

ASSEMBLY, No. 2055

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblywoman ELIANA PINTOR MARIN

District 29 (Essex)

Assemblyman ROY FREIMAN

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Assemblyman RONALD S. DANCER

District 12 (Burlington, Middlesex, Monmouth and Ocean)

SYNOPSIS

Extends the application deadlines for the Grow NJ Assistance Program and the State and local Economic Redevelopment and Growth Grant programs.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



1 **AN ACT** extending the application deadlines for certain economic
2 development programs, and amending various parts of the
3 statutory law.

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

7
8 1. Section 6 of P.L.2011, c.149 (C.34:1B-247) is amended to
9 read as follows:

10 6. a. (1) The combined value of all credits approved by the
11 authority pursuant to P.L.2007, c.346 (C.34:1B-207 et seq.) and
12 P.L.2011, c.149 (C.34:1B-242 et al.) prior to December 31, 2013
13 shall not exceed \$1,750,000,000, except as may be increased by the
14 authority as set forth in paragraph (5) of subsection a. of section 35
15 of P.L.2009, c.90 (C.34:1B-209.3). Following the enactment of the
16 "New Jersey Economic Opportunity Act of 2013," P.L.2013, c.161
17 (C.52:27D-489p et al.), there shall be no monetary cap on the value
18 of credits approved by the authority attributable to the program
19 pursuant to the "New Jersey Economic Opportunity Act of 2013,"
20 P.L.2013, c.161 (C.52:27D-489p et al.).

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

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

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

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

25 b. (1) A business shall submit an application for tax credits prior
26 to **July 1** January 31, **2019** 2020. The authority shall not approve
27 an application for tax credits unless the application was submitted
28 prior to **July 1** January 31, **2019** 2020.

29 (2) (a) A business shall submit its documentation indicating that
30 it has met the capital investment and employment requirements
31 specified in the incentive agreement for certification of its tax credit
32 amount within three years following the date of approval of its
33 application by the authority. The authority shall have the discretion
34 to grant two six-month extensions of this deadline. Except as
35 provided in subparagraph (b) of this paragraph, in no event shall the
36 incentive effective date occur later than four years following the date
37 of approval of an application by the authority.

38 (b) As of the effective date of P.L.2017, c.314, a business which
39 applied for the tax credit prior to July 1, 2014 under P.L.2011, c.149
40 (C.34:1B-242 et al.), shall submit its documentation to the authority
41 no later than July 28, 2019, indicating that it has met the capital
42 investment and employment requirements specified in the incentive
43 agreement for certification of its tax credit amount.

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

4 (4) A business seeking a credit for a mega project shall apply for
5 the credit within four years after the effective date of the "New Jersey
6 Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-
7 489p et al.).

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

11 The credit amount for any tax period for which the documentation
12 of a business's credit amount remains uncertified as of a date three
13 years after the closing date of that period shall be forfeited, although
14 credit amounts for the remainder of the years of the eligibility period
15 shall remain available to it.

16 The credit amount may be taken by the tax certificate holder for
17 the tax period for which it was issued or may be carried forward for
18 use by the tax certificate holder in any of the next 20 successive tax
19 periods, and shall expire thereafter. The tax certificate holder may
20 transfer the tax credit amount on or after the date of issuance or at
21 any time within three years of the date of issuance for use by the
22 transferee in the tax period for which it was issued or in any of the
23 next 20 successive tax periods. Notwithstanding the foregoing, no
24 more than the amount of tax credits equal to the total credit amount
25 divided by the duration of the eligibility period in years may be taken
26 in any tax period.

27 (2) Credits granted to a partnership shall be passed through to the
28 partners, members, or owners, respectively, pro-rata or pursuant to
29 an executed agreement among the partners, members, or owners
30 documenting an alternate distribution method provided to the
31 Director of the Division of Taxation in the Department of the
32 Treasury accompanied by any additional information as the director
33 may require.

34 (3) The amount of credit allowed may be applied against the tax
35 liability otherwise due pursuant to section 5 of P.L.1945, c.162
36 (C.54:10A-5), pursuant to sections 2 and 3 of P.L.1945, c.132
37 (C.54:18A-2 and C.54:18A-3), pursuant to section 1 of P.L.1950,
38 c.231 (C.17:32-15), or pursuant to N.J.S.17B:23-5.

