

ASSEMBLY, No. 1141

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Assemblywoman TURNER

1 AN ACT to promote urban revitalization, encourage historic  
2 preservation, and preserve urban open space through designation  
3 of urban heritage districts, and supplementing Title 13 and chapter  
4 10A of Title 54 of the Revised Statutes.

5

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

8

9 1. This act shall be known, and may be cited, as the "Urban  
10 Heritage District Act."

11

12 2. The Legislature finds that the promotion of urban  
13 redevelopment, the perpetuation of the historic legacy of New Jersey,  
14 and the preservation of urban open space are all established State  
15 goals deemed necessary to sustain the high quality of life in New  
16 Jersey; that even as the public interest in, and commitment to,  
17 preserving the history of the State and of its many communities  
18 increases, many significant historic structures, as well as the subtler  
19 features of the State's past, remain anonymous and obscure to most  
20 New Jerseyans; that while existing State land preservation programs  
21 have tended to concentrate in suburban, rural, and agricultural  
22 contexts, the increasingly congested urban centers of the State would  
23 benefit greatly from efforts to provide more natural areas and  
24 recreational opportunities therein; and that while State programs to  
25 assist the urban centers in providing a quality environment and  
26 economic opportunity for their residents continue, more incentive for  
27 private sector investment is needed to make these efforts fully  
28 successful.

29 The Legislature further finds that the urban centers of the State are  
30 significant sources of historical, recreational, educational, and cultural  
31 enrichment; that they have played a major role in the development of  
32 the collective heritage of the State's citizens; and that they remain a  
33 largely untapped source of civic pride and benefit to present and future  
34 citizens of New Jersey.

35 The Legislature therefore declares that an initiative to facilitate

1 development of the historic, recreational, educational, cultural, and  
2 economic resources of the State's urban areas would serve to preserve  
3 and enhance the natural and historic fabric of the State's older cities,  
4 making them attractive places to live, work, and visit; stimulate civic  
5 pride, tourism, and an understanding and appreciation by the public of  
6 natural and historic resources and assets; and encourage private  
7 preservation activities, capital investment, and development and  
8 redevelopment; and that the institution of an urban heritage district  
9 initiative built upon a State/local/private sector partnership would  
10 serve the general public interest and accomplish the goals set forth  
11 herein, and thereby facilitate the revitalization of the urban centers of  
12 the State and make them productive and dynamic resources that will  
13 redound to the benefit of the citizens of the State.

14

15 3. As used in this act:

16 "Coordinating committee" means the Urban Heritage District  
17 Coordinating Committee established pursuant to section 11 of this act.

18 "Host municipality" means a qualifying municipality for which an  
19 application for designation of an urban heritage district has been  
20 approved pursuant to section 7 of this act.

21 "Qualifying municipality" means a municipality that is eligible to  
22 receive State aid pursuant to P.L.1978, c.14 (C.52:27D-178 et seq.).

23

24 4. a. Any qualifying municipality may submit to the Urban  
25 Heritage District Coordinating Committee established pursuant to  
26 section 11 of this act a preliminary application to have an area within  
27 that municipality considered conceptually for designation as an urban  
28 heritage district. Each preliminary application shall include, but may  
29 not be limited to:

30 (1) A brief statement of the objectives and goals of the project;

31 (2) A delineation of the area within the jurisdiction of the applicant  
32 that is proposed for development as an urban heritage district, and a  
33 statement of rationale for the delineation selected;

34 (3) The identification of a central theme or themes that characterize  
35 the historical or cultural significance of the proposed urban heritage  
36 district;

37 (4) A listing of buildings, structures, sites, monuments, edifices, or  
38 other areas, properties, or parcels within the proposed urban heritage  
39 district that have been, or may be, designated as historic sites pursuant  
40 to the provisions of P.L.1970, c.268 (C.13:1B-15.128 et seq.), as well  
41 as any other buildings, structures, sites, monuments, edifices, or other  
42 areas, properties, or parcels that may be related thematically to the  
43 other components of the proposed district;

44 (5) A listing of the open space and associated recreational resources  
45 that exist within the proposed urban heritage district, or could be  
46 acquired or developed therefor, and that are consistent with the central

1 theme or themes of the proposed district and the purposes of this act;

2 (6) An identification of any educational or promotional schemes  
3 contemplated for the proposed urban heritage district;

4 (7) An identification of the financial, personnel, and real property  
5 resources of the applicant that may be committed to meeting the  
6 applicant's cost of planning, designing, and developing the proposed  
7 urban heritage district, the cost of maintenance, improvement, and  
8 operation of the proposed district, and other costs and local  
9 responsibilities associated with the proposed district; and

10 (8) Any documents, statements, or pledges of private sector  
11 participation or financial investment in support of the proposed urban  
12 heritage district.

13 b. Two contiguous qualifying municipalities may submit a joint  
14 preliminary application to have contiguous areas within the two  
15 municipalities considered conceptually for designation as an urban  
16 heritage district that transcends the boundaries of the two  
17 municipalities.

