

# ASSEMBLY, No. 4912

## STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED DECEMBER 5, 2022

**Sponsored by:**

**Assemblyman RAJ MUKHERJI**

**District 33 (Hudson)**

**Assemblyman JAMES J. KENNEDY**

**District 22 (Middlesex, Somerset and Union)**

**Co-Sponsored by:**

**Assemblywoman Chaparro**

**SYNOPSIS**

Revises certain eligibility requirements under NJ Aspire Program; establishes net neutral benefits test for redevelopment projects that incur certain sustainability and resiliency costs.

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT revising certain eligibility requirements under the New  
2 Jersey Aspire Program and amending P.L.2020, c.156.

3

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

6

7 1. Section 55 of P.L. P.L.2020, c.156 (C.34:1B-323) is  
8 amended to read as follows:

9 55. As used in sections 54 through 67 of P.L.2020, c.156  
10 (C.34:1B-322 through C.34:1B-335):

11 "Agency" means the New Jersey Housing and Mortgage Finance  
12 Agency established pursuant to P.L.1983, c.530 (C.55:14K-1 et  
13 seq.).

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

16 "Aviation district" means all areas within the boundaries of the  
17 Atlantic City International Airport, established pursuant to section  
18 24 of P.L.1991, c.252 (C.27:25A-24), and the Federal Aviation  
19 Administration William J. Hughes Technical Center and the area  
20 within a one-mile radius of the outermost boundary of the Atlantic  
21 City International Airport and the Federal Aviation Administration  
22 William J. Hughes Technical Center.

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

26 "Brownfield site" means any former or current commercial or  
27 industrial site that is currently vacant or underutilized and on which  
28 there has been, or there is suspected to have been, a discharge of a  
29 contaminant or on which there is contaminated building material.

30 "Building services" means any cleaning or routine building  
31 maintenance work, including but not limited to sweeping,  
32 vacuuming, floor cleaning, cleaning of rest rooms, collecting refuse  
33 or trash, window cleaning, securing, patrolling, or other work in  
34 connection with the care or securing of an existing building,  
35 including services typically provided by a door-attendant or  
36 concierge. "Building services" shall not include any skilled  
37 maintenance work, professional services, or other public work for  
38 which a contractor is required to pay the "prevailing wage" as  
39 defined in section 2 of P.L.1963, c.150 (C.34:11-56.26).

40 "Cash flow" means the profit or loss that an investment property  
41 earns from rent, deposits, and other fees after financial obligations,  
42 such as debt, maintenance, government payments, and other  
43 expenses, have been paid.

44 "Collaborative workspace" means coworking, accelerator,  
45 incubator, or other shared working environments that promote

**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.**

1 collaboration, interaction, socialization, and coordination among  
2 tenants through the clustering of multiple businesses or individuals.  
3 For this purpose, the collaborative workspace shall be the greater  
4 of: 2,500 of dedicated square feet or 10 percent of the total property  
5 on which the redevelopment project is situated. The collaborative  
6 workspace shall include a community manager, be focused on  
7 collaboration among the community members, and include  
8 regularly scheduled education events for the community members.  
9 The collaborative workspace shall also include a physical open  
10 space that supports the engagement of its community members.

11 "Commercial project" means a redevelopment project, which is  
12 predominantly commercial and contains 100,000 or more square  
13 feet of office and retail space, industrial space, or film studios,  
14 professional stages, television studios, recording studios, screening  
15 rooms, or other infrastructure for film production, for purchase or  
16 lease and may include a parking component.

17 "Contaminated building material" means components of a  
18 structure where abatement or removal of asbestos, or remediation of  
19 materials containing hazardous substances, as defined pursuant to  
20 section 3 of P.L.1976, c.141 (C.58:10-23.11b), is required by  
21 applicable federal, state, or local rules or regulations.

22 "Contamination" or "contaminant" means any discharged  
23 hazardous substance as defined pursuant to section 3 of P.L.1976,  
24 c.141 (C.58:10-23.11b), hazardous waste as defined pursuant to  
25 section 1 of P.L.1976, c.99 (C.13:1E-38), pollutant as defined  
26 pursuant to section 3 of P.L.1977, c.74 (C.58:10A-3), or  
27 contaminated building material.

