

[First Reprint]

SENATE, No. 1451

STATE OF NEW JERSEY
214th LEGISLATURE

INTRODUCED FEBRUARY 18, 2010

Sponsored by:

Senator RONALD L. RICE

District 28 (Essex)

SYNOPSIS

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

CURRENT VERSION OF TEXT

As reported by the Senate Community and Urban Affairs Committee on October 7, 2010, with amendments.



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

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SCU committee amendments adopted October 7, 2010.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 (4) all other matters incidental to or arising therefrom are being
2 adjudicated.

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

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

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

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

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

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

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

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

29

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

32 6. a. Whenever any condemnor shall have determined to
33 acquire property pursuant to law, including public property already
34 devoted to public purpose, but cannot acquire title thereto or
35 possession thereof by agreement with a prospective condemnee,
36 whether by reason of disagreement concerning the compensation to
37 be paid or for any other cause, the condemnation of such property
38 and the compensation to be paid therefor, and to whom payable, and
39 all matters incidental thereto and arising therefrom shall be
40 governed, ascertained and paid by and in the manner provided by
41 **[this act]** P.L.1971, c.361 (C.20:3-1 et seq.); provided, however,
42 that no action to condemn shall be instituted unless the condemnor
43 is unable to acquire such title or possession through bona fide
44 negotiations with the prospective condemnee, which negotiations
45 shall include an offer in writing by the condemnor to the
46 prospective condemnee holding the title of record to the property
47 being condemned, setting forth the property and interest therein to

1 be acquired, the compensation offered to be paid and [a reasonable
2 disclosure of the manner in which the amount of such offered
3 compensation has been calculated] a copy of the appraisal upon
4 which the offer has been based and which was approved by the
5 condemnor, and such other matters as may be required by the rules.

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

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

22 (2) The approved appraisal shall include any such information in
23 the determination of the estimate of fair market value to the extent
24 that it has an effect, if any, upon fair market value as permitted by
25 law and shall reflect value attributable to the location of the
26 property including benefits that accrue to a business as a result of
27 proximity to favorable pedestrian, mass transportation, or vehicular
28 traffic.

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

35 d. (1) The value of the property reflected in the written offer
36 shall constitute a summation of all the values of all the separate
37 interests in the property.

38 (2) Prospective condemnees who do not hold the title of record
39 to the property being condemned, including but not limited to
40 holders of an interest in land, improvements, machinery, or
41 equipment, and who claim entitlement to all or some part of the
42 condemnation proceeds, may present non-cumulative proofs, but
43 only to the extent of their respective interests, not for a separate
44 valuation thereof, and only to the extent necessary to insure that
45 their value is considered. Nothing herein shall be construed as
46 requiring a condemnor to negotiate with or to tender a written offer
47 to a prospective condemnee who does not hold the title of record to
48 the property being condemned.

1 (3) Any provision of a lease or other agreement, entered into
2 after the effective date of P.L. , c. (C.) (pending before the
3 Legislature as this bill) terminating a leasehold or other property
4 interest in the event of condemnation of the property is waived and
5 shall be deemed against public policy and void. Despite a lease
6 provision or contractual waiver to the contrary entered into after the
7 effective date of P.L. , c. (C.) (pending before the
8 Legislature as this bill), a tenant shall be entitled to an allocation for
9 the value of its leasehold, including capital improvements,
10 machinery, and equipment that cannot be relocated, from the award
11 of the value of the fee interest.

12 e. The written offer made by a condemnor to a prospective
13 condemnee holding record title to the property shall be served by
14 certified mail, return receipt requested, by a private courier, or in
15 person along with a copy of the approved appraisal. In no event
16 shall such offer be less than the taking agency's approved appraisal
17 of the fair market value of such property. [A rejection of said offer
18 or failure to accept the same within the period fixed in written offer,
19 which shall in no case be less than 14 days from the mailing of the
20 offer, shall]

21 f. (1) The prospective condemnee shall be afforded 45 calendar
22 days from receipt of the written offer to review the offer and the
23 approved appraisal upon which the offer was based, to seek
24 clarification thereof as well as any other relevant information, to
25 allow an opportunity to negotiate the compensation to be paid, and
26 to request an opportunity to discuss the offer and the basis thereof
27 with a representative of the condemnor in person.

28 (2) Prior to the expiration of this 45-day period, the prospective
29 condemnee may request, in writing, an extension of this 45-day
30 period for a period not exceeding an additional 25 days, for a total
31 of 70 calendar days, which shall not be denied except for good
32 cause shown by the condemnor. During this period, as it may be
33 extended, the prospective condemnee may seek additional relevant
34 information regarding the offer or regarding the project.

35 (3) Within the time period, as may be extended, the condemnor
36 shall provide reasonable and timely responses to requests for
37 information and for explanations and shall afford an opportunity for
38 the condemnee to meet in person on at least one occasion with a
39 representative of the condemnor to discuss the offer and the basis
40 thereof.

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

44 (5) If the prospective condemnee rejects the written offer of the
45 condemnor or otherwise does not affirmatively respond to the offer,
46 the condemnor may then send in writing by certified mail, private
47 courier, or in person, a letter setting forth an intent to commence
48 condemnation proceedings in the Superior Court. Such letter, upon

1 receipt, shall conclude bona fide negotiations between the
2 prospective condemnor and condemnee.

3 (6) A disagreement over the amount of the offer, how the offer
4 was calculated, or the method or manner in which the property was
5 appraised shall not constitute grounds to continue negotiations or
6 prevent the condemnor from successfully acquiring the property
7 through the commencement of a condemnation proceeding and the
8 appointment of condemnation commissioners.

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

12 h. A condemnor may file a complaint for condemnation in the
13 manner provided by the Rules of Court anytime after expiration of
14 the initial review and negotiation period, including any extension
15 thereof, all as provided for in this section, without the consent of
16 the prospective condemnee, provided the condemnor is otherwise
17 empowered to exercise the power of eminent domain and the
18 condemnor has complied with the provisions of this section.

19 i. Proof of the delivery of a written offer and a copy of the
20 approved appraisal and the delivery of a letter of intent at the
21 expiration of the negotiation period as set forth above, shall be
22 deemed to be conclusive proof [of the] that bona fide negotiations
23 were, in fact, conducted by the condemnor with the prospective
24 condemnee and that there was an inability on the part of the
25 condemnor and prospective condemnee to agree to the
26 compensation to [acquire the property or possession thereof
27 through negotiations] obtain title and possession to the property
28 sought to be acquired other than by filing an action in
29 condemnation.

30 j. When the holder of the title is unknown, [resides out of the
31 State,] or for other good cause, the court, upon application by
32 motion pursuant to the Rules of Court, may dispense with the
33 necessity of such negotiations.

34 k. Neither the offer or the amount thereof, nor the refusal thereof
35 by the prospective condemnee shall be evidential in the
36 determination of compensation.

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

38
39 3. Section 3 of P.L.1971, c.362 (C.20:4-3) is amended to read
40 as follows:

41 3. As used in this act the term:

42 a. "Taking agency" or "acquiring agency" means the entity,
43 public or private, including the State of New Jersey, which is
44 condemning or otherwise acquiring private property for a public
45 purpose [under the power of eminent domain].

46 b. "Person" means any individual, partnership, corporation, or
47 association.

1 c. "Displaced person" means any person who, on or after the
 2 effective date of this act, moves from real property, or moves his
 3 personal property from real property, as a result of the acquisition
 4 of such real property, in whole or in part, or as the result of the
 5 written order of the acquiring agency to vacate real property, for a
 6 program or project undertaken by a taking agency; and solely for
 7 the purposes of **[sections 4]** subsections a. and b. of section 4 of
 8 P.L.1971, c.362 (C.20:4-7) and section 7 of **[this act]** P.L.1971,
 9 c.362 (C.20:4-4), as a result of the acquisition of or as the result of
 10 the written order of the acquiring agency to vacate other real
 11 property, on which such person conducts a business or farm
 12 operation, for such program or project.

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

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

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

19 (3) by a nonprofit organization; or

20 (4) solely for the purposes of **[section 4]** subsection a. of [this
 21 act] section 4 of P.L.1971, c.362 (C.20:4-4) for assisting in the
 22 purchase, sale, resale, manufacture, processing, or marketing of
 23 products, commodities, personal property, or services by the
 24 erection and maintenance of an outdoor advertising display or
 25 displays, whether or not such display or displays are located on the
 26 premises on which any of the above activities are conducted.

27 e. "Farm operation" means any activity conducted solely or
 28 primarily for the production of one or more agricultural products or
 29 commodities, including timber, for sale or home use, and
 30 customarily producing such products or commodities in sufficient
 31 quantity to be capable of contributing materially to the operator's
 32 support.

33 f. **[The term "commissioner"]** "Commissioner" **[shall mean]**
 34 means the Commissioner of **[the Department of]** Community
 35 Affairs.

36 g. "Living on a fixed income" means receiving no steady
 37 income other than through pension, social security, public
 38 assistance, or other government benefits, which income does not
 39 exceed the applicable moderate regional income limits established
 40 by the Council on Affordable Housing.

41 (cf: P.L.1971, c.362, s.3)

42

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

45 4. a. If a taking agency acquires real property for public use, it
 46 shall make fair and reasonable relocation payments to displaced
 47 persons and businesses as required by **[this act]** P.L.1971, c.362

1 (C.20:4-1 et seq.), for:

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

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

9 (3) actual reasonable expenses in searching for a replacement
10 business or farm.

11 b. Any displaced person eligible for payments under subsection
12 a. of this section who is displaced from a dwelling and who elects to
13 accept the payments authorized by this subsection in lieu of the
14 payments authorized by subsection a. of this section may receive a
15 moving expense allowance, determined according to a schedule
16 established by the taking agency, not to exceed ~~【\$300.00】~~ \$450,
17 provided that on the first day of the 12th month next following
18 enactment of P.L. , c. (C.) (pending before the Legislature
19 as this bill), the moving expense allowance shall be increased to an
20 amount not to exceed \$900, and further increased on the first day of
21 the 24th month next following enactment of P.L. , c. (C.)
22 (pending before the Legislature as this bill), to an amount not to
23 exceed \$1,350, and a dislocation allowance of ~~【\$200.00】~~ \$300,
24 provided that on the first day of the 12th month next following
25 enactment of P.L. , c. (C.) (pending before the Legislature
26 as this bill), the dislocation allowance shall be \$600, and on the first
27 day of the 24th month next following enactment of P.L. ,
28 c. (C.) (pending before the Legislature as this bill), that
29 allowance shall be \$900 provided, however, such amounts shall be
30 adjusted annually in accordance with section 8 of P.L. ,
31 c. (C.) (pending before the Legislature as this bill).

32 c. Any displaced person eligible for payments under subsection
33 a. of this section who is displaced from his place of business or
34 from his farm operation and who elects to accept the payment
35 authorized by this subsection in lieu of the payment authorized by
36 subsection a. of this section, may receive a fixed payment in an
37 amount equal to the average annual net earnings of the business or
38 farm operation, except that such payment shall not be less than
39 ~~【\$2,500.00】~~ \$3,750, provided that on the first day of the 12th
40 month next following enactment of P.L. , c. (C.) (pending
41 before the Legislature as this bill), the payment shall not be less
42 than \$7,500, and on the first day of the 24th month next following
43 enactment of P.L. , c. (C.) (pending before the Legislature
44 as this bill), the payment shall not be less than \$11,250 nor shall
45 such payment be more than ~~【\$10,000.00】~~ \$15,000, provided on the
46 first day of the 12th month next following enactment of P.L. ,
47 c. (C.) (pending before the Legislature as this bill), the
48 payment shall not be more than \$22,500, and on the first day of the

1 24th month next following enactment of P.L. , c. (C.)
2 (pending before the Legislature as this bill), the payment shall not
3 be more than \$45,000 provided, however, such amounts shall be
4 adjusted annually in accordance with section 8 of P.L. ,
5 c. (C.) (pending before the Legislature as this bill). In the case
6 of a business no payment shall be made under this subsection unless
7 the taking agency is satisfied that the business (1) cannot be
8 relocated without a substantial loss of its existing patronage, and (2)
9 is not a part of a commercial enterprise having at least one other
10 establishment not being acquired by the taking agency, which is
11 engaged in the same or similar business. The business owner shall
12 have the right to appeal this decision in court. For purposes of this
13 subsection, the term "average annual net earnings," means 1/2 of
14 any net earnings of the business or farm operation, before Federal,
15 State, and local income taxes, during the 2 taxable years
16 immediately preceding the taxable year in which such business or
17 farm operation moves from the real property acquired or leased for
18 such project, or during such other period as such agency determines
19 to be more equitable for establishing such earnings, and includes
20 any compensation paid by the business or farm operation to the
21 owner, his spouse, or his dependents during such period.