39 d. (1) If, in any tax period, the business reduces the total number
40 of full-time employees in its Statewide workforce by more than 20
41 percent from the number of full-time employees in its Statewide
42 workforce in the last tax period prior to the credit amount approval
43 under section 3 of P.L.2011, c.149 (C.34:1B-244), then the business
44 shall forfeit its credit amount for that tax period and each subsequent
45 tax period, until the first tax period for which documentation
46 demonstrating the restoration of the business's Statewide workforce
47 to the threshold levels required by the incentive agreement has been
48 reviewed and approved by the authority, for which tax period and

1 each subsequent tax period the full amount of the credit shall be
2 allowed.

3 (2) If, in any tax period, the number of full-time employees
4 employed by the business at the qualified business facility located
5 within a qualified incentive area drops below 80 percent of the
6 number of new and retained full-time jobs specified in the incentive
7 agreement, then the business shall forfeit its credit amount for that
8 tax period and each subsequent tax period, until the first tax period
9 for which documentation demonstrating the restoration of the number
10 of full-time employees employed by the business at the qualified
11 business facility to 80 percent of the number of jobs specified in the
12 incentive agreement.

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

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

42 (4) (a) For a project located within a Garden State Growth Zone,
43 if, in any tax period, the number of full-time employees employed by
44 the business at the qualified business facility located within a
45 qualified incentive area increases above the number of full-time
46 employees specified in the incentive agreement, then the business
47 shall be entitled to an increased base credit amount for that tax period
48 and each subsequent tax period, for each additional full-time

1 employee added above the number of full-time employees specified
2 in the incentive agreement, until the first tax period for which
3 documentation demonstrating a reduction of the number of full-time
4 employees employed by the business at the qualified business
5 facility, at which time the tax credit amount will be adjusted
6 accordingly pursuant to this section.

7 (b) For a project located within a Garden State Growth Zone
8 which qualifies under the "Municipal Rehabilitation and Economic
9 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), or which
10 contains a Tourism District as established pursuant to section 5 of
11 P.L.2011, c.18 (C.5:12-219) and regulated by the Casino
12 Reinvestment Development Authority, and which qualifies for a tax
13 credit pursuant to subsubparagraph (ii) of subparagraphs (a) through
14 (e) of paragraph (6) of subsection d. of section 5 of P.L.2011, c.149
15 (C.34:1B-246), if, in any tax period the number of full-time
16 employees employed by the business at the qualified business facility
17 located within a qualified incentive area increases above the number
18 of full-time employees specified in the incentive agreement such that
19 the business shall then meet the minimum number of employees
20 required in subparagraph (b), (c), (d), or (e) of paragraph (6) of
21 subsection d. of section 5 of P.L.2011, c.149 (C.34:1B-246), then the
22 authority shall recalculate the total tax credit amount per full-time
23 job by using the certified capital investment of the project allowable
24 under the applicable subsubparagraph and the number of full-time
25 jobs certified on the date of the recalculation and applying those
26 numbers to subparagraph (b), (c), (d), or (e) of paragraph (6) of
27 subsection d. of section 5 of P.L.2011, c.149 (C.34:1B-246), until the
28 first tax period for which documentation demonstrating a reduction
29 of the number of full-time employees employed by the business at
30 the qualified business facility, at which time the tax credit amount
31 shall be adjusted accordingly pursuant to this section.

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

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

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

45 f. A business which has already applied for a tax credit incentive
46 award prior to the effective date of the "New Jersey Economic
47 Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-489p et al.),
48 but who has not yet been approved for the tax credits, or has not

1 executed an agreement with the authority, may proceed under that
2 application or seek to amend the application or reapply for a tax credit
3 incentive award for the same project or any part thereof for the
4 purpose of availing itself of any more favorable provisions of the
5 program.

