

34:1B-2 thru 34:1B-4

LEGISLATIVE HISTORY CHECKLIST

(Municipalities to establish urban growth zones;
H.R.S.A. 34:1B-2 to 34:1B-4 amends Economic Development Authority Act)

LAWS OF 1977 CHAPTER 393

Bill No. S1712

Sponsor(s) Merlino, Greenberg

Date Introduced October 7, 1976

Committee: Assembly Municipal Government

Senate County & Municipal Government

Amended during passage Yes Amendments during passage
Also amended according to Governor's recommendations. denoted by asterisks
Date of Passage: Assembly May 26, 1977 Re'enacted Dec. 1, 1977

Senate Jan. 17, 1977 Re'enacted Nov. 21, 1977

Date of approval Feb 23, 1978

Following statements are attached if available:

Sponsor statement	Yes	<input checked="" type="checkbox"/>
Committee Statement: Assembly	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Senate	Yes	<input checked="" type="checkbox"/>
Fiscal Note	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Veto Message	Yes	<input checked="" type="checkbox"/>
Message on signing	Yes	<input checked="" type="checkbox"/>

Following were printed:

Reports	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Hearings	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Do Not Remove From Library

9/1/73

393
APPROVED 2/23/78

[THIRD OFFICIAL COPY REPRINT]

SENATE, No. 1712

STATE OF NEW JERSEY

INTRODUCED OCTOBER 7, 1976

By Senators MERLINO and GREENBERG

Referred to Committee on County and Municipal Government

AN ACT to amend "The New Jersey Economic Development Authority Act," approved August 7, 1974 (P. L. 1974, c. 80).

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

1 1. Section 2 of P. L. 1974, c. 80 (C. 34:1B-2) is amended to read
2 as follows:

3 2. The Legislature hereby finds and determines that:

4 a. Department of Labor and Industry statistics of recent years
5 indicate a continuing decline in manufacturing employment within
6 the State which is a contributing factor to the drastic unemployment
7 existing within the State, which far exceeds the national average,
8 thus adversely affecting the economy of the State and the pros-
9 perity, safety, health and general welfare of its inhabitants and
10 their standard of living; that there is an urgent need to protect and
11 enhance the quality of the natural environment and to reduce, abate
12 and prevent environmental pollution derived from the operation of
13 industry, utilities and commerce within the State; and that the
14 availability of financial assistance and suitable facilities are
15 important inducements to new and varied employment promoting
16 enterprises to locate in the State, to existing enterprises to remain
17 and expand in the State, and to industry, utilities and commerce
18 to reduce, abate and prevent environmental pollution.

19 b. The provision of buildings, structures and other facilities to
20 increase opportunity for employment in manufacturing, industrial,
21 commercial, recreational, retail and service enterprises in the
22 State is in the public interest and it is a public purpose for the State
23 to induce and to accelerate opportunity for employment in such
24 enterprises.

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

25 c. In order to aid in supplying these needs and to assist in the
26 immediate reduction of unemployment and to provide sufficient
27 employment for the citizens of the State in the future, it is neces-
28 sary and in the public interest to aid and encourage the immediate
29 commencement of new construction projects of all types, to induce
30 and facilitate the acquisition and installation at an accelerated
31 rate of such devices, equipment and facilities as may be required
32 to reduce, abate and prevent environmental pollution by industry,
33 utilities and commerce.

34 d. The availability of financial assistance by the State will reduce
35 present unemployment and improve future employment opportuni-
36 ties by encouraging and inducing the undertaking of such construc-
37 tion projects, the location, retaining or expanding of employment
38 promoting enterprises within the State, and the accelerated acquisi-
39 tion and installation of pollution control devices, equipment and
40 facilities.

