

52:18A- 78.5a to 52:18A. 78.5c

LEGISLATIVE HISTORY CHECKLIST
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(State Building Authority--
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NJSA: 52:18A-78.5a to
52:18A-78.5c

LAWS OF: 1992 CHAPTER: 174

BILL NO: S662

SPONSOR(S) LaRossa and others

DATE INTRODUCED: April 6, 1992

COMMITTEE: ASSEMBLY: Appropriations

SENATE: Budget

AMENDED DURING PASSAGE: Yes Amendments during passage
denoted by asterisks

DATE OF PASSAGE: ASSEMBLY: November 30, 1992

SENATE: June 11, 1992

DATE OF APPROVAL: December 10, 1992

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:

SPONSOR STATEMENT: Yes

COMMITTEE STATEMENT: ASSEMBLY: Yes

SENATE: Yes

FISCAL NOTE: No

VETO MESSAGE: No

MESSAGE ON SIGNING: No

FOLLOWING WERE PRINTED:

REPORTS: No

HEARINGS: No

See newspaper clipping--attached:

"Florio signs bill allowing loans..." 12-11-92 Trenton Times.

KBG:pp

[THIRD REPRINT]
SENATE, No. 662
STATE OF NEW JERSEY

INTRODUCED APRIL 6, 1992

By Senators LaROSSA, LITTELL, Brown, Corman,
Dorsey, Dimon, Kosco, DiFrancesco, Ewing,
Bassano, Inverso, Haines, Gormley, Connors,
Cafiero, Lipman, Palaia and Matheussen

1 AN ACT concerning the New Jersey Building Authority, amending
2 and supplementing P.L.1981, c.120, and amending P.L.1987,
3 c.203.

4

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

7 1. Section 2 of P.L.1981, c.120 (C.52:18A-78.2) is amended to
8 read as follows:

9 2. As used in this act, unless the context clearly indicates
10 otherwise:

11 a. "Authority" means the New Jersey Building Authority
12 created under this act.

13 b. "Bonds" means bonds issued by the authority pursuant to
14 this act.

15 c. "Building" includes any portion thereof, such as an
16 apartment created under the "Horizontal Property Act,"
17 P.L.1963, c.168 (C.46:8A-1 et seq.) or a unit created under the
18 "Condominium Act," P.L.1969, c.257 (C.46:8B-1 et seq.).

19 d. "Local governmental agency" means any municipality,
20 county, school district, or any agency, department or
21 instrumentality of any of the foregoing, or any other public body
22 having local or regional jurisdiction or powers and not
23 constituting a State agency.

24 e. "Notes" means notes issued by the authority pursuant to
25 this act.

26 f. "Project" means any building or buildings [primarily for the
27 use of State agencies and suitable for office space and related
28 facilities necessary for the conduct of official business, for
29 storage and warehouse facilities, for motor vehicle inspections
30 stations, for testing and research laboratories, and for public
31 television operations], including related structures, parking
32 facilities, improvements, real and personal property or any
33 interest therein, including lands under water, space rights and air
34 rights, and other appurtenances and facilities necessary or
35 convenient to the use or operation of the building or buildings,
36 acquired, owned, constructed, reconstructed, extended,
37 rehabilitated, renovated, preserved or improved by the authority
38 for the purposes set forth in section 8 of P.L. , c. (C.)(now
39 before the Legislature as this bill).

40 g. "State agency" means the Executive, Legislative or Judicial

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:

¹ Senate SBA committee amendments adopted May 18, 1992.

² Senate floor amendments adopted June 4, 1992.

³ Assembly AAP committee amendments adopted November 9, 1992.

1 branch of the State Government or any officer, department,
2 board, commission, bureau, division, public authority or
3 corporation, agency or instrumentality of the State.

4 ¹h. "Historic public building" means a building that is owned
5 by a ³[local]³ governmental agency and that is on or eligible for
6 State or National Registers of Historic Places.¹

7 (cf: P.L.1983, c.138, s.1)

8 2. Section 3 of P.L.1981, c.120 (C.52:18A-78.3) is amended to
9 read as follows:

10 3. The Legislature finds and declares the following:

11 a. That for many years the functions of the State Government
12 have grown and that during this period of rapid expansion no
13 definite program has been adopted for the housing and carrying
14 out of the operations of the many State agencies.

15 b. That many State agencies have their offices in privately
16 owned or inadequate State owned buildings and that these
17 buildings are inadequate to meet the needs of these State
18 agencies and the needs of the people of the State.

19 c. That it is to the economic benefit and general welfare of
20 the citizens of the State to provide sufficient office space and
21 related facilities for these State agencies and thus provide for a
22 more efficient and economic operation of State Government.

23 ³d. That projects for the construction of correctional facilities
24 are required because of a critical public need and a legal
25 constraint.

26 [d.] e.³ That in order to provide for office space and related
27 facilities at a cost that these State agencies can afford, it is
28 necessary to create and establish a building authority for the
29 purposes of constructing, operating, selling and leasing office
30 buildings and related facilities to meet the needs of State
31 agencies.

32 ³[e.] f.³ It is necessary and in the public interest that this
33 building authority have the necessary funds to provide for
34 predevelopment cost, temporary financing, land development
35 expenses, construction and operation of office buildings and
36 related facilities for the use of, and sale or rental to, State
37 agencies.

