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ASSEMBLY, No. 3257

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Sponsored by:

Assemblyman JOHN J. BURZICHELLI

District 3 (Salem, Cumberland and Gloucester)

Assemblyman ROBERT M. GORDON

District 38 (Bergen)

Assemblyman CHRISTOPHER "KIP" BATEMAN

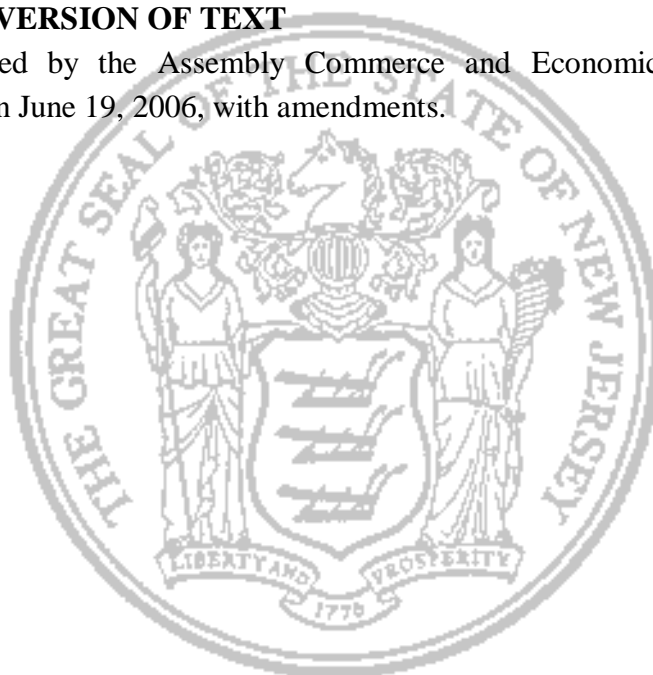
District 16 (Morris and Somerset)

SYNOPSIS

Revises procedures for the use of eminent domain in municipal redevelopment programs.

CURRENT VERSION OF TEXT

As reported by the Assembly Commerce and Economic Development Committee on June 19, 2006, with amendments.



(Sponsorship Updated As Of: 6/20/2006)

1 AN ACT concerning redevelopment and eminent domain, amending
2 ¹[P.L.1975, c.291] various parts of the statutory law¹, and
3 supplementing P.L.1992, c.79 ¹(C.40A:12A-1 et seq.)¹.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

7
8 1. (New section) The Legislature finds and declares that:

9 a. Since 1949, municipalities have been authorized by the
10 Legislature to undertake programs of redevelopment, rehabilitation,
11 and incentives to promote the expansion and improvement of
12 commercial, industrial, residential and civic facilities in blighted
13 areas.

14 b. Since 1949, municipalities have used these programs to
15 arrest and reverse conditions of deterioration ¹[and inefficiency]¹
16 in housing and commercial and industrial facilities, and to promote
17 sound planning, revitalize their tax bases, and improve the public
18 safety, health, ¹[morals,]¹ and welfare of their communities. In
19 exercising their responsibilities and implementing such programs
20 municipalities have, in certain circumstances, exercised the power
21 to acquire property by eminent domain in order to transfer such
22 property to a private interest to undertake a project in accordance
23 with an approved redevelopment plan; and ¹[such] , at times, the¹
24 use of the power of eminent domain has ¹[contributed to the overall
25 effectiveness and] been necessary to assure the¹ success of such
26 redevelopment programs.

27 c. Since 1949, the laws authorizing such redevelopment
28 programs have been amended from time to time and were last re-
29 codified in 1992 into one law designed to ¹[simplify prior
30 enactments in order to]¹ make the legal mechanisms for exercising
31 such responsibilities and powers in undertaking redevelopment
32 improvements more efficient to use. ¹[These changes to the law,
33 together with changing land use and development patterns, have
34 resulted in redevelopment programs being undertaken by
35 municipalities of urban, suburban, and rural character.]¹

36 d. The increase in redevelopment activity throughout the State,
37 including the use of eminent domain, together with the 2005 United
38 States Supreme Court decision in Kelo v. City of New London,
39 Connecticut, have ¹[focused public attention and scrutiny on] given¹
40 rise to public concern surrounding certain¹ municipal
41 redevelopment activities. ¹[This scrutiny has led to] These public¹
42 concerns have resulted in¹ a comprehensive ¹legislative¹ review of
43 redevelopment programs ¹[by the Legislature]¹ and the process

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly ACE committee amendments adopted June 19, 2006.

1 undertaken by municipalities for authorizing such redevelopment
2 programs.

3 e. The Legislature's comprehensive review has included a
4 series of public meetings and the receipt of testimony and
5 correspondence from various stakeholders in redevelopment
6 programs, including, but not limited to, municipal officials,
7 property owners, developers, real estate professionals, civil
8 libertarians, academics, and members of the general public.

9 f. Following this comprehensive review, the Legislature
10 declares that redevelopment remains a valid and important public
11 purpose and public use; that the implementation of redevelopment
12 programs continues to be a vital tool for municipal officials that
13 must be maintained to allow such officials to continue to meet their
14 governmental responsibilities to arrest and reverse deleterious
15 property conditions within their municipal borders; and that the
16 power of eminent domain remains necessary 'in certain cases' to
17 effectively implement such redevelopment responsibilities and
18 powers.

19 g. Following this comprehensive review, the Legislature also
20 declares that changes to the existing law are necessary^{1,1} to ensure
21 that affected property owners and the general public are provided
22 adequate notice of a municipality's interest in developing a
23 redevelopment program '[so as:] ; to revise the definition of blight
24 so that it is more specific, more objective, and incorporates terms
25 that have well-established or historical meanings, are capable of
26 third party review, or limit the possibility of very broad and
27 expansive interpretation.' to afford '[these]' stakeholders the
28 opportunity to be heard during the process undertaken to develop
29 '[such] redevelopment' programs; to add transparency to the
30 exercise of a legitimate governmental function; to create certainty
31 that redevelopment programs are authorized and undertaken in a
32 deliberative and open process; to ensure that the social and
33 economic impacts of redevelopment are adequately addressed,
34 including affordable housing and comparable replacement housing
35 for households displaced by redevelopment; to provide that such
36 programs, once properly adopted, are implemented in a fair and
37 certain manner, including a public process^{1,1} where appropriate^{1,1}
38 for the selection of redevelopers seeking the assistance of municipal
39 officials in constructing a redevelopment project on municipally
40 owned or acquired property; 'to ensure that the use of eminent
41 domain for redevelopment is an absolute last resort, used only after
42 other options have been fully explored and deemed insufficient to
43 reasonably achieve the goals of the redevelopment plan;' to provide
44 a just measure of compensation to property owners who are subject
45 to eminent domain; and to afford protection and finality to such
46 redevelopment programs properly created under these heightened
47 standards for enactment. These changes will restore public

1 confidence in local redevelopment programs by assuring that
2 interested parties are provided access into ¹[an] a fair,¹ open ¹;¹
3 and deliberative process.

4 h. The Legislature also recognizes that local redevelopment
5 programs are necessary to promote State policies that encourage:

6 (1) the reuse of existing property, as opposed to the loss of
7 agricultural property and open space to development; and

8 (2) construction in areas already serviced by public utilities, so
9 that existing infrastructure can be maintained and used in the
10 furtherance of the public good.

11

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

14 3. As used in this act:

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

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

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

32 “Detrimental to the safety, health, or welfare of the community”
33 means objective evidence of detriment, ¹[including, but not
34 limited] consisting of or similar¹ to ¹[,] ¹;¹ substantial building or
35 health code violations ¹[, excessive police activity,] ; a repeated
36 need for police intervention over an extended period of time; or¹ a
37 lack of structural integrity ¹[, or a continuing exterior appearance
38 that degrades the surrounding properties]¹ . For commercial
39 properties, the objective evidence of detriment also may include a
40 lack of proper utilization of the land or structures ¹[that leads to]
41 resulting in conditions that are¹ stagnant ¹[or] and¹ not fully
42 productive ¹[condition of the land]¹ .

43 “Development” means the division of a parcel of land into two or
44 more parcels, the construction, reconstruction, conversion,
45 structural alteration, relocation, or enlargement of any building or
46 other structure, or of any mining, excavation or landfill, and any use
47 or change in the use of any building or other structure, or land or

1 extension of use of land, for which permission may be required
2 pursuant to the “Municipal Land Use Law,” P.L.1975, c.291
3 (C.40:55D-1 et seq.).

4 “Governing body” means the body exercising general legislative
5 powers in a county or municipality according to the terms and
6 procedural requirements set forth in the form of government
7 adopted by the county or municipality.

8 “Housing authority” means a housing authority created or
9 continued pursuant to this act.

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

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

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

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

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

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

47 “Redeveloper” means any person, firm, corporation or public
48 body that shall enter into or propose to enter into a contract with a

1 municipality or other redevelopment entity for the redevelopment or
2 rehabilitation of an area in need of redevelopment, or an area in
3 need of rehabilitation, or any part thereof, under the provisions of
4 this act, or for any construction or other work forming part of a
5 redevelopment or rehabilitation project.

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

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

22 “Redevelopment area” or “area in need of redevelopment” means
23 ‘[an] a contiguous’ area determined to be in need of redevelopment
24 pursuant to sections 5 and 6 of P.L.1992, c.79 (C.40A:12A-5 and
25 40A:12A-6) or determined heretofore to be a “blighted area”
26 pursuant to P.L.1949, c.187 (C.40:55-21.1 et seq.) repealed by this
27 act, both determinations as made pursuant to the authority of Article
28 VIII, Section III, paragraph 1 of the Constitution. [A
29 redevelopment area may include lands, buildings, or improvements
30 which of themselves are not detrimental to the public health, safety
31 or welfare, but the inclusion of which is found necessary, with or
32 without change in their condition, for the effective redevelopment
33 of the area of which they are a part.]

34 “Redevelopment entity” means a municipality or an entity
35 authorized by the governing body of a municipality pursuant to
36 subsection c. of section 4 of P.L.1992, c.79 (C.40A:12A-4) to
37 implement redevelopment plans and carry out redevelopment
38 projects in an area in need of redevelopment, or in an area in need
39 of rehabilitation, or in both.

