

SENATE COMMITTEE SUBSTITUTE FOR
SENATE, Nos. 559 and 757

STATE OF NEW JERSEY
213th LEGISLATURE

ADOPTED JUNE 19, 2008

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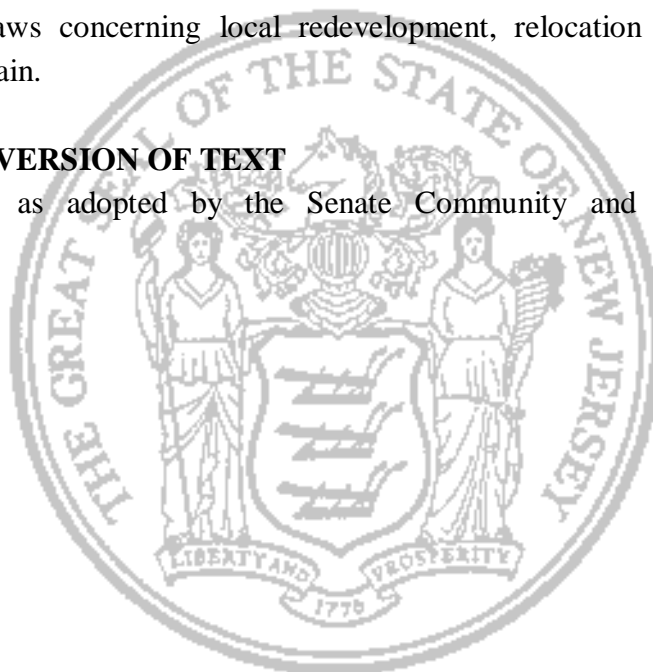
Senators Weinberg and Gordon

SYNOPSIS

Revises laws concerning local redevelopment, relocation assistance and eminent domain.

CURRENT VERSION OF TEXT

Substitute as adopted by the Senate Community and Urban Affairs Committee.



1 AN ACT concerning redevelopment, relocation assistance and
2 eminent domain, and amending and supplementing various parts
3 of the statutory law.
4
5 WHEREAS, Article VIII, Section III, paragraph 1 of the New Jersey
6 Constitution empowers the Legislature to authorize
7 municipalities to clear, replan, develop, and redevelop blighted
8 areas; and
9 WHEREAS, The Legislature has authorized municipalities to
10 undertake programs to redevelop blighted areas; and
11 WHEREAS, Municipalities have used these programs to arrest and
12 reverse blighted conditions to promote sound planning,
13 revitalize tax bases, and improve the public safety, health, and
14 welfare of their communities; and
15 WHEREAS, In exercising their responsibilities and implementing
16 redevelopment programs municipalities have exercised the
17 power of eminent domain; and
18 WHEREAS, The increase in redevelopment activity throughout the
19 State, including the use of eminent domain, together with the
20 2005 United States Supreme Court decision in *Kelo v. City of*
21 *New London, Connecticut*, 545 U.S. 469 (2005), have heightened
22 the public concern with municipal redevelopment activities; and
23 WHEREAS, The Legislature has undertaken a comprehensive review
24 of the redevelopment laws and has convened public meetings and
25 received testimony and correspondence from groups and
26 individuals interested in redevelopment programs, including
27 municipal officials, property owners, developers, and members
28 of the general public; and
29 WHEREAS, Following this comprehensive review, the Legislature
30 now declares that redevelopment remains a valid and important
31 public purpose and that the implementation of redevelopment
32 programs continues to be a vital tool for municipal officials that
33 must be maintained to allow them to continue to meet their
34 governmental responsibilities to prevent, arrest, and reverse
35 deleterious property conditions within their municipal borders;
36 and that the power of eminent domain remains necessary in
37 certain cases to effectively implement such redevelopment
38 responsibilities and powers; and
39 WHEREAS, Following this comprehensive review, the Legislature
40 also declares that changes to the existing law are necessary: to
41 ensure that affected property owners and the general public are
42 provided adequate notice of a municipality's interest in
43 developing a redevelopment program; to revise the definition of
44 blight so that it is more specific, more objective, and
45 incorporates terms that have well-established or historical

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 meanings, are capable of third party review, or limit the
2 possibility of very broad and expansive interpretation; to afford
3 stakeholders the opportunity to be heard during the process
4 undertaken to develop redevelopment programs; to add
5 transparency to the exercise of a legitimate governmental
6 function; to create certainty that redevelopment programs are
7 authorized and undertaken in a deliberative and open process; to
8 ensure that the social and economic impacts of redevelopment
9 are adequately addressed, including affordable housing and
10 comparable replacement housing for households displaced by
11 redevelopment; to provide that such programs, once properly
12 adopted, are implemented in a fair and certain manner, including
13 a public process, where appropriate, for the selection of
14 redevelopers seeking the assistance of municipal officials in
15 constructing a redevelopment project on municipally owned or
16 acquired property; to ensure that the use of eminent domain for
17 redevelopment is an absolute last resort, used only after other
18 options have been fully explored and deemed insufficient to
19 reasonably achieve the goals of the redevelopment plan; to
20 provide a just measure of compensation to property owners who
21 are subject to eminent domain; and to afford protection and
22 finality to such redevelopment programs properly created under
23 these heightened standards for enactment. These changes will
24 restore public confidence in local redevelopment programs by
25 assuring that interested parties are provided access into a fair,
26 open, and deliberative process; and

27 **WHEREAS**, The New Jersey Supreme Court in *Gallenthin Realty*
28 *Development, Inc. v. Borough of Paulsboro*, 191 N.J. 344
29 (2007), has clarified the meaning of the term blight as used in
30 Article VIII, Section III, paragraph 1 of the New Jersey
31 Constitution, which is consistent with the intent of the
32 Legislature to limit the circumstances under which eminent
33 domain can be used; and

34 **WHEREAS**, The Appellate Division of the Superior Court in
35 *Harrison Redev. Agency v. DeRose*, 398 N.J. Super. 361 (App.
36 Div. 2008) has recently clarified the “constitutionally-essential
37 components” for notice under the “Local Redevelopment and
38 Housing Law,” which is consistent with the intent of the
39 Legislature to expand the notice requirements set forth in
40 current law; and

41 **WHEREAS**, The Legislature also: declares that municipalities should
42 be encouraged to engage in redevelopment without resorting to
43 the taking of property by eminent domain, recognizes that
44 increasing procedural requirements to enhance the transparency
45 of the redevelopment process will increase the cost for
46 municipalities to engage in the process, and that it is therefore
47 appropriate to establish alternative types of redevelopment
48 areas, both of which must satisfy the constitutional meaning of

1 the term blight, but which will allow municipalities to pursue
2 redevelopment through more or less costly procedures
3 depending upon whether they want to have the power to
4 exercise eminent domain within the redevelopment area; now,
5 therefore:

6
7 **BE IT ENACTED** by the Senate and General Assembly of the State
8 of New Jersey:

9
10 1. Section 2 of P.L.1971, c.361 (C.20:3-2) is amended to read as
11 follows:

12 2. When used in **[this act]** P.L.1971, c.361 (C.20:3-1 et seq.),
13 unless the context or subject matter otherwise requires, the
14 following words shall have the meanings ascribed to them under
15 this section:

16 (a) "Condemn" means to take private property for a public
17 purpose under the power of eminent domain;

18 (b) "Condemnor" or "taking agency" means the entity, public or
19 private, including the State of New Jersey, which is condemning or
20 has the power to condemn private property for a public purpose
21 under the power of eminent domain;

22 (c) "Condemnee" or "prospective condemnee" means the owner
23 of an interest in the private property **[being condemned]** subject to
24 potential or actual condemnation for a public purpose under the
25 power of eminent domain;

26 (d) "Property" means land, or any interest in land, and (1) any
27 building, structure or other improvement imbedded or affixed to
28 land, and any article so affixed or attached to such building,
29 structure or improvement as to be an essential and integral part
30 thereof, (2) any article affixed or attached to such property in such
31 manner that it cannot be removed without material injury to itself
32 or to the property, (3) any article so designed, constructed, or
33 specially adapted to the purpose for which such property is used
34 that (a) it is an essential accessory or part of such property; (b) it is
35 not capable of use elsewhere; and (c) would lose substantially all
36 its value if removed from such property;

37 (e) "Court" means Superior Court of New Jersey;

38 (f) "Rules" means the applicable rules governing the courts of
39 the State of New Jersey as promulgated from time to time by the
40 Supreme Court of New Jersey;

41 (g) "Action" means the legal proceeding in which

42 (1) property is being condemned or required to be condemned;

43 (2) the amount of compensation to be paid for such
44 condemnation is being fixed;

45 (3) the persons entitled to such compensation and their interests
46 therein are being determined; and

47 (4) all other matters incidental to or arising therefrom are being
48 adjudicated.

1 (h) "Compensation" means the just compensation which the
2 condemnor is required to pay and the condemnee is entitled to
3 receive according to law as the result of the condemnation of
4 property;

5 (i) "Award" means the award of compensation made by the
6 commissioners provided for herein;

7 (j) "Judgment" means the adjudication by the court of any issue
8 of fact or law, or both, arising under **[this act]** P.L.1971, c.361
9 (C.20:3-1 et seq.). The adjudication of the right to condemn shall
10 be a final judgment. All other judgments shall be interlocutory or
11 final, according to law, or as may be prescribed by the rules;

12 (k) "Recording office" means the county office of each county
13 in which the property being condemned, or any part thereof, is
14 located, in which office conveyances of real property may be
15 recorded;

16 (l) "Days" means calendar days, calculated in accordance with
17 the rules of court;

18 (m) "Public utility" means and includes every public utility, as
19 the same are enumerated in **[Revised Statutes]** R.S.48:2-13, and
20 every natural gas pipeline utility as defined in P.L.1952, **[chapter]**
21 c. 166 (C.48:10-2 et seq.) vested with the power of eminent domain
22 and subject to regulation under State or Federal law.

23 (n) Words used in the singular shall include the plural and vice
24 versa. Words used in the neuter gender shall include masculine and
25 feminine gender, as the case may be.

26 (cf: P.L.1971, c.361, s.2)

27

28 2. Section 6 of P.L.1971, c.361 (C.20:3-6) is amended to read as
29 follows:

30 6. a. Whenever any condemnor shall have determined to acquire
31 property pursuant to law, including public property already devoted
32 to public purpose, but cannot acquire title thereto or possession
33 thereof by agreement with a prospective condemnee, whether by
34 reason of disagreement concerning the compensation to be paid or
35 for any other cause, the condemnation of such property and the
36 compensation to be paid therefor, and to whom payable, and all
37 matters incidental thereto and arising therefrom shall be governed,
38 ascertained and paid by and in the manner provided by this act;
39 provided, however, that no action to condemn shall be instituted
40 unless the condemnor is unable to acquire such title or possession
41 through bona fide negotiations with the prospective condemnee,
42 which negotiations shall include an offer in writing by the
43 condemnor to the prospective condemnee holding the title of record
44 to the property being condemned, setting forth the property and
45 interest therein to be acquired, the compensation offered to be paid
46 and **[a reasonable disclosure of the manner in which the amount of**
47 **such offered compensation has been calculated]** a copy of the
48 appraisal upon which the offer has been based and which was

1 approved by the condemnor, and such other matters as may be
2 required by the rules.

3 b. Prior to such offer the taking agency shall appraise said
4 property and the owner, his agents and consultants shall be given an
5 opportunity to accompany the appraiser and any other non-real
6 estate expert or consultant hired by the condemnor or redeveloper
7 during inspection of the property. [Such offer] The owner, his
8 agents and consultants may provide to the taking agency's appraiser,
9 other expert or consultant, information or data, or otherwise raise
10 issues of concern, including information concerning outstanding
11 balances on bona fide mortgages, and otherwise raise issues relating
12 to the valuation of the property and damages to the remainder
13 arising from the proposed acquisition.

14 c. (1) The appraiser, redeveloper, and any other non-real estate
15 experts or consultants hired by the redeveloper or taking agency
16 shall transmit to the taking agency, in written form signed by the
17 property owner, all information and issues of concern provided to
18 those persons by the owner and his agents and consultants.

19 (2) The approved appraisal shall include any such information in
20 the determination of the estimate of fair market value to the extent
21 that it has an effect, if any, upon fair market value as permitted by
22 law.

23 (3) If the owner declines to sign the written information and
24 issues of concern, the appraiser, redeveloper, or other non-real
25 estate experts or consultants, as appropriate, shall send a confirming
26 letter to that effect to the taking agency, with a copy to the property
27 owner by certified mail, return receipt requested. The confirming
28 letter shall satisfy the requirements of this section.

29 d. The value of a location premium that will be lost due to
30 dislocation shall be paid pursuant to the requirements of subsection
31 d. of section 4 of P.L.1971, c.362 (C.20:4-4), if it was not included
32 in the approved appraisal or compensation offer to acquire a
33 property. For the purposes of this subsection, "location premium"
34 means the benefits that accrue to a business as a result of favorable
35 pedestrian, mass transportation, or vehicular traffic peculiar to its
36 location.

37 e. The written offer made by a condemnor to a prospective
38 condemnee holding record title to the property shall be served by
39 certified mail, return receipt requested, by a private courier or in
40 person along with a copy of the approved appraisal. In no event
41 shall such offer be less than the taking agency's approved appraisal
42 of the fair market value of such property. [A rejection of said offer
43 or failure to accept the same within the period fixed in written offer,
44 which shall in no case be less than 14 days from the mailing of the
45 offer, shall]

46 f. (1) The prospective condemnee shall be afforded 45 calendar
47 days from receipt of the written offer to review the offer and the
48 approved appraisal upon which the offer was based, to seek

1 clarification thereof as well as any other relevant information, to
2 allow an opportunity to negotiate the compensation to be paid, and
3 to request an opportunity to discuss the offer and the basis thereof
4 with a representative of the condemnor in person.

5 (2) Prior to the expiration of this 45-day period, the prospective
6 condemnee may request, in writing, an extension of this 45-day
7 period for a period not exceeding an additional 25 days, for a total
8 of 70 calendar days, which shall not be denied except for good
9 cause shown by the condemnor. During this period, as it may be
10 extended, the prospective condemnee may seek additional relevant
11 information regarding the offer or regarding the project.

12 (3) Within the time period, as may be extended, the condemnor
13 shall provide reasonable and timely responses to requests for
14 information and for explanations and shall afford an opportunity for
15 the condemnee to meet in person on at least one occasion with a
16 representative of the condemnor to discuss the offer and the basis
17 thereof.

18 (4) The prospective condemnee may also obtain its own appraisal
19 and share it with the prospective condemnor and seek a review
20 thereof by the prospective condemnor.

21 (5) If the prospective condemnee rejects the written offer of the
22 condemnor or otherwise does not affirmatively respond to the offer,
23 the condemnor may then send in writing by certified mail, private
24 courier, or in person, a letter setting forth an intent to commence
25 condemnation proceedings in the Superior Court. Such letter, upon
26 receipt, shall conclude bona fide negotiations between the
27 prospective condemnor and condemnee.

28 (6) A disagreement over the amount of the offer, how the offer
29 was calculated, or the method or manner in which the property was
30 appraised shall not constitute grounds to continue negotiations or
31 prevent the condemnor from successfully acquiring the property
32 through the commencement of a condemnation proceeding and the
33 appointment of condemnation commissioners.

34 g. Nothing in this section shall be construed as requiring a
35 condemnor to increase the amount of an offer during the review and
36 negotiation period.

37 h. A condemnor may file a complaint for condemnation in the
38 manner provided by the Rules of Court anytime after expiration of
39 the initial review and negotiation period, including any extension
40 thereof, all as provided for in this section, without the consent of
41 the prospective condemnee, provided the condemnor is otherwise
42 empowered to exercise the power of eminent domain and the
43 condemnor has complied with the provisions of this section.

44 i. Proof of the delivery of a written offer and a copy of the
45 approved appraisal and the delivery of a letter of intent at the
46 expiration of the negotiation period as set forth above, shall be
47 deemed to be conclusive proof [of the] that bona fide negotiations
48 were, in fact, conducted by the condemnor with the prospective

1 condemnee and that there was an inability on the part of the
2 condemnor and prospective condemnee to agree to the
3 compensation to [acquire the property or possession thereof
4 through negotiations] obtain title and possession to the property
5 sought to be acquired other than by filing an action in
6 condemnation.

7 j. When the holder of the title is unknown, resides out of the
8 State, or for other good cause, the court, upon application by motion
9 pursuant to the Rules of Court, may dispense with the necessity of
10 such negotiations.

11 k. Neither the offer or the amount thereof, nor the refusal thereof
12 by the prospective condemnee shall be evidential in the
13 determination of compensation.

14 (cf: P.L.1971, c. 361, s. 6)

15

16 3. Section 3 of P.L.1971, c.362 (C.20:4-3) is amended to read as
17 follows:

18 3. As used in this act the term:

19 a. "Taking agency" or "acquiring agency" means the entity,
20 public or private, including the State of New Jersey, which is
21 condemning or otherwise acquiring private property for a public
22 purpose **[under the power of eminent domain].**

23 b. "Person" means any individual, partnership, corporation, or
24 association.

25 c. "Displaced person" means any person who, on or after the
26 effective date of this act, moves from real property, or moves his
27 personal property from real property, as a result of the acquisition
28 of such real property, in whole or in part, or as the result of the
29 written order of the acquiring agency to vacate real property, for a
30 program or project undertaken by a taking agency; and solely for
31 the purposes of **[sections 4] subsections a. and b. of section 4 of**
32 **P.L.1971, c.362 (C.20:4-4)** and section 7 of **[this act] P.L.1971,**
33 **c.362 (C.20:4-4),** as a result of the acquisition of or as the result of
34 the written order of the acquiring agency to vacate other real
35 property, on which such person conducts a business or farm
36 operation, for such program or project.

37 d. "Business" means any lawful activity, excepting a farm
38 operation, conducted primarily:

39 (1) for the purchase, sale, lease and rental of personal and real
40 property, and for the manufacture, processing, or marketing of
41 products, commodities, or any other personal property;

42 (2) for the sale of services to the public;

43 (3) by a nonprofit organization; or

44 (4) solely for the purposes of **[section 4] subsection a. of [this**
45 **act] section 4 of P.L.1971, c.362 (C.20:4-4)** for assisting in the
46 purchase, sale, resale, manufacture, processing, or marketing of
47 products, commodities, personal property, or services by the
48 erection and maintenance of an outdoor advertising display or

1 displays, whether or not such display or displays are located on the
2 premises on which any of the above activities are conducted.

3 e. "Farm operation" means any activity conducted solely or
4 primarily for the production of one or more agricultural products or
5 commodities, including timber, for sale or home use, and
6 customarily producing such products or commodities in sufficient
7 quantity to be capable of contributing materially to the operator's
8 support.

9 f. The term "commissioner" **[shall mean]** means the
10 Commissioner of **[the Department of]** Community Affairs.
11 (cf: P.L.1971, c.362, s.3)

12

13 4. Section 4 of P.L.1971, c.362 (C.20:4-4) is amended to read as
14 follows.

