

[Second Reprint]

ASSEMBLY, No. 3615

STATE OF NEW JERSEY
215th LEGISLATURE

INTRODUCED DECEMBER 13, 2012

Sponsored by:

Assemblyman ALBERT COUTINHO

District 29 (Essex)

Assemblyman ANTHONY M. BUCCO

District 25 (Morris and Somerset)

Assemblywoman NANCY F. MUNOZ

District 21 (Morris, Somerset and Union)

Co-Sponsored by:

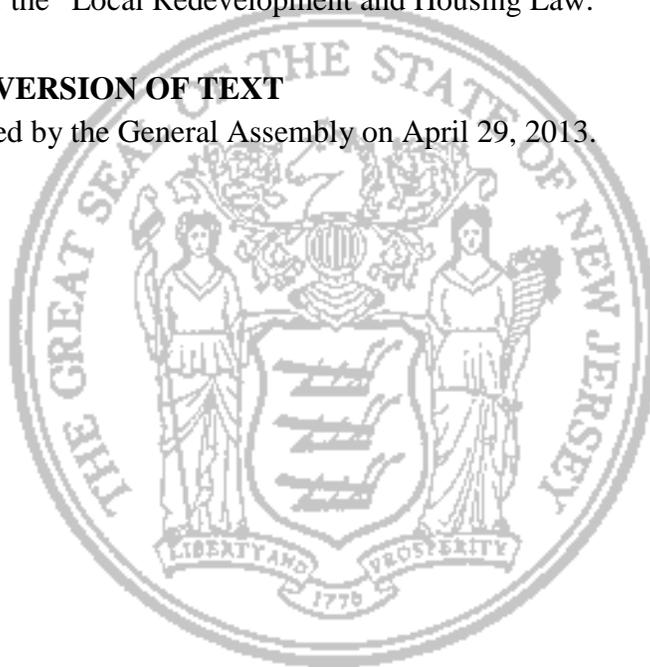
**Assemblywomen Sumter, Handlin, Assemblyman Chivukula, Senators
Van Drew, Rice, Oroho, A.R.Bucco and Allen**

SYNOPSIS

Codifies protections set forth in certain case law and limits use of eminent domain under the “Local Redevelopment and Housing Law.”

CURRENT VERSION OF TEXT

As amended by the General Assembly on April 29, 2013.



(Sponsorship Updated As Of: 6/21/2013)

1 AN ACT concerning procedures and powers under the “Local
2 Redevelopment and Housing Law” and amending P.L.1992,
3 c.79.
4

5 WHEREAS, Article VIII, Section III, paragraph 1 of the New Jersey
6 Constitution empowers the Legislature to authorize municipalities
7 to clear, replan, develop, and redevelop blighted areas; and
8 WHEREAS, The Legislature has authorized municipalities to undertake
9 programs to redevelop blighted areas; and
10 WHEREAS, Municipalities have used these programs to arrest and
11 reverse blighted conditions to promote sound planning, revitalize
12 tax bases, and improve the public safety, health, and welfare of
13 their communities; and
14 WHEREAS, In exercising their responsibilities and implementing
15 redevelopment programs municipalities have exercised the power
16 of eminent domain; and
17 WHEREAS, The 2005 United States Supreme Court decision in *Kelo v.*
18 *City of New London*, 545 U.S. 469 (2005), heightened public
19 concern with the use of eminent domain to implement municipal
20 redevelopment activities; and
21 WHEREAS, The New Jersey Supreme Court in *Gallenthin Realty*
22 *Development, Inc. v. Borough of Paulsboro*, 191 N.J. 344 (2007),
23 clarified one of the criterion for designating redevelopment areas in
24 New Jersey and emphasized that the use of eminent domain cannot
25 be justified to acquire property unless it is blighted, rather than
26 merely not being put to its optimal use; and
27 WHEREAS, The Appellate Division of the Superior Court in *Harrison*
28 *Redevelopment Agency v. DeRose*, 398 N.J. Super. 361 (App. Div.
29 2008) addressed a due process concern with the notice provision
30 under the Local Redevelopment and Housing Law, in cases where
31 eminent domain was used long after the property sought to be
32 acquired was designated as blighted and property owners were
33 precluded from challenging such designation in defense of the
34 condemnation of their properties; and
35 WHEREAS, The "Local Redevelopment and Housing Law" should
36 appropriately be amended to be consistent with these judicial
37 holdings and to address some of the concerns raised with respect to
38 the use of eminent domain in the implementation of redevelopment
39 programs; and
40 WHEREAS, Redevelopment remains a valid and important public
41 purpose and the implementation of redevelopment programs
42 continues to be a vital tool for municipal officials that must be
43 maintained to allow them to continue to meet their governmental
44 responsibilities to prevent, arrest, and reverse deleterious property
45 conditions within their municipal borders; and