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

23
24 5. Section 5 of P.L.1971, c.362 (C.20:4-5) is amended to read as
25 follows:

26 5. a. In addition to payments otherwise authorized by **[this act]**
27 P.L.1971, c.362 (C.20:4-1 et seq.), the taking agency shall make an
28 additional payment not in excess of **[\$15,000.00]** \$22,500,
29 provided that on the first day of the 12th month next following
30 enactment of P.L. , c. (C.) (pending before the Legislature
31 as this bill), the additional payment shall not be in excess of
32 \$45,000, and on the first day of the 24th month next following
33 enactment of P.L. , c. (C.) (pending before the Legislature
34 as this bill), the additional payment shall not be in excess of
35 \$67,500, to any displaced person who is displaced from a dwelling
36 actually owned and occupied by such displaced person for not less
37 than 180 days prior to the initiation of negotiations for the
38 acquisition of the property; provided, however, such amounts shall
39 be adjusted annually in accordance with section 8 of P.L. ,
40 c. (C.) (pending before the Legislature as this bill). Such
41 additional payment shall include the following elements:

42 (1) The amount, if any, which when added to the acquisition cost
43 of the dwelling acquired, equals the reasonable cost of a comparable
44 replacement dwelling which is a decent, safe, and sanitary dwelling
45 adequate to accommodate such displaced person, reasonably
46 accessible to public services and places of employment and
47 available on the private market. All determinations required to
48 carry out this subparagraph shall be determined by regulations

1 issued pursuant to section 10 of **[this act]** P.L.1971, c.362 (C.20:4-
2 10).

3 (2) The amount, if any, which will compensate such displaced
4 person for any increased interest costs which such person is
5 required to pay for financing the acquisition of any such
6 comparable replacement dwelling. Such amount shall be paid only
7 if the dwelling acquired was encumbered by a bona fide mortgage
8 which was a valid lien on such dwelling for not less than 180 days
9 prior to the initiation of negotiations for the acquisition of such
10 dwelling. Such amount shall be equal to the excess in the
11 aggregate interest and other debt service costs of that amount of the
12 principal of the mortgage on the replacement dwelling which is
13 equal to the unpaid balance of the mortgage on the acquired
14 dwelling, over the remainder term of the mortgage on the acquired
15 dwelling, reduced to discounted present value. The discount rate
16 shall be determined by regulations issued pursuant to section 10 of
17 **[this act]** P.L.1971, c.362 (C.20:4-10).

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

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

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

31 b. The additional payment authorized by this section shall be
32 made only to such a displaced person who purchases and occupies a
33 replacement dwelling which is decent, safe, and sanitary not later
34 than the end of the one year period beginning on the date on which
35 he receives final payment of all costs of the acquired dwelling, or
36 on the date on which he moves from the acquired dwelling,
37 whichever is the later date.

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

39

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

42 6. In addition to amounts otherwise authorized by **[this act]**
43 P.L.1971, c.362 (C.20:4-1 et seq.), a taking agency shall make a
44 payment to or for any displaced person displaced from any dwelling
45 not eligible to receive a payment under section 5 of P.L.1971, c.362
46 (C.20:4-5) which dwelling was actually and lawfully occupied by
47 such displaced person for not less than 90 days prior to the

1 initiation of negotiations for acquisition of such dwelling. Such
2 payment shall be either:

3 a. the amount necessary ~~to enable~~, that when added to the
4 amount the displaced person pays to rent the dwelling he is being
5 displaced from, would enable such displaced person to lease or rent
6 for a period not to exceed ~~4~~ five years, a decent, safe, sanitary,
7 and comparable replacement dwelling of standards adequate to
8 accommodate such person in areas not generally less desirable in
9 regard to public utilities and public and commercial facilities, and
10 reasonably accessible to his place of employment ~~], but not to~~
11 ~~exceed \$4,000.00~~ but not to exceed \$9,000, provided that on the
12 first day of the 12th month next following enactment of P.L. ,
13 c. (C.) (pending before the Legislature as this bill), the amount
14 shall be increased not to exceed \$15,000, and further increased on
15 the first day of the 24th month next following enactment of P.L. ,
16 c. (C.) (pending before the Legislature as this bill), not to
17 exceed \$21,000, provided, however, such amounts shall be adjusted
18 annually in accordance with section 8 of P.L. , c. (C.)
19 (pending before the Legislature as this bill), and provided further
20 that persons living on a fixed income who are displaced because of
21 a redevelopment project undertaken pursuant to the “Local
22 Redevelopment and Housing Law,” P.L.1992, c.79 (C.40A:12A-1
23 et seq.) shall also be entitled to receive rental assistance pursuant to
24 P.L.2004, c.140 (C.52:27D-287.1 et seq.); or

25 b. the amount necessary to enable such person to make a
26 downpayment (including incidental expenses described in
27 paragraph (3) of subsection a. of section 5 ~~[a. (3)]~~ of P.L.1971,
28 c.362 (C.20:4-5)) on the purchase of a decent, safe, and sanitary
29 dwelling of standards adequate to accommodate such persons in
30 areas not generally less desirable in regard to public utilities and
31 public and commercial facilities, ~~[but not to exceed \$4,000.00]~~ up
32 to \$6,000. On the first day of the 12th month next following
33 enactment of P.L. , c. (C.) (pending before the Legislature
34 as this bill), the maximum permitted amount shall be \$12,000. On
35 the first day of the 24th month next following enactment of P.L. ,
36 c. (C.) (pending before the Legislature as this bill), the
37 maximum permitted amount shall be \$18,000. Of those phased-in
38 maximum amounts, the first ~~[\$2,000.00 of which is to]~~ \$3,000,
39 \$6,000, and \$9,000 respectively, shall be paid without contribution
40 from the displaced person, but thereafter such payments will only
41 be made on a matching dollar-for-dollar basis with the displaced
42 person; provided, however, all such amounts in this section shall be
43 adjusted annually in accordance with section 8 of P.L. ,
44 c. (C.) (pending before the Legislature as this bill).
45 (cf: P.L.1971, c.362, s.6)

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

3 7. a. Whenever the acquisition of real property for a program
4 or project undertaken by a taking agency will result in the
5 displacement of any person on or after the effective date of this
6 section, such agency shall provide a relocation assistance advisory
7 program for displaced persons which shall offer the services
8 prescribed herein. If the taking agency determines that any person
9 occupying property immediately adjacent to the real property
10 acquired is caused substantial economic injury because of the
11 acquisition, it may offer such person relocation advisory services
12 under such program.

13 b. Each relocation assistance program required by subsection a.
14 shall include such measures, facilities, or services as may be
15 necessary or appropriate in order (1) to determine the needs of
16 displaced persons, business concerns, and nonprofit organizations
17 for relocation assistance; (2) to assist owners of displaced business
18 and farm operations in obtaining and becoming established in
19 suitable business locations or replacement farms; (3) to supply
20 information concerning programs of the Federal, State and local
21 governments offering assistance to displaced persons and business
22 concerns; (4) to assist in minimizing hardships to displaced persons
23 in adjusting to relocation; and (5) to secure, to the greatest extent
24 practicable, the coordination of relocation activities with other
25 project activities and other planned or proposed governmental
26 actions in the community or nearby areas which may affect the
27 carrying out of the relocation program.

28 c. Each relocation assistance program required by subsection a.
29 of this section shall specifically include provisions for notice of
30 credit counseling services by credit counselors approved by the
31 United States Department of Housing and Urban Development, for
32 persons being displaced from residential units. The program shall
33 ensure that those persons being displaced from residential units
34 receive adequate written notice of the availability of the credit
35 counseling services in accordance with regulations promulgated by
36 the Commissioner of Community Affairs.

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

38

39 8. (New section) Beginning on the first day of the 36th month
40 next following enactment of P.L. , c. (pending before the
41 Legislature as this bill) all payment amounts set forth in sections 4
42 through 6 of P.L.1971, c.362 (C.20:4-4 through 20:4-6), shall be
43 annually automatically adjusted on the basis of the Consumer Price
44 Index for All Urban Consumers (CPI-U), U.S. City Average,
45 published by the United States Department of Labor, Bureau of
46 Labor Statistics, using the last published index figure as of the date
47 of displacement as the numerator and the index figure for the month

1 in which P.L. , c. (C.) (pending before the Legislature as
2 this bill) becomes effective as the denominator.

3
4 9. Section 22 of P.L.1971, c.362 (C.20:4-22) is amended to read
5 as follows:

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

29 The Commissioner of Transportation shall have the right and
30 authority to promulgate regulations appropriate for the relocation
31 programs of both the State Department of Transportation and the
32 New Jersey Transit Corporation. The Department of Transportation
33 shall act as the lead entity with regard to relocation appeals.

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

35
36 10. Section 19 of P.L.1975, c.291 (C.40:55D-28) is amended to
37 read as follows:

38 19. Preparation; contents; modification. a. The planning board
39 may prepare and, after public hearing, adopt or amend a master plan
40 or component parts thereof, to guide the use of lands within the
41 municipality in a manner which protects public health and safety
42 and promotes the general welfare.

43 b. The master plan shall generally comprise a report or
44 statement and land use and development proposals, with maps,
45 diagrams and text, presenting, at least the following elements (1)
46 and (2) and, where appropriate, the following elements (3) through
47 **[(16)] (17):**

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

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

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

25 (4) A circulation plan element showing the location and types of
26 facilities for all modes of transportation required for the efficient
27 movement of people and goods into, about, and through the
28 municipality, taking into account the functional highway
29 classification system of the Federal Highway Administration and
30 the types, locations, conditions and availability of existing and
31 proposed transportation facilities, including air, water, road and rail;

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

43 (6) A community facilities plan element showing the existing
44 and proposed location and type of educational or cultural facilities,
45 historic sites, libraries, hospitals, firehouses, police stations and
46 other related facilities, including their relation to the surrounding
47 areas;

- 1 (7) A recreation plan element showing a comprehensive system
2 of areas and public sites for recreation;
- 3 (8) A conservation plan element providing for the preservation,
4 conservation, and utilization of natural resources, including, to the
5 extent appropriate, energy, open space, water supply, forests, soil,
6 marshes, wetlands, harbors, rivers and other waters, fisheries,
7 endangered or threatened species wildlife and other resources, and
8 which systemically analyzes the impact of each other component
9 and element of the master plan on the present and future
10 preservation, conservation and utilization of those resources;
- 11 (9) An economic plan element considering all aspects of
12 economic development and sustained economic vitality, including
13 (a) a comparison of the types of employment expected to be
14 provided by the economic development to be promoted with the
15 characteristics of the labor pool resident in the municipality and
16 nearby areas and (b) an analysis of the stability and diversity of the
17 economic development to be promoted;
- 18 (10) An historic preservation plan element: (a) indicating the
19 location and significance of historic sites and historic districts; (b)
20 identifying the standards used to assess worthiness for historic site
21 or district identification; and (c) analyzing the impact of each
22 component and element of the master plan on the preservation of
23 historic sites and districts;
- 24 (11) Appendices or separate reports containing the technical
25 foundation for the master plan and its constituent elements;
- 26 (12) A recycling plan element which incorporates the State
27 Recycling Plan goals, including provisions for the collection,
28 disposition and recycling of recyclable materials designated in the
29 municipal recycling ordinance, and for the collection, disposition
30 and recycling of recyclable materials within any development
31 proposal for the construction of 50 or more units of single-family
32 residential housing or 25 or more units of multi-family residential
33 housing and any commercial or industrial development proposal for
34 the utilization of 1,000 square feet or more of land;
- 35 (13) A farmland preservation plan element, which shall include:
36 an inventory of farm properties and a map illustrating significant
37 areas of agricultural land; a statement showing that municipal
38 ordinances support and promote agriculture as a business; and a
39 plan for preserving as much farmland as possible in the short term
40 by leveraging moneys made available by P.L.1999, c.152 (C.13:8C-
41 1 et al.) through a variety of mechanisms including, but not limited
42 to, utilizing option agreements, installment purchases, and
43 encouraging donations of permanent development easements;
- 44 (14) A development transfer plan element which sets forth the
45 public purposes, the locations of sending and receiving zones and
46 the technical details of a development transfer program based on the
47 provisions of section 5 of P.L.2004, c.2 (C.40:55D-141);

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

5 (16) A green buildings and environmental sustainability plan
6 element, which shall provide for, encourage, and promote the
7 efficient use of natural resources and the installation and usage of
8 renewable energy systems; consider the impact of buildings on the
9 local, regional and global environment; allow ecosystems to
10 function naturally; conserve and reuse water; treat storm water on-
11 site; and optimize climatic conditions through site orientation and
12 design; and

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

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

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

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

45 (cf: P.L. 2008, c.54, s.1)

46
47 11. Section 3 of P.L.1992, c.79 (C.40A:12A-3) is amended to
48 read as follows:

1 3. As used in this act:

2 "Bonds" means any bonds, notes, interim certificates, debentures
3 or other obligations issued by a municipality, county,
4 redevelopment entity, or housing authority pursuant to P.L.1992,
5 c.79 (C.40A:12A-1 et al.).

