. The tax credit  
11 transfer certificate, upon receipt thereof by the business from the  
12 director and the chief executive officer of the authority, may be sold  
13 or assigned, in full or in part, in an amount not less than \$25,000, to  
14 any other person that may have a tax liability pursuant to section 5  
15 of P.L.1945, c.162 (C.54:10A-5), pursuant to sections 2 and 3 of  
16 P.L.1945, c.132 (C.54:18A-2 and 54:18A-3), pursuant to section 1  
17 of P.L.1950, c.231 (C.17:32-15), or pursuant to N.J.S.17B:23-5.  
18 The certificate provided to the business shall include a statement  
19 waiving the business's right to claim that amount of the credit  
20 against the taxes that the business has elected to sell or assign. The  
21 sale or assignment of any amount of a tax credit transfer certificate  
22 allowed under this section shall not be exchanged for consideration  
23 received by the business of less than 75 percent of the transferred  
24 credit amount before considering any further discounting to present  
25 value which shall be permitted. Any amount of a tax credit transfer  
26 certificate used by a purchaser or assignee against a tax liability  
27 shall be subject to the same limitations and conditions that apply to  
28 the use of the credit by the business that originally applied for and  
29 was allowed the credit.

30 (cf: P.L.2011, c.149, s.7)

31

32 <sup>5</sup>7. Section 3 of P.L.2009, c.90 (C.52:27D-489c) is amended to  
33 read as follows:

34 3. As used in sections 3 through 18 of P.L.2009, c.90  
35 (C.52:27D-489c et al.):

36 "Applicant" means a developer proposing to enter into a  
37 redevelopment incentive grant agreement.

38 "Ancillary infrastructure project" means structures or  
39 improvements that are located within the incentive area but outside  
40 the project area of a redevelopment project, including, but not  
41 limited to, docks, bulkheads, parking garages, freight rail spurs,  
42 roadway overpasses, and train station platforms, provided a  
43 developer or municipal redeveloper has demonstrated that the  
44 redevelopment project would not be economically viable or  
45 promote the use of public transportation without such  
46 improvements, as approved by the State Treasurer.

1 "Authority" means the New Jersey Economic Development  
2 Authority established under section 4 of P.L.1974, c.80 (C.34:1B-  
3 4).

4 "Aviation district" means the area within a one-mile radius of the  
5 outermost boundary of the "Atlantic City International Airport,"  
6 established pursuant to section 24 of P.L.1991, c.252 (C.27:25A-  
7 24).

8 "Deep poverty pocket" means a population census tract having a  
9 poverty level of 20 percent or more, and which is located within the  
10 incentive area and has been determined by the authority to be an  
11 area appropriate for development and in need of economic  
12 development incentive assistance.

13 "Developer" means any person who enters or proposes to enter  
14 into a redevelopment incentive grant agreement pursuant to the  
15 provisions of section 9 of P.L.2009, c.90 (C.52:27D-489i), or its  
16 successors or assigns, including but not limited to a lender that  
17 completes a redevelopment project, operates a redevelopment  
18 project, or completes and operates a redevelopment project. A  
19 developer also may be a municipal government or a redevelopment  
20 agency as defined in section 3 of P.L.1992, c.79 (C.40A:12A-3).

21 "Director" means the Director of the Division of Taxation in the  
22 Department of the Treasury.

23 "Disaster recovery project" means a redevelopment project  
24 located on property that has been wholly or substantially damaged  
25 or destroyed as a result of a federally-declared disaster, and which  
26 is located within the incentive area and has been determined by the  
27 authority to be in an area appropriate for development and in need  
28 of economic development incentive assistance.

29 "Distressed municipality" means a municipality that is qualified  
30 to receive assistance under P.L.1978, c.14 (C.52:27D-178 et seq.), a  
31 municipality under the supervision of the Local Finance Board  
32 pursuant to the provisions of the "Local Government Supervision  
33 Act (1947)," P.L.1947, c.151 (C.52:27BB-1 et seq.), a municipality  
34 identified by the Director of the Division of Local Government  
35 Services in the Department of Community Affairs to be facing  
36 serious fiscal distress, a SDA municipality, or a municipality in  
37 which a major rail station is located.

38 "Eligibility period" means the period of time specified in a  
39 redevelopment incentive grant agreement for the payment of  
40 reimbursements to a developer, which period shall not exceed 20  
41 years, with the term to be determined solely at the discretion of the  
42 applicant.

43 "Eligible revenue" means the property tax increment and any  
44 other incremental revenues set forth in section 11 of P.L.2009, c.90  
45 (C.52:27D-489k), except in the case of a Garden State Growth  
46 Zone, in which such property tax increment and any other  
47 incremental revenues are calculated as those incremental revenues  
48 that would have existed notwithstanding the provisions of the "New

1 Jersey Economic Opportunity Act of 2013," P.L.2013, c.161  
2 (C.52:27D-489p et al.).

3 "Garden State Growth Zone" or "growth zone" means the four  
4 New Jersey cities with the lowest median family income based on  
5 the 2009 American Community Survey from the US Census, (Table  
6 708. Household, Family, and Per Capita Income and Individuals,  
7 and Families Below Poverty Level by City: 2009); or a municipality  
8 which contains a Tourism District as established pursuant to section  
9 5 of P.L.2011, c.18 (C.5:12-219) and regulated by the Casino  
10 Reinvestment Development Authority.

11 "Highlands development credit receiving area or redevelopment  
12 area" means an area located within an incentive area and designated  
13 by the Highlands Council for the receipt of Highlands Development  
14 Credits under the Highlands Transfer Development Rights Program  
15 authorized under section 13 of P.L.2004, c.120 (C.13:20-13).

16 "Incentive grant" means reimbursement of all or a portion of the  
17 project financing gap of a redevelopment project through the State  
18 or a local Economic Redevelopment and Growth Grant program  
19 pursuant to section 4 or section 5 of P.L.2009, c.90 (C.52:27D-489d  
20 or C.52:27D-489e).

21 "Infrastructure improvements in the public right-of-way" mean  
22 public structures or improvements located in the public right of way  
23 that are located within a project area or that constitute an ancillary  
24 infrastructure project, either of which are dedicated to or owned by  
25 a governmental body or agency upon completion, or any required  
26 payment in lieu of such structures, improvements or projects or any  
27 costs of remediation associated with such structures, improvements  
28 or projects, and that are determined by the authority, in consultation  
29 with applicable State agencies, to be consistent with and in  
30 furtherance of State public infrastructure objectives and initiatives.

31 "Low-income housing" means housing affordable according to  
32 federal Department of Housing and Urban Development or other  
33 recognized standards for home ownership and rental costs and  
34 occupied or reserved for occupancy by households with a gross  
35 household income equal to 50 percent or less of the median gross  
36 household income for households of the same size within the  
37 housing region in which the housing is located.

38 "Major rail station" means a railroad station located within a  
39 qualified incentive area which provides access to the public to a  
40 minimum of six rail passenger service lines operated by the New  
41 Jersey Transit Corporation.

42 "Moderate-income housing" means housing affordable,  
43 according to United States Department of Housing and Urban  
44 Development or other recognized standards for home ownership  
45 and rental costs, and occupied or reserved for occupancy by  
46 households with a gross household income equal to more than 50  
47 percent but less than 80 percent of the median gross household

1 income for households of the same size within the housing region in  
2 which the housing is located.

