

RS: 40: 55C-1 thru 29

November 6, 1969

LEGISLATIVE HISTORY OF R.S. 40:55C-1 thru 29
(Redevelopment Agencies Law)

For background reports see those listed on legislative history
of 40:55-21.1.

- L. 1949, Chapter 306 - SSA 4
May 31 - Introduced by Pike.
June 9 - Passed in Assembly.
June 13 - Passed in Senate.
June 14 - Approved, Chapter 306
Not amended during passage.
Statement on the bill; copy attached.

COPY NO. 1

This law was amended by:

- L. 1951, Chapter 87 - A519
March 5 - Introduced by Glenn.
March 28 - Passed in Assembly.
April 23 - Passed in Senate.
May 17 - Approved, Chapter 87.
Not amended during passage.
Statement reads:

The purpose of this bill is to amend
chapter three hundred six of the laws of one
thousand nine hundred and forty-nine to
authorize a redevelopment agency to pay a
service charge to a municipality on property
acquired, managed, operated and maintained by
it during the period prior to actual clearance,
development or redevelopment of the property
under redevelopment plan or lease, sale or
disposal of the property for redevelopment.

- L. 1959, Chapter 172 - A727
November 16 - Introduced by Kraut and 5 others.
Nov. 16 - Passed Assembly under emergency resolution.
Nov. 23 - Passed Senate under emergency resolution.
Nov. 24 - Approved, Chapter 172.
Not amended during passage.
No statement on the bill.

No hearings or reports were located.

Checked N.J. Municipalities for 1949, 1951 and 1959 without success.

JH/PC

No chapter passed in 1949, 1951.

[OFFICIAL COPY REPRINT]
FIRST SPECIAL SESSION
ASSEMBLY, No. 4

L 1949
C 306

STATE OF NEW JERSEY

INTRODUCED MAY 31, 1949

By Mr. PIKE

(Without Reference)

AN ACT providing for the establishment and regulation of redevelopment agencies and regional development agencies and prescribing their functions, powers and duties.

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

1 1. This act may be cited and referred to as the "Redevelopment Agencies
2 Law."

1 2. It is hereby declared that there exist in many communities of this State
2 blighted areas or areas in the process of becoming blighted by reason of
3 hazardous, unsafe, insanitary, dilapidated, or overcrowded condition of the
4 buildings therein, or by reason of inadequate planning of the area, or exces-
5 sive land coverage, or the lack of proper light and air, or deleterious land use,
6 or the unsound subdivision plotting and street and road mapping, or obsolete
7 layout, or a combination of these factors; that such areas have been and will
8 continue to be harmful to the physical, social and economic well-being of the
9 community in which they exist, necessitating excessive and disproportionate
10 expenditure of public funds for crime prevention and punishment, for the ex-
11 tension of costly municipal facilities, for the safeguarding of the health,
12 safety, morals and welfare of the citizens of the State; that the acquisition,
13 clearance, planning, reconstruction and redevelopment of such areas will pro-
14 mote the public health, safety, morals and welfare, stimulate the proper
15 growth of urban, suburban and rural areas of the State, preserve existing

16 values and maintain taxable values of properties within or contiguous to such
17 areas, and encourage the sound growth of communities.

18 Therefore, as a matter of legislative determination it is hereby declared
19 to be the policy of this State to promote the health, safety, morals and wel-
20 fare of the citizens thereof by the creation of redevelopment agencies which
21 are declared to be governmental agencies and instrumentalities for the public
22 purposes of acquiring and replanning such areas and of holding, redevelop-
23 ing or disposing of them in such manner that they shall become available for
24 economically and socially sound development by private or public enter-
25 prise or by a combination of both.

1 3. The term "blighted area" is defined to be that portion of a munici-
2 pality which by reason of, or because of, any of the conditions hereinafter
3 enumerated is found and determined as provided by law to be a social or
4 economic liability to such municipality:

5 (a) The generality of buildings used as dwellings or the dwelling ac-
6 commodations therein are substandard, unsafe, insanitary, dilapidated, or
7 obsolescent, or possess any of such characteristics, or are so lacking in light,
8 air, or space, as to be conducive to unwholesome living;

9 (b) The discontinuance of the use of buildings previously used for manu-
10 facturing or industrial purposes, the abandonment of such buildings or the
11 same being allowed to fall into so great a state of disrepair as to be untenant-
12 able;

13 (c) Unimproved vacant land, which has remained so for a period of ten
14 years prior to the determination hereinafter referred to, and which land by
15 reason of its location, or remoteness from developed sections or portions of
16 such municipality, or lack of means of access to such other parts thereof, or
17 topography, or nature of the soil, is not likely to be developed through the
18 instrumentality of private capital;

19 (d) Areas (including slum areas), with buildings or improvements which,
20 by reason of dilapidation, obsolescence, overcrowding, faulty arrangement or
21 design, lack of ventilation, light and sanitary facilities, excessive land cover-

22 age, deleterious land use or obsolete layout, or any combination of these or
 23 other factors, are detrimental to the safety, health, morals, or welfare of the
 24 community;

25 (e) A growing or total lack of proper utilization of areas caused by the
 26 condition of the title, diverse ownership of the real property therein and other
 27 conditions, resulting in a stagnant and unproductive condition of land po-
 28 tentially useful and valuable for contributing to and serving the public health,
 29 safety and welfare.

