

[First Reprint]
ASSEMBLY, No. 1820

STATE OF NEW JERSEY

INTRODUCED MARCH 28, 1996

By Assemblyman CORODEMUS

1 AN ACT designated the "New Jersey Urban Redevelopment Act,"
2 reconstituting the New Jersey Urban Development Corporation as
3 the New Jersey Redevelopment Authority, providing a source of
4 funding therefor, establishing a neighborhood empowerment
5 program, amending, supplementing and repealing various sections
6 of statutory law, and making an appropriation.

7
8 **BE IT ENACTED** by the Senate and General Assembly of the State
9 of New Jersey:

10

11 1. (New section) This act shall be known and may be cited as the
12 "New Jersey Urban Redevelopment Act."

13

14 2. (New section) The Legislature finds and determines that:

15 a. As one of the nation's most densely populated States and one of
16 the earliest settled, New Jersey is beset by a host of urban problems
17 attendant upon economic obsolescence, an aging infrastructure,
18 long-term underinvestment and de-industrialization;

19 b. Although the State Development and Redevelopment Plan has
20 fostered a more coordinated and integrated State planning process and
21 has placed renewed emphasis on urban revitalization goals, the
22 realization of those revitalization goals still presents a critical
23 challenge to the private sector and the myriad of governmental entities
24 whose policies touch urban areas;

25 c. The rapid pace of technological change with which the late
26 twentieth century is associated, represented by the development and
27 growth of the "information superhighway," and increasing world
28 competition, spurred on by recent and ongoing international free trade
29 agreements, threatens to further marginalize our already distressed and
30 beleaguered urban centers;

31 d. Environmentally compromised sites present a particular

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

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly AAP committee amendments adopted May 13, 1996.

1 challenge to the State's urban centers, particularly those with major
2 associated cleanup liability and, notwithstanding the impressive strides
3 taken by this Legislature to address remediation issues, further
4 remedies are necessary in order to imbue those sites with renewed
5 economic potential;

6 e. Given the number of years over which these problems have
7 developed and in light of the enormity of the challenges which lay
8 ahead, it is incumbent upon this Legislature to designate an entity that
9 has as its primary focus the State's urban centers, and to provide that
10 entity with resources to effectuate renewal in these urban areas;

11 f. At present, a vast and complex network of State agencies and
12 policies which should cooperate in the identification and resolution of
13 urban problems too often work at cross-purposes and so it is vital that
14 this new entity bring together those agencies whose policies are most
15 strongly felt in urban areas in order to promote their economic and
16 social viability in a coordinated fashion;

17 g. There is a need for a redevelopment agency whose focus is
18 developing and implementing strategic revitalization plans and
19 neighborhood empowerment plans for urban neighborhoods to serve
20 as the State's primary community development agency with particular
21 focus on technical assistance, grants, low and no interest loans, loan
22 guarantees, and capacity building for community development
23 organizations; and

24 h. This legislative initiative is intended to implement the urban
25 redevelopment initiative concept and philosophy articulated by the
26 sponsor which calls for the establishment of an independent entity
27 which will allow for a coordinated approach to urban revitalization and
28 succeed in achieving its goals where previous urban efforts have failed.

29
30 3. (New section) As used in P.L. , c. (C.) (pending before the
31 Legislature as this bill), except as otherwise clearly required by the
32 context:

33 "Authority" means the New Jersey Redevelopment Authority
34 established pursuant to section 4 of P.L. , c. (C.) (pending before
35 the Legislature as this bill).

36 "Council" means the Urban Coordinating Council established
37 pursuant to section 45 of P.L. , c. (C.) (pending before the
38 Legislature as this bill).

39 "Department" means the Department of the Commerce and
40 Economic Development.

41 "Project" means a specific work or improvement, including lands,
42 buildings, improvements, real and personal property or any interest
43 therein, including lands under water, riparian rights, space rights and
44 air rights, acquired, owned, constructed, reconstructed, rehabilitated
45 or improved by the authority or a subsidiary, or by any other person,
46 firm or corporation under agreement with the authority or subsidiary

1 pursuant to the provisions of P.L. , c. (C.) (pending before the
2 Legislature as this bill) in a qualified municipality, and which falls
3 within any of the following classifications:

4 (1) "Industrial project"--a project designed and intended to provide
5 facilities for manufacturing, industrial, commercial, wholesale, retail,
6 warehousing, or research and development purposes, including but not
7 limited to machinery and equipment deemed necessary for the
8 operation thereof, when the authority finds that there is a compelling
9 public need to undertake such project.

10 (2) "Land-use improvement project"--a project for the clearance,
11 replanning, reconstruction, rehabilitation, renewal, redevelopment,
12 conservation, restoration or improvement of an area, in cooperation
13 or under agreement with a qualified municipality which has designated
14 the area in need of redevelopment.