18

19 5. a. Within 90 days of receipt of a preliminary application  
20 submitted by a qualifying municipality pursuant to section 4 of this act,  
21 the coordinating committee shall approve, disapprove, or conditionally  
22 approve in concept the application. The decision of the coordinating  
23 committee shall be transmitted in writing to the qualifying  
24 municipality, and in the case of disapproval or conditional approval,  
25 shall state the reasons therefor. Any qualifying municipality that  
26 receives concept approval may commence planning for an urban  
27 heritage district to be located within the municipality. Upon  
28 completion of the planning, the qualifying municipality may submit to  
29 the coordinating committee an application for designation of an urban  
30 heritage district within the municipality. A qualifying municipality  
31 shall submit its application for designation of an urban heritage district  
32 within 270 days of receipt of concept approval from the coordinating  
33 committee, or the concept approval shall be deemed void and a new  
34 and updated preliminary application shall be required to be submitted  
35 if the qualifying municipality desires to pursue the project again, unless  
36 the coordinating committee grants a waiver from this requirement.

37 Two contiguous qualifying municipalities may submit a joint  
38 application to have contiguous areas within the two municipalities  
39 considered for designation as an urban heritage district that transcends  
40 the boundaries of the two municipalities.

41 b. The coordinating committee shall suggest possible sources of  
42 funding that the applicant may apply for and use to defray planning  
43 costs and the cost of developing the qualifying municipality's proposal  
44 and application for designation of an urban heritage district within the  
45 municipality.

- 1       6. An application for designation of an urban heritage district shall  
2 include the following:
- 3       a. A detailed map and metes and bounds description of the area  
4 proposed for development as an urban heritage district;
- 5       b. An inventory of the buildings, structures, sites, monuments,  
6 edifices, or other areas, properties, or parcels that will become part of  
7 the proposed urban heritage district, including a list of those that will  
8 be purchased, repaired, renovated, restored, rehabilitated, improved,  
9 demolished, relocated, or altered in furtherance of the project;
- 10      c. A set of drawings, maps, models, multi-media presentations, or  
11 other renderings of the proposed urban heritage district;
- 12      d. An analysis, prepared by the chief fiscal officer of the qualifying  
13 municipality, of the support that has been committed or pledged by the  
14 private sector, whether that support be in the form of direct financial  
15 assistance or donation of materials, supplies, or services, or in the  
16 form of real property repair, renovation, restoration, rehabilitation, or  
17 improvement, entrepreneurial enterprise, or infrastructure  
18 improvements. The analysis shall include estimates of the proposed  
19 economic benefit to the qualifying municipality to be secured from any  
20 attendant economic revitalization or development or redevelopment;
- 21      e. An analysis prepared by the municipal engineer, or any  
22 engineering consultants retained by the qualifying municipality,  
23 detailing any necessary repair, renovation, restoration, rehabilitation,  
24 or improvement to the infrastructure that is necessary to support the  
25 proposed urban heritage district;
- 26      f. A pledge of commitment by the qualifying municipality, signified  
27 by adoption of a resolution by the governing body thereof, of any  
28 financial, personnel, and real property resources of the municipality as  
29 may be necessary for the completion, planning, design, development,  
30 maintenance, improvement, operation, and success of the proposed  
31 urban heritage district, which commitment, together with private  
32 sector support as documented pursuant to subsection d. of this  
33 section, shall equal the remainder of the estimated total cost of the  
34 project not covered by funding available from the State and obtained  
35 as provided pursuant to section 17 of this act;
- 36      g. An inventory identifying the present ownership status of any  
37 properties and parcels of land within the proposed urban heritage  
38 district, and a description of the techniques or means to be utilized to  
39 ensure preservation, protection, development, maintenance, and  
40 improvement of at least the key properties and parcels and to  
41 guarantee public access thereto, which may include, but not be limited  
42 to: adoption of any appropriate changes to the master plan, official  
43 map, or development regulations of the qualifying municipality;  
44 designation and regulation of historic sites or historic districts;  
45 acquisitions in fee or of easements; or leasing or other contractual  
46 arrangements;

1 h. An estimate of project costs to be incurred in order to develop  
2 the proposed urban heritage district, a project schedule, and the  
3 estimated project completion date;

4 i. Any plans for promoting visitation to, interpretation of, and  
5 investment in the proposed urban heritage district; and

6 j. Any other information or documentation that the coordinating  
7 committee deems necessary and appropriate to evaluate applications  
8 for designation or to otherwise carry out its responsibilities under this  
9 act.

10

11 7. The coordinating committee shall, within 180 days of receipt of  
12 an application for designation of an urban heritage district from a  
13 qualifying municipality, approve, deny, or conditionally approve the  
14 application for designation of an urban heritage district within that  
15 municipality. The decision of the coordinating committee shall be  
16 transmitted in writing to the qualifying municipality, and in the case of  
17 disapproval or conditional approval, shall state the reasons therefor.

18 The coordinating committee shall approve an application for  
19 designation of an urban heritage district upon finding that the applicant  
20 has demonstrated to the satisfaction of the coordinating committee  
21 that:

22 a. The application is complete;

23 b. The applicant will comply with the requirements of sections 14  
24 and 15 of this act;

25 c. The proposed urban heritage district would:

26 (1) Reflect the character, history, architecture, or culture of the  
27 qualifying municipality or a community within that municipality, and  
28 would be developed and promoted, to the maximum extent practicable  
29 and feasible, to:

30 (a) Encourage economic development and redevelopment and  
31 urban revitalization of the area within and around the proposed urban  
32 heritage district through private sector investment in the repair,  
33 renovation, restoration, rehabilitation, or improvement of buildings,  
34 structures, sites, monuments, edifices, or other areas, properties, or  
35 parcels, and through the establishment of entrepreneurial enterprises  
36 consistent with the central theme or themes of the proposed district  
37 and the purposes of this act;

38 (b) Preserve the integrity of historic sites and settings within the  
39 proposed urban heritage district;

