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.

COPY NO. 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.

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 laws in 1949, 1951.

L 1949
c306

[OFFICIAL COPY REPRINT]

FIRST SPECIAL SESSION

ASSEMBLY, No. 4

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.

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

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

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

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

Therefore, as a matter of legislative determination it is hereby declared to be the policy of this State to promote the health, safety, morals and welfare of the citizens thereof by the creation of redevelopment agencies which are declared to be governmental agencies and instrumentalities for the public purposes of acquiring and replanning such areas and of holding, redeveloping or disposing of them in such manner that they shall become available for economically and socially sound development by private or public enterprise or by a combination of both.

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

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

(b) The discontinuance of the use of buildings previously used for manufacturing or industrial purposes, the abandonment of such buildings or the same being allowed to fall into so great a state of disrepair as to be untenantable;

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

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

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

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

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

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

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

(a) "Agency" shall mean a redevelopment agency or a regional development agency created pursuant to this act.

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

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

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

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

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

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

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

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

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

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

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

(m) "Redevelopment plan" shall mean a plan as it exists from time to time for the redevelopment of all or any part of a redevelopment area, which plan shall be sufficiently complete to indicate its relationship to definite municipal objectives as to appropriate land uses, public transportation and utilities, recreational and municipal facilities, and other public improvements; and to indicate proposed land uses and building requirements in the redevelopment area.

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

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

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

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

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

Upon the creation of any such agency, the municipality or municipalities creating the same shall, in writing, notify the Commissioner of Conservation and Economic Development of the same.

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

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

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

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

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

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

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

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

Bonds issued by the agency under the provisions of this act, their transfer and the income therefrom shall be exempt from taxation.

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

(a) Annually submit to the municipality a proposed budget of all income and expenses which shall include all its indebtedness including payments necessary to meet interest and principal payments on bonds issued pursuant to this act. Such budget shall be subject to such changes as the

municipality may prescribe, and its preparation and adoption, and the adoption of any changes therein, shall be subject to the same rules which are applicable to other agencies and departments of the municipality which are subject to budgetary control. No such budget shall be effective unless it is approved by the governing body of the municipality; no expenditures or disbursements shall be made by the agency except in accordance with a budget so approved, or any amendments or modifications thereof approved by the governing body of the municipality.

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

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

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

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

(c) Borrow moneys from any source and issue its bonds therefor and give or issue such security therefor or for such bonds, including but not limited to bonds, bonds and mortgages, or other assets of the agency, or pledge 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

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

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

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

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

counsel, officer or employee shall have power to administer oaths, take affidavits and issue subpœnas or commissions; and (o) to do all things necessary or convenient to carry out its powers.

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

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

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

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

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

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

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

23. If an agency shall undertake a project and as a part of the project or in connection therewith any property owned or used by a public utility (as defined in section 48:2-13 of the Revised Statutes) in furnishing any commodity or service which it is authorized by law to furnish, shall be removed, reconstructed, altered or relocated, the cost and expense of the removal, reconstruction, alteration or relocation of such property, including the cost of installing or replacing such property in a new location or new locations, and the cost of any lands or any rights or interests in lands, and any other rights acquired to accomplish such removal, reconstruction, alteration or relocation of such property less the cost of any lands or any rights or interests in lands or any other rights of the public utility paid to the public utility in connection with the removal, reconstruction, alteration or relocation of such property, shall be paid by the agency and shall be included in the cost of the project. In case of the relocation of any such property the public utility owning or using the same, its successors and assigns, may maintain and operate such property, with the necessary appurtenances, in the new location or new locations, for as long a period and upon the same terms and conditions as it had the right to maintain and operate such property in its former location.

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

of the project or work, or in connection therewith, any property owned or used by a public utility (as defined in section 48:2-13 of the Revised Statutes) in furnishing any commodity or service which it is authorized by law to furnish, shall be removed, reconstructed, altered or relocated, the cost and expense of the removal, reconstruction, alteration or relocation of such property, including the cost of installing or replacing such property in a new location or new locations, and the cost of any lands or any rights or interests in lands, and any other rights acquired to accomplish such removal, reconstruction, alteration or relocation, less the cost of any lands or any rights or interests in lands or any other rights of the public utility paid to the public utility in connection with the removal, reconstruction, alteration or relocation of such property, shall be paid by the redeveloper, party to such agreement, and shall be included in the cost of the project or work. In case of the relocation of any such property the public utility owning or using the same, its successors and assigns, may maintain and operate such property, with the necessary appurtenances in the new location or new locations for as long a period and upon the same terms and conditions as it had the right to maintain and operate such property in its former location.

25. All properties acquired by an agency for purposes in accordance with the provisions of this act are hereby declared to be public property of a political subdivision of the State devoted to an essential public and governmental function and purpose and shall be exempt from all taxes and special assessments of the State or any subdivision thereof, until such time as they are leased, sold or in any other manner, contracted to a private person or corporation; however, any such property sold, leased or contracted to private individuals or corporations for development under a redevelopment plan shall have the same tax status as property owned by private individuals or corporations.

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

cial aid including obligating itself in any contract with the Federal Government or State for annual contributions to convey to the Federal Government or State the project to which said contract relates upon the occurrence of a substantial default thereunder.

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

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

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

30. This act shall take effect immediately.

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

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30. This act shall take effect immediately.

Sponsor's STATEMENT

The purpose of this bill is to authorize municipalities to establish redevelopment agencies to proceed with the clearance, replanning and redevelopment 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 Chapter 187 of the Laws of 1949.

SSA 4 (1949)

L 1949 c. 306

L1951
c.87

[OFFICIAL COPY REPRINT]

ASSEMBLY, No. 519

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).

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

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

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

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

2. This act shall take effect immediately.

172 59 L 1959
11-24-59 c. 172

ASSEMBLY, No. 727

STATE OF NEW JERSEY

INTRODUCED NOVEMBER 16, 1959

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

(Without Reference)

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

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

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

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

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

(b) To invest any funds held in reserve or sinking funds, or any funds 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.

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

(e) Borrow moneys from any source and issue its bonds therefor and give or issue such security therefor or for such bonds, including but not limited to bonds, bonds and mortgages, or other assets of the agency, or pledge or assignment thereof or mortgage or other encumbrance on any of its property, real, personal, or mixed, and pay such rate of interest thereon not exceeding [4%] 6% 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 1 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.

2. This act shall take effect immediately.