30 It is hereby determined and declared that such conditions or any of them
 31 are responsible for or likely to lead to ill health, the spread of disease, de-
 32 pressed standards of living and poor morals, the growth of delinquency or
 33 crime, the presence of undue fire hazards and the inability of the property to
 34 produce sufficient income to enable the owners to pay taxes or to make said
 35 properties productive either for residential, commercial or manufacturing
 36 use.

1 4. The determination that an area is a "blighted area," within the
 2 meaning of such term as defined herein, shall be made solely by the munici-
 3 pality, after investigation, notice and hearing, in accordance with the pro-
 4 visions of chapter one hundred eighty-seven of the laws of one thousand
 5 nine hundred and forty-nine.

1 5. The following terms wherever used or referred to in this act shall
 2 have the following respective meanings unless a different meaning clearly
 3 appears from the context:

4 (a) "Agency" shall mean a redevelopment agency or a regional de-
 5 velopment agency created pursuant to this act.

6 (b) "Municipality" shall mean any city of any class, town, township,
 7 village, borough or any municipality, or subdivision of the State, other
 8 than a county or school district.

9 (c) "Governing body" shall mean in the case of a municipality the
 10 common council, board of finance, or the board of commissioners or other
 11 body having charge of its finances.

12 (d) "Federal Government" shall mean the United States of America or
13 any department, administration, instrumentality, authority, agency, agent
14 or officer thereof, or any corporation created thereby.

15 (e) "State" shall mean the State of New Jersey, or any agency or
16 instrumentality, corporate or otherwise thereof.

17 (f) "Planning Board" or "Board" shall mean a planning board or
18 other planning agency established under any State law, or authorized by the
19 municipality.

20 (g) "Project" shall mean any work or undertaking pursuant to a
21 master plan or redevelopment plan; such undertaking may include any
22 buildings, land (including demolition, clearance or removal of buildings
23 from land), equipment, facilities, or other real or personal properties which
24 are necessary, convenient, or desirable appurtenances, such as but not limited
25 to streets, sewers, utilities, parks, site preparation, landscaping, and ad-
26 ministrative, community, health, recreational, educational, and welfare facil-
27 ities.

28 (h) "Project area" shall mean all or a portion of a redevelopment
29 area.

30 (i) "Bonds" shall mean any bonds, notes, interim certificates, deben-
31 tures, or other obligations issued by an agency pursuant to this act.

32 (j) "Obligee of the Agency" or "Obligee" shall include any bond-
33 holder, trustee or trustees for any bondholder, or lessor demising to the
34 agency property used in connection with a project, or any assignees of such
35 lessor's interest or any part thereof, and the Federal Government or State
36 when a party to any contract with the agency.

37 (k) "Real property" shall mean all lands, including improvements and
38 fixtures thereon, and property of any nature appurtenant thereto, or used
39 in connection therewith, and every estate, interest and right, legal or equit-
40 able, therein, including terms for years and liens by way of judgment,
41 mortgage or otherwise and indebtedness secured by such liens.

42 (l) "Redevelopment" shall mean clearance, replanning, development
 43 and redevelopment; the rehabilitation of any improvements; the construc-
 44 tion and provision for construction of residential, commercial, industrial,
 45 public or other structures and the grant or dedication of spaces as may be
 46 appropriate or necessary in the interest of the general welfare for streets,
 47 parks, playgrounds, or other public purposes including recreational and
 48 other facilities incidental or appurtenant thereto, in accordance with a
 49 master plan or any part thereof approved by the governing body of a mu-
 50 nicipality or a redevelopment plan approved by said governing body.

51 (m) "Redevelopment plan" shall mean a plan as it exists from time to
 52 time for the redevelopment of all or any part of a redevelopment area,
 53 which plan shall be sufficiently complete to indicate its relationship to defi-
 54 nite municipal objectives as to appropriate land uses, public transportation
 55 and utilities, recreational and municipal facilities, and other public im-
 56 provements; and to indicate proposed land uses and building requirements
 57 in the redevelopment area.

58 (n) "Redeveloper" shall mean any person, firm, corporation or public
 59 agency that shall enter into or propose to enter into a contract with an
 60 agency for the redevelopment of an area or any part thereof under the pro-
 61 visions of this act.

62 (o) "Redevelopment area" shall mean an area of a municipality which
 63 the governing body thereof finds is a blighted area whose redevelopment
 64 is necessary to effectuate the public purposes declared in this act. A rede-
 65 velopment area may include lands, buildings, or improvements which of
 66 themselves are not detrimental to the public health, safety or welfare, but
 67 whose inclusion is found necessary, with or without change in their condi-
 68 tion, for the effective redevelopment of the area of which they are a part.