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹Assembly ACE committee amendments adopted March 7, 2013.

²Assembly floor amendments adopted April 29, 2013.

1 **WHEREAS**, The State of New Jersey is experiencing the deepest
2 economic recession since the Great Depression; and
3 **WHEREAS**, Municipalities should be encouraged to engage in
4 economic development initiatives by promoting and facilitating
5 such efforts to create local economic stimulus and job creation
6 through the tools and incentives available under the “Local
7 Redevelopment and Housing Law;” and
8 **WHEREAS**, Municipalities should be provided the opportunity to
9 pursue such programs without the use of eminent domain ²[, where
10 possible, and thereby provide assurance to property owners they
11 will not be subject to eminent domain, as well as provide repose for
12 municipalities who can implement redevelopment programs
13 without resorting to eminent domain]²; ²and
14 **WHEREAS**, It is in the public interest to establish certainty and repose
15 with respect to the designation of redevelopment areas, the power
16 of eminent domain, and challenges thereto;² now, therefore,

17
18 **BE IT ENACTED** by the Senate and General Assembly of the State
19 of New Jersey:

20
21 1. Section 5 of P.L.1992, c.79 (40A:12A-5) is amended to read
22 as follows:

23 5. A delineated area may be determined to be in need of
24 redevelopment if, after investigation, notice and hearing as provided
25 in section 6 of P.L.1992, c.79 (C.40A:12A-6), the governing body
26 of the municipality by resolution concludes that within the
27 delineated area any of the following conditions is found:

28 a. The generality of buildings are substandard, unsafe,
29 unsanitary, dilapidated, or obsolescent, or possess any of such
30 characteristics, or are so lacking in light, air, or space, as to be
31 conducive to unwholesome living or working conditions.

32 b. The discontinuance of the use of buildings previously used
33 for commercial, manufacturing, or industrial purposes; the
34 abandonment of such buildings; or the same being allowed to fall
35 into so great a state of disrepair as to be untenable.

36 c. Land that is owned by the municipality, the county, a local
37 housing authority, redevelopment agency or redevelopment entity,
38 or unimproved vacant land that has remained so for a period of ten
39 years prior to adoption of the resolution, and that by reason of its
40 location, remoteness, lack of means of access to developed sections
41 or portions of the municipality, or topography, or nature of the soil,
42 is not likely to be developed through the instrumentality of private
43 capital.

44 d. Areas with buildings or improvements which, by reason of
45 dilapidation, obsolescence, overcrowding, faulty arrangement or
46 design, lack of ventilation, light and sanitary facilities, excessive
47 land coverage, deleterious land use or obsolete layout, or any

1 combination of these or other factors, are detrimental to the safety,
2 health, morals, or welfare of the community.

3 e. A growing lack or total lack of proper utilization of areas
4 caused by the condition of the title, diverse ownership of the real
5 **【property】** properties therein or other similar conditions which
6 impede land assemblage or discourage the undertaking of
7 improvements, resulting in a stagnant **【or】** and **【not fully**
8 **productive】** unproductive condition of land potentially useful and
9 valuable for contributing to and serving the public health, safety
10 and welfare, which condition is presumed to be having a negative
11 social or economic impact or otherwise being detrimental to the
12 safety, health, morals, or welfare of the surrounding area or the
13 community in general.

14 f. Areas, in excess of five contiguous acres, whereon buildings
15 or improvements have been destroyed, consumed by fire,
16 demolished or altered by the action of storm, fire, cyclone, tornado,
17 earthquake or other casualty in such a way that the aggregate
18 assessed value of the area has been materially depreciated.