38 ³[f.] g.³ That the renovation and preservation of historic
39 ¹public¹ buildings ¹[for public use, and the designation of
40 municipal districts in which such historic buildings are located,]¹
41 contribute to the preservation of the State's heritage, the
42 promotion of the cultural life of our people, and the development
43 and redevelopment of our municipalities¹, and thus are necessary
44 and in the public interest, whether or not any specific historic
45 building is necessary or convenient to the operation of a State
46 agency]¹.

47 [f.] ³[g.] h.³ For these purposes, there should be created a
48 corporate governmental agency to be known as the "New Jersey
49 Building Authority" which, through issuance of bonds and notes to
50 the private, investing public may provide or obtain the capital
51 resources necessary to acquire, construct, reconstruct,
52 rehabilitate, renovate, preserve or improve these office buildings
53 and related facilities necessary or convenient to the operation of
54 any State agency, or historic ¹public¹ buildings, as the case may

1 be.
2 [g.] ³[h.] i.³ That the acquisition, construction,
3 reconstruction, rehabilitation, renovation, preservation or
4 improvement of these office buildings and related facilities
5 necessary or convenient to the operation of any State agency, and
6 historic ¹public¹ buildings are public uses and public purposes for
7 which public money may be loaned and private property may be
8 acquired and tax exemptions granted, and that the powers and
9 duties of the New Jersey Building Authority as set forth in this
10 act are necessary and proper for the purpose of achieving the
11 ends here recited.

12 [h.] ³[i.] j.³ That the construction, reconstruction,
13 rehabilitation, renovation, preservation and improvement
14 activities of the authority will provide a much needed stimulus
15 for the construction industry, and related industries and
16 professions, particularly in urban areas.

17 ³[j.] k.³ That the highest priority for New Jersey Building
18 Authority shall be the renovation and preservation of the
19 following facilities in the State Capital: the State House, the Old
20 Barracks, the War Memorial, the Kelsey Building, and the
21 townhouses adjacent to the Kelsey Building.¹

22 (cf: P.L.1983, c.138, s.2)

23 3. Section 6 of P.L.1981, c.120 (C.52:18A-78.6) is amended to
24 read as follows:

25 6. Prior to the acquisition or construction of any project, or
26 any reconstruction, rehabilitation, repair, renovation,
27 preservation, or improvement of a project, the cost of which
28 undertaking is estimated to exceed \$100,000.00 the authority
29 shall, except as otherwise provided in subsection d. of section 9
30 of P.L. , c. (C.)(now before the Legislature as this bill:

31 a. Prepare a project report which shall describe the nature and
32 scope of the project, including but not limited to its location,
33 size, cost, and purpose, a list of all entities which will occupy the
34 project and the amount of space each will occupy, the anticipated
35 annual State appropriation for lease agreements, the total State
36 appropriations necessary in each year until the total indebtedness
37 attributable to the project is paid or retired and a statement of
38 anticipated annual receipts and expenditures for the project;

39 b. Submit the project report to the Commission on Capital
40 Budgeting and Planning for its review and its findings as to
41 whether the project is necessary and convenient to meet the
42 needs of the State agencies which are to utilize the project,
43 whether the project is consistent with the State Capital
44 Improvement Plan, and whether it meets the criteria otherwise
45 established by the Commission for its approval of State capital
46 projects;

47 c. Conduct a public hearing in the municipality in which the
48 project is to be located as provided in section 7 of this act, and
49 make all responses required by that section; except that this
50 requirement shall not apply in the case of the reconstruction,
51 rehabilitation, renovation, preservation, repair or improvement of
52 an existing building or facility owned by the State and which will
53 continue to be used for substantially the same purpose after
54 completion of the project, nor shall it apply to a project which

1 qualifies as a State investment project under section 4 of
2 P.L.1983, c.139 (C.40:55C-46a);

3 d. Submit to the Legislature the project report, the findings of
4 the Commission on Capital Budgeting and Planning, the transcript
5 of the public hearing, and all responses required by section 7 of
6 this act;

7 e. Submit to the Legislature documentation that:

8 (1) Plans and specifications for the project assure, or will
9 assure adequate light, air, sanitation, and fire protection;

10 (2) There is a feasible method for the relocation of families
11 and individuals displaced from the project area into decent, safe
12 and sanitary dwellings in accordance with the provisions of the
13 "Relocation Assistance Act of 1967," P.L.1967, c.79 (C.52:31B-1
14 et seq.) and the "Relocation Assistance Act," P.L.1971, c.362
15 (C.20:4-1 et seq.), whichever is applicable;

16 (3) Plans and specifications for the project assure that the
17 project will comply with all applicable standards and
18 requirements prescribed by State and Federal law which promote
19 the public health, protect the environment or promote the
20 conservation of energy, and that, where practicable and
21 appropriate, consideration shall be given to the generation or
22 cogeneration of electrical power on the project site or in
23 conjunction with other facilities;

24 (4) Plans and specifications for the project assure that it will
25 comply with the requirements of the "State Uniform
26 Construction Code Act," P.L.1975, c.217 (C.52:27D-119 et seq.);

27 (5) The location of the project is consistent with the State's
28 urban policy of concentrating public investments in distressed
29 urban centers and assisting in the revitalization of the older
30 municipalities, except for a project intended to serve a region
31 which contains no such urban center.

