

Tim Lizura

*Former President and Chief Operating Officer of the
Economic Development Authority*

MAY 2, 2019 PUBLIC HEARING OF THE
NEW JERSEY TASK FORCE ON EDA TAX INCENTIVES

Purpose of the Tax-Incentive Programs

The Economic Opportunity Act of 2013

provides tax incentives for companies relocating to Camden. The amount of the incentives are based on the greater of the credit per new job or a credit against the capital investment made by an owner.

The result is that occupants may be able to obtain tax credits:

- 1) greater than their lease cost or
- 2) equal to or greater than the cost of a newly constructed building over ten years

2013 ECONOMIC OPPORTUNITY ACT

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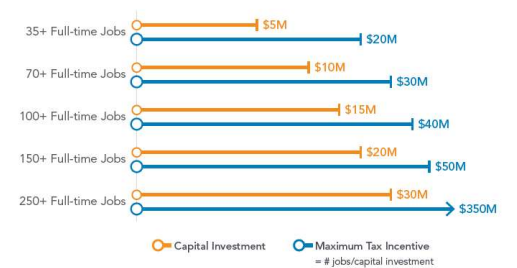
EXAMPLE:



The total amount of the tax incentive is paid annually over 10 years and may fluctuate.

* A NJEDA representative is available to consult with prospects on determining the value of their incentive award.

OWN



REAL ESTATE IMPROVEMENT TAX ABATEMENT*

* A NJEDA representative is available to consult with prospects on determining the tax abatement program.



Change 1: Expanded definition of “capital investment”

20 In addition to the foregoing, in a Garden State Growth Zone, all
21 of the following may qualify as a capital investment any and all
22 redevelopment and relocation costs, including, but not limited to,
23 engineering, legal, accounting and other professional services
24 required, relocation, environmental remediation, and infrastructure
25 improvements for the project area, including, but not limited to,
26 on- and off-site utility, road, pier, wharf, bulkhead or sidewalk
27 construction or repair.

Kevin Sheehan, 6/21/2013 2:13:00 PM
inserted:
pier, wharf, bulkhead

4 "Capital investment" in a qualified business facility means
5 expenses by a business or any affiliate of the business incurred after the
6 application [, but before the end of the tenth year after, the effective
7 date of P.L.2011, c.149 (C.34:1B-242 et al.)] for either:

8 a. site acquisition, if purchased within twenty four months prior
9 to project application, site preparation and construction, repair,
10 renovation, improvement, equipping, or furnishing on real property
11 or of a building, structure, facility, or improvement to real property;
12 [and] or

13 b. obtaining and installing furnishings and machinery,
14 apparatus, or equipment, including but not limited to material goods
15 subject to bonus depreciation under sections 168 and 179 of the
16 federal Internal Revenue Code (26 U.S.C. s.168 and s.179), for the
17 operation of a business on real property or in a building, structure,
18 facility, or improvement to real property, or

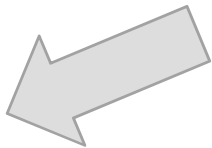
19 c. both.

20 In addition to the foregoing, in a Garden State Growth Zone, all
21 of the following may qualify as a capital investment any and all
22 redevelopment and relocation costs, including, but not limited to,
23 engineering, legal, accounting and other professional services
24 required, relocation, environmental remediation, and infrastructure
25 improvements for the project area, including, but not limited to,
26 on- and off-site utility, road, pier, wharf, bulkhead or sidewalk
27 construction or repair.

28 In addition to the foregoing, if a business acquires or leases a
29 qualified business facility, the capital investment made or acquired
30 by the seller or owner, as the case may be, if pertaining primarily to
31 the premises of the qualified business facility, shall be considered a
32 capital investment by the business and, if pertaining generally to the
33 qualified business facility being acquired or leased, shall be allocated
34 to the premises of the qualified business facility on the basis of the
35 gross leasable area of the premises in relation to the total gross
36 leasable area in the qualified business facility. The capital
37 investment described herein may include any capital investment
38 made or acquired within twenty four months prior to the date of
39 application so long as the amount of capital investment made or
40 acquired by the business, any affiliate of the business, or any owner
41 after the date of application equals at least 50 percent of the amount
42 of capital investment, allocated to the premises of the qualified
43 business facility being acquired or leased on the basis of the gross
44 leasable area of such premises in relation to the total gross leasable
45 area in the qualified business facility made or acquired prior to the