6 "Comparable, affordable replacement housing" means newly-
7 constructed or substantially rehabilitated housing to be offered to a
8 household being displaced as a result of a redevelopment project,
9 that is affordable to that household based on its income under the
10 guidelines established by the Council on Affordable Housing in the
11 Department of Community Affairs for maximum affordable sales
12 prices or maximum fair market rents, and that is comparable to the
13 household's dwelling in the redevelopment area with respect to the
14 size and amenities of the dwelling unit, the quality of the
15 neighborhood, and the level of public services and facilities offered
16 by the municipality in which the redevelopment area is located.

17 "Condemnation redevelopment area" means a redevelopment
18 area in which a redevelopment entity can exercise all of the powers
19 set forth in section 8 of P.L.1992, c.79 (C.40A:12A-8) including the
20 power of eminent domain.

21 "Contamination" means any discharged hazardous substance as
22 defined pursuant to section 3 of P.L.1976, c.141 (C.58:10-23.11b),
23 hazardous waste as defined pursuant to section 1 of P.L.1976, c.99
24 (C.13:1E-38), or pollutant as defined pursuant to section 3 of
25 P.L.1977, c.74 (C.58:10A-3).

26 "Development" means the division of a parcel of land into two or
27 more parcels, the construction, reconstruction, conversion,
28 structural alteration, relocation, or enlargement of any building or
29 other structure, or of any mining, excavation or landfill, and any use
30 or change in the use of any building or other structure, or land or
31 extension of use of land, for which permission may be required
32 pursuant to the "Municipal Land Use Law," P.L.1975, c.291
33 (C.40:55D-1 et seq.).

34 "Governing body" means the body exercising general legislative
35 powers in a county or municipality according to the terms and
36 procedural requirements set forth in the form of government
37 adopted by the county or municipality.

38 "Housing authority" means a housing authority created or
39 continued pursuant to this act.

40 "Housing project" means a project, or distinct portion of a
41 project, which is designed and intended to provide decent, safe and
42 sanitary dwellings, apartments or other living accommodations for
43 persons of low and moderate income; such work or undertaking
44 may include buildings, land, equipment, facilities and other real or
45 personal property for necessary, convenient or desirable
46 appurtenances, streets, sewers, water service, parks, site
47 preparation, gardening, administrative, community, health,
48 recreational, educational, welfare or other purposes. The term

1 "housing project" also may be applied to the planning of the
2 buildings and improvements, the acquisition of property, the
3 demolition of existing structures, the construction, reconstruction,
4 alteration and repair of the improvements and all other work in
5 connection therewith.

6 "Non-condemnation redevelopment area" means a
7 redevelopment area in which a redevelopment entity can exercise
8 all of the powers set forth in section 8 of P.L.1992, c.79
9 (C.40A:12A-8) except for the power of condemnation as set forth in
10 subsection c. of that section.

11 "Persons of low and moderate income" means persons or
12 families who are, in the case of State assisted projects or programs,
13 so defined by the Council on Affordable Housing in the Department
14 of Community Affairs, or in the case of federally assisted projects
15 or programs, defined as of "low and very low income" by the
16 United States Department of Housing and Urban Development.

17 "Public body" means the State or any county, municipality,
18 school district, authority or other political subdivision of the State.

19 "Public housing" means any housing for persons of low and
20 moderate income owned by a municipality, county, the State or the
21 federal government, or any agency or instrumentality thereof.

22 "Publicly assisted housing" means privately owned housing
23 which receives public assistance or subsidy, which may be grants or
24 loans for construction, reconstruction, conservation, or
25 rehabilitation of the housing, or receives operational or maintenance
26 subsidies either directly or through rental subsidies to tenants, from
27 a federal, State or local government agency or instrumentality.

28 "Real property" means all lands, including improvements and
29 fixtures thereon, and property of any nature appurtenant thereto or
30 used in connection therewith, and every estate, interest and right,
31 legal or equitable, therein, including terms for years and liens by
32 way of judgment, mortgage or otherwise, and indebtedness secured
33 by such liens.

34 "Redeveloper" means any person, firm, corporation or public
35 body that shall enter into or propose to enter into a contract with a
36 municipality or other redevelopment entity for the redevelopment or
37 rehabilitation of an area in need of redevelopment, or an area in
38 need of rehabilitation, or any part thereof, under the provisions of
39 **[this act]** P.L.1992, c.79 (C.40A:12A-1 et al.), or for any
40 construction or other work forming part of a redevelopment or
41 rehabilitation project.

42 "Redevelopment" means clearance, replanning, development and
43 redevelopment; the conservation and rehabilitation of any structure
44 or improvement, the construction and provision for construction of
45 residential, commercial, industrial, public or other structures and
46 the grant or dedication of spaces as may be appropriate or necessary
47 in the interest of the general welfare for streets, parks, playgrounds,
48 or other public purposes, including recreational and other facilities

1 incidental or appurtenant thereto, in accordance with a
2 redevelopment plan.

3 "Redevelopment agency" means a redevelopment agency created
4 pursuant to subsection a. of section 11 of P.L.1992, c.79
5 (C.40A:12A-11) or established heretofore pursuant to the
6 "Redevelopment Agencies Law," P.L.1949, c.306 (C.40:55C-1 et
7 al.), repealed by this act, which has been permitted in accordance
8 with the provisions of **[this act]** P.L.1992, c.79 (C.40A:12A-1 et
9 al.) to continue to exercise its redevelopment functions and powers.

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

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

44 "Redevelopment plan" means a plan adopted by the governing
45 body of a municipality for the redevelopment or rehabilitation of all
46 or any part of a redevelopment area, or an area in need of
47 rehabilitation, which plan shall be sufficiently complete to indicate
48 its relationship to definite municipal objectives as to appropriate

1 land uses, public transportation and utilities, recreational and
 2 municipal facilities, and other public improvements; and to indicate
 3 proposed land uses and building requirements in the redevelopment
 4 area or area in need of rehabilitation, or both.

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

13 "Rehabilitation" means an undertaking, by means of the
 14 enlargement, extensive repair, reconstruction or renovation of
 15 existing structures, or the demolition of existing structures with [or
 16 without] the introduction of new construction [or the enlargement
 17 of existing structures,] in any area that has been determined to be in
 18 need of rehabilitation or redevelopment, to eliminate substandard
 19 structural or housing conditions and arrest the deterioration of that
 20 area.

21 "Rehabilitation area" or "area in need of rehabilitation" means
 22 any area determined to be in need of rehabilitation pursuant to
 23 section 14 of P.L.1992, c.79 (C.40A:12A-14).

24 (cf: P.L.2008, c.46, s.1)

25

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

28 4. In exercising the redevelopment and rehabilitation functions
 29 provided for in this act:

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

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

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

40 (3) Adopt a redevelopment plan pursuant to section 7 of
 41 P.L.1992, c.79 (C.40A:12A-7) and, if applicable, the provisions of
 42 section 18 of P.L. , c. (C.) (pending before the Legislature as
 43 this bill);

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

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

47 (1) Conduct, when authorized by the municipal governing body,
 48 a preliminary investigation and hearing and make a

1 recommendation pursuant to subsection b. of section 6 of P.L.1992,
2 c.79 (C.40A:12A-6) or subsection b. of section 15 of P.L. _____,
3 c. (C. _____) (pending before the Legislature as this bill) as to
4 whether an area is in need of redevelopment;

5 (2) Make recommendations concerning a redevelopment plan
6 pursuant to subsection e. of section 7 of P.L.1992, c.79
7 (C.40A:12A-7), or prepare a redevelopment plan pursuant to
8 subsection f. of that section~~].~~;

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

12 c. The municipality shall be responsible for implementing
13 redevelopment plans and carrying out redevelopment projects
14 pursuant to section 8 of P.L.1992, c.79 (C.40A:12A-8). The
15 municipality may execute these responsibilities directly, or in
16 addition thereto or in lieu thereof, ~~through~~ may designate by
17 ordinance either a municipal redevelopment agency, or a municipal
18 housing authority authorized to exercise redevelopment powers
19 pursuant to section 21 of P.L.1992, c.79 (C.40A:12A-21), but there
20 shall be only one redevelopment entity responsible for each
21 redevelopment project. A county improvement authority authorized
22 to undertake redevelopment projects pursuant to the “county
23 improvement authorities law,” P.L.1960, c.183 (C.40:37A-44 et
24 seq.) or the New Jersey Redevelopment Authority, established
25 pursuant to section 4 of P.L.1996, c.62 (C.55:19-23) may also act as
26 a redevelopment entity for a redevelopment project if designated by
27 ordinance of the municipality pursuant to this act. Within a
28 municipality that has been designated the capital of the State, the
29 Capital City Redevelopment Corporation, established pursuant to
30 P.L.1987, c.58 (C.52:9Q-9 et seq.) may also act as a redevelopment
31 entity pursuant to P.L.1992, c.79 (C.40A:12A-1 et al.). The
32 redevelopment entity, so authorized, may contract with any other
33 public body, in accordance with the provisions of section 8 of
34 P.L.1992, c.79 (C.40A:12A-8), for the carrying out of a
35 redevelopment project or any part thereof under its jurisdiction.
36 Notwithstanding the above, the governing body of the municipality
37 may, by ordinance, change or rescind the designation of the
38 redevelopment entity responsible for implementing a redevelopment
39 plan and carrying out a redevelopment project and may have the
40 municipality assume this responsibility ~~itself, but~~; provided,
41 however, that only the redevelopment entity authorized to undertake
42 a particular redevelopment project shall remain authorized to
43 complete it, unless the redevelopment entity and redeveloper agree
44 otherwise, or unless no obligations have been entered into by the
45 redevelopment entity with parties other than the municipality. This
46 shall not diminish the power of the municipality to dissolve a
47 redevelopment entity pursuant to section 24 of P.L.1992, c.79

(C.40A:12A-24), and section 20 of the "Local Authorities Fiscal Control Law," P.L.1983, c.313 (C.40A:5A-20).

d. (1) No municipality shall exercise the power of eminent domain in a condemnation redevelopment area for the acquisition of land subject to the protections provided under section 12 of the "Agriculture Retention and Development Act," P.L.1983, c.32 (C.4:1C-19);

(2) Acquisition of property for redevelopment purposes shall not impair or supersede protections applicable to that property under any federal or State law, covenant, easement, or conservation restriction for the preservation of any natural resource, water supply, flood plain, or endangered species, and public access to and use thereof, including, without limitation, the "Freshwater Wetlands Protection Act," P.L.1987, c.156 (C.13:9B-1 et seq.), "The Wetlands Act of 1970," P.L.1970, c.272 (C.13:9A-1 et seq.), the "Pinelands Protection Act," P.L.1979, c.111 (C.13:18A-1 et seq.), and the "Highlands Water Protection and Planning Act," P.L.2004, 120 (C.13:20-1 et seq.).

e. A municipal governing body, a municipal planning board, or a redevelopment entity may exercise any power and carry out any responsibility under P.L.1992, c.79 (40A:12A-1 et al.), notwithstanding that the municipality's master plan does not contain a redevelopment plan element as set forth in paragraph (16) of subsection b. of section 19 of P.L.1975, c.291 (C.40:55D-28).
(cf: P.L.2009, c.252, s.14)

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

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

a. The generality of buildings are substandard, unsafe, unsanitary, dilapidated, or obsolescent, or possess any of such characteristics, or are so lacking in light, air, or space, as to be **【conducive to unwholesome living or working conditions】** detrimental to the safety, health, or welfare of the community.

b. The discontinuance of the use of buildings previously used for commercial, manufacturing, or industrial purposes; the

1 abandonment of such buildings; or the same being allowed to fall
2 into so great a state of disrepair as to be untenable or detrimental
3 to the safety, health, or welfare of the community.

4 c. [Land that is owned by the municipality, the county, a local
5 housing authority, redevelopment agency or redevelopment entity,
6 or unimproved] Unimproved vacant land that has remained so for a
7 period of ten years prior to adoption of the resolution or ordinance,
8 as appropriate, and [by reason of its location, remoteness, lack of
9 means of access to developed sections or portions of the
10 municipality, or topography, or nature of the soil, is not likely to be
11 developed through the instrumentality of private capital] causes
12 conditions that are detrimental to the safety, health, or welfare of
13 the community.

14 d. Areas with buildings or improvements which, by reason of
15 dilapidation, obsolescence, overcrowding, [faulty arrangement or
16 design,] lack of ventilation, light and sanitary facilities, excessive
17 land coverage, deleterious land use [or obsolete layout], or any
18 combination of these or other similar factors, are detrimental to the
19 safety, health, [morals,] or welfare of the community.

20 e. A growing lack or total lack of proper utilization of areas
21 caused by the condition of the title, diverse ownership of the real
22 property therein or other similar conditions, resulting in a stagnant
23 [or] and [not fully productive] unproductive condition of land
24 [potentially useful and valuable for contributing to and serving the
25 public health, safety and welfare].

26 f. Areas, in excess of five contiguous acres, whereon buildings
27 or improvements have been destroyed, consumed by fire,
28 demolished or altered by the action of storm, fire, cyclone, tornado,
29 earthquake or other casualty in such a way that the aggregate
30 assessed value of the area has been materially depreciated.