1 6. Any governing body may by ordinance create a body corporate and
 2 politic to be known as the "..... Redevelopment
 3 Agency," inserting the name of the municipality creating such agency. Such
 4 agency shall be an instrumentality of the municipality creating it. There-

5 upon the governing body shall appoint five persons as commissioners of the
6 agency. The commissioners who are first appointed by the governing body
7 shall be designated to serve one for one year, one for two years, one for
8 three years, one for four years, and one for five years, and until their re-
9 spective successors are appointed and have qualified. Thereafter each com-
10 missioner shall be appointed as aforesaid for a term of five years, and
11 until his successor is appointed and has qualified. Any vacancy occurring in
12 the office of commissioner, from any cause, shall be filled in the same manner
13 as the original appointment, but for the unexpired term only.

14 The governing body of two or more municipalities may, by similar
15 ordinances, create a public body corporate and politic to be known as
16 "..... Regional Development Agency" with such addi-
17 tional designation as may be provided in such ordinances. Such Regional
18 Agency shall constitute an instrumentality of the municipalities creating it.
19 Each such governing body shall appoint two persons as commissioners of
20 the Regional Agency so created, one to serve for a term of three years and
21 one to serve for a term of five years, and until their successors have been
22 appointed and have qualified. Thereafter each commissioner shall be ap-
23 pointed as aforesaid for a term of five years and until his successor is ap-
24 pointed and has qualified. The governing body of the municipality which
25 has the greatest population of any of the municipalities creating such
26 Regional Agency shall appoint one additional person as commissioner of the
27 agency to serve for a term of five years and until his successor is appointed
28 and has qualified. Any vacancy occurring in the office of commissioner, from
29 any cause, shall be filled in the same manner as the original appointment
30 but for the unexpired term only,

31 Upon the creation of any such agency, the municipality or municipali-
32 ties creating the same shall, in writing, notify the Commissioner of Con-
33 servation and Economic Development of the same.

34 In addition to the commissioners hereinabove referred to, each agency shall
35 include one additional commissioner who shall be appointed by the Commis-

36 sioner of Conservation and Economic Development, subject to the approval
 37 of the State Housing Council, who shall hold office for a term of five years
 38 and until his successor is appointed and has qualified, and who shall be enti-
 39 tled to vote as a commissioner of the agency and to all other privileges as
 40 such commissioner. Any such additional commissioner may be removed from
 41 office by the Commissioner of Conservation and Economic Development, for
 42 inefficiency or neglect of duty or misconduct in office, after public hearing,
 43 at which he shall be afforded an opportunity to be heard, either in person
 44 or by counsel, and at least ten days prior to the holding of which he shall
 45 be served with a copy of the charges. Any vacancy occurring in the office of
 46 such additional commissioner, from any cause, shall be filled in the same
 47 manner as the original appointment, but for the unexpired term only.

1 7. No commissioner of any agency may be an officer or employee of the
 2 municipality for which the agency is created except that the governing body
 3 of a municipality may authorize one member of the planning board and one
 4 member of the local housing authority of said municipality to accept ap-
 5 pointment as a commissioner of said agency. A certificate of the
 6 appointment or reappointment of any commissioner shall be filed with the
 7 clerk of the municipality and such certificate shall be conclusive evidence of
 8 the due and proper appointment of such commissioner. A commissioner shall
 9 receive no compensation for his services but he shall be entitled to his neces-
 10 sary expenses, including traveling expenses, incurred in the discharge of his
 11 duties. The powers of each agency shall be vested in the commissioners
 12 thereof in office from time to time. A majority of all members appointed
 13 and qualified shall constitute a quorum of the agency for the purpose of
 14 conducting its business and exercising its powers. Action may be taken by
 15 the agency upon a vote of the majority of the commissioners present, unless
 16 in any case the by-laws of the agency shall require a larger number. The
 17 agency shall select a chairman and a vice-chairman from among its com-
 18 missioners, and it may employ a secretary (who shall be executive director),
 19 technical experts and such other officers, agents and employees, permanent and

20 temporary, as it may require, and shall determine their qualifications, duties
21 and compensation. For such legal services as it may require, an agency may
22 call upon any chief law officer of the municipality, or may employ its own
23 counsel and legal staff. An agency may delegate to one or more of its
24 agents or employees such powers and duties as it may deem proper, to be
25 exercised under its supervision and control. No commissioner or employee
26 of an agency shall acquire any interest, direct or indirect, in any project,
27 redevelopment area or in any property included or planned to be included
28 in the said area nor shall he have any interest, direct or indirect, in any
29 contract or proposed contract for materials or services or in any property to
30 be furnished or used in connection with any project or redevelopment area.
31 If any commissioner or employee of an agency owns or controls an interest,
32 direct or indirect, in any property included or planned to be included in a
33 project or redevelopment area or in any contract or proposed contract he
34 shall immediately disclose the same in writing to the agency and such dis-
35 closure shall be entered upon its minutes. Failure so to disclose such inter-
36 est shall constitute misconduct in office. Upon such disclosure such commis-
37 sioner or employee shall not participate in any action by the agency affecting
38 such property or contract. For inefficiency or neglect of duty or misconduct
39 in office, a commissioner of an agency may be removed by the governing body
40 of the municipality which made the appointment, provided that he is served
41 with a copy of the charges at least ten days prior to a public hearing thereon
42 and is afforded an opportunity to be heard at such hearing, in person or by
43 counsel. In the event of the removal of any commissioner, a record of the
44 proceedings, together with the charges and findings thereon, shall be filed in
45 the office of the clerk of the municipality.