28 "Developer" means a person who enters or proposes to enter into  
29 an incentive award agreement pursuant to the provisions of section  
30 60 of P.L.2020, c.156 (C.34:1B-328), including, but not limited, to  
31 a lender that completes a redevelopment project, operates a  
32 redevelopment project, or completes and operates a redevelopment  
33 project.

34 "Director" means the Director of the Division of Taxation in the  
35 Department of the Treasury.

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

45 "Economic development incentive" means a financial incentive,  
46 awarded by the authority, or agreed to between the authority and a  
47 business or person, for the purpose of stimulating economic  
48 development or redevelopment in New Jersey, including, but not

1 limited to, a bond, grant, loan, loan guarantee, matching fund, tax  
2 credit, or other tax expenditure.

3 "Eligibility period" means the period not to exceed 15 years for a  
4 commercial or mixed-use project or the period not to exceed 10  
5 years for a residential project specified in an incentive award  
6 agreement during which a developer may claim a tax credit under  
7 the program.

8 "Enhanced area" means (1) a municipality that contains an urban  
9 transit hub, as defined in section 2 of P.L.2007, c.346 (C.34:1B-  
10 208); (2) the five municipalities with the highest poverty rates  
11 according to the 2017 Municipal Revitalization Index; and (3) the  
12 three municipalities with the highest percentage of SNAP recipients  
13 according to the 2017 Municipal Revitalization Index.

14 "Food delivery source" means access to nutritious foods, such as  
15 fresh fruits and vegetables, through grocery operators, including,  
16 but not limited to a full-service supermarket or grocery store, and  
17 other healthy food retailers of at least 16,000 square feet, including,  
18 but not limited to, a prepared food establishment selling primarily  
19 nutritious ready-to-serve meals.

20 "Food desert community" means a physically contiguous area in  
21 the State in which residents have limited access to nutritious foods,  
22 such as fresh fruits and vegetables, and that has been designated as  
23 a food desert community pursuant to subsection b. of section 38 of  
24 P.L.2020, c.156 (C.34:1B-306).

25 "Government-restricted municipality" means a municipality in  
26 this State with a municipal revitalization index distress score of at  
27 least 75, that met the criteria for designation as an urban aid  
28 municipality in the 2019 State fiscal year, and that, on the effective  
29 date of P.L.2020, c.156 (C.34:1B-269 et al.), is subject to financial  
30 restrictions imposed pursuant to the "Municipal Stabilization and  
31 Recovery Act," P.L.2016, c.4 (C.52:27BBBB-1 et seq.), or is  
32 restricted in its ability to levy property taxes on property in that  
33 municipality as a result of the State of New Jersey owning or  
34 controlling property representing at least 25 percent of the total land  
35 area of the municipality or as a result of the federal government of  
36 the United States owning or controlling at least 50 acres of the total  
37 land area of the municipality, which is dedicated as a national  
38 natural landmark.

39 "Health care or health services center" means an establishment  
40 where patients are admitted for examination and treatment by one or  
41 more physicians, dentists, psychologists, or other medical  
42 practitioners.

43 "Historic property" means a property located in the State of New  
44 Jersey that is an income producing property, and that is:

45 (a) (i) individually listed, or located in a district listed on the  
46 National Register of Historic Places in accordance with the  
47 provisions of chapter 3021 of Title 54, United States Code (54  
48 U.S.C. s.302101 et seq), or on the New Jersey Register of Historic  
49 Places pursuant to P.L.1970, c.268 (C.13:1B-15.128 et seq.), or

1 individually designated, or located in a district designated, by the  
2 Pinelands Commission as a historic resource of significance to the  
3 Pinelands in accordance with the Pinelands comprehensive  
4 management plan adopted pursuant to the "Pinelands Protection  
5 Act," P.L.1979, c.111 (C.13:18A-1 et seq.); and

6 (ii) if located within a district, certified by either the officer or  
7 the Pinelands Commission, as appropriate, as contributing to the  
8 historic significance of the district; or

9 (b) (i) individually identified or registered, or located in a  
10 district composed of properties identified or registered, for  
11 protection as significant historic resources in accordance with  
12 criteria established by a municipality in which the property or  
13 district is located if the criteria for identification or registration has  
14 been approved by the officer as suitable for substantially achieving  
15 the purpose of preserving and rehabilitating buildings of historic  
16 significance within the jurisdiction of the municipality, and

17 (ii) if located within a district, certified by the officer as  
18 contributing to the historic significance of the district.

