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[Second Reprint]

**ASSEMBLY, No. 2589**

**STATE OF NEW JERSEY**

**213th LEGISLATURE**

INTRODUCED MAY 5, 2008

**Sponsored by:**

**Assemblyman JOHN F. MCKEON**

**District 27 (Essex)**

**Assemblyman ANTHONY CHIAPPONE**

**District 31 (Hudson)**

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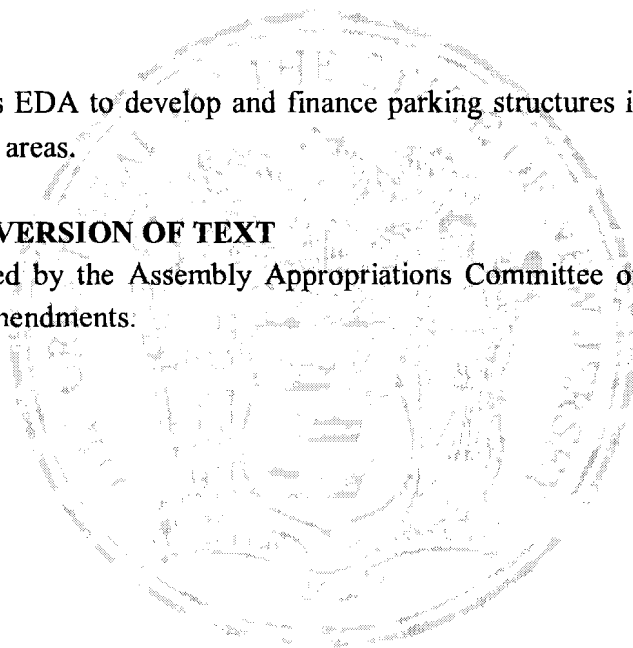
**Assemblymen Chivukula, Ramos, DeAngelo, Senators Lesniak and Stack**

**SYNOPSIS**

Authorizes EDA to develop and finance parking structures in certain urban and suburban areas.

**CURRENT VERSION OF TEXT**

As reported by the Assembly Appropriations Committee on December 8, 2008, with amendments.



**(Sponsorship Updated As Of: 3/17/2009)**

1 AN ACT concerning the development and financing of parking  
2 structures and amending P.L.1974, c.80.

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

6  
7 1. Section 3 of P.L.1974, c.80 (C.34:1B-3) is amended to read as  
8 follows:

9 3. As used in the provisions of P.L.1974, c.80 (C.34:1B-1 et  
10 seq.), P.L.1979, c.303 (C.34:1B-5.1 et seq.), sections 50 through 54  
11 of P.L.2000, c.72 (C.34:1B-5.5 through 34:1B-5.9), P.L.1981, c.505  
12 (C.34:1B-7.1 et seq.), P.L.1986, c.127 (C.34:1B-7.7 et seq.),  
13 P.L.1992, c.16 (C.34:1B-7.10 et al.), section 6 of P.L.2001, c.401  
14 (C.34:1B-4.1), and P.L.2007, c.137 (C.52:18A-235 et al.), unless a  
15 different meaning clearly appears from the context:

16 "Authority" means the New Jersey Economic Development  
17 Authority, created by section 4 of P.L.1974, c.80 (C.34:1B-4).

18 "Bonds" means bonds or other obligations issued by the authority  
19 pursuant to P.L.1974, c.80 (C.34:1B-1 et seq.), "Economic  
20 Recovery Bonds or Notes" issued pursuant to P.L.1992, c.16  
21 (C.34:1B-7.10 et al.), or bonds, notes, other obligations and  
22 refunding bonds issued by the authority pursuant to P.L.2000, c.72  
23 (C.18A:7G-1 et al.) and P.L.2007, c.137 (C.52:18A-235 et al.).

24 "Cost" means the cost of the acquisition, construction,  
25 reconstruction, repair, alteration, improvement and extension of any  
26 building, structure, facility including water transmission facilities,  
27 or other improvement; the cost of machinery and equipment; the  
28 cost of acquisition, construction, reconstruction, repair, alteration,  
29 improvement and extension of energy saving improvements or  
30 pollution control devices, equipment or facilities; the cost of lands,  
31 rights-in-lands, easements, privileges, agreements, franchises,  
32 utility extensions, disposal facilities, access roads and site  
33 development deemed by the authority to be necessary or useful and  
34 convenient for any project or school facilities project or in  
35 connection therewith; discount on bonds; cost of issuance of bonds;  
36 engineering and inspection costs; costs of financial, legal,  
37 professional and other estimates and advice; organization,  
38 administrative, insurance, operating and other expenses of the  
39 authority or any person prior to and during any acquisition or  
40 construction, and all such expenses as may be necessary or incident  
41 to the financing, acquisition, construction or completion of any  
42 project or school facilities project or part thereof, and also such  
43 provision for reserves for payment or security of principal of

**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>Assembly ACE committee amendments adopted October 23, 2008.

<sup>2</sup>Assembly AAP committee amendments adopted December 8, 2008.

1 orinterest on bonds during or after such acquisition or construction  
2 as the authority may determine.

3 "County" means any county of any class.

4 "County solid waste facility" means a solid waste facility that is  
5 designated by a public authority or county in its adopted district  
6 solid waste management plan as approved by the department prior  
7 to November 10, 1997 as the in-county facility to which solid waste  
8 generated within the boundaries of the county is transported for  
9 final disposal, or transfer for transportation to an offsite solid waste  
10 facility or designated out-of-district disposal site for disposal, as  
11 appropriate, pursuant to interdistrict or intradistrict waste flow  
12 orders issued by the department, regardless of whether the county  
13 solid waste facility was acquired, constructed, operated, abandoned  
14 or canceled.

15 "Department" means the Department of Environmental  
16 Protection.

17 "Development property" means any real or personal property,  
18 interest therein, improvements thereon, appurtenances thereto and  
19 air or other rights in connection therewith, including land,  
20 buildings, plants, structures, systems, works, machinery and  
21 equipment acquired or to be acquired by purchase, gift or otherwise  
22 by the authority within an urban growth zone.

23 "Person" means any person, including individuals, firms,  
24 partnerships, associations, societies, trusts, public or private  
25 corporations, or other legal entities, including public or  
26 governmental bodies, as well as natural persons. "Person" shall  
27 include the plural as well as the singular.

28 "Pollution control project" means any device, equipment,  
29 improvement, structure or facility, or any land and any building,  
30 structure, facility or other improvement thereon, or any combination  
31 thereof, whether or not in existence or under construction, or the  
32 refinancing thereof in order to facilitate improvements or additions  
33 thereto or upgrading thereof, and all real and personal property  
34 deemed necessary thereto, having to do with or the end purpose of  
35 which is the control, abatement or prevention of land, sewer, water,  
36 air, noise or general environmental pollution, including, but not  
37 limited to, any air pollution control facility, noise abatement  
38 facility, water management facility, thermal pollution control  
39 facility, radiation contamination control facility, wastewater  
40 collection system, wastewater treatment works, sewage treatment  
41 works system, sewage treatment system or solid waste facility or  
42 site; provided that the authority shall have received from the  
43 Commissioner of the State Department of Environmental Protection  
44 or the commissioner's duly authorized representative a certificate  
45 stating the opinion that, based upon information, facts and  
46 circumstances available to the State Department of Environmental  
47 Protection and any other pertinent data, (1) the pollution control  
48 facilities do not conflict with, overlap or duplicate any other

1 planned or existing pollution control facilities undertaken or  
2 planned by another public agency or authority within any political  
3 subdivision, and (2) the facilities, as designed, will be a pollution  
4 control project as defined in the provisions of P.L.1974, c.80  
5 (C.34:1B-1 et seq.) and are in furtherance of the purpose of abating  
6 or controlling pollution.