1 8. At any time after two years after adopting an ordinance creating such
2 an agency, the municipality may by ordinance dissolve such agency, pro-
3 vided said agency has not undertaken, contracted for or proceeded with the
4 clearance, replanning, development or redevelopment of a blighted area in
5 accordance with a redevelopment plan; however, such ordinance shall in

6 any case provide that all obligations, if any, of the agency shall be assumed
 7 by the municipality. Upon the adoption of an ordinance of dissolution, the
 8 offices of the members of the agency shall be vacated and the capacity of
 9 the agency to transact business or exercise any power shall cease.

1 9. No municipality shall create a redevelopment agency under this act
 2 if it has authorized the local housing authority to proceed with the rede-
 3 velopment of blighted areas pursuant to existing law.

1 10. Bonds issued by the agency under the provisions of this act are hereby
 2 made securities in which the State and all political subdivisions of this State,
 3 their officers, boards, commissions, departments or other agencies, all banks,
 4 bankers, savings banks, trust companies, savings and loan associations, in-
 5 vestment companies and other persons carrying on a banking business, all
 6 insurance companies, insurance associations, and other persons carrying on
 7 an insurance business, may properly and legally invest any sinking funds,
 8 moneys or other funds, including capital, belonging to them or within their
 9 control; and said bonds or other securities or obligations are hereby made
 10 securities which may properly and legally be deposited with and received by
 11 any State or municipal officers or agency of the State for any purpose for
 12 which the deposit of bonds or other obligations of the State is now or may
 13 hereafter be authorized by law.

14 Bonds issued by the agency under the provisions of this act, their trans-
 15 fer and the income therefrom shall be exempt from taxation.

1 11. When the agency has been created the municipality may at that time,
 2 and from time to time thereafter, make an estimate of the amount of money
 3 required by the agency for the administrative and other purposes of the
 4 agency and may appropriate or advance such amounts to the agency as it
 5 deems necessary. The agency shall:

6 (a) Annually submit to the municipality a proposed budget of all in-
 7 come and expenses which shall include all its indebtedness including pay-
 8 ments necessary to meet interest and principal payments on bonds issued
 9 pursuant to this act. Such budget shall be subject to such changes as the

10 municipality may prescribe, and its preparation and adoption, and the adop-
11 tion of any changes therein, shall be subject to the same rules which are ap-
12 plicable to other agencies and departments of the municipality which are
13 subject to budgetary control. No such budget shall be effective unless it is
14 approved by the governing body of the municipality; no expenditures or
15 disbursements shall be made by the agency except in accordance with a
16 budget so approved, or any amendments or modifications thereof approved
17 by the governing body of the municipality.

18 (b) File with the municipality a detailed report of all its transactions,
19 including a statement of all revenues and expenditures, at monthly, quarterly,
20 or annual intervals as the municipality may prescribe.

1 12. An agency shall constitute a public body corporate and politic, ex-
2 ercising public and essential governmental functions, and having all the
3 powers necessary or convenient to carry out and effectuate the purposes and
4 provisions of this act, including the following powers in addition to others
5 herein granted:

6 (a) To sue and be sued; to have a seal and to alter the same at pleasure;
7 to have perpetual succession; to make and execute contracts and other in-
8 struments necessary or convenient to the exercise of the powers of the
9 agency; and to make and from time to time amend and repeal by-laws, rules
10 and regulations, not inconsistent with this act, to carry into effect its powers
11 and purposes.

12 (b) To invest any funds held in reserve or sinking funds, or any funds
13 not required for immediate disbursement, in property or securities in which
14 savings banks may legally invest funds subject to their control; to purchase
15 its bonds at a price not more than the principal amount thereof and accrued
16 interest, all bonds so purchased to be canceled.

17 (c) Borrow moneys from any source and issue its bonds therefor and
18 give or issue such security therefor or for such bonds, including but not
19 limited to bonds, bonds and mortgages, or other assets of the agency, or pledge
20 or assignment thereof or mortgage or other encumbrance on any of its prop-

erty, real, personal, or mixed, and pay such rate of interest thereon not exceeding four per centum (4%) per annum as the agency may deem for the best interest of the public.

(d) To invest in an obligee the right in the event of a default by the agency to foreclose and take possession of the project covered by said mortgage or apply for the appointment of a receiver.

(e) To provide for the refunding of any of its bonds, by the issuance of such obligations, in such manner and form, and upon such terms and conditions, as it shall deem in the best interests of the public.

