

**CHAPTER 33**

**P.L. 2000, C.72, SECTION 6 DEMONSTRATION PROJECTS**

**Authority**

P.L. 2000, c. 72, specifically §6 and 26; and P.L. 2007, c. 137, specifically §21.

**Source and Effective Date**

R.2008 d.343, effective November 17, 2008.  
See: 40 N.J.R. 1814(b), 40 N.J.R. 6653(b).

**Chapter Expiration Date**

Chapter 33, P.L. 2000, c.72, Section 6 Demonstration Projects, expires on November 17, 2013.

**Chapter Historical Note**

Chapter 33, P.L. 2000, c.72, Section 6 Demonstration Projects, was adopted as special new rules by R.2002 d.9, effective December 11, 2001 (to expire December 11, 2002). See: 34 N.J.R. 307(a).

Chapter 33, P.L. 2000, c.72, Section 6 Demonstration Projects, was readopted as R.2003 d.124, effective February 18, 2003. See: 34 N.J.R. 3495(a), 35 N.J.R. 1425(b). Chapter 33, P.L. 2000, c.72, Section 6 Demonstration Projects, expired on February 18, 2008.

Chapter 33, P.L. 2000, c.72, Section 6 Demonstration Projects, was adopted as new rules by R.2008 d.343, effective November 17, 2008. See: Source and Effective Date.

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**SUBCHAPTER 1. GENERAL PROVISIONS**

**19:33-1.1 Purpose and applicability of rules**

(a) These rules are promulgated by the New Jersey Schools Development Authority (“the Authority”) to implement Section 6 of the Educational Facilities Construction and Financing Act, P.L. 2000, c. 72, N.J.S.A. 18A:7G-6, as amended by P.L. 2007, c. 137, (“the Act”). Section 6 of the Act establishes the program and process whereby the Authority reviewed and recommended six school facilities projects with community design features that were selected by the Treasurer to be demonstration projects. The Authority has entered into grant agreements with redevelopment entities and SDA districts that govern the terms and conditions of the funding and undertaking of such projects.

(b) Any school district that had a school facilities project with community design features designated as a demonstration project shall at a minimum comply with the requirements of this chapter, as applicable.

Amended by R.2003 d.124, effective March 17, 2003.  
See: 34 N.J.R. 3495(a), 35 N.J.R. 1425(b).

In (a), substituted “New Jersey Schools Construction Corporation” for “New Jersey Economic Development Authority” and “Corporation” for “Authority” throughout.

Amended by R.2008 d.343, effective November 17, 2008.  
See: 40 N.J.R. 1814(b), 40 N.J.R. 6653(b).

Rewrote (a); and in (b), substituted “that had” for “applying for designation of” and inserted “designated”.

**19:33-1.2 Definitions**

The following words and terms, when used in this chapter, shall have the following meanings unless the context clearly indicates otherwise:

“Act” means the Educational Facilities Construction and Financing Act, P.L. 2000, c. 72 (N.J.S.A. 18A:7G-1 et seq.), as amended by P.L. 2007, c. 137, or successor statutory authority.

“Authority,” “Development Authority” or “SDA” means the New Jersey Schools Development Authority, an entity which undertakes and funds school facilities projects under the Act and which is an entity formed pursuant to P.L. 2007, c. 137, as successor to the New Jersey Schools Construction Corporation.

“Chief Executive Officer” means the Chief Executive Officer of the Authority.

“Commissioner” means the Commissioner of the New Jersey Department of Education or his or her designee.

“Community design feature” means any area, rooms, equipment, recreational area or playground included in a demonstration project which is to be used in common by students of the district and by residents of the community.

“Consultant” means a consultant, including a design consultant, engaged by the redevelopment entity for a demonstration project providing professional services associated with research, development, design and construction administration, alteration, or renovation of real property, as well as incidental services that members of these professions and those in their employ may logically or justifiably perform. A consultant may provide services including studies, investigations, surveys, evaluations, consultations, planning, programming, conceptual designs, plans and specifications, cost estimates, construction management, inspections, shop drawing reviews, preparation of operating and maintenance manuals, and other related services.