15 (3) "Civil project"--a project designed and intended to provide
16 facilities for educational, cultural, health, recreational, community or
17 other civic purposes.

18 (4) "Utility project"--a project designed and intended to provide
19 facilities for provision of water, sewerage, solid waste disposal,
20 transportation, utility or other public services necessary for the
21 accommodation of a project of another classification undertaken
22 pursuant to P.L. , c. (C.) (pending before the Legislature as this
23 bill), but accommodation of needs greater than those of the other
24 project may be encompassed.

25 (5) "Mixed-use project"--a project consisting of housing
26 development and commercial development, in which the prorated cost
27 of the housing development is equivalent to no more than one-third of
28 the cost of the total project.

29 (6) "Multi-purpose project"--a project combining the purposes of
30 two or more of the foregoing classifications.

31 "Qualified municipality" means any municipality which at the time
32 of the initiation of a project was either eligible to receive aid under the
33 "Special Municipal Aid Act," P.L.1987, c.75 (C.52:27D-118.24 et
34 seq.) or was coextensive with a school district which qualified for
35 designation as a "special needs district" pursuant to the "Quality
36 Education Act of 1990," P.L.1990, c.52 (C.18A:7D-1 et seq.).

37 "Subsidiary" means a subsidiary corporation formed by the
38 authority pursuant to section 8 of P.L. , c. (C.) (pending before
39 the Legislature as this bill).

40

41 4. (New section) a. The New Jersey Urban Development
42 Corporation established pursuant to P.L.1985, c.227 (C.55:19-1 et
43 seq.) is reconstituted as the New Jersey Redevelopment Authority.
44 For the purpose of complying with the provisions of Article V, Section
45 IV, paragraph 1 of the Constitution of the State of New Jersey, this
46 authority is allocated to the Department of Commerce and Economic

1 Development; but, notwithstanding that allocation, the authority shall
2 be independent of any supervision or control by the department or by
3 any other board or officer thereof. All references in any law, order,
4 rule, regulation, contract, loan, document or otherwise to the New
5 Jersey Urban Development Corporation in the Department of
6 Commerce and Economic Development shall mean the New Jersey
7 Redevelopment Authority in the Department of Commerce and
8 Economic Development.

9 b. The authority shall constitute a body corporate and politic and
10 an instrumentality exercising public and essential governmental
11 functions, and the exercise by the authority of the powers conferred by
12 P.L. , c. (C.) (pending before the Legislature as this bill) shall be
13 deemed and held to be an essential governmental function of the State.

14 c. The authority shall consist of the State Treasurer, the Attorney
15 General, the Commissioner of Community Affairs, the Commissioner
16 of Education, the Commissioner of Environmental Protection, the
17 Commissioner of Health, the Commissioner of Human Services, the
18 Commissioner of Labor, the Commissioner of Transportation, and the
19 Commissioner of Commerce and Economic Development who shall be
20 members and who shall serve ex officio, and eleven public members of
21 whom seven shall be appointed by the Governor with the advice and
22 consent of the Senate, two shall be appointed by the Senate President
23 and two shall be appointed by the Speaker of the General Assembly,
24 for terms of three years, except as provided hereunder. Of the seven
25 members appointed by the Governor, one shall represent the interests
26 of the for-profit development industry; one shall represent the interests
27 of the non-profit development community, two shall be mayors of
28 municipalities which are coextensive with "special needs districts" as
29 defined pursuant to section 3 of P.L.1990, c.52 (C.18A:7D-3); two
30 shall be mayors of municipalities which are contiguous to
31 municipalities which are coterminous with special needs districts; and
32 one shall represent the interest of the banking, insurance or real estate
33 financing industries. Each member shall hold office for the term of his
34 appointment and until his successor shall have been appointed and
35 qualified. A member shall be eligible for reappointment. Each mayor
36 shall serve for a term of three years, but shall continue to serve only
37 as long as the mayor continues to hold mayoral office. The members
38 appointed by each of the presiding officers of both Houses of the
39 Legislature shall not represent the same political party, ¹[and none of
40 the legislative appointees shall be members of the Legislature]¹. Any
41 vacancy in the membership occurring other than by expiration of term
42 shall be filled in the same manner as the original appointment but for
43 the unexpired term only. In appointing public members, the presiding
44 officers shall have regard to providing an adequate depth and diversity
45 of knowledge and experience in the financial, physical and social
46 aspects of urban development, and of other relevant expertise in urban

1 matters.

2 d. Each ex officio member may designate an officer or employee of
3 his department to represent him at authority meetings. The
4 designation shall be in writing, delivered into the hands of the
5 secretary of the authority, and shall continue in effect until revoked or
6 amended in the same manner.