(f) Consent to the modification of any contract, bond indenture, mortgage or other instrument entered into by it.

(g) Pay or compromise any claim arising on, or because of any agreement, bond indenture, mortgage or instrument.

(h) Subordinate, waive, sell, assign or release any right, title, claim, lien or demand however acquired, including any equity or right of redemption, foreclose, sell or assign any mortgage held by it, or any interest in real or personal property; and purchase at any sale, upon such terms and at such prices as it determines to be reasonable and to take title to property, real, personal or mixed, so acquired and similarly to sell, exchange, assign, convey or otherwise dispose of any such property.

(i) Complete, administer, operate, obtain and pay for insurance on, and maintain, renovate, repair, modernize, lease or otherwise deal with any property acquired or held pursuant to this act.

(j) Acquire, by condemnation, any land or buildings which are necessary for a project under this act. In such case the agency shall proceed pursuant to the provisions of chapter one of Title 20 of the Revised Statutes relating to Eminent Domain and acquire a fee simple or such lesser interest in said lands as it shall deem necessary.

13. The bonds or other obligations of any agency shall not be a debt or liability of the State or of any municipality, and no such agency shall have power to pledge the credit of the State or any municipality. No commissioner

4 of the agency or any person executing bonds of the agency shall be personally
5 liable thereon.

1 14. Bonds of the agency shall be authorized by a resolution of the agency
2 and may be issued in one or more series and shall be sold at public sale at
3 not less than par after advertisement in a newspaper of general circulation
4 in the municipality and in a financial paper published in the city of Phila-
5 delphia, Pennsylvania, or the city of New York, New York, one week prior
6 to said sale, provided that said bonds may be sold at private sale without
7 advertisement at not less than par to the municipality, the State or Federal
8 Government.

1 15. With the approval of the governing body or governing bodies of the
2 municipality or municipalities, an agency may proceed with the clearance, re-
3 planning, development and redevelopment of a blighted area after same has
4 been determined as such by said municipality and in order to carry out and
5 effectuate the purposes of this act, said agency may: (a) acquire or contract
6 to acquire from any person, firm, or corporation, public or private, by con-
7 tribution, gift, grant, bequest, devise, purchase, condemnation or otherwise,
8 real or personal property or any interest therein, including such property as
9 it may deem necessary or proper, although temporarily not required for such
10 purposes, in a redevelopment area and in any area designated by the govern-
11 ing body as necessary for carrying out the relocation of the residents,
12 industry and commerce displaced from a redevelopment area; (b) clear any
13 area acquired and install, construct or reconstruct streets, facilities, utilities
14 and site improvements essential to the preparation of sites for use in accord-
15 ance with the redevelopment plan; (c) relocate or arrange for the relocation
16 of residents of an area; (d) dispose of land so acquired at its fair value for
17 the uses specified in the redevelopment plan as determined by it to any
18 person, firm, or corporation or to any public agency by sale, lease or
19 exchange; (e) request the planning board, if any, to recommend and the gov-
20 erning body pursuant to existing law to designate blighted areas in need of
21 redevelopment and to make recommendations for such development; (f) to

22 study the recommendations of the planning board for redevelopment of any
23 area and to make its own investigations and recommendations as to current
24 trends in the municipality, blighted areas and blighting factors, to the govern-
25 ing body of the municipality thereon; (g) to publish and disseminate
26 information; (h) to prepare or arrange by contract for preparation of plans
27 by registered architects or licensed professional engineers or planners for the
28 carrying out of redevelopment projects; (i) to arrange or contract with
29 public agencies or redevelopers for the planning, replanning, construction, or
30 undertaking of any project or redevelopment work, or any part thereof, and
31 to arrange or contract with public agencies for the opening, grading or
32 closing of streets, roads, roadways, alleys, or other places or for the furnish-
33 ing of facilities or for the acquisition by such agency of property options or
34 property rights or for the furnishing of property or services in connection
35 with a redevelopment area; (j) to arrange or contract with a public agency, to
36 the extent that it is within the scope of that agency's functions, to cause the
37 services customarily provided by such other agency to be rendered for the
38 benefit of the occupants of any redevelopment area, and to have such other
39 agency provide and maintain parks, recreation centers, schools, sewerage,
40 transportation, water and other municipal facilities adjacent to or in connec-
41 tion with redevelopment areas; (k) to enter upon any building or property in
42 any redevelopment area in order to conduct investigations or make surveys,
43 soundings or test borings necessary to carry out the purposes of this act; (l)
44 to arrange or contract with a public agency for the relocation of residents,
45 industry or commerce displaced from a redevelopment area; (m) to conduct
46 examinations and investigations, hear testimony and take proof, under oath
47 at public or private hearings of any material matter, require the attendance
48 of witnesses and the production of books and papers and issue commissions
49 for the examination of witnesses who are out of the State, unable to attend,
50 or excused from attendance; (n) to authorize a committee designated by it
51 consisting of one or more members, or counsel, or any officer or employee to
52 conduct any such investigation or examination, in which case such committee,

53 counsel, officer or employee shall have power to administer oaths, take affi-
54 davits and issue subpoenas or commissions; and (o) to do all things neces-
55 sary or convenient to carry out its powers.