6 (cf: P.L.2018, c.120, s.3)

7
8 2. Section 4 of P.L.2009, c.90 (C.52:27D-489d) is amended to
9 read as follows:

10 4. a. The governing body of a municipality wherein is located a
11 qualifying economic redevelopment and growth grant incentive area
12 may adopt an ordinance to establish a local Economic
13 Redevelopment and Growth Grant program for the purpose of
14 encouraging redevelopment projects in that area through the
15 provision of incentive grants to reimburse developers for all or a
16 portion of the project financing gap for such projects. No local
17 Economic Redevelopment and Growth Grant program shall take
18 effect until the Local Finance Board approves the ordinance.

19 b. A developer shall submit an application for a local incentive
20 grant prior to **July 1** January 31, 2019 **2020**. A developer that
21 submits an application for a local incentive grant shall indicate on the
22 application whether it is also applying for a State incentive grant. An
23 application by a developer applying for a local incentive grant only
24 shall not require approval by the authority. A municipal redeveloper
25 may only apply for local incentive grants for the construction of: (1)
26 infrastructure improvements in the public right-of-way, or (2)
27 publicly owned facilities.

28 c. No local incentive grant shall be finally approved by a
29 municipality until approved by the Local Finance Board. The Local
30 Finance Board shall not approve a local incentive grant unless the
31 application was submitted prior to **July 1** January 31, 2019 **2020**.

32 d. In deciding whether or not to approve a local incentive grant
33 agreement the Local Finance Board shall consider the following
34 factors:

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

36 (2) the extent of economic and related social distress in the
37 municipality and the area to be affected by the redevelopment
38 project;

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

41 (4) the likelihood that the redevelopment project shall, upon
42 completion, be capable of generating new tax revenue in an amount
43 in excess of the amount necessary to reimburse the developer for
44 project costs incurred as provided in the redevelopment incentive
45 grant agreement;

46 (5) the relationship of the redevelopment project to a
47 comprehensive local development strategy, including other major
48 projects undertaken within the municipality;

1 (6) the need for the redevelopment incentive grant agreement to
2 the viability of the redevelopment project;

3 (7) compliance with the provisions of P.L.2009, c.90 (C.52:27D-
4 489a et al.); and

5 (8) the degree to which the redevelopment project enhances and
6 promotes job creation and economic development.

7 e. A developer shall not be required to purchase pinelands
8 development credits under the "Pinelands Protection Act," P.L.1979,
9 c.111 (C.13:18A-1 et seq.), the pinelands comprehensive
10 management plan, or any other rule or regulation adopted pursuant to
11 that act in connection with any approval or relief obtained related to
12 a redevelopment project located in an aviation district on or after the
13 effective date of P.L.2018, c.120, except if seeking to develop in
14 permanently protected open space pursuant to the Pinelands
15 Protection Act. The provisions of this subsection shall not apply to
16 a developer of a qualified residential project.

17 (cf: P.L.2018, c.120, s.5)

18
19 3. Section 5 of P.L.2009, c.90 (C.52:27D-489e) is amended to
20 read as follows:

21 5. a. The New Jersey Economic Development Authority, in
22 consultation with the State Treasurer, shall establish an Economic
23 Redevelopment and Growth Grant program for the purpose of
24 encouraging redevelopment projects in qualifying economic
25 redevelopment and growth grant incentive areas that do not qualify
26 as such areas solely by virtue of being a transit village, through the
27 provision of incentive grants to reimburse developers for certain
28 project financing gap costs.

29 b. (1) A developer shall submit an application for a State
30 incentive grant prior to **July 1** January 31, [2019] 2020. A
31 developer that submits an application for a State incentive grant shall
32 indicate on the application whether it is also applying for a local
33 incentive grant.

34 (2) When an applicant indicates it is also applying for a local
35 incentive grant, the authority shall forward a copy of the application
36 to the municipality wherein the redevelopment project is to be located
37 for approval by municipal ordinance.

38 c. An application for a State incentive grant shall be reviewed
39 and approved by the authority. The authority shall not approve an
40 application for a State incentive grant unless the application was
41 submitted prior to **July 1** January 31, [2019] 2020.

