

# 5:10-6

## LEGISLATIVE HISTORY CHECKLIST

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**LAWS OF:** 2005            **CHAPTER:** 302

**NJSA:** 5:10-6 (Expands certain powers of New Jersey Sports and Exposition Authority to establish and develop professional football league training facilities)

**BILL NO:** S2928 (Substituted for A4518)

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

**DATE INTRODUCED:** December 8, 2005

**COMMITTEE:**            **ASSEMBLY:**

**SENATE:** Economic Growth

**AMENDED DURING PASSAGE:** Yes

**DATE OF PASSAGE:**            **ASSEMBLY:** January 9, 2006

**SENATE:** January 9, 2006

**DATE OF APPROVAL:** January 10, 2006

**FOLLOWING ARE ATTACHED IF AVAILABLE:**

[FINAL TEXT OF BILL](#) (1<sup>st</sup> reprint enacted)

**S2928**

[SPONSOR'S STATEMENT:](#) (Begins on page 14 of original bill) [Yes](#)

**COMMITTEE STATEMENT:**            **ASSEMBLY:** No

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

**FLOOR AMENDMENT STATEMENT:** No

[LEGISLATIVE FISCAL ESTIMATE:](#) [Yes](#)

**A4518**

[SPONSOR'S STATEMENT:](#) (Begins on page 14 of original bill) [Yes](#)

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

**SENATE:** No

**FLOOR AMENDMENT STATEMENT:** No

[LEGISLATIVE FISCAL ESTIMATE:](#) [Yes](#)

**VETO MESSAGE:** No

**GOVERNOR'S PRESS RELEASE ON SIGNING:** No

**FOLLOWING WERE PRINTED:**

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**HEARINGS:**

No

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No

IS 1/18/08

P.L. 2005, CHAPTER 302, *approved January 10, 2006*  
Senate, No. 2928 (*First Reprint*)

1 **AN ACT** expanding the powers of the New Jersey Sports and  
2 Exposition Authority concerning projects and amending P.L.1971,  
3 c.137 and P.L.1991, c.375.

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

7  
8 1. Section 6 of P.L.1971, c.137 (C.5:10-6) is amended to read as  
9 follows:

10 6. a. The authority, pursuant to the provisions of P.L.1971, c.137  
11 (C.5:10-1 et seq.), is hereby authorized and empowered, either alone  
12 or in conjunction with others, and provided that, in the case of an  
13 arrangement with respect to any of the projects set forth in this section  
14 which shall be in conjunction with others, the authority shall have  
15 sufficient right and power to carry out the public purposes set forth in  
16 P.L.1971, c.137 (C.5:10-1 et seq.):

17 (1) To establish, develop, construct, operate, acquire, own,  
18 manage, promote, maintain, repair, reconstruct, restore, improve and  
19 otherwise effectuate, either directly or indirectly through lessees,  
20 licensees or agents, a project to be located in the Hackensack  
21 meadowlands upon a site not to exceed 750 acres and upon a site or  
22 sites outside of that acreage, but either immediately contiguous thereto  
23 or immediately across any public road which borders that acreage,  
24 consisting of one or more stadiums, coliseums, arenas, pavilions,  
25 stands, field houses, playing fields, recreation centers, courts,  
26 gymnasiums, clubhouses, a racetrack for the holding of horse race  
27 meetings, and other buildings, structures, facilities, properties and  
28 appurtenances related to, incidental to, necessary for, or  
29 complementary to a complex suitable for the holding of athletic  
30 contests or other sporting events, or trade shows, exhibitions,  
31 spectacles, public meetings, entertainment events or other expositions,  
32 including, but not limited to, driveways, roads, approaches, parking  
33 areas, parks, recreation areas, lodging facilities, vending facilities,  
34 restaurants, transportation structures, systems and facilities, and  
35 equipment, furnishings, and all other structures and appurtenant  
36 facilities, related to, incidental to, necessary for, or complementary to  
37 the purposes of that project or any facility thereof.

38 (2) To establish, develop, construct, acquire, lease or own,  
39 operate, manage, promote, maintain, repair, reconstruct, restore,  
40 improve and otherwise effectuate, either directly or indirectly through

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

**Matter underlined thus is new matter.**

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

<sup>1</sup> Senate SEG committee amendments adopted January 5, 2006.

1 lessees, licensees or agents, a project, at a site within the State of New  
2 Jersey, consisting of a baseball stadium and other buildings, structures,  
3 facilities, properties and appurtenances related thereto, or incidental  
4 to, necessary for, or complementary to a complex suitable for the  
5 holding of professional baseball games and other athletic contests or  
6 sporting events, or trade shows, exhibitions, spectacles, public  
7 meetings, entertainment events or other expositions, such project to  
8 include driveways, roads, approaches, parking areas, parks, recreation  
9 areas, vending facilities, restaurants, transportation structures, systems  
10 and facilities, and equipment, furnishings and all other structures and  
11 appurtenant facilities related to, incidental to, necessary for, or  
12 complementary to the purposes of that project or any facility thereof.

13 (3) To establish, develop, construct, acquire, lease or own,  
14 operate, manage, promote, maintain, repair, reconstruct, restore,  
15 improve and otherwise effectuate, either directly or indirectly through  
16 lessees, licensees or agents, projects located within the State of New  
17 Jersey, but outside of the meadowlands complex, consisting of  
18 aquariums and the buildings, structures, facilities, properties and  
19 appurtenances related thereto, or incidental to, necessary for, or  
20 complementary to those aquariums, such project to include driveways,  
21 roads, approaches, parking areas, parks, recreation areas, vending  
22 facilities, restaurants, transportation structures, systems and facilities,  
23 and equipment, furnishings and all other structures and appurtenant  
24 facilities related to, incidental to, necessary for, or complementary to  
25 the purposes of that project or any facility thereof. To provide for a  
26 project authorized under this paragraph:

27 (a) (Deleted by amendment, P.L.1988, c.172.)

28 (b) The authority is authorized to enter into agreements with the  
29 State Treasurer providing for the acquisition and construction of an  
30 aquarium by the authority, including the land necessary for the  
31 aquarium, and the costs thereof, ownership of the aquarium and its  
32 land which shall be conveyed to the State upon completion, and the  
33 operation by the authority of the aquarium pursuant to a lease or other  
34 agreement with the State containing such terms and conditions as the  
35 State Treasurer may establish prior to the acquisition and construction  
36 by the authority of the aquarium and the disbursements of funds  
37 therefor. The State Treasurer is authorized to enter into a lease or  
38 other agreement to effectuate the provisions of this subparagraph.

39 (4) To establish, develop, construct, acquire, own, operate,  
40 manage, promote, maintain, repair, reconstruct, restore, improve and  
41 otherwise effectuate, either directly or indirectly through lessees,  
42 licensees or agents, a project consisting of an exposition or  
43 entertainment center or hotel or office complex, including any  
44 buildings, structures, properties and appurtenances related thereto,  
45 incidental thereto, necessary therefor, or complementary thereto, such  
46 project to include driveways, roads, approaches, parking areas, parks,

1 recreation areas, vending facilities, restaurants, transportation  
2 structures, systems, and equipment, furnishings and all other structures  
3 and appurtenances related to, incidental to, necessary for, or  
4 complementary to, the purposes of that project. A project authorized  
5 under this paragraph may be located within, immediately contiguous  
6 to, or immediately across any public road which borders the site of any  
7 other project of the authority, except the site of a racetrack authorized  
8 by paragraph (5) of this subsection and acquired by the authority prior  
9 to 1986.

10 (5) To establish, develop, construct, acquire, own, operate,  
11 manage, promote, maintain, repair, reconstruct, restore, improve and  
12 otherwise effectuate, either directly or indirectly through lessees,  
13 licensees or agents, projects consisting of (a) racetrack facilities  
14 located within the State of New Jersey, but outside of the  
15 meadowlands complex, (b) their contiguous properties, and (c) their  
16 auxiliary facilities, including, without limitation, pavilions, stands, field  
17 houses, clubhouses, training tracks for horses, racetracks for the  
18 holding of horse race meetings, fairgrounds, other exposition facilities,  
19 and other buildings, structures, facilities, properties and appurtenances  
20 related to, incidental to, necessary for, or complementary to a complex  
21 suitable for the holding of horse race meetings, other sporting events,  
22 or trade shows, exhibitions, spectacles, public meetings, entertainment  
23 events or other expositions, including, but not limited to, driveways,  
24 roads, approaches, parking areas, parks, recreation areas, lodging  
25 facilities, vending facilities, restaurants, transportation structures,  
26 systems and facilities, equipment, furnishings, and all other structures  
27 and appurtenant facilities related to, incidental to, necessary for, or  
28 complementary to the purposes of any of those projects or any facility  
29 thereof.

30 Notwithstanding any law to the contrary, the acquisition of any  
31 existing racetrack facility in and licensed by the State of New Jersey  
32 shall be permitted on the condition that payments equivalent to all  
33 municipal, school board and county taxes due to each entity shall be  
34 paid by the authority to the extent and in accordance with the same  
35 payment schedule as taxes would have been paid each year, as though  
36 the racetrack facility remained in private ownership. In the event the  
37 authority conveys lands or other parts of the racetrack facility to  
38 others, the authority shall receive a reduction of such payments  
39 commensurate with the amount required to be paid by the subsequent  
40 owner of the lands and improvements disposed of by the authority. In  
41 addition, the authority shall be responsible for paying all existing local  
42 franchise fees, license and parking tax fees in effect at the time of the  
43 acquisition.

44 (6) To establish, develop, acquire, own, operate, manage, promote  
45 and otherwise effectuate, in whole or in part, either directly or  
46 indirectly through lessees, licensees or agents, projects consisting of

1 events, expositions, teams, team franchises or membership in  
2 professional sports leagues.

3 (7) To establish, develop, construct, acquire, own, operate,  
4 manage, promote, maintain, repair, reconstruct, restore, improve and  
5 otherwise effectuate, either directly or indirectly through lessees,  
6 licensees or agents, projects consisting of facilities, at a site or sites  
7 within the State of New Jersey and either within or without the  
8 meadowlands complex, that are related to, incidental to, necessary for,  
9 or complementary to the accomplishment or purpose of any project of  
10 the authority authorized by this section, including any buildings,  
11 structures, properties and appurtenances related thereto, incidental  
12 thereto, necessary therefor, or complementary thereto, such projects  
13 to include driveways, roads, approaches, parking areas, parks,  
14 recreation areas, off-track and account wagering systems and facilities  
15 or any interest therein, vending facilities, restaurants, transportation  
16 structures, systems, and equipment, furnishings and all other structures  
17 and appurtenances related to, incidental to, necessary for, or  
18 complementary to the purposes of those projects.

19 (8) To establish, develop, acquire, construct, reconstruct, improve  
20 and otherwise effectuate for transfer to, and for use and operation by,  
21 Rutgers, the State University, either directly or indirectly through  
22 lessees, licensees or agents, facilities located or to be located on  
23 property owned, leased, or otherwise used by Rutgers, the State  
24 University, consisting of an upgraded and expanded football stadium  
25 and a new track and field, soccer and lacrosse facility and the  
26 buildings, structures, properties and appurtenances related thereto, or  
27 incidental to, necessary for, or complementary to the football stadium  
28 and track and field, soccer and lacrosse facility, such facilities to  
29 include driveways, access roads, approaches, parking areas, parks,  
30 recreation areas, vending facilities, restaurants, transportation  
31 structures, systems and equipment, furnishings and all other structures  
32 and appurtenances related or incidental to, necessary for, or  
33 complementary to the purposes of those facilities; provided however  
34 that construction shall not begin on the expansion of the seating  
35 capacity of Rutgers Stadium until the Commissioner of Transportation  
36 certifies that all funding necessary to complete the Route 18 project in  
37 Piscataway Township has been appropriated and construction has  
38 begun on the Route 18 project in Piscataway Township under the  
39 Department of Transportation's capital program.

40 (9) To acquire by purchase, lease or otherwise, and to develop,  
41 construct, operate, own, lease, manage, repair, reconstruct, restore,  
42 improve, enlarge or otherwise effectuate, either directly or through  
43 lessees, licensees or agents, a convention center project in the city of  
44 Atlantic City, Atlantic County, consisting of the existing convention  
45 hall and a new convention hall or center, and associated parking areas  
46 and railroad terminal facilities and including the leasing of adjacent

1 land for hotel facilities. In connection therewith, the authority is  
2 authorized to:

3 (a) Assume existing leasehold or other contractual obligations  
4 pertaining to any such facilities or properties or to make provision for  
5 the payment or retirement of any debts and obligations of the  
6 governmental entity operating any such convention hall or center or of  
7 any bonds or other obligations payable from and secured by a lien on  
8 or pledge of the luxury tax revenues;

9 (b) Make loans or payments in aid of construction with respect to  
10 infrastructure and site development for properties located in the area  
11 between the sites of the existing convention hall and a new convention  
12 center or located contiguous to or across any public road which  
13 borders the area;

14 (c) Convert the existing convention hall or any facilities, structures  
15 or properties thereof, or any part thereof, not disposed of by the  
16 authority, to any sports, exposition, exhibition, or entertainment use  
17 or to use as a forum for public events or meetings, or to any other use  
18 which the authority shall determine to be consistent with its operation  
19 of the Atlantic City convention center project.

20 (10) To provide a feasibility study for the use and development of  
21 the existing convention center in the city of Asbury Park, county of  
22 Monmouth and to provide a feasibility study for the construction, use  
23 and development of a convention center or recreational facility in any  
24 other municipality.

25 (11) To provide funding to public or private institutions of higher  
26 education in the State to establish, develop, acquire, construct,  
27 reconstruct or improve facilities located or to be located on property  
28 owned, leased, or otherwise used by an institution, consisting of sports  
29 facilities and the buildings, structures, properties and appurtenances  
30 related thereto, or incidental to, necessary for, or complementary to  
31 those sports facilities, such facilities to include driveways, access  
32 roads, approaches, parking areas, parks, recreation areas, vending  
33 facilities, restaurants, transportation structures, systems and  
34 equipment, furnishings and all other structures and appurtenances  
35 related or incidental to, necessary for, or complementary to the  
36 purposes of those facilities.