3 "Municipal redeveloper" means a municipal government or a  
4 redevelopment agency acting on behalf of a municipal government  
5 as defined in section 3 of P.L.1992, c.79 (C.40A:12A-3) that is an  
6 applicant for a redevelopment incentive grant agreement.

7 "Municipal Revitalization Index" means the 2007 index by the  
8 Office for Planning Advocacy within the Department of State  
9 measuring or ranking municipal distress.

10 "Project area" means land or lands located within the incentive  
11 area under common ownership or control including through a  
12 redevelopment agreement with a municipality, or as otherwise  
13 established by a municipality or a redevelopment agreement  
14 executed by a State entity to implement a redevelopment project.

15 "Project cost" means the costs incurred in connection with the  
16 redevelopment project by the developer until the issuance of a  
17 permanent certificate of occupancy, or until such other time  
18 specified by the authority, for a specific investment or  
19 improvement, including the costs relating to receiving Highlands  
20 Development Credits under the Highlands Transfer Development  
21 Rights Program authorized pursuant to section 13 of P.L.2004,  
22 c.120 (C.13:20-13), lands, buildings, improvements, real or  
23 personal property, or any interest therein, including leases  
24 discounted to present value, including lands under water, riparian  
25 rights, space rights and air rights acquired, owned, developed or  
26 redeveloped, constructed, reconstructed, rehabilitated or improved,  
27 any environmental remediation costs, plus costs not directly related  
28 to construction, of an amount not to exceed 20 percent of the total  
29 costs, capitalized interest paid to third parties, and the cost of  
30 infrastructure improvements, including ancillary infrastructure  
31 projects, and, for projects located in a Garden State Growth Zone  
32 only, the cost of infrastructure improvements including any  
33 ancillary infrastructure project and the amount by which total  
34 project cost exceeds the cost of an alternative location for the  
35 redevelopment project, but excluding any particular costs for which  
36 the project has received federal, State, or local funding.

37 "Project financing gap" means: a. the part of the total project  
38 cost, including return on investment, that remains to be financed  
39 after all other sources of capital have been accounted for, including,  
40 but not limited to, developer-contributed capital, which shall not be  
41 less than 20 percent of the total project cost, which may include the  
42 value of any existing land and improvements in the project area  
43 owned or controlled by the developer, and the cost of infrastructure  
44 improvements in the public right-of-way, subject to review by the  
45 State Treasurer, and investor or financial entity capital or loans for  
46 which the developer, after making all good faith efforts to raise  
47 additional capital, certifies that additional capital cannot be raised  
48 from other sources on a non-recourse basis; and b. the amount by



1 which total project cost exceeds the cost of an alternative location  
2 for the out-of-State redevelopment project.

3 "Project revenue" means all rents, fees, sales, and payments  
4 generated by a project, less taxes or other government payments.

5 "Property tax increment" means the amount obtained by:

6 (1) multiplying the general tax rate levied each year by the  
7 taxable value of all the property assessed within a project area in  
8 the same year, excluding any special assessments; and

9 (2) multiplying that product by a fraction having a numerator  
10 equal to the taxable value of all the property assessed within the  
11 project area, minus the property tax increment base, and having a  
12 denominator equal to the taxable value of all property assessed  
13 within the project area.

14 For the purpose of this definition, "property tax increment base"  
15 means the aggregate taxable value of all property assessed which is  
16 located within the redevelopment project area as of October 1st of  
17 the year preceding the year in which the redevelopment incentive  
18 grant agreement is authorized.

19 "Qualified incubator facility" means a commercial building  
20 located within an incentive area: which contains 100,000 or more  
21 square feet of office, laboratory, or industrial space; which is  
22 located near, and presents opportunities for collaboration with, a  
23 research institution, teaching hospital, college, or university; and  
24 within which, at least 75 percent of the gross leasable area is  
25 restricted for use by one or more technology startup companies  
26 during the commitment period.

27 "Qualified residential project" means a redevelopment project  
28 that is predominantly residential and includes multi-family  
29 residential units for purchase or lease, or dormitory units for  
30 purchase or lease, having a total project cost of at least  
31 \$17,500,000, if the project is located in any municipality with a  
32 population greater than 200,000 according to the latest federal  
33 decennial census, or having a total project cost of at least  
34 \$10,000,000 if the project is located in any municipality with a  
35 population less than 200,000 according to the latest federal  
36 decennial census, or is a disaster recovery project, or having a total  
37 project cost of \$5,000,000 if the project is in a Garden State Growth  
38 Zone.

39 "Qualifying economic redevelopment and growth grant incentive  
40 area" or "incentive area" means:

- 41 a. an aviation district;
- 42 b. a port district;
- 43 c. a distressed municipality; or
- 44 d. an area (1) designated pursuant to the "State Planning Act,"  
45 P.L.1985, c.398 (C.52:18A-196 et seq.), as:
  - 46 (a) Planning Area 1 (Metropolitan);
  - 47 (b) Planning Area 2 (Suburban); or
  - 48 (c) Planning Area 3 (Fringe Planning Area);

- 1 (2) located within a smart growth area and planning area  
2 designated in a master plan adopted by the New Jersey  
3 Meadowlands Commission pursuant to subsection (i) of section 6 of  
4 P.L.1968, c.404 (C.13:17-6) or subject to a redevelopment plan  
5 adopted by the New Jersey Meadowlands Commission pursuant to  
6 section 20 of P.L.1968, c.404 (C.13:17-21);
- 7 (3) located within any land owned by the New Jersey Sports and  
8 Exposition Authority, established pursuant to P.L.1971, c.137  
9 (C.5:10-1 et seq.), within the boundaries of the Hackensack  
10 Meadowlands District as delineated in section 4 of P.L.1968, c.404  
11 (C.13:17-4);
- 12 (4) located within a regional growth area, a town, village, or a  
13 military and federal installation area designated in the  
14 comprehensive management plan prepared and adopted by the  
15 Pinelands Commission pursuant to the "Pinelands Protection Act,"  
16 P.L.1979, c.111 (C.13:18A-1 et seq.);
- 17 (5) located within the planning area of the Highlands Region as  
18 defined in section 3 of P.L.2004, c.120 (C.13:20-3) or in a  
19 highlands development credit receiving area or redevelopment area;
- 20 (6) located within a Garden State Growth Zone;
- 21 (7) located within land approved for closure under any federal  
22 Base Closure and Realignment Commission action; or
- 23 (8) located only within the following portions of the areas  
24 designated pursuant to the "State Planning Act," P.L.1985, c.398  
25 (C.52:18A-196 et al.), as Planning Area 4A (Rural Planning Area),  
26 Planning Area 4B (Rural/Environmentally Sensitive) or Planning  
27 Area 5 (Environmentally Sensitive) if Planning Area 4A (Rural  
28 Planning Area), Planning Area 4B (Rural/Environmentally  
29 Sensitive) or Planning Area 5 (Environmentally Sensitive) is  
30 located within:
  - 31 (a) a designated center under the State Development and  
32 Redevelopment Plan;
  - 33 (b) a designated growth center in an endorsed plan until the  
34 State Planning Commission revises and readopts New Jersey's State  
35 Strategic Plan and adopts regulations to revise this definition as it  
36 pertains to Statewide planning areas;
  - 37 (c) any area determined to be in need of redevelopment pursuant  
38 to sections 5 and 6 of P.L.1992, c.79 (C.40A:12A-5 and 40A:12A-  
39 6) or in need of rehabilitation pursuant to section 14 of P.L.1992,  
40 c.79 (C.40A:12A-14);
  - 41 (d) any area on which a structure exists or previously existed  
42 including any desired expansion of the footprint of the existing or  
43 previously existing structure provided such expansion otherwise  
44 complies with all applicable federal, State, county, and local  
45 permits and approvals;
  - 46 (e) the planning area of the Highlands Region as defined in  
47 section 3 of P.L.2004, c.120 (C.13:20-3) or a highlands  
48 development credit receiving area or redevelopment area; or

1 (f) any area on which an existing tourism destination project is  
2 located.