41 *e. In many municipalities in our State substantial and persistent*
42 *unemployment exists; and, many existing residential, industrial,*
43 *commercial and manufacturing facilities within such municipalities*
44 *are either obsolete, inefficient, dilapidated or are located without*
45 *regard to the master plans of such municipalities; and, the obso-*
46 *lescence and abandonment of existing facilities will increase with*
47 *further technological advances, the provision of modern, efficient*
48 *facilities in other states and the difficulty which many municipalities*
49 *have in attracting new facilities; and, that many existing and*
50 *planned employment promoting facilities are far from or not easily*
51 *accessible to the places of residence of substantial numbers of*
52 *unemployed and underemployed persons.*

53 *f. By virtue of their architectural and cultural heritage, their*
54 *positions as principal centers of communication and transportation*
55 *and their concentration of productive and energy efficient facilities,*
56 *many municipalities are capable of ameliorating the conditions of*
57 *deterioration which impede sound community growth and develop-*
58 *ment; and, that building a proper balance of housing, industrial*
59 *and commercial facilities and increasing the attractiveness of such*
60 *municipalities to persons of all income levels is essential to restoring*
61 *such municipalities as desirable places to live, work, shop and*
62 *enjoy life's amenities; that the accomplishment of these objectives*
63 *is beyond remedy solely by the regulatory process in the exercise*
64 *of the police power and cannot be dealt with effectively by the*
65 *ordinary operations of private enterprise without the powers pro-*
66 *vided herein, ad that the exercise of the powers herein provided is*

67 *critical to continuing the process of revitalizing such municipalities*
 68 *and will serve an urgent public use and purpose.*

69 The Legislature further determines that in order to aid in
 70 remedying the aforesaid conditions and to further and implement
 71 the purposes of this act, that there shall be created a body politic
 72 and corporate having the powers, duties and functions provided in
 73 this act and that the authority and powers conferred under this
 74 act and the expenditure of moneys pursuant thereto constitutes a
 75 serving of a valid public purpose and that the enactment of the
 76 provisions hereinafter set forth is in the public interest and for the
 77 public benefit and good and is hereby so declared to be as a matter
 78 of express legislative determination.

1 2. Section 3 of P. L. 1974, c. 80 (C. 34:1B-3) is amended to read
 2 as follows:

3 3. As used in this act, unless a different meaning clearly appears
 4 from the context:

5 a. "Authority" means the New Jersey Economic Development
 6 Authority, created by section 4 of this act.

7 b. "Bonds" means bonds or other obligations issued by the
 8 Authority pursuant to this act.

9 c. "Cost" means the cost of the acquisition, construction, recon-
 10 struction, repair, alteration, improvement and extension of any
 11 building, structure, facility including water transmission facilities,
 12-13 or other improvement; the cost of machinery and equipment, the
 14 cost of acquisition, construction, reconstruction, repair, alteration,
 15 improvement and extension of pollution control devices, equipment
 16 or facilities; the cost of lands, rights-in-lands, easements, privi-
 17 leges, agreements, franchises, utility extensions, disposal facilities,
 18 access roads and site development deemed by the authority to be
 19 necessary or useful and convenient for any project or in connection
 20 therewith, discount on bonds, costs of issuance of bonds, engineering
 21 and inspection costs, cost of financial, legal, professional and other
 22 estimates and advice, organization, administrative, insurance,
 23 operating and other expenses of the authority or any person prior
 24 to and during any acquisition or construction, and all such expenses
 25 as may be necessary or incident to the financing, acquisition, con-
 26 struction or completion of any project or part thereof, and all such
 27 provision for reserves for payment or security of principal of or
 28 interest on bonds during or after such acquisition or construction
 29 as the authority may determine.

30 d. "County" means any county of any class.

31 e. *“Development property” means any real or personal property*
 32 *interest therein, improvements thereon, appurtenances thereto and*
 33 *air or other rights in connection therewith, including land, buildings,*
 34 *plants, structures, systems, works, machinery and equipment*
 35 *acquired or to be acquired by purchase, gift or otherwise by the*
 36 *authority within an urban growth zone.*

37 **[e.] f.** *“Person” means any person, including individuals, firms,*
 38 *partnerships, associations, societies, trusts, public or private*
 39 *corporations, or other legal entities, including public or govern-*
 40 *mental bodies as well as natural persons. “Person” shall include*
 41 *the plural as well as the singular.*