37 (12) To acquire by purchase, lease, or otherwise, including all  
38 right, title and interest of the Greater Wildwood Tourism Improvement  
39 Development Authority in any property, and to develop, construct,  
40 operate, own, lease, manage, repair, reconstruct, restore, improve,  
41 enlarge or otherwise effectuate, either directly or through lessees,  
42 licensees or agents, a convention center facility in the City of  
43 Wildwood, Cape May County, consisting of and including any existing  
44 and acquired buildings, structures, properties and appurtenances and  
45 including restaurants, retail businesses, access roads, approaches,  
46 parking areas, transportation structures and systems, recreation areas,

1 equipment, furnishings, vending facilities, and all other structures and  
2 appurtenances incidental to, necessary for, or complementary to the  
3 purpose of such Wildwood convention center facility. In connection  
4 therewith, the authority is expressly authorized to:

5 (a) assume any existing mortgages, leaseholds or other contractual  
6 obligations or encumbrances with respect to the site of the Wildwood  
7 convention center facility and any other existing and acquired  
8 buildings, structures, properties, and appurtenances;

9 (b) enter into agreements with a local public body or bodies  
10 providing for any necessary financial support or other assistance for  
11 the operation and maintenance of such Wildwood convention center  
12 facility from taxes or other sources of the local public body or bodies  
13 as shall be made available for such purposes;

14 (c) to the extent permitted by law and by the terms of the bonds or  
15 notes issued to finance the Wildwood convention center facility,  
16 transfer its ownership interest or other rights with respect to the  
17 convention center facility to another State authority or agency;

18 (d) upon payment of all outstanding bonds and notes issued  
19 therefore, transfer its ownership interest and other rights with respect  
20 thereto to such other public body as shall be authorized to own and  
21 operate such a facility; and

22 (e) convert any existing convention hall or any facilities, structures  
23 or properties thereof, or any part thereof, not disposed of by the  
24 authority, to any use which the authority shall determine to be  
25 consistent with the operation of the Wildwood convention center  
26 facility.

27 (13) To acquire by purchase, lease or otherwise, and to develop,  
28 construct, own, lease, manage, repair, reconstruct, restore, improve,  
29 enlarge or otherwise effectuate, either directly or through lessees,  
30 licenses, or agents, all right, title, or interest in the Garden State Arts  
31 Center in Holmdel, Monmouth County, and any related or auxiliary  
32 facilities and to transfer its interest in the Garden State Arts Center  
33 and any related or auxiliary facilities to such other public body that is  
34 authorized to own and operate such a facility, or other entity,  
35 according to such terms and process as the authority may establish in  
36 its discretion.

37 (14) (a) To establish, develop, construct, acquire, lease or own,  
38 operate, manage, promote, maintain, repair, reconstruct, restore,  
39 improve and otherwise effectuate, either directly or indirectly through  
40 lessees, licensees or agents, projects located within the State of New  
41 Jersey, but outside the <sup>1</sup>[Meadowlands Complex] meadowlands  
42 complex<sup>1</sup>, <sup>1</sup>provided that the authority first obtains the consent of the  
43 municipality or municipalities in which the projects are to be located,<sup>1</sup>  
44 consisting of football training facilities that are comparable in quality  
45 to National Football League professional football training facilities and  
46 the buildings, structures, facilities, uses, properties and appurtenances



1 related thereto, or identical to, necessary for, or complementary to  
2 those National Football League-quality professional football league  
3 training facilities, such projects to include driveways, roads,  
4 approaches, parking areas, parks, recreation areas, restaurants,  
5 transportation structures, systems and facilities, and equipment,  
6 furnishings and all other structures and appurtenant facilities related  
7 to, incidental to, necessary for, or complementary to the purposes of  
8 such projects or any facility thereof.

9 (b) For projects developed pursuant to subparagraph (a) of  
10 paragraph (14) of this subsection, the authority shall make in-lieu-of  
11 tax payments in each municipality affected in amounts negotiated by  
12 the authority and each municipality.

13 b. The authority, pursuant to the provisions of P.L.1971, c.137  
14 (C.5:10-1 et seq.), is authorized (1) to make, as part of any of the  
15 projects, capital contributions to others for transportation and other  
16 facilities, and accommodations for the public's use of any of those  
17 projects, (2) to lease any part of any of those project sites not  
18 occupied or to be occupied by the facilities of any of those projects,  
19 for purposes determined by the authority to be consistent with or  
20 related to the purposes of those projects, including, but not limited to,  
21 hotels and other accommodations for transients and other facilities  
22 related to or incidental to any of those projects, and (3) to sell or  
23 dispose of any real or personal property, including, but not limited to,  
24 such portion of the site of any of those projects not occupied or to be  
25 occupied by the facilities of any of those projects, at not less than the  
26 fair market value of the property, except in the case of sale or  
27 disposition to the State, any political subdivision of the State or any  
28 agency or instrumentality of the State or any political subdivision of  
29 the State.

30 c. Revenues, moneys or other funds, if any, derived from the  
31 operation or ownership of the meadowlands complex, including the  
32 conduct of horse race meetings, shall be applied, in accordance with  
33 the resolution or resolutions authorizing or relating to the issuance of  
34 bonds or notes of the authority, to the following purposes and in the  
35 following order:

36 (1) The costs of operation and maintenance of the meadowlands  
37 complex and reserves therefor;

38 (2) Principal, sinking fund installments and redemption premiums  
39 of and interest on any bonds or notes of the authority payable from  
40 such revenues, moneys or other funds and issued for the purposes of  
41 the meadowlands complex or for the purposes of refunding the same,  
42 including reserves and payments with respect to credit agreements  
43 therefor;

44 (3) The costs of any major or extraordinary repairs, renewals or  
45 replacements with respect to the meadowlands complex or incidental  
46 improvements thereto, not paid pursuant to paragraph (1) above,

- 1 including reserves therefor;
- 2 (4) Payments required to be made pursuant to section 18b.;
- 3 (5) Payments authorized to be made pursuant to section 18c.;
- 4 (6) Except to the extent payments with respect to bonds or notes  
5 are provided with priority in accordance with paragraph (2) of this  
6 subsection, payments required to be made in accordance with the  
7 resolution authorizing or relating to the issuance of bonds or notes of  
8 the authority, for the purposes of any project authorized by this act,  
9 including payments and reserves with respect to any bonds or notes of  
10 the authority with respect to the meadowlands complex which are not  
11 provided with priority in accordance with paragraph (2) of this  
12 subsection;
- 13 (7) Payments required to be made to repay any obligation incurred  
14 by the authority to the State;
- 15 (8) The balance remaining after application in accordance with the  
16 above shall be deposited in the General State Fund, provided that (a)  
17 there shall be appropriated for authorized State purposes from the  
18 amount so deposited that amount which shall be calculated by the  
19 State Treasurer to be the debt service savings realized with respect to  
20 the refinancing of the initial project as defined in section 1 of  
21 P.L.1973, c.286 (C.5:10-14.1) at the meadowlands complex, by the  
22 issuance of bonds of the authority guaranteed by the State, and (b)  
23 after such appropriation, 40% of any balance remaining from the  
24 amounts so deposited shall be appropriated to the Meadowlands  
25 Commission for any of its purposes authorized by P.L.1968, c.404,  
26 and any amendments or supplements thereto.
- 27 d. Revenues, moneys or other funds, if any, derived from the  
28 operation or ownership of any project other than the meadowlands  
29 complex, the Atlantic City convention center project, or the Wildwood  
30 convention center facility and other than a baseball stadium project or  
31 an office complex project located on the site of a baseball stadium  
32 shall be applied for such purposes, in such manner and subject to such  
33 conditions as shall be provided in the resolution authorizing or relating  
34 to the issuance of bonds or notes of the authority for the purposes of  
35 such project, and the balance, if any, remaining after such application  
36 may be applied, to the extent not contrary to or inconsistent with the  
37 resolution, in the following order (1) to the purposes of the  
38 meadowlands complex, unless otherwise agreed upon by the State  
39 Treasurer and the authority, (2) to the purposes of any other project  
40 of the authority; and, the balance remaining, if any, shall be deposited  
41 in the General Fund.
- 42 e. Revenues, moneys or other funds, if any, derived from the  
43 operation, ownership, or leasing of a baseball stadium project or an  
44 office complex project located on the site of a baseball stadium shall  
45 be applied for the purposes, in the manner and subject to the  
46 conditions as shall be provided in the resolution authorizing or relating

1 to the issuance of bonds or notes of the authority for the purposes of  
2 a baseball stadium project or an office complex project located on the  
3 site of a baseball stadium, if any, and the balance, if any, remaining  
4 after such application shall be applied, to the extent not contrary to or  
5 inconsistent with the resolution, to the following purposes and in the  
6 following order:

7 (1) The costs of operation and maintenance of a baseball stadium  
8 project and an office complex project located on the site of a baseball  
9 stadium and reserves therefor;

10 (2) Payments made to repay the bonded indebtedness incurred by  
11 the authority for the purposes of a baseball stadium project or an  
12 office complex project located on the site of a baseball stadium;

13 (3) Payments equivalent to an amount required to be made by the  
14 State for payments in lieu of taxes pursuant to P.L.1977, c.272  
15 (C.54:4-2.2a et seq.);

16 (4) The balance remaining after application in accordance with the  
17 above shall be deposited in the General Fund.

18 f. Revenues, moneys or other funds, if any, derived from the  
19 operation, ownership or leasing of the Atlantic City convention center  
20 project shall be applied to the costs of operating and maintaining the  
21 Atlantic City convention center project and to the other purposes set  
22 forth in this subsection as shall be provided by resolution of the  
23 authority.

24 Luxury tax revenues paid to the authority by the State Treasurer  
25 pursuant to section 14 of P.L.1991, c.375 (C.5:10-14.4) shall be  
26 deposited by the authority in a separate fund or account and applied  
27 to the following purposes and in the following order:

28 (1) To pay the principal, sinking fund installments and redemption  
29 premiums of and interest on any bonds or notes of the authority,  
30 including bonds or notes of the authority issued for the purpose of  
31 refunding bonds or notes, issued for purposes of (i) the initial  
32 acquisition of the existing properties which will constitute part of the  
33 Atlantic City convention center project, if the bonds or notes shall be  
34 payable under the terms of the resolution of the authority relating  
35 thereto from luxury tax revenues, or (ii) providing improvements,  
36 additions or replacements to the Atlantic City convention center  
37 project, if the bonds or notes shall be payable under the terms of the  
38 resolution of the authority relating thereto from luxury tax revenues;  
39 and to pay any amounts due from the authority under any credit  
40 agreement entered into by the authority in connection with the bonds  
41 or notes.

42 (2) To pay the costs of operation and maintenance of the Atlantic  
43 City convention center project.

44 (3) To establish and maintain a working capital and maintenance  
45 reserve fund for the Atlantic City convention center project in an  
46 amount as shall be determined by the authority to be necessary.

1 (4) To repay to the State those amounts paid by the State with  
2 respect to bonds or notes of the authority issued for the purposes of  
3 the Atlantic City convention center project.

4 (5) The balance of any luxury tax revenues not required for any of  
5 the foregoing purposes and remaining at the end of any calendar year  
6 shall be paid to the State Treasurer for application to purposes in the  
7 city of Atlantic City pursuant to section 5 of P.L.1981, c.461  
8 (C.40:48-8.30a).

9 The authority may pledge the luxury tax revenues paid to it as  
10 provided for in section 14 of P.L.1991, c.375 (C.5:10-14.4) as security  
11 for the payment of the principal of and interest or premium on its  
12 bonds or notes issued for the purposes set forth above in paragraph (1)  
13 of this subsection f. in the same manner, to the same extent and with  
14 the same effect as the pledge of any of its other revenues, receipts and  
15 funds authorized by P.L.1971, c.137 (C.5:10-1 et seq.).

16 g. Revenues, moneys or other funds, if any, derived from the  
17 ownership or operation of the Wildwood convention center facility  
18 shall be applied to the costs of operating and maintaining the  
19 Wildwood convention center facility and to the other purposes set  
20 forth in this subsection as shall be provided by resolution of the  
21 authority.

22 The tourism related tax revenues paid to the authority pursuant to  
23 subsection f. of section 14 of P.L.1992, c.165 (C.40:54D-14) shall be  
24 deposited by the authority in a separate fund or account and applied  
25 to any or all of the following purposes pursuant to an allocation of  
26 funds approved by the State Treasurer in writing and in advance of any  
27 application of such funds:

28 (1) to pay amounts due with respect to any obligations transferred  
29 to the authority pursuant to section 17 of P.L.1997, c.273  
30 (C.40:54D-25.1) pertaining to the Wildwood convention center  
31 facility;

32 (2) to repay to the State those amounts paid with respect to bonds  
33 or notes of the authority issued for the purposes of the Wildwood  
34 convention center facility;

35 (3) to pay the cost of operation and maintenance reserve for the  
36 Wildwood convention center facility;

37 (4) to establish and maintain a working capital and maintenance of  
38 the Wildwood convention center facility.

39 The balance, if any, of any tourism related tax revenues not  
40 allocated to any of the purposes set forth in the previous paragraphs  
41 and remaining at the end of the calendar year shall be paid to the State  
42 Treasurer for deposit in the General Fund.

43 (cf: P.L.2003, c.79, s.45)

44  
45 2. Section 12 of P.L.1991, c.375 (C.5:10-14.3) is amended to read  
46 as follows:

1       12. a. The State Treasurer shall establish a special fund to be  
2 known as the "Sports Authority Fund" and shall pay into the fund  
3 amounts from the General Fund as shall be necessary to pay the  
4 principal and interest on bonds or notes of the authority issued  
5 pursuant to this section and to pay any amounts due from the authority  
6 under any credit agreement entered into by the authority in connection  
7 with the bonds or notes, provided that all payments from the General  
8 Fund shall be subject to and dependent upon appropriations made from  
9 time to time for those purposes.

10       b. (1) The State Treasurer and the authority are authorized to  
11 enter into agreements as shall be necessary to effectuate the purposes  
12 of this section, including without limitation, provisions for securing the  
13 payment of bonds or notes issued by the authority pursuant to  
14 subsection d. of this section and the interest thereon and providing for  
15 the investment of moneys in the fund; provided that the agreements  
16 shall be subject to approval by the presiding officers of both houses of  
17 the Legislature, and provided further that when the purposes of this  
18 section have been satisfied, and upon the earlier of:

19       (a) the certification by the State Treasurer that the revenues of the  
20 authority are sufficient to satisfy the requirements of paragraphs (1),  
21 (2), (3), (4), (5) and (6) of subsection c. of section 6 of P.L.1971,  
22 c.137 (C.5:10-6) for the term of bonds or notes issued pursuant to  
23 subsection d. of this section; or

24       (b) the satisfaction of the requirements for the payment of bonds  
25 or notes issued pursuant to P.L.1991, c.375 (C.5:10-3 et al.) or  
26 pursuant to P.L.1997, c.273 (C.40:54D-25.1 et al.); the State  
27 Treasurer and the authority shall not, except for the refunding of  
28 bonds or notes issued pursuant to subsection d. of this section which  
29 produces debt service savings, enter into any further agreements  
30 regarding payments by the State Treasurer into the "Sports Authority  
31 Fund" for any reason, including but not limited to, the financing or  
32 restructuring of the debt of the authority.