32 For the purposes of this section "cost" means, in addition to
33 the usual connotations thereof, the cost of acquisition,
34 construction, reconstruction, rehabilitation, repair, improvement
35 and operation of all or any part of a project, and includes, but is
36 not limited to, the cost or fair market value of construction,
37 machinery and equipment, property rights, easements, privileges,
38 agreements, franchises, utility extensions, disposal facilities,
39 access roads and site development deemed by the authority to be
40 necessary or useful and convenient therewith, discount on bonds,
41 cost of issuance of bonds, engineering and inspection costs and
42 legal expenses, cost of financial, professional and other estimates
43 and advice, organization, administrative, insurance, operating and
44 other expenses of the authority or any person prior to and during
45 any acquisition or construction, reconstruction, rehabilitation,
46 repair or improvement, and all other expenses as may be
47 necessary or incident to the financing, acquisition, construction,
48 rehabilitation, repair or improvement and completion of the
49 project or part thereof, and also provision for reserves for
50 payment or security of principal of, or interest on, the bonds
51 during any such undertaking.

52 (cf: P.L.1983, c.138, s.5)

53 4. Section 14 of P.L.1981, c.120 (C.52:18A-78.14) is amended
54 to read as follows:

1 14. a. The authority may from time to time issue its bonds or
2 notes in such principal amounts as in the opinion of the authority
3 shall be necessary to provide sufficient funds for any of its
4 corporate purposes, including the payment, funding or refunding
5 of the principal of, or interest or redemption premiums on, any
6 bonds or notes issued by it whether the bonds or notes or interest
7 to be funded or refunded have or have not become due, the
8 establishment or increase of such reserves to secure or to pay the
9 bonds or notes or interest thereon and all other costs or expenses
10 of the authority incident to and necessary to carry out its
11 corporate purposes and powers [; provided, however, that the
12 aggregate principal amount of bonds and notes of the authority
13 outstanding at any time may not exceed \$250,000,000.00. In
14 computing the principal amount of bonds and notes outstanding
15 for purposes of the foregoing limitation there shall not be
16 included any bonds or notes, the principal of and interest on
17 which have been paid or the payment of which has been provided
18 for by the issuance of refunding bonds or otherwise. In addition,
19 if the authority has issued bonds or notes to finance the total cost
20 of a project based on estimates prepared by an independent
21 consultant and it shall later be determined by the consultant that
22 the costs of the project as initially approved have increased, the
23 authority shall be authorized to issue the additional bonds or
24 notes required to finance the increased costs, even if the
25 aforementioned \$250,000,000.00 limitation is exceeded by the
26 issuance] ²[¹; provided, however, that the aggregate principal
27 amount of bonds and notes of the authority outstanding at any
28 time may not exceed \$500,000,000.00. In computing the principal
29 amount of bonds and notes outstanding for purposes of the
30 foregoing limitation there shall not be included any bonds or
31 notes, the principal of and interest on which have been paid or
32 the payment of which has been provided for by the issuance of
33 refunding bonds or otherwise. In addition, if the authority has
34 issued bonds or notes to finance the total cost of a project based
35 on estimates prepared by an independent consultant and it shall
36 later be determined by the consultant that the costs of the
37 project as initially approved have increased, the authority shall
38 be authorized to issue the additional bonds or notes required to
39 finance the increased costs, even if the aforementioned
40 \$500,000,000.00 limitation is exceeded by the issuance¹]².

41 b. Whether or not the bonds and notes are of such form and
42 character as to be negotiable instruments under the terms of
43 Title 12A, Commercial Transactions, of the New Jersey Statutes,
44 the bonds and notes are hereby made negotiable instruments
45 within the meaning of and for all the purposes of Title 12A,
46 subject only to the provisions of the bonds and notes for
47 registration.

48 c. Bonds or notes of the authority shall be authorized by a
49 resolution or resolutions of the authority and may be issued in one
50 or more series and shall bear such date or dates, mature at such
51 time or times, bear interest at such rate or rates of interest per
52 annum, be in such denomination or denominations, be in such
53 form, either coupon or registered, carry such conversion or
54 registration privileges, have such rank or priority, be executed in

1 such manner, be payable from such sources; in such medium of
2 payment; at such place or places within or without the State, and
3 be subject to such terms of redemption, with or without premium,
4 as such resolution or resolutions may provide.

5 d. Bonds or notes of the authority may be sold at public or
6 private sale at such price or prices and in such manner as the
7 authority shall determine. Every bond shall mature and be paid
8 not later than 35 years from the date thereof.

9 e. Bonds or notes may be issued under the provisions of this
10 act without obtaining the consent of any department, division,
11 commission, board, bureau or agency of the State, and without
12 any other proceeding or the happening of any other conditions or
13 other things than those proceedings, conditions or things which
14 are specifically required by this act.

