

center designations of previously designated centers or a minimum 10-year extension on existing centers.

RESPONSE: The Commission appreciates the support for the State Development and Redevelopment Plan, the Plan Endorsement process, and the work of the municipalities with designated centers. The effort and expense of plan endorsement must be juxtaposed with the impact of failing to re-establish plan endorsements or center designations. Failure to re-establish plan endorsement or center designations may only compound the problem for municipalities as these designations facilitate smart growth in myriad ways, including eligibility for economic incentives and triggering of land use standards. Accordingly, these amendments provide a limited extension to delay the potential incursion of significant costs to impacted municipalities and ensure continuity for businesses in the near-term that are considering economic development and re-development projects, while also facilitating smart growth by requiring municipalities to re-establish plan endorsements or center designations.

2. COMMENT: The NJLM expressed support for the proposed amendments, but suggested that municipalities should have a means to opt out of the proposed extensions.

RESPONSE: The Commission appreciates the support for the State Development and Redevelopment Plan, the Plan Endorsement process, and the work of the municipalities with designated centers. The amendments provide a limited extension to allow municipalities to determine whether to re-establish their plan endorsements and center designations. These amendments are appropriately limited in scope to delay the potential incursion of significant costs to impacted municipalities and ensure certainty for businesses in the near-term that are considering economic development and re-development projects, while also facilitating smart growth by requiring municipalities to re-establish plan endorsements or center designations. If they do not take further action by June 2020, their centers will expire. Creating an opt-out provision is beyond the scope of this rulemaking. However, these amendments do not affect municipalities' ability to modify their existing plan endorsements and center designations pursuant to N.J.A.C. 5:85-7.24 or seek map amendments pursuant to N.J.A.C. 5:85-8.3.

3. COMMENT: Edward Purcell, Esq., expressed opposition to the extension and suggested that an opt-out provision should be added because one of his firm's municipal clients is unable to make certain reasonable zoning changes until its center designation expires.

RESPONSE: The Commission understands that not all municipalities want to continue their center designation. See also the Response to Comment 2.

4. COMMENT: Save the Barnegat Bay expressed concerns that the population in Ocean County has increased by nearly 600,000 over the last 50 years and that the Commission should create a separate designation for Barnegat Bay municipalities to ensure that they work toward adopting better stormwater practices.

RESPONSE: Setting a separate designation for Barnegat Bay municipalities is outside the scope of this rulemaking; however, the Commission looks forward to working with all municipalities to address resiliency, sustainability, stormwater impacts, and water quality concerns through the Plan Endorsement process before re-establishing plan endorsements and center designations.

5. COMMENT: Jean Public submitted a comment stating that Raritan Township should not be a designated center, because it is not conducive to be a center.

RESPONSE: Raritan Township has not been designated as a center by the Commission.

**Federal Standards Statement**

There are no Federal standards or requirements applicable to the adopted amendment. As a result, a Federal standards analysis is not required.

Full text of the adoption follows:

SUBCHAPTER 7. PLAN ENDORSEMENT

5:85-7.21 Period of endorsement

(a)-(f) (No change.)

(g) Any center with an expiration date on or before December 31, 2019, is extended to June 30, 2020.

(a)

**LOCAL PLANNING SERVICES**

**Administration of the Main Street New Jersey Program**

**Adopted New Rules: N.J.A.C. 5:103**

Proposed: March 18, 2019, at 51 N.J.R. 400(a).

Adopted: May 23, 2019, by Lt. Governor Sheila Y. Oliver, Commissioner.

Filed: May 23, 2019, as R.2019 d.070, with a non-substantial change not requiring additional public notice or comment (N.J.A.C. 1:30-6.3).

Authority: N.J.S.A. 52:27D-452 et seq.

Effective Date: June 17, 2019.

Expiration Date: June 17, 2026.

Summary of Public Comment and Agency Response:

**There were no public comments.**

**Federal Standards Statement**

A Federal standards analysis is not required because these adopted new rules are not being adopted to implement, comply with, or participate in any program established under Federal law or a State law that incorporates or refers to Federal law, standards, or requirements.