40 (c) Provide open space and appropriate recreational opportunities  
41 and facilities within the proposed urban heritage district; and

42 (d) Educate the residents of, and visitors to, the proposed urban  
43 heritage district of their role in the historical and cultural development  
44 of the State; and

45 (2) Incorporate recreational open space and facilities appropriate to  
46 the specific urban environment, and at least three buildings, structures,

1 sites, monuments, edifices, or other areas, properties, or parcels that  
2 have been designated as historic sites pursuant to the provisions of  
3 P.L.1970, c.268 (C.13:1B-15.128 et seq.) and are listed on the New  
4 Jersey Register of Historic Places or have been determined by the  
5 State Historic Preservation Officer to meet criteria for inclusion in the  
6 New Jersey Register of Historic Places, that bear a thematic  
7 relationship to each other, whether that relationship be historical,  
8 architectural, occupational, ethnic, or cultural, except the coordinating  
9 committee may in its discretion reduce the required minimum number  
10 of three such historic facilities to one or two such facilities if they are  
11 deemed by the coordinating committee to be especially significant  
12 historically. Recreational open space and facilities required to be  
13 incorporated as part of a proposed urban heritage district pursuant to  
14 this paragraph may be owned by the municipality, the county, the  
15 State, or the federal government, or any agency or entity thereof, or  
16 by a private entity, organization, or person, provided that public access  
17 to, and public use of, the recreational open space or facility is allowed;  
18 and

19 d. The area of the proposed urban heritage district is no greater  
20 than that required to incorporate the various elements of the district.  
21 A district may not be longer or wider in distance than one half of a  
22 mile, except, if the district includes a linear park or greenway, the  
23 coordinating committee may, in its discretion upon application of a  
24 qualifying municipality, authorize expansion of the area of a district to  
25 include an area within a designated distance of the pertinent part of the  
26 linear park or greenway lying within the municipality but outside of the  
27 area circumscribed by the one half mile requirement of this subsection  
28 if the qualifying municipality demonstrates to the satisfaction of the  
29 coordinating committee that (1) the expanded area would be an  
30 integral part of the district important to furthering the theme or  
31 themes of the district, and (2) inclusion of the expanded area would  
32 further the purposes and intent of this act.

33 Urban heritage districts may contain repaired, renovated, restored,  
34 rehabilitated, or improved buildings, structures, sites, monuments,  
35 edifices, or other areas, properties, or parcels, or portions thereof;  
36 archaeological sites; cultural centers, facilities, or sites; buildings,  
37 structures, monuments, or edifices of architectural interest; waterways,  
38 canals, ferry slips, shipways, or railroad tracks; recreational areas or  
39 facilities; developed, renovated, restored, or rehabilitated plazas,  
40 parks, public open spaces, gardens, fountains, sculptures, landscaping,  
41 or plantings; or streetscape improvements to curbs, sidewalks,  
42 lighting, trees, and other facilities appurtenant to, and supportive of,  
43 the central theme or themes of the district.

44

45 8. If, within one year of the date of approval of an application for  
46 designation of an urban heritage district, a host municipality cannot

1 secure private or local investment necessary to develop the proposed  
2 urban heritage district in accordance with the design in the approved  
3 application for designation and pursuant to the provisions of this act,  
4 or does not comply at any time or for any reason with the  
5 requirements of this act or any terms or conditions prescribed by the  
6 coordinating committee in accordance with the authority granted to  
7 the coordinating committee pursuant to this act, the coordinating  
8 committee may, after a hearing, remove the designation of the urban  
9 heritage district within the municipality and may require the  
10 municipality to remit any unexpended funds obtained from the State in  
11 connection with the project.

12

13 9. Denial of an application for designation pursuant to section 7 of  
14 this act or removal of designation pursuant to section 8 of this act shall  
15 constitute a contested case, and shall be appealable to the  
16 Commissioner of Environmental Protection in accordance with the  
17 provisions of the "Administrative Procedure Act," P.L.1968, c.410  
18 (C.52:14B-1 et seq.).

19

20 10. a. For the first three years after the date of enactment of this  
21 act, the coordinating committee shall approve applications for  
22 designation of an urban heritage district only if the qualifying  
23 municipality has a population of at least 35,000 inhabitants according  
24 to the latest federal decennial census, and the municipality otherwise  
25 meets the requirements of this act, and any rules or regulations  
26 adopted pursuant thereto, for obtaining designation. Thereafter,  
27 approval of an application for designation may be given to any  
28 qualifying municipality that meets the requirements of this act, and any  
29 rules or regulations adopted pursuant thereto, for obtaining  
30 designation.

31 b. No application for designation of an urban heritage district may  
32 be approved by the coordinating committee if submitted by a  
33 qualifying municipality after 10 years from the date of enactment of  
34 this act.

35

36 11. a. There is established within the Department of  
37 Environmental Protection an "Urban Heritage District Coordinating  
38 Committee."

39 b. The coordinating committee shall consist of 11 voting members  
40 and two nonvoting members. The voting members shall be as follows:  
41 the Executive Director of the New Jersey Historic Trust; the  
42 Administrator of the Green Acres Program in the Department of  
43 Environmental Protection; the Director of the Division of Parks and  
44 Forestry in the Department of Environmental Protection; the  
45 Administrator of the Historic Preservation Office in the Department of  
46 Environmental Protection; the State Treasurer; the Director of the

1 State Planning Commission in the Department of the Treasury; the  
2 Executive Director of the New Jersey State Council on the Arts in the  
3 Department of State; the Administrator of the New Jersey Urban  
4 Enterprise Zone Program; the Executive Director of the New Jersey  
5 Economic Development Authority; the Director of the Division of  
6 Local Government Services in the Department of Community Affairs;  
7 and the Director of the Division of Travel and Tourism in the  
8 Department of Commerce, Energy and Economic Development, or  
9 their representatives, all of whom shall serve ex officio.

