

<u>Activity</u>	<u>Basis</u>	<u>Amount</u>
1. Registration for initial authorization, or renewal of authorization, to act under a General Operating Permit	Per Registration	[\$820.00] 885.00
2. Registration for, or five-year renewal of, authorization to operate a used oil space heater under N.J.A.C. 7:27-20.3	Per Registration	[\$820.00] 885.00

STATE
(a)

**NEW JERSEY STATE LIBRARY
New Jersey Library Construction Bond Act Rules
Adopted New Rules: N.J.A.C. 15:24**

Proposed: July 1, 2019, at 51 N.J.R. 1102(a).
Adopted: October 10, 2019, by Mary L. Chute, State Librarian.
Filed: October 10, 2019, as R.2019 d.113, **with non-substantial changes** not requiring additional public notice and comment (see N.J.A.C. 1:30-6.3).
Authority: P.L. 2017, c.149.
Effective Date: November 4, 2019.
Expiration Date: November 4, 2026.

Summary of Public Comments and Agency Responses:
Comments were received from Michael Maziekien, Director, Cranford Public Library; Jeffrey Trzeciak, Director, Newark Public Library; Anthony Iovino, AIA, of Arcari + Iovino Architects; Christopher P. Statile, President, Professional Engineers and Planners; James K. Keehler, Director, Hunterdon County Library; Dan Weiss, Director, Fanwood Public Library; Mary Ellen Rogan, Director, Plainfield Public Library; Marilyn G. Mullen, Director, Cranbury Public Library; Patricia Pavlak, President, Cranford Public Library Board of Trustees; Thomas Binting, President, Free Public Library of the Borough of Madison; Leslie Burger, Library Development Solutions; Katherine McCaffrey, President, Maplewood Memorial Library Board of Trustees; Patricia Durso, Executive Administrator, Lee Memorial Library; Holly L. Pizzuta, Director, Weehawken Free Public Library; Michael D. Banick, Director, Millburn Free Public Library; Mary Faith Chmiel, Director, Elizabeth Public Library; Jenna McAndrews, Director, Deptford Free Public Library; George Wheatle Williams, Newark Public Library; Elizabeth K. Carroll, resident, Chatham NJ; Maplewood Township Committee: Mayor Victor DeLuca, Deputy Mayor Frank McGehee, Committeewoman Nancy Adams, Committeeman Greg Lembrick, Committeeman Dean Dafis; Eric Brophy, Esq., Executive Director, New Jersey Educational Facilities Authority; Karen Brodsky, Director, Library of the Chathams; Andrew Hollander, resident of Chatham and Board President of the Library of the Chathams; Ray Bednar, resident, Chatham; Erin DeSantis, American Chemistry Council; Vincent Volpicelli and Odile Volpicelli, residents, Chatham; Erv and Susan Hoag, Board members of Friends of the Library of the Chathams; Andrea Orsini, Director, Cape May County Library; Mayor Angie D. Devanney, Berkley Heights Township; Senator Thomas H. Kean, Assemblyman Jon M. Bramnick, Assemblywoman Nancy F. Munoz, 21st Legislative District; Michael Calafati, AIA, of Michael Calafati, Architect, LLC; Corey Fleming, Director, Paterson Public Library.

1. COMMENT: The commenter wants to know what happens if 10 towns all apply for \$10 million each. The commenter asked if the State is not obligated to support every \$20 million project that is proposed. The commenter said that doing so, in fact, would create the impression among voters that their support for Statewide grants to libraries has been translated into support for a small number of "big ticket" projects. This would not only prove disappointing to the majority of voters, but would actively discourage most voters from voting on similar ballot measures in the future.

RESPONSE: The decision to fund a proposed project is based on the quality of the grant application; how well the applicant has addressed the needs of the particular community in building design and allocation of space; how well the applicant has addressed the funding priorities at N.J.A.C. 15:24-2.3; and the means by which priority alignment will be determined and evaluated at N.J.A.C. 15:24-2.4. Applicants should carefully review the content of the rules cited and also the content of N.J.A.C. 15:24-4.1 and 4.2. The grant reviewers will submit their recommendation for the most qualified eligible projects to receive funding to the State Librarian.

The review process will be thorough and funding will be determined through a close examination of the above cited rules in the review of each application and through careful consideration of the projects. The State Librarian may determine maximum and minimum amounts for grant awards. There is no plan to set quotas for any type of library construction project.

2. COMMENT: The commenter questions if public university (academic) libraries are allowed to submit requests for funding or is the construction bond limited strictly to public libraries.

RESPONSE: The New Jersey Library Construction Bond Act ("Bond Act" or "Act") is for public libraries. See N.J.A.C. 15:24-2.1(a). Grants from the Bond Act shall be used only to fund approved projects for public libraries.

3. COMMENT: The commenter asks if three dimensional renderings will be required at N.J.A.C. 15:24-4.1(a)7, Application procedures. Project schematic plans, which include a site plan, elevations, and floor plans.

RESPONSE: No, three dimensional renderings are not required.

4. COMMENT: The commenter said it seems like every project needs to require a building analysis by an architect.

RESPONSE: The grant guidelines and application will provide some instances of repairs and improvements that will not require an architect. In those cases, an engineer or company providing an estimate for some repair work or improvements can be used instead of an architect.

5. COMMENT: N.J.A.C. 15:24-1.1, Purpose and scope: A commenter supports the State's goal for the library funding program and finds them to be consistent with those of their library.

6. COMMENT: N.J.A.C. 15:24-2.4(a), "project alignment with State priorities ... will be determined and evaluated ..." The commenter supports the State's priorities and find them to be consistent with their priorities.

RESPONSE TO COMMENTS 5 AND 6: The New Jersey State Library ("NJSL" or "State Library") thanks the commenters for their support.

7. COMMENT: The commenter requests NJSL to clarify if separate applications will be necessary for different types of projects (for example, new addition, rehabilitation, repair, etc.) or would one application be sufficient for both.

RESPONSE: NJSL is still working out the details to the grant application. The intent is to create a non-burdensome application(s) that will be clear and reasonable for the applicants to understand, taking into consideration that the rules are complex and the application will require time to complete. A technical session(s) will be held to provide information and to address questions on the grant application package after it is made available.

8. COMMENT: The commenter has a question regarding the application process. The commenter asks for information on the turnaround time for the application once submitted based on it being complete.

RESPONSE: This question cannot be answered at this time. The process is comprehensive to ensure the best use of public funds and the length of review time will be based on the number of applications

received. It is the intent of the State Library to move this process along, while completing all necessary steps as soon as possible, so that grant awards may be made.

9. COMMENT: The commenter wants to know if there is a deadline for application submission.

RESPONSE: There will be a deadline for application submission. The State Library will give applicants 90 days to complete their applications from the date the applications are made available.

10. COMMENT: In the notice of proposal Summary, at paragraph 1, it states that the Bond Act authorized the issuance of \$125 million in general obligation bonds **to provide** grants for the construction, reconstruction, extension, improvement, and furnishing of New Jersey's public libraries. The commenter suggests including the above language in bold.

RESPONSE: NJSL agrees that a change to the wording as suggested is good, but must advise the commenter that the notice of proposal is final upon publication and cannot be changed.

11. COMMENT: In the notice of proposal Summary, at paragraph 6, it states "... the State Librarian shall annually set a ceiling on maximum per square foot project cost, beyond which project costs will not be eligible in the compensation of State funding." The commenter asks if the rules could include more detail about how that maximum square foot cost will be calculated. Several commenters have stated that the maximum square foot costs cited in N.J.A.C. 15:24-2.5(a) are low.

RESPONSE: NJSL will consult with architects, subject matter experts, and professionals in the design and building fields in different locations in the State to obtain a cost that is reasonable and representative of variations across the State. The maximum square foot costs, as proposed, were based on 2018 costs per square foot cited to NJSL by architects in different locations of the State. NJSL recognizes that construction costs have risen since 2018 and has raised the maximum square foot costs from \$350.00 for new construction and \$200.00 for rehabilitation and repair to \$500.00 and \$300.00, respectively.

12. COMMENT: In the notice of proposal Summary, at paragraph 7, it states that the President shall prepare a list of projects that meet the eligibility requirements and that have been approved for funding by the President and submit this list, including the amount of each project grant, to the **New Jersey State Legislature** for approval." The commenter suggests including the above language in bold.

RESPONSE: NJSL agrees the wording as suggested is good, however the Summary section is final upon publication of the notice of proposal and a change cannot be made.

13. COMMENT: The commenter agrees that for "public libraries to best serve the residents of their communities, a modern, efficient, technologically current building with flexible space for the future is necessary."

Libraries have evolved into "centers of the community" and it is critical that they be modern and technologically current. Additionally, having flexible space is certainly necessary to accommodate the many community programs and activities now held in libraries.

RESPONSE: NJSL thanks the commenter for its support.

14. COMMENT: In the notice of proposal Social Impact statement, a commenter concurs with the statement that "resources and activities available with (libraries) are critical to the people of New Jersey; whether it be providing the technology that helps each resident to bridge the digital divide ...; engaging with others in a public forum ...; or by people attending library programs ...; or by participating in the joys of reading ... or by using any one of the numerous critical services provided by the public library."

15. COMMENT: In the notice of proposal Social Impact statement, a commenter agrees with the statement that many of the State's residents are "using libraries that are aging, lack adequate space for technology, and/or are not equipped for technology and electronic information."

The Library Construction Bond Act will help address this growing problem. It is critical that the rules being developed for the funding program are designed to meet the varied need of the public libraries across the State.

RESPONSE TO COMMENTS 14 AND 15: NJSL thanks the commenters for their support.

16. COMMENT: The commenter questions the term "socioeconomic profile" at N.J.A.C. 15:24-2.4(a)2. There is no description of what

measures of socioeconomic need are or what would be relevant. The commenter said that any weight given to such measures is not provided. The commenter also believes that fundraising should be considered in the eligibility process and accorded favorable weight. The commenter believes that communities who do so help create a public/private partnership that strengthens their library, help validate the library's needs, and shows the State Librarian that the community's citizens support the library's actions, and could offset some portion of local government tax-derived funding, all within the public mandate. The commenter also questions what "cost-effectiveness" means in the context of the construction and rehabilitation of a library; how it would be determined, and by what standards it would be measured.

RESPONSE: Socioeconomic profile is one of 14 criteria at N.J.A.C. 15:24-2.4, Means by which priority alignment will be determined and evaluated. It is up to the applicant to provide a profile of its community using the measures it decides are most relevant and descriptive of their community. These criteria are meant to be carefully considered in their entirety.

Applicants may certainly fundraise for their project in order to meet their matching requirement. Fundraising is not weighted. The concern of NJSL is that the matching funds requirement is met by the applicant in order for the applicant to be eligible and receive a grant award.

State funding requires accountability and fiscal prudence. For criteria at N.J.A.C. 15:24-2.4(a)14, pertaining to cost-effectiveness, the applicant should carefully consider the choices it will make in completing the project. The applicant can describe what efforts will be made to keep costs reasonable, where it will look for savings (for example, through public bidding, comparison shopping), what can be done to increase the efficiency of the building to save money in the short and long run, and what could be done to have a beneficial environmental impact. These are just examples. The applicant can describe how it plans to meet the cost-effective criterion with its own examples.

17. COMMENT: In the notice of proposal Economic Impact statement, at paragraph 2, sentence 2, "The New Jersey Library Association estimates that with the 1:1 match required to receive funds, anticipated [revenues] **economic benefit** generated by the construction project will be in excess of a quarter of a billion dollars." The commenter suggests including the above language in bold and deleting the language indicated in brackets.

RESPONSE: NJSL agrees the suggested wording is good, however the language in the notice of proposal Economic Impact is final upon publication and no changes can be made.

18. COMMENT: At N.J.A.C. 15:24-1.1, Purpose and scope, the commenter said that the awarding of funding in phases could complicate the bidding and contract process, and prolonging the funding process could lead to problems, as costs increase over time and original estimates lose accuracy. In addition, it would increase administrative costs incurred by individual libraries and the State Library.

19. COMMENT: At N.J.A.C. 15:24-1.1(d), the commenter said that awarding funds in more than one round lengthens the process unnecessarily and impairs planning and contracting by libraries. The commenter states that the rules provide no parameters for the creation of rounds. This provision is not present in the Bond Act.

RESPONSE TO COMMENTS 18 AND 19: The awarding of funding in phases provides the State Librarian with flexibility in decision making. After careful assessment, the State Librarian has decided that allowing for a phased program is the appropriate way to best address these needs.

The Bond Act gives the authority to the State Librarian, with the approval of the President, for adopting rules necessary to implement the provisions of the Bond Act. NJSL determines what rules are necessary to implement the Bond Act. The creation of rounds is an example of one such rule in the implementation of the Bond Act that provides the State Librarian with flexibility should that be necessary and in the best interests of the grant program and taxpayer resources.