40 “Redevelopment plan” means a plan adopted by the governing
41 body of a municipality for the redevelopment or rehabilitation of all
42 or any part of a redevelopment area, or an area in need of
43 rehabilitation, which plan shall be sufficiently complete to indicate
44 its relationship to definite municipal objectives as to appropriate
45 land uses, public transportation and utilities, recreational and
46 municipal facilities, and other public improvements; and to indicate
47 proposed land uses and building requirements in the redevelopment
48 area or area in need of rehabilitation, or both.

1 “Redevelopment project” means any work or undertaking
2 pursuant to a redevelopment plan; such undertaking may include
3 any buildings, land, including demolition, clearance or removal of
4 buildings from land, equipment, facilities, or other real or personal
5 properties which are necessary, convenient, or desirable
6 appurtenances, such as but not limited to streets, sewers, utilities,
7 parks, site preparation, landscaping, and administrative, community,
8 health, recreational, educational, and welfare facilities.

9 “Rehabilitation” means an undertaking, by means of extensive
10 repair, reconstruction or renovation of existing structures, with or
11 without the introduction of new construction or the enlargement of
12 existing structures, in any area that has been determined to be in
13 need of rehabilitation or redevelopment, to eliminate substandard
14 structural or housing conditions and arrest the deterioration of that
15 area.

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

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

20

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

23 4. In exercising the redevelopment and rehabilitation functions
24 provided for in this act:

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

26 (1) Cause a preliminary investigation to be made pursuant to
27 subsection a. of section 6 of P.L.1992, c.79 (C.40A:12A-6) as to
28 whether an area is in need of redevelopment;

29 (2) Determine pursuant to subsection b. of section 6 of
30 P.L.1992, c.79 (C.40A:12A-6) that an area is in need of
31 redevelopment;

32 (3) Adopt a redevelopment plan pursuant to section 7 of
33 P.L.1992, c.79 (C.40A:12A-7);

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

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

37 (1) Conduct, when authorized by the municipal governing body,
38 a preliminary investigation and hearing and make a
39 recommendation pursuant to subsection b. of section 6 of P.L.1992,
40 c.79 (C.40A:12A-6) as to whether an area is in need of
41 redevelopment;

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

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

1 c. The municipality shall be responsible for implementing
2 redevelopment plans and carrying out redevelopment projects
3 pursuant to section 8 of P.L.1992, c.79 (C.40A:12A-8). The
4 municipality may execute these responsibilities directly, or in
5 addition thereto or in lieu thereof, **[through]** may designate by
6 ordinance either a municipal redevelopment agency, or a municipal
7 housing authority authorized to exercise redevelopment powers
8 pursuant to section 21 of P.L.1992, c.79 (C.40A:12A-21), but there
9 shall be only one redevelopment entity responsible for each
10 redevelopment project. A county improvement authority authorized
11 to undertake redevelopment projects pursuant to the “county
12 improvement authorities law,” P.L.1960, c.183 (C.40:37A-44 et
13 seq.) may also act as a redevelopment entity pursuant to this act.
14 The redevelopment entity, so authorized, may contract with any
15 other public body, in accordance with the provisions of section 8 of
16 P.L.1992, c.79 (C.40A:12A-8), for the carrying out of a
17 redevelopment project or any part thereof under its jurisdiction.
18 Notwithstanding the above, the governing body of the municipality
19 may, by ordinance, change or rescind the designation of the
20 redevelopment **[entity responsible for implementing]** agency or
21 housing authority designated to implement a redevelopment plan
22 and **[carrying]** carry out a redevelopment project and may have the
23 municipality assume this responsibility **[itself, but]** ; provided,
24 however, that only the redevelopment entity authorized to undertake
25 a particular redevelopment project shall remain authorized to
26 complete it, unless the redevelopment entity and redeveloper agree
27 otherwise, or unless no obligations have been entered into by the
28 redevelopment entity with parties other than the municipality. This
29 shall not diminish the power of the municipality to dissolve a
30 redevelopment entity pursuant to section 24 of P.L.1992, c.79
31 (C.40A:12A-24), and section 20 of the “Local Authorities Fiscal
32 Control Law,” P.L.1983, c.313 (C.40A:5A-20).

33 ¹d. No municipality shall exercise the power of eminent domain
34 in an area in need of redevelopment for the acquisition of land
35 subject to the protections provided under section 12 of P.L.1983,
36 c.32 (C.4:1C-19).¹
37 (cf: P.L.1992, c.79, s.4)

38
39 4. Section 5 of P.L.1992, c.79 (C.40A:12A-5) is amended to
40 read as follows:

41 5. A delineated area may be determined to be in need of
42 redevelopment if, after investigation, notice and hearing as provided
43 in section 6 of P.L.1992, c.79 (C.40A:12A-6), the governing body
44 of the municipality by **[resolution]** ordinance concludes that within
45 the delineated area any of the following conditions is found:

46 a. The generality of buildings are substandard, unsafe,
47 unsanitary, dilapidated, or obsolescent, or possess any of such

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

1 provisions of P.L.1991, c.431 (C.40A:20-1 et seq.) or the adoption
2 of a tax abatement and exemption ordinance pursuant to the
3 provisions of P.L.1991, c.441 (C.40A:21-1 et seq.). The
4 municipality shall not utilize any other redevelopment powers
5 within the urban enterprise zone unless the municipal governing
6 body and planning board have also taken the actions and fulfilled
7 the requirements prescribed in P.L.1992, c.79 (C.40A:12A-1 et al.)
8 for determining that the area is in need of redevelopment or an area
9 in need of rehabilitation and the municipal governing body has
10 adopted a redevelopment plan ordinance including the area of the
11 enterprise zone.

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

16 i. Parcels, either vacant or developed, which have remained
17 vacant or substantially underutilized for a period of 24 consecutive
18 months due to environmental '【issues associated with such parcels'
19 historic use】 contamination' .

20 In addition to parcels included in a delineated area under this
21 section, an area in need of redevelopment may include other parcels
22 containing lands, buildings, or improvements which of themselves
23 are not detrimental to the safety, health, or welfare of the
24 community, but the inclusion of which is found necessary, with or
25 without change in their condition, for the effective redevelopment
26 of the area of which they are a part; provided, however that such
27 parcels, in the aggregate, shall not comprise in excess of 20% of the
28 land mass of such area to be designated as available for private
29 ownership.

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

31

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

34 6. a. (1) No area of a municipality shall be determined a
35 redevelopment area unless the governing body of the municipality
36 shall, by resolution, authorize the planning board to undertake a
37 preliminary investigation to determine whether the proposed area is
38 a redevelopment area according to the criteria set forth in section 5
39 of P.L.1992, c.79 (C.40A:12A-5). A redeveloper shall not conduct
40 or fund any part of the investigation. Such determination shall be
41 made after public notice and public hearing as provided in
42 subsection b. of this section. The governing body of a municipality
43 shall assign the conduct of the investigation and hearing to the
44 planning board of the municipality.

45 (2) In the case of any area of a municipality that is more than 10
46 acres in area, or that contains more than 100 occupied dwelling
47 units or more than 50 operating business premises, the governing
48 body shall hold a public informational meeting prior to adoption of

1 the resolution authorizing the planning board to undertake a
2 preliminary investigation as set forth in this section. Notice of the
3 public informational meeting shall be as in paragraph (3) of
4 subsection b. of this section, except that notice to individual
5 property owners and tenants shall not be required.

6 b. (1) Before proceeding to a public hearing on the matter, the
7 planning board shall prepare a map showing the boundaries of the
8 proposed redevelopment area and the location of the various parcels
9 of property included therein. There shall be appended to the map a
10 statement setting forth the basis for the investigation.

11 (2) The planning board shall specify a date for and give notice
12 of a hearing for the purpose of hearing persons who are interested in
13 or would be affected by a determination that the delineated area is a
14 redevelopment area.

15 (3) (a) The hearing notice shall set forth the general boundaries
16 of the area to be investigated and state that a map has been prepared
17 and can be inspected at the office of the municipal clerk. The
18 notice shall be written in a simple, clear, understandable, and easily
19 readable way. The notice shall state that the governing body is
20 considering designating the area as a redevelopment area ¹,
21 formerly referred to as a "blighted area,"¹ and that a consequence of
22 this designation is that the governing body would have the authority
23 to condemn property located within the area pursuant to the
24 procedures in the "Eminent Domain Act of 1971," P.L.1971, c.361
25 (C.20:3-1 et seq.). A copy of the notice shall be published in a
26 newspaper of general circulation in the municipality once each
27 week for two consecutive weeks, and the last publication shall be
28 not less than ten days prior to the date set for the hearing. If the
29 municipality has an Internet web site, the notice shall be posted
30 thereon. A copy of the notice shall also be posted in such other
31 places within or proximate to the proposed redevelopment area as
32 may be available and appropriate. A copy of the notice shall be
33 **【mailed】 sent by certified ¹【or】 and¹ regular mail by the municipal**
34 clerk at least **【ten】 14** days prior to the date set for the hearing to
35 the last owner, if any, of each parcel of property, and to any legal
36 tenant of a residential rental dwelling unit within the area according
37 to the assessment records of the municipality. The municipal clerk
38 shall make a diligent effort to ascertain the names and addresses of
39 legal tenants of rental dwelling units by contacting the legal owner
40 of the rental property or a management company identified by such
41 owner, but if unable to do so shall have a copy of the notice posted
42 on properties known to be rental dwelling units. A notice shall also
43 be sent by the municipal clerk to all persons at their last known
44 address, if any, whose names are noted on the assessment records as
45 claimants of an interest in any such parcel. The assessor of the
46 municipality shall make a notation upon the records when requested
47 to do so by any person claiming to have an interest in any parcel of
48 property in the municipality. The notice shall be published and

1 mailed by the municipal clerk[, or by such clerk or official as the
2 planning board shall otherwise designate]. Failure to mail any such
3 notice shall not invalidate the investigation or determination
4 thereon.

5 (b) Prior to the hearing, a copy of all documents relevant to the
6 determination that an area is in need of redevelopment shall be
7 available for public inspection, and if the municipality has an
8 Internet web site, they shall be posted thereon.