19 "Incentive area" means an aviation district, a port district, or an  
20 area designated pursuant to the "State Planning Act," P.L.1985,  
21 c.398 (C.52:18A-196 et seq.), as Planning Area 1 (Metropolitan),  
22 Planning Area 2 (Suburban), or a Designated Center, provided an  
23 area designated as Planning Area 2 (Suburban) or a Designated  
24 Center shall be located within a one-half mile radius of the mid-  
25 point, with bicycle and pedestrian connectivity, of a New Jersey  
26 Transit Corporation, Port Authority Transit Corporation, or Port  
27 Authority Trans-Hudson Corporation rail, bus, or ferry station,  
28 including all light rail stations, or a high frequency bus stop as  
29 certified by the New Jersey Transit Corporation.

30 "Incentive award" means an award of tax credits to reimburse a  
31 developer for all or a portion of the project financing gap of a  
32 redevelopment project pursuant to the provisions of sections 54  
33 through 67 of P.L.2020, c.156 (C.34:1B-322 through C.34:1B-335).

34 "Incentive award agreement" means the contract executed  
35 between a developer and the authority pursuant to section 60 of  
36 P.L.2020, c.156 (C.34:1B-328), which sets forth the terms and  
37 conditions under which the developer may receive the incentive  
38 awards authorized pursuant to the provisions of sections 54 through  
39 67 of P.L.2020, c.156 (C.34:1B-322 through C.34:1B-335).

40 "Incubator facility" means a commercial property, which  
41 contains 5,000 or more square feet of office, laboratory, or  
42 industrial space, which is located near, and presents opportunities  
43 for collaboration with, a research institution, teaching hospital,  
44 college, or university, and within which at least 75 percent of the  
45 gross leasable area is restricted for use by one or more technology  
46 startup companies.

47 "Individuals with special needs" means individuals with mental  
48 illness, individuals with physical or developmental disabilities, and  
49 individuals in other emerging special needs groups identified by the

1 authority, based on guidelines established for the administration of  
2 the Special Needs Housing Trust Fund established pursuant to  
3 section 1 of P.L.2005, c.163 (C.34:1B-21.25a) or developed in  
4 consultation with other State agencies.

5 "Living shorelines" means nature-based techniques using native  
6 vegetation, alone or in combination with other practices, to restore  
7 or enhance marshes or to stabilize the shoreline.

8 "Low-income housing" means housing affordable according to  
9 federal Department of Housing and Urban Development or other  
10 recognized standards for home ownership and rental costs and  
11 occupied or reserved for occupancy by households with a gross  
12 household income equal to 50 percent or less of the median gross  
13 household income for households of the same size within the  
14 housing region in which the housing is located.

15 "Major rail station" means a railroad station that is located within  
16 a qualified incentive area and that provides to the public access to a  
17 minimum of six rail passenger service lines operated by the New  
18 Jersey Transit Corporation.

19 "Minimum environmental and sustainability standards" means  
20 standards established by the authority in accordance with the green  
21 building manual prepared by the Commissioner of Community  
22 Affairs pursuant to section 1 of P.L.2007, c.132 (C.52:27D-130.6),  
23 regarding the use of renewable energy, energy-efficient technology,  
24 and non-renewable resources to reduce environmental degradation  
25 and encourage long-term cost reduction.

26 "Moderate-income housing" means housing affordable according  
27 to federal Department of Housing and Urban Development or other  
28 recognized standards for home ownership and rental costs and  
29 occupied or reserved for occupancy by households with a gross  
30 household income equal to more than 50 percent, but less than 80  
31 percent, of the median gross household income for households of  
32 the same size within the housing region in which the housing is  
33 located.

34 "Municipal Revitalization Index" means the index by the  
35 Department of Community Affairs ranking New Jersey's  
36 municipalities according to eight separate indicators that measure  
37 diverse aspects of social, economic, physical, and fiscal conditions  
38 in each locality.