7 "Project" means: (1) (a) acquisition, construction, reconstruction,  
8 repair, alteration, improvement and extension of any building,  
9 structure, facility, including water transmission facilities or other  
10 improvement, whether or not in existence or under construction, (b)  
11 purchase and installation of equipment and machinery, (c)  
12 acquisition and improvement of real estate and the extension or  
13 provision of utilities, access roads and other appurtenant facilities;  
14 and (2) (a) the acquisition, financing, or refinancing of inventory,  
15 raw materials, supplies, work in process, or stock in trade, or (b) the  
16 financing, refinancing or consolidation of secured or unsecured  
17 debt, borrowings, or obligations, or (c) the provision of financing  
18 for any other expense incurred in the ordinary course of business;  
19 all of which are to be used or occupied by any person in any  
20 enterprise promoting employment, either for the manufacturing,  
21 processing or assembly of materials or products, or for research or  
22 office purposes, including, but not limited to, medical and other  
23 professional facilities, or for industrial, recreational, hotel or motel  
24 facilities, public utility and warehousing, or for commercial and  
25 service purposes, including, but not limited to, retail outlets, retail  
26 shopping centers, restaurant and retail food outlets, and any and all  
27 other employment promoting enterprises, including, but not limited  
28 to, motion picture and television studios and facilities and  
29 commercial fishing facilities, commercial facilities for recreational  
30 fishermen, fishing vessels, aquaculture facilities and marketing  
31 facilities for fish and fish products and (d) acquisition of an equity  
32 interest in, including capital stock of, any corporation; or any  
33 combination of the above, which the authority determines will: (i)  
34 tend to maintain or provide gainful employment opportunities  
35 within and for the people of the State, or (ii) aid, assist and  
36 encourage the economic development or redevelopment of any  
37 political subdivision of the State, or (iii) maintain or increase the  
38 tax base of the State or of any political subdivision of the State, or  
39 (iv) maintain or diversify and expand employment promoting  
40 enterprises within the State; and (3) the cost of acquisition,  
41 construction, reconstruction, repair, alteration, improvement and  
42 extension of an energy saving improvement or pollution control  
43 project which the authority determines will tend to reduce the  
44 consumption in a building devoted to industrial or commercial  
45 purposes, or in an office building, of nonrenewable sources of  
46 energy or to reduce, abate or prevent environmental pollution  
47 within the State; and (4) the acquisition, construction,  
48 reconstruction, repair, alteration, improvement, extension,

1 development, financing or refinancing of infrastructure, including  
2 parking <sup>2</sup>facilities or <sup>2</sup>structures, and transportation facilities or  
3 improvements related to economic development and of cultural,  
4 recreational and tourism facilities or improvements related to  
5 economic development and of capital facilities for primary and  
6 secondary schools and of mixed use projects consisting of housing  
7 and commercial development; and (5) the establishment,  
8 acquisition, construction, rehabilitation, improvement, and  
9 ownership of port facilities as defined in section 3 of P.L.1997,  
10 c.150 (C.34:1B-146). Project may also include: (i) reimbursement  
11 to any person for costs in connection with any project, or the  
12 refinancing of any project or portion thereof, if determined by the  
13 authority as necessary and in the public interest to maintain  
14 employment and the tax base of any political subdivision and will  
15 facilitate improvements thereto or the completion thereof, and (ii)  
16 development property and any construction, reconstruction,  
17 improvement, alteration, equipment or maintenance or repair, or  
18 planning and designing in connection therewith. For the purpose of  
19 carrying out mixed use projects consisting of both housing and  
20 commercial development, the authority may enter into agreements  
21 with the New Jersey Housing and Mortgage Finance Agency for  
22 loan guarantees for any such project in accordance with the  
23 provisions of P.L.1995, c.359 (C.55:14K-64 et al.), and for that  
24 purpose shall allocate to the New Jersey Housing and Mortgage  
25 Finance Agency, under such agreements, funding available pursuant  
26 to subsection a. of section 4 of P.L.1992, c.16 (C.34:1B-7.13).  
27 Project shall not include a school facilities project.

28 "Public authority" means a municipal or county utilities authority  
29 created pursuant to the "municipal and county utilities authorities  
30 law," P.L.1957, c.183 (C.40:14B-1 et seq.); a county improvement  
31 authority created pursuant to the "county improvement authorities  
32 law," P.L.1960, c.183 (C.40:37A-44 et seq.); or a pollution control  
33 financing authority created pursuant to the "New Jersey Pollution  
34 Control Financing Law," P.L.1973, c.376 (C.40:37C-1 et seq.) that  
35 has issued solid waste facility bonds or that has been designated by  
36 the county pursuant to section 12 of P.L.1975, c.326 (C.13:1E-21)  
37 to supervise the implementation of the district solid waste  
38 management plan.

39 "Revenues" means receipts, fees, rentals or other payments to be  
40 received on account of lease, mortgage, conditional sale, or sale,  
41 and payments and any other income derived from the lease, sale or  
42 other disposition of a project, moneys in such reserve and insurance  
43 funds or accounts or other funds and accounts, and income from the  
44 investment thereof, established in connection with the issuance of  
45 bonds or notes for a project or projects, and fees, charges or other  
46 moneys to be received by the authority in respect of projects or  
47 school facilities projects and contracts with persons.

1 "Resolution" means any resolution adopted or trust agreement  
2 executed by the authority, pursuant to which bonds of the authority  
3 are authorized to be issued.

4 "Solid waste" means garbage, refuse, and other discarded  
5 materials resulting from industrial, commercial and agricultural  
6 operations, and from domestic and community activities, and shall  
7 include all other waste materials including liquids, except for source  
8 separated recyclable materials or source separated food waste  
9 collected by livestock producers approved by the State Department  
10 of Agriculture to collect, prepare and feed such wastes to livestock  
11 on their own farms.

12 "Solid waste disposal" means the storage, treatment, utilization,  
13 processing, or final disposal of solid waste.

14 "Solid waste facility bonds" means the bonds, notes or other  
15 evidences of financial indebtedness issued by, or on behalf of, any  
16 public authority or county related to the planning, design,  
17 acquisition, construction, renovation, installation, operation or  
18 management of a county solid waste facility.

19 "Solid waste facilities" means, and includes, the plants,  
20 structures and other real and personal property acquired,  
21 constructed or operated by, or on behalf of, any county or public  
22 authority pursuant to the provisions of the "Solid Waste  
23 Management Act," P.L.1970, c.39 (C.13:1E-1 et seq.) or any other  
24 act, including transfer stations, incinerators, resource recovery  
25 facilities, including co-composting facilities, sanitary landfill  
26 facilities or other plants for the disposal of solid waste, and all  
27 vehicles, equipment and other real and personal property and rights  
28 therein and appurtenances necessary or useful and convenient for  
29 the collection or disposal of solid waste in a sanitary manner.

30 "Energy saving improvement" means the construction, purchase  
31 and installation in a building devoted to industrial or commercial  
32 purposes of any of the following, designed to reduce the amount of  
33 energy from nonrenewable sources needed for heating and cooling  
34 that building: insulation, replacement burners, replacement high  
35 efficiency heating and air conditioning units, including modular  
36 boilers and furnaces, water heaters, central air conditioners with or  
37 without heat recovery to make hot water for industrial or  
38 commercial purposes or in office buildings, and any solar heating or  
39 cooling system improvement, including any system which captures  
40 solar radiation to heat a fluid which passes over or through the  
41 collector element of that system and then transfers that fluid to a  
42 point within the system where the heat is withdrawn from the fluid  
43 for direct usage or storage. These systems shall include, but not  
44 necessarily be limited to, systems incorporating flat plate, evacuated  
45 tube or focusing solar collectors.

46 The foregoing list shall not be construed to be exhaustive, and  
47 shall not serve to exclude other improvements consistent with the  
48 legislative intent of the provisions of P.L.1983, c.282.



1 "Urban growth zone" means any area within a municipality  
2 receiving State aid pursuant to the provisions of P.L.1978, c.14  
3 (C.52:27D-178 et seq.) or a municipality certified by the  
4 Commissioner of Community Affairs to qualify under such law in  
5 every respect except population, which area has been so designated  
6 pursuant to an ordinance of the governing body of such  
7 municipality.

8 "District" means a local or regional school district established  
9 pursuant to chapter 8 or chapter 13 of Title 18A of the New Jersey  
10 Statutes, a county special services school district established  
11 pursuant to article 8 of chapter 46 of Title 18A of the New Jersey  
12 Statutes, a county vocational school district established pursuant to  
13 article 3 of chapter 54 of Title 18A of the New Jersey Statutes, and  
14 a school district under full State intervention pursuant to P.L.1987,  
15 c.399 (C.18A:7A-34 et al.).