15 f. Bonds or notes of the authority issued under the provisions
16 of the act shall not be in any way a debt or liability of the State
17 or of any political subdivision thereof other than the authority
18 and shall not create or constitute any indebtedness, liability or
19 obligation of the State or of any political subdivision or be or
20 constitute a pledge of the faith and credit of the State or of any
21 political subdivision but all such bonds and notes, unless funded or
22 refunded by bonds or notes of the authority, shall be payable
23 solely from revenues or funds pledged or available for their
24 payment as authorized in this act. Each bond and note shall
25 contain on its face a statement to the effect that the authority is
26 obligated to pay the principal thereof or the interest thereon only
27 from its revenues, receipts or funds pledged or available for their
28 payment as authorized in this act and that neither the State nor
29 any political subdivision thereof is obligated to pay the principal
30 or interest and that neither the faith and credit nor the taxing
31 power of the State or any political subdivision thereof is pledged
32 to the payment of the principal of or the interest on the bonds or
33 notes.

34 g. Each issue of bonds or notes of the authority may, if it is
35 determined by the authority, be general obligations thereof
36 payable out of any revenues, receipts or funds of the authority
37 subject only to any agreements with the holders of particular
38 bonds or notes pledging any particular revenues or funds, and
39 shall be secured by one or more of the following:

40 (1) Pledge of rentals, receipts and other revenues to be derived
41 from leases, sales agreements, service contracts or similar
42 contractual arrangements with one or more State agencies, or
43 one or more persons, firms, partnerships or corporations, whether
44 or not the same relate to the project or part thereof financed
45 with the bonds or notes, or a pledge or assignment of the leases,
46 sales agreements, service contracts or instruments evidencing
47 similar arrangements and the rights and interests of the
48 authority; provided that such leases, sales agreements, service
49 contracts or similar contractual arrangements shall be in effect
50 at the time of the issuance of the bonds or notes;

51 (2) Pledge of grants, subsidies, contributions or other payments
52 to be received from the United States of America or any
53 instrumentality thereof or from the State or any State agency;

54 (3) A first mortgage on all or any part of the property, real or

1 personal, of the authority then owned or thereafter to be
2 acquired; provided that the property so mortgaged as improved
3 and developed by application of the proceeds of the bonds or
4 notes shall be appraised as at least equal to the amount of the
5 bonds or notes;

6 (4) Pledge of the revenues and receipts estimated to be
7 thereafter derived from the ownership or operation of the project
8 or part thereof or from the lease or sale thereof, including any
9 income from investment of the funds and moneys held in
10 connection therewith and pledged to the payment of the bonds or
11 notes and the interest thereon or a pledge of any lease, sales
12 agreement, service contract or instrument evidencing similar
13 arrangements to be entered into subsequent to the issuance of the
14 bonds or notes;

15 (5) Pledge of all moneys, funds, accounts, securities and other
16 funds, including the proceeds of the bonds or notes.

17 (cf: P.L.1983, c.138, s.9)

18 5. Section 1 of P.L.1987, c.203 (C.52:18A-78.11d) is amended
19 to read as follows:

20 1. Notwithstanding any provision of section 11 or any other
21 provision of the act to which this act is a supplement to the
22 contrary, the authority may delegate, by resolution, the
23 supervision of the construction, reconstruction, rehabilitation,
24 renovation, preservation or improvement of any project to the
25 chairman of the authority.

26 (cf. P.L.1987, c.203, s.1)

27 6. Section 3 of P.L.1987, c.203 (C.52:18A-78.11f) is amended
28 to read as follows:

29 3. a. The authority may delegate to an appropriate State
30 agency within the General Services Administration the authority
31 to undertake a ³[construction]³ project the aggregate amount of
32 which, including labor and construction materials, is greater than
33 \$25,000.00, or the amount determined pursuant to subsection b.
34 of section 2 of P.L.1954, c.48 (C.52:34-7) ³[, but less than
35 \$500,000.00. As used in this section "construction project"
36 means the renovation, preservation, improvement, repair or
37 maintenance of a [public] ¹public¹ building that is a component
38 part of an authority project and the property adjacent thereto,
39 but shall not include the construction of a new building]³.

40 b. A State agency delegated by the authority to undertake a
41 construction project pursuant to this section shall have the
42 authority to make, negotiate or award any contract necessary to
43 complete the construction project and shall ³, in the case of the
44 State House, State House Annex and ancillary structures, and in
45 the case of any correctional facility, award contracts for work on
46 the project in the manner set forth in section 2 of P.L.1987, c.202
47 (C.52:32-2.2) and section 3 of P.L.1987, c.202 (C.52:32-2.3), and
48 in the case of all other projects shall³ apply the award standard
49 set forth in either R.S.52:32-2 or section 7 of P.L.1954, c.48
50 (C.52:34-12). The State agency shall comply with the applicable
51 procedures for public advertisement for bids, the exceptions
52 thereto and the waiver procedures.

53 (cf: P.L.1987, c.203, s.3)

54 7. Section 19 of P.L.1981, c.120 (C.52:18A-78.19) is amended

1 to read as follows:

2 19. The State of New Jersey does hereby pledge to and
 3 covenant and agree with the holders of any bonds or notes issued
 4 pursuant to authorization of the act that the State will not limit
 5 or alter the rights or powers hereby vested in the authority to
 6 acquire, construct, maintain, improve, renovate, preserve, repair
 7 and operate any project in any way that would jeopardize the
 8 interest of the holders, or to perform and fulfill the terms of any
 9 agreement made with the holders of the bonds or notes, or to fix,
 10 establish, charge and collect such rents, fees, rates, payments, or
 11 other charges as may be convenient or necessary to produce
 12 sufficient revenues to meet all expenses of the authority and to
 13 fulfill the terms of any agreement made with the holders of the
 14 bonds and notes, together with interest thereon, with interest on
 15 any unpaid installments of interest, and all costs and expenses in
 16 connection with any action or proceedings by or on behalf of the
 17 holders, until the bonds and notes, together with interest thereon,
 18 are fully met and discharged or provided for. [The State does
 19 hereby further pledge to and covenant and agree with the holders
 20 of any bonds or notes issued pursuant to authorization of this act
 21 that the State will not increase the maximum principal amount of
 22 bonds and notes permitted to be outstanding at any time pursuant
 23 to section 14 of this act, until the bonds and notes, together with
 24 interest thereon, are fully met and discharged or provided for.]
 25 (cf: P.L.1981, c.120, s.19)

26 8. (New section) a. The projects of the authority shall be
 27 undertaken for the following purposes:

28 (1) The creation³, reconstruction, extension, rehabilitation,
 29 renovation, preservation or improvement³ of office space and
 30 related facilities necessary for the conduct of official business by
 31 State agencies, including storage and warehouse facilities, motor
 32 vehicle inspection stations, testing and research laboratories;
 33 ³[and]

34 (2) The acquisition, construction, reconstruction,
 35 rehabilitation, renovation, preservation, or improvement of state
 36 correctional facilities, except in State parks and forests and land
 37 devoted to recreation and conservation purposes under the
 38 jurisdiction of the Department of Environmental Protection and
 39 Energy pursuant to P.L.1983, c.324 (C.13:1b-1 et seq.); and³

40 ³[(2)] (3)³ ¹[Historic] The¹ renovation or preservation of
 41 ¹historic public¹ buildings ¹[located in historic preservation
 42 districts around the State, the buildings and districts to be
 43 designated by the authority according to P.L. , c.
 44 (C.)(now before the Legislature as this bill). These
 45 buildings shall be open all or part of the time to the public for
 46 various public uses or functions, and may include, but not be
 47 limited to, entertainment halls or auditoriums, convention
 48 centers, office buildings, museums and theaters]¹.

49 b. (1) For the purposes of paragraph (1) of subsection a. of this
 50 section, the authority shall make every effort to preserve
 51 historically significant buildings as office space and related
 52 facilities, in addition to creating new office space and related
 53 facilities¹, even in areas of the State which are not designated
 54 as historic preservation districts under paragraph (2) of

1 subsection a. of this section]¹.

2 (2) For purposes of paragraph (2) of subsection a. of this
3 section ¹with respect to buildings located in the State Capital¹,
4 the authority ¹[shall establish one or more historic preservation
5 districts in the State Capital, in the county in which the State
6 Capital is located, or both. In the historic preservation district
7 or districts established in the State Capital, the authority]¹ shall
8 be exempt from compliance with any of the provisions of
9 P.L.1987, c.58 (C.52:9Q-9 et seq.) ¹]; however, the authority may
10 enter into consultation with the Capital City Redevelopment
11 Corporation concerning the establishment of any historic district
12 within the Capital City District as defined in section 6 of
13 P.L.1987, c.58 (C.52:9Q-14), and the undertaking of any project
14 or projects therein, and shall, no less often than semi-annually,
15 prepare and forward to the Capital City Redevelopment
16 Corporation a progress report on each project undertaken or
17 funded by the authority in the Capital City District until the
18 completion of that project. Thereafter, the authority may
19 designate one or more historic preservation districts in
20 municipalities situated throughout the State, pursuant to the
21 procedures set forth in section 9 of P.L. , c. (C.)(now
22 before the Legislature as this bill), which shall be eligible for
23 State financial assistance pursuant to the "State Building
24 Authority Act," P.L.1981, c.120 (C.52:18A-78.1 et seq.).

25 (3) The authority shall use the following scale when
26 considering the historic significance of any proposed historic
27 buildings, or buildings in any proposed historic district:

28 (a) The building, or buildings in the district, are on or eligible
29 for State or National Registers of Historic Places, or both, and
30 have features which are of Statewide significance--100 points.

31 (b) The building, or buildings in the district, are on or eligible
32 for State or National Registers of Historic Places, or both, and
33 have features which are of local significance--75 points.

34 (c) The building, or buildings in the district, have features
35 which are of Statewide significance--50 points.

36 (d) The building, or buildings in the district, have features
37 which are of local significance--25 points.

38 (e) Minor historic features attached to building or site--15
39 points.

40 (f) No historic features attached to building or site--0 points]¹.

41 9. (New section) a. A ¹[municipality] local governmental
42 agency¹ may ¹[, pursuant to ordinance,]¹ apply to the authority
43 for ¹[the designation of an] financing of the renovation or
44 preservation of a¹ historic ¹[preservation district within the
45 corporate boundaries thereof, which district may also contain
46 other buildings which are otherwise qualified as projects pursuant
47 to section 8 of P.L. , c. (C.)(now before the Legislature
48 as this bill) and section 2 of P.L.1981, c.120 (C.52:18A-78.2)]
49 public building¹. The application shall be of such form and
50 contents as shall be prescribed by regulation of the authority,
51 promulgated pursuant to the "Administrative Procedure Act,"
52 P.L.1968, c.410 (C.52:14B-1 et seq.). The contents shall include,
53 but not be limited to ¹]:

54 (1) a description of the metes and bounds of the proposed

1 district, together with a municipal map on which the proposed
2 district is demarcated;

3 (2) a listing of the buildings in the proposed district having
4 historic significance, including detailed descriptions of each;

5 (3) a detailed description of the renovation, preservation, or
6 other work needed in the district;

7 (4) in the case of multiple projects, a description of how each
8 project will complement other projects in the district and how all
9 projects will benefit the district and the municipality; and

10 (5) such other information as is required of projects generally
11 pursuant to P.L.1981, c.120 (C.52:18A-78.1 et seq.)]
12 documentation of the inability of the local governmental agency
13 to secure financing for the project from the Economic
14 Development Authority, a local or county improvement authority,
15 the Historic Trust, and other funding sources available for
16 historic renovation and preservation¹.