42 **[f.] g.** *“Pollution control project” means any device, equipment,*
 43 *improvement, structure or facility or any land and any building,*
 44 *structure, facility or other improvement thereon, or any combina-*
 45 *tion thereof, whether or not in existence or under construction,*
 46 *or the refinancing thereof in order to facilitate improvements or*
 47 *additions thereto or upgrading thereof, and all real and personal*
 48 *property deemed necessary thereto, having to do with or the end*
 49 *purpose of which is the control, abatement or prevention of land,*
 50 *sewer, water, air, noise or general environmental pollution, includ-*
 51 *ing, but not limited to, any air pollution control facility, noise*
 52 *abatement facility, water management facility, thermal pollution*
 53 *control facility, radiation contamination control facility, waste*
 53A *water collection system, waste water treatment works, sewage*
 54 *treatment works system, sewage treatment system or solid waste*
 55 *disposal facility or site; provided that the authority shall have*
 56 *received from the Commissioner of the State Department of*
 57 *Environmental Protection or his duly authorized representative,*
 58 *a certificate stating the opinion that, based upon information, facts*
 59 *and circumstances available to the State Department of Environ-*
 60 *mental Protection and any other pertinent data, (1) said pollution*
 61 *control facilities do not conflict with, overlap or duplicate any*
 62 *other planned or existing pollution control facilities undertaken*
 63 *or planned by another public agency or authority within any*
 64 *political subdivision, and (2) that such facilities, as designed, will*
 65 *be a pollution control project as defined in this act and are in*
 66 *furtherance of the purpose of abating or controlling pollution.*

67 **[g.] h.** *“Project” means (1) (a) acquisition, construction, re-*
 68 *construction, repair, alteration, improvement and extension of any*
 69 *building, structure, facility including water transmission facilities*
 70 *or other improvement, whether or not in existence or under*
 71 *construction, (b) purchase and installation of equipment and*

72 machinery, **[and]** (c) *acquisition and* improvement of real estate
 73 and the extension or provision of utilities, access roads and other
 74 appurtenant facilities, all of which are to be used or occupied
 75 by any person in any enterprise promoting employment, either for
 76 the manufacturing, processing or assembly of materials or products,
 77 or for research or office purposes, including, but not limited to,
 78 medical and other professional facilities, or for industrial, recrea-
 79 tional, hotel or motel facilities, public utility and warehousing,
 80 or for commercial and service purposes, including, but not limited
 81 to, retail outlets, retail shopping centers, restaurant and retail
 82 food outlets, and any and all other employment promoting enter-
 83 prises, ****including, but not limited to motion picture and television*
 83A *studios and facilities**** and (d) *acquisition of an equity interest in,*
 84 *including capital stock of, any corporation;* or any combination of
 85 the above, which the authority determines will (i) tend to main-
 86 tain or provide gainful employment opportunities within and for
 87 the people of the State, or (ii) aid, assist and encourage the eco-
 88 nomic development or redevelopment of any political subdivision
 89 of the State, or (iii) maintain or increase the tax base of the State
 90 or of any political subdivision of the State, or (iv) maintain or
 91 diversify and expand employment promoting enterprises within
 92 the State; and (2) the cost of acquisition, construction, recon-
 93 struction, repair, alteration, improvement and extension of a pol-
 94 lution control project which the **[Authority]** *authority* determines
 95 will tend to reduce, abate or prevent environmental pollution
 96 within the State. Project may also include (i) reimbursement to
 97 any person for costs in connection with any project, or the re-
 98 financing of any project or portion thereof, if determined by the
 99 authority as necessary and in the public interest to maintain em-
 100 ployment and the tax base of any political subdivision and will
 101 facilitate improvements thereto or the completion thereof, *and*
 102 (ii) *development property and any construction, reconstruction,*
 103 *improvement, alteration, equipment or maintenance or repair, or*
 104 *planning and designing in connection therewith;* but shall not in-
 105 clude raw materials, work in progress or stock in trade.

106 **[h.]** i. "Revenues" means receipts, fees, rentals, or other pay-
 107 ments to be received on account of lease, mortgage, conditional sale,
 108 or sale and payments and any other income derived from the lease,
 109 sale or other disposition of a project, moneys in such reserve and
 110 insurance funds or accounts or other funds and accounts and income
 111 from the investment thereof, established in connection with the
 112 issuance of bonds or notes for a project or projects, and fees,

113 charges or other moneys to be received by the authority in respect
114 of projects and contracts with persons.

115 **[i.]** *j.* "Resolution" means any resolution adopted or trust
116 agreement executed by the authority pursuant to which bonds of
117 the authority are authorized to be issued.

