

40:55C-5 et al

LEGISLATIVE HISTORY CHECKLIST

NJSA 40:55C-5 et al. (Redevelopment--Municipal and regional agencies--allow projects in "blighted" areas)

LAWS 1980 CHAPTER 121

Bill No. A918

Sponsor(s) Janiszewski

Date Introduced Feb. 11, 1980

Committee: Assembly Municipal Government

Senate County and Municipal Government

Amended during passage Yes ~~No~~ ~~Amendments during passage denoted by asterisks~~

Date of Passage: Assembly May 5, 1980

Senate June 26, 1980

Date of approval Sept. 29, 1980

Following statements are attached if available:

Sponsor statement Yes ~~No~~

Committee Statement: Assembly Yes ~~No~~

Senate Yes ~~No~~

Fiscal Note ~~Yes~~ No

Veto Message ~~Yes~~ No

Message on signing Yes ~~No~~

Following were printed:

Reports ~~Yes~~ No

Hearings ~~Yes~~ No

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ASSEMBLY, No. 918

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 11, 1980

By Assemblyman JANISZEWSKI

Referred to Committee on Municipal Government

AN ACT concerning redevelopment and amending P. L. 1949, c. 306,
and P. L. 1956, c. 212.

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

1 1. Section 5 of P. L. 1949, c. 306 (C. 40:55C-5), is amended to
2 read as follows:

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

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

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

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

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

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

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

23 (g) "Project" shall mean any work or undertaking pursuant
24 to a master plan or redevelopment plan; such undertaking may
25 include any buildings, land (including demolition, clearance or
26 removal of buildings from land), equipment, facilities, or other
27 real or personal properties which are necessary, convenient, or

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

28 desirable appurtenances, such as but not limited to streets, sewers,
29 utilities, parks, site preparation, landscaping, and administrative,
30 community, health, recreational, educational, and welfare facilities.

31 (h) "Project area" shall mean all or a portion of a redevelop-
32 ment area.

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

36-39 (j) "Obligee of the Agency" or "Obligee" shall include any
40 bondholder, trustee or trustees for any bondholder, or lessor
41 demising to the agency property used in connection with a project
42 or any assignees of such lessor's interest or any part thereof, and
43 the Federal Government or State when a party to any contract
44 with the agency.

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

51 (l) "Redevelopment" shall mean clearance, replanning, devel-
52 opment and redevelopment; the rehabilitation of any improve-
53 ments, the construction and provision for construction of residen-
54 tial, commercial, industrial, public or other structures and the grant
55 or dedication of spaces as may be appropriate or necessary in the
56 interest of the general welfare for streets, parks, playgrounds, or
57 other public purposes including recreational and other facilities
58 incidental or appurtenant thereto, in accordance with a master
59 plan or any part thereof approved by the governing body of a
60 municipality or a redevelopment plan approved by said governing
61 body.

62 (m) "Redevelopment plan" shall mean a plan as it exists from
63 time to time for the redevelopment of all or any part of a rede-
64 velopment area, which plan shall be sufficiently complete to indicate
65 its relationship to definite municipal objectives as to appropriate
66 land uses, public transportation and utilities, recreational and
67 municipal facilities, and other public improvements; and to indi-
68 cate proposed land uses and building requirements in the redevelop-
69 ment area.

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

74 (o) "Redevelopment area" shall mean an area of a municipality
 75 which the governing body thereof finds is a blighted area, *or is an*
 76 *area in need of rehabilitation so as to prevent the existence of*
 77 *blighted conditions*, whose redevelopment is necessary to effectuate
 78 the public purposes declared in this act. A redevelopment area may
 79 include lands, buildings, or improvements which of themselves are
 80 not detrimental to the public health, safety or welfare, but whose
 81 inclusion is found necessary, with or without change in their condi-
 82 tion, for the effective ***[redevolpment]*** **redevelopment** of the
 83 area of which they are a part.