31 g. In any municipality in which an enterprise zone has been
32 designated pursuant to the "New Jersey Urban Enterprise Zones
33 Act," P.L.1983, c.303 (C.52:27H-60 et seq.) the execution of the
34 actions prescribed in that act for the adoption by the municipality
35 and approval by the New Jersey Urban Enterprise Zone Authority
36 of the zone development plan for the area of the enterprise zone
37 shall be considered sufficient for the determination that the area is
38 in need of redevelopment pursuant to sections 5 and 6 of P.L.1992,
39 c.79 (C.40A:12A-5 and 40A:12A-6) for the purpose of granting tax
40 exemptions within the enterprise zone district pursuant to the
41 provisions of P.L.1991, c.431 (C.40A:20-1 et seq.) or the adoption
42 of a tax abatement and exemption ordinance pursuant to the
43 provisions of P.L.1991, c.441 (C.40A:21-1 et seq.). The
44 municipality shall not utilize any other redevelopment powers
45 within the urban enterprise zone unless the municipal governing
46 body and planning board have also taken the actions and fulfilled
47 the requirements prescribed in P.L.1992, c.79 (C.40A:12A-1 et al.)

1 for determining that the area is in need of redevelopment or an area
2 in need of rehabilitation and the municipal governing body has
3 adopted a redevelopment plan ordinance including the area of the
4 enterprise zone.

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

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

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

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

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

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

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

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

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

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

1 simple, clear, understandable, and easily readable language. The
2 notice shall include the following statement in bold typeface:

3
4 **THE GOVERNING BODY OF _____ IS**
5 **CONSIDERING DESIGNATING PART OF THE**
6 **MUNICIPALITY AS A "NON-CONDEMNATION**
7 **REDEVELOPMENT AREA." THIS DESIGNATION DOES**
8 **NOT ALLOW FOR THE TAKING OF PROPERTY BY**
9 **CONDEMNATION FOR REDEVELOPMENT PURPOSES.**
10 **PROPERTY CAN ONLY BE TAKEN BY**
11 **CONDEMNATION FOR REDEVELOPMENT PURPOSES**
12 **IF IT IS LOCATED IN AN AREA DESIGNATED AS A**
13 **"CONDEMNATION REDEVELOPMENT AREA" AND**
14 **THE MUNICIPALITY PROVIDES PROPER NOTICE OF**
15 **THAT DESIGNATION.**
16

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

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

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

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

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

46 (4) At the hearing, which may be adjourned from time to time,
47 the planning board shall hear all persons who are interested in or
48 would be affected by a determination that the delineated area is a

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

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

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

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

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

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

45
46 **THE GOVERNING BODY OF** **HAS**
47 **DESIGNATED PART OF THE MUNICIPALITY AS A "NON-**
48 **CONDEMNATION REDEVELOPMENT AREA."** **THIS**

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

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

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

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

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

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

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

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

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

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

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

39 (3) (a) The public hearing notice shall be written in simple, clear,
40 understandable, and easily readable language. The notice shall
41 specifically and fairly alert the property owners, legal tenants and
42 lessees of, as well as claimants of an interest in, all parcels of
43 property located within the boundaries of the proposed
44 condemnation redevelopment area that the parcel of property that
45 they have an interest in is being considered for inclusion in the
46 condemnation redevelopment area. The notice shall clearly state
47 that the public hearing will begin the process through which it will
48 be decided whether private property located within the proposed

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

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

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

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

19 (iii) A copy of the notice also shall be posted within or proximate
20 to each property within the proposed condemnation redevelopment
21 area.

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

1 an interest in any parcel of property in the municipality. The notice
2 required by this paragraph shall be published, posted, and mailed by
3 the municipal clerk, or by such clerk or official as the planning
4 board shall otherwise designate. Mailing shall be by regular mail
5 and by certified mail, return receipt requested. Failure to mail any
6 such notice shall be governed by the provisions of section 27 of
7 P.L. , c. (C.) (pending before the Legislature as this bill).

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

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

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

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

30 (c) Forthwith after introduction of the ordinance, the clerk of the
31 municipality shall transmit a copy of the ordinance to the
32 Commissioner of Community Affairs for review ¹and to the Office
33 of the Public Advocate for informational purposes¹. If the
34 condemnation redevelopment area is not situated in an area in
35 which development or redevelopment is to be encouraged pursuant
36 to any State law or regulation promulgated pursuant thereto, the
37 ordinance shall not be finally adopted without first receiving the
38 review and the approval of the commissioner. If the commissioner
39 does not issue an approval or disapproval within 30 calendar days
40 of transmittal by the clerk, the municipality may proceed to finally
41 adopt the ordinance. If the area in need of redevelopment is
42 situated in an area in which development or redevelopment is to be
43 encouraged pursuant to any State law or regulation promulgated
44 pursuant thereto, then the municipality may proceed to finally adopt
45 the ordinance without waiting for the commissioner's review.

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

(e) (i) Notice of final adoption of an ordinance making a determination that an area is a condemnation redevelopment area shall be served, within 10 days after the final adoption of the ordinance making the determination, upon each person who received notice of the public hearing in accordance with subparagraph (b) of paragraph (3) of this subsection in the same manner as provided therein. The notice shall specifically and fairly alert the property owners, legal tenants and lessees of, as well as claimants of an interest in, all parcels of property located within the boundaries of the condemnation redevelopment area that the parcel of property that they own, or have an interest in, is included within the condemnation redevelopment area. The notice shall clearly state that this redevelopment determination operates as a finding of public purpose and authorizes the municipality to acquire the parcel of property that they own, or have an interest in, against their will, by condemnation for redevelopment purposes. The notice shall clearly inform the owners, legal tenants and lessees of, as well as claimants of an interest in, all parcels of property located within the boundaries of the condemnation redevelopment area that any action or proceeding of any kind or nature in any court questioning the validity of the adoption of the ordinance or the determination contained therein, shall be commenced within 60 days after the date of the first publication of notice under subparagraph (iii) of this paragraph.

The notice shall include the following statement in boldface type:

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

(ii) Forthwith after mailing the notices required to be mailed pursuant to sub-subparagraph (i) of this subparagraph, the clerk of the municipality shall file in the office of the county clerk or register of deeds and mortgages, as the case may be, of the county in which the affected real estate is situate, a copy of each written

1 notice required to be mailed to a property owner pursuant to sub-
2 subparagraph (i) of this subparagraph. The county clerk or register
3 of deeds and mortgages, with whom a notice is filed, shall forthwith
4 record the same, with the time of the filing thereof, in a proper book
5 provided and kept for the purpose of maintaining a record of
6 properties located within condemnation redevelopment areas
7 designated within the county. The record book shall be properly
8 indexed, and shall be a public record, to which persons desiring to
9 examine the same shall have access.

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

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

31 (7) If a person shall, within 60 days following the date of the
32 notice, apply to the Superior Court, the court may grant further
33 review of the determination by procedure in lieu of prerogative
34 writ; and in any such action the court may make any incidental
35 order that it deems proper.

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

45
46 16. (New section) a. Designation of an area as a redevelopment
47 area shall lapse seven years following: (1) the adoption of the
48 resolution or ordinance, as appropriate, making the determination if

1 the municipality has not adopted a redevelopment plan for that
2 redevelopment area and made substantial progress on implementing
3 the plan, or (2) the final adoption of the original redevelopment plan
4 if no projects have been commenced pursuant to the redevelopment
5 plan, or one or more projects have been commenced but cumulative
6 stoppages of construction work that are attributable to the action or
7 inaction of the developer or redeveloper have totaled more than 365
8 days, however, despite cumulative work stoppages totaling more
9 than 365 days, a redevelopment area designation shall not lapse
10 while work on a project is ongoing. Work on a project shall be
11 considered to be ongoing despite work stoppages that are not
12 attributable to the action or inaction of the developer or
13 redeveloper. For the purposes of this subsection, a bona fide
14 agreement for project financing shall constitute commencement of a
15 project or substantial progress on implementing the plan.

16 b. In any action or proceeding before the court questioning the
17 validity of a redevelopment determination, the municipality,
18 redevelopment entity, or redeveloper shall be responsible for
19 producing the exhibits that were relied upon to support the
20 redevelopment area determination.

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

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

27
28 17. Section 7 of P.L.1992, c.79 (C.40A:12A-7) is amended to
29 read as follows:

30 7. a. Following the determination of a non-condemnation
31 redevelopment area pursuant to section 6 of P.L.1992, c.79
32 (C.40A:12A-6), the determination of a condemnation
33 redevelopment area pursuant to section 15 of P.L. , c. (C.)
34 (pending before the Legislature as this bill), or the determination of
35 an area in need of rehabilitation pursuant to section 14 of P.L.1992,
36 c.79 (C.40A:12A-14), the municipality may undertake the
37 preparation of a redevelopment plan for all or some part of the area
38 determined to be in need of redevelopment or rehabilitation,
39 directly in accordance with subsection e. of this section, or, by
40 resolution, may direct the municipal planning board to develop such
41 plan in accordance with subsection f. of this section. No
42 redevelopment project shall be undertaken or carried out except in
43 accordance with a redevelopment plan adopted by ordinance of the
44 municipal governing body **[, upon its finding that the]** relating to a
45 specifically delineated project area that is located in an area in need
46 of redevelopment or in an area in need of rehabilitation, or in both,
47 according to criteria set forth in section 5 or section 14 of P.L.1992,
48 c.79 (C.40A:12A-5 or 40A:12A-14), as appropriate. The ordinance

1 shall be adopted in accordance with the provisions contained in this
2 section. Additionally, an ordinance adopting a redevelopment plan
3 for an area located in a condemnation redevelopment area shall
4 comply with the provisions contained in section 18 of P.L. _____,
5 c. (C. _____) (pending before the Legislature as this bill).

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

9 (1) **【Its】** The relationship of the plan to 【definite】 local
10 objectives as set forth in the municipal master plan or other official
11 documents with respect to 【appropriate】 land uses, density of
12 population, 【and improved】 improvements or changes to traffic
13 circulation, pedestrian circulation and public transportation, public
14 utilities, recreational and community facilities and other public
15 improvements.

16 (2) Proposed land uses and building requirements in the project
17 area, including the character, intensity and scale of proposed
18 redevelopment activities, and the design and planning standards and
19 guidelines to govern those activities.

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

36 (4) (a) An identification, by block and lot and street address, if
37 any, of 【any】 every property within the redevelopment area
38 【which】. The redevelopment plan shall indicate whether each
39 property so identified is proposed to be acquired 【in accordance
40 with the redevelopment plan】.

41 (b) With regard to properties located within a condemnation
42 redevelopment area, the redevelopment plan shall indicate each
43 property's relationship to the objectives of the redevelopment plan
44 that cannot be realistically achieved without the acquisition of that
45 property, any alternatives that were considered to the proposed
46 acquisition, and the reasons that such alternatives would not provide
47 for realistic achievement of the objectives of the redevelopment

1 plan, if adopted. The allocation of the cost of this assessment shall
2 be negotiated and agreed upon between the municipality and the
3 redevelopment entity.

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

9 (6) As of the date of the adoption of the resolution finding the
10 area to be in need of redevelopment, an inventory of all housing
11 units affordable to low and moderate income households, as defined
12 pursuant to section 4 of P.L.1985, c.222 (C.52:27D-304), that are to
13 be removed as a result of implementation of the redevelopment
14 plan, whether as a result of subsidies or market conditions, listed by
15 affordability level, number of bedrooms, and tenure.

16 (7) **【A plan for the provision, through new construction or**
17 **substantial rehabilitation of one】** Provisions for the replacement of
18 any housing that was constructed for low and moderate income
19 households under the terms of any State or federal housing subsidy
20 program, which housing is to be removed as a result of the
21 redevelopment plan, with comparable, affordable replacement
22 housing **【unit for each affordable housing unit that has been**
23 **occupied at any time within the last 18 months, that is subject to**
24 **affordability controls and that is identified as to be removed as a**
25 **result of implementation of the redevelopment plan】** units.
26 Displaced residents of housing units provided under any State or
27 federal housing subsidy program, or pursuant to the "Fair Housing
28 Act," P.L.1985, c.222 (C.52:27D-301 et al.), provided they are
29 deemed to be eligible, shall have first priority for those replacement
30 units provided under the plan **【; provided that any such】** . A
31 replacement unit shall not be credited against a prospective
32 municipal obligation under the "Fair Housing Act," P.L.1985, c.222
33 (C.52:27D-301 et al.), if the housing unit which is removed had
34 previously been credited toward satisfying the municipal fair share
35 obligation. Rental comparable, affordable replacement housing
36 units shall contain affordability controls restricting occupancy to
37 low and moderate income households for a period of at least 45
38 years, unless another period is established under an applicable State
39 or federal financing program. To the extent reasonably feasible,
40 replacement housing shall be provided within or in close proximity
41 to the redevelopment area. A municipality shall report annually to
42 the Department of Community Affairs on its progress in
43 implementing the **【plan for】** provision of comparable, affordable
44 replacement housing **【required】** in accordance with a plan adopted
45 pursuant to this section.