118 *k.* "Urban growth zone" means any area within a municipality
119 receiving State aid pursuant to the provisions of P. L. 1971, c. 64,
120 **or a municipality certified by the Commissioner of Community
121 Affairs to qualify under such law in every respect except popula-
122 tion,** **[and]*** which *area* has been so designated pursuant to
123 **[resolution]*** *an ordinance* of the governing body of such
124 municipality.

1 3. Section 4 of P. L. 1974, c. 80 (C. 34:1B-4) is amended to
2 read as follows:

3 4. a. There is hereby established in, but not of, the Department
4 of Labor and Industry a public body corporate and politic, with
5 corporate succession, to be known as the "New Jersey Economic
6 Development Authority." The authority is hereby constituted as
7 an instrumentality of the State exercising public and essential
8 governmental functions, and the exercise by the authority of the
9 powers conferred by this act shall be deemed and held to be an
10 essential governmental function of the State.

11 b. The authority shall consist of the Commissioner of Labor and
12 Industry, the Commissioner of Environmental Protection, the
13 Commissioner of Community Affairs, and the State Treasurer,
14 who shall be members ex officio, and three members appointed by
15 the Governor with the advice and consent of the Senate for terms
16 of 3 years, provided that the members of the authority (other than
17 the ex-officio members) first appointed by the Governor shall serve
18 for terms of 1 year, 2 years, and 3 years respectively. Each mem-
19 ber shall hold office for the term of his appointment and until his
20 successor shall have been appointed and qualified. A member shall
21 be eligible for reappointment. Any vacancy in the membership
22 occurring other than by expiration of term shall be filled in the
23 same manner as the original appointment but for the unexpired
24 term only. *In the event the authority shall by resolution determine*
25 *to accept the declaration of an urban growth zone by any munici-*
25A *pality, the mayor or other chief executive officer of such munici-*
26 *pality shall ex officio be a member of the authority for the purpose*
27 *of participating and voting on all matters pertaining to such urban*
28 *growth zone.*

29 c. Each appointed member may be removed from office by the
30 Governor, for cause, after a public hearing, and may be suspended

31 by the Governor pending the completion of such hearing. Each
32 member before entering upon his duties shall take and subscribe
33 an oath to perform the duties of his office faithfully, impartially
34 and justly to the best of his ability. A record of such oaths shall
35 be filed in the office of the Secretary of State.

36 d. The Commissioner of Labor and Industry shall be the chair-
37 man of the authority. The members of the authority shall elect
38 from their remaining number a vice chairman and a treasurer
39 thereof. The authority shall employ an executive director who
40 shall be its secretary and chief executive officer. The powers of
41 the authority shall be vested in the members thereof in office from
42 time to time and four members of the authority shall constitute a
43 quorum at any meeting thereof. Action may be taken and motions
44 and resolutions adopted by the authority at any meeting thereof
45 by the affirmative vote of at least four members of the authority.
46 No vacancy in the membership of the authority shall impair the
47 right of a quorum of the members to exercise all the powers and
48 perform all the duties of the authority.

49 e. Each member of the authority shall execute a bond to be con-
50 ditioned upon the faithful performance of the duties of such mem-
51 ber in such form and amount as may be prescribed by the Comp-
52 troller of the Treasury. Such bonds shall be filed in the office of
53 the Secretary of State. At all times thereafter the members and
54 treasurer of the authority shall maintain such bonds in full force
55 and effect. All costs of such bonds shall be borne by the authority.

56 f. The members of the authority shall serve without compensa-
57 tion, but the authority shall reimburse its members for actual ex-
58 penses necessarily incurred in the discharge of their duties.
59 Notwithstanding the provisions of any other law, no officer or
60 employee of the State shall be deemed to have forfeited or shall
61 forfeit his office or employment or any benefits or emoluments
62 thereof by reason of his acceptance of the office of ex-officio member
63 of the authority or his services therein.

64 g. Each ex-officio member of the authority may designate an
65 officer or employee of his department to represent him at meetings
66 of the authority, and each such designee may lawfully vote and
67 otherwise act on behalf of the member for whom he constitutes
68 the designee. Any such designation shall be in writing delivered
69 to the authority and shall continue in effect until revoked or
70 amended by writing delivered to the authority.