1 2. Section 12 of P. L. 1949, c. 306 (C. 40:55C-12), is amended
 2 to read as follows:

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

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

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

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

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

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

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

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

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

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

49 (j) Acquire, by condemnation, any land or buildings *which are*
50 *located in an area determined by the governing body of a municipi-*
51 *pality, pursuant to the provisions of P. L. 1949, c. 187 (C. 40:55-21.1*
52 *et seq.), to be a blighted area, and* which are necessary for a project
53 under this act. In such case the agency shall proceed pursuant to
54 the provisions of chapter 1 of Title 20 of the Revised Statutes re-
55 lating to eminent domain and acquire a fee simple or such lesser
56 interest in said lands as it shall deem necessary.

57 (k) To extend credit or make loans to redevelopers for the plan-
58 ning, designing, acquiring, constructing, reconstructing, improving,
59 equipping and furnishing any project or redevelopment work.

1 3. Section 15 of P. L. 1949, c. 306 (C. 40:55C-15), is amended to
2 read as follows:

3 15. With the approval of the governing body or governing bodies
4 of the municipality or municipalities, an agency may proceed with
5 the clearance, replanning, development and redevelopment of a
6 blighted area after same has been determined as such by said
7 municipality and in order to carry out and effectuate the purposes
8 of this act, said agency may: (a) acquire or contract to acquire
9 from any person, firm, or corporation, public or private, by contri-
10 bution, gift, grant, bequest, devise, purchase, condemnation or
11 otherwise, real or personal property or any interest therein,
12 including such property as it may deem necessary or proper,
13 although temporarily not required for such purposes, in a redevel-
14 opment area and in any area designated by the governing body as
15 necessary for carrying out the relocation of the residents, industry
16 and commerce displaced from a redevelopment area; (b) clear any
17 area acquired and install, construct or reconstruct streets, facili-
18 ties, utilities and site improvements essential to the preparation

19 of sites for use in accordance with the redevelopment plan;
20 (c) relocate or arrange for the relocation of residents of an area;
21 (d) dispose of land so acquired at its fair value for the uses specified
22 in the redevelopment plan as determined by it to any person, firm,
23 or corporation or to any public agency by sale, lease or exchange;
24 (e) request the planning board, if any, to recommend and the
25 governing body pursuant to existing law to designate blighted areas
26 in need of redevelopment and to make recommendations for such
27 development; (f) to study the recommendations of the planning
28 board for redevelopment of any area and to make its own inves-
29 tigations and recommendations as to current trends in the munici-
30 pality, blighted areas and blighting factors, to the governing
31 body of the municipality thereon; (g) to publish and disseminate
32 information; (h) to prepare or arrange by contract for preparation
33 of plans by registered architects or licensed professional engineers
34 or planners for the carrying out of redevelopment projects; (i) to
35 arrange or contract with public agencies or redevelopers for the
36 planning, replanning, construction, or undertaking of any project
37 or redevelopment work, or any part thereof, to provide as part of
38 any such arrangement or contract for extension of credit or making
39 of loans to redevelopers to finance any project or redevelopment
40 work, and to arrange or contract with public agencies for the
41 opening, grading or closing of streets, roads, roadways, alleys, or
42 other places or for the furnishing of facilities or for the acquisition
43 by such agency of property options or property rights or for the
44 furnishing of property or services in connection with a redevelop-
45 ment area; (j) to arrange or contract with a public agency, to the
46 extent that it is within the scope of that agency's functions, to
47 cause the services customarily provided by such other agency to be
48 rendered for the benefit of the occupants of any redevelopment
49 area, and to have such other agency provide and maintain parks,
50 recreation centers, schols, sewerage, transportation, water and
51 other municipal facilities adjacent to or in connection with re-
52 development areas; (k) to enter upon any building or property
53 in any redevelopment area in order to conduct investigations or
54 make surveys, soundings or test borings necessary to carry out the
55 purposes of this act; (l) to arrange or contract with a public agency
56 for the relocation of residents, industry or commerce displaced
57 from a redevelopment area; (m) to conduct examinations and
58 investigations, hear testimony and take proof, under oath at public
59 or private hearings of any material matter, require the attendance
60 of witnesses and the production of books and papers and issue
61 commissions for the examination of witnesses who are out of the
62 State, unable to attend, or excused from attendance; (n) to autho-