7 e. Each member appointed by the Governor may be removed from
8 office by the Governor, for cause, after a public hearing, and may be
9 suspended by the Governor pending the completion of the hearing.
10 Each member before entering upon his duties shall take and subscribe
11 an oath to perform the duties of his office faithfully, impartially and
12 justly to the best of his ability. A record of such oaths shall be filed in
13 the office of the Secretary of State.

14 f. The ¹[Governor shall appoint a chairperson, with the advice and
15 consent of the Senate, from the members of the authority other than
16 the ex officio members and the]The Commissioner of Commerce and
17 Economic Development may, at the commissioner's discretion, serve
18 as the chairperson of the authority or may appoint one of the public
19 members of the authority as chairperson. Any such designation or
20 appointment shall be made in writing and shall be delivered to the
21 authority and to the Governor and shall continue in effect until
22 revoked or amended by a writing delivered to the authority and the
23 Governor. The¹ members of the authority shall elect from their
24 remaining number a vice chairperson and a treasurer thereof. The
25 authority shall employ an executive director who shall be its secretary
26 and chief executive officer. The powers of the authority shall be
27 vested in the members thereof in office from time to time and eleven
28 members of the authority shall constitute a quorum at any meeting
29 thereof. Action may be taken, and motions and resolutions adopted,
30 by the authority at any meeting thereof by the affirmative vote of at
31 least eleven members of the authority. No vacancy in the membership
32 of the authority shall impair the right of a quorum of the members to
33 exercise all of the powers and perform all of the duties of the
34 authority.

35 g. Each public member of the authority shall execute a bond to be
36 conditioned upon the faithful performance of the duties of such
37 member in such form and amount as may be prescribed by the State
38 Comptroller. Such bonds shall be filed in the office of the Secretary
39 of State. At all times thereafter the members and treasurer of the
40 authority shall maintain such bonds in full force and effect. All costs
41 of such bonds shall be borne by the authority.

42 h. The members of the authority shall serve without compensation,
43 but the authority shall reimburse its members for actual expenses
44 necessarily incurred in the discharge of their duties. Notwithstanding
45 the provisions of any other law, no officer or employee of the State
46 shall be deemed to have forfeited or shall forfeit his or her office or

1 employment or any benefits or emoluments thereof by reason of his or
2 her acceptance of the office of ex officio member of the authority or
3 his or her services therein.

4 i. The authority may be dissolved by act of the Legislature on
5 condition that the authority has no debts or obligations outstanding or
6 that provision has been made for the payment or retirement of such
7 debts or obligations. Upon any such dissolution of the authority, all
8 property, funds and assets thereof shall be vested in the State.

9 j. A true copy of the minutes of every meeting of the authority shall
10 be forthwith delivered by and under the certification of the secretary
11 thereof to the Governor. No action taken at such meeting by the
12 authority shall have force or effect until 10 days, Saturdays, Sundays,
13 and public holidays excepted, after a copy of the minutes shall have
14 been so delivered unless during that 10-day period the Governor shall
15 approve the same in which case such action shall become effective
16 upon approval. If, within the 10-day period, the Governor returns the
17 copy of the minutes with a veto of any action taken by the authority or
18 any member thereof at the meeting, that action shall be null and void
19 and of no effect. The powers conferred in this subsection upon the
20 Governor shall be exercised with due regard for the rights of the
21 holders of bonds and notes of the authority at any time outstanding,
22 and nothing in or done pursuant to this subsection shall in any way
23 limit, restrict or alter the obligation or powers of the authority or any
24 representative or officer of the authority to carry out and perform in
25 every detail each and every covenant, agreement or contract at any
26 time made or entered into by or on behalf of the authority with respect
27 to its bonds or notes or for the benefit, protection or security of the
28 holders thereof. The Governor may approve all or part of the action
29 taken at such meeting prior to the expiration of the 10-day period.

30 k. On or before March 31 of each year, the authority shall make an
31 annual report of its activities for the preceding calendar year to the
32 Governor and the Legislature. Each such report shall set forth a
33 complete operating and financial statement covering the authority's
34 operations during the year. The authority shall cause an audit of its
35 books and accounts to be made at least once in each year by certified
36 public accountants and cause a copy thereof to be filed with the
37 Secretary of State and the State Comptroller.

38 1. The State Comptroller and his legally authorized representatives
39 are hereby authorized and empowered from time to time to examine
40 the accounts, books and records of the authority, including its receipts,
41 disbursements, contracts, sinking funds, investments, and any other
42 matters relating thereto and to its financial standing.

43 m. No member, officer, employee or agent of the authority shall be
44 interested, either directly or indirectly, in any project or in any
45 contract, sale, purchase, lease or transfer of real or personal property
46 to which the authority is a party.