19 g. In any municipality in which an enterprise zone has been
20 designated pursuant to the "New Jersey Urban Enterprise Zones
21 Act," P.L.1983, c.303 (C.52:27H-60 et seq.) the execution of the
22 actions prescribed in that act for the adoption by the municipality
23 and approval by the New Jersey Urban Enterprise Zone Authority
24 of the zone development plan for the area of the enterprise zone
25 shall be considered sufficient for the determination that the area is
26 in need of redevelopment pursuant to sections 5 and 6 of P.L.1992,
27 c.79 (C.40A:12A-5 and 40A:12A-6) for the purpose of granting tax
28 exemptions within the enterprise zone district pursuant to the
29 provisions of P.L.1991, c.431 (C.40A:20-1 et seq.) or the adoption
30 of a tax abatement and exemption ordinance pursuant to the
31 provisions of P.L.1991, c.441 (C.40A:21-1 et seq.). The
32 municipality shall not utilize any other redevelopment powers
33 within the urban enterprise zone unless the municipal governing
34 body and planning board have also taken the actions and fulfilled
35 the requirements prescribed in P.L.1992, c.79 (C.40A:12A-1 et al.)
36 for determining that the area is in need of redevelopment or an area
37 in need of rehabilitation and the municipal governing body has
38 adopted a redevelopment plan ordinance including the area of the
39 enterprise zone.

40 h. The designation of the delineated area is consistent with
41 smart growth planning principles adopted pursuant to law or
42 regulation.

43 (cf: P.L.2003, c.125, s.3)

44

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

47 6. a. No area of a municipality shall be determined a
48 redevelopment area unless the governing body of the municipality

1 shall, by resolution, authorize the planning board to undertake a
2 preliminary investigation to determine whether the proposed area is
3 a redevelopment area according to the criteria set forth in section 5
4 of P.L.1992, c.79 (C.40A:12A-5). Such determination shall be
5 made after public notice and public hearing as provided in
6 subsection b. of this section. The governing body of a municipality
7 shall assign the conduct of the investigation and hearing to the
8 planning board of the municipality. The resolution authorizing the
9 planning board to undertake a preliminary investigation shall state
10 whether the redevelopment area determination shall authorize the
11 municipality to use all those powers provided by the Legislature for
12 use in a redevelopment area other than the use of eminent domain
13 (hereinafter referred to as a "Non-Condensation Redevelopment
14 Area") or whether the redevelopment area determination shall
15 authorize the municipality to use all those powers provided by the
16 Legislature for use in a redevelopment area, including the power of
17 eminent domain (hereinafter referred to as a "Condensation
18 Redevelopment Area").

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

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

28 (3) (a) The hearing notice shall set forth the general boundaries
29 of the area to be investigated and state that a map has been prepared
30 and can be inspected at the office of the municipal clerk.

31 (b) If the governing body resolution assigning the investigation
32 to the planning board, pursuant to subsection a. of this section,
33 stated that the redevelopment determination shall establish a Non-
34 Condensation Redevelopment Area, the notice of the hearing shall
35 specifically state that a redevelopment area determination shall not
36 authorize the municipality to exercise the power of eminent domain
37 to acquire any property in the delineated area.

38 (c) If the resolution assigning the investigation to the planning
39 board, pursuant to subsection a. of this section, stated that the
40 redevelopment determination shall establish a Condensation
41 Redevelopment Area, the notice of the hearing shall specifically
42 state that a redevelopment area determination shall authorize the
43 municipality to exercise the power of eminent domain to acquire
44 property in the delineated area.

45 (d) A copy of the notice shall be published in a newspaper of
46 general circulation in the municipality once each week for two
47 consecutive weeks, and the last publication shall be not less than ten
48 days prior to the date set for the hearing. A copy of the notice shall

1 be mailed at least ten days prior to the date set for the hearing to the
2 last owner, if any, of each parcel of property within the area
3 according to the assessment records of the municipality. A notice
4 shall also be sent to all persons at their last known address, if any,
5 whose names are noted on the assessment records as claimants of an
6 interest in any such parcel. The assessor of the municipality shall
7 make a notation upon the records when requested to do so by any
8 person claiming to have an interest in any parcel of property in the
9 municipality. The notice shall be published and mailed by the
10 municipal clerk, or by such clerk or official as the planning board
11 shall otherwise designate. Failure to mail any such notice shall not
12 invalidate the investigation or determination thereon.