63 rize a committee designated by it consisting of one or more mem-
 64 bers, or counsel, or any officer or employee to conduct any such
 65 investigation or examination, in which case such committee,
 66 counsel, officer or employee shall have power to administer oaths,
 67 take affidavits and issue subpoenas or commissions; and (o) to do
 68 all things necessary or convenient to carry out its powers.

69 *With the approval of the governing body or governing bodies of*
 70 *the municipality or municipalities, an agency may proceed with the*
 71 *clearance, replanning, development and redevelopment of an area*
 72 *other than a blighted area, but which is in need of rehabilitation*
 73 *so as to prevent the existence of blighted conditions, and may with*
 74 *respect to a project located in any such area perform any of the*
 75 *actions hereinabove described; provided, however, that with respect*
 76 *to such a project no agency shall have the power to take or acquire*
 77 *private property by condemnation.*

1 4. Section 17 of P. L. 1949, c. 306 (C. 40:55C-17), is amended to
 2 read as follows:

3 17. No agency shall proceed with a redevelopment plan unless;
 4 (a) the municipality has first determined that the area to which
 5 said plan refers is blighted, which determination shall be made by
 6 the governing body of said municipality as provided by chapter 187
 7 of the laws of 1949, *or is an area in need of rehabilitation so as to*
 8 *prevent the existence of blighted conditions**, which determination
 8A *may take into consideration the existence of blighted areas else-*
 8B *where in the municipality, deterioration of housing stock, age of*
 8C *housing stock, supply of and demand for housing in the munici-*
 8D *pality, and arrearage in real property taxes due on residential prop-*
 9 *erties**; and (b) the governing body of the municipality has first,
 10 by ordinance, approved a redevelopment plan after study and
 11 recommendation of its planning board, if any, finds that said plan
 12 provides an outline for the replanning, development or redevelop-
 13 ment of said area sufficient to indicate: (1) its relationship to
 14 definite local objectives as to appropriate land uses, density of
 15 population and improved traffic, public transportation, public utili-
 16 ties, recreational and community facilities and other public
 17 improvements; (2) proposed land uses and building requirements
 18 in the area; (3) provision for the temporary and permanent reloca-
 19 tion of persons living in such areas; by arranging for (unless
 20 already available) decent, safe and sanitary dwelling units at
 21 rents within the means of the persons displaced from said areas.

1 5. Section 2 of P. L. 1956, c. 212 (C. 40:55C-31), is amended to
 2 read as follows:

3 2. In addition to its authority under provisions of the act to
4 which this act is a supplement, an agency is hereby authorized to
5 plan, initiate and carry out a redevelopment project as herein de-
6 fined. As used in this act, a "redevelopment project" shall mean
7 any undertakings and activities for the elimination (and for the
8 prevention of the development or spread) of blighted, deteriorated,
9 or deteriorating areas, *or areas otherwise in need of rehabilitation*
10 *to prevent the existence of blighted conditions*, and may involve any
11 work or undertaking for such purpose constituting a redevelop-
12 ment project as authorized by the act to which this act is a supple-
13 ment, or any conservation or rehabilitation work, or any
14 combination of such redevelopment projects and such conservation
15 or rehabilitation work or undertaking. For this purpose "conserva-
16 tion or rehabilitation work" may include (1) carrying out plans
17 for a program of voluntary repair and rehabilitation of buildings
18 or other improvements; (2) acquisition of real property and
19 demolition, removal, or rehabilitation of buildings and improve-
20 ments thereon where necessary to eliminate unhealthful, insanitary
21 or unsafe conditions, lessen density, reduce traffic hazards, elim-
22 inate obsolete or other uses detrimental to the public welfare, or
23 to otherwise remove or prevent the spread of blight or deteriora-
24 tion, or to provide land for needed public facilities; (3) installation,
25 construction, or reconstruction of streets, utilities, parks, play-
26 grounds, and other improvements necessary for carrying out the
27 objectives of the redevelopment project; and (4) the disposition,
28 for uses in accordance with the objectives of the redevelopment
29 project, of any property or part thereof acquired in the area of
30 such project; provided that such disposition shall be in the manner
31 prescribed in the act to which this act is a supplement for the
32 disposition of property in a redevelopment project area. As used
33 in this act the term "blighted, deteriorated or deteriorating area"
34 may include an area determined by the municipality to be blighted
35 in accordance with the provisions of chapter 187 of the laws of 1949
36 and, in addition, areas which are determined by the municipality,
37 pursuant to the same procedures as provided in said chapter, to be
38 blighted, deteriorated or deteriorating because of structures or
39 improvements which are dilapidated or characterized by disre-
40 pair, lack of ventilation or light or sanitary facilities, faulty
41 arrangement, location, or design, or other unhealthful or unsafe
42 conditions, *or otherwise in need of rehabilitation to prevent the*
43 *existence of blighted conditions.*

1 6. This act shall take effect immediately, and be retroactive to
2 January 1, 1979.

ASSEMBLY, No. 918

STATE OF NEW JERSEY

INTRODUCED FEBRUARY 11, 1980

By Assemblyman JANISZEWSKI

Referred to Committee on Municipal Government

AN ACT concerning redevelopment and amending P. L. 1949, c. 306,
and P. L. 1956, c. 212.

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

1 1. Section 5 of P. L. 1949, c. 306 (C. 40:55C-5), is amended to
2 read as follows:

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

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

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

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

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

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

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

23 (g) "Project" shall mean any work or undertaking pursuant
24 to a master plan or redevelopment plan; such undertaking may
25 include any buildings, land (including demolition, clearance or
26 removal of buildings from land), equipment, facilities, or other
27 real or personal properties which are necessary, convenient, or

28 desirable appurtenances, such as but not limited to streets, sewers,
29 utilities, parks, site preparation, landscaping, and administrative,
30 community, health, recreational, educational, and welfare facilities.

31 (h) "Project area" shall mean all or a portion of a redevelop-
32 ment area.

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

36-39 (j) "Obligee of the Agency" or "Obligee" shall include any
40 bondholder, trustee or trustees for any bondholder, or lessor
41 demising to the agency property used in connection with a project
42 or any assignees of such lessor's interest or any part thereof, and
43 the Federal Government or State when a party to any contract
44 with the agency.

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

51 (l) "Redevelopment" shall mean clearance, replanning, devel-
52 opment and redevelopment; the rehabilitation of any improve-
53 ments, the construction and provision for construction of residen-
54 tial, commercial, industrial, public or other structures and the grant
55 or dedication of spaces as may be appropriate or necessary in the
56 interest of the general welfare for streets, parks, playgrounds, or
57 other public purposes including recreational and other facilities
58 incidental or appurtenant thereto, in accordance with a master
59 plan or any part thereof approved by the governing body of a
60 municipality or a redevelopment plan approved by said governing
61 body.

62 (m) "Redevelopment plan" shall mean a plan as it exists from
63 time to time for the redevelopment of all or any part of a rede-
64 velopment area, which plan shall be sufficiently complete to indicate
65 its relationship to definite municipal objectives as to appropriate
66 land uses, public transportation and utilities, recreational and
67 municipal facilities, and other public improvements; and to indi-
68 cate proposed land uses and building requirements in the redevelop-
69 ment area.

