

# 13:17-95

## LEGISLATIVE HISTORY CHECKLIST

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**LAWS OF:** 2005 **CHAPTER:** 102

**NJSA:** 13:17-95 ("Hackensack Meadowlands Transportation Planning District Act")

**BILL NO:** S1831 (Substituted for A2544)

**SPONSOR(S):** Sarlo and others

**DATE INTRODUCED:** September 27, 2004

**COMMITTEE:** **ASSEMBLY:** Transportation  
**SENATE:** Transportation

**AMENDED DURING PASSAGE:** Yes

**DATE OF PASSAGE:** **ASSEMBLY:** June 20, 2005

**SENATE:** June 23, 2005

**DATE OF APPROVAL:** June 24, 2005

### FOLLOWING ARE ATTACHED IF AVAILABLE:

[FINAL TEXT OF BILL](#) (Senate Substitute for SCS for S1831)

#### S1831

[SPONSOR'S STATEMENT:](#) (Begins on page 12 of original bill) [Yes](#)

**COMMITTEE STATEMENT:** **ASSEMBLY:** [Yes](#)

**SENATE:** [Yes](#)

[STATEMENT TO SS FOR SCS FOR S1831](#) (Begins on page 10) [Yes](#)

[FLOOR AMENDMENT STATEMENT:](#) [Yes](#)

**LEGISLATIVE FISCAL ESTIMATE:** No

#### A2544

[SPONSOR'S STATEMENT:](#) (Begins on page 12 of original bill) [Yes](#)

**COMMITTEE STATEMENT:** **ASSEMBLY:** [Yes](#)

**SENATE:** No

**FLOOR AMENDMENT STATEMENT:** No

**LEGISLATIVE FISCAL ESTIMATE:** No

**VETO MESSAGE:** No

**GOVERNOR'S PRESS RELEASE ON SIGNING:**

Yes

**FOLLOWING WERE PRINTED:**

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**REPORTS:**

No

**HEARINGS:**

No

**NEWSPAPER ARTICLES:**

No

IS 6/5/07

Title 13.  
Chapter 17.  
Article 12. (New)  
Transportation  
Planning District  
§§1-12 -  
C.13:17-95 to  
13:17-106

P.L. 2005, CHAPTER 102, *approved June 24, 2005*  
Senate Substitute (*Second Reprint*) for  
Senate Committee Substitute for  
Senate, No. 1831

1 **AN ACT** concerning the New Jersey Meadowlands Commission and  
2 supplementing P.L.1968, c.404 (C.13:17-1 et seq.).

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6

7 1. This act shall be known and may be cited as the "Hackensack  
8 Meadowlands Transportation Planning District Act."

9

10 2. The Legislature finds and declares that:

11 a. Every day, residents of New Jersey confront congestion in some  
12 part of their day as they commute to work, recreate, or travel for  
13 family business. As our State continues to grow and prosper, we can  
14 only expect more cars, trucks and buses on our roads. Meanwhile, the  
15 number of riders on our trains and buses is also increasing <sup>2</sup>along with  
16 the number of pedestrians and bicyclists<sup>2</sup>.

17 b. Our ability to deal with these demands at all levels of  
18 government is limited without a sound framework for developing  
19 responses to congestion and aging infrastructure problems and  
20 providing adequate funding to implement strategic solutions.

21 c. This act develops the concept of a transportation planning  
22 district, which permits the assessment of fees on future development  
23 to ensure that adequate transportation infrastructure is put into place  
24 to accommodate the <sup>2</sup>vehicular and pedestrian<sup>2</sup> traffic caused by future  
25 development.

26 d. Existing financial resources and existing mechanisms for  
27 securing financial commitments for transportation improvements are  
28 inadequate to meet transportation improvement needs which are the  
29 result of new development in growth areas and, therefore, it is  
30 appropriate for the State to make special provisions for the financing  
31 of needed transportation improvements in the Meadowlands District,  
32 including the assessment of fees on new developments which are

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

**Matter underlined thus is new matter.**

**Matter enclosed in superscript numerals has been adopted as follows:**

<sup>1</sup> Senate floor amendments adopted December 13, 2004.

<sup>2</sup> Assembly ATR committee amendments adopted June 13, 2005.

1 responsible for the travel demand burdens on the transportation  
2 system. Creation of a transportation planning district provides a  
3 mechanism through which the State, counties and municipalities and  
4 the New Jersey Meadowlands Commission, as well as the private  
5 sector, will have the means to work together to respond to  
6 transportation needs on a regional basis as determined by travel  
7 conditions or transportation needs in developed areas rather than upon  
8 preexisting boundaries. The New Jersey Meadowlands Commission  
9 and the Meadowlands Transportation Planning Board shall oversee the  
10 development of a district-wide transportation plan through a  
11 consultative planning process which relies upon the participation of  
12 public and private sector interests.

13 e. In assessing development fees under P.L. , c. (C. )  
14 (pending before the Legislature as this bill), the commission recognizes  
15 that: (1) those fees supplement, but do not replace, the public  
16 investment needed in the transportation system; (2) the costs of  
17 remedying pre-existing problems shall not be charged to a new  
18 development; (3) the fee charged to any particular development shall  
19 be reasonably related to the impact of that development on the  
20 transportation system of the district and shall not exceed the  
21 development's fair share of the cost of the improvements and related  
22 allowable administrative costs; and (4) no development shall be  
23 subject to any assessment or fees for transportation improvements by  
24 the State, a county or municipality, except as provided pursuant to  
25 P.L. , c. (C. ) (pending before the Legislature as this bill).  
26 In determining the basis for assessing development fees, the  
27 commission shall develop reasonable formulas that rely on established  
28 planning models.

29 f. The creation of a transportation planning district shall be  
30 accompanied by the development of strategies to improve regional  
31 <sup>2</sup>[.]<sup>2</sup> comprehensive planning, to encourage transportation-efficient  
32 land uses, to reduce automobile dependency, <sup>2</sup>to improve pedestrian  
33 and bicyclist safety,<sup>2</sup> and to encourage alternatives to peak-hour  
34 automobile trips.

35  
36 3. As used in P.L. , c. (C. ) (pending before the  
37 Legislature as this bill):

38 "Allowable administrative costs" means expenses incurred by the  
39 commission or the board in developing a district transportation plan,  
40 including a financial element, and in managing a transportation  
41 planning district.

42 "Board" means the Meadowlands Transportation Planning Board  
43 as established by section 4 of P.L. , c. (C. ) (pending before  
44 the Legislature as this bill).

45 "Chief fiscal officer" means the chief fiscal officer of the New  
46 Jersey Meadowlands Commission.

1 "Commission" or "Meadowlands Commission" means the New  
2 Jersey Meadowlands Commission established pursuant to P.L.1968,  
3 c.404 (C.13:17-1 et seq.).

4 "Commissioner" means the Commissioner of Transportation.

5 "Department" means the New Jersey Department of  
6 Transportation.

7 "Developer" means the legal or beneficial owner or owners of a lot  
8 or of any land proposed to be included in a proposed development,  
9 including the holder of an option or contract to purchase, or other  
10 person having an enforceable proprietary interest in such land.

11 "Development" means any project for which a zoning certificate is  
12 required pursuant to P.L.1968, c.404 (C.13:17-1 et seq.) or rules or  
13 regulations promulgated pursuant thereto.

14 "Development fee" means a fee assessed on a development  
15 pursuant to a resolution of the commission adopted under section 6 of  
16 P.L. , c. (C. ) (pending before the Legislature as this bill).

17 "Hackensack Meadowlands District" or "Meadowlands District"  
18 means the area within the jurisdiction of the commission set forth in  
19 section 4 of P.L.1968, c.404 (C.13:17-4).

20 "District transportation plan" or "plan" means the plan adopted  
21 pursuant to section 5 of P.L. , c. (C. ) (pending before the  
22 Legislature as this bill).

23 "Project costs" means expenses incurred in the planning, design,  
24 engineering and construction of any transportation project, and shall  
25 include debt service.

26 "Public highways" means public roads, streets, expressways,  
27 freeways, parkways, motorways and boulevards including bridges,  
28 tunnels, overpasses, underpasses, interchanges, rest areas, express bus  
29 roadways, bus pullouts and turnarounds, park-ride facilities, traffic  
30 circles, grade separations, traffic control devices, the elimination or  
31 improvement of crossings of railroads and highways, whether at grade  
32 or not at grade, bicycle and pedestrian pathways, and pedestrian and  
33 bicycle bridges traversing public highways and any facilities,  
34 equipment, property, rights-of-way, easements and interests therein  
35 needed for the construction, improvement and maintenance of  
36 highways.

37 "Public transportation project" means, in connection with public  
38 transportation service or regional ridesharing programs, passenger  
39 stations, shelters and terminals, automobile parking facilities, ferries  
40 and ferry facilities including capital projects for ferry terminals,  
41 approach roadways, pedestrian accommodations, parking, docks, and  
42 other necessary land-side improvements, ramps, track connections,  
43 signal systems, power systems, information and communication  
44 systems, roadbeds, transit lands or rights-of-way equipment storage  
45 and servicing facilities, bridges, grade crossings, rail cars, locomotives,  
46 motorbus and other motor vehicles, maintenance and garage facilities,

1 revenue handling equipment and any other equipment, facility or  
2 property useful for or related to the provision of public transportation  
3 service or regional ridesharing programs.

4 "Transportation planning district" or "district" means the  
5 meadowlands district.

6 "Transportation project" or "transportation improvement" means,  
7 in addition to public highways and public transportation projects, any  
8 equipment, facility or property useful or related to the provision of any  
9 ground, waterborne or air transportation for the movement of people  
10 and goods within or through the district, including rail freight  
11 infrastructure.

12  
13 4. a. There is hereby established a transportation planning district  
14 which shall consist of those lands which comprise the Meadowlands  
15 District. The Meadowlands Transportation Planning Board, created  
16 pursuant to subsection b. of this section, shall be the managing  
17 authority to administer and manage the transportation planning district  
18 and to carry out such additional functions as provided in P.L. , c.  
19 (C. ) (pending before the Legislature as this bill).

20 b. There is established in, but not of, the Department of  
21 Community Affairs, the Meadowlands Transportation Planning Board.  
22 The board shall consist of: the Commissioner of Community Affairs or  
23 the commissioner's designee, the Commissioner of Transportation or  
24 the commissioner's designee, a representative from Meadowlink (a  
25 ridesharing organization) or its successor organization, a  
26 representative of the Hackensack Meadowlands Municipal Committee,  
27 a representative of the Meadowlands Regional Chamber of Commerce,  
28 and four public members appointed by the Governor, with the advice  
29 and consent of the Senate. The executive director of the commission  
30 shall serve as the secretary of the board. The board shall be staffed by  
31 the employees of the commission.

32 c. In furtherance of the development of a coherent and sustainable  
33 transportation system for the district, the board shall initiate a joint  
34 planning process with participation by: State departments and  
35 agencies, corporations, commissions, boards, and authorities; those bi-  
36 state authorities, metropolitan planning organizations, and counties  
37 and municipalities with jurisdiction in the district; and private  
38 representatives. The board shall oversee the development and  
39 updating of a comprehensive, future-oriented district transportation  
40 plan in accordance with the provisions of section 5 of P.L. , c.  
41 (C. ) (pending before the Legislature as this bill).

42  
43 5. a. The district transportation plan shall establish goals, policies,  
44 needs, and improvement priorities for all modes of transportation <sup>2</sup>,  
45 including walking and bicycling.<sup>2</sup> within the district for the ensuing 20  
46 years and shall be consistent with the master plan adopted by the

1 commission pursuant to subsection (i) of section 6 of P.L.1968, c.404  
2 (C.13:17-6). The district transportation plan shall be based on a  
3 reasonable assessment of likely future growth reflected in that master  
4 plan.

5 b. The plan shall quantify transportation needs arising from  
6 anticipated future traffic passing <sup>2</sup>within or<sup>2</sup> through the district based  
7 upon future development anticipated to occur within or through the  
8 district, and reflected in the master plan. The plan shall set forth  
9 proposed transportation projects designed to address that future  
10 development, prioritized over increments of five years, the allocation  
11 of public and private shares of project costs and allowable  
12 administrative costs, and the amount, schedule and collection of  
13 development fees. If new developments are proposed in the district  
14 which are not considered in the plan which is currently in effect, the  
15 plan shall be reevaluated, notwithstanding the five-year increment  
16 provision.

17 c. The plan shall be in accordance with the State transportation  
18 master plan adopted under section 5 of P.L.1966, c.301 (C.27:1A-5),  
19 the applicable county master plans adopted under R.S.40:27-2, and the  
20 applicable regional transportation plan or plans adopted by a  
21 metropolitan planning organization pursuant to 23 C.F.R. §450.322.  
22 To the extent appropriate given the district-wide objectives of the  
23 plan, the plan shall be coordinated with local zoning ordinances and  
24 master plans.

25 d. The plan shall include a financial element setting forth a  
26 statement of projected revenue and expenses, including all project  
27 costs. The financial element of the plan shall identify public and  
28 private financial resources which may be available to fund, in whole or  
29 in part, those transportation projects set forth in the plan. The  
30 financial element shall make recommendations for the types and rates  
31 of development fees to be assessed under section 6 of P.L. , c.  
32 (C. ) (pending before the Legislature as this bill), formulas to  
33 govern the assessment of those fees, and the projected annual revenue  
34 to be derived therefrom.

35 e. The board shall make copies of the plan available to the public  
36 for inspection no less than 14 days prior to taking any formal action to  
37 recommend the plan to the commission for adoption thereof. In  
38 addition, the board shall take steps to notify members of the business  
39 community and other interested parties of the plan and shall hold a  
40 public hearing thereon after having given public notice of the hearing.

41 f. The commission may, by resolution, adopt the plan as  
42 recommended by the board or with modifications.

43

44 6. a. After the adoption of the plan by the commission pursuant  
45 to subsection f. of section 5 of P.L. , c. (C. ) (pending  
46 before the Legislature as this bill), the commission may, by resolution,

1 provide for the assessment and collection of development fees on  
2 developments within the district as provided hereunder.