Full text of the adopted new rules follows (addition to proposal indicated in boldface with asterisks \*thus\*, deletion from proposal indicated in brackets with asterisks \*[thus]\*):

CHAPTER 103

ADMINISTRATION OF THE MAIN STREET NEW JERSEY PROGRAM

SUBCHAPTER 1. GENERAL PROVISIONS

5:103-1.1 Purpose

The purpose of this chapter is to establish criteria for the designation of local downtown areas as Main Street New Jersey (MSNJ) districts and administration of the Main Street New Jersey Program authorized by N.J.S.A. 52:27D-452 et seq.

5:103-1.2 Applicability

(a) The MSNJ program seeks to support municipalities who are working with owners of small businesses and entrepreneurs to foster public and private reinvestment in managed mixed-use commercial districts operating in historic New Jersey downtowns. It does so through the criteria evaluation and designation process set forth in this chapter.

(b) With certain exceptions set forth at N.J.A.C. 5:103-3.1(c), only MSNJ district management organizations designated in accordance with this chapter are eligible to receive training and technical assistance through MSNJ.

5:103-1.3 Definitions

The following words and terms as used in this chapter shall have the following meanings unless context clearly indicates otherwise.

“Assistance” means the provision of technical support and training to MSNJ district management organizations, their staff and volunteers, and/or business and property owners who are implementing the purposes of the MSNJ program in that district.

“Award” means the dollar amount of an approved MSNJ grant.

“Awardee” means the eligible organization that is receiving an MSNJ grant.

“Commercial district” means part of a city or town where the primary land use is for commercial activities, for example, shops, offices, theaters, or restaurants.

“Commissioner” means the Commissioner of the New Jersey Department of Community Affairs and shall include any staff member

authorized by the Commissioner to act on his or her behalf with respect to any matter contained within this chapter.

“Department” means the New Jersey Department of Community Affairs.

“Design assistance program” means a program that provides guidance and/or funding to encourage building renovation or rehabilitation consistent with the recommended treatments described in the Secretary of the Interior’s Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings of historic properties in an MSNJ district.

“District management corporation” means an entity created by municipal ordinance or incorporated pursuant to Title 15A of the New Jersey Statutes and designated by municipal ordinance to receive funds collected by a special assessment within an improvement district, as authorized by P.L. 1998, c. 115 (N.J.S.A. 40:56-71.3), as amended.

“Downtown commercial district” means the specific geography, defined by property parcels, identified as a proposed area for the operation of an MSNJ district management organization.

“Eligible organization” means a recognized 501(c)(3), (c)(4), or (c)(6) organization with the primary mission of revitalizing a commercial district with at least one representative of the municipal governing body or staff serving on the board of directors.

“Grant” means financial contribution from the Department that aids the purposes of eligible projects under the MSNJ grant rules and implements the purposes of the MSNJ program.

“Letter of agreement” means a document prepared, and signed by, the Department, and also signed by the MSNJ district management organization, and the mayor of the municipality in which the MSNJ district management organization operates. This document defines and delineates the roles and responsibilities related to being part of the MSNJ program.

“Leverage” means the specific amount of non-MSNJ-grant funds listed in the application for implementation of a qualified project and is synonymous with “matching funds.”

“MSNJ Design Guidelines for Facades and Storefronts” means the document created by the MSNJ program that serves as the MSNJ minimum standard for improvements to, and construction of, facades and storefronts in an MSNJ district. Use of these standards is required for any project funded all, or in part, through the MSNJ program.

“MSNJ district” means the specific geography defined by property parcels that is designated by the Department through the MSNJ program.

“MSNJ district management organization” or “district management organization” means an organization designated to be part of the MSNJ program by the Department.

“MSNJ placemaking project criteria” means the document created by the MSNJ program that serves as the MSNJ minimum standard for placemaking projects in the public realm in an MSNJ district. Use of these criteria is required for any project funded all, or in part, through the MSNJ program.

