

**SENATE, No. 2507**

**STATE OF NEW JERSEY**

**221st LEGISLATURE**

INTRODUCED FEBRUARY 5, 2024

**Sponsored by:**

**Senator SHIRLEY K. TURNER**

**District 15 (Hunterdon and Mercer)**

**SYNOPSIS**

Enhances transparency in exercise of municipal redevelopment powers.

**CURRENT VERSION OF TEXT**

As introduced.



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2

1 AN ACT concerning certain procedural requirements associated with  
2 the exercise of municipal redevelopment powers, amending and  
3 supplementing P.L.1992, c.79 (C.40A:12A-1 et seq.), and  
4 amending P.L.1971, c.199.

5

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

8

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

11 6. a. No area of a municipality shall be determined a  
12 redevelopment area unless the governing body of the municipality  
13 shall, by **[resolution]** ordinance, authorize the planning board to  
14 undertake a preliminary investigation to determine whether the  
15 proposed area is a redevelopment area according to the criteria set  
16 forth in section 5 of P.L.1992, c.79 (C.40A:12A-5). Such  
17 determination by the planning board shall be made after public  
18 notice and public hearing as provided in subsection b. of this  
19 section. The governing body of a municipality shall assign the  
20 conduct of the investigation and hearing to the planning board of  
21 the municipality. The **[resolution]** ordinance authorizing the  
22 planning board to undertake a preliminary investigation shall state  
23 whether the redevelopment area determination shall authorize the  
24 municipality to use all those powers provided by the Legislature for  
25 use in a redevelopment area other than the use of eminent domain  
26 (hereinafter referred to as a "Non-Condensation Redevelopment  
27 Area") or whether the redevelopment area determination shall  
28 authorize the municipality to use all those powers provided by the  
29 Legislature for use in a redevelopment area, including the power of  
30 eminent domain (hereinafter referred to as a "Condensation  
31 Redevelopment Area").

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

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

41 (3) (a) The hearing notice shall set forth the general boundaries  
42 of the area to be investigated and **[state that]** a map **[has been  
43 prepared and can be inspected at the office of the municipal clerk]**  
44 which clearly delineates the properties which are included in the  
45 redevelopment area. In addition, the hearing notice shall include a

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

**Matter underlined thus is new matter.**

1 Public Advisory Statement which shall be substantially in the form  
2 set forth in section 2 of P.L. c. (C. ) (pending before the  
3 Legislature as this bill).

4 (b) If the governing body **[resolution]** ordinance assigning the  
5 investigation to the planning board, pursuant to subsection a. of this  
6 section, stated that the redevelopment determination shall establish  
7 a Non-Condensation Redevelopment Area, the notice of the  
8 hearing shall specifically state that a redevelopment area  
9 determination shall not authorize the municipality to exercise the  
10 power of eminent domain to acquire any property in the delineated  
11 area.

12 (c) If the **[resolution]** ordinance assigning the investigation to  
13 the planning board, pursuant to subsection a. of this section, stated  
14 that the redevelopment determination shall establish a  
15 Condensation Redevelopment Area, the notice of the hearing shall  
16 specifically state that a redevelopment area determination shall  
17 authorize the municipality to exercise the power of eminent domain  
18 to acquire property in the delineated area.

19 (d) A copy of the notice shall be published in a newspaper of  
20 general circulation in the municipality once each week for two  
21 consecutive weeks, and the last publication shall be not less than ten  
22 days prior to the date set for the hearing. A copy of the notice shall  
23 be **[mailed]** sent by certified mail, at least **[ten]** 14 days prior to  
24 the date set for the hearing to the last owner **[, if any,]** of each  
25 parcel of property within the area according to the assessment  
26 records of the municipality. A notice shall also be sent by certified  
27 mail to all persons at their last known address, **[if any,]** whose  
28 names are noted on the assessment records as claimants of an  
29 interest in any such parcel. The assessor of the municipality shall  
30 make a notation upon the records when requested to do so by any  
31 person claiming to have an interest in any parcel of property in the  
32 municipality. The notice shall be published and mailed by certified  
33 mail by the municipal clerk, or by such clerk or official as the  
34 planning board shall otherwise designate. Failure to mail any such  
35 notice shall **[not]** invalidate the investigation or determination  
36 thereon.

37 (4) At the hearing, which may be adjourned from time to time,  
38 the planning board shall hear all persons who are interested in or  
39 would be affected by a determination that the delineated area is a  
40 redevelopment area. All objections to such a determination and  
41 evidence in support of those objections, given orally or in writing,  
42 shall be received and considered and made part of the public record.

43 (5) (a) After completing its hearing on this matter, the planning  
44 board shall recommend that the delineated area, or any part thereof,  
45 be determined, or not be determined, by the municipal governing  
46 body to be a redevelopment area. In the event that the planning  
47 board does not recommend that the entire delineated area be  
48 designated as a redevelopment area, the planning board shall state

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1 its reasons, in writing, for not designating any property or  
2 properties, as proposed by the governing body.

3 (b) After receiving the recommendation of the planning board,  
4 the municipal governing body may adopt **【a resolution】** an  
5 ordinance determining that the delineated area, or any part thereof,  
6 is a redevelopment area.