10 The nonvoting members shall be citizens representing organizations  
11 interested in urban revitalization, historic preservation, or urban open  
12 space preservation, and shall be appointed by the Commissioner of  
13 Environmental Protection. The nonvoting members shall serve for a  
14 term of five years, and may be eligible for reappointment for a second  
15 or subsequent term.

16 c. The Commissioner of Environmental Protection shall appoint a  
17 chairperson from among the members of the coordinating committee,  
18 and the coordinating committee shall select a vice-chairperson from  
19 among its members and a secretary who need not be a member of the  
20 coordinating committee. A majority of the membership shall  
21 constitute a quorum for the transaction of business. Action may be  
22 taken and motions and resolutions adopted by the affirmative vote of  
23 a majority of the full membership of the coordinating committee.

24  
25 12. In addition to any other duties, responsibilities, and powers  
26 granted pursuant to this act, the coordinating committee shall:

27 a. Inform all qualifying municipalities in the State of the provisions  
28 of this act;

29 b. Provide, upon request, assistance to any qualifying municipality  
30 in developing a proposal for an urban heritage district within the  
31 municipality;

32 c. Periodically review the development of individual urban heritage  
33 districts and the overall progress of the urban heritage district initiative  
34 set forth in this act with respect to meeting the Statewide goals set  
35 forth therein, and submit an annual report to the Governor and the  
36 Legislature evaluating that progress and making any recommendations  
37 for legislative or administrative action;

38 d. Do and perform any and all acts or things necessary, convenient,  
39 or desirable for the purposes of the coordinating committee in order  
40 to carry out its duties, responsibilities, and powers set forth in this act;  
41 and

42 e. Adopt, pursuant to the "Administrative Procedure Act,"  
43 P.L.1968, c.410 (C.52:14B-1 et seq.), any rules or regulations  
44 deemed necessary to effectuate the purposes of this act.

45  
46 13. The members of the coordinating committee shall supply from

1 their respective agencies, on an as needed basis, such staff as the  
2 coordinating committee may require.

3

4 14. Each host municipality shall designate a lead municipal agency,  
5 board, council, committee, or commission of the municipality to  
6 oversee the planning, design, development, maintenance, improvement,  
7 and operation of the urban heritage district, make decisions and  
8 recommendations concerning use of the district for activities and social  
9 functions, and serve as liaison between the municipality and any  
10 private entities, organizations, or persons associated with the urban  
11 heritage district.

12

13 15. The governing body of a host municipality, within one year of  
14 the approval of designation of the urban heritage district, shall adopt  
15 an historic preservation ordinance pursuant to the provisions of  
16 subsection i. of section 52 of P.L.1975, c.291 (C.40:55D-65) and  
17 section 5 of P.L.1991, c.199 (C.40:55D-65.1) and an historic  
18 preservation plan element, a recreation plan element, and a  
19 conservation plan element to the municipality's master plan adopted  
20 pursuant to the provisions of section 19 of P.L.1975, c.291  
21 (C.40:55D-28), or if it has already adopted such an ordinance and  
22 master plan elements, make appropriate amendments thereto, all of  
23 which shall reflect the appropriate elements of the urban heritage  
24 district.

25

26 16. The Director of the Division of Travel and Tourism in the  
27 Department of Commerce, Energy and Economic Development shall  
28 publicize the existence, locations, and resources of urban heritage  
29 districts, and encourage the utilization of individual urban heritage  
30 districts through exhibits, waysides, signage, interpretive media, or  
31 brochures, pamphlets, or guidebooks.

32

33 17. a. In making decisions concerning the awarding of grants or  
34 loans to assist local government units to meet the cost of acquisition  
35 or development of lands for recreation and conservation purposes  
36 using the proceeds of bonds issued by the State pursuant to P.L.1992,  
37 c.88, P.L.1989, c.183, P.L.1987, c.265, P.L.1983, c.354, or similar  
38 bond acts, the Commissioner of Environmental Protection shall give  
39 special priority consideration to applications submitted by host  
40 municipalities for eligible projects located in urban heritage districts  
41 within those municipalities and to applications submitted by other  
42 eligible applicants whose eligible projects are located in urban heritage  
43 districts within host municipalities.

44 b. In making decisions concerning the awarding of grants to assist  
45 qualifying tax exempt nonprofit organizations to meet the cost of  
46 acquisition of lands for public recreation and conservation purposes

1 using the proceeds of bonds issued by the State pursuant to P.L.1992,  
2 c.88, P.L.1989, c.183, or similar bond acts, the Commissioner of  
3 Environmental Protection shall give special priority consideration to  
4 applications submitted by qualifying tax exempt nonprofit  
5 organizations for eligible projects located in urban heritage districts  
6 within host municipalities.