17 b. ¹[The authority shall, within 120 calendar days of receipt of
18 an application pursuant to subsection a. of this section, either
19 approve or disapprove of that application, and shall notify the
20 applicant municipality of its decision. If the application is
21 disapproved on technical grounds concerning form and contents,
22 the municipality shall have 30 calendar days from the date of
23 receipt of notice of disapproval to revise and resubmit the
24 application. If the application is disapproved on merit, no
25 resubmission shall be allowed.

26 c. Once drawings, plans or specifications, whether drawn by
27 the municipality or the authority, have been approved by the
28 authority, the municipality shall be subject to the provisions of
29 section 10 of P.L.1981, c.120 (C.52:18A-78.10).

30 d. Projects included in an approved application shall be subject
31 to the same procedures as other projects undertaken pursuant to
32 the "New Jersey Building Authority Act," P.L.1981, c.120
33 (C.52:18A-78.1 et seq.), except that:

34 (1)¹ In the case of projects which are not State office
35 buildings, the Commission on Capital Budgeting and Planning
36 need not determine whether the project meets the needs of State
37 agencies pursuant to subsection b. of section 6 of P.L.1981, c.120
38 (C.52:18A-78.6)¹]; and

39 (2) In the case of a municipal historic district designated
40 pursuant to P.L. , c. (C.)(now before the Legislature as
41 this bill), the public hearing required pursuant to section 7 of
42 P.L.1981, c.120 (C.52:18A-78.7) shall concern the designated
43 district as a whole, and all projects therein]¹.

44 ¹[e.] c.¹ The amount, terms and conditions for financing
45 projects approved pursuant to this section shall be determined by
46 the authority.

47 ³10. Section 5 of P.L.1981, c.120 (C.52:18A-78.5) is amended
48 to read as follows:

49 5. Except as otherwise limited by this act, the authority shall
50 have power:

51 a. To make and alter bylaws for its organization and internal
52 management and, subject to agreements with noteholders and
53 bondholders, to make rules and regulations with respect to its
54 projects, operations, properties and facilities.

- 1 b. To adopt an official seal and alter the same at pleasure.
- 2 c. To sue and be sued.
- 3 d. To make and enter into all contracts and agreements
4 necessary or incidental to the performance of its duties and the
5 exercise of its powers under this act.
- 6 e. To enter into agreements or other transactions with and
7 accept grants and the cooperation of the United States or any
8 agency thereof or any State agency in furtherance of the
9 purposes of this act, including but not limited to the
10 development, maintenance, operation and financing of any
11 project and to do any and all things necessary in order to avail
12 itself of this aid and cooperation.
- 13 f. To receive and accept aid or contributions from any source
14 of money, property, labor or other things of value, to be held,
15 used and applied to carry out the purposes of this act subject to
16 such conditions upon which this aid and these contributions may
17 be made, including but not limited to, gifts or grants from any
18 department or agency of the United States or any State agency
19 for any purpose consistent with this act.
- 20 g. To acquire, own, hold, sell, assign, exchange, lease,
21 mortgage or otherwise dispose of real and personal property or
22 any interest therein in the exercise of its powers and the
23 performance of its duties under this act.
- 24 h. To appoint an executive director and such other officers,
25 employees and agents as it may require for the performance of
26 its duties, and to fix their compensation, promote and discharge
27 them, all without regard to the provisions of Title 11 of the
28 Revised Statutes.
- 29 i. To acquire, construct, reconstruct, rehabilitate, renovate,
30 preserve, improve, alter or repair or provide for the construction,
31 reconstruction, improvement, alteration or repair of any project
32 and let, award and enter into construction contracts, purchase
33 orders and other contracts with respect thereto in such manner as
34 the authority shall determine.
- 35 j. To arrange or contract with a county or municipality for the
36 planning, replanning, opening, grading or closing of streets, roads,
37 roadways, alleys or other places, or for the furnishing of facilities
38 or for the acquisition by a county or municipality of property or
39 property rights or for the furnishing of property or services, in
40 connection with a project.
- 41 k. To sell, lease, assign, transfer, convey, exchange, mortgage
42 or otherwise dispose of or encumber any project or other property
43 no longer needed to carry out the public purposes of the authority
44 and, in the case of the sale of any project or property, to accept
45 a purchase money mortgage in connection therewith; and to
46 lease, repurchase or otherwise acquire and hold any project or
47 property which the authority has theretofore sold, leased or
48 otherwise conveyed, transferred or disposed of.
- 49 l. To grant options to purchase any project or to renew any
50 leases entered into by it in connection with any of its projects, on
51 such terms and conditions as it deems advisable.
- 52 m. To acquire by purchase, lease or otherwise, on such terms
53 and conditions and in such manner as it may deem proper, or by
54 the exercise of the power of eminent domain, except with respect