46 (8) An estimate of the number of dwelling units for low and
47 moderate income households that may be required as a result of

1 implementing the redevelopment plan, in order to meet the
2 municipality's obligations under the "Fair Housing Act," P.L.1985,
3 c.222 (C.52:27D-301 et al.), and the municipality's plan for meeting
4 those obligations within or outside the redevelopment area.

5 (9) The social and economic impact of the redevelopment area,
6 including its effect on those parts of the municipality adjacent to the
7 redevelopment area, and on the low and moderate income residents
8 of the area, further including estimates of the number of temporary
9 and permanent jobs that will be available to the low and moderate
10 income residents of the area.

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

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

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

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

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

45 d. All provisions of the redevelopment plan shall be either
46 substantially consistent with the municipal master plan or designed
47 to effectuate the master plan; but the municipal governing body may
48 adopt a redevelopment plan which is inconsistent with or not

1 designed to effectuate the master plan by affirmative vote of a
2 majority of its full authorized membership with the reasons for so
3 acting set forth in the redevelopment plan.

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

29 f. The governing body of a municipality may direct the
30 planning board to prepare a redevelopment plan or an amendment
31 or revision to a redevelopment plan for a designated redevelopment
32 area. After completing the redevelopment plan, the planning board
33 shall transmit the proposed plan to the governing body for its
34 adoption. The governing body, when considering the proposed
35 plan, may amend or revise any portion of the proposed
36 redevelopment plan by an affirmative vote of the majority of its full
37 authorized membership and shall record in its minutes the reasons
38 for each amendment or revision. When a redevelopment plan or
39 amendment to a redevelopment plan is referred to the governing
40 body by the planning board under this subsection, the governing
41 body shall be relieved of the referral requirements of subsection e.
42 of this section.

43 (cf: P.L.2008, c.46, s.2)

44

45 18. (New section) a. In addition to the requirements contained
46 in section 7 of P.L.1992, c.79 (C.40A:12A-7), an ordinance
47 adopting a redevelopment plan for an area located in a

1 condemnation redevelopment area shall comply with the provisions
2 contained in this section.

3 b. Notice of the public hearing on the ordinance shall state the
4 date, time, and location of the public hearing, shall identify where
5 the proposed redevelopment plan is available for examination and
6 shall identify, by block and lot and street address, if any, the parcels
7 that may be included in a condemnation area and subject to
8 acquisition and the power of eminent domain under the proposed
9 redevelopment plan.

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

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

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

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

47 (c) For property owners whose properties do not exhibit
48 conditions of blight and are proposed to be acquired under the

1 redevelopment plan, the notice shall specify the reason why
 2 acquiring the property is necessary for the redevelopment of the
 3 area.

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

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

13 d. At the public hearing, the municipal governing body shall
 14 hear all persons who are interested in or would be affected by the
 15 provisions of the redevelopment plan, and such persons shall be
 16 allowed to ask questions concerning the plan, although the
 17 governing body may, by vote of its majority, restrict or limit the
 18 amount of time afforded for each person to speak and may adopt
 19 reasonable procedures for preventing repetitive or dilatory
 20 questioning. A record of the public hearing shall be kept by the
 21 municipal clerk. Upon the close of the public hearing, the
 22 municipal governing body may vote to finally adopt the ordinance.

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

29 (2) Additionally, notice of final adoption of an ordinance making
 30 a determination shall be published in the official newspaper of the
 31 municipality, together with the date of the first publication of such
 32 notice and also a statement that any action or proceeding of any
 33 kind or nature in any court questioning the validity of the adoption
 34 of the ordinance or the determination contained therein, shall be
 35 commenced within 60 days after the first publication of such notice.

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

39

40 **THE GOVERNING BODY OF _____ HAS**
 41 **IDENTIFIED THE PROPERTY YOU OWN OR RENT FOR**
 42 **POSSIBLE ACQUISITION THROUGH EMINENT**
 43 **DOMAIN. IF YOU WISH TO CONTEST THE**
 44 **IDENTIFICATION OF YOUR PROPERTY FOR**
 45 **POSSIBLE ACQUISITION OR CHALLENGE ANY**
 46 **PROVISION OF THE REDEVELOPMENT PLAN, YOU**
 47 **MUST FILE YOUR LAWSUIT BY (60th day after the date of**
 48 **first publication) WHICH IS THE 60TH DAY AFTER THE**

**DATE OF FIRST PUBLICATION OF THIS NOTICE, OR
YOUR RIGHT TO CHALLENGE THE PLAN MAY BE
BARRED FOREVER, UNLESS OTHERWISE PERMITTED
BY THE COURTS.**

f. The municipality may not finally authorize and execute an agreement with a redeveloper until 60 days next following the final adoption of the ordinance adopting a redevelopment plan for a condemnation redevelopment area pursuant to this section, unless the redeveloper is the owner of the property that is the subject of the redevelopment agreement.

g. Amendments and revisions to redevelopment plans for condemnation redevelopment areas shall comply with the provisions contained in this section if the proposed changes: (1) add a property or properties to those previously identified for acquisition; (2) increase the residential density by 20 percent or more; (3) increase the non-residential square footage by 20 percent or more; (4) increase the area subject to the redevelopment plan or (5) extend the period of time within which any land or building which is necessary for a redevelopment project may be acquired by condemnation; however, an amendment or revision to a redevelopment plan extending the period of time to acquire property by condemnation need only comply with the requirements contained in paragraph (3) of subsection c. of this section and paragraph (1) of subsection e. of this section with regard to parcels of property subject to the proposed extension of time to condemn.

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

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

Prior to the exercise of any power granted pursuant to this section that will result in a substantial negative environmental impact on, or safety risk to, other persons or businesses remaining in the redevelopment area, the municipality or redeveloper, or a designee, shall offer those persons and businesses relocation assistance in accordance with the "Relocation Assistance Law of 1967," P.L.1967, c.79 (C.52:31B-1 et seq.) and the "Relocation Assistance Act," P.L.1971, c.362 (C.20:4-1 et seq.). The Commissioner of Community Affairs, in consultation with the Commissioner of Environmental Protection, shall promulgate rules and regulations within 180 days of enactment of P.L. , c. (C.) (pending before the Legislature as this bill) to clarify the circumstances requiring the offer of relocation assistance to persons or businesses under this section. The requirement to offer

1 relocation assistance under this section shall be applicable to
2 actions taken to implement redevelopment plans that are adopted
3 after the date that the rules and regulations provided herein are
4 promulgated.

5 In order to carry out and effectuate the purposes of this act and
6 the terms of the redevelopment plan, the municipality or designated
7 redevelopment entity may:

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

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

13 c. Acquire, by condemnation, within five years of the adoption
14 of a redevelopment plan for a condemnation redevelopment area, or
15 within five years of an amendment or revision thereto any land or
16 building which is necessary for the redevelopment project, pursuant
17 to the provisions of the "Eminent Domain Act of 1971," P.L.1971,
18 c.361 (C.20:3-1 et seq.) and the "Local Redevelopment and Housing
19 Law," P.L.1992, c.79 (C.40A:12A-1 et al.). If the municipality or
20 redevelopment entity acquires by condemnation contaminated
21 property, and the property is undergoing a remediation, the
22 municipality may petition the Department of Environmental
23 Protection, in writing, for authority to perform the remediation of
24 the condemned property in accordance with the provisions of
25 section 1 of P.L.2005, c.355 (C.58:10B-3.1).

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

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

34 f. Arrange or contract with public agencies or redevelopers for
35 the planning, replanning, construction, or undertaking of any
36 project or redevelopment work, or any part thereof; negotiate and
37 collect revenue from a redeveloper to defray the costs of the
38 redevelopment entity, including where applicable the costs incurred
39 in conjunction with bonds, notes or other obligations issued by the
40 redevelopment entity, and to secure payment of such revenue; as
41 part of any such arrangement or contract, provide for extension of
42 credit, or making of loans, to redevelopers to finance any project or
43 redevelopment work, or upon a finding that the project or
44 redevelopment work would not be undertaken but for the provision
45 of financial assistance, or would not be undertaken in its intended
46 scope without the provision of financial assistance, provide as part
47 of an arrangement or contract for capital grants to redevelopers; and
48 arrange or contract with public agencies or redevelopers for the

1 opening, grading or closing of streets, roads, roadways, alleys, or
2 other places or for the furnishing of facilities or for the acquisition
3 by such agency of property options or property rights or for the
4 furnishing of property or services in connection with a
5 redevelopment area.

6 g. Except with regard to property subject to the requirements of
7 P.L.2008, c.65 (C.40A:5-14.2 et al.), lease or convey property or
8 improvements to any other party pursuant to this section, without
9 public bidding and at such prices and upon such terms as it deems
10 reasonable, provided that the lease or conveyance is made in
11 conjunction with a redevelopment plan, notwithstanding the
12 provisions of any law, rule, or regulation to the contrary.

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

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

21 j. Make, consistent with the redevelopment plan: (1) plans for
22 carrying out a program of voluntary repair and rehabilitation of
23 buildings and improvements; and (2) plans for the enforcement of
24 laws, codes, and regulations relating to the use and occupancy of
25 buildings and improvements, and to the compulsory repair,
26 rehabilitation, demolition, or removal of buildings and
27 improvements.

28 k. Request that the planning board recommend and governing
29 body designate particular areas as being in need of redevelopment
30 or rehabilitation in accordance with the provisions of this act and
31 make recommendations for the redevelopment or rehabilitation of
32 such areas.

33 l. Study the recommendations of the planning board or
34 governing body for redevelopment of the area.

35 m. Publish and disseminate information concerning any
36 redevelopment area, plan or project.

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

38 o. Request expedited permit application reviews and approval,
39 in accordance with P.L.2004, c.89 (C.52:27D-10.2 et al.), for
40 property located in a redevelopment area, and utilize the New
41 Jersey Redevelopment Authority for these purposes.

42 (cf: P.L.2008, c.65, s.8)

43
44 20. (New section) a. For all areas determined to be in need of
45 redevelopment, the municipality shall submit to the Department of
46 Community Affairs a map outlining the physical boundaries of the
47 redevelopment area, the preliminary investigation report, and a
48 copy of the ordinance making the determination. This information

1 shall be transmitted on or before the 60th day following the
2 effective date of P.L. , c. (C.) (pending before the Legislature
3 as this bill) for areas that were determined to be in need of
4 redevelopment on or prior to the effective date of P.L. ,
5 c. (C.) (pending before the Legislature as this bill), or within 10
6 days after the area is determined to be in need of redevelopment
7 after the effective date of P.L. , c. (C.) (pending before the
8 Legislature as this bill). The municipality also shall disclose to the
9 Department of Community Affairs, with updates as required by the
10 department, an accounting of the cost of all municipal investments
11 made in the redevelopment area subsequent to the final adoption of
12 a resolution or ordinance, as applicable, determining the area as in
13 need of redevelopment, including, but not limited to, the granting of
14 tax exemptions, the issuance of density bonuses, and the value of
15 municipal infrastructure provided in the implementation of the plan.
16 In addition, the municipality shall disclose any other public
17 infrastructure to be provided in the redevelopment area using public
18 funds.

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

25 c. Each year the Department of Community Affairs shall issue a
26 report that lists the location of all areas currently determined to be
27 in need of redevelopment in New Jersey; basic data for each area
28 about its size, population, the status of the redevelopment plan
29 implementation, the length of time the area has been designated as
30 an area in need of redevelopment, an accounting of the cost of all
31 municipal investments and an enumeration of other investments
32 made in the area using public funds subsequent to the final adoption
33 of an ordinance determining the area as in need of redevelopment,
34 as set forth in subsection a. of this section, the number of times
35 eminent domain has been used and the number of properties that
36 have been condemned in each condemnation redevelopment area,
37 and data on compensation received by property owners, when
38 available. This report shall be made available to the general public
39 upon request and on the Department of Community Affairs Internet
40 web site.

