40:55C-45

LEGISLATIVE HISTORY CHECKLIST

NJSA: 40:55c-45 and 40:55c-82 (Urban enterprise zones--tax abatement--facilitate use of "Fox-Lance" programs)

LAWS OF: 1985 **CHAPTER:** 435

BILL NO: A1913

Sponsor(s): Bryant and Doyle

Date Introduced: May 7, 1984

Committee: **Assembly:** Housing and Urban Policy

Senate: County and Municipal Government

Amended during passage: No Assembly committee substitute exacted.

Date of Passage: **Assembly:** October 11, 1984

Senate: December 9, 1985

Date of Approval: January 13, 1986

Following statements are attached if available:

Sponsor statement: Yes

Committee statement: **Assembly** Yes

Senate Yes

Fiscal Note: No

Veto Message: No

Message on Signing: ~~No~~ Yes

Following were printed:

Reports: No

Hearings: No

435 85

1-13-86

ASSEMBLY COMMITTEE SUBSTITUTE FOR

ASSEMBLY, No. 1913

STATE OF NEW JERSEY

ADOPTED JUNE 25, 1984

By Assemblyman BRYANT

AN ACT concerning the definition of blighted areas and amending P. L. 1961, c. 40 and P. L. 1965, c. 95.

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

1. Section 6 of P. L. 1961, c. 40 (C. 40:55C–45) is amended to read as follows:

6. "Blighted area" means any section of a municipality which has been determined to be a blighted area by the governing body thereof in accordance with chapter 187 of the laws of 1949 as amended and supplemented, *or which has been designated as an enterprise zone pursuant to the "New Jersey Urban Enterprise Zones Act," P. L. 1983, c. 303 (C. 52:27H–60 et seq.).*

2. Section 6 of P. L. 1965, c. 95 (C. 40:55C–82) is amended to read as follows:

6. "Blighted area" defined.

"Blighted area" means, any section of a municipality which has been determined to be a blighted area by the governing body thereof in accordance with chapter 187 of the laws of 1949 as amended and supplemented, *or which has been designated as an enterprise zone pursuant to the "New Jersey Urban Enterprise Zones Act," P. L. 1983, c. 303 (C. 52:27H–60 et seq.).*

3. This act shall take effect immediately.

Matter printed in italics *thus* is new matter.

ASSEMBLY, No. 1913

STATE OF NEW JERSEY

INTRODUCED MAY 7, 1984

By Assemblymen BRYANT and DOYLE

AN ACT concerning the definition of blighted areas for the purposes of clearance, replanning, development and redevelopment of those areas, and amending P. L. 1949, c. 187.

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

1. Section 1 of P. L. 1949, c. 187 (C. 40:55–21.1) is amended to read as follows:

1. As used in this act, the term "blighted area" shall mean an area in any municipality wherein there exists any of the conditions hereinafter enumerated:

(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 10 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;

Matter printed in italics *thus* is new matter.

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

The term "blighted area" shall mean also the area of an enterprise zone designated pursuant to the "New Jersey Urban Enterprise Zones Act," P. L. 1983, c. 303 (C. 52:227H–60 et seq.).

2. (New section) In any municipality in which an enterprise zone has been designated pursuant to the "New Jersey Urban Enterprise Zones Act," P. L. 1983, c. 303 (C. 52:227H–60 et seq.), the execution of the actions prescribed in that act for the adoption by the municipality and approval by the New Jersey Urban Enterprise Zone Authority of the zone development plan for the area of the enterprise zone, shall be considered to be sufficient for the determination of the area as a blighted area pursuant to P. L. 1949, c. 187 (C. 40:55–21.1 et seq.) and for the purposes of P. L. 1961, c. 40 (C. 40:55C–40 et seq.) or P. L. 1965, c. 95 (C. 40:55C–77 et seq.), except that the municipality shall not utilize the powers of eminent domain in the enterprise zone to condemn property unless the municipal governing body and the municipal planning board shall have taken the actions and fulfilled the requirements prescribed in sections 4, 5, 6, 8 and 9 of P. L. 1949, c. 187 (C. 40:55–21.4 through 40:55–21.6 and 40:55–21.8 and 40:55–21.9).

3. This act shall take effect immediately.

STATEMENT

This bill facilitates the use of the "Fox-Lance" tax abatement program in enterprise zones designated under the "New Jersey Urban Enterprise Zones Act," P. L. 1983, c. 303 (C. 52:227H–60 et seq.), by providing that the area of an enterprise zone shall be considered to be a "blighted area" for that purpose. The bill requires that if, however, the powers of eminent domain are to be used in the enterprise zone, the pertinent municipal agencies shall proceed according to the public notice and hearing requirements otherwise specified by law for blighted areas.