1 to lands owned by the State or any public lands reserved for
2 recreation and conservation purposes, any land and other
3 property, including railroad lands and land under water, which it
4 may determine is reasonably necessary for any of its projects or
5 for the relocation or reconstruction of any highway by the
6 authority and any and all rights, title and interest in that land and
7 other property, including public lands, highways or parkways,
8 owned by or in which a State agency or local governmental
9 agency has any right, title or interest, or parts thereof or rights
10 therein and any fee simple absolute or any lesser interest in
11 private property, and any fee simple absolute in, easements upon
12 or the benefit of restrictions upon, abutting property to preserve
13 and protect any project.

14 n. To prepare or cause to be prepared plans, specifications,
15 designs and estimates of costs for the construction,
16 reconstruction, rehabilitation, improvement, alteration or repair
17 of any project, and from time to time to modify these plans,
18 specifications, designs or estimates.

19 o. To sell, lease, rent, sublease or otherwise dispose of any
20 project or any space embraced in any project to any State agency
21 or to any person, firm, partnership or corporation for sale,
22 leasing, rental or subleasing to any State agency, and, where
23 applicable, to establish and revise the purchase price, rents or
24 other charges therefor; provided, however, that the incurrence of
25 any liabilities by a State agency under any agreement entered
26 into with the authority pursuant to the aforesaid authorization,
27 including, without limitation, the payment of any and all rentals
28 or other amounts required to be paid by the agency thereunder,
29 shall be subject to and dependent upon appropriations being made
30 from time to time by the Legislature for that purpose and
31 approval by the presiding officers, or such other officers as may
32 be provided by law, of both houses of any such lease.

33 p. To sell, lease, rent, sublease or otherwise dispose of, to any
34 person, firm, partnership or corporation, any surplus space in any
35 project over and above that sold, leased, rented, subleased or
36 otherwise disposed of to State agencies and to establish and revise
37 the purchase price, rents or charges therefor.

38 q. To approve of the selection of any tenant not a State
39 agency under a lease or sublease agreement for the use or
40 occupation of any portion of a building in which a project is
41 located.

42 r. To manage or operate any project or real or personal
43 property related thereto whether owned or leased by the
44 authority or any State agency or any person, firm, partnership or
45 corporation, and to enter into agreements with any State agency,
46 or any local governmental agency, or with any person, firm,
47 association, partnership or corporation, either public or private,
48 for the purpose of causing any project or related property to be
49 managed.

50 s. To provide advisory, consultative, training and educational
51 services, technical assistance and advice to any person, firm,
52 association, partnership or corporation, either public or private,
53 in order to carry out the purposes of this act.

54 t. Subject to the provisions of any contract with noteholders or

1 bondholders to consent to any modification, amendment or
2 revision of any kind of any contract, lease or agreement of any
3 kind to which the authority is a party.

4 u. To determine, after holding a public hearing in the
5 municipality in which the project is to be located, except as
6 otherwise provided in section 6 of this act, the location, type and
7 character of the project or any part thereof and all other matters
8 in connection with all or any part of the project, notwithstanding
9 any land use plan, zoning regulation, building code or similar
10 regulation heretofore or hereafter adopted by any municipality,
11 county, public body corporate and politic, or any other political
12 subdivision of the State.

13 v. To borrow money and to issue its bonds and notes and to
14 secure the same and provide for the rights of the holders thereof
15 as provided in this act.

16 w. Subject to any agreement with bondholders or noteholders,
17 to invest moneys of the authority not required for immediate use,
18 including proceeds from the sale of any bonds or notes, in those
19 obligations, securities and other investments as the authority
20 shall deem prudent.

21 x. To procure insurance against any loss in connection with its
22 property and other assets and operations in such amounts and
23 from such insurers as it deems desirable.

24 y. To engage the services of architects, engineers, attorneys,
25 accountants, building contractors, urban planners, landscape
26 architects and financial experts and such other advisors,
27 consultants and agents as may be necessary in its judgment and to
28 fix their compensation.

29 z. To do any act necessary or convenient to the exercise of the
30 foregoing powers or reasonably implied therefrom.³

31 (cf: P.L.1983, c.138, s.4)

32 ³11. (New section) The renovation or rehabilitation of shelving
33 in the State Library for the Blind and Handicapped is a project
34 the purpose of which is included among those the New Jersey
35 Building Authority may undertake pursuant to section 8 of P.L.
36 , c. (C.) (now pending before the Legislature as this bill).³

37 ³[10.] 12.³ This act shall take effect immediately, and shall
38 apply to projects ¹[and districts]¹ subject to approval by the
39 authority on and after the effective date of this act.

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44 Includes historic buildings and historic preservation districts as
45 projects of the New Jersey Building Authority; lifts the cap on
46 the amount of bonds which may be issued by the authority.

STATEMENT

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This bill removes the "cap" on the aggregate amount of bonds that the State Building Authority may have outstanding at any one time, and provides that historic preservation is an activity for which authority bond proceeds may be used under certain circumstances. In addition, the bill provides for the establishment of an historic preservation district in the State Capital, and sets forth procedures under which municipalities other than the State Capital may apply to the authority for the designation of historic preservation districts within their boundaries, thus making preservation projects within those districts eligible for financial assistance from the authority.