7 (c) Upon the adoption of **【a resolution】** an ordinance, the clerk  
8 of the municipality shall, forthwith, transmit a copy of the  
9 **【resolution】** ordinance to the Commissioner of Community Affairs  
10 for review, along with the recommendations of the planning board.

11 If the area in need of redevelopment is not situated in an area in  
12 which development or redevelopment is to be encouraged pursuant  
13 to any State law or regulation promulgated pursuant thereto, the  
14 determination shall not take effect without first receiving the review  
15 and the approval of the commissioner. If the commissioner does  
16 not issue an approval or disapproval within 30 calendar days of  
17 transmittal by the clerk, the determination shall be deemed to be  
18 approved. If the area in need of redevelopment is situated in an  
19 area in which development or redevelopment is to be encouraged  
20 pursuant to any State law or regulation promulgated pursuant  
21 thereto, then the determination shall take effect after the clerk has  
22 transmitted a copy of the **【resolution】** ordinance to the  
23 commissioner. The determination, if supported by substantial  
24 evidence and, if required, approved by the commissioner, shall be  
25 binding and conclusive upon all persons affected by the  
26 determination.

27 (d) Notice of the determination shall be served, within 10 days  
28 after the determination, upon all record owners of property located  
29 within the delineated area, those whose names are listed on the tax  
30 assessor's records, and upon each person who filed a written  
31 objection thereto and stated, in or upon the written submission, an  
32 address to which notice of determination may be sent.

33 (e) If the governing body **【resolution】** ordinance assigning the  
34 investigation to the planning board, pursuant to subsection a. of this  
35 section, stated that the redevelopment determination shall establish  
36 a Condemnation Redevelopment Area, the notice of the  
37 determination required pursuant to subparagraph (d) of this  
38 paragraph shall indicate that:

39 (i) the determination operates as a finding of public purpose and  
40 authorizes the municipality to exercise the power of eminent  
41 domain to acquire property in the redevelopment area, and

42 (ii) legal action to challenge the determination must be  
43 commenced within 45 days of receipt of notice and that failure to  
44 do so shall preclude an owner from later raising such challenge.

45 (f) No municipality or redevelopment entity shall exercise the  
46 power of eminent domain to acquire property for redevelopment  
47 purposes within a Non-Condemnation Redevelopment Area.

48 (g) If a municipal governing body has determined an area to be

1 a Non-Condensation Redevelopment Area and is unable to acquire  
2 property that is necessary for the redevelopment project, the  
3 municipality may initiate and follow the process set forth in this  
4 section to determine whether the area or property is a  
5 Condensation Redevelopment Area. Such determination shall be  
6 based upon the then-existing conditions and not based upon the  
7 condition of the area or property at the time of the prior Non-  
8 Condensation Redevelopment Area determination.

9 (h) A property owner who has received notice pursuant to this  
10 section who does not file a legal challenge to the redevelopment  
11 determination affecting his or her property within 45 days of receipt  
12 of such notice shall thereafter be barred from filing such a challenge  
13 and, in the case of a Condensation Redevelopment Area and upon  
14 compliance with the notice provisions of subparagraph (e) of this  
15 paragraph, shall further be barred from asserting a challenge to the  
16 redevelopment determination as a defense in any condemnation  
17 proceeding to acquire the property unless the municipality and the  
18 property owner agree otherwise.

19 (6) **【**The municipality shall, for 45 days next following its  
20 determination, take no further action to acquire any property by  
21 condemnation within the redevelopment area.**】** (Deleted by  
22 amendment, P.L. , c. ) (pending before the Legislature as this  
23 bill)

24 (7) If any person shall, within 45 days after the adoption by the  
25 municipality of the determination, apply to the Superior Court, the  
26 court may grant further review of the determination by procedure in  
27 lieu of prerogative writ; and in any such action the court may make  
28 any incidental order that it deems proper.

29 c. An area determined to be in need of redevelopment pursuant  
30 to this section shall be deemed to be a "blighted area" for the  
31 purposes of Article VIII, Section III, paragraph 1 of the  
32 Constitution. If an area is determined to be a redevelopment area  
33 and a redevelopment plan is adopted for that area in accordance  
34 with the provisions of this act, the municipality is authorized to  
35 utilize all those powers provided in section 8 of P.L.1992, c.79  
36 (C.40A:12A-8), except that a municipality may not acquire any land  
37 or building by condemnation pursuant to subsection c. of that  
38 section unless the land or building is located within (1) an area that  
39 was determined to be in need of redevelopment prior to the  
40 effective date of P.L.2013, c.159, or (2) a Condensation  
41 Redevelopment Area for which the municipality has complied with  
42 the provisions of subparagraph (e) of paragraph (5) of subsection b.  
43 of this section.

44 (cf: P.L.2013, c.159, s.2)

45

46 2. (New section) Each hearing notice circulated as required  
47 pursuant to paragraph (3) of subsection b. of section 6 of P.L.1992,  
48 c.79 (C.40A:12A-6) shall include notice which shall be in

1 substantially the following form:

2

3

"PUBLIC ADVISORY STATEMENT

4

5 The governing body of ..... (insert name of  
6 municipality) in which you reside has authorized the planning board  
7 to undertake a study to determine whether your neighborhood  
8 fulfills the definition of a redevelopment area under New Jersey  
9 State law. Your property has been included by your governing  
10 body in the proposed redevelopment area.