41
42 21. (New section) a. When a redevelopment entity seeks to
43 acquire property for redevelopment purposes, the written offer of
44 just compensation required under section 6 of P.L.1971, c.361
45 (C.20:3-6) shall include the amount of the approved appraisal, the
46 amounts required pursuant to section 26 of P.L.1971, c.361 (C.20:3-
47 26), plus:

- 1 (1) reimbursement for reasonable costs to verify the appraisal on
- 2 residential and small business property;
- 3 (2) reimbursement for reasonable legal costs of the prospective
- 4 condemnee to review the basis for condemnation on residential and
- 5 small business property, up to \$500;
- 6 (3) lost rents for the period of time between the determination
- 7 that an area is a condemnation redevelopment area and the date of
- 8 the offer;
- 9 (4) the amount of relocation assistance to which the prospective
- 10 condemnee is entitled; and
- 11 (5) with regard to a prospective condemnee who has an approved
- 12 application for development under the "Municipal Land Use Law,"
- 13 P.L.1975, c.291 (C.40:55D-1 et seq.), reimbursement of actual
- 14 reasonable costs expended in securing the approval and in
- 15 commencing any approved development.
- 16 b. When a redevelopment entity seeks to acquire property for
- 17 redevelopment purposes, the amount of the written offer of just
- 18 compensation required under section 6 of P.L.1971, c.361 (C.20:3-
- 19 6) shall be no less than the "replacement value" of the property.
- 20 For residential properties, "replacement value" means the
- 21 approximate value of a residential property of similar size and
- 22 quality under comparable conditions, within the municipality and
- 23 within a reasonable distance of the property being condemned or
- 24 otherwise acquired for redevelopment. For properties other than
- 25 residential properties, "replacement value" means the approximate
- 26 value of a property of similar size and quality, able to be utilized for
- 27 the same business purpose within the municipality or, if no
- 28 comparable property is located within the municipality, within a
- 29 reasonable distance of the property being condemned or otherwise
- 30 acquired for redevelopment.
- 31 c. Notwithstanding the requirements of section 30 of P.L.1971,
- 32 c.361 (C.20:3-30) concerning the date for the determination of just
- 33 compensation to the contrary, with regard to property being
- 34 acquired for redevelopment purposes, the written offer made by the
- 35 condemnor pursuant to section 6 of P.L.1971, c.361 (C.20:3-6) and
- 36 the determination of just compensation for the property shall be
- 37 determined as of the date described in section 30 of P.L.1971, c.361
- 38 (C.20:3-30) that results in the highest valuation for the property
- 39 unless a determination based upon the date on which action is taken
- 40 by the condemnor which substantially affects the value of the
- 41 property of the condemnee results in a higher valuation.
- 42 d. If an offer with regard to property being acquired for
- 43 redevelopment purposes is not accepted and the award of the
- 44 condemnation commissioners is increased on appeal pursuant to
- 45 section 13 of P.L.1971, c.361 (C.20:3-13), then the condemnor also
- 46 shall pay the condemnee's reasonable legal fees expended by the
- 47 condemnee to appeal the commissioners' award.

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

6 f. When a non-blighted property is included in a condemnation
7 redevelopment area, the property shall not be condemned unless the
8 condemnor is able to certify in its condemnation complaint that it
9 has exhausted all avenues to acquire the property, that acquisition
10 of the property cannot be negotiated despite its best efforts, and that
11 the property is necessary to the viability of the redevelopment
12 project.

13 g. Every resident and small business operator displaced as a
14 result of a redevelopment project shall have a limited right of first
15 refusal to purchase or lease a dwelling unit or business space
16 subsequently constructed within the redevelopment project as set
17 forth in this section:

18 (1) At such time residents and small business operators are
19 provided notice under a workable relocation assistance program
20 pursuant to law or regulation, they shall be provided with the
21 opportunity to have their names entered into a registry of residents
22 or a registry of small business operators, as the case may be,
23 seeking the opportunity to purchase or lease a dwelling unit or
24 business space, as the case may be, in the redevelopment project.
25 The registry shall be maintained by the municipal relocation officer
26 designated under the workable relocation assistance program, a
27 copy of which shall be forwarded to, and also maintained by, the
28 Department of Community Affairs.

29 (2) At such time that any residential development containing
30 more than 10 dwelling units, or any nonresidential or mixed use
31 development containing more than 18,000 square feet of floor area,
32 shall be constructed in any redevelopment area as a redevelopment
33 project, the developer shall notify each individual on the
34 appropriate registry, by registered mail and by e-mail to their last
35 known mailing or e-mail address, as may be available, of their
36 opportunity to purchase or lease a dwelling unit or business space,
37 as applicable. It shall be the sole responsibility of the individual to
38 maintain a current mailing address with the registry, and the
39 developer shall be under no obligation to provide notice except as
40 set forth in this subsection.

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

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

3 14. a. A delineated area may be determined to be in need of
4 rehabilitation if the governing body of the municipality determines
5 by resolution that a program of rehabilitation may be expected to
6 prevent further deterioration and promote the overall development
7 of the community and that there exist in that area conditions such
8 that:

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

14 (2) **[more than half]** a significant amount of the housing stock
15 **[in the delineated area is at least 50 years old, or a majority of the**
16 **water and sewer]** or infrastructure in the delineated area, or both, is
17 **[at least 50 years old and is]** in need of repair or substantial
18 maintenance; **[and]**

19 (3) **[a program of rehabilitation, as defined in section 3 of**
20 **P.L.1992, c.79 (C.40A:12A-3), may be expected to prevent further**
21 **deterioration and promote the overall development of the**
22 **community]** (Deleted by amendment, P.L. , c. .) (pending before
23 the Legislature as this bill):

24 (4) areas with a significant portion of its buildings or
25 improvements evidencing dilapidation, obsolescence,
26 overcrowding, faulty arrangement or design, lack of ventilation,
27 light and sanitary facilities, excessive land coverage, deleterious
28 land use or obsolete layout, or any combination of these or other
29 factors; or

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

34 The resolution determining that the area is in need of
35 rehabilitation shall be based upon a written report documenting the
36 conditions that provide the basis for the determination that the area
37 is in need of rehabilitation. Where warranted by consideration of
38 the overall conditions and requirements of the community, a finding
39 of need for rehabilitation may extend to the entire area of a
40 municipality. Prior to adoption of the resolution, the governing
41 body shall submit **[it]** the proposed resolution together with the
42 report that provides the basis for the determination to the municipal
43 planning board for its review. Within 45 days of its receipt of the
44 proposed resolution, the municipal planning board shall submit its
45 recommendations regarding the proposed resolution, including any
46 modifications which it may recommend, to the governing body for
47 its consideration. Thereafter, or after the expiration of the 45 days

1 if the municipal planning board does not submit recommendations,
2 the governing body may adopt the resolution, with or without
3 modification. The resolution shall not become effective without the
4 approval of the commissioner pursuant to section 6 of P.L.1992,
5 c.79 (C.40A:12A-6), if otherwise required pursuant to that section.

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

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

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

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

37 (2) For the purposes of this subsection, "renovation housing
38 project" means any work or undertaking to provide a decent, safe,
39 and sanitary single-family dwelling, to exclusively benefit at least
40 half of the number of people occupying a dwelling as their primary
41 residence, by the renovation, reconstruction, or replacement of that
42 dwelling on the same lot by either a charitable entity organized to
43 perform home renovations or by a for-profit builder using 75% or
44 more volunteer labor-hours to accomplish the construction for the
45 project. The undertaking may include any buildings; demolition,
46 clearance, or removal of buildings from land; equipment; facilities;
47 or other personal properties or interests therein which are necessary,

1 convenient, or desirable appurtenances of the undertaking.
2 (cf: P.L.2007, c.91, s.1)

3
4 23. Section 15 of P.L.1992, c.79 (C.40A:12A-15) is amended to
5 read as follows:

6 15. In accordance with the provisions of a redevelopment plan
7 adopted pursuant to section 7 of P.L.1992, c.79 (C.40A:12A-7), a
8 municipality or redevelopment entity may proceed with clearance,
9 replanning, conservation, development, redevelopment and
10 rehabilitation of an area in need of rehabilitation. **【With respect to**
11 **a redevelopment project in】** In an area in need of rehabilitation, the
12 municipality or redevelopment entity, upon the adoption of a
13 redevelopment plan for the area, may perform any of the actions set
14 forth in section 8 of P.L.1992, c.79 (C.40A:12A-8), except that
15 **【with respect to such a project】** the municipality shall not have the
16 power to use eminent domain to take or acquire private property by
17 condemnation in furtherance of a redevelopment plan, unless **【**: a.
18 the area is within an area determined to be in need of
19 redevelopment pursuant to this act; or b.**】** exercise of that power is
20 authorized under any other law of this State.

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

22
23 24. (New section) a. Whenever a municipality or redevelopment
24 entity wishes to enter into an agreement with a redeveloper and
25 either (1) 20% or more of the redevelopment project or projects will
26 be constructed on land owned by the municipality which will be
27 conveyed to that redeveloper, or (2) 20% or more of the project or
28 projects will be constructed upon land within an area in need of
29 redevelopment that is subject to acquisition by the municipality or
30 redevelopment entity pursuant to the redevelopment plan, then the
31 municipality shall approve, by ordinance, a written agreement
32 designating a redeveloper selected in accordance with this section.

33 b. The municipality or redevelopment entity shall prepare or
34 have prepared request for proposal documentation, which shall
35 include: all requirements deemed appropriate and necessary to
36 allow for full and free competition between potential redevelopers;
37 information necessary for potential redevelopers to submit a
38 proposal, including a copy of the redevelopment plan, a general
39 description of the project or projects, and such municipal public
40 records relating to buildings and improvements within the
41 redevelopment area, including, but not limited to, services provided
42 by public utilities, building permit, and assessment records; and a
43 methodology by which the municipality will evaluate and rank
44 proposals received from potential redevelopers.

45 c. The methodology for selecting a redeveloper shall be based
46 on an evaluation and ranking which may include overall design,
47 technical expertise, demonstrated experience on projects similar to

1 the proposed project, the ability to finance the proposed project, and
2 such other stated criteria as the municipality shall deem relevant.

3 d. (1) At no time during the proposal solicitation process shall
4 the municipality or redevelopment entity, or any employee or agent
5 thereof, knowingly convey information to the public or any
6 potential redeveloper which could confer an unfair advantage upon
7 that potential redeveloper over any other potential redeveloper. If
8 the municipality or redevelopment entity desires to change proposal
9 documentation, the municipality or redevelopment entity shall
10 notify only those potential developers who received the proposal
11 documentation of any and all changes in writing, and all existing
12 documentation shall be changed appropriately.

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

15 e. All proposals shall be required to contain a statement of
16 corporate ownership in accordance with the provisions of section 1
17 of P.L.1977, c.33 (C.52:25-24.2) and specifications concerning
18 equal employment opportunity and affirmative action pursuant to
19 P.L.1975, c.127 (C.10:5-31 et seq.), and the requirement that the
20 work to be performed under the contract shall ensure that
21 employment and other economic opportunities generated by the
22 redevelopment project shall, to the greatest extent feasible, be
23 directed to businesses that are located, and persons who reside,
24 within the area determined to be in need of redevelopment or
25 rehabilitation.

26 f. A notice of the availability of request for proposal
27 documentation shall be published in an official newspaper of the
28 municipality at least 30 days prior to the date established for the
29 submission of proposals. Such notice shall provide the name,
30 address, and phone number of the person who can provide
31 additional information and a proposal document to an interested
32 party. The municipality or redevelopment entity shall promptly
33 reply to any request by an interested party by providing a copy of
34 the request for proposals. The municipality or redevelopment entity
35 may charge a fee for the proposal documentation that shall not
36 exceed \$50 or the cost of reproducing the documentation,
37 whichever is greater.

38 g. Each interested potential redeveloper shall submit a proposal
39 which shall include all the information required by the request for
40 proposals. Failure to meet the requirements of the request for
41 proposals may result in the municipality or redevelopment entity
42 disqualifying the potential redeveloper from further consideration.

43 h. The municipality or redevelopment entity shall review and
44 evaluate all proposals only in accordance with the methodology
45 described in the request for proposals. The review shall be
46 conducted in a manner that avoids disclosure of the contents of any
47 proposal prior to the selection of a redeveloper. The municipality
48 or redevelopment entity may conduct discussions with a potential

1 redeveloper submitting a proposal for the purpose of clarifying the
2 information submitted in the proposal. The municipality or
3 redevelopment entity may at any time revise its proposal document
4 after the review of the submitted proposals if it notifies
5 simultaneously, and in writing, each potential redeveloper that
6 submitted a proposal of the revision and provides a uniform time
7 within which the potential redevelopers may submit a revised
8 proposal for review.

9 i. The municipality or redevelopment entity shall select the
10 proposal that received the highest evaluation and shall negotiate an
11 agreement with the potential redeveloper that submitted the selected
12 proposal. If the municipality or redevelopment entity is unable to
13 negotiate a satisfactory agreement with the potential redeveloper
14 that submitted the selected proposal, it may select the proposal that
15 received the second highest evaluation from among those submitted
16 and proceed to negotiate a satisfactory contract with the potential
17 redeveloper that submitted that proposal. The process shall
18 continue until a redeveloper is selected or the process is abandoned
19 by the municipality or redevelopment entity. The decision to
20 abandon the proposal process shall be by a resolution adopted by
21 the governing body of the municipality or redevelopment entity.