Change 2: Expanded definition of "capital investment"

4 "Capital investment" in a qualified business facility means
5 expenses by a business incurred after
6 application [Kevin Sheehan, 6/14/2013 11:20:00 AM inserted:
7 date of P.L. acquisition, or either:
8 a. site acquisition, if purchased within twenty four months prior
9 to project application, site preparation and construction, repair,
10 renovation, improvement, equipping, or furnishing on real property
11 or of a building, structure, facility, or improvement to real property;
12 [and] or



[1R] ACS for A3680 COUTINHO, SINGLETON
14

1 A business shall include an affiliate of the business if that business
2 applies for a credit based upon any capital investment made by or
3 full-time employees of an affiliate.

4 "Capital investment" in a qualified business facility means
5 expenses by a business or any affiliate of the business incurred af
6 application [but before the end of the tenth year after, the effect
7 date of P.L.2011, c.149 (C.34:1B-242 et al.)] for either:
8 a. site acquisition, if purchased within twenty four months prior
9 to project application, site preparation and construction, repair,
10 renovation, improvement, equipping, or furnishing on real property
11 or of a building, structure, facility, or improvement to real property;
12 [and] or

13 b. obtaining and installing furnishings and machinery,
14 apparatus, or equipment, including but not limited to material goods
15 subject to bonus depreciation under sections 168 and 179 of the
16 federal Internal Revenue Code (26 U.S.C. s.168 and s.179), for the
17 operation of a business on real property or in a building, structure,
18 facility, or improvement to real property, or
19 c. both.

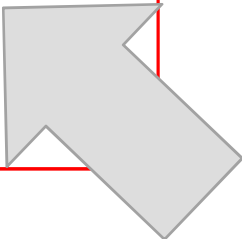
20 In addition to the foregoing, in a Garden State Growth Zone, all
21 of the following may qualify as a capital investment any and all
22 redevelopment and relocation costs, including, but not limited to,
23 engineering, legal, accounting and other professional services
24 required, relocation, environmental remediation, and infrastructure
25 improvements for the project area, including, but not limited to, on-
26 and off-site utility, road, pier, wharf, bulkhead or sidewalk
27 construction or repair.

28 In addition to the foregoing, if a business acquires or leases a
29 qualified business facility, the capital investment made or acquired
30 by the seller or owner, as the case may be, if pertaining primarily to
31 the premises of the qualified business facility, shall be considered a
32 capital investment by the business and, if pertaining generally to the
33 qualified business facility being acquired or leased, shall be allocated
34 to the premises of the qualified business facility on the basis of the
35 gross leasable area of the premises in relation to the total gross
36 leasable area in the qualified business facility. The capital
37 investment described herein may include any capital investment
38 made or acquired within twenty four months prior to the date of
39 application so long as the amount of capital investment made or
40 acquired by the business, any affiliate of the business, or any owner
41 after the date of application equals at least 50 percent of the amount
42 of capital investment, allocated to the premises of the qualified
43 business facility being acquired or leased on the basis of the gross

Change 3: Tax credits for Camden grocery stores

30 employees that have been hired by way of a labor union hiring
 31 or its equivalent;
 32 35 hours of employment per week at a qualified business facility
 33 shall constitute one "full-time employee," regardless of whether
 34 not the hours of work were performed by one or more persons.
 35 For any project located in a Garden State Growth Zone which
 36 qualified for the Municipal Rehabilitation and Economic Recovery
 37 Act ("MRERA"), or any project located in the Atlantic City Tourism
 38 District as established pursuant to section 5 of P.L.2010, c.18
 39 (C.5:12-219) and regulated by the Casino Reinvestment
 40 Development Authority, and will include a retail facility of at least
 41 150,000 square feet, of which at least 50% is occupied by either a
 42 full-service supermarket or grocery store, the Authority shall accept
 43 a standard of service generally accepted by custom or practice as full-
 44 time employment in a supermarket, grocery store, or other like retail

Kevin Sheehan, 6/14/2013 11:21:00 AM
 inserted:
 which qualified for the Municipal
 Rehabilitation and Economic Recovery Act
 ("MRERA")



44 "Full-time employee" means a person;
 45 a. who is employed by [the] a business for consideration for at
 46 least 35 hours a week, or who renders any other standard of service
 47 generally accepted by custom or practice as full-time employment, or
 48 [a person]