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

41 a. the "Port of New York District" of the Port Authority of  
42 New York and New Jersey, as defined in Article II of the Compact  
43 Between the States of New York and New Jersey of 1921; or

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

1 "Program" means the New Jersey Aspire Program established by  
2 section 56 of P.L.2020, c.156 (C.34:1B-324).

3 "Project cost" means the costs incurred in connection with a  
4 redevelopment project by a developer until the issuance of a  
5 permanent certificate of occupancy, or until such other time  
6 specified by the authority, for a specific investment or  
7 improvement, including the costs relating to lands, except the cost  
8 of acquiring such lands, buildings, improvements, real or personal  
9 property, or any interest therein, including leases discounted to  
10 present value, including lands under water, riparian rights, space  
11 rights, and air rights acquired, owned, developed or redeveloped,  
12 constructed, reconstructed, rehabilitated, or improved, any  
13 environmental remediation costs, plus costs not directly related to  
14 construction, including capitalized interest paid to third parties, of  
15 an amount not to exceed 20 percent of the total costs and the cost of  
16 infrastructure improvements, including ancillary infrastructure  
17 projects. The fees associated with the application or administration  
18 of a grant under sections 54 through 67 of P.L.2020, c.156  
19 (C.34:1B-322 through C.34:1B-335) shall not constitute a project  
20 cost.

21 "Project financing gap" means the part of the total project cost,  
22 including reasonable and appropriate return on investment, that  
23 remains to be financed after all other sources of capital have been  
24 accounted for, including, but not limited to developer contributed  
25 capital, which shall not be less than 20 percent of the total project  
26 cost, and investor or financial entity capital or loans for which the  
27 developer, after making all good faith efforts to raise additional  
28 capital, certifies that additional capital cannot be raised from other  
29 sources on a non-recourse basis; provided, however, that for a  
30 redevelopment project located in a government-restricted  
31 municipality, the developer contributed capital shall not be less than  
32 10 percent of the total project cost. Developer contributed capital  
33 may consist of cash, deferred development fees, costs for project  
34 feasibility incurred within the 12 months prior to application,  
35 property value less any mortgages when the developer owns the  
36 project site, and any other investment by the developer in the  
37 project deemed acceptable by the authority, as provided by  
38 regulations promulgated by the authority. Property value shall be  
39 valued at the lesser of: (i) the purchase price, provided the property  
40 was purchased pursuant to an arm's length transaction within 12  
41 months of application; or (ii) the value as determined by a current  
42 appraisal.

43 "Project labor agreement" means a form of pre-hire collective  
44 bargaining agreement covering terms and conditions of a specific  
45 project that satisfies the requirements set forth in section 5 of  
46 P.L.2002, c.44 (C.52:38-5).

47 "Qualified incentive tract" means (i) a population census tract  
48 having a poverty rate of 20 percent or more; or (ii) a census tract in  
49 which the median family income for the census tract does not

1 exceed 80 percent of the greater of the Statewide median family  
2 income or the median family income of the metropolitan statistical  
3 area in which the census tract is situated.

4 "Quality childcare facility" is a child care center licensed by the  
5 Department of Children and Families or a registered family child  
6 care home with the Department of Human Services, operating  
7 continuously, which has not been subject to an enforcement action,  
8 and which has and maintains a licensed capacity for children age 13  
9 years or younger who attend for less than 24 hours a day.

10 "Redevelopment project" means a specific construction project  
11 or improvement or phase of a project or improvement undertaken  
12 by a developer, owner or tenant, or both, and any ancillary  
13 infrastructure project. A redevelopment project may involve  
14 construction or improvement upon lands, buildings, improvements,  
15 or real and personal property, or any interest therein, including  
16 lands under water, riparian rights, space rights, and air rights,  
17 acquired, owned, developed or redeveloped, constructed,  
18 reconstructed, rehabilitated, or improved.

19 "Rehabilitation" means the repair or reconstruction of the  
20 exterior or interior of an historic property to make an efficient  
21 contemporary use possible while preserving the portions or features  
22 of the property that have significant historical, architectural, and  
23 cultural value.