11 State law requires those property owners whose properties are  
12 included within the redevelopment area to receive notice prior to  
13 the holding of a hearing by your municipal planning board. The  
14 first hearing by the planning board will be held at ..... (insert time)  
15 on ..... (insert date) at ..... (insert place).

16 Municipalities are granted broad powers to facilitate economic  
17 development in a redevelopment area, including the acquisition of  
18 properties using eminent domain. In other words, by being located  
19 in the redevelopment area, your property could be subject to  
20 condemnation.

21 All interested persons are entitled to testify before the planning  
22 board under State law, either verbally or through written objection.  
23 All objections shall be made part of the public record. Any  
24 determination by the governing body that an area is a  
25 redevelopment area is considered binding on all property owners  
26 included within the redevelopment area. Any person who files a  
27 written objection to this determination is entitled to a copy of the  
28 determination within 10 days of municipal action.

29 A property owner who filed a written objection to municipal  
30 declaration of a redevelopment area and who remains opposed to  
31 the declaration has 45 days following the declaration by the  
32 municipality to apply to the Superior Court for review of the  
33 municipal action.

34 Any person seeking further clarification of your rights under the  
35 redevelopment law may contact the municipal clerk at .....  
36 (insert telephone number) or the Commissioner of Community  
37 Affairs in Trenton at (609) 292-6420."

38

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

41 7. a. No redevelopment project shall be undertaken or carried  
42 out except in accordance with a redevelopment plan adopted by  
43 **【ordinance of】** the municipal governing body, **【upon its finding】** as  
44 provided in this section and section 4 of P.L. , c. (C. )  
45 (pending before the Legislature as this bill). The redevelopment  
46 plan shall be adopted by ordinance only after the municipal  
47 governing body has conducted at least one public hearing thereon  
48 following the receipt of the report of the planning board as required

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1 pursuant to section 4 of P.L. , c. (C. ) (pending before the  
2 Legislature as this bill). In addition, the municipal governing body  
3 shall include within the ordinance detailed findings that the  
4 specifically delineated project area is located in an area in need of  
5 redevelopment or in an area in need of rehabilitation, or in both,  
6 according to criteria set forth in section 5 or section 14 of P.L.1992,  
7 c.79 (C.40A:12A-5 or 40A:12A-14), as appropriate and that the  
8 plan fulfills all of the criteria set forth in this section.

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

12 (1) Its relationship to definite local objectives as to appropriate  
13 land uses, density of population, and improved traffic and public  
14 transportation, public utilities, recreational and community facilities  
15 and other public improvements.

16 (2) Proposed land uses and building requirements in the project  
17 area.

18 (3) Adequate provision for the temporary and permanent  
19 relocation, as necessary, of residents in the project area, including  
20 an estimate of the extent to which decent, safe and sanitary dwelling  
21 units affordable to displaced residents will be available to them in  
22 the existing local housing market.

23 (4) An identification of any property within the redevelopment  
24 area which is proposed to be acquired in accordance with the  
25 redevelopment plan.

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

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

38 (7) A plan for the provision, through new construction or  
39 substantial rehabilitation of one comparable, affordable replacement  
40 housing unit for each affordable housing unit that has been  
41 occupied at any time within the last 18 months, that is subject to  
42 affordability controls and that is identified as to be removed as a  
43 result of implementation of the redevelopment plan. Displaced  
44 residents of housing units provided under any State or federal  
45 housing subsidy program, or pursuant to the "Fair Housing Act,"  
46 P.L.1985, c.222 (C.52:27D-301 et al.), provided they are deemed to  
47 be eligible, shall have first priority for those replacement units  
48 provided under the plan; provided that any such replacement unit

1 shall not be credited against a prospective municipal obligation  
2 under the "Fair Housing Act," P.L.1985, c.222 (C.52:27D-301 et  
3 al.), if the housing unit which is removed had previously been  
4 credited toward satisfying the municipal fair share obligation. To  
5 the extent reasonably feasible, replacement housing shall be  
6 provided within or in close proximity to the redevelopment area. A  
7 municipality shall report annually to the Department of Community  
8 Affairs on its progress in implementing the plan for provision of  
9 comparable, affordable replacement housing required pursuant to  
10 this section.

11 (8) Proposed locations for public electric vehicle charging  
12 infrastructure within the project area in a manner that appropriately  
13 connects with an essential public charging network.

14 b. A redevelopment plan may include the provision of  
15 affordable housing in accordance with the "Fair Housing Act,"  
16 P.L.1985, c.222 (C.52:27D-301 et al.) and the housing element of  
17 the municipal master plan.