- 1 5. (New section) The authority shall have the following powers:
- 2 a. to sue and be sued;
- 3 b. to have a seal and alter the same at the authority's pleasure;
- 4 c. to enter into contracts upon such terms and conditions as the
5 authority shall determine to be reasonable, including, but not limited
6 to, reimbursement for the planning, designing, financing, construction,
7 reconstruction, improvement, equipping, furnishing, operation and
8 maintenance of the project and to pay or compromise any claims
9 arising therefrom;
- 10 d. to make and alter by-laws for its organization and internal
11 management and, subject to agreements with noteholders or
12 bondholders, to make rules and regulations with respect to its projects,
13 operations, properties and facilities;
- 14 e. to invest any funds held in reserve or sinking funds, or any
15 moneys not required for immediate use and disbursement, at the
16 discretion of the authority, in obligations of this State or of the United
17 States, or obligations the principal and interest of which are
18 guaranteed by this State or the United States;
- 19 f. to sell, lease, assign, transfer, convey, exchange, mortgage, or
20 otherwise dispose of or encumber any project, and in the case of the
21 sale of any project, to accept a purchase money mortgage in
22 connection therewith; and to lease, repurchase or otherwise acquire
23 and hold any project which the corporation has theretofore sold,
24 leased or otherwise conveyed, transferred or disposed of;
- 25 g. to acquire or contract to acquire from any individual,
26 partnership, trust, association or corporation, or any public agency, by
27 grant, purchase or otherwise, real or personal property or any interest
28 therein; to own, hold, clear, improve, rehabilitate and develop, and to
29 sell, assign, exchange, transfer, convey, lease, mortgage or otherwise
30 dispose of or encumber the same;
- 31 h. to acquire in the name of the authority by purchase or otherwise,
32 on such terms and conditions and such manner as it may deem proper
33 any lands or interests therein or other property which it may determine
34 is reasonably necessary for any project;
- 35 i. to acquire, construct, reconstruct, rehabilitate, improve, alter or
36 repair or provide for construction, reconstruction, rehabilitation,
37 improvement, alteration or repair of any project;
- 38 j. to arrange or contract with a municipality for the planning,
39 replanning, opening, grading or closing of streets, roads, roadways,
40 alleys or other places, or for the furnishing of facilities or for the
41 acquisition by a municipality of property or property rights or for the
42 furnishing of property or services, in connection with a project;
- 43 k. to grant options to purchase any project or to renew any leases
44 entered into by it in connection with any of its projects, on such terms
45 and conditions as it may deem advisable;
- 46 l. to prepare or cause to be prepared plans, specifications, designs

1 and estimates of costs for the construction, reconstruction,
2 rehabilitation, improvement, alteration or repair of any project, and
3 from time to time to modify such plans, specifications, designs or
4 estimates;

5 m. to manage any project, whether then owned or leased by the
6 authority, and to enter into agreements with any individual,
7 partnership, trust, association or corporation, or with any public
8 agency, for the purpose of causing any project to be managed;

9 n. to hold any property owned or acquired by the authority in the
10 name of the authority;

11 o. to provide advisory, consultative, training and educational
12 services, technical assistance and advice to any individual, partnership,
13 trust, association or corporation, or to any public agency, in order to
14 carry out the purposes of P.L. , c. (C.) (pending before the
15 Legislature as this bill);

16 p. to issue, purchase, pledge and sell stock in projects of the
17 authority and to purchase, sell or pledge the shares, or other
18 obligations or securities of any subsidiary corporation, on such terms
19 and conditions as the authority or subsidiary corporation may deem
20 advisable;

21 q. subject to the provisions of any contract with noteholders, to
22 consent to the modification, with respect to rate of interest, time of
23 payment or any installment of principal or interest, security, or any
24 other terms, of any loan, mortgage, commitment, contract or
25 agreement of any kind to which the authority is a party;

26 r. in connection with any property on which it has made a
27 mortgage loan, to foreclose on the property or commence any action
28 to protect or enforce any right conferred upon it by any law,
29 mortgage, contract or other agreement, and to bid for or purchase the
30 property at any foreclosure or at any other sale, or acquire or take
31 possession of the property; and in such event the authority may
32 complete, administer, pay the principal of and interest on any
33 obligations incurred in connection with the property, dispose of and
34 otherwise deal with the property, in such manner as may be necessary
35 or desirable to protect the interests of the authority therein;

36 s. to acquire, purchase, manage and operate, hold and dispose of
37 real and personal property or interests therein, take assignments of
38 rentals and leases and make and enter into all contracts, leases,
39 agreements and arrangements necessary or incidental to the
40 performance of its duties;

41 t. to purchase, acquire and take assignments of notes, mortgages
42 and other forms of security and evidences of indebtedness;

43 u. to extend credit or make loans to any person for the planning,
44 designing, acquiring, constructing, reconstructing, improving,
45 equipping and furnishing of a project, which credits or loans may be
46 secured by loan and security agreements, mortgages, leases and any

