ASSEMBLY, No. 5735

STATE OF NEW JERSEY

222nd LEGISLATURE

INTRODUCED OCTOBER 29, 2026

Sponsored by:
Assemblyman VINCENT M. "VINNIE" KEARNEY
District 21 (Middlesex, Morris, Somerset and Union)

SYNOPSIS

Authorizes establishment of seasonal pedestrian malls.

CURRENT VERSION OF TEXT

As introduced.

AN ACT concerning seasonal pedestrian malls and amending P.L.1972, c.134.

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

1. Section 1 of P.L.1972, c.134 (C.40:56-65) is amended to read as follows:

a. The Legislature finds:

(1) increases in population and automobile usage have created conditions of traffic congestion in business districts of New Jersey municipalities;

(2) **[**such**]** these conditions constitute a hazard to the safety of pedestrians and impede the movement of police and fire equipment, ambulances and **[**like**]** emergency vehicles;

(3) streets in **[**such**]** these districts that now accommodate both sidewalks and vehicular rights-of-way cannot be further widened without taking valuable buildings and improvements, thereby substantially impairing the primary function of **[**such**]** the streets, that of being primarily pedestrian facilities, and impairing municipal ratables, the primary source of tax revenue; and

(4) limitation on the use of **[**such**]** streets by private vehicles may be found by the governing body of **[**any such**]** a municipality to be in the public interest of the municipality and State, to be of benefit to adjoining properties, and to be essential to the effective use of **[**such**]** streets for street purposes.

b. The Legislature further finds:

(1) that district management corporations may assist municipalities in promoting economic growth and employment within business districts;

(2) that municipalities should be encouraged to create self-financing special improvement districts and designated district management corporations to execute self-help programs to enhance their local business climates; **[**and**]**

(3) that municipalities should be given the broadest possible discretion in establishing by local ordinance the self-help programs most consistent with their local needs, goals, and objectives; and

(4) that a district management corporation may determine it is in their members' and community's best interest to establish a seasonal pedestrian mall to foster economic activity along avenues of commerce during advantageous times of year.

c. It is the public policy of the State of New Jersey to permit the governing body of any municipality to protect the public welfare and health and the interests of the public in the safe and effective movement of persons and to preserve and enhance the

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.

function and appearance of the business districts of such municipalities by the adoption of ordinances as ⟦in this act⟧ authorized in P.L.1972, c.134 (C.40:56-65 et seq.).
(cf: P.L.1984, c.151, s.2)

2. Section 2 of P.L.1972, c.134 (C.40:56-66) is amended to read as follows:

2. As used in ⟦this act⟧ P.L.1972, c.134 (C.40:56-65 et seq.):

a. "Pedestrian mall" or "pedestrian mall improvement" means any local improvement designed to be used primarily for the movement, safety, convenience, and enjoyment of pedestrians, whether or not a part of a street is set apart for roadway for emergency vehicles, transit vehicles and private vehicles or any of them, and a pedestrian mall improvement shall include but not be limited to pedestrian thoroughfares, perimeter parking, public seating, park areas, outdoor cafes, shelters, trees, flower plantings, sculpture, newsstands, telephone booths, traffic signs, kiosks, fire hydrants, street lighting, ornamental signs, ornamental lights, trash receptacles, display cases, marquees, awnings, canopies, overhead radiant heating fixtures, underground radiant heating pipes and devices, walls, bollards and chains and all ⟦such⟧ other related fixtures, equipment, facilities, and appurtenances which in the judgment of the governing body of a municipality will enhance the movement, safety, convenience, and enjoyment of pedestrians and benefit the municipality and adjoining properties. "Pedestrian mall" shall include a seasonal pedestrian mall established for a fixed period of time that may feature temporary or moveable improvements.

b. "Special improvement district" means an area within a municipality designated by municipal ordinance as an area in which a special assessment on property within the district shall be imposed for the purposes of promoting the economic and general welfare of the district and the municipality. The municipal ordinance may exempt residential properties, residential portions of mixed use properties, parcels with any number of residential units, or vacant properties located within the district from special assessment.

c. "District management corporation" means an entity created by municipal ordinance or incorporated pursuant to Title 15A of the New Jersey Statutes and designated by municipal ordinance to receive funds collected by a special assessment within a special improvement district, as authorized by this amendatory and supplementary act.
(cf: P.L.1995, c.170, s.1)

3. Section 4 of P.L.1972, c.134 (C.40:56-68) is amended to read as follows:

a. A pedestrian mall ordinance may be adopted if the governing body of any municipality finds:

(1) a street or part thereof is not a part of any State highway, is located primarily in a business district, is improved to its maximum feasible width with regard to adjoining buildings and improvements**[**,**]**;

(2) reasonably convenient alternate routes to other parts of the municipality and State exist for private vehicles**[**,**]**;