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

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

41 e. Prior to the adoption of a redevelopment plan, or revision or  
42 amendment thereto, the governing body shall refer the plan,  
43 revision, or amendment, as appropriate, to the planning board **【shall**  
44 **transmit to the governing body, within 45 days after referral, a**  
45 **report containing its recommendation concerning the redevelopment**  
46 **plan】**, which shall report back to the governing body within 90 days  
47 of referral, following a public hearing held by the planning board  
48 according to the procedure followed by the municipality in adopting



1 the master plan, as required pursuant to subsection a. of section 19  
2 of P.L.1975, c.291 (C.40:55D-28). **【This】** The planning board  
3 report shall include an identification of any provisions in the  
4 proposed redevelopment plan which are inconsistent with the  
5 master plan and recommendations concerning these inconsistencies  
6 and any other matters as the board deems appropriate. The  
7 governing body, when considering the adoption of a redevelopment  
8 plan or revision or amendment thereof, shall review the report of  
9 the planning board and may approve or disapprove or change any  
10 recommendation by a vote of a majority of its full authorized  
11 membership and shall record in its minutes the reasons for not  
12 following the recommendations. Failure of the planning board to  
13 transmit its report within the required **【45】** 90 days shall relieve the  
14 governing body from the requirements of this subsection with  
15 regard to the pertinent proposed redevelopment plan or revision or  
16 amendment thereof. Nothing in this subsection shall diminish the  
17 applicability of the provisions of subsection d. of this section with  
18 respect to any redevelopment plan or revision or amendment  
19 thereof.

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

34 Regardless of whether the redevelopment plan is prepared by the  
35 governing body or the planning board as provided in this  
36 subsection, the governing body shall not consider the proposed  
37 redevelopment plan or any amendment or revision thereto for a vote  
38 until it has complied with the notification and public hearing  
39 requirements set forth in section 4 of P.L. , c. (C. )  
40 (pending before the Legislature as this bill).  
41 (cf: P.L.2021, c.168, s.2)

42  
43 4. (New section) a. Prior to adopting the redevelopment plan,  
44 the governing body shall hold at least one public hearing on the  
45 redevelopment plan. If the boundaries of the redevelopment area  
46 have been amended since the designation by the governing body of  
47 that area pursuant to paragraph (5) of subsection b. of section 6 of  
48 P.L.1992, c.79 (C.40A:12A-6), the governing body shall prepare

1 and include within the notice to be provided a revised map showing  
2 the boundaries of the redevelopment area and the location of the  
3 various parcels of property included therein.

4 b. Not less than 10 days prior to the public hearing, the  
5 governing body shall provide notice, specifying a date for and  
6 giving notice of a hearing for the purpose of hearing persons who  
7 are interested in or would be affected by the implementation of the  
8 redevelopment plan. The hearing notice shall set forth the  
9 boundaries of the redevelopment area, including a map of the  
10 redevelopment area if the boundaries have changed, as required in  
11 subsection a. of this section, and state how interested members of  
12 the public can gain access to the proposed redevelopment plan,  
13 including the specific hours and location at which the plan may be  
14 inspected.

15 c. A copy of the notice shall be published in a newspaper of  
16 general circulation in the municipality once each week for two  
17 consecutive weeks, and the last publication shall be not less than 10  
18 days prior to the date set for the hearing. A copy of the notice shall  
19 be sent by certified mail, at least 14 days prior to the date set for the  
20 hearing to the last owner of each parcel of property within the area  
21 according to the assessment records of the municipality. In the  
22 event that the boundaries of the redevelopment area have changed  
23 since the previous notice, notice also shall be provided to those  
24 owners previously situated within the redevelopment area. A notice  
25 shall also be sent by certified mail to all persons at their last known  
26 address, whose names are noted on the assessment records as  
27 claimants of an interest in any such parcel. The assessor of the  
28 municipality shall make a notation upon the records when requested  
29 to do so by any person claiming to have an interest in any parcel of  
30 property in the municipality. The notice shall be published and  
31 mailed by the municipal clerk by certified mail, or by such clerk or  
32 official as the governing body shall otherwise designate.

33 d. At the hearing, which may be adjourned from time to time,  
34 the governing body shall hear all persons who are interested in or  
35 would be affected by the implementation of the redevelopment plan.  
36 All objections to the plan and evidence in support of those  
37 objections, given orally or in writing, shall be received and  
38 considered and made part of the public record.

39

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

42 8. Upon the adoption of a redevelopment plan pursuant to  
43 section 7 of P.L.1992, c.79 (C.40A:12A-7), the municipality or  
44 redevelopment entity designated by the governing body may  
45 proceed with the clearance, replanning, development and  
46 redevelopment of the area designated in that plan. In order to carry  
47 out and effectuate the purposes of this act and the terms of the  
48 redevelopment plan, the municipality or designated redevelopment

1 entity may:

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

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

7 c. Acquire, by condemnation, any land or building which is  
8 necessary for the redevelopment project, pursuant to the provisions  
9 of the "Eminent Domain Act of 1971," P.L.1971, c.361 (C.20:3-1 et  
10 seq.), provided that the land or building is located within (1) an area  
11 that was determined to be in need of redevelopment prior to the  
12 effective date of P.L.2013, c.159, or (2) a Condemnation  
13 Redevelopment Area.