3 "Qualifying economic redevelopment and growth grant incentive  
4 area" or "incentive area" shall not include any property located  
5 within the preservation area of the Highlands Region as defined in  
6 the "Highlands Water Protection and Planning Act," P.L.2004,  
7 c.120 (C.13:20-1 et al.).

8 "Redevelopment incentive grant agreement" means an agreement  
9 between, (1) the State and the New Jersey Economic Development  
10 Authority and a developer, or (2) a municipality and a developer, or  
11 a municipal ordinance authorizing a project to be undertaken by a  
12 municipal redeveloper, under which, in exchange for the proceeds  
13 of an incentive grant, the developer agrees to perform any work or  
14 undertaking necessary for a redevelopment project, including the  
15 clearance, development or redevelopment, construction, or  
16 rehabilitation of any structure or improvement of commercial,  
17 industrial, residential, or public structures or improvements within a  
18 qualifying economic redevelopment and growth grant incentive area  
19 or a transit village.

20 "Redevelopment project" means a specific construction project  
21 or improvement, including lands, buildings, improvements, real and  
22 personal property or any interest therein, including lands under  
23 water, riparian rights, space rights and air rights, acquired, owned,  
24 leased, developed or redeveloped, constructed, reconstructed,  
25 rehabilitated or improved, undertaken by a developer, owner or  
26 tenant, or both, within a project area and any ancillary infrastructure  
27 project including infrastructure improvements in the public right of  
28 way, as set forth in an application to be made to the authority. The  
29 use of the term "redevelopment project" in sections 3 through 18 of  
30 P.L.2009, c.90 (C.52:27D-489c et al.) shall not be limited to only  
31 redevelopment projects located in areas determined to be in need of  
32 redevelopment pursuant to sections 5 and 6 of P.L.1992, c.79  
33 (C.40A:12A-5 and 40A:12A-6) but shall also include any work or  
34 undertaking in accordance with the "Redevelopment Area Bond  
35 Financing Law," sections 1 through 10 of P.L.2001, c.310  
36 (C.40A:12A-64 et seq.) or other applicable law, pursuant to a  
37 redevelopment plan adopted by a State entity, or as described in the  
38 resolution adopted by a public entity created by State law with the  
39 power to adopt a redevelopment plan or otherwise determine the  
40 location, type and character of a redevelopment project or part of a  
41 redevelopment project on land owned or controlled by it or within  
42 its jurisdiction, including but not limited to, the New Jersey  
43 Meadowlands Commission established pursuant to P.L.1968, c.404  
44 (C.13:17-1 et seq.), the New Jersey Sports and Exposition Authority  
45 established pursuant to P.L.1971 c.137 (C.5:10-1 et seq.) and the  
46 Fort Monmouth Economic Revitalization Authority created  
47 pursuant to P.L.2010, c.51 (C.52:27I-18 et seq.).

1 "Redevelopment utility" means a self-liquidating fund created by  
2 a municipality pursuant to section 12 of P.L.2009, c.90 (C.52:27D-  
3 489l) to account for revenues collected and incentive grants paid  
4 pursuant to section 11 of P.L.2009, c.90 (C.52:27D-489k), or other  
5 revenues dedicated to a redevelopment project.

6 "Revenue increment base" means the amounts of all eligible  
7 revenues from sources within the redevelopment project area in the  
8 calendar year preceding the year in which the redevelopment  
9 incentive grant agreement is executed, as certified by the State  
10 Treasurer for State revenues, and the chief financial officer of the  
11 municipality for municipal revenues.

12 "SDA district" means an SDA district as defined in section 3 of  
13 P.L.2000, c.72 (C.18A:7G-3).

14 "SDA municipality" means a municipality in which an SDA  
15 district is situate.

16 "Technology startup company" means a for profit business that  
17 has been in operation fewer than five years and is developing or  
18 possesses a proprietary technology or business method of a high-  
19 technology or life science-related product, process, or service which  
20 the business intends to move to commercialization.

21 "Tourism destination project" means a redevelopment project  
22 that will be among the most visited privately owned or operated  
23 tourism or recreation sites in the State, and which is located within  
24 the incentive area and has been determined by the authority to be in  
25 an area appropriate for development and in need of economic  
26 development incentive assistance.

27 "Transit project" means a redevelopment project located within a  
28 1/2-mile radius, or one-mile radius for projects located in a Garden  
29 State Growth Zone, surrounding the mid-point of a New Jersey  
30 Transit Corporation, Port Authority Transit Corporation, or Port  
31 Authority Trans-Hudson Corporation rail, bus, or ferry station  
32 platform area, including all light rail stations.

33 "Transit village" means a community with a bus, train, light rail,  
34 or ferry station that has developed a plan to achieve its economic  
35 development and revitalization goals and has been designated by  
36 the New Jersey Department of Transportation as a transit village.

37 "Urban transit hub" means an urban transit hub, as defined in  
38 section 10 of P.L.2007, c.346 (C.34:1B-208), that is located within  
39 an eligible municipality, as defined in section 10 of P.L.2007, c.346  
40 (C.34:1B-208), or all light rail stations and property located within  
41 a one-mile radius of the mid-point of the platform area of such a  
42 rail, bus, or ferry station if the property is in a qualified  
43 municipality under the "Municipal Rehabilitation and Economic  
44 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.).

45 "Vacant commercial building" means any commercial building  
46 or complex of commercial buildings having over 400,000 square  
47 feet of office, laboratory, or industrial space that is more than 70  
48 percent unoccupied at the time of application to the authority or is

1 negatively impacted by the approval of a "qualified business  
2 facility," as defined pursuant to section 2 of P.L.2007, c.346  
3 (C.34:1B-208), or any vacant commercial building in a Garden  
4 State Growth Zone having over 35,000 square feet of office,  
5 laboratory, or industrial space, or over 200,000 square feet of  
6 office, laboratory, or industrial space in Atlantic, Burlington,  
7 Camden, Cape May, Cumberland, Gloucester, Ocean, or Salem  
8 counties available for occupancy for a period of over one year.