3 b. Development fees assessed by the commission shall be based  
4 upon the growth and development forecasts contained in the plan and  
5 shall be levied in order to raise only those amounts needed to  
6 accomplish the transportation projects set forth in the plan and  
7 allowable administrative costs. Those fees shall be assessed based  
8 upon the formula or formulas contained in the resolution and shall be  
9 uniformly applied, with such exceptions as are authorized or required  
10 by P.L. , c. (C. ) (pending before the Legislature as this  
11 bill).

12 c. A formula or formulas adopted by the commission by resolution  
13 shall reflect a methodology which relates the use of land to the impact  
14 of the proposed development on the transportation system, including,  
15 but not limited to: vehicle trips generated by the development; the  
16 square footage of an occupied structure; the number of employees  
17 regularly employed at the development; or the number of parking  
18 spaces located at the development; or any combination thereof.

19 d. The resolution may provide for credits against assessed  
20 development fees for payments made or expenses incurred which have  
21 been determined by the commission to be in furtherance of the district  
22 transportation plan, including, but not limited to, contributions to  
23 transportation improvements other than those required for safe and  
24 efficient highway access to a development and costs attributable to the  
25 promotion of public transit <sup>2</sup>, walking, bicycling,<sup>2</sup> or ridesharing.

26 e. The resolution may either exempt or reduce the development  
27 fee for specified land uses which have been determined by the  
28 commission to have a beneficial, neutral or comparatively minor  
29 adverse impact on the transportation needs of the district.

30 f. The resolution may provide for a reduced rate of development  
31 fees for developers submitting a peak-hour automobile trip reduction  
32 plan approved by the commission under standards adopted by the  
33 commission. Standards for the approval of peak-hour automobile trip  
34 reduction plans may include, but need not be limited to, physical  
35 design for improved transit, ridesharing and pedestrian access; design  
36 of developments which include a mix of residential and nonresidential  
37 uses; and proximity to potential labor pools.

38 g. The assessment of a development fee shall be reasonably related  
39 to the impact of the proposed development on the transportation  
40 system of the district and shall not exceed the <sup>2</sup>[developer's]  
41 development's<sup>2</sup> fair share of the cost of the transportation  
42 improvement necessary to accommodate the additional burden on the  
43 district's transportation system <sup>2</sup>that is attributable to the proposed  
44 development<sup>2</sup> and related allowable administrative costs.

45 h. A resolution shall be sufficiently certain and definitive to enable  
46 every person who may be required to pay a fee to know or calculate



1 the limit and extent of the fee which is to be assessed against a specific  
2 development.

3 i. Upon the adoption by the commission of a resolution pursuant  
4 to subsection a. of this section, no separate assessment for off-site  
5 transportation improvements within the district shall be made by the  
6 State, a county or municipality except as permitted pursuant to  
7 P.L. , c. (C. ) (pending before the Legislature as this bill).

8 j. No development fees shall be assessed for any low and moderate  
9 income housing units which are constructed pursuant to the "Fair  
10 Housing Act," P.L.1985, c.222 (C.52:27D-301 et al.) or under court  
11 order or settlement.

12

13 7. a. A development fee shall be assessed on a development at the  
14 time a zoning certificate is issued. Any development for which a  
15 zoning certificate has been issued prior to the adoption of the  
16 resolution pursuant to section 6 of P.L. , c. (C. ) (pending  
17 before the Legislature as this bill) <sup>1</sup>or that has an approved  
18 development agreement with the governing State agency or  
19 municipality within the district having primary jurisdiction over the  
20 development or for which construction of a material portion of the  
21 development has commenced after the date on which a development  
22 agreement was executed<sup>1</sup> shall be exempt from the assessment of a  
23 development fee. The assessment shall be adjusted upon the issuance  
24 of a revised zoning certificate and any development which requires a  
25 revised zoning certificate after the adoption of the resolution shall be  
26 subject to the development fee.

27 b. The resolution shall specify whether the fee is to be paid at the  
28 time a zoning certificate is issued or in a series of payments as set  
29 forth in a schedule of payments contained in the resolution. The  
30 resolution may provide for payment of the fee in kind or in a series of  
31 periodic payments over a period of no more than 20 years.

32

33 8. a. The payments due to the commission, whether as a lump  
34 sum or as balances due when a series of payments is to be made, shall  
35 be enforceable by the commission as a lien on the land and any  
36 improvements thereon. The lien shall be recorded by the county  
37 officer in the record book of the county office.

38 b. When the fee is paid in full on the development or portion  
39 thereof, the lien on the development or portion thereof, as appropriate,  
40 shall be removed. When a series of payments is to be made, failure to  
41 make any one payment within 30 days after receipt of a notice of late  
42 payment shall constitute a default and shall obligate the person owing  
43 the unpaid balance to pay that balance in its entirety.

44 c. All amounts assessed as a lien pursuant to this section shall be  
45 a lien upon the land against which they are assessed in the same  
46 manner that taxes are made a lien against land pursuant to Title 54 of

1 the Revised Statutes, and the payment thereof shall be enforced within  
2 the same time and in the same manner and by the same proceedings as  
3 the payment of taxes is otherwise enforced under Title 54 of the  
4 Revised Statutes.

5  
6 9. a. A resolution adopted by the commission pursuant to section  
7 6 of P.L. , c. (C. ) (pending before the Legislature as this  
8 bill) shall provide for the establishment of a transportation planning  
9 district fund under the control of the chief fiscal officer. All monies  
10 collected from development fees shall be deposited into the fund,  
11 which shall be invested in an interest-bearing account. Monies  
12 deposited in the fund shall be used to defray project costs and  
13 allowable administrative costs.

14 b. Every transportation project funded, in whole or in part, by  
15 funds from a transportation planning district fund shall be subject to  
16 a project agreement to which the relevant entities are parties. The  
17 expenditure of funds for this purpose shall not be made from a  
18 transportation planning district fund, except by appropriation of the  
19 commission and upon certification of the chief fiscal officer that the  
20 expenditure is in accordance with a project agreement entered into  
21 pursuant to P.L. , c. (C. ) (pending before the Legislature  
22 as this bill) or is otherwise a project cost and has the approval of the  
23 commission.

24  
25 10. a. Any fees collected, plus earned interest, not committed to  
26 a transportation project under a project agreement entered into under  
27 section 9 of P.L. , c. (C. ) (pending before the Legislature  
28 as this bill) within 10 years of the date of collection, or not used for  
29 other allowable administrative costs within 10 years of the date of  
30 collection, shall be refunded to the fee-payer under a procedure  
31 prescribed by the commission; provided, however, that if the fee-payer  
32 transfers the development or any portion thereof, the fee-payer shall  
33 enter into an agreement with the grantee in such form as shall be  
34 provided by the commission which shall indicate who shall be entitled  
35 to receive any refund, and that agreement shall be filed with the chief  
36 fiscal officer.

37 b. Any person who has been assessed a development fee may  
38 request in writing a reconsideration of the assessment and a hearing by  
39 an employee so delegated by the commission within 90 days of the  
40 receipt of notification of the amount of the assessment on the grounds  
41 that the commission or its officers or employees in issuing the  
42 assessment did not abide by the provisions of P.L. , c. (C. )  
43 (pending before the Legislature as this bill) or the provisions of the  
44 resolution adopted by the commission pursuant to P.L. , c.  
45 (C. ) (pending before the Legislature as this bill).

1        11. A person may appeal to the commission any decision made in  
2 connection with the reconsideration of an assessment as authorized  
3 pursuant to subsection b. of section 10 of P.L.     , c.     (C.     )  
4 (pending before the Legislature as this bill). The commission shall  
5 review the record of the hearing and render its decision, which shall  
6 constitute an administrative action subject to review by the Appellate  
7 Division of the Superior Court. Nothing contained herein shall be  
8 construed as limiting the ability of any person so assessed from filing  
9 an appeal based upon an agreement to pay or actual payment of the  
10 fee.

11

12        12. A transportation planning district may accept loans from any  
13 public or private source, including, but not limited to, <sup>2</sup>[the New  
14 Jersey Transportation Trust Fund Authority established by section 4  
15 of the "New Jersey Transportation Trust Fund Authority Act of  
16 1984," P.L.1984, c.73 (C.27:1B-4) and]<sup>2</sup> the State Transportation  
17 Infrastructure Bank established under section 2 of P.L.1997, c.142  
18 (C.27:1B-21.11), pursuant to a project agreement for the purpose of  
19 undertaking and completing a transportation project as permitted by  
20 the commission. In this event, the project agreement shall include the  
21 obligation of the commission to make payments to the public or  
22 private source for repayment of the loan from a transportation  
23 planning fund or other available sources according to an agreed upon  
24 schedule of payments.

25

26        13. This act shall take effect immediately.

27

28

29

30

31        Establishes transportation planning district for Meadowlands District  
32 and permits fees to be assessed for transportation purposes.

**SENATE, No. 1831**

**STATE OF NEW JERSEY**  
**211th LEGISLATURE**

INTRODUCED SEPTEMBER 27, 2004

**Sponsored by:**

**Senator PAUL SARLO**

**District 36 (Bergen, Essex and Passaic)**

**Senator NICHOLAS J. SACCO**

**District 32 (Bergen and Hudson)**

**SYNOPSIS**

Allows New Jersey Meadowlands Commission to establish a transportation enhancement district and assess fees for transportation purposes.

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT concerning the New Jersey Meadowlands Commission and  
2 supplementing P.L.1968, c.404 (C.13:17-1 et seq.).

3  
4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6  
7 1. This act shall be known and may be cited as the "Hackensack  
8 Meadowlands Transportation Enhancement and Congestion Relief  
9 Act."

10  
11 2. The Legislature finds and declares that:

12 a. Every day, residents of New Jersey confront congestion in some  
13 part of their day as they commute to work, recreate, or travel for  
14 family business. As our State continues to grow and prosper, we can  
15 only expect more cars, trucks and buses on our roads. Meanwhile, the  
16 number of riders on our trains and buses is also increasing.

17 b. Our ability to deal with these demands at all levels of  
18 government is limited without a sound framework for developing  
19 responses to congestion and aging infrastructure problems and  
20 providing adequate funding to implement strategic solutions.

21 c. This act develops the concept of a transportation enhancement  
22 district, which permits the assessment of fees on future development  
23 to ensure that adequate transportation infrastructure is put into place  
24 to accommodate the traffic caused by future development.

25 d. Existing financial resources and existing mechanisms for  
26 securing financial commitments for transportation improvements are  
27 inadequate to meet transportation improvement needs which are the  
28 result of new development in growth areas and, therefore, it is  
29 appropriate for the State to make special provisions for the financing  
30 of needed transportation improvements in the Meadowlands District,  
31 including the creation of transportation enhancement subdistricts and  
32 the assessment of fees on new developments which are responsible for  
33 the travel demand burdens on the transportation system. Creation of  
34 a transportation enhancement district provides a mechanism in which  
35 the State, counties and municipalities will have the means to work  
36 together to respond to transportation needs on a regional basis as  
37 determined by travel conditions or transportation needs in developed  
38 areas rather than upon preexisting boundaries. The district becomes  
39 the framework for a private-public partnership in meeting the  
40 transportation needs of New Jersey. The Meadowlands Commission  
41 shall be the lead agency to facilitate a district-wide transportation plan.

42 e. Any of the fees assessed within a transportation enhancement  
43 district to support transportation improvements should be assessed  
44 pursuant to this act which recognizes that: (1) the fees supplement, but  
45 do not replace, the public investment needed in the transportation  
46 system; (2) the costs of remedying existing problems shall not be

1 charged to a new development; (3) the fee charged to any particular  
2 development shall be reasonably related, within the context of a  
3 practicable scheme for assessing fees within the district, to the impact  
4 of that development on the transportation system of the district and  
5 shall not exceed the development's fair share of the cost of the  
6 improvements; and (4) except for certain developments which have  
7 received preliminary approval prior to the development assessment  
8 liability date established pursuant to this act, no development shall be  
9 subject to any assessment or fees for transportation improvements by  
10 the State, a county or municipality, except as set or assessed under a  
11 transportation enhancement district established pursuant to this act.  
12 In determining the reasonableness of a fee assessed in accordance with  
13 the provisions of this act, it shall be recognized that government shall  
14 have the flexibility necessary to deal realistically with questions not  
15 susceptible of exact measurement. Furthermore, it is necessary to  
16 recognize that precise mathematical exactitude in the establishment of  
17 fees is neither feasible nor constitutionally vital.

18 f. The creation of a transportation enhancement district shall be  
19 accompanied by the development of strategies to improve regional,  
20 comprehensive planning, to encourage transportation-efficient land  
21 uses, to reduce automobile dependency, and to encourage alternatives  
22 to peak-hour automobile trips.

23

24 3. As used in this act:

25 "Act" means the "Hackensack Meadowlands Transportation  
26 Enhancement and Congestion Relief Act."

27 "Allowable costs" means: a. expenses incurred by the commission  
28 or the board in developing a district transportation enhancement plan,  
29 including a financial element to administer and manage a transportation  
30 enhancement district; and b. expenses incurred in the design,  
31 engineering and construction of any public highway or public  
32 transportation project by the department and the New Jersey Transit  
33 Corporation. All allowable costs in reference to a transportation  
34 enhancement district created under this act are to be determined by the  
35 joint planning process participants.

36 "Chief fiscal officer" means the Chief Fiscal Officer of the New  
37 Jersey Meadowlands Commission.

38 "Commission" or "Meadowlands Commission" means the New  
39 Jersey Meadowlands Commission established pursuant to P.L.1968,  
40 c.404 (C.13:17-1 et seq.).

41 "Commissioner" means the Commissioner of Transportation.

42 "County" means Hudson or Bergen County.

43 "Department" means the New Jersey Department of Transportation.

44 "Development" means "development" as defined in P.L.1968, c.404  
45 (C.13:17-1 et seq.).

