

P.L. 2005, CHAPTER 30, *approved January 26, 2005*  
Assembly, No. 3217 (*Second Reprint*)

1 AN ACT concerning expansion projects under the supervision of the  
2 Casino Reinvestment Development Authority and amending  
3 P.L.2001, c.221 and P.L.2004, c.129.

4

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

7

8 1. Section 5 of P.L.2004, c.129 (C.5:12-173.22a) is amended to  
9 read as follows:

10 5. a. The Casino Reinvestment Development Authority shall issue,  
11 upon the approval of the State Treasurer, bonds, notes or other  
12 obligations, in an amount not to exceed \$62 million, the proceeds of  
13 which shall be deposited into the Atlantic City Expansion Fund created  
14 pursuant to subsection b. of this section. The principal and interest of  
15 such bonds, notes or other obligations shall be repaid exclusively from  
16 the revenues dedicated to the authority for this purpose pursuant to  
17 section 6 of P.L.2003, c.116 (C.5:12-145.8).

18 b. The authority shall establish an Atlantic City Expansion Fund  
19 into which the authority shall deposit the amount directed to be  
20 deposited into the fund pursuant to subsection a. of this section.  
21 Notwithstanding section 30 of P.L.1984, c.218 (C.5:12-178), the  
22 authority shall make moneys on deposit in the fund available, in  
23 amounts determined pursuant to subsection c. of this section, to each  
24 casino licensee operating a casino hotel facility as of June 30, 2004 for  
25 investment in an eligible **[casino hotel]** expansion project approved by  
26 the authority **[which increases the number of casino]**. An eligible  
27 project approved by August 25, 2006 shall add hotel rooms [in the  
28 licensee's casino hotel facility], retail, dining or non-gaming  
29 entertainment venues, or other non-gaming amenities, <sup>1</sup>[except]  
30 including<sup>1</sup> parking <sup>1</sup>[facilities] spaces<sup>1</sup>, in the City of Atlantic City <sup>1</sup>,  
31 provided that the moneys received pursuant to this subsection may be  
32 used for parking spaces only if the authority determines that the  
33 addition of parking spaces is an essential component of a  
34 comprehensive development plan<sup>1</sup>. An eligible project approved  
35 thereafter shall add hotel rooms in the City of Atlantic City. The  
36 authority shall not authorize investment of moneys in the fund for a  
37 project that receives or is anticipated to receive funding pursuant to  
38 the Casino Reinvestment Development Authority Urban Revitalization  
39 Act, P.L. 2001, c.221 (C.5:12-173.9 et seq.), or section 8 of P.L.1993,

**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 ATG committee amendments adopted September 23, 2004.

<sup>2</sup> Senate floor amendments adopted December 6, 2004.

1 c.159 (C.5:12-173.8) , unless the casino licensee demonstrates to the  
2 satisfaction of the authority that the funding from the Atlantic City  
3 Expansion Fund will result in a significant improvement in or  
4 expansion of that project <sup>2</sup>, and the casino licensee invests additional  
5 private funds in the project in an amount deemed appropriate by the  
6 authority<sup>2</sup>. The authority shall promulgate regulations establishing the  
7 criteria governing the approval of eligible projects.

8 c. The authority shall determine the amount each casino licensee  
9 shall be eligible to receive from the Atlantic City Expansion Fund. The  
10 form, terms and maximum percentage of the cost of an eligible  
11 expansion project to be received by each casino licensee shall be  
12 determined by the authority by resolution. In the event that a casino  
13 licensee has not submitted by June 30, 2014 an application that, if  
14 approved, would exhaust its share of the Atlantic City Expansion  
15 Fund, the remainder of such casino licensee's share of the fund shall be  
16 transferred to its Atlantic City non-housing obligations pursuant to  
17 section 3 of P.L.1984, c.218 (C.5:12-144.1) , provided that such  
18 transferred share shall not reduce the licensee's investment alternative  
19 tax obligation pursuant to section f. of P.L.1984, c.218 (C.5:12-  
20 144.1).

21 d. The authority may, in its discretion, advance any of the funds in  
22 the Atlantic City Expansion Fund to make a grant to an eligible project  
23 located in North Jersey approved by the authority provided that the  
24 authority has executed an agreement with casino licensees for the  
25 repayment of the advanced amount from the funds devoted to the  
26 financing of projects in North Jersey pursuant to the Casino  
27 Reinvestment Development Authority Urban Revitalization Act,  
28 P.L.2001, c.221 (C.5:12-173.9 et seq.) or from casino licensees'  
29 investment alternative tax obligations devoted to the financing of  
30 projects in North Jersey pursuant to section 3 of P.L.1984, c.218  
31 (C.5:12-144.1).

32 e. (1) The Casino Reinvestment Development Authority shall issue,  
33 upon the approval of the State Treasurer, bonds, notes or other  
34 obligations, in an amount not to exceed \$31 million, which shall be  
35 deposited into a special fund created pursuant to this subsection. The  
36 principal and interest of such bonds, notes or other obligations shall be  
37 repaid exclusively from revenues dedicated to the authority for this  
38 purpose pursuant to section 6 of P.L.2003, c.116 (C.5:12-145.8).

39 (2) The authority shall establish a special fund into which the  
40 authority shall deposit the amount directed to be deposited into the  
41 fund pursuant to this subsection. The authority shall make half of the  
42 moneys on deposit in the fund available for investment in projects  
43 located in North Jersey, and half of the moneys on deposit in the fund  
44 available for investment in projects located in South Jersey. For the  
45 purposes of this paragraph, "South Jersey" means the counties of  
46 Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester,

1 Mercer, Ocean, and Salem, except that "South Jersey" shall not  
2 include the City of Atlantic City; and "North Jersey" means the  
3 remaining 12 counties of the State.