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

74 (o) "Redevelopment area" shall mean an area of a municipality
 75 which the governing body thereof finds is a blighted area, *or is an*
 76 *area in need of rehabilitation so as to prevent the existence of*
 77 *blighted conditions*, whose redevelopment is necessary to effectuate
 78 the public purposes declared in this act. A redevelopment area may
 79 include lands, buildings, or improvements which of themselves are
 80 not detrimental to the public health, safety or welfare, but whose
 81 inclusion is found necessary, with or without change in their condi-
 82 tion, for the effective redevelpment of the area of which they
 83 are a part.

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 12 to time amend and repeal bylaws, rules and regulations, not incon-
 13 sistent with this act, to carry into effect its powers and purposes.

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 15 funds not required for immediate disbursement, in property or
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 18 principal amount thereof and accrued interest, all bonds so pur-
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20 (c) Borrow moneys from any source and issue its bonds therefor
 21 and give or issue such security therefor or for such bonds, including
 22 but not limited to bonds, bonds and mortgages, or other assets of
 23 the agency, or pledge or assignment thereof or mortgage or other
 24 encumbrance on any of its property, real, personal, or mixed, and
 25 pay such rate of interest thereon not exceeding 6% per annum as
 26 the agency may deem for the best interest of the public.

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

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

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

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

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

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

49 (j) Acquire, by condemnation, any land or buildings *which are*
50 *located in an area determined by the governing body of a municipi-*
51 *pality, pursuant to the provisions of P. L. 1949, c. 187 (C. 40:55-21.1*
52 *et seq.), to be a blighted area, and which are necessary for a project*
53 *under this act. In such case the agency shall proceed pursuant to*
54 *the provisions of chapter 1 of Title 20 of the Revised Statutes re-*
55 *lating to eminent domain and acquire a fee simple or such lesser*
56 *interest in said lands as it shall deem necessary.*

57 (k) To extend credit or make loans to redevelopers for the plan-
58 ning, designing, acquiring, constructing, reconstructing, improving,
59 equipping and furnishing any project or redevelopment work.

1 3. Section 15 of P. L. 1949, c. 306 (C. 40:55C-15), is amended to
2 read as follows:

3 15. With the approval of the governing body or governing bodies
4 of the municipality or municipalities, an agency may proceed with
5 the clearance, replanning, development and redevelopment of a
6 blighted area after same has been determined as such by said
7 municipality and in order to carry out and effectuate the purposes
8 of this act, said agency may: (a) acquire or contract to acquire
9 from any person, firm, or corporation, public or private, by contri-
10 bution, gift, grant, bequest, devise, purchase, condemnation or
11 otherwise, real or personal property or any interest therein,
12 including such property as it may deem necessary or proper,
13 although temporarily not required for such purposes, in a redevel-
14 opment area and in any area designated by the governing body as
15 necessary for carrying out the relocation of the residents, industry
16 and commerce displaced from a redevelopment area; (b) clear any