1 "Development assessment liability date" means, with respect to any  
2 transportation enhancement district created under this act, the date  
3 upon which the commissioner designates the district and delineates its  
4 boundaries, a notice of which action shall be published in the New  
5 Jersey Register.

6 "Development fee" means a fee assessed on a development pursuant  
7 to a resolution of the commission adopted under section 6 of this act.

8 "District transportation enhancement plan" means the plan adopted  
9 pursuant to section 5 of this act.

10 "Enhancement district oversight board" or "oversight board" means  
11 the board appointed to advise the managing authority in connection  
12 with the policies and ongoing management of a transportation  
13 enhancement district pursuant to section 7 of this act.

14 "Fair share" means the amount of allowable costs that have a  
15 reasonable relationship, based upon rough proportionality, to the  
16 impact of a development on the transportation system of a district.

17 "Managing authority" means the commission as designated pursuant  
18 to section 7 of this act to administer and manage a transportation  
19 enhancement district.

20 "Meadowlands District" means the Hackensack Meadowlands  
21 District established pursuant to P.L.1968, c.404 (C.13:17-1 et seq.).

22 "Municipalities" means the fourteen municipalities constituting the  
23 Hackensack Meadowlands District.

24 "Property" means land and improvements thereon within the  
25 boundaries of a transportation enhancement district.

26 "Public highways" means public roads, streets, expressways,  
27 freeways, parkways, motorways and boulevards including bridges,  
28 tunnels, overpasses, underpasses, interchanges, rest areas, express bus  
29 roadways, bus pullouts and turnarounds, park-ride facilities, traffic  
30 circles, grade separations, traffic control devices, the elimination or  
31 improvement of crossings of railroads and highways, whether at grade  
32 or not at grade, bicycle and pedestrian pathways, and pedestrian and  
33 bicycle bridges traversing public highways and any facilities,  
34 equipment, property, rights-of-way, easements and interests therein  
35 needed for the construction, improvement and maintenance of  
36 highways.

37 "Public transportation project" means, in connection with public  
38 transportation service or regional ridesharing programs, passenger  
39 stations, shelters and terminals, automobile parking facilities, ferries  
40 and ferry facilities including capital projects for ferry terminals,  
41 approach roadways, pedestrian accommodations, parking, docks, and  
42 other necessary landside improvements, ramps, track connections,  
43 signal systems, power systems, information and communication  
44 systems, roadbeds, transit lands or rights-of-way equipment storage  
45 and servicing facilities, bridges, grade crossings, rail cars, locomotives,  
46 motorbus and other motor vehicles, maintenance and garage facilities,

1 revenue handling equipment and any other equipment, facility or  
2 property useful for or related to the provision of public transportation  
3 service or regional ridesharing programs.

4 "Transportation enhancement district" or "district" means a district  
5 created under section 4 of this act and adopted and approved under  
6 section 5 of this act.

7 "Transportation improvement" means a transportation project.

8 "Transportation project" means, in addition to public highways and  
9 public transportation projects, any equipment, facility or property  
10 useful or related to the provision of any ground, waterborne or air  
11 transportation for the movement of people and goods including rail  
12 freight infrastructure.

13

14 4. a. The commission may propose to the commissioner that a  
15 transportation enhancement district be established in the Meadowlands  
16 District. After the designation and delineation of such a district by the  
17 commissioner, the commission shall initiate a joint planning process for  
18 the district, with participation by State departments and agencies,  
19 corporations, commissions, boards and authorities, by bi-state  
20 authorities, affected metropolitan planning organizations, all affected  
21 municipalities, and private representatives. The purpose of the joint  
22 planning process shall be to engage in a cooperative planning  
23 partnership with the private sector, multiple State agencies, and other  
24 interested parties, to develop a comprehensive, future-oriented, draft  
25 district transportation enhancement plan. To this end, a joint planning  
26 committee shall be established by the commission consisting of  
27 representatives of the county or counties where the district is located,  
28 the municipalities in the district, the department, the private sector and  
29 other interested parties. The public sector participants in the joint  
30 planning process shall enter into a memorandum of agreement.

31 b. The draft district transportation enhancement plan shall be based  
32 on a reasonable assessment of likely future growth as determined by  
33 the participants in the joint planning process. The process shall allow  
34 municipal, county and department planning participants to determine  
35 what level of transportation service is appropriate in the transportation  
36 enhancement district.

37 c. The planning process shall ensure that the public and private  
38 sectors have the opportunity to participate in the determination of the  
39 transportation projects to be provided in the transportation  
40 enhancement district, the public and private share of project and  
41 service costs, and the amount, schedule and collection of district fees  
42 associated with implementation of the district transportation  
43 enhancement plan. A district transportation enhancement plan shall  
44 not be adopted by the commission and no further action shall be taken  
45 under other provisions of this act to establish the transportation  
46 enhancement district without the approval of the commissioner.



1 d. The draft district transportation enhancement plan shall establish  
2 goals, policies, needs and improvement priorities for all modes of  
3 transportation within the Meadowlands District for the next 20 years,  
4 shall incorporate the relevant plans of all transportation agencies  
5 within the Meadowlands District, shall quantify, to the extent possible,  
6 transportation needs arising from future traffic passing through the  
7 Meadowlands District and future development anticipated to occur  
8 within the Meadowlands District based upon a reasonable assessment  
9 of likely future growth and in accordance with the appropriate level of  
10 transportation service as determined by the joint planning process  
11 partners. The draft plan shall contain a program of transportation  
12 projects prioritized over increments of five years that addresses future  
13 transportation needs in the district and which therefore warrants  
14 financing in whole or in part from a transportation enhancement  
15 district fund to be established under section 6 of this act. The draft  
16 plan and shall provide for the assessment of development fees on new  
17 developments based upon the formulas authorized by the department.

18 e. The draft district transportation enhancement plan shall be in  
19 accordance with the State transportation master plan adopted under  
20 section 5 of P.L.1966, c.301 (C.27:1A-5) and the county master plan  
21 adopted under R.S.40:27-2 of the county or counties where the  
22 transportation enhancement district is located. The draft plan shall be  
23 consistent with the applicable regional transportation plan or plans  
24 adopted by a metropolitan planning organization pursuant to 23 CFR  
25 450.322. To the extent appropriate given the district-wide objectives  
26 of the draft plan, the draft plan shall be coordinated with local zoning  
27 ordinances and master plans. The draft plan shall also set forth a  
28 proposed structure for the administration and management of the  
29 district.

30 f. The draft district transportation enhancement plan shall include  
31 a financial element setting forth a statement of projected revenue and  
32 expenses, including all allowable costs. The financial element of the  
33 plan shall identify projected available financial resources, from all  
34 public sources and from private sources, available to fully fund all  
35 Meadowlands District transportation projects as outlined in the draft  
36 district transportation enhancement plan. The financial element shall  
37 make recommendations for the types and rates of development fees to  
38 be assessed under section 6 of this act, and the projected annual  
39 revenue to be derived therefrom.

40 g. The draft district transportation enhancement plan shall provide  
41 that fees assessed pursuant to this act shall be based on a property  
42 owner's or a developer's "fair share."

43 h. The commission shall make copies of the draft district  
44 transportation enhancement plan available to the public for inspection,  
45 shall take steps to notify members of the business community and

1 other interested parties in the proposed district of the draft plan and  
2 shall hold a public hearing thereon after having given public notice of  
3 the hearing.

4  
5 5. a. The commission, after completing all requirements of section  
6 4 of this act, may by resolution adopt a district transportation  
7 enhancement plan. The district transportation enhancement plan shall  
8 be derived from the draft district transportation enhancement plan  
9 developed under section 4 of this act and shall contain a financial  
10 element for transportation projects intended to be developed over  
11 time, in whole or in part, from a transportation enhancement district  
12 fund to be established under section 6 of this act. The district  
13 transportation enhancement plan shall be consistent with any existing  
14 capital improvements program, and incorporated into any future  
15 capital improvements program. The district transportation  
16 enhancement plan may be amended or supplemented from time to time.

17 b. No resolution adopted under this section shall take effect until  
18 approved by the commissioner. In evaluating the district  
19 transportation enhancement plan, the commissioner shall take into  
20 consideration: (1) the appropriateness of the district boundaries in  
21 light of the findings of the plan; (2) the appropriateness of the content  
22 and timing of the program of transportation projects intended to be  
23 financed in whole or part from a district transportation enhancement  
24 fund in relation to the transportation needs stemming from travel  
25 demand in the district; (3) the hearing record of the public hearing held  
26 pursuant to subsection h. of section 4 of this act; (4) any written  
27 comments submitted by municipalities or other parties; (5) the  
28 consistency of the district transportation enhancement plan with the  
29 planning requirements set forth in subsection e. of section 4 of this act;  
30 and (6) the appropriateness of the method proposed for administration  
31 and management of the district pursuant to subsection e. of section 4  
32 of this act.

33  
34 6. a. After the effective date of resolution adopted under section  
35 5 of this act with respect to a district transportation enhancement plan,  
36 the commission may provide by resolution for the assessment and  
37 collection of development fees on developments within the district.

38 b. The resolution shall specify that the development fee shall be  
39 assessed on a development at the time that the development receives  
40 approval. If the development is to be constructed in phases or there  
41 is a substantial modification of approval, the fee shall be assessed at  
42 the time of the approval of the respective phase or at the time of  
43 modification, as the case may be. For a development which has  
44 received plan approval prior to the adoption of the resolution and  
45 where final approval is not obtained for that phase of development  
46 within three years of approval, the fee shall be assessed at the time of  
47 final approval.

1 c. The resolution shall specify whether the fee is to be paid at the  
2 time a construction permit is issued or in a series of payments as set  
3 forth in a schedule of payments contained in the resolution. The  
4 resolution may provide for payment of the fee in kind or in a series of  
5 periodic payments over a period of no more than 20 years. The  
6 payments due to the commission, whether as a lump sum or as  
7 balances due where a series of payments is to be made shall be  
8 enforceable by the commission as a lien on the land and any  
9 improvements thereon. The lien shall be recorded by the appropriate  
10 county officer in the record book of the appropriate county office.  
11 The resolution shall set forth the procedures for enforcement of the  
12 lien in the event of delinquencies. When the fee is paid in full on the  
13 development or portion thereof, the lien on the development or portion  
14 thereof, as appropriate, shall be removed. The resolution shall provide  
15 for the procedure by which any portion of the land and any  
16 improvements thereon shall be released from the lien required by this  
17 section and shall require that any lien filed in accordance with this  
18 section shall contain a provision citing the release procedures. Where  
19 a series of payments is to be made, failure to make any one payment  
20 within 30 days after receipt of a notice of late payment shall constitute  
21 a default and shall obligate the person owing the unpaid balance to pay  
22 that balance in its entirety.

23 d. The resolution shall specify that any development or phase  
24 thereof that has received approval prior to the development assessment  
25 liability date shall not be subject to the assessment and collection of a  
26 development fee under this act for a period of five years from the date  
27 on which the resolution of approval was adopted, including extensions  
28 of approval, but shall be liable for the payment of off-site  
29 transportation improvements to the extent agreed upon under the  
30 applicable law, rule, regulation, ordinance or resolution in effect at the  
31 time of the agreement. Any development or phase thereof which  
32 receives approval after the development liability assessment date shall  
33 be subject to the assessment and collection of a development fee under  
34 this act, but shall receive a credit against the fee for the amount paid  
35 or obligated to be paid to State, county or municipal agencies for the  
36 cost of off-site transportation improvements under agreements entered  
37 into under the applicable law, rule, regulation, ordinance or resolution  
38 in effect at the time of the agreement.

39 e. The resolution also shall provide for the establishment of a  
40 transportation enhancement district fund under the control of the chief  
41 financial officer. All monies collected from development fees shall be  
42 deposited into the fund, which is to be invested in an interest-bearing  
43 account.

44 f. A resolution adopted under this section also may contain  
45 provisions for: (1) credits against assessed development fees for  
46 payments made or expenses incurred which have been determined by  
47 the commission to be in furtherance of the district transportation

1 enhancement plan, including, but not limited to, contributions to  
2 transportation improvements, other than those required for safe and  
3 efficient highway access to a development, and costs attributable to  
4 the promotion of public transit or ridesharing; (2) exemptions from or  
5 reduced rates for development fees for specified land uses which have  
6 been determined by the commission to have a beneficial, neutral or  
7 comparatively minor adverse impact on the transportation needs of the  
8 district; (3) a reduced rate of development fees for developments for  
9 which construction permits were issued after the development  
10 assessment liability date, but before the effective date of the resolution  
11 where those dates are different; and (4) a reduced rate of development  
12 fees for developers submitting a peak-hour automobile trip reduction  
13 plan approved by the commissioner under standards adopted by the  
14 commissioner by regulation. Standards for the approval of peak-hour  
15 automobile trip reduction plans may include, but need not be limited  
16 to, physical design for improved transit, ridesharing, and pedestrian  
17 access; design of developments which include a mix of residential and  
18 nonresidential uses; and proximity to potential labor pools.

19 The resolution shall provide for the exemption from assessment of  
20 development fees for any low and moderate income housing units  
21 which are constructed pursuant to the "Fair Housing Act," P.L.1985,  
22 c.222 (C.52:27D-301 et al.) or under court settlement, and may  
23 provide for such exemption for any development constituting public  
24 property.

25 g. A resolution shall specify that any fees collected, plus earned  
26 interest, not committed to a transportation project under a project  
27 agreement entered into under section 9 of this act within 10 years of  
28 the date of collection, or not used for other eligible allowable costs  
29 within 10 years of the date of collection, shall be refunded to the fee-  
30 payer under a procedure prescribed by the commissioner by regulation  
31 for this purpose, except that if the payer of the fee transfers the  
32 development or any portion thereof, the payer shall enter into an  
33 agreement with the grantee in such form as shall be provided by  
34 regulation of the commissioner which shall indicate who shall be  
35 entitled to receive any refund, and such agreement shall be filed with  
36 the chief fiscal officer.

