

P.L.2013, CHAPTER 159, *approved September 6, 2013*  
Assembly, No. 3615 (*Second Reprint*)

- 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

**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:

<sup>1</sup>Assembly ACE committee amendments adopted March 7, 2013.

<sup>2</sup>Assembly floor amendments adopted April 29, 2013.

1 continues to be a vital tool for municipal officials that must be  
2 maintained to allow them to continue to meet their governmental  
3 responsibilities to prevent, arrest, and reverse deleterious property  
4 conditions within their municipal borders; and

5 **WHEREAS**, The State of New Jersey is experiencing the deepest  
6 economic recession since the Great Depression; and

7 **WHEREAS**, Municipalities should be encouraged to engage in  
8 economic development initiatives by promoting and facilitating  
9 such efforts to create local economic stimulus and job creation  
10 through the tools and incentives available under the “Local  
11 Redevelopment and Housing Law;” and

12 **WHEREAS**, Municipalities should be provided the opportunity to  
13 pursue such programs without the use of eminent domain <sup>2</sup>【, where  
14 possible, and thereby provide assurance to property owners they  
15 will not be subject to eminent domain, as well as provide repose for  
16 municipalities who can implement redevelopment programs  
17 without resorting to eminent domain】<sup>2</sup>; <sup>2</sup>and

18 **WHEREAS**, It is in the public interest to establish certainty and repose  
19 with respect to the designation of redevelopment areas, the power  
20 of eminent domain, and challenges thereto;<sup>2</sup> now, therefore,

21  
22 **BE IT ENACTED** *by the Senate and General Assembly of the State*  
23 *of New Jersey:*

24  
25 1. Section 5 of P.L.1992, c.79 (40A:12A-5) is amended to read  
26 as follows:

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

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

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

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

- 1 d. Areas with buildings or improvements which, by reason of  
2 dilapidation, obsolescence, overcrowding, faulty arrangement or  
3 design, lack of ventilation, light and sanitary facilities, excessive  
4 land coverage, deleterious land use or obsolete layout, or any  
5 combination of these or other factors, are detrimental to the safety,  
6 health, morals, or welfare of the community.
- 7 e. A growing lack or total lack of proper utilization of areas  
8 caused by the condition of the title, diverse ownership of the real  
9 **【property】** properties therein or other similar conditions which  
10 impede land assemblage or discourage the undertaking of  
11 improvements, resulting in a stagnant **【or】** and **【not fully**  
12 **productive】** unproductive condition of land potentially useful and  
13 valuable for contributing to and serving the public health, safety  
14 and welfare, which condition is presumed to be having a negative  
15 social or economic impact or otherwise being detrimental to the  
16 safety, health, morals, or welfare of the surrounding area or the  
17 community in general.
- 18 f. Areas, in excess of five contiguous acres, whereon buildings  
19 or improvements have been destroyed, consumed by fire,  
20 demolished or altered by the action of storm, fire, cyclone, tornado,  
21 earthquake or other casualty in such a way that the aggregate  
22 assessed value of the area has been materially depreciated.
- 23 g. In any municipality in which an enterprise zone has been  
24 designated pursuant to the "New Jersey Urban Enterprise Zones  
25 Act," P.L.1983, c.303 (C.52:27H-60 et seq.) the execution of the  
26 actions prescribed in that act for the adoption by the municipality  
27 and approval by the New Jersey Urban Enterprise Zone Authority  
28 of the zone development plan for the area of the enterprise zone  
29 shall be considered sufficient for the determination that the area is  
30 in need of redevelopment pursuant to sections 5 and 6 of P.L.1992,  
31 c.79 (C.40A:12A-5 and 40A:12A-6) for the purpose of granting tax  
32 exemptions within the enterprise zone district pursuant to the  
33 provisions of P.L.1991, c.431 (C.40A:20-1 et seq.) or the adoption  
34 of a tax abatement and exemption ordinance pursuant to the  
35 provisions of P.L.1991, c.441 (C.40A:21-1 et seq.). The  
36 municipality shall not utilize any other redevelopment powers  
37 within the urban enterprise zone unless the municipal governing  
38 body and planning board have also taken the actions and fulfilled  
39 the requirements prescribed in P.L.1992, c.79 (C.40A:12A-1 et al.)  
40 for determining that the area is in need of redevelopment or an area  
41 in need of rehabilitation and the municipal governing body has  
42 adopted a redevelopment plan ordinance including the area of the  
43 enterprise zone.
- 44 h. The designation of the delineated area is consistent with  
45 smart growth planning principles adopted pursuant to law or  
46 regulation.
- 47 (cf: P.L.2003, c.125, s.3)