17 area acquired and install, construct or reconstruct streets, facili-
18 ties, utilities and site improvements essential to the preparation
19 of sites for use in accordance with the redevelopment plan;
20 (c) relocate or arrange for the relocation of residents of an area;
21 (d) dispose of land so acquired at its fair value for the uses specified
22 in the redevelopment plan as determined by it to any person, firm,
23 or corporation or to any public agency by sale, lease or exchange;
24 (e) request the planning board, if any, to recommend and the
25 governing body pursuant to existing law to designate blighted areas
26 in need of redevelopment and to make recommendations for such
27 development; (f) to study the recommendations of the planning
28 board for redevelopment of any area and to make its own inves-
29 tigations and recommendations as to current trends in the munici-
30 pality, blighted areas and blighting factors, to the governing
31 body of the municipality thereon; (g) to publish and disseminate
32 information; (h) to prepare or arrange by contract for preparation
33 of plans by registered architects or licensed professional engineers
34 or planners for the carrying out of redevelopment projects; (i) to
35 arrange or contract with public agencies or redevelopers for the
36 planning, replanning, construction, or undertaking of any project
37 or redevelopment work, or any part thereof, to provide as part of
38 any such arrangement or contract for extension of credit or making
39 of loans to redevelopers to finance any project or redevelopment
40 work, and to arrange or contract with public agencies for the
41 opening, grading or closing of streets, roads, roadways, alleys, or
42 other places or for the furnishing of facilities or for the acquisition
43 by such agency of property options or property rights or for the
44 furnishing of property or services in connection with a redevelop-
45 ment area; (j) to arrange or contract with a public agency, to the
46 extent that it is within the scope of that agency's functions, to
47 cause the services customarily provided by such other agency to be
48 rendered for the benefit of the occupants of any redevelopment
49 area, and to have such other agency provide and maintain parks,
50 recreation centers, schols, sewerage, transportation, water and
51 other municipal facilities adjacent to or in connection with re-
52 development areas; (k) to enter upon any building or property
53 in any redevelopment area in order to conduct investigations or
54 make surveys, soundings or test borings necessary to carry out the
55 purposes of this act; (l) to arrange or contract with a public agency
56 for the relocation of residents, industry or commerce displaced
57 from a redevelopment area; (m) to conduct examinations and
58 investigations, hear testimony and take proof, under oath at public

59 or private hearings of any material matter, require the attendance
 60 of witnesses and the production of books and papers and issue
 61 commissions for the examination of witnesses who are out of the
 62 State, unable to attend, or excused from attendance; (n) to autho-
 63 rize a committee designated by it consisting of one or more mem-
 64 bers, or counsel, or any officer or employee to conduct any such
 65 investigation or examination, in which case such committee,
 66 counsel, officer or employee shall have power to administer oaths,
 67 take affidavits and issue subpoenas or commissions; and (o) to do
 68 all things necessary or convenient to carry out its powers.

69 *With the approval of the governing body or governing bodies of*
 70 *the municipality or municipalities, an agency may proceed with the*
 71 *clearance, replanning, development and redevelopment of an area*
 72 *other than a blighted area, but which is in need of rehabilitation*
 73 *so as to prevent the existence of blighted conditions, and may with*
 74 *respect to a project located in any such area perform any of the*
 75 *actions hereinabove described; provided, however, that with respect*
 76 *to such a project no agency shall have the power to take or acquire*
 77 *private property by condemnation.*

1 4. Section 17 of P. L. 1949, c. 306 (C. 40:55C-17), is amended to
 2 read as follows:-

3 17. No agency shall proceed with a redevelopment plan unless;
 4 (a) the municipality has first determined that the area to which
 5 said plan refers is blighted, which determination shall be made by
 6 the governing body of said municipality as provided by chapter 187
 7 of the laws of 1949, *or is an area in need of rehabilitation so as to*
 8 *prevent the existence of blighted conditions*; and (b) the governing
 9 body of the municipality has first, by ordinance, approved a re-
 10 development plan after study and recommendation of its planning
 11 board, if any, finds that said plan provides an outline for the replan-
 12 ning, development or redevelopment of said area sufficient to
 13 indicate: (1) its relationship to definite local objectives as to
 14 appropriate land uses, density of population and improved traffic,
 15 public transportation, public utilities, recreational and community
 16 facilities and other public improvements; (2) proposed land uses
 17 and building requirements in the area; (3) provision for the
 18 temporary and permanent relocation of persons living in such
 19 areas; by arranging for (unless already available) decent, safe
 20 and sanitary dwelling units at rents within the means of the persons
 21 displaced from said areas.