16 "Local unit" means a county, municipality, board of education or  
17 any other political entity authorized to construct, operate and  
18 maintain a school facilities project and to borrow money for those  
19 purposes pursuant to law.

20 "Other facilities" means athletic stadiums, swimming pools, any  
21 associated structures or related equipment tied to such facilities  
22 including, but not limited to, grandstands and night field lights,  
23 greenhouses, facilities used for non-instructional or non-educational  
24 purposes, and any structure, building, or facility used solely for  
25 school administration.

26 "Refunding bonds" means bonds, notes or other obligations  
27 issued to refinance bonds previously issued by the authority  
28 pursuant to P.L.1974, c.80 (C.34:1B-1 et seq.), P.L.2000, c.72  
29 (C.18A:7G-1 et al.) and P.L.2007, c.137 (C.52:18A-235 et al.).

30 "School facilities project" means the planning, acquisition,  
31 demolition, construction, improvement, alteration, modernization,  
32 renovation, reconstruction or capital maintenance of all or any part  
33 of a school facility or of any other personal property necessary for,  
34 or ancillary to, any school facility, and shall include fixtures,  
35 furnishings and equipment, and shall also include, but is not limited  
36 to, site acquisition, site development, the services of design  
37 professionals, such as engineers and architects, construction  
38 management, legal services, financing costs and administrative  
39 costs and expenses incurred in connection with the project.

40 "School facility" means and includes any structure, building or  
41 facility used wholly or in part for educational purposes by a district  
42 and facilities that physically support such structures, buildings, and  
43 facilities such as district wastewater treatment facilities, power  
44 generating facilities, and steam generating facilities, but shall  
45 exclude other facilities.

46 (cf. P.L.2007, c.137, s.52)

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

3       5. The authority shall have the following powers:

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

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

7       c. To sue and be sued;

8       d. To acquire in the name of the authority by purchase or  
9 otherwise, on such terms and conditions and such manner as it may  
10 deem proper, or by the exercise of the power of eminent domain in  
11 the manner provided by the "Eminent Domain Act of 1971,"  
12 P.L.1971, c.361 (C.20:3-1 et seq.), any lands or interests therein or  
13 other property which it may determine is reasonably necessary for  
14 any project; provided, however, that the authority in connection  
15 with any project shall not take by exercise of the power of eminent  
16 domain any real property except upon consent thereto given by  
17 resolution of the governing body of the municipality in which such  
18 real property is located; and provided further that the authority shall  
19 be limited in its exercise of the power of eminent domain in  
20 connection with any project to municipalities receiving State aid  
21 under the provisions of P.L.1978, c.14 (C.52:27D-178 et seq.), or to  
22 municipalities which had a population, according to the latest  
23 federal decennial census, in excess of 10,000;

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

30       f. To establish and maintain reserve and insurance funds with  
31 respect to the financing of the project or the school facilities project  
32 and any project financed pursuant to the "Municipal Rehabilitation  
33 and Economic Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et  
34 al.);

35       g. To sell, convey or lease to any person all or any portion of a  
36 project for such consideration and upon such terms as the authority  
37 may determine to be reasonable;

38       h. To mortgage, pledge or assign or otherwise encumber all or  
39 any portion of a project, or revenues, whenever it shall find such  
40 action to be in furtherance of the purposes of this act, P.L.2000,  
41 c.72 (C.18A:7G-1 et al.), the "Municipal Rehabilitation and  
42 Economic Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.),  
43 and P.L.2007, c.137 (C.52:18A-235 et al.);

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

47       j. To contract for and to accept any gifts or grants or loans of  
48 funds or property or financial or other aid in any form from the

1 United States of America or any agency or instrumentality thereof,  
2 or from the State or any agency, instrumentality or political  
3 subdivision thereof, or from any other source and to comply,  
4 subject to the provisions of P.L.1974, c.80 (C.34:1B-1 et seq.),  
5 section 6 of P.L.2001, c.401 (C.34:1B-4.1), P.L.2000, c.72  
6 (C.18A:7G-1 et al.), the "Municipal Rehabilitation and Economic  
7 Recovery Act," P.L.2002, c.43 (C.52:27BBB-1 et al.), and  
8 P.L.2007, c.137 (C.52:18A-235 et al.), with the terms and  
9 conditions thereof;

10 k. In connection with any application for assistance under  
11 P.L.1974, c.80 (C.34:1B-1 et seq.), section 6 of P.L.2001, c.401  
12 (C.34:1B-4.1), P.L.2000, c.72 (C.18A:7G-1 et al.), the "Municipal  
13 Rehabilitation and Economic Recovery Act," P.L.2002, c.43  
14 (C.52:27BBB-1 et al.), or P.L.2007, c.137 (C.52:18A-235 et al.) or  
15 commitments therefor, to require and collect such fees and charges  
16 as the authority shall determine to be reasonable;

17 l. To adopt, amend and repeal regulations to carry out the  
18 provisions of P.L.1974, c.80 (C.34:1B-1 et seq.), section 6 of  
19 P.L.2001, c.401 (C.34:1B-4.1), P.L.2000, c.72 (C.18A:7G-1 et al.),  
20 the "Municipal Rehabilitation and Economic Recovery Act,"  
21 P.L.2002, c.43 (C.52:27BBB-1 et al.), and P.L.2007, c.137  
22 (C.52:18A-235 et al.);

23 m. To acquire, purchase, manage and operate, hold and dispose  
24 of real and personal property or interests therein, take assignments  
25 of rentals and leases and make and enter into all contracts, leases,  
26 agreements and arrangements necessary or incidental to the  
27 performance of its duties;

28 n. To purchase, acquire and take assignments of notes,  
29 mortgages and other forms of security and evidences of  
30 indebtedness;

31 o. To purchase, acquire, attach, seize, accept or take title to any  
32 project or school facilities project by conveyance or by foreclosure,  
33 and sell, lease, manage or operate any project or school facilities  
34 project for a use specified in this act, P.L.2000, c.72 (C.18A:7G-1  
35 et al.), the "Municipal Rehabilitation and Economic Recovery Act,"  
36 P.L.2002, c.43 (C.52:27BBB-1 et al.), and P.L.2007, c.137  
37 (C.52:18A-235 et al.);

38 p. To borrow money and to issue bonds of the authority and to  
39 provide for the rights of the holders thereof, as provided in  
40 P.L.1974, c.80 (C.34:1B-1 et seq.), section 6 of P.L.2001, c.401  
41 (C.34:1B-4.1), P.L.2000, c.72 (C.18A:7G-1 et al.), the "Municipal  
42 Rehabilitation and Economic Recovery Act," P.L.2002, c.43  
43 (C.52:27BBB-1 et al.), and P.L.2007, c.137 (C.52:18A-235 et al.);

44 q. To extend credit or make loans to any person for the  
45 planning, designing, acquiring, constructing, reconstructing,  
46 improving, equipping and furnishing of a project or school facilities  
47 project, which credits or loans may be secured by loan and security  
48 agreements, mortgages, leases and any other instruments, upon such

1 terms and conditions as the authority shall deem reasonable,  
2 including provision for the establishment and maintenance of  
3 reserve and insurance funds, and to require the inclusion in any  
4 mortgage, lease, contract, loan and security agreement or other  
5 instrument, such provisions for the construction, use, operation and  
6 maintenance and financing of a project or school facilities project as  
7 the authority may deem necessary or desirable;

8 r. To guarantee up to 90% of the amount of a loan to a person,  
9 if the proceeds of the loan are to be applied to the purchase and  
10 installation, in a building devoted to industrial or commercial  
11 purposes, or in an office building, of an energy improvement  
12 system;

13 s. To employ consulting engineers, architects, attorneys, real  
14 estate counselors, appraisers, and such other consultants and  
15 employees as may be required in the judgment of the authority to  
16 carry out the purposes of P.L.1974, c.80 (C.34:1B-1 et seq.), section  
17 6 of P.L.2001, c.401 (C.34:1B-4.1), P.L.2000, c.72 (C.18A:7G-1 et  
18 al.), the "Municipal Rehabilitation and Economic Recovery Act,"  
19 P.L.2002, c.43 (C.52:27BBB-1 et al.) and P.L.2007, c.137  
20 (C.52:18A-235 et al.), and to fix and pay their compensation from  
21 funds available to the authority therefor, all without regard to the  
22 provisions of Title 11A of the New Jersey Statutes;