15 4. a. If a taking agency acquires real property for public use, it
16 shall make fair and reasonable relocation payments to displaced
17 persons and businesses as required by **[this act]** P.L.1971, c.362
18 (C.20:4-1 et seq.), for:

19 (1) actual reasonable expenses in moving himself, his family,
20 business, farm operation, or other personal property;

21 (2) actual direct losses of tangible personal property as a result of
22 moving or discontinuing a business or farm operation, but not to
23 exceed an amount equal to the reasonable expenses that would have
24 been required to relocate such property, as determined by the taking
25 agency; **[and]**

26 (3) actual reasonable expenses in searching for a replacement
27 business or farm ; and

28 (4) actual direct losses of capital improvements made by a lessee
29 or tenant of a property that are not subject to reimbursement by the
30 lessor.

31 b. Any displaced person eligible for payments under subsection
32 a. of this section who is displaced from a dwelling and who elects to
33 accept the payments authorized by this subsection in lieu of the
34 payments authorized by subsection a. of this section may receive a
35 moving expense allowance, determined according to a schedule
36 established by the taking agency, not to exceed **[\$300.00]** \$450,
37 provided that on the first day of the 12th month next following
38 enactment of P.L. , c. (C.) (pending before the Legislature
39 as this bill), the moving expense allowance shall be increased to an
40 amount not to exceed \$900, and further increased on the first day of
41 the 24th month next following enactment of P.L. , c. (C.)
42 (pending before the Legislature as this bill), to an amount not to
43 exceed \$1,350, and a dislocation allowance of **[\$200.00]** \$300,
44 provided that on the first day of the 12th month next following
45 enactment of P.L. , c. (C.) (pending before the Legislature
46 as this bill), the dislocation allowance shall be \$600, and on the first
47 day of the 24th month next following enactment of P.L. ,
48 c. (C.) (pending before the Legislature as this bill), that

1 allowance shall be \$900 provided, however, such amounts shall be
2 adjusted annually in accordance with section 8 of P.L. _____,
3 c. (C. _____) (pending before the Legislature as this bill).
4 c. Any displaced person eligible for payments under subsection
5 a. of this section who is displaced from his place of business or
6 from his farm operation and who elects to accept the payment
7 authorized by this subsection in lieu of the payment authorized by
8 subsection a. of this section, may receive a fixed payment in an
9 amount equal to the average annual net earnings of the business or
10 farm operation, except that such payment shall not be less than
11 [\$2,500.00] \$3,750, provided that on the first day of the 12th
12 month next following enactment of P.L. _____, c. (C. _____) (pending
13 before the Legislature as this bill), the payment shall not be less
14 than \$7,500, and on the first day of the 24th month next following
15 enactment of P.L. _____, c. (C. _____) (pending before the Legislature
16 as this bill), the payment shall not be less than \$11,250 nor more
17 than [\$10,000.00] \$15,000, provided on the first day of the 12th
18 month next following enactment of P.L. _____, c. (C. _____) (pending
19 before the Legislature as this bill), the payment shall not be more
20 than \$22,500, and on the first day of the 24th month next following
21 enactment of P.L. _____, c. (C. _____) (pending before the Legislature
22 as this bill), the payment shall not be more than \$45,000 provided,
23 however, such amounts shall be adjusted annually in accordance
24 with section 8 of P.L. _____, c. (C. _____) (pending before the
25 Legislature as this bill). In the case of a business no payment shall
26 be made under this subsection unless the taking agency is satisfied
27 that the business (1) cannot be relocated without a substantial loss
28 of its existing patronage, and (2) is not a part of a commercial
29 enterprise having at least one other establishment not being
30 acquired by the taking agency, which is engaged in the same or
31 similar business. The business owner shall have the right to appeal
32 this decision in court. For purposes of this subsection, the term
33 "average annual net earnings," means 1/2 of any net earnings of the
34 business or farm operation, before Federal, State, and local income
35 taxes, during the 2 taxable years immediately preceding the taxable
36 year in which such business or farm operation moves from the real
37 property acquired or leased for such project, or during such other
38 period as such agency determines to be more equitable for
39 establishing such earnings, and includes any compensation paid by
40 the business or farm operation to the owner, his spouse, or his
41 dependents during such period.
42 d. Whenever the value of a location premium that will be lost to
43 an owner of a business due to dislocation is not included in the
44 approved appraisal or compensation offer to acquire a property, the
45 taking agency shall be responsible for making an additional
46 payment to that owner for the value of that location premium that
47 will be lost due to dislocation. The Commissioner of Community
48 Affairs shall promulgate rules and regulations setting forth

1 reasonable qualifications and limits for the payment of location
2 premiums; provided, however, in no case shall the value of a
3 location premium exceed the loss of profit to the business over a
4 five-year period from the date of its relocation. For the purposes of
5 this subsection, "location premium" means the benefits that accrue
6 to a business as a result of favorable pedestrian, mass
7 transportation, or vehicular traffic peculiar to its location.

8 (cf: P.L.1971, c.362, s.4)

9
10 5. Section 5 of P.L.1971, c.362 (C.20:4-5) is amended to read as
11 follows:

12 5. a. In addition to payments otherwise authorized by **[this act]**
13 P.L.1971, c.362 (C.20:4-1 et seq.), the taking agency shall make an
14 additional payment not in excess of **[\$15,000.00]** \$22,500,
15 provided that on the first day of the 12th month next following
16 enactment of P.L. , c. (C.) (pending before the Legislature
17 as this bill), the additional payment shall not be in excess of
18 \$45,000, and on the first day of the 24th month next following
19 enactment of P.L. , c. (C.) (pending before the Legislature
20 as this bill), the additional payment shall not be in excess of
21 \$67,500, to any displaced person who is displaced from a dwelling
22 actually owned and occupied by such displaced person for not less
23 than 180 days prior to the initiation of negotiations for the
24 acquisition of the property; provided, however, such amounts shall
25 be adjusted annually in accordance with section 8 of P.L. ,
26 c. (C.) (pending before the Legislature as this bill). Such
27 additional payment shall include the following elements:

28 (1) The amount, if any, which when added to the acquisition cost
29 of the dwelling acquired, equals the reasonable cost of a comparable
30 replacement dwelling which is a decent, safe, and sanitary dwelling
31 adequate to accommodate such displaced person, reasonably
32 accessible to public services and places of employment and
33 available on the private market. All determinations required to
34 carry out this subparagraph shall be determined by regulations
35 issued pursuant to section 10 of **[this act]** P.L.1971, c.362 (C.20:4-
36 10).

37 (2) The amount, if any, which will compensate such displaced
38 person for any increased interest costs which such person is
39 required to pay for financing the acquisition of any such
40 comparable replacement dwelling. Such amount shall be paid only
41 if the dwelling acquired was encumbered by a bona fide mortgage
42 which was a valid lien on such dwelling for not less than 180 days
43 prior to the initiation of negotiations for the acquisition of such
44 dwelling. Such amount shall be equal to the excess in the
45 aggregate interest and other debt service costs of that amount of the
46 principal of the mortgage on the replacement dwelling which is
47 equal to the unpaid balance of the mortgage on the acquired
48 dwelling, over the remainder term of the mortgage on the acquired

1 dwelling, reduced to discounted present value. The discount rate
2 shall be determined by regulations issued pursuant to section 10 of
3 **[this act] P.L.1971, c.362 (C.20:4-10).**

4 (3) Reasonable expenses incurred by such displaced person for
5 evidence of title, recording fees, and other closing costs incident to
6 the purchase of the replacement dwelling, but not including prepaid
7 expenses.

8 (4) Penalty costs for prepayment of any mortgage entered into in
9 good faith encumbering such real property if such mortgage is on
10 record or has been filed for record as provided by law on the date of
11 approval by taking agency of the location of such project.

12 (5) The pro rata portion of real property taxes payable during the
13 calendar year in which the property was acquired which are
14 allocable to the period of the year subsequent to the date of vesting
15 of title in the taking agency, or the effective date of the possession
16 of such real property by the taking agency, whichever is earlier.

17 b. The additional payment authorized by this section shall be
18 made only to such a displaced person who purchases and occupies a
19 replacement dwelling which is decent, safe, and sanitary not later
20 than the end of the one year period beginning on the date on which
21 he receives final payment of all costs of the acquired dwelling, or
22 on the date on which he moves from the acquired dwelling,
23 whichever is the later date.

24 (cf: P.L.1971, c.362, s.5)

25

26 6. Section 6 of P.L.1971, c.362 (C.20:4-6) is amended to read as
27 follows:

28 6. In addition to amounts otherwise authorized by **[this act]**
29 P.L.1971, c.362 (C.20:4-1 et seq.), a taking agency shall make a
30 payment to or for any displaced person displaced from any dwelling
31 not eligible to receive a payment under section 5 of P.L.1971, c.362
32 (C.20:4-5) which dwelling was actually and lawfully occupied by
33 such displaced person for not less than 90 days prior to the
34 initiation of negotiations for acquisition of such dwelling. Such
35 payment shall be either:

36 a. the amount necessary **[to enable]**, that when added to the
37 amount the displaced person pays to rent the dwelling he is being
38 displaced from, would enable such displaced person to lease or rent
39 for a period not to exceed **[4]** seven years, a decent, safe, sanitary,
40 and comparable dwelling of standards adequate to accommodate
41 such person in areas not generally less desirable in regard to public
42 utilities and public and commercial facilities, and reasonably
43 accessible to his place of employment **[**, but not to exceed
44 \$4,000.00**]**; or

45 b. the amount necessary to enable such person to make a
46 downpayment (including incidental expenses described in
47 paragraph (3) of subsection a. of section 5 [a. (3)] of P.L.1971,
48 c.362 (C.20:4-5)) on the purchase of a decent, safe, and sanitary

1 dwelling of standards adequate to accommodate such persons in
2 areas not generally less desirable in regard to public utilities and
3 public and commercial facilities, **【but not to exceed \$4,000.00】** up
4 to \$6,000. On the first day of the 12th month next following
5 enactment of P.L. , c. (C.) (pending before the Legislature
6 as this bill), the maximum permitted amount shall be \$12,000. On
7 the first day of the 24th month next following enactment of P.L. ,
8 c. (C.) (pending before the Legislature as this bill), the
9 maximum permitted amount shall be \$18,000. Of those phased-in
10 maximum amounts, the first **【\$2,000.00】** \$3,000, \$6,000, and
11 \$9,000 respectively, **【of which is to】** shall be paid without
12 contribution from the displaced person, but thereafter such
13 payments will only be made on a matching dollar-for-dollar basis
14 with the displaced person; provided, however, all such amounts in
15 this section shall be adjusted annually in accordance with section 8
16 of P.L. , c. (C.) (pending before the Legislature as this
17 bill).

18 (cf: P.L.1971, c.362, s.6)

19

20 7 Section 7 of P.L.1971, c.362 (C.20:4-7) is amended to read as
21 follows:

22 7. a. Whenever the acquisition of real property for a program or
23 project undertaken by a taking agency will result in the
24 displacement of any person on or after the effective date of this
25 section, such agency shall provide a relocation assistance advisory
26 program for displaced persons which shall offer the services
27 prescribed herein. If the taking agency determines that any person
28 occupying property immediately adjacent to the real property
29 acquired is caused substantial economic injury because of the
30 acquisition, it may offer such person relocation advisory services
31 under such program.

32 b. Each relocation assistance program required by subsection a.
33 shall include such measures, facilities, or services as may be
34 necessary or appropriate in order (1) to determine the needs of
35 displaced persons, business concerns, and nonprofit organizations
36 for relocation assistance; (2) to assist owners of displaced business
37 and farm operations in obtaining and becoming established in
38 suitable business locations or replacement farms; (3) to supply
39 information concerning programs of the Federal, State and local
40 governments offering assistance to displaced persons and business
41 concerns; (4) to assist in minimizing hardships to displaced persons
42 in adjusting to relocation; and (5) to secure, to the greatest extent
43 practicable, the coordination of relocation activities with other
44 project activities and other planned or proposed governmental
45 actions in the community or nearby areas which may affect the
46 carrying out of the relocation program.

47 c. Each relocation assistance program required by subsection a.
48 of this section shall specifically include provisions for free credit

1 counseling, by credit counselors approved by the United States
2 Department of Housing and Urban Development, for persons being
3 displaced from residential units, and shall ensure that those persons
4 being displaced from residential units receive adequate written
5 notice of the availability of the credit counseling.

6 (cf: P.L.1971, c.362, s.7)

7
8 8. (New section) Beginning on the first day of the 36th month
9 next following enactment of P.L. , c. (pending before the
10 Legislature as this bill) all payment amounts set forth in sections 4
11 through 6 of P.L.1971, c.362 (C.20:4-4 through 20:4-6), shall be
12 annually automatically adjusted on the basis of the Consumer Price
13 Index for All Urban Consumers (CPI-U), U.S. City Average,
14 published by the United States Department of Labor, Bureau of
15 Labor Statistics, using the last published index figure as of the date
16 of displacement as the numerator and the index figure for the month
17 in which P.L. , c. (C.) (pending before the Legislature as
18 this bill) becomes effective as the denominator.

19
20 9. Section 22 of P.L.1971, c.362 (C.20:4-22) is amended to read
21 as follows:

22 22. The provisions of this act shall not apply to the State
23 Department of Transportation or the New Jersey Transit
24 Corporation; provided, however, that the State Department of
25 Transportation and the New Jersey Transit Corporation shall
26 supplement its existing relocation assistance program designed to
27 minimize the hardships of persons and business concerns displaced
28 as a result of the acquisition by said State Department of
29 Transportation and the New Jersey Transit Corporation of any real
30 property for a public use, by July 1, 1972. Said supplemented
31 program shall be in compliance with the rules and regulations of the
32 Federal Highway Administration and the Federal Transit
33 Administration relating to relocation assistance so as to fully
34 qualify the Department of Transportation and the New Jersey
35 Transit Corporation for Federal aid reimbursement and to equal or
36 exceed the requirements of this statute. For purposes of
37 coordinating and formulating uniform relocation programs of the
38 State, the Commissioner of Transportation shall consult with the
39 Commissioner of the Department of Community Affairs in order
40 that said relocation assistance program will be in general
41 conformity with any rules and regulations promulgated by the
42 Commissioner of the Department of Community Affairs pursuant to
43 P.L. 91-646, the Uniform Relocation Assistance and Real Property
44 Acquisition Policies Act of 1970, and amendments thereto.

45 The Commissioner of Transportation shall have the right and
46 authority to promulgate regulations appropriate for the relocation
47 programs of both the State Department of Transportation and the

1 New Jersey Transit Corporation. The Department of Transportation
2 shall act as the lead entity with regard to relocation appeals.
3 (cf: P.L.1971, c.362, s.22)

4
5 10. Section 19 of P.L.1975, c.291 (C.40:55D-28) is amended to
6 read as follows:

7 19. **【Preparation; contents; modification.】** a. The planning
8 board may prepare and, after public hearing, adopt or amend a
9 master plan or component parts thereof, to guide the use of lands
10 within the municipality in a manner which protects public health
11 and safety and promotes the general welfare.

12 b. The master plan shall generally comprise a report or
13 statement and land use and development proposals, with maps,
14 diagrams and text, presenting, at least the following elements (1)
15 and (2) and, where appropriate, the following elements (3) through
16 **【15】 16**):

17 (1) A statement of objectives, principles, assumptions, policies
18 and standards upon which the constituent proposals for the physical,
19 economic and social development of the municipality are based;

20 (2) A land use plan element (a) taking into account and stating its
21 relationship to the statement provided for in paragraph (1) hereof,
22 and other master plan elements provided for in paragraphs (3)
23 through **【14】 16** hereof and natural conditions, including, but not
24 necessarily limited to, topography, soil conditions, water supply,
25 drainage, flood plain areas, marshes, and woodlands; (b) showing
26 the existing and proposed location, extent and intensity of
27 development of land to be used in the future for varying types of
28 residential, commercial, industrial, agricultural, recreational,
29 educational and other public and private purposes or combination of
30 purposes; and stating the relationship thereof to the existing and any
31 proposed zone plan and zoning ordinance; and (c) showing the
32 existing and proposed location of any airports and the boundaries of
33 any airport safety zones delineated pursuant to the "Air Safety and
34 Zoning Act of 1983," P.L.1983, c.260 (C.6:1-80 et seq.); and (d)
35 including a statement of the standards of population density and
36 development intensity recommended for the municipality;

37 (3) A housing plan element pursuant to section 10 of P.L.1985,
38 c.222 (C.52:27D-310), including, but not limited to, residential
39 standards and proposals for the construction and improvement of
40 housing;

41 (4) A circulation plan element showing the location and types of
42 facilities for all modes of transportation required for the efficient
43 movement of people and goods into, about, and through the
44 municipality, taking into account the functional highway
45 classification system of the Federal Highway Administration and
46 the types, locations, conditions and availability of existing and
47 proposed transportation facilities, including air, water, road and rail;

1 (5) A utility service plan element analyzing the need for and
2 showing the future general location of water supply and distribution
3 facilities, drainage and flood control facilities, sewerage and waste
4 treatment, solid waste disposal and provision for other related
5 utilities, and including any storm water management plan required
6 pursuant to the provisions of P.L.1981, c.32 (C.40:55D-93 et al.). If
7 a municipality prepares a utility service plan element as a condition
8 for adopting a development transfer ordinance pursuant to
9 subsection c. of section 4 of P.L.2004, c.2 (C.40:55D-140), the plan
10 element shall address the provision of utilities in the receiving zone
11 as provided thereunder;

12 (6) A community facilities plan element showing the existing
13 and proposed location and type of educational or cultural facilities,
14 historic sites, libraries, hospitals, firehouses, police stations and
15 other related facilities, including their relation to the surrounding
16 areas;

17 (7) A recreation plan element showing a comprehensive system
18 of areas and public sites for recreation;

19 (8) A conservation plan element providing for the preservation,
20 conservation, and utilization of natural resources, including, to the
21 extent appropriate, energy, open space, water supply, forests, soil,
22 marshes, wetlands, harbors, rivers and other waters, fisheries,
23 endangered or threatened species wildlife and other resources, and
24 which systemically analyzes the impact of each other component
25 and element of the master plan on the present and future
26 preservation, conservation and utilization of those resources;

27 (9) An economic plan element considering all aspects of
28 economic development and sustained economic vitality, including
29 (a) a comparison of the types of employment expected to be
30 provided by the economic development to be promoted with the
31 characteristics of the labor pool resident in the municipality and
32 nearby areas and (b) an analysis of the stability and diversity of the
33 economic development to be promoted;

34 (10) An historic preservation plan element: (a) indicating the
35 location and significance of historic sites and historic districts; (b)
36 identifying the standards used to assess worthiness for historic site
37 or district identification; and (c) analyzing the impact of each
38 component and element of the master plan on the preservation of
39 historic sites and districts;

40 (11) Appendices or separate reports containing the technical
41 foundation for the master plan and its constituent elements;

42 (12) A recycling plan element which incorporates the State
43 Recycling Plan goals, including provisions for the collection,
44 disposition and recycling of recyclable materials designated in the
45 municipal recycling ordinance, and for the collection, disposition
46 and recycling of recyclable materials within any development
47 proposal for the construction of 50 or more units of single-family
48 residential housing or 25 or more units of multi-family residential

1 housing and any commercial or industrial development proposal for
2 the utilization of 1,000 square feet or more of land;

3 (13) A farmland preservation plan element, which shall include:
4 an inventory of farm properties and a map illustrating significant
5 areas of agricultural land; a statement showing that municipal
6 ordinances support and promote agriculture as a business; and a
7 plan for preserving as much farmland as possible in the short term
8 by leveraging moneys made available by P.L.1999, c.152 (C.13:8C-
9 1 et al.) through a variety of mechanisms including, but not limited
10 to, utilizing option agreements, installment purchases, and
11 encouraging donations of permanent development easements;

12 (14) A development transfer plan element which sets forth the
13 public purposes, the locations of sending and receiving zones and
14 the technical details of a development transfer program based on the
15 provisions of section 5 of P.L.2004, c.2 (C.40:55D-141); **[and]**

16 (15) An educational facilities plan element which incorporates
17 the purposes and goals of the "long-range facilities plan" required to
18 be submitted to the Commissioner of Education by a school district
19 pursuant to section 4 of P.L.2000, c.72 (C.18A:7G-4); and

20 (16) A redevelopment plan element identifying all areas that
21 have been designated redevelopment areas, or areas in need of
22 rehabilitation in the municipality, as well as additional areas that
23 may be so designated in the future, the goals and objectives of
24 projected redevelopment activities in those areas during the time
25 period covered by the master plan, the manner in which those
26 activities further the social, economic, and physical improvement of
27 the municipality, and the manner in which redevelopment activities
28 are linked to other activities being carried out by the municipality
29 pursuant to the municipal master plan, including improvements to
30 infrastructure, transportation improvements, and the construction of
31 public and community facilities.