42 d. A developer shall not be required to purchase pinelands
43 development credits under the "Pinelands Protection Act," P.L.1979,
44 c.111 (C.13:18A-1 et seq.), the pinelands comprehensive
45 management plan, or any other rule or regulation adopted pursuant to
46 that act in connection with any approval or relief obtained related to
47 a redevelopment project located in an aviation district on or after the
48 effective date of P.L.2018, c.120, except if seeking to develop in

1 permanently protected open space pursuant to the Pinelands
2 Protection Act. The provisions of this subsection shall not apply to
3 a developer of a qualified residential project.
4 (cf: P.L.2018, c.120, s.6)

5

6 4. Section 6 of P.L.2009, c.90 (C.52:27D-489f) is amended to
7 read as follows:

8 6. a. Up to the limits established in subsection b. of this section
9 and in accordance with a redevelopment incentive grant agreement,
10 beginning upon the receipt of occupancy permits for any portion of
11 the redevelopment project, or upon any other event evidencing
12 project completion as set forth in the incentive grant agreement, the
13 State Treasurer shall pay to the developer incremental State revenues
14 directly realized from businesses operating at the site of the
15 redevelopment project from the following taxes: the Corporation
16 Business Tax Act (1945), P.L.1945, c.162 (C.54:10A-1 et seq.), the
17 tax imposed on marine insurance companies pursuant to R.S.54:16-1
18 et seq., the tax imposed on insurers generally, pursuant to P.L.1945,
19 c.132 (C.54:18A-1 et seq.), the public utility franchise tax, public
20 utilities gross receipts tax and public utility excise tax imposed on
21 sewerage and water corporations pursuant to P.L.1940, c.5
22 (C.54:30A-49 et seq.), those tariffs and charges imposed by electric,
23 natural gas, telecommunications, water and sewage utilities, and
24 cable television companies under the jurisdiction of the New Jersey
25 Board of Public Utilities, or comparable entity, except for those
26 tariffs, fees, or taxes related to societal benefits charges assessed
27 pursuant to section 12 of P.L.1999, c.23 (C.48:3-60), any charges
28 paid for compliance with the "Global Warming Response Act,"
29 P.L.2007, c.112 (C.26:2C-37 et seq.), transitional energy facility
30 assessment unit taxes paid pursuant to section 67 of P.L.1997, c.162
31 (C.48:2-21.34), and the sales and use taxes on public utility and cable
32 television services and commodities, the tax derived from net profits
33 from business, a distributive share of partnership income, or a pro
34 rata share of S corporation income under the "New Jersey Gross
35 Income Tax Act," N.J.S.54A:1-1 et seq., the tax derived from a
36 business at the site of a redevelopment project that is required to
37 collect the tax pursuant to the "Sales and Use Tax Act," P.L.1966,
38 c.30 (C.54:32B-1 et seq.), the tax imposed pursuant to P.L.1966, c.30
39 (C.54:32B-1 et seq.) from the purchase of furniture, fixtures and
40 equipment, or materials for the remediation, the construction of new
41 structures at the site of a redevelopment project, the hotel and motel
42 occupancy fee imposed pursuant to section 1 of P.L.2003, c.114
43 (C.54:32D-1), or the portion of the fee imposed pursuant to section 3
44 of P.L.1968, c.49 (C.46:15-7) derived from the sale of real property
45 at the site of the redevelopment project and paid to the State Treasurer
46 for use by the State, that is not credited to the "Shore Protection
47 Fund" or the "Neighborhood Preservation Nonlapsing Revolving
48 Fund" ("New Jersey Affordable Housing Trust Fund") pursuant to

1 section 4 of P.L.1968, c.49 (C.46:15-8). Any developer shall be
2 allowed to assign their ability to apply for the tax credit under this
3 subsection to a non-profit organization with a mission dedicated to
4 attracting investment and completing development and
5 redevelopment projects in a Garden State Growth Zone. The non-
6 profit organization may make an application on behalf of a developer
7 which meets the requirements for the tax credit, or a group of non-
8 qualifying developers, such that these will be considered a unified
9 project for the purposes of the incentives provided under this section.

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

14 (2) In the case of a qualified residential project or a project
15 involving university infrastructure, if the authority determines that
16 the estimated amount of incremental revenues pledged towards the
17 State portion of an incentive grant is inadequate to fully fund the
18 amount of the State portion of the incentive grant, then in lieu of an
19 incentive grant based on the incremental revenues, the developer
20 shall be awarded tax credits equal to the full amount of the incentive
21 grant.