23 t. To do and perform any acts and things authorized by  
24 P.L.1974, c.80 (C.34:1B-1 et seq.), section 6 of P.L.2001, c.401  
25 (C.34:1B-4.1), P.L.2000, c.72 (C.18A:7G-1 et al.), the "Municipal  
26 Rehabilitation and Economic Recovery Act," P.L.2002, c.43  
27 (C.52:27BBB-1 et al.), and P.L.2007, c.137 (C.52:18A-235 et al.),  
28 under, through or by means of its own officers, agents and  
29 employees, or by contract with any person;

30 u. To procure insurance against any losses in connection with  
31 its property, operations or assets in such amounts and from such  
32 insurers as it deems desirable;

33 v. To do any and all things necessary or convenient to carry out  
34 its purposes and exercise the powers given and granted in P.L.1974,  
35 c.80 (C.34:1B-1 et seq.), section 6 of P.L.2001, c.401 (C.34:1B-  
36 4.1), P.L.2000, c.72 (C.18A:7G-1 et al.), the "Municipal  
37 Rehabilitation and Economic Recovery Act," P.L.2002, c.43  
38 (C.52:27BBB-1 et al.), and P.L.2007, c.137 (C.52:18A-235 et al.);

39 w. To construct, reconstruct, rehabilitate, improve, alter, equip,  
40 maintain or repair or provide for the construction, reconstruction,  
41 improvement, alteration, equipping or maintenance or repair of any  
42 development property and lot, award and enter into construction  
43 contracts, purchase orders and other contracts with respect thereto,  
44 upon such terms and conditions as the authority shall determine to  
45 be reasonable, including, but not limited to, reimbursement for the  
46 planning, designing, financing, construction, reconstruction,  
47 improvement, equipping, furnishing, operation and maintenance of  
48 any such development property and the settlement of any claims

1 arising therefrom and the establishment and maintenance of reserve  
2 funds with respect to the financing of such development property;

3 x. When authorized by the governing body of a municipality  
4 exercising jurisdiction over an urban growth zone, to construct,  
5 cause to be constructed or to provide financial assistance to projects  
6 in an urban growth zone which shall be exempt from the terms and  
7 requirements of the land use ordinances and regulations, including,  
8 but not limited to, the master plan and zoning ordinances, of such  
9 municipality;

10 y. To enter into business employment incentive agreements as  
11 provided in the "Business Employment Incentive Program Act,"  
12 P.L.1996, c.26 (C.34:1B-124 et al.);

13 z. To enter into agreements or contracts, execute instruments,  
14 and do and perform all acts or things necessary, convenient or  
15 desirable for the purposes of the authority to carry out any power  
16 expressly provided pursuant to P.L.1974, c.80 (C.34:1B-1 et seq.),  
17 P.L.2000, c.72 (C.18A:7G-1 et al.), and P.L.2007, c.137 (C.52:18A-  
18 235 et al.), including, but not limited to, entering into contracts with  
19 the State Treasurer, the Commissioner of Education, districts, the  
20 New Jersey Schools Development Authority, and any other entity  
21 which may be required in order to carry out the provisions of  
22 P.L.2000, c.72 (C.18A:7G-1 et al.), and P.L.2007, c.137 (C.52:18A-  
23 235 et al.);

24 aa. (Deleted by amendment, P.L.2007, c.137);

25 bb. To make and contract to make loans to local units to finance  
26 the cost of school facilities projects and to acquire and contract to  
27 acquire bonds, notes or other obligations issued or to be issued by  
28 local units to evidence the loans, all in accordance with the  
29 provisions of P.L.2000, c.72 (C.18A:7G-1 et al.), and P.L.2007,  
30 c.137 (C.52:18A-235 et al.);

31 cc. Subject to any agreement with holders of its bonds issued to  
32 finance a project or school facilities project, obtain as security or to  
33 provide liquidity for payment of all or any part of the principal of  
34 and interest and premium on the bonds of the authority or for the  
35 purchase upon tender or otherwise of the bonds, lines of credit,  
36 letters of credit, reimbursement agreements, interest rate exchange  
37 agreements, currency exchange agreements, interest rate floors or  
38 caps, options, puts or calls to hedge payment, currency, rate, spread  
39 or similar exposure or similar agreements, float agreements,  
40 forward agreements, insurance contract, surety bond, commitment  
41 to purchase or sell bonds, purchase or sale agreement, or  
42 commitments or other contracts or agreements, and other security  
43 agreements or instruments in any amounts and upon any terms as  
44 the authority may determine and pay any fees and expenses required  
45 in connection therewith;

46 dd. To charge to and collect from local units, the State and any  
47 other person, any fees and charges in connection with the  
48 authority's actions undertaken with respect to school facilities

1 projects, including, but not limited to, fees and charges for the  
2 authority's administrative, organization, insurance, operating and  
3 other expenses incident to the financing of school facilities projects;  
4 ee. To make loans to refinance solid waste facility bonds  
5 through the issuance of bonds or other obligations and the execution  
6 of any agreements with counties or public authorities to effect the  
7 refunding or rescheduling of solid waste facility bonds, or otherwise  
8 provide for the payment of all or a portion of any series of solid  
9 waste facility bonds. Any county or public authority refunding or  
10 rescheduling its solid waste facility bonds pursuant to this  
11 subsection shall provide for the payment of not less than fifty  
12 percent of the aggregate debt service for the refunded or  
13 rescheduled debt of the particular county or public authority for the  
14 duration of the loan; except that, whenever the solid waste facility  
15 bonds to be refinanced were issued by a public authority and the  
16 county solid waste facility was utilized as a regional county solid  
17 waste facility, as designated in the respective adopted district solid  
18 waste management plans of the participating counties as approved  
19 by the department prior to November 10, 1997, and the utilization  
20 of the facility was established pursuant to tonnage obligations set  
21 forth in their respective interdistrict agreements, the public  
22 authority refunding or rescheduling its solid waste facility bonds  
23 pursuant to this subsection shall provide for the payment of a  
24 percentage of the aggregate debt service for the refunded or  
25 rescheduled debt of the public authority not to exceed the  
26 percentage of the specified tonnage obligation of the host county for  
27 the duration of the loan. Whenever the solid waste facility bonds  
28 are the obligation of a public authority, the relevant county shall  
29 execute a deficiency agreement with the authority, which shall  
30 provide that the county pledges to cover any shortfall and to pay  
31 deficiencies in scheduled repayment obligations of the public  
32 authority. All costs associated with the issuance of bonds pursuant  
33 to this subsection may be paid by the authority from the proceeds of  
34 these bonds. Any county or public authority is hereby authorized to  
35 enter into any agreement with the authority necessary, desirable or  
36 convenient to effectuate the provisions of this subsection.

37 The authority shall not issue bonds or other obligations to effect  
38 the refunding or rescheduling of solid waste facility bonds after  
39 December 31, 2002. The authority may refund its own bonds issued  
40 for the purposes herein at any time;

41 ff. To pool loans for any local government units that are  
42 refunding bonds and do and perform any and all acts or things  
43 necessary, convenient or desirable for the purpose of the authority  
44 to achieve more favorable interest rates and terms for those local  
45 governmental units;

46 gg. To finance projects approved by the board, provide staff  
47 support to the board, oversee and monitor progress on the part of  
48 the board in carrying out the revitalization, economic development

1 and restoration projects authorized pursuant to the "Municipal  
2 Rehabilitation and Economic Recovery Act," P.L.2002, c.43  
3 (C.52:27BBB-1 et al.) and otherwise fulfilling its responsibilities  
4 pursuant thereto; **[and]**

5 hh. To offer financial assistance to qualified film production  
6 companies as provided in the "New Jersey Film Production  
7 Assistance Act," P.L.2003, c.182 (C.34:1B-178 et al.); and