20. COMMENT: At N.J.A.C. 15:24-1.1(d), the commenter suggests striking the following language in quotation marks: "Given the past decade of disinvestment in the State's libraries, and the two decades since the State's last program investing in public library construction," the State Librarian may seek to administer a phased solicitation process awarding funds in more than one round in order to most effectively respond to the

needs around New Jersey and dedicate bond resources accordingly. The commenter believes that the phrases are unrelated.

RESPONSE: NJSL does see the two phrases as related. It has been almost two decades since the last public library construction program. The State Librarian needs the flexibility to be able to respond to the pressing needs across the State since the last construction program.

21. COMMENT: At N.J.A.C. 15:24-1.1, Purpose and scope, the commenter suggests that equitable access should also be granted regardless of gender or sexual preference.

RESPONSE: NJSL has made this change to N.J.A.C. 15:24-1.1.

22. COMMENT: At N.J.A.C. 15:24-1.3, Definitions, the commenter recommends that the definition for “rehabilitation” be re-stated as: “... means the renovation, alteration, upgrade, or reconstruction of any building or building components, or structure.” This provides latitude for libraries to consider upgrading large internal/external building systems and components not related to the actual building or structure itself, but that may enhance the overall environment or its energy efficiency.

RESPONSE: The definition for rehabilitation that is used in the chapter is from the State of New Jersey Uniform Construction Code, Subchapter 6, Rehabilitation Subcode. NJSL agrees that libraries may upgrade building components when necessary, as certified by the architect. If an upgrade is necessary, the architect, engineer, or consultant can justify the need for an upgrade and it will be an eligible cost.

23. COMMENT: At N.J.A.C. 15:24-1.3, Definitions, reconstructing and reconstruction are terms used in the definitions of “construct and construction” and of “rehabilitation.” The commenter states that there is no separate definition of reconstruction. The commenter thinks there should be, since reconstruction is a substantial change to a library building. The commenter states that a reconstruction of a library is significantly different than rehabilitation or repair.

The commenter believes that Uniform Construction Code’s definition of reconstruction (N.J.A.C. 5:23-6.3) should be included in the rules. The commenter proposed a definition of “reconstruction” to mean “any project where the extent and nature of the work is such that the work area cannot be occupied while the work is in progress and where a new certificate of occupancy is required before the work area can be reoccupied.”

RESPONSE: Reconstruction of a library building or a building purchased to be a public library is an eligible project. As noted by the commenter, it is included in both the definition for construction and the definition for rehabilitation.

24. COMMENT: At N.J.A.C. 15:24-1.3, Definitions, “Applicant” or “eligible applicant,” the commenter states that association libraries should also be included in this definition. It is included in the Summary at paragraph 5: “Grants will be made to municipal, joint, county and association libraries.”

RESPONSE: Association libraries are included in the cited section. They are defined by the phrase “a library established pursuant to N.J.S.A. 15A:1-1 et seq., and receiving public funds pursuant to N.J.S.A. 40:54-35,” in the definition of “applicant.”

25. COMMENT: At N.J.A.C. 15:24-1.3, Definitions, “costs,” the commenter states that the definition in the rules does not match the definition of “costs” in the statute. They recommend making the definitions in the rule and statute match; that the below language is missing from the end of the definition:

“... the establishment of a reserve fund or funds for working capital, operating, maintenance, or replacement expenses and for the payment of security of principal or interest on bonds, as the Director of the Division of Budget and Accounting in the Department of the Treasury may determine; and reimbursement to any fund of the State of moneys which may have been transferred or advanced therefrom to any fund created by this act, or of any moneys which may have been expended therefrom for, or in connection with, any project authorized by this Act.”

RESPONSE: The language cited relates not to costs of a particular library project, but the costs associated with the issuance of the State bonds for this program. The issuance of State bonds is beyond the scope of the State Librarian’s authority under the statute, and, therefore, should not be included in the chapter.

26. COMMENT: At N.J.A.C. 15:24-1.3, Definitions, the commenter suggests adding a definition for “project grant award” that will provide the date that the grant award is considered approved for purposes of project cost reimbursement as cited in at N.J.A.C. 15:24-2.6(b)1. For example, this may be the date that the President issues a notice of grant awards; when a letter of the grant project recommendation is submitted to the Legislature; a date determined by tax law; or a date determined by the President of Thomas Edison State University or the State Librarian.

RESPONSE: NJSL is not adding a definition of “project grant award,” but rather refers the commenter to N.J.A.C. 15:24-2.63(b)1, where clarification has been made regarding when the grant award is considered approved.

27. COMMENT: The commenter believes that the definition of “costs” delegates overly broad authority to the President without providing any meaningful standards.

RESPONSE: The definition of costs is taken from the Bond Act. The President is given this authority by the Act. Meaningful standards are provided for in the rules (that is, cost per square foot, resiliency, the factors listed at N.J.A.C. 15:24-2.4, etc.).

28. COMMENT: A Statewide organization commented that “matching funds” notably excluded grants from State of New Jersey sources from being used to satisfy the matching requirement. The commenter questioned why this exclusion is necessary. In many circumstances municipal public libraries receive a portion of the funds needed for projects through State sources. This included grants from the New Jersey Historical Commission, the Department of Labor and Workforce Development, and the New Jersey Council for the Humanities.

By excluding these grants when calculating the matching funds, it puts libraries in the regretful position of having to choose between accepting grants, with limits on how they can be used. While the commenter understands that there may be limits on the use of grant funding from these other State entities, it is still possible that these purposes overlap. The commenter respectfully requests that the definition of matching funds be amended to allow other State grants to count towards matching funds, or alternatively, allow some portion of the matching funds to be derived from other State grants.

RESPONSE: The Bond Act does not allow State of New Jersey grants to be used as matching funds. The law specifically states the local governing entity in the area served by the public library may solicit and receive grants and other funds from any private source to support its required share of the project.

29. COMMENT: At N.J.A.C. 15:24-2.1(b), Allocation of funds; match requirement, the commenter asks if matching funds that the applicant must provide can include the appraised fair-market-value of the land donated by an individual, corporation, or non-profit corporation to the municipality upon which a branch library would be constructed. If this is not the case, the commenter requests that it be allowed and that this section of the rules be amended to specifically state that such a donation is an approved and eligible component of an applicant’s matching funds requirement.

RESPONSE: In the context of matching requirements for grants made with the State’s general obligation bonds, the match is required to be monetary.

30. COMMENT: At N.J.A.C. 15:24-2.1 Allocation of funds; match requirement, the commenter said that the rules are silent as to whether or not a library may provide additional funds above the 50 percent match. The commenter believes that project grant funding should not restrict overall projects costs and the applicant should not be capped with regard to raising and utilizing non-bond funding. The commenter wishes NJSL to change language at N.J.A.C. 15:24-2.1(b) to say the grant shall support no more than 50 percent of the cost of the project and the applicant shall provide matching funds to support at least 50 percent of the cost of the project. The applicant is permitted to raise and utilize funding above 50 percent matching funds for the project.

RESPONSE: The definition of matching funds allows for the use of any private funds. The matching funds must equal the grant amount dollar-for-dollar. Libraries may use funds above the matching requirement should the project exceed the total dollars that the State will fund. NJSL does not believe a change in language is necessary.

31. COMMENT: At N.J.A.C. 15:24-2.2, Types of eligible and ineligible projects, the commenter suggests adding “the acquisition of additional and upgraded furniture, fixtures, and/or information technology equipment” to subsection (a) as an “eligible project” as it is included in the definition of “project.”

RESPONSE: Because the focus of the Bond Act is construction, NJSL considers the acquisition of additional and upgraded furniture, fixtures, and/or information technology equipment as eligible costs within a construction project to renovate, rehabilitate, or build a library space. They are important parts of construction programs, but as with carpeting, they are not projects in and of themselves.

32. COMMENT: The commenter is concerned that N.J.A.C. 15:24-2.5(a) will disadvantage medium sized, essential projects around the State in favor of large projects in wealthy communities. To bring these costs closer to actual current construction costs, and to make approval of projects truly equitable, the commenter recommends a cost of at least \$500.00 per square foot for both new construction and renovation. This would ensure that voters throughout the State who voted for the New Jersey Library Construction Bond Act would not feel that wealthy communities were benefitting from this distribution at the expense of others.

33. COMMENT: The commenter said the new construction rate of \$350.00 may be unfair to applicants with smaller sized projects. The commenter said that this rate typically is for new buildings in the 10,000 square foot range and higher. Smaller projects, such as building additions, up to 5,000 square feet or so, will not have an economy of scale and will result in a disproportionately high rate. The commenter asks for the New Jersey State Library to create a category for additions with a maximum size.

33A. COMMENT: The commenter states that the \$200.00 per square foot maximum cap set for rehabilitation and repair of existing structures is unreasonably low for the renovation of interior spaces that include public bathrooms, due to the high cost of bringing these spaces up to Americans with Disabilities Act (ADA) compliance standards and current health and safety codes. Working towards fostering a greener library, the use of energy efficient and Green technology (LEED) is more efficient in the long-term. Though possibly a more complicated formula, interior renovations may well need a higher per square foot cap than exterior work such as façade and roof repairs. The commenter offered congratulations on all the work that has gone into this document and hopes that NJSL will take these suggestions under consideration.

34. COMMENT: The commenter voiced concerns with N.J.A.C. 15:24-2.5(a), Computation of square footage costs. The commenter believes these figures will have a negative impact on most moderate projects. Since the cap is higher for new construction, the commenter believes that projects that are rehabilitating and/or adding on are at a distinct disadvantage. To level the playing field, the commenter proposes that the construction cap be set at \$500.00 for both new construction and renovation. This would not only be more equitable, but it would be more in line with actual construction costs in New Jersey.

35. COMMENT: Regarding N.J.A.C. 15:24-2.5(a), Computation of square foot costs, taking into consideration the annual adjustment of cost as described in the citation for a phased solicitation process, the commenter has a concern about the maximum per square foot cost of \$200.00 per square foot for rehabilitation and repair. The timing of availability of the State share of funding is uncertain and project costs continue to increase.

36. COMMENT: Regarding N.J.A.C. 15:24-2.5(a), Computation of square footage costs, the commenter said that the proposed cost per square foot of \$350.00 is grossly inadequate to cover all components of a construction and reconstruction project. The rules do not cite any professional sources to validate the \$350.00 per square foot computation for new construction.

The commenter said an inadequate cost per square foot contradicts the stated intent in the Economic Impact statement. Libraries of all sizes will not be able to complete their projects or properly furnish their buildings with furniture, equipment, and technology because the grant funding is insufficient.

Construction costs are vastly different around the State. The rules should consider the higher construction cost in the New York metropolitan area and the cost of prevailing wages in this region.

The commenter recommends that NJSL change language at N.J.A.C. 15:24-2.5 to “The maximum per square foot costs for computation of the project grant funding of construction and reconstruction and of rehabilitation and repair have been set at \$550.00 per square foot for new construction and reconstruction ...” The commenter also included a list of eligible project costs.

37. COMMENT: Regarding N.J.A.C. 15:24-2.6(a), Eligible and ineligible project costs, the commenter questions the premise that construction costs and project costs should be the same. The commenter requests clarifying language regarding whether the eligible project costs are included in the computation of square foot costs or in addition to the computation of square footage costs.

The commenter said that if the square foot costs at N.J.A.C. 15:24-2.5(a) are not going to be increased, NJSL should break out the construction costs at \$350.00 per square foot and other related project costs at \$200.00 per square foot.

38. COMMENT: The commenter said that, based upon recent discussions with architects and contractors, and a review of current construction costs (including, but not limited to, building materials and prevailing wage/union labor) that have increased since the enactment of the Library Construction Bond Act over two years ago, the commenter respectfully submits that the proposed square footage costs for new construction be increased to \$400.00 per square foot and \$275.00 per square foot for rehabilitation and repair.

39. COMMENT: The commenters recommend: increasing project costs to \$550.00 per square foot and funding a substantial rehabilitation of a library building at the same per square foot rate as new construction. They believe these two rule changes will improve the New Jersey library funding project and allow communities to properly invest in their libraries.

RESPONSE TO COMMENTS 32 THROUGH 39: As there are variations in construction costs across the State, the decision was made to account for these differences by increasing the costs per square foot for new construction and rehabilitation and repair. Upon adoption, NJSL will raise the maximum cost per square foot to \$500.00 for new construction and to \$350.00 for rehabilitation and repair. This decision was also made because of the several comments that provided information on the current costs per square foot. Raising the costs per square foot will be a true benefit to the libraries applying. The increase will allow more projects to be fully funded.