22 (3) In the case of a mixed use parking project, if the authority
23 determines that the estimated amount of incremental revenues
24 pledged towards the State portion of an incentive grant is inadequate
25 to fully fund the amount of the State portion of the incentive grant,
26 then, in lieu of an incentive grant based on the incremental revenues,
27 the developer shall be awarded tax credits equal to the full amount of
28 the incentive grant.

29 The value of all credits approved by the authority pursuant to
30 paragraphs (2) and (3) of this subsection shall not exceed
31 \$823,000,000, of which:

32 (a) \$250,000,000 shall be restricted to qualified residential
33 projects within Atlantic, Burlington, Camden, Cape May,
34 Cumberland, Gloucester, Ocean, and Salem counties, of which
35 \$175,000,000 of the credits shall be restricted to the following
36 categories of projects: (i) qualified residential projects located in a
37 Garden State Growth Zone located within the aforementioned
38 counties; and (ii) mixed use parking projects located in a Garden
39 State Growth Zone or urban transit hub located within the
40 aforementioned counties; (iii) and \$75,000,000 of the credits shall be
41 restricted to qualified residential projects in municipalities with a
42 2007 Municipal Revitalization Index of 400 or higher as of the date
43 of enactment of the "New Jersey Economic Opportunity Act of
44 2013," P.L.2013, c.161 (C.52:27D-489p et al.) and located within the
45 aforementioned counties;

46 (b) \$395,000,000 shall be restricted to the following categories of
47 projects: (i) qualified residential projects located in urban transit hubs
48 that are commuter rail in nature that otherwise do not qualify under

1 subparagraph (a) of this paragraph; (ii) qualified residential projects
2 located in Garden State Growth Zones that do not qualify under
3 subparagraph (a) of this paragraph; (iii) mixed use parking projects
4 located in urban transit hubs or Garden State Growth Zones that do
5 not qualify under subparagraph (a) of this paragraph, provided
6 however, an urban transit hub shall be allocated no more than
7 \$25,000,000 for mixed use parking projects; (iv) qualified residential
8 projects which are disaster recovery projects that otherwise do not
9 qualify under subparagraph (a) of this paragraph; (v) qualified
10 residential projects in SDA municipalities located in Hudson County
11 that were awarded State Aid in State Fiscal Year 2013 through the
12 Transitional Aid to Localities program and otherwise do not qualify
13 under subparagraph (a) of this paragraph; (vi) \$25,000,000 of credits
14 shall be restricted to mixed use parking projects in Garden State
15 Growth Zones which have a population in excess of 125,000 and do
16 not qualify under subparagraph (a) of this paragraph; (vii)
17 \$40,000,000 of credits shall be restricted to qualified residential
18 projects that include a theater venue for the performing arts and do
19 not qualify under subparagraph (a) of this paragraph, which projects
20 are located in a municipality with a population of less than 100,000
21 according to the latest federal decennial census, and within which
22 municipality is located an urban transit hub and a campus of a public
23 research university, as defined in section 1 of P.L.2009, c.308
24 (C.18A:3B-46); and (viii) \$105,000,000 of credits shall be restricted
25 to qualified residential projects and mixed use parking projects in
26 Garden State Growth Zones having a population in excess of 125,000
27 and do not qualify under subparagraph (a) of this paragraph;

28 (c) \$87,000,000 shall be restricted to the following categories of
29 projects: (i) qualified residential projects located in distressed
30 municipalities, deep poverty pockets, highlands development credit
31 receiving areas or redevelopment areas, otherwise not qualifying
32 pursuant to subparagraph (a) or (b) of this paragraph; and (ii) mixed
33 use parking projects that do not qualify under subparagraph (a) or (b)
34 of this paragraph, and which are used by an independent institution
35 of higher education, a school of medicine, a nonprofit hospital
36 system, or any combination thereof; provided, however, that
37 \$20,000,000 of the \$87,000,000 shall be allocated to mixed use
38 parking projects that do not qualify under subparagraph (a) or (b) of
39 this paragraph;

40 (d) (i) \$16,000,000 shall be restricted to qualified residential
41 projects that are located within a qualifying economic redevelopment
42 and growth grant incentive area otherwise not qualifying under
43 subparagraph (a), (b), or (c) of this paragraph; and