8 **'[ii] ii.'** To finance <sup>2</sup>[and] or<sup>2</sup> develop <sup>2</sup>private or public<sup>2</sup>  
9 parking <sup>2</sup>facilities or<sup>2</sup> structures <sup>2, 2</sup> 'which may include the use of  
10 solar photovoltaic equipment,<sup>1</sup> in municipalities qualified to receive  
11 State aid pursuant to the provisions of P.L.1978, c.14 (C.52:27D-  
12 178 et seq.) and municipalities that contain areas designated  
13 pursuant to P.L.1985, c.398 (C.52:18A-196 et seq.) as Planning  
14 Area 1 (Metropolitan) <sup>1</sup>[or],<sup>1</sup> Planning Area 2 (Suburban),<sup>1</sup> or a  
15 town center,<sup>1</sup> and to provide appropriate assistance, including but  
16 not limited to, extensions of credit, loans, and guarantees, to  
17 municipalities qualified to receive State aid pursuant to the  
18 provisions of P.L.1978, c.14 (C.52:27D-178 et seq.) and  
19 municipalities that contain areas designated pursuant to P.L.1985,  
20 c.398 (C.52:18A-196 et seq.) as Planning Area 1 (Metropolitan)  
21 <sup>1</sup>[or],<sup>1</sup> Planning Area 2 (Suburban), <sup>1</sup>or a town center,<sup>1</sup> <sup>2</sup>and<sup>2</sup> their  
22 agencies and instrumentalities <sup>2</sup>or to private entities whose projects  
23 are located in those municipalities<sup>2</sup> , in order to facilitate the  
24 financing and development of parking <sup>2</sup>facilities or<sup>2</sup> structures in  
25 such municipalities. The authority may serve as the issuing agent  
26 of bonds to finance the undertaking of a project for the purposes of  
27 this subsection.

28 (cf: P.L.2007, c.137, s.53)

29

30 3. This act shall take effect immediately.

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1 and restoration projects authorized pursuant to the "Municipal  
2 Rehabilitation and Economic Recovery Act," P.L.2002, c.43  
3 (C.52:27BBB-1 et al.) and otherwise fulfilling its responsibilities  
4 pursuant thereto; [and]

5 hh. To offer financial assistance to qualified film production  
6 companies as provided in the "New Jersey Film Production  
7 Assistance Act," P.L.2003, c.182 (C.34:1B-178 et al.); and

8 ii To finance and develop parking structures in municipalities  
9 qualified to receive State aid pursuant to the provisions of P.L.1978,  
10 c.14 (C.52:27D-178 et seq.) and municipalities that contain areas  
11 designated pursuant to P.L.1985, c.398 (C.52:18A-196 et seq.) as  
12 Planning Area 1 (Metropolitan) or Planning Area 2 (Suburban), and  
13 to provide appropriate assistance, including but not limited to,  
14 extensions of credit, loans, and guarantees, to municipalities  
15 qualified to receive State aid pursuant to the provisions of P.L.1978,  
16 c.14 (C.52:27D-178 et seq.) and municipalities that contain areas  
17 designated pursuant to P.L.1985, c.398 (C.52:18A-196 et seq.) as  
18 Planning Area 1 (Metropolitan) or Planning Area 2 (Suburban),,  
19 their agencies and instrumentalities, in order to facilitate the  
20 financing and development of parking structures in such  
21 municipalities. The authority may serve as the issuing agent of  
22 bonds to finance the undertaking of a project for the purposes of  
23 this subsection.

24 (cf: P.L.2007, c.137, s.53)

25  
26 3. This act shall take effect immediately.

27  
28  
29 *SPONSOR'S* STATEMENT

30  
31 This bill would authorize the New Jersey Economic  
32 Development Authority (EDA) to finance and develop parking  
33 structures in municipalities eligible to receive Urban Aid and  
34 municipalities with State Planning Area 1 or 2 designation. An  
35 integral component to the successful revitalization of urban  
36 municipalities is the construction of multi-deck parking structures.  
37 While the relative scarcity of land requires structured parking as the  
38 appropriate way of fulfilling parking needs in these municipalities,  
39 the relative high cost of land and costs of construction often result  
40 in a significant value/cost gap to the construction of structured  
41 parking.

42 This bill would authorize the EDA to provide appropriate  
43 assistance, including but not limited to, extensions of credit, loans,  
44 and guarantees, to eligible municipalities, their agencies and  
45 instrumentalities, in order to facilitate the financing and  
46 development of parking structures in such municipalities and in  
47 order to help these municipalities reduce or eliminate this value/cost  
48 gap.



**A2589 MCKEON, CHIAPPONE**

14

- 1        Additionally, the bill would clarify that the EDA has the power
- 2        to make acquisitions and to construct, develop and finance parking
- 3        structures and other infrastructure related to economic development.

ASSEMBLY COMMERCE AND ECONOMIC DEVELOPMENT  
COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 2589**

with committee amendments

**STATE OF NEW JERSEY**

DATED: OCTOBER 23, 2008

The Assembly Commerce and Economic Development Committee reports favorably and with committee amendments Assembly Bill No. 2589.

The Assembly Commerce and Economic Development Committee reports favorably and with committee amendments Assembly No. 2589. As amended, the bill is identical to Senate, No. 1814 (1R).

As amended by the committee, Assembly No. 2589 would authorize the New Jersey Economic Development Authority ("EDA") to finance and develop parking structures, which may include the use of solar photovoltaic equipment, in municipalities eligible to receive Urban Aid and in municipalities that contain areas designated pursuant to P.L.1985, c.398 (C.52:18A-196 et seq.) as Planning Area 1 (Metropolitan), Planning Area 2 (Suburban), or a town center. The construction of multi-deck parking structures is an integral component of the successful revitalization of those eligible municipalities. While the relative scarcity of land requires structured parking as the appropriate way of fulfilling parking needs in these municipalities, the relatively high cost of land and costs of construction often result in a significant value/cost gap to the construction of structured parking.

The bill would authorize the EDA to provide appropriate assistance, including, but not limited to, extensions of credit, loans, and guarantees, to eligible municipalities, and their agencies and instrumentalities, in order to facilitate the financing and development of parking structures in such municipalities and in order to help these municipalities reduce or eliminate this value/cost gap.

Additionally, the bill would clarify that the EDA has the power to make acquisitions and to construct, develop and finance parking structures and other infrastructure related to economic development.

COMMITTEE AMENDMENTS

The committee amended the bill to: 1) authorize the EDA to develop and finance parking structures that may include the use of

solar photovoltaic equipment; 2) include municipalities that contain areas designated as town centers pursuant to P.L.1985, c.398 (C.52:18A-196 et seq.) as eligible municipalities; 3) correct a punctuation error; and 4) clarify in the synopsis that the bill applies to certain suburban areas.

# ASSEMBLY APPROPRIATIONS COMMITTEE

## STATEMENT TO

[First Reprint]

## ASSEMBLY, No. 2589

with committee amendments

# STATE OF NEW JERSEY

DATED: DECEMBER 8, 2008

The Assembly Appropriations Committee reports favorably Assembly Bill No. 2589 (1R), with committee amendments.

The bill, as amended, authorizes the New Jersey Economic Development Authority ("EDA") to finance and develop parking structures, which may include the use of solar photovoltaic equipment, in municipalities eligible to receive Urban Aid and in municipalities that contain areas designated pursuant to P.L.1985, c.398 (C.52:18A-196 et seq.) as Planning Area 1 (Metropolitan), Planning Area 2 (Suburban), or a town center. The construction of multi-deck parking structures is an integral component of the successful revitalization of those eligible municipalities. While the relative scarcity of land requires parking structures as the appropriate way of fulfilling parking needs in these municipalities, the relatively high cost of land and costs of construction often result in a significant gap between the cost of parking structures and the revenues they generate.

The bill authorizes the EDA to provide appropriate assistance, including, but not limited to, extensions of credit, loans, and guarantees, to eligible municipalities, and their agencies and instrumentalities, to facilitate the financing and development of parking structures in such municipalities.

In addition, the bill clarifies that the EDA has the power to make acquisitions and to construct, develop and finance parking structures and other infrastructure related to economic development.

### FISCAL IMPACT:

The Office of Legislative Services (OLS) has determined that this bill will not have impact on the State General Fund. However, OLS has determined that this bill will have an indeterminate local cost impact. Municipalities that receive financing from the EDA for the development of parking structures would be responsible for paying the principle and interest on the bonds. The OLS has no information regarding the number of municipalities that would receive financing from EDA for the parking structures.