22 j. After a redeveloper has been selected and a satisfactory
23 agreement has been negotiated, but prior to the execution of the
24 agreement by the governing body or redevelopment entity, the
25 municipality or redevelopment entity shall prepare a report
26 concerning the proposal selection process. The report shall list the
27 names of all potential redevelopers who submitted a proposal and
28 shall summarize the proposals of each potential redeveloper. The
29 report shall contain objective, material reasons, such as, but not
30 limited to, design, cost of materials, and square footage, as to why
31 each potential redeveloper who was not selected, was rejected. The
32 report shall (1) rank the potential redevelopers in order of
33 evaluation; (2) summarize, in general terms, any unsuccessful
34 negotiations with potential redevelopers that submitted proposals
35 which were ranked higher than the proposal of the selected
36 redeveloper; (3) recommend the selected redeveloper; and (4)
37 summarize the project to be undertaken and the relevant terms of
38 the proposed agreement. The municipal clerk shall make the report
39 available to the members of the governing body of the municipality,
40 to the members of the redevelopment entity when it is not the
41 municipality, and to the public at least 48 hours prior to the
42 introduction of an ordinance authorizing an agreement with the
43 redeveloper.

44 k. The governing body of the municipality or redevelopment
45 entity shall have the right to reject all proposals for any reason, but
46 such reason must be given and the municipality shall not authorize
47 another request for proposals concerning the same project or

1 projects for a period of 30 days after the date of rejection or
2 abandonment by the governing body.

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

10
11 25. Section 1 of P.L.2004, c.140 (C.52:27D-287.1) is amended
12 to read as follows:

13 1. The Commissioner of Community Affairs shall establish a
14 rental assistance program for low income individuals or households.
15 This program shall be in addition to and supplement any existing
16 programs established pursuant to the "Prevention of Homelessness
17 Act (1984)," P.L.1984, c.180 (C.52:27D-280 et al.).

18 a. The program shall provide rental assistance grants comparable
19 to the federal section 8 program, but shall be available only to State
20 residents who are not currently holders of federal section 8
21 vouchers.

22 b. Assistance to an individual or household under the State
23 program shall be terminated upon the award of federal section 8
24 rental assistance to the same individual or household.

25 c. The program shall reserve a portion of the grants for
26 assistance to senior citizens aged 62 or older who otherwise meet
27 the criteria of subsection a. of this section.

28 d. The program shall reserve a portion of the grants for
29 assistance to veterans who have successfully completed the
30 Veterans Transitional Housing Program, or "Veterans Haven," a
31 vocational and transitional housing program for homeless veterans
32 administered by the New Jersey Department of Military and
33 Veterans' Affairs.

34 e. (1) The program shall provide rental assistance, on a priority
35 basis, to an individual or household that is on a fixed income and
36 has been displaced because of a redevelopment project undertaken
37 pursuant to the "Local Redevelopment and Housing Law,"
38 P.L.1992, c.79 (C.40A:12A-1 et al.) for as long as the individual or
39 household remains on fixed income.

40 (2) Notwithstanding maximum expenditure limitations contained
41 in subsection a. of section 6 of P.L.1971, c.362 (C.20:4-6) to the
42 contrary, to the extent rental assistance provided under that
43 subsection is not adequate to allow a displaced individual or
44 household to lease or rent a comparable replacement dwelling, the
45 redeveloper or redevelopment entity of a redevelopment project
46 responsible for displacing an individual or household shall hold the
47 State harmless from incurring the cost of providing rental assistance
48 under this subsection for a period not to exceed five years from the

1 commencement of the occupancy of the new dwelling unit. The
2 redeveloper or redevelopment entity shall, prior to any
3 displacement, deposit with the Commissioner of Community
4 Affairs the amount estimated by the commissioner to be necessary
5 for this purpose.

6 (3) The Commissioner of Community Affairs shall adopt rules
7 and regulations necessary to administer this program which shall
8 include methodology to determine the amount a redeveloper or
9 redevelopment entity shall deposit pursuant to this subsection and
10 the maintenance of the priority list for individuals and households
11 on fixed incomes displaced because of redevelopment projects.

12 (4) For the purposes of this subsection:

13 "Fixed income" means receiving no steady income other than
14 through pension, social security, public assistance, or other
15 government benefits, which income does not exceed the applicable
16 moderate regional income limits established by the Council on
17 Affordable Housing.

18 (cf: P.L.2007, c.237, s.1)

19
20 26. (New section) Notwithstanding the provisions of any other
21 law to the contrary:

22 a. A municipal redevelopment entity shall not: negotiate for, or
23 enter into, a redevelopment agreement, other than an agreement
24 awarded pursuant to a fair and open process, with any redeveloper
25 to perform any work under a redevelopment plan, if, beginning after
26 the adoption of a memorializing resolution directing preliminary
27 investigation to determine if a site is in need of redevelopment, that
28 redeveloper has made a contribution that exceeds \$500 to any
29 municipal committee of a political party in that municipality if a
30 member of that political party is serving in an elective public office
31 of that municipality when the contract is awarded or to any
32 candidate committee of any person serving in an elective public
33 office of that municipality when the contract is awarded.

34 b. No redeveloper described above who enters into a municipal
35 redevelopment agreement to perform any work under a
36 redevelopment plan shall make any of the aforesaid contributions
37 during the term of any such redevelopment agreement.

38 c. None of the aforesaid committees shall accept a contribution
39 in excess of the limits set forth above from such a redeveloper
40 during the time periods set forth above.

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

47 e. If a redeveloper makes a contribution that would otherwise
48 bar it from negotiating for or entering into a redevelopment

1 agreement or makes a contribution during the term of a
2 redevelopment agreement in violation of this section, the
3 redeveloper may request a full reimbursement from the recipient
4 and, if such reimbursement is received within 60 days thereafter,
5 the redeveloper shall again be eligible to negotiate or enter into a
6 redevelopment agreement or shall no longer be in violation, as
7 appropriate.

8 f. Prior to entering into such a redevelopment agreement, a
9 redevelopment entity shall require the redeveloper with which the
10 redevelopment agreement is to be entered into to provide a written
11 certification that it has not made a contribution that would bar the
12 execution of a redevelopment agreement pursuant to this section. A
13 redeveloper shall have a continuing duty to report to the Election
14 Law Enforcement Commission any contribution that constitutes a
15 violation of this section that is made during the duration of a
16 redevelopment agreement.

17 g. As used in this section:

18 "Fair and open process" means the process described in section
19 24 of P.L. , c. (C.) (pending before the Legislature as this
20 bill) or, at a minimum, that the redevelopment agreement shall be:
21 publicly advertised in newspapers or on the Internet website
22 maintained by the public entity in sufficient time to give notice in
23 advance of the agreement; entered into under a process that
24 provides for public solicitation of proposals or qualifications and
25 entered into and disclosed under criteria established in writing by
26 the public entity prior to the solicitation of proposals or
27 qualifications; and publicly opened and announced when awarded.
28 The decision of a public entity as to what constitutes a fair and open
29 process shall be final; and

30 "Redeveloper" means any person, firm, corporation, or public
31 body that negotiates for, or enters into, a redevelopment agreement
32 with a municipal redevelopment entity for the redevelopment or
33 rehabilitation of an area in need of redevelopment, or an area in
34 need of rehabilitation, or any part thereof, or for any construction or
35 other work forming a part of a redevelopment or rehabilitation
36 project, and includes any principal who owns or controls more than
37 10 percent of the profits or assets of a redeveloper or 10 percent of
38 the stock in the case of a redeveloper that is a corporation for profit,
39 as appropriate.
40

41 27. (New section) If a court finds that any notice required to be
42 sent by mail under the "Local Redevelopment and Housing Law,"
43 P.L.1992, c.79 (C.40A:12A-1 et al.), was defective, the court may
44 order all or certain redevelopment activities to be suspended until
45 the defective notices have been remedied and the interests of the
46 parties accommodated to the court's satisfaction. An affidavit
47 executed by a municipal employee affirming that notices required to
48 be posted under P.L. , c. (C.) (pending before the Legislature

1 as this bill) were duly posted shall protect a municipality from any
2 challenge to the sufficiency of the posting of notices.

3

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

6 5. The authority shall have the following powers:

7 a. to sue and be sued;

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

9 c. to enter into contracts upon such terms and conditions as the
10 authority shall determine to be reasonable, including, but not
11 limited to, reimbursement for the planning, designing, financing,
12 construction, reconstruction, improvement, equipping, furnishing,
13 operation and maintenance of the project and to pay or compromise
14 any claims arising therefrom;

15 d. to make and alter bylaws for its organization and internal
16 management and, subject to agreements with noteholders or
17 bondholders, to make rules and regulations with respect to its
18 projects, operations, properties and facilities;

19 e. to invest any funds held in reserve or sinking funds, or any
20 moneys not required for immediate use and disbursement, at the
21 discretion of the authority, in obligations of this State or of the
22 United States, or obligations the principal and interest of which are
23 guaranteed by this State or the United States;

24 f. to sell, lease, assign, transfer, convey, exchange, mortgage, or
25 otherwise dispose of or encumber any project, and in the case of the
26 sale of any project, to accept a purchase money mortgage in
27 connection therewith; and to lease, repurchase or otherwise acquire
28 and hold any project which the corporation has theretofore sold,
29 leased or otherwise conveyed, transferred or disposed of;

30 g. to acquire or contract to acquire from any individual,
31 partnership, trust, association or corporation, or any public agency,
32 by grant, purchase or otherwise, real or personal property or any
33 interest therein; to own, hold, clear, improve, rehabilitate and
34 develop, and to sell, assign, exchange, transfer, convey, lease,
35 mortgage or otherwise dispose of or encumber the same;

36 h. to acquire in the name of the authority by purchase or
37 otherwise, on such terms and conditions and such manner as it may
38 deem proper any lands or interests therein or other property which it
39 may determine is reasonably necessary for any project;

40 i. to acquire, construct, reconstruct, rehabilitate, improve, alter
41 or repair or provide for construction, reconstruction, rehabilitation,
42 improvement, alteration or repair of any project;

43 j. to arrange or contract with a municipality for the planning,
44 replanning, opening, grading or closing of streets, roads, roadways,
45 alleys or other places, or for the furnishing of facilities or for the
46 acquisition by a municipality of property or property rights or for
47 the furnishing of property or services, in connection with a project;

- 1 k. to grant options to purchase any project or to renew any
2 leases entered into by it in connection with any of its projects, on
3 such terms and conditions as it may deem advisable;
- 4 l. to prepare or cause to be prepared plans, specifications,
5 designs and estimates of costs for the construction, reconstruction,
6 rehabilitation, improvement, alteration or repair of any project, and
7 from time to time to modify such plans, specifications, designs or
8 estimates;
- 9 m. to manage any project, whether then owned or leased by the
10 authority, and to enter into agreements with any individual,
11 partnership, trust, association or corporation, or with any public
12 agency, for the purpose of causing any project to be managed;
- 13 n. to hold any property owned or acquired by the authority in the
14 name of the authority;
- 15 o. to provide advisory, consultative, training and educational
16 services, technical assistance and advice to any individual,
17 partnership, trust, association or corporation, or to any public
18 agency, in order to carry out the purposes of P.L.1996, c.62
19 (C.55:19-20 et al.);
- 20 p. to issue, purchase, pledge and sell stock in projects of the
21 authority and to purchase, sell or pledge the shares, or other
22 obligations or securities of any subsidiary corporation, on such
23 terms and conditions as the authority or subsidiary corporation may
24 deem advisable;
- 25 q. subject to the provisions of any contract with noteholders, to
26 consent to the modification, with respect to rate of interest, time of
27 payment or any installment of principal or interest, security, or any
28 other terms, of any loan, mortgage, commitment, contract or
29 agreement of any kind to which the authority is a party;
- 30 r. in connection with any property on which it has made a
31 mortgage loan, to foreclose on the property or commence any action
32 to protect or enforce any right conferred upon it by any law,
33 mortgage, contract or other agreement, and to bid for or purchase
34 the property at any foreclosure or at any other sale, or acquire or
35 take possession of the property; and in such event the authority
36 may complete, administer, pay the principal of and interest on any
37 obligations incurred in connection with the property, dispose of and
38 otherwise deal with the property, in such manner as may be
39 necessary or desirable to protect the interests of the authority
40 therein;
- 41 s. to acquire, purchase, manage and operate, hold and dispose of
42 real and personal property or interests therein, take assignments of
43 rentals and leases and make and enter into all contracts, leases,
44 agreements and arrangements necessary or incidental to the
45 performance of its duties;
- 46 t. to purchase, acquire and take assignments of notes, mortgages
47 and other forms of security and evidences of indebtedness;