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

19 (5) (a) After completing its hearing on this matter, the planning
20 board shall recommend that the delineated area, or any part thereof,
21 be determined, or not be determined, by the municipal governing
22 body to be a redevelopment area.

23 (b) After receiving the recommendation of the planning board,
24 the municipal governing body may adopt a resolution determining
25 that the delineated area, or any part thereof, is a redevelopment
26 area.

27 (c) Upon the adoption of a resolution, the clerk of the
28 municipality shall, forthwith, transmit a copy of the resolution to
29 the Commissioner of Community Affairs for review. If the area in
30 need of redevelopment is not situated in an area in which
31 development or redevelopment is to be encouraged pursuant to any
32 State law or regulation promulgated pursuant thereto, the
33 determination shall not take effect without first receiving the review
34 and the approval of the commissioner. If the commissioner does
35 not issue an approval or disapproval within 30 calendar days of
36 transmittal by the clerk, the determination shall be deemed to be
37 approved. If the area in need of redevelopment is situated in an
38 area in which development or redevelopment is to be encouraged
39 pursuant to any State law or regulation promulgated pursuant
40 thereto, then the determination shall take effect after the clerk has
41 transmitted a copy of the resolution to the commissioner. The
42 determination, if supported by substantial evidence and, if required,
43 approved by the commissioner, shall be binding and conclusive
44 upon all persons affected by the determination.

45 (d) Notice of the determination shall be served, within 10 days
46 after the determination, upon all record owners of property located
47 within the delineated area, those whose names are listed on the tax
48 assessor's records, and upon each person who filed a written

1 objection thereto and stated, in or upon the written submission, an
2 address to which notice of determination may be sent.

3 (e) If the governing body resolution assigning the investigation
4 to the planning board, pursuant to subsection a. of this section,
5 stated that the redevelopment determination shall establish a
6 Condemnation Redevelopment Area, the notice of the determination
7 required pursuant to subparagraph (d) of this paragraph shall
8 indicate that:

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

12 (ii) legal action to challenge the determination ² must be
13 commenced within 45 days of receipt of notice and that failure to
14 do so shall preclude an owner from later raising such challenge.

15 (f) No municipality ¹or redevelopment entity¹ shall ¹ be
16 authorized to¹ exercise the power of eminent domain to acquire
17 property ¹for redevelopment purposes¹ within a ¹ redevelopment
18 area on or after 90 days from the effective date of P.L. _____,
19 c. (C.) (pending before the Legislature as this bill) unless
20 notice to property owners within the redevelopment area was
21 provided pursuant to subparagraph (e) of this paragraph. This
22 provision shall not apply to property located within an area
23 determined to be in need of redevelopment prior to the effective
24 date of P.L. _____, c. (C.) (pending before the Legislature as this
25 bill)] Non-Condemnation Redevelopment Area¹.

26 (g) If a municipal governing body has determined an area to be
27 a Non-Condemnation Redevelopment Area and is unable to acquire
28 property that is necessary for the redevelopment project, the
29 municipality may initiate and follow the process set forth in this
30 section to determine whether the area or property is a
31 Condemnation Redevelopment Area. Such determination shall be
32 based upon the then-existing conditions and not based upon the
33 condition of the area or property at the time of the prior Non-
34 Condemnation Redevelopment Area determination.

35 (h) A property owner who has received notice pursuant to this
36 section who does not file a legal challenge to the redevelopment
37 determination affecting his or her property within 45 days of receipt
38 of such notice shall thereafter be barred from filing such a challenge
39 and, in the case of a Condemnation Redevelopment Area and upon
40 compliance with the notice provisions of subparagraph (e) of this
41 paragraph, shall further be barred from asserting a challenge to the
42 redemption determination as a defense in any condemnation
43 proceeding to acquire the property ²unless the municipality and the
44 property owner agree otherwise².