1 5. Section 2 of P. L. 1956, c. 212 (C. 40:55C-31), is amended to
 2 read as follows:

3 2. In addition to its authority under provisions of the act to
4 which this act is a supplement, an agency is hereby authorized to
5 plan, initiate and carry out a redevelopment project as herein de-
6 fined. As used in this act, a "redevelopment project" shall mean
7 any undertakings and activities for the elimination (and for the
8 prevention of the development or spread) of blighted, deteriorated,
9 or deteriorating areas, *or areas otherwise in need of rehabilitation*
10 *to prevent the existence of blighted conditions*, and may involve any
11 work or undertaking for such purpose constituting a redevelop-
12 ment project as authorized by the act to which this act is a supple-
13 ment, or any conservation or rehabilitation work, or any
14 combination of such redevelopment projects and such conservation
15 or rehabilitation work or undertaking. For this purpose "conserva-
16 tion or rehabilitation work" may include (1) carrying out plans
17 for a program of voluntary repair and rehabilitation of buildings
18 or other improvements; (2) acquisition of real property and
19 demolition, removal, or rehabilitation of buildings and improve-
20 ments thereon where necessary to eliminate unhealthful, insanitary
21 or unsafe conditions, lessen density, reduce traffic hazards, elim-
22 inate obsolete or other uses detrimental to the public welfare, or
23 to otherwise remove or prevent the spread of blight or deteriora-
24 tion, or to provide land for needed public facilities; (3) installation,
25 construction, or reconstruction of streets, utilities, parks, play-
26 grounds, and other improvements necessary for carrying out the
27 objectives of the redevelopment project; and (4) the disposition,
28 for uses in accordance with the objectives of the redevelopment
29 project, of any property or part thereof acquired in the area of
30 such project; provided that such disposition shall be in the manner
31 prescribed in the act to which this act is a supplement for the
32 disposition of property in a redevelopment project area. As used
33 in this act the term "blighted, deteriorated or deteriorating area"
34 may include an area determined by the municipality to be blighted
35 in accordance with the provisions of chapter 187 of the laws of 1949
36 and, in addition, areas which are determined by the municipality,
37 pursuant to the same procedures as provided in said chapter, to be
38 blighted, deteriorated or deteriorating because of structures or
39 improvements which are dilapidated or characterized by disre-
40 pair, lack of ventilation or light or sanitary facilities, faulty
41 arrangement, location, or design, or other unhealthful or unsafe
42 conditions, *or otherwise in need of rehabilitation to prevent the*
43 *existence of blighted conditions.*

1 6. This act shall take effect immediately, and be retroactive to
2 January 1, 1979.

STATEMENT

This bill expands the scope of the powers granted to municipal redevelopment agencies and regional development agencies under the "Redevelopment Agencies Law", P. L. 1949, c. 306, as supplemented by P. L. 1956, c. 212. Currently, such powers may be exercised only in connection with redevelopment projects in areas designated, pursuant to statutory law (P. L. 1949, c. 187), as "blighted". This bill allows the exercise of such powers, with the exception of that of acquiring property by condemnation, in connection with redevelopment projects in areas not designated as "blighted".

The purpose of this expansion of powers is to provide for the better and more expeditious accomplishment of the purposes of the "Redevelopment Agencies Law". Municipalities are increasingly reluctant to declare areas "blighted" because of the stigma attaching to such a designation and because of the consequent reduction in property values. Moreover, procedures required to declare an area "blighted" are lengthy and often cumbersome. This legislation will allow a redevelopment agency to act unhampered by a statutory restriction which delays project implementation and discourages the redevelopment which such a project is designed to accomplish.

ASSEMBLY MUNICIPAL GOVERNMENT COMMITTEE

STATEMENT TO

ASSEMBLY, No. 918

STATE OF NEW JERSEY

DATED: APRIL 21, 1980

This bill, amending the "Redevelopment Agencies Law" (P. L. 1949, c. 306; C. 40:55C-1), will allow redevelopment agencies to exercise their authority not only in blighted areas (as currently permitted by law), but also in other areas "in need of rehabilitation so as to prevent the existence of blighted conditions." The redevelopment agencies power of eminent domain will, however, continue to be limited to the blighted districts in accordance with the New Jersey Constitution (Article VIII, section III, paragraph 1).