COMMITTEE AMENDMENTS:

The amendments clarify that the provisions of the bill apply to parking facilities as well as parking structures and that the provisions of the bill apply to private, as well as public, parking facilities and structures.

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

[Second Reprint]

**ASSEMBLY, No. 2589**

# **STATE OF NEW JERSEY**

DATED: FEBRUARY 26, 2009

The Senate Budget and Appropriations Committee reports favorably Assembly Bill No. 2589 (2R).

Assembly Bill No. 2589 (2R) authorizes the New Jersey Economic Development Authority ("EDA") to finance or develop private or public parking facilities or structures, which may include the use of solar photovoltaic equipment, in municipalities eligible to receive Urban Aid and municipalities that contain areas designated pursuant to P.L.1985, c.398 (C.52:18A-196 et seq.) as Planning Area 1 (Metropolitan), Planning Area 2 (Suburban), or a town center.

This bill authorizes the EDA to provide appropriate assistance, including but not limited to, extensions of credit, loans, and guarantees, to eligible municipalities, their agencies and instrumentalities, or to private entities whose projects are located in those municipalities, to facilitate the financing and development of parking facilities or structures in such municipalities.

In addition, the bill clarifies that the EDA has the power to make acquisitions and to construct, develop and finance parking facilities or structures and other infrastructure related to economic development.

As reported, this bill is identical to Senate Bill No. 1814 (1R), as amended and reported by the committee.

### FISCAL IMPACT:

The Office of Legislative Services (OLS) has determined that this bill will not have an impact on the State General Fund. However, OLS has determined that this bill will have an indeterminate local cost impact. Municipalities that receive financing from the EDA for the development of parking facilities or structures would be responsible for paying the principle and interest on the bonds. The OLS has no information regarding the number of municipalities that would receive financing from EDA for parking facilities or structures.

**LEGISLATIVE FISCAL ESTIMATE**  
**ASSEMBLY, No. 2589**  
**STATE OF NEW JERSEY**  
**213th LEGISLATURE**

DATED: JUNE 24, 2008

**SUMMARY**

**Synopsis:** Authorizes EDA to develop and finance parking structures in certain urban areas.

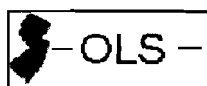
**Type of Impact:** No impact on the State General Fund. Indeterminate local impact.

**Agencies Affected:** New Jersey Economic Development Authority; municipalities in State Planning Areas 1 and 2.

**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>	No Impact - See comments below		
<b>Local Cost</b>	Indeterminate Impact - See comments below		

- The Office of Legislative Services (OLS) has determined that this bill will not have any impact on the State General Fund. The New Jersey Economic Development Authority (EDA) is an independent State agency that does not rely on General Fund appropriations for administrative or program costs. The EDA's operations are funded by interest earned on bonds issued on behalf of the State and its instrumentalities to fund a variety of projects.
- The OLS has also determined that this bill will have an indeterminate local cost impact. Municipalities that receive financing from the EDA for the development of structured parking would be responsible for paying the principle and interest on the bonds. The cost of a parking structure can vary widely, depending on the size of the project, municipal development requirements
- The OLS notes that the cost of developing parking structures can range from \$15,000 to \$25,000 per space above ground to \$30,000 to \$40,000 per space below ground. With operating costs, on average, of \$40 per month plus debt service of \$150 per month per space, a municipality would be required to charge almost \$200 per space, per month in parking fees to finance construction. Few municipalities charge parking fees that allow new structured parking projects to be self supporting.



## **BILL DESCRIPTION**

Assembly Bill No. 2589 of 2008 would authorize the New Jersey Economic Development Authority to finance and develop parking structures in municipalities eligible to receive Urban Aid and municipalities with State Planning Area 1 or 2 designation. This bill would permit the EDA to provide appropriate assistance, including but not limited to, extensions of credit, loans, and guarantees to eligible municipalities, their agencies and instrumentalities in order to help these municipalities reduce or eliminate the value/cost gap associated with the construction of multi-deck parking structures.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

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

The OLS has determined that Assembly Bill No. 2589 will not have any impact on the State General Fund. There is an indeterminate local cost that cannot be determined because the OLS has no information regarding the number of municipalities that would receive financing for the construction and development of parking structures from the EDA. Municipalities that receive financing would be required to pay the interest and principal issued by the EDA. The OLS notes that 535 of New Jersey's 566 municipalities are located in either State Planning Areas 1 or 2. The municipalities of Pemberton Township and Salem City are eligible to receive Urban Aid but are not located in State Planning Areas 1 or 2.

The EDA has indicated through a bill analysis that it could use current revenues and other uncommitted funds to make financing available on an individual project basis. The OLS notes that the cost of developing parking structures can range from \$15,000 to \$25,000 per space above ground to \$30,000 to \$40,000 per space below ground, depending on several variables, including costs of construction and municipal development requirements. With operating costs on average of \$40 per month plus debt service of \$150 per month per space, a municipality would be required to charge almost \$200 per space, per month in parking fees to finance construction. According to a report published by the EDA entitled *Parking Matters*, parking structures can cost as little as \$400,000 or as much as \$19 million. There are a variety of financing options available to municipalities seeking to develop structured parking. Many municipalities issue revenue bonds to finance public parking improvements. When revenue bonds are issued, the net income from the parking garage is pledged toward the repayment of the bonds.

*Section:* Local Government

*Analyst:* Scott A. Brodsky  
Assistant Fiscal Analyst

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

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-1 et seq.).



# LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

## ASSEMBLY, No. 2589

### STATE OF NEW JERSEY 213th LEGISLATURE

DATED: DECEMBER 8, 2008

#### SUMMARY

- Synopsis:** Authorizes EDA to develop and finance parking structures in certain urban and suburban areas.
- Type of Impact:** No impact on the State General Fund. Indeterminate local impact.
- Agencies Affected:** New Jersey Economic Development Authority; municipalities designated as town centers or eligible for Urban Aid and in State Planning Areas 1 and 2.

#### Office of Legislative Services Estimate

<b>Fiscal Impact</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
<b>State Cost</b>	No impact – See comments below		
<b>Local Cost</b>	Indeterminate Impact – See comments below		

- The Office of Legislative Services (OLS) has determined that this bill will not have any impact on the State General Fund. The New Jersey Economic Development Authority (EDA) is an independent State agency that does not rely on General Fund appropriations for administrative or program costs. The EDA's operations are funded by interest earned on bonds issued on behalf of the State and its instrumentalities to fund a variety of projects.
- The OLS has also determined that this bill will have an indeterminate local cost impact. Municipalities that receive financing from the EDA for the development of parking structures would be responsible for paying the principle and interest on the bonds. The cost of a parking structure can vary widely, depending on the size of the project, municipal development requirements.
- The OLS notes that the cost of developing parking structures can range from \$15,000 to \$25,000 per space above ground, to \$30,000 to \$40,000 per space below ground. With operating costs, on average, of \$40 per month plus debt service of \$150 per month per space, a municipality would be required to charge almost \$200 per space, per month in parking fees

to finance the construction of a typical parking structure. Few municipalities charge parking fees that allow new structured parking projects to be self supporting.

### **BILL DESCRIPTION**

As amended, Assembly Bill No. 2589 (1R) of 2008 would authorize the EDA to finance and develop parking structures, which may include the use of solar photovoltaic equipment, in municipalities eligible to receive Urban Aid, municipalities that contain areas designated as being in State Planning Areas 1 or 2, or areas designated as a town center. This bill would permit the EDA to provide appropriate assistance, including, but not limited to, extensions of credit, loans, and guarantees to eligible municipalities, their agencies and instrumentalities in order to help these municipalities reduce or eliminate the value/cost gap associated with the construction of multi-deck parking structures.

### **FISCAL ANALYSIS**

#### ***EXECUTIVE BRANCH***

None received.

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

The OLS has determined that Assembly Bill No. 2589 (1R) will not have any impact on the State General Fund. There is an indeterminate local cost that cannot be determined because the OLS has no information regarding the number of municipalities that would receive financing for the construction and development of parking structures from the EDA. Municipalities that receive financing would be required to pay the interest and principal on loans issued by the EDA. The OLS notes that 21 areas are designated as town centers, 57 municipalities are eligible to receive Urban Aid, and 430 municipalities contain areas with the State Planning Area 1 or 2 designation. An individual municipality may be in more than one of the groups listed above. Furthermore, a town center may include areas that are part of more than one municipality.