32 c. The master plan and its plan elements may be divided into
33 subplans and subplan elements projected according to periods of
34 time or staging sequences.

35 d. The master plan shall include a specific policy statement
36 indicating the relationship of the proposed development of the
37 municipality, as developed in the master plan to (1) the master plans
38 of contiguous municipalities, (2) the master plan of the county in
39 which the municipality is located, (3) the State Development and
40 Redevelopment Plan adopted pursuant to the "State Planning Act,"
41 sections 1 through 12 of P.L.1985, c.398 (C.52:18A-196 et seq.)
42 and (4) the district solid waste management plan required pursuant
43 to the provisions of the "Solid Waste Management Act," P.L.1970,
44 c.39 (C.13:1E-1 et seq.) of the county in which the municipality is
45 located.

46 In the case of a municipality situated within the Highlands
47 Region, as defined in section 3 of P.L.2004, c.120 (C.13:20-3), the
48 master plan shall include a specific policy statement indicating the

1 relationship of the proposed development of the municipality, as
2 developed in the master plan, to the Highlands regional master plan
3 adopted pursuant to section 8 of P.L.2004, c.120 (C.13:20-8).
4 (cf: P.L.2007, c.137, s.59)

5

6 11. Section 3 of P.L.1992, c.79 (C.40A:12A-3) is amended to
7 read as follows:

8 3. As used in this act:

9 “Bonds” means any bonds, notes, interim certificates, debentures
10 or other obligations issued by a municipality, county,
11 redevelopment entity, or housing authority pursuant to this act.

12 “Comparable, affordable replacement housing” means housing
13 offered to households being displaced as a result of a
14 redevelopment project, that is affordable to that household as
15 defined by the Council on Affordable Housing in the Department of
16 Community Affairs, and that is comparable to the household’s
17 dwelling in the redevelopment area with respect to the size and
18 amenities of the dwelling unit, the quality of the neighborhood, and
19 the level of public services and facilities offered by the municipality
20 in which the redevelopment area is located.

21 “Condemnation redevelopment area” means a redevelopment
22 area in which a redevelopment entity can exercise all of the powers
23 set forth in section 8 of P.L.1992, c.79 (C.40A:12A-8) including the
24 power of eminent domain.

25 “Contamination” means any discharged hazardous substance as
26 defined pursuant to section 3 of P.L.1976, c.141 (C.58:10-23.11b),
27 hazardous waste as defined pursuant to section 1 of P.L.1976, c.99
28 (C.13:1E-38), or pollutant as defined pursuant to section 3 of
29 P.L.1977, c.74 (C.58:10A-3).

30 “Detrimental to the safety, health, or welfare of the community”
31 means objective evidence of detriment, consisting of or similar to:
32 substantial building or health code violations; repeated and more
33 intensive than average police intervention over an extended period
34 of time; or a lack of structural integrity.

35 “Development” means the division of a parcel of land into two or
36 more parcels, the construction, reconstruction, conversion,
37 structural alteration, relocation, or enlargement of any building or
38 other structure, or of any mining, excavation or landfill, and any use
39 or change in the use of any building or other structure, or land or
40 extension of use of land, for which permission may be required
41 pursuant to the “Municipal Land Use Law,” P.L.1975, c.291
42 (C.40:55D-1 et seq.).

43 “Governing body” means the body exercising general legislative
44 powers in a county or municipality according to the terms and
45 procedural requirements set forth in the form of government
46 adopted by the county or municipality.

47 “Housing authority” means a housing authority created or
48 continued pursuant to this act.

1 “Housing project” means a project, or distinct portion of a
2 project, which is designed and intended to provide decent, safe and
3 sanitary dwellings, apartments or other living accommodations for
4 persons of low and moderate income; such work or undertaking
5 may include buildings, land, equipment, facilities and other real or
6 personal property for necessary, convenient or desirable
7 appurtenances, streets, sewers, water service, parks, site
8 preparation, gardening, administrative, community, health,
9 recreational, educational, welfare or other purposes. The term
10 “housing project” also may be applied to the planning of the
11 buildings and improvements, the acquisition of property, the
12 demolition of existing structures, the construction, reconstruction,
13 alteration and repair of the improvements and all other work in
14 connection therewith.

15 “Non-condemnation redevelopment area” means a
16 redevelopment area in which a redevelopment entity can exercise
17 all of the powers set forth in section 8 of P.L.1992, c.79
18 (C.40A:12A-8) except for the power of condemnation as set forth in
19 subsection c. of that section.

20 “Persons of low and moderate income” means persons or
21 families who are, in the case of State assisted projects or programs,
22 so defined by the Council on Affordable Housing in the Department
23 of Community Affairs, or in the case of federally assisted projects
24 or programs, defined as of “low and very low income” by the
25 United States Department of Housing and Urban Development.

26 “Public body” means the State or any county, municipality,
27 school district, authority or other political subdivision of the State.

28 “Public housing” means any housing for persons of low and
29 moderate income owned by a municipality, county, the State or the
30 federal government, or any agency or instrumentality thereof.

31 “Publicly assisted housing” means privately owned housing
32 which receives public assistance or subsidy, which may be grants or
33 loans for construction, reconstruction, conservation, or
34 rehabilitation of the housing, or receives operational or maintenance
35 subsidies either directly or through rental subsidies to tenants, from
36 a federal, State or local government agency or instrumentality.

37 “Real property” means all lands, including improvements and
38 fixtures thereon, and property of any nature appurtenant thereto or
39 used in connection therewith, and every estate, interest and right,
40 legal or equitable, therein, including terms for years and liens by
41 way of judgment, mortgage or otherwise, and indebtedness secured
42 by such liens.

43 “Redeveloper” means any person, firm, corporation or public
44 body that shall enter into or propose to enter into a contract with a
45 municipality or other redevelopment entity for the redevelopment or
46 rehabilitation of an area in need of redevelopment, or an area in
47 need of rehabilitation, or any part thereof, under the provisions of
48 **[this act]** P.L.1992, c.79 (C.40A:12A-1 et al), or for any

1 construction or other work forming part of a redevelopment or
2 rehabilitation project.

3 “Redevelopment” means clearance, replanning, development and
4 redevelopment; the conservation and rehabilitation of any structure
5 or improvement, the construction and provision for construction of
6 residential, commercial, industrial, public or other structures and
7 the grant or dedication of spaces as may be appropriate or necessary
8 in the interest of the general welfare for streets, parks, playgrounds,
9 or other public purposes, including recreational and other facilities
10 incidental or appurtenant thereto, in accordance with a
11 redevelopment plan.

12 “Redevelopment agency” means a redevelopment agency created
13 pursuant to subsection a. of section 11 of P.L.1992, c.79
14 (C.40A:12A-11) or established heretofore pursuant to the
15 “Redevelopment Agencies Law,” P.L.1949, c.306 (C.40:55C-1 et
16 seq.), repealed by this act, which has been permitted in accordance
17 with the provisions of **[this act]** P.L.1992, c.79 (C.40A:12A-1 et al)
18 to continue to exercise its redevelopment functions and powers.

19 "Redevelopment area" or "area in need of redevelopment" means
20 an area determined to be in need of redevelopment pursuant to
21 sections 5 and 6 of P.L.1992, c.79 (C.40A:12A-5 and 40A:12A-6)
22 prior to the effective date of P.L. , c. (C.) (pending before the
23 Legislature as this bill) and also applies to condemnation
24 redevelopment areas and non-condemnation redevelopment areas,
25 as defined in this section, or determined heretofore to be a "blighted
26 area" pursuant to P.L.1949, c.187 (C.40:55-21.1 et seq.) repealed by
27 **[this act]** section 59 of P.L.1992, c.79, both determinations as made
28 pursuant to the authority of Article VIII, Section III, paragraph 1 of
29 the Constitution. A redevelopment area may include lands,
30 buildings, or improvements which of themselves are not detrimental
31 to the public health, safety or welfare, but the inclusion of which is
32 found necessary, with or without change in their condition, for the
33 effective redevelopment of the area of which they are a part and
34 which are an integral part of that area. Notwithstanding any other
35 provision of law to the contrary, any reference contained in another
36 law to a “redevelopment area” or an "area in need of
37 redevelopment" as defined in this section or any use of the term
38 “redevelopment area” or "area in need of redevelopment" for the
39 purpose of empowering an entity to exercise the power of eminent
40 domain within an area that has been determined to be in need of
41 redevelopment after the effective date of P.L. , c. (C.)
42 (pending before the Legislature as this bill), the power of eminent
43 domain may only be used in that area if it is a condemnation
44 redevelopment area.

45 “Redevelopment entity” means a municipality or an entity
46 authorized by the governing body of a municipality pursuant to
47 subsection c. of section 4 of P.L.1992, c.79 (C.40A:12A-4) to
48 implement redevelopment plans and carry out redevelopment

1 projects in an area in need of redevelopment, or in an area in need
2 of rehabilitation, or in both.

3 “Redevelopment plan” means a plan adopted by the governing
4 body of a municipality for the redevelopment or rehabilitation of all
5 or any part of a redevelopment area, or an area in need of
6 rehabilitation, which plan shall be sufficiently complete to indicate
7 its relationship to definite municipal objectives as to appropriate
8 land uses, public transportation and utilities, recreational and
9 municipal facilities, and other public improvements; and to indicate
10 proposed land uses and building requirements in the redevelopment
11 area or area in need of rehabilitation, or both.

12 “Redevelopment project” means any work or undertaking
13 pursuant to a redevelopment plan; such undertaking may include
14 any buildings, land, including demolition, clearance or removal of
15 buildings from land, equipment, facilities, or other real or personal
16 properties which are necessary, convenient, or desirable
17 appurtenances, such as but not limited to streets, sewers, utilities,
18 parks, site preparation, landscaping, and administrative, community,
19 health, recreational, educational, and welfare facilities.

20 “Rehabilitation” means an undertaking, by means of extensive
21 repair, reconstruction or renovation of existing structures, with or
22 without the introduction of new construction or the enlargement of
23 existing structures, in any area that has been determined to be in
24 need of rehabilitation or redevelopment, to eliminate substandard
25 structural or housing conditions and arrest the deterioration of that
26 area.

27 “Rehabilitation area” or “area in need of rehabilitation” means
28 any area determined to be in need of rehabilitation pursuant to
29 section 14 of P.L.1992, c.79 (C.40A:12A-14).

30 (cf: P.L.1992, c.79, s.3)

31

32 12. Section 4 of P.L.1992, c.79 (C.40A:12A-4) is amended to
33 read as follows:

34 4. In exercising the redevelopment and rehabilitation functions
35 provided for in this act:

36 a. A municipal governing body shall have the power to:

37 (1) Cause a preliminary investigation to be made pursuant to
38 subsection a. of section 6 of P.L.1992, c.79 (C.40A:12A-6) or
39 subsection a. of section 15 of P.L. , c. (C.) (pending before
40 the Legislature as this bill) as to whether an area is in need of
41 redevelopment;

42 (2) Determine pursuant to subsection b. of section 6 of P.L.1992,
43 c.79 (C.40A:12A-6) or subsection b. of section 15 of P.L. , c.
44 (C.) (pending before the Legislature as this bill) that an area is in
45 need of redevelopment;

46 (3) Adopt a redevelopment plan pursuant to section 7 of
47 P.L.1992, c.79 (C.40A:12A-7) and, if applicable, the provisions of

1 section 18 of P.L. , c. (C.) (pending before the Legislature as
2 this bill);

3 (4) Determine pursuant to section 14 of P.L.1992, c.79
4 (C.40A:12A-14) that an area is in need of rehabilitation.

5 b. A municipal planning board shall have the power to:

6 (1) Conduct, when authorized by the municipal governing body,
7 a preliminary investigation and hearing and make a
8 recommendation pursuant to subsection b. of section 6 of P.L.1992,
9 c.79 (C.40A:12A-6) or subsection b. of section 15 of P.L. , c.
10 (C.) (pending before the Legislature as this bill) as to whether an
11 area is in need of redevelopment;

12 (2) Make recommendations concerning a redevelopment plan
13 pursuant to subsection e. of section 7 of P.L.1992, c.79
14 (C.40A:12A-7), or prepare a redevelopment plan pursuant to
15 subsection f. of that section.

16 (3) Make recommendations concerning the determination of an
17 area in need of rehabilitation pursuant to section 14 of P.L.1992,
18 c.79 (C.40A:12A-14).

19 c. The municipality shall be responsible for implementing
20 redevelopment plans and carrying out redevelopment projects
21 pursuant to section 8 of P.L.1992, c.79 (C.40A:12A-8). The
22 municipality may execute these responsibilities directly, or in
23 addition thereto or in lieu thereof, **【through】** may designate by
24 ordinance either a municipal redevelopment agency, or a municipal
25 housing authority authorized to exercise redevelopment powers
26 pursuant to section 21 of P.L.1992, c.79 (C.40A:12A-21), but there
27 shall be only one redevelopment entity responsible for each
28 redevelopment project. A county improvement authority authorized
29 to undertake redevelopment projects pursuant to the “county
30 improvement authorities law,” P.L.1960, c.183 (C.40:37A-44 et
31 seq.) or the New Jersey Redevelopment Authority, established
32 pursuant to section 4 of P.L.1996, c.62 (C.55:19-23) may also act as
33 a redevelopment entity for a redevelopment project if designated by
34 ordinance of the municipality pursuant to this act. The
35 redevelopment entity, so authorized, may contract with any other
36 public body, in accordance with the provisions of section 8 of
37 P.L.1992, c.79 (C.40A:12A-8), for the carrying out of a
38 redevelopment project or any part thereof under its jurisdiction.
39 Notwithstanding the above, the governing body of the municipality
40 may, by ordinance, change or rescind the designation of the
41 redevelopment entity responsible for implementing a redevelopment
42 plan and carrying out a redevelopment project and may have the
43 municipality assume this responsibility **【itself, but】** ; provided,
44 however, that only the redevelopment entity authorized to undertake
45 a particular redevelopment project shall remain authorized to
46 complete it, unless the redevelopment entity and redeveloper agree
47 otherwise, or unless no obligations have been entered into by the
48 redevelopment entity with parties other than the municipality. This

1 shall not diminish the power of the municipality to dissolve a
 2 redevelopment entity pursuant to section 24 of P.L.1992, c.79
 3 (C.40A:12A-24), and section 20 of the "Local Authorities Fiscal
 4 Control Law," P.L.1983, c.313 (C.40A:5A-20).

5 d. (1) No municipality shall exercise the power of eminent
 6 domain in a condemnation redevelopment area for the acquisition of
 7 land subject to the protections provided under any federal or State
 8 law, covenant, easement, or conservation restriction for the
 9 preservation of any natural resource, water supply, flood plain, or
 10 endangered species, and public access to and use thereof, including,
 11 without limitation, section 12 of the "Agriculture Retention and
 12 Development Act," P.L.1983, c.32 (C.4:1C-19), the "Freshwater
 13 Wetlands Protection Act," P.L.1987, c.156 (C.13:9B-1 et seq.),
 14 "The Wetlands Act of 1970," P.L.1970, c.272 (C.13:9A-1 et seq.),
 15 the "Pinelands Protection Act," P.L.1979, c.111 (C.13:18A-1 et
 16 seq.), and the "Highlands Water Protection and Planning Act,"
 17 P.L.2004, 120 (C.13:20-1 et seq.).

18 e. A municipal governing body, a municipal planning board, or a
 19 redevelopment entity may exercise any power and carry out any
 20 responsibility under P.L.1992, c.79 (40A:12A-1 et al),
 21 notwithstanding that the municipality's master plan does not contain
 22 a redevelopment plan element as set forth in paragraph (16) of
 23 subsection b. of section 19 of P.L.1975, c.291 (C.40:55D-28).

24 (cf: P.L.1992, c.79, s.4)

25
 26 13. Section 5 of P.L.1992, c.79 (C.40A:12A-5) is amended to
 27 read as follows:

28 5. A delineated area may be determined to be in need of
 29 redevelopment if, after investigation, notice and hearing as provided
 30 in section 6 of P.L.1992, c.79 (C.40A:12A-6) or section 15 of
 31 P.L. , c. (C.) (pending before the Legislature as this bill), the
 32 governing body of the municipality [by resolution] concludes that:
 33 (1) the deterioration or stagnation of the delineated area negatively
 34 affects surrounding properties because of any of the conditions
 35 described below, (2) the condition or conditions of blight described
 36 below are the prevailing characteristics of the delineated area, (3)
 37 each non-blighted parcel included within the delineated area is
 38 necessary for the effective redevelopment of the area and is an
 39 integral part of that area, and (4) within the delineated area any of
 40 the following conditions is found:

41 a. The generality of buildings are substandard, unsafe,
 42 unsanitary, dilapidated, or obsolescent, or possess any of such
 43 characteristics, or are so lacking in light, air, or space, as to be
 44 [conducive to unwholesome living or working conditions]
 45 detrimental to the safety, health, or welfare of the community.