1 16. An agency, by itself, shall have no power to construct or operate
2 buildings or improvements on any real property acquired by it, other than to
3 manage, operate and maintain housing or other buildings and improvements
4 located thereon at the time of acquisition pending the demolition and removal
5 of such buildings or improvements, and pending the sale or lease of any
6 buildings or improvements the demolition or removal of which is not deemed
7 necessary to the redevelopment plan; except that an agency may purchase,
8 lease, alter, rehabilitate, manage and operate buildings for the purpose of
9 temporarily relocating residents of a redevelopment area. An agency may
10 use the income and rents from any buildings or improvements held operated
11 and managed pursuant to the provisions of this section to pay any expenses
12 incurred in connection therewith.

1 17. No agency shall proceed with a redevelopment plan unless; (a) the
2 municipality has first determined that the area to which said plan refers is
3 blighted, which determination shall be made by the governing body of said
4 municipality as provided by chapter one hundred eighty-seven of the laws
5 of one thousand nine hundred and forty-nine; and (b) the governing body of
6 the municipality has first, by ordinance, approved a redevelopment plan after
7 study and recommendation of its planning board, if any, and finds that said
8 plan provides an outline for the replanning, development or redevelopment of
9 said area sufficient to indicate: (1) its relationship to definite local objectives
10 as to appropriate land uses, density of population and improved traffic,
11 public transportation, public utilities, recreational and community facilities
12 and other public improvements; (2) proposed land uses and building require-
13 ments in the area; (3) provision for the temporary and permanent reloca-
14 tion of persons living in such areas; by arranging for (unless already avail-
15 able) decent, safe and sanitary dwelling units at rents within the means of
16 the persons displaced from said areas.

1 18. No municipality shall adopt a redevelopment plan until it first has
2 been reviewed by a planning board, if there is a board in the municipality.
3 The planning board shall be given an opportunity to make recommendations
4 to the governing body in connection with said redevelopment plan. The
5 redevelopment plan shall conform to the master plan or any part thereof
6 which has been approved by the municipality. Said plan, as finally approved
7 by the governing body, shall control. In considering the plans originally
8 submitted or recommended to it the governing body shall have the power
9 to approve, disapprove or modify same.

1 19. The governing body of any municipality in or for which an agency
2 has been established hereunder may: (a) order any such agency, or any
3 officer or employee thereof to do such acts as may be necessary to comply
4 with the provisions of any redevelopment plan approved by it, or to refrain
5 from doing any acts in violation thereof; and (b) require any such agency to
6 maintain and keep uniform systems of accounts and records for redevelop-
7 ment projects and to file, at such time and in such manner as it may prescribe,
8 reports and answers to specific questions concerning such projects.

1 20. All agreements, leases, deeds and other instruments from or between
2 the agency and to or with a redeveloper shall contain without being limited to
3 the following provisions: (a) a covenant running with the land to the effect
4 that the land, and any buildings or improvements thereon, shall only be used
5 for the purposes designated in the redevelopment plan; (b) a provision that
6 the redeveloper shall be without power to sell, lease or otherwise transfer the
7 redevelopment area or project or any part thereof without the prior written
8 consent of the agency; (c) any lease to a redeveloper may provide that all
9 improvements shall become the property of the agency. The execution of
10 such a lease shall not impose upon the agency any liability for the financing,
11 construction, management or operation of any development project, or any
12 part thereof; (d) such other covenants, provisions and continuing controls as
13 may be deemed necessary to effectuate the purposes of this act.

1 21. No agency shall furnish or provide any services, utilities and facilities
2 of any nature or description competitive with any public utilities as defined
3 in section 48:2-13 of the Revised Statutes.

1 22. The power conferred upon an agency by this act to acquire any land
2 or buildings by condemnation shall not be exercised to acquire any property
3 or interest in property owned or used by any public utility (as defined in sec-
4 tion 48:2-13 of the Revised Statutes) in furnishing any commodity or serv-
5 ice which by law it is authorized to furnish.

1 23. If an agency shall undertake a project and as a part of the project
2 or in connection therewith any property owned or used by a public utility (as
3 defined in section 48:2-13 of the Revised Statutes) in furnishing any com-
4 modity or service which it is authorized by law to furnish, shall be removed,
5 reconstructed, altered or relocated, the cost and expense of the removal, re-
6 construction, alteration or relocation of such property, including the cost of
7 installing or replacing such property in a new location or new locations, and
8 the cost of any lands or any rights or interests in lands, and any other rights
9 acquired to accomplish such removal, reconstruction, alteration or relocation
10 of such property less the cost of any lands or any rights or interests in lands
11 or any other rights of the public utility paid to the public utility in connec-
12 tion with the removal, reconstruction, alteration or relocation of such prop-
13 erty, shall be paid by the agency and shall be included in the cost of the
14 project. In case of the relocation of any such property the public utility
15 owning or using the same, its successors and assigns, may maintain and
16 operate such property, with the necessary appurtenances, in the new location
17 or new locations, for as long a period and upon the same terms and condi-
18 tions as it had the right to maintain and operate such property in its former
19 location.