“MSNJ Return on Investment (ROI) and Reinvestment Reports” means the forms through which the MSNJ program collects key data regarding the changes to the economic, placemaking, social, and civic value of both the MSNJ district and the MSNJ district management organization.

“National Main Street Center” means the organization that coordinates the Main Street America® program and brand as an independent subsidiary of the National Trust for Historic Preservation.

“Placemaking” means a multi-faceted approach to the planning, design, and management of public spaces. Placemaking capitalizes on a local community’s assets, inspiration, and potential, with the intention of creating public spaces that promote health, happiness, and well-being while fostering local economic development.

“Transformation strategies” means focused, deliberate paths to revitalizing or strengthening a downtown or commercial district’s economy. An effective transformation strategy serves a customer segment, responds to an underserved market demand, or creates a differentiated destination. The National Main Street Center has created a methodology to assist communities in creating transformation strategies.

“Workplan” means a comprehensive annual plan that sets forth the program details of an MSNJ district’s transformation strategies including:

goals, responsible parties, timelines, budget costs, revenues, staff time, volunteer time, and partners.

## SUBCHAPTER 2. APPLICATION AND DESIGNATION REQUIREMENTS

### 5:103-2.1 Program description

(a) The MSNJ program promotes the historic and economic redevelopment of traditional business districts in New Jersey by providing training and technical assistance to designated MSNJ districts. The purpose of the program is to assist the development of preservation-based downtown revitalization initiatives including strengthening the existing tax base, increasing sales, creating a positive community image with attractive and viable downtown buildings, attracting new businesses, creating new jobs, increasing investment in the downtown, and preserving historic architectural resources.

(b) Districts are designated for participation in the MSNJ program through the process set forth in this subchapter. Once designated, an MSNJ district management organization is eligible to receive training and technical assistance as described in N.J.A.C. 5:103-3 and grants as described in N.J.A.C. 5:103-4.

### 5:103-2.2 Applicant eligibility criteria

(a) An applicant for a district that was formerly designated an MSNJ district and currently is accredited through the National Main Street Center’s Main Street America® process prior to \*[(the effective date of this chapter)]\* **June 17, 2019**\*, shall execute a Letter of agreement with MSNJ for designation as an MSNJ district.

(b) An applicant not subject to (a) above shall be an eligible organization that manages a defined downtown commercial district; a redevelopment agency that has been established by the municipal governing body pursuant to N.J.S.A. 40A:12A-11, or a district management corporation created to oversee an Improvement District pursuant to N.J.S.A. 40:56-65 et seq.

### 5:103-2.3 Application submission requirements

(a) To apply for designation as an MSNJ district, an eligible organization, with municipal support codified by a resolution of the governing body, must complete and apply in a form provided by the Department. MSNJ districts shall be evaluated through a competitive process.

(b) The applicant shall include the following information in its MSNJ application, which shall be used to evaluate the submission:

1. Vision and mission statements relevant to community conditions and to the MSNJ district’s organizational status;

2. A workplan, including specific activities in the areas of organization, promotion, design and economic vitality, timelines, and personnel responsibilities;

3. A budget, showing committed funding for five years;

4. Information that describes the character of the municipality and explains the perceived advantages to becoming an MSNJ district, including, but not limited to:

i. The history and current conditions of the community’s mixed-use district being proposed for designation;

ii. Municipal demographics, economic base, and other economic indicators;

iii. Potential to benefit from the training and technical assistance provided by the MSNJ program;

iv. Existing and/or future redevelopment within the proposed MSNJ district and the municipality;

v. Existing municipal, State and Federal development programs, opportunities, and activities within the proposed MSNJ district and the municipality;

vi. Existence of opportunities provided by local government and financial institutions to encourage economic reinvestment within the proposed district; and

vii. Other community organization activities, cultural and recreational events, and facilities that may contribute to revitalization of the proposed MSNJ district;