9 "Vacant health facility project" means a redevelopment project  
10 where a health facility, as defined by section 2 of P.L.1971, c.136  
11 (C.26:2H-2), currently exists and is considered vacant. A health  
12 facility shall be considered vacant if at least 70 percent of that  
13 facility has not been open to the public or utilized to serve any  
14 patients at the time of application to the authority.<sup>5</sup>

15 (cf: P.L.2013, c.161, s.14)

16

17 <sup>5</sup>[7.] 8.<sup>5</sup> Section 6 of P.L.2009, c.90 (C.52:27D-489f) is  
18 amended to read as follows:

19 6. a. Up to the limits established in subsection b. of this  
20 section and in accordance with a redevelopment incentive grant  
21 agreement, beginning upon the receipt of occupancy permits for any  
22 portion of the redevelopment project, or upon such other event  
23 evidencing project completion as set forth in the incentive grant  
24 agreement, the State Treasurer shall pay to the developer  
25 incremental State revenues directly realized from businesses  
26 operating on or at the site of the redevelopment project from the  
27 following taxes: the Corporation Business Tax Act (1945),  
28 P.L.1945, c.162 (C.54:10A-1 et seq.), the tax imposed on marine  
29 insurance companies pursuant to R.S.54:16-1 et seq., the tax  
30 imposed on insurers generally, pursuant to P.L.1945, c.132  
31 (C.54:18A-1 et seq.), the public utility franchise tax, public utilities  
32 gross receipts tax and public utility excise tax imposed on sewerage  
33 and water corporations pursuant to P.L.1940, c.5 (C.54:30A-49 et  
34 seq.), those tariffs and charges imposed by electric, natural gas,  
35 telecommunications, water and sewage utilities, and cable television  
36 companies under the jurisdiction of the New Jersey Board of  
37 Utilities, or comparable entity, except for those tariffs, fees, or taxes  
38 related to societal benefits charges assessed pursuant to section 12  
39 of P.L.1999, c.23 (C.48:3-60), any charges paid for compliance  
40 with the "Global Warming Response Act," P.L.2007, c.112  
41 (C.26:2C-37 et seq.), transitional energy facility assessment unit  
42 taxes paid pursuant to section 67 of P.L.1997, c.162 (C.48:2-21.34),  
43 and the sales and use taxes on public utility and cable television  
44 services and commodities, the tax derived from net profits from  
45 business, a distributive share of partnership income, or a pro rata  
46 share of S corporation income under the "New Jersey Gross Income  
47 Tax Act," N.J.S.54A:1-1 et seq., the tax derived from a business at  
48 the site of a redevelopment project that is required to collect the tax

1 pursuant to the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-  
2 1 et seq.), the tax imposed pursuant to P.L.1966, c.30 (C.54:32B-1  
3 et seq.) from the purchase of furniture, fixtures and equipment, or  
4 materials for the remediation, the construction of new structures at  
5 the site of a redevelopment project, the hotel and motel occupancy  
6 fee imposed pursuant to section 1 of P.L.2003, c.114 (C.54:32D-1),  
7 or the portion of the fee imposed pursuant to section 3 of P.L.1968,  
8 c.49 (C.46:15-7) derived from the sale of real property at the site of  
9 the redevelopment project and paid to the State Treasurer for use by  
10 the State, that is not credited to the "Shore Protection Fund" or the  
11 "Neighborhood Preservation Nonlapsing Revolving Fund" ("New  
12 Jersey Affordable Housing Trust Fund") pursuant to section 4 of  
13 P.L.1968, c.49 (C.46:15-8). Any developer shall be allowed to  
14 assign their ability to apply for the tax credit under this subsection  
15 to a non-profit organization with a mission dedicated to attracting  
16 investment and completing development and redevelopment  
17 projects in a Garden State Growth Zone. The non-profit  
18 organization may make an application on behalf of a developer  
19 which meets the requirements for the tax credit, or a group of non-  
20 qualifying developers, such that these will be considered a unified  
21 project for the purposes of the incentives provided under this  
22 section.

23 b. (1) Up to an average of 75 percent of the projected annual  
24 incremental revenues or 85 percent of the projected annual  
25 incremental revenues in a Garden State Growth Zone may be  
26 pledged towards the State portion of an incentive grant.

27 (2) In the case of a qualified residential project, if the authority  
28 determines that the estimated amount of incremental revenues  
29 pledged towards the State portion of an incentive grant is  
30 inadequate to fully fund the amount of the State portion of the  
31 incentive grant, then in lieu of an incentive grant based on such  
32 incremental revenue, the developer shall be awarded tax credits  
33 equal to the full amount of the incentive grant. The value of all  
34 credits approved by the authority pursuant to this paragraph shall  
35 not exceed \$600,000,000, of which:

36 (a) \$250,000,000 shall be restricted to qualified residential  
37 projects within Atlantic, Burlington, Camden, Cape May,  
38 Cumberland, Gloucester, Ocean, and Salem counties, of which  
39 \$175,000,000 of credits shall be restricted to qualified residential  
40 projects in a Garden State Growth Zone located within the  
41 aforementioned counties, and \$75,000,000 of credits shall be  
42 restricted to qualified residential projects in municipalities with a  
43 2007 Municipal Revitalization Index of 400 or higher as of the date  
44 of enactment of the "New Jersey Economic Opportunity Act of  
45 2013," P.L.2013, c.161 (C.52:27D-489p et al.) and located within  
46 the aforementioned counties;

47 (b) \$250,000,000 shall be restricted to qualified residential  
48 projects located in: (i) urban transit hubs that are commuter rail in

1 nature that otherwise do not qualify under subparagraph (a) of this  
2 paragraph, (ii) a Garden State Growth Zone not located in a county  
3 mentioned in subparagraph (a) of this paragraph, (iii) disaster  
4 recovery projects that otherwise do not qualify under subparagraph  
5 (a) of this paragraph, or (iv) SDA municipalities located in Hudson  
6 County that were awarded State Aid in State Fiscal Year 2013  
7 through the Transitional Aid to Localities program and otherwise do  
8 not qualify under subparagraph (a) of this paragraph;

9 (c) \$75,000,000 shall be restricted to qualified residential  
10 projects in distressed municipalities, deep poverty pockets,  
11 highlands development credit receiving areas or redevelopment  
12 areas, otherwise not qualifying pursuant to subparagraph (a) or (b)  
13 of this paragraph; and

14 (d) \$25,000,000 shall be restricted to qualified residential  
15 projects that are located within a qualifying economic  
16 redevelopment and growth grant incentive area otherwise not  
17 qualifying under subparagraph (a), (b), or (c) of this paragraph.

18 (e) For subparagraphs (a) through (d) of this paragraph, not  
19 more than \$40,000,000 of credits shall be awarded to any qualified  
20 residential project in a deep poverty pocket or distressed  
21 municipality and not more than \$20,000,000 of credits shall be  
22 awarded to any other qualified residential project. The developer of  
23 a qualified residential project seeking an award of credits towards  
24 the funding of its incentive grant shall submit an incentive grant  
25 application prior to July 1, <sup>1</sup>~~2015~~ 2016<sup>1</sup> and if approved <sup>1</sup>after the  
26 effective date of P.L.2013, c.161<sup>1</sup> shall submit a temporary  
27 certificate of occupancy for such project no later than July 28,  
28 ~~2015~~ 2018. Applications for tax credits pursuant to this  
29 subsection relating to an ancillary infrastructure project or  
30 infrastructure improvement in the public right of way, or both, shall  
31 be accompanied with a letter of support relating to the project or  
32 improvement by the governing body or agency in which the project  
33 is located. Credits awarded to a developer pursuant to this  
34 subsection shall be subject to the same financial and related analysis  
35 by the authority <sup>1</sup>, the same term of the grant, and the same  
36 mechanism for administering the credits,<sup>1</sup> and shall be utilized or  
37 transferred by the developer as if such credits had been awarded to  
38 the developer pursuant to section 35 of P.L.2009, c.90 (C.34:1B-  
39 209.3) for qualified residential projects thereunder. No portion of  
40 the revenues pledged pursuant to the "New Jersey Economic  
41 Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.)  
42 shall be subject to withholding or retainage for adjustment, in the  
43 event the developer or taxpayer waives its rights to claim a refund  
44 thereof.