45 (6) **【If written objections were filed in connection with the**
46 **hearing the】** The municipality shall, for 45 days next following its
47 determination **【to which the objections were filed】**, take no further

1 action to acquire any property by condemnation within the
2 redevelopment area.

3 (7) If **【a】** any person **【who filed a written objection to a**
4 **determination by the municipality pursuant to this subsection】**
5 shall, within 45 days after the adoption by the municipality of the
6 determination **【to which the person objected】**, apply to the Superior
7 Court, the court may grant further review of the determination by
8 procedure in lieu of prerogative writ; and in any such action the
9 court may make any incidental order that it deems proper.

10 c. An area determined to be in need of redevelopment pursuant
11 to this section shall be deemed to be a "blighted area" for the
12 purposes of Article VIII, Section III, paragraph 1 of the
13 Constitution. If an area is determined to be a redevelopment area
14 and a redevelopment plan is adopted for that area in accordance
15 with the provisions of this act, the municipality is authorized to
16 utilize all those powers provided in section 8 of P.L.1992, c.79
17 (C.40A:12A-8), except that a municipality may not acquire any land
18 or building by condemnation pursuant to subsection c. of that
19 section unless the ¹land or building is located within (1) an area that
20 was determined to be in need of redevelopment prior to the
21 effective date of P.L. , c. (C.) (pending before the Legislature
22 as this bill), or (2) a Condemnation Redevelopment Area for which
23 the¹ municipality has complied with the provisions of subparagraph
24 (e) of paragraph (5) of subsection b. of this section.

25 (cf: P.L.2003, c.125, s.4)

26

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

29 8. Upon the adoption of a redevelopment plan pursuant to
30 section 7 of P.L.1992, c.79 (C.40A:12A-7), the municipality or
31 redevelopment entity designated by the governing body may
32 proceed with the clearance, replanning, development and
33 redevelopment of the area designated in that plan. In order to carry
34 out and effectuate the purposes of this act and the terms of the
35 redevelopment plan, the municipality or designated redevelopment
36 entity may:

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

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

42 c. Acquire, by condemnation, any land or building which is
43 necessary for the redevelopment project, pursuant to the provisions
44 of the "Eminent Domain Act of 1971," P.L.1971, c.361 (C.20:3-1 et
45 seq.), provided ¹【it has complied with the notice requirements in
46 subparagraph (e) of paragraph (5) of subsection b. of section 6 of
47 P.L.1992, c.79 (40A:12A-6)】 that the land or building is located

1 within (1) an area that was determined to be in need of
2 redevelopment prior to the effective date of P.L. , c. (C.)
3 (pending before the Legislature as this bill), or (2) a Condemnation
4 Redevelopment Area¹.

5 d. Clear any area owned or acquired and install, construct or
6 reconstruct streets, facilities, utilities, and site improvements
7 essential to the preparation of sites for use in accordance with the
8 redevelopment plan.

9 e. Prepare or arrange by contract for the provision of
10 professional services and the preparation of plans by registered
11 architects, licensed professional engineers or planners, or other
12 consultants for the carrying out of redevelopment projects.

