

55:14J-3
COPY NO. 2

December 3, 1970

LEGISLATIVE HISTORY OF R.S.55:14J-3
("N.J. House Finance Agency Law-1967" incl.condominium
(1970 amendment))

No similar bills introduced, 1967-1970.

L. 1970 Ch.32-S719.

April 2 - Introduced by Kay
Bill had statement (copy enclosed)
Not amended during Passage.

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JH/EH

SENATE, No. 719

STATE OF NEW JERSEY

INTRODUCED APRIL 2, 1970

By Senator KAY

Referred to Committee on State Government

AN ACT to amend the "New Jersey Housing Finance Agency Law of 1967," approved May 31, 1967 (P. L. 1967, c. 81).

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

1 1. Section 3 of P. L. 1967, chapter 81 (C. 55:14J-3) is amended
2 to read as follows:

3 3. The following terms wherever used or referred to in this act
4 shall have the following meanings, unless a different meaning
5 clearly appears from the context:

6 (a) "Act" means this act and the rules and regulations adopted
7 by the agency hereunder.

8 (b) "Agency" means the New Jersey Housing Finance Agency
9 created by section 4 of this act, or, if said agency shall be abolished
10 by law, the person, board, body or commission succeeding to the
11 powers and duties thereof or to whom such powers and duties shall
12 be given by law.

13 (c) "Bonds, bond anticipation notes and other obligations," or
14 "bonds, bond anticipation notes or other obligations" means any
15 bonds, notes, debentures or other evidences of financial indebted-
16 ness issued by the agency.

17 (d) "Family" means two or more persons related by blood,
18 marriage or adoption who live or expect to live together as a single
19 household in the same dwelling unit; provided, however, that any
20 individual who (1) has attained retirement age as defined in section
21 216a of the Federal Social Security Act, or (2) is under a disability
22 as defined in section 223 of that act, or (3) such other individuals
23 as the agency by rule or regulation shall include, shall be considered
24 as a family for the purpose of this act; and provided further, that
25 the surviving member of a family whose other members died during
26 occupancy of a housing project shall be considered as a family for
27 purposes of permitting continued occupancy of the dwelling unit
28 occupied by such family.

29 (e) "Family of moderate income" means a family (1) whose
 30 income is too low to compete successfully in the normal rental or
 31 mutual housing market, and (2) whose gross aggregate family
 32 income does not exceed the limits established under section 10 of
 33 this act.

34 (f) "Gross aggregate family income" means the total annual in-
 35 come of all members of a family, from whatever source derived,
 36 including but not limited to, pension, annuity, retirement and social
 37 security benefits, provided, however, that there may be excluded
 38 from income (1) such reasonable allowances for dependents, (2)
 39 such reasonable allowances for medical expenses, (3) all or any
 40 proportionate part of the earnings of gainfully employed minors
 41 or family members other than the chief wage earner, or (4) such
 42 income as is not received regularly, as the agency by rule or regula-
 43 tion may determine.

44 (g) "Housing project" or "project" means any work or under-
 45 taking, whether new construction or rehabilitation, which is de-
 46 signed for the primary purpose of providing decent, safe and sani-
 47 tary dwelling units for families of moderate income in need of
 48 housing; such undertaking may include any buildings, land, equip-
 49 ment, facilities, or other real or personal properties which are
 50 necessary, convenient, or desirable appurtenances, such as, but not
 51 limited to streets, sewers, utilities, parks, site preparation, land-
 52 scaping, and such stores, offices, and other nonhousing facilities
 53 such as administrative, community, health, recreational, educational
 54 and welfare facilities as the agency determines to be necessary,
 55 convenient or desirable appurtenances.

56 (h) "Municipality" means any political subdivision of the State
 57 other than a county or a school district.