NJSL is not increasing the cost for rehabilitation and repair to \$500.00 per square foot because, for a rehabilitation or repair project, there is some value to an existing structure that should not require the same cost per square foot as is needed in a new construction project. In constructing a new building or addition, the applicant is starting from scratch and has several costs related to site preparation and infrastructure. If the applicant completely levels and tears down or reconstructs an existing library or structure to build a new library, the applicant should apply for a grant for new construction, with a maximum cost per square foot of \$500.00. Eligible projects costs are listed at N.J.A.C. 15:24-2.6. Eligible project costs are included in the computation of square foot costs. The costs should be reasonable and the projects should be cost-effective to make the best use of State funding and matching funds provided by the applicant.

40. COMMENT: The commenter asked for a clarification of N.J.A.C. 15:24-2.5, Computation of square footage costs, to clarify what is considered in the \$350.00 per square foot cost. The commenter wishes to know if this is the cost related to construction of the building, or does it include site improvements, cost of furnishings and equipment, and soft costs.

RESPONSE: See N.J.A.C. 15:24-2.6, Eligible and ineligible project costs, which provides a listing of eligible costs. Construction costs are listed, as well as costs for site improvements, costs relating to furnishings and equipment, and soft costs, such as fees. Also, please see the Response to Comments 32 through 39, which increases the costs per square foot for new construction and rehabilitation and repair.

41. COMMENT: Regarding N.J.A.C. 15:24-2.5(a), the commenter states that, for projects in the New York Metro Construction market, the per square foot cap may be too low for new construction and for smaller

projects. The commenter asks if this figure is for construction only costs with furniture, fixtures, and equipment to be included elsewhere.

42. COMMENT: Regarding N.J.A.C. 15:24-2.6(a)5, this paragraph describes eligible furniture, fixtures, and equipment. The commenter asks if the 30 percent cap on furniture, fixtures, and equipment is in addition to the \$350.00 per square foot and \$200.00 per square foot identified at N.J.A.C. 15:24-2.5(a).

RESPONSE TO COMMENTS 41 AND 42: Please see the Response to Comments 32 through 39 that increase the maximum costs per square foot. The costs for furniture, fixtures, and equipment are eligible project costs as per the cited rule and are included in the costs per square foot, not in addition to the costs per square foot.

43. COMMENT: Regarding N.J.A.C. 15:24-2.5(a), the commenter asks if a library acquires adjoining space from the municipality, at no cost to the library, how would renovations to that space be considered and how would square footage costs be calculated. Renovations would not be a refurbishment of existing library space nor would it be a whole new construction. Acquiring this additional space would require funds to renovate additional new adjoining space to make it appropriate for a library environment and furnish the new space with additional technology and furniture.

RESPONSE: Renovation costs would be determined for the adjoining space by multiplying the square feet to be renovated by the per square foot cost. This figure is then divided by two to give you the amount the State will fund.

44. COMMENT: Regarding N.J.A.C. 15:24-2.5(a), figures are presented that place a limit of \$350.00 per square foot for new construction and \$200.00 per square foot rehabilitation and repair. The commenter asks if this is the limit for the grant funding portion or is this the combined limit for all sources that will be used to fund a project, meaning the maximum grant-funded portion would actually be \$175.00 per square foot for new construction and \$100.00 per square foot for rehabilitation and repair.

RESPONSE: The maximum square foot costs is the combined limit for all sources that will be used to fund a project. Also, please see the Response to Comments 32 through 39 describing the increase to maximum square foot costs.

45. COMMENT: Regarding N.J.A.C. 15:24-2.5, Computation of square footage costs, the commenter asks if a project exceeds the cost-per-square-foot limit, would the State support up to that limit (and leave the applying library to pay for any cost above that amount through other sources); or would the project be deemed ineligible because it exceeds the stated limit.

RESPONSE: The applicant may spend more than the cost-per-square-foot limit. The State will not match any costs above that limit but the applicant may use the applicant's own funding, not matching funds, to pay for the cost above this limit in order to complete the project. The project would not be deemed ineligible. NJSL encourages libraries to develop the best project for their communities; however, in order to use the limited bond proceeds most effectively, maximum costs per square foot eligible for funding have been set.

46. COMMENT: Regarding N.J.A.C. 15:24-2.5(a), the commenter asks NJSL to clarify that the "maximum per square foot costs for computation" noted are intended to represent a cap in the funding request by applicants and not intended to be a disqualifier if exceeded. The commenter also asks for confirmation that for the above amounts to be relevant to actual construction costs, they must only relate to the building itself and should exclude site costs, furnishings, etc.

RESPONSE: The maximum per square foot costs represent a cap, as stated by the commenter. The additional funding may not include funds used to count toward the match. Applicants will not be declared ineligible should they exceed the cap, but the grant award will be based only on the eligible costs of the project up to the cap.

NJSL has increased the costs per square foot for new construction and for rehabilitation and repair. Site costs, furnishings, etc., which are listed at N.J.A.C. 15:24-2.6 as eligible costs are included in the maximum costs per square foot; they are not excluded. See also the Response to Comments 32 through 39.

47. COMMENT: The commenter states that the establishment of maximums of \$350.00 per square foot for "new construction" and \$200.00

for "rehabilitation and repair" is not referenced in, or authorized by, the Act. Further the definitions of these terms are ambiguous. The solution is to maintain the Legislature's definition of "construction." The commenter believes the source of these amounts is not indicated, suggesting that the amounts have been established arbitrarily. The commenter believes the rules introduce ambiguity by creating separate definitions for "rehabilitation" and "repair" even though those terms are included in the definition of "construct" and "construction." The commenter also found difficulties magnified by using terms such as "new construction," which could lead to the possibility that there can be \$350.00 per square foot for "new rehabilitation" and "new repair" (for "new construction") but \$200 per square foot for "old rehabilitation" and "old repair" (given that rehabilitation and repair are defined to fall under "construction.") The commenter believes the State Librarian would be called to evaluate the nature of the work sought and whether it is "new construction" or "construction," and whether it is "construction" rather than "repair" or "rehabilitation." The commenter believes it will make it difficult for the review team. The commenter wishes to maintain the Legislature's definition of "construction" and remove separate definitions, such as for repair and rehabilitation, especially because they are not present in the Act.

RESPONSE: NJSL hopes to fund many libraries. The State Librarian and the President have flexibility in determining the rules to implement the provisions of the Bond Act.

It is the responsibility of NJSL to determine the computation of the maximum square foot costs for the Bond Act. Libraries have varying construction needs, which are listed in the definition of construct and construction. Further definition of some of those terms was necessary to help applicants distinguish differences between terms. Some commenters have asked for further definition (see Comments 22 and 23). Since there are different maximum costs per square foot established in the rules depending on the type of project, one definition for construction would not be feasible or fiscally prudent when computing maximum square foot costs.

48. COMMENT: The commenter said the rules provide no guidance on how to calculate the cost per square foot for rehabilitation and repair. The commenter asks if it is calculated by dividing the total project costs by the total square footage of the library building, or if it is calculated based on dividing those costs by some determination of the square footage being rehabilitated and repaired.

RESPONSE: The costs per square foot for reconstruction, rehabilitation, renovation, and repair is calculated by dividing the total project cost by the square footage of the project.

49. COMMENT: Regarding N.J.A.C. 15:24-2.5, the commenter said that the regulations do not specify that only costs related to construction of the building are considered in the \$350.00 per square foot cost. The commenter suggests that the regulations state that furnishings, equipment, and soft costs are not included in the \$350.00 per square foot maximum for construction costs.

RESPONSE: Furnishings, equipment, and soft costs are eligible costs under the grant program and are part of the maximum costs per square foot. Please see also the Response to Comments 32 through 39 to see that the maximum per square foot costs have been raised.

50. COMMENT: The commenter's experience demonstrates that the square footage costs for rehabilitation and repair should be greater. The per square foot cost for work on historic buildings, especially those listed on the New Jersey State Register of Historic Places, should be equal to that set for new construction. While renovation costs on existing non-historic buildings may be less expensive on a square foot basis, listed historic buildings are usually loved landmarks with intrinsic cultural importance. While the preservation and upgrading of such buildings may not provide a cost advantage, returning, adapting, and/or re-purposing historic buildings provide significant benefits in terms of maintaining and enhancing a community's "sense of place," reducing the tendency for sprawl, and being the most friendly means of construction because it has less impact on the environment.

For the reasons stated above, the commenter asks that that NJSL revisit this aspect of the proposed regulations. In so doing, the commenter suggests that NJSL contact the New Jersey Historic Trust-the entity under the New Jersey Department of Environmental Protection that provides

regular matching grants for capital improvements to historic properties in the public realm, including many libraries.

51. COMMENT: The commenter said that the actual cost of the rehabilitation and renovation project on an existing historic structure is much closer to \$350.00 per square foot. The architect who completed that library's feasibility study said that \$200.00 per square foot for the renovation project would be unrealistically low. The commenter asks that the maximum amount per square footage of a rehabilitation project be raised to match that of a new construction project.

RESPONSE TO COMMENTS 50 AND 51: NJSL agrees with the commenters. NJSL has added a maximum cost per square foot for historic buildings of \$500.00 at N.J.A.C. 15:24-2.5(a).

52. COMMENT: At N.J.A.C. 15:24-2.5(a), it notes that the "maximum per square foot costs for computation of the project grant funding of construction and rehabilitation have been set at \$350.00 per square foot for new construction ..." The commenter asks whether that is a "total" cost per square foot or is that the maximum that the State grant will match, thereby making the overall total maximum square footage cost \$700.00.

RESPONSE: The maximum per square foot cost for computation of project grant funding is the total cost per square foot of the project. Also, please see the Response to Comments 32 through 39, which discusses the increase the costs per square foot for new construction and rehabilitation and repair.

53. COMMENT: Regarding N.J.A.C. 15:24-6.1(e), the commenter suggests the following language (additions in bold): "The grant shall be paid to the applicant in four installments as set forth in this subsection, but only upon receipt of satisfactory evidence upon completion of each phase **including the certification by the architect as to compliance with the maximum per square foot costs established annually by the State Librarian.**"

RESPONSE: NJSL accepts the commenter's suggestion. It has made the change to N.J.A.C. 15:24-6.1(e).

54. COMMENT: The commenter states: "As you know, many of us have long-standing issues that we need to resolve and we have been waiting for the construction bond. Some of the issues at the library are substantial and we really need to proceed (HVAC and lighting updates)." The commenter knows that libraries cannot request a match for work that has been completed but asks if it would be possible for libraries to begin the work while the application is being reviewed. If applications are due in December, the commenter wanted to know if work could begin in January while the application is being reviewed.

55. COMMENT: The commenter questions if the library needs to do the work prior to finding out if it qualifies for any bond funds, would the library be reimbursed from those funds for these projects.

56. COMMENT: The commenter says that libraries may enter contracts only after a grant award for any project on which it wishes to seek bond funds. This negatively impacts the ability to plan total project costs and additional funding revenues for them. This restriction is not present in the Act.

57. COMMENT: The commenter requests that the regulations allow architect fees, site planning fees, and acquired permit fees that have already been paid to make the library construction project "shovel ready" to be eligible to count as matching funds.

58. COMMENT: A mayor finds N.J.A.C. 15:24-2.6(b)1 troublesome to those municipalities who trusted State grant award funds would be available. The commenter questions the statement that an applicant may not use as matching funds, and grant funds may not be used to reimburse, any expenditure encumbered before the approval of a grant award. As noted above, the Bond Act provided the confidence to move forward on the township's new library in good faith.

The mayor respectfully asks that the encumbrances related to furniture and technology are considered as an eligible component of the grant application. The mayor is also strongly appealing to the New Jersey Library Board to accept grant applications and provide unbiased consideration to libraries that are under construction but have not yet received a certificate of occupancy.

59. COMMENT: Three members of the New Jersey Legislature offer comment on N.J.A.C. 15:24-2.6(b)1, which may negatively impact a township they represent and perhaps other communities in the State. This provision would disallow an applicant from using Bond funds to

reimburse (or use as matching funds) "any expenditure encumbered before the approval of a grant award." The commenters ask that, in reviewing the proposed rules, NJSL recognize, and not penalize, those communities that have begun construction of a library but have not yet received a certificate of occupancy.

60. COMMENT: The commenter wishes NJSL to clarify whether architectural fees incurred before the approval of the grant are reimbursable. The commenter states that according to N.J.A.C. 15:24-2.6(a)4, architectural costs are eligible costs to be reimbursed. However, under N.J.A.C. 15:24-2.6(b)1, it states grant funds may not be used to reimburse any expenditures incurred before the approval of a project grant award.

61. COMMENT: The commenter wishes NJSL to clarify if the architectural fees encountered as part of the application process would be eligible or ineligible project costs.