9 (4) At the hearing, which may be adjourned from time to time,
10 the planning board shall hear all persons who are interested in or
11 would be affected by a determination that the delineated area is a
12 redevelopment area. All testimony provided at the hearing shall be
13 under oath or affirmation. The hearing shall be recorded and
14 transcription of the full content of the hearing shall be made
15 available to the public. All objections to such a determination and
16 evidence in support of those objections, given orally or in writing,
17 shall be received and considered and made part of the public record.
18 ¹[All] The procedures governing the presentation of testimony at
19 the hearing shall be sufficient to create a full record and, at a
20 minimum, shall require that all¹ persons who would be affected by a
21 determination that the delineated area is a redevelopment area shall
22 be allowed to bring witnesses to provide evidence relevant to the
23 determination that the area is in need of redevelopment, and shall be
24 allowed to submit written questions which shall be posed by the
25 planning board to the witness or witnesses to whom they are
26 directed if the planning board deems the question relevant.

27 (5) (a) After completing its hearing on this matter, the planning
28 board shall recommend that the delineated area, or any part thereof,
29 be determined, or not be determined, by the municipal governing
30 body to be a redevelopment area. Prior to making any
31 determination that an area is in need of redevelopment, the planning
32 board shall review, in light of the conditions of the area and the
33 purposes of the redevelopment, whether designation of the area as
34 an area in need of rehabilitation, or some other strategy of
35 rehabilitation, preservation, or neighborhood improvement, may
36 represent a more appropriate means of addressing the conditions of
37 the area and the purposes of the redevelopment. The report of the
38 planning board shall set forth explicitly the reasons for its
39 determination that such other strategies are less appropriate, and
40 that the area should be designated in need of redevelopment. The
41 report shall also include an inventory of the environmental,
42 historical, and cultural assets in the delineated area.

43 (b) After receiving the recommendation of the planning board,
44 the municipal governing body may adopt [a resolution] an
45 ordinance determining that the delineated area, or any part thereof,
46 is a redevelopment area. [Upon the] Prior to final adoption of [a
47 resolution] the ordinance, the clerk of the municipality shall,

1 forthwith, transmit a copy of the **[resolution]** ordinance to the
2 Commissioner of Community Affairs for review. If the area in need
3 of redevelopment is not situated in an area in which development or
4 redevelopment is to be encouraged pursuant to any State law or
5 regulation promulgated pursuant thereto, the **[determination]**
6 ordinance shall not **[take effect]** be finally adopted without first
7 receiving the review and the approval of the commissioner. If the
8 commissioner does not issue an approval or disapproval within 30
9 calendar days of transmittal by the clerk, the determination shall be
10 deemed to be approved and the ordinance may be finally adopted.
11 If the area in need of redevelopment is situated in an area in which
12 development or redevelopment is to be encouraged pursuant to any
13 State law or regulation promulgated pursuant thereto, then the
14 determination shall take effect after the clerk has transmitted a copy
15 of the **[resolution]** ordinance to the commissioner. The
16 determination 'that the delineated area is a redevelopment area',
17 '[if supported by substantial evidence]' and, if required,
18 '[approved] approval' by the commissioner, shall be binding and
19 conclusive upon all persons affected by the determination 'that the
20 delineated area is a redevelopment area'. **[Notice of the**
21 **determination shall be served, within 10 days after the**
22 **determination, upon each person who filed a written objection**
23 **thereto and stated, in or upon the written submission, an address to**
24 **which notice of determination may be sent.]** 'If the determination
25 that the delineated area is a redevelopment area is challenged in
26 court, the municipality shall be required to show, by a
27 preponderance of the evidence, that the delineated area fulfills the
28 criteria set forth in section 5 of P.L.1992, c.79 (C.40A:12A-5). ¹

29 (6) **[If written objections were filed in connection with the**
30 **hearing, the municipality shall, for 45 days next following its**
31 **determination to which the objections were filed, take no further**
32 **action to acquire any property by condemnation within the**
33 **redevelopment area.]** (Deleted by amendment, P.L. _____, c. _____)
34 (pending before the Legislature as this bill)

35 (7) **[If a person who filed a written objection to a determination**
36 **by the municipality pursuant to this subsection shall, within 45 days**
37 **after the adoption by the municipality of the determination to which**
38 **the person objected, apply to the Superior Court, the court may**
39 **grant further review of the determination by procedure in lieu of**
40 **prerogative writ; and in any such action the court may make any**
41 **incidental order that it deems proper.]** (Deleted by amendment,
42 P.L. _____, c. _____) (pending before the Legislature as this bill)

43 (8) Notice of final adoption of an ordinance making a
44 determination shall be served, within 10 days after the final
45 adoption of the ordinance making such determination, upon each
46 person who received notice of the public hearing in accordance with

1 paragraph (3) of subsection b. of this section in the same manner as
2 provided therein. The notice shall inform the recipient of the right
3 to appeal the designation and shall provide the recipient with the
4 relevant deadlines for filing an appeal. Additionally, notice of final
5 adoption of an ordinance making a determination shall be published
6 in the official newspaper of the municipality, together with the date
7 of the first publication of such notice and also a statement that any
8 action or proceeding of any kind or nature in any court questioning
9 the validity of the adoption of the ordinance or the determination
10 contained therein, shall be commenced within ' [45] 60' days after
11 the first publication of such notice.

12 (9) The municipality shall not finally adopt an ordinance
13 adopting a redevelopment plan in accordance with section 7 of
14 P.L.1992, c.79 (C.40A:12A-7) until 60 days have passed since the
15 ordinance making a determination under this section has been
16 finally adopted.

17 c. An area determined to be in need of redevelopment pursuant
18 to this section shall be deemed to be a “blighted area” for the
19 purposes of Article VIII, Section III, paragraph 1 of the
20 Constitution. If an area is determined to be a redevelopment area
21 and a redevelopment plan is adopted for that area in accordance
22 with the provisions of this act, the municipality is authorized to
23 utilize all those powers provided in section 8 of P.L.1992, c.79
24 (C.40A:12A-8).

25 'd. The determination of an area in need of redevelopment
26 determined on or after the effective date of P.L. , c. (C.)
27 (pending before the Legislature as this bill), shall expire 10 years
28 following the final adoption of an ordinance making the
29 determination or 10 years following the final adoption of the
30 redevelopment plan, whichever occurs later. A determination may
31 be extended for a period, not to exceed 15 years following the final
32 adoption of the ordinance making the initial determination, through
33 the adoption of an ordinance affirming that the conditions
34 supporting the determination are still present or that substantial
35 progress has been made on the implementation of the
36 redevelopment plan.'

37 (cf: P.L.2003, c.125, s.4)

38

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

41 7. a. Following the determination of an area in need of
42 redevelopment pursuant to section 6 of P.L.1992, c.79 (C.40A:12A-
43 6) or a determination of an area in need of rehabilitation pursuant to
44 section 14 of P.L.1992, c.79 (C.40A:12A-14), the municipality may
45 undertake the preparation of a redevelopment plan for all or some
46 part of the area determined to be in need of redevelopment or
47 rehabilitation, directly in accordance with subsection e. of this
48 section, or, by resolution, may direct the municipal planning board

1 to develop such plan in accordance with subsection f. of this
2 section. No redevelopment project shall be undertaken or carried
3 out except in accordance with a redevelopment plan [adopted by
4 ordinance of the municipal governing body, upon its finding that
5 the] relating to a specifically delineated project area that is located
6 in an area in need of redevelopment or in an area in need of
7 rehabilitation, or in both, according to criteria set forth in section 5
8 or section 14 of P.L.1992, c.79 (C.40A:12A-5 or 40A:12A-14), as
9 appropriate.

10 [The] A redevelopment plan shall include an outline for the
11 planning, development, redevelopment, or rehabilitation of the
12 project area sufficient to indicate:

13 (1) [Its] The relationship of the plan to [definite] local
14 objectives as set forth in the municipal master plan or other official
15 documents with respect to [appropriate] land uses, density of
16 population, [and improved] improvements or changes to traffic
17 circulation, pedestrian circulation and public transportation, public
18 utilities, recreational and community facilities and other public
19 improvements.

20 (2) Proposed land uses and building requirements in the project
21 area, including the character, intensity and scale of proposed
22 redevelopment activities, and the design and planning standards and
23 guidelines to govern those activities.

24 (3) [Adequate provision for] A relocation study adequate to
25 identify available units suitable to the temporary and permanent
26 relocation, as necessary, of residents and businesses in the project
27 area, as required by the "Relocation Assistance Act," P.L.1971,
28 c.362 (C.20:4-1 et seq.), including, for residents, an estimate of the
29 extent to which [decent, safe and sanitary dwelling units affordable
30 to displaced residents] comparable, affordable replacement housing
31 will be available [to them] in the existing local housing market, an
32 assessment of the disparity between the availability of comparable,
33 affordable replacement housing and the needs of the residents in the
34 project area, an estimate of the amount and type of replacement
35 housing that will have to be provided within or without the
36 redevelopment area in order to meet the relocation needs of
37 residents in the project area, and a plan setting forth the manner and
38 timetable in which that housing, if needed, will be provided.

39 (4) An identification, by block and lot and street address, if any,
40 of any property within the redevelopment area which is proposed to
41 be acquired in accordance with the redevelopment plan, including
42 an identification for each parcel of the objectives of the
43 redevelopment plan which cannot be realistically achieved without
44 the taking of such property, a consideration of alternatives to the
45 proposed taking, and the reasons that such alternatives do not
46 provide for realistic achievement of the objectives of the
47 redevelopment plan.

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

6 (6) The social and economic impact of the redevelopment area,
7 including its effect on those parts of the municipality adjacent to the
8 redevelopment area, and on the low and moderate income residents
9 of the area.

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

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

19 (9) Provision for the replacement of any housing constructed for
20 low and moderate income households under the provisions of any
21 State or federal housing subsidy program which is to be removed as
22 a result of the redevelopment plan; provided that any such
23 replacement units shall not be counted toward the municipal
24 obligation under paragraph (8) of this subsection 'if the housing
25 which is removed had previously counted toward an obligation'.
26 '[Any rental housing constructed under this subsection shall remain
27 affordable to low and moderate income households for a period of
28 no less than 45 years or such other period established in State or
29 federal financing programs.] The Commissioner of Community
30 Affairs shall establish by rule the duration of housing affordability
31 controls governing any rental housing constructed under this
32 subsection. In addition, displaced residents of housing units
33 provided under any State or federal housing subsidy program or the
34 "Fair Housing Act," P.L.1985, c.222 (C.52:27D-301 et al.) shall
35 have first priority for those replacement units provided.'¹

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

39 (11) A statement setting forth the municipal planning board's
40 ability, if any, to grant relief to applicants from elements of the
41 redevelopment plan when reviewing and approving development
42 applications.