1 b. who is employed by a professional employer organization
 2 pursuant to an employee leasing agreement between the business and
 3 the professional employer organization, in accordance with
 4 P.L.2001, c.260 (C.34:8-67 et seq.) for at least 35 hours a week, or
 5 who renders any other standard of service generally accepted by
 6 custom or practice as full-time employment, and whose wages are
 7 subject to withholding as provided in the "New Jersey Gross Income
 8 Tax Act," N.J.S.54A:1-1 et seq., or [an employee]

9 c. who is a resident of another State but whose income is not
 10 subject to the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et
 11 seq. or who is a partner of a business who works for the partnership
 12 for at least 35 hours a week, or who renders any other standard of
 13 service generally accepted by custom or practice as full-time
 14 employment, and whose distributive share of income, gain, loss, or
 15 deduction, or whose guaranteed payments, or any combination
 16 thereof, is subject to the payment of estimated taxes, as provided in
 17 the "New Jersey Gross Income Tax Act," N.J.S.54A:1-1 et seq., and
 18 d. who is provided, by the business, with employee health
 19 benefits under a health benefits plan authorized pursuant to State or
 20 federal law.

21 With respect to a logistics, manufacturing, energy, defense,
 22 aviation, or maritime business, excluding primarily warehouse or
 23 distribution operations, located in a port district having a container
 24 terminal:

25 the requirement that employee health benefits are to be provided
 26 shall be deemed to be satisfied if such benefits are provided in
 27 accordance with industry practice by a third party obligated to
 28 provide such benefits pursuant to a collective bargaining agreement;
 29 full-time employment shall include, but not be limited to,
 30 employees that have been hired by way of a labor union hiring hall
 31 or its equivalent;

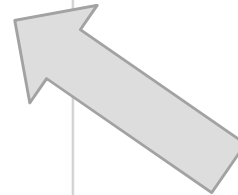
32 35 hours of employment per week at a qualified business facility
 33 shall constitute one "full-time employee," regardless of whether
 34 not the hours of work were performed by one or more persons.
 35 For any project located in a Garden State Growth Zone which
 36 qualified for the Municipal Rehabilitation and Economic Recovery
 37 Act ("MRERA"), or any project located in the Atlantic City Tourism
 38 District as established pursuant to section 5 of P.L.2010, c.18
 39 (C.5:12-219) and regulated by the Casino Reinvestment
 40 Development Authority, and will include a retail facility of at least
 41 150,000 square feet, of which at least 50% is occupied by either a
 42 full-service supermarket or grocery store, the Authority shall accept
 43 a standard of service generally accepted by custom or practice as full-
 44 time employment in a supermarket, grocery store, or other like retail
 45 industry.

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 , or any project located in t
 Tourism District as establis
 section 5 of P.L.2010, c.18
 regulated by the Casino Re
 Development Authority,

Change 4: Automobile manufacturer headquarters

28 "Mega project" means:
 29 a. a qualified business facility located in a port district housing
 30 a business in the logistics, manufacturing, energy, defense, or
 31 maritime industries, either:
 32 (1) having a capital investment in excess of \$20,000,000, and at
 33 which more than 250 full-time employees of such business are
 34 created or retained, or
 35 (2) at which more than 1,000 full-time employees of such business
 36 are created or retained;
 37 b. a qualified business facility located in an aviation district
 38 housing a business in the aviation industry, or a qualified business
 39 facility located in a Garden State Growth Zone, or a qualified
 40 business facility located in a priority area housing the United States
 41 headquarters and related facilities of an automobile manufacturer,
 42 either:
 43 (1) having a capital investment in excess of \$20,000,000, and at
 44 which more than 250 full-time employees of such business are
 45 created or retained, or
 46 (2) at which more than 1,000 full-time employees of such business
 47 are created or retained; or

Kevin Sheehan, 6/21/2013 2:17:00 PM inserted:
 , or a qualified business facility located in a priority area housing the United States headquarters and related facilities of an automobile manufacturer