46 b. The discontinuance of the use of buildings previously used
 47 for commercial, manufacturing, or industrial purposes; the
 48 abandonment of such buildings; or the same being allowed to fall

- 1 into so great a state of disrepair as to be untenable or detrimental
2 to the safety, health, or welfare of the community.
- 3 c. [Land that is owned by the municipality, the county, a local
4 housing authority, redevelopment agency or redevelopment entity,
5 or unimproved] Unimproved vacant land that has remained so for a
6 period of ten years prior to adoption of the resolution or ordinance,
7 as appropriate, and [by reason of its location, remoteness, lack of
8 means of access to developed sections or portions of the
9 municipality, or topography, or nature of the soil, is not likely to be
10 developed through the instrumentality of private capital] causes
11 conditions that are detrimental to the safety, health, or welfare of
12 the community.
- 13 d. Areas with buildings or improvements which, by reason of
14 dilapidation, obsolescence, overcrowding, [faulty arrangement or
15 design,] lack of ventilation, light and sanitary facilities, excessive
16 land coverage, deleterious land use [or obsolete layout], or any
17 combination of these or other similar factors, are detrimental to the
18 safety, health, [morals,] or welfare of the community.
- 19 e. A growing lack or total lack of proper utilization of areas
20 caused by the condition of the title, diverse ownership of the real
21 property therein or other similar conditions, resulting in a stagnant
22 [or] and [not fully productive] unproductive condition of land
23 [potentially useful and valuable for contributing to and serving the
24 public health, safety and welfare].
- 25 f. Areas, in excess of five contiguous acres, whereon buildings
26 or improvements have been destroyed, consumed by fire,
27 demolished or altered by the action of storm, fire, cyclone, tornado,
28 earthquake or other casualty in such a way that the aggregate
29 assessed value of the area has been materially depreciated.
- 30 g. In any municipality in which an enterprise zone has been
31 designated pursuant to the "New Jersey Urban Enterprise Zones
32 Act," P.L.1983, c.303 (C.52:27H-60 et seq.) the execution of the
33 actions prescribed in that act for the adoption by the municipality
34 and approval by the New Jersey Urban Enterprise Zone Authority
35 of the zone development plan for the area of the enterprise zone
36 shall be considered sufficient for the determination that the area is
37 in need of redevelopment pursuant to sections 5 and 6 of P.L.1992,
38 c.79 (C.40A:12A-5 and 40A:12A-6) for the purpose of granting tax
39 exemptions within the enterprise zone district pursuant to the
40 provisions of P.L.1991, c.431 (C.40A:20-1 et seq.) or the adoption
41 of a tax abatement and exemption ordinance pursuant to the
42 provisions of P.L.1991, c.441 (C.40A:21-1 et seq.). The
43 municipality shall not utilize any other redevelopment powers
44 within the urban enterprise zone unless the municipal governing
45 body and planning board have also taken the actions and fulfilled
46 the requirements prescribed in P.L.1992, c.79 (C.40A:12A-1 et al.)
47 for determining that the area is in need of redevelopment or an area

1 in need of rehabilitation and the municipal governing body has
2 adopted a redevelopment plan ordinance including the area of the
3 enterprise zone.

4 h. **【**The designation of the delineated area is consistent with
5 smart growth planning principles adopted pursuant to law or
6 regulation.**】** Deleted by amendment, P.L. . . ., c. . . .) (pending before
7 the Legislature as this bill)

8 i. Property, either improved or unimproved, that has known
9 contamination and has remained vacant or substantially
10 underutilized for at least 24 consecutive months.

11 (cf: P.L.2003, c.125, s.3)

12

13 14. Section 6 of P.L.1992, c.79 (C.40A:12A-6) is amended to
14 read as follows:

15 6. a. (1) No area of a municipality shall be determined a non-
16 condemnation redevelopment area unless the governing body of the
17 municipality shall, by resolution, authorize the planning board to
18 undertake a preliminary investigation to determine whether the
19 proposed area is a non-condemnation redevelopment area according
20 to the criteria set forth in section 5 of P.L.1992, c.79 (C.40A:12A-
21 5). Such determination shall be made after public notice and public
22 hearing as provided in subsection b. of this section.

23 (2) The governing body of a municipality shall assign the
24 conduct of the investigation and hearing to the planning board of
25 the municipality.

26 (3) A redeveloper or prospective redeveloper shall not conduct
27 or fund any part of the preliminary investigation, however, an
28 agreement designating a redeveloper pursuant to section 8 of
29 P.L.1992, c.79 (C.40A:12A-8) may require the redeveloper to
30 provide for reimbursement of the costs associated with the
31 preliminary investigation.

32 b. (1) Before proceeding to a public hearing on the matter, the
33 planning board shall prepare a map showing the boundaries of the
34 proposed non-condemnation redevelopment area and the location of
35 the various parcels of property included therein. There shall be
36 appended to the map a statement setting forth the basis for the
37 investigation.

38 (2) The planning board shall specify a date for and give notice of
39 a hearing for the purpose of hearing persons who are interested in or
40 would be affected by a determination that the delineated area is a
41 non-condemnation redevelopment area.

42 (3) (a) The hearing notice shall set forth the general boundaries
43 of the area to be investigated and state that a map has been prepared
44 and can be inspected at the office of the municipal clerk. The
45 notice shall identify the office in which the public may inspect
46 documents relevant to the determination that an area is a non-
47 condemnation redevelopment area. The notice shall be written in
48 simple, clear, understandable, and easily readable language,

1 following the guidelines set forth in section 10 of P.L.1980, c.125
2 (C.56:12-10). The notice shall include the following statement in
3 bold typeface:

4
5 **THE GOVERNING BODY OF _____ IS**
6 **CONSIDERING DESIGNATING PART OF THE**
7 **MUNICIPALITY AS A "NON-CONDEMNATION**
8 **REDEVELOPMENT AREA." THIS DESIGNATION DOES**
9 **NOT ALLOW FOR THE TAKING OF PROPERTY BY**
10 **CONDEMNATION FOR REDEVELOPMENT PURPOSES.**
11 **PROPERTY CAN ONLY BE TAKEN BY**
12 **CONDEMNATION FOR REDEVELOPMENT PURPOSES**
13 **IF IT IS LOCATED IN AN AREA DESIGNATED AS A**
14 **"CONDEMNATION REDEVELOPMENT AREA" AND**
15 **THE MUNICIPALITY PROVIDES PROPER NOTICE OF**
16 **THAT DESIGNATION.**

17
18 (b) (i) A copy of the notice shall be published in a newspaper of
19 general circulation in the municipality once each week for two
20 consecutive weeks, and the last publication shall be not less than ten
21 days prior to the date set for the hearing.

22 (ii) If the municipality has an Internet web site, the notice shall
23 be posted thereon.

24 (iii) A copy of the notice shall be posted within or proximate to
25 each property within the proposed non-condemnation
26 redevelopment area.

27 (iv) A copy of the notice shall be mailed at least ten days prior
28 to the date set for the hearing to the last owner, if any, of each
29 parcel of property within the area according to the assessment
30 records of the municipality. A notice shall also be sent to all
31 persons at their last known address, if any, whose names are noted
32 on the assessment records as claimants of an interest in any such
33 parcel. The assessor of the municipality shall make a notation upon
34 the records when requested to do so by any person claiming to have
35 an interest in any parcel of property in the municipality. The notice
36 shall be published and mailed by the municipal clerk, or by such
37 clerk or official as the planning board shall otherwise designate.
38 Failure to mail any such notice shall **[not invalidate the**
39 **investigation or determination thereon]** be governed by the
40 provisions of section 27 of P.L. _____, c. _____ (C. _____) (pending before
41 the Legislature as this bill).

42 (c) Prior to the hearing, a copy of all documents relevant to the
43 determination that an area is a non-condemnation redevelopment
44 area shall be available for public inspection during regular business
45 hours at a location set forth in the notice, and if the municipality has
46 an Internet web site, they shall be posted thereon.

47 (4) At the hearing, which may be adjourned from time to time,
48 the planning board shall hear all persons who are interested in or

1 would be affected by a determination that the delineated area is a
2 non-condemnation redevelopment area. All objections to such a
3 determination and evidence in support of those objections, given
4 orally or in writing, shall be received and considered and made part
5 of the public record.

6 (5) (a) After completing its hearing on this matter, the planning
7 board shall recommend that the delineated area, or any part thereof,
8 be determined, or not be determined, by the municipal governing
9 body to be a non-condemnation redevelopment area.

10 (b) After receiving the recommendation of the planning board,
11 the municipal governing body may adopt a resolution determining
12 that the delineated area, or any part thereof, is a non-condemnation
13 redevelopment area.

14 (c) Upon the adoption of a resolution, the clerk of the
15 municipality shall, forthwith, transmit a copy of the resolution to
16 the Commissioner of Community Affairs for review. If the non-
17 condemnation redevelopment area [in need of redevelopment] is
18 not situated in an area in which development or redevelopment is to
19 be encouraged pursuant to any State law or regulation promulgated
20 pursuant thereto, the determination shall not take effect without first
21 receiving the review and the approval of the commissioner. If the
22 commissioner does not issue an approval or disapproval within 30
23 calendar days of transmittal by the clerk, the determination shall be
24 deemed to be approved. If the area in need of redevelopment is
25 situated in an area in which development or redevelopment is to be
26 encouraged pursuant to any State law or regulation promulgated
27 pursuant thereto, then the determination shall take effect after the
28 clerk has transmitted a copy of the resolution to the commissioner.

29 (d) The determination, if supported by substantial evidence and,
30 if required, approved by the commissioner, shall be binding and
31 conclusive upon all persons affected by the determination.

32 (e) Notice of the determination shall be served, within 10 days
33 after the determination, [upon each person who filed a written
34 objection thereto and stated, in or upon the written submission, an
35 address to which notice of determination may be sent.] upon each
36 person who received notice of the public hearing in accordance with
37 paragraph (3) of this subsection in the same manner as provided
38 therein. Additionally, notice of the determination shall be
39 published in the official newspaper of the municipality, together
40 with the date of the first publication of such notice and also a
41 statement that any action or proceeding of any kind or nature in any
42 court questioning the validity of the adoption of the ordinance or
43 the determination contained therein, shall be commenced within 60
44 days after the first publication of the notice. The notice shall
45 include the following statement in boldface type:

46
47 **THE GOVERNING BODY OF _____ HAS**
48 **DESIGNATED PART OF THE MUNICIPALITY AS A "NON-**

1 **CONDEMNATION REDEVELOPMENT AREA." THIS**
 2 **DESIGNATION DOES NOT ALLOW FOR THE TAKING OF**
 3 **PROPERTY BY CONDEMNATION FOR REDEVELOPMENT**
 4 **PURPOSES. PROPERTY CAN ONLY BE TAKEN BY**
 5 **CONDEMNATION FOR REDEVELOPMENT PURPOSES IF**
 6 **IT IS LOCATED IN AN AREA DESIGNATED AS A**
 7 **"CONDEMNATION REDEVELOPMENT AREA" AND THE**
 8 **MUNICIPALITY PROVIDES PROPER NOTICE OF THAT**
 9 **DESIGNATION. A LAWSUIT TO CHALLENGE THIS**
 10 **DESIGNATION MUST BE FILED BY** (the 60th day after the
 11 **first publication of the notice), WHICH IS THE 60TH DAY**
 12 **AFTER THE FIRST PUBLICATION OF THIS NOTICE, OR A**
 13 **CHALLENGE TO THE DESIGNATION MAY BE FOREVER**
 14 **BARRED, UNLESS OTHERWISE PERMITTED BY THE**
 15 **COURT.**

16

17 (6) [If written objections were filed in connection with the
 18 hearing, the municipality shall, for 45 days next following its
 19 determination to which the objections were filed, take no further
 20 action to acquire any property by condemnation within the
 21 redevelopment area] A municipal governing body shall not adopt a
 22 redevelopment plan ordinance in accordance with section 7 of
 23 P.L.1992, c.79 (C.40A:12A-7) until at least 60 days have transpired
 24 after the first date of publication of the notice specified in paragraph
 25 (5) of subsection b. of this section.

26 (7) If a person [who filed a written objection to a determination
 27 by the municipality pursuant to this subsection] shall, within [45]
 28 60 days [after the adoption by the municipality of the determination
 29 to which the person objected] following the date of the notice,
 30 apply to the Superior Court, the court may grant further review of
 31 the determination by procedure in lieu of prerogative writ; and in
 32 any such action the court may make any incidental order that it
 33 deems proper.

34 c. An area determined to be [in need of] a non-condemnation
 35 redevelopment area pursuant to subsections a. and b. of this section
 36 shall be deemed to be a "blighted area" for all of the purposes of
 37 Article VIII, Section III, paragraph 1 of the Constitution except for
 38 the purpose of acquiring property through the exercise of the power
 39 of eminent domain. If an area is determined to be a non-
 40 condemnation redevelopment area and a redevelopment plan is
 41 adopted for that area in accordance with the provisions of this act,
 42 the municipality is authorized to utilize all those powers provided in
 43 section 8 of P.L.1992, c.79 (C.40A:12A-8), except that the power of
 44 condemnation shall be exercised only in an area declared to be a
 45 condemnation redevelopment area pursuant to section 15 of P.L. ,
 46 c. (C.) (pending before the Legislature as this bill.).
 47 (cf: P.L.2003, c.125, s.4)

1 15. a. (New section) (1) No area of a municipality shall be
2 determined a condemnation redevelopment area unless the
3 governing body of the municipality shall, by resolution, authorize
4 the planning board to undertake a preliminary investigation to
5 determine whether the proposed area is a condemnation
6 redevelopment area according to the criteria set forth in section 5 of
7 P.L.1992, c.79 (C.40A:12A-5). The determination shall be made
8 after public notice and public hearing as provided in subsection b.
9 of this section.

10 (2) (a) The governing body of a municipality shall assign the
11 conduct of the investigation and hearing required by this subsection
12 to the planning board of the municipality.

13 (b) In the case of any proposed condemnation redevelopment
14 area that is more than 10 acres in area, or that contains more than
15 100 occupied dwelling units or more than 50 operating business
16 premises, the governing body shall hold a public informational
17 meeting prior to adoption of the resolution authorizing the planning
18 board to undertake a preliminary investigation as set forth in this
19 subsection. Notice of the public informational meeting shall be as
20 in subparagraph (b) of paragraph (3) of subsection b. of this section,
21 except that notice to individual property owners and tenants shall
22 not be required.

23 (3) A redeveloper or prospective redeveloper shall not conduct
24 or fund any part of the preliminary investigation, however, an
25 agreement designating a redeveloper pursuant to section 8 of
26 P.L.1992, c.79 (C.40A:12A-8) may require the redeveloper to
27 provide for reimbursement of the costs associated with the
28 preliminary investigation.

29 b. (1) Before proceeding to a public hearing on the matter, the
30 planning board shall prepare a map showing the boundaries of the
31 proposed condemnation redevelopment area and the location, by
32 block, lot, and street address, of the various parcels of property
33 included therein. There shall be appended to the map a report
34 setting forth the factual and legal basis for the investigation.

35 (2) The planning board shall specify a date for, and give notice
36 of, a public hearing for the purpose of hearing persons who are
37 interested in, or would be affected by, a determination that the
38 delineated area is a condemnation redevelopment area.

39 (3) (a) The public hearing notice shall be written in simple, clear,
40 understandable, and easily readable language, following the
41 guidelines set forth in section 10 of P.L.1980, c.125 (C.56:12-10).
42 The notice shall specifically and fairly alert the property owners,
43 legal tenants and lessees of, as well as claimants of an interest in,
44 all parcels of property located within the boundaries of the proposed
45 condemnation redevelopment area that the parcel of property that
46 they have an interest in is being considered for inclusion in the
47 condemnation redevelopment area. The notice shall clearly state
48 that the public hearing will begin the process through which it will

1 be decided whether private property located within the proposed
2 area may be taken by condemnation for redevelopment purposes.
3 The notice shall set forth the general boundaries of the area to be
4 investigated and state that a map and report have been prepared and
5 can be inspected during regular business hours at a location
6 identified in the notice. The notice shall include the following
7 statement in bold typeface:

8
9 **THE GOVERNING BODY OF _____ IS**
10 **CONSIDERING DESIGNATING PART OF THE**
11 **MUNICIPALITY AS A "CONDEMNATION**
12 **REDEVELOPMENT AREA." THIS DESIGNATION**
13 **WOULD ALLOW FOR THE TAKING OF PROPERTY BY**
14 **CONDEMNATION FOR REDEVELOPMENT PURPOSES.**

15
16 (b) (i) A copy of the public hearing notice shall be published in a
17 newspaper of general circulation in the municipality once each
18 week for two consecutive weeks, and the last publication shall be
19 not less than 10 days prior to the date set for the public hearing.

20 (ii) If the municipality has an Internet web site, the notice shall
21 be posted thereon.

22 (iii) A copy of the notice also shall be posted within or proximate
23 to each property within the proposed condemnation redevelopment
24 area.

25 (iv) A copy of the notice shall be mailed at least 15 days prior to
26 the date set for the public hearing to the last owner, if any, of each
27 parcel of property within the proposed condemnation
28 redevelopment area as shown on the most recent assessment records
29 of the municipality, and to any legal tenant or lessee of any of those
30 properties. The municipal clerk or other clerk or official designated
31 by the planning board shall contact, by certified mail, the legal
32 owner of each rental property to request the names and addresses of
33 the legal tenants and lessees. If the legal owner of the rental
34 property refers the clerk or other official to a management company
35 for such information, the clerk or other official shall contact, by
36 certified mail, that management company to request the names and
37 addresses of legal tenants and lessees. If the municipal clerk or
38 other clerk or official designated by the planning board does not
39 receive the names and addresses of the legal tenants and lessees
40 within 20 days of such request being mailed, then those notices
41 shall be mailed, by regular mail only, to each rental unit in such
42 rental property shown in the records of the municipality, addressed
43 to "occupant." A copy of the notice shall be posted on each such
44 rental property at least 15 days prior to the date of the public
45 hearing, and a municipal employee shall execute an affidavit that
46 such notice was duly posted and shall attach a true and correct copy
47 of the notice to the affidavit. A notice also shall be sent to all
48 persons at their last known address, if any, whose names are noted

1 on the assessment records as claimants of an interest in any such
2 parcel. The assessor of the municipality shall make a notation upon
3 the records when requested to do so by any person claiming to have
4 an interest in any parcel of property in the municipality. The notice
5 required by this paragraph shall be published, posted, and mailed by
6 the municipal clerk, or by such clerk or official as the planning
7 board shall otherwise designate. Mailing shall be by regular mail
8 and by certified mail, return receipt requested. Failure to mail any
9 such notice shall be governed by the provisions of section 27 of
10 P.L. , c. (C.) (pending before the Legislature as this bill).

11 (c) Prior to the public hearing, a copy of all documents relevant
12 to the determination that an area is a condemnation redevelopment
13 area shall be available for public inspection during regular business
14 hours at a location identified in the notice, and if the municipality
15 has an Internet web site, they shall be posted thereon.

16 (4) At the public hearing, which may be adjourned from time to
17 time, the planning board shall hear all persons who are interested in,
18 or would be affected by, a determination that the delineated area is
19 a condemnation redevelopment area. All objections to such a
20 determination and evidence in support of those objections, given
21 orally or in writing, shall be received and considered, and made part
22 of the public record.

23 (5) (a) After completing its hearing on this matter, the planning
24 board shall recommend that the delineated area, or any part thereof,
25 be determined, or not be determined, by the municipal governing
26 body to be a condemnation redevelopment area.

27 (b) After receiving the recommendation of the planning board,
28 the municipal governing body may adopt an ordinance determining
29 that the delineated area, or any part thereof, is a condemnation
30 redevelopment area. No parcel shall be included in the
31 condemnation redevelopment area that was not recommended for
32 inclusion by the planning board.

33 (c) Forthwith after introduction of the ordinance, the clerk of the
34 municipality shall transmit a copy of the ordinance to the
35 Commissioner of Community Affairs for review and to the Office
36 of the Public Advocate for informational purposes. If the
37 condemnation redevelopment area is not situated in an area in
38 which development or redevelopment is to be encouraged pursuant
39 to any State law or regulation promulgated pursuant thereto, the
40 ordinance shall not be finally adopted without first receiving the
41 review and the approval of the commissioner. If the commissioner
42 does not issue an approval or disapproval within 30 calendar days
43 of transmittal by the clerk, the municipality may proceed to finally
44 adopt the ordinance. If the area in need of redevelopment is
45 situated in an area in which development or redevelopment is to be
46 encouraged pursuant to any State law or regulation promulgated
47 pursuant thereto, then the municipality may proceed to finally adopt
48 the ordinance without waiting for the commissioner's review.