RESPONSE TO COMMENTS 54 THROUGH 61: As stated in the rules, funds cannot be expended before the approval of a grant award; therefore, fees encountered as part of the application process are not eligible project costs.

62. COMMENT: Regarding N.J.A.C. 15:24-2.4(a)11 and 12, the commenter asks for confirmation if LEED and WELL standards will be mandated or simply encouraged. The commenter noted the costs and time required for certification may be a burden on certain libraries.

63. COMMENT: Regarding N.J.A.C. 15:24-4.1(a)11 and 12, the commenter asked if applicants can be given credit in the evaluation process for identification of Green elements that parallel LEED and WELL goals.

64. COMMENT: A national trade association representing a diverse set of companies engaged in the business of chemistry commented that it supports the construction of sustainable and high-performing buildings that promote the fitness and wellbeing of its occupants. The commenter is both grateful and deeply encouraged that the New Jersey State Library is taking action to further advance sustainable buildings that benefit both people and the environment.

However, the commenter is concerned that the legislation calls for the exclusive use of the Leadership in Energy and Environmental Design (LEED) system when certifying sustainable buildings and the WELL certification when certifying "healthy" buildings. This approach unfairly awards exclusivity to both certifications even though numerous other certification programs exist and have demonstrated similar market uptake.

By allowing each project, whether new construction or renovation, the flexibility to choose from a variety of above-code programs, the New Jersey State Library improves the ability of specific projects to meet local needs, budgets, and unique situations. Additionally, allowing multiple above-code certification creates competition and helps lower the cost of high-performance building products and practices, while improving the overall awareness of these important issues.

Given this, the commenter strongly recommends amending N.J.A.C. 15:24-4.1(a)11 and 12 to include all above-code certification programs that improve the sustainability of a building and the health and wellness of the occupants. At minimum, the legislation should provide a performance criteria for determining what certifications are allowed under the legislation.

RESPONSE TO COMMENTS 62, 63, AND 64: LEED and WELL standards will not be mandated, but encouraged. NJSL understands that many public projects, including libraries, do not pursue these certifications due to costs and timing. NJSL has made an addition to the rule upon adoption, which will allow for a listing of Green design elements in the proposed project at N.J.A.C. 15:24-4.1(a)11.

65. COMMENT: The commenter asked NJSL to define the requirements of a library building program. The commenter wants to know if this is a listing of the rooms and their relative sizes, or a detailed description of the attributes (lighting, finishes, adjacencies, etc.) of each space.

66. COMMENT: N.J.A.C. 15:24-2.7(d) refers to a building program. The commenter asks NJSL to provide more detail about what is expected in the building program.

RESPONSE TO COMMENTS 65 AND 66: A building program is a written description of the space required in a new or expanded building. For each space, the program provides information on the functions of the

space, the planned contents of the space, the corresponding square footage required, the physical nature of the space, and its relationship to the locations of other spaces in the proposed building. (The Practical Handbook of Library Architecture: Creating Building Spaces that Work by Frederick Schlipf and John Moorman, Chicago: ALA, 2017, pgs.181-182). A building program is a more detailed description of the attributes of each space as noted in the comment. An attachment to the grant guidelines will list the requirements for a building program. The guidelines will be issued with the grant application, which will become available soon after the effective date of the new rules. A brief community analysis is also one of the requirements, so that reviewers will understand basic information about the community the library serves. The building program should reflect the needs of the community. For example, a building program for a town with many young families should show adequate spaces for children and parents for a variety of activities, including story times, programming, computer training, arts and craft activities, etc. The reviewers will need to examine the building program and compare it with project design.

67. COMMENT: N.J.A.C. 15:24-2.7(d)4 requires an analysis of the mechanical aspects of the building. The commenter asks if this means electrical, plumbing, and fire protection systems. The commenter also asks NJSL to clarify if this paragraph pertains to the rehabilitation and acquisition of buildings that currently are not libraries; or if this paragraph applies to the renovation of a current library building.

RESPONSE: One intent of this rule is to ensure that the applicant is acquiring a building that, when rehabilitated or renovated, is suitable to be used as a public library. To that end, an analysis of all mechanical aspects of existing construction, including electrical, plumbing, and fire protection systems, is necessary to determine the need for replacement or improvement. This rule also pertains to existing libraries that require substantial rehabilitation or renovations, which include significant repair, replacement, or upgrades to major mechanical systems.

68. COMMENT: Pursuant to N.J.A.C. 15:24-3.2(c), the State Librarian may determine the maximum and minimum grants to be awarded under this chapter. Projects that provide accessibility for individuals with disabilities may be funded, even if they do not meet the minimum dollar requirement. The commenter questions if there is a minimum dollar requirement.

RESPONSE: The State Librarian has made no determination on maximum and minimum grant awards as yet.

69. COMMENT: Regarding N.J.A.C. 15:24-2.6(a)4, the commenter recommends that the word "architect" be replaced with "architect or appropriate design professional." The commenter believes this provides latitude for libraries to retain specific design professionals that specialize in HVAC, structural investigations and engineering, utilities engineering, etc. to perform the necessary evaluation and design services that do not involve the entire building. The commenter states that each New Jersey licensed design professional knows their areas of expertise and limits of their practice areas such that the patrons of the various libraries are adequately protected.

RESPONSE: Engineering is included as an eligible cost in the rules. The use of design professionals as consultants is also an eligible cost in the rules. Libraries may use engineers and consultants as stated in the specific rules. See N.J.A.C. 15:24-2.7(d), for example. The grant application will include references to the use of consultants, engineers, and others qualified to perform specific services.

70. COMMENT: The commenter said that as part of the application procedures, it appears to require an architect's certification for the rehabilitation of a library. The criteria does not include the words "if applicable." The commenter states that if a library was creating a new computer lab in an existing space, for example, one would not think an architect would be required. Many other companies will provide professional CAD layouts/plans, including furniture and glass office wall companies.

The commenter asks if every project requires a certification of an architect or if this is only required for projects that include "construction of a new building(s) or expansion of an existing building(s) to be used as a public library?"

RESPONSE: Not every project requires the certification of an architect. The rules provide for specific instances where an architect must be used. If the project involves a renovation that would require the moving or building of walls, an architect must be used. If the library is creating a new computer lab in an existing space as cited in the question, the services of an architect would not be required.

The grant guidelines and application will provide information on some instances of repairs and improvements that will not require an architect. In those cases an engineer or company providing an estimate for some repair work or improvements can be used instead of an architect. The grant guidelines and application will become available soon after the effective date of the chapter. The grant guidelines include rules the applicant needs to know in order to apply for a grant.

71. COMMENT: The commenter asks if overall costs for furniture and equipment can't be over 30 percent of the project cost, or is it that no one equipment or furniture cost can exceed 30 percent, or something completely different.

72. COMMENT: The commenter requests clarification on N.J.A.C. 15:24-2.6(a)5. The commenter states that furniture and equipment combined will likely be more than 30 percent of any project meeting the previous two cited project goals where a space is being redesigned without major construction. The commenter asks if this prohibits one item from costing over 30 percent or the entire cumulative cost for furniture and equipment totaling over 30 percent.

RESPONSE TO COMMENTS 71 AND 72: Overall costs for furniture and equipment cannot be over 30 percent of the total eligible project cost(s). Libraries can spend more on furniture and equipment but the State funding and matching funds cannot exceed the 30 percent cited in the rule. Any spending above 30 percent would have to be paid for with local, not matching funds.

73. COMMENT: Regarding N.J.A.C. 15:24-2.6(a)5, the commenter asks if the program would support up to 30 percent of the project cost for furnishings and equipment, if furnishings and equipment exceed 30 percent of the total project cost. The commenter questions if this is an eligibility test, and if furnishings and equipment exceed 30 percent of the cost, will the project become ineligible for support.

RESPONSE: The grant program will support up to 30 percent of the project cost for furniture and equipment. This is not an eligibility test. The grant will support no more than 30 percent and the application should reflect that. Should the application include a figure higher than 30 percent, the grant application award request would be reduced to the 30 percent level for project grant consideration. The applicant would have to pay for any costs over 30 percent out of local, not matching, funds.

74. COMMENT: The commenter requests clarification on N.J.A.C. 15:24-2.2(a)5, pertaining to rehabilitation of an existing building to be used as a public library, which may include, but is not limited to, energy conservation, the creation of innovative and collaborative space for library and community activities, and upgrading or modernizing a facility for compliance with applicable, and current local, State, and Federal health and safety standards.

RESPONSE: This paragraph is intended for the situation in which some kind of existing building is going to be converted from its prior use into a public library. In such instances, the building may require rehabilitation to be made fully suitable. For example, the building can be made to be energy efficient; space can be created for library and community activities, such as programming space and meeting rooms; and the building may be brought up to code to meet local, State, and Federal health and safety standards. The building may require other work. Rehabilitation is not limited to these three cited examples.

75. COMMENT: The commenter requests clarification on N.J.A.C. 15:24-2.3(a)2, pertaining to enhancement of public libraries to serve as public spaces and community centers in which people engage and interact for civic, educational, informational, and recreational purposes.

RESPONSE: This paragraph allows for the creation of space in which members of the community may meet and participate in any civic, educational, informational, or recreational purpose. Meeting rooms, auditoriums, group study areas, increased lobby space, maker-spaces, and programming areas for children, teens, adults, and senior citizens are examples of the kinds of spaces that can be constructed to support the civic, educational, and other local services the Legislature has identified

as important in the Act. This list is a sample of possible projects and construction is not limited to these examples.

76. COMMENT: The commenter wants to know when “refurbishing” is not part of a rehabilitation project. The commenter asks if the purchase of “carpeting” for example needs to be part of a larger project, such as creating a new meeting room in an existing space. The commenter asks if it means that a request can’t be solely new carpet or paint for a building.

RESPONSE: Refurbishing can be a part of a rehabilitation project. The purchase of carpeting as cited in the example can be part of any project when it is in the area to be renovated or rehabilitated. A project cannot be solely new carpet or paint for a building.

77. COMMENT: The commenter asks NJSL to clarify if square footage costs that will be matched by the grant are figured by the total cost of the project (all in) divided by the square feet or only the actual construction costs.

RESPONSE: The cost matched by the grant is based on the total eligible cost(s) of the project. See N.J.A.C. 15:24-2.6 for a list of eligible and ineligible project costs.

78. COMMENT: Regarding N.J.A.C. 15:24-2.6(b)1, the commenter has concerns that some library boards have expended significant funds to be able to present bid-ready applications. However, the proposed rules appear to de-emphasize such bid-ready projects, although these would most immediately realize meaningful change within the State. It is the commenter’s hope that such projects will not be disadvantaged by the priorities laid out in this chapter. They question if it is the intent of the State to de-emphasize bid-ready, brick and mortar projects, in favor of the apparent emphasis on technology.

79. COMMENT: Regarding the Economic Impact statement, the commenter agrees with the statement that “revenues generated by the construction projects will be in excess of a quarter billion dollars” and “will provide employment for hundreds of workers in New Jersey.” The commenter wants NJSL to add a definition for construction ready at N.J.A.C. 15:24-1.3 as follows: Construction ready means that planning and design work have been completed and construction is able to begin and that the project will be completed expeditiously.

80. COMMENT: Pertaining to N.J.A.C. 15:24-2.4, Means by which priority alignment will be determined and evaluated, in keeping with the goals stated in the Economic Impact statement, the commenter believes a priority should be projects that are construction ready. This will also require a definition of the term. The commenter wishes to add a criterion number 15 to N.J.A.C. 15:24-2.4(a) to read: Construction ready. Describe the status of the design work, site readiness, zoning and permitting approvals, and the anticipated timeframe during which the project will be completed.

RESPONSE TO COMMENTS 78, 79, AND 80: The Bond Act does not differentiate between bid-ready projects and those that are not. In the evaluation of projects, both are considered to be valid for funding and one does not get preference over the other. In all cases, brick and mortar projects are eligible projects, as well as technology improvements that are part of a larger construction, reconstruction, rehabilitation, or renovation project. NJSL does understand that some libraries have already expended significant funds in preparation for the Bond Act.

The intent of the State is to provide funding for library construction. N.J.A.C. 15:24-2.3 and 2.4 list the State’s funding priorities and the means by which priority alignment will be determined and evaluated. N.J.A.C. 15:24-2.3(a)3 and 2.4(a)4 emphasize technology. The funding priorities and means by which priority alignment will be determined and evaluated emphasize many other components of the evaluation process. Technology is one of four funding priorities and one of 14 means for project alignment. Technology is only one aspect of what is needed to serve today’s library customers; also, there is no priority for construction-ready projects. As stated in the notice of proposal Summary, a modern, efficient, technologically current building with flexible space for the future is necessary.