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

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

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

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

- 1 j. Make, consistent with the redevelopment plan: (1) plans for
2 carrying out a program of voluntary repair and rehabilitation of
3 buildings and improvements; and (2) plans for the enforcement of
4 laws, codes, and regulations relating to the use and occupancy of
5 buildings and improvements, and to the compulsory repair,
6 rehabilitation, demolition, or removal of buildings and
7 improvements.
- 8 k. Request that the planning board recommend and governing
9 body designate particular areas as being in need of redevelopment
10 or rehabilitation in accordance with the provisions of this act and
11 make recommendations for the redevelopment or rehabilitation of
12 such areas.
- 13 l. Study the recommendations of the planning board or
14 governing body for redevelopment of the area.
- 15 m. Publish and disseminate information concerning any
16 redevelopment area, plan or project.
- 17 n. Do all things necessary or convenient to carry out its powers.
18 (cf: P.L.2008, c.65, s.8)
- 19
- 20 4. Section 14 of P.L.1992, c.79 (C.40A:12A-14) is amended to
21 read as follows:
- 22 14. a. A delineated area may be determined to be in need of
23 rehabilitation if the governing body of the municipality determines
24 by resolution that a program of rehabilitation, as defined in section
25 3 of P.L.1992, c.79 (C.40A:12A-3), may be expected to prevent
26 further deterioration and promote the overall development of the
27 community; and that there exist in that area any of the following
28 conditions such that (1) a significant portion of structures therein
29 are in a deteriorated or substandard condition **【and】**; (2) more than
30 half of the housing stock in the delineated area is at least 50 years
31 old; (3) there is a **【continuing】** pattern of vacancy, abandonment or
32 underutilization of properties in the area**【, with】**; (4) there is a
33 persistent arrearage of property tax payments **【thereon or (2) more**
34 **than half of the housing stock in the delineated area is at least 50**
35 **years old,】** on properties in the area; (5) environmental
36 contamination is discouraging improvements and investment in
37 properties in the area; or (6) a majority of the water and sewer
38 infrastructure in the delineated area is at least 50 years old and is in
39 need of repair or substantial maintenance**【; and (3) a program of**
40 **rehabilitation, as defined in section 3 of P.L.1992, c.79**
41 **(C.40A:12A-3), may be expected to prevent further deterioration**
42 **and promote the overall development of the community】**. Where
43 warranted by consideration of the overall conditions and
44 requirements of the community, a finding of need for rehabilitation
45 may extend to the entire area of a municipality. Prior to adoption of
46 the resolution, the governing body shall submit it to the municipal
47 planning board for its review. Within 45 days of its receipt of the

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

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

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

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

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

41 (2) For the purposes of this subsection, "renovation housing
42 project" means any work or undertaking to provide a decent, safe,
43 and sanitary single-family dwelling, to exclusively benefit at least
44 half of the number of people occupying a dwelling as their primary
45 residence, by the renovation, reconstruction, or replacement of that
46 dwelling on the same lot by either a charitable entity organized to
47 perform home renovations or by a for-profit builder using 75% or
48 more volunteer labor-hours to accomplish the construction for the

1 project. The undertaking may include any buildings; demolition,
2 clearance, or removal of buildings from land; equipment; facilities;
3 or other personal properties or interests therein which are necessary,
4 convenient, or desirable appurtenances of the undertaking.
5 (cf: P.L.2007, c.91, s.1)

6

7 5. Section 15 of P.L.1992, c.79 (C.40A:12A-15) is amended to
8 read as follows:

9 15. In accordance with the provisions of a redevelopment plan
10 adopted pursuant to section 7 of P.L.1992, c.79 (C.40A:12A-7), a
11 municipality or redevelopment entity may proceed with clearance,
12 replanning, conservation, development, redevelopment and
13 rehabilitation of an area in need of rehabilitation. With respect to a
14 redevelopment project in an area in need of rehabilitation, the
15 municipality or redevelopment entity, upon the adoption of a
16 redevelopment plan for the area, may perform any of the actions set
17 forth in section 8 of P.L.1992, c.79 (C.40A:12A-8), except that with
18 respect to such a project the municipality shall not have the power
19 to take or acquire private property by condemnation in furtherance
20 of a redevelopment plan, unless: a. the area is within ¹(1)¹ an area
21 determined to be in **need of redevelopment pursuant to this act**
22 'need of redevelopment prior to the effective date of P.L. ,
23 c. (C.) (pending before the Legislature as this bill), or (2)¹ a
24 Condemnation Redevelopment Area and the municipality has
25 complied with the notice requirements under subparagraph (e) of
26 paragraph (5) of subsection b. of section 6 of P.L.1992, c.79
27 (40A:12A-6); or b. exercise of that power is authorized under any
28 other law of this State.
29 (cf: P.L.1992, c.79, s.15)

30

31 6. This act shall take effect immediately¹, however, the
32 provisions of section 2 shall not apply to an area determined to be a
33 redevelopment area by any resolution that is adopted pursuant to
34 section 6 of P.L.1992, c.79 (C.40A:12A-6) on or before the 90th
35 day next following the date of enactment¹.