Under current law, the State Building Authority's aggregate debt is "capped" at \$250,000,000. In other words, at any given time, the authority may not have at issue more than \$250,000,000 in bonds or other instruments of indebtedness.

When the authority was created in 1981, its role was, essentially, limited to providing the financing for the construction, expansion, rehabilitation, etc., of State office buildings to house an expanding public workforce.

This bill removes the debt limitation entirely, and expands the range of qualified projects to include the renovation and preservation of historic buildings, whether publicly or privately owned, that will be devoted wholly or partly to public uses. In addition, the bill establishes an historic district in the Capital City of Trenton, the purpose of which is to provide for authority loans for the renovation and preservation of the War Memorial, Old Barracks, and Kelsey Building.

Further, the bill authorizes the authority to designate historic preservation districts in other municipalities. Such designation would make projects within those districts eligible for authority loans. To qualify, however, a municipality must undergo a rigorous application process, part of which involves the historical significance of the projects in the proposed district.

Finally, the bill removes the authority's power, under current law, to fund public television facilities in the future.

Includes historic buildings and historic preservation districts as projects of the New Jersey Building Authority; lifts the cap on the amount of bonds which may be issued by the authority.

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

[SECOND REPRINT]

SENATE, No. 662

with Assembly committee amendments

STATE OF NEW JERSEY

DATED: NOVEMBER 9, 1992

The Assembly Appropriations Committee reports favorably Senate Bill No. 662 (2R), with committee amendments.

Senate Bill No. 662 (2R), as amended, removes the "cap" on the aggregate amount of bonds that the State Building Authority may have outstanding at any one time, and provides that historic preservation is an activity for which authority bond proceeds may be used under certain circumstances. When the New Jersey Building Authority was created in 1981, its role was, essentially, limited to providing the financing for the construction, expansion, rehabilitation, etc., of State office buildings to house an expanding public workforce. That law also set a debt limitation for the authority at \$250,000,000. The bill removes the debt limitation and redefines the projects that the authority may undertake.

The bill sets forth procedures under which a local governmental agency may apply to the authority for financing of the renovation or preservation of historic public buildings owned by the agency. The bill also provides that loans to local governmental agencies shall only be made when alternative means of financing are not available.

The bill establishes as top priorities for the authority the renovation and preservation of the State House, War Memorial, Old Barracks, and Kelsey Building, including adjacent townhouses. The bill also removes the authority's power, under current law, to fund public television facilities in the future.

As amended, this bill is identical to Assembly Bill No. 1848 as amended by this committee.

FISCAL IMPACT:

Under current law, the State Building Authority's aggregate debt is capped at \$250,000,000. With the second phase of the State House renovation project, the authority will have reached \$236,000,000 in debt. This bill removes the cap and makes it possible for the authority to undertake additional projects.

Any additional cost to the State as a result of this bill will depend upon what projects, if any, are financed.

COMMITTEE AMENDMENTS:

The committee amendments clarify that repair of shelving in the State Library for the Blind and Handicapped is a project within the powers of the New Jersey Building Authority. These amendments also clarify that the New Jersey Building Authority

may undertake the construction of correctional facilities regardless of the source of financing in a manner consistent with its powers under P.L.1981, c.120 (C.52:18A-78.1 et seq.) and may award contracts for the work on the construction of any correctional facilities in the manner set forth in section 2 of P.L.1987, c.202, (C.52:32-2.3) with respect to public contracting. The amendments also make a technical change to the powers of the authority to clarify that renovation and preservation are within the powers of the authority.

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

SENATE, No. 662

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 18, 1992

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 662, with committee amendments.

Senate Bill No. 662, as amended, raises the "cap" on the aggregate amount of bonds that the State Building Authority may have outstanding at any one time, and provides that historic preservation is an activity for which authority bond proceeds may be used under certain circumstances. The bill sets forth procedures under which a local governmental agency may apply to the authority for financing of the renovation or preservation of historic public buildings owned by the agency.

When the authority was created in 1981, its role was, essentially, limited to providing the financing for the construction, expansion, rehabilitation, etc., of State office buildings to house an expanding public workforce. That law also set a debt limitation for the authority at \$250,000,000. This bill increases the debt limitation to \$500,000,000, and expands the range of qualified projects to include the renovation and preservation of other historic public buildings.

Finally, the bill removes the authority's power, under current law, to fund public television facilities in the future.

COMMITTEE AMENDMENTS

The committee amendments remove the provision for loans for the renovation or preservation of privately-owned buildings, provide that loans to local governmental agencies only be made when alternative means of financing are not available, increase the debt limitation to \$500,000,000, and establish as top priorities for the authority the renovation and preservation of the State House, War Memorial, Old Barracks, and Kelsey Building, including adjacent townhouses.

FISCAL IMPACT

Under current law, the State Building Authority's aggregate debt is capped at \$250,000,000. With the second phase of the State House renovation project the authority will have reached \$236,000,000 in debt. This bill would increase the cap to \$500,000,000 and make it possible for the authority to undertake additional projects.

Any additional cost to the State as a result of this bill will depend upon what projects, if any, are financed.