1 "Garden State Growth Zone" or "growth zone" means the four
 2 New Jersey cities with the lowest median family income based on the
 3 2009 American Community Survey from the US Census, (Table 708,
 4 Household Income, Family Income, Per Capita Income, and
 5 Individuals and Families Below Poverty Level by City: 2009).
 6 "Highlands development credit receiving area or redevelopment
 7 area" means an area located within a qualified incentive area and
 8 designated by the Highlands Council for the receipt of Highlands
 9 Development Credits under the Highlands Transfer Development
 10 Rights Program authorized under Section 13 of the Highlands Act,
 11 N.J.S.A. 13:20-1 or a former manufacturing site of at least 800 acres
 12 located in the Highlands that is designated as a known contaminated
 13 site by the Department of Environment Protection and undergoing
 14 remediation pursuant to the "Site Remediation Reform Act", P.L.
 15 2009 c.60 (C. 58:10C-1 et al).
 16 "Incentive agreement" means the contract between the business
 17 and the authority, which sets forth the terms and conditions under
 18 which the business shall be eligible to receive the incentives
 19 authorized pursuant to the program.
 20 "Incentive effective date" means the date the authority issues a tax
 21 credit based on documentation submitted by a business pursuant to
 22 paragraph (1) of subsection b. of section 6 of P.L.2011, c.149
 23 (C.34:1B-247).
 24 "Major rail station" means a railroad station located within a
 25 qualified incentive area which provides access to the public to a
 26 minimum of six rail passenger service lines operated by the New
 27 Jersey Transit Corporation.
 28 "Mega project" means:
 29 a. a qualified business facility located in a port district housing
 30 a business in the logistics, manufacturing, energy, defense, or
 31 maritime industries, either:
 32 (1) having a capital investment in excess of \$20,000,000, and at
 33 which more than 250 full-time employees of such business are
 34 created or retained, or
 35 (2) at which more than 1,000 full-time employees of such business
 36 are created or retained;
 37 b. a qualified business facility located in an aviation district
 38 housing a business in the aviation industry, or a qualified business
 39 facility located in a Garden State Growth Zone, or a qualified
 40 business facility located in a priority area housing the United States
 41 headquarters and related facilities of an automobile manufacturer,
 42 either:
 43 (1) having a capital investment in excess of \$20,000,000, and at
 44 which more than 250 full-time employees of such business are
 45 created or retained, or
 46 (2) at which more than 1,000 full-time employees of such business
 47 are created or retained; or

Kevin Sheehan, 6/21/2013 2:17:00 PM inserted:
 , or a qualified business facility located in a priority area housing the United States headquarters and related facilities of an automobile manufacturer

Change 5: Definition of “transit oriented development”

22 incentive area and has been determined by the authority to be in an
 23 area appropriate for development and in need of economic
 24 development incentive assistance'.
 25 “Transit oriented development” means a qualified business
 26 facility located within a 1/2-mile radius, or 1-mile radius for projects
 27 located in a Garden State Growth Zone, surrounding the mid-point of
 28 a New Jersey Transit Corporation, Port Authority Transit
 29 Corporation, or Port Authority Trans-Hudson Corporation rail, bus,
 30 or ferry station platform area, including all light rail stations.
 31 “Urban transit hub” means an urban transit hub, as defined in
 32 section 10 of P.L.2007, c.346 (C.34:1B-208), that is located within
 33 an eligible municipality, as defined in section 10 of P.L.2007, c.346
 34 (C.34:1B-208) and also located within a qualified incentive area.
 35 (cf: P.L.2011, c.149, s.2)

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 , or 1-mile radius for projects located in a
 Garden State Growth Zone,



