ASSEMBLY, No. 3221

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 25, 2020

Sponsored by:
Assemblyman RONALD S. DANCER
District 12 (Burlington, Middlesex, Monmouth and Ocean)

SYNOPSIS

Establishes program authorizing lease of historic buildings and structures in State parks, forests, and wildlife management areas.

CURRENT VERSION OF TEXT

As introduced.

AN ACT concerning the lease of certain historic buildings and structures, and supplementing Title 13 of the Revised Statutes.

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

1. As used in this act:

"Department" means the Department of Environmental Protection.

"Historic building or structure" means any building or structure approved for inclusion, determined to be potentially eligible for inclusion, or which meets the criteria for inclusion, in the New Jersey Register of Historic Places pursuant to P.L.1970, c.268 (C.13:1B-15.128 et seq.).

"Maintenance work" means the repair, restoration, or rehabilitation of a historic building or structure, and provided that the size of the structure is not increased.

"Qualifying tax exempt nonprofit organization" means a nonprofit organization that is exempt from federal taxation pursuant to section 501 (c)(3) of the federal Internal Revenue Code, 26 U.S.C. s.501 (c)(3).

"Recreation and conservation purposes" means the same as that term is defined pursuant to section 3 of P.L.1999, c.152 (C.13:8C-3).

2. a. (1) The Department of Environmental Protection may offer for lease any historic building or structure located on lands administered by the department and preserved for recreation and conservation purposes.

(2) The department shall establish, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), application procedures for potential lessees, which may include but not be limited to: a demonstration of the financial resources to repair and maintain the historic building or structure being leased; procedures concerning rent abatements; requirements for pre-approval of any maintenance work; and any other rules and regulations necessary to ensure the maintenance of historic buildings or structures located on lands administered by the department and preserved for recreation and conservation purposes.

b. Any maintenance work performed by or for a lessee on a historic building or structure pursuant to this section shall:

(1) be approved by the department, including but not limited to the State Historic Preservation Office, prior to the commencement of the work;

(2) be completed in substantial compliance with the requirements of the United States Secretary of the Interior's Standards for Rehabilitation pursuant to section 67.7 of title 36, Code of Federal Regulations; and

(3) not be subject to the provisions of P.L.1963, c.150 (C.34:11-56.25 et seq.), unless public moneys are funding the maintenance work.

c. The department may provide for the abatement of rent of a lessee who performs maintenance work on a historic building or structure pursuant to this section. A rent abatement shall take into consideration the nature and extent of the maintenance work in contributing to the habitability of the historic building or structure and the value of any capital improvement to the historic building or structure.

3. a. A qualifying tax exempt nonprofit organization that leases land preserved for recreation and conservation purposes from the department may sublease any historic building or structure located thereon, with the prior approval of the department.

b. A qualifying tax exempt nonprofit organization may retain all of the rent proceeds from a sublease pursuant to subsection a. of this section, provided that the rent proceeds are based on fair market value and are used solely for the maintenance and operation of the historic buildings or structures located on the land leased from the department.

4. This act shall take effect immediately.

STATEMENT

This bill would establish in statute the authority for the Department of Environmental Protection (DEP) to lease historic buildings and structures located on lands administered by the department for recreation and conservation purposes. The bill directs the DEP to establish application procedures for potential lessees, which may include a demonstration of the financial resources to repair and maintain the historic building or structure being leased, procedures concerning rent abatements, requirements for pre-approval of any maintenance work, and any other rules and regulations necessary to ensure the maintenance of historic buildings or structures located on DEP lands preserved for recreation and conservation purposes.

The bill provides that any maintenance work performed by or for a lessee must be approved by the DEP, including but not limited to the State Historic Preservation Office, prior to the commencement of the work, and completed in substantial compliance with the requirements of the United States Secretary of the Interior's Standards for Rehabilitation pursuant to section 67.7 of title 36, Code of Federal Regulations. The bill provides that any maintenance work would not be subject to the provisions of the "New Jersey Prevailing Wage Act," P.L.1963, c.150, unless public

moneys are funding the maintenance work. In addition, the rent of a lessee may be abated as a result of the performance of maintenance work on the leased historic building or structure.

Lastly, the bill provides that a qualifying tax exempt nonprofit organization that leases land preserved for recreation and conservation purposes from the DEP may sublease any historic building or structure located thereon, with the DEP's prior approval. The bill provides that these nonprofit organizations may retain all of the rent proceeds from a sublease, provided that the rent proceeds are based on fair market value and are used solely for the maintenance and operation of the historic buildings or structures located on the leased land.