ASSEMBLY HOUSING AND URBAN POLICY COMMITTEE

STATEMENT TO
ASSEMBLY COMMITTEE SUBSTITUTE FOR

ASSEMBLY, No. 1913

STATE OF NEW JERSEY

DATED: JUNE 25, 1984

The purpose of Assembly Bill No. 1913, as stated by the sponsor, is to "facilitate" the use of "Fox-Lance" tax abatement in enterprise zones designated pursuant to the recently enacted "New Jersey Urban Enterprise Zones Act," P. L. 1983, c. 303 (C. 52:27H-60 et seq.).

As originally drafted, the bill accomplished this by amending the definition of "blighted area" in P. L. 1949, c. 187 § 1 (C. 40:55-21.1). That statute, implementing the urban renewal provisions of the 1947 Constitution, set forth a definition of "blighted areas," procedure for determining and certifying such areas, and provision for a municipality to proceed to acquire property and proceed with "clearance, replanning, development or redevelopment" in areas so designated.

In order to clarify that the bill was intended only to authorize tax abatement, and not to justify acquisition of property by condemnation, an exception was added to section 2 of Assembly Bill No. 1913, stating that, although designation of an area as an enterprise zone was "sufficient for the determination of the area as blighted area," the municipality might not proceed to condemn property in the zone for redevelopment purposes unless it went through the full procedure (allowing for public notice and hearing, reception of written objections, and allowance of appeals) set forth in the 1949 statute.

The substitute bill here offered avoids this complication by amending not the 1949 statute, which deals with blight generally, but the two tax-abatement statutes (P. L. 1961, c. 40 — the original "Fox-Lance" act — and P. L. 1965, c. 95). These statutes authorize real-property tax exemption up to 20 years for redevelopment improvements made by "urban renewal corporations or associations" (subject, however, to in-lieu-of-tax payments based on a property's gross annual income, and, in the case of for-profit corporations, a limitation on allowable profits) in "blighted areas", and define that term by reference to the definition in P. L. 1949, c. 187. This substitute bill would add to the definitions in those two tax-abatement statutes the designated enterprise zone — thus defining it as "blighted" for tax-abatement purposes only, and avoiding the other consquences of placing it in the more general context of the 1949 statute.

SENATE COUNTY AND MUNICIPAL GOVERNMENT COMMITTEE

STATEMENT TO

ASSEMBLY COMMITTEE SUBSTITUTE FOR

ASSEMBLY, No. 1913

STATE OF NEW JERSEY

DATED: NOVEMBER 18, 1985

The Assembly Committee Substitute for Assembly Bill No. 1913 amends section 6 of the "Urban Renewal Corporation and Association Law of 1961," P. L. 1961, c. 40 (C. 40:55C–45) and section 6 of the "Urban Renewal Nonprofit Corporation Law of 1965," P. L. 1965, c. 95 (C. 40:55C–82) to extend the definition of "blighted area" to include any portion of a municipality which has been designated as an enterprise zone pursuant to the "New Jersey Enterprise Zone Act," P. L. 1983, c. 303 (C. 52:27H–60 et seq.).

By including enterprise zones within the definition of "blighted area," the zones become eligible for the property tax abatements offered under the "Urban Renewal Corporation and Association Law of 1961" and the "Urban Renewal Nonprofit Corporation Law of 1965."

A-1509, sponsored by Assemblyman Robert E. Littell, R-Sussex, which authorizes sled dog races and working dog exhibitions, sponsored by authorized organizations.

A-1873, sponsored by Assemblyman Martin A. Herman, D-Salem, which amends the definition of "fiduciary" so that nontestamentary trustees will be entitled to compensation in the same manner as testamentary trustees or guardians.

A testamentary trust is one created in a will, while a nontestamentary trust is one created while the creator is still alive.

A-1913, sponsored by Assemblyman Wayne R. Bryant, D-Camden, which amends the definition of "blighted area" within the Urban Renewal Corporation and Association Law of 1961 and the Urban Renewal Nonprofit Corporation Law of 1965 to include areas designated as Urban Enterprise Zones. . The effect of the bill is to make urban renewal corporations undertaking development projects in Urban Enterprise Zones eligible for a Fox-Lance real estate tax exemption.

A-1927, sponsored by Assemblyman Harry A. McEnroe, D-Essex, which exempts the governing body of a county from the public bidding requirements of the Local Public Contracts Law when purchasing materials and services for a law library to be used by the courts in the county.

A-2140, sponsored by Assemblyman John E. Rooney, R-Bergen, which permits the Family Division of the Superior Court to order a juvenile to be examined by a speech language pathologist before being judged delinquent.

A-2175, sponsored by Assemblyman Garabed Haytaian, R-Warren, which alters, under certain circumstances, the burden of paying for the burial of an unclaimed body from the county to the surviving spouse or surviving parent.

- [redacted] -