14 d. Clear any area owned or acquired and install, construct or  
15 reconstruct streets, facilities, utilities, and site improvements  
16 essential to the preparation of sites for use in accordance with the  
17 redevelopment plan.

18 e. Prepare or arrange by contract for the provision of  
19 professional services and the preparation of plans by registered  
20 architects, licensed professional engineers or planners, or other  
21 consultants for the carrying out of redevelopment projects.

22 f. Arrange or contract with public agencies or redevelopers for  
23 the planning, replanning, construction, or undertaking of any  
24 project or redevelopment work, or any part thereof; negotiate and  
25 collect revenue from a redeveloper to defray the costs of the  
26 redevelopment entity, including where applicable the costs incurred  
27 in conjunction with bonds, notes or other obligations issued by the  
28 redevelopment entity, and to secure payment of such revenue; as  
29 part of any such arrangement or contract, provide for extension of  
30 credit, or making of loans, to redevelopers to finance any project or  
31 redevelopment work, or upon a finding that the project or  
32 redevelopment work would not be undertaken but for the provision  
33 of financial assistance, or would not be undertaken in its intended  
34 scope without the provision of financial assistance, provide as part  
35 of an arrangement or contract for capital grants to redevelopers; and  
36 arrange or contract with public agencies or redevelopers for the  
37 opening, grading or closing of streets, roads, roadways, alleys, or  
38 other places or for the furnishing of facilities or for the acquisition  
39 by such agency of property options or property rights or for the  
40 furnishing of property or services in connection with a  
41 redevelopment area.

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

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

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

9 j. Make, consistent with the redevelopment plan: (1) plans for  
10 carrying out a program of voluntary repair and rehabilitation of  
11 buildings and improvements; and (2) plans for the enforcement of  
12 laws, codes, and regulations relating to the use and occupancy of  
13 buildings and improvements, and to the compulsory repair,  
14 rehabilitation, demolition, or removal of buildings and  
15 improvements.

16 k. Request that the planning board recommend and governing  
17 body designate particular areas as being in need of redevelopment  
18 or rehabilitation in accordance with the provisions of this act and  
19 make recommendations for the redevelopment or rehabilitation of  
20 such areas.

21 l. Study the recommendations of the planning board or  
22 governing body for redevelopment of the area.

23 m. Publish and disseminate information concerning any  
24 redevelopment area, plan or project.

25 n. Do all things necessary or convenient to carry out its powers.  
26 (cf: P.L.2013, c.159, s.3)

27

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

30 14. a. A delineated area may be determined to be in need of  
31 rehabilitation if the governing body of the municipality determines  
32 by **[resolution]** ordinance that a program of rehabilitation, as  
33 defined in section 3 of P.L.1992, c.79 (C.40A:12A-3), may be  
34 expected to prevent further deterioration and promote the overall  
35 development of the community; and that there exist in that area any  
36 of the following conditions such that (1) a significant portion of  
37 structures therein are in a deteriorated or substandard condition; (2)  
38 more than half of the housing stock in the delineated area is at least  
39 50 years old; (3) there is a pattern of vacancy, abandonment or  
40 underutilization of properties in the area; (4) there is a persistent  
41 arrearage of property tax payments on properties in the area; (5)  
42 environmental contamination is discouraging improvements and  
43 investment in properties in the area; or (6) a majority of the water  
44 and sewer infrastructure in the delineated area is at least 50 years  
45 old and is in need of repair or substantial maintenance. Where  
46 warranted by consideration of the overall conditions and  
47 requirements of the community, a finding of need for rehabilitation  
48 may extend to the entire area of a municipality. Prior to adoption of

1 the **resolution** ordinance, the governing body shall submit it to  
2 the municipal planning board for its review. Within **45** 90 days  
3 of its receipt of the proposed **resolution** ordinance, the municipal  
4 planning board shall submit its recommendations regarding the  
5 proposed **resolution** ordinance, including any modifications  
6 which it may recommend, to the governing body for its  
7 consideration. Thereafter, or after the expiration of the **45** 90  
8 days if the municipal planning board does not submit  
9 recommendations, the governing body may adopt the **resolution**  
10 ordinance, with or without modification. The **resolution**  
11 ordinance shall not become effective without the approval of the  
12 commissioner pursuant to section 6 of P.L.1992, c.79  
13 (C.40A:12A-6), if otherwise required pursuant to that section.

14 b. A delineated area shall be deemed to have been determined  
15 to be an area in need of rehabilitation in accordance with the  
16 provisions of this act if it has heretofore been determined to be an  
17 area in need of rehabilitation pursuant to P.L.1975, c.104  
18 (C.54:4-3.72 et seq.), P.L.1977, c.12 (C.54:4-3.95 et seq.) or  
19 P.L.1979, c.233 (C.54:4-3.121 et al.).

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

25 (2) For the purposes of this subsection, "renovation housing  
26 project" means any work or undertaking to provide a decent, safe,  
27 and sanitary dwelling, to exclusively benefit a specific household,  
28 by the renovation, reconstruction, or replacement of the household's  
29 home on the same lot by either a charitable entity organized to  
30 perform home renovations or by a for-profit builder using **75%**  
31 75 percent or more volunteer labor-hours to accomplish the  
32 construction for the project. The undertaking may include any  
33 buildings; demolition, clearance, or removal of buildings from land;  
34 equipment; facilities; or other personal properties or interests  
35 therein which are necessary, convenient, or desirable appurtenances  
36 of the undertaking.