1 24. Every agreement entered into between an agency and any rede-
2 veloper for the undertaking of any project or redevelopment work, or part
3 thereof, shall include, and by this provision shall be deemed to include, even
4 though omitted, a covenant or agreement by the redeveloper that if as a part

5 of the project or work, or in connection therewith, any property owned or
 6 used by a public utility (as defined in section 48:2-13 of the Revised Stat-
 7 utes) in furnishing any commodity or service which it is authorized by law
 8 to furnish, shall be removed, reconstructed, altered or relocated, the cost
 9 and expense of the removal, reconstruction, alteration or relocation of such
 10 property, including the cost of installing or replacing such property in a new
 11 location or new locations, and the cost of any lands or any rights or interests
 12 in lands, and any other rights acquired to accomplish such removal, recon-
 13 struction, alteration or relocation, less the cost of any lands or any rights or
 14 interests in lands or any other rights of the public utility paid to the public
 15 utility in connection with the removal, reconstruction, alteration or relocation
 16 of such property, shall be paid by the redeveloper, party to such agreement,
 17 and shall be included in the cost of the project or work. In case of the re-
 18 location of any such property the public utility owning or using the same, its
 19 successors and assigns, may maintain and operate such property, with the
 20 necessary appurtenances in the new location or new locations for as long a
 21 period and upon the same terms and conditions as it had the right to main-
 22 tain and operate such property in its former location.

1 25. All properties acquired by an agency for purposes in accordance with
 2 the provisions of this act are hereby declared to be public property of a politi-
 3 cal subdivision of the State devoted to an essential public and governmen-
 4 tal function and purpose and shall be exempt from all taxes and special
 5 assessments of the State or any subdivision thereof, until such time as they
 6 are leased, sold or in any other manner, contracted to a private person or
 7 corporation; however, any such property sold, leased or contracted to pri-
 8 vate individuals or corporations for development under a redevelopment
 9 plan shall have the same tax status as property owned by private individ-
 10 uals or corporations.

1 26. An agency may accept contributions or grants from the Federal or
 2 State Government to assist in its undertaking redevelopment projects. An
 3 agency may do any and all things necessary or desirable to secure such finan-

4 cial aid including obligating itself in any contract with the Federal Gov-
5 ernment or State for annual contributions to convey to the Federal Govern-
6 ment or State the project to which said contract relates upon the occurrence
7 of a substantial default thereunder.

1 27. In the exercise of the functions, powers and duties conferred upon
2 it hereunder, any agency shall be governed by the provisions of chapter
3 fifty of Title 40, article one of chapter ten of Title 34, section one of chap-
4 ter eleven of Title 34 and chapter two of Title 10 of the Revised Statutes,
5 in the same manner as if such agency were specifically named therein.

1 28. If any clause, sentence, subdivision, paragraph, section or part of
2 this act be adjudged by any court of competent jurisdiction to be invalid,
3 such judgment shall not effect, impair or invalidate the remainder thereof,
4 but shall be confined in its operation to the clause, sentence, subdivision,
5 paragraph, section or part thereof directly involved in the controversy in
6 which said judgment shall have been rendered.

1 29. The powers enumerated in this act shall be interpreted broadly to
2 effectuate the purposes thereof and shall not be construed as a limitation of
3 powers.

1 30. This act shall take effect immediately.

4 cial aid including obligating itself in any contract with the Federal Gov-
5 ernment or State for annual contributions to convey to the Federal Govern-
6 ment or State the project to which said contract relates upon the occurrence
7 of a substantial default thereunder.

1 27. In the exercise of the functions, powers and duties conferred upon
2 it hereunder, any agency shall be governed by the provisions of chapter
3 fifty of Title 40, article one of chapter ten of Title 34, section one of chap-
4 ter eleven of Title 34 and chapter two of Title 10 of the Revised Statutes,
5 in the same manner as if such agency were specifically named therein.

1 28. If any clause, sentence, subdivision, paragraph, section or part of
2 this act be adjudged by any court of competent jurisdiction to be **invalid**,
3 such judgment shall not effect, impair or invalidate the remainder **thereof**,
4 but shall be confined in its operation to the clause, sentence, **subdivision**,
5 paragraph, section or part thereof directly involved in the controversy in
6 which said judgment shall have been rendered.

1 29. The powers enumerated in this act shall be interpreted broadly to
2 effectuate the purposes thereof and shall not be construed as a limitation of
3 powers.

1 30. This act shall take effect immediately.

Sponsor's STATEMENT

The purpose of this bill is to authorize municipalities to establish rede-
velopment agencies to proceed with the clearance, replanning and redevelop-
ment of blighted areas in accordance with redevelopment plans as approved by
the municipality. The determination of blighted areas would be made by the
municipality after investigation, notice and hearing, in accordance with Chap-
ter 187 of the Laws of 1949.

