

19:30-4.5 Violation

A violation of the provisions of this subchapter shall be deemed a violation of N.J.S.A. 34:11-56.25 et seq.

Repeal and New Rule R.1990 d.411, effective August 20, 1990.
See: 22 N.J.R. 1537(a), 22 N.J.R. 2532(a).

Section 3.5, Executive Director to enforce compliance, was repealed and recodified from 4.5.

19:30-4.6 (Reserved)

Repealed by R.1990 d.411, effective August 20, 1990.
See: 22 N.J.R. 1537(a), 22 N.J.R. 2532(a).

Section was 3.6, Effective date.

SUBCHAPTER 5. TARGETING OF AUTHORITY ASSISTANCE

19:30-5.1 Priority consideration of projects in economically distressed localities

(a) Subject to Federal tax law compliance and certain other legal restraints, any project located anywhere in the State of New Jersey may qualify for assistance from the Authority if it meets certain economic needs. Nevertheless, the Authority recognizes the special needs of certain municipalities and, accordingly, affords them priority consideration in offering its assistance. Such municipalities are eligible locations for a period of one year or longer.

(b) Qualification under this subchapter is not tantamount to project approval; it merely identifies certain municipalities for priority consideration. Projects must meet eligibility standards set forth in N.J.A.C. 19:31.

Amended by R.1995 d.435, effective August 21, 1995.
See: 27 N.J.R. 2377(a), 27 N.J.R. 3216(a).

19:30-5.2 Municipalities eligible for priority consideration

(a) Municipalities meeting either of the following criteria are considered eligible locations:

1. Constituting a "qualifying municipality" as defined in N.J.S.A. 52:27D-178, which designates certain municipalities as "New Jersey Urban Aid Municipalities" based on a formula including, but not limited to:

- i. At least one publicly financed dwelling unit for low income families in municipalities with populations in excess of 15,000;
- ii. The number of children receiving "Aid to Dependent Children" exceeds 250;
- iii. The municipality's equalized tax rate exceeds the State equalized tax rate; and
- iv. The municipality's equalized valuation per capita is less than the State equalized valuation per capita.

2. Eligibility under the Authority's formula requires that a municipality meet three of the four following standards:

- i. Unemployment rate above the State average;
- ii. Per capita income lower than the State average;
- iii. Ratables per capita less than the State average;
- iv. A total number of unemployed persons of 1,000 or more.

(b) A municipality shall remain on the list of eligible locations for a period of one year after the municipality ceases to meet the criteria in (a)1 and 2 above.

Amended by R.1995 d.435, effective August 21, 1995.
See: 27 N.J.R. 2377(a), 27 N.J.R. 3216(a).

19:30-5.3 Special eligibility list

The Executive Director shall, from time to time, establish a list of municipalities and activities by Standard Industrial Classification Number, eligible for Authority assistance, notwithstanding the requirements of N.J.A.C. 19:30-5.2 and 19:31, based on the Authority's objectives as indicated in N.J.A.C. 19:30-1.1.

SUBCHAPTER 6. FEES

19:30-6.1 Application fee

A non-refundable fee of \$500.00 shall accompany every application for Authority assistance, except for an application under the Urban Centers Small Loan Program for which the fee is \$250.00, and except for an application under the Trade Adjustment Assistance Center program for which there is no application fee. The non-refundable application fee of \$500.00 for a guarantee of a bond issued by the Authority is in addition to the bond application fee.

Amended by R.1987 d.318, effective August 3, 1987.
See: 19 N.J.R. 922(a), 19 N.J.R. 1456(b).

Changed non-refundable fee of \$250.00 to \$500.00. Added text "except for an . . ."

Amended by R.1990 d.411, effective August 20, 1990.
See: 22 N.J.R. 1537(a), 22 N.J.R. 2532(a).

Exception for Trade Adjustment Assistance Center added. Section recodified from 2.1.

19:30-6.2 Commitment fees

(a) A non-refundable commitment fee of \$750.00 is charged with the acceptance by an applicant of a loan guarantee or direct participation commitment from the Authority.

(b) A non-refundable commitment fee of \$300.00 is charged with the acceptance by an applicant of a direct loan commitment under the Urban Centers Small Loan Program.

(c) A non-refundable commitment fee of \$500.00, or one-half of one percent of the loan amount, whichever is greater, is charged with the acceptance by an applicant of any direct loan commitment other than as described in (b) above.

(d) A non-refundable extension fee of \$750.00, per extension requested by the borrower, shall be charged for the granting of an extension of the commitment letter beyond the original expiration date.

Recodified by R.1990 d.411, effective August 20, 1990.
See: 22 N.J.R. 1537(a), 22 N.J.R. 2532(a).