81. COMMENT: Pertaining to N.J.A.C. 15:24-3.1, applicant priorities for the receipt of grants for multiple and single projects, the commenter states that the establishment of minimum and maximum thresholds for eligible projects risks eliminating those that did not fall within the established parameters. These could be projects that would offer enhanced access to library services for all.

RESPONSE: The cited section allows for applicants to determine their own priorities for the receipt of construction grants, should they submit more than one grant application. The grant reviewers will take the ranking into account when compiling the list of eligible projects to be recommended for approval. This does not mean that only one priority will be awarded per applicant but it will allow the review team to consider a range of choices. The establishment of minimum and maximum grant awards may eliminate some smaller projects and provide caps on the largest projects. For that reason, the State Librarian has not yet made a determination on this subject. The State Library will consider the benefits to a community that even a small grant would provide. The State Librarian will make a decision on minimum and maximum grant awards before the grant applications become available. Guidance will be posted along with the grant application.

82. COMMENT: Pertaining to N.J.A.C. 15:24-2.2(a)6, for eligible or ineligible projects, the commenter is somewhat concerned that the open-ended wording about using materials identical to or closely similar to existing components may have the effect of extending life on inefficient and outmoded building systems instead of greener, more energy efficient solutions.

RESPONSE: The NJSL agrees with the commenter and has changed the language in the above citation.

83. COMMENT: N.J.A.C. 15:24-2.7(a)2 refers to planning for current and future use of technology. The commenter asks if NJSL should require applicants to work with an AV/IT consultant to ensure proper planning for technology.

RESPONSE: NJSL is aware that some libraries have qualified IT professionals on staff or have access to them through their municipalities or counties. NJSL was cautious about requiring libraries to pay for certain services when the services may be readily available within their locale. The NJSL encourages libraries to plan well for technology and the costs of such consultants are eligible in the grant program.

84. COMMENT: The commenter asks if an applicant will be notified if an application is deemed incomplete N.J.A.C. 15:24-4.2(c). If notified, will the applicant be allowed to resubmit a complete application before the deadline.

RESPONSE: Yes, an applicant can resubmit a complete application, as long as it is before the grant submission deadline. NJSL urges all applicants to check and recheck all documents before submitting their grant applications.

85. COMMENT: The commenter wishes NJSL to clarify what the timeline would be for awarding funds in more than one round as referenced at N.J.A.C. 15:24-1.1(d).

RESPONSE: The decision has been made that there will be more than one round of funding. The timeline will not be known until after the first round of awards have been approved by the Legislature.

86. COMMENT: At N.J.A.C. 15:24-2.5, Computation of square footage costs, the commenter suggests a change to read (addition in bold; deletion in strikethrough): “If the grant program is administered in a ~~phased solicitation process~~ **multiple solicitation cycles**, these costs will be adjusted annually according to the Consumer Price Index for All Urban Consumers (CPI-U), Northeast Region. All Items, not seasonally adjusted.”

RESPONSE: NJSL believes that a phased solicitation process best describes how the grant program may be administered. It is NJSL’s intent to have more than one round of funding, but not many. The word (multiple) may suggest many solicitation cycles; therefore, NJSL is not changing the wording to multiple.

87. COMMENT: At N.J.A.C. 15:24-2.6(a)2, pertaining to eligible and ineligible project costs, the commenter suggest this paragraph be revised to read (addition in bold): “Expenses incurred after the **effective date** of contracts for approval grant awards related to the acquisition of land on which there is to be construction of a new building(s) or expansion of an existing building(s) or acquisition of an existing building(s) to be used as a public library, provided the expenses constitute an actual cost or a transfer of public funds.” The commenter said that the use of the term “contracts” needs clarification to distinguish between contracts for the purchase of land/building from contracts such as grant agreements and tax certificates.

RESPONSE: NJSL agrees with the suggestion to clarify this section. NJSL accepts the comment to replace “after the signing” with “after the effective date.”

88. COMMENT: At N.J.A.C. 15:24-2.6(a)4, pertaining to eligible and ineligible project costs, the commenter suggests making the following change (addition in bold; deletion in strikethrough): “Architectural, engineering, consulting, and inspection services related to the specific project for which application for ~~financial assistance~~ **grant funding** is made.”

RESPONSE: NJSL accepts the suggestion and has changed financial assistance to grant funding.

89. COMMENT: At N.J.A.C. 15:24-2.6(a)5, the commenter suggests that “software” be included as an eligible project cost as added.

RESPONSE: NJSL accepts the suggestion and has added “computer software” to N.J.A.C. 15:24-2.6(a)5.

90. COMMENT: At N.J.A.C. 15:24-2.6(b), the commenter suggests the following language (addition in bold; deletion in strikethrough): “Applicant may not use as matching funds, and grant funds may not be used to reimburse, any expenditures ~~incurred~~ **incurred** before the approval of a project grant award.”

RESPONSE: NJSL accepts the suggestion and has changed N.J.A.C. 15:24-2.6(b), as per the commenter’s suggestion.

91. COMMENT: Pertaining to N.J.A.C. 15:24-2.6(a)6, the commenter states the moving expenses term proposed for moving to and from a temporary library facility should be increased from one year to 18 months at a minimum with additional language inserted for a reasonable extension of that time period if the library project has been proceeding forward in a timely manner and in good faith but experiences construction delays beyond its control and not caused by any fault or negligence of the library.

92. COMMENT: Proposed N.J.A.C. 15:24-2.6 outlines eligible and ineligible project costs. Eligible costs include expenses for moving to and from a temporary public library facility, and expenses for off-site storage and related moving costs, when necessary for up to one year. The commenter agrees that it is appropriate to limit the eligible costs for moving, storage, and temporary relocation but questions whether the amount should be capped at just one year. There are circumstances, depending on the project, where one year may not be a sufficient amount of time. Flexibility should be built into the rules to allow larger or more complex projects to include additional storage or temporary relocation longer than one year as an eligible expense.

RESPONSE TO COMMENTS 91 AND 92: NJSL accepts the suggestions and has made the changes. The changes will be a benefit to all libraries, allowing them to incur costs for up to 18 months and the ability to request an extension of time, if necessary. Language has been added as new paragraph (a)9 on how to request an extension after 18 months, if necessary. The increase in the time limit and the ability to request an extension will be a major benefit to libraries should they need additional time to complete their projects.

93. COMMENT: The commenter wants to know if the cost of moving from the current location to a new building is included in N.J.A.C. 15:24-2.6(a)7.

94. COMMENT: The commenter requests that the regulations also specify that moving costs from the current library facility to a new building be included. Moving and reusing furniture and shelving in fine condition saves money, as well as being a sustainable practice. Collections are the heart of any library, also need to be moved. Historical collections are often irreplaceable and should be moved with care to the new facility.

RESPONSE TO COMMENTS 93 AND 94: NJSL accepts the suggestion and has added language that allows moving costs from the current library facility to a new building as new N.J.A.C. 15:24-2.6(a)8, which will benefit all libraries moving to a new library building.

95. COMMENT: Regarding N.J.A.C. 15:24-2.6(b)3, the commenter suggests the following changes (additions in bold): “Debt service and other costs associated with the issuance of **bonds unless expressly authorized by the President of Thomas Edison State University, the State Librarian, or the Department of the Treasury.**” The commenter also states this needs clarification if it is referring to bonds issued by the State of New Jersey or bonds issued by municipalities/counties for matching funds; this also conflicts with the definition of “costs” in the statute, which includes “... the issuance of bonds, or any interest or

discount thereon; the administrative organizational, operating, or other expenses incident to the financing and completion of any project authorized by the Act. “The commenter would not recommend including language that prohibits the State from paying debt service with any remaining project funds.

RESPONSE: This citation refers to bonds issued at the county or municipal level, not bonds issued by the State of New Jersey and NJSL has clarified this at recodified N.J.A.C. 15:24-2.6(b)5 upon adoption.

96. COMMENT: At N.J.A.C. 15:24-2.7(b), the commenter suggests the following language (addition in bold; deletion in strikethrough): “If land and/or structures purchased with grant funds are sold within 20 years of the grant award notifications, the applicant will be required to reimburse funds equal to the ~~purchase price of the land and/or structures~~ **amount of grant funds received for such purposes** to the Department of the Treasury.”

97. COMMENT: Proposed N.J.A.C. 15:24.2.7 provides for the primary criteria for eligible projects. This section, amongst other things, outlines the necessary requirements for an applicant proposing to use grant money to acquire land for library purposes. The commenter said an implied requirement is that the applicant owns the land for a period of 20 years if any amount of grant money was used to acquire the land. The section goes further to provide that an applicant who sells the property within 20 years “reimburses funds equal to the purchase price of the land and/or structures to the Department of the Treasury.”

The commenter states this language would appear to create a punitive aspect by potentially requiring the applicant to reimburse more than the portion of the purchase price covered by grant funds. For example, if land was purchased for \$100,000 with a portion of the purchase price coming from a \$25,000 grant provided under the Act, and the land was then sold 15 years later, the applicant would be required to pay \$100,000 to the Department of the Treasury, despite only receiving \$25,000 in grant funds. While this result may not be the New Jersey State Library’s intent, the current language provided for in the proposed rules would make it so. The commenter respectfully asks for clarification on this issue.

RESPONSE TO COMMENTS 96 AND 97: NJSL agrees the language could be interpreted as producing the result the commenters suggest, which is not the intent. Therefore, NJSL has changed the language at N.J.A.C. 15:24-2.7, as suggested.

98. COMMENT: At N.J.A.C. 15:24-2.7(g), the commenter suggests adding language that the grant award is contingent on these approvals.

RESPONSE: NJSL accepts the commenter’s suggestion and has added language to N.J.A.C. 15:24-2.7(b) as per the commenter’s suggestion, as this is the only clear, logical intent of requiring the applications be made.

99. COMMENT: At N.J.A.C. 15:24-4.1, Application procedures, the commenter suggests clarification is needed for substantial changes “post-grant” approval.

RESPONSE: NJSL has added new subsection (h) pertaining to requesting changes to a project after a grant award has been made. Pursuant to subsection (g), if a substantial change is made after the application is submitted, but prior to the award being granted, the same process must be followed. Since the New Jersey Legislature approved the initial list of grant awards, the Legislature will ultimately decide if substantial changes will be approved. This addition is beneficial to libraries should they need to change a project grant award for valid reasons, as without the addition, no change could be allowed under the rule after the approval of a grant, even if there is a need for such change.

100. COMMENT: Regarding N.J.A.C. 15:24-6.1(j), the commenter suggests adding language to clarify the ability to allocate a grant fund balance to the same or another eligible library; a new solicitation; an amended application; towards a library’s larger project; if the approved project was only for a larger construction project; and to pay debt service.

RESPONSE: NJSL accepts the suggestion and has made changes to the above subsection. The changes provide the President with more options on how balances from any approved grants may be allocated.

101. COMMENT: Regarding N.J.A.C. 15:24-4.2, Review of applications and approval process, and 1.3, Definitions, the commenter said that the procedural framework provided by the proposed rules gives unclear authority to the State Librarian in limited sections of the rules. The public mandate vests the State Librarian with “setting eligibility criteria for grants.” The proposed rules provide four “funding priorities”

(N.J.A.C. 15:24-2.3). The proposed further provide 14 factors for aligning with these funding priorities at N.J.A.C. 15:24-2.4. This “4/14” framework to set eligibility criteria is, with certain exceptions mentioned herein, a good approach to administer the award. The commenter said that N.J.A.C. 15:24-4.2 adds unclear discretion to the State Librarian to determine the priority areas. This is an “add on” beyond 4/14 and not found in the Act. The commenter wants to know what grounds are there for determining what is deemed to be of “greatest importance in meeting the needs of New Jersey’s communities.” The commenter respectfully requests that N.J.A.C. 15:24-4.2 be removed.

RESPONSE: The discretion given to the State Librarian is intended to allow for a thorough assessment of how a particular project is addressing the needs of that individual community, based on the totality of the circumstances in the individual community, therefore, the section will not be removed.

102. COMMENT: Regarding N.J.A.C. 15:24-4.2, 5.1, and 5.2, the commenter believes that mechanisms should be included to allow the public to know how applications have been evaluated, in the principles of openness and to foster implementation of the awards. The commenter recommends that a formal report be provided, rating each application according to the criteria with scores, and a reasoned statement for why the award was given, partially given, or not given. An appeals process should be established. The composition and membership of the review committee should be provided to the public, as well as the committee’s qualifications and methodology. The list of approved projects is to be submitted to the Legislature, but it is not clear what action the Legislature will be required to take, if any. The commenter further requests that the State Librarian’s actions under N.J.A.C. 15:24-5.1, Reporting requirements, be made publicly available.

103. COMMENT: The commenter wants to know the composition of the review committee, how many are on it, and what their qualifications are.