(3) **[**continued unlimited use of the street or part thereof by private vehicles may constitute a hazard to the health and safety of pedestrians,**]** (Deleted by amendment, P.L. , c.) (pending before the Legislature as this bill)

(4) abutting properties can reasonably and adequately be provided with emergency vehicular services and receive and deliver merchandise and materials from other streets and alleys or by provisions for limited use of the streets by emergency vehicles and carriers of **[**such**]** merchandise and materials**[**,**]**; and

(5) it is in the best interests of the municipality and the public and of benefit to adjacent properties to use **[**such**]** the street primarily for pedestrian purposes, whether permanently or on a seasonal basis, and that pedestrian use is determined to be **[**the highest and best**]** an economically beneficial use of **[**such**]** the street or part thereof.

b. A special improvement district ordinance may be adopted if the governing body of a municipality finds:

(1) that an area within the municipality, as described by lot and block numbers and by street addresses in the enabling ordinance, would benefit from being designated as a special improvement district;

(2) that a district management corporation would provide administrative and other services to benefit the businesses, employees, residents and consumers in the special improvement district;

(3) that a special assessment shall be imposed and collected by the municipality with the regular property tax payment or payment in lieu of taxes or otherwise, and that all or a portion of these payments shall be transferred to the district management corporation to effectuate the purposes of this amendatory and supplementary act and to exercise the powers given to it by municipal ordinance; and

(4) that it is in the best interests of the municipality and the public to create a special improvement district and to designate a district management corporation; except that no district management corporation shall be designated to receive any funds or to exercise any powers pursuant to the provisions of this amendatory and supplementary act, unless the board of directors of that corporation shall include at least one member of the governing body of the municipality.

(cf: P.L.1984, c.151, s.5)

4. Section 6 of P.L.1972, c.134 (C.40:56-70) is amended to read as follows:

a. The governing body of any municipality may by resolution authorize the commencement of studies and the development of preliminary plans and specifications relating to the creation and maintenance of a pedestrian mall facility or special improvement district, including, whenever possible, estimates of construction and maintenance, and costs and estimates of potential gross benefit assessment.

b. In the case of a special improvement district, these studies and plans may include criteria to regulate the construction and alteration of facades of buildings and structures in a manner which promotes unified or compatible design.

c. In the case of a seasonal pedestrian mall, the governing body of a municipality may by resolution authorize a study concerning the establishment of a seasonal pedestrian mall prior to the seasonal pedestrian mall's initial establishment.

(cf: P.L.1984, c.151, s.6)

5. Section 7 of P.L.1972, c.134 (C.40:56-71) is amended to read as follows:

a. Upon review of the reports and recommendations submitted, an ordinance may be adopted authorizing and directing the establishment and maintenance of a pedestrian mall facility or special improvement district. In addition to other requirements for the consideration and adoption of ordinances, at least 10 days prior to the date fixed for a public hearing thereon, a copy of the proposed ordinance and notice of the date, time, and place of the hearing shall be mailed to the owners of the lots or parcels of land abutting or directly affected by any proposed pedestrian mall or included in the special improvement district proposed by the ordinance, as the case may be.

b. In the case of a special improvement district, the ordinance may include the requirement that construction or alteration of building and structure facades be subject to prior review and approval to assure compliance with design criteria included in the ordinance. The design criteria shall be approved by the municipal planning board prior to inclusion in the ordinance. A municipal officer or agency shall be designated by ordinance to conduct the review and grant or deny approvals of proposed construction or alteration of facades. In lieu of that designation, the governing body may designate the district management corporation to conduct these reviews and grant or deny these approvals, but only if the governing body finds in the ordinance that the corporation is so constituted and organized as to be reasonably appropriate and qualified for this role. If the district management corporation is so designated, the ordinance may provide for the appeal of individual determinations of the corporation to the municipal planning board.

c. In the case of a seasonal pedestrian mall, the notice required pursuant to subsection a. of this section shall be mailed to the owners of the lots and parcels of land directly abutting the proposed seasonal pedestrian mall.