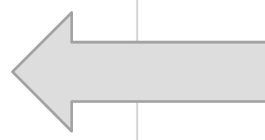
1 lost to another state or country, or eliminated. For the purposes of
 2 determining a number of retained full-time jobs, the eligible positions
 3 of an affiliate shall be considered eligible positions of the business.
 4 “SDA district” means an SDA district as defined in section 3 of
 5 P.L.2000, c.72 (C.18A:7G-3).
 6 “SDA municipality” means a municipality in which an SDA
 7 district is situate.
 8 “Targeted industry” means any industry identified from time to
 9 time by the authority including initially, a transportation,
 10 manufacturing, defense, energy, logistics, life sciences, technology,
 11 health, and finance business, but excluding a primarily warehouse or
 12 distribution business.
 13 “Technology startup company” means a for profit business that
 14 has been in operation fewer than five years and is developing or
 15 possesses a proprietary technology or business method of a high-
 16 technology or life science-related product, process, or service which
 17 the business intends to move to commercialization.
 18 “Tourism destination project” means a qualified business facility
 19 that will be among the most visited privately owned or operated
 20 tourism or recreation sites in the State [as determined at the
 21 discretion of the authority], and which is located within the qualified
 22 incentive area and has been determined by the authority to be in an
 23 area appropriate for development and in need of economic
 24 development incentive assistance'.
 25 “Transit oriented development” means a qualified business
 26 facility located within a 1/2-mile radius, or 1-mile radius for projects
 27 located in a Garden State Growth Zone, surrounding the mid-point of
 28 a New Jersey Transit Corporation, Port Authority Transit
 29 Corporation, or Port Authority Trans-Hudson Corporation rail, bus,
 30 or ferry station platform area, including all light rail stations.
 31 “Urban transit hub” means an urban transit hub, as defined in
 32 section 10 of P.L.2007, c.346 (C.34:1B-208), that is located within
 33 an eligible municipality, as defined in section 10 of P.L.2007, c.346
 34 (C.34:1B-208) and also located within a qualified incentive area.
 35 (cf: P.L.2011, c.149, s.2)
 36
 37
 38 8. Section 3 of P.L.2011, c.149 (C.34:1B-244) is amended to
 39 read as follows:
 40 3. a. The Grow New Jersey Assistance Program is hereby
 41 established as a program under the jurisdiction of the New Jersey
 42 Economic Development Authority and shall be administered by the
 43 authority. The purpose of the program is to encourage economic
 44 development and job creation and to preserve jobs that currently exist
 45 in New Jersey but which are in danger of being relocated outside of
 46 the State. To implement this purpose, [and to the extent that funding
 47 for the program is available,] the program may provide tax credits to
 48 eligible businesses for an eligibility period not to exceed 10 years.

trnnewm, 6/12/2013 1:42:00 PM inserted:
 , or 1-mile radius for projects located in a
 Garden State Growth Zone,

Change 6: Increased tax credit

20 (10) for a business with large numbers of new full-time jobs and
 21 retained full-time jobs during the commitment period, the increases
 22 shall be in accordance with the following schedule:
 23 (a) if the number of new full-time jobs and retained full-time jobs
 24 is between 251 and 400, \$500 per year;
 25 (b) if the number of new full-time jobs and retained full-time jobs
 26 is between 401 and 600, \$750 per year;
 27 (c) if the number of new full-time jobs and retained full-time jobs
 28 is between 601 and 800, \$1000 per year;
 29 (d) if the number of new full-time jobs and retained full-time jobs
 30 is between 801 and 1,000, \$1,250 per year;
 31 (e) if the number of new full-time jobs is in excess of 1,000,
 32 \$1,500 per year.

Kevin Sheehan, 6/13/2013 7:09:00 PM inserted:
 (e) if the number of new full-time jobs is in excess of 1,000, \$1,500 per year.



3 which the capital investment in industrial premises for industrial use
 4 by the business is in excess of the minimum capital investment
 5 required for eligibility pursuant to subsection b. of section 3 of
 6 P.L.2011, c.149 (C.34:1B-244), an increase of \$1,000 per year for
 7 each additional amount of investment that exceeds the minimum
 8 amount required for eligibility by 20 percent, with a maximum
 9 increase of \$3,000 per year;
 10 (9) for a business with new full-time jobs and retained full-time
 11 jobs at the project with an average salary in excess of the existing
 12 average salary for the county in which the project is located, or, in
 13 the case of a project in a Garden State Growth Zone, a business that
 14 employs full-time positions at the project with an average salary in
 15 excess of the average salary for the growth zone, an increase of \$250
 16 per year during the commitment period for each 35 percent by which
 17 the project's average salary levels exceeds the county or Garden State
 18 Growth Zone average salary, with a maximum increase of \$1,500 per
 19 year;

20 (10) for a business with large numbers of new full-time jobs and
 21 retained full-time jobs during the commitment period, the increases
 22 shall be in accordance with the following schedule:
 23 (a) if the number of new full-time jobs and retained full-time jobs
 24 is between 251 and 400, \$500 per year;
 25 (b) if the number of new full-time jobs and retained full-time jobs
 26 is between 401 and 600, \$750 per year;
 27 (c) if the number of new full-time jobs and retained full-time jobs
 28 is between 601 and 800, \$1000 per year;
 29 (d) if the number of new full-time jobs and retained full-time jobs
 30 is between 801 and 1,000, \$1,250 per year;
 31 (e) if the number of new full-time jobs is in excess of 1,000,
 32 \$1,500 per year.