71 h. The authority may be dissolved by act of the Legislature on
72 condition that the authority has no debts or obligations outstand-
73 ing or that provision has been made for the payment or retirement

74 of such debts or obligations. Upon any such dissolution of the
75 authority, all property, funds and assets thereof shall be vested in
76 the State.

77 i. A true copy of the minutes of every meeting of the authority
78 shall be forthwith delivered by and under the certification of the
79 secretary thereof to the Governor. No action taken at such meeting
80 by the authority shall have force or effect until 10 days, Saturdays,
81 Sundays, and public holidays excepted, after such copy of the
82 minutes shall have been so delivered unless during such 10-day
83 period the Governor shall approve the same in which case such
84 action shall become effective upon such approval. If, in said 10-
85 day period, the Governor returns such copy of the minutes with
86 veto of any action taken by the authority or any member thereof
87 at such meeting, such action shall be null and void and of not effect.
88 The powers conferred in this paragraph (i) upon the Governor
89 shall be exercised with due regard for the rights of the holders of
90 bonds and notes of the authority at any time outstanding, and
91 nothing in, or done pursuant to, this paragraph (i) shall in any
92 way limit, restrict or alter the obligation or powers of the authority
93 or any representative or officer of the authority to carry out and
94 perform in every detail each and every covenant, agreement or
95 contract at any time made or entered into by or on behalf of the
96 authority with respect to its bonds or notes or for the benefit, pro-
97 tection or security of the holders thereof.

98 j. On or before March 31 in each year, the authority shall make
99 an annual report of its activities for the preceding calendar year
100 to the Governor and the Legislature. Each such report shall set
101 forth a complete operating and financial statement covering the
102 authority's operations during the year. The authority shall cause
103 an audit of its books and accounts to be made at least once in each
104 year by certified public accountants and cause a copy thereof to be
105 filed with the Secretary of State and the Comptroller of the Trea-
106 sury.

107 k. The Comptroller of the Treasury and his legally authorized
108 representatives are hereby authorized and empowered from time
109 to time to examine the accounts, books and records of the authority,
110 including its receipts, disbursements, contracts, sinking funds,
111 investments and any other matters relating thereto and to its
112 financial standing.

113 l. No member, officer, employee or agent of the authority shall
114 be interested, either directly or indirectly, in any project or in
115 any contract, sale, purchase, lease or transfer of real or personal
116 property to which the authority is a party.

1 4. Section 5 of P. L. 1974, c. 80 (C. 34:1B-5) is amended to
2 read as follows:

3 5. The authority shall have the following powers:

4 a. To adopt bylaws for the regulation of its affairs and the
5 conduct of its business;

6 b. To adopt and have a seal and to alter the same at pleasure;

7 c. To sue and be sued;

8 d. To acquire in the name of the authority by purchase or other-
9 wise, on such terms and conditions and such manner as it may
10 deem proper, or by the exercise of the power of eminent domain
11 in the manner provided by the Eminent Domain Act of 1971, P. L.
12 1971, c. 361 (C. 20:3-1 et seq.), any lands or interests therein or
13 other property which it may determine is reasonably necessary for
14 any project; provided, however, that the authority shall not take
15 by exercise of the power of eminent domain any real property
16 except upon consent thereto given by resolution of the governing
17 body of the municipality in which such real property is located;
18 [and provided further that at least 7 days prior to adoption of
19 such resolution, the municipal governing body shall hold a public
20 hearing on such resolution:] and provided further that the au-
21 thority shall be limited in its exercise of the power of eminent
22 domain to municipalities receiving State aid under the provisions
23 of P. L. 1971, c. 64, or to municipalities which had a population
24 in 1970 in excess of 10,000;

25 e. To enter into contracts with a person upon such terms and
26 conditions as the authority shall determine to be reasonable,
27 including but not limited to reimbursement for the planning, de-
28 signing, financing, construction, reconstruction, improvement,
29 equipping, furnishing, operation and maintenance of the project
30 and to pay or compromise any claims arising therefrom;

31 f. To establish and maintain reserve and insurance funds with
32 respect to the financing of the project;

33 g. To sell, convey or lease to any person all or any portion of
34 a project, for such consideration and upon such terms as the au-
35 thority may determine to be reasonable;