- 1 u. to extend credit or make loans to any person for the planning,
2 designing, acquiring, constructing, reconstructing, improving,
3 equipping and furnishing of a project, which credits or loans may be
4 secured by loan and security agreements, mortgages, leases and any
5 other instruments, upon such terms and conditions as the authority
6 shall deem reasonable, including provision for the establishment
7 and maintenance of reserve and insurance funds, and to require the
8 inclusion in any mortgage, lease, contract, loan and security
9 agreement or other instrument, such provisions for the construction,
10 use, operation and maintenance and financing of a project as the
11 authority may deem necessary or desirable;
- 12 v. to borrow money, secure credit against the assets of the
13 authority on a temporary, short-term, interim or long-term basis and
14 to issue bonds of the authority and to provide for the rights of the
15 holders thereof, as provided in P.L.1996, c.62 (C.55:19-20 et al.);
- 16 w. to make short-term loans or advances to developers for
17 construction in anticipation of the issuance of permanent loans;
- 18 x. to exercise sole authority for investment, reinvestment or
19 expenditure of its revenues, fund balances and appropriations
20 consistent with the purposes of P.L.1996, c.62 (C.55:19-20 et al.)
21 on projects and investments utilizing revenues from the sale of
22 revenue bonds, which projects shall be subject to the approval of
23 the State Treasurer, and the Treasurer's actions shall be based solely
24 on his fiduciary role to ensure that all applicable federal and State
25 tax laws are adhered to regarding the investment of bond funds;
- 26 y. notwithstanding any law to the contrary, and upon resolution
27 of the municipal governing body, to act as the redevelopment
28 agency of any municipality in which there is not established a
29 redevelopment agency pursuant to subsection a. of section 11 of
30 P.L.1992, c.79 (C.40A:12A-11) and which is not precluded from
31 establishing such an agency;
- 32 z. in connection with any application for assistance under
33 P.L.1996, c.62 (C.55:19-20 et al.) or commitments therefor, to
34 require and collect such fees and charges as the authority shall
35 determine to be reasonable;
- 36 aa. to establish, levy and collect, in connection with any civic
37 project or utilities project managed or operated by the authority,
38 whether then owned or leased by the authority, user fees and facility
39 charges;
- 40 bb. to procure insurance against any loss in connection with its
41 property and other assets and operations, in such amounts and from
42 such insurers as it deems desirable;
- 43 cc. to employ consulting engineers, architects, attorneys, real
44 estate counselors, appraisers, and such other consultants and
45 employees as may be required in the judgment of the authority to
46 carry out the purposes of the act, and to fix and pay their
47 compensation from funds available to the authority therefor, all

- 1 without regard to the provisions of Title 11A, Civil Service, of the
2 New Jersey Statutes;
- 3 dd. to contract for, and to accept, any gifts or grants or loans of
4 funds or property or financial or other aid in any form from the
5 federal government or any agency or instrumentality thereof, or
6 from the State or a municipality or any agency or instrumentality
7 thereof, or from any other source, and, subject to the provisions of
8 P.L.1996, c.62 (C.55:19-20 et al.) and any other applicable law, to
9 comply with the terms and conditions thereof;
- 10 ee. to create subsidiary corporations as provided in section 8 of
11 P.L.1996, c.62 (C.55:19-27);
- 12 ff. to assist municipalities, counties, public or private county and
13 municipal development agencies, district management corporations
14 created pursuant to section 4 of P.L.1972, c.134 (C.40:56-68),
15 community action boards established pursuant to section 4 of
16 P.L.1991, c.51 (C.52:27D-398), or sponsors of neighborhood
17 empowerment organizations, in formulating and implementing
18 community redevelopment plans, which shall include, but not be
19 limited to, neighborhood restoration, residential development, and
20 industrial and commercial development;
- 21 gg. to fund, or assist in funding, community redevelopment
22 projects by municipalities, counties, public or private county and
23 municipal development agencies, district management corporations
24 created pursuant to section 4 of P.L.1972, c.134 (C.40:56-68),
25 community action boards established pursuant to section 4 of
26 P.L.1991, c.51 (C.52:27D-398), or sponsors of neighborhood
27 empowerment organizations, which shall include, but not be limited
28 to, direct loan assistance, including loan guarantees, procuring
29 capital from private developers and lending institutions, and
30 facilitating access to State, federal, and private sources of loans or
31 grants, including, but not limited to, the New Jersey Economic
32 Development Authority and the Casino Redevelopment Authority;
- 33 hh. to assist in providing access to support services, including
34 technical assistance and job training programs, for projects
35 developed in connection with comprehensive community
36 redevelopment plans and neighborhood empowerment programs
37 established pursuant to this act;
- 38 ii. to provide assistance to urban areas in attracting industrial
39 and commercial projects, in rehabilitating existing industrial and
40 commercial facilities to restore them to productive use through the
41 establishment of marketing programs and incentive programs;
- 42 jj. to assist in facilitating the work of the Office of
43 Neighborhood Empowerment established pursuant to this act, which
44 assistance shall include, but not be limited to, providing
45 professional or technical expertise and funding for the
46 establishment and implementation of neighborhood empowerment
47 plans developed pursuant to this act;

1 kk. to enter into partnerships with private developers, the New
2 Jersey Economic Development Authority or any other public entity,
3 for the purpose of community redevelopment, and establish fees
4 therefor;

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

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

12 nn. to have all of the powers and authority of the Smart Growth
13 Ombudsman under P.L.2004, c.89 (C.52:27D-10.2 et al.), that are
14 necessary to facilitate and expedite the review and approval of
15 permits in areas determined to be in need of redevelopment
16 pursuant to P.L.1992, c.79 (C.40A:12A-1 et al.).
17 (cf: P.L.1996, c.62, s.5)

18
19 29. R.S.40:8-1 is amended to read as follows:

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

35 Upon such acquisition or use, the governing body of any county
36 and the governing body of any municipality, or either of them, may
37 lease the real estate, so acquired, with or without consideration to
38 the state of New Jersey, or any agency thereof, or may lease it to
39 any person for such consideration and for such term of years as may
40 be agreed upon.

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

42
43 30. Section 12 of P.L.1991, c.431 (C.40A:20-12) is amended to
44 read as follows:

45 12. The rehabilitation or improvements made in the development
46 or redevelopment of a redevelopment area or area appurtenant
47 thereto or for a redevelopment relocation housing project, pursuant
48 to P.L.1991, c.431 (C.40A:20-1 et seq.), shall be exempt from

1 taxation for a limited period as hereinafter provided. When housing
2 is to be constructed, acquired or rehabilitated by an urban renewal
3 entity, the land upon which that housing is situated shall be exempt
4 from taxation for a limited period as hereinafter provided. The
5 exemption shall be allowed when the clerk of the municipality
6 wherein the property is situated shall certify to the municipal tax
7 assessor that a financial agreement with an urban renewal entity for
8 the development or the redevelopment of the property, or the
9 provision of a redevelopment relocation housing project, or the
10 provision of a low and moderate income housing project has been
11 entered into and is in effect as required by P.L.1991, c.431
12 (C.40A:20-1 et seq.).

13 Delivery by the municipal clerk to the municipal tax assessor of
14 a certified copy of the ordinance of the governing body approving
15 the tax exemption and financial agreement with the urban renewal
16 entity shall constitute the required certification. For each
17 exemption granted pursuant to P.L.2003, c.125 (C.40A:12A-4.1 et
18 al.), upon certification as required hereunder, the tax assessor shall
19 implement the exemption and continue to enforce that exemption
20 without further certification by the clerk until the expiration of the
21 entitlement to exemption by the terms of the financial agreement or
22 until the tax assessor has been duly notified by the clerk that the
23 exemption has been terminated.

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

41 Whenever an exemption status changes during a tax year, the
42 procedure for the apportionment of the taxes for the year shall be
43 the same as in the case of other changes in tax exemption status
44 during the tax year. Tax exemptions granted pursuant to P.L.2003,
45 c.125 (C.40A:12A-4.1 et al.) represent long term financial
46 agreements between the municipality and the urban renewal entity
47 and as such constitute a single continuing exemption from local
48 property taxation for the duration of the financial agreement. The

1 validity of a financial agreement or any exemption granted pursuant
2 thereto may be challenged only by filing an action in lieu of
3 prerogative writ within 20 days from the publication of a notice of
4 the adoption of an ordinance by the governing body granting the
5 exemption and approving the financial agreement. Such notice
6 shall be published in a newspaper of general circulation in the
7 municipality and in a newspaper of general circulation in the county
8 if different from the municipal newspaper.

9 a. The duration of the exemption for urban renewal entities shall
10 be as follows: for all projects, a term of not more than 30 years
11 from the completion of the entire project, or unit of the project if
12 the project is undertaken in units, or not more than 35 years from
13 the execution of the financial agreement between the municipality
14 and the urban renewal entity.

15 b. During the term of any exemption, in lieu of any taxes to be
16 paid on the buildings and improvements of the project and, to the
17 extent authorized pursuant to this section, on the land, the urban
18 renewal entity shall make payment to the municipality of an annual
19 service charge, which shall remit a portion of that revenue to the
20 county as provided hereinafter. In addition, the municipality may
21 assess an administrative fee, not to exceed two percent of the annual
22 service charge, for the processing of the application. The annual
23 service charge for municipal services supplied to the project to be
24 paid by the urban renewal entity for any period of exemption, shall
25 be determined as follows:

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

34 At the option of the municipality, or where because of the nature
35 of the development, ownership, use or occupancy of the project or
36 any unit thereof, if the project is to be undertaken in units, the total
37 annual gross rental or gross shelter rent or annual gross revenue
38 cannot be reasonably ascertained, the governing body shall provide
39 in the financial agreement that the annual service charge shall be a
40 sum equal to a percentage determined pursuant to this subsection
41 and section 11 of P.L.1991, c.431 (C.40A:20-11), of the total
42 project cost or total project unit cost determined pursuant to
43 P.L.1991, c.431 (C.40A:20-1 et seq.) calculated from the first day
44 of the month following the substantial completion of the project or
45 any unit thereof, if the project is undertaken in units. The
46 percentage of the total project cost or total project unit cost shall not
47 be more than 2% in the case of a low and moderate income housing

1 project, and shall not be less than 2% in the case of all other
2 projects.

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

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

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

23 (c) For the third stage of the exemption period, which shall not
24 be less than one year nor more than six years, as specified in the
25 financial agreement, an amount equal to either the amount
26 determined pursuant to paragraph (1) of this subsection and section
27 11 of P.L.1991, c.431 (C.40A:20-11), or 40% of the amount of
28 taxes otherwise due on the value of the land and improvements,
29 whichever shall be greater;

30 (d) For the fourth stage of the exemption period, which shall not
31 be less than one year nor more than six years, as specified in the
32 financial agreement, an amount equal to either the amount
33 determined pursuant to paragraph (1) of this subsection and section
34 11 of P.L.1991, c.431 (C.40A:20-11), or 60% of the amount of
35 taxes otherwise due on the value of the land and improvements,
36 whichever shall be greater; and

37 (e) For the final stage of the exemption period, the duration of
38 which shall not be less than one year and shall be specified in the
39 financial agreement, an amount equal to either the amount
40 determined pursuant to paragraph (1) of this subsection and section
41 11 of P.L.1991, c.431 (C.40A:20-11), or 80% of the amount of
42 taxes otherwise due on the value of the land and improvements,
43 whichever shall be greater.

44 If the financial agreement provides for an exemption period of
45 less than 30 years from the completion of the entire project, or less
46 than 35 years from the execution of the financial agreement, the
47 financial agreement shall set forth a schedule of annual service
48 charges for the exemption period which shall be based upon the

1 minimum service charges and staged adjustments set forth in this
2 section.

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

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

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

15 Notwithstanding the provisions of this section or of the financial
16 agreement, the minimum annual service charge shall be the amount
17 of the total taxes levied against all real property in the area covered
18 by the project in the last full tax year in which the area was subject
19 to taxation, and the minimum annual service charge shall be paid in
20 each year in which the annual service charge calculated pursuant to
21 this section or the financial agreement would be less than the
22 minimum annual service charge.

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

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

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

35

36 31. Section 3 of P.L.2004, c.140 (C.52:27D-287.3) is amended
37 to read as follows:

38 3. The commissioner shall annually allocate from the receipts
39 of the portion of the realty transfer fee directed to be credited to the
40 Neighborhood Preservation Nonlapsing Revolving Fund pursuant to
41 section 4 of P.L.1968, c.49 (C.46:15-8) and pursuant to section 4 of
42 P.L.1975, c.176 (C.46:15-10.1) such amounts as may be necessary
43 to fund rental assistance grants authorized by P.L.2004, c.140
44 (C.52:27D-287.1 et al.), provided that not less than \$3 million be
45 annually allocated for the purposes of subsection c. of section 1 of
46 P.L.2004, c.140 (C.52:27D-287.1) and not less than \$7 million be
47 annually allocated for the purposes of subsection a. and subsection
48 d. of section 1 of P.L.2004, c.140 (C.52:27D-287.1) after subsection

1 e. of section 1 of P.L.2004, c.140 (C.52:27D-287.1) has been fully
2 funded.

3 (cf: P.L.2007, c.208, s.2)

4
5 32. This act shall take effect on the first day of the fourth month
6 next following enactment. Any final action taken by a municipality
7 or redevelopment entity with respect to: a determination that an area
8 is in need of redevelopment or in need of rehabilitation; enactment
9 of a redevelopment plan; or designation of a redeveloper, or
10 approval of a redevelopment agreement, prior to the effective date
11 of this act shall have full force and effect, but any subsequent
12 official action by the municipality or redevelopment entity after the
13 effective date of this act shall be subject to its provisions.