24 "Remediation" means all necessary actions to investigate and  
25 clean up or respond to any known, suspected, or threatened  
26 discharge of contaminants, including, as necessary, the preliminary  
27 assessment, site investigation, remedial investigation, and remedial  
28 action, or any portion thereof, as those terms are defined in section  
29 23 of P.L.1993, c.139 (C.58:10B-1); hazardous materials  
30 abatement; hazardous materials or waste disposal; and building and  
31 structural remedial activities, including, but not limited to,  
32 demolition, asbestos abatement, polychlorinated biphenyl removal,  
33 contaminated wood or paint removal, and other infrastructure  
34 remedial activities; provided, however, "remediation" shall not  
35 include the payment of compensation for damage to, or loss of,  
36 natural resources.

37 "Residential project" means a redevelopment project that is  
38 predominantly residential, intended for multi-family residency, and  
39 may include a parking component.

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

42 "SDA municipality" means a municipality in which an SDA  
43 district is situated.

44 "Stormwater management system" means any equipment, plants,  
45 structures, machinery, apparatus, management practices, or land, or  
46 any combination thereof, acquired, used, constructed, implemented,  
47 or operated to prevent nonpoint source pollution, abate improper  
48 cross-connections and interconnections between stormwater and



1 sewer systems, minimize stormwater runoff, reduce soil erosion, or  
2 induce groundwater recharge, or any combination thereof.

3 "Sustainability and resiliency costs" means costs incurred in  
4 connection with a redevelopment project by the developer, and  
5 which costs shall be comprised of the following: (1) the utilization  
6 of carbon reduction initiatives, including renewable or non-carbon-  
7 emitting energy technologies, at the site of the redevelopment  
8 project; (2) the installation of electric vehicle charging  
9 infrastructure at the site of the redevelopment project; (3) the  
10 installation of a geothermal heat pump system at the site of the  
11 redevelopment project; (4) the installation of a stormwater  
12 management system at the site of the redevelopment project; (5) the  
13 installation of living shorelines at the site of the redevelopment  
14 project if the site of the project is located in close proximity to a  
15 shoreline; (6) the remediation of a brownfield site located at the site  
16 of the redevelopment project; (7) the rehabilitation of an historic  
17 property located at the site of the redevelopment project; and (8) the  
18 investment in public and community infrastructure, such as parks,  
19 roadways, and transit facilities and services.

20 "Technology startup company" means a for-profit business that  
21 has been in operation fewer than seven years at the time that it  
22 initially occupies or expands in a qualified business facility and is  
23 developing or possesses a proprietary technology or business  
24 method of a high technology or life science-related product,  
25 process, or service, which proprietary technology or business  
26 method the business intends to move to commercialization. The  
27 business shall be deemed to have begun operation on the date that  
28 the business first hired at least one employee in a full-time position.

29 "Total project cost" means the costs incurred in connection with  
30 the redevelopment project by the developer until the issuance of a  
31 permanent certificate of occupancy, or upon such other event  
32 evidencing project completion as set forth in the incentive grant  
33 agreement, for a specific investment or improvement.

34 "Tourism destination project" means a non-gaming business  
35 facility that will be among the most visited privately owned or  
36 operated tourism or recreation sites in the State, and which 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, including a non-gaming business within an established  
40 Tourism District with a significant impact on the economic viability  
41 of that district.

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

46 "Transit hub municipality" means a Transit Village or a  
47 municipality: a. which qualifies for State aid pursuant to P.L.1978,  
48 c.14 (C.52:27D-178 et seq.), or which has continued to be a  
49 qualified municipality thereunder pursuant to P.L.2007, c.111; and

1 b. in which 30 percent or more of the value of real property was  
2 exempt from local property taxation during tax year 2006. The  
3 percentage of exempt property shall be calculated by dividing the  
4 total exempt value by the sum of the net valuation which is taxable  
5 and that which is tax exempt.

6 "Transit Village" means a municipality that has been designated  
7 as a transit village by the Commissioner of Transportation and the  
8 Transit Village Task Force established pursuant to P.L.1985, c.398  
9 (C.27:1A-5).