(cf: P.L.1987, c.248, s.1)

6. Section 16 of P.L.1972, c.134 (C.40:56-80) is amended to read as follows:

a. Concurrently with the submission of a plan for a pedestrian mall improvement or special improvement district, and annually thereafter, the mayor or other chief executive officer of the municipality shall, with the assistance of the advisory board, if any, or district management corporation, if appropriate, report to the governing body an estimate of the cost of operating and maintaining and annually improving the pedestrian mall, if necessary, or special improvement district, as the case may be, for the next fiscal year, to be incurred under the plan, and an estimate of changes in the amounts of ⟦such⟧ the costs which would follow upon the adoption of any addition or amendment to the plan recommended to or under consideration by the governing body. ⟦Such⟧ The estimate shall be reasonably itemized and shall include a summary of the categories of cost properly chargeable as follows:

(1) ⟦The⟧ the amount of such costs to be charged against the general funds of the municipality, which shall be that amount which the municipality would pay from its general funds for street maintenance and operation on a street of similar size and location, but not improved as a pedestrian mall or included in a special improvement district, as the case may be;

(2) ⟦The⟧ the amount of costs to be charged and assessed against properties benefited in the district in proportion to benefits which shall be the aggregate of costs of annual improvements to be made in the district during the ensuing year;

(3) ⟦The⟧ the amount of costs, if any, to be specially taxed against properties in the district.

b. The governing body shall receive and consider ⟦such⟧ the estimate and the items of cost after ⟦such⟧ the notice and hearing before it or its appropriate committee as it shall deem necessary or expedient, and shall approve the same, with such amendments thereto as it shall find necessary, and the amounts of each item of cost estimated shall be deemed appropriated and expendable to operate and maintain the pedestrian mall or special improvement district, as the case may be, during the ensuing fiscal year.

c. Each year, when the governing body shall have acted on the estimate of costs for the ensuing year, the municipal assessor shall prepare an assessment roll setting forth separately the amounts to be specially assessed against the benefited and assessable properties in the district, as recorded and listed in connection with the procedures

prescribed by this act for the adoption of the pedestrian mall or special improvement district ordinance, in proportion to the benefits. Descriptions of ⟦such⟧ the properties, and the names of the then current owners of ⟦such⟧ the properties, so far as names are available, shall be included in each annual assessment roll. The assessment roll, when so prepared, shall be filed in the office of the municipal clerk and be ⟦there⟧ available for inspection. The governing body shall annually meet to consider objections to the amounts of ⟦such⟧ the special assessments at least 10 days after a notice of hearing has been published once in the official newspaper and mailed to the named owners of all tracts, parcels and lots of property proposed to be assessed. The notice shall set forth the time and place of meeting, and set forth the purpose of ⟦such⟧ the meeting, but may refer to the assessment roll for further particulars. When the governing body shall have approved the amounts of the special assessments set forth therein, or as may be changed by it, the municipal clerk shall forthwith certify a copy of the assessment roll, with ⟦such⟧ changes, if any, to the county tax board.

d. For the purpose of this section, "annual improvements" shall, with respect to pedestrian malls or special improvement districts, mean and include any reconstruction, replacement or repair of trees and plantings, furniture, shelters and other facilities of a pedestrian mall or special improvement district, furnishing overhead or underground heating for snow removal or for enjoyment of pedestrians, and any other local improvement which benefits properties within the district. For the purpose of ⟦this act⟧ P.L.1972, c.134 (40:56-65 et seq.), "costs" shall, with respect to annual improvements to and operation and maintenance of pedestrian malls or special improvement districts, mean costs of annual improvements; fees of consultants employed by the governing body to assist in the planning of annual improvements; and all other costs incurred or to be incurred in connection with annual improvements to and operation and maintenance of pedestrian malls or special improvement districts, as the case may be.

e. ⟦Moneys⟧ Monies appropriated and collected on account of annual improvement costs, and costs of operating and maintaining a pedestrian mall or special improvement district shall be credited to a special account. The governing body is authorized to incur the annual costs of improving, operating and maintaining a pedestrian mall or special improvement district, as the case may be, during any fiscal year, though not specifically provided for by line item or other category in an approved estimate for such fiscal year, if in its discretion it shall be deemed necessary to provide for such annual improvements or operation or maintenance prior to the succeeding fiscal year and so long as the total amount of the account as approved for that year is not exceeded by that expenditure. Any

balances to the credit of the account and remaining unexpended at the end of the fiscal year shall be conserved and applied towards the financial requirements of the succeeding year.
(cf: P.L.1984, c.151, s.16)

7. This act shall take effect immediately.

STATEMENT

This bill amends P.L.1972, c.134 (C.40:56-65 et seq.) to authorize the establishment of seasonal pedestrian malls. Specifically, the bill amends the law's findings and declarations to state that a district management corporation may determine whether a seasonal pedestrian mall would be in the best interest of the community to foster economic activity along avenues of commerce during advantageous times of year. The bill also amends the definition of "pedestrian mall" to include "seasonal pedestrian mall."

Further the bill provides that a governing body of a municipality is only to conduct one study concerning the establishment of a seasonal pedestrian mall, pursuant to law, and that the governing body is to notify property owners that abut the seasonal pedestrian mall of its proposed establishment.

Lastly, the bill creates an exception for pedestrian malls that may be entirely funded from outside sources from submitting an estimate of the cost of operating and maintaining and annually improving the pedestrian mall to the governing body. The bill makes additional technical changes.