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

3       6. a. No area of a municipality shall be determined a  
4 redevelopment area unless the governing body of the municipality  
5 shall, by resolution, authorize the planning board to undertake a  
6 preliminary investigation to determine whether the proposed area is  
7 a redevelopment area according to the criteria set forth in section 5  
8 of P.L.1992, c.79 (C.40A:12A-5). Such determination shall be  
9 made after public notice and public hearing as provided in  
10 subsection b. of this section. The governing body of a municipality  
11 shall assign the conduct of the investigation and hearing to the  
12 planning board of the municipality. The resolution authorizing the  
13 planning board to undertake a preliminary investigation shall state  
14 whether the redevelopment area determination shall authorize the  
15 municipality to use all those powers provided by the Legislature for  
16 use in a redevelopment area other than the use of eminent domain  
17 (hereinafter referred to as a "Non-Condensation Redevelopment  
18 Area") or whether the redevelopment area determination shall  
19 authorize the municipality to use all those powers provided by the  
20 Legislature for use in a redevelopment area, including the power of  
21 eminent domain (hereinafter referred to as a "Condensation  
22 Redevelopment Area").

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

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

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

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

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

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

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

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

27       (b) After receiving the recommendation of the planning board,  
28 the municipal governing body may adopt a resolution determining  
29 that the delineated area, or any part thereof, is a redevelopment  
30 area.

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

1        (d) Notice of the determination shall be served, within 10 days  
2 after the determination, upon all record owners of property located  
3 within the delineated area, those whose names are listed on the tax  
4 assessor's records, and upon each person who filed a written  
5 objection thereto and stated, in or upon the written submission, an  
6 address to which notice of determination may be sent.

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

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

16        (ii) legal action to challenge the determination <sup>2</sup>1.1<sup>2</sup> must be  
17 commenced within 45 days of receipt of notice and that failure to  
18 do so shall preclude an owner from later raising such challenge.

19        (f) No municipality <sup>1</sup>or redevelopment entity<sup>1</sup> shall <sup>1</sup>1.1<sup>1</sup> be  
20 authorized to<sup>1</sup> exercise the power of eminent domain to acquire  
21 property <sup>1</sup>for redevelopment purposes<sup>1</sup> within a <sup>1</sup>1.1<sup>1</sup> redevelopment  
22 area on or after 90 days from the effective date of P.L. \_\_\_\_\_,  
23 c. (C. ) (pending before the Legislature as this bill) unless  
24 notice to property owners within the redevelopment area was  
25 provided pursuant to subparagraph (e) of this paragraph. This  
26 provision shall not apply to property located within an area  
27 determined to be in need of redevelopment prior to the effective  
28 date of P.L. \_\_\_\_\_, c. (C. ) (pending before the Legislature as this  
29 bill)1.1 Non-Condemnation Redevelopment Area<sup>1</sup>.

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

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

1 proceeding to acquire the property <sup>2</sup>unless the municipality and the  
2 property owner agree otherwise<sup>2</sup>.

3 (6) **【If written objections were filed in connection with the**  
4 **hearing the】** The municipality shall, for 45 days next following its  
5 determination **【to which the objections were filed】**, take no further  
6 action to acquire any property by condemnation within the  
7 redevelopment area.