10 (cf: P.L.2021, c.160, s.22)

11  
12 2. Section 58 of P.L.2020, c.156 (C.34:1B-326) is amended to  
13 read as follows:

14 58. a. Prior to March 1, 2027, for redevelopment projects  
15 eligible pursuant to section 57 of P.L.2020, c.156 (C.34:1B-325) for  
16 which a developer is seeking an incentive award for the  
17 redevelopment project, the developer shall submit an application to  
18 the authority and, in the case of a residential project, shall submit an  
19 application to the authority and the agency, in a form and manner  
20 prescribed in regulations adopted by the authority, in consultation  
21 with the agency, pursuant to the provisions of the "Administrative  
22 Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.). The authority  
23 shall accept applications for incentive awards during the grant  
24 periods established pursuant to section 59 of P.L.2020, c.156  
25 (C.34:1B-327).

26 b. The authority shall not consider an application for a  
27 commercial project unless the developer submits a letter evidencing  
28 support for the commercial project from the governing body of the  
29 municipality in which the commercial project is located with the  
30 application.

31 c. (1) The authority shall review the project cost, evaluate and  
32 validate the project financing gap estimated by the developer, and  
33 conduct a State fiscal impact analysis to ensure that the overall  
34 public assistance provided to the project will result in a net positive  
35 benefit to the State, provided that the net benefit analysis shall not  
36 apply to capital investment for a food delivery source; a health care  
37 or health services center with a minimum of 10,000 square feet of  
38 space devoted to health care or health services that is located in a  
39 municipality with a Municipal Revitalization Index distress score of  
40 at least 50 lacking adequate access, as determined by the  
41 Commissioner of Health; **【or】** a residential project; or a project that  
42 has a total project cost of at least \$17,000,000, including at least  
43 \$3,400,000 in total sustainability and resiliency costs and not less  
44 than \$1,000 for each of the sustainability and resiliency costs, as  
45 applicable, enumerated in the definition for "sustainability and  
46 resiliency costs" pursuant to section 55 of P.L. P.L.2020, c.156  
47 (C.34:1B-323). In determining whether a project will result in a net  
48 positive benefit to the State, the authority shall not consider the  
49 value of any taxes exempted, abated, rebated, or retained under the

1 "Five-Year Exemption and Abatement Law," P.L.1991, c.441  
2 (C.40A:21-1 et seq.), the "Long Term Tax Exemption Law,"  
3 P.L.1991, c.431 (C.40A:20-1 et al.), the "New Jersey Urban  
4 Enterprise Zones Act," P.L.1983, c.303 (C.52:27H-60 et seq.), or  
5 any other law that has the effect of lowering or eliminating the  
6 developer's State or local tax liability. The determination made  
7 pursuant to this **[subsection]** paragraph shall be based on the  
8 potential tax liability of the developer without regard for potential  
9 tax losses if the developer were to locate in another state. The  
10 authority shall assess the cost of these reviews to the applicant. A  
11 developer shall pay to the authority the full amount of the direct  
12 costs of an analysis concerning the developer's application for a tax  
13 credit that a third party retained by the authority performs, if the  
14 authority deems such retention to be necessary. The authority shall  
15 evaluate the net economic benefits on a present value basis under  
16 which the requested tax credit allocation amount is discounted to  
17 present value at the same discount rate as the projected benefits  
18 from the implementation of the proposed redevelopment project for  
19 which an award of tax credits is being sought.

20 (2) For a redevelopment project that has a total project cost of at  
21 least \$17,000,000, including at least \$3,400,000 in total  
22 sustainability and resiliency costs and not less than \$1,000 for each  
23 of the sustainability and resiliency costs, as applicable, enumerated  
24 in the definition for "sustainability and resiliency costs" pursuant to  
25 section 55 of P.L. P.L.2020, c.156 (C.34:1B-323), the authority  
26 shall review the project cost, evaluate and validate the project  
27 financing gap estimated by the developer, and conduct a State fiscal  
28 impact analysis to ensure that the overall public assistance provided  
29 to the project will result in a net neutral benefit to the State. In  
30 determining whether a project will result in a net neutral benefit to  
31 the State, the authority shall not consider the value of any taxes  
32 exempted, abated, rebated, or retained under the "Five-Year  
33 Exemption and Abatement Law," P.L.1991, c.441 (C.40A:21-1 et  
34 seq.), the "Long Term Tax Exemption Law," P.L.1991, c.431  
35 (C.40A:20-1 et al.), the "New Jersey Urban Enterprise Zones Act,"  
36 P.L.1983, c.303 (C.52:27H-60 et seq.), or any other law that has the  
37 effect of lowering or eliminating the developer's State or local tax  
38 liability. The determination made pursuant to this paragraph shall  
39 be based on the potential tax liability of the developer without  
40 regard for potential tax losses if the developer were to locate in  
41 another state. The authority shall assess the cost of these reviews to  
42 the applicant. A developer shall pay to the authority the full  
43 amount of the direct costs of an analysis concerning the developer's  
44 application for a tax credit that a third party retained by the  
45 authority performs, if the authority deems such retention to be  
46 necessary. The authority shall evaluate the net economic benefits  
47 on a present value basis under which the requested tax credit  
48 allocation amount is discounted to present value at the same  
49 discount rate as the projected benefits from the implementation of