44 (ii) an additional \$50,000,000 shall be restricted to qualified
45 residential projects which, as of the effective date of P.L.2016, c.51,
46 are located in a city of the first class with a population in excess of
47 270,000, are subject to a Renewal Contract for a Section 8 Mark-Up-
48 To-Market Project from the United States Department of Housing

1 and Urban Development, and for which an application for the award
2 of tax credits under this subsection was submitted prior to January 1,
3 2016; and
4 (e) \$25,000,000 shall be restricted to projects involving
5 university infrastructure.
6 (f) For subparagraphs (a) through (d) of this paragraph, not more
7 than \$40,000,000 of credits shall be awarded to any qualified
8 residential project in a deep poverty pocket or distressed municipality
9 and not more than \$20,000,000 of credits shall be awarded to any
10 other qualified residential project. The developer of a qualified
11 residential project seeking an award of credits towards the funding of
12 its incentive grant shall submit an incentive grant application prior to
13 July 1, 2016 and if approved after September 18, 2013, the effective
14 date of P.L.2013, c.161 (C.52:27D-489p et al.) shall submit a
15 temporary certificate of occupancy for the project no later than July
16 28, 2021. The developer of a mixed use parking project seeking an
17 award of credits towards the funding of its incentive grant pursuant
18 to subparagraph (c) of this paragraph and if approved after the
19 effective date of P.L.2015, c.217, shall submit a temporary certificate
20 of occupancy for the project no later than July 28, 2021. The
21 developer of a qualified residential project or a mixed use parking
22 project seeking an award of credits toward the funding of its incentive
23 grant for a project restricted under categories (vi) and (viii) of
24 subparagraph (b) of this paragraph shall submit an incentive grant
25 application prior to **July 1, 2019** January 31, 2020, and if approved
26 after the effective date of P.L.2017, c.59, shall submit a temporary
27 certificate of occupancy for the project no later than July 28, 2022
28 provided that the municipality in which the project is located shall
29 have submitted to the chief executive officer of the authority a letter
30 of support identifying up to six projects prior to July 1, 2018. The
31 letter of support is to contain a project scope for each of the projects
32 and may be supplemented from time to time until **July 1, 2019**
33 January 31, 2020. Applications for tax credits pursuant to this
34 subsection relating to an ancillary infrastructure project or
35 infrastructure improvement in the public right-of-way, or both, shall
36 be accompanied with a letter of support relating to the project or
37 improvement by the governing body or agency in which the project
38 is located. Credits awarded to a developer pursuant to this subsection
39 shall be subject to the same financial and related analysis by the
40 authority, the same term of the grant, and the same mechanism for
41 administering the credits, and shall be utilized or transferred by the
42 developer as if the credits had been awarded to the developer
43 pursuant to section 35 of P.L.2009, c.90 (C.34:1B-209.3) for
44 qualified residential projects thereunder. No portion of the revenues
45 pledged pursuant to the "New Jersey Economic Opportunity Act of
46 2013," P.L.2013, c.161 (C.52:27D-489p et al.) shall be subject to
47 withholding or retainage for adjustment, in the event the developer
48 or taxpayer waives its rights to claim a refund thereof.

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

26 c. All administrative costs associated with the incentive grant
27 shall be assessed to the applicant and be retained by the State
28 Treasurer from the annual incentive grant payments.

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

34 e. The municipality is authorized to collect any information
35 necessary to facilitate grants under this program and remit that
36 information in order to assist in the calculation of incremental
37 revenue.

38 (cf: P.L.2018, c.44, s.2)

39
40 5. This act shall take effect immediately.
41
42

43 STATEMENT

44
45 This bill would extend the general application deadlines for the
46 Grow New Jersey Assistance (GROW) Program and the State and
47 local Economic Redevelopment and Growth Grant (ERG) programs
48 from July 1, 2019 to January 31, 2020. Additionally, the bill would

1 extend, from July 1, 2019 to January 31, 2020, a deadline specific to
2 certain applications for tax credits for qualified residential projects
3 and mixed use parking projects under the ERG program, and the
4 deadline for a municipality to supplement letters of support for those
5 projects.