1 (d) The determination, if supported by substantial evidence and,
2 if required, approved by the commissioner, shall be binding and
3 conclusive upon all persons affected by the determination.

4 (e) (i) Notice of final adoption of an ordinance making a
5 determination that an area is a condemnation redevelopment area
6 shall be served, within 10 days after the final adoption of the
7 ordinance making the determination, upon each person who
8 received notice of the public hearing in accordance with sub-
9 paragraph (iv) of paragraph (3) of this subsection in the same
10 manner as provided therein. The notice shall specifically and fairly
11 alert the property owners, legal tenants and lessees of, as well as
12 claimants of an interest in, all parcels of property located within the
13 boundaries of the condemnation redevelopment area that the parcel
14 of property that they own, or have an interest in, is included within
15 the condemnation redevelopment area. The notice shall clearly
16 state that this redevelopment determination operates as a finding of
17 public purpose and authorizes the municipality to acquire the parcel
18 of property that they own, or have an interest in, against their will,
19 by condemnation for redevelopment purposes. The notice shall
20 clearly inform the owners, legal tenants and lessees of, as well as
21 claimants of an interest in, all parcels of property located within the
22 boundaries of the condemnation redevelopment area that any action
23 or proceeding of any kind or nature in any court questioning the
24 validity of the adoption of the ordinance or the determination
25 contained therein, shall be commenced within 60 days after the date
26 of the first publication of notice under sub-paragraph (iii) of this
27 paragraph.

28 The notice shall include the following statement in boldface
29 type:

30

31 **THE GOVERNING BODY OF _____ HAS**
32 **DESIGNATED PART OF THE MUNICIPALITY AS A**
33 **"CONDEMNATION REDEVELOPMENT AREA." THIS**
34 **DESIGNATION OPERATES AS A FINDING OF PUBLIC**
35 **PURPOSE AND ALLOWS THE MUNICIPALITY TO**
36 **ACQUIRE PROPERTY LOCATED IN THE AREA BY**
37 **CONDEMNATION (AGAINST THE OWNER'S WILL) FOR**
38 **REDEVELOPMENT PURPOSES. YOU HAVE BEEN**
39 **IDENTIFIED AS A PERSON WHO OWNS OR WHO HAS AN**
40 **INTEREST IN A PROPERTY LOCATED IN THE**
41 **DESIGNATED AREA. IF YOU WANT TO CHALLENGE**
42 **THIS DESIGNATION, YOU MUST FILE A LAWSUIT BY**
43 **(the 60th day after the first publication of the notice), WHICH IS**
44 **THE 60TH DAY AFTER THE FIRST PUBLICATION OF**
45 **THIS NOTICE OR A CHALLENGE TO THE DESIGNATION**
46 **MAY BE FOREVER BARRED, UNLESS OTHERWISE**
47 **PERMITTED BY THE COURT.**

1 (ii) Forthwith after mailing the notices required to be mailed
2 pursuant to sub-subparagraph (i) of this subparagraph, the clerk of
3 the municipality shall file in the office of the county clerk or
4 register of deeds and mortgages, as the case may be, of the county
5 in which the affected real estate is situate, a copy of each written
6 notice required to be mailed to a property owner pursuant to sub-
7 subparagraph (i) of this subparagraph. The county clerk or register
8 of deeds and mortgages, with whom a notice is filed, shall forthwith
9 record the same, with the time of the filing thereof, in a proper book
10 provided and kept for the purpose of maintaining a record of
11 properties located within condemnation redevelopment areas
12 designated within the county. The record book shall be properly
13 indexed, and shall be a public record, to which persons desiring to
14 examine the same shall have access.

15 (iii) Notice of final adoption of an ordinance making a
16 determination of a condemnation redevelopment area shall be
17 published in the official newspaper of the municipality. The notice
18 shall clearly state that this redevelopment determination operates as
19 a finding of public purpose and authorizes the municipality to
20 acquire property located in the area by condemnation (against the
21 owner's will) for redevelopment purposes. The notice shall clearly
22 state the date of the first publication of the notice and inform the
23 general public that any action or proceeding of any kind or nature in
24 any court questioning the validity of the adoption of the ordinance
25 or the determination contained therein, shall be commenced within
26 60 days after the first publication of the notice. If the municipality
27 has an Internet web site, the notice shall be posted thereon. A copy
28 of the notice shall also posted within or proximate to each property
29 within the condemnation redevelopment area.

30 (iv) Notice of final adoption of an ordinance making a
31 determination that an area is a condemnation redevelopment area
32 shall be served upon the Public Advocate. If upon review of the
33 determination, the Public Advocate concludes that the
34 determination is not supported by substantial evidence on the
35 record, the Public Advocate may, within 60 days following the date
36 of the notice, apply to the Superior Court on behalf of the owners of
37 property located within the redevelopment area for further review of
38 the determination by procedure in lieu of prerogative writ; and in
39 any such action the court may make any incidental order that it
40 deems proper.

41 (6) A municipal governing body shall not adopt a redevelopment
42 plan ordinance in accordance with section 7 of P.L.1992, c.79
43 (C.40A:12A-7) and section 18 of P.L. , c. (C.) (pending
44 before the Legislature as this bill) until at least 60 days have
45 transpired after the first date of publication of the notice specified
46 in paragraph (5) of subsection b. of this section.

47 (7) If a person shall, within 60 days following the date of the
48 notice, apply to the Superior Court, the court may grant further

1 review of the determination by procedure in lieu of prerogative
2 writ; and in any such action the court may make any incidental
3 order that it deems proper.

4 c. An area determined to be a condemnation redevelopment area
5 pursuant to subsections a. and b. of this section shall be deemed to
6 be a "blighted area" for all of the purposes of Article VIII, Section
7 III, paragraph 1 of the Constitution. If an area is determined to be a
8 condemnation redevelopment area and a redevelopment plan is
9 adopted for that area in accordance with the provisions of P.L.1992,
10 c.79 (C.40A:12A-1 et al.), the municipality is authorized to utilize
11 all those powers provided in section 8 of P.L.1992, c.79
12 (C.40A:12A-8).

13
14 16. (New section) a. Designation of an area as a redevelopment
15 area shall lapse seven years following: (1) the adoption of the
16 resolution or ordinance, as appropriate, making the determination if
17 the municipality has not adopted a redevelopment plan for that
18 redevelopment area and made substantial progress on implementing
19 the plan, or (2) the final adoption of the original redevelopment plan
20 if no projects have been commenced pursuant to the redevelopment
21 plan, or one or more projects have been commenced but cumulative
22 stoppages of construction work that are attributable to the action or
23 inaction of the developer or redeveloper have totaled more than 365
24 days. For the purposes of this subsection, a bona fide agreement for
25 project financing shall constitute commencement of a project or
26 substantial progress on implementing the plan.

27 b. In any action or proceeding before the court questioning the
28 validity of the determination of a property to be within a
29 redevelopment area, the municipality, redevelopment entity, or
30 redeveloper shall have the burden of producing substantial
31 evidence, that at least one of the conditions listed in section 5 of
32 P.L.1992, c.79 (C.40A:12A-5) existed on the property at the time of
33 the investigation by the planning board and at the time of the
34 determination that the area was in need of redevelopment or that the
35 property is necessary for the effective redevelopment of the area
36 and is an integral part of the area.

37 c. A proceeding questioning the validity of a redevelopment area
38 determination shall be heard by the court on a priority basis with the
39 goal of expediting the proceedings to the greatest extent possible.

40 d. Upon finding that any property is not necessary for the
41 completion of a redevelopment project, the municipal governing
42 body shall omit that property from the redevelopment plan.

43
44 17. Section 7 of P.L.1992, c.79 (C.40A:12A-7) is amended to
45 read as follows:

46 7. a. Following the determination of a non-condemnation
47 redevelopment area pursuant to section 6 of P.L.1992, c.79
48 (C.40A:12A-6), the determination of a condemnation

1 redevelopment area pursuant to section 15 of P.L. , c. (C.)
2 (pending before the Legislature as this bill), or the determination of
3 an area in need of rehabilitation pursuant to section 14 of P.L.1992,
4 c.79 (C.40A:12A-14), the municipality may undertake the
5 preparation of a redevelopment plan for all or some part of the area
6 determined to be in need of redevelopment or rehabilitation,
7 directly in accordance with subsection e. of this section, or, by
8 resolution, may direct the municipal planning board to develop such
9 plan in accordance with subsection f. of this section. No
10 redevelopment project shall be undertaken or carried out except in
11 accordance with a redevelopment plan adopted by ordinance of the
12 municipal governing body **【, upon its finding that the】** relating to a
13 specifically delineated project area that is located in an area in need
14 of redevelopment or in an area in need of rehabilitation, or in both,
15 according to criteria set forth in section 5 or section 14 of P.L.1992,
16 c.79 (C.40A:12A-5 or 40A:12A-14), as appropriate. The ordinance
17 shall be adopted in accordance with the provisions contained in this
18 section. Additionally, an ordinance adopting a redevelopment plan
19 for an area located in a condemnation redevelopment area shall
20 comply with the provisions contained in section 18 of P.L. , c.
21 (C.) (pending before the Legislature as this bill).

22 **【The】** A redevelopment plan shall include an outline for the
23 planning, development, redevelopment, or rehabilitation of the
24 project area sufficient to indicate:

25 (1) **【Its】** The relationship of the plan to 【definite】 local
26 objectives as set forth in the municipal master plan or other official
27 documents with respect to 【appropriate】 land uses, density of
28 population, 【and improved】 improvements or changes to traffic
29 circulation, pedestrian circulation and public transportation, public
30 utilities, recreational and community facilities and other public
31 improvements.

32 (2) Proposed land uses and building requirements in the project
33 area, including the character, intensity and scale of proposed
34 redevelopment activities, and the design and planning standards and
35 guidelines to govern those activities.

36 (3) **【Adequate provision for】** A relocation study adequate to
37 identify available units suitable to the temporary and permanent
38 relocation, as necessary, of residents and businesses in the project
39 area, as required by the “Relocation Assistance Act,” P.L.1971,
40 c.362 (C.20:4-1 et seq.), and any other applicable law, including,
41 for residents, an estimate of the extent to which 【decent, safe and
42 sanitary dwelling units affordable to displaced residents】
43 comparable, affordable replacement housing will be available 【to
44 them】 in the existing local housing market, an assessment of the
45 disparity between the availability of comparable, affordable
46 replacement housing and the needs of the residents in the project
47 area, an estimate of the amount and type of replacement housing

1 that will have to be provided within or without the redevelopment
2 area in order to meet the relocation needs of residents in the project
3 area, and a plan setting forth the manner and timetable in which that
4 housing, if needed, will be provided.

5 (4) (a) An identification, by block and lot and street address, if
6 any, of [any] every property within the redevelopment area
7 [which]. The redevelopment plan shall indicate whether each
8 property so identified is proposed to be acquired [in accordance
9 with the redevelopment plan].

10 (b) With regard to properties located within a condemnation
11 redevelopment area, the redevelopment plan shall indicate each
12 property's relationship to the objectives of the redevelopment plan
13 that cannot be realistically achieved without the acquisition of that
14 property, any alternatives that were considered to the proposed
15 acquisition, and the reasons that such alternatives would not provide
16 for realistic achievement of the objectives of the redevelopment
17 plan, if adopted. The allocation of the cost of this assessment shall
18 be negotiated and agreed upon between the municipality and the
19 redevelopment entity.

20 (5) Any significant relationship of the redevelopment plan to (a)
21 the master plans of contiguous municipalities, (b) the master plan of
22 the county in which the municipality is located, and (c) the State
23 Development and Redevelopment Plan adopted pursuant to the
24 "State Planning Act," P.L.1985, c.398 (C.52:18A-196 et al.).

25 (6) The social and economic impact of the redevelopment area,
26 including its effect on those parts of the municipality adjacent to the
27 redevelopment area, and on the low and moderate income residents
28 of the area, further including estimates of the number of temporary
29 and permanent jobs that will be available to the low and moderate
30 income residents of the area.

31 (7) An explanation of how any development controls contained
32 in the redevelopment plan are consistent with smart growth
33 planning principles adopted pursuant to law or regulation.

34 (8) An estimate of the number of dwelling units for low and
35 moderate income households that may be required as a result of
36 implementing the redevelopment plan, in order to meet the
37 municipality's obligations under the "Fair Housing Act," P.L.1985,
38 c.222 (C.52:27D-301 et al.), and the municipality's plan for meeting
39 those obligations within or outside the redevelopment area.

40 (9) Provisions for the replacement of any housing that was
41 constructed for low and moderate income households under the
42 terms of any State or federal housing subsidy program, which
43 housing is to be removed as a result of the redevelopment plan;
44 provided that any such replacement unit shall not be counted toward
45 the municipal obligation under paragraph (8) of this subsection if
46 the housing which is removed had previously counted toward an
47 obligation. Any rental housing constructed under this paragraph
48 shall remain affordable to low and moderate income households, in

1 the same manner as the removed housing, for a period of at least 45
2 years, unless another period is established under an applicable State
3 or federal financing program. In addition, displaced residents of
4 housing units provided under any State or federal housing subsidy
5 program or the "Fair Housing Act," P.L.1985, c.222 (C.52:27D-301
6 et al.) shall have first priority for those replacement units provided.

7 (10) Preservation or conservation strategies and goals for the
8 assets contained in the inventory of environmental, historical, and
9 cultural assets in the delineated project area.

10 (11) A statement setting forth the municipal planning board's
11 ability, if any, to grant relief to applicants from elements of the
12 redevelopment plan when reviewing and approving development
13 applications, including, but not limited to, variances, exceptions,
14 and waivers as defined in the "Municipal Land Use Law," P.L.1975,
15 c.291 (C.40:55D-1 et seq.).

16 b. **[A]** In addition to that housing provided pursuant to
17 paragraph (8) of subsection a. of this section, a redevelopment plan
18 may include the provision of affordable housing in accordance with
19 the "Fair Housing Act," P.L.1985, c.222 (C.52:27D-301 et al.) and
20 the housing element of the municipal master plan.

21 c. The redevelopment plan shall describe its relationship to
22 pertinent municipal development regulations as defined in the
23 "Municipal Land Use Law," P.L.1975, c.291 (C.40:55D-1 et seq.).
24 The redevelopment plan shall supersede applicable provisions of the
25 development regulations of the municipality or constitute an
26 overlay zoning district within the redevelopment area. When the
27 redevelopment plan supersedes any provision of the development
28 regulations, the ordinance adopting the redevelopment plan shall
29 contain an explicit amendment to the zoning district map included
30 in the zoning ordinance. The zoning district map as amended shall
31 indicate the redevelopment area to which the redevelopment plan
32 applies. Notwithstanding the provisions of the "Municipal Land
33 Use Law," P.L.1975, c.291 (C.40:55D-1 et seq.) or of other law, no
34 notice beyond that required for adoption of ordinances by the
35 municipality shall be required for the hearing on or adoption of the
36 redevelopment plan for a non-condemnation redevelopment area or
37 subsequent amendments thereof.

38 d. All provisions of the redevelopment plan shall be either
39 substantially consistent with the municipal master plan or designed
40 to effectuate the master plan; but the municipal governing body may
41 adopt a redevelopment plan which is inconsistent with or not
42 designed to effectuate the master plan by affirmative vote of a
43 majority of its full authorized membership with the reasons for so
44 acting set forth in the redevelopment plan.

45 e. **[Prior to the adoption of a redevelopment plan, or revision or**
46 **amendment thereto, the]** If a municipality prepares a redevelopment
47 plan, or revision or amendment thereto directly, the municipal
48 governing body shall refer the proposed redevelopment plan,

1 revision or amendment to the municipal planning board for review.
2 Such referral may be by resolution. The municipal planning board
3 shall transmit to the governing body, within 45 days after referral, a
4 report containing its recommendation concerning the redevelopment
5 plan. This report shall include an identification of any provisions in
6 the proposed redevelopment plan which are inconsistent with the
7 master plan and recommendations concerning these inconsistencies
8 and any other matters as the board deems appropriate. The
9 governing body, when considering the adoption of a redevelopment
10 plan or revision or amendment thereof, shall review the report of
11 the planning board and may approve or disapprove or change any
12 recommendation by a vote of a majority of its full authorized
13 membership and shall record in its minutes the reasons for not
14 following the recommendations. Failure of the planning board to
15 transmit its report within the required 45 days shall relieve the
16 governing body from the requirements of this subsection with
17 regard to the pertinent proposed redevelopment plan or revision or
18 amendment thereof. Nothing in this subsection shall diminish the
19 applicability of the provisions of subsection d. of this section with
20 respect to any redevelopment plan or revision or amendment
21 thereof.

22 f. The governing body of a municipality may direct the planning
23 board to prepare a redevelopment plan or an amendment or revision
24 to a redevelopment plan for a designated redevelopment area. After
25 completing the redevelopment plan, the planning board shall
26 transmit the proposed plan to the governing body for its adoption.
27 The governing body, when considering the proposed plan, may
28 amend or revise any portion of the proposed redevelopment plan by
29 an affirmative vote of the majority of its full authorized
30 membership and shall record in its minutes the reasons for each
31 amendment or revision. When a redevelopment plan or amendment
32 to a redevelopment plan is referred to the governing body by the
33 planning board under this subsection, the governing body shall be
34 relieved of the referral requirements of subsection e. of this section.
35 (cf: P.L.1992, c.79, s.7)

36
37 18. (New section) a. In addition to the requirements contained
38 in section 7 of P.L.1992, c.79 (C.40A:12A-7), an ordinance
39 adopting a redevelopment plan for an area located in a
40 condemnation redevelopment area shall comply with the provisions
41 contained in this section.

42 b. Notice of the public hearing on the ordinance shall state the
43 date, time, and location of the public hearing, shall identify where
44 the proposed redevelopment plan is available for examination and
45 shall identify, by block and lot and street address, if any, the parcels
46 that may be included in a condemnation area and subject to
47 acquisition and the power of eminent domain under the proposed
48 redevelopment plan.

1 c. (1) The full text of the redevelopment plan to be considered
2 by the governing body along with any maps or other exhibits
3 thereto, shall be made available to the public in the municipal
4 building and shall be posted on the municipality's Internet web site,
5 if any, at the time the hearing notice is provided. Copies of the
6 proposed redevelopment plan shall be available for purchase by any
7 interested party.

8 (2) A copy of the notice of the public hearing shall be published
9 in a newspaper of general circulation in the municipality once each
10 week for two consecutive weeks, and the last publication shall be
11 not less than 10 days prior to the date set for the hearing, and shall
12 be posted on the municipality's Internet web site, if any, and in a
13 reasonable number of public places within or proximate to the
14 proposed condemnation redevelopment area as may be available
15 and appropriate.

16 (3) (a) A copy of the notice, including bolded language
17 specifying that the owner's property is subject to condemnation,
18 shall be mailed by the municipal clerk, by regular mail, at least 10
19 days prior to the date set for the hearing to the last owner, if any, of
20 each parcel of property within the area according to the assessment
21 records of the municipality and to any legal tenant or lessee.