1 other instruments, upon such terms and conditions as the authority
2 shall deem reasonable, including provision for the establishment and
3 maintenance of reserve and insurance funds, and to require the
4 inclusion in any mortgage, lease, contract, loan and security agreement
5 or other instrument, such provisions for the construction, use,
6 operation and maintenance and financing of a project as the authority
7 may deem necessary or desirable;

8 v. to borrow money, secure credit against the assets of the
9 authority on a temporary, short-term, interim or long-term basis and
10 to issue bonds of the authority and to provide for the rights of the
11 holders thereof, as provided in P.L. , c. (C.) (pending before the
12 Legislature as this bill);

13 w. to make short-term loans or advances to developers for
14 construction in anticipation of the issuance of permanent loans;

15 x. to exercise sole authority for investment, reinvestment or
16 expenditure of its revenues, fund balances and appropriations
17 consistent with the purposes of P.L. , c. (C.) (pending before the
18 Legislature as this bill) on projects and investments utilizing revenues
19 from the sale of revenue bonds, which projects shall be subject to the
20 approval of the State Treasurer, and the Treasurer's actions shall be
21 based solely on his fiduciary role to ensure that all applicable federal
22 and State tax laws are adhered to regarding the investment of bond
23 funds;

24 y. notwithstanding any law to the contrary, and upon resolution of
25 the municipal governing body, to act as the redevelopment agency of
26 any municipality in which there is not established a redevelopment
27 agency pursuant to subsection a. of section 11 of P.L.1992, c.79
28 (C.40A:12A-11) and which is not precluded from establishing such an
29 agency;

30 z. in connection with any application for assistance under P.L. ,
31 c. (C.) (pending before the Legislature as this bill) or commitments
32 therefor, to require and collect such fees and charges as the authority
33 shall determine to be reasonable;

34 aa. to establish, levy and collect, in connection with any civic
35 project or utilities project managed or operated by the authority,
36 whether then owned or leased by the authority, user fees and facility
37 charges;

38 bb. to procure insurance against any loss in connection with its
39 property and other assets and operations, in such amounts and from
40 such insurers as it deems desirable;

41 cc. to employ consulting engineers, architects, attorneys, real
42 estate counselors, appraisers, and such other consultants and
43 employees as may be required in the judgment of the authority to carry
44 out the purposes of the act, and to fix and pay their compensation
45 from funds available to the authority therefor, all without regard to the
46 provisions of Title 11A, Civil Service, of the New Jersey Statutes;

- 1 dd. to contract for, and to accept, any gifts or grants or loans of
2 funds or property or financial or other aid in any form from the federal
3 government or any agency or instrumentality thereof, or from the State
4 or a municipality or any agency or instrumentality thereof, or from any
5 other source, and, subject to the provisions of P.L. , c. (C.)
6 (pending before the Legislature as this bill) and any other applicable
7 law, to comply with the terms and conditions thereof;
- 8 ee. to create subsidiary corporations as provided in section 8 of
9 P.L. , c. (C.) (pending before the Legislature as this bill);
- 10 ff. to assist municipalities, counties, public or private county and
11 municipal development agencies, district management corporations
12 created pursuant to section 4 of P.L.1972, c.134 (C.40:56-68),
13 community action boards established pursuant to section 4 of
14 P.L.1991, c.51 (C.52:27D-398), or sponsors of neighborhood
15 empowerment organizations, in formulating and implementing
16 community redevelopment plans, which shall include, but not be
17 limited to, neighborhood restoration, residential development, and
18 industrial and commercial development;
- 19 gg. to fund, or assist in funding, community redevelopment
20 projects by municipalities, counties, public or private county and
21 municipal development agencies, district management corporations
22 created pursuant to section 4 of P.L.1972, c.134 (C.40:56-68),
23 community action boards established pursuant to section 4 of
24 P.L.1991, c.51 (C.52:27D-398), or sponsors of neighborhood
25 empowerment organizations, which shall include, but not be limited to,
26 direct loan assistance, including loan guarantees, procuring capital
27 from private developers and lending institutions, and facilitating access
28 to State, federal, and private sources of loans or grants, including, but
29 not limited to, the New Jersey Economic Development Authority and
30 the Casino Redevelopment Authority;
- 31 hh. to assist in providing access to support services, including
32 technical assistance and job training programs, for projects developed
33 in connection with comprehensive community redevelopment plans and
34 neighborhood empowerment programs established pursuant to this act;
- 35 ii. to provide assistance to urban areas in attracting industrial and
36 commercial projects, in rehabilitating existing industrial and
37 commercial facilities to restore them to productive use through the
38 establishment of marketing programs and incentive programs;
- 39 jj. to assist in facilitating the work of the Office of Neighborhood
40 Empowerment established pursuant to this act, which assistance shall
41 include, but not be limited to, providing professional or technical
42 expertise and funding for the establishment and implementation of
43 neighborhood empowerment plans developed pursuant to this act;
- 44 kk. to enter into partnerships with private developers, the New
45 Jersey Economic Development Authority or any other public entity,
46 for the purpose of community redevelopment, and establish fees

1 therefor;

2 ll. to enter into agreements with municipalities or counties
3 regarding projects to be financed through the use of payment in lieu of
4 taxes, as provided for in section 33 of P.L. , c. (C.) (pending
5 before the Legislature as this bill); and

6 mm. to do any and all things necessary or convenient to carry out
7 its purposes and exercise the powers given and granted in P.L. , c.
8 (C.) (pending before the Legislature as this bill).