37 h. A resolution shall be sufficiently certain and definitive to enable  
38 every person who may be required to pay a fee to know or calculate  
39 the limit and extent of the fee which is to be assessed against a specific  
40 development. Development fees shall be reasonably related to the  
41 development's impact on the transportation system of the district. The  
42 maximum amount of fees for transportation improvements that may be  
43 charged to any development pursuant to this act shall not exceed the  
44 developer's fair share of such improvement costs.

1 i. Any person who has been assessed a development fee under the  
2 provisions of a resolution adopted pursuant to this section may request  
3 in writing a reconsideration of the assessment and a hearing by the  
4 commission or employee so delegated by the commission within 90  
5 days of the receipt of notification of the amount of the assessment on  
6 the grounds that the commission or its officers or employees in issuing  
7 the assessment did not abide by the provisions of this act, the  
8 provisions of the resolution, or of the rules and regulations adopted by  
9 the commissioner pursuant to this act. Pursuant to rules and  
10 regulations adopted by the commissioner, in accordance with the  
11 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et  
12 seq.), the person may appeal the decision made as a result of the  
13 reconsideration of the assessment to the commissioner who shall  
14 review the record of the hearing. The decision of the commissioner  
15 shall constitute an administrative action subject to review by the  
16 Appellate Division of the Superior Court. Nothing contained herein  
17 shall be construed as limiting the ability of any person so assessed from  
18 filing an appeal based upon an agreement to pay or actual payment of  
19 the fee.

20

21 7. a. After the effective date of a resolution adopted under section  
22 5 of this act with respect to a transportation enhancement district, the  
23 commission shall, by resolution, designate itself as the managing  
24 authority.

25 b. The managing authority shall propose a detailed budget for  
26 preliminary approval. The budget shall be accompanied by a report,  
27 which shall explain how the budget contributes to the goals and  
28 objectives of the transportation enhancement district. The budget shall  
29 not be approved by the managing authority until a public hearing has  
30 been held thereon and all persons having an interest therein shall have  
31 been given an opportunity to comment thereon. Upon preliminary  
32 approval by the managing authority, a copy of the approved budget  
33 and the report shall be submitted to the commissioner for final  
34 approval.

35 c. The commission shall establish an Enhancement District  
36 Oversight Board. The oversight board shall advise the managing  
37 authority on the policies to be implemented in the district and on the  
38 district's ongoing management and shall make recommendations on the  
39 budget to the managing authority. The oversight board shall consist  
40 of: the Commissioner of Community Affairs or the commissioner's  
41 designee, the Commissioner of Transportation or the commissioner's  
42 designee, the Executive Director of the New Jersey Transit  
43 Corporation or the executive director's designee, the Executive  
44 Director of the New Jersey Sports and Exposition Authority or the  
45 executive director's designee, the Executive Director of the New  
46 Jersey Turnpike Authority or the executive director's designee, a  
47 representative from Meadowlink, a ridesharing organization, a

1 representative of the Hackensack Meadowlands Municipal Committee,  
2 a representative of the Meadowlands Regional Chamber of Commerce  
3 and three public members appointed by the Governor.  
4

5 8. A resolution adopted under section 6 of this act shall provide for  
6 the assessment of the development fees based upon the formula or  
7 formulas contained in the resolution and authorized by the  
8 commissioner and uniformly applied, with such exceptions as are  
9 authorized or required by this act and by regulation. The commissioner  
10 may authorize a formula or formulas relating the amount of the fee to  
11 impact on the transportation system of the district, including, but not  
12 limited to, the following factors: vehicle trips generated by the  
13 development, the occupied square footage of a developed structure,  
14 the number of employees regularly employed at the development, or  
15 the number of parking spaces located at the development or any  
16 combination of the foregoing. In developing the authorized formula  
17 or formulas, the commissioner may consult with knowledgeable  
18 persons in appropriate fields, which may include, but need not be  
19 limited to, land use law, planning, traffic engineering, real estate  
20 development, transportation, and local government. No separate  
21 assessments for off-site transportation improvements within the district  
22 shall be made by the State, a county or municipality except as  
23 permitted in this act. Except for certain developments which have  
24 received approval prior to the development assessment liability date,  
25 no development within the district shall be subject to any assessment  
26 or fees for transportation improvements by the State, a county or  
27 municipality except as set or assessed under a transportation  
28 enhancement district.  
29

30 9. Every transportation project funded, in whole or in part, by  
31 funds from a transportation enhancement district fund shall be subject  
32 to a project agreement to which the relevant entities are parties. The  
33 expenditure of funds shall not be made from a transportation  
34 enhancement district fund, except by appropriation of the commission  
35 and upon certification of the chief fiscal officer that the expenditure is  
36 in accordance with a project agreement entered into pursuant to this  
37 act or is otherwise an allowable cost and with the approval of the  
38 commission.  
39

40 10. A transportation enhancement district may accept loans from  
41 any public or private source, including, but not limited to, the New  
42 Jersey Transportation Trust Fund Authority and the State  
43 Transportation Infrastructure Bank, pursuant to a project agreement  
44 for the purpose of undertaking and completing a transportation project  
45 as permitted by the commission. In this event, the project agreement  
46 shall include the obligation of the commission to make payments to the  
47 public or private source for repayment of the loan from a

1 transportation enhancement fund or other available sources according  
2 to an agreed upon schedule of payments.

3

4 11. Except as provided by this act, no county or municipality shall  
5 establish or operate a district other than a transportation enhancement  
6 district within the boundaries delineated by the commissioner for a  
7 transportation enhancement district under section 4 of this act if that  
8 district is for the purpose of consolidating the required contributions  
9 for transportation improvements of applicants for development within  
10 the district.

11

12 12. The commissioner shall adopt rules and regulations, in  
13 accordance with the "Administrative Procedure Act," P.L.1968, c.410  
14 (C.52:14B-1 et seq.) to effectuate the purposes of this act.

15

16 13. This act shall take effect immediately.

17

18

19

#### STATEMENT

20

21 This bill, entitled the "Hackensack Meadowlands Transportation  
22 Enhancement and Congestion Relief Act," permits the New Jersey  
23 Meadowlands Commission, with the approval of the Commissioner of  
24 Transportation, to establish transportation enhancement districts.

25 The transportation enhancement districts under this bill would be  
26 permitted to assess fees on future developments. Development fees  
27 may be assessed to pay for transportation projects to meet future  
28 transportation needs.

29 The bill permits certain planning costs for a transportation  
30 enhancement district to be recouped from development fees as  
31 assessed by the transportation enhancement district. The bill limits  
32 certain exemptions from development fee assessments by a  
33 transportation enhancement district to five years, including extensions  
34 of site development approvals.

35 The bill provides that the maximum amount of fees for  
36 transportation projects that may be charged to a developer within a  
37 transportation enhancement district shall not exceed the developer's  
38 "fair share." "Fair share" is defined to mean the amount of allowable  
39 costs that have a reasonable relationship, based upon rough  
40 proportionality, to the impact of the development in question on the  
41 transportation system of the transportation enhancement district.  
42 Except for certain developments which have received approval prior  
43 to the development assessment liability date established in the bill, no  
44 development within a transportation enhancement district is to be  
45 subject to any assessment for transportation improvements by the  
46 State, county or municipality except as set or assessed under a  
47 transportation enhancement district established pursuant to this bill.

1       The process of creating a transportation enhancement district  
2 involves the use of a joint planning process, with opportunity for  
3 participation by State agencies, corporations, commissions, boards and  
4 authorities, metropolitan planning organizations, affected counties and  
5 municipalities and the private sector, to produce a draft comprehensive  
6 transportation enhancement plan, including a financial element. A  
7 joint planning committee is also to be established. The draft plan is to  
8 establish goals for all modes of transportation within the district,  
9 incorporate the relevant plans of all transportation agencies, and shall  
10 contain a program of transportation projects prioritized over  
11 increments of five years that address future transportation needs in the  
12 district. The public sector participants in the joint planning process  
13 shall enter into a memorandum of agreement.



# ASSEMBLY TRANSPORTATION COMMITTEE

## STATEMENT TO

[First Reprint]

## SENATE SUBSTITUTE FOR

## SENATE COMMITTEE SUBSTITUTE FOR **SENATE, No. 1831**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: JUNE 13, 2005

The Assembly Transportation Committee reports favorably and with committee amendments, first reprint to Senate Substitute for Senate Bill No. 1831(SCS).

This amended bill, entitled the "Hackensack Meadowlands Transportation Planning District Act," establishes a Transportation Planning District consisting of those lands which comprise the Meadowlands District.

The New Jersey Meadowlands Commission (the "commission") is authorized to adopt a resolution providing for the assessment and collection of development fees on future developments within the transportation planning district. The development fees would pay for future transportation projects and allowable administrative costs connected with the transportation planning district.

The bill provides that development fees may be assessed in the transportation planning district on developments which have received a zoning certificate issued on or after the adoption of the resolution assessing the fees. The bill includes a list of the developments that would be exempt from the assessment of a development fee which is otherwise authorized under the bill.

The bill provides that the development fees for transportation projects that may be charged to a development within a transportation planning district shall be reasonably related to the impact of that development on the transportation system of the district and shall not exceed the development's fair share of the cost of the transportation improvements and related allowable administrative costs. No development within a transportation planning district is to be subject to a separate assessment for transportation improvements by the State, county or municipality except as permitted by this bill.

The process of creating a transportation planning district involves the use of a joint planning process to produce a comprehensive district transportation plan, with opportunity for participation by: State agencies, corporations, commissions, boards, and authorities; those bi-state authorities, metropolitan planning organizations, counties and municipalities having jurisdiction in the district; and the private sector. A Meadowlands Transportation Planning Board is established in the bill to initiate and oversee the joint planning process. The plan is to establish goals for all modes of transportation within the district, be consistent with the commission's master plan, and contain a program of transportation projects for the ensuing 20 years prioritized over increments of five years that address future transportation needs in the district.

The plan is to include a financial element setting forth a statement of projected revenue and expenses, including all transportation project costs. The financial element is also to make recommendations for the types and rates of development fees to be assessed under the bill. The development fees adopted by the commission shall be assessed based upon the formula or formulas adopted by the commission which reflect a methodology which relates the use of land to the impact of the proposed development on the transportation system, including but not limited to; vehicle trips generated by the development; the square footage of an occupied structure; the number of employees regularly employed at the development; or the number of parking spaces at the development; or any combination of the above. The development fees shall be based upon the growth and development forecasts contained in the plan.

As amended and released by the Committee, the bill is identical to the Committee's substitute bill for A-2544.

#### COMMITTEE AMENDMENTS

The Committee's amendments added language to ensure that the transportation planning district take into account the safety of pedestrians and bicyclists and to encourage such use when planning.

The Committee's amendments removed from section 12 the reference to the New Jersey Transportation Trust Fund Authority as a possible source for loans.

The Committee's amendments in section 5 clarify that the plan shall quantify transportation needs arising from anticipated future traffic passing within or through the district.

# SENATE TRANSPORTATION COMMITTEE

## STATEMENT TO

### SENATE COMMITTEE SUBSTITUTE FOR **SENATE, No. 1831**

# **STATE OF NEW JERSEY**

DATED: OCTOBER 4, 2004

The Senate Transportation Committee reports favorably Senate Committee Substitute for Senate Bill No. 1831.

As reported, this substitute bill, entitled the "Hackensack Meadowlands Transportation Planning District Act" establishes a Transportation Planning District comprising the 14 municipalities constituting the Meadowlands District.

The transportation planning district under this bill would be permitted to assess fees on future developments. Development fees may be assessed to pay for transportation projects to meet future transportation needs. The bill limits certain exemptions from development fee assessments by the transportation planning district to five years, including extensions.

The bill provides that the maximum amount of fees for transportation projects that may be charged to a developer within a transportation planning district shall not exceed the developer's "fair share." "Fair share" is defined to mean the amount of allowable costs that have a reasonable relationship, based upon rough proportionality, to the impact of the development in question on the transportation system of the transportation planning district. Except for certain developments which have received approval prior to the development assessment liability date established in the bill, no development within a transportation planning district is to be subject to any assessment for transportation improvements by the State, county or municipality except as set or assessed under a transportation planning district established pursuant to this bill.

The process of creating a transportation planning district involves the use of a joint planning process, with opportunity for participation by State agencies, corporations, commissions, boards and authorities, metropolitan planning organizations, affected counties and municipalities and the private sector, to produce a draft comprehensive transportation plan, including a financial element. A joint planning committee is also to be established. The draft plan is to establish goals for all modes of transportation within the district, incorporate the relevant plans of all transportation agencies, and shall contain a program of transportation projects prioritized over increments of five

years that address future transportation needs in the district. The public sector participants in the joint planning process shall enter into a memorandum of agreement.

A Meadowlands Transportation Planning Board is to be designated in, but not of, the Meadowlands Commission to initiate the joint planning process and to concur in a final district transportation plan which it proposes to the Meadowlands Commission for initial approval. The Planning Board will also serve as the managing authority for the district with its staffing to be handled by the staff of the Meadowlands Commission.

SENATE SUBSTITUTE FOR  
SENATE COMMITTEE SUBSTITUTE FOR  
**SENATE, No. 1831**

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**STATE OF NEW JERSEY**  
**211th LEGISLATURE**

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ADOPTED DECEMBER 6, 2004

**Sponsored by:**

**Senator PAUL SARLO**

**District 36 (Bergen, Essex and Passaic)**

**Senator NICHOLAS J. SACCO**

**District 32 (Bergen and Hudson)**

**Co-Sponsored by:**

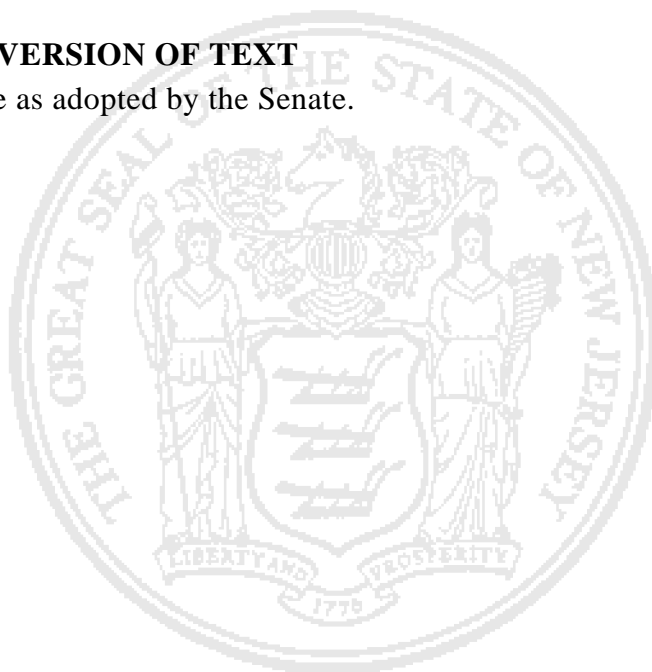
**Senators Coniglio, Doria and Baer**

**SYNOPSIS**

Establishes transportation planning district for Meadowlands District and permits fees to be assessed for transportation purposes.