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

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

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

31

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

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

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

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

1 c. Acquire, by condemnation, any land or building which is  
2 necessary for the redevelopment project, pursuant to the provisions  
3 of the "Eminent Domain Act of 1971," P.L.1971, c.361 (C.20:3-1 et  
4 seq.), provided <sup>1</sup>it has complied with the notice requirements in  
5 subparagraph (e) of paragraph (5) of subsection b. of section 6 of  
6 P.L.1992, c.79 (40A:12A-6)] that the land or building is located  
7 within (1) an area that was determined to be in need of  
8 redevelopment prior to the effective date of P.L. , c. (C. )  
9 (pending before the Legislature as this bill), or (2) a Condemnation  
10 Redevelopment Area<sup>1</sup>.

11 d. Clear any area owned or acquired and install, construct or  
12 reconstruct streets, facilities, utilities, and site improvements  
13 essential to the preparation of sites for use in accordance with the  
14 redevelopment plan.

15 e. Prepare or arrange by contract for the provision of  
16 professional services and the preparation of plans by registered  
17 architects, licensed professional engineers or planners, or other  
18 consultants for the carrying out of redevelopment projects.

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

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

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



- 1 i. Arrange or contract with a public agency for the relocation,  
2 pursuant to the "Relocation Assistance Law of 1967," P.L.1967,  
3 c.79 (C.52:31B-1 et seq.) and the "Relocation Assistance Act,"  
4 P.L.1971, c.362 (C.20:4-1 et seq.), of residents, industry or  
5 commerce displaced from a redevelopment area.
- 6 j. Make, consistent with the redevelopment plan: (1) plans for  
7 carrying out a program of voluntary repair and rehabilitation of  
8 buildings and improvements; and (2) plans for the enforcement of  
9 laws, codes, and regulations relating to the use and occupancy of  
10 buildings and improvements, and to the compulsory repair,  
11 rehabilitation, demolition, or removal of buildings and  
12 improvements.
- 13 k. Request that the planning board recommend and governing  
14 body designate particular areas as being in need of redevelopment  
15 or rehabilitation in accordance with the provisions of this act and  
16 make recommendations for the redevelopment or rehabilitation of  
17 such areas.
- 18 l. Study the recommendations of the planning board or  
19 governing body for redevelopment of the area.
- 20 m. Publish and disseminate information concerning any  
21 redevelopment area, plan or project.
- 22 n. Do all things necessary or convenient to carry out its powers.  
23 (cf: P.L.2008, c.65, s.8)
- 24
- 25 4. Section 14 of P.L.1992, c.79 (C.40A:12A-14) is amended to  
26 read as follows:
- 27 14. a. A delineated area may be determined to be in need of  
28 rehabilitation if the governing body of the municipality determines  
29 by resolution that a program of rehabilitation, as defined in section  
30 3 of P.L.1992, c.79 (C.40A:12A-3), may be expected to prevent  
31 further deterioration and promote the overall development of the  
32 community; and that there exist in that area any of the following  
33 conditions such that (1) a significant portion of structures therein  
34 are in a deteriorated or substandard condition [and]; (2) more than  
35 half of the housing stock in the delineated area is at least 50 years  
36 old; (3) there is a [continuing] pattern of vacancy, abandonment or  
37 underutilization of properties in the area[, with]; (4) there is a  
38 persistent arrearage of property tax payments [thereon or (2) more  
39 than half of the housing stock in the delineated area is at least 50  
40 years old,] on properties in the area; (5) environmental  
41 contamination is discouraging improvements and investment in  
42 properties in the area; or (6) a majority of the water and sewer  
43 infrastructure in the delineated area is at least 50 years old and is in  
44 need of repair or substantial maintenance[; and (3) a program of  
45 rehabilitation, as defined in section 3 of P.L.1992, c.79  
46 (C.40A:12A-3), may be expected to prevent further deterioration  
47 and promote the overall development of the community]. Where