7 c. In making decisions concerning the awarding of grants or loans  
8 to assist eligible applicants in meeting the cost of historic preservation  
9 projects using the proceeds of bonds issued by the State pursuant to  
10 P.L.1992, c.88, P.L.1987, c.265, or similar bond acts, the New Jersey  
11 Historic Trust shall give special priority consideration to applications  
12 submitted by host municipalities for eligible projects located in urban  
13 heritage districts within those municipalities and to applications  
14 submitted by other eligible applicants whose eligible historic  
15 preservation projects are located in urban heritage districts within host  
16 municipalities.

17 d. In making decisions concerning the awarding of funds pursuant  
18 to section 1007 of the federal "Intermodal Surface Transportation  
19 Efficiency Act of 1991," Pub.L. 102-240 (23 U.S.C. §133 et al.), for  
20 eligible projects involving transportation enhancement activities, as  
21 defined in that act, the New Jersey Department of Transportation shall  
22 give special priority consideration to applications submitted by host  
23 municipalities for eligible projects located in urban heritage districts  
24 within those municipalities and to applications submitted by other  
25 eligible applicants whose eligible projects are located in urban heritage  
26 districts within host municipalities.

27 e. In making decisions concerning the awarding of grants pursuant  
28 to any urban forestry, reforestation, or beautification or community  
29 forestry program administered by the Department of Environmental  
30 Protection, the department shall give special priority consideration to  
31 applications submitted by host municipalities for eligible projects  
32 located in urban heritage districts within those municipalities and to  
33 applications submitted by other eligible applicants whose eligible  
34 projects are located in urban heritage districts within host  
35 municipalities.

36 f. In making decisions concerning the awarding of loans, loan  
37 guarantees, grants, and other funding programs administered by the  
38 New Jersey Economic Development Authority, the authority shall give  
39 special priority consideration to applications submitted by host  
40 municipalities for eligible projects located in urban heritage districts  
41 within those municipalities and to applications submitted by other  
42 eligible applicants whose eligible projects are located in urban heritage  
43 districts within host municipalities.

44 g. In making decisions concerning the awarding of loans, loan  
45 guarantees, grants, and other funding programs administered by the  
46 Department of Commerce, Energy and Economic Development, the

1 department shall give special priority consideration to applications  
2 submitted by host municipalities for eligible projects located in urban  
3 heritage districts within those municipalities and to applications  
4 submitted by other eligible applicants whose eligible projects are  
5 located in urban heritage districts within host municipalities.

6  
7 18. a. Any vendor having a place of business located in an urban  
8 heritage district may apply to the Director of the Division of Taxation  
9 in the Department of the Treasury for certification pursuant to this  
10 section. The director shall certify a vendor upon a finding that the  
11 vendor owns or leases and regularly operates a place of business  
12 located in an urban heritage district for the purpose of making retail  
13 sales, that items are regularly exhibited and offered for retail sale at  
14 that location, and that the place of business is not utilized primarily for  
15 the purpose of catalog or mail order sales.

16 b. Receipts of retail sales, except retail sales of motor vehicles, of  
17 alcoholic beverages as defined in the "Alcoholic beverage tax law,"  
18 R.S.54:41-1 et seq., of cigarettes as defined in the "Cigarette Tax  
19 Act," P.L.1948, c.65 (C.54:40A-1 et seq.), and of manufacturing  
20 machinery, equipment or apparatus, made by a certified vendor from  
21 a place of business owned or leased and regularly operated by the  
22 vendor for the purpose of making retail sales, and located in an urban  
23 heritage district, are exempt from payment of 50% of the tax imposed  
24 under the "Sales and Use Tax Act," P.L.1966, c.30 (C.54:32B-1 et  
25 seq.).

26 c. The director may at any time revoke a certification granted  
27 pursuant to this section upon a determination that the vendor no  
28 longer complies with the provisions of this section, or if the  
29 designation of an urban heritage district has been removed pursuant to  
30 section 8 of this act.

31 d. Notwithstanding any other provisions of law to the contrary  
32 except as provided pursuant to subsection e. of this section, all  
33 revenues received from the taxation of retail sales made by certified  
34 vendors from business locations in urban heritage districts to which  
35 this exemption shall apply shall be deposited immediately upon  
36 collection by the Department of the Treasury into the "Urban Heritage  
37 District Maintenance Trust Fund" created pursuant to section 20 of  
38 this act.

39 e. The provisions of this section shall not apply to any vendor  
40 certified pursuant to section 21 of P.L.1983, c.303 (C.52:27H-80) and  
41 located in a designated enterprise zone established pursuant to the  
42 "New Jersey Urban Enterprise Zones Act," P.L.1983, c.303  
43 (C.52:27H-60 et seq.) that overlaps with an urban heritage district  
44 designated pursuant to this act.

45 f. The Director of the Division of Taxation in the Department of  
46 the Treasury shall adopt, pursuant to the "Administrative Procedure

1 Act," P.L.1968, c.410 (C.52:14B-1 et seq.), any rules or regulations  
2 necessary to effectuate the purposes of this section.

3

4 19. a. A host municipality may appropriate and expend such  
5 monies as deemed necessary or appropriate for the planning, design,  
6 development, maintenance, improvement, and operation of the urban  
7 heritage district located within its jurisdiction.

8 b. Any vendor having a place of business located in or near an  
9 urban heritage district may contribute materials, supplies, services, or  
10 funds to the host municipality to assist in the planning, design,  
11 development, maintenance, improvement, or operation of the district,  
12 or otherwise enter into a park maintenance agreement for such  
13 purposes pursuant to P.L.1992, c.101 (C.40:12-20 et seq.).