22 (b) The municipal clerk shall contact, by certified mail, the legal
23 owner of each rental property to request the names and addresses of
24 the legal tenants and lessees. If the legal owner of the rental
25 property refers the clerk to a management company for such
26 information, the clerk shall contact, by certified mail, that
27 management company to request the names and addresses of legal
28 tenants and lessees. If the municipal clerk does not receive the
29 names and addresses of the legal tenants and lessees within 20 days
30 of such request being mailed, then those notices shall be mailed, by
31 regular mail only, to each rental unit in such rental property shown
32 in the records of the municipality, addressed to "occupant." A copy
33 of the notice shall be posted on each such rental property at least 15
34 days prior to the date of the public hearing, and a municipal
35 employee shall execute an affidavit that such notice was duly
36 posted and shall attach a true and correct copy of the notice to the
37 affidavit.

38 (c) For property owners whose properties do not exhibit
39 conditions of blight and are proposed to be acquired under the
40 redevelopment plan, the notice shall specify the reason why
41 acquiring the property is necessary for the redevelopment of the
42 area.

43 (d) A notice shall also be sent by the municipal clerk to all
44 persons at their last known address, if any, whose names are noted
45 on the assessment records as claimants of an interest in any such
46 parcel. The assessor of the municipality shall make a notation upon
47 the records when requested to do so by any person claiming to have
48 an interest in any parcel of property in the municipality.

1 (e) Failure to mail any notice required under this paragraph shall
2 be governed by the provisions of section 27 of P.L. , c. (C.)
3 (pending before the Legislature as this bill).

4 d. At the public hearing, the municipal governing body shall
5 hear all persons who are interested in or would be affected by the
6 provisions of the redevelopment plan, and such persons shall be
7 allowed to ask questions concerning the plan, although the
8 governing body may, by vote of its majority, restrict or limit the
9 amount of time afforded for each person to speak and may adopt
10 reasonable procedures for preventing repetitive or dilatory
11 questioning. A record of the public hearing shall be kept by the
12 municipal clerk. Upon the close of the public hearing, the
13 municipal governing body may vote to finally adopt the ordinance.

14 e. (1) Notice of final adoption of an ordinance adopting a
15 redevelopment plan for a condemnation redevelopment area shall be
16 mailed, within 10 days after the final adoption of the ordinance
17 making such determination, to each person who received notice of
18 the public hearing in accordance with paragraph (3) of subsection c.
19 of this section, in the same manner as provided therein.

20 (2) Additionally, notice of final adoption of an ordinance
21 making a determination shall be published in the official newspaper
22 of the municipality, together with the date of the first publication of
23 such notice and also a statement that any action or proceeding of
24 any kind or nature in any court questioning the validity of the
25 adoption of the ordinance or the determination contained therein,
26 shall be commenced within 60 days after the first publication of
27 such notice.

28 (3) The notice that is mailed to owners, legal tenants and lessees
29 of properties proposed to be acquired shall contain the following
30 bolded language:

31
32 **THE GOVERNING BODY OF _____ HAS**
33 **IDENTIFIED THE PROPERTY YOU OWN OR RENT FOR**
34 **POSSIBLE ACQUISITION THROUGH EMINENT**
35 **DOMAIN. IF YOU WISH TO CONTEST THE**
36 **IDENTIFICATION OF YOUR PROPERTY FOR**
37 **POSSIBLE ACQUISITION OR CHALLENGE ANY**
38 **PROVISION OF THE REDEVELOPMENT PLAN, YOU**
39 **MUST FILE YOUR LAWSUIT BY (60th day after the date of**
40 **first publication) WHICH IS THE 60TH DAY AFTER THE**
41 **DATE OF FIRST PUBLICATION OF THIS NOTICE, OR**
42 **YOUR RIGHT TO CHALLENGE THE PLAN MAY BE**
43 **BARRED FOREVER, UNLESS OTHERWISE PERMITTED**
44 **BY THE COURTS.**

45
46 f. The municipality may not finally authorize and execute an
47 agreement with a redeveloper until 60 days next following the final
48 adoption of the ordinance adopting a redevelopment plan for a

1 condemnation redevelopment area pursuant to this section, unless
2 the redeveloper is the owner of the property that is the subject of the
3 redevelopment agreement.

4 g. Amendments and revisions to redevelopment plans for
5 condemnation redevelopment areas shall comply with the
6 provisions contained in this section if the proposed changes: (1) add
7 a property or properties to those previously identified for
8 acquisition; (2) increase the residential density by 20 percent or
9 more; (3) increase the non-residential square footage by 20 percent
10 or more; or (4) increase the area subject to the redevelopment plan.

11
12 19. Section 8 of P.L.1992, c.79 (C.40A:12A-8) is amended to
13 read as follows:

14 8. Upon the adoption of a redevelopment plan pursuant to
15 section 7 of P.L.1992, c.79 (C.40A:12A-7), the municipality or
16 redevelopment entity designated by the governing body may
17 proceed with the clearance, replanning, development and
18 redevelopment of the area designated in that plan.

19 Prior to the exercise of any power granted pursuant to this
20 section that will result in a substantial negative environmental
21 impact on, or safety risk to, other persons or businesses remaining
22 in the redevelopment area, the municipality or redeveloper, or a
23 designee, shall offer those persons and businesses relocation
24 assistance in accordance with the "Relocation Assistance Law of
25 1967," P.L.1967, c.79 (C.52:31B-1 et seq.) and the "Relocation
26 Assistance Act," P.L.1971, c.362 (C.20:4-1 et seq.). The
27 Commissioner of Community Affairs, in consultation with the
28 Commissioner of Environmental Protection, shall promulgate rules
29 and regulations within 180 days of enactment of P.L. , c. (C.)
30 (pending before the Legislature as this bill) to clarify the
31 circumstances requiring the offer of relocation assistance to persons
32 or businesses under this section. The requirement to offer
33 relocation assistance under this section shall be applicable to
34 actions taken to implement redevelopment plans that are adopted
35 after the date that the rules and regulations provided herein are
36 promulgated.

37 In order to carry out and effectuate the purposes of this act and
38 the terms of the redevelopment plan, the municipality or designated
39 redevelopment entity may:

40 a. Undertake redevelopment projects, and for this purpose issue
41 bonds in accordance with the provisions of section 29 of P.L.1992,
42 c.79 (C.40A:12A-29).

43 b. Acquire property pursuant to subsection i. of section 22 of
44 P.L.1992, c.79 (C.40A:12A-22).

45 c. Acquire, by condemnation within a condemnation
46 redevelopment area, any land or building which is necessary for the
47 redevelopment project, pursuant to the provisions of the "Eminent
48 Domain Act of 1971," P.L.1971, c.361 (C.20:3-1 et seq.) and the

- 1 "Local Redevelopment and Housing Law," P.L.1992, c.79
2 (C.40A:12A-1 et al.). If the municipality or redevelopment entity
3 acquires by condemnation contaminated property, and the property
4 is undergoing a remediation, the municipality may petition the
5 Department of Environmental Protection, in writing, for authority to
6 perform the remediation of the condemned property in accordance
7 with the provisions of section 1 of P.L.2005, c.355 (C.58:10B-3.1).
- 8 d. Clear any area owned or acquired and install, construct or
9 reconstruct streets, facilities, utilities, and site improvements
10 essential to the preparation of sites for use in accordance with the
11 redevelopment plan.
- 12 e. Prepare or arrange by contract for the provision of
13 professional services and the preparation of plans by registered
14 architects, licensed professional engineers or planners, or other
15 consultants for the carrying out of redevelopment projects.
- 16 f. Arrange or contract with public agencies or redevelopers for
17 the planning, replanning, construction, or undertaking of any
18 project or redevelopment work, or any part thereof; negotiate and
19 collect revenue from a redeveloper to defray the costs of the
20 redevelopment entity, including where applicable the costs incurred
21 in conjunction with bonds, notes or other obligations issued by the
22 redevelopment entity, and to secure payment of such revenue; as
23 part of any such arrangement or contract, provide for extension of
24 credit, or making of loans, to redevelopers to finance any project or
25 redevelopment work, or upon a finding that the project or
26 redevelopment work would not be undertaken but for the provision
27 of financial assistance, or would not be undertaken in its intended
28 scope without the provision of financial assistance, provide as part
29 of an arrangement or contract for capital grants to redevelopers; and
30 arrange or contract with public agencies or redevelopers for the
31 opening, grading or closing of streets, roads, roadways, alleys, or
32 other places or for the furnishing of facilities or for the acquisition
33 by such agency of property options or property rights or for the
34 furnishing of property or services in connection with a
35 redevelopment area.
- 36 g. Lease or convey property or improvements to any other party
37 pursuant to this section, without public bidding and at such prices
38 and upon such terms as it deems reasonable, provided that the lease
39 or conveyance is made in conjunction with a redevelopment plan,
40 notwithstanding the provisions of any law, rule, or regulation to the
41 contrary.
- 42 h. Enter upon any building or property in any redevelopment
43 area in order to conduct investigations or make surveys, sounding or
44 test borings necessary to carry out the purposes of this act.
- 45 i. Arrange or contract with a public agency for the relocation,
46 pursuant to the "Relocation Assistance Law of 1967," P.L.1967,
47 c.79 (C.52:31B-1 et seq.) and the "Relocation Assistance Act,"

- 1 P.L.1971, c.362 (C.20:4-1 et seq.), of residents, industry or
2 commerce displaced from a redevelopment area.
- 3 j. Make, consistent with the redevelopment plan: (1) plans for
4 carrying out a program of voluntary repair and rehabilitation of
5 buildings and improvements; and (2) plans for the enforcement of
6 laws, codes, and regulations relating to the use and occupancy of
7 buildings and improvements, and to the compulsory repair,
8 rehabilitation, demolition, or removal of buildings and
9 improvements.
- 10 k. Request that the planning board recommend and governing
11 body designate particular areas as being in need of redevelopment
12 or rehabilitation in accordance with the provisions of this act and
13 make recommendations for the redevelopment or rehabilitation of
14 such areas.
- 15 l. Study the recommendations of the planning board or
16 governing body for redevelopment of the area.
- 17 m. Publish and disseminate information concerning any
18 redevelopment area, plan or project.
- 19 n. Do all things necessary or convenient to carry out its powers.
- 20 o. Request expedited permit application reviews and approval,
21 in accordance with P.L.2004, c.89 (C.52:27D-10.2 et al.), for
22 property located in a redevelopment area, and utilize the New
23 Jersey Redevelopment Authority for these purposes.
24 (cf: P.L.1992, c.79, s.8)
25
- 26 20. (New section) a. For all areas determined to be in need of
27 redevelopment, the municipality shall submit to the Department of
28 Community Affairs a map outlining the physical boundaries of the
29 redevelopment area, the preliminary investigation report, and a
30 copy of the ordinance making the determination. This information
31 shall be transmitted on or before the 60th day following the
32 effective date of P.L. , c. (C.) (pending before the Legislature
33 as this bill) for areas that were determined to be in need of
34 redevelopment on or prior to the effective date of P.L. ,
35 c. (C.) (pending before the Legislature as this bill), or within 10
36 days after the area is determined to be in need of redevelopment
37 after the effective date of P.L. , c. (C.) (pending before the
38 Legislature as this bill). The municipality also shall disclose to the
39 Department of Community Affairs, with updates as required by the
40 department, an accounting of the cost of all municipal investments
41 made in the redevelopment area subsequent to the final adoption of
42 a resolution or ordinance, as applicable, determining the area as in
43 need of redevelopment, including, but not limited to, the granting of
44 tax exemptions, the issuance of density bonuses, and the value of
45 municipal infrastructure provided in the implementation of the plan.
46 In addition, the municipality shall disclose any other public
47 infrastructure to be provided in the redevelopment area using public
48 funds.

1 b. For all condemnations of properties that occur in a
2 condemnation redevelopment area pursuant to subsection c. of
3 section 8 of P.L.1992, c.79 (C.40A:12A-8), the municipality shall
4 submit to the Department of Community Affairs record of the
5 condemnation and the compensation provided to the property owner
6 on or before the 10th day following the taking.

7 c. Each year the Department of Community Affairs shall issue a
8 report that lists the location of all areas currently determined to be
9 in need of redevelopment in New Jersey; basic data for each area
10 about its size, population, the status of the redevelopment plan
11 implementation, the length of time the area has been designated as
12 an area in need of redevelopment, an accounting of the cost of all
13 municipal investments and an enumeration of other investments
14 made in the area using public funds subsequent to the final adoption
15 of an ordinance determining the area as in need of redevelopment,
16 as set forth in subsection a. of this section, the number of times
17 eminent domain has been used and the number of properties that
18 have been condemned in each condemnation redevelopment area,
19 and data on compensation received by property owners, when
20 available. This report shall be made available to the general public
21 upon request and on the Department of Community Affairs Internet
22 web site.

23
24 21. (New section) a. When a redevelopment entity seeks to
25 acquire property for redevelopment purposes, the written offer of
26 just compensation required under section 6 of P.L.1971, c.361
27 (C.20:3-6) shall include the amount of the approved appraisal, the
28 amounts required pursuant to section 26 of P.L.1971, c.361 (C.20:3-
29 26), plus:

30 (1) reimbursement for reasonable costs to verify the appraisal on
31 residential and small business property;

32 (2) reimbursement for reasonable legal costs of the prospective
33 condemnee to review the basis for condemnation on residential and
34 small business property, up to \$500;

35 (3) lost rents for the period of time between the determination
36 that an area is a condemnation redevelopment area and the date of
37 the offer;

38 (4) the amount of relocation assistance to which the prospective
39 condemnee is entitled; and

40 (5) with regard to a prospective condemnee who has an approved
41 application for development under the "Municipal Land Use Law,"
42 P.L.1975, c.291 (C.40:55D-1 et seq.), reimbursement of actual
43 reasonable costs expended in securing the approval and in
44 commencing any approved development.

45 b. When a redevelopment entity seeks to acquire property for
46 redevelopment purposes, the amount of the written offer of just
47 compensation required under section 6 of P.L.1971, c.361 (C.20:3-
48 6) shall be no less than the "replacement value" of the property.

1 For residential properties, “replacement value” means the
2 approximate value of a residential property of similar size and
3 quality under comparable conditions, within the municipality and
4 within a reasonable distance of the property being condemned or
5 otherwise acquired for redevelopment. For properties other than
6 residential properties, “replacement value” means the approximate
7 value of a property of similar size and quality, able to be utilized for
8 the same business purpose within the municipality or, if no
9 comparable property is located within the municipality, within a
10 reasonable distance of the property being condemned or otherwise
11 acquired for redevelopment.

12 c. Notwithstanding the requirements of section 30 of P.L.1971,
13 c.361 (C.20:3-30) concerning the date for the determination of just
14 compensation to the contrary, with regard to property being
15 acquired for redevelopment purposes, the written offer made by the
16 condemnor pursuant to section 6 of P.L.1971, c.361 (C.20:3-6) and
17 the determination of just compensation for the property shall be
18 determined as of the date described in section 30 of P.L.1971, c.361
19 (C.20:3-30) that results in the highest valuation for the property
20 unless a determination based upon the date on which action is taken
21 by the condemnor which substantially affects the value of the
22 property of the condemnee results in a higher valuation.

23 d. If an offer with regard to property being acquired for
24 redevelopment purposes is not accepted and the award of the
25 condemnation commissioners is increased on appeal pursuant to
26 section 13 of P.L.1971, c.361 (C.20:3-13), then the condemnor also
27 shall pay the condemnee's reasonable legal fees expended by the
28 condemnee to appeal the commissioners' award.

29 e. No property shall be subject to condemnation for
30 redevelopment purposes unless it has been identified for acquisition
31 in the redevelopment plan or any amendment thereto, pursuant to
32 paragraph (4), subsection a. of section 7 of P.L.1992, c.79
33 (C.40A:12A-7).

34 f. When a non-blighted property is included in a condemnation
35 redevelopment area, the property shall not be condemned unless the
36 condemnor is able to certify in its condemnation complaint that it
37 has exhausted all avenues to acquire the property, that acquisition
38 of the property cannot be negotiated despite its best efforts, and that
39 the property is necessary to the viability of the redevelopment
40 project.

41 g. Every resident and small business operator displaced as a
42 result of a redevelopment project shall have a limited right of first
43 refusal to purchase or lease a dwelling unit or business space
44 subsequently constructed within the redevelopment project as set
45 forth in this section:

46 (1) At such time residents and small business operators are
47 provided notice under a workable relocation assistance program
48 pursuant to law or regulation, they shall be provided with the

1 opportunity to have their names entered into a registry of residents
2 or a registry of small business operators, as the case may be,
3 seeking the opportunity to purchase or lease a dwelling unit or
4 business space, as the case may be, in the redevelopment project.
5 The registry shall be maintained by the municipal relocation officer
6 designated under the workable relocation assistance program, a
7 copy of which shall be forwarded to, and also maintained by, the
8 Department of Community Affairs.

9 (2) At such time that any residential development containing
10 more than 10 dwelling units, or any nonresidential or mixed use
11 development containing more than 18,000 square feet of floor area,
12 shall be constructed in any redevelopment area as a redevelopment
13 project, the developer shall notify each individual on the
14 appropriate registry, by registered mail and by e-mail to their last
15 known mailing or e-mail address, as may be available, of their
16 opportunity to purchase or lease a dwelling unit or business space,
17 as applicable. It shall be the sole responsibility of the individual to
18 maintain a current mailing address with the registry, and the
19 developer shall be under no obligation to provide notice except as
20 set forth in this subsection.

21 (3) From the date of mailing of the notice, the individuals on the
22 registry shall have 20 business days before the units in such
23 development are offered to the general public in order to enter into
24 a contract of purchase or a lease for a unit in the development. Such
25 contract or lease shall be on the same terms and at the same price as
26 those on which the unit is initially offered to the general public.

27
28 22. Section 14 of P.L.1992, c.79 (C.40A:12A-14) is amended to
29 read as follows:

30 14. a. A delineated area may be determined to be in need of
31 rehabilitation if the governing body of the municipality determines
32 by resolution that a program of rehabilitation may be expected to
33 prevent further deterioration and promote the overall development
34 of the community and that there exist in that area conditions such
35 that:

36 (1) a significant portion of structures therein are in a deteriorated
37 or substandard condition and there is a continuing pattern of
38 vacancy, abandonment or underutilization of properties in the area,
39 **[with]** which may be reflected in a persistent arrearage of property
40 tax payments thereon; **[or]**

41 (2) **[more than half]** a significant amount of the housing stock
42 **[in the delineated area is at least 50 years old, or a majority of the**
43 **water and sewer]** or infrastructure in the delineated area, or both, is
44 **[at least 50 years old and is]** in need of repair or substantial
45 maintenance; **[and]**

46 (3) **[a program of rehabilitation, as defined in section 3 of**
47 **P.L.1992, c.79 (C.40A:12A-3), may be expected to prevent further**
48 **deterioration and promote the overall development of the**

1 community] (Deleted by amendment, P.L. _____, c. _____.) (pending
2 before the Legislature as this bill);

3 (4) areas with a significant portion of its buildings or
4 improvements evidencing dilapidation, obsolescence,
5 overcrowding, faulty arrangement or design, lack of ventilation,
6 light and sanitary facilities, excessive land coverage, deleterious
7 land use or obsolete layout, or any combination of these or other
8 factors; or

9 (5) a growing lack or total lack of proper utilization of areas
10 resulting in a stagnant or not fully productive condition of land
11 potentially useful and valuable for contributing to and serving the
12 public health, safety, and welfare.