45 (3) A developer may apply to the Director of the Division of  
46 Taxation in the Department of the Treasury and the chief executive  
47 officer of the authority for a tax credit transfer certificate, if the  
48 developer is awarded a tax credit pursuant to paragraph (2) of this

1 subsection, covering one or more years, in lieu of the developer  
2 being allowed any amount of the credit against the tax liability of  
3 the developer. The tax credit transfer certificate, upon receipt  
4 thereof by the developer from the director and the chief executive  
5 officer of the authority, may be sold or assigned, in full or in part,  
6 to any other person that may have a tax liability pursuant to section  
7 5 of P.L.1945, c.162 (C.54:10A-5), sections 2 and 3 of P.L.1945,  
8 c.132 (C.54:18A-2 and 54:18A-3), section 1 of P.L.1950, c.231  
9 (C.17:32-15), or N.J.S.17B:23-5. The certificate provided to the  
10 developer shall include a statement waiving the developer's right to  
11 claim that amount of the credit against the taxes that the developer  
12 has elected to sell or assign. The sale or assignment of any amount  
13 of a tax credit transfer certificate allowed under this paragraph shall  
14 not be exchanged for consideration received by the developer of  
15 less than 75 percent of the transferred credit amount before  
16 considering any further discounting to present value that may be  
17 permitted. Any amount of a tax credit transfer certificate used by a  
18 purchaser or assignee against a tax liability shall be subject to the  
19 same limitations and conditions that apply to the use of the credit by  
20 the developer who originally applied for and was allowed the credit.

21 c. All administrative costs associated with the incentive grant  
22 shall be assessed to the applicant and be retained by the State  
23 Treasurer from the annual incentive grant payments.

24 d. The incremental revenue for the revenues listed in  
25 subsection a. of this section shall be calculated as the difference  
26 between the amount collected in any fiscal year from any eligible  
27 revenue source included in the State redevelopment incentive grant  
28 agreement, less the revenue increment base for that eligible  
29 revenue.

30 e. The municipality is authorized to collect any and all  
31 information necessary to facilitate grants under this program and  
32 remit that information, as may be required from time to time, in  
33 order to assist in the calculation of incremental revenue.

34 (cf: P.L.2013, c.161, s.17)

35

36 <sup>5</sup>[18.] 9.<sup>5</sup> Section 24 of P.L.2013, c.161 (C.52:27D-489s) is  
37 amended to read as follows:

38 24. a. A Garden State Growth Zone Development Entity is  
39 authorized to undertake clearance, re-planning, development, or  
40 redevelopment of property within a Garden State Growth Zone.

41 b. Notwithstanding any other law to the contrary, every Garden  
42 State Growth Zone Development Entity that owns real property <sup>5</sup>,  
43 or leases real property for a period of not less than 30 years, <sup>5</sup> within  
44 a Garden State Growth Zone and that undertakes the clearance, re-  
45 planning, development, or redevelopment of such property is hereby  
46 granted an exemption on improvements to such eligible property for  
47 any new construction, improvements, or substantial rehabilitation of  
48 structures on real property for a period of 20 years from receiving a



1 final Certificate of Occupancy, provided however, that a  
2 municipality located within the Garden State Growth Zone shall, by  
3 ordinance, opt-in to such program within 90 calendar days of the  
4 enactment of P.L.2013, c.161 (C.52:27D-489p et al.). The  
5 exemption allowed by this subsection shall be dependent upon: (1)  
6 the owner <sup>5</sup>, or lessee,<sup>5</sup> of the real property making improvements to  
7 the real property after the enactment of P.L.2013, c.161 (C.52:27D-  
8 489p et al.); and (2) the Division of Codes and Standards, in  
9 consultation with the eligible municipality, issuing a final  
10 Certificate of Occupancy within 10 years of the date of enactment  
11 of P.L.2013, c.161 (C.52:27D-489p et al.). <sup>5</sup>For purposes of this  
12 section, a lessee of real property shall include a Garden State  
13 Growth Zone Development Entity that is a lessee that is subject to a  
14 statutory obligation to make a payment in lieu of taxes on the  
15 improvements equal to the taxes on real and personal property.<sup>5</sup>

16 c. The exemption granted by subsection b. of this section shall  
17 be for a period of 20 years. For the first 10 years immediately  
18 subsequent to the issuance of a Certificate of Occupancy, the  
19 Garden State Growth Zone Development Entity shall be exempt  
20 from the payment of taxes on the improvements to the eligible  
21 property. Thereafter, the Garden State Growth Zone Development  
22 Entity shall pay to the municipality in lieu of full property tax  
23 payments an amount equal to a percentage of taxes otherwise due,  
24 according to the following schedule:

25 (1) In the eleventh year after completion, 10 percent of taxes  
26 otherwise due;

27 (2) In the twelfth year after completion, 20 percent of taxes  
28 otherwise due;

29 (3) In the thirteenth year after completion, 30 percent of taxes  
30 otherwise due;

31 (4) In the fourteenth year after completion, 40 percent of taxes  
32 otherwise due;

33 (5) In the fifteenth year after completion, 50 percent of taxes  
34 otherwise due;.

35 (6) In the sixteenth year after completion, 60 percent of taxes  
36 otherwise due;

37 (7) In the seventeenth year after completion, 70 percent of taxes  
38 otherwise due;

39 (8) In the eighteenth year after completion, 80 percent of taxes  
40 otherwise due;

41 (9) In the nineteenth full year after completion, 90 percent of  
42 taxes otherwise due;

43 (10) In the twentieth year after completion, and each year  
44 thereafter, 100 percent of taxes.

45 An amount not less than five percent of all payments pursuant to  
46 this subsection shall be paid to the county in which the municipality  
47 is located.

1 d. Upon the termination of the exemption granted pursuant to  
2 subsection c. of this section, the project, all affected parcels, land,  
3 and all improvements made thereto shall be assessed and subject to  
4 taxation as are other taxable properties in the municipality. After  
5 the date of termination, all restrictions and limitations upon the  
6 Garden State Growth Zone Development Entity shall terminate and  
7 be at an end upon the entity's rendering its final accounting to and  
8 with the municipality.

9 e. Notwithstanding subsection b. of this section, the owner of  
10 any property located within a Garden State Growth Zone, that does  
11 not qualify as a Garden State Growth Zone Development Entity,  
12 that performs any new construction, improvements, or substantial  
13 rehabilitation improvements to property, shall be entitled to an  
14 exemption from taxation regarding such improvements as provided  
15 herein. For purposes of such exemption, the municipality shall  
16 consider the assessor's full and true value of the improvements as  
17 not increasing the value of the property for a period of five years,  
18 notwithstanding that the value of the property to which the  
19 improvements are made is increased thereby.

20 f. Any exemption obtained under this section shall be fully  
21 transferable upon the sale of real property, as long as the new owner  
22 meets all requirements for exemption set forth pursuant to this  
23 section, or, for the sale of a residential unit, as long as the new  
24 owner occupies the unit as a primary residence.<sup>1</sup>

25 (cf: P.L.2013, c.161, s.24)

26  
27 <sup>5</sup>[<sup>2</sup>9. Section 9 of P.L.2009, c.90 (C.52:27D-489i) is amended to  
28 read as follows:

29 9. a. The authority is authorized to enter into a redevelopment  
30 incentive grant agreement with a developer for any redevelopment  
31 project located within a qualifying economic redevelopment and  
32 growth grant incentive area that does not qualify as such area solely  
33 by virtue of being a transit village.

34 b. The decision whether or not to enter into a redevelopment  
35 incentive grant agreement is solely within the discretion of the  
36 authority and the State Treasurer, provided that they both agree to  
37 enter into an agreement.