14

15 20. a. There is created in the Department of the Treasury, a  
16 special fund to be known as the "Urban Heritage District Maintenance  
17 Trust Fund" (known hereinafter as the "fund") to be held separate and  
18 apart from all other funds of the State. The fund shall be administered  
19 by the Department of Environmental Protection, and shall be credited  
20 with all tax revenues collected by the Department of the Treasury  
21 pursuant to section 18 of this act and any other monies appropriated  
22 by the Legislature or donated to the fund for this purpose. Interest  
23 received on monies in the fund shall be credited to the fund.

24 b. Except as provided pursuant to subsection e. of this section,  
25 monies deposited in the fund shall be appropriated, allocated, and used  
26 for the following purposes and no others:

27 (1) Repair and maintenance of sidewalks, streetscapes, benches,  
28 street lighting, historic sites, and recreational facilities in urban  
29 heritage districts;

30 (2) Installation of security measures in urban heritage districts,  
31 which shall include but need not necessarily be limited to, the  
32 employment of private security guards, the installation, repair, and  
33 maintenance of video camera and other surveillance systems, and any  
34 other security-related expenditures deemed necessary and proper by  
35 the coordinating committee in consultation with lead municipal  
36 agencies, boards, councils, committees, or commissions designated  
37 pursuant to section 14 of this act;

38 (3) Removal of litter from urban heritage districts;

39 (4) Making aesthetic or other improvements to urban heritage  
40 districts consistent with the provisions of this act; and

41 (5) Upon the complete funding of the costs of paragraphs (1)  
42 through (4) of this subsection, meeting urban heritage district  
43 operational costs.

44 c. The State Treasurer shall certify annually to the Department of  
45 Environmental Protection the amount of monies deposited into the  
46 fund.

1 d. (1) Except as provided pursuant to subsection e. of this section,  
2 all tax revenues deposited into the fund collected from the vendors of  
3 each urban heritage district shall be annually disbursed to the  
4 respective host municipality within which the vendors are located for  
5 expenditure in accordance with the provisions of subsection b. of this  
6 section.

7 (2) Each host municipality shall annually prepare and submit to the  
8 coordinating committee (a) a plan for the expenditure of monies to be  
9 disbursed pursuant to this subsection from the fund to the host  
10 municipality in the upcoming year, and (b) a certified statement  
11 accounting for the expenditure of monies disbursed pursuant to this  
12 subsection from the fund to the host municipality in the prior year.

13 e. An amount not to exceed five percent of the annual tax revenues  
14 deposited into the fund shall be annually appropriated to the  
15 coordinating committee for expenses incurred by the coordinating  
16 committee and by any other State agency in connection with  
17 administering or carrying out the provisions of this act, including the  
18 hiring of any necessary personnel. This subsection shall not take effect  
19 until (1) at least three urban heritage districts have been designated  
20 pursuant to this act, and (2) the tax revenues have been collected from  
21 three urban heritage districts, and deposited into the fund, for a period  
22 of one year.

23 f. The Legislature shall appropriate annually sums necessary to  
24 effectuate the purposes of this section.

25

26 21. a. A taxpayer who provides materials, supplies, services, or  
27 funds to the host municipality to assist in the planning, design,  
28 development, maintenance, improvement, or operation of an urban  
29 heritage district designated pursuant to P.L. , c. (C. ) (now  
30 before the Legislature as this bill), which is certified by a host  
31 municipality pursuant to subsection b. of this section, shall be entitled  
32 to a credit as provided herein against the tax imposed pursuant to  
33 section 5 of P.L.1945, c.162 (C.54:10A-5) in an amount equal to  
34 100% of the cost of such materials, supplies, services, or funds. The  
35 tax imposed pursuant to section 5 of P.L.1945, c.162 shall first be  
36 reduced by the amount of any credit allowable pursuant to section 19  
37 of P.L.1983, c.303 (C.52:27H-78) prior to applying the credit allowed  
38 pursuant to this section. The amount of the credit claimed in the tax  
39 year for which certification is received shall not exceed 50% of the tax  
40 liability that would be otherwise due, and shall not reduce the amount  
41 of tax liability to less than the statutory minimum provided in  
42 subsection (e) of section 5 of P.L.1945, c.162.

43 b. In order to qualify for the tax credit pursuant to subsection a. of  
44 this section, the taxpayer shall apply for a certification from the host  
45 municipality that certifies that the taxpayer provided the materials,  
46 supplies, services, or funds to the host municipality for the applicable

1 tax year. The certification shall specifically indicate the date when the  
2 taxpayer provided the materials, supplies, services, or funds, and state,  
3 to the best of the host municipality's knowledge, that the materials,  
4 supplies, services, or funds provided by the taxpayer have not  
5 previously qualified for and received a credit pursuant to this section.

6 Upon certification, the host municipality shall submit a copy thereof  
7 to the taxpayer and to the Director of the Division of Taxation. When  
8 filing a tax return that includes a claim for a credit pursuant to this  
9 section, the taxpayer shall include a copy of the certification and a  
10 statement that the materials, supplies, services, or funds were provided  
11 to the host municipality in the applicable tax year. Any credit shall be  
12 valid in the tax year in which the certification is approved, and any  
13 unused portion thereof may be carried forward for up to four  
14 subsequent tax years.

15 The Director of the Division of Taxation, in consultation with the  
16 Urban Heritage District Coordinating Committee established pursuant  
17 to section 11 of P.L. , c. (C. ) (now before the Legislature as  
18 this bill), shall adopt rules and regulations establishing technical  
19 specifications and certification requirements for qualification for the  
20 credit established pursuant to this section.