36 h. To mortgage, pledge or assign or otherwise encumber all
37 or any portion of a project or revenues whenever it shall find
38 such action to be in furtherance of the purposes of this act;

39 i. To grant options to purchase or renew a lease for any of its
40 projects on such terms as the authority may determine to be
41 reasonable;

- 42 j. To contract for and to accept any gifts or grants or loans of
43 funds or property or financial or other aid in any form from the
44 United States of America or any agency or instrumentality thereof,
45 or from the State or any agency, instrumentality or political sub-
46 division thereof, or from any other source and to comply, subject
47 to the provisions of the act, with the terms and conditions thereof;
- 48 k. In connection with any application for assistance under this
49 act or commitments therefor, to require and collect such fees and
50 charges as the authority shall determine to be reasonable;
- 51 l. To adopt, amend and repeal regulations to carry out the pro-
52 visions of this act;
- 53 m. To acquire, purchase, manage and operate, hold and dispose
54 of real and personal property or interests therein, take assign-
55 ments of rentals and leases and make and enter into all contracts,
56 leases, agreements and arrangements necessary or incidental to
57 the performance of its duties;
- 58 n. To purchase, acquire and take assignments of notes, mort-
59 gages and other forms of security and evidences of indebtedness;
- 60 o. To purchase, acquire, attach, seize, accept or take title to
61 any project by conveyance or, by foreclosure, and sell, lease, man-
62 age or operate any project for a use specified in this act;
- 63 p. To borrow money and to issue bonds of the authority and to
64 provide for the rights of the holders thereof as provided in this
65 act[.];
- 66 q. To extend credit or make loans to any person for the plan-
67 ning, designing, acquiring, constructing, reconstructing, improving,
68 equipping and furnishing of a project which credits or loans may
69 be secured by loan and security agreements, mortgages, leases,
70 and any other instruments, upon such terms and conditions as the
71 authority shall deem reasonable, including provision for the estab-
72 lishment and maintenance of reserve and insurance funds, and to
73 require the inclusion in any mortgage, lease, contract, loan and
74 security agreement or other instrument, such provisions for the
75 construction, use, operation and maintenance and financing of a
76 project as the authority may deem necessary or desirable;
- 77 r. To employ consulting engineers, architects, attorneys, real
78 estate counselors, appraisers, and such other consultants and em-
79 ployees as may be required in the judgment of the authority to
80 carry out the purposes of the act, and to fix and pay their compen-
81 sation from funds available to the authority therefor, all without
82 regard to the provisions of Title 11, Civil Service, of the Revised
83 Statutes;

84 s. To do and perform any acts and things authorized by this
 85 act under, through or by means of its own officers, agents and
 86 employees, or by contracts with any person; **[and]**

87 t. To procure insurance against any losses in connection with
 88 its property, operations or assets in such amounts and from such
 89 insurers as it deems desirable;

90 u. To do any and all things necessary or convenient to carry
 91 out its purposes and exercise the powers given and granted in the
 92 act**[.]**;

93 *v. To construct, reconstruct, rehabilitate, improve, alter, equip,*
 94 *maintain or repair or provide for the construction, reconstruction,*
 95 *improvement, alteration, equipment or maintenance or repair of*
 96 *any development property and lot, award and enter into construc-*
 97 *tion contracts, purchase orders and other contracts with respect*
 98 *thereto upon such terms and conditions as the authority shall*
 99 *determine to be reasonable, including but not limited to reim-*
 100 *bursement for the planning, designing, financing, construction,*
 101 *reconstruction, improvement, equipping, furnishing, operation and*
 102 *maintenance of any such development property and the settlement*
 103 *of any claims arising therefrom and the establishment and mainte-*
 104 *nance of reserve funds with respect to the financing of such de-*
 105 *velopment property; and*

106 *w. When authorized by the governing body of a municipality*
 107 *exercising jurisdiction over an urban growth zone, to ***[exercise the***
 108 *powers of such municipality with respect to planning and zoning,*
 109 *and local building requirements, within said urban growth zone]**
 110 **construct, cause to be constructed or to provide financial assistance*
 111 *to projects in an urban growth zone which shall be exempt from the*
 112 *terms and requirements of the land use ordinances and regulations,*
 113 *including but not limited to the master plan and zoning ordinances,*
 114 *****[and the building requirements]**** of such municipality.**

1 5. This act shall take effect immediately.