**CURRENT VERSION OF TEXT**

Substitute as adopted by the Senate.



**(Sponsorship Updated As Of: 12/14/2004)**

1 **AN ACT** concerning the New Jersey Meadowlands Commission and  
2 supplementing P.L.1968, c.404 (C.13:17-1 et seq.).

3  
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*  
5 *of New Jersey:*

6  
7 1. This act shall be known and may be cited as the "Hackensack  
8 Meadowlands Transportation Planning District Act."

9  
10 2. The Legislature finds and declares that:

11 a. Every day, residents of New Jersey confront congestion in some  
12 part of their day as they commute to work, recreate, or travel for  
13 family business. As our State continues to grow and prosper, we can  
14 only expect more cars, trucks and buses on our roads. Meanwhile, the  
15 number of riders on our trains and buses is also increasing.

16 b. Our ability to deal with these demands at all levels of  
17 government is limited without a sound framework for developing  
18 responses to congestion and aging infrastructure problems and  
19 providing adequate funding to implement strategic solutions.

20 c. This act develops the concept of a transportation planning  
21 district, which permits the assessment of fees on future development  
22 to ensure that adequate transportation infrastructure is put into place  
23 to accommodate the traffic caused by future development.

24 d. Existing financial resources and existing mechanisms for  
25 securing financial commitments for transportation improvements are  
26 inadequate to meet transportation improvement needs which are the  
27 result of new development in growth areas and, therefore, it is  
28 appropriate for the State to make special provisions for the financing  
29 of needed transportation improvements in the Meadowlands District,  
30 including the assessment of fees on new developments which are  
31 responsible for the travel demand burdens on the transportation  
32 system. Creation of a transportation planning district provides a  
33 mechanism through which the State, counties and municipalities and  
34 the New Jersey Meadowlands Commission, as well as the private  
35 sector, will have the means to work together to respond to  
36 transportation needs on a regional basis as determined by travel  
37 conditions or transportation needs in developed areas rather than upon  
38 preexisting boundaries. The New Jersey Meadowlands Commission  
39 and the Meadowlands Transportation Planning Board shall oversee the  
40 development of a district-wide transportation plan through a  
41 consultative planning process which relies upon the participation of  
42 public and private sector interests.

43 e. In assessing development fees under P.L. , c. (C. )  
44 (pending before the Legislature as this bill), the commission recognizes  
45 that: (1) those fees supplement, but do not replace, the public  
46 investment needed in the transportation system; (2) the costs of

1 remedying pre-existing problems shall not be charged to a new  
2 development; (3) the fee charged to any particular development shall  
3 be reasonably related to the impact of that development on the  
4 transportation system of the district and shall not exceed the  
5 development's fair share of the cost of the improvements and related  
6 allowable administrative costs; and (4) no development shall be  
7 subject to any assessment or fees for transportation improvements by  
8 the State, a county or municipality, except as provided pursuant to  
9 P.L. , c. (C. ) (pending before the Legislature as this bill).  
10 In determining the basis for assessing development fees, the  
11 commission shall develop reasonable formulas that rely on established  
12 planning models.

13 f. The creation of a transportation planning district shall be  
14 accompanied by the development of strategies to improve regional,  
15 comprehensive planning, to encourage transportation-efficient land  
16 uses, to reduce automobile dependency, and to encourage alternatives  
17 to peak-hour automobile trips.

18

19 3. As used in P.L. , c. (C. ) (pending before the  
20 Legislature as this bill):

21 "Allowable administrative costs" means expenses incurred by the  
22 commission or the board in developing a district transportation plan,  
23 including a financial element, and in managing a transportation  
24 planning district.

25 "Board" means the Meadowlands Transportation Planning Board  
26 as established by section 4 of P.L. , c. (C. ) (pending before  
27 the Legislature as this bill).

28 "Chief fiscal officer" means the chief fiscal officer of the New  
29 Jersey Meadowlands Commission.

30 "Commission" or "Meadowlands Commission" means the New  
31 Jersey Meadowlands Commission established pursuant to P.L.1968,  
32 c.404 (C.13:17-1 et seq.).

33 "Commissioner" means the Commissioner of Transportation.

34 "Department" means the New Jersey Department of  
35 Transportation.

36 "Developer" means the legal or beneficial owner or owners of a lot  
37 or of any land proposed to be included in a proposed development,  
38 including the holder of an option or contract to purchase, or other  
39 person having an enforceable proprietary interest in such land.

40 "Development" means any project for which a zoning certificate is  
41 required pursuant to P.L.1968, c.404 (C.13:17-1 et seq.) or rules or  
42 regulations promulgated pursuant thereto.

43 "Development fee" means a fee assessed on a development  
44 pursuant to a resolution of the commission adopted under section 6 of  
45 P.L. , c. (C. ) (pending before the Legislature as this bill).

46 "Hackensack meadowlands district" or "meadowlands district"

1 means the area within the jurisdiction of the commission set forth in  
2 section 4 of P.L.1968, c.404 (C.13:17-4).

3 "District transportation plan" or "plan" means the plan adopted  
4 pursuant to section 5 of P.L. , c. (C. ) (pending before the  
5 Legislature as this bill).

6 "Project costs" means expenses incurred in the planning, design,  
7 engineering and construction of any transportation project, and shall  
8 include debt service.

9 "Public highways" means public roads, streets, expressways,  
10 freeways, parkways, motorways and boulevards including bridges,  
11 tunnels, overpasses, underpasses, interchanges, rest areas, express bus  
12 roadways, bus pullouts and turnarounds, park-ride facilities, traffic  
13 circles, grade separations, traffic control devices, the elimination or  
14 improvement of crossings of railroads and highways, whether at grade  
15 or not at grade, bicycle and pedestrian pathways, and pedestrian and  
16 bicycle bridges traversing public highways and any facilities,  
17 equipment, property, rights-of-way, easements and interests therein  
18 needed for the construction, improvement and maintenance of  
19 highways.

20 "Public transportation project" means, in connection with public  
21 transportation service or regional ridesharing programs, passenger  
22 stations, shelters and terminals, automobile parking facilities, ferries  
23 and ferry facilities including capital projects for ferry terminals,  
24 approach roadways, pedestrian accommodations, parking, docks, and  
25 other necessary land-side improvements, ramps, track connections,  
26 signal systems, power systems, information and communication  
27 systems, roadbeds, transit lands or rights-of-way equipment storage  
28 and servicing facilities, bridges, grade crossings, rail cars, locomotives,  
29 motorbus and other motor vehicles, maintenance and garage facilities,  
30 revenue handling equipment and any other equipment, facility or  
31 property useful for or related to the provision of public transportation  
32 service or regional ridesharing programs.

33 "Transportation planning district" or "district" means the  
34 meadowlands district.

35 "Transportation project" or "transportation improvement" means,  
36 in addition to public highways and public transportation projects, any  
37 equipment, facility or property useful or related to the provision of any  
38 ground, waterborne or air transportation for the movement of people  
39 and goods within or through the district, including rail freight  
40 infrastructure.

41

42 4. a. There is hereby established a transportation planning district  
43 which shall consist of those lands which comprise the meadowlands  
44 district. The Meadowlands Transportation Planning Board, created  
45 pursuant to subsection b. of this section, shall be the managing  
46 authority to administer and manage the transportation planning district



1 and to carry out such additional functions as provided in P.L. , c.  
2 (C. ) (pending before the Legislature as this bill).

3 b. There is established in, but not of, the Department of  
4 Community Affairs, the Meadowlands Transportation Planning Board.  
5 The board shall consist of: the Commissioner of Community Affairs or  
6 the commissioner's designee, the Commissioner of Transportation or  
7 the commissioner's designee, a representative from Meadowlink (a  
8 ridesharing organization) or its successor organization, a  
9 representative of the Hackensack Meadowlands Municipal Committee,  
10 a representative of the Meadowlands Regional Chamber of Commerce,  
11 and four public members appointed by the Governor, with the advice  
12 and consent of the Senate. The executive director of the commission  
13 shall serve as the secretary of the board. The board shall be staffed by  
14 the employees of the commission.

15 c. In furtherance of the development of a coherent and sustainable  
16 transportation system for the district, the board shall initiate a joint  
17 planning process with participation by: State departments and  
18 agencies, corporations, commissions, boards, and authorities; those bi-  
19 state authorities, metropolitan planning organizations, and counties  
20 and municipalities with jurisdiction in the district; and private  
21 representatives. The board shall oversee the development and  
22 updating of a comprehensive, future-oriented district transportation  
23 plan in accordance with the provisions of section 5 of P.L. , c.  
24 (C. ) (pending before the Legislature as this bill).

25

26 5. a. The district transportation plan shall establish goals, policies,  
27 needs, and improvement priorities for all modes of transportation  
28 within the district for the ensuing 20 years and shall be consistent with  
29 the master plan adopted by the commission pursuant to subsection (i)  
30 of section 6 of P.L.1968, c.404 (C.13:17-6). The district  
31 transportation plan shall be based on a reasonable assessment of likely  
32 future growth reflected in that master plan.

33 b. The plan shall quantify transportation needs arising from  
34 anticipated future traffic passing through the district based upon future  
35 development anticipated to occur within or through the district, and  
36 reflected in the master plan. The plan shall set forth proposed  
37 transportation projects designed to address that future development,  
38 prioritized over increments of five years, the allocation of public and  
39 private shares of project costs and allowable administrative costs, and  
40 the amount, schedule and collection of development fees. If new  
41 developments are proposed in the district which are not considered in  
42 the plan which is currently in effect, the plan shall be reevaluated,  
43 notwithstanding the five-year increment provision.

44 c. The plan shall be in accordance with the State transportation  
45 master plan adopted under section 5 of P.L.1966, c.301 (C.27:1A-5),  
46 the applicable county master plans adopted under R.S.40:27-2, and the

1 applicable regional transportation plan or plans adopted by a  
2 metropolitan planning organization pursuant to 23 C.F.R. §450.322.  
3 To the extent appropriate given the district-wide objectives of the  
4 plan, the plan shall be coordinated with local zoning ordinances and  
5 master plans.

6 d. The plan shall include a financial element setting forth a  
7 statement of projected revenue and expenses, including all project  
8 costs. The financial element of the plan shall identify public and  
9 private financial resources which may be available to fund, in whole or  
10 in part, those transportation projects set forth in the plan. The  
11 financial element shall make recommendations for the types and rates  
12 of development fees to be assessed under section 6 of P.L. , c.  
13 (C. ) (pending before the Legislature as this bill), formulas to  
14 govern the assessment of those fees, and the projected annual revenue  
15 to be derived therefrom.

16 e. The board shall make copies of the plan available to the public  
17 for inspection no less than 14 days prior to taking any formal action to  
18 recommend the plan to the commission for adoption thereof. In  
19 addition, the board shall take steps to notify members of the business  
20 community and other interested parties of the plan and shall hold a  
21 public hearing thereon after having given public notice of the hearing.

22 f. The commission may, by resolution, adopt the plan as  
23 recommended by the board or with modifications.

24

25 6. a. After the adoption of the plan by the commission pursuant  
26 to subsection f. of section 5 of P.L. , c. (C. ) (pending  
27 before the Legislature as this bill), the commission may, by resolution,  
28 provide for the assessment and collection of development fees on  
29 developments within the district as provided hereunder.

30 b. Development fees assessed by the commission shall be based  
31 upon the growth and development forecasts contained in the plan and  
32 shall be levied in order to raise only those amounts needed to  
33 accomplish the transportation projects set forth in the plan and  
34 allowable administrative costs. Those fees shall be assessed based  
35 upon the formula or formulas contained in the resolution and shall be  
36 uniformly applied, with such exceptions as are authorized or required  
37 by P.L. , c. (C. ) (pending before the Legislature as this  
38 bill).

39 c. A formula or formulas adopted by the commission by resolution  
40 shall reflect a methodology which relates the use of land to the impact  
41 of the proposed development on the transportation system, including,  
42 but not limited to: vehicle trips generated by the development; the  
43 square footage of an occupied structure; the number of employees  
44 regularly employed at the development; or the number of parking  
45 spaces located at the development; or any combination thereof.

46 d. The resolution may provide for credits against assessed

1 development fees for payments made or expenses incurred which have  
2 been determined by the commission to be in furtherance of the district  
3 transportation plan, including, but not limited to, contributions to  
4 transportation improvements other than those required for safe and  
5 efficient highway access to a development and costs attributable to the  
6 promotion of public transit or ridesharing.

7 e. The resolution may either exempt or reduce the development  
8 fee for specified land uses which have been determined by the  
9 commission to have a beneficial, neutral or comparatively minor  
10 adverse impact on the transportation needs of the district.

11 f. The resolution may provide for a reduced rate of development  
12 fees for developers submitting a peak-hour automobile trip reduction  
13 plan approved by the commission under standards adopted by the  
14 commission. Standards for the approval of peak-hour automobile trip  
15 reduction plans may include, but need not be limited to, physical  
16 design for improved transit, ridesharing and pedestrian access; design  
17 of developments which include a mix of residential and nonresidential  
18 uses; and proximity to potential labor pools.