9

10 6. (New section) The authority, in determining which projects to
11 approve for financing, shall accord first priority to any project situated
12 in a municipality which at the time the application for project financing
13 is submitted is eligible to receive aid under the "Special Municipal Aid
14 Act," P.L.1987, c.75 (C.52:27D-118.24 et seq.) and is coextensive
15 with a "special needs district" designated pursuant to the "Quality
16 Education Act of 1990," P.L.1990, c.52 (C.18A:7D-1 et seq.).
17 Subsequent priority shall be assigned to projects in any municipality
18 which, at the time the application for project financing is submitted, is
19 coextensive with a "special needs district" and projects in a qualified
20 municipality shall receive last priority. In making project financing
21 decisions, the authority shall give preference to any project situated in
22 an empowerment neighborhood designated pursuant to section 54 of
23 P.L....., c....., (C.....)(now pending before the Legislature as
24 this bill). With respect to projects for which costs are to be financed
25 by the authority, the authority shall consider the following factors:

26 (1) the economic feasibility of the project;

27 (2) the extent of economic and related social distress in the
28 municipality and the area to be affected by the project;

29 (3) the degree to which the project will advance State, regional and
30 local development strategies;

31 (4) the likelihood that the project shall upon completion be capable
32 of repaying all or part of any financing costs incurred;

33 (5) the relationship of the project to a comprehensive local
34 development strategy, including other major projects undertaken
35 within the municipality; and

36 (6) the degree to which the project interfaces with public
37 transportation systems.

38

39 7. (New section) In planning and carrying out projects pursuant
40 to P.L. , c. (C.) (pending before the Legislature as this bill) the
41 authority and its subsidiaries shall endeavor to enlist the cooperation
42 and assistance, on a volunteer basis, of private business firms and
43 individual business executives whose experience and training qualify
44 them to advise the authority and its subsidiaries on the design and
45 coordination of aid and development programs for the revitalization of
46 urban centers, and to advise upon the most efficient and businesslike

1 manner of managing and directing such programs.

2

3 8. (New section) a. In order to carry out the purposes and
4 provisions of P.L. , c. (C.) (pending before the Legislature as this
5 bill), the authority, in addition to any powers granted to it elsewhere
6 in P.L. , c. (C.) (pending before the Legislature as this bill), shall
7 have the authority to form, purchase or assume control of one or more
8 subsidiaries, in the manner and for the purposes set forth in this
9 section.

10 b. The authority may form a subsidiary by filing with the Secretary
11 of State a certificate of incorporation, which may be amended from
12 time to time and which shall set forth the name of the subsidiary, its
13 duration, the location of its principal office, the joint owners thereof,
14 and the purposes of the subsidiary.

15 c. The directors of the subsidiary shall be members or employees
16 of the authority, who shall constitute at least a majority, and such
17 other persons representing any joint owner or owners as may be
18 provided for in the agreement in connection with the incorporation of
19 the subsidiary.

20 d. The subsidiary shall have all the powers vested in the authority
21 which the authority may delegate to it by terms of the agreement of
22 incorporation, except that it shall not have the power to contract
23 indebtedness independently of the authority. The subsidiary and any
24 of its properties, functions and activities shall have all the privileges,
25 immunities, tax exemptions and other exemptions as the authority's
26 property, functions and activities. The subsidiary shall also be subject
27 to the restrictions and limitations to which the authority is subject.
28 The subsidiary shall be subject to suit as if it were the authority itself.

29 e. Whenever the State or any municipality, commission, public
30 authority, agency, officer, department, board, or division is authorized
31 and empowered for any purposes of P.L. , c. (C.) (pending before
32 the Legislature as this bill) to cooperate and enter into agreements
33 with the authority or to grant any consent to the authority or to grant,
34 convey, lease or otherwise transfer any property to the authority or to
35 execute any document, the State or such municipality, commission,
36 public authority, agency, officer, department, board, or division shall
37 have the same authorization and power for any of such purposes to
38 cooperate and enter into agreements with the subsidiary, to grant
39 consents to the subsidiary, to grant, convey, lease or otherwise
40 transfer property to the subsidiary and to execute documents for the
41 subsidiary.