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

46 (2) For the purposes of this subsection, "renovation housing  
47 project" means any work or undertaking to provide a decent, safe,

1 and sanitary single-family dwelling, to exclusively benefit at least  
2 half of the number of people occupying a dwelling as their primary  
3 residence, by the renovation, reconstruction, or replacement of that  
4 dwelling on the same lot by either a charitable entity organized to  
5 perform home renovations or by a for-profit builder using **[75%]**  
6 75 percent or more volunteer labor-hours to accomplish the  
7 construction for the project. The undertaking may include any  
8 buildings; demolition, clearance, or removal of buildings from land;  
9 equipment; facilities; or other personal properties or interests  
10 therein which are necessary, convenient, or desirable appurtenances  
11 of the undertaking.

12 (cf: P.L.2013, c.159, s.4)

13

14 7. Section 13 of P.L.1971, c.199 (C.40A:12-13) is amended to  
15 read as follows:

16 13. **[Sales of real property, capital improvements or personal**  
17 **property; exceptions; procedure.]** Any county or municipality may  
18 sell any real property, capital improvement or personal property, or  
19 interests therein, not needed for public use, as set forth in the  
20 resolution or ordinance authorizing the sale, other than county or  
21 municipal lands, real property otherwise dedicated or restricted  
22 pursuant to law, and, except as otherwise provided by law, all such  
23 sales shall be made by one of the following methods:

24 (a) By open public sale at auction to the highest bidder after  
25 advertisement thereof in a newspaper circulating in the municipality  
26 or municipalities in which the lands are situated, by two insertions  
27 at least once a week during two consecutive weeks, the last  
28 publication to be not earlier than seven days prior to such sale. In  
29 the case of public sales, the governing body may by resolution fix a  
30 minimum price or prices, with or without the reservation of the  
31 right to reject all bids where the highest bid is not accepted. Notice  
32 of such reservation shall be included in the advertisement of the  
33 sale and public notice thereof shall be given at the time of sale.  
34 Such resolution may provide, without fixing a minimum price, that  
35 upon the completion of the bidding, the highest bid may be accepted  
36 or all the bids may be rejected. The invitation to bid may also  
37 impose restrictions on the use to be made of such real property,  
38 capital improvement or personal property, and any conditions of  
39 sale as to buildings or structures, or as to the type, size, or other  
40 specifications of buildings or structures to be constructed thereon,  
41 or as to demolition, repair, or reconstruction of buildings or  
42 structures, and the time within which such conditions shall be  
43 operative, or any other conditions of sale, in like manner and to the  
44 same extent as by any other vendor. Such conditions shall be  
45 included in the advertisement, as well as the nature of the interest  
46 retained by the county or municipality. Such restrictions or  
47 conditions shall be related to a lawful public purpose and encourage  
48 and promote fair and competitive bidding of the county or

1 municipality and shall not, in the case of a municipality, be  
2 inconsistent with or impose a special or higher standard than any  
3 zoning ordinance or building, plumbing, electrical, or similar code  
4 or ordinance then in effect in the municipality.

5 In any case in which a county or municipality intends to retain an  
6 estate or interest in any real property, capital improvement or  
7 personal property, in the nature of an easement, contingent or  
8 reversionary, the invitation to bid and the advertisement required  
9 herein shall require each bidder to submit one bid under each  
10 Option A and Option B below.

11 (1) Option A shall be for the real property, capital improvement  
12 or personal property subject to the conditions or restrictions  
13 imposed, or interest or estate retained, which the county or  
14 municipality proposes to retain or impose.

15 (2) Option B shall be for the real property, capital improvement  
16 or personal property to be sold free of all such restrictions,  
17 conditions, interests or estates on the part of the county or  
18 municipality.

19 The county or the municipality may elect or reject either or both  
20 options and the highest bid for each. Such acceptance or rejection  
21 shall be made not later than at the second regular meeting of the  
22 governing body following the sale, and, if the governing body shall  
23 not so accept such highest bid, or reject all bids, said bids shall be  
24 deemed to have been rejected. Any such sale may be adjourned at  
25 the time advertised for not more than one week without  
26 readvertising.

27 (b) At private sale, when authorized by resolution, in the case of  
28 a county, or by ordinance, in the case of a municipality, in the  
29 following cases:

30 (1) A sale to any political subdivision, agency, department,  
31 commission, board or body corporate and politic of the State of  
32 New Jersey or to an interstate agency or body of which the State of  
33 New Jersey is a member or to the United States of America or any  
34 department or agency thereof.

35 (2) A sale to a person submitting a bid pursuant to subsection  
36 (a) of this section, where all bids have been rejected, provided that  
37 the terms and price agreed to shall in no event be less than the  
38 highest bid rejected, and provided further that the terms and  
39 conditions of sale shall remain identical.