RESPONSE TO COMMENTS 102 AND 103: As with all State grant applications, materials will become available under the Open Public Records Act, N.J.S.A. 47:1A-1 et seq. As this is a competitive grant process, there are no appeals allowable.

104. COMMENT: Regarding N.J.A.C. 15:24-4.1, the commenter requests that submission deadlines be posted as soon as possible, stating that this is particularly important if the application for necessary approvals is a pre-submission requirement. The commenter asks for a clarification of the life cycle of the grant not just the payment schedule.

RESPONSE: NJSL will make the submission dates available with the grant application. NJSL expects the period from grant application to project completion not to exceed eight years.

105. COMMENT: Regarding N.J.A.C. 15:24-2.7(g), the commenter wants to know what other agencies are involved should the applicant need to apply for approvals that are necessary if the project involves Historic Preservation or requires approval from the Department of Environmental Protection. The commenter asks if it should submit proof from local entities as well.

RESPONSE: This rule pertains to agencies dealing with Historic Preservation or Environmental Protection. Should there be historic or environmental agencies on the local level that require prior approval in order to proceed, those approvals should also be included. The rules include applying for approvals from other agencies, as applicable.

106. COMMENT: Regarding N.J.A.C. 15:24-2.7(h), the commenter wishes clarification in the contract section, in relation to whether all contracts have to be bid at prevailing wages and what other bid or procurement rules (outside this bid proposal) govern the selection process.

RESPONSE: The applicant should consult with an attorney and/or chief financial officer or qualified purchasing agent of the municipality or county with regard to the bidding process and also should review the State of New Jersey Local Public Contracts Law.

107. COMMENT: The commenter wants to know if the application is denied, if reasons will be given. The commenter also wants to know if there is an appeals process on denied applications.

RESPONSE: This is a competitive grant solicitation process with projects selected for submission to the Legislature for approval. Given the process and time frame, and similar to other general obligation bond programs, there is no appeals process.

108. COMMENT: The commenter wants to know if there is an allowance for contingencies in terms of cost subsequent to application approval, such as the discovery of contaminated soil.

RESPONSE: There is no contingency funding for additional costs subsequent to application approval. Please also see the Response to Comment 99, which discusses post-grant award changes.

109. COMMENT: Regarding N.J.A.C. 15:24-1.1, the commenter asks if there is a specific protocol required to assess “projected needs.”

RESPONSE: There is no specific protocol. Libraries may use a variety of methods. Examples are surveys, focus groups, reviewing town and county documents that discuss area needs, and establishing planning committees to assist in determining needs. Each library may choose the method most appropriate to its situation.

110. COMMENT: Regarding N.J.A.C. 15:24-3.1, the commenter states that his county library does not own its physical buildings. The 10 branch locations are all owned by the municipality in which the building resides.

The commenter assumes that if future grant applications are to be submitted by the individual municipalities for branches, the county library will not have to rank the construction project requests in terms of priority. The county will not be the 50 percent matching funder of any proposed construction project. The commenter requests confirmation that this assumption is correct.

RESPONSE: Yes, the assumption is correct. Please see the definition of applicant at N.J.A.C. 15:24-1.3, Definitions. This definition describes the situation mentioned by the commenter. The applicant municipalities must rank if they are submitting more than one project.

111. COMMENT: The commenter has specific projects that fall under more than one category and asks if there are limitations from applying to more than one category.

112. COMMENT: The commenter wishes to know if there is a limit on the number of applications that they may submit.

RESPONSE TO COMMENTS 111 AND 112: No, there are no limits. Applicants can apply in more than one category. Please see N.J.A.C. 15:24-3.1(a)2, regarding applicant priorities for the receipt of grants for multiple and single projects. Applicants submitting an application for more than one project shall rank each project in order of priority and importance to the applicant.

113. COMMENT: Regarding N.J.A.C. 15:24-2.2, the commenter asks for eligible projects, will a percentage of the entire grant amount be broken down for each project category to allow for equal distribution to all libraries regardless of operating budgets.

RESPONSE: Assigned dollar amounts for each project category have not been determined. Each application will stand on its own merit in the review process.

114. COMMENT: Regarding N.J.A.C. 15:24-2.3, the commenter states that the funding priorities do not specify how the grant will allocate to priorities or what criteria will determine the percent of distribution Statewide.

RESPONSE: No specific allocation of funding has been assigned to priorities or criteria. Each application will stand on its own merit in the review process.

115. COMMENT: Six residents of a township expressed agreement with their Library Board’s comments concerning the regulations. Two additional residents would like their town’s project to be funded.

RESPONSE: The State Library thanks the commenters for their support.

Federal Standards Statement

The adopted new rules are not subject to Federal standards or requirements; therefore, a Federal standards analysis is not required for this rulemaking.

Full text of the adopted new rules follows (additions to proposal indicated in boldface with asterisks *thus*; deletions from proposal indicated in brackets with asterisks *[thus]*):

CHAPTER 24

NEW JERSEY LIBRARY CONSTRUCTION BOND ACT RULES

SUBCHAPTER 1. GENERAL PROVISIONS

15:24-1.1 Purpose and scope

(a) All people of New Jersey should have equitable access to New Jersey public library facilities, collections, technological resources, and services regardless of age, color, race, religion or creed, *gender or sexual preference,* socioeconomic level, or disability.

1. This chapter describes a physical space, a public library, and the development of materials (collections and resources) and activities (services) that are integral to the use of that space. The kinds of services offered within that space are critical to the people of New Jersey. The library might provide the technology to help residents bridge the digital divide by utilizing computers and electronic resources. It might provide the space for public forums on important civic topics, art shows, or musical entertainment, or for lectures on topics of community interest. A public library might also foster participation in the joys of reading for each member of a family.

(b) The purpose of this chapter is to improve New Jersey's public library facilities to ensure the well-being and success of New Jersey's residents. Today's public libraries offer the residents of New Jersey critical education, training, and civic services, which are more cost-effectively provided through modern, technologically current buildings with flexible spaces adaptable to many types of programs and services.

1. To support this need, the State is distributing funding to communities seeking to improve and expand their access to resources, including technology. This subsection describes the procedures and criteria for communities to apply for and receive funding. Broadly speaking, the State's priorities for this funding are:

i. Construction and rehabilitation to further access to library services with an emphasis on equal access for all people to easily use library resources and services;

ii. Enhancement of public libraries to serve as public spaces and community centers in which people engage and interact for civic, educational, informational, and recreational purposes;

iii. Optimization of the technological infrastructure to promote access to the Internet, electronic resources, and instruction in their use(s) helping all people to bridge the digital divide; and

iv. Growth in critical public library services available to the citizens of New Jersey (including those that support education, employment, welfare, job training, career assistance, college preparation, securing government assistance, and civic services).

(c) Applicants are invited to submit applications that address one or more of these Statewide priorities. Project applications will be evaluated on the means by which the projects are aligned with the Statewide priorities listed in this section and the "primary criteria," which articulate basic eligibility for funding pursuant to N.J.A.C. 15:24-2.7(a).

(d) Given the past decade of disinvestment in the State's libraries, and the two decades since the State's last program investing in public library construction, the State Librarian may seek to administer a phased solicitation process awarding funds in more than one round in order to most effectively respond to the needs around New Jersey and dedicate bond resources accordingly.

15:24-1.2 Authority

This chapter implements the New Jersey Library Construction Bond Act, P.L. 2017, c. 149, an act authorizing the issuance of \$125 million in general obligation bonds for the construction, reconstruction, development, extension, improvement, and furnishing of New Jersey's public libraries.

15:24-1.3 Definitions

The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise. Additional definitions that apply to this chapter can be found at P.L. 2017, c. 149.

"Act" or "Bond Act" means the New Jersey Library Construction Bond Act, P.L. 2017, c. 149.

"Applicant" or "eligible applicant" means a municipal, county, or joint library established pursuant to N.J.S.A. 40:33-1 et seq., or 40:54-1 et seq., or a library established pursuant to N.J.S.A. 15A:1-1 et seq., and receiving public funds pursuant to N.J.S.A. 40:54-35. "Applicant" shall also mean a municipality, in the case in which a library facility is to be constructed by a municipality with the provision that it be equipped, stocked, staffed, or supported by a county or other public library system.

"Construct" and "construction" means the planning, erecting, altering, expanding, repairing, purchasing, acquiring, improving, developing, constructing, reconstructing, extending, rehabilitating, renovating, upgrading, demolishing, and equipping of public libraries.

"Costs" means the expenses incurred in connection with the project. This includes the acquisition by purchase, lease, or otherwise, the development, and the construction of any project authorized by the Act; the acquisition by purchase, lease, or otherwise, and the development of any real or personal property for use in connection with a project authorized by the Act, including any rights of interest therein; the execution of any agreements and franchises deemed by the President of Thomas Edison State University to be necessary or useful and convenient in connection with any project; the procurement of engineering, inspection, planning, legal, financial, or other professional services, estimates, studies, reports, or advice, including the services of a bond registrar or an authenticating agent; feasibility studies; the issuance of bonds, or any interest or discount thereon; the administrative, organizational, operating, or other expenses incident to the financing and completion of any project authorized by the Act.

"Matching funds" means cash, local governmental appropriations, grants, and other funds from any private or Federal source, and the proceeds from the sale of municipal bonds. Matching funds must equal the grant amount dollar-for-dollar. Grants from State of New Jersey sources may not be used to satisfy the matching requirement.

"President" means the President of Thomas Edison State University.

"Project" means the acquisition of land for construction of a new building(s) or expansion of an existing building(s) to be used as a public library; the establishment and construction of public libraries; the rehabilitation and repair of public libraries; and the acquisition of additional and upgraded furniture, fixtures, and/or information technology equipment.

"Project grant" or "grant" means a grant of monies from bonds issued under the Act to fund a project approved pursuant to P.L. 2017, c. 149, and for which a project-specific appropriation has been made.

"Public library" means a library that serves, free of charge, all residents of an area as established pursuant to Chapter 33 or Chapter 54 of Title 40 of the New Jersey Revised Statutes; or a library established pursuant to N.J.S.A. 15A:1-1 et seq., and receiving public funds pursuant to N.J.S.A. 40:54-35. "Public library" does not include any special-purpose library, such as a law, medical, or academic library, which is organized to serve a special clientele or purpose.

"Rehabilitation" means the renovation, alteration, or reconstruction of any building or structure.

"Repair" means the restoration to a good or sound condition of materials, systems, and/or components of a public library building that are worn, deteriorated, or broken, using materials or components identical to, or closely similar to, the existing materials.

"Substantial changes" means a 10 percent or more change in the eligible costs as submitted in the grant application, and any internal structural changes that alter the function of the public library building or the allocation of space as submitted in the grant application.

SUBCHAPTER 2. TERMS OF GRANT PROGRAM

15:24-2.1 Allocation of funds; match requirement

(a) Grants from the Bond Act shall be used only to fund approved projects for public libraries.

(b) For any grant for a project approved by the State Librarian and the President, which is financed by Bond Act funds, the grant shall support no more than 50 percent of the cost of the project and the applicant shall provide matching funds to support 50 percent of the cost of the project.

15:24-2.2 Types of eligible and ineligible projects

(a) The President and the State Librarian shall consider project(s) or combinations of projects for approval of a grant from Bond Act funds available, or expected to become available, pursuant to the Act. Projects include, but are not limited to:

1. Construction of a new building to be used as a public library;
2. Construction of an addition to an existing building to be used as a public library;
3. Acquisition of land on which there is to be construction of a new building(s) or expansion of an existing building(s) to be used as a public library;
4. Acquisition of a building to be used as a public library;
5. Rehabilitation of an existing building to be used as a public library, which may include, but is not limited to, energy conservation, the creation of innovative and collaborative space for library and community activities, and upgrading or modernizing a facility for compliance with applicable and current local, State, and Federal health and safety standards; and
6. Repair of public library building(s) or designated mechanical system(s), or component(s) within such buildings that are worn, deteriorated, or broken *[, using materials or components identical to or closely similar to the existing components]*. Repair projects are intended to extend the useful life of a library facility and may include, but are not limited to, roofing, flooring, lighting, plumbing, heating/ventilation/air conditioning systems, and other necessary work to keep the building in efficient operating condition. Simple custodial repair work is not eligible for funding, unless the repair is a part of a larger rehabilitation or expansion project.

(b) The following projects, which are not defined in the Act, are ineligible for a grant:

1. Refurbishing of an existing building (carpeting, painting, etc.) when not part of a rehabilitation project;
2. Simple custodial building maintenance, such as preventative maintenance (inspection of fire extinguishers and alarms, etc.) and minor repairs (for damaged plumbing, wiring, windows, equipment, paint, etc.); and
3. Construction costs relating to non-public library use areas, in cases where a portion of the proposed construction is for use other than for a public library, such as municipal offices or a general municipal meeting room.