38 c. The Chief Executive Officer of the authority, in consultation  
39 with the State Treasurer shall negotiate the terms and conditions of  
40 any redevelopment incentive grant agreement on behalf of the State.

41 d. (1) The redevelopment incentive grant agreement shall  
42 specify the maximum amount of project costs, the amount of the  
43 incentive grant to be awarded the developer, the frequency of  
44 payments, and the eligibility period, which shall not exceed 20  
45 years, during which reimbursement will be granted, and for a  
46 project receiving an incentive grant in excess of \$50 million, the  
47 amount of the negotiated repayment amount to the State, which may  
48 include, but not be limited to, cash, equity, and warrants. Except

1 for redevelopment incentive grant agreements with a municipal  
2 redeveloper or with the developer of a redevelopment project solely  
3 with respect to the cost of infrastructure improvements in the public  
4 right-of-way including any ancillary infrastructure project in the  
5 public right-of-way, in no event shall the base amount of the  
6 combined reimbursements under redevelopment incentive grant  
7 agreements with the State or municipality exceed 20 percent of the  
8 total project cost, except in a Garden State Growth Zone or in an  
9 urban transit hub, which shall not exceed 30 percent.

10 (2) The authority shall be permitted to increase the amount of  
11 the reimbursement under the redevelopment incentive grant  
12 agreement with the State by up to 10 percent of the total project  
13 cost if the project is:

14 (a) located in a distressed municipality which lacks adequate  
15 access to nutritious food in the judgment of the Chief Executive  
16 Officer of the authority and will include either a supermarket or  
17 grocery store with a minimum of 15,000 square feet of selling space  
18 devoted to the sale of consumable products or a prepared food  
19 establishment selling only nutritious ready to serve meals;

20 (b) located in a distressed municipality which lacks adequate  
21 access to health care and health services in the judgment of the  
22 Chief Executive Officer of the authority and will include a health  
23 care and health services center with a minimum of 10,000 square  
24 feet of space devoted to the provision of health care and health  
25 services;

26 (c) located in a distressed municipality which has a business  
27 located therein that is required to respond to a request for proposal  
28 to fulfill a contract with the federal government as set forth in  
29 subsection d. of section 3 of P.L.2011, c.149 (C.34:1B-244);

30 (d) a transit project;

31 (e) a qualified residential project in which at least 10 percent of  
32 the residential units are constructed as and reserved for moderate  
33 income housing;

34 (f) located in a highlands development credit receiving area or  
35 redevelopment area;

36 (g) located in a Garden State Growth Zone;

37 (h) a disaster recovery project;

38 (i) an aviation project;

39 (j) a tourism destination project; or

40 (k) substantial rehabilitation or renovation of an existing  
41 structure or structures.

42 (3) The maximum amount of any redevelopment incentive grant  
43 shall be equal to up to 30 percent of the total project costs, except  
44 for projects located in a Garden State Growth Zone or in an urban  
45 transit hub, in which case the maximum amount of any  
46 redevelopment incentive grant shall be equal to up to 40 percent of  
47 the total project costs.

1 e. Except in the case of a qualified residential project, the  
2 authority and the State Treasurer may enter into a redevelopment  
3 incentive grant agreement only if they make a finding that the State  
4 revenues to be realized from the redevelopment project will be in  
5 excess of the amount necessary to reimburse the developer for its  
6 project financing gap. This finding may be made by an estimation  
7 based upon the professional judgment of the Chief Executive  
8 Officer of the authority and the State Treasurer.

9 f. In deciding whether or not to recommend entering into a  
10 redevelopment incentive grant agreement and in negotiating a  
11 redevelopment agreement with a developer, the Chief Executive  
12 Officer of the authority shall consider the following factors:

13 (1) the economic feasibility of the redevelopment project;

14 (2) the extent of economic and related social distress in the  
15 municipality and the area to be affected by the redevelopment  
16 project or the level of site specific distress to include dilapidated  
17 conditions, brownfields designation, environmental contamination,  
18 pattern of vacancy, abandonment, or under utilization of the  
19 property, rate of foreclosures, or other site conditions as determined  
20 by the authority;

21 (3) the degree to which the redevelopment project will advance  
22 State, regional, and local development and planning strategies;

23 (4) the likelihood that the redevelopment project shall, upon  
24 completion, be capable of generating new tax revenue in an amount  
25 in excess of the amount necessary to reimburse the developer for  
26 project costs incurred as provided in the redevelopment incentive  
27 grant agreement, provided, however, that any tax revenue generated  
28 by a redevelopment project that is a disaster recovery project shall  
29 be considered new tax revenue even if the same or more tax revenue  
30 was generated at or on the site prior to the disaster;

31 (5) the relationship of the redevelopment project to a  
32 comprehensive local development strategy, including other major  
33 projects undertaken within the municipality;

34 (6) the need of the redevelopment incentive grant agreement to  
35 the viability of the redevelopment project or the promotion of the  
36 use of public transportation; and

37 (7) the degree to which the redevelopment project enhances and  
38 promotes job creation and economic development or the promotion  
39 of the use of public transportation.

40 g. (1) A developer that has entered into a redevelopment  
41 incentive grant agreement with the authority and the State Treasurer  
42 pursuant to this section may, upon notice to and consent of the  
43 authority and the State Treasurer, pledge, assign, transfer, or sell  
44 any or all of its right, title and interest in and to such agreements  
45 and in the incentive grants payable thereunder, and the right to  
46 receive same, along with the rights and remedies provided to the  
47 developer under such agreement. Any such assignment shall be an

1 absolute assignment for all purposes, including the federal  
2 bankruptcy code.

3 (2) Any pledge of incentive grants made by the developer shall  
4 be valid and binding from the time when the pledge is made and  
5 filed in the records of the authority. The incentive grants so  
6 pledged and thereafter received by the developer shall immediately  
7 be subject to the lien of the pledge without any physical delivery  
8 thereof or further act, and the lien of any pledge shall be valid and  
9 binding as against all parties having claims of any kind in tort,  
10 contract, or otherwise against the developer irrespective of whether  
11 the parties have notice thereof. Neither the redevelopment  
12 incentive grant agreement nor any other instrument by which a  
13 pledge under this section is created need be filed or recorded except  
14 with the authority.<sup>2</sup>

15 (cf: P.L.2013, c.161, s.19)]<sup>5</sup>

16

17 <sup>3</sup>[<sup>2</sup>10. Section 18 of P.L.2008, c.46 (C.52:27D-329.9) is  
18 amended to read as follows:

19 18. a. Notwithstanding any rules of the council to the contrary,  
20 for developments consisting of newly-constructed residential units  
21 located, or to be located, within the jurisdiction of any regional  
22 planning entity required to adopt a master plan or comprehensive  
23 management plan pursuant to statutory law, including the New  
24 Jersey Meadowlands Commission pursuant to subsection (i) of  
25 section 6 of P.L.1968, c.404 (C.13:17-6), the Pinelands Commission  
26 pursuant to section 7 of the "Pinelands Protection Act," P.L.1979,  
27 c.111 (C.13:18A-8), the Fort Monmouth Economic Revitalization  
28 Planning Authority pursuant to section 5 of P.L.2006, c.16  
29 (C.52:27I-5), or its successor, and the Highlands Water Protection  
30 and Planning Council pursuant to section 11 of P.L.2004, c.120  
31 (C.13:20-11), but excluding joint planning boards formed pursuant  
32 to section 64 of P.L.1975, c.291 (C.40:55D-77), there shall be  
33 required to be reserved for occupancy by low or moderate income  
34 households at least 20 percent of the residential units constructed, to  
35 the extent this is economically feasible.