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

1 c. The redevelopment plan shall describe its relationship to
2 pertinent municipal development regulations as defined in the
3 “Municipal Land Use Law,” P.L.1975, c.291 (C.40:55D-1 et seq.).
4 The redevelopment plan shall supersede applicable provisions of the
5 development regulations of the municipality or constitute an
6 overlay zoning district within the redevelopment area. When the
7 redevelopment plan supersedes any provision of the development
8 regulations, the ordinance adopting the redevelopment plan shall
9 contain an explicit amendment to the zoning district map included
10 in the zoning ordinance. The zoning district map as amended shall
11 indicate the redevelopment area to which the redevelopment plan
12 applies. **【Notwithstanding the provisions of the “Municipal Land
13 Use Law,” P.L.1975, c.291 (C.40:55D-1 et seq.) or of other law, no
14 notice beyond that required for adoption of ordinances by the
15 municipality shall be required for the hearing on or adoption of the
16 redevelopment plan or subsequent amendments thereof.】**

17 d. All provisions of the redevelopment plan shall be either
18 substantially consistent with the municipal master plan or designed
19 to effectuate the master plan; but the municipal governing body may
20 adopt a redevelopment plan which is inconsistent with or not
21 designed to effectuate the master plan by affirmative vote of a
22 majority of its full authorized membership with the reasons for so
23 acting set forth in the redevelopment plan.

24 e. **【Prior to the adoption of a redevelopment plan, or revision
25 or amendment thereto, the】** If a municipality prepares a
26 redevelopment plan directly, the municipal governing body shall
27 refer the proposed redevelopment plan to the municipal planning
28 board for review. Such referral may be by resolution. The
29 municipal planning board shall transmit to the governing body,
30 within 45 days after referral, a report containing its
31 recommendation concerning the redevelopment plan. This report
32 shall include an identification of any provisions in the proposed
33 redevelopment plan which are inconsistent with the master plan and
34 recommendations concerning these inconsistencies and any other
35 matters as the board deems appropriate. The governing body, when
36 considering the adoption of a redevelopment plan or revision or
37 amendment thereof, shall review the report of the planning board
38 and may approve or disapprove or change any recommendation by a
39 vote of a majority of its full authorized membership and shall
40 record in its minutes the reasons for not following the
41 recommendations. Failure of the planning board to transmit its
42 report within the required 45 days shall relieve the governing body
43 from the requirements of this subsection with regard to the pertinent
44 proposed redevelopment plan **【or revision or amendment thereof】**.
45 Nothing in this subsection shall diminish the applicability of the
46 provisions of subsection d. of this section with respect to any
47 redevelopment plan or revision or amendment thereof.

1 f. The governing body of a municipality may direct the planning
2 board to prepare a redevelopment plan [or an amendment or
3 revision to a redevelopment plan] for a designated redevelopment
4 area. After completing the redevelopment plan, the planning board
5 shall transmit the proposed plan to the governing body for its
6 adoption. The governing body, when considering the proposed
7 plan, may amend or revise any portion of the proposed
8 redevelopment plan by an affirmative vote of the majority of its full
9 authorized membership and shall record in its minutes the reasons
10 for each amendment or revision. When a redevelopment plan [or
11 amendment to a redevelopment plan] is referred to the governing
12 body by the planning board under this subsection, the governing
13 body shall be relieved of the referral requirements of subsection e.
14 of this section.

15 g. Within 60 days after the governing body or planning board
16 begins preparation of the redevelopment plan, the governing body
17 or planning board shall conduct a public hearing on the goals and
18 content of the redevelopment plan. Notice of the public hearing
19 shall state the date, time, and location of the public hearing ¹ [,
20 shall] and¹ identify the borders of the area for which a plan is being
21 developed. A copy of the notice of the public hearing shall be
22 published in a newspaper of general circulation in the municipality
23 once each week for two consecutive weeks, and the last publication
24 shall be not less than 10 days prior to the date set for the hearing,
25 and shall be posted on the municipality's Internet web site, if any,
26 and in such other public places within or proximate to the proposed
27 redevelopment area as may be available and appropriate. A copy of
28 the notice shall be mailed by the municipal clerk at least 10 days
29 prior to the date set for the hearing to the last owner, if any, of each
30 parcel of property and any legal tenant of a residential rental
31 dwelling unit, within the area according to the assessment records
32 of the municipality. The municipal clerk shall make a diligent
33 effort to ascertain the names and addresses of legal tenants of rental
34 dwelling units by contacting the legal owner of the rental property
35 or a management company identified by such owner, but if unable
36 to do so shall have a copy of the notice posted on properties known
37 to be rental dwelling units. At such public hearing, the municipal
38 governing body shall hear all persons who are interested in or
39 would be affected by the redevelopment plan, although the planning
40 board or governing body may, by vote of its majority, restrict or
41 limit the amount of time afforded each such person to speak. A
42 record of the public hearing shall be kept by the municipal clerk.

43 h. Amendments to redevelopment plans shall be prepared and
44 adopted in the same manner provided for a redevelopment plan.

45 i. The redevelopment plan shall be adopted by ordinance of the
46 municipal governing body. Prior to final adoption of the ordinance,
47 the municipal governing body shall conduct a public hearing on the

1 ordinance and all interested persons shall be allowed to speak.
2 Notice of the public hearing shall state the date, time, and location
3 of the public hearing, shall identify where the proposed
4 redevelopment plan is available for examination and shall identify,
5 by block and lot and street address, if any, the parcels that may be
6 subject to eminent domain under the proposed redevelopment plan.
7 The full text of the redevelopment plan to be considered by the
8 governing body along with any maps or other exhibits thereto, shall
9 be made available to the public in the municipal building and shall
10 be posted on the municipality's Internet web site, if any, at the time
11 such notice to such hearing is to be provided. Copies of the
12 proposed redevelopment plan shall be available for purchase by any
13 interested party. A copy of the notice of the public hearing shall be
14 published in a newspaper of general circulation in the municipality
15 once each week for two consecutive weeks, and the last publication
16 shall be not less than 10 days prior to the date set for the hearing,
17 and shall be posted on the municipality's Internet web site and in
18 such other public places within or proximate to the proposed
19 redevelopment area as may be available and appropriate. A copy of
20 the notice shall be mailed by the municipal clerk at least 10 days
21 prior to the date set for the hearing to the last owner, if any, of each
22 parcel of property and any legal tenant of a residential rental
23 dwelling unit, within the area according to the assessment records
24 of the municipality. The municipal clerk shall make a diligent
25 effort to ascertain the names and addresses of legal tenants of
26 residential rental dwelling units by contacting the legal owner of the
27 rental property or a management company identified by such owner,
28 but if unable to do so shall have a copy of the notice posted on
29 properties known to contain residential rental dwelling units. For
30 property owners whose properties do not exhibit conditions of
31 blight and are proposed to be acquired under the redevelopment
32 plan, the notice shall specify the reason why acquiring the property
33 is necessary for the redevelopment of the area. A notice shall also
34 be sent by the municipal clerk to all persons at their last known
35 address, if any, whose names are noted on the assessment records as
36 claimants of an interest in any such parcel. The assessor of the
37 municipality shall make a notation upon the records when requested
38 to do so by any person claiming to have an interest in any parcel of
39 property in the municipality. The notice shall be published and
40 mailed by the municipal clerk. Failure to mail any such notice shall
41 not invalidate the redevelopment plan. At such public hearing, the
42 municipal governing body shall hear all persons who are interested
43 in or would be affected by the provisions of the redevelopment
44 plan, although the governing body may, by vote of its majority,
45 restrict or limit the amount of time afforded each such person to
46 speak. A record of the public hearing shall be kept by the
47 municipal clerk. Upon the close of the public hearing, the
48 municipal governing body may vote to finally adopt the ordinance.

1 j. Notice of final adoption of an ordinance adopting a
2 redevelopment plan shall be served, within 10 days after the final
3 adoption of the ordinance making such determination, upon each
4 person who received notice of the public hearing in accordance with
5 subsection h. of this section in the same manner as provided therein.
6 Additionally, notice of final adoption of an ordinance making a
7 determination shall be published in the official newspaper of the
8 municipality, together with the date of the first publication of such
9 notice and also a statement that any action or proceeding of any
10 kind or nature in any court questioning the validity of the adoption
11 of the ordinance or the determination contained therein, shall be
12 commenced within 45 days after the first publication of such notice.

13 k. The municipality may not finally authorize and execute an
14 agreement with a redeveloper until 60 days next following the final
15 adoption of the ordinance adopting a redevelopment plan pursuant
16 to this section.