42 f. Among the powers that shall be granted to a subsidiary
43 corporation established by the authority, or which may be exercised by
44 the authority itself, are:

45 (1) the power to participate as a co-owner or co-venturer in any
46 activity financed by a loan from the authority; and

1 (2) the power to issue its stock and employ the proceeds of such
2 sales for capital investment in, or other expenses in connection with,
3 the projects of the subsidiary, upon authorization by the authority.

4
5 9. (New section) The authority, or any subsidiary, may enter into
6 agreements with any individual, partnership, trust, association or
7 corporation, or any public agency, under which the authority or
8 subsidiary and such other entity or entities shall undertake a project as
9 a joint venture, with the authority or subsidiary providing such
10 financial assistance, through loans, grants or the acquisition of an
11 ownership interest in the project, and such technical or managerial
12 assistance or advice, as the agreement may provide.

13
14 10. (New section) The authority, or any subsidiary, may make
15 loans to any individual, partnership, trust, association or corporation
16 for the purpose of enabling such entity to undertake any work,
17 improvement or other activity in a qualified municipality which, if
18 undertaken by the authority or a subsidiary, would be a "project"
19 within the meaning of section 3 of P.L. , c. (C.) (pending before
20 the Legislature as this bill). The authority, or any subsidiary, may also
21 pledge its credit for the repayment of any such loan made for like
22 purposes by any financial institution in the State.

23
24 11. (New section) For the purpose of providing funds to pay all or
25 any part of the cost of any project or projects, to make loans in
26 accordance with the provisions of P.L. , c. (C.) (pending before
27 the Legislature as this bill), and for the funding or refunding of any
28 bonds, the authority shall have the power to authorize or provide for
29 the issuance of bonds pursuant to P.L. , c. (C.) (pending before
30 the Legislature as this bill).

31
32 12. (New section) By resolution, the authority shall have power
33 to incur indebtedness, borrow money and issue its bonds for the
34 purposes stated in section 11 of P.L. , c. (C.) (pending before
35 the Legislature as this bill) ; provided, however, that the authority shall
36 not issue more than \$100 million of bonds in any one year. Except as
37 may otherwise be expressly provided by the authority, every issue of
38 its bonds shall be general obligations of the authority payable from any
39 revenues or moneys of the authority or any other contracted with or
40 agreed upon source, subject only to any agreements with the holders
41 of particular bonds or notes pledging any particular revenues or
42 moneys. Bonds shall be authorized by resolution and may be issued in
43 one or more series and shall bear that date or those dates, mature at
44 that time or those times not exceeding 40 years from the date thereof,
45 bear interest at a rate or rates, be in that denomination or those
46 denominations, be in such form, either coupon or registered, carry

1 such conversion or registration privileges, have such rank or priority,
2 be executed in such manner, be payable from such sources in such
3 medium of payment at such place or places within or without the
4 State, and be subject to such terms of redemption (with or without
5 premium) as the resolution may provide. Bonds of the authority may
6 be sold by the authority at public or private sale at such price or prices
7 as the authority shall determine.

8
9 13. (New section) Any provision of any law to the contrary
10 notwithstanding, any bond or other obligation issued pursuant
11 to P.L. , c. (C.) (pending before the Legislature as this bill) shall
12 be fully negotiable within the meaning and for all purposes of Title
13 12A, Commercial Transactions, of the New Jersey Statutes, and each
14 holder or owner of such a bond or other obligation, or of any coupon
15 appurtenant thereto, by accepting such bond or coupon shall be
16 conclusively deemed to have agreed that such bond, obligation or
17 coupon is and shall be fully negotiable within the meaning and for all
18 purposes of Title 12A of the New Jersey Statutes.

19
20 14. (New section) In order to secure the payment of such bonds
21 and in addition to its other powers, the authority shall have power by
22 resolution to covenant and agree with the several holders of such
23 bonds, as to:

24 a. the custody, security, use, expenditure or application of the
25 proceeds of the bonds;

26 b. the use, regulation, operation, maintenance, insurance or
27 disposition of all or any part of any project or projects;

28 c. payment of the principal of or interest on the bonds, or any other
29 obligations, and the sources and methods thereof, the rank or priority
30 of any such bonds or obligations as to any lien or security, or the
31 acceleration of the maturity of any such bonds or obligations;

32 d. the use and disposition of any moneys of the authority, including
33 all revenues or other moneys derived or to be derived from any project
34 or projects;

35 e. pledging, setting aside, depositing or trusteeing all or any part
36 of the revenues or other moneys of the authority to secure the payment
37 of the principal of or interest on the bonds or any other obligations and
38 the powers and duties of any trustee with regard thereto;

39 f. the setting aside out of the revenues or other moneys of the
40 authority of reserves and sinking funds, and the source, custody,
41 security, regulation, application and disposition thereof;

