

[First Reprint]

**SENATE, No. 3901**

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**STATE OF NEW JERSEY**  
**218th LEGISLATURE**

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INTRODUCED JUNE 10, 2019

**Sponsored by:**

**Senator M. TERESA RUIZ**

**District 29 (Essex)**

**Assemblywoman ELIANA PINTOR MARIN**

**District 29 (Essex)**

**Assemblyman ROY FREIMAN**

**District 16 (Hunterdon, Mercer, Middlesex and Somerset)**

**Assemblyman RONALD S. DANCER**

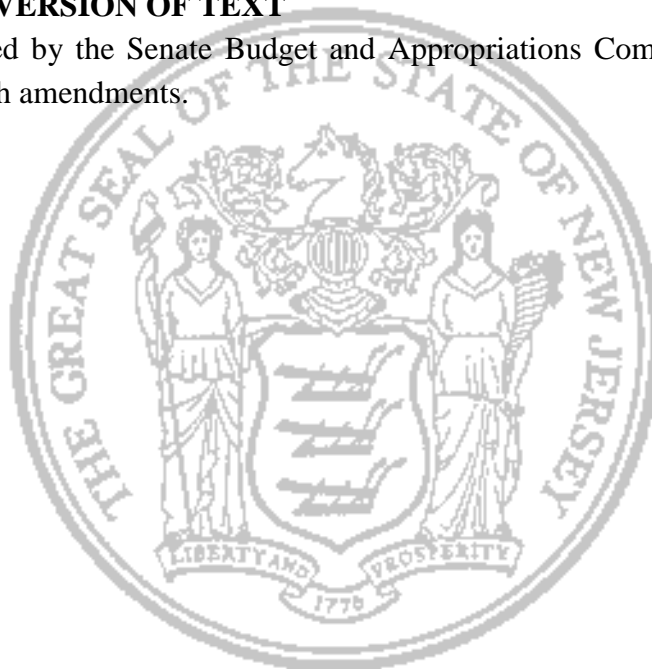
**District 12 (Burlington, Middlesex, Monmouth and Ocean)**

**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**

As reported by the Senate Budget and Appropriations Committee on June 17, 2019, with amendments.



**(Sponsorship Updated As Of: 6/21/2019)**

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  
26 prior to <sup>1</sup>**[July 1]** January 31<sup>1</sup>, **[2019]** 2020. The authority shall  
27 not approve an application for tax credits unless the application was  
28 submitted prior to <sup>1</sup>**[July 1]** January 31<sup>1</sup>, **[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  
37 date 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,  
40 c.149 (C.34:1B-242 et al.), shall submit its documentation to the  
41 authority no later than July 28, 2019, indicating that it has met the  
42 capital investment and employment requirements specified in the  
43 incentive agreement for certification of its tax credit amount.

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

**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>Senate SBA committee amendments adopted June 17, 2019.

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

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

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

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

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

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

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

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

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

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

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

1 documentation demonstrating a reduction of the number of full-time  
2 employees employed by the business at the qualified business  
3 facility, at which time the tax credit amount will be adjusted  
4 accordingly pursuant to this section.

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

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

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

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

43 f. A business which has already applied for a tax credit  
44 incentive award prior to the effective date of the "New Jersey  
45 Economic Opportunity Act of 2013," P.L.2013, c.161 (C.52:27D-  
46 489p et al.), but who has not yet been approved for the tax credits,  
47 or has not executed an agreement with the authority, may proceed  
48 under that application or seek to amend the application or reapply

1 for a tax credit incentive award for the same project or any part  
2 thereof for the purpose of availing itself of any more favorable  
3 provisions of the program.

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

5

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

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

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

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

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

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

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

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

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

45 (5) the relationship of the redevelopment project to a  
46 comprehensive local development strategy, including other major  
47 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  
4 (C.52:27D-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,"  
9 P.L.1979, c.111 (C.13:18A-1 et seq.), the pinelands comprehensive  
10 management plan, or any other rule or regulation adopted pursuant  
11 to that act in connection with any approval or relief obtained related  
12 to a redevelopment project located in an aviation district on or after  
13 the 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 <sup>1</sup>~~July 1~~ January 31<sup>1</sup>, ~~2019~~ 2020. A  
31 developer that submits an application for a State incentive grant  
32 shall indicate on the application whether it is also applying for a  
33 local 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  
37 located 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 <sup>1</sup>~~July 1~~ January 31<sup>1</sup>, ~~2019~~ 2020.