84 s. To do and perform any acts and things authorized by this
85 act under, through or by means of its own officers, agents and
86 employees, or by contracts with any person; **[and]**

87 t. To procure insurance against any losses in connection with
88 its property, operations or assets in such amounts and from such
89 insurers as it deems desirable;

90 u. To do any and all things necessary or convenient to carry
91 out its purposes and exercise the powers given and granted in the
92 act**[.]**;

93 *v. To construct, reconstruct, rehabilitate, improve, alter, equip,*
94 *maintain or repair or provide for the construction, reconstruction,*
95 *improvement, alteration, equipment or maintenance or repair of*
96 *any development property and lot, award and enter into construc-*
97 *tion contracts, purchase orders and other contracts with respect*
98 *thereto upon such terms and conditions as the authority shall*
99 *determine to be reasonable, including but not limited to reim-*
100 *bursement for the planning, designing, financing, construction,*
101 *reconstruction, improvement, equipping, furnishing, operation and*
102 *maintenance of any such development property and the settlement*
103 *of any claims arising therefrom and the establishment and mainte-*
104 *nance of reserve funds with respect to the financing of such de-*
105 *velopment property; and*

106 *w. When authorized by the governing body of a municipality*
107 *exercising jurisdiction over an urban growth zone, to exercise the*
108 *powers of such municipality with respect to planning and zoning,*
109 *and local building requirements, within said urban growth zone.*

1 5. This act shall take effect immediately.

STATEMENT

This measure provides the New Jersey Economic Development Authority with the mandate and statutory powers necessary to undertake the development of new industrial and commercial centers in New Jersey's urban areas, for the purpose of increasing employment and strengthening the tax bases of these depressed areas.

The measure permits "urban aid," municipalities to designate portions of the city as "urban growth zones." The measure also enables municipalities to authorize the authority to exercise comprehensive planning, zoning, local building, permit, and development powers in such areas.

The measure further provides for the Mayor of each municipality in which the authority will develop urban growth zones to participate as a full voting member of the authority on all matters relating to such development in his municipality.

Finally, the measure amends the definition of "projects" which the authority may undertake to enable the authority to issue its bonds for the acquisition of capital stock in a company, where such acquisition will serve to create or maintain employment, as in the case of an Employee Stock Ownership Plan (ESOP).

SENATE COUNTY AND MUNICIPAL GOVERNMENT
COMMITTEE

STATEMENT TO

SENATE, No. 1712

with Senate committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 14, 1976

Senate Bill No. 1712 authorizes any municipality eligible to receive State aid for municipal services pursuant to P. L. 1971, c. 64, to establish urban growth zones which will serve as site locations for economic development projects of the New Jersey Economic Development Authority (hereafter referred to as the authority). Twenty-eight municipalities are eligible for urban aid under c. 64.

The New Jersey Economic Development Authority Act (P. L. 1974, c. 84) enables the authority to undertake or provide financial assistance to any manufacturing or commercial, including recreation or service, enterprise seeking to locate or expand its facilities within the State. Senate Bill No. 1712 authorizes any eligible municipality to create urban growth zones (subsection 2k of Senate Bill No. 1712) and to grant the authority regulatory powers over planning, zoning and "building requirements" within any urban growth zone (subsection 4w). The bill empowers the authority to acquire development property (as defined in subsection 2e) within any growth zone, created by resolution of the governing body of the municipality and accepted as a growth zone by resolution of the authority, for purposes of development or redevelopment in accordance with the provisions of the New Jersey Economic Development Authority Act, as amended by Senate Bill No. 1712.

If the authority accepts the declaration of an urban growth zone in any municipality, the mayor or other chief executive officer of that municipality shall participate and vote as an ex-officio member of the authority on all authority decisions with respect to such growth zones.

Senate Bill No. 1712 also amends existing law so as to authorize the Economic Development Authority: (1) to acquire real property, by exercise of the power of eminent domain, without the requirement for a public hearing upon adoption of a resolution approving such acquisition by the governing body of the municipality in which such land is located; (2) to acquire an equity interest in any corporation; (3) to exercise, when so authorized, the planning, zoning and building

regulation powers of municipalities; and (4) to construct, reconstruct, rehabilitate, improve, alter, equip, maintain or repair development property, or to provide and enter into contracts therefor.