33       (2) The agreements shall indicate the nature and scope of the  
34 projects to be financed pursuant to this section.

35       (3) The agreements shall provide that with respect to the Atlantic  
36 City convention center project, the authority shall review all existing  
37 expert studies that present options as to the scope and nature of the  
38 project and the linkages between the project and the economic  
39 development of Atlantic City. Based upon its analysis of the available  
40 studies and such other expert studies as the authority may authorize,  
41 the authority shall report to the Legislature and include in the minutes  
42 of the authority its proposal for the development of the Atlantic City  
43 convention center. The report shall include an explanation for the  
44 selection of the project option proposed by the authority.

45       c. Notwithstanding anything to the contrary in P.L.1991, c.375  
46 (C.5:10-3 et al.), if and to the extent provided in any agreement

1 between the State Treasurer and the authority, all or part of the  
2 revenues of the authority, other than luxury tax revenues or revenues  
3 of the Atlantic City convention center project and other than tourism  
4 related tax revenues or other revenues of the Wildwood convention  
5 center facility, in excess of the requirements of the resolutions  
6 authorizing or relating to the issuance of any of the authority's bonds  
7 or notes, except those issued pursuant to this section, shall be paid  
8 into the General Fund in repayment to the State for amounts  
9 previously paid by the State pursuant to this section with respect to  
10 the payment of principal and interest on bonds or notes issued for any  
11 of the purposes set forth in this section, except the purposes set forth  
12 in paragraphs (3), (4), (5), and (8) of subsection d. of this section, and  
13 any payments on account of any credit agreements with respect to the  
14 bonds or notes. Except as otherwise provided in this section, bonds or  
15 notes of the authority issued pursuant to this section shall be  
16 authorized, sold and issued in the manner and be entitled to the  
17 benefits, protection and provisions as apply to bonds and notes of the  
18 authority authorized to be issued pursuant to P.L.1971, c.137  
19 (C.5:10-1 et seq.).

20 d. In addition to its other powers to issue bonds and notes, the  
21 authority shall have power to issue from time to time bonds and notes  
22 payable from amounts in the Sports Authority Fund established  
23 pursuant to subsection a. of this section, as follows:

24 (1) To provide sufficient funds to refund from time to time  
25 outstanding bonds or notes of the authority issued for the  
26 meadowlands complex or the Monmouth racetrack project authorized  
27 pursuant to paragraph (5) of subsection a. of section 6 of P.L.1971,  
28 c.137 (C.5:10-6), whether or not the bonds or notes or interest  
29 thereon have become due, to provide for the establishment of funds or  
30 reserves to secure payment of the bonds or notes or any other bonds  
31 or notes issued or to be issued for those purposes or interest thereon,  
32 and to provide for the payment of all other costs or expenses of the  
33 authority incident to or necessary to carry out the refunding; provided  
34 that the refunding bonds issued at any time pursuant to this paragraph  
35 shall not exceed that amount estimated to be necessary so that  
36 subsequent to the refunding, the revenues from the meadowlands  
37 complex or the Monmouth racetrack project, as the case may be, shall  
38 be sufficient to pay all costs payable from those revenues, as shall be  
39 estimated in a determination by the authority made in accordance with  
40 the agreement between the authority and the State Treasurer;

41 (2) To finance or refinance a capital program or programs for the  
42 meadowlands complex and the Monmouth racetrack project authorized  
43 pursuant to paragraph (5) of subsection a. of section 6 of P.L.1971,  
44 c.137 (C.5:10-6), adopted by the authority to provide for major  
45 repairs, reconstruction and improvements which are legally mandated  
46 or otherwise needed to meet environmental or safety requirements, to

1 prevent a loss of revenues, to augment revenues or to continue or  
2 enhance the operations of any of the facilities thereof, or to upgrade  
3 any of the facilities thereof;

4 (3) To provide for the financing or refinancing of the facilities for  
5 Rutgers, The State University pursuant to paragraph (8) of subsection  
6 a. of section 6 of P.L.1971, c.137 (C.5:10-6);

7 (4) To provide for the financing or refinancing of the Atlantic City  
8 convention center project;

9 (5) To finance or refinance feasibility studies for public projects  
10 consistent with the purposes of the authority;

11 (6) To provide for the financing or refinancing of any other project  
12 of the authority, but only if and to the extent expressly authorized by  
13 law enacted subsequent to the enactment of P.L.1991, c.375 (C.5:10-3  
14 et al.);

15 (7) To provide for the financing of the facilities at institutions of  
16 higher education pursuant to paragraph (11) of subsection a. of section  
17 6 of P.L.1971, c.137 (C.5:10-6), based upon a list of projects  
18 recommended by the Commission on Higher Education following a  
19 competitive application process, provided that the aggregate financing  
20 of the projects undertaken pursuant to this paragraph shall not exceed  
21 \$5,000,000; [and]

22 (8) To provide for the financing or refinancing of a convention  
23 center facility in the City of Wildwood pursuant to paragraph (12) of  
24 subsection a. of section 6 of P.L.1971, c.137 (C.5:10-6)[.]; and

25 (9) To provide for the financing or refinancing of the professional  
26 football training facility project and associated facilities authorized  
27 pursuant to paragraph (14) of subsection a. of section 6 of P.L.1971,  
28 c.137 (C.5:10-6).

29 e. Bonds and notes authorized pursuant to this section shall be  
30 special obligations of the authority payable as herein provided. Bonds  
31 and notes shall not be deemed to constitute a debt or liability of the  
32 State or a pledge of the faith and credit of the State but are dependent  
33 for repayment upon appropriations as provided by law from time to  
34 time. These bonds and notes and the interest thereon may also be  
35 payable from the proceeds thereof set aside for that purpose and  
36 income accruing therefrom.

37 (cf: P.L.1997, c.273, s.21)

38

39 3. This act shall take effect immediately.

40

41

42

43

44 Expands certain powers of New Jersey Sports and Exposition  
45 Authority to establish and develop professional football league training  
46 facilities.

**SENATE, No. 2928**

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

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INTRODUCED DECEMBER 8, 2005

**Sponsored by:**

**Senator PAUL SARLO**

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

**Senator RAYMOND J. LESNIAK**

**District 20 (Union)**

**Co-Sponsored by:**

**Senators Codey and Doria**

**SYNOPSIS**

Expands certain powers of New Jersey Sports and Exposition Authority to establish and develop professional football league training facilities.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 12/9/2005)**



1 AN ACT expanding the powers of the New Jersey Sports and  
2 Exposition Authority concerning projects and amending P.L.1971,  
3 c.137 and P.L.1991, c.375.

4

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

7

8 1. Section 6 of P.L.1971, c.137 (C.5:10-6) is amended to read as  
9 follows:

10 6. a. The authority, pursuant to the provisions of P.L.1971, c.137  
11 (C.5:10-1 et seq.), is hereby authorized and empowered, either alone  
12 or in conjunction with others, and provided that, in the case of an  
13 arrangement with respect to any of the projects set forth in this section  
14 which shall be in conjunction with others, the authority shall have  
15 sufficient right and power to carry out the public purposes set forth in  
16 P.L.1971, c.137 (C.5:10-1 et seq.):

17 (1) To establish, develop, construct, operate, acquire, own,  
18 manage, promote, maintain, repair, reconstruct, restore, improve and  
19 otherwise effectuate, either directly or indirectly through lessees,  
20 licensees or agents, a project to be located in the Hackensack  
21 meadowlands upon a site not to exceed 750 acres and upon a site or  
22 sites outside of that acreage, but either immediately contiguous thereto  
23 or immediately across any public road which borders that acreage,  
24 consisting of one or more stadiums, coliseums, arenas, pavilions,  
25 stands, field houses, playing fields, recreation centers, courts,  
26 gymnasiums, clubhouses, a racetrack for the holding of horse race  
27 meetings, and other buildings, structures, facilities, properties and  
28 appurtenances related to, incidental to, necessary for, or  
29 complementary to a complex suitable for the holding of athletic  
30 contests or other sporting events, or trade shows, exhibitions,  
31 spectacles, public meetings, entertainment events or other expositions,  
32 including, but not limited to, driveways, roads, approaches, parking  
33 areas, parks, recreation areas, lodging facilities, vending facilities,  
34 restaurants, transportation structures, systems and facilities, and  
35 equipment, furnishings, and all other structures and appurtenant  
36 facilities, related to, incidental to, necessary for, or complementary to  
37 the purposes of that project or any facility thereof.

38 (2) To establish, develop, construct, acquire, lease or own,  
39 operate, manage, promote, maintain, repair, reconstruct, restore,  
40 improve and otherwise effectuate, either directly or indirectly through  
41 lessees, licensees or agents, a project, at a site within the State of New  
42 Jersey, consisting of a baseball stadium and other buildings, structures,  
43 facilities, properties and appurtenances related thereto, or incidental

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

**Matter underlined thus is new matter.**

1 to, necessary for, or complementary to a complex suitable for the  
2 holding of professional baseball games and other athletic contests or  
3 sporting events, or trade shows, exhibitions, spectacles, public  
4 meetings, entertainment events or other expositions, such project to  
5 include driveways, roads, approaches, parking areas, parks, recreation  
6 areas, vending facilities, restaurants, transportation structures, systems  
7 and facilities, and equipment, furnishings and all other structures and  
8 appurtenant facilities related to, incidental to, necessary for, or  
9 complementary to the purposes of that project or any facility thereof.

10 (3) To establish, develop, construct, acquire, lease or own,  
11 operate, manage, promote, maintain, repair, reconstruct, restore,  
12 improve and otherwise effectuate, either directly or indirectly through  
13 lessees, licensees or agents, projects located within the State of New  
14 Jersey, but outside of the meadowlands complex, consisting of  
15 aquariums and the buildings, structures, facilities, properties and  
16 appurtenances related thereto, or incidental to, necessary for, or  
17 complementary to those aquariums, such project to include driveways,  
18 roads, approaches, parking areas, parks, recreation areas, vending  
19 facilities, restaurants, transportation structures, systems and facilities,  
20 and equipment, furnishings and all other structures and appurtenant  
21 facilities related to, incidental to, necessary for, or complementary to  
22 the purposes of that project or any facility thereof. To provide for a  
23 project authorized under this paragraph:

24 (a) (Deleted by amendment, P.L.1988, c.172.)

25 (b) The authority is authorized to enter into agreements with the  
26 State Treasurer providing for the acquisition and construction of an  
27 aquarium by the authority, including the land necessary for the  
28 aquarium, and the costs thereof, ownership of the aquarium and its  
29 land which shall be conveyed to the State upon completion, and the  
30 operation by the authority of the aquarium pursuant to a lease or other  
31 agreement with the State containing such terms and conditions as the  
32 State Treasurer may establish prior to the acquisition and construction  
33 by the authority of the aquarium and the disbursements of funds  
34 therefor. The State Treasurer is authorized to enter into a lease or  
35 other agreement to effectuate the provisions of this subparagraph.

36 (4) To establish, develop, construct, acquire, own, operate,  
37 manage, promote, maintain, repair, reconstruct, restore, improve and  
38 otherwise effectuate, either directly or indirectly through lessees,  
39 licensees or agents, a project consisting of an exposition or  
40 entertainment center or hotel or office complex, including any  
41 buildings, structures, properties and appurtenances related thereto,  
42 incidental thereto, necessary therefor, or complementary thereto, such  
43 project to include driveways, roads, approaches, parking areas, parks,  
44 recreation areas, vending facilities, restaurants, transportation  
45 structures, systems, and equipment, furnishings and all other structures  
46 and appurtenances related to, incidental to, necessary for, or

1 complementary to, the purposes of that project. A project authorized  
2 under this paragraph may be located within, immediately contiguous  
3 to, or immediately across any public road which borders the site of any  
4 other project of the authority, except the site of a racetrack authorized  
5 by paragraph (5) of this subsection and acquired by the authority prior  
6 to 1986.

7 (5) To establish, develop, construct, acquire, own, operate,  
8 manage, promote, maintain, repair, reconstruct, restore, improve and  
9 otherwise effectuate, either directly or indirectly through lessees,  
10 licensees or agents, projects consisting of (a) racetrack facilities  
11 located within the State of New Jersey, but outside of the  
12 meadowlands complex, (b) their contiguous properties, and (c) their  
13 auxiliary facilities, including, without limitation, pavilions, stands, field  
14 houses, clubhouses, training tracks for horses, racetracks for the  
15 holding of horse race meetings, fairgrounds, other exposition facilities,  
16 and other buildings, structures, facilities, properties and appurtenances  
17 related to, incidental to, necessary for, or complementary to a complex  
18 suitable for the holding of horse race meetings, other sporting events,  
19 or trade shows, exhibitions, spectacles, public meetings, entertainment  
20 events or other expositions, including, but not limited to, driveways,  
21 roads, approaches, parking areas, parks, recreation areas, lodging  
22 facilities, vending facilities, restaurants, transportation structures,  
23 systems and facilities, equipment, furnishings, and all other structures  
24 and appurtenant facilities related to, incidental to, necessary for, or  
25 complementary to the purposes of any of those projects or any facility  
26 thereof.

27 Notwithstanding any law to the contrary, the acquisition of any  
28 existing racetrack facility in and licensed by the State of New Jersey  
29 shall be permitted on the condition that payments equivalent to all  
30 municipal, school board and county taxes due to each entity shall be  
31 paid by the authority to the extent and in accordance with the same  
32 payment schedule as taxes would have been paid each year, as though  
33 the racetrack facility remained in private ownership. In the event the  
34 authority conveys lands or other parts of the racetrack facility to  
35 others, the authority shall receive a reduction of such payments  
36 commensurate with the amount required to be paid by the subsequent  
37 owner of the lands and improvements disposed of by the authority. In  
38 addition, the authority shall be responsible for paying all existing local  
39 franchise fees, license and parking tax fees in effect at the time of the  
40 acquisition.

41 (6) To establish, develop, acquire, own, operate, manage, promote  
42 and otherwise effectuate, in whole or in part, either directly or  
43 indirectly through lessees, licensees or agents, projects consisting of  
44 events, expositions, teams, team franchises or membership in  
45 professional sports leagues.