21 c. On or before January 31 of each year, the Director of the  
22 Division of Taxation, in consultation with the Urban Heritage District  
23 Coordinating Committee, shall compile and make available for public  
24 inspection a record of the number of certifications that were approved  
25 during the preceding calendar year and the amount of the credit  
26 applied for and received pursuant to this section with respect to each  
27 such certification.

28 d. For the purposes of this section, "host municipality" means the  
29 same as that term is defined pursuant to section 3 of P.L. , c. (C. )  
30 (now before the Legislature as this bill).

31

32 22. This act shall take effect immediately.

33

34

35

#### STATEMENT

36

37 The purpose of this bill is to promote urban revitalization,  
38 encourage historic preservation, and preserve urban open space  
39 through the designation of urban heritage districts in qualifying urban  
40 aid municipalities (i.e., host municipalities).

41 Under the bill, a qualifying urban aid municipality may submit to the  
42 Urban Heritage District Coordinating Committee (hereinafter  
43 "coordinating committee) established pursuant to the bill a preliminary  
44 application to have an area within that municipality considered  
45 conceptually for designation as an urban heritage district. Each  
46 preliminary application would include at least the following:

- 1 (1) A brief statement of the objectives and goals of the project;
  - 2 (2) A delineation of the area within the jurisdiction of the applicant  
3 that is proposed for development as an urban heritage district, and a  
4 statement of rationale for the delineation selected;
  - 5 (3) The identification of a central theme or themes that characterize  
6 the historical or cultural significance of the proposed urban heritage  
7 district;
  - 8 (4) A listing of historic sites and other structures in the proposed  
9 urban historic district and of other structures and facilities that may be  
10 related thematically to the other components of the proposed district;
  - 11 (5) A listing of the open space and associated recreational resources  
12 that exist within the proposed urban heritage district, or could be  
13 acquired or developed therefor, and that are consistent with the central  
14 theme or themes of the proposed district and the purposes of the bill;
  - 15 (6) An identification of any educational or promotional schemes  
16 contemplated for the proposed urban heritage district;
  - 17 (7) An identification of the financial, personnel, and real property  
18 resources of the applicant that may be committed to meeting the  
19 applicant's cost of planning, designing, and developing the proposed  
20 urban heritage district, the cost of maintenance, improvement, and  
21 operation of the proposed district, and other costs and local  
22 responsibilities associated with the proposed district; and
  - 23 (8) Any documents, statements, or pledges of private sector  
24 participation or financial investment in support of the proposed urban  
25 heritage district.
- 26 A qualifying municipality that receives concept approval from the  
27 coordinating committee may, within 270 days thereof and after  
28 completing any necessary planning, submit to the coordinating  
29 committee an application for designation of an urban heritage district  
30 within the municipality.
- 31 An application for designation of an urban heritage district would  
32 include the following:
- 33 (1) A detailed map and metes and bounds description of the area  
34 proposed for development as an urban heritage district;
  - 35 (2) An inventory of the buildings, structures, sites, monuments,  
36 edifices, or other areas, properties, or parcels that will become part of  
37 the proposed urban heritage district, including a list of those that will  
38 be purchased, repaired, renovated, restored, rehabilitated, improved,  
39 demolished, relocated, or altered in furtherance of the project;
  - 40 (3) A set of drawings, maps, models, multi-media presentations, or  
41 other renderings of the proposed urban heritage district;
  - 42 (4) An analysis, prepared by the chief fiscal officer of the qualifying  
43 municipality, of private sector support and of potential economic  
44 benefits of the proposed urban heritage district;
  - 45 (5) An infrastructure analysis prepared by the municipal engineer;
  - 46 (6) A pledge of commitment by the qualifying municipality,

1 signified by adoption of a resolution by the governing body thereof, of  
2 any financial, personnel, and real property resources of the  
3 municipality as may be necessary for the completion, planning, design,  
4 development, maintenance, improvement, operation, and success of  
5 the proposed urban heritage district, which commitment, together with  
6 documented private sector support, would be required to equal the  
7 remainder of the estimated total cost of the project not covered by  
8 funding available from the State and obtained as provided pursuant to  
9 the bill;

10 (7) An inventory identifying the present ownership status of any  
11 properties and parcels of land within the proposed urban heritage  
12 district, and a description of the techniques or means to be utilized to  
13 ensure preservation, protection, development, maintenance, and  
14 improvement of at least the key properties and parcels and to  
15 guarantee public access thereto, which may include, but not be limited  
16 to: adoption of any appropriate changes to the master plan, official  
17 map, or development regulations of the qualifying municipality;  
18 designation and regulation of historic sites or historic districts;  
19 acquisitions in fee or of easements; or leasing or other contractual  
20 arrangements;

21 (8) An estimate of project costs to be incurred in order to develop  
22 the proposed urban heritage district, a project schedule, and the  
23 estimated project completion date;

24 (9) Any plans for promoting visitation to, interpretation of, and  
25 investment in the proposed urban heritage district; and

26 (10) Any other information or documentation that the coordinating  
27 committee deems necessary and appropriate to evaluate applications  
28 for designation or to otherwise carry out its responsibilities under the  
29 bill.

30 The coordinating committee would be required to approve an  
31 application for designation of an urban heritage district upon finding  
32 that the applicant has demonstrated to the satisfaction of the  
33 coordinating committee that it meets certain criteria prescribed in the  
34 bill.