1 the proposed redevelopment project for which an award of tax  
2 credits is being sought.

3 d. (1) For a redevelopment project subject to the requirement  
4 of paragraph (1) of subsection c. of this section to be eligible for  
5 any tax credits under the program, a developer shall demonstrate to  
6 the authority that the award of tax credits will yield a net positive  
7 benefit to the State equaling an amount determined by the authority  
8 through regulation that exceeds the requested tax credit amount.  
9 The developer shall certify, under the penalty of perjury, that all  
10 documents submitted, and factual assertions made, to the authority  
11 to demonstrate that the award of tax credits will yield a net positive  
12 benefit to the State in accordance with this **[subsection]** paragraph  
13 are true and accurate at the time of submission. A redevelopment  
14 project located in a government-restricted municipality shall yield a  
15 net positive benefit to the State that exceeds the requested tax credit  
16 amount, but the net benefit requirement set by the authority for such  
17 redevelopment projects may be up to 35 percentage points lower  
18 than the net benefit requirement set by the authority for all other  
19 eligible redevelopment projects.

20 (2) For a redevelopment project subject to the requirement of  
21 paragraph (2) of subsection c. of this section to be eligible for any  
22 tax credits under the program, a developer shall demonstrate to the  
23 authority that the award of tax credits will yield a net neutral benefit  
24 to the State equaling an amount not less than the requested tax  
25 credit amount. The developer shall certify, under the penalty of  
26 perjury, that all documents submitted, and factual assertions made,  
27 to the authority to demonstrate that the award of tax credits will  
28 yield a net neutral benefit to the State in accordance with this  
29 paragraph are true and accurate at the time of submission.

30 e. If at any time during the eligibility period the authority  
31 determines that the developer made a material misrepresentation on  
32 the developer's application, the developer shall forfeit the incentive  
33 award.

34 f. If circumstances require a developer to amend its application  
35 to the authority, then the developer, or an authorized agent of the  
36 developer, shall certify to the authority that the information  
37 provided in its amended application is true under the penalty of  
38 perjury.

39 (cf: P.L.2021, c.160, s.24)

40

41 3. This act shall take effect immediately and shall apply to  
42 applications submitted on and after the effective date of this act.

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#### STATEMENT

46

47 This bill revises certain eligibility requirements under the New  
48 Jersey Aspire Program, which was established by the "New Jersey  
49 Economic Recovery Act of 2020," P.L.2020, c.156. The program

1 provides tax credits to encourage redevelopment programs by  
2 covering certain project financing gap costs.

3 Under current law, for applications submitted under the program,  
4 the New Jersey Economic Development Authority is required to  
5 review the project cost of the redevelopment project, evaluate and  
6 validate the project financing gap estimated by the developer, and  
7 conduct a State fiscal impact analysis to ensure that the overall  
8 public assistance provided to the project will result in a net positive  
9 benefit to the State, provided that the net benefit analysis does not  
10 apply to certain projects. The bill revises these criteria to require  
11 the authority to apply a net neutral benefit analysis for projects that  
12 have a total project cost of at least \$17 million, including at least  
13 \$3.4 million in total sustainability and resiliency costs and not less  
14 than \$1,000 for each of the sustainability and resiliency costs, as  
15 applicable, enumerated in the definition for “sustainability and  
16 resiliency costs” under the bill.