17 (cf: P.L.1992, c.79, s.7)

18

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

21 8. Upon the adoption of a redevelopment plan pursuant to
22 section 7 of P.L.1992, c.79 (C.40A:12A-7), the municipality or
23 redevelopment entity designated by the governing body may
24 proceed with the clearance, replanning, development and
25 redevelopment of the area designated in that plan. In order to carry
26 out and effectuate the purposes of this act and the terms of the
27 redevelopment plan, the municipality or designated redevelopment
28 entity may:

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

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

34 c. Acquire, by condemnation, any land or building which is
35 necessary for the redevelopment project, pursuant to the provisions
36 of the "Eminent Domain Act of 1971," P.L.1971, c.361 (C.20:3-1 et
37 seq.); provided, however, that for properties to be acquired under
38 the terms of an agreement entered into after the effective date of
39 P.L. , c. (C.) (pending before the Legislature as this bill),
40 the valuation of such properties shall take into account the uses
41 permitted for such property under the redevelopment plan and shall
42 be based on the date the municipality files the declaration of taking
43 or the date of adoption of the redevelopment plan, whichever yields
44 the higher valuation. For residential properties, if neither of these
45 two valuations is equal to or more than the "replacement value" of
46 the home, then the valuation of such properties must be at least the
47 "replacement value" of the home, which shall be defined as the
48 approximate value of a home of similar size and quality under

1 comparable conditions, within the municipality and within a
2 reasonable distance of the property being condemned.
3 ¹ [Furthermore, persons displaced pursuant to implementation of a
4 redevelopment plan shall be entitled to all rights and benefits
5 provided under the Uniform Transportation Replacement Housing
6 and Relocation Act, P.L.1972, c.47 (C.27:7-72 et seq.), and rules
7 and regulations adopted in accordance thereof.] Tenants who are
8 otherwise eligible for rental assistance pursuant to section 1 of
9 P.L.2004, c.140 (C.52:27D-287.1) and who are displaced by a
10 redevelopment project undertaken because of the use of eminent
11 domain authorized pursuant to the "Local Redevelopment and
12 Housing Law," P.L.1992, c.79 (C.40A:12A-1 et seq.), shall be
13 entitled to receive rental assistance, on a priority basis, under the
14 rental assistance program for low income individuals or households
15 established pursuant to P.L.2004, c.140 (C.52:27D-287.1 et seq.).
16 The redeveloper of the project in connection with which eminent
17 domain has been employed shall be responsible for reimbursing the
18 State for the cost of the rental assistance for a period not to exceed
19 four years from the commencement of occupancy of the new unit,
20 and shall, prior to any displacement, deposit with the Commissioner
21 of Community Affairs the amount estimated by the commissioner to
22 be necessary for this purpose. The Commissioner of Community
23 Affairs shall adopt the necessary rules and regulations to govern the
24 calculation of the reimbursement by redevelopers pursuant to this
25 subsection and the administration of the priority list for the
26 rehousing of tenants displaced from redevelopment areas.¹

27 d. Clear any area owned or acquired and install, construct or
28 reconstruct streets, facilities, utilities, and site improvements
29 essential to the preparation of sites for use in accordance with the
30 redevelopment plan.

31 e. Prepare or arrange by contract for the provision of
32 professional services and the preparation of plans by registered
33 architects, licensed professional engineers or planners, or other
34 consultants for the carrying out of redevelopment projects.

35 f. Arrange or contract with public agencies or redevelopers for
36 the planning, replanning, construction, or undertaking of any
37 project or redevelopment work, or any part thereof ¹, provided that
38 the selection of the redeveloper has taken place subject to the
39 provisions of section 11 of P.L. , c. (C.) (pending before the
40 Legislature as this bill), if applicable¹; negotiate and collect revenue
41 from a redeveloper to defray the costs of the redevelopment entity,
42 including where applicable the costs incurred in conjunction with
43 bonds, notes or other obligations issued by the redevelopment
44 entity, and to secure payment of such revenue; as part of any such
45 arrangement or contract, provide for extension of credit, or making
46 of loans, to redevelopers to finance any project or redevelopment
47 work, or upon a finding that the project or redevelopment work

1 would not be undertaken but for the provision of financial
2 assistance, or would not be undertaken in its intended scope without
3 the provision of financial assistance, provide as part of an
4 arrangement or contract for capital grants to redevelopers; and
5 arrange or contract with public agencies or redevelopers for the
6 opening, grading or closing of streets, roads, roadways, alleys, or
7 other places or for the furnishing of facilities or for the acquisition
8 by such agency of property options or property rights or for the
9 furnishing of property or services in connection with a
10 redevelopment area.

11 g. Lease or convey property or improvements to any other
12 party pursuant to this section, without public bidding and at such
13 prices and upon such terms as it deems reasonable, provided that
14 the lease or conveyance is made in conjunction with a
15 redevelopment plan, '[and that the selection of the party has taken
16 place subject to the provisions of section 11 of P.L. , c. (C.)
17 (pending before the Legislature as this bill), if applicable,]'
18 notwithstanding the provisions of any '[other]' law, rule, or
19 regulation to the contrary.

20 h. Enter upon any building or property in any redevelopment
21 area in order to conduct investigations or make surveys, sounding or
22 test borings necessary to carry out the purposes of this act.

23 i. Arrange or contract with a public agency for the relocation,
24 pursuant to the "Relocation Assistance Law of 1967," P.L.1967,
25 c.79 (C.52:31B-1 et seq.) and the "Relocation Assistance Act,"
26 P.L.1971, c.362 (C.20:4-1 et seq.), of residents, industry or
27 commerce displaced from a redevelopment area.

28 j. Make, consistent with the redevelopment plan: (1) plans for
29 carrying out a program of voluntary repair and rehabilitation of
30 buildings and improvements; and (2) plans for the enforcement of
31 laws, codes, and regulations relating to the use and occupancy of
32 buildings and improvements, and to the compulsory repair,
33 rehabilitation, demolition, or removal of buildings and
34 improvements.

35 k. Request that the planning board recommend and governing
36 body designate particular areas as being in need of redevelopment
37 or rehabilitation in accordance with the provisions of this act and
38 make recommendations for the redevelopment or rehabilitation of
39 such areas.

40 l. Study the recommendations of the planning board or
41 governing body for redevelopment of the area.

42 m. Publish and disseminate information concerning any
43 redevelopment area, plan or project.

44 n. Do all things necessary or convenient to carry out its powers.

45 o. '(1)' Authorize and execute a written agreement designating
46 a redeveloper or redevelopers to undertake a project or projects in
47 accordance with the redevelopment plan '[]'; provided, however, that

1 if such]. The agreement may contain a provision requiring the
2 redeveloper to reimburse the municipality for costs associated with
3 the preliminary investigation to determine whether the proposed
4 area is a redevelopment area as set forth in section 6 of P.L.1992,
5 c.79 (C.40A:12A-6).

6 (2) If a¹ project or projects will involve the conveyance of land
7 owned by the municipality or any project, 20% or more of which
8 will be constructed upon land subject to acquisition by the
9 municipality pursuant to the redevelopment plan, such designation
10 shall be based upon the results of a competitive process undertaken
11 in accordance with section 11 of P.L. , c. (C.) (pending
12 before the Legislature as this bill).

13 (cf: P.L.1992, c.79, s.8)

14

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

17 14. a. A delineated area may be determined to be in need of
18 rehabilitation if the governing body of the municipality determines
19 by resolution that a program of rehabilitation, as defined in section
20 3 of P.L.1992, c.79 (C.40A:12A-3), may be expected to prevent
21 further deterioration and promote the overall development of the
22 community and that there exist in that area conditions such that:

23 (1) a significant portion of structures therein are in a
24 deteriorated or substandard condition and there is a continuing
25 pattern of vacancy, abandonment or underutilization of properties in
26 the area, [with] which may be reflected in a persistent arrearage of
27 property tax payments thereon; [or]

28 (2) [more than half] a significant amount of the housing stock
29 [in the delineated area is at least 50 years old, or a majority of the
30 water and sewer] or infrastructure in the delineated area, or both,
31 [at least 50 years old and is] in need of repair or substantial
32 maintenance; [and]

33 (3) [a program of rehabilitation, as defined in section 3 of
34 P.L.1992, c.79 (C.40A:12A-3), may be expected to prevent further
35 deterioration and promote the overall development of the
36 community] (Deleted by amendment, P.L. , c. .) (pending before
37 the Legislature as this bill);

38 (4) areas with buildings or improvements evidencing
39 dilapidation, obsolescence, overcrowding, faulty arrangement or
40 design, lack of ventilation, light and sanitary facilities, excessive
41 land coverage, deleterious land use or obsolete layout, or any
42 combination of these or other factors; or

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

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

20 b. A delineated area shall be deemed to have been determined
21 to be an area in need of rehabilitation in accordance with the
22 provisions of this act if it has heretofore been determined to be an
23 area in need of rehabilitation pursuant to P.L.1975, c.104 (C.54:4-
24 3.72 et seq.), P.L.1977, c.12 (C.54:4-3.95 et seq.) or P.L.1979,
25 c.233 (C.54:4-3.121 et seq.).
26 (cf: P.L.2003, c.125, s.5)

27
28 9. Section 15 of P.L.1992, c.79 (C40A:12A-15) is amended to
29 read as follows:

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

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

3 19. **[Preparation; contents; modification.]** a. The planning
4 board may prepare and, after public hearing, adopt or amend a
5 master plan or component parts thereof, to guide the use of lands
6 within the municipality in a manner which protects public health
7 and safety and promotes the general welfare.

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

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

16 (2) A land use plan element (a) taking into account and stating
17 its relationship to the statement provided for in paragraph (1)
18 hereof, and other master plan elements provided for in paragraphs
19 (3) through **[14] 15**) hereof and natural conditions, including, but
20 not necessarily limited to, topography, soil conditions, water
21 supply, drainage, flood plain areas, marshes, and woodlands; (b)
22 showing the existing and proposed location, extent and intensity of
23 development of land to be used in the future for varying types of
24 residential, commercial, industrial, agricultural, recreational,
25 educational and other public and private purposes or combination of
26 purposes; and stating the relationship thereof to the existing and any
27 proposed zone plan and zoning ordinance; and (c) showing the
28 existing and proposed location of any airports and the boundaries of
29 any airport safety zones delineated pursuant to the "Air Safety and
30 Zoning Act of 1983," P.L.1983, c.260 (C.6:1-80 et seq.); and (d)
31 including a statement of the standards of population density and
32 development intensity recommended for the municipality;

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

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

44 (5) A utility service plan element analyzing the need for and
45 showing the future general location of water supply and distribution
46 facilities, drainage and flood control facilities, sewerage and waste
47 treatment, solid waste disposal and provision for other related
48 utilities, and including any storm water management plan required

1 pursuant to the provisions of P.L.1981, c.32 (C.40:55D-93 et seq.).
2 If a municipality prepares a utility service plan element as a
3 condition for adopting a development transfer ordinance pursuant to
4 subsection c. of section 4 of P.L.2004, c.2 (C.40:55D-140), the plan
5 element shall address the provision of utilities in the receiving zone
6 as provided thereunder;

7 (6) A community facilities plan element showing the existing
8 and proposed location and type of educational or cultural facilities,
9 historic sites, libraries, hospitals, firehouses, police stations and
10 other related facilities, including their relation to the surrounding
11 areas;

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

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

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

29 (10) A historic preservation plan element: (a) indicating the
30 location and significance of historic sites and historic districts; (b)
31 identifying the standards used to assess worthiness for historic site
32 or district identification; and (c) analyzing the impact of each
33 component and element of the master plan on the preservation of
34 historic sites and districts;

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

37 (12) A recycling plan element which incorporates the State
38 Recycling Plan goals, including provisions for the collection,
39 disposition and recycling of recyclable materials designated in the
40 municipal recycling ordinance, and for the collection, disposition
41 and recycling of recyclable materials within any development
42 proposal for the construction of 50 or more units of single-family
43 residential housing or 25 or more units of multi-family residential
44 housing and any commercial or industrial development proposal for
45 the utilization of 1,000 square feet or more of land;

46 (13) A farmland preservation plan element, which shall include:
47 an inventory of farm properties and a map illustrating significant
48 areas of agricultural land; a statement showing that municipal

1 ordinances support and promote agriculture as a business; and a
2 plan for preserving as much farmland as possible in the short term
3 by leveraging monies made available by P.L.1999, c.152 (C.13:8C-
4 1 et al.) through a variety of mechanisms including, but not limited
5 to, utilizing option agreements, installment purchases, and
6 encouraging donations of permanent development easements; [and]

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

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

23 c. The master plan and its plan elements may be divided into
24 subplans and subplan elements projected according to periods of
25 time or staging sequences.