40 (3) A sale by any county or municipality, when it has or shall  
41 have conveyed its right, title and interest in any real property,  
42 capital improvement or personal property not needed for public use,  
43 and it was assumed and intended that there should be conveyed a  
44 good and sufficient title in fee simple to said real property, capital  
45 improvement or personal property, free of all encumbrances and the  
46 full consideration has been paid therefor, and it shall thereafter  
47 appear that the title conveyed was insufficient or that said county or  
48 municipality at the time of said conveyance was not the owner of

1 some estate or interest in said real property, capital improvement or  
2 personal property or of some encumbrances thereon, and the county  
3 or municipality shall thereafter acquire a good and sufficient title in  
4 fee simple, free of all encumbrances of said real property, capital  
5 improvement or personal property or shall acquire such outstanding  
6 estate or interest therein or outstanding encumbrance thereon and  
7 said county or municipality, by resolution of the governing body  
8 and without the payment of any additional consideration, has  
9 deemed to convey or otherwise transfer to said purchaser, his heirs  
10 or assigns, such after-acquired title, or estate or interest in, or  
11 encumbrance upon, such real property, capital improvement or  
12 personal property to perfect the title or interest previously  
13 conveyed.

14 (4) A sale of an easement upon any real property previously  
15 conveyed by any county or municipality may be made when the  
16 governing body of any county, by resolution, or any municipality,  
17 by ordinance, has elected to release the public rights in the nature of  
18 easements, in, on, over or under any real property within the county  
19 or the municipality, as the case may be, upon such terms as shall be  
20 agreed upon with the owner of such lands, if the use of such rights  
21 is no longer desirable, necessary or required for public purposes.

22 (5) A sale to the owner of the real property contiguous to the  
23 real property being sold; provided that the property being sold is  
24 less than the minimum size required for development under the  
25 municipal zoning ordinance and is without any capital improvement  
26 thereon; except that when there is more than one owner with real  
27 property contiguous thereto, said property shall be sold to the  
28 highest bidder from among all such owners. Any such sale shall be  
29 for not less than the fair market value of said real property. When  
30 there is only one owner with real property contiguous to the  
31 property being sold, and the property is less than an eighth of the  
32 minimum size required for development under the municipal zoning  
33 ordinance and is without any capital improvement thereon, the fair  
34 market value of that property may be determined by negotiation  
35 between the local unit and the owner of the contiguous real  
36 property. The negotiated sum shall be subject to approval by  
37 resolution of the governing body, but in no case shall that sum be  
38 less than one dollar.

39 In the case of any sale of real property hereafter made pursuant  
40 to subsection (b) of this section, in no event shall the price agreed  
41 upon with the owner be less than the difference between the highest  
42 bid accepted for the real property subject to easements (Option A)  
43 and the highest bid rejected for the real property not subject to  
44 easements (Option B). After the adoption of the resolution or  
45 ordinance, and compliance by the owner of said real property with  
46 the terms thereof, said real property shall be free, and entirely  
47 discharged of and from such rights of the public and of the county  
48 or municipality, as the case may be, but no such release shall affect



1 the right of lawful occupancy or use of any such real property by  
2 any municipal or private utility to occupy or use any such real  
3 property lawfully occupied or used by it. A list of the property so  
4 authorized to be sold, pursuant to subsection (b) of this section,  
5 together with the minimum prices, respectively, as determined by  
6 the governing body, shall be included in the resolution or ordinance  
7 authorizing the sale, and said list shall be posted on the bulletin  
8 board or other conspicuous space in the building which the  
9 governing body usually holds its regular meetings, and  
10 advertisement thereof made in a newspaper circulating in the  
11 municipality or municipalities in which the real property, capital  
12 improvement or personal property is situated, within five days  
13 following enactment of said resolution or ordinance. Offers for any  
14 or all properties so listed may thereafter be made to the governing  
15 body or its designee for a period of 20 days following the  
16 advertisement herein required, at not less than said minimum prices,  
17 by any prospective purchaser, real estate broker, or other authorized  
18 representative. In any such case, the governing body may  
19 reconsider its resolution or ordinance, not later than 30 days after its  
20 enactment, and advertise the real property, capital improvement, or  
21 personal property in question for public sale pursuant to subsection  
22 (a) of this section.

23 Any county or municipality selling any real property, capital  
24 improvement or personal property pursuant to subsection (b) of this  
25 section shall file with the Director of the Division of Local  
26 Government Services in the Department of Community Affairs,  
27 sworn affidavits verifying the publication of advertisements as  
28 required by this subsection.

29 (c) **【By private sale of a municipality in the following case: A**  
30 **sale to a private developer by a municipality, when acting in**  
31 **accordance with the "Local Redevelopment and Housing Law,"**  
32 **P.L.1992, c.79 (C.40A:12A-1 et al.).】 (Deleted by amendment,**

33 P.L. , c. ) (pending before the Legislature as this bill)  
34 (d) A county or municipality is also authorized to use electronic  
35 procurement practices in accordance with the provisions of  
36 P.L.2018, c.156 (C.40A:11-4.7 et al.) for the sale or lease of real  
37 property pursuant to the "Local Lands and Buildings Law,"  
38 P.L.1971, c.199 (C.40A:12-1 et seq.).