35 An urban heritage district would be required to include recreational  
36 open space and facilities appropriate to the specific urban  
37 environment, and at least three historic sites or structures, except the  
38 coordinating committee may in its discretion reduce the required  
39 minimum number of three such historic facilities to one or two such  
40 facilities if they are deemed by the coordinating committee to be  
41 especially significant historically.

42 The area of an urban heritage district may be no greater than that  
43 required to incorporate the various elements of the district.

44 A district may be longer or wider in distance than one half of a mile  
45 only if the district includes a linear park or greenway, and the  
46 coordinating committee, in its discretion upon application of a

1 qualifying municipality, authorizes expansion of the area of a district  
2 to include an area within a designated distance of the pertinent part of  
3 the linear park or greenway lying within the municipality but outside  
4 of the area circumscribed by the one half mile requirement, upon  
5 demonstration by the qualifying municipality to the satisfaction of the  
6 coordinating committee that (1) the expanded area would be an  
7 integral part of the district important to furthering the theme or themes  
8 of the district, and (2) inclusion of the expanded area would further  
9 the purposes and intent of the bill.

10 For the first three years after the date of enactment of the bill, the  
11 coordinating committee would be authorized to approve applications  
12 for designation of an urban heritage district only if the qualifying urban  
13 aid municipality has a population of at least 35,000 inhabitants. There  
14 are approximately 21 urban aid municipalities in the State that would  
15 meet that minimum population requirement. After the three year  
16 period ended, approval of an application for designation may be given  
17 to any qualifying urban aid municipality that meets the requirements of  
18 the bill for obtaining designation.

19 No application for designation of an urban heritage district may be  
20 approved by the coordinating committee if submitted by a qualifying  
21 urban aid municipality after 10 years from the date of enactment of the  
22 bill.

23 A host municipality would be required to adopt a historic  
24 preservation ordinance and an historic preservation plan element, a  
25 recreation plan element, and a conservation plan element to the  
26 municipality's master plan.

27 The bill would establish within the Department of Environmental  
28 Protection an "Urban Heritage District Coordinating Committee" to  
29 administer the act. The coordinating committee would have 11 voting  
30 members and two nonvoting members. The voting members would be  
31 as follows: the Executive Director of the New Jersey Historic Trust;  
32 the Administrator of the Green Acres Program; the Director of the  
33 Division of Parks and Forestry; the Administrator of the Historic  
34 Preservation Office; the State Treasurer; the Director of the State  
35 Planning Commission; the Executive Director of the New Jersey State  
36 Council on the Arts; the Administrator of the New Jersey Urban  
37 Enterprise Zone Program; the Executive Director of the New Jersey  
38 Economic Development Authority; the Director of the Division of  
39 Local Government Services in the Department of Community Affairs;  
40 and the Director of the Division of Travel and Tourism in the  
41 Department of Commerce, Energy and Economic Development, or  
42 their representatives. The nonvoting members would be citizens  
43 representing organizations interested in urban revitalization, historic  
44 preservation, or urban open space preservation, and would be  
45 appointed by the Commissioner of Environmental Protection.

46 Under the bill, the Director of the Division of Travel and Tourism

1 in the Department of Commerce, Energy and Economic Development  
2 would be required to publicize the existence, locations, and resources  
3 of urban heritage districts, and encourage the utilization of individual  
4 urban heritage districts through exhibits, waysides, signage,  
5 interpretive media, or brochures, pamphlets, or guidebooks.

6 The bill would provide host municipalities with special priority  
7 consideration for funding of projects in urban heritage districts  
8 whenever funds are distributed through various State programs or  
9 entities, i.e., Green Acres, New Jersey Historic Trust, urban forestry,  
10 New Jersey Economic Development Authority, Department of  
11 Commerce, Energy and Economic Development, and federal "ISTEA."

12 Vendors located in urban heritage districts would be authorized to  
13 charge 3% sales tax, under certain conditions.

14 The bill would create an "Urban Heritage District Maintenance  
15 Trust Fund," which would be credited with all tax revenues collected  
16 within urban heritage districts and any other monies appropriated by  
17 the Legislature or donated to the fund. Monies deposited in the fund  
18 would be required to be appropriated, allocated, and used in urban  
19 heritage districts for, among other things: repair and maintenance;  
20 installation of security measures; removal of litter; making aesthetic or  
21 other improvements; and, if monies are still available after the above  
22 uses have been exhausted, meeting operational costs. All tax revenues  
23 deposited into the fund collected from the vendors of each urban  
24 heritage district would be annually disbursed to the respective host  
25 municipality within which the vendors are located for expenditure in  
26 accordance with the provisions of the bill.

27 An amount not to exceed five percent of the annual tax revenues  
28 deposited into the Urban Heritage District Maintenance Trust Fund  
29 created by the bill would be annually appropriated to the coordinating  
30 committee for expenses incurred by the coordinating committee and  
31 by any other State agency in connection with administering or carrying  
32 out the provisions of the bill, including the hiring of any necessary  
33 personnel, but that this provision would not take effect until (1) at  
34 least three urban heritage districts have been designated pursuant to  
35 the bill, and (2) the tax revenues have been collected from three urban  
36 heritage districts, and deposited into the fund, for a period of one year.

37 The bill would also provide a 100% corporate tax credit to any  
38 taxpayer who provides materials, supplies, services, or funds to a host  
39 municipality to assist it in the planning, design, development,  
40 maintenance, improvement, or operation of an urban heritage district.

41

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43

44

45 The "Urban Heritage District Act."