36 b. Subject to the provisions of subsection d. of this section, a  
37 developer of a project consisting of newly-constructed residential  
38 units being financed in whole or in part with State funds, including,  
39 but not limited to, transit villages designated by the Department of  
40 Transportation and units constructed on State-owned property, shall  
41 be required to reserve at least 20 percent of the residential units  
42 constructed for occupancy by low or moderate income households,  
43 as those terms are defined in section 4 of P.L.1985, c.222  
44 (C.52:27D-304), with affordability controls as required under the  
45 rules of the council, unless the municipality in which the property is  
46 located has received substantive certification from the council and  
47 such a reservation is not required under the approved affordable  
48 housing plan, or the municipality has been given a judgment of

1 repose or a judgment of compliance by the court, and such a  
2 reservation is not required under the approved affordable housing  
3 plan.

4 c. (1) The Legislature recognizes that regional planning entities  
5 are appropriately positioned to take a broader role in the planning  
6 and provision of affordable housing based on regional planning  
7 considerations. In recognition of the value of sound regional  
8 planning, including the desire to foster economic growth, create a  
9 variety and choice of housing near public transportation, protect  
10 critical environmental resources, including farmland and open space  
11 preservation, and maximize the use of existing infrastructure, there  
12 is created a new program to foster regional planning entities.

13 (2) The regional planning entities identified in subsection a. of  
14 this section shall identify and coordinate regional affordable  
15 housing opportunities in cooperation with municipalities in areas  
16 with convenient access to infrastructure, employment opportunities,  
17 and public transportation. Coordination of affordable housing  
18 opportunities may include methods to regionally provide housing in  
19 line with regional concerns, such as transit needs or opportunities,  
20 environmental concerns, or such other factors as the council may  
21 permit; provided, however, that such provision by such a regional  
22 entity may not result in more than a 50 percent change in the fair  
23 share obligation of any municipality; provided that this limitation  
24 shall not apply to affordable housing units directly attributable to  
25 development by the New Jersey Sports and Exposition Authority  
26 within the New Jersey Meadowlands District.

27 (3) In addition to the entities identified in subsection a. of this  
28 section, the Casino Reinvestment Development Authority, in  
29 conjunction with the Atlantic County Planning Board, shall identify  
30 and coordinate regional affordable housing opportunities directly  
31 attributable to Atlantic City casino development, which may be  
32 provided anywhere within Atlantic County, subject to the  
33 restrictions of paragraph (4) of this subsection.

34 (4) The coordination of affordable housing opportunities by  
35 regional entities as identified in this section shall not include  
36 activities which would provide housing units to be located in those  
37 municipalities that are eligible to receive aid under the "Special  
38 Municipal Aid Act," P.L.1987, c.75 (C.52:27D-118.24 et seq.), or  
39 are coextensive with a school district which qualified for  
40 designation as a "special needs district" pursuant to the "Quality  
41 Education Act of 1990," P.L.1990, c.52 (C.18A:7D-1 et al.), or at  
42 any time in the last 10 years have been qualified to receive  
43 assistance under P.L.1978, c.14 (C.52:27D-178 et seq.) and that fall  
44 within the jurisdiction of any of the regional entities specified in  
45 subsection a. of this section.

46 d. Notwithstanding the provisions of subsection b. of this  
47 section, or any other law or regulation to the contrary, for purposes  
48 of mixed use projects or qualified residential projects in which a

1 business receives a tax credit pursuant to P.L.2007, c.346 (C.34:1B-  
2 207 et seq.) or a tax credit pursuant to section 35 of P.L.2009, c.90  
3 (C.34:1B-209.3), or both, an "eligible municipality," as defined in  
4 section 2 of P.L.2007, c.346 (C.34:1B-208), shall have the option of  
5 deciding the percentage of newly-constructed residential units  
6 within the project, up to 20 percent of the total, required to be  
7 reserved for occupancy by low or moderate income households.  
8 For a mixed use project or a qualified residential project that has  
9 received preliminary or final site plan approval prior to the effective  
10 date of P.L.2011, c.89, the percentage shall be deemed to be the  
11 percentage, if any, of units required to be reserved for low or  
12 moderate income households in accordance with the terms and  
13 conditions of such approval.

14 e. Notwithstanding the provisions of subsection a. of this  
15 section, or any other law or regulation to the contrary, whenever  
16 newly-constructed residential units are built within a "project area,"  
17 as that term is defined by section 3 of P.L.2010, c.51 (C.52:27I-20),  
18 the 20 percent of units required to be reserved for occupancy by low  
19 or moderate income households shall not be required to be  
20 constructed within the project area. For any reserved units not  
21 constructed within the project area, the reserved unit requirement  
22 shall be allocated to developments constructed in other areas within  
23 the "host municipality," as that term is defined by section 3 of  
24 P.L.2010, c.51 (C.52:27I-20).<sup>2</sup>】<sup>3</sup>  
25 (cf: P.L.2011, c.89, s.5)

26  
27 <sup>3</sup>【<sup>2</sup>11.】 10.<sup>3</sup> (New section) a. For the purposes of this section:

28 <sup>5</sup>【"Applicant" means a designated redeveloper of a  
29 redevelopment project approved pursuant to the "Local  
30 Redevelopment and Housing Law," P.L.1992, c.79 (C.40A:12A-1 et  
31 al.), that undertakes to provide and donate public infrastructure.】  
32 "Authority" means the New Jersey Economic Development  
33 Authority established pursuant to section 4 of P.L.1974, c.80  
34 (C.34:1B-4).<sup>5</sup>

35 "Government entity" means the State government, a local unit of  
36 government, or a State or local government agency or authority.

37 "Providing public infrastructure" means undertaking and paying  
38 for the construction of public infrastructure; contributing money or  
39 paying debt service for the construction of public infrastructure; or  
40 deeding land to a government entity for use as public infrastructure.

41 "Public infrastructure" means: <sup>4</sup>【a.】 (1)<sup>4</sup> buildings and  
42 structures, such as schools; fire houses; police stations; recreation  
43 centers; public works garages; and water and sewer treatment and  
44 pumping facilities; <sup>4</sup>【b.】 (2)<sup>4</sup> open space with improvements such  
45 as athletic fields; playgrounds; planned parks; <sup>4</sup>【c.】 (3)<sup>4</sup> open space  
46 without improvements; and <sup>4</sup>【d.】 (4)<sup>4</sup> public transportation  
47 facilities such as train stations and public parking facilities. To

1 qualify as public infrastructure under this section, the facilities,  
2 land, or both, shall have a minimum fair market value of \$5 million;  
3 provided, however, that multiple lands and facilities, valued  
4 individually at less than \$5 million, that are part of the same  
5 redevelopment project may be aggregated to achieve the minimum  
6 \$5 million requirement. In the case of open space without  
7 improvements, the land shall have a minimum fair market value of  
8 at least \$1 million prior to its dedication as open space. Sidewalks,  
9 streets, roads, ramps, and jug handles shall not be deemed public  
10 infrastructure for the purposes of this section.

11 <sup>5</sup>["Rebate" means a refund or other repayment of a fee paid by  
12 an applicant pursuant to law.