“Contracted party” means a consultant, contractor, and their subconsultants and subcontractors and any other party providing material or services to the redevelopment entity in connection with a demonstration project.

“Corporation” means the New Jersey Schools Construction Corporation, the predecessor to the Authority, abolished by P.L. 2007, c. 137, which was the entity formed by the New Jersey Economic Development Authority pursuant to N.J.S.A. 34:1B-159 to carry out the New Jersey Economic Development Authority’s responsibilities under the Act, except the power to incur indebtedness.

“Demonstration project” means a school facilities project selected by the State Treasurer for construction by a redevelopment entity pursuant to section 6 of the Act (N.J.S.A. 18A:7G-6) and this chapter.

“Department” means the New Jersey Department of Education.

“Division of Criminal Justice, Bureau of Fiscal Oversight/SDA” or “Bureau of Fiscal Oversight/SDA” means the unit which is the successor to the Unit of Fiscal Integrity within the Office of the Attorney General created by N.J.S.A. 18A:7G-43.

“Educational adequacy” means, for purposes of a demonstration project, the suitability of a facility for the provision of instruction that will enable students to achieve the Core Curriculum Content Standards and encompass the standards established in the facilities efficiency standards combined with the requirements of N.J.A.C. 6A:26.

“Final eligible costs” means, for a demonstration project, the final eligible costs of the project as determined by the Commissioner and reviewed by the Authority which may include the cost of community design features determined by the Commissioner to be an integral part of the school facility and which do not exceed the facilities efficiency standards and any additional spaces approved by the Commissioner

pursuant to N.J.S.A. 18A:7G-5, and which were reviewed by the Authority and approved by the State Treasurer pursuant to N.J.S.A. 18A:7G-6.

“Grant” means the funds to be provided to the school district by the Authority to pay for the State share of a demonstration project pursuant to this chapter.

“Grant agreement” means the grant agreement among the Authority, school district, and redevelopment entity setting forth the contractual terms and conditions under which the Authority funds the State share.

“Local share” means, in the case of a demonstration project, the total costs less the State share as determined pursuant to N.J.S.A. 18A:7G-5 and 18A:7G-6.

“Long-range facilities plan” or “LRFP” means the plan required to be submitted to the Commissioner by a school district pursuant to N.J.S.A. 18A:7G-4 and N.J.A.C. 6A:26-2.

“Preliminary eligible costs” means the initial eligible costs of a school facilities project as calculated pursuant to the formulas set forth in P.L. 2000, c. 72, §7, which shall be deemed to include the costs of construction and other allowable costs.

“Redevelopment entity” means a redevelopment entity authorized by a municipal governing body to implement plans and carry out redevelopment projects in the municipality pursuant to the “Local Redevelopment and Housing Law,” P.L. 1992, c.79 (N.J.S.A. 40A:12A-1 et seq.).

“School district” means a local or regional school district established pursuant to chapter 8 or chapter 13 of Title 18A of the New Jersey Statutes, a county special services school district established pursuant to article 8 of chapter 46 of Title 18A of the New Jersey Statutes, a county vocational school district established pursuant to article 3 of chapter 54 of Title 18A of the New Jersey Statutes, and a school district under full State intervention pursuant to P.L. 1987, c. 399 (N.J.S.A. 18A:7A-34 et seq.).

“School facilities project” means as defined in P.L. 2000, c. 72 prior to August 6, 2007, the acquisition, demolition, construction, improvement, repair, alteration, modernization, renovation, reconstruction, or capital maintenance of all or any part of a school facility or of any other personal property necessary for, or ancillary to, any school facility, and shall include fixtures, furnishings, and equipment, and shall also include, but is not limited to, site acquisition, site development, the services of design professionals such as engineers and architects, construction management, legal services, financing costs and administrative costs and expenses incurred in connection with the project. To qualify as a school facilities project, the project must be new construction in order to meet the housing needs of unhoused students, or rehabilitation for the purpose of keeping a school facility functional for its original purpose or for a new purpose accomplished within the gross square footage of the original