1 warranted by consideration of the overall conditions and  
2 requirements of the community, a finding of need for rehabilitation  
3 may extend to the entire area of a municipality. Prior to adoption of  
4 the resolution, the governing body shall submit it to the municipal  
5 planning board for its review. Within 45 days of its receipt of the  
6 proposed resolution, the municipal planning board shall submit its  
7 recommendations regarding the proposed resolution, including any  
8 modifications which it may recommend, to the governing body for  
9 its consideration. Thereafter, or after the expiration of the 45 days  
10 if the municipal planning board does not submit recommendations,  
11 the governing body may adopt the resolution, with or without  
12 modification. The resolution shall not become effective without the  
13 approval of the commissioner pursuant to section 6 of P.L.1992,  
14 c.79 (C.40A:12A-6), if otherwise required pursuant to that section.

15 b. A delineated area shall be deemed to have been determined  
16 to be an area in need of rehabilitation in accordance with the  
17 provisions of this act if it has heretofore been determined to be an  
18 area in need of rehabilitation pursuant to P.L.1975, c.104 (C.54:4-  
19 3.72 et seq.), P.L.1977, c.12 (C.54:4-3.95 et seq.) or P.L.1979,  
20 c.233 (C.54:4-3.121 et al.).

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

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

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

46 (2) For the purposes of this subsection, "renovation housing  
47 project" means any work or undertaking to provide a decent, safe,  
48 and sanitary single-family dwelling, to exclusively benefit at least

1 half of the number of people occupying a dwelling as their primary  
 2 residence, by the renovation, reconstruction, or replacement of that  
 3 dwelling on the same lot by either a charitable entity organized to  
 4 perform home renovations or by a for-profit builder using 75% or  
 5 more volunteer labor-hours to accomplish the construction for the  
 6 project. The undertaking may include any buildings; demolition,  
 7 clearance, or removal of buildings from land; equipment; facilities;  
 8 or other personal properties or interests therein which are necessary,  
 9 convenient, or desirable appurtenances of the undertaking.  
 10 (cf: P.L.2007, c.91, s.1)

11

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

14 15. In accordance with the provisions of a redevelopment plan  
 15 adopted pursuant to section 7 of P.L.1992, c.79 (C.40A:12A-7), a  
 16 municipality or redevelopment entity may proceed with clearance,  
 17 replanning, conservation, development, redevelopment and  
 18 rehabilitation of an area in need of rehabilitation. With respect to a  
 19 redevelopment project in an area in need of rehabilitation, the  
 20 municipality or redevelopment entity, upon the adoption of a  
 21 redevelopment plan for the area, may perform any of the actions set  
 22 forth in section 8 of P.L.1992, c.79 (C.40A:12A-8), except that with  
 23 respect to such a project the municipality shall not have the power  
 24 to take or acquire private property by condemnation in furtherance  
 25 of a redevelopment plan, unless: a. the area is within <sup>1</sup>(1)<sup>1</sup> an area  
 26 determined to be in **【need of redevelopment pursuant to this act】**  
 27 <sup>1</sup>need of redevelopment prior to the effective date of P.L. ,  
 28 c. (C. ) (pending before the Legislature as this bill), or (2)<sup>1</sup> a  
 29 Condemnation Redevelopment Area and the municipality has  
 30 complied with the notice requirements under subparagraph (e) of  
 31 paragraph (5) of subsection b. of section 6 of P.L.1992, c.79  
 32 (40A:12A-6); or b. exercise of that power is authorized under any  
 33 other law of this State.

34 (cf: P.L.1992, c.79, s.15)

35

36 6. This act shall take effect immediately<sup>1</sup>, however, the  
 37 provisions of section 2 shall not apply to an area determined to be a  
 38 redevelopment area by any resolution that is adopted pursuant to  
 39 section 6 of P.L.1992, c.79 (C.40A:12A-6) on or before the 90th  
 40 day next following the date of enactment<sup>1</sup>.

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