The Senate Committee Amendments:

(1) Eliminate the delegation of municipal powers to the Economic Development Authority; and

(2) Require a municipality to designate a growth zone by ordinance rather than resolution, in order to allow for the holding of public hearings on the proposal to create such a zone.

The Senate Committee Amendments are not intended in any way to interfere with the total discretion of the authority to plan, undertake, regulate or manage any development project initiated by the authority within the growth zone, including the right of the authority to supersede the land use and building regulations of the host municipality.

STATE OF NEW JERSEY
EXECUTIVE DEPARTMENT

November 21, 1977

SENATE BILL NO. 1712 (2ND OCR)

Pursuant to Article V, Section I, Paragraph 14(b) of the Constitution, I herewith return Senate Bill No. 1712 (2nd OCR), with my technical objection, for reconsideration.

Senate Bill No. 1712 (2nd OCR) expands the definition of permissible Economic Development Authority projects to include (1) acquisition of real estate to be used by employment-promoting enterprises, (2) acquisition of an equity interest (including capital stock) in any corporation which will encourage economic development, redevelopment, and employment, and (3) activities connected with development properties within an "urban growth zone." I believe Senate Bill No. 1712 (2nd OCR) is in the best interest of the people of the State and wholeheartedly support the purpose of the bill.

However, a technical amendment is necessary to avoid the inadvertent repeal of language inserted in N.J.S.A. 34:1B-3 by P.L. 1977, c. 43, approved March 3, 1977. P.L. 1977, c. 43 amended the Economic Development Authority Act to include motion picture and television studios and facilities as permissible Economic Development Authority projects. Senate Bill No. 1712 omits the language added earlier this year by P.L. 1977, c. 43.

Accordingly, I herewith return Senate Bill No. 1712 (2nd OCR) for reconsideration and recommend that it be amended as follows:

Page 5, Section 2, Line 83: After "prises" insert "including, but not limited to motion picture and television studios and facilities".

Respectfully,

/s/ Brendan Byrne

GOVERNOR

[seal]

Attest:

/s/ Henry N. Luther, III

Secretary to the Governor

777901
661

FROM THE OFFICE OF THE GOVERNOR

FOR RELEASE IMMEDIATELY

PROPERTY OF
NEW JERSEY STATE LIBRARY

FOR FURTHER INFORMATION

FEBRUARY 23, 1978

MAR 28 1978

KATHY FORSYTH

Governor Brendan Byrne Thursday, signed S-1711, sponsored by Senator Martin Greenberg (D-Essex), which permits urban aid municipalities and municipalities certified by the Department of Community Affairs as qualifying for urban aid in every respect except population to establish "urban growth zones" by ordinance.

Once the ordinance is adopted, the municipality is eligible for assistance from the Economic Development Authority.

The ordinances creating the zones will be adopted by the municipalities in conjunction with the advice of the EDA, and the interaction between the EDA and the municipality will be in the nature of a negotiated agreement which includes any restrictions which the municipality wishes to impose on industrial development, such as height restrictions and type of industry restrictions. However, the zone would be exempt from other municipal land use ordinances.

The bill is a companion measure to S-1712.

S-1712, also sponsored by Senator Greenberg, empowers the Economic Development Authority to undertake the construction or rehabilitation of properties within "urban growth zones" and to enter into contracts for the development of such properties.

The bill expands the definition of permissible EDA projects to include:

- 1) the acquisition of real estate to be used by employment promoting industries;
- 2) acquisition of equity interest (including capital stock) in any corporation which will encourage the economic development, redevelopment and employment; and
- 3) activities connected with development of properties within an "urban growth zone."

If the EDA accepts the declaration of an "urban growth zone" by a municipality, the mayor of that municipality becomes an ex-officio member of the Authority for the purpose of participating in and voting on all matters pertaining to the urban growth zone.

The bill also eliminates the public hearing requirements for the exercise of the Authority's eminent domain power. Under prior law, the EDA could not acquire property by eminent domain unless the affected municipality consented by resolution following a public hearing.

#####