39 All sales, either public or private, may be made for cash or upon  
40 credit. A deposit not exceeding **【10%】** 10 percent of the minimum  
41 price or value of the property to be sold may be required of all  
42 bidders. When made upon credit, the county or municipality may  
43 accept a purchase-money mortgage, upon terms and conditions  
44 which shall be fixed by the resolution of the governing body;  
45 provided, however, that such mortgage shall be fully payable within  
46 five years from the date of the sale and shall bear interest at a rate  
47 equal to that authorized under Title 31 of the Revised Statutes, as  
48 amended and supplemented, and the regulations issued pursuant

1 thereto, or the rate last paid by the county or municipality upon any  
2 issue of notes pursuant to the "Local Bond Law" (N.J.S.40A:2-1 et  
3 seq.), whichever is higher. The governing body may, by resolution,  
4 fix the time for closing of title and payment of the consideration.

5 In all sales made pursuant to this section, the governing body of  
6 any county or municipality may provide for the payment of a  
7 commission to any real estate broker, or authorized representative  
8 other than the purchaser actually consummating such sale;  
9 provided, however, that no commission shall be paid unless notice  
10 of the governing body's intention to pay such a commission shall  
11 have been included in the advertisement of sale and the recipient  
12 thereof shall have filed an affidavit with the governing body stating  
13 that said recipient is not the purchaser. Said commissions shall not  
14 exceed, in the aggregate, **【5%】** 5 percent of the sale price, and be  
15 paid, where there has been a public sale, only in the event that the  
16 sum of the commission and the highest bid price does not exceed  
17 the next highest bid price (exclusive of any real estate broker's  
18 commission). As used in this section, "purchaser" shall mean and  
19 include any person, corporation, company, association, society,  
20 firm, partnership, or other business entity owning or controlling,  
21 directly or indirectly, more than **【10%】** 10 percent of the  
22 purchasing entity.

23 (cf: P.L.2018, c.156, s.7)

24

25 8. This act shall take effect immediately.

26

27

28

#### STATEMENT

29

30 This bill would make procedural modifications to the process  
31 through which municipalities exercise redevelopment power.

32 First, the bill would require that municipalities act by ordinance  
33 rather than resolution in acting under the "Local Redevelopment  
34 and Housing Law," P.L.1992, c.79 (C.40A:12A-1 et seq.). This  
35 would require a more elaborate publication and hearing process  
36 than that which is required when a municipality acts by resolution.

37 The bill enhances notification requirements under this law.  
38 Under current law, when a municipal governing body designates  
39 properties within a redevelopment area, it is required to authorize  
40 the planning board to undertake a preliminary investigation to  
41 determine whether the proposed area fulfills those criteria which the  
42 law establishes in order to be so designated.

43 Although the current law does provide for notification when an  
44 area is to be designated, the hearing notice is only required to set  
45 forth the general boundaries of the area to be investigated and  
46 notice that the map shall be made available at the office of the  
47 municipal clerk. Property owners in the proposed redevelopment  
48 area are to be notified by regular mail, under the current law, with

1 no information to be provided as to what a redevelopment  
2 designation means.

3 This bill would require that the hearing notice clearly delineate  
4 the properties which are to be included in the redevelopment area  
5 and that notice to property owners be provided by certified mail. In  
6 addition, the bill requires that a Public Advisory Statement be sent  
7 to every property owner within the redevelopment area as part of  
8 the required notification and prescribes the content of this  
9 statement. The purpose of this Public Advisory Statement is to  
10 explain to property owners within the redevelopment area that  
11 municipalities are granted broad powers to facilitate economic  
12 development within redevelopment areas, which includes the power  
13 to exercise eminent domain. Additionally, the notification is  
14 designed to inform property owners of their recourse in this  
15 situation and who to contact for further information.

16 The bill requires both the planning board and municipal  
17 governing body to hold public hearings on the redevelopment plan,  
18 which is required to be prepared before a municipality is authorized  
19 to undertake a redevelopment project under existing law. In  
20 addition, the bill requires that property owners within the  
21 designated redevelopment area be provided with certified mail  
22 notice in advance of the public hearing held by the municipal  
23 governing body. Under current law, the redevelopment plan is to be  
24 adopted by ordinance and the municipality is only required to  
25 provide that notice associated with the adoption of an ordinance  
26 under general law.

27 Under current law, when the governing body originates the  
28 redevelopment plan, it is required to transmit a copy of the  
29 proposed redevelopment plan to the planning board for  
30 recommendations and an analysis of the consistency of that plan  
31 with the municipal master plan. The law gives the planning board  
32 45 days within which to report back to the governing body. Given  
33 the addition of a mandatory public hearing process by this bill, this  
34 45 day review period is extended to 90 days.

35 Current law authorizes municipalities to lease or convey property  
36 or improvements "without public bidding and at such prices and  
37 upon such terms as it deems reasonable." By removing this  
38 exception from public bidding and vague language deferring to the  
39 municipality as to the establishment of a price for such property or  
40 improvements, this bill would require open public bidding and,  
41 thereby, the establishment of a market price through a transparent  
42 transaction process.