46 (7) To establish, develop, construct, acquire, own, operate,

1 manage, promote, maintain, repair, reconstruct, restore, improve and  
2 otherwise effectuate, either directly or indirectly through lessees,  
3 licensees or agents, projects consisting of facilities, at a site or sites  
4 within the State of New Jersey and either within or without the  
5 meadowlands complex, that are related to, incidental to, necessary for,  
6 or complementary to the accomplishment or purpose of any project of  
7 the authority authorized by this section, including any buildings,  
8 structures, properties and appurtenances related thereto, incidental  
9 thereto, necessary therefor, or complementary thereto, such projects  
10 to include driveways, roads, approaches, parking areas, parks,  
11 recreation areas, off-track and account wagering systems and facilities  
12 or any interest therein, vending facilities, restaurants, transportation  
13 structures, systems, and equipment, furnishings and all other structures  
14 and appurtenances related to, incidental to, necessary for, or  
15 complementary to the purposes of those projects.

16 (8) To establish, develop, acquire, construct, reconstruct, improve  
17 and otherwise effectuate for transfer to, and for use and operation by,  
18 Rutgers, the State University, either directly or indirectly through  
19 lessees, licensees or agents, facilities located or to be located on  
20 property owned, leased, or otherwise used by Rutgers, the State  
21 University, consisting of an upgraded and expanded football stadium  
22 and a new track and field, soccer and lacrosse facility and the  
23 buildings, structures, properties and appurtenances related thereto, or  
24 incidental to, necessary for, or complementary to the football stadium  
25 and track and field, soccer and lacrosse facility, such facilities to  
26 include driveways, access roads, approaches, parking areas, parks,  
27 recreation areas, vending facilities, restaurants, transportation  
28 structures, systems and equipment, furnishings and all other structures  
29 and appurtenances related or incidental to, necessary for, or  
30 complementary to the purposes of those facilities; provided however  
31 that construction shall not begin on the expansion of the seating  
32 capacity of Rutgers Stadium until the Commissioner of Transportation  
33 certifies that all funding necessary to complete the Route 18 project in  
34 Piscataway Township has been appropriated and construction has  
35 begun on the Route 18 project in Piscataway Township under the  
36 Department of Transportation's capital program.

37 (9) To acquire by purchase, lease or otherwise, and to develop,  
38 construct, operate, own, lease, manage, repair, reconstruct, restore,  
39 improve, enlarge or otherwise effectuate, either directly or through  
40 lessees, licensees or agents, a convention center project in the city of  
41 Atlantic City, Atlantic County, consisting of the existing convention  
42 hall and a new convention hall or center, and associated parking areas  
43 and railroad terminal facilities and including the leasing of adjacent  
44 land for hotel facilities. In connection therewith, the authority is  
45 authorized to:

46 (a) Assume existing leasehold or other contractual obligations

1 pertaining to any such facilities or properties or to make provision for  
2 the payment or retirement of any debts and obligations of the  
3 governmental entity operating any such convention hall or center or of  
4 any bonds or other obligations payable from and secured by a lien on  
5 or pledge of the luxury tax revenues;

6 (b) Make loans or payments in aid of construction with respect to  
7 infrastructure and site development for properties located in the area  
8 between the sites of the existing convention hall and a new convention  
9 center or located contiguous to or across any public road which  
10 borders the area;

11 (c) Convert the existing convention hall or any facilities, structures  
12 or properties thereof, or any part thereof, not disposed of by the  
13 authority, to any sports, exposition, exhibition, or entertainment use  
14 or to use as a forum for public events or meetings, or to any other use  
15 which the authority shall determine to be consistent with its operation  
16 of the Atlantic City convention center project.

17 (10) To provide a feasibility study for the use and development of  
18 the existing convention center in the city of Asbury Park, county of  
19 Monmouth and to provide a feasibility study for the construction, use  
20 and development of a convention center or recreational facility in any  
21 other municipality.

22 (11) To provide funding to public or private institutions of higher  
23 education in the State to establish, develop, acquire, construct,  
24 reconstruct or improve facilities located or to be located on property  
25 owned, leased, or otherwise used by an institution, consisting of sports  
26 facilities and the buildings, structures, properties and appurtenances  
27 related thereto, or incidental to, necessary for, or complementary to  
28 those sports facilities, such facilities to include driveways, access  
29 roads, approaches, parking areas, parks, recreation areas, vending  
30 facilities, restaurants, transportation structures, systems and  
31 equipment, furnishings and all other structures and appurtenances  
32 related or incidental to, necessary for, or complementary to the  
33 purposes of those facilities.

34 (12) To acquire by purchase, lease, or otherwise, including all  
35 right, title and interest of the Greater Wildwood Tourism Improvement  
36 Development Authority in any property, and to develop, construct,  
37 operate, own, lease, manage, repair, reconstruct, restore, improve,  
38 enlarge or otherwise effectuate, either directly or through lessees,  
39 licensees or agents, a convention center facility in the City of  
40 Wildwood, Cape May County, consisting of and including any existing  
41 and acquired buildings, structures, properties and appurtenances and  
42 including restaurants, retail businesses, access roads, approaches,  
43 parking areas, transportation structures and systems, recreation areas,  
44 equipment, furnishings, vending facilities, and all other structures and  
45 appurtenances incidental to, necessary for, or complementary to the  
46 purpose of such Wildwood convention center facility. In connection

1 therewith, the authority is expressly authorized to:

2 (a) assume any existing mortgages, leaseholds or other contractual  
3 obligations or encumbrances with respect to the site of the Wildwood  
4 convention center facility and any other existing and acquired  
5 buildings, structures, properties, and appurtenances;

6 (b) enter into agreements with a local public body or bodies  
7 providing for any necessary financial support or other assistance for  
8 the operation and maintenance of such Wildwood convention center  
9 facility from taxes or other sources of the local public body or bodies  
10 as shall be made available for such purposes;

11 (c) to the extent permitted by law and by the terms of the bonds or  
12 notes issued to finance the Wildwood convention center facility,  
13 transfer its ownership interest or other rights with respect to the  
14 convention center facility to another State authority or agency;

15 (d) upon payment of all outstanding bonds and notes issued  
16 therefore, transfer its ownership interest and other rights with respect  
17 thereto to such other public body as shall be authorized to own and  
18 operate such a facility; and

19 (e) convert any existing convention hall or any facilities, structures  
20 or properties thereof, or any part thereof, not disposed of by the  
21 authority, to any use which the authority shall determine to be  
22 consistent with the operation of the Wildwood convention center  
23 facility.

24 (13) To acquire by purchase, lease or otherwise, and to develop,  
25 construct, own, lease, manage, repair, reconstruct, restore, improve,  
26 enlarge or otherwise effectuate, either directly or through lessees,  
27 licenses, or agents, all right, title, or interest in the Garden State Arts  
28 Center in Holmdel, Monmouth County, and any related or auxiliary  
29 facilities and to transfer its interest in the Garden State Arts Center  
30 and any related or auxiliary facilities to such other public body that is  
31 authorized to own and operate such a facility, or other entity,  
32 according to such terms and process as the authority may establish in  
33 its discretion.

34 (14) (a) To establish, develop, construct, acquire, lease or own,  
35 operate, manage, promote, maintain, repair, reconstruct, restore,  
36 improve and otherwise effectuate, either directly or indirectly through  
37 lessees, licensees or agents, projects located within the State of New  
38 Jersey, but outside the Meadowlands Complex, consisting of football  
39 training facilities that are comparable in quality to National Football  
40 League professional football training facilities and the buildings,  
41 structures, facilities, uses, properties and appurtenances related  
42 thereto, or identical to, necessary for, or complementary to those  
43 National Football League-quality professional football league training  
44 facilities, such projects to include driveways, roads, approaches,  
45 parking areas, parks, recreation areas, restaurants, transportation  
46 structures, systems and facilities, and equipment, furnishings and all

1 other structures and appurtenant facilities related to, incidental to,  
2 necessary for, or complementary to the purposes of such projects or  
3 any facility thereof.

4 (b) For projects developed pursuant to subparagraph (a) of  
5 paragraph (14) of this subsection, the authority shall make in-lieu-of  
6 tax payments in each municipality affected in amounts negotiated by  
7 the authority and each municipality.

8 b. The authority, pursuant to the provisions of P.L.1971, c.137  
9 (C.5:10-1 et seq.), is authorized (1) to make, as part of any of the  
10 projects, capital contributions to others for transportation and other  
11 facilities, and accommodations for the public's use of any of those  
12 projects, (2) to lease any part of any of those project sites not  
13 occupied or to be occupied by the facilities of any of those projects,  
14 for purposes determined by the authority to be consistent with or  
15 related to the purposes of those projects, including, but not limited to,  
16 hotels and other accommodations for transients and other facilities  
17 related to or incidental to any of those projects, and (3) to sell or  
18 dispose of any real or personal property, including, but not limited to,  
19 such portion of the site of any of those projects not occupied or to be  
20 occupied by the facilities of any of those projects, at not less than the  
21 fair market value of the property, except in the case of sale or  
22 disposition to the State, any political subdivision of the State or any  
23 agency or instrumentality of the State or any political subdivision of  
24 the State.

25 c. Revenues, moneys or other funds, if any, derived from the  
26 operation or ownership of the meadowlands complex, including the  
27 conduct of horse race meetings, shall be applied, in accordance with  
28 the resolution or resolutions authorizing or relating to the issuance of  
29 bonds or notes of the authority, to the following purposes and in the  
30 following order:

31 (1) The costs of operation and maintenance of the meadowlands  
32 complex and reserves therefor;

33 (2) Principal, sinking fund installments and redemption premiums  
34 of and interest on any bonds or notes of the authority payable from  
35 such revenues, moneys or other funds and issued for the purposes of  
36 the meadowlands complex or for the purposes of refunding the same,  
37 including reserves and payments with respect to credit agreements  
38 therefor;

39 (3) The costs of any major or extraordinary repairs, renewals or  
40 replacements with respect to the meadowlands complex or incidental  
41 improvements thereto, not paid pursuant to paragraph (1) above,  
42 including reserves therefor;

43 (4) Payments required to be made pursuant to section 18b.;

44 (5) Payments authorized to be made pursuant to section 18c.;

45 (6) Except to the extent payments with respect to bonds or notes  
46 are provided with priority in accordance with paragraph (2) of this

1 subsection, payments required to be made in accordance with the  
2 resolution authorizing or relating to the issuance of bonds or notes of  
3 the authority, for the purposes of any project authorized by this act,  
4 including payments and reserves with respect to any bonds or notes of  
5 the authority with respect to the meadowlands complex which are not  
6 provided with priority in accordance with paragraph (2) of this  
7 subsection;

8 (7) Payments required to be made to repay any obligation incurred  
9 by the authority to the State;

10 (8) The balance remaining after application in accordance with the  
11 above shall be deposited in the General State Fund, provided that (a)  
12 there shall be appropriated for authorized State purposes from the  
13 amount so deposited that amount which shall be calculated by the  
14 State Treasurer to be the debt service savings realized with respect to  
15 the refinancing of the initial project as defined in section 1 of  
16 P.L.1973, c.286 (C.5:10-14.1) at the meadowlands complex, by the  
17 issuance of bonds of the authority guaranteed by the State, and (b)  
18 after such appropriation, 40% of any balance remaining from the  
19 amounts so deposited shall be appropriated to the Meadowlands  
20 Commission for any of its purposes authorized by P.L.1968, c.404,  
21 and any amendments or supplements thereto.

22 d. Revenues, moneys or other funds, if any, derived from the  
23 operation or ownership of any project other than the meadowlands  
24 complex, the Atlantic City convention center project, or the Wildwood  
25 convention center facility and other than a baseball stadium project or  
26 an office complex project located on the site of a baseball stadium  
27 shall be applied for such purposes, in such manner and subject to such  
28 conditions as shall be provided in the resolution authorizing or relating  
29 to the issuance of bonds or notes of the authority for the purposes of  
30 such project, and the balance, if any, remaining after such application  
31 may be applied, to the extent not contrary to or inconsistent with the  
32 resolution, in the following order (1) to the purposes of the  
33 meadowlands complex, unless otherwise agreed upon by the State  
34 Treasurer and the authority, (2) to the purposes of any other project  
35 of the authority; and, the balance remaining, if any, shall be deposited  
36 in the General Fund.

37 e. Revenues, moneys or other funds, if any, derived from the  
38 operation, ownership, or leasing of a baseball stadium project or an  
39 office complex project located on the site of a baseball stadium shall  
40 be applied for the purposes, in the manner and subject to the  
41 conditions as shall be provided in the resolution authorizing or relating  
42 to the issuance of bonds or notes of the authority for the purposes of  
43 a baseball stadium project or an office complex project located on the  
44 site of a baseball stadium, if any, and the balance, if any, remaining  
45 after such application shall be applied, to the extent not contrary to or  
46 inconsistent with the resolution, to the following purposes and in the



1 following order:

2 (1) The costs of operation and maintenance of a baseball stadium  
3 project and an office complex project located on the site of a baseball  
4 stadium and reserves therefor;

5 (2) Payments made to repay the bonded indebtedness incurred by  
6 the authority for the purposes of a baseball stadium project or an  
7 office complex project located on the site of a baseball stadium;

8 (3) Payments equivalent to an amount required to be made by the  
9 State for payments in lieu of taxes pursuant to P.L.1977, c.272  
10 (C.54:4-2.2a et seq.);

11 (4) The balance remaining after application in accordance with the  
12 above shall be deposited in the General Fund.

13 f. Revenues, moneys or other funds, if any, derived from the  
14 operation, ownership or leasing of the Atlantic City convention center  
15 project shall be applied to the costs of operating and maintaining the  
16 Atlantic City convention center project and to the other purposes set  
17 forth in this subsection as shall be provided by resolution of the  
18 authority.

19 Luxury tax revenues paid to the authority by the State Treasurer  
20 pursuant to section 14 of P.L.1991, c.375 (C.5:10-14.4) shall be  
21 deposited by the authority in a separate fund or account and applied  
22 to the following purposes and in the following order:

23 (1) To pay the principal, sinking fund installments and redemption  
24 premiums of and interest on any bonds or notes of the authority,  
25 including bonds or notes of the authority issued for the purpose of  
26 refunding bonds or notes, issued for purposes of (i) the initial  
27 acquisition of the existing properties which will constitute part of the  
28 Atlantic City convention center project, if the bonds or notes shall be  
29 payable under the terms of the resolution of the authority relating  
30 thereto from luxury tax revenues, or (ii) providing improvements,  
31 additions or replacements to the Atlantic City convention center  
32 project, if the bonds or notes shall be payable under the terms of the  
33 resolution of the authority relating thereto from luxury tax revenues;  
34 and to pay any amounts due from the authority under any credit  
35 agreement entered into by the authority in connection with the bonds  
36 or notes.