58 (i) "Mutual housing" means a housing project operated or to
 59 be operated upon completion of construction or rehabilitation ex-
 60 clusively for the benefit of the families of moderate income who are
 61 entitled to occupancy by reason of ownership of stock in the quali-
 62 fied housing sponsor, or by reason of coownership of premises in a
 63 horizontal property regime pursuant to chapter 168 of the laws of
 64 1963, provided, however, the agency may adopt rules and regula-
 65 tions permitting a reasonable percentage of space in such project
 66 to be rented for residential or for commercial use.

67 (j) "Project cost" means the sum total of all costs incurred in
 68 the development of a housing project, which are approved by the
 69 agency as reasonable and necessary, which costs shall include, but
 70 are not necessarily limited to, (1) cost of land acquisition and any
 71 buildings thereon, (2) cost of site preparation, demolition and

72 development, (3) architect, engineer, legal, agency and other fees
 73 paid or payable in connection with the planning, execution and
 74 financing of the project, (4) cost of necessary studies, surveys,
 75 plans and permits, (5) insurance, interest, financing, tax and assess-
 76 ment costs and other operating and carrying costs during construc-
 77 tion, (6) cost of construction, reconstruction, fixtures, and equip-
 78 ment related to the real property, (7) cost of land improvements,
 79 (8) necessary expenses in connection with initial occupancy of the
 80 project, (9) a reasonable profit or fee to the builder and developer,
 81 (10) an allowance established by the agency for working capital and
 82 contingency reserves, and reserves for any anticipated operating
 83 deficits during the first 2 years of occupancy, (11) the cost of such
 84 other items, including tenant relocation, as the agency shall deter-
 85 mine to be reasonable and necessary for the development of the
 86 project, less any and all net rents and other net revenues received
 87 from the operation of the real and personal property on the project
 88 site during construction.

89 All costs shall be subject to approval and audit by the agency.
 90 The agency may adopt rules and regulations specifying in detail
 91 the types and categories of cost which shall be allowable if actually
 92 incurred in the construction or reconstruction of a housing project.

93 (k) "Qualified housing sponsor" means (1) any housing corpo-
 94 ration qualified under the provisions of the "Limited-Dividend
 95 *Nonprofit Housing Corporations or Associations Law*," P. L. 1949,
 96 chapter 184 (C. 55:16-1 et seq.), (2) any urban renewal corpora-
 97 tion or association qualified under the provisions of the "Urban
 98 Renewal Corporation and Association Law of 1961," P. L. 1961,
 99 chapter 40 (C. 40:55C-40 et seq.) which has as one of its purposes
 100 the construction, rehabilitation or operation of housing projects,
 101 (3) *any general corporation formed under the provisions of Title 14*
 102 *or Title 14A of the Revised Statutes which has as one of its pur-*
 103 *poses the construction, rehabilitation or operation of housing*
 104 *projects*, (4) any corporation or association organized not for
 105 profit under the provisions of Title 15 of the Revised Statutes or
 106 any other law of this State which has as one of its purposes the
 107 construction, rehabilitation or operation of housing projects, (5)
 108 any horizontal property regime formed under the "Horizontal
 109 Property Act," P. L. 1963, chapter 168 (C. 46:8A-1 et seq.) *or any*
 110 *condominium formed under the "Condominium Act" P. L. 1969,*
 111 *chapter 257 (C. 46:8B-1),* which has as one of its purposes the con-
 112 struction, rehabilitation or operation of housing projects, and (6)
 113 any individual or association approved by the agency as qualified

114 to own, construct, rehabilitate, operate, manage and maintain a
115 housing project.

116 (1) "Required minimum capital reserve" means the reserve
117 amount required to be maintained in the Housing Finance Fund
118 under the provisions of section 20 of this act.

1 2. This act shall take effect immediately.

STATEMENT

This is a bill to correct two inadvertent omissions in P. L. 1967, chapter 247 which amended P. L. 1967, chapter 81, the New Jersey Housing Finance Agency Law. The technical corrections state the full title of the "Limited-Dividend Nonprofit Housing Corporations or Associations Law" and include a general corporation as an eligible housing sponsor. In addition, the bill adds a condominium formed under the "Condominium Act," P. L. 1969, chapter 257 as an eligible housing sponsor.