19 g. The assessment of a development fee shall be reasonably related  
20 to the impact of the proposed development on the transportation  
21 system of the district and shall not exceed the developer's fair share of  
22 the cost of the transportation improvement necessary to accommodate  
23 the additional burden on the district's transportation system and related  
24 allowable administrative costs.

25 h. A resolution shall be sufficiently certain and definitive to enable  
26 every person who may be required to pay a fee to know or calculate  
27 the limit and extent of the fee which is to be assessed against a specific  
28 development.

29 i. Upon the adoption by the commission of a resolution pursuant  
30 to subsection a. of this section, no separate assessment for off-site  
31 transportation improvements within the district shall be made by the  
32 State, a county or municipality except as permitted pursuant to  
33 P.L. , c. (C. ) (pending before the Legislature as this bill).

34 j. No development fees shall be assessed for any low and moderate  
35 income housing units which are constructed pursuant to the "Fair  
36 Housing Act," P.L.1985, c.222 (C.52:27D-301 et al.) or under court  
37 order or settlement.

38

39 7. a. A development fee shall be assessed on a development at the  
40 time a zoning certificate is issued. Any development for which a  
41 zoning certificate has been issued prior to the adoption of the  
42 resolution pursuant to section 6 of P.L. , c. (C. ) (pending  
43 before the Legislature as this bill) shall be exempt from the assessment  
44 of a development fee. The assessment shall be adjusted upon the  
45 issuance of a revised zoning certificate and any development which  
46 requires a revised zoning certificate after the adoption of the

1 resolution shall be subject to the development fee.

2 b. The resolution shall specify whether the fee is to be paid at the  
3 time a zoning certificate is issued or in a series of payments as set  
4 forth in a schedule of payments contained in the resolution. The  
5 resolution may provide for payment of the fee in kind or in a series of  
6 periodic payments over a period of no more than 20 years.

7

8 8. a. The payments due to the commission, whether as a lump  
9 sum or as balances due when a series of payments is to be made, shall  
10 be enforceable by the commission as a lien on the land and any  
11 improvements thereon. The lien shall be recorded by the county  
12 officer in the record book of the county office.

13 b. When the fee is paid in full on the development or portion  
14 thereof, the lien on the development or portion thereof, as appropriate,  
15 shall be removed. When a series of payments is to be made, failure to  
16 make any one payment within 30 days after receipt of a notice of late  
17 payment shall constitute a default and shall obligate the person owing  
18 the unpaid balance to pay that balance in its entirety.

19 c. All amounts assessed as a lien pursuant to this section shall be  
20 a lien upon the land against which they are assessed in the same  
21 manner that taxes are made a lien against land pursuant to Title 54 of  
22 the Revised Statutes, and the payment thereof shall be enforced within  
23 the same time and in the same manner and by the same proceedings as  
24 the payment of taxes is otherwise enforced under Title 54 of the  
25 Revised Statutes.

26

27 9. a. A resolution adopted by the commission pursuant to section  
28 6 of P.L. , c. (C. ) (pending before the Legislature as this  
29 bill) shall provide for the establishment of a transportation planning  
30 district fund under the control of the chief fiscal officer. All monies  
31 collected from development fees shall be deposited into the fund,  
32 which shall be invested in an interest-bearing account. Monies  
33 deposited in the fund shall be used to defray project costs and  
34 allowable administrative costs.

35 b. Every transportation project funded, in whole or in part, by  
36 funds from a transportation planning district fund shall be subject to  
37 a project agreement to which the relevant entities are parties. The  
38 expenditure of funds for this purpose shall not be made from a  
39 transportation planning district fund, except by appropriation of the  
40 commission and upon certification of the chief fiscal officer that the  
41 expenditure is in accordance with a project agreement entered into  
42 pursuant to P.L. , c. (C. ) (pending before the Legislature  
43 as this bill) or is otherwise a project cost and has the approval of the  
44 commission.

45

46 10. a. Any fees collected, plus earned interest, not committed to

1 a transportation project under a project agreement entered into under  
2 section 9 of P.L. , c. (C. ) (pending before the Legislature  
3 as this bill) within 10 years of the date of collection, or not used for  
4 other allowable administrative costs within 10 years of the date of  
5 collection, shall be refunded to the fee-payer under a procedure  
6 prescribed by the commission; provided, however, that if the fee-payer  
7 transfers the development or any portion thereof, the fee-payer shall  
8 enter into an agreement with the grantee in such form as shall be  
9 provided by the commission which shall indicate who shall be entitled  
10 to receive any refund, and that agreement shall be filed with the chief  
11 fiscal officer.

12 b. Any person who has been assessed a development fee may  
13 request in writing a reconsideration of the assessment and a hearing by  
14 an employee so delegated by the commission within 90 days of the  
15 receipt of notification of the amount of the assessment on the grounds  
16 that the commission or its officers or employees in issuing the  
17 assessment did not abide by the provisions of P.L. , c. (C. )  
18 (pending before the Legislature as this bill) or the provisions of the  
19 resolution adopted by the commission pursuant to P.L. , c.  
20 (C. ) (pending before the Legislature as this bill).

21  
22 11. A person may appeal to the commission any decision made in  
23 connection with the reconsideration of an assessment as authorized  
24 pursuant to subsection b. of section 10 of P.L. , c. (C. )  
25 (pending before the Legislature as this bill). The commission shall  
26 review the record of the hearing and render its decision, which shall  
27 constitute an administrative action subject to review by the Appellate  
28 Division of the Superior Court. Nothing contained herein shall be  
29 construed as limiting the ability of any person so assessed from filing  
30 an appeal based upon an agreement to pay or actual payment of the  
31 fee.

32  
33 12. A transportation planning district may accept loans from any  
34 public or private source, including, but not limited to, the New Jersey  
35 Transportation Trust Fund Authority established by section 4 of the  
36 "New Jersey Transportation Trust Fund Authority Act of 1984,"  
37 P.L.1984, c.73 (C.27:1B-4) and the State Transportation  
38 Infrastructure Bank established under section 2 of P.L.1997, c.142  
39 (C.27:1B-21.11), pursuant to a project agreement for the purpose of  
40 undertaking and completing a transportation project as permitted by  
41 the commission. In this event, the project agreement shall include the  
42 obligation of the commission to make payments to the public or  
43 private source for repayment of the loan from a transportation  
44 planning fund or other available sources according to an agreed upon  
45 schedule of payments.

1 13. This act shall take effect immediately.

2

3

4

STATEMENT

5

6 This substitute bill, entitled the "Hackensack Meadowlands  
7 Transportation Planning District Act," establishes a Transportation  
8 Planning District consisting of those lands which comprise the  
9 Meadowlands District.

10 The New Jersey Meadowlands Commission (the "commission") is  
11 authorized to adopt a resolution providing for the assessment and  
12 collection of development fees on future developments within the  
13 transportation planning district. The development fees would pay for  
14 future transportation projects and allowable administrative costs  
15 connected with the transportation planning district. The bill provides  
16 that development fees may be assessed in the transportation planning  
17 district on developments which have received a zoning certificate  
18 issued on or after the adoption of the resolution assessing the fees.

19 The bill provides that the development fees for transportation  
20 projects that may be charged to a development within a transportation  
21 planning district shall be reasonably related to the impact of that  
22 development on the transportation system of the district and shall not  
23 exceed the development's fair share of the cost of the transportation  
24 improvements and related allowable administrative costs. No  
25 development within a transportation planning district is to be subject  
26 to a separate assessment for transportation improvements by the State,  
27 county or municipality except as permitted by this bill.

28 The process of creating a transportation planning district involves  
29 the use of a joint planning process to produce a comprehensive district  
30 transportation plan, with opportunity for participation by: State  
31 agencies, corporations, commissions, boards, and authorities; these bi-  
32 state authorities, metropolitan planning organizations, counties and  
33 municipalities having jurisdiction in the district; and the private sector.  
34 A Meadowlands Transportation Planning Board is established in the  
35 bill to initiate and oversee the joint planning process. The plan is to  
36 establish goals for all modes of transportation within the district, be  
37 consistent with the commission's master plan, and contain a program  
38 of transportation projects for the ensuing 20 years prioritized over  
39 increments of five years that address future transportation needs in the  
40 district.

41 The plan is to include a financial element setting forth a statement  
42 of projected revenue and expenses, including all transportation project  
43 costs. The financial element is also to make recommendations for the  
44 types and rates of development fees to be assessed under the bill. The  
45 development fees adopted by the commission shall be assessed based  
46 upon the formula or formulas adopted by the commission which reflect

1 a methodology which relates the use of land to the impact of the  
2 proposed development on the transportation system, including but not  
3 limited to; vehicle trips generated by the development; the square  
4 footage of an occupied structure; the number of employees regularly  
5 employed at the development; or the number of parking spaces at the  
6 development; or any combination of the above. The development fees  
7 shall be based upon the growth and development forecasts contained  
8 in the plan.

STATEMENT TO  
SENATE SUBSTITUTE FOR  
SENATE COMMITTEE SUBSTITUTE FOR  
**SENATE, No. 1831**

with Senate Floor Amendments  
(Proposed By Senator SARLO)

ADOPTED: DECEMBER 13, 2004

These amendments would broaden the list of developments that would be exempt from the assessment of a development fee which is otherwise authorized under the bill.

The Senate substitute provides an exemption from the assessment of the fee for any development for which a zoning certificate has been issued prior to the adoption of a resolution by the meadowlands commission establishing the fee.

These amendments would broaden this exemption to include any development that is subject to an approved development agreement with the governing State agency or municipality within the district having primary jurisdiction over the development or for which construction of a material portion of the development has commenced after the date on which a development agreement was executed.



# ASSEMBLY, No. 2544

## STATE OF NEW JERSEY 211th LEGISLATURE

INTRODUCED MARCH 15, 2004

**Sponsored by:**

**Assemblyman GORDON M. JOHNSON**

**District 37 (Bergen)**

**Assemblywoman LORETTA WEINBERG**

**District 37 (Bergen)**

**SYNOPSIS**

Allows New Jersey Meadowlands Commission to establish a transportation enhancement district and assess fees for transportation purposes.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 5/4/2004)**

1 AN ACT concerning the New Jersey Meadowlands Commission and  
2 supplementing P.L.1968, c.404 (C.13:17-1 et seq.).

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6

7 1. This act shall be known and may be cited as the "Hackensack  
8 Meadowlands Transportation Enhancement and Congestion Relief  
9 Act."

10

11 2. The Legislature finds and declares that:

12 a. Every day, residents of New Jersey confront congestion in some  
13 part of their day as they commute to work, recreate, or travel for  
14 family business. As our State continues to grow and prosper, we can  
15 only expect more cars, trucks and buses on our roads. Meanwhile, the  
16 number of riders on our trains and buses is also increasing.

17 b. Our ability to deal with these demands at all levels of  
18 government is limited without a sound framework for developing  
19 responses to congestion and aging infrastructure problems and  
20 providing adequate funding to implement strategic solutions.

21 c. This act develops the concept of a transportation enhancement  
22 district, which permits the assessment of fees on future development  
23 to ensure that adequate transportation infrastructure is put into place  
24 to accommodate the traffic caused by future development.

25 d. Existing financial resources and existing mechanisms for  
26 securing financial commitments for transportation improvements are  
27 inadequate to meet transportation improvement needs which are the  
28 result of new development in growth areas and, therefore, it is  
29 appropriate for the State to make special provisions for the financing  
30 of needed transportation improvements in the Meadowlands District,  
31 including the creation of transportation enhancement subdistricts and  
32 the assessment of fees on new developments which are responsible for  
33 the travel demand burdens on the transportation system. Creation of  
34 a transportation enhancement district provides a mechanism in which  
35 the State, counties and municipalities will have the means to work  
36 together to respond to transportation needs on a regional basis as  
37 determined by travel conditions or transportation needs in developed  
38 areas rather than upon preexisting boundaries. The district becomes  
39 the framework for a private-public partnership in meeting the  
40 transportation needs of New Jersey. The Meadowlands Commission  
41 shall be the lead agency to facilitate a district-wide transportation plan.

42 e. Any of the fees assessed within a transportation enhancement  
43 district to support transportation improvements should be assessed  
44 pursuant to this act which recognizes that: (1) the fees supplement, but  
45 do not replace, the public investment needed in the transportation  
46 system; (2) the costs of remedying existing problems shall not be

1 charged to a new development; (3) the fee charged to any particular  
2 development shall be reasonably related, within the context of a  
3 practicable scheme for assessing fees within the district, to the impact  
4 of that development on the transportation system of the district and  
5 shall not exceed the development's fair share of the cost of the  
6 improvements; and (4) except for certain developments which have  
7 received preliminary approval prior to the development assessment  
8 liability date established pursuant to this act, no development shall be  
9 subject to any assessment or fees for transportation improvements by  
10 the State, a county or municipality, except as set or assessed under a  
11 transportation enhancement district established pursuant to this act.  
12 In determining the reasonableness of a fee assessed in accordance with  
13 the provisions of this act, it shall be recognized that government shall  
14 have the flexibility necessary to deal realistically with questions not  
15 susceptible of exact measurement. Furthermore, it is necessary to  
16 recognize that precise mathematical exactitude in the establishment of  
17 fees is neither feasible nor constitutionally vital.

18 f. The creation of a transportation enhancement district shall be  
19 accompanied by the development of strategies to improve regional,  
20 comprehensive planning, to encourage transportation-efficient land  
21 uses, to reduce automobile dependency, and to encourage alternatives  
22 to peak-hour automobile trips.

23

24 3. As used in this act:

25 "Act" means the "Hackensack Meadowlands Transportation  
26 Enhancement and Congestion Relief Act."

27 "Allowable costs" means: a. expenses incurred by the commission  
28 in developing a district transportation enhancement plan, including a  
29 financial element to administer and manage a transportation  
30 enhancement district; and b. expenses incurred in the design,  
31 engineering and construction of any public highway or public  
32 transportation project by the department and the New Jersey Transit  
33 Corporation. All allowable costs in reference to a transportation  
34 enhancement district created under this act are to be determined by the  
35 joint planning process participants.