The EDA has indicated through a bill analysis that it could use current revenues and other uncommitted funds to make financing available on an individual project basis. The OLS notes that the cost of developing parking structures can range from \$15,000 to \$25,000 per space above ground, to \$30,000 to \$40,000 per space below ground, depending on several variables, including costs of construction and municipal development requirements. With operating costs on average of \$40 per month plus debt service of \$150 per month per space, a municipality would be required to charge almost \$200 per space, per month in parking fees to finance the construction of a typical parking structure. According to a report published by the EDA entitled, *Parking Matters*, parking structures can cost as little as \$400,000 or as much as \$19 million. There are a variety of financing options available to municipalities seeking to develop parking structures. Many municipalities issue revenue bonds to finance public parking improvements. When revenue bonds are issued, the net income from the parking garage is pledged toward the repayment of the bonds.

The OLS does not have any specific information regarding the cost of a parking structure that utilizes solar photovoltaic equipment. The cost is often dependent on the size of the project and whether it involves both the construction of the parking structure and the installation of the solar photovoltaic equipment, or the installation of the equipment only. The OLS notes that a 12,000

square foot solar panel was installed atop the Clinton Commons parking garage in Trenton at a cost of \$1.6 million.

*Section: Local Government*

*Analyst: Scott A. Brodsky  
Assistant Fiscal Analyst*

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

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L. 1980, c.67 (C. 52:13B-1 et seq.).

# LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

ASSEMBLY, No. 2589

## STATE OF NEW JERSEY 213th LEGISLATURE

DATED: DECEMBER 18, 2008

### SUMMARY

- Synopsis:** Authorizes EDA to develop and finance public and private parking facilities and structures in certain urban and suburban areas.
- Type of Impact:** No impact on the State General Fund. Indeterminate local impact.
- Agencies Affected:** New Jersey Economic Development Authority; municipalities designated as town centers or eligible for Urban Aid and in State Planning Areas 1 and 2

#### Office of Legislative Services Estimate

<b>Fiscal Impact</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
<b>State Cost</b>	No Impact – See Comments Below		
<b>Local Cost</b>	Indeterminate Impact – See Comments Below		

- The Office of Legislative Services (OLS) has determined that this bill will not have any impact on the State General Fund. The New Jersey Economic Development Authority (EDA) is an independent State agency that does not rely on General Fund appropriations for administrative or program costs. The EDA's operations are funded by interest earned on bonds issued on behalf of the State and its instrumentalities to fund a variety of projects.
- The OLS has also determined that this bill will have an indeterminate local cost impact. Municipalities that receive financing from the EDA for the development of parking structures would be responsible for paying the principle and interest on the bonds. The cost of a parking facility or structure can vary widely, depending on the size of the project and municipal development requirements.
- The OLS notes that the cost of developing parking structures can range from \$15,000 to \$25,000 per space above ground, to \$30,000 to \$40,000 per space below ground. With operating costs, on average, of \$40 per month plus debt service of \$150 per month per space, a municipality would be required to charge almost \$200 per space, per month in parking fees

to finance the construction of a typical parking structure. Few municipalities charge parking fees that allow new structured parking projects to be self supporting.

### **BILL DESCRIPTION**

Assembly Bill No. 2589 (2R) of 2008 would authorize the New Jersey Economic Development Authority (EDA) to finance and develop public or private parking facilities and structures, which may include the use of solar photovoltaic equipment, in municipalities designated as town centers, eligible for Urban Aid, or in State Planning Areas 1 or 2. This bill would permit the EDA to provide appropriate assistance, including, but not limited to, extensions of credit, loans, and guarantees to eligible municipalities, their agencies and instrumentalities in order to help these municipalities reduce or eliminate the value/cost gap associated with the construction of multi-deck parking structures.

### **FISCAL ANALYSIS**

#### ***EXECUTIVE BRANCH***

None received.

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

The Office of Legislative Services has determined that Assembly Bill No. 2589 (2R) will not have any fiscal impact on the State General Fund. There is an indeterminate local cost that cannot be determined because the OLS has no information regarding the number of municipalities or private entities that would receive financing for the construction and development of parking facilities or structures from the New Jersey Economic Development Authority (EDA). Municipalities that receive financing would be required to pay the interest and principal on loans issued by the EDA. The OLS notes that 21 areas are designated as town centers, 57 municipalities are eligible to receive Urban Aid, and 430 municipalities contain areas with the State Planning Area 1 or 2 designation. An individual municipality may be in more than one of the groups listed above. Furthermore, a town center may include areas that are part of more than one municipality.

The EDA has indicated through a bill analysis that it could use current revenues and other uncommitted funds to make financing available on an individual project basis. The OLS notes that the cost of developing parking facilities or structures can range from \$15,000 to \$25,000 per space above ground, to \$30,000 to \$40,000 per space below ground, depending on several variables, including costs of construction and municipal development requirements. With operating costs on average of \$40 per month plus debt service of \$150 per month per space, a municipality would be required to charge almost \$200 per space, per month in parking fees to finance the construction of a typical parking structure. According to a report published by the EDA entitled, *Parking Matters*, parking structures can cost as little as \$400,000 or as much as \$19 million. There are a variety of financing options available to municipalities seeking to develop parking structures. Many municipalities issue revenue bonds to finance public parking

improvements. When revenue bonds are issued, the net income from the parking garage is pledged toward the repayment of the bonds.

The OLS does not have any specific information regarding the cost of a parking facility or structure that utilizes solar photovoltaic equipment. The cost is often dependent on the size of project and whether it involves both the construction of the parking structure and the installation of the solar photovoltaic equipment, or the installation of the equipment only. The OLS notes that a 12,000 square foot solar panel was installed atop the Clinton Commons parking garage in Trenton at a cost of \$1.6 million.

*Section: Local Government*

*Analyst: Scott A. Brodsky  
Assistant Fiscal Analyst*

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

This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L. 1980, c.67 (C. 52:13B-1 et seq.).

1 Rehabilitation and Economic Recovery Act," P.L.2002, c.43  
2 (C.52:27BBB-1 et al.) and otherwise fulfilling its responsibilities  
3 pursuant thereto; [and]

4 hh. To offer financial assistance to qualified film production  
5 companies as provided in the "New Jersey Film Production  
6 Assistance Act," P.L.2003, c.182 (C.34:1B-178 et al.); and

7 ii To finance and develop parking structures in municipalities  
8 qualified to receive State aid pursuant to the provisions of P.L.1978,  
9 c.14 (C.52:27D-178 et seq.) and municipalities that contain areas  
10 designated pursuant to P.L.1985, c.398 (C.52:18A-196 et seq.) as  
11 Planning Area 1 (Metropolitan) or Planning Area 2 (Suburban), and  
12 to provide appropriate assistance, including but not limited to,  
13 extensions of credit, loans, and guarantees, to municipalities  
14 qualified to receive State aid pursuant to the provisions of P.L.1978,  
15 c.14 (C.52:27D-178 et seq.) and municipalities that contain areas  
16 designated pursuant to P.L.1985, c.398 (C.52:18A-196 et seq.) as  
17 Planning Area 1 (Metropolitan) or Planning Area 2 (Suburban),  
18 their agencies and instrumentalities, in order to facilitate the  
19 financing and development of parking structures in such  
20 municipalities. The authority may serve as the issuing agent of  
21 bonds to finance the undertaking of a project for the purposes of  
22 this subsection.

23 (cf: P.L.2007, c.137, s.53)

24

25 3. This act shall take effect immediately.

26

27

28 SPONSOR'S STATEMENT

29

30 This bill would authorize the New Jersey Economic  
31 Development Authority (EDA) to finance and develop parking  
32 structures in municipalities eligible to receive Urban Aid and  
33 municipalities with State Planning Area 1 or 2 designation. An  
34 integral component to the successful revitalization of urban  
35 municipalities is the construction of multi-deck parking structures.  
36 While the relative scarcity of land requires structured parking as the  
37 appropriate way of fulfilling parking needs in these municipalities,  
38 the relative high cost of land and costs of construction often result  
39 in a significant value/cost gap to the construction of structured  
40 parking.