Section was 2.2.

Amended by R.1995 d.435, effective August 21, 1995.
See: 27 N.J.R. 2377(a), 27 N.J.R. 3216(a).

Raised commitment fee and added direct participation commitment in (a); added (d) regarding extension fee.

19:30-6.3 Closing fees

(a) Except as set forth in (a)1 below, for Authority-issued bonds, the fee to be paid at closing is one-half of one percent of the amount of the bond issue up to and including \$15,000,000; three-eighths of one percent of the amount in excess of the next \$10,000,000; and one-half of one percent of the bond amount in excess of \$25,000,000.

1. The fee to be paid at closing for Authority-issued bonds which benefit not-for-profit corporations, as defined by the Internal Revenue Code, shall be one-half of one percent of the amount of the bond issue, up to and including \$10,000,000 and one-quarter of one percent of the amount in excess of \$10,000,000.

(b) For guaranteed Authority-issued bonds or conventional loans, the guarantee fee, to be paid at closing, is one-half of one percent of the initial amount of the guaranteed portion of the loan multiplied by the number of years the guarantee is to be in effect. This fee is in addition to the fee described in (a) above if the Authority's guarantee relates to repayment of a bond issued by the Authority.

(c) For direct loans from the Authority, other than loans under the Urban Centers Small Loan Program, the fee, to be paid at closing, is \$500.00, or one-half of one percent of the loan amount whichever is greater.

Amended by R.1987 d.318, effective August 3, 1987.
See: 19 N.J.R. 922(a), 19 N.J.R. 1456(b).

Raised "one-tenth" to "one-quarter".

Recodified by R.1990 d.411, effective August 20, 1990.
See: 22 N.J.R. 1537(a), 22 N.J.R. 2532(a).

Section was 2.3.

Amended by R.1995 d.435, effective August 21, 1995.
See: 27 N.J.R. 2377(a), 27 N.J.R. 3216(a).

Amended fees.

19:30-6.4 Post-closing fees

(a) The fees in this section are due and payable upon closing of the bond amendment, approval of change of ownership, or signing of modification consent, waiver, or similar documents.

1. For refunding bonds issued to refinance or change the terms of outstanding Authority bonds, an amount equal to one-half of the closing fee (see N.J.A.C. 19:30-6.3(a)) shall be charged.

2. For combination refunding and new money bonds, an amount equal to one-half of the closing fee (see N.J.A.C. 19:30-6.3(a)) shall be charged on the refunding portion and the closing fee (see N.J.A.C. 19:30-6.3(a)) shall be charged on the new money portion.

3. For change of ownership of 50 percent or more of the project property or ownership interest in the borrower to an unrelated entity, or to a related entity not previously approved by the Authority for the project, a \$1,500 fee shall be charged.

4. For change of ownership of the project property or ownership interest in the borrower to a previously Authority-approved related entity, or for the transfer of less than 50 percent of the project property or ownership interest in the borrower to an unrelated entity (excluding a limited partner, or a shareholder holding or about to hold an ownership interest in the borrower of 10 percent or less), a \$750.00 fee shall be charged.

5. For changing project location or description, or changing loan document provisions on bond-financed projects, a \$750.00 fee shall be charged.

6. For review and execution of a document or the preparation of documents, or granting a consent or waiver related to an Authority-assisted project, a fee of \$250.00 shall be charged.

7. For executing (up to 10 bonds) or authorizing issuance of substitute bonds, a fee of \$100.00 per project, per occurrence shall be charged.

8. For modifying or restructuring payment terms for a direct loan or loan guarantee project a fee of \$1,000 shall be charged.

(b) When a transaction does not by its terms fall into one of the above categories, the Authority in its discretion shall determine the appropriate category based on the substance of the transaction. The categorization of the transaction on U.S. Department of the Treasury, Internal Revenue Service Form 8038 will be a significant factor in the determination of the fee.

Amended by R.1987 d.318, effective August 3, 1987.
See: 19 N.J.R. 922(a), 19 N.J.R. 1456(b).

Substantially amended.

Amended by R.1990 d.411, effective August 20, 1990.
See: 22 N.J.R. 1537(a), 22 N.J.R. 2532(a).

Definitions for refunding bond, related and unrelated entities clarified; examples added at (a)5; scope broadened; limitation on execution of bonds. Section was recodified from 2.4.

Amended by R.1993 d.217, effective May 17, 1993.

See: 25 N.J.R. 916(a), 25 N.J.R. 1998(a).

Added new (a)8.

Amended by R.1995 d.435, effective August 21, 1995.
See: 27 N.J.R. 2377(a), 27 N.J.R. 3216(a).

Raised fees.