37 (2) To pay the costs of operation and maintenance of the Atlantic  
38 City convention center project.

39 (3) To establish and maintain a working capital and maintenance  
40 reserve fund for the Atlantic City convention center project in an  
41 amount as shall be determined by the authority to be necessary.

42 (4) To repay to the State those amounts paid by the State with  
43 respect to bonds or notes of the authority issued for the purposes of  
44 the Atlantic City convention center project.

45 (5) The balance of any luxury tax revenues not required for any of  
46 the foregoing purposes and remaining at the end of any calendar year

1 shall be paid to the State Treasurer for application to purposes in the  
2 city of Atlantic City pursuant to section 5 of P.L.1981, c.461  
3 (C.40:48-8.30a).

4 The authority may pledge the luxury tax revenues paid to it as  
5 provided for in section 14 of P.L.1991, c.375 (C.5:10-14.4) as security  
6 for the payment of the principal of and interest or premium on its  
7 bonds or notes issued for the purposes set forth above in paragraph (1)  
8 of this subsection f. in the same manner, to the same extent and with  
9 the same effect as the pledge of any of its other revenues, receipts and  
10 funds authorized by P.L.1971, c.137 (C.5:10-1 et seq.).

11 g. Revenues, moneys or other funds, if any, derived from the  
12 ownership or operation of the Wildwood convention center facility  
13 shall be applied to the costs of operating and maintaining the  
14 Wildwood convention center facility and to the other purposes set  
15 forth in this subsection as shall be provided by resolution of the  
16 authority.

17 The tourism related tax revenues paid to the authority pursuant to  
18 subsection f. of section 14 of P.L.1992, c.165 (C.40:54D-14) shall be  
19 deposited by the authority in a separate fund or account and applied  
20 to any or all of the following purposes pursuant to an allocation of  
21 funds approved by the State Treasurer in writing and in advance of any  
22 application of such funds:

23 (1) to pay amounts due with respect to any obligations transferred  
24 to the authority pursuant to section 17 of P.L.1997, c.273  
25 (C.40:54D-25.1) pertaining to the Wildwood convention center  
26 facility;

27 (2) to repay to the State those amounts paid with respect to bonds  
28 or notes of the authority issued for the purposes of the Wildwood  
29 convention center facility;

30 (3) to pay the cost of operation and maintenance reserve for the  
31 Wildwood convention center facility;

32 (4) to establish and maintain a working capital and maintenance of  
33 the Wildwood convention center facility.

34 The balance, if any, of any tourism related tax revenues not  
35 allocated to any of the purposes set forth in the previous paragraphs  
36 and remaining at the end of the calendar year shall be paid to the State  
37 Treasurer for deposit in the General Fund.

38 (cf: P.L.2003, c.79, s.45)

39

40 2. Section 12 of P.L.1991, c.375 (C.5:10-14.3) is amended to read  
41 as follows:

42 12. a. The State Treasurer shall establish a special fund to be  
43 known as the "Sports Authority Fund" and shall pay into the fund  
44 amounts from the General Fund as shall be necessary to pay the  
45 principal and interest on bonds or notes of the authority issued  
46 pursuant to this section and to pay any amounts due from the authority

1 under any credit agreement entered into by the authority in connection  
2 with the bonds or notes, provided that all payments from the General  
3 Fund shall be subject to and dependent upon appropriations made from  
4 time to time for those purposes.

5 b. (1) The State Treasurer and the authority are authorized to  
6 enter into agreements as shall be necessary to effectuate the purposes  
7 of this section, including without limitation, provisions for securing the  
8 payment of bonds or notes issued by the authority pursuant to  
9 subsection d. of this section and the interest thereon and providing for  
10 the investment of moneys in the fund; provided that the agreements  
11 shall be subject to approval by the presiding officers of both houses of  
12 the Legislature, and provided further that when the purposes of this  
13 section have been satisfied, and upon the earlier of:

14 (a) the certification by the State Treasurer that the revenues of the  
15 authority are sufficient to satisfy the requirements of paragraphs (1),  
16 (2), (3), (4), (5) and (6) of subsection c. of section 6 of P.L.1971,  
17 c.137 (C.5:10-6) for the term of bonds or notes issued pursuant to  
18 subsection d. of this section; or

19 (b) the satisfaction of the requirements for the payment of bonds  
20 or notes issued pursuant to P.L.1991, c.375 (C.5:10-3 et al.) or  
21 pursuant to P.L.1997, c.273 (C.40:54D-25.1 et al.); the State  
22 Treasurer and the authority shall not, except for the refunding of  
23 bonds or notes issued pursuant to subsection d. of this section which  
24 produces debt service savings, enter into any further agreements  
25 regarding payments by the State Treasurer into the "Sports Authority  
26 Fund" for any reason, including but not limited to, the financing or  
27 restructuring of the debt of the authority.

28 (2) The agreements shall indicate the nature and scope of the  
29 projects to be financed pursuant to this section.

30 (3) The agreements shall provide that with respect to the Atlantic  
31 City convention center project, the authority shall review all existing  
32 expert studies that present options as to the scope and nature of the  
33 project and the linkages between the project and the economic  
34 development of Atlantic City. Based upon its analysis of the available  
35 studies and such other expert studies as the authority may authorize,  
36 the authority shall report to the Legislature and include in the minutes  
37 of the authority its proposal for the development of the Atlantic City  
38 convention center. The report shall include an explanation for the  
39 selection of the project option proposed by the authority.

40 c. Notwithstanding anything to the contrary in P.L.1991, c.375  
41 (C.5:10-3 et al.), if and to the extent provided in any agreement  
42 between the State Treasurer and the authority, all or part of the  
43 revenues of the authority, other than luxury tax revenues or revenues  
44 of the Atlantic City convention center project and other than tourism  
45 related tax revenues or other revenues of the Wildwood convention  
46 center facility, in excess of the requirements of the resolutions

1 authorizing or relating to the issuance of any of the authority's bonds  
2 or notes, except those issued pursuant to this section, shall be paid  
3 into the General Fund in repayment to the State for amounts  
4 previously paid by the State pursuant to this section with respect to  
5 the payment of principal and interest on bonds or notes issued for any  
6 of the purposes set forth in this section, except the purposes set forth  
7 in paragraphs (3), (4), (5), and (8) of subsection d. of this section, and  
8 any payments on account of any credit agreements with respect to the  
9 bonds or notes. Except as otherwise provided in this section, bonds or  
10 notes of the authority issued pursuant to this section shall be  
11 authorized, sold and issued in the manner and be entitled to the  
12 benefits, protection and provisions as apply to bonds and notes of the  
13 authority authorized to be issued pursuant to P.L.1971, c.137  
14 (C.5:10-1 et seq.).

15 d. In addition to its other powers to issue bonds and notes, the  
16 authority shall have power to issue from time to time bonds and notes  
17 payable from amounts in the Sports Authority Fund established  
18 pursuant to subsection a. of this section, as follows:

19 (1) To provide sufficient funds to refund from time to time  
20 outstanding bonds or notes of the authority issued for the  
21 meadowlands complex or the Monmouth racetrack project authorized  
22 pursuant to paragraph (5) of subsection a. of section 6 of P.L.1971,  
23 c.137 (C.5:10-6), whether or not the bonds or notes or interest  
24 thereon have become due, to provide for the establishment of funds or  
25 reserves to secure payment of the bonds or notes or any other bonds  
26 or notes issued or to be issued for those purposes or interest thereon,  
27 and to provide for the payment of all other costs or expenses of the  
28 authority incident to or necessary to carry out the refunding; provided  
29 that the refunding bonds issued at any time pursuant to this paragraph  
30 shall not exceed that amount estimated to be necessary so that  
31 subsequent to the refunding, the revenues from the meadowlands  
32 complex or the Monmouth racetrack project, as the case may be, shall  
33 be sufficient to pay all costs payable from those revenues, as shall be  
34 estimated in a determination by the authority made in accordance with  
35 the agreement between the authority and the State Treasurer;

36 (2) To finance or refinance a capital program or programs for the  
37 meadowlands complex and the Monmouth racetrack project authorized  
38 pursuant to paragraph (5) of subsection a. of section 6 of P.L.1971,  
39 c.137 (C.5:10-6), adopted by the authority to provide for major  
40 repairs, reconstruction and improvements which are legally mandated  
41 or otherwise needed to meet environmental or safety requirements, to  
42 prevent a loss of revenues, to augment revenues or to continue or  
43 enhance the operations of any of the facilities thereof, or to upgrade  
44 any of the facilities thereof;

45 (3) To provide for the financing or refinancing of the facilities for  
46 Rutgers, The State University pursuant to paragraph (8) of subsection

1 a. of section 6 of P.L.1971, c.137 (C.5:10-6);

2 (4) To provide for the financing or refinancing of the Atlantic City  
3 convention center project;

4 (5) To finance or refinance feasibility studies for public projects  
5 consistent with the purposes of the authority;

6 (6) To provide for the financing or refinancing of any other project  
7 of the authority, but only if and to the extent expressly authorized by  
8 law enacted subsequent to the enactment of P.L.1991, c.375 (C.5:10-3  
9 et al.);

10 (7) To provide for the financing of the facilities at institutions of  
11 higher education pursuant to paragraph (11) of subsection a. of section  
12 6 of P.L.1971, c.137 (C.5:10-6), based upon a list of projects  
13 recommended by the Commission on Higher Education following a  
14 competitive application process, provided that the aggregate financing  
15 of the projects undertaken pursuant to this paragraph shall not exceed  
16 \$5,000,000; [and]

17 (8) To provide for the financing or refinancing of a convention  
18 center facility in the City of Wildwood pursuant to paragraph (12) of  
19 subsection a. of section 6 of P.L.1971, c.137 (C.5:10-6)[.]; and

20 (9) To provide for the financing or refinancing of the professional  
21 football training facility project and associated facilities authorized  
22 pursuant to paragraph (14) of subsection a. of section 6 of P.L.1971,  
23 c.137 (C.5:10-6).

24 e. Bonds and notes authorized pursuant to this section shall be  
25 special obligations of the authority payable as herein provided. Bonds  
26 and notes shall not be deemed to constitute a debt or liability of the  
27 State or a pledge of the faith and credit of the State but are dependent  
28 for repayment upon appropriations as provided by law from time to  
29 time. These bonds and notes and the interest thereon may also be  
30 payable from the proceeds thereof set aside for that purpose and  
31 income accruing therefrom.

32 (cf: P.L.1997, c.273, s.21)

33

34 3. This act shall take effect immediately.

35

36

37

#### STATEMENT

38

39 This bill authorizes the New Jersey Sports and Exposition Authority  
40 (the "authority") to establish and develop a project or projects outside  
41 of the Meadowlands Complex, consisting of football training facilities,  
42 together with associated facilities, that are comparable in quality to  
43 professional football training facilities used by the National Football  
44 League. This bill also provides that for such training facility project  
45 or projects, the authority shall negotiate and make in-lieu-of tax  
46 payments with each municipality affected.

1       The bill also authorizes the authority to provide for the financing or  
2 refinancing of such project or projects and any associated facilities that  
3 are related to the project or projects.

4       The New York Jets and New York Giants football teams have  
5 reached an agreement with the New Jersey Sports and Exposition  
6 Authority that commits these franchises to playing in New Jersey for  
7 many years to come. The teams will be building a new, state-of-the-  
8 art football stadium at the Meadowlands Sports Complex. The Jets  
9 training facility will include, now and at all times in the future, offices,  
10 multiple football fields, and all the other uses and facilities related to  
11 and necessary for training facilities that are consistent with the quality  
12 and standards used by National Football League teams.

13       This commitment will bring substantial economic benefits to New  
14 Jersey as well as a desired attraction. This bill gives the New Jersey  
15 Sports and Exposition Authority the authority to acquire the necessary  
16 property outside of the existing Meadowlands Sports Complex site so  
17 that the Jets may then develop the training facilities.

# SENATE ECONOMIC GROWTH COMMITTEE

## STATEMENT TO

### **SENATE, No. 2928**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: JANUARY 5, 2006

The Senate Economic Growth Committee reports favorably Senate Bill No. 2928 with committee amendments.

This bill, as amended, authorizes the New Jersey Sports and Exposition Authority (the "authority") to establish and develop a project or projects outside of the meadowlands complex, provided that the authority first obtains the consent of the municipality or municipalities in which the projects are to be located, consisting of football training facilities, together with associated facilities, that are comparable in quality to professional football training facilities used by the National Football League. This bill also provides that for such training facility project or projects, the authority is to negotiate and make in-lieu-of tax payments with each municipality affected.

The bill also authorizes the authority to provide for the financing or refinancing of such project or projects and any associated facilities that are related to the project or projects.

The committee amended the bill (1) to require the authority to first obtain the consent of the municipality or municipalities in which the projects are to be located, and (2) to correct a capitalization error.

As amended and released by the committee, Senate Bill, No. 2928 is identical to Assembly Bill, No. 4518 (1R).

# LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 2928

STATE OF NEW JERSEY

211th LEGISLATURE

DATED: FEBRUARY 21, 2006

## SUMMARY

- Synopsis:** Expands certain powers of New Jersey Sports and Exposition Authority to establish and develop professional football league training facilities.
- Type of Impact:** Expenditure increase to the New Jersey Sports and Exposition Authority.
- Agencies Affected:** New Jersey Sports and Exposition Authority.

### Office of Legislative Services Estimate

<b>Fiscal Impact</b>	<b><u>Year 1</u></b>	<b><u>Year 2</u></b>	<b><u>Year 3</u></b>
<b>State Cost</b>	Indeterminate - See Comments Below		

- ! The Office of Legislative Services (OLS) notes that there is at the present time insufficient information upon which to base a projection of either (1) the cost to the New Jersey Sports and Exposition Authority of purchasing or leasing a site for the professional football training facility that the bill permits the authority to develop, or (2) the potential cost to the General Fund of meeting an increase in its liability for subsidizing debt service on the authority's bonds that could result from the authority's expenditures to develop the training facility.
- ! The OLS further notes that the bill authorizes the authority to make in-lieu-of tax payments to any municipality affected by the development of such a training site, but has no information upon which to base an estimate of the amount of such payments.

## BILL DESCRIPTION

Senate Bill No. 2928 (1R) of 2005 authorizes the New Jersey Sports and Exposition Authority (the "authority") to establish, develop, construct, acquire, lease or own, operate, manage, promote, maintain, repair, reconstruct, restore, improve and otherwise effectuate projects outside of the Meadowlands Complex consisting of football training facilities that are comparable in quality to National Football League professional football training facilities and the buildings, structures facilities, uses, properties and appurtenances related thereto, or identical to, necessary for, or complementary to those facilities. The bill requires the authority to make



in-lieu-of tax payments in each municipality affected by such projects in amounts negotiated by the authority and each municipality.