13 "Redevelopment project" means any work or undertaking  
14 pursuant to a redevelopment plan adopted under the "Local  
15 Redevelopment and Housing Law," P.L.1992, c.79 (C.40A:12A-1 et  
16 al.); and may include any buildings, land, including demolition,  
17 clearance, or removal of buildings from land, equipment, facilities,  
18 or other real or personal properties which are necessary, convenient,  
19 or desirable appurtenances, such as, but not limited to, streets,  
20 sewers, utilities, parks, site preparation, landscaping, and  
21 administrative, community, health, recreational, educational, and  
22 welfare facilities.]<sup>5</sup>

23 "Tax credit" means a credit equal to 100 percent of the  
24 applicant's cost of providing public infrastructure for use to offset a  
25 tax liability.

26 "Tax liability" means a liability for the taxes imposed pursuant to  
27 <sup>5</sup>[the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq.  
28 or]<sup>5</sup> the "Corporation Business Tax (1945)," P.L.1945, c.162  
29 (C.54:10A-1 et seq.), and liability for basic, general, additional, and  
30 supplemental realty transfer fees imposed pursuant P.L.1968, c.49  
31 (C.46:15-5 et seq.), as amended and supplemented <sup>5</sup>]; provided  
32 that].<sup>5</sup> <sup>5</sup>[the liability results from a redevelopment project for  
33 which the applicant or the applicant's business is a redeveloper  
34 designated by a municipality or redevelopment entity under the  
35 "Local Redevelopment and Housing Law," P.L.1992, c.79  
36 (C.40A:12A-1 et al.). A tax liability may be for any year in which  
37 the applicant, or the applicant's business, was a designated  
38 redeveloper by a municipality or redevelopment entity under the  
39 "Local Redevelopment and Housing Law," P.L.1992, c.79  
40 (C.40A:12A-1 et al.).]<sup>5</sup>

41 b. Commencing with the effective date of P.L. , c. (C. )  
42 (pending before the Legislature as this bill) and ending on  
43 December 31 of the fifth complete year next following, an applicant  
44 that has agreed to, or has provided, public infrastructure may apply  
45 to the New Jersey Economic Development Authority for <sup>5</sup>[a rebate  
46 or]<sup>5</sup> a tax credit under the following conditions:



1 <sup>5</sup>[(1) The government entity receiving the infrastructure consents  
2 to the rebate or tax credit and either:  
3 (a) the redevelopment project will provide new ratables with a  
4 minimum value of \$50 million;  
5 (b) the redevelopment project will create at least 100 new or  
6 rehabilitated housing units; or  
7 (c) the redevelopment project will create retail, commercial, or  
8 office space with a square footage of at least 100,000 square feet.  
9 When a project is completed in components or phases, the ratables,  
10 housing units, and newly created square footage may be aggregated  
11 by the applicant to meet the thresholds set forth within this  
12 paragraph.] (1) The applicant makes a new capital investment in  
13 an amount equal to or greater than \$10,000,000 in, or causes  
14 another entity by contract or development agreement to construct, a  
15 building, complex of buildings or other similar structures or  
16 facilities, which shall be completed within two years following  
17 approval by the Authority, which relies on the completed public  
18 infrastructure.<sup>5</sup>

19 (2) The applicant has not received a tax credit under the “Grow  
20 New Jersey Assistance Program” established by section 3 of  
21 P.L.2011, c.149 (C.34:1B-244).

22 (3) The applicant has not received a grant under a State or a local  
23 Economic Redevelopment and Growth Grant program pursuant to  
24 section 4 or section 5 of P.L.2009, c.90 (C.52:27D-489d or  
25 C.52:27D-489e).

26 (4) The applicant is not a “Garden State Growth Zone  
27 Development Entity,” as defined in section 23 of P.L.2013, c.161  
28 (C.52:27D-489r).

29 (5) The applicant is not partnered with the New Jersey Sports  
30 and Exposition Authority for the <sup>5</sup>[redevelopment project] capital  
31 investment pursuant to this section<sup>5</sup>.

32 c. The New Jersey Economic Development Authority shall  
33 grant an application for a <sup>5</sup>[rebate or tax credits] tax credit<sup>5</sup> if the  
34 government entity receiving the public infrastructure<sup>5</sup>[.]<sup>5</sup> adopts a  
35 resolution and files it with the authority, consenting to the <sup>5</sup>[rebate  
36 or tax credits] award of the tax credit<sup>5</sup> and the ownership of the  
37 public infrastructure is transferred to that government entity, and  
38 either: (1) the construction commences after January 1, 2013; (2)  
39 the construction is completed, as evidenced by a certificate of  
40 occupancy or other certificate of completion, after January 1, 2013;  
41 (3) the first monetary or debt service payment occurs after January  
42 1, 2013; or (4) the land is deeded to the government entity after  
43 January 1, 2013. <sup>5</sup>[A rebate or tax credit shall not be paid or issued  
44 to an applicant until the New Jersey Economic Development  
45 Authority receives a true copy of the resolution by the government  
46 entity receiving the public infrastructure consenting to the granting  
47 of the rebate or tax credit.]<sup>5</sup>

1       d. (1) <sup>5</sup>【The rebate or tax credit may to be granted to  
 2 individuals】 The total amount of tax credits that may be awarded to  
 3 an eligible applicant for a single project shall not exceed  
 4 \$5,000,000 and the total value of all tax credits approved by the  
 5 authority pursuant to P.L. . c. (C. ) (pending before the  
 6 Legislature as this bill) shall not exceed \$25,000,000.<sup>5</sup> <sup>5</sup>【with an  
 7 ownership interest in a business that has been designated as a  
 8 redeveloper by a municipality or other redevelopment entity under  
 9 the "Local Redevelopment and Housing Law," P.L.1992, c.79  
 10 (C.40A:12A-1 et al.).

11       (2) A person with an ownership interest in <sup>4</sup>a<sup>4</sup> business  
 12 designated as a redeveloper may use the tax credit to offset any  
 13 other tax liability of that person resulting from any other  
 14 redevelopment project for which the person, or the person's  
 15 business, is a designated redeveloper under the "Local  
 16 Redevelopment and Housing Law," P.L.1992, c.79 (C.40A:12A-1 et  
 17 al.).

18       (3) A rebate shall be paid by the State Treasurer from the  
 19 General Fund upon authorization by the Executive Director of the  
 20 New Jersey Economic Development Authority.<sup>5</sup>

21       <sup>5</sup>【(4)】 (2)<sup>5</sup> A tax credit granted pursuant to this section may be  
 22 transferred in the same manner as tax credits are transferred under  
 23 section 33 of P.L.2009, c.90 (C.34:1B-209.1).

24       <sup>5</sup>(3) Nothing in this section shall prohibit an applicant from  
 25 applying for and being awarded multiple tax credit awards based on  
 26 separate public infrastructure projects.<sup>5</sup>

27       e. The <sup>5</sup>【Executive Director of the New Jersey Economic  
 28 Development Authority】 chief executive of the authority<sup>5</sup>, in  
 29 consultation with the Director of the Division of Taxation in the  
 30 Department of the Treasury, <sup>5</sup>【shall】 may<sup>5</sup> adopt rules and  
 31 regulations pursuant to the "Administrative Procedure Act,"  
 32 P.L.1968, c.410 (C.52:14B-1 et seq.), necessary to implement the  
 33 provisions of this section.<sup>2</sup>

34  
 35       <sup>1</sup>【8.】 <sup>2</sup>【9.1】 <sup>3</sup>【12.2】 11.<sup>3</sup> This act shall take effect immediately.

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 40       “Economic Opportunity Act of 2014, Part 3.”