13 The resolution determining that the area is in need of
14 rehabilitation shall be based upon a written report documenting the
15 conditions that provide the basis for the determination that the area
16 is in need of rehabilitation. Where warranted by consideration of
17 the overall conditions and requirements of the community, a finding
18 of need for rehabilitation may extend to the entire area of a
19 municipality. Prior to adoption of the resolution, the governing
20 body shall submit **[it]** the proposed resolution together with the
21 report that provides the basis for the determination to the municipal
22 planning board for its review. Within 45 days of its receipt of the
23 proposed resolution, the municipal planning board shall submit its
24 recommendations regarding the proposed resolution, including any
25 modifications which it may recommend, to the governing body for
26 its consideration. Thereafter, or after the expiration of the 45 days
27 if the municipal planning board does not submit recommendations,
28 the governing body may adopt the resolution, with or without
29 modification. The resolution shall not become effective without the
30 approval of the commissioner pursuant to section 6 of P.L.1992,
31 c.79 (C.40A:12A-6), if otherwise required pursuant to that section.

32 b. A delineated area shall be deemed to have been determined to
33 be an area in need of rehabilitation in accordance with the
34 provisions of **[this act]** P.L.1992, c.79 (C.40A:12A-1 et al) if it has
35 heretofore been determined to be an area in need of rehabilitation
36 pursuant to P.L.1975, c.104 (C.54:4-3.72 et seq.), P.L.1977, c.12
37 (C.54:4-3.95 et seq.) or P.L.1979, c.233 (C.54:4-3.121 et seq.).

38 c. (1) A municipality may adopt an ordinance declaring a
39 renovation housing project to be an area in need of rehabilitation for
40 the purposes of Article VIII, Section I, paragraph 6 of the New
41 Jersey Constitution if the need for renovation resulted from
42 conflagration.

43 (2) For the purposes of this subsection, "renovation housing
44 project" means any work or undertaking to provide a decent, safe,
45 and sanitary dwelling, to exclusively benefit a specific household,
46 by the renovation, reconstruction, or replacement of the household's
47 home on the same lot by either a charitable entity organized to
48 perform home renovations or by a for-profit builder using 75% or

1 more volunteer labor-hours to accomplish the construction for the
2 project. The undertaking may include any buildings; demolition,
3 clearance, or removal of buildings from land; equipment; facilities;
4 or other personal properties or interests therein which are necessary,
5 convenient, or desirable appurtenances of the undertaking.

6 d. (1) A municipality may adopt an ordinance declaring a
7 renovation housing project to be an area in need of rehabilitation for
8 the purposes of Article VIII, Section I, paragraph 6 of the New
9 Jersey Constitution if at least half of the number of people
10 occupying the dwelling as their primary residence qualify for a
11 federal income tax credit pursuant to 26 U.S.C. s.22 as a result of
12 being permanently and totally disabled and the improvements to be
13 made to the dwelling are made substantially to accommodate those
14 disabilities.

15 (2) For the purposes of this subsection, "renovation housing
16 project" means any work or undertaking to provide a decent, safe,
17 and sanitary single-family dwelling, to exclusively benefit at least
18 half of the number of people occupying a dwelling as their primary
19 residence, by the renovation, reconstruction, or replacement of that
20 dwelling on the same lot by either a charitable entity organized to
21 perform home renovations or by a for-profit builder using 75% or
22 more volunteer labor-hours to accomplish the construction for the
23 project. The undertaking may include any buildings; demolition,
24 clearance, or removal of buildings from land; equipment; facilities;
25 or other personal properties or interests therein which are necessary,
26 convenient, or desirable appurtenances of the undertaking.

27 (cf: P.L.2007, c.91, s.1)

28

29 23. Section 15 of P.L.1992, c.79 (C40A:12A-15) is amended to
30 read as follows:

31 15. In accordance with the provisions of a redevelopment plan
32 adopted pursuant to section 7 of P.L.1992, c.79 (C.40A:12A-7), a
33 municipality or redevelopment entity may proceed with clearance,
34 replanning, conservation, development, redevelopment and
35 rehabilitation of an area in need of rehabilitation. **【With respect to**
36 **a redevelopment project in】** In an area in need of rehabilitation, the
37 municipality or redevelopment entity, upon the adoption of a
38 redevelopment plan for the area, may perform any of the actions set
39 forth in section 8 of P.L.1992, c.79 (C.40A:12A-8), except that
40 **【with respect to such a project】** the municipality shall not have the
41 power to use eminent domain to take or acquire private property by
42 condemnation in furtherance of a redevelopment plan, unless **【**: a.
43 the area is within an area determined to be in need of
44 redevelopment pursuant to this act; or b.**】** exercise of that power is
45 authorized under any other law of this State.

46 (cf: P.L.1992, c.79, s.15)

1 24. (New section) a. Whenever a municipality or
2 redevelopment entity wishes to enter into an agreement with a
3 redeveloper and either (1) 20% or more of the redevelopment
4 project or projects will be constructed on land owned by the
5 municipality which will be conveyed to that redeveloper, or (2)
6 20% or more of the project or projects will be constructed upon
7 land within an area in need of redevelopment that is subject to
8 acquisition by the municipality or redevelopment entity pursuant to
9 the redevelopment plan, then the municipality shall approve, by
10 ordinance, a written agreement designating a redeveloper selected
11 in accordance with this section.

12 b. The municipality or redevelopment entity shall prepare or
13 have prepared request for proposal documentation, which shall
14 include: all requirements deemed appropriate and necessary to
15 allow for full and free competition between potential redevelopers;
16 information necessary for potential redevelopers to submit a
17 proposal, including a copy of the redevelopment plan, a general
18 description of the project or projects, and such municipal public
19 records relating to buildings and improvements within the
20 redevelopment area, including, but not limited to, services provided
21 by public utilities, building permit, and assessment records; and a
22 methodology by which the municipality will evaluate and rank
23 proposals received from potential redevelopers.

24 c. The methodology for selecting a redeveloper shall be based
25 on an evaluation and ranking which may include overall design,
26 technical expertise, demonstrated experience on projects similar to
27 the proposed project, the ability to finance the proposed project, and
28 such other stated criteria as the municipality shall deem relevant.

29 d. (1) At no time during the proposal solicitation process shall
30 the municipality or redevelopment entity, or any employee or agent
31 thereof, knowingly convey information to the public or any
32 potential redeveloper which could confer an unfair advantage upon
33 that potential redeveloper over any other potential redeveloper. If
34 the municipality or redevelopment entity desires to change proposal
35 documentation, the municipality or redevelopment entity shall
36 notify only those potential redevelopers who received the proposal
37 documentation of any and all changes in writing, and all existing
38 documentation shall be changed appropriately.

39 (2) Any person who violates the provisions of this subsection
40 shall be guilty of a crime of the fourth degree.

41 e. All proposals shall be required to contain a statement of
42 corporate ownership in accordance with the provisions of section 1
43 of P.L.1977, c.33 (C.52:25-24.2) and specifications concerning
44 equal employment opportunity and affirmative action pursuant to
45 P.L.1975, c.127 (C.10:5-31 et seq.), and the requirement that the
46 work to be performed under the contract shall ensure that
47 employment and other economic opportunities generated by the
48 redevelopment project shall, to the greatest extent feasible, be

1 directed to businesses that are located, and persons who reside,
2 within the area determined to be in need of redevelopment or
3 rehabilitation.

4 f. A notice of the availability of request for proposal
5 documentation shall be published in an official newspaper of the
6 municipality at least 30 days prior to the date established for the
7 submission of proposals. Such notice shall provide the name,
8 address, and phone number of the person who can provide
9 additional information and a proposal document to an interested
10 party. The municipality or redevelopment entity shall promptly
11 reply to any request by an interested party by providing a copy of
12 the request for proposals. The municipality or redevelopment entity
13 may charge a fee for the proposal documentation that shall not
14 exceed \$50 or the cost of reproducing the documentation,
15 whichever is greater.

16 g. Each interested potential redeveloper shall submit a proposal
17 which shall include all the information required by the request for
18 proposals. Failure to meet the requirements of the request for
19 proposals may result in the municipality or redevelopment entity
20 disqualifying the potential redeveloper from further consideration.

21 h. The municipality or redevelopment entity shall review and
22 evaluate all proposals only in accordance with the methodology
23 described in the request for proposals. The review shall be
24 conducted in a manner that avoids disclosure of the contents of any
25 proposal prior to the selection of a redeveloper. The municipality
26 or redevelopment entity may conduct discussions with a potential
27 redeveloper submitting a proposal for the purpose of clarifying the
28 information submitted in the proposal. The municipality or
29 redevelopment entity may at any time revise its proposal document
30 after the review of the submitted proposals if it notifies
31 simultaneously, and in writing, each potential redeveloper that
32 submitted a proposal of the revision and provides a uniform time
33 within which the potential redevelopers may submit a revised
34 proposal for review.

35 i. The municipality or redevelopment entity shall select the
36 proposal that received the highest evaluation and shall negotiate an
37 agreement with the potential redeveloper that submitted the selected
38 proposal. If the municipality or redevelopment entity is unable to
39 negotiate a satisfactory agreement with the potential redeveloper
40 that submitted the selected proposal, it may select the proposal that
41 received the second highest evaluation from among those submitted
42 and proceed to negotiate a satisfactory contract with the potential
43 redeveloper that submitted that proposal. The process shall
44 continue until a redeveloper is selected or the process is abandoned
45 by the municipality or redevelopment entity. The decision to
46 abandon the proposal process shall be by a resolution adopted by
47 the governing body of the municipality or redevelopment entity.

1 j. After a redeveloper has been selected and a satisfactory
2 agreement has been negotiated, but prior to the execution of the
3 agreement by the governing body or redevelopment entity, the
4 municipality or redevelopment entity shall prepare a report
5 concerning the proposal selection process. The report shall list the
6 names of all potential redevelopers who submitted a proposal and
7 shall summarize the proposals of each potential redeveloper. The
8 report shall contain objective, material reasons, such as, but not
9 limited to, design, cost of materials, and square footage, as to why
10 each potential redeveloper who was not selected, was rejected. The
11 report shall (1) rank the potential redevelopers in order of
12 evaluation; (2) summarize, in general terms, any unsuccessful
13 negotiations with potential redevelopers that submitted proposals
14 which were ranked higher than the proposal of the selected
15 redeveloper; (3) recommend the selected redeveloper; and (4)
16 summarize the project to be undertaken and the relevant terms of
17 the proposed agreement. The municipal clerk shall make the report
18 available to the members of the governing body of the municipality,
19 to the members of the redevelopment entity when it is not the
20 municipality, and to the public at least 48 hours prior to the
21 introduction of an ordinance authorizing an agreement with the
22 redeveloper.

23 k. The governing body of the municipality or redevelopment
24 entity shall have the right to reject all proposals for any reason, but
25 such reason must be given and the municipality shall not authorize
26 another request for proposals concerning the same project or
27 projects for a period of 30 days after the date of rejection or
28 abandonment by the governing body.

29 l. Nothing in this section shall limit the authority of a
30 municipality to convey property within a redevelopment area for
31 nominal consideration to any of the entities designated in section 21
32 of the "Local Lands and Buildings Law," P.L.1971, c.199
33 (C.40A:12-21) for any of the uses set forth therein, and to enter into
34 redevelopment agreements with such entities for such uses without
35 complying with the provisions of this section.

36
37 25. (New section) a. If any agreement between a
38 redevelopment entity and a redeveloper shall provide for the use or
39 potential use of eminent domain by the redevelopment entity, such
40 agreement shall contain:

41 (1) a block and lot identification of all parcels which may be
42 subject to eminent domain at the request of the redeveloper;

43 (2) a schedule of acquisition by the redeveloper; and

44 (3) a provision stating that the ability of the redeveloper to
45 request acquisition by eminent domain shall lapse within five years
46 of the effective date of the agreement, which provision may only be
47 further extended by an ordinance adopted by the governing body
48 after notice to any property owner whose rights will be directly

1 affected by such an extension, and only if construction has begun
2 and has continued without cumulative stoppages, attributable to
3 action or inaction of redeveloper, of more than 365 days.

4 b. All mandatory schedules and time limitations within the
5 provisions set forth in subsection a. of this section may be subject to
6 tolling for any contingencies set forth in the agreement.

7

8 26. (New section) Notwithstanding the provisions of any other
9 law to the contrary:

10 a. A municipal redevelopment entity shall not: negotiate for, or
11 enter into, a redevelopment agreement, other than an agreement
12 awarded pursuant to a fair and open process, with any redeveloper
13 to perform any work under a redevelopment plan, if, beginning after
14 the adoption of a memorializing resolution directing preliminary
15 investigation to determine if a site is in need of redevelopment, that
16 redeveloper has made a contribution that exceeds \$500 to any
17 municipal committee of a political party in that municipality if a
18 member of that political party is serving in an elective public office
19 of that municipality when the contract is awarded or to any
20 candidate committee of any person serving in an elective public
21 office of that municipality when the contract is awarded.

22 b. No redeveloper described above who enters into a municipal
23 redevelopment agreement to perform any work under a
24 redevelopment plan shall make any of the aforesaid contributions
25 during the term of any such redevelopment agreement.

26 c. None of the aforesaid committees shall accept a contribution
27 in excess of the limits set forth above from such a redeveloper
28 during the time periods set forth above.

29 d. Each committee described above shall use reasonable efforts
30 to notify contributors and potential contributors that contributions
31 to it may affect the ability of a redeveloper to enter into a
32 redevelopment agreement. Reasonable efforts shall include, but not
33 be limited to, written notifications in fundraising solicitations or
34 donor information request forms or other fundraising materials.

35 e. If a redeveloper makes a contribution that would otherwise
36 bar it from negotiating for or entering into a redevelopment
37 agreement or makes a contribution during the term of a
38 redevelopment agreement in violation of this section, the
39 redeveloper may request a full reimbursement from the recipient
40 and, if such reimbursement is received within 60 days thereafter,
41 the redeveloper shall again be eligible to negotiate or enter into a
42 redevelopment agreement or shall no longer be in violation, as
43 appropriate.

44 f. Prior to entering into such a redevelopment agreement, a
45 redevelopment entity shall require the redeveloper with which the
46 redevelopment agreement is to be entered into to provide a written
47 certification that it has not made a contribution that would bar the
48 execution of a redevelopment agreement pursuant to this section. A

1 redeveloper shall have a continuing duty to report to the Election
2 Law Enforcement Commission any contribution that constitutes a
3 violation of this section that is made during the duration of a
4 redevelopment agreement.

5 g. As used in this section:

6 "Fair and open process" means the process described in section
7 24 of P.L. , c. (C.) (pending before the Legislature as this
8 bill) or, at a minimum, that the redevelopment agreement shall be:
9 publicly advertised in newspapers or on the Internet website
10 maintained by the public entity in sufficient time to give notice in
11 advance of the agreement; entered into under a process that
12 provides for public solicitation of proposals or qualifications and
13 entered into and disclosed under criteria established in writing by
14 the public entity prior to the solicitation of proposals or
15 qualifications; and publicly opened and announced when awarded.
16 The decision of a public entity as to what constitutes a fair and open
17 process shall be final; and

18 "Redeveloper" means any person, firm, corporation, or public
19 body that negotiates for, or enters into, a redevelopment agreement
20 with a municipal redevelopment entity for the redevelopment or
21 rehabilitation of an area in need of redevelopment, or an area in
22 need of rehabilitation, or any part thereof, or for any construction or
23 other work forming a part of a redevelopment or rehabilitation
24 project, and includes any principal who owns or controls more than
25 10 percent of the profits or assets of a redeveloper or 10 percent of
26 the stock in the case of a redeveloper that is a corporation for profit,
27 as appropriate.
28

29 27. (New section) If a court finds that any notice required to be
30 sent by mail under the "Local Redevelopment and Housing Law,"
31 P.L.1992, c.79 (C.40A:12A-1 et al.), was defective, the court may
32 order all or certain redevelopment activities to be suspended until
33 the defective notices have been remedied and the interests of the
34 parties accommodated to the court's satisfaction. An affidavit
35 executed by a municipal employee affirming that notices required to
36 be posted under P.L. , c. (C.) (pending before the Legislature
37 as this bill) were duly posted shall protect a municipality from any
38 challenge to the sufficiency of the posting of notices.
39

40 28. Section 5 of P.L.1996, c.62 (C.55:19-24) is amended to read
41 as follows:

42 5. The authority shall have the following powers:

43 a. to sue and be sued;

44 b. to have a seal and alter the same at the authority's pleasure;

45 c. to enter into contracts upon such terms and conditions as the
46 authority shall determine to be reasonable, including, but not
47 limited to, reimbursement for the planning, designing, financing,
48 construction, reconstruction, improvement, equipping, furnishing,

- 1 operation and maintenance of the project and to pay or compromise
2 any claims arising therefrom;
- 3 d. to make and alter bylaws for its organization and internal
4 management and, subject to agreements with noteholders or
5 bondholders, to make rules and regulations with respect to its
6 projects, operations, properties and facilities;
- 7 e. to invest any funds held in reserve or sinking funds, or any
8 moneys not required for immediate use and disbursement, at the
9 discretion of the authority, in obligations of this State or of the
10 United States, or obligations the principal and interest of which are
11 guaranteed by this State or the United States;
- 12 f. to sell, lease, assign, transfer, convey, exchange, mortgage, or
13 otherwise dispose of or encumber any project, and in the case of the
14 sale of any project, to accept a purchase money mortgage in
15 connection therewith; and to lease, repurchase or otherwise acquire
16 and hold any project which the corporation has theretofore sold,
17 leased or otherwise conveyed, transferred or disposed of;
- 18 g. to acquire or contract to acquire from any individual,
19 partnership, trust, association or corporation, or any public agency,
20 by grant, purchase or otherwise, real or personal property or any
21 interest therein; to own, hold, clear, improve, rehabilitate and
22 develop, and to sell, assign, exchange, transfer, convey, lease,
23 mortgage or otherwise dispose of or encumber the same;
- 24 h. to acquire in the name of the authority by purchase or
25 otherwise, on such terms and conditions and such manner as it may
26 deem proper any lands or interests therein or other property which it
27 may determine is reasonably necessary for any project;
- 28 i. to acquire, construct, reconstruct, rehabilitate, improve, alter
29 or repair or provide for construction, reconstruction, rehabilitation,
30 improvement, alteration or repair of any project;
- 31 j. to arrange or contract with a municipality for the planning,
32 replanning, opening, grading or closing of streets, roads, roadways,
33 alleys or other places, or for the furnishing of facilities or for the
34 acquisition by a municipality of property or property rights or for
35 the furnishing of property or services, in connection with a project;
- 36 k. to grant options to purchase any project or to renew any
37 leases entered into by it in connection with any of its projects, on
38 such terms and conditions as it may deem advisable;
- 39 l. to prepare or cause to be prepared plans, specifications,
40 designs and estimates of costs for the construction, reconstruction,
41 rehabilitation, improvement, alteration or repair of any project, and
42 from time to time to modify such plans, specifications, designs or
43 estimates;
- 44 m. to manage any project, whether then owned or leased by the
45 authority, and to enter into agreements with any individual,
46 partnership, trust, association or corporation, or with any public
47 agency, for the purpose of causing any project to be managed;