5. Information that describes the applicant’s readiness, which shall include:

- i. Ability to begin participation in the MSNJ program immediately upon designation, as evidenced by organizational and financial readiness of the applicant to manage the proposed program;
  - ii. Indication of broad-based support and understanding of the proposed program and its transformation strategies and objectives within business and residential communities and among elected and appointed municipal officials;
  - iii. Consistency of the goals proposed by the MSNJ program with the “Main Street Approach®”; and
  - iv. Job description, selection process, compensation, and means of evaluating performance of the executive director;
6. Information that describes the proposed MSNJ district’s characteristics, which shall include:
- i. Existence of a cohesive and well-defined traditional commercial district with a concentration of historic buildings and sites;
  - ii. Quantity and quality of housing in and around the proposed MSNJ district;
  - iii. Economic base and business mix of the proposed MSNJ district and surrounding areas; and
  - iv. The results of downtown revitalization activities and investment by government and private entities; and
7. Information that supports the application, including slides, aerial photographs, maps, resolutions, and other information.

5:103-2.4 Application review

- (a) Applications will be reviewed for consistency with N.J.A.C. 5:103-2.3.
- (b) The applicant will be notified in writing of any deficiencies in its application. An applicant receiving written notice of deficiencies shall cure the deficiencies within seven business days of receipt of the notice. Failure to satisfactorily address all deficiencies within seven days shall automatically result in the rejection of the applicant’s application.
- (c) An application that does not meet the requirements set forth at N.J.A.C. 5:103-2.3 shall be declared ineligible by the Department.
- (d) Applicants not selected for designation as an MSNJ district will be notified in writing by the Department.
- (e) Successful applicants will be notified in writing by the Department and shall be designated as an MSNJ district, which shall not be effective until a Letter of agreement pursuant to N.J.A.C. 5:103-3.1(a) and 3.2 is executed.

SUBCHAPTER 3. DESIGNATED MSNJ DISTRICTS

5:103-3.1 Assistance provided

- (a) Upon designation as an MSNJ district, the successful district management organization, the participating municipality, and the Department shall enter into a formal Main Street New Jersey Letter of agreement. This agreement shall set forth the responsibilities of each party relative to participation in the MSNJ program. The Letter of agreement shall be in effect for one year with provision for annual renewal by agreement of the parties.
- (b) Depending on the availability of State resources, services provided by the Department to a designated MSNJ district management organization shall be at no cost to the municipality and may include, but not be limited to, the following:
  - 1. Volunteer and executive director training;
  - 2. Training on specific downtown issues, including, but not limited to, marketing, business recruitment, volunteer management, and historic preservation;
  - 3. Visits by professional consultants to help each municipality develop its strengths and plan for the success of its downtown area, including:
    - i. Small business development consulting services for local business owners;
    - ii. Marketing and public relations consulting for local businesses and “Main Street New Jersey” organizations; and
    - iii. Architectural design consulting for business and property owners; and
  - 4. Educational materials, including manuals and slide programs.

(c) The Department may provide limited training and technical assistance in any New Jersey municipality, including, but not limited to:

- 1. Planning assistance through the Department’s Office of Local Planning Services, off-site phone and e-mail help, scholarships to the NJ Downtown Institute, and advocacy for revitalization projects with other State agencies and departments; and
- 2. At the request of the municipality in which a revitalization effort is located, a public or private entity that has not been designated as an MSNJ district management organization but is involved in the local downtown revitalization effort may also receive limited assistance from the Main Street New Jersey program. Such request shall be in the form of a formal resolution adopted by the municipal governing body.