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STATE OF NEW JERSEY

INTRODUCED MARCH 5, 1951

By Mr. GLENN

Referred to Committee on Housing

AN ACT to amend the "Redevelopment Agencies Law," approved June fourteenth, one thousand nine hundred and forty-nine (P. L. 1949, c. 306).

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

1 1. Section twenty-five of the act of which this act is amendatory is
2 amended to read as follows:

3 25. All properties acquired by an agency for purposes in accordance
4 with the provisions of this act are hereby declared to be public property of
5 a political subdivision of the State devoted to an essential public and gov-
6 ernmental function and purpose and shall be exempt from all taxes and spe-
7 cial assessments of the State or any subdivision thereof, until such time as
8 they are leased, sold or in any other manner, contracted to a private person
9 or corporation; *however*, any such property sold, leased or contracted to
10 private individuals or corporations for development under a redevelopment
11 plan shall have the same tax status as property owned by private individuals
12 or corporations. During the time an agency is managing, operating and
13 maintaining real property prior to actual clearance, development or redevel-
14 opment of such property or sale, lease or other disposal of such property
15 pursuant to the provisions hereof; it may pay to the municipality in which
16 the real property is situated out of the net income from the property, in lieu
17 of taxes, an annual service charge for municipal services supplied to said

18 property in an amount not exceeding the tax on the property for the year it
19 was acquired by the agency. The amount of such annual service charge shall
20 be as set forth in a written agreement to be entered into between the munici-
21 pality and the agency.

1 2. This act shall take effect immediately.

STATE OF NEW JERSEY

INTRODUCED NOVEMBER 16, 1959

By Assemblymen KRAUT, BATEMAN, McGOWAN, KLEWSKI,
BRADY and SAVINO

(Without Reference)

AN ACT to amend the "Redevelopment Agencies Law," approved June 14, 1949
(P. L. 1949, c. 306).

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

1 1. Section 12 of the act of which this act is amendatory is amended to
2 read as follows:

3 12. An agency shall constitute a public body corporate and politic, exer
4 cising public and essential governmental functions, and having all the powers
5 necessary or convenient to carry out and effectuate the purposes and pro
6 visions of this act, including the following powers in addition to others herein
7 granted:

8 (a) To sue and be sued; to have a seal and to alter the same at pleasure;
9 to have perpetual succession; to make and execute contracts and other in-
10 struments necessary or convenient to the exercise of the powers of the
11 agency; and to make and from time to time amend and repeal by laws, rules
12 and regulations, not inconsistent with this act, to carry into effect its powers
13 and purposes.

14 (b) To invest any funds held in reserve or sinking funds, or any funds
15 not required for immediate disbursement, in property or securities in which

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

16 savings banks may legally invest funds subject to their control; to purchase
17 its bonds at a price not more than the principal amount thereof and accrued
18 interest, all bonds so purchased to be canceled.

19 (c) Borrow moneys from any source and issue its bonds therefor and
20 give or issue such security therefor or for such bonds, including but not
21 limited to bonds, bonds and mortgages, or other assets of the agency, or
22 pledge or assignment thereof or mortgage or other encumbrance on any of its
23 property, real, personal, or mixed, and pay such rate of interest thereon not
24 exceeding ~~4%~~ 6% per annum as the agency may deem for the best interest
25 of the public.

26 (d) To invest in an obligee the right in the event of a default by the
27 agency to foreclose and take possession of the project covered by said mort-
28 gage or apply for the appointment of a receiver.

29 (e) To provide for the refunding of any of its bonds, by the issuance of
30 such obligations, in such manner and form, and upon such terms and condi-
31 tions, as it shall deem in the best interests of the public.

32 (f) Consent to the modification of any contract, bond indenture, mort-
33 gage or other instrument entered into by it.

34 (g) Pay or compromise any claim arising on, or because of any agree-
35 ment, bond indenture, mortgage or instrument.

36 (h) Subordinate, waive, sell, assign or release any right, title, claim, lien
37 or demand however acquired, including any equity or right of redemption,
38 foreclose, sell or assign any mortgage held by it, or any interest in real or
39 personal property; and purchase at any sale, upon such terms and at such
40 prices as it determines to be reasonable and to take title to property, real,
41 personal or mixed, so acquired and similarly to sell, exchange, assign, convey
42 or otherwise dispose of any such property.

43 (i) Complete, administer, operate, obtain and pay for insurance on, and
44 maintain, renovate, repair, modernize, lease or otherwise deal with any prop-
45 erty acquired or held pursuant to this act.

46 (j) Acquire, by condemnation, any land or buildings which are necessary
47 for a project under this act. In such case the agency shall proceed pursuant
48 to the provisions of chapter 1 of Title 20 of the Revised Statutes relating to
49 eminent domain and acquire a fee simple or such lesser interest in said lands
50 as it shall deem necessary.

1 2. This act shall take effect immediately.