According to the sponsor's statement, municipalities are reluctant to designate areas as blighted, because the stigma attached to such designation triggers a decline in property values which virtually ensures that the area will, in fact, become blighted. The intent of this bill is to secure for many neighborhoods the benefits of redevelopment without the liabilities associated with it.

This legislation has specific application to Jersey City. That municipality possesses certain property the title of which city officials believe should be passed to the city redevelopment agency. Because that property is in areas which cannot appropriately be designated blighted, the title cannot be transferred. Under this bill, the title to such properties could be transferred; the redevelopment agency could then choose a suitable developer for the property without putting the property out to bid under the "Local Lands and Buildings Law" (P. L. 1971, c. 199; C. 40A:12-1 et seq.).

SENATE COUNTY AND MUNICIPAL
GOVERNMENT COMMITTEE

STATEMENT TO

ASSEMBLY, No. 918

with Senate committee amendments

STATE OF NEW JERSEY

DATED: MAY 19, 1980

The Assembly committee statement adequately expresses the purposes and provisions of this bill.

The Senate committee notes that the bill in one respect a validating act in that it is retroactive to January 1, 1979.

The Senate committee notes a printing error on page 3, section 1, line 82 of the bill; "redevolpment" should be corrected to "redevelopment".

The Department of Community Affairs, which favors the bill, has expressed concern that the term "area in need of rehabilitation" as used in the bill is not defined to provide municipalities with guidance for making determinations concerning what areas are in need of rehabilitation. The Senate committee amended the bill to provide for permissive guidelines for municipal utilization in this regard, which guidelines are based upon those set forth in P. L. 1975, c. 104 (C. 54:4-3.72 et seq.) and P. L. 1979, c. 233 (C. 54:4-3.121 et seq.).

SENATE COMMITTEE AMENDMENTS TO
ASSEMBLY, No. 918

STATE OF NEW JERSEY

ADOPTED MAY 19, 1980

Amend page 3, section 1, line 82, omit "redevolpment", insert "redevelopment".

Amend page 6, section 4, line 8, after "conditions", insert ", which determination may take into consideration the existence of blighted areas elsewhere in the municipality, deterioration of housing stock, age of housing stock, supply of and demand for housing in the municipality, and arrearage in real property taxes due on residential properties".

FROM THE OFFICE OF THE GOVERNOR

FOR IMMEDIATE RELEASE

FOR FURTHER INFORMATION

SEPTEMBER 29, 1980

KATHRYN FORSYTH

Governor Brendan Byrne today signed A-918, sponsored by Assemblyman Robert C. Janiszewski (D-Hudson), which permits redevelopment agencies to extend their powers to areas which are in need of rehabilitation in an effort to prevent the further deterioration of those areas to the point of blight.

Currently, redevelopment agencies, with the approval of the governing body, can plan the redevelopment of an area, acquire or dispose of property, clear an area, reconstruct streets, facilities, or utilities, undertake site improvements, arrange for the relocation of residents, industry or commerce displaced by redevelopment and undertake other action to further the redevelopment plan.

However, the agency cannot proceed with the redevelopment until the area has been designated "blighted" in accordance with the standards and procedures set out by statute and until the municipal governing body has approved the redevelopment plan by ordinance.

In carrying out a redevelopment plan in a blighted area, the agency has the power of eminent domain.

Under the bill signed today, redevelopment agencies can extend their powers to areas in need of rehabilitation but not yet designated "blighted." In these cases, the agency would not have the power of eminent domain and the notice and hearing procedures which must proceed designation of a blighted area would not apply.

The determination as to whether an area is in need of rehabilitation would be made by the governing body.

The bill is retroactive to January 1, 1979.

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