5:103-3.2 Designated MSNJ district requirements

- (a) The MSNJ district management organization shall, in accordance with the Letter of agreement:
  - 1. Maintain status as an independent, recognized 501(c)(3), (c)(4), or (c)(6) with the primary mission of revitalizing a commercial district with at least one representative of the municipal governing body or staff serving on the board of directors;
  - 2. Dedicate funding in an annual operating budget, which at a minimum covers the following costs:
    - i. Executive director salary and fringe benefits. MSNJ district management organizations in municipalities with a population of more than 20,000, according to the most recent Decennial Census, shall employ a full-time, paid executive director;
    - ii. Rent and general office expenses;
    - iii. Travel to MSNJ meetings and the National Main Street Conference; and
    - iv. Executive director professional development;
  - 3. Establish and maintain an active volunteer board of directors representing downtown stakeholders to oversee the organization;
  - 4. Conduct a program of ongoing training for staff and volunteers;
  - 5. Maintain membership in the National Main Center’s Main Street America® program;
  - 6. Submit monthly MSNJ Return on Investment (ROI) and Reinvestment Reports on the forms supplied by the MSNJ program;
  - 7. Attend the annual National Main Street NOW Conference and the NJ Downtown Institute;
  - 8. Indicate broad-based community support for the MSNJ district revitalization process, with strong support from both the public and private sectors;
  - 9. Maintain a comprehensive downtown revitalization strategy based on the National Main Street Center’s Main Street Approach® and Main Street America® structure including:
    - i. Implementing a variety of activities in the areas of organization, promotion, design, and economic vitality;
    - ii. Developing vision and mission statements relevant to community conditions and to the MSNJ district’s organizational status; and
    - iii. Developing and implementing a comprehensive annual workplan;
  - 10. Create standards that protect historic resources and encourage historic preservation as evidenced by:
    - i. Having or working towards an active design assistance program;
    - ii. Encouraging building renovation or rehabilitation consistent with the recommended treatments described in the Secretary of the Interior’s Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings; and
    - iii. Encouraging public awareness of the historic properties in the MSNJ district and the importance of their preservation;
  - 11. Develop land use policies that encourage development and/or rehabilitation of property in the MSNJ district area;
  - 12. Develop financial mechanisms and incentives to attract investment to the MSNJ district; and
  - 13. Develop public-private partnerships.

SUBCHAPTER 4. GRANTS

5:103-4.1 MSNJ awards for physical improvements and operational support

(a) To the extent that funding is available, designated MSNJ district management organizations shall be eligible to apply for grant funding for both physical improvements and operational support.

(b) Funding opportunities will be announced to all designated MSNJ districts management organizations. Applications for funding will be available through the Department’s grants application and management system.

5:103-4.2 Scope of project; activities

(a) During the first year following designation, each MSNJ district management organization will be eligible to apply for a start-up grant for operational support. All local program activities assisted through this grant shall be in accordance with the transformation strategies defined by Main Street New Jersey and the National Main Street Center®.

(b) Designated MSNJ district management organizations may also apply for funding for physical improvement projects that result in visible and tangible change, foster private and public reinvestment, local economic growth, and quality placemaking within the district including, but not limited to, the following:

1. Improvement and restoration of mixed-use and commercial buildings and storefronts following the minimum standards of the MSNJ Design Guidelines for Facades and Storefronts;

2. Improvement and creation of placemaking projects in public and publicly accessible spaces meeting or exceeding the MSNJ placemaking project criteria; and

3. Costs of professional services directly related to implementing the project.

(c) The MSNJ district management organization shall submit a budget for the project, in a form to be provided by the Department, that shows the breakdown of how the grant is to be used and other additional funds leveraged for the project.

(d) All activities shall take place within the designated MSNJ district.

(e) Buildings and facilities used for the general conduct of government and schools within the MSNJ district may not be included in a project receiving MSNJ grant funding.

(f) The MSNJ district management organization shall submit a timeline for completion of the qualified project(s) that are the subject of the project application.

5:103-4.3 Funding criteria

(a) The operational grant shall meet the following criteria:

1. The grant funding will support the development or refinement of strategic transformation strategies for the local MSNJ program as defined by Main Street New Jersey and the National Main Street Center®.

(b) The physical improvement grant project shall meet the following criteria:

1. The project shall clearly fit within the MSNJ district management organization’s comprehensive annual workplan and be located within the MSNJ district. Grant applicants shall submit the comprehensive annual workplan with the MSNJ grant application.