Kevin Sheehan, 6/13/2013 7:09:00 PM inserted:
 (e) if the number of new full-time jobs is in excess of 1,000, \$1,500 per year.

33 (11) for a business in a targeted industry, an increase of \$500 per
 34 year;

37 (14) for a qualified business facility exceeding the Leadership in
 38 Energy and Environmental Design's "Silver" rating standards or
 39 completes substantial environmental remediation, an additional
 40 increase of \$250 per year; and

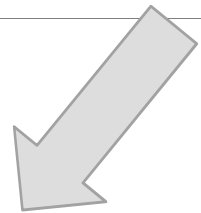
41 (15) for a mega project or a project located within a Garden State
 42 Growth zone at which the capital investment in industrial premises
 43 for industrial use by the business is in excess of the minimum capital
 44 investment required for eligibility pursuant to subsection b. of section
 45 3 of P.L.2011, c.149 (C.34:1B-244), an increase of \$1,000 per year
 46 for each additional amount of investment that exceeds the minimum
 47 amount by 20 percent, with a maximum increase of \$5,000 per year.
 48 and

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Change 7: Increased tax credit – light rail station



6 (17) for a project located in a municipality in Atlantic, Burlington,
7 Ca Gloucester, Ocean, and Salem
8 Kevin Sheehan, 6/19/2013 8:43:00 PM
9 commented:
an FUTURE GLOUCESTER COUNTY LIGHT RAI
10 (18) for a project located within a half-mile of any light rail station
11 constructed after the effective date of this act, an increase of \$2,000
12 per year; |

1 (16) for a project in which a business retains at least 400 jobs and
2 is located within the municipality in which it was located
3 immediately prior to the filing of the application hereunder and is the
4 United States headquarters of an automobile manufacturer, an
5 increase of \$1,500 per year.
6 (17) for a project located in a municipality in Atlantic, Burlington,
7 Gloucester, Ocean, and Salem
8 Kevin Sheehan, 6/19/2013 8:43:00 PM
9 commented:
an FUTURE GLOUCESTER COUNTY LIGHT RAI
10 (18) for a project located within a half-mile of any light rail station
11 constructed after the effective date of this act, an increase of \$2,000
12 per year; |
13 (19) for a marine terminal project in a municipality located outside
14 the Garden State Growth Zone, but within the geographical
15 boundaries of the South Jersey Port District, an increase of \$1,500
16 per year; and |
17 (20) for a project located within an area determined to be in need
18 of redevelopment pursuant to sections 5 and 6 of P.L. 1992, c.79
19 (C.40A:12-6), and which is located within a quarter mile of at least
20 one United States Highway and at least two New Jersey State
21 Highways, an increase of \$1,500 per year. |
22 (21) for a project that generates solar energy on site for use within
23 the project, an increase of \$1,500 per year. |
24 d. The gross amount of the tax credit for an eligible business for
25 each new or retained full-time job shall be the sum of the base amount
26 as pursuant to subsection b. of this section and the various additional
27 bonus amounts for which the business is eligible pursuant to
28 subsection c. of this section, subject to the following limitations:
29 (1) for a mega project, the gross amount for each new or retained
30 full-time job shall not exceed \$15,000 per year;

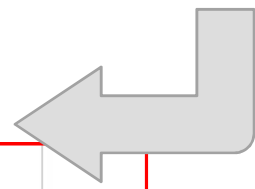
Change 8: Increased tax credit – marine terminal project

10			half-mile of any light rail station
11	cor	Kevin Sheehan, 6/19/2013 8:43:00 PM	f this act, an increase of \$2,000
12	per	commented:	
		PAULSBORO, SALEM?	
13			(19) for a marine terminal project in a municipality located outside
14			the Garden State Growth Zone, but within the geographical
15			boundaries of the South Jersey Port District, an increase of \$1,500
16			per year; and

Evolution of the “Material Factor” Requirement

36 d. To assist the authority in determining whether a proposed
37 capital investment will yield a net positive benefit, the business's
38 chief executive officer, or equivalent officer, shall submit a
39 certification to the authority indicating that (i) any existing
40 [existing] full-time jobs are at risk of leaving the State or being
41 eliminated, (ii) that any projected creation or retention as
42 applicable, of new full-time jobs would not occur but for the
43 provision of tax credits under the program; and, (iii) that the
44 business's chief executive officer, or equivalent officer, has reviewed
45 the information submitted to the authority and that the
46 representations contained therein are accurate, provided however
47 item (i) shall not be required with respect to projects in the Garden
48 State Growth that qualified as an MRERA . In the event that this

