

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, ¹[except]
30 including¹ parking ¹[facilities] spaces¹, in the City of Atlantic City ¹,
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 plan¹. 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:

¹ Assembly ATG committee amendments adopted September 23, 2004.

² 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 ², and the casino licensee invests additional
5 private funds in the project in an amount deemed appropriate by the
6 authority². 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:

8 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 [.] ¹[and].¹
45 restaurants, [hotel rooms in non-casino hotels, residential units or
46 commercial office space,] ¹[and] hotel rooms in non-casino hotels

1 ²~~[and] or² residential units, provided that such rooms and residential~~
2 ~~units shall constitute not more than 50% of the required minimum~~
3 ~~square footage. The project¹ may include, in addition, casino hotels,~~
4 ~~public parking facilities ¹[. hotel rooms in non-casino hotels,~~
5 ~~residential units]¹ 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.