2. A façade and storefront improvement project shall meet or exceed the minimum standards as defined by the MSNJ Design Guidelines for Facades and Storefronts.

3. A placemaking project shall meet or exceed the minimum standards as defined by the MSNJ placemaking project criteria.

**MILITARY AND VETERANS’ AFFAIRS**

**(a)**

**OFFICE OF THE ADJUTANT GENERAL  
New Jersey Distinguished Service Medal**

**Adopted Amendments: N.J.A.C. 5A:3-2.1 and 2.3**

Proposed: January 22, 2019, at 51 N.J.R. 132(a).

Adopted: April 23, 2019, by Brigadier General Jemal J. Beale, The Adjutant General, Commissioner, Department of Military and Veterans’ Affairs.

Filed: May 13, 2019, as R.2019 d.061, **without change**.

Authority: N.J.S.A. 38A:3-6(o) and 38A:15-2 and 3; P.L. 2017, c. 376.

Effective Date: June 17, 2019.

Expiration Date: August 23, 2025.

**Summary of Public Comment and Agency Response:**

The Department of Military and Veterans’ Affairs (Department) received one comment from Reshef Harpaz.

COMMENT: The commenter thanked the Department for updating the rules.

RESPONSE: The Department acknowledges and appreciates the commenter’s expression of support.

**Federal Standards Statement**

The adopted amendments are not subject to any Federal requirement or standards. Therefore, a Federal standards analysis is not required.

Full text of the adoption follows:

**SUBCHAPTER 2. AWARD CRITERIA, APPLICATION PROCEDURES, AND ISSUANCE**

5A:3-2.1 Criteria for award

(a) Any member of the organized militia or the Armed Forces of the United States or a Reserve component thereof, or who was honorably discharged therefrom, shall be eligible for the New Jersey Distinguished Service Medal.

(b) To qualify for the New Jersey Distinguished Service Medal, the individual must have been a resident at the time of entry into service or has been a resident of this State for at least 20 years in the aggregate; and:

1. Has served in a combat theater of operations during a time of war or emergency as attested to by the awarding of an honorable discharge (DD 214 or WD 53) by the respective Armed Forces; or

2. Has been officially listed as a prisoner of war or missing in action by the United States Department of Defense.

(c) Individuals eligible for the award, whose service was recognized by the award of the Bronze Star, Purple Heart, Air Medal, or equivalent, or higher medal, shall also be awarded the silver oak leaf cluster to be affixed to surface and suspension ribbons.

(d) (No change.)

5A:3-2.3 Procedures for requesting award

(a)-(b) (No change.)

(c) The New Jersey Distinguished Service Medal for a deceased person or a person absent as a prisoner of war or missing in action may be requested by, and shall be issued to, a parent, spouse, sibling, child, or other relative who submits all of the required forms and documentation on behalf of that person. The request must include a copy of the veteran’s death certificate (if applicable), and proof of relationship, such as a birth certificate, marriage certificate, or baptismal certificate.

**ENVIRONMENTAL PROTECTION**

**(b)**

**NEW JERSEY WATER SUPPLY AUTHORITY  
Schedule of Rates, Charges, and Debt Service  
Assessments for the Sale of Water from the  
Raritan Basin System**

**Adopted Amendments: N.J.A.C. 7:11-2.3, 2.4, 2.5,  
and 2.6**

Proposed: January 7, 2019, at 51 N.J.R. 12(a).

Adopted: April 8, 2019, by the New Jersey Water Supply Authority, Catherine R. McCabe, Chair, and Commissioner, Department of Environmental Protection.

Filed: May 22, 2019, as R.2019 d.068, **without change**.

Authority: N.J.S.A. 58:1B-1 et seq., specifically 58:1B-7.

DEP Docket Number: 08-18-12.

Effective Date: June 17, 2019.

Operative Date: July 1, 2019.