15:24-2.3 Funding priorities

(a) To ensure equitable distribution of grant monies across the library system and to meet the goals specified in N.J.A.C. 15:24-1.1(b) and the Act, projects will be evaluated to determine whether they further the following State priorities. For each project, applicants should indicate which priorities will be promoted by such project and support such assertions using the means by which priority alignment will be determined as specified in N.J.A.C. 15:24-2.4. The State priorities are as follows:

1. Construction and rehabilitation to further access to library services with an emphasis on equal access for all people to easily use library resources and services;
2. Enhancement of public libraries to serve as public spaces and community centers in which people engage and interact for civic, educational, informational, and recreational purposes;
3. Optimization of the technological infrastructure to promote access to the Internet, electronic resources, and instruction in their use(s), helping all people to bridge the digital divide; and
4. Growth in critical public library services available to the citizens of New Jersey (including those that support education, employment, welfare, job training, career assistance, college preparation, securing government assistance, and civic services).

15:24-2.4 Means by which priority alignment will be determined and evaluated

(a) Project alignment with the State priorities, pursuant to N.J.A.C. 15:24-2.3, will be determined and evaluated using the following criteria:

1. The extent to which barrier-free improvements do not exist in the public library building. The applicant must address what general improvements will be required in order to be barrier-free.

2. Socioeconomic profile. Public libraries provide an economic lift for residents, particularly in communities in which education, support services, and the social safety net are less robust. Measures of the socioeconomic need of the community should be included and cited.

3. Current needs. Articulation of the basic services the current library lacks, particularly in the absence of the expansion, repair, rehabilitation, or acquisition of an existing building. This may include, but is not limited to, evidence that the existing facility is no longer able to support the delivery of services to a community with diverse needs, limited shelf space or storage for books or audiovisual materials, and/or limited seating for customers.

4. Digital divide. Assess the extent of the current digital divide in the community, such as, high demand for public access computers, high percentages of customers with no Internet access at home, or limited access to electrical and data lines that makes it difficult to increase the number of computers at the public library.

5. Future projected needs. Assess the anticipated library service needs of residents through the year 2030, particularly as they are related to core library services, as stated in N.J.A.C. 15:24-1.1. This analysis may include, but is not limited to, projections of future community demographics, review of current and projected library use statistics, and an examination of city planning documents.

6. Resiliency. Address the need for resiliency improvements to public library buildings so that public libraries may function as community resources in times of emergency and disaster. For example, the public library building can be the one building in the community to provide cell phone charging for all in a time of emergency.

7. Extent to which current public library standards are met. Evaluate the extent to which the current facility meets the criteria for receipt of State Aid (as set forth in this subchapter) in the calendar year prior to the submission of an application. Should the minimum criteria not be met, provide an explanation or justification as to why minimum criteria have not been met.

8. Extent to which current building standards are met. Evaluation of the extent to which the current facility meets, or fails to meet, code standards for lighting, seismic, water infrastructure, and other design standards for health, safety, and energy efficiency.

9. Functionality of the public library building. Evaluate how well the building works as a library, how it is consistent with the library's mission, how it is consistent with the building program, flexibility of the building design in adapting to future needs, and overall functionality of the building for the ease of the customer.

10. How the investment furthers existing functions. Describe how the project will enhance functions of the existing facility through augmentation of collections management, technology, dedicated space, programming/meeting space, and services, among others. This may include, but is not limited to, projects fostering energy efficiency using green design principles and targeting Leadership in Energy and Environmental Design (LEED) certifications; addressing collection preservation as part of building and rehabilitation design, such as the inclusion of climate control systems, where necessary, and ambient lighting; promoting healthy internal building environments that protect human health and well-being according to WELL Building Standards, as promoted by the International WELL Building Institute; laptop plug-in and lab areas; WiFi enhancements; age-specific collaboration spaces; workforce training/job searching equipment; consortium and delivery operations; and reconfiguration in anticipation of projected future growth.

11. How the project provides new services. Illustration of how the proposed project will contribute new or enhanced services for the broader communities it serves, including how the opportunities enabled by the project will complement other social services and programs within the community.

12. Degree of community support/partnerships. A description of the formal partners, both traditional and non-traditional, that support the library and/or the specified project, as well as the partners' respective roles dedicated to bolster the library's mission as it relates to the community it serves.

13. Effects of staffing, maintaining, and operating the proposed facility. Plans for how the proposed project will draw on future resources

and how the applicant plans to support functions of the library once the proposed project reaches full functionality.

14. Cost-effectiveness of the project. Feasibility of the costs; are they reasonable, accurate, a good value, do they support increased efficiency of the building, and/or have an environmental impact.

15:24-2.5 Computation of square footage costs

(a) The maximum per square foot costs for computation of the project grant funding of construction and rehabilitation have been set at *[\$350.00]* ***\$500.00*** per square foot for new construction and *[\$200.00]* ***\$350.00*** per square foot for rehabilitation and repair. ***For the rehabilitation or renovation of a building registered as a New Jersey or Federal historic site, the maximum cost per square foot has been set at \$500.00.*** If the grant program is administered in a phased-solicitation process, these costs will be adjusted annually according to the Consumer Price Index for All Urban Consumers (CPI-U), Northeast Region, All Items, not seasonally adjusted.

(b) In cases where a portion of the proposed construction is for use other than for a public library, such space may not be included in the computation of available square feet of space in the computation of the State share of funding. The applicant shall clearly designate the non-public library use areas and the related costs; grant awards shall be reduced by the amount of the non-public library uses and related costs.

(c) The cost of any shared space submitted for grant funding shall be prorated on the basis of the percentage of public library use.

(d) Public library floor space must be measured to include total square footage of space to be used as a public library, including outer walls, areas provided for mechanical equipment and maintenance requirements, and storage. These areas shall have heat, light, and ventilation and square footage commensurate with their purposes.

(e) The reasonableness of land purchase costs also will be considered. See N.J.A.C. 15:24-2.7(a)4.

15:24-2.6 Eligible and ineligible project costs.

(a) In connection with each eligible project, the following are eligible project costs:

1. Construction of new buildings and expansion, repairs, rehabilitation, or acquisition of existing buildings to be used as a public library;

2. Expenses incurred after the *[signing]* ***effective date*** of contracts for approved grant awards related to the acquisition of land on which there is to be construction of a new building(s) or expansion of an existing building(s) or acquisition of an existing building(s) to be used as a public library, provided the expenses constitute an actual cost or a transfer of public funds;

3. Site grading and improvement of land on which buildings used as a public library are located or are to be located;

4. Architectural, engineering, consulting, and inspection services related to the specific project for which application for *[financial assistance]* ***grant funding*** is made;

5. Costs relating to the acquisition and installation of equipment to be located in public library facilities, including all necessary building fixtures and utilities, furniture, and equipment, such as library shelving, and filing equipment, catalogs, cabinets, circulation desks, reading tables, study carrels, computers, ***computer software***, and all video, voice, and data telecommunications equipment and linkages necessary for Internet access with a useful life of five years or more based on the life cycle of the equipment as specified by the manufacturer, but not including books or other library materials. Only equipment to be used in eligible projects funded under this chapter are eligible. In no case, shall costs for furniture and equipment that are in excess of 30 percent of the total costs of the project be considered an eligible project cost;

6. Expenses for moving to and from a temporary public library facility, when the existing facility is under construction and is no longer safe to inhabit as determined by the architect, and rent thereof for up to *[one year]* ***18 months***; *[and]*

7. Expenses for off-site storage and related moving costs, when necessary, for up to *[one year.]* ***18 months***;

***8. Expenses for moving from the current location to a new or purchased building to be used as a public library and/or an addition to a purchased building; and**

9. A request for extension(s) of the time period for incurring expenses as listed in (a)6 and 7 above, may be made to the President, or his or her designee, and State Librarian if the project has been proceeding forward in a timely manner but experiences delays beyond its control and not caused by any fault or negligence of the library.*

(b) The following are ineligible project costs:

1. Applicants may not use as matching funds, and grant funds may not be used to reimburse, any expenditures *[encumbered]* ***incurred*** before the *[approval of a project grant award]* ***issuance of an official notice of a grant award from the President, or his or her designee, and the State Librarian***;

2. Expenses for moving to and from a temporary library facility and rent thereof as *[encumbered]* ***incurred*** by the applicant after *[one year; and]* ***18 months***;

***3. Expenses for off-site storage and related moving costs, when necessary, after 18 months;**

4. Expenses for moving from the current location to a new or purchased building to be used as public library and/or an addition to a purchased building; and*

***[3.]* *5.* Debt service and other costs associated with the issuance of bonds *by counties and municipalities*.**

15:24-2.7 Primary criteria for eligible projects

(a) All applications shall meet the following criteria:

1. Barrier-free access improvements, such as ramps, restrooms, and other necessary improvements to bring the public library building in compliance with State and Federal minimum standards for providing accessibility for individuals with disabilities must be integrated in all new construction, repair, and rehabilitation projects.

2. Equitable public access to current technology and the adaptability of the public library building to future uses of technology for all public library customers must be integrated into all project proposals.

3. The applicant shall be in possession of a fee simple title or such other estate or interest in the project site, including access thereto, as is sufficient to assure undisturbed use and possession of the facility(ies) for not less than 20 years, or shall have met the criteria set forth at (a)4 and (b) and (c) below. Ownership of the site by the applicant includes ownership of the land by the municipality(ies) in which the applicant is located, or the county(ies,) in the case of a county or regional public library application, provided that such land has been formally dedicated to public library use.

4. In cases where an applicant is proposing to acquire land on which there is to be construction of a new building(s) or expansion of an existing building(s) to be used as a public library, the applicant shall submit a letter of intent to purchase such land.

i. Documentation of the value of the land, and, if applicable, any structures upon it, will be required to determine that each land purchase is reasonable and comparable in price to other land purchases in proximity to the land to be acquired.

ii. The appraisal shall be prepared by an independent appraiser licensed by the State of New Jersey.

iii. The intent to acquire land may be in the form of a resolution of the governing body(ies) of the municipality(ies) of the applicant or the county(ies), in the case of a county or regional public library, a letter of intent to purchase land; a contract for the purchase of land; and/or other legal documents as determined by the applicant's attorney to be proof of intent to purchase land and as acceptable to the President and State Librarian. When the purchase of land is complete, the applicant must adhere to the requirements of (a)3 above. The land must be formally dedicated to public library use.

(b) If land and/or structures purchased with grant funds are sold within 20 years of the grant award notification, the applicant will be required to reimburse funds equal to the *[purchase price of the land and/or structures]* ***amount of grant funds received for such purpose*** to the Department of the Treasury.

(c) New public library buildings or buildings purchased to be public libraries may be part of, or located in, a mixed-use commercial, residential, municipal, county, State, or Federal project, if the applicable local codes allow. Only the costs attributed to the use of the public library

building are eligible costs of the Bond Act. Any non-public library use area or shared space must be prorated by the architect and may not be funded by a grant.

(d) For each rehabilitation and/or building acquisition project, a building analysis shall be prepared by an architect licensed in the State of New Jersey and shall be submitted as part of the application. The architect or a building consultant shall prepare a building program and such program shall be submitted as part of the application. The architect shall certify that the rehabilitated structure and all its component parts shall have a life expectancy of 20 years or more from completion of the project. Analyses made by the architect regarding the following shall be submitted in substantiation of the suitability and practicality of the acquisition, construction, rehabilitation, or repair:

1. The architect's certification that the building is structurally sound;
2. A determination that the building is suitable for acquisition or rehabilitation and upon completion will require no more than normal, annual maintenance;
3. The evaluation of the space requirements and allocation of space demonstrating that the structure, as acquired or rehabilitated, will serve the specific needs of the applicant and its community as defined in the library building program submitted as part of the grant application; and
4. An analysis of all mechanical aspects of existing construction to determine the need for replacement or improvement.

(e) Certification by the applicant that it has, or will have, local matching funds for the project, including a detailed listing of the matching funds. The applicant shall support 50 percent of the cost of the project. The local governing entity in the area served by the public library may solicit and receive grants and other funds from any private or Federal source to support its required share of the project.

(f) All structures must comply with the State Uniform Construction Code Act, N.J.S.A. 52:27D-119 et seq., and the rules promulgated thereunder, N.J.A.C. 5:23.

(g) In advance of submission of a grant application, the applicant must apply for any necessary approvals from the New Jersey Department of Environmental Protection, including the Historic Preservation Office, and other agencies, as applicable, and should provide evidence that application(s) have been made. ***A grant award is contingent upon the receipt of approvals from the above agencies, as appropriate.***

(h) Certification by the applicant that the public library project will comply with all State and Federal laws, codes, statutes, rules, and government guidelines, including prevailing wage and labor laws, and the principles of affirmative action and equal opportunity, where applicable. All New Jersey labor laws and rules shall be adhered to, when applicable.