The bill authorizes the authority to provide for the financing or refinancing of the professional football training facility project and other associated facilities.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

The OLS notes that the authority and the Giants and Jets football teams agreed on September 29, 2005, by amendment to a memorandum of understanding (the "memorandum"), that the authority shall only be responsible for the acquisition costs of the practice facility site and any ancillary costs that may be needed to present the site in a "cleaned and cleared" condition, which may include costs for environmental clean-up, highway access and certain "practical utilization" costs.

The memorandum stipulates that the practice facility site for the Jets shall be within a 20-mile radius of the Meadowlands Complex. Since there are multiple municipalities located within the 20-mile radius area, and the actual practice facility site has not yet been identified, there is insufficient information available at this time to estimate the land acquisition costs. Such costs can vary substantially not only from one municipality to another but within the same municipality depending upon the site's location within the municipality.

Similarly, the ancillary costs for environmental clean-up of the site, highway access and other practical considerations are indeterminate because such costs will depend upon the type and extent of environmental contamination of the site, the highway access serving the site and the extent of other "practical utilization" costs that may be associated with the site.

The OLS also notes that section 20 of P.L.1997, c.273 (C5:10-14.3) ("section 20") permits the authority to issue bonds and notes payable from amounts in the Sports Authority Fund (the "fund"). The fund was established by the State Treasurer pursuant to section 20 as a repository for funds from the General Fund to pay the principal and interest on certain authority bonds or notes issued in accordance with criteria set forth in section 20 and to pay certain amounts due from the authority under any credit agreement entered into by the authority in connection with the bonds or notes.

While the football training facility project does not appear eligible under section 20 for financing from the fund, the payment by the authority of principal and interest on bonds or notes that may be issued to finance the site acquisition for the football training facility project could serve to decrease the amount of funds available to the authority to pay the debt service on other bonds or notes, including those that are eligible for payment from amounts in the fund. As a result, the issuance of authority bonds or notes to finance the football training facility site acquisition could potentially lessen the overall amount of authority funds available to pay debt service on their bonds and notes, thereby potentially increasing the amount of funds that may need to be appropriated from the General Fund to the Sports Authority Fund under section 20.

Section: *Authorities, Utilities, Transportation and Communications*

Analyst: *Edward Westreich*  
*Senior Research Analyst*

Approved: *David J. Rosen*  
*Legislative Budget and Finance Officer*

This fiscal estimate has been prepared pursuant to P.L.1980, c.67.

# ASSEMBLY, No. 4518

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## STATE OF NEW JERSEY

### 211th LEGISLATURE

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INTRODUCED DECEMBER 8, 2005

**Sponsored by:**  
**Assemblyman ALBIO SIRES**  
**District 33 (Hudson)**

#### **SYNOPSIS**

Expands certain powers of New Jersey Sports and Exposition Authority to establish and develop professional football league training facilities.

#### **CURRENT VERSION OF TEXT**

As introduced.



A4518 SIRES

2

1 AN ACT expanding the powers of the New Jersey Sports and  
2 Exposition Authority concerning projects and amending P.L.1971,  
3 c.137 and P.L.1991, c.375.

4

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

7

8 1. Section 6 of P.L.1971, c.137 (C.5:10-6) is amended to read as  
9 follows:

10 6. a. The authority, pursuant to the provisions of P.L.1971, c.137  
11 (C.5:10-1 et seq.), is hereby authorized and empowered, either alone  
12 or in conjunction with others, and provided that, in the case of an  
13 arrangement with respect to any of the projects set forth in this section  
14 which shall be in conjunction with others, the authority shall have  
15 sufficient right and power to carry out the public purposes set forth in  
16 P.L.1971, c.137 (C.5:10-1 et seq.):

17 (1) To establish, develop, construct, operate, acquire, own,  
18 manage, promote, maintain, repair, reconstruct, restore, improve and  
19 otherwise effectuate, either directly or indirectly through lessees,  
20 licensees or agents, a project to be located in the Hackensack  
21 meadowlands upon a site not to exceed 750 acres and upon a site or  
22 sites outside of that acreage, but either immediately contiguous thereto  
23 or immediately across any public road which borders that acreage,  
24 consisting of one or more stadiums, coliseums, arenas, pavilions,  
25 stands, field houses, playing fields, recreation centers, courts,  
26 gymnasiums, clubhouses, a racetrack for the holding of horse race  
27 meetings, and other buildings, structures, facilities, properties and  
28 appurtenances related to, incidental to, necessary for, or  
29 complementary to a complex suitable for the holding of athletic  
30 contests or other sporting events, or trade shows, exhibitions,  
31 spectacles, public meetings, entertainment events or other expositions,  
32 including, but not limited to, driveways, roads, approaches, parking  
33 areas, parks, recreation areas, lodging facilities, vending facilities,  
34 restaurants, transportation structures, systems and facilities, and  
35 equipment, furnishings, and all other structures and appurtenant  
36 facilities, related to, incidental to, necessary for, or complementary to  
37 the purposes of that project or any facility thereof.

38 (2) To establish, develop, construct, acquire, lease or own, operate,  
39 manage, promote, maintain, repair, reconstruct, restore, improve and  
40 otherwise effectuate, either directly or indirectly through lessees,  
41 licensees or agents, a project, at a site within the State of New Jersey,  
42 consisting of a baseball stadium and other buildings, structures,  
43 facilities, properties and appurtenances related thereto, or incidental

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

**Matter underlined thus is new matter.**

## A4518 SIRES

1 to, necessary for, or complementary to a complex suitable for the  
2 holding of professional baseball games and other athletic contests or  
3 sporting events, or trade shows, exhibitions, spectacles, public  
4 meetings, entertainment events or other expositions, such project to  
5 include driveways, roads, approaches, parking areas, parks, recreation  
6 areas, vending facilities, restaurants, transportation structures, systems  
7 and facilities, and equipment, furnishings and all other structures and  
8 appurtenant facilities related to, incidental to, necessary for, or  
9 complementary to the purposes of that project or any facility thereof.

10 (3) To establish, develop, construct, acquire, lease or own, operate,  
11 manage, promote, maintain, repair, reconstruct, restore, improve and  
12 otherwise effectuate, either directly or indirectly through lessees,  
13 licensees or agents, projects located within the State of New Jersey,  
14 but outside of the meadowlands complex, consisting of aquariums and  
15 the buildings, structures, facilities, properties and appurtenances  
16 related thereto, or incidental to, necessary for, or complementary to  
17 those aquariums, such project to include driveways, roads,  
18 approaches, parking areas, parks, recreation areas, vending facilities,  
19 restaurants, transportation structures, systems and facilities, and  
20 equipment, furnishings and all other structures and appurtenant  
21 facilities related to, incidental to, necessary for, or complementary to  
22 the purposes of that project or any facility thereof. To provide for a  
23 project authorized under this paragraph:

24 (a) (Deleted by amendment, P.L.1988, c.172.)

25 (b) The authority is authorized to enter into agreements with the  
26 State Treasurer providing for the acquisition and construction of an  
27 aquarium by the authority, including the land necessary for the  
28 aquarium, and the costs thereof, ownership of the aquarium and its  
29 land which shall be conveyed to the State upon completion, and the  
30 operation by the authority of the aquarium pursuant to a lease or other  
31 agreement with the State containing such terms and conditions as the  
32 State Treasurer may establish prior to the acquisition and construction  
33 by the authority of the aquarium and the disbursements of funds  
34 therefor. The State Treasurer is authorized to enter into a lease or  
35 other agreement to effectuate the provisions of this subparagraph.

36 (4) To establish, develop, construct, acquire, own, operate,  
37 manage, promote, maintain, repair, reconstruct, restore, improve and  
38 otherwise effectuate, either directly or indirectly through lessees,  
39 licensees or agents, a project consisting of an exposition or  
40 entertainment center or hotel or office complex, including any  
41 buildings, structures, properties and appurtenances related thereto,  
42 incidental thereto, necessary therefor, or complementary thereto, such  
43 project to include driveways, roads, approaches, parking areas, parks,  
44 recreation areas, vending facilities, restaurants, transportation  
45 structures, systems, and equipment, furnishings and all other structures  
46 and appurtenances related to, incidental to, necessary for, or

## A4518 SIRES

1 complementary to, the purposes of that project. A project authorized  
2 under this paragraph may be located within, immediately contiguous  
3 to, or immediately across any public road which borders the site of any  
4 other project of the authority, except the site of a racetrack authorized  
5 by paragraph (5) of this subsection and acquired by the authority prior  
6 to 1986.

7 (5) To establish, develop, construct, acquire, own, operate,  
8 manage, promote, maintain, repair, reconstruct, restore, improve and  
9 otherwise effectuate, either directly or indirectly through lessees,  
10 licensees or agents, projects consisting of (a) racetrack facilities  
11 located within the State of New Jersey, but outside of the  
12 meadowlands complex, (b) their contiguous properties, and (c) their  
13 auxiliary facilities, including, without limitation, pavilions, stands, field  
14 houses, clubhouses, training tracks for horses, racetracks for the  
15 holding of horse race meetings, fairgrounds, other exposition facilities,  
16 and other buildings, structures, facilities, properties and appurtenances  
17 related to, incidental to, necessary for, or complementary to a complex  
18 suitable for the holding of horse race meetings, other sporting events,  
19 or trade shows, exhibitions, spectacles, public meetings, entertainment  
20 events or other expositions, including, but not limited to, driveways,  
21 roads, approaches, parking areas, parks, recreation areas, lodging  
22 facilities, vending facilities, restaurants, transportation structures,  
23 systems and facilities, equipment, furnishings, and all other structures  
24 and appurtenant facilities related to, incidental to, necessary for, or  
25 complementary to the purposes of any of those projects or any facility  
26 thereof.

27 Notwithstanding any law to the contrary, the acquisition of any  
28 existing racetrack facility in and licensed by the State of New Jersey  
29 shall be permitted on the condition that payments equivalent to all  
30 municipal, school board and county taxes due to each entity shall be  
31 paid by the authority to the extent and in accordance with the same  
32 payment schedule as taxes would have been paid each year, as though  
33 the racetrack facility remained in private ownership. In the event the  
34 authority conveys lands or other parts of the racetrack facility to  
35 others, the authority shall receive a reduction of such payments  
36 commensurate with the amount required to be paid by the subsequent  
37 owner of the lands and improvements disposed of by the authority. In  
38 addition, the authority shall be responsible for paying all existing local  
39 franchise fees, license and parking tax fees in effect at the time of the  
40 acquisition.

41 (6) To establish, develop, acquire, own, operate, manage, promote  
42 and otherwise effectuate, in whole or in part, either directly or  
43 indirectly through lessees, licensees or agents, projects consisting of  
44 events, expositions, teams, team franchises or membership in  
45 professional sports leagues.

46 (7) To establish, develop, construct, acquire, own, operate,

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1 manage, promote, maintain, repair, reconstruct, restore, improve and  
2 otherwise effectuate, either directly or indirectly through lessees,  
3 licensees or agents, projects consisting of facilities, at a site or sites  
4 within the State of New Jersey and either within or without the  
5 meadowlands complex, that are related to, incidental to, necessary for,  
6 or complementary to the accomplishment or purpose of any project of  
7 the authority authorized by this section, including any buildings,  
8 structures, properties and appurtenances related thereto, incidental  
9 thereto, necessary therefor, or complementary thereto, such projects  
10 to include driveways, roads, approaches, parking areas, parks,  
11 recreation areas, off-track and account wagering systems and facilities  
12 or any interest therein, vending facilities, restaurants, transportation  
13 structures, systems, and equipment, furnishings and all other structures  
14 and appurtenances related to, incidental to, necessary for, or  
15 complementary to the purposes of those projects.

16 (8) To establish, develop, acquire, construct, reconstruct, improve  
17 and otherwise effectuate for transfer to, and for use and operation by,  
18 Rutgers, the State University, either directly or indirectly through  
19 lessees, licensees or agents, facilities located or to be located on  
20 property owned, leased, or otherwise used by Rutgers, the State  
21 University, consisting of an upgraded and expanded football stadium  
22 and a new track and field, soccer and lacrosse facility and the  
23 buildings, structures, properties and appurtenances related thereto, or  
24 incidental to, necessary for, or complementary to the football stadium  
25 and track and field, soccer and lacrosse facility, such facilities to  
26 include driveways, access roads, approaches, parking areas, parks,  
27 recreation areas, vending facilities, restaurants, transportation  
28 structures, systems and equipment, furnishings and all other structures  
29 and appurtenances related or incidental to, necessary for, or  
30 complementary to the purposes of those facilities; provided however  
31 that construction shall not begin on the expansion of the seating  
32 capacity of Rutgers Stadium until the Commissioner of Transportation  
33 certifies that all funding necessary to complete the Route 18 project in  
34 Piscataway Township has been appropriated and construction has  
35 begun on the Route 18 project in Piscataway Township under the  
36 Department of Transportation's capital program.

37 (9) To acquire by purchase, lease or otherwise, and to develop,  
38 construct, operate, own, lease, manage, repair, reconstruct, restore,  
39 improve, enlarge or otherwise effectuate, either directly or through  
40 lessees, licensees or agents, a convention center project in the city of  
41 Atlantic City, Atlantic County, consisting of the existing convention  
42 hall and a new convention hall or center, and associated parking areas  
43 and railroad terminal facilities and including the leasing of adjacent  
44 land for hotel facilities. In connection therewith, the authority is  
45 authorized to:

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1 (a) Assume existing leasehold or other contractual obligations  
2 pertaining to any such facilities or properties or to make provision for  
3 the payment or retirement of any debts and obligations of the  
4 governmental entity operating any such convention hall or center or of  
5 any bonds or other obligations payable from and secured by a lien on  
6 or pledge of the luxury tax revenues;

7 (b) Make loans or payments in aid of construction with respect to  
8 infrastructure and site development for properties located in the area  
9 between the sites of the existing convention hall and a new convention  
10 center or located contiguous to or across any public road which  
11 borders the area;

12 (c) Convert the existing convention hall or any facilities, structures  
13 or properties thereof, or any part thereof, not disposed of by the  
14 authority, to any sports, exposition, exhibition, or entertainment use  
15 or to use as a forum for public events or meetings, or to any other use  
16 which the authority shall determine to be consistent with its operation  
17 of the Atlantic City convention center project.