36 "Chief fiscal officer" means the Chief Fiscal Officer of the New  
37 Jersey Meadowlands Commission.

38 "Commission" or "Meadowlands Commission" means the New  
39 Jersey Meadowlands Commission established pursuant to P.L.1968,  
40 c.404 (C.13:17-1 et seq.).

41 "Commissioner" means the Commissioner of Transportation.

42 "County" means Hudson or Bergen County.

43 "Department" means the New Jersey Department of Transportation.

44 "Development" means "development" as defined in P.L.1968, c.404  
45 (C.13:17-1 et seq.).

1 "Development assessment liability date" means, with respect to any  
2 transportation enhancement district created under this act, the date  
3 upon which the commissioner designates the district and delineates its  
4 boundaries, a notice of which action shall be published in the New  
5 Jersey Register.

6 "Development fee" means a fee assessed on a development pursuant  
7 to a resolution of the commission adopted under section 6 of this act.

8 "District transportation enhancement plan" means the plan adopted  
9 pursuant to section 5 of this act.

10 "Enhancement district oversight board" or "oversight board" means  
11 the board appointed to advise the managing authority in connection  
12 with the policies and ongoing management of a transportation  
13 enhancement district pursuant to section 7 of this act.

14 "Fair share" means the amount of allowable costs that have a  
15 reasonable relationship, based upon rough proportionality, to the  
16 impact of a development on the transportation system of a district.

17 "Managing authority" means the commission as designated pursuant  
18 to section 7 of this act to administer and manage a transportation  
19 enhancement district.

20 "Meadowlands District" means the Hackensack Meadowlands  
21 District established pursuant to P.L.1968, c.404 (C.13:17-1 et seq.).

22 "Municipalities" means the fourteen municipalities constituting the  
23 Hackensack Meadowlands District.

24 "Property" means land and improvements thereon within the  
25 boundaries of a transportation enhancement district.

26 "Public highways" means public roads, streets, expressways,  
27 freeways, parkways, motorways and boulevards including bridges,  
28 tunnels, overpasses, underpasses, interchanges, rest areas, express bus  
29 roadways, bus pullouts and turnarounds, park-ride facilities, traffic  
30 circles, grade separations, traffic control devices, the elimination or  
31 improvement of crossings of railroads and highways, whether at grade  
32 or not at grade, bicycle and pedestrian pathways, and pedestrian and  
33 bicycle bridges traversing public highways and any facilities,  
34 equipment, property, rights-of-way, easements and interests therein  
35 needed for the construction, improvement and maintenance of  
36 highways.

37 "Public transportation project" means, in connection with public  
38 transportation service or regional ridesharing programs, passenger  
39 stations, shelters and terminals, automobile parking facilities, ferries  
40 and ferry facilities including capital projects for ferry terminals,  
41 approach roadways, pedestrian accommodations, parking, docks, and  
42 other necessary landside improvements, ramps, track connections,  
43 signal systems, power systems, information and communication  
44 systems, roadbeds, transit lands or rights-of-way equipment storage  
45 and servicing facilities, bridges, grade crossings, rail cars, locomotives,  
46 motorbus and other motor vehicles, maintenance and garage facilities,

1 revenue handling equipment and any other equipment, facility or  
2 property useful for or related to the provision of public transportation  
3 service or regional ridesharing programs.

4 "Transportation enhancement district" or "district" means a district  
5 created under section 4 of this act and adopted and approved under  
6 section 5 of this act.

7 "Transportation improvement" means a transportation project.

8 "Transportation project" means, in addition to public highways and  
9 public transportation projects, any equipment, facility or property  
10 useful or related to the provision of any ground, waterborne or air  
11 transportation for the movement of people and goods including rail  
12 freight infrastructure.

13

14 4. a. The commission may propose to the commissioner that a  
15 transportation enhancement district be established in the Meadowlands  
16 District. After the designation and delineation of such a district by the  
17 commissioner, the commission shall initiate a joint planning process for  
18 the district, with participation by State departments and agencies,  
19 corporations, commissions, boards and authorities, by bi-state  
20 authorities, affected metropolitan planning organizations, all affected  
21 municipalities, and private representatives. The purpose of the joint  
22 planning process shall be to engage in a cooperative planning  
23 partnership with the private sector, multiple State agencies, and other  
24 interested parties, to develop a comprehensive, future-oriented, draft  
25 district transportation enhancement plan. To this end, a joint planning  
26 committee shall be established by the commission consisting of  
27 representatives of the county or counties where the district is located,  
28 the municipalities in the district, the department, the private sector and  
29 other interested parties. The public sector participants in the joint  
30 planning process shall enter into a memorandum of agreement.

31 b. The draft district transportation enhancement plan shall be based  
32 on a reasonable assessment of likely future growth as determined by  
33 the participants in the joint planning process. The process shall allow  
34 municipal, county and department planning participants to determine  
35 what level of transportation service is appropriate in the transportation  
36 enhancement district.

37 c. The planning process shall ensure that the public and private  
38 sectors have the opportunity to participate in the determination of the  
39 transportation projects to be provided in the transportation  
40 enhancement district, the public and private share of project and  
41 service costs, and the amount, schedule and collection of district fees  
42 associated with implementation of the district transportation  
43 enhancement plan. A district transportation enhancement plan shall  
44 not be adopted by the commission and no further action shall be taken  
45 under other provisions of this act to establish the transportation  
46 enhancement district without the approval of the commissioner.

1 d. The draft district transportation enhancement plan shall establish  
2 goals, policies, needs and improvement priorities for all modes of  
3 transportation within the Meadowlands District for the next 20 years,  
4 shall incorporate the relevant plans of all transportation agencies  
5 within the Meadowlands District, shall quantify, to the extent possible,  
6 transportation needs arising from future traffic passing through the  
7 Meadowlands District and future development anticipated to occur  
8 within the Meadowlands District based upon a reasonable assessment  
9 of likely future growth and in accordance with the appropriate level of  
10 transportation service as determined by the joint planning process  
11 partners. The draft plan shall contain a program of transportation  
12 projects prioritized over increments of five years that addresses future  
13 transportation needs in the district and which therefore warrants  
14 financing in whole or in part from a transportation enhancement  
15 district fund to be established under section 6 of this act. The draft  
16 plan and shall provide for the assessment of development fees on new  
17 developments based upon the formulas authorized by the department.

18 e. The draft district transportation enhancement plan shall be in  
19 accordance with the State transportation master plan adopted under  
20 section 5 of P.L.1966, c.301 (C.27:1A-5) and the county master plan  
21 adopted under R.S.40:27-2 of the county or counties where the  
22 transportation enhancement district is located. The draft plan shall be  
23 consistent with the applicable regional transportation plan or plans  
24 adopted by a metropolitan planning organization pursuant to 23 CFR  
25 450.322. To the extent appropriate given the district-wide objectives  
26 of the draft plan, the draft plan shall be coordinated with local zoning  
27 ordinances and master plans. The draft plan shall also set forth a  
28 proposed structure for the administration and management of the  
29 district.

30 f. The draft district transportation enhancement plan shall include  
31 a financial element setting forth a statement of projected revenue and  
32 expenses, including all allowable costs. The financial element of the  
33 plan shall identify projected available financial resources, from all  
34 public sources and from private sources, available to fully fund all  
35 Meadowlands District transportation projects as outlined in the draft  
36 district transportation enhancement plan. The financial element shall  
37 make recommendations for the types and rates of development fees to  
38 be assessed under section 6 of this act, and the projected annual  
39 revenue to be derived therefrom.

40 g. The draft district transportation enhancement plan shall provide  
41 that fees assessed pursuant to this act shall be based on a property  
42 owner's or a developer's "fair share."

43 h. The commission shall make copies of the draft district  
44 transportation enhancement plan available to the public for inspection,  
45 shall take steps to notify members of the business community and

1 other interested parties in the proposed district of the draft plan and  
2 shall hold a public hearing thereon after having given public notice of  
3 the hearing.

4  
5 5. a. The commission, after completing all requirements of section  
6 4 of this act, may by resolution adopt a district transportation  
7 enhancement plan. The district transportation enhancement plan shall  
8 be derived from the draft district transportation enhancement plan  
9 developed under section 4 of this act and shall contain a financial  
10 element for transportation projects intended to be developed over  
11 time, in whole or in part, from a transportation enhancement district  
12 fund to be established under section 6 of this act. The district  
13 transportation enhancement plan shall be consistent with any existing  
14 capital improvements program, and incorporated into any future  
15 capital improvements program. The district transportation  
16 enhancement plan may be amended or supplemented from time to time.

17 b. No resolution adopted under this section shall take effect until  
18 approved by the commissioner. In evaluating the district  
19 transportation enhancement plan, the commissioner shall take into  
20 consideration: (1) the appropriateness of the district boundaries in  
21 light of the findings of the plan; (2) the appropriateness of the content  
22 and timing of the program of transportation projects intended to be  
23 financed in whole or part from a district transportation enhancement  
24 fund in relation to the transportation needs stemming from travel  
25 demand in the district; (3) the hearing record of the public hearing held  
26 pursuant to subsection h. of section 4 of this act; (4) any written  
27 comments submitted by municipalities or other parties; (5) the  
28 consistency of the district transportation enhancement plan with the  
29 planning requirements set forth in subsection e. of section 4 of this act;  
30 and (6) the appropriateness of the method proposed for administration  
31 and management of the district pursuant to subsection e. of section 4  
32 of this act.

33  
34 6. a. After the effective date of resolution adopted under section  
35 5 of this act with respect to a district transportation enhancement plan,  
36 the commission may provide by resolution for the assessment and  
37 collection of development fees on developments within the district.

38 b. The resolution shall specify that the development fee shall be  
39 assessed on a development at the time that the development receives  
40 approval. If the development is to be constructed in phases or there  
41 is a substantial modification of approval, the fee shall be assessed at  
42 the time of the approval of the respective phase or at the time of  
43 modification, as the case may be. For a development which has  
44 received plan approval prior to the adoption of the resolution and  
45 where final approval is not obtained for that phase of development  
46 within three years of approval, the fee shall be assessed at the time of  
47 final approval.

1 c. The resolution shall specify whether the fee is to be paid at the  
2 time a construction permit is issued or in a series of payments as set  
3 forth in a schedule of payments contained in the resolution. The  
4 resolution may provide for payment of the fee in kind or in a series of  
5 periodic payments over a period of no more than 20 years. The  
6 payments due to the commission, whether as a lump sum or as  
7 balances due where a series of payments is to be made shall be  
8 enforceable by the commission as a lien on the land and any  
9 improvements thereon. The lien shall be recorded by the appropriate  
10 county officer in the record book of the appropriate county office.  
11 The resolution shall set forth the procedures for enforcement of the  
12 lien in the event of delinquencies. When the fee is paid in full on the  
13 development or portion thereof, the lien on the development or portion  
14 thereof, as appropriate, shall be removed. The resolution shall provide  
15 for the procedure by which any portion of the land and any  
16 improvements thereon shall be released from the lien required by this  
17 section and shall require that any lien filed in accordance with this  
18 section shall contain a provision citing the release procedures. Where  
19 a series of payments is to be made, failure to make any one payment  
20 within 30 days after receipt of a notice of late payment shall constitute  
21 a default and shall obligate the person owing the unpaid balance to pay  
22 that balance in its entirety.

23 d. The resolution shall specify that any development or phase  
24 thereof that has received approval prior to the development assessment  
25 liability date shall not be subject to the assessment and collection of a  
26 development fee under this act for a period of five years from the date  
27 on which the resolution of approval was adopted, including extensions  
28 of approval, but shall be liable for the payment of off-site  
29 transportation improvements to the extent agreed upon under the  
30 applicable law, rule, regulation, ordinance or resolution in effect at the  
31 time of the agreement. Any development or phase thereof which  
32 receives approval after the development liability assessment date shall  
33 be subject to the assessment and collection of a development fee under  
34 this act, but shall receive a credit against the fee for the amount paid  
35 or obligated to be paid to State, county or municipal agencies for the  
36 cost of off-site transportation improvements under agreements entered  
37 into under the applicable law, rule, regulation, ordinance or resolution  
38 in effect at the time of the agreement.

39 e. The resolution also shall provide for the establishment of a  
40 transportation enhancement district fund under the control of the chief  
41 financial officer. All monies collected from development fees shall be  
42 deposited into the fund, which is to be invested in an interest-bearing  
43 account.

44 f. A resolution adopted under this section also may contain  
45 provisions for: (1) credits against assessed development fees for  
46 payments made or expenses incurred which have been determined by  
47 the commission to be in furtherance of the district transportation



1 enhancement plan, including, but not limited to, contributions to  
2 transportation improvements, other than those required for safe and  
3 efficient highway access to a development, and costs attributable to  
4 the promotion of public transit or ridesharing; (2) exemptions from or  
5 reduced rates for development fees for specified land uses which have  
6 been determined by the commission to have a beneficial, neutral or  
7 comparatively minor adverse impact on the transportation needs of the  
8 district; (3) a reduced rate of development fees for developments for  
9 which construction permits were issued after the development  
10 assessment liability date, but before the effective date of the resolution  
11 where those dates are different; and (4) a reduced rate of development  
12 fees for developers submitting a peak-hour automobile trip reduction  
13 plan approved by the commissioner under standards adopted by the  
14 commissioner by regulation. Standards for the approval of peak-hour  
15 automobile trip reduction plans may include, but need not be limited  
16 to, physical design for improved transit, ridesharing, and pedestrian  
17 access; design of developments which include a mix of residential and  
18 nonresidential uses; and proximity to potential labor pools.

19 The resolution shall provide for the exemption from assessment of  
20 development fees for any low and moderate income housing units  
21 which are constructed pursuant to the "Fair Housing Act," P.L.1985,  
22 c.222 (C.52:27D-301 et al.) or under court settlement, and may  
23 provide for such exemption for any development constituting public  
24 property.