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

37 In the case of a municipality situated within the Highlands
38 Region, as defined in section 3 of P.L.2004, c.120 (C.13:20-3), the
39 master plan shall include a specific policy statement indicating the
40 relationship of the proposed development of the municipality, as
41 developed in the master plan, to the Highlands regional master plan
42 adopted pursuant to section 8 of P.L.2004, c.120 (C.13:20-8).

43 (cf: P.L.2004, c.120, s.60)

44

45 11. (New section) a. Whenever a redevelopment project or
46 projects involve the conveyance of land owned by the municipality,
47 or any project, 20% or more of which will be constructed upon land
48 subject to acquisition by the municipality or redevelopment entity

1 pursuant to the redevelopment plan, the municipality shall approve,
2 by ordinance, a written agreement designating a redeveloper
3 selected in accordance with this section.

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

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

21 d. At no time during the proposal solicitation process shall the
22 municipality or redevelopment entity, or any employee or agent
23 thereof, convey information to the public or any potential
24 redeveloper which could confer an unfair advantage upon that
25 potential redeveloper over any other potential redeveloper. If the
26 municipality or redevelopment entity desires to change proposal
27 documentation, the municipality or redevelopment entity shall
28 notify only those potential redevelopers who received the proposal
29 documentation of any and all changes in writing, and all existing
30 documentation shall be changed appropriately.

31 e. All proposals shall be required to contain a statement of
32 corporate ownership in accordance with the provisions of section 1
33 of P.L.1977, c.33 (C.52:25-24.2) and specifications concerning
34 equal employment opportunity and affirmative action pursuant to
35 P.L.1975, c.127 (C.10:5-31 et seq.)

36 f. A notice of the availability of request for proposal
37 documentation shall be published in an official newspaper of the
38 municipality at least 30 days prior to the date established for the
39 submission of proposals. Such notice shall provide the name,
40 address, and phone number of the person who can provide
41 additional information and a proposal document to an interested
42 party. The municipality or redevelopment entity shall promptly
43 reply to any request by an interested party by providing a copy of
44 the request for proposals. The municipality or redevelopment entity
45 may charge a fee for the proposal documentation that shall not
46 exceed \$50 or the cost of reproducing the documentation,
47 whichever is greater.

1 g. Each interested potential redeveloper shall submit a proposal
2 which shall include all the information required by the request for
3 proposals. Failure to meet the requirements of the request for
4 proposals may result in the municipality or redevelopment entity
5 disqualifying the potential redeveloper from further consideration.

6 h. The municipality or redevelopment entity shall review and
7 evaluate all proposals only in accordance with the methodology
8 described in the request for proposals. The review shall be
9 conducted in a manner that avoids disclosure of the contents of any
10 proposal prior to the selection of a redeveloper. The municipality
11 or redevelopment entity may conduct discussions with a potential
12 redeveloper submitting a proposal for the purpose of clarifying the
13 information submitted in the proposal. The municipality or
14 redevelopment entity may at any time revise its proposal document
15 after the review of the submitted proposals if it notifies
16 simultaneously, and in writing, each potential redeveloper that
17 submitted a proposal of the revision and provides a uniform time
18 within which the potential redevelopers may submit a revised
19 proposal for review.

20 i. The municipality or redevelopment entity shall select the
21 proposal that received the highest evaluation and shall negotiate an
22 agreement with the potential redeveloper that submitted the selected
23 proposal. If the municipality or redevelopment entity is unable to
24 negotiate a satisfactory agreement with the potential redeveloper
25 that submitted the selected proposal, it may select the proposal that
26 received the second highest evaluation from among those submitted
27 and proceed to negotiate a satisfactory contract with the potential
28 redeveloper that submitted that proposal. The process shall
29 continue until a redeveloper is selected or the process is abandoned
30 by the municipality or redevelopment entity. The decision to
31 abandon the proposal process shall be by a resolution adopted by
32 the governing body of the municipality or redevelopment entity.

33 j. After a redeveloper has been selected and a satisfactory
34 agreement has been negotiated, but prior to the execution of the
35 agreement by the governing body or redevelopment entity, the
36 municipality or redevelopment entity shall prepare a report
37 concerning the proposal selection process. The report shall list the
38 names of all potential redevelopers who submitted a proposal and
39 shall summarize the proposals of each potential redeveloper. The
40 report shall (1) rank the potential redevelopers in order of
41 evaluation; (2) summarize, in general terms, any unsuccessful
42 negotiations with potential redevelopers that submitted proposals
43 which were ranked higher than the proposal of the selected
44 redeveloper; (3) recommend the selected redeveloper; and (4)
45 summarize the project to be undertaken and the relevant terms of
46 the proposed agreement. The report shall be made available to the
47 public at least 48 hours prior to the introduction of an ordinance
48 authorizing an agreement with the redeveloper.

1 k. The governing body of the municipality or redevelopment
2 entity shall have the right to reject all proposals for any reason, but
3 such reason must be given and the municipality shall not authorize
4 another request for proposals concerning the same project or
5 projects for a period of 30 days after the date of rejection or
6 abandonment by the governing body.

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

14
15 12. (New section) If any agreement between a redevelopment
16 entity and a redeveloper shall provide for the use or potential use of
17 eminent domain by the redevelopment entity, such agreement shall
18 contain:

19 a. a block and lot identification of all parcels which may be
20 subject to eminent domain at the request of the redeveloper;

21 b. a schedule of acquisition by the redeveloper; and

22 c. a provision stating that the ability of the redeveloper to
23 request acquisition by eminent domain shall lapse within five years
24 of the effective date of the agreement, which provision may only be
25 further extended by an ordinance adopted by the governing body
26 after notice to any property owner whose rights will be directly
27 affected by such an extension.

28 ¹d. A requirement, on the part of the redeveloper, to notify any
29 property owner who receives a written offer from the
30 redevelopment entity pursuant to section 6 of P.L.1971, c.361
31 (C.20:3-6) of the total compensation provided for in each contract
32 of sale between the redeveloper and any property owner in the
33 redevelopment area. This notice, which shall be in writing, shall be
34 provided at the time that the written offer is presented by the
35 redevelopment entity.¹

36 All mandatory schedules and time limitations within these
37 provisions may be subject to tolling for any contingencies set forth
38 in the agreement.

39
40 13. (New section) Every resident displaced as a result of a
41 redevelopment project shall have a limited right of first refusal to
42 purchase or lease a dwelling unit subsequently constructed within
43 the redevelopment project as set forth in this section:

44 a. At such time residents are provided notice pursuant to the
45 Workable Relocation Assistance Plan pursuant to law or regulation
46 adopted pursuant thereto, they shall be provided with the
47 opportunity to have their names entered into a registry of residents
48 seeking the opportunity to purchase or lease a dwelling unit in the

1 redevelopment project. The registry shall be maintained by the
2 municipal relocation officer designated under the Workable
3 Relocation Assistance Plan.

4 b. At such time that any residential development containing
5 more than 10 dwelling units shall be constructed in any
6 redevelopment area as a redevelopment project, the developer shall
7 notify each individual on the registry, by registered mail and by e-
8 mail to their last known mailing or e-mail address, as may be
9 available, of their opportunity to purchase or lease a dwelling unit.
10 It shall be the sole responsibility of the individual to maintain a
11 current mailing address with the registry, and the developer shall be
12 under no obligation to provide notice except as set forth in this
13 subsection.

14 c. From the date of mailing of the notice, the individuals on the
15 registry shall have '~~eight~~ 20'¹ business days before the units in
16 such development are offered to the general public in order to enter
17 into a contract of purchase or a lease for a unit in the development.
18 Such contract or lease shall be on the same terms and at the same
19 price as those on which the unit is initially offered to the general
20 public.

21

22 14. (New section) a. For all areas determined to be in need of
23 redevelopment, the municipality shall submit to the Department of
24 Community Affairs a map outlining the physical boundaries of the
25 redevelopment area, the preliminary investigation report, and a
26 copy of the ordinance making the determination. This information
27 shall be transmitted within 60 days of the effective date of this act
28 for areas determined to be in need of redevelopment on or prior to
29 the effective date of this act, or within 10 days after the area is
30 determined to be in need of redevelopment after the effective date
31 of this act. 'The municipality shall also disclose to the Department
32 of Community Affairs, with updates as required by the department,
33 an accounting of the cost of all municipal investments made in the
34 redevelopment area subsequent to the final adoption of an ordinance
35 determining the area as in need of redevelopment, including, but not
36 limited to, the granting of tax abatements, the issuance of density
37 bonuses, and the value of municipal infrastructure provided in the
38 implementation of the plan. In addition, the municipality shall
39 disclose any other public infrastructure to be provided in the
40 redevelopment area using public funds.'¹

41 b. For all condemnations of properties that occur pursuant to
42 subsection c. of section 8 of P.L.1992, c.79 (C.40A:12A-8), the
43 municipality shall submit to the Department of Community Affairs
44 record of the condemnation and the compensation provided to the
45 property owner within 10 days of the taking.