18 (10) To provide a feasibility study for the use and development of  
19 the existing convention center in the city of Asbury Park, county of  
20 Monmouth and to provide a feasibility study for the construction, use  
21 and development of a convention center or recreational facility in any  
22 other municipality.

23 (11) To provide funding to public or private institutions of higher  
24 education in the State to establish, develop, acquire, construct,  
25 reconstruct or improve facilities located or to be located on property  
26 owned, leased, or otherwise used by an institution, consisting of sports  
27 facilities and the buildings, structures, properties and appurtenances  
28 related thereto, or incidental to, necessary for, or complementary to  
29 those sports facilities, such facilities to include driveways, access  
30 roads, approaches, parking areas, parks, recreation areas, vending  
31 facilities, restaurants, transportation structures, systems and  
32 equipment, furnishings and all other structures and appurtenances  
33 related or incidental to, necessary for, or complementary to the  
34 purposes of those facilities.

35 (12) To acquire by purchase, lease, or otherwise, including all right,  
36 title and interest of the Greater Wildwood Tourism Improvement  
37 Development Authority in any property, and to develop, construct,  
38 operate, own, lease, manage, repair, reconstruct, restore, improve,  
39 enlarge or otherwise effectuate, either directly or through lessees,  
40 licensees or agents, a convention center facility in the City of  
41 Wildwood, Cape May County, consisting of and including any existing  
42 and acquired buildings, structures, properties and appurtenances and  
43 including restaurants, retail businesses, access roads, approaches,  
44 parking areas, transportation structures and systems, recreation areas,  
45 equipment, furnishings, vending facilities, and all other structures and  
46 appurtenances incidental to, necessary for, or complementary to the



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1 purpose of such Wildwood convention center facility. In connection  
2 therewith, the authority is expressly authorized to:

3 (a) assume any existing mortgages, leaseholds or other contractual  
4 obligations or encumbrances with respect to the site of the Wildwood  
5 convention center facility and any other existing and acquired  
6 buildings, structures, properties, and appurtenances;

7 (b) enter into agreements with a local public body or bodies  
8 providing for any necessary financial support or other assistance for  
9 the operation and maintenance of such Wildwood convention center  
10 facility from taxes or other sources of the local public body or bodies  
11 as shall be made available for such purposes;

12 (c) to the extent permitted by law and by the terms of the bonds or  
13 notes issued to finance the Wildwood convention center facility,  
14 transfer its ownership interest or other rights with respect to the  
15 convention center facility to another State authority or agency;

16 (d) upon payment of all outstanding bonds and notes issued  
17 therefore, transfer its ownership interest and other rights with respect  
18 thereto to such other public body as shall be authorized to own and  
19 operate such a facility; and

20 (e) convert any existing convention hall or any facilities, structures  
21 or properties thereof, or any part thereof, not disposed of by the  
22 authority, to any use which the authority shall determine to be  
23 consistent with the operation of the Wildwood convention center  
24 facility.

25 (13) To acquire by purchase, lease or otherwise, and to develop,  
26 construct, own, lease, manage, repair, reconstruct, restore, improve,  
27 enlarge or otherwise effectuate, either directly or through lessees,  
28 licenses, or agents, all right, title, or interest in the Garden State Arts  
29 Center in Holmdel, Monmouth County, and any related or auxiliary  
30 facilities and to transfer its interest in the Garden State Arts Center  
31 and any related or auxiliary facilities to such other public body that is  
32 authorized to own and operate such a facility, or other entity,  
33 according to such terms and process as the authority may establish in  
34 its discretion.

35 (14) (a) To establish, develop, construct, acquire, lease or own,  
36 operate, manage, promote, maintain, repair, reconstruct, restore,  
37 improve and otherwise effectuate, either directly or indirectly through  
38 lessees, licensees or agents, projects located within the State of New  
39 Jersey, but outside the Meadowlands Complex, consisting of football  
40 training facilities that are comparable in quality to National Football  
41 League professional football training facilities and the buildings,  
42 structures, facilities, uses, properties and appurtenances related  
43 thereto, or identical to, necessary for, or complementary to those  
44 National Football League-quality professional football league training  
45 facilities, such projects to include driveways, roads, approaches,  
46 parking areas, parks, recreation areas, restaurants, transportation

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1 structures, systems and facilities, and equipment, furnishings and all  
2 other structures and appurtenant facilities related to, incidental to,  
3 necessary for, or complementary to the purposes of such projects or  
4 any facility thereof.

5 (b) For projects developed pursuant to subparagraph (a) of  
6 paragraph (14) of this subsection, the authority shall make in-lieu-of  
7 tax payments in each municipality affected in amounts negotiated by  
8 the authority and each municipality.

9 b. The authority, pursuant to the provisions of P.L.1971, c.137  
10 (C.5:10-1 et seq.), is authorized (1) to make, as part of any of the  
11 projects, capital contributions to others for transportation and other  
12 facilities, and accommodations for the public's use of any of those  
13 projects, (2) to lease any part of any of those project sites not  
14 occupied or to be occupied by the facilities of any of those projects,  
15 for purposes determined by the authority to be consistent with or  
16 related to the purposes of those projects, including, but not limited to,  
17 hotels and other accommodations for transients and other facilities  
18 related to or incidental to any of those projects, and (3) to sell or  
19 dispose of any real or personal property, including, but not limited to,  
20 such portion of the site of any of those projects not occupied or to be  
21 occupied by the facilities of any of those projects, at not less than the  
22 fair market value of the property, except in the case of sale or  
23 disposition to the State, any political subdivision of the State or any  
24 agency or instrumentality of the State or any political subdivision of  
25 the State.

26 c. Revenues, moneys or other funds, if any, derived from the  
27 operation or ownership of the meadowlands complex, including the  
28 conduct of horse race meetings, shall be applied, in accordance with  
29 the resolution or resolutions authorizing or relating to the issuance of  
30 bonds or notes of the authority, to the following purposes and in the  
31 following order:

32 (1) The costs of operation and maintenance of the meadowlands  
33 complex and reserves therefor;

34 (2) Principal, sinking fund installments and redemption premiums  
35 of and interest on any bonds or notes of the authority payable from  
36 such revenues, moneys or other funds and issued for the purposes of  
37 the meadowlands complex or for the purposes of refunding the same,  
38 including reserves and payments with respect to credit agreements  
39 therefor;

40 (3) The costs of any major or extraordinary repairs, renewals or  
41 replacements with respect to the meadowlands complex or incidental  
42 improvements thereto, not paid pursuant to paragraph (1) above,  
43 including reserves therefor;

44 (4) Payments required to be made pursuant to section 18b.;

45 (5) Payments authorized to be made pursuant to section 18c.;

46 (6) Except to the extent payments with respect to bonds or notes

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1 are provided with priority in accordance with paragraph (2) of this  
2 subsection, payments required to be made in accordance with the  
3 resolution authorizing or relating to the issuance of bonds or notes of  
4 the authority, for the purposes of any project authorized by this act,  
5 including payments and reserves with respect to any bonds or notes of  
6 the authority with respect to the meadowlands complex which are not  
7 provided with priority in accordance with paragraph (2) of this  
8 subsection;

9 (7) Payments required to be made to repay any obligation incurred  
10 by the authority to the State;

11 (8) The balance remaining after application in accordance with the  
12 above shall be deposited in the General State Fund, provided that (a)  
13 there shall be appropriated for authorized State purposes from the  
14 amount so deposited that amount which shall be calculated by the  
15 State Treasurer to be the debt service savings realized with respect to  
16 the refinancing of the initial project as defined in section 1 of  
17 P.L.1973, c.286 (C.5:10-14.1) at the meadowlands complex, by the  
18 issuance of bonds of the authority guaranteed by the State, and (b)  
19 after such appropriation, 40% of any balance remaining from the  
20 amounts so deposited shall be appropriated to the Meadowlands  
21 Commission for any of its purposes authorized by P.L.1968, c.404,  
22 and any amendments or supplements thereto.

23 d. Revenues, moneys or other funds, if any, derived from the  
24 operation or ownership of any project other than the meadowlands  
25 complex, the Atlantic City convention center project, or the Wildwood  
26 convention center facility and other than a baseball stadium project or  
27 an office complex project located on the site of a baseball stadium  
28 shall be applied for such purposes, in such manner and subject to such  
29 conditions as shall be provided in the resolution authorizing or relating  
30 to the issuance of bonds or notes of the authority for the purposes of  
31 such project, and the balance, if any, remaining after such application  
32 may be applied, to the extent not contrary to or inconsistent with the  
33 resolution, in the following order (1) to the purposes of the  
34 meadowlands complex, unless otherwise agreed upon by the State  
35 Treasurer and the authority, (2) to the purposes of any other project  
36 of the authority; and, the balance remaining, if any, shall be deposited  
37 in the General Fund.

38 e. Revenues, moneys or other funds, if any, derived from the  
39 operation, ownership, or leasing of a baseball stadium project or an  
40 office complex project located on the site of a baseball stadium shall  
41 be applied for the purposes, in the manner and subject to the  
42 conditions as shall be provided in the resolution authorizing or relating  
43 to the issuance of bonds or notes of the authority for the purposes of  
44 a baseball stadium project or an office complex project located on the  
45 site of a baseball stadium, if any, and the balance, if any, remaining  
46 after such application shall be applied, to the extent not contrary to or

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1 inconsistent with the resolution, to the following purposes and in the  
2 following order:

3 (1) The costs of operation and maintenance of a baseball stadium  
4 project and an office complex project located on the site of a baseball  
5 stadium and reserves therefor;

6 (2) Payments made to repay the bonded indebtedness incurred by  
7 the authority for the purposes of a baseball stadium project or an  
8 office complex project located on the site of a baseball stadium;

9 (3) Payments equivalent to an amount required to be made by the  
10 State for payments in lieu of taxes pursuant to P.L.1977, c.272  
11 (C.54:4-2.2a et seq.);

12 (4) The balance remaining after application in accordance with the  
13 above shall be deposited in the General Fund.

14 f. Revenues, moneys or other funds, if any, derived from the  
15 operation, ownership or leasing of the Atlantic City convention center  
16 project shall be applied to the costs of operating and maintaining the  
17 Atlantic City convention center project and to the other purposes set  
18 forth in this subsection as shall be provided by resolution of the  
19 authority.

20 Luxury tax revenues paid to the authority by the State Treasurer  
21 pursuant to section 14 of P.L.1991, c.375 (C.5:10-14.4) shall be  
22 deposited by the authority in a separate fund or account and applied  
23 to the following purposes and in the following order:

24 (1) To pay the principal, sinking fund installments and redemption  
25 premiums of and interest on any bonds or notes of the authority,  
26 including bonds or notes of the authority issued for the purpose of  
27 refunding bonds or notes, issued for purposes of (i) the initial  
28 acquisition of the existing properties which will constitute part of the  
29 Atlantic City convention center project, if the bonds or notes shall be  
30 payable under the terms of the resolution of the authority relating  
31 thereto from luxury tax revenues, or (ii) providing improvements,  
32 additions or replacements to the Atlantic City convention center  
33 project, if the bonds or notes shall be payable under the terms of the  
34 resolution of the authority relating thereto from luxury tax revenues;  
35 and to pay any amounts due from the authority under any credit  
36 agreement entered into by the authority in connection with the bonds  
37 or notes.

38 (2) To pay the costs of operation and maintenance of the Atlantic  
39 City convention center project.

40 (3) To establish and maintain a working capital and maintenance  
41 reserve fund for the Atlantic City convention center project in an  
42 amount as shall be determined by the authority to be necessary.

43 (4) To repay to the State those amounts paid by the State with  
44 respect to bonds or notes of the authority issued for the purposes of  
45 the Atlantic City convention center project.

46 (5) The balance of any luxury tax revenues not required for any of

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1 the foregoing purposes and remaining at the end of any calendar year  
2 shall be paid to the State Treasurer for application to purposes in the  
3 city of Atlantic City pursuant to section 5 of P.L.1981, c.461  
4 (C.40:48-8.30a).

5 The authority may pledge the luxury tax revenues paid to it as  
6 provided for in section 14 of P.L.1991, c.375 (C.5:10-14.4) as security  
7 for the payment of the principal of and interest or premium on its  
8 bonds or notes issued for the purposes set forth above in paragraph (1)  
9 of this subsection f. in the same manner, to the same extent and with  
10 the same effect as the pledge of any of its other revenues, receipts and  
11 funds authorized by P.L.1971, c.137 (C.5:10-1 et seq.).

12 g. Revenues, moneys or other funds, if any, derived from the  
13 ownership or operation of the Wildwood convention center facility  
14 shall be applied to the costs of operating and maintaining the  
15 Wildwood convention center facility and to the other purposes set  
16 forth in this subsection as shall be provided by resolution of the  
17 authority.

18 The tourism related tax revenues paid to the authority pursuant to  
19 subsection f. of section 14 of P.L.1992, c.165 (C.40:54D-14) shall be  
20 deposited by the authority in a separate fund or account and applied  
21 to any or all of the following purposes pursuant to an allocation of  
22 funds approved by the State Treasurer in writing and in advance of any  
23 application of such funds:

24 (1) to pay amounts due with respect to any obligations transferred  
25 to the authority pursuant to section 17 of P.L.1997, c.273  
26 (C.40:54D-25.1) pertaining to the Wildwood convention center  
27 facility;

28 (2) to repay to the State those amounts paid with respect to bonds  
29 or notes of the authority issued for the purposes of the Wildwood  
30 convention center facility;

31 (3) to pay the cost of operation and maintenance reserve for the  
32 Wildwood convention center facility;

33 (4) to establish and maintain a working capital and maintenance of  
34 the Wildwood convention center facility.

35 The balance, if any, of any tourism related tax revenues not  
36 allocated to any of the purposes set forth in the previous paragraphs  
37 and remaining at the end of the calendar year shall be paid to the State  
38 Treasurer for deposit in the General Fund.

39 (cf: P.L.2003, c.79, s.45)

40

41 2. Section 12 of P.L.1991, c.375 (C.5:10-14.3) is amended to read  
42 as follows:

43 12. a. The State Treasurer shall establish a special fund to be  
44 known as the "Sports Authority Fund" and shall pay into the fund  
45 amounts from the General Fund as shall be necessary to pay the  
46 principal and interest on bonds or notes of the authority issued

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1 pursuant to this section and to pay any amounts due from the authority  
2 under any credit agreement entered into by the authority in connection  
3 with the bonds or notes, provided that all payments from the General  
4 Fund shall be subject to and dependent upon appropriations made from  
5 time to time for those purposes.