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36 d. To assist the authority in determining whether a proposed
37 capital investment will yield a net positive benefit, the business's
38 chief executive officer, or equivalent officer, shall submit a
39 certification to the authority indicating that (i) any existing
40 [existing] full-time jobs are at risk of leaving the State or being
41 eliminated, (ii) that any projected creation or retention as
42 applicable, of new full-time jobs would not occur but for the
43 provision of tax credits under the program; and, (iii) that the
44 business's chief executive officer, or equivalent officer, has reviewed
45 the information submitted to the authority and that the
46 representations contained therein are accurate, provided however
47 item (i) shall not be required with respect to projects in the Garden
48 State Growth that qualified as an MRERA . In the event that this

Kevin Sheehan, 6/21/2013 5:31:00 PM inserted:
, provided however, item (i) shall not be required with respect to projects in the Garden State Growth that qualified as an MRERA

1 certification by the business's chief executive officer, or equivalent
2 officer, is found to be willfully false, the authority may revoke any
3 award of tax credits in their entirety, which revocation shall be in
4 addition to any other criminal or civil penalties that the business and
5 the officer may be subject to. When considering an application
6 involving intra-State job transfers, the authority shall require the
7 business to submit the following information as part of its
8 application: a full economic analysis of all locations under
9 consideration by the business; all lease agreements, ownership
10 documents, or substantially similar documentation for the business's
11 current in-State locations; and all lease agreements, ownership
12 documents, or substantially similar documentation for the potential
13 out-of-State location alternatives, to the extent they exist. Based on
14 this information, and any other information deemed relevant by the
15 authority, the authority shall independently verify and confirm, by
16 way of making a factual finding by separate vote of the authority's
17 board, the business's assertion that the jobs are actually at risk of
18 leaving the State and as to the date or dates at which the authority
19 expects that those jobs would actually leave the State, before a
20 business may be awarded any tax credits under this section, provided
21 however, item (i) shall not be required with respect to projects in the
22 Garden State Growth that qualified as an MRERA
23 [c.] e. A project that consists solely of point-of-final-purchase
24 retail facilities shall not be eligible for a grant of tax credits. If a
25 project consists of both point-of-final-purchase retail facilities and
26 non-retail facilities, only the portion of the project consisting of non-
27 retail facilities shall be eligible for a grant of tax credits. In a Garden
28 State Growth Zone or the Atlantic City Tourism District as
29 established pursuant to section 5 of P.L.2010, c.18 (C.5:12-219) and
30 regulated by the Casino Reinvestment Development Authority, up to
31 7.5% of retail facilities included in a mixed use project shall be
32 eligible for a grant of tax credits along with the non-retail facilities.
33 If a warehouse facility is part of a point-of-final-purchase retail

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Evolution of the “Material Factor” Requirement

To assist the authority in determining whether a proposed capital investment will yield a net positive benefit, the business's chief executive officer, or equivalent officer, shall submit a certification to the authority indicating that: (i) any existing full-time jobs are at risk of leaving the State or being eliminated ; (ii) that any projected creation, or retention as applicable, of new full-time jobs would not occur but for the provision of tax credits under the program; and, (iii) that the business's chief executive officer, or equivalent officer, has reviewed the information submitted to the authority and that the representations contained therein are

accurate; provided, however, that ~~in satisfaction of~~ ~~for~~ items (i) and (ii) above, the certification with respect to projects in the Garden State Growth Zone that qualified as an MRERA shall indicate that, ~~absent~~ the provision of tax credits under the program is a material factor in the businesses decision to make a capital investment and locate in the Garden State Growth Zone that qualifies as an MRERA will allow the business to make a capital investment in the Garden State Growth Zone and assist the business's stability, competitiveness, economic efficiency and financial prospects. ~~the existing full-time jobs were at risk of leaving the State or being eliminated, consolidated, subject to a reduction in force, or not retained.~~ In the event that this certification by the business's chief executive officer, or equivalent officer, is found to be willfully false, the authority may revoke any award of tax credits in their entirety, which revocation shall be in addition to any other criminal or civil penalties that the business and the