25 g. A resolution shall specify that any fees collected, plus earned  
26 interest, not committed to a transportation project under a project  
27 agreement entered into under section 9 of this act within 10 years of  
28 the date of collection, or not used for other eligible allowable costs  
29 within 10 years of the date of collection, shall be refunded to the fee-  
30 payer under a procedure prescribed by the commissioner by regulation  
31 for this purpose, except that if the payer of the fee transfers the  
32 development or any portion thereof, the payer shall enter into an  
33 agreement with the grantee in such form as shall be provided by  
34 regulation of the commissioner which shall indicate who shall be  
35 entitled to receive any refund, and such agreement shall be filed with  
36 the chief fiscal officer.

37 h. A resolution shall be sufficiently certain and definitive to enable  
38 every person who may be required to pay a fee to know or calculate  
39 the limit and extent of the fee which is to be assessed against a specific  
40 development. Development fees shall be reasonably related to the  
41 development's impact on the transportation system of the district. The  
42 maximum amount of fees for transportation improvements that may be  
43 charged to any development pursuant to this act shall not exceed the  
44 developer's fair share of such improvement costs.

1 i. Any person who has been assessed a development fee under the  
2 provisions of a resolution adopted pursuant to this section may request  
3 in writing a reconsideration of the assessment and a hearing by the  
4 commission or employee so delegated by the commission within 90  
5 days of the receipt of notification of the amount of the assessment on  
6 the grounds that the commission or its officers or employees in issuing  
7 the assessment did not abide by the provisions of this act, the  
8 provisions of the resolution, or of the rules and regulations adopted by  
9 the commissioner pursuant to this act. Pursuant to rules and  
10 regulations adopted by the commissioner, in accordance with the  
11 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et  
12 seq.), the person may appeal the decision made as a result of the  
13 reconsideration of the assessment to the commissioner who shall  
14 review the record of the hearing. The decision of the commissioner  
15 shall constitute an administrative action subject to review by the  
16 Appellate Division of the Superior Court. Nothing contained herein  
17 shall be construed as limiting the ability of any person so assessed from  
18 filing an appeal based upon an agreement to pay or actual payment of  
19 the fee.

20

21 7. a. After the effective date of a resolution adopted under section  
22 5 of this act with respect to a transportation enhancement district, the  
23 commission shall, by resolution, designate itself as the managing  
24 authority.

25 b. The managing authority shall propose a detailed budget for  
26 preliminary approval. The budget shall be accompanied by a report,  
27 which shall explain how the budget contributes to the goals and  
28 objectives of the transportation enhancement district. The budget shall  
29 not be approved by the managing authority until a public hearing has  
30 been held thereon and all persons having an interest therein shall have  
31 been given an opportunity to comment thereon. Upon preliminary  
32 approval by the managing authority, a copy of the approved budget  
33 and the report shall be submitted to the commissioner for final  
34 approval.

35 c. The commission shall establish an Enhancement District  
36 Oversight Board. The oversight board shall advise the managing  
37 authority on the policies to be implemented in the district and on the  
38 district's ongoing management and shall make recommendations on the  
39 budget to the managing authority. The oversight board shall consist  
40 of: the Commissioner of Community Affairs or the commissioner's  
41 designee, the Commissioner of Transportation or the commissioner's  
42 designee, the Executive Director of the New Jersey Transit  
43 Corporation or the executive director's designee, the Executive  
44 Director of the New Jersey Sports and Exposition Authority or the  
45 executive director's designee, the Executive Director of the New  
46 Jersey Turnpike Authority or the executive director's designee, a  
47 representative from Meadowlink, a ridesharing organization, a

1 representative of the Hackensack Meadowlands Municipal Committee,  
2 a representative of the Meadowlands Regional Chamber of Commerce  
3 and three public members appointed by the Governor.  
4

5 8. A resolution adopted under section 6 of this act shall provide for  
6 the assessment of the development fees based upon the formula or  
7 formulas contained in the resolution and authorized by the  
8 commissioner and uniformly applied, with such exceptions as are  
9 authorized or required by this act and by regulation. The commissioner  
10 may authorize a formula or formulas relating the amount of the fee to  
11 impact on the transportation system of the district, including, but not  
12 limited to, the following factors: vehicle trips generated by the  
13 development, the occupied square footage of a developed structure,  
14 the number of employees regularly employed at the development, or  
15 the number of parking spaces located at the development or any  
16 combination of the foregoing. In developing the authorized formula  
17 or formulas, the commissioner may consult with knowledgeable  
18 persons in appropriate fields, which may include, but need not be  
19 limited to, land use law, planning, traffic engineering, real estate  
20 development, transportation, and local government. No separate  
21 assessments for off-site transportation improvements within the district  
22 shall be made by the State, a county or municipality except as  
23 permitted in this act. Except for certain developments which have  
24 received approval prior to the development assessment liability date,  
25 no development within the district shall be subject to any assessment  
26 or fees for transportation improvements by the State, a county or  
27 municipality except as set or assessed under a transportation  
28 enhancement district.  
29

30 9. Every transportation project funded, in whole or in part, by  
31 funds from a transportation enhancement district fund shall be subject  
32 to a project agreement to which the relevant entities are parties. The  
33 expenditure of funds shall not be made from a transportation  
34 enhancement district fund, except by appropriation of the commission  
35 and upon certification of the chief fiscal officer that the expenditure is  
36 in accordance with a project agreement entered into pursuant to this  
37 act or is otherwise an allowable cost and with the approval of the  
38 commission.  
39

40 10. A transportation enhancement district may accept loans from  
41 any public or private source, including, but not limited to, the New  
42 Jersey Transportation Trust Fund Authority and the State  
43 Transportation Infrastructure Bank, pursuant to a project agreement  
44 for the purpose of undertaking and completing a transportation project  
45 as permitted by the commission. In this event, the project agreement  
46 shall include the obligation of the commission to make payments to the  
47 public or private source for repayment of the loan from a

1 transportation enhancement fund or other available sources according  
2 to an agreed upon schedule of payments.

3

4 11. Except as provided by this act, no county or municipality shall  
5 establish or operate a district other than a transportation enhancement  
6 district within the boundaries delineated by the commissioner for a  
7 transportation enhancement district under section 4 of this act if that  
8 district is for the purpose of consolidating the required contributions  
9 for transportation improvements of applicants for development within  
10 the district.

11

12 12. The commissioner shall adopt rules and regulations, in  
13 accordance with the "Administrative Procedure Act," P.L.1968, c.410  
14 (C.52:14B-1 et seq.) to effectuate the purposes of this act.

15

16 13. This act shall take effect immediately.

17

18

19

#### STATEMENT

20

21 This bill, entitled the "Hackensack Meadowlands Transportation  
22 Enhancement and Congestion Relief Act," permits the New Jersey  
23 Meadowlands Commission, with the approval of the Commissioner of  
24 Transportation, to establish transportation enhancement districts.

25 The transportation enhancement districts under this bill would be  
26 permitted to assess fees on future developments. Development fees  
27 may be assessed to pay for transportation projects to meet future  
28 transportation needs.

29 The bill permits certain planning costs for a transportation  
30 enhancement district to be recouped from development fees as  
31 assessed by the transportation enhancement district. The bill limits  
32 certain exemptions from development fee assessments by a  
33 transportation enhancement district to five years, including extensions  
34 of site development approvals.

35 The bill provides that the maximum amount of fees for  
36 transportation projects that may be charged to a developer within a  
37 transportation enhancement district shall not exceed the developer's  
38 "fair share." "Fair share" is defined to mean the amount of allowable  
39 costs that have a reasonable relationship, based upon rough  
40 proportionality, to the impact of the development in question on the  
41 transportation system of the transportation enhancement district.  
42 Except for certain developments which have received approval prior  
43 to the development assessment liability date established in the bill, no  
44 development within a transportation enhancement district is to be  
45 subject to any assessment for transportation improvements by the  
46 State, county or municipality except as set or assessed under a  
47 transportation enhancement district established pursuant to this bill.

1       The process of creating a transportation enhancement district  
2 involves the use of a joint planning process, with opportunity for  
3 participation by State agencies, corporations, commissions, boards and  
4 authorities, metropolitan planning organizations, affected counties and  
5 municipalities and the private sector, to produce a draft comprehensive  
6 transportation enhancement plan, including a financial element. A  
7 joint planning committee is also to be established. The draft plan is to  
8 establish goals for all modes of transportation within the district,  
9 incorporate the relevant plans of all transportation agencies, and shall  
10 contain a program of transportation projects prioritized over  
11 increments of five years that address future transportation needs in the  
12 district. The public sector participants in the joint planning process  
13 shall enter into a memorandum of agreement.

# ASSEMBLY TRANSPORTATION COMMITTEE

## STATEMENT TO

### ASSEMBLY COMMITTEE SUBSTITUTE FOR **ASSEMBLY, No. 2544**

# **STATE OF NEW JERSEY**

DATED: JUNE 13, 2005

The Assembly Transportation Committee reports favorably Assembly Committee Substitute for Assembly Bill No. 2544.

This substitute bill, entitled the "Hackensack Meadowlands Transportation Planning District Act," establishes a Transportation Planning District consisting of those lands which comprise the Meadowlands District.

The New Jersey Meadowlands Commission (the "commission") is authorized to adopt a resolution providing for the assessment and collection of development fees on future developments within the transportation planning district. The development fees would pay for future transportation projects and allowable administrative costs connected with the transportation planning district.

The bill provides that development fees may be assessed in the transportation planning district on developments which have received a zoning certificate issued on or after the adoption of the resolution assessing the fees. The bill includes a list of the developments that would be exempt from the assessment of a development fee which is otherwise authorized under the bill.

The bill provides that the development fees for transportation projects that may be charged to a development within a transportation planning district shall be reasonably related to the impact of that development on the transportation system of the district and shall not exceed the development's fair share of the cost of the transportation improvements and related allowable administrative costs. No development within a transportation planning district is to be subject to a separate assessment for transportation improvements by the State, county or municipality except as permitted by this bill.

The process of creating a transportation planning district involves the use of a joint planning process to produce a comprehensive district transportation plan, with opportunity for participation by: State agencies, corporations, commissions, boards, and authorities; those bi-state authorities, metropolitan planning organizations, counties and municipalities having jurisdiction in the district; and the private sector. A Meadowlands Transportation Planning Board is established in the bill to initiate and oversee the joint planning process. The plan is to

establish goals for all modes of transportation within the district, be consistent with the commission's master plan, and contain a program of transportation projects for the ensuing 20 years prioritized over increments of five years that address future transportation needs in the district.

The plan is to include a financial element setting forth a statement of projected revenue and expenses, including all transportation project costs. The financial element is also to make recommendations for the types and rates of development fees to be assessed under the bill. The development fees adopted by the commission shall be assessed based upon the formula or formulas adopted by the commission which reflect a methodology which relates the use of land to the impact of the proposed development on the transportation system, including but not limited to; vehicle trips generated by the development; the square footage of an occupied structure; the number of employees regularly employed at the development; or the number of parking spaces at the development; or any combination of the above. The development fees shall be based upon the growth and development forecasts contained in the plan.

This substitute bill is identical to S-1831(SCS)(SS)(1R), as amended and released by the committee on the same date.

PO BOX 004  
TRENTON, NJ 08625

Contact: Kathy Heck  
609-777-2600

RELEASE: June 24, 2005

## **Codey Signs Bill Ensuring Transportation, Traffic Needs will be Met as Meadowlands Grows**

### *Transportation Plan will Require Developers to Pay Fair Share For Projects to Ease Traffic Caused by Their Developments*

(EAST RUTHERFORD) –Acting Governor Richard J. Codey today signed S1831 / A2544, legislation designed to ensure the development of a long-term transportation plan for the Meadowlands region. The legislation also ensures that developers in the region will pay a fair share for road improvements and other projects to ease the future traffic their developments will create.

“With this new law, we are making sure the business community and state and local governments work together to implement a transportation plan that will let us create new jobs without creating congestion,” Codey said.

“By making sure developers are part of the solution, by making sure they help pay the cost of traffic alleviation projects, we will help the Meadowlands Region realize its full potential without sacrificing safety or quality of life,” the Acting Governor continued.

The bill’s primary sponsors are Senators Paul A. Sarlo (D-Bergen, Essex, Passaic) and Nicholas J. Sacco (D-Bergen, Hudson), and Assembly members Gordon M. Johnson (D-Bergen) and Loretta Weinberg (D-Bergen).

Codey signed the bill during a public ceremony held at the end of The Meadowlands Transportation Summit, an event held by the Meadowlands Regional Chamber of Commerce, at Winners Club restaurant at Continental Airlines Arena.

The bill establishes the “Hackensack Meadowlands Transportation Planning District,” which covers the lands of the Meadowlands District under the jurisdiction of the New Jersey Meadowlands Commission. It also creates a new “Meadowlands Transportation Planning Board” to manage the district. The board will include nine members representing state and local government and the business community.

The Meadowlands Transportation Planning Board will create a comprehensive, 20-year transportation plan. The plan will designate future transportation projects needed to offset the impacts of future developments. It will take into account the likely impact of anticipated development projects, and will be reevaluated when new developments are proposed.



Once the Meadowlands Commission adopts the plan, the Commission will have the authority to collect development fees from developers within the Meadowlands District.

The fees levied against each proposed development will be used to raise only those amounts reasonably related to the development's impact on the Meadowlands District's transportation system.

"This bill reflects our commitment to provide seed money for long-term projects so we can attract additional funding from state, federal and non-governmental sources," said Sarlo.

"The planning for future transportation development in the Meadowlands will have a spinoff effect throughout Hudson County which is essential to the quality of the lives of our residents," said Sacco.

"Redevelopment in the Meadowlands will be an engine that drives this region and the state forward for the foreseeable future," said Johnson. "A healthy transportation network is vital to that engine."

"In the face of a recovering economy and shifting federal priorities, states have been forced to find innovative ways to finance vital transportation and improvement projects," said Weinberg. "This law provides much needed money through a low impact funding formula."