6 b. (1) The State Treasurer and the authority are authorized to enter  
7 into agreements as shall be necessary to effectuate the purposes of this  
8 section, including without limitation, provisions for securing the  
9 payment of bonds or notes issued by the authority pursuant to  
10 subsection d. of this section and the interest thereon and providing for  
11 the investment of moneys in the fund; provided that the agreements  
12 shall be subject to approval by the presiding officers of both houses of  
13 the Legislature, and provided further that when the purposes of this  
14 section have been satisfied, and upon the earlier of:

15 (a) the certification by the State Treasurer that the revenues of the  
16 authority are sufficient to satisfy the requirements of paragraphs (1),  
17 (2), (3), (4), (5) and (6) of subsection c. of section 6 of P.L.1971,  
18 c.137 (C.5:10-6) for the term of bonds or notes issued pursuant to  
19 subsection d. of this section; or

20 (b) the satisfaction of the requirements for the payment of bonds or  
21 notes issued pursuant to P.L.1991, c.375 (C.5:10-3 et al.) or pursuant  
22 to P.L.1997, c.273 (C.40:54D-25.1 et al.); the State Treasurer and the  
23 authority shall not, except for the refunding of bonds or notes issued  
24 pursuant to subsection d. of this section which produces debt service  
25 savings, enter into any further agreements regarding payments by the  
26 State Treasurer into the "Sports Authority Fund" for any reason,  
27 including but not limited to, the financing or restructuring of the debt  
28 of the authority.

29 (2) The agreements shall indicate the nature and scope of the  
30 projects to be financed pursuant to this section.

31 (3) The agreements shall provide that with respect to the Atlantic  
32 City convention center project, the authority shall review all existing  
33 expert studies that present options as to the scope and nature of the  
34 project and the linkages between the project and the economic  
35 development of Atlantic City. Based upon its analysis of the available  
36 studies and such other expert studies as the authority may authorize,  
37 the authority shall report to the Legislature and include in the minutes  
38 of the authority its proposal for the development of the Atlantic City  
39 convention center. The report shall include an explanation for the  
40 selection of the project option proposed by the authority.

41 c. Notwithstanding anything to the contrary in P.L.1991, c.375  
42 (C.5:10-3 et al.), if and to the extent provided in any agreement  
43 between the State Treasurer and the authority, all or part of the  
44 revenues of the authority, other than luxury tax revenues or revenues  
45 of the Atlantic City convention center project and other than tourism  
46 related tax revenues or other revenues of the Wildwood convention

1 center facility, in excess of the requirements of the resolutions  
2 authorizing or relating to the issuance of any of the authority's bonds  
3 or notes, except those issued pursuant to this section, shall be paid  
4 into the General Fund in repayment to the State for amounts  
5 previously paid by the State pursuant to this section with respect to  
6 the payment of principal and interest on bonds or notes issued for any  
7 of the purposes set forth in this section, except the purposes set forth  
8 in paragraphs (3), (4), (5), and (8) of subsection d. of this section, and  
9 any payments on account of any credit agreements with respect to the  
10 bonds or notes. Except as otherwise provided in this section, bonds or  
11 notes of the authority issued pursuant to this section shall be  
12 authorized, sold and issued in the manner and be entitled to the  
13 benefits, protection and provisions as apply to bonds and notes of the  
14 authority authorized to be issued pursuant to P.L.1971, c.137  
15 (C.5:10-1 et seq.).

16 d. In addition to its other powers to issue bonds and notes, the  
17 authority shall have power to issue from time to time bonds and notes  
18 payable from amounts in the Sports Authority Fund established  
19 pursuant to subsection a. of this section, as follows:

20 (1) To provide sufficient funds to refund from time to time  
21 outstanding bonds or notes of the authority issued for the  
22 meadowlands complex or the Monmouth racetrack project authorized  
23 pursuant to paragraph (5) of subsection a. of section 6 of P.L.1971,  
24 c.137 (C.5:10-6), whether or not the bonds or notes or interest  
25 thereon have become due, to provide for the establishment of funds or  
26 reserves to secure payment of the bonds or notes or any other bonds  
27 or notes issued or to be issued for those purposes or interest thereon,  
28 and to provide for the payment of all other costs or expenses of the  
29 authority incident to or necessary to carry out the refunding; provided  
30 that the refunding bonds issued at any time pursuant to this paragraph  
31 shall not exceed that amount estimated to be necessary so that  
32 subsequent to the refunding, the revenues from the meadowlands  
33 complex or the Monmouth racetrack project, as the case may be, shall  
34 be sufficient to pay all costs payable from those revenues, as shall be  
35 estimated in a determination by the authority made in accordance with  
36 the agreement between the authority and the State Treasurer;

37 (2) To finance or refinance a capital program or programs for the  
38 meadowlands complex and the Monmouth racetrack project authorized  
39 pursuant to paragraph (5) of subsection a. of section 6 of P.L.1971,  
40 c.137 (C.5:10-6), adopted by the authority to provide for major  
41 repairs, reconstruction and improvements which are legally mandated  
42 or otherwise needed to meet environmental or safety requirements, to  
43 prevent a loss of revenues, to augment revenues or to continue or  
44 enhance the operations of any of the facilities thereof, or to upgrade  
45 any of the facilities thereof;

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14

1 (3) To provide for the financing or refinancing of the facilities for  
2 Rutgers, The State University pursuant to paragraph (8) of subsection  
3 a. of section 6 of P.L.1971, c.137 (C.5:10-6);

4 (4) To provide for the financing or refinancing of the Atlantic City  
5 convention center project;

6 (5) To finance or refinance feasibility studies for public projects  
7 consistent with the purposes of the authority;

8 (6) To provide for the financing or refinancing of any other project  
9 of the authority, but only if and to the extent expressly authorized by  
10 law enacted subsequent to the enactment of P.L.1991, c.375 (C.5:10-3  
11 et al.);

12 (7) To provide for the financing of the facilities at institutions of  
13 higher education pursuant to paragraph (11) of subsection a. of section  
14 6 of P.L.1971, c.137 (C.5:10-6), based upon a list of projects  
15 recommended by the Commission on Higher Education following a  
16 competitive application process, provided that the aggregate financing  
17 of the projects undertaken pursuant to this paragraph shall not exceed  
18 \$5,000,000; [and]

19 (8) To provide for the financing or refinancing of a convention  
20 center facility in the City of Wildwood pursuant to paragraph (12) of  
21 subsection a. of section 6 of P.L.1971, c.137 (C.5:10-6)[.]; and

22 (9) To provide for the financing or refinancing of the professional  
23 football training facility project and associated facilities authorized  
24 pursuant to paragraph (14) of subsection a. of section 6 of P.L.1971,  
25 c.137 (C.5:10-6).

26 e. Bonds and notes authorized pursuant to this section shall be  
27 special obligations of the authority payable as herein provided. Bonds  
28 and notes shall not be deemed to constitute a debt or liability of the  
29 State or a pledge of the faith and credit of the State but are dependent  
30 for repayment upon appropriations as provided by law from time to  
31 time. These bonds and notes and the interest thereon may also be  
32 payable from the proceeds thereof set aside for that purpose and  
33 income accruing therefrom.

34 (cf: P.L.1997, c.273, s.21)

35  
36 3. This act shall take effect immediately.

37  
38  
39 STATEMENT

40  
41 This bill authorizes the New Jersey Sports and Exposition Authority  
42 (the "authority") to establish and develop a project or projects outside  
43 of the Meadowlands Complex, consisting of football training facilities,  
44 together with associated facilities, that are comparable in quality to  
45 professional football training facilities used by the National Football  
46 League. This bill also provides that for such training facility project



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15

1 or projects, the authority shall negotiate and make in-lieu-of tax  
2 payments with each municipality affected.

3 The bill also authorizes the authority to provide for the financing or  
4 refinancing of such project or projects and any associated facilities that  
5 are related to the project or projects.

6 The New York Jets and New York Giants football teams have  
7 reached an agreement with the New Jersey Sports and Exposition  
8 Authority that commits these franchises to playing in New Jersey for  
9 many years to come. The teams will be building a new, state-of-the-  
10 art football stadium at the Meadowlands Sports Complex. The Jets  
11 training facility will include, now and at all times in the future, offices,  
12 multiple football fields, and all the other uses and facilities related to  
13 and necessary for training facilities that are consistent with the quality  
14 and standards used by National Football League teams.

15 This commitment will bring substantial economic benefits to New  
16 Jersey as well as a desired attraction. This bill gives the New Jersey  
17 Sports and Exposition Authority the authority to acquire the necessary  
18 property outside of the existing Meadowlands Sports Complex site so  
19 that the Jets may then develop the training facilities.

# ASSEMBLY APPROPRIATIONS COMMITTEE

## STATEMENT TO

### **ASSEMBLY, No. 4518**

with Assembly committee amendments

# **STATE OF NEW JERSEY**

DATED: JANUARY 5, 2006

The Assembly Appropriations Committee reports favorably Assembly Bill No. 4518, with committee amendments.

Assembly Bill No. 4518, as amended, authorizes the New Jersey Sports and Exposition Authority (the "authority") to establish and develop a project or projects outside of the Meadowlands Complex, consisting of football training facilities, together with associated facilities, that are comparable in quality to professional football training facilities used by the National Football League. The bill authorizes the authority to provide for the financing or refinancing of such project or projects and any associated facilities that are related to the project or projects.

The bill also provides that for such training facility project or projects, the authority shall negotiate and make in-lieu-of tax payments with each municipality affected.

The New York Jets and New York Giants football teams have reached an agreement with the New Jersey Sports and Exposition Authority that commits these franchises to playing in New Jersey for many years to come. The teams will be building a new, state-of-the-art football stadium at the Meadowlands Sports Complex. The Jets training facility will include, now and at all times in the future, offices, multiple football fields, and all the other uses and facilities related to and necessary for training facilities that are consistent with the quality and standards used by National Football League teams.

This bill gives the New Jersey Sports and Exposition Authority the authority to acquire the necessary property outside of the existing Meadowlands Sports Complex site so that the Jets may then develop the training facilities.

#### FISCAL IMPACT:

This bill authorizes the New Jersey Sports and Exposition Authority to acquire property the extent and location of which have not yet been determined. To the extent that the State subsidizes the authority and may become responsible for any indebtedness of the authority in connection with the acquisition, there may be a fiscal

impact on State funds, but the potential of that impact cannot be estimated at this time.

COMMITTEE AMENDMENTS:

The amendments require the authority to first obtain the consent of the municipality or municipalities in which the projects are to be located.

# LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY, No. 4518

STATE OF NEW JERSEY

211th LEGISLATURE

DATED: FEBRUARY 16, 2006

## SUMMARY

- Synopsis:** Expands certain powers of New Jersey Sports and Exposition Authority to establish and develop professional football league training facilities.
- Type of Impact:** Expenditure increase to the New Jersey Sports and Exposition Authority.
- Agencies Affected:** New Jersey Sports and Exposition Authority.

### Office of Legislative Services Estimate

<b>Fiscal Impact</b>	<b><u>Year 1</u></b>	<b><u>Year 2</u></b>	<b><u>Year 3</u></b>
<b>State Cost</b>	Indeterminate - See Comments Below		

- ! The Office of Legislative Services (OLS) notes that there is at the present time insufficient information upon which to base a projection of either (1) the cost to the New Jersey Sports and Exposition Authority of purchasing or leasing a site for the professional football training facility that the bill permits the authority to develop, or (2) the potential cost to the General Fund of meeting an increase in its liability for subsidizing debt service on the authority's bonds that could result from the authority's expenditures to develop the training facility.
- ! The OLS further notes that the bill authorizes the authority to make in-lieu-of tax payments to any municipality affected by the development of such a training site, but has no information upon which to base an estimate of the amount of such payments.

## BILL DESCRIPTION

Assembly Bill No. 4518 (1R) of 2005 authorizes the New Jersey Sports and Exposition Authority (the "authority") to establish, develop, construct, acquire, lease or own, operate, manage, promote, maintain, repair, reconstruct, restore, improve and otherwise effectuate projects outside of the Meadowlands Complex consisting of football training facilities that are comparable in quality to National Football League professional football training facilities and the buildings, structures facilities, uses, properties and appurtenances related thereto, or identical to, necessary for, or complementary to those facilities. The bill requires the authority to make

in-lieu-of tax payments in each municipality affected by such projects in amounts negotiated by the authority and each municipality.

The bill authorizes the authority to provide for the financing or refinancing of the professional football training facility project and other associated facilities.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

The OLS notes that the authority and the Giants and Jets football teams agreed on September 29, 2005, by amendment to a memorandum of understanding (the "memorandum"), that the authority shall only be responsible for the acquisition costs of the practice facility site and any ancillary costs that may be needed to present the site in a "cleaned and cleared" condition, which may include costs for environmental clean-up, highway access and certain "practical utilization" costs.

The memorandum stipulates that the practice facility site for the Jets shall be within a 20-mile radius of the Meadowlands Complex. Since there are multiple municipalities located within the 20-mile radius area, and the actual practice facility site has not yet been identified, there is insufficient information available at this time to estimate the land acquisition costs. Such costs can vary substantially not only from one municipality to another but within the same municipality depending upon the site's location within the municipality.

Similarly, the ancillary costs for environmental clean-up of the site, highway access and other practical considerations are indeterminate because such costs will depend upon the type and extent of environmental contamination of the site, the highway access serving the site and the extent of other "practical utilization" costs that may be associated with the site.

The OLS also notes that section 20 of P.L.1997, c.273 (C5:10-14.3) ("section 20") permits the authority to issue bonds and notes payable from amounts in the Sports Authority Fund (the "fund"). The fund was established by the State Treasurer pursuant to section 20 as a repository for funds from the General Fund to pay the principal and interest on certain authority bonds or notes issued in accordance with criteria set forth in section 20 and to pay certain amounts due from the authority under any credit agreement entered into by the authority in connection with the bonds or notes.

While the football training facility project does not appear eligible under section 20 for financing from the fund, the payment by the authority of principal and interest on bonds or notes that may be issued to finance the site acquisition for the football training facility project could serve to decrease the amount of funds available to the authority to pay the debt service on other bonds or notes, including those that are eligible for payment from amounts in the fund. As a result, the issuance of authority bonds or notes to finance the football training facility site acquisition could potentially lessen the overall amount of authority funds available to pay debt service on their bonds and notes, thereby potentially increasing the amount of funds that may need to be appropriated from the General Fund to the Sports Authority Fund under section 20.

Section: *Authorities, Utilities, Transportation and Communications*

Analyst: *Edward Westreich*  
*Senior Research Analyst*

Approved: *David J. Rosen*  
*Legislative Budget and Finance Officer*

This legislative fiscal estimate has been prepared pursuant to P.L.1980, c.67.