42 d. A developer shall not be required to purchase pinelands  
43 development credits under the "Pinelands Protection Act,"  
44 P.L.1979, c.111 (C.13:18A-1 et seq.), the pinelands comprehensive  
45 management plan, or any other rule or regulation adopted pursuant  
46 to that act in connection with any approval or relief obtained related  
47 to a redevelopment project located in an aviation district on or after  
48 the 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 <sup>1</sup>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 the  
11 redevelopment project, or upon any other event evidencing project  
12 completion as set forth in the incentive grant agreement, the State  
13 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 tax  
17 imposed on marine insurance companies pursuant to R.S.54:16-1 et  
18 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 (C.54:30A-  
22 49 et seq.), those tariffs and charges imposed by electric, natural gas,  
23 telecommunications, water and sewage utilities, and cable television  
24 companies under the jurisdiction of the New Jersey Board of Public  
25 Utilities, or comparable entity, except for those tariffs, fees, or taxes  
26 related to societal benefits charges assessed pursuant to section 12 of  
27 P.L.1999, c.23 (C.48:3-60), any charges paid for compliance with the  
28 "Global Warming Response Act," P.L.2007, c.112 (C.26:2C-37 et  
29 seq.), transitional energy facility assessment unit taxes paid pursuant to  
30 section 67 of P.L.1997, c.162 (C.48:2-21.34), and the sales and use  
31 taxes on public utility and cable television services and commodities,  
32 the tax derived from net profits from business, a distributive share of  
33 partnership income, or a pro rata share of S corporation income under  
34 the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., the  
35 tax derived from a business at the site of a redevelopment project that  
36 is required to collect the tax pursuant to the "Sales and Use Tax Act,"  
37 P.L.1966, c.30 (C.54:32B-1 et seq.), the tax imposed pursuant to  
38 P.L.1966, c.30 (C.54:32B-1 et seq.) from the purchase of furniture,  
39 fixtures and equipment, or materials for the remediation, the  
40 construction of new structures at the site of a redevelopment project,  
41 the hotel and motel occupancy fee imposed pursuant to section 1 of  
42 P.L.2003, c.114 (C.54:32D-1), or the portion of the fee imposed  
43 pursuant to section 3 of P.L.1968, c.49 (C.46:15-7) derived from the  
44 sale of real property at the site of the redevelopment project and paid  
45 to the State Treasurer for use by the State, that is not credited to the  
46 "Shore Protection Fund" or the "Neighborhood Preservation  
47 Nonlapsing Revolving Fund" ("New Jersey Affordable Housing Trust  
48 Fund") pursuant to section 4 of P.L.1968, c.49 (C.46:15-8). Any



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

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

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

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

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

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

43 (b) \$395,000,000 shall be restricted to the following categories of  
44 projects: (i) qualified residential projects located in urban transit hubs  
45 that are commuter rail in nature that otherwise do not qualify under  
46 subparagraph (a) of this paragraph; (ii) qualified residential projects  
47 located in Garden State Growth Zones that do not qualify under  
48 subparagraph (a) of this paragraph; (iii) mixed use parking projects

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

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

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

40 (ii) an additional \$50,000,000 shall be restricted to qualified  
41 residential projects which, as of the effective date of P.L.2016, c.51,  
42 are located in a city of the first class with a population in excess of  
43 270,000, are subject to a Renewal Contract for a Section 8 Mark-Up-  
44 To-Market Project from the United States Department of Housing and  
45 Urban Development, and for which an application for the award of tax  
46 credits under this subsection was submitted prior to January 1, 2016;  
47 and

1 (e) \$25,000,000 shall be restricted to projects involving university  
2 infrastructure.

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

45 (4) A developer may apply to the Director of the Division of  
46 Taxation in the Department of the Treasury and the chief executive  
47 officer of the authority for a tax credit transfer certificate, if the  
48 developer is awarded a tax credit pursuant to paragraph (2) or

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

21 c. All administrative costs associated with the incentive grant  
22 shall be assessed to the applicant and be retained by the State  
23 Treasurer from the annual incentive grant payments.

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

29 e. The municipality is authorized to collect any information  
30 necessary to facilitate grants under this program and remit that  
31 information in order to assist in the calculation of incremental  
32 revenue.<sup>1</sup>

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

34

35 <sup>1</sup>**[4.]** 5.<sup>1</sup> This act shall take effect immediately.