46 c. Each year the Department of Community Affairs shall issue
47 a report that lists the location of all areas currently determined to be
48 in need of redevelopment in New Jersey; basic data for each area

1 about its size, population, the status of the redevelopment plan
2 implementation, the length of time the area has been designated as
3 an area in need of redevelopment, 'an accounting of the cost of all
4 municipal investments and an enumeration of other investments
5 made in the area using public funds subsequent to the final adoption
6 of an ordinance determining the area as in need of redevelopment,
7 as set forth in subsection a. of this section,¹ the number of times
8 eminent domain has been used in each redevelopment area, and data
9 on compensation received by property owners, when available.
10 This report shall be made available to the general public upon
11 request and on the Department of Community Affairs Internet web
12 site.

13

14 ¹15. Section 6 of P.L.1971, c.361 (C.20:3-6) is amended to read
15 as follows:

16 6. Whenever any condemnor shall have determined to acquire
17 property pursuant to law, including public property already devoted
18 to public purpose, but cannot acquire title thereto or possession
19 thereof by agreement with a prospective condemnee, whether by
20 reason of disagreement concerning the compensation to be paid or
21 for any other cause, the condemnation of such property and the
22 compensation to be paid therefor, and to whom payable, and all
23 matters incidental thereto and arising therefrom shall be governed,
24 ascertained and paid by and in the manner provided by this act;
25 provided, however, that no action to condemn shall be instituted
26 unless the condemnor is unable to acquire such title or possession
27 through bona fide negotiations with the prospective condemnee,
28 which negotiations shall include an offer in writing by the
29 condemnor to the prospective condemnee holding the title of record
30 to the property being condemned, setting forth the property and
31 interest therein to be acquired, the compensation offered to be paid
32 and **[a reasonable disclosure of the manner in which the amount of**
33 **such offered compensation has been calculated]** a copy of the
34 appraisal upon which the offer has been based and which was
35 approved by the condemnor, and such other matters as may be
36 required by the rules. Prior to such offer the taking agency shall
37 appraise said property and the owner shall be given an opportunity
38 to accompany the appraiser during inspection of the property [. **Such offer]** and provide information, data or otherwise raise issues
39 of concern to the owner relating to the valuation of the property and
40 damages to the remainder arising from the proposed acquisition.
41 The written offer made by a condemnor to a prospective condemnee
42 holding record title to the property shall be served by certified mail
43 by a private courier or in person along with a copy of the approved
44 appraisal. In no event shall such offer be less than the taking
45 agency's approved appraisal of the fair market value of such
46 property. **[A rejection of said offer or failure to accept the same**

1 within the period fixed in written offer, which shall in no case be
2 less than 14 days from the mailing of the offer, shall] The
3 prospective condemnee shall be afforded 45 calendar days from
4 receipt of the written offer to review the offer and the approved
5 appraisal upon which the offer was based, to seek clarification
6 thereof as well as any other relevant information, to allow an
7 opportunity to negotiate the compensation to be paid, and to request
8 an opportunity to discuss the offer and the basis thereof with a
9 representative of the condemnor in person. Prior to the expiration
10 of this 45-day period, the prospective condemnee may request, in
11 writing, an extension of this 45-day period for a period not
12 exceeding an additional 25 days, for a total of 70 calendar days,
13 which shall not be denied except for good cause shown by the
14 condemnor. During this period, as it may be extended, the
15 prospective condemnee may seek additional relevant information
16 regarding the offer or regarding the project. Within the time period,
17 as may be extended, the condemnor shall provide reasonable and
18 timely responses to requests for information and for explanations
19 and shall afford an opportunity for the condemnee to meet in person
20 on at least one occasion with a representative of the condemnor to
21 discuss the offer and the basis thereof. The prospective condemnee
22 may also obtain its own appraisal and share it with the prospective
23 condemnor and seek a review thereof by the prospective
24 condemnor. If the prospective condemnee rejects the written offer
25 of the condemnor or otherwise does not affirmatively respond to the
26 offer, the condemnor may then send in writing by certified mail,
27 private courier, or in person, a letter setting forth an intent to
28 commence condemnation proceedings in the Superior Court. Such
29 letter, upon receipt, shall conclude bona fide negotiations between
30 the prospective condemnor and condemnee. A disagreement over
31 the amount of the offer, how the offer was calculated, or the method
32 or manner in which the property was appraised shall not constitute
33 grounds to continue negotiations or prevent the condemnor from
34 successfully acquiring the property through the commencement of a
35 condemnation proceeding and the appointment of condemnation
36 commissioners. Nothing in this section shall be construed as
37 requiring a condemnor to increase the amount of an offer during the
38 review and negotiation period. A condemnor may file a complaint
39 for condemnation in the manner provided by the Rules of Court
40 anytime after expiration of the initial review and negotiation period,
41 including any extension thereof, all as provided for in this section,
42 without the consent of the prospective condemnee, provided the
43 condemnor is otherwise empowered to exercise the power of
44 eminent domain and the condemnor has complied with the
45 provisions of this section. Proof of the delivery of a written offer
46 and a copy of the approved appraisal and the delivery of a letter of
47 intent at the expiration of the negotiation period as set forth above,
48 shall be deemed to be conclusive proof of the inability of the

1 condemnor to acquire the property or possession thereof through
2 negotiations. When the holder of the title is unknown, resides out
3 of the State, or for other good cause, the court, upon application as
4 a notice of motion as provided by the Rules of Court, may dispense
5 with the necessity of such negotiations. Neither the offer, the
6 amount thereof, nor the refusal thereof by the prospective
7 condemnee shall be evidential in the determination of
8 compensation.¹

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

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

13 4. a. If a taking agency acquires real property for public use, it
14 shall make fair and reasonable relocation payments to displaced
15 persons and businesses as required by this act, for:

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

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

23 (3) actual reasonable expenses in searching for a replacement
24 business or farm.

25 b. Any displaced person eligible for payments under subsection
26 a. of this section who is displaced from a dwelling and who elects to
27 accept the payments authorized by this subsection in lieu of the
28 payments authorized by subsection a. of this section may receive a
29 moving expense allowance, determined according to a schedule
30 established by the taking agency, not to exceed ~~【\$300.00】~~ \$450,
31 provided that on the first day of the 12th month next following
32 enactment of P.L. , c. (C.) (pending before the Legislature
33 as this bill), the moving expense allowance shall be increased not to
34 exceed \$900, and further increased on the first day of the 24th
35 month next following enactment of P.L. , c. (C.) (pending
36 before the Legislature as this bill), not to exceed \$1,350, and a
37 dislocation allowance of ~~【\$200.00】~~ \$300, provided that on the first
38 day of the 12th month next following enactment of P.L. , c.
39 (C.) (pending before the Legislature as this bill), the dislocation
40 allowance shall be \$600, and on the first day of the 24th month next
41 following enactment of P.L. , c. (C.) (pending before the
42 Legislature as this bill), that allowance shall be \$900 provided,
43 however, such amounts shall be adjusted annually in accordance
44 with section 19 of P.L. , c. (C.) (pending before the
45 Legislature as this bill).

46 c. Any displaced person eligible for payments under subsection
47 a. of this section who is displaced from his place of business or
48 from his farm operation and who elects to accept the payment

1 authorized by this subsection in lieu of the payment authorized by
2 subsection a. of this section, may receive a fixed payment in an
3 amount equal to the average annual net earnings of the business or
4 farm operation, except that such payment shall not be less than
5 ~~[\$2,500.00]~~ \$3,750, provided that on the first day of the 12th
6 month next following enactment of P.L. , c. (C.) (pending
7 before the Legislature as this bill), the payment shall not be less
8 than \$7,500, and on the first day of the 24th month next following
9 enactment of P.L. , c. (C.) (pending before the Legislature
10 as this bill), the payment shall not be less than \$11,250 nor more
11 than ~~[\$10,000.00]~~ \$15,000, provided 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 more
14 than \$22,500, 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 more than \$45,000 provided,
17 however, such amounts shall be adjusted annually in accordance
18 with section 19 of P.L. , c. (C.) (pending before the
19 Legislature as this bill). In the case of a business no payment shall
20 be made under this subsection unless the taking agency is satisfied
21 that the business (1) cannot be relocated without a substantial loss
22 of its existing patronage, and (2) is not a part of a commercial
23 enterprise having at least one other establishment not being
24 acquired by the taking agency, which is engaged in the same or
25 similar business. The business owner shall have the right to appeal
26 this decision in court. For purposes of this subsection, the term
27 "average annual net earnings," means 1/2 of any net earnings of the
28 business or farm operation, before Federal, State, and local income
29 taxes, during the 2 taxable years immediately preceding the taxable
30 year in which such business or farm operation moves from the real
31 property acquired or leased for such project, or during such other
32 period as such agency determines to be more equitable for
33 establishing such earnings, and includes any compensation paid by
34 the business or farm operation to the owner, his spouse, or his
35 dependents during such period.¹

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

37

38 ¹17. Section 5 of P.L.1971, c.362 (C.20:4-5) is amended to read
39 as follows:

40 5. a. In addition to payments otherwise authorized by this act,
41 P.L.1971, c.362 (C.20:4-1 et seq.), the taking agency shall make an
42 additional payment not in excess of ~~[\$15,000.00]~~ \$22,500,
43 provided that on the first day of the 12th month next following
44 enactment of P.L. , c. (C.) (pending before the Legislature
45 as this bill), the additional payment shall not be in excess of
46 \$45,000, and on the first day of the 24th month next following
47 enactment of P.L. , c. (C.) (pending before the Legislature
48 as this bill) the additional payment shall not be in excess of \$67,500

1 to any displaced person who is displaced from a dwelling actually
2 owned and occupied by such displaced person for not less than 180
3 days prior to the initiation of negotiations for the acquisition of the
4 property ; provided, however, such amounts shall be adjusted
5 annually in accordance with section 19 of P.L. , c. (C.)
6 (pending before the Legislature as this bill). Such additional
7 payment shall include the following elements:

8 (1) The amount, if any, which when added to the acquisition cost
9 of the dwelling acquired, equals the reasonable cost of a comparable
10 replacement dwelling which is a decent, safe, and sanitary dwelling
11 adequate to accommodate such displaced person, reasonably
12 accessible to public services and places of employment and
13 available on the private market. All determinations required to
14 carry out this subparagraph shall be determined by regulations
15 issued pursuant to section 10 of **[this act]** P.L.1971, c.362 (C.20:4-
16 10).

