



All politics are local when companies consider a move

April 22, 2013 By Jared Kaltwasser



John Boyd Jr.

In addition to the minimum-wage question, voters also will be picking a governor and 120 state legislators in the fall. Those elections are obviously of concern to business and people living in the state, but they also draw the attention of out-of-state companies thinking of relocating here, according to John Boyd Jr., principal at The Boyd Group, a Princeton location consultancy.

"A new thing that we're looking at — because our clients are asking us to look at it — is what is the political climate, not only in the state, but also in the district," he said.

Boyd said corporate executives tend to be big fans of Gov. Chris Christie, but he said local legislators also can play a big role in determining whether companies are subject to pro-business policies or more red tape. Thus, before they move to the Garden State, Boyd said companies want to know about the politics of a given district.

Boyd said one of the most closely watched races in the business community is the 14th district state senate matchup, where incumbent state Sen. Linda R. Greenstein (D-Cranbury) is facing a tough challenge from a former state senator, Republican Peter Inverso. Most recently, Inverso has been president and CEO of Roma Bank. He's retiring

this year as Roma becomes part of Investors Bank.

Egenton, at the state chamber, said companies already in New Jersey also are taking a proactive approach when it comes to government relations.

"More and more individual businesses and companies are taking the time and effort to get to know their legislator," he said.

Egenton said that often takes the form of hosting facility tours for policymakers. He said companies want to make sure their lawmakers know what they do, how they help the community, and how Trenton can help — or hurt — their business.

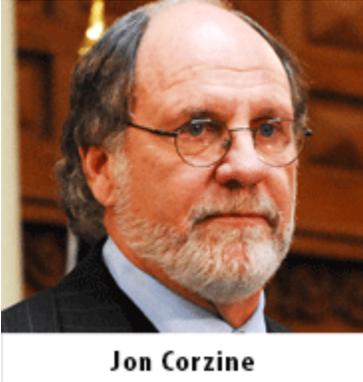
Sending development fee to the morgue, this time for good



A pending fee on commercial development could end before it begins, if one lawmaker has her way.

Sen. Jennifer Beck (R-Red Bank) last week put forth a bill to repeal a 2.5 percent fee on nonresidential developments before it takes effect July 1.

The fee was created in 2008 under Gov. Jon Corzine, and was designed to generate revenue to fund affordable housing. However, the bill took effect just in time for the recession, so lawmakers passed successive moratoria to forestall the fee until the economy improved. The current moratorium expires on June 30.



Beck said the legislation was flawed from the beginning.

"There never in the history of this (affordable housing) court case was a tie to commercial development," she said. "It's unprecedented, and I would argue it's not a very thoughtful idea. I think it's a bad idea."

As it currently stands, projects that get approval by June 30 and get their permits by June 30, 2015, would be exempt from the fee, but those approved July 1 or later would have to pay it.

Beck's introduction of the bill, S-2697, comes as the state Supreme Court is weighing the Council on Affordable Housing's latest round of regulations to determine if the rules comply with the state constitution. A decision is expected soon, likely ahead of June 30.

Beck said the economy has improved significantly since 2008, but the market would still be hurt by adding what she said is essentially a tax on commercial development.

"I'm going to argue we're never going to have an economy that's robust enough to withstand a 2.5 percent fee," she said.

Beck said she hopes lawmakers agree with her that the legislation was a "terrible idea" from the get-go, and vote to end the fee permanently.

"It's an absolute job creation-killer, and we should just do away with it rather than doing the folly of extending these moratoriums time and time again," she said.

www.NJBIZ.com