(i) All contracts shall be awarded to the lowest responsible bidder on the basis of open competitive bidding, as specified in the Local Public Contracts Law, N.J.S.A. 40:11-1 et seq., unless exempt from the public bidding process under that law.

(j) Building plans shall be prepared by an architect licensed by the State of New Jersey.

SUBCHAPTER 3. GRANT ALLOCATION AND APPLICANT PRIORITIES

15:24-3.1 Applicant priorities for the receipt of grants for multiple and single projects

(a) Applicant priorities for the receipt of construction grants shall include the following:

1. In order for a project to be considered, the application must be complete. Where an applicant has filed applications for more than one project, only those applications that are complete will be considered.
2. Applicants submitting an application for more than one project shall rank each project in order of priority and importance to the applicant.
3. The applicant's own ranking of its projects will be reviewed in compiling the list of eligible projects to be recommended for approval.

15:24-3.2 Amount of grant and method of allocation

(a) A grant shall support no more than 50 percent of the cost of the project and the applicant shall provide matching funds to support 50 percent of the cost of the project.

(b) When actual costs are less than the amount approved, the grant award shall be reduced proportionally, pursuant to (a) above, to reflect

actual amounts.

(c) The State Librarian may determine the maximum and minimum grants to be awarded under this chapter. Projects that provide accessibility for individuals with disabilities may be funded, even if they do not meet the minimum dollar requirement.

SUBCHAPTER 4. APPLICATION PROCEDURES; REVIEW OF APPLICATIONS

15:24-4.1 Application procedures

(a) An application for a construction, rehabilitation, or renovation grant under this chapter shall be on the official form, available from the New Jersey State Library and shall include the following:

1. A complete description of the project to be financed with a grant;
 2. A cost estimate and cost data for the project, along with identification of all sources of funding to be used for any cost not funded by the grant and a statement of proration of eligible costs, if applicable;
 3. The estimated schedule for construction and completion of the project, including cash flow requirements;
 4. The useful life of any project, including equipment, as determined either by reference to the Internal Revenue Service's Class Life Asset Depreciation Range System set forth in Revenue Procedure 87-56, as amended, supplemented, or superseded or by appraisal of any independent engineer or accounting firm licensed in the State of New Jersey, as appropriate;
 5. Requisite resolutions, including a bond ordinance or resolution of intent to provide funding pursuant to N.J.A.C. 15:24-5.2(b);
 6. A building program and community analysis pursuant to N.J.A.C. 15:24-2.4(a);
 7. Project schematic plans, which include a site plan, elevations, and floor plans;
 8. A legal description of the project site and a copy of the deed or, if the application includes acquisition of property, evidence of intent to purchase real property pursuant to N.J.A.C. 15:24-2.7(a)4;
 9. The applicant's certification of compliance with minimum criteria for receipt of State Library Aid pursuant to N.J.A.C. 15:24-2 or a justification for not meeting the minimum criteria;
 10. Certification, from an architect, as to the project's suitability for the rehabilitation or purchase of a library building pursuant to N.J.A.C. 15:24-2.7(e);
 11. A statement of intent from an architect that the project design aspires to meet Leadership in Energy and Environmental Design (LEED) silver level or higher certification, when applicable*, **or a listing of Green design elements in the proposed project***;
 12. A statement of intent from an architect that states the project design intends to meet WELL certification standards for improving human health and well-being in buildings, when applicable;
 13. A statement of compliance with State and Federal rules regarding State and Federal minimums for providing barrier-free access;
 14. A certification by the applicant that the project will comply with all applicable laws, rules, codes, and government guidelines; including the principles of affirmative action and equal employment opportunity, where applicable, and mandatory New Jersey labor laws, the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq., and the State Uniform Construction Code Act, N.J.S.A. 52:27D-119 et seq., and the rules promulgated thereunder; and
 15. Proof of submission for any necessary approvals from the New Jersey Department of Environmental Protection, including the Historic Preservation Office, and other agencies, as applicable.
- (b) An application for the repair of a public library building shall be on the official form, available from the New Jersey State Library. The application will consist of an explanation of the need for the repair(s), a full description of the repair(s) and a drawing or schematic, a proposed timeline for the completion of the repair(s), and a cost estimate.
- (c) All applicants will certify that they have, or will have, the necessary required matching funds pursuant to N.J.A.C. 15:24-2.1(c).
- (d) An application shall be made by the governing body charged with the responsibility for the establishment and maintenance of the public library (board of trustees or county library commission, or county board of chosen freeholders, as appropriate).

(e) If a public library facility is to be constructed by a municipality with the provision that it be equipped, stocked, staffed, or supported by a public library outside of that municipality (for example, a municipally constructed building that will be operated by a county library as a branch library), the application shall be in the name of the municipality. The application shall be signed by the mayor or chief financial officer and cosigned by an officer of the governing body of the library that is providing services.

(f) For applications not submitted under (e) above, the person authorized to submit the application shall be an officer of the governing body named as the applicant, preferably the president or chairperson of this body. A statement to be signed and completed by the responsible officer of the applicant, for example, secretary of a board of trustees, shall certify this authorization.

(g) Any substantial changes or revisions affecting the application, after the application is submitted, including any structural changes in the building plans, shall be submitted, on the appropriate forms, to the State Librarian and the President for approval. Should the request for substantial change or revision receive approval, the application shall continue in the review process. Should the request for approval of the substantial change or revision be denied, the applicant's original submission shall stand unless withdrawn by the applicant.

(h) Any substantial changes or revisions to a project after a grant award is made, including any structural changes in the building plans, shall be submitted, on the appropriate forms, to the State Librarian and the President. The State Librarian and the President may request meeting(s) with the applicant, the architect, and others associated with the project, as necessary. The President will submit the request for a change to a project grant award to the New Jersey State Legislature. The Legislature will decide if the substantial change to a project grant award can be made. Approval of the change(s) or revision(s) to the project grant award is necessary in order for the applicant to proceed.

(i) Approval of the project must be given by the President and funds appropriated by the New Jersey Legislature before any funds are allocated to the project.

(j) If the bonds issued to fund a grant are issued on a tax-advantaged basis, including tax-exempt bonds, then in order to receive project grant funding for expenses incurred before such bonds are issued, such expenses must be "reimbursable" from bond proceeds under applicable Federal tax law.

15:24-4.2 Review of applications and approval process

(a) Funds awarded under this chapter may be split over priority areas deemed by the State Librarian to be of greatest importance in meeting the needs of New Jersey's communities. Funding may be available in more than one round.

(b) Application(s) shall be reviewed for completeness and compliance with this chapter. Additional information or clarification may be requested, as applicable.

(c) Any applications deemed incomplete will be ineligible for a grant.

(d) Completed applications will be reviewed based on a competitive application process, whereby applications will be submitted by a certain date and will be evaluated to determine which applications are eligible for funding and are the most qualified to receive funding.

(e) The applications shall be evaluated by a review committee established by the State Librarian.

(f) The State Librarian shall prepare a list of projects that meet the eligibility requirements set forth in this chapter for the review and approval of the President. Pursuant to the Bond Act, the President shall review and approve the grants.

(g) The President shall approve a list of projects and grant amounts for submission to the New Jersey Legislature for funding through project-specific appropriations.

SUBCHAPTER 5. REPORTING REQUIREMENTS

15:24-5.1 State Librarian reporting requirements

(a) The State Librarian, with the approval of the President, shall submit to the State Treasurer and the New Jersey Commission on Capital Budget and Planning, with the annual budget request, a plan for the New Jersey

Library Construction Fund for the upcoming fiscal year. This plan shall include the following information: a performance evaluation of the expenditures made from the funds to date, a description of programs planned during the upcoming fiscal year, a copy of the rules in force governing the operation of programs that are financed, in part or in whole, by funds from the New Jersey Library Construction Fund, and an estimate of expenditures for the upcoming fiscal year.

(b) Immediately following the submission to the Legislature of the Governor's annual budget message, the State Librarian, with the approval of the President, shall submit to the Legislature, pursuant to section 2 of P.L. 1991, c. 164 (N.J.S.A. 52:14-19.1), as amended, and to the Joint Budget Oversight Committee, or its successor, copies of the plan required pursuant to (a) above, together with such changes as may have been required by the Governor's budget message.

(c) All appropriations from the New Jersey Library Construction Fund shall be by specific allocation for each project and any transfer of any funds so appropriated shall require the approval of the Joint Budget Oversight Committee, or its successor.

15:24-5.2 Applicant/grant recipient reporting requirements

(a) Upon authorization of a grant pursuant to N.J.A.C. 15:24-4, the applicant shall enter into a grant agreement with the New Jersey State Librarian. The person authorized to sign the grant agreement shall be an officer of the body named as the applicant. Funding of the project grant shall be contingent upon the public library's continued compliance with the grant agreement.

(b) Within three months following notification of eligibility for a grant award, the applicant shall submit evidence that funds have been appropriated or bonds or debt have been authorized for financing of the project. Such evidence shall include copies of the ordinance of appropriation passed on final reading and approved. Other evidence of funding, such as resolutions, bank statements, and grant award notifications shall be deemed acceptable at the discretion of the President and State Librarian.

(c) Notwithstanding the useful life or life expectancy certified by the applicant for the proposed project, or a portion thereof for which funding is being sought under the Act, any debt issued by a local government entity as local matching funds shall be subject to the useful life provisions of the Local Bond Law (N.J.S.A. 40A:2-1 et seq.) or, under any other statute where the Local Finance Board may review useful life, the useful life determined by the Local Finance Board.

SUBCHAPTER 6. GRANT ADMINISTRATION

15:24-6.1 Grant administration

(a) The State Librarian may execute any agreements deemed to be necessary or useful and convenient in connection with any project. The State Librarian may determine any costs deemed to be necessary or useful and convenient in connection with any project. Such costs may include expenses incurred in connection with the administration, organization, or operations incident to this Act, its financing, and the completion of any project authorized by the Act.

(b) Each grant agreement shall include provisions as may be necessary to ensure that the applicant provides the required matching funds for the project.

1. If the required matching funds are not paid by the applicant as set forth in the grant agreement, the State Librarian may terminate the grant agreement and no additional grant funds will be provided to the applicant for this project.

(c) Architectural or engineering supervision and inspection shall be provided by the applicant at the construction site to ensure that the completed work conforms to the approved plans. For the purpose of inspection, representatives of the State Librarian shall have access, at all reasonable times, to all construction work being funded by the Bond Act. The applicant and contractor shall be required to facilitate such access and inspection.

(d) Construction shall be initiated and completed according to the proposed timeline specified in the grant application. The time limit for completion of the construction shall be measured from the date of execution of the grant agreement.

(e) The grant shall be paid to the applicant in four installments as set forth in this subsection, but only upon receipt of satisfactory evidence upon completion of each phase*, **including the certification by the architect as to compliance with the maximum per square foot costs***.

1. Twenty-five percent upon approval of the award of the construction contract(s). Satisfactory evidence of the award may be minutes of the governing body approving the award of construction contracts, copies of title pages of contracts with necessary signatures, letters of award, or other proofs of award of contract;

2. Fifty percent when the project is 50 percent complete and upon submission of the architect's certification;

3. Twenty percent when the project is substantially complete and upon submission of the architect's certification; and

4. Five percent upon receipt of a temporary certificate of occupancy and final project expenditure report.

(f) If the construction period exceeds the timeline by more than 12 months, a request for an extension must be made to the State Librarian no less than three months prior to the original completion date on an approved form. The State Librarian, in consultation with the President, will grant an extension for good cause with documentable reasons.

(g) In the event that construction is not substantially completed according to the approved timeline, or within reasonable extensions as

granted by the State Librarian, the State Librarian has the authority to rescind the balance of the approved grant.

(h) Each recipient of a project grant shall provide such information as the State Librarian or President may request regarding the use of grant funds and the progress of the project. Construction progress status reports and up-to-date spend-down timelines may be requested as necessary.

(i) Failure to comply with any of the rules set forth in this chapter shall make an applicant ineligible for funding not yet disbursed.

(j) The President, with the approval of the Joint Budget Oversight Commission, may, in a manner consistent with the allocations provided in the Bond Act, allocate any balance in an approved grant to another ***eligible library; a new solicitation for grant applications; an amended application; or toward a library's larger project, if the* approved project *was only for a portion of a larger library construction project***.

1. If an applicant determines not to undertake an approved project for which a grant was awarded;

2. To adjust for actual project expenses in a manner consistent with the approved grant; or

3. If an applicant fails to comply with the provisions of the grant.