17 (2) The amount, if any, which will compensate such displaced
18 person for any increased interest costs which such person is
19 required to pay for financing the acquisition of any such
20 comparable replacement dwelling. Such amount shall be paid only
21 if the dwelling acquired was encumbered by a bona fide mortgage
22 which was a valid lien on such dwelling for not less than 180 days
23 prior to the initiation of negotiations for the acquisition of such
24 dwelling. Such amount shall be equal to the excess in the
25 aggregate interest and other debt service costs of that amount of the
26 principal of the mortgage on the replacement dwelling which is
27 equal to the unpaid balance of the mortgage on the acquired
28 dwelling, over the remainder term of the mortgage on the acquired
29 dwelling, reduced to discounted present value. The discount rate
30 shall be determined by regulations issued pursuant to section 10 of
31 **[this act]** P.L.1971, c.362 (C.20:4-10).

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

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

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

45 b. The additional payment authorized by this section shall be
46 made only to such a displaced person who purchases and occupies a
47 replacement dwelling which is decent, safe, and sanitary not later
48 than the end of the one year period beginning on the date on which

1 he receives final payment of all costs of the acquired dwelling, or
2 on the date on which he moves from the acquired dwelling,
3 whichever is the later date.¹
4 (cf: P.L.1971, c.362, s.5)

5
6 ¹18. Section 6 of P.L.1971, c.362 (C.20:4-6) is amended to read
7 as follows:

8 6. In addition to amounts otherwise authorized by this act,
9 P.L.1971, c.362 (C.20:4-1 et seq.), a taking agency shall make a
10 payment to or for any displaced person displaced from any dwelling
11 not eligible to receive a payment under section 5 which dwelling
12 was actually and lawfully occupied by such displaced person for not
13 less than 90 days prior to the initiation of negotiations for
14 acquisition of such dwelling. Such payment shall be either:

15 a. the amount necessary to enable such displaced person to lease
16 or rent for a period not to exceed 4 years, a decent, safe, and
17 sanitary dwelling of standards adequate to accommodate such
18 person in areas not generally less desirable in regard to public
19 utilities and public and commercial facilities, and reasonably
20 accessible to his place of employment, but not to exceed
21 [\$4,000.00] \$6,000, provided that on the first day of the 12th
22 month next following enactment of P.L. , c. (C.) (pending
23 before the Legislature as this bill), the amount shall be increased
24 not to exceed \$12,000, and further increased on the first day of the
25 24th month next following enactment of P.L. , c. (C.)
26 (pending before the Legislature as this bill), not to exceed \$18,000;
27 or

28 b. the amount necessary to enable such person to make a
29 downpayment (including incidental expenses described in section 5
30 a. (3)) on the purchase of a decent, safe, and sanitary dwelling of
31 standards adequate to accommodate such persons in areas not
32 generally less desirable in regard to public utilities and public and
33 commercial facilities, but not to exceed [\$4,000.00] \$6,000,
34 provided that on the first day of the 12th month next following
35 enactment of P.L. , c. (C.) (pending before the Legislature
36 as this bill), the amount shall be increased not to exceed \$12,000,
37 and further increased on the first day of the 24th month next
38 following enactment of P.L. , c. (C.) (pending before the
39 Legislature as this bill), not to exceed \$18,000. Of that amount the
40 first [\$2,000.00] \$3,000, provided that on the first day of the 12th
41 month next following enactment of P.L. , c. (C.) (pending
42 before the Legislature as this bill), the first \$6,000, and on the first
43 day of the 24th month next following enactment of P.L. , c.
44 (C.) (pending before the Legislature as this bill), the first \$9,000
45 [of which is to] shall be paid without contribution from the
46 displaced person, but thereafter such payments will only be made
47 on a matching dollar-for-dollar basis with the displaced person
48 provided, however, all such amounts in this section shall be

1 adjusted annually in accordance with section 19 of P.L. _____, c.
2 (C. _____) (pending before the Legislature as this bill).¹
3 (cf: P.L.1971, c.362, s.6)
4

5 ^{19.} (New section) Beginning on the first day of the 36th month
6 next following enactment of P.L. _____, c. _____ (pending before the
7 Legislature as this bill) all payment amounts set forth in sections 4
8 through 6 of P.L.1971, c.362 (C.20:4-4 through 20:4-6), as
9 amended by P.L. _____, c. _____ (C. _____) (pending before the Legislature
10 as this bill), shall be annually automatically adjusted on the basis of
11 the Consumer Price Index for All Urban Consumers (CPI-U), U. S.
12 City Average, published by the United States Department of Labor,
13 Bureau of Labor Statistics, using the last published index figure as
14 of the date of displacement as the numerator and the index figure
15 for the month in which P.L. _____, c. _____ (C. _____) (pending before the
16 Legislature as this bill) becomes effective as the denominator.¹
17

18 ^{20.} (New section) In addition to payments otherwise
19 authorized by P.L. _____, c. _____ (C. _____) (pending before the Legislature
20 as this bill) for the taking of private property through the use of
21 eminent domain pursuant to the "Local Redevelopment and
22 Housing Law," P.L.1992, c.79 (C.40A:12A-1 et seq.), a
23 redevelopment entity shall make an additional payment to the
24 owner of a business for the value of goodwill. For the purposes of
25 this section, "goodwill" means the benefits that accrue to a business
26 as a result of its location, reputation for dependability, skill or
27 quality, and any other circumstances resulting in probable retention
28 of old or acquisition of new patronage.

29 Within 12 months after the date of enactment of P.L. _____,
30 c. _____) (pending before the Legislature as this bill), the
31 Department of Community Affairs shall adopt, pursuant to the
32 "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et
33 seq.), rules and regulations to effectuate the provisions of P.L. _____, c.
34 (C. _____) (pending before the Legislature as this bill). The rules
35 and regulations to be adopted by the department pursuant to this
36 section shall include, but are not limited to, the requirements to be
37 met by the business in order to obtain the additional payment, the
38 responsibility of the redevelopment entity, and an appeal process.¹
39

40 ^{21.} (New section) Notwithstanding the provisions of any other
41 law to the contrary:

42 a. A municipal redevelopment entity shall not: negotiate for, or
43 enter into, a redevelopment agreement, other than an agreement
44 awarded pursuant to a fair and open process, with any redeveloper
45 to perform any work under a redevelopment plan, if, beginning after
46 the adoption of a memorializing resolution directing preliminary
47 investigation to determine if a site is in need of redevelopment, that

1 redeveloper has made a contribution that is reportable by the
2 recipient under P.L.1973, c.83 (C.19:44A-1 et seq.), to any
3 municipal committee of a political party in that municipality or to
4 any candidate committee of any person serving in an elective public
5 office of that municipality.

6 b. No redeveloper described above who enters into a municipal
7 redevelopment agreement to perform any work under a
8 redevelopment plan shall make any of the aforesaid contributions
9 during the term of any such redevelopment agreement.

10 c. None of the aforesaid committees shall accept a contribution
11 in excess of the limits set forth above from such a redeveloper
12 during the time periods set forth above.

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

19 e. If a redeveloper makes a contribution that would otherwise
20 bar it from negotiating for or entering into a redevelopment
21 agreement or makes a contribution during the term of a
22 redevelopment agreement in violation of this section, the
23 redeveloper may request a full reimbursement from the recipient
24 and, if such reimbursement is received within 60 days thereafter,
25 the redeveloper shall again be eligible to negotiate or enter into a
26 redevelopment agreement or shall no longer be in violation, as
27 appropriate.

28 f. Prior to entering into such a redevelopment agreement, a
29 redevelopment entity shall require the redeveloper with which the
30 redevelopment agreement is to be entered into to provide a written
31 certification that it has not made a contribution that would bar the
32 execution of a redevelopment agreement pursuant to this section. A
33 redeveloper shall have a continuing duty to report to the Election
34 Law Enforcement Commission any contribution that constitutes a
35 violation of this section that is made during the duration of a
36 redevelopment agreement.

37 g. As used in this section:

38 "Fair and open process" means the process described in section
39 11 of P.L. , c. (C.) (pending before the Legislature as this
40 bill) or, at a minimum, that the redevelopment agreement shall be:
41 publicly advertised in newspapers or on the Internet website
42 maintained by the public entity in sufficient time to give notice in
43 advance of the agreement; entered into under a process that
44 provides for public solicitation of proposals or qualifications and
45 entered into and disclosed under criteria established in writing by
46 the public entity prior to the solicitation of proposals or
47 qualifications; and publicly opened and announced when awarded.

1 The decision of a public entity as to what constitutes a fair and open
2 process shall be final; and

3 “Redeveloper” means any person, firm, corporation, or public
4 body that negotiates for, or enters into, a redevelopment agreement
5 with a municipal redevelopment entity for the redevelopment or
6 rehabilitation of an area in need of redevelopment, or an area in
7 need of rehabilitation, or any part thereof, or for any construction or
8 other work forming a part of a redevelopment or rehabilitation
9 project, and includes any principal who owns or controls more than
10 10 percent of the profits or assets of a redeveloper or 10 percent of
11 the stock in the case of a redeveloper that is a corporation for profit,
12 as appropriate.¹

13

14 ¹22. Section 22 of P.L.1971, c.362 (C.20:4-22) is amended to
15 read as follows:

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

39 The Commissioner of Transportation shall have the right and
40 authority to promulgate regulations appropriate for the relocation
41 programs of both the State Department of Transportation and the
42 New Jersey Transit Corporation. The Department of Transportation
43 shall act as the lead entity with regard to relocation appeals.¹

44 (cf: P.L.1971, c.362, s.22)

45

46 ¹[15.] 23.¹ This act shall take effect on the first day of the
47 fourth month next following enactment. Any final action taken by a
48 municipality or redevelopment entity with respect to: a

1 determination that an area is in need of redevelopment or in need of
2 rehabilitation; enactment of a redevelopment plan; or designation of
3 a redeveloper, prior to the effective date of this act shall have full
4 force and effect, but any subsequent official action by the
5 municipality or redevelopment entity after the effective date of this
6 act shall be subject to its provisions.