41 This bill would authorize the EDA to provide appropriate  
42 assistance, including but not limited to, extensions of credit, loans,  
43 and guarantees, to eligible municipalities, their agencies and  
44 instrumentalities, in order to facilitate the financing and  
45 development of parking structures in such municipalities and in  
46 order to help these municipalities reduce or eliminate this value/cost  
47 gap.

**S1814 LESNIAK**

14

1        Additionally, the bill would clarify that the EDA has the power  
2        to make acquisitions and to construct, develop and finance parking  
3        structures and other infrastructure related to economic development.



# SENATE ECONOMIC GROWTH COMMITTEE

## STATEMENT TO

### **SENATE, No. 1814**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: JUNE 9, 2008

The Senate Economic Growth Committee reports favorably Senate Bill, No. 1814 with committee amendments.

This bill, as amended by the committee, would authorize the New Jersey Economic Development Authority ("EDA") to finance and develop parking structures, which may include the use of solar photovoltaic equipment, in municipalities eligible to receive Urban Aid and municipalities that contain areas designated pursuant to P.L.1985, c.398 (C.52:18A-196 et seq.) as Planning Area 1 (Metropolitan), Planning Area 2 (Suburban), or a town center. An integral component to the successful revitalization of these eligible municipalities is the construction of multi-deck parking structures. While the relative scarcity of land requires structured parking as the appropriate way of fulfilling parking needs in these municipalities, the relative high cost of land and costs of construction often result in a significant value/cost gap to the construction of structured parking.

This bill would authorize the EDA to provide appropriate assistance, including but not limited to, extensions of credit, loans, and guarantees, to eligible municipalities, their agencies and instrumentalities, in order to facilitate the financing and development of parking structures in such municipalities and in order to help these municipalities reduce or eliminate this value/cost gap.

Additionally, the bill would clarify that the EDA has the power to make acquisitions and to construct, develop and finance parking structures and other infrastructure related to economic development.

The committee amended the bill to: 1) authorize the EDA develop and finance parking structures which may include the use of solar photovoltaic equipment; 2) include municipalities that contain areas designated as town centers pursuant to P.L.1985, c.398 (C.52:18A-196 et seq.) as eligible municipalities; 3) correct a punctuation error; and 4) clarify in the synopsis that the bill applies to certain suburban areas.

# SENATE BUDGET AND APPROPRIATIONS COMMITTEE

## STATEMENT TO

[First Reprint]

## **SENATE, No. 1814**

with committee amendments

# **STATE OF NEW JERSEY**

DATED: FEBRUARY 26, 2009

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 1814 (1R), with committee amendments.

Senate Bill No. 1814 (1R), as amended by the committee, authorizes the New Jersey Economic Development Authority ("EDA") to finance or develop private or public parking facilities or structures, which may include the use of solar photovoltaic equipment, in municipalities eligible to receive Urban Aid and municipalities that contain areas designated pursuant to P.L.1985, c.398 (C.52:18A-196 et seq.) as Planning Area 1 (Metropolitan), Planning Area 2 (Suburban), or a town center. This bill authorizes the EDA to provide appropriate assistance, including but not limited to, extensions of credit, loans, and guarantees, to eligible municipalities, their agencies and instrumentalities, or to private entities whose projects are located in those municipalities, to facilitate the financing and development of parking facilities or structures in such municipalities.

In addition, the bill clarifies that the EDA has the power to make acquisitions and to construct, develop and finance parking facilities or structures and other infrastructure related to economic development.

As amended and reported, this bill is identical to Assembly Bill No. 2589 (2R), as also reported by the committee.

### COMMITTEE AMENDMENTS:

The committee amendments clarify that the provisions of the bill apply parking facilities as well as parking structures and that the provisions of the bill apply to private, as well as public, parking facilities and structures.

### FISCAL IMPACT:

The Office of Legislative Services (OLS) has determined that this bill will not have an impact on the State General Fund. However, OLS has determined that this bill will have an indeterminate local cost impact. Municipalities that receive financing from the EDA for the development of parking facilities or structures would be responsible

for paying the principle and interest on the bonds. The OLS has no information regarding the number of municipalities that would receive financing from EDA for parking facilities or structures.

# LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

**SENATE, No. 1814**

## **STATE OF NEW JERSEY 213th LEGISLATURE**

DATED: JUNE 24, 2008

### SUMMARY

- Synopsis:** Authorizes EDA to develop and finance parking structures in certain urban areas.
- Type of Impact:** No impact on the State General Fund. Indeterminate local impact.
- Agencies Affected:** New Jersey Economic Development Authority; municipalities in State planning Areas 1 and 2; and municipalities with areas designated as town centers..

#### 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>	None – See comments below		
<b>Local Cost</b>	Indeterminate impact – See comments below		

- The Office of Legislative Services (OLS) has determined that this bill will not have any impact on the State General Fund. The New Jersey Economic Development Authority (EDA) is an independent State agency that does not rely on General Fund appropriations for administrative or program costs. The EDA's operations are funded by interest earned on bonds issued on behalf of the State and its instrumentalities to fund a variety of projects.
- The OLS has also determined that this bill will have an indeterminate local cost impact. Municipalities that receive financing from the EDA for the development of structured parking would be responsible for paying the interest and principle on the bonds. The cost of a parking structure can vary widely, depending land costs, municipal development requirements, and the size of the project.
- The OLS notes that the cost of developing parking structures can range from \$15,000 to \$25,000 per space above ground to \$30,000 to \$40,000 per space below ground. With operating costs, on average, of \$40 per month plus debt service of \$150 per month, per space a municipality would be required to charge almost \$200 per space, per month to finance

construction. Few municipalities charge parking fees that allow new structured parking projects to be self-supporting.

### **BILL DESCRIPTION**

Senate Bill No. 1814 of 2008 would authorize the New Jersey Economic Development Authority to finance and develop parking structures, which may include the use of solar photovoltaic equipment, in municipalities eligible to receive Urban Aid, municipalities with State Planning Area 1 or 2 designation and municipalities that contain areas designated as town centers pursuant to P.L.1985, c.398 (C.52:18A-196). This bill would permit the EDA to provide appropriate assistance, including but not limited to, extensions of credit, loans, and guarantees to eligible municipalities, their agencies and instrumentalities in order to help these municipalities reduce or eliminate the value/cost gap associated with the construction of multi-deck parking structures.

### **FISCAL ANALYSIS**

#### ***EXECUTIVE BRANCH***

None received.

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

The Office of Legislative Services has determined that Senate Bill No. 1814 will not have any impact on the State General Fund. There is an indeterminate local cost that cannot be determined because the OLS has no information regarding the number of municipalities that would receive financing for the construction and development of parking structures from the New Jersey Economic Development Authority (EDA). Municipalities that receive financing would be required to pay the interest and principal issued by the EDA. The OLS notes that 535 of New Jersey's 566 municipalities are located in either State Planning Areas 1 or 2. The municipalities of Pemberton Township and Salem City are eligible to receive Urban Aid but are not located in State Planning Areas 1 or 2.

The EDA has indicated through a bill analysis that it could use current revenues and other uncommitted funds to make financing available on an individual project basis. The OLS notes that the cost of developing parking structures can range from \$15,000 to \$25,000 per space above ground to \$30,000 to \$40,000 per space below ground, depending on several variables, including costs of construction and municipal development requirements. With operating costs on average of \$40 per month plus debt service of \$150 per month per space, a municipality would be required to charge almost \$200 per space, per month in parking fees to finance construction. According to a report published by the EDA entitled *Parking Matters*, parking structures can cost as little as \$400,000 or as much as \$19 million. There are a variety of financing options available to municipalities seeking to develop structured parking. Many municipalities issue revenue bonds to finance public parking improvements. When revenue bonds are issued, the net income from the parking garage is pledged toward the repayment of the bonds.

S1814 [1R]

3

*Section: Local Government*

*Analyst: Scott A. Brodsky  
Assistant Fiscal Analyst*

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

This fiscal estimate has been prepared pursuant to P.L. 1980, c.67 (C. 52:13B-1 et seq.).