- 1 n. to hold any property owned or acquired by the authority in the
2 name of the authority;
- 3 o. to provide advisory, consultative, training and educational
4 services, technical assistance and advice to any individual,
5 partnership, trust, association or corporation, or to any public
6 agency, in order to carry out the purposes of P.L.1996, c.62
7 (C.55:19-20 et al.);
- 8 p. to issue, purchase, pledge and sell stock in projects of the
9 authority and to purchase, sell or pledge the shares, or other
10 obligations or securities of any subsidiary corporation, on such
11 terms and conditions as the authority or subsidiary corporation may
12 deem advisable;
- 13 q. subject to the provisions of any contract with noteholders, to
14 consent to the modification, with respect to rate of interest, time of
15 payment or any installment of principal or interest, security, or any
16 other terms, of any loan, mortgage, commitment, contract or
17 agreement of any kind to which the authority is a party;
- 18 r. in connection with any property on which it has made a
19 mortgage loan, to foreclose on the property or commence any action
20 to protect or enforce any right conferred upon it by any law,
21 mortgage, contract or other agreement, and to bid for or purchase
22 the property at any foreclosure or at any other sale, or acquire or
23 take possession of the property; and in such event the authority
24 may complete, administer, pay the principal of and interest on any
25 obligations incurred in connection with the property, dispose of and
26 otherwise deal with the property, in such manner as may be
27 necessary or desirable to protect the interests of the authority
28 therein;
- 29 s. to acquire, purchase, manage and operate, hold and dispose of
30 real and personal property or interests therein, take assignments of
31 rentals and leases and make and enter into all contracts, leases,
32 agreements and arrangements necessary or incidental to the
33 performance of its duties;
- 34 t. to purchase, acquire and take assignments of notes, mortgages
35 and other forms of security and evidences of indebtedness;
- 36 u. to extend credit or make loans to any person for the planning,
37 designing, acquiring, constructing, reconstructing, improving,
38 equipping and furnishing of a project, which credits or loans may be
39 secured by loan and security agreements, mortgages, leases and any
40 other instruments, upon such terms and conditions as the authority
41 shall deem reasonable, including provision for the establishment
42 and maintenance of reserve and insurance funds, and to require the
43 inclusion in any mortgage, lease, contract, loan and security
44 agreement or other instrument, such provisions for the construction,
45 use, operation and maintenance and financing of a project as the
46 authority may deem necessary or desirable;
- 47 v. to borrow money, secure credit against the assets of the
48 authority on a temporary, short-term, interim or long-term basis and

- 1 to issue bonds of the authority and to provide for the rights of the
2 holders thereof, as provided in P.L.1996, c.62 (C.55:19-20 et al.);
- 3 w. to make short-term loans or advances to developers for
4 construction in anticipation of the issuance of permanent loans;
- 5 x. to exercise sole authority for investment, reinvestment or
6 expenditure of its revenues, fund balances and appropriations
7 consistent with the purposes of P.L.1996, c.62 (C.55:19-20 et al.)
8 on projects and investments utilizing revenues from the sale of
9 revenue bonds, which projects shall be subject to the approval of
10 the State Treasurer, and the Treasurer's actions shall be based solely
11 on his fiduciary role to ensure that all applicable federal and State
12 tax laws are adhered to regarding the investment of bond funds;
- 13 y. notwithstanding any law to the contrary, and upon resolution
14 of the municipal governing body, to act as the redevelopment
15 agency of any municipality in which there is not established a
16 redevelopment agency pursuant to subsection a. of section 11 of
17 P.L.1992, c.79 (C.40A:12A-11) and which is not precluded from
18 establishing such an agency;
- 19 z. in connection with any application for assistance under
20 P.L.1996, c.62 (C.55:19-20 et al.) or commitments therefor, to
21 require and collect such fees and charges as the authority shall
22 determine to be reasonable;
- 23 aa. to establish, levy and collect, in connection with any civic
24 project or utilities project managed or operated by the authority,
25 whether then owned or leased by the authority, user fees and facility
26 charges;
- 27 bb. to procure insurance against any loss in connection with its
28 property and other assets and operations, in such amounts and from
29 such insurers as it deems desirable;
- 30 cc. to employ consulting engineers, architects, attorneys, real
31 estate counselors, appraisers, and such other consultants and
32 employees as may be required in the judgment of the authority to
33 carry out the purposes of the act, and to fix and pay their
34 compensation from funds available to the authority therefor, all
35 without regard to the provisions of Title 11A, Civil Service, of the
36 New Jersey Statutes;
- 37 dd. to contract for, and to accept, any gifts or grants or loans of
38 funds or property or financial or other aid in any form from the
39 federal government or any agency or instrumentality thereof, or
40 from the State or a municipality or any agency or instrumentality
41 thereof, or from any other source, and, subject to the provisions of
42 P.L.1996, c.62 (C.55:19-20 et al.) and any other applicable law, to
43 comply with the terms and conditions thereof;
- 44 ee. to create subsidiary corporations as provided in section 8 of
45 P.L.1996, c.62 (C.55:19-27);
- 46 ff. to assist municipalities, counties, public or private county and
47 municipal development agencies, district management corporations
48 created pursuant to section 4 of P.L.1972, c.134 (C.40:56-68),

1 community action boards established pursuant to section 4 of
2 P.L.1991, c.51 (C.52:27D-398), or sponsors of neighborhood
3 empowerment organizations, in formulating and implementing
4 community redevelopment plans, which shall include, but not be
5 limited to, neighborhood restoration, residential development, and
6 industrial and commercial development;

7 gg. to fund, or assist in funding, community redevelopment
8 projects by municipalities, counties, public or private county and
9 municipal development agencies, district management corporations
10 created pursuant to section 4 of P.L.1972, c.134 (C.40:56-68),
11 community action boards established pursuant to section 4 of
12 P.L.1991, c.51 (C.52:27D-398), or sponsors of neighborhood
13 empowerment organizations, which shall include, but not be limited
14 to, direct loan assistance, including loan guarantees, procuring
15 capital from private developers and lending institutions, and
16 facilitating access to State, federal, and private sources of loans or
17 grants, including, but not limited to, the New Jersey Economic
18 Development Authority and the Casino Redevelopment Authority;

19 hh. to assist in providing access to support services, including
20 technical assistance and job training programs, for projects
21 developed in connection with comprehensive community
22 redevelopment plans and neighborhood empowerment programs
23 established pursuant to this act;

24 ii. to provide assistance to urban areas in attracting industrial
25 and commercial projects, in rehabilitating existing industrial and
26 commercial facilities to restore them to productive use through the
27 establishment of marketing programs and incentive programs;

28 jj. to assist in facilitating the work of the Office of Neighborhood
29 Empowerment established pursuant to this act, which assistance
30 shall include, but not be limited to, providing professional or
31 technical expertise and funding for the establishment and
32 implementation of neighborhood empowerment plans developed
33 pursuant to this act;

34 kk. to enter into partnerships with private developers, the New
35 Jersey Economic Development Authority or any other public entity,
36 for the purpose of community redevelopment, and establish fees
37 therefor;

38 ll. to enter into agreements with municipalities or counties
39 regarding projects to be financed through the use of payment in lieu
40 of taxes, as provided for in section 33 of P.L.1996, c.62 (C.55:19-
41 52); **[and]**

42 mm. to do any and all things necessary or convenient to carry
43 out its purposes and exercise the powers given and granted in
44 P.L.1996, c.62 (C.55:19-20 et al.); and

45 nn. to have all of the powers and authority of the Smart Growth
46 Ombudsman under P.L.2004, c.89 (C.52:27D-10.2 et al.), that are
47 necessary to facilitate and expedite the review and approval of

1 permits in areas determined to be in need of redevelopment
2 pursuant to P.L.1992, c.79 (C.40A:12A-1 et al.).
3 (cf: P.L.1996, c.62, s.5)

4
5 29. R.S.40:8-1 is amended to read as follows:

6 40:8-1. The governing body of any county and the governing
7 body of any municipality, or either of them, may acquire by gift,
8 grant, purchase, condemnation or in any other lawful manner real
9 estate or any right or interest therein for airport purposes and so use
10 lands theretofore acquired for other public purposes and being used
11 for airport purposes and erect thereon and maintain buildings for the
12 airport purposes, except that no county, municipality, school
13 district, or their agencies, shall acquire by condemnation any
14 airport, or property bordering an airport, that has had its
15 development rights purchased under section 11 of P.L.1983, c.264
16 (C.6:1-95), or any other law, or any property bordering an airport
17 that is within the confines of a New Jersey Department of
18 Transportation approved Master Plan, or an airport safety zone, as
19 defined in section 3 of the "Air Safety and Zoning Act of 1983,"
20 P.L.1983, c.260 (C.6:1-82).

21 Upon such acquisition or use, the governing body of any county
22 and the governing body of any municipality, or either of them, may
23 lease the real estate, so acquired, with or without consideration to
24 the state of New Jersey, or any agency thereof, or may lease it to
25 any person for such consideration and for such term of years as may
26 be agreed upon.

27 (cf: R.S.40:8-1)

28
29 30. Section 12 of P.L.1991, c.431 (C.40A:20-12) is amended to
30 read as follows:

31 12. The rehabilitation or improvements made in the
32 development or redevelopment of a redevelopment area or area
33 appurtenant thereto or for a redevelopment relocation housing
34 project, pursuant to P.L.1991, c.431 (C.40A:20-1 et seq.), shall be
35 exempt from taxation for a limited period as hereinafter provided.
36 When housing is to be constructed, acquired or rehabilitated by an
37 urban renewal entity, the land upon which that housing is situated
38 shall be exempt from taxation for a limited period as hereinafter
39 provided. The exemption shall be allowed when the clerk of the
40 municipality wherein the property is situated shall certify to the
41 municipal tax assessor that a financial agreement with an urban
42 renewal entity for the development or the redevelopment of the
43 property, or the provision of a redevelopment relocation housing
44 project, or the provision of a low and moderate income housing
45 project has been entered into and is in effect as required by
46 P.L.1991, c.431 (C.40A:20-1 et seq.).

47 Delivery by the municipal clerk to the municipal tax assessor of
48 a certified copy of the ordinance of the governing body approving

1 the tax exemption and financial agreement with the urban renewal
2 entity shall constitute the required certification. For each
3 exemption granted pursuant to P.L.2003, c.125 (C.40A:12A-4.1 et
4 al.), upon certification as required hereunder, the tax assessor shall
5 implement the exemption and continue to enforce that exemption
6 without further certification by the clerk until the expiration of the
7 entitlement to exemption by the terms of the financial agreement or
8 until the tax assessor has been duly notified by the clerk that the
9 exemption has been terminated.

10 Upon the adoption of a financial agreement pursuant to
11 P.L.1991, c.431 (C.40A:20-1 et seq.), a certified copy of the
12 ordinance of the governing body approving the tax exemption and
13 the financial agreement with the urban renewal entity shall
14 forthwith be transmitted to the Director of the Division of Local
15 Government Services. The governing body also shall post
16 information concerning the financial agreement, and the tax
17 exemption granted thereunder, on its official Internet web site, if
18 any, along with similar information concerning every other
19 financial agreement in effect in the municipality, in a form as
20 determined appropriate through rule and regulation of the director.
21 A database of financial agreements in effect throughout the State,
22 including details identifying the parties, the effective dates, the
23 amounts of the exemptions granted, and the amount of any service
24 charges also shall be published electronically by the director on the
25 Internet web site of the Department of Community Affairs, to the
26 extent that those data are available.

27 Whenever an exemption status changes during a tax year, the
28 procedure for the apportionment of the taxes for the year shall be
29 the same as in the case of other changes in tax exemption status
30 during the tax year. Tax exemptions granted pursuant to P.L.2003,
31 c.125 (C.40A:12A-4.1 et al.) represent long term financial
32 agreements between the municipality and the urban renewal entity
33 and as such constitute a single continuing exemption from local
34 property taxation for the duration of the financial agreement. The
35 validity of a financial agreement or any exemption granted pursuant
36 thereto may be challenged only by filing an action in lieu of
37 prerogative writ within 20 days from the publication of a notice of
38 the adoption of an ordinance by the governing body granting the
39 exemption and approving the financial agreement. Such notice
40 shall be published in a newspaper of general circulation in the
41 municipality and in a newspaper of general circulation in the county
42 if different from the municipal newspaper.

43 a. The duration of the exemption for urban renewal entities shall
44 be as follows: for all projects, a term of not more than 30 years
45 from the completion of the entire project, or unit of the project if
46 the project is undertaken in units, or not more than 35 years from
47 the execution of the financial agreement between the municipality
48 and the urban renewal entity.

1 b. During the term of any exemption, in lieu of any taxes to be
2 paid on the buildings and improvements of the project and, to the
3 extent authorized pursuant to this section, on the land, the urban
4 renewal entity shall make payment to the municipality of an annual
5 service charge, which shall remit a portion of that revenue to the
6 county as provided hereinafter. In addition, the municipality may
7 assess an administrative fee, not to exceed two percent of the annual
8 service charge, for the processing of the application. The annual
9 service charge for municipal services supplied to the project to be
10 paid by the urban renewal entity for any period of exemption, shall
11 be determined as follows:

12 (1) An annual amount equal to a percentage determined pursuant
13 to this subsection and section 11 of P.L.1991, c.431 (C.40A:20-11),
14 of the annual gross revenue from each unit of the project, if the
15 project is undertaken in units, or from the total project, if the project
16 is not undertaken in units. The percentage of the annual gross
17 revenue shall not be more than 15% in the case of a low and
18 moderate income housing project, nor less than 10% in the case of
19 all other projects.

20 At the option of the municipality, or where because of the nature
21 of the development, ownership, use or occupancy of the project or
22 any unit thereof, if the project is to be undertaken in units, the total
23 annual gross rental or gross shelter rent or annual gross revenue
24 cannot be reasonably ascertained, the governing body shall provide
25 in the financial agreement that the annual service charge shall be a
26 sum equal to a percentage determined pursuant to this subsection
27 and section 11 of P.L.1991, c.431 (C.40A:20-11), of the total
28 project cost or total project unit cost determined pursuant to
29 P.L.1991, c.431 (C.40A:20-1 et seq.) calculated from the first day
30 of the month following the substantial completion of the project or
31 any unit thereof, if the project is undertaken in units. The
32 percentage of the total project cost or total project unit cost shall not
33 be more than 2% in the case of a low and moderate income housing
34 project, and shall not be less than 2% in the case of all other
35 projects.

36 (2) In either case, the financial agreement shall establish a
37 schedule of annual service charges to be paid over the term of the
38 exemption period, which shall be in stages as follows:

39 (a) For the first stage of the exemption period, which shall
40 commence with the date of completion of the unit or of the project,
41 as the case may be, and continue for a time of not less than six years
42 nor more than 15 years, as specified in the financial agreement, the
43 urban renewal entity shall pay the municipality an annual service
44 charge for municipal services supplied to the project in an annual
45 amount equal to the amount determined pursuant to paragraph (1) of
46 this subsection and section 11 of P.L.1991, c.431 (C.40A:20-11).
47 For the remainder of the period of the exemption, if any, the annual
48 service charge shall be determined as follows:

1 (b) For the second stage of the exemption period, which shall not
2 be less than one year nor more than six years, as specified in the
3 financial agreement, an amount equal to either the amount
4 determined pursuant to paragraph (1) of this subsection and section
5 11 of P.L.1991, c.431 (C.40A:20-11), or 20% of the amount of
6 taxes otherwise due on the value of the land and improvements,
7 whichever shall be greater;

8 (c) For the third stage of the exemption period, which shall not
9 be less than one year nor more than six years, as specified in the
10 financial agreement, an amount equal to either the amount
11 determined pursuant to paragraph (1) of this subsection and section
12 11 of P.L.1991, c.431 (C.40A:20-11), or 40% of the amount of
13 taxes otherwise due on the value of the land and improvements,
14 whichever shall be greater;

15 (d) For the fourth stage of the exemption period, which shall not
16 be less than one year nor more than six years, as specified in the
17 financial agreement, an amount equal to either the amount
18 determined pursuant to paragraph (1) of this subsection and section
19 11 of P.L.1991, c.431 (C.40A:20-11), or 60% of the amount of
20 taxes otherwise due on the value of the land and improvements,
21 whichever shall be greater; and

22 (e) For the final stage of the exemption period, the duration of
23 which shall not be less than one year and shall be specified in the
24 financial agreement, an amount equal to either the amount
25 determined pursuant to paragraph (1) of this subsection and section
26 11 of P.L.1991, c.431 (C.40A:20-11), or 80% of the amount of
27 taxes otherwise due on the value of the land and improvements,
28 whichever shall be greater.

29 If the financial agreement provides for an exemption period of
30 less than 30 years from the completion of the entire project, or less
31 than 35 years from the execution of the financial agreement, the
32 financial agreement shall set forth a schedule of annual service
33 charges for the exemption period which shall be based upon the
34 minimum service charges and staged adjustments set forth in this
35 section.

36 The annual service charge shall be paid to the municipality on a
37 quarterly basis in a manner consistent with the municipality's tax
38 collection schedule.

39 Each municipality which enters into a financial agreement on or
40 after the effective date of P.L.2003, c.125 (C.40A:12A-4.1 et al.)
41 shall remit 5 percent of the annual service charge to the county
42 upon receipt of that charge in accordance with the provisions of this
43 section.

44 Against the annual service charge the urban renewal entity shall
45 be entitled to credit for the amount, without interest, of the real
46 estate taxes on land paid by it in the last four preceding quarterly
47 installments.

1 Notwithstanding the provisions of this section or of the financial
2 agreement, the minimum annual service charge shall be the amount
3 of the total taxes levied against all real property in the area covered
4 by the project in the last full tax year in which the area was subject
5 to taxation, and the minimum annual service charge shall be paid in
6 each year in which the annual service charge calculated pursuant to
7 this section or the financial agreement would be less than the
8 minimum annual service charge.

9 c. All exemptions granted pursuant to the provisions of
10 P.L.1991, c.431 (C.40A:20-1 et seq.) shall terminate at the time
11 prescribed in the financial agreement.

12 Upon the termination of the exemption granted pursuant to the
13 provisions of P.L.1991, c.431 (C.40A:20-1 et seq.), the project, all
14 affected parcels, land and all improvements made thereto shall be
15 assessed and subject to taxation as are other taxable properties in
16 the municipality. After the date of termination, all restrictions and
17 limitations upon the urban renewal entity shall terminate and be at
18 an end upon the entity's rendering its final accounting to and with
19 the municipality.

20 (cf: P.L.2003, c.125, s.11)

21

22 31. This act shall take effect on the first day of the fourth month
23 next following enactment. Any final action taken by a municipality
24 or redevelopment entity with respect to: a determination that an area
25 is in need of redevelopment or in need of rehabilitation; enactment
26 of a redevelopment plan; or designation of a redeveloper, or
27 approval of a redevelopment agreement, prior to the effective date
28 of this act shall have full force and effect, but any subsequent
29 official action by the municipality or redevelopment entity after the
30 effective date of this act shall be subject to its provisions.