4 (cf: P.L.2004, c.129, s.5)

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6 2. Section 3 of P.L.2001, c.221 (C.5:12-173.11) is amended to  
7 read as follows:

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3. As used in this act:

9 "Authority" means the Casino Reinvestment Development Authority  
10 established pursuant to P.L.1984, c.218 (C.5:12-153 et seq.);

11 "Baseline luxury tax revenue amount" or "baseline luxury tax"  
12 means the annual amount of luxury tax receipts received pursuant to  
13 P.L.1947, c.71 (C.40:48-8.15 et seq.) from the taxation of retail sales  
14 or sales at retail originating from transactions at an  
15 entertainment-retail district project for the last full calendar year  
16 preceding the year in which the district project opens under the  
17 incentive program;

18 "Casino hotel room fee fund" or "room fund" means the fund  
19 established by the State Treasurer pursuant to section 8 of P.L.2001,  
20 c.221 (C.5:12-173.16) into which shall be deposited the proceeds of  
21 the hotel room use fees as specified pursuant to section 6 of P.L.2001,  
22 c.221 (C.5:12-173.14);

23 "Casino reinvestment development authority urban revitalization  
24 incentive program" or "incentive program" means the program  
25 established pursuant to section 4 of P.L.2001, c.221 (C. 5:12-173.12)  
26 and administered by the authority to facilitate the development of  
27 entertainment-retail districts for the city of Atlantic City and to  
28 promote urban revitalization throughout the State;

29 "Commissioner" means the Commissioner of Community Affairs;

30 "Department" means the Department of Community Affairs;

31 "District project grant" or "grant" means an amount rebated to the  
32 authority pursuant to sections 7 or 8 of P.L.2001, c.221  
33 (C.5:12-173.15 or 5:12-173.16) for disbursement to a casino licensee  
34 that is approved by the authority for a district project or for retention  
35 by the authority for an approved district project sponsored by the  
36 authority;

37 "Entertainment-retail district" or "district" means one of eleven  
38 areas within Atlantic City, designated by the authority under the  
39 incentive program;

40 "Entertainment-retail district project" or "district project" means a  
41 project or projects to be developed by the authority or any casino  
42 licensed to operate in Atlantic City prior to June 30, 2004, including,  
43 but not necessarily limited to, a minimum of 150,000 square feet of  
44 public space, retail stores, entertainment venues [.] <sup>1</sup>[and].<sup>1</sup>  
45 restaurants, [hotel rooms in non-casino hotels, residential units or  
46 commercial office space,] <sup>1</sup>[and] hotel rooms in non-casino hotels

1 <sup>2</sup>~~[and]~~ <sup>2</sup>or<sup>2</sup> residential units, provided that such rooms and residential  
2 units shall constitute not more than 50% of the required minimum  
3 square footage. The project<sup>1</sup> may include, in addition, casino hotels,  
4 public parking facilities <sup>1</sup>~~[, hotel rooms in non-casino hotels,~~  
5 ~~residential units]~~<sup>1</sup> or commercial office space, approved by the  
6 authority under the incentive program, and may also include: the  
7 purchasing, leasing, condemning, or otherwise acquiring of land or  
8 other property, or an interest therein, approved by the authority  
9 pursuant to a project grant agreement or as an authority sponsored  
10 project, or as necessary for a right-of-way or other easement to or  
11 from the land or property, or the relocating and moving of persons  
12 displaced by the acquisition of the land or property; the rehabilitation  
13 and redevelopment of land or property, approved pursuant to a project  
14 grant agreement or as an authority sponsored project, including  
15 demolition, clearance, removal, relocation, renovation, alteration,  
16 construction, reconstruction, installation or repair of a building, street,  
17 highway, alley, utility, service or other structure or improvement; the  
18 acquisition, construction, reconstruction, rehabilitation, or installation  
19 of parking and other improvements approved pursuant to a project  
20 grant agreement or as an authority sponsored project; and the costs  
21 associated therewith including the costs of an administrative appraisal,  
22 economic and environmental analyses or engineering, planning, design,  
23 architectural, surveying or other professional services approved  
24 pursuant to a project grant agreement or as part of an authority  
25 sponsored project;

26 "Entertainment-retail district project fund" or "project fund" means  
27 the fund established by the State Treasurer pursuant to section 7 of  
28 P.L.2001, c.221 (C.5:12-173.15) into which shall be deposited an  
29 amount equivalent to the amount of receipts received from the taxation  
30 of retail sales from a district project and from the taxation of  
31 construction materials used for building a district project, as specified  
32 pursuant to section 5 of P.L.2001, c.221 (C.5:12-173.13);

33 "Incremental luxury tax revenue amount" or "incremental luxury  
34 tax" means the amount by which the annual luxury tax receipts  
35 received pursuant to P.L.1947, c.71 (C.40:48-8.15 et seq.) from the  
36 taxation of retail sales or sales at retail originating from transactions  
37 at a district project in the year in which the district project opens under  
38 the incentive program, and in each year thereafter, exceed the baseline  
39 luxury tax, as determined by the State Treasurer; and

40 "Project grant agreement" means an agreement entered into  
41 between the authority and a casino licensee, pursuant to section 4 of  
42 P.L.2001, c.221 (C.5:12-173.12), that sets forth the terms and  
43 conditions of approval for a district project and of eligibility for  
44 district project grants, as determined by the authority.

45 (cf: P.L.2004, c.129, s.6)

1       3. This act shall take effect immediately.

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6       Revises eligibility criteria for two CRDA-administered programs:

7       Atlantic City Expansion Fund and Urban Revitalization Act.