42 g. the rents, fees or other charges for the use of any project or
43 projects, including any parts thereof theretofore constructed or
44 acquired and any parts, replacements or improvements thereof
45 thereafter constructed or acquired, and the fixing, establishment,
46 collection and enforcement of the same;

1 h. limitation on the issuance of additional bonds or any other
2 obligations or on the incurrence of indebtedness of the authority;

3 i. vesting in a trustee or trustees, fiscal or escrow agent or agents
4 within or without the State such property, rights, powers and duties
5 in trust as the authority may determine and limiting the rights, duties
6 and powers of such trustee or agent;

7 j. payment of costs or expenses incident to the enforcement of the
8 bonds or of the provisions of the resolution or of any covenant or
9 contract with the holders of the bonds;

10 k. the procedure, if any, by which the terms of any covenant or
11 contract with, or duty to, the holders of bonds may be amended or
12 abrogated, the amount of bonds the holders of which must consent
13 thereto, and the manner in which such consent may be given or
14 evidenced; or

15 l. any other matter or course of conduct which, by recital in the
16 resolution, is declared to further secure the payment of the principal
17 of or interest on the bonds.

18 All such provisions of the resolution and all such covenants and
19 agreements shall constitute valid and legally-binding contracts between
20 the authority and the several holders of the bonds, regardless of the
21 time of issuance of such bonds, and shall be enforceable by any such
22 holder or holders by appropriate action, suit or proceeding in any
23 court of competent jurisdiction, or by proceeding in lieu of prerogative
24 writ.

25
26 15. (New section) Any pledge of revenues or other moneys made
27 by the authority shall be valid and binding from the time that the
28 pledge is made. The revenues or other moneys so pledged and
29 thereafter received by the authority shall immediately be subject to the
30 lien of such pledge without any physical delivery thereof or further act,
31 and the lien of any such pledge shall be valid and binding as against all
32 parties having claims of any kind in tort, contract or otherwise against
33 the authority, irrespective of whether such parties have notice thereof.
34 Neither the resolution nor any other instrument by which a pledge is
35 created need be filed or recorded except in the records of the
36 authority.

37
38 16. (New section) Any public or private agency, organization,
39 corporation, or association which is not legally barred from investing
40 in the bonds or stock of the New Jersey Housing and Mortgage
41 Finance Agency or any of its subsidiary corporations may lawfully
42 invest in the corresponding securities of the authority and its
43 subsidiaries.

44
45 17. (New section) Neither the members of the authority nor any
46 person executing bonds issued pursuant to P.L. , c. (C.) (pending

1 before the Legislature as this bill) shall be liable personally on the
2 bonds by reason of the issuance thereof. Bonds or other obligations
3 issued by the authority pursuant to P.L. , c. (C.) (pending before
4 the Legislature as this bill) shall not be in any way a debt or liability of
5 the State or of any political subdivision thereof and shall not create or
6 constitute any indebtedness, liability or obligation of the State or of
7 any political subdivision, either legal, moral or otherwise, and nothing
8 contained in P.L. , c. (C.) (pending before the Legislature as this
9 bill) shall be construed to authorize the authority to incur any
10 indebtedness on behalf of or in any way to obligate the State or any
11 political subdivision, and all such bonds shall contain on the face
12 thereof a statement to that effect.

13

14 18. (New section) a. No member, officer, agent or employee of
15 the authority or of any of its subsidiaries shall take any official action
16 on any matter in which he or she has a direct or indirect financial
17 interest, except that the ownership of, or tenancy in, one's own private
18 residence shall not be considered a financial interest for the purposes
19 of this section.

20 b. Any action taken or approval granted by the authority or any of
21 its subsidiaries in violation of this section is voidable.

22 c. Any person who knowingly violates any provision of this section
23 shall forfeit his office or employment and is guilty of a crime of the
24 fourth degree.

25

26 19. (New section) Any builder, contractor or subcontractor
27 engaged upon a project within the meaning of P.L. , c. (C.)
28 (pending before the Legislature as this bill), and any person, firm or
29 authority managing or operating such a project, including the authority
30 and its subsidiaries, shall pay the workmen employed in the
31 construction, reconstruction, demolition, or rehabilitation thereof not
32 less than the prevailing wage rate. The prevailing wage rate shall be
33 determined by the Commissioner of Labor in all cases, except that the
34 prevailing wage rate shall be determined by the Secretary of the United
35 States Department of Labor in accordance with the Davis-Bacon Act
36 as amended (40 U.S.C. §276a to 276a-5), when the loan or other
37 assistance given by the authority in connection with the work, or the
38 funds of the authority or subsidiary thereof expended for the work, are
39 the subject of direct or indirect federal assistance other than federal tax
40 exemption of the interest paid on obligations of the authority or a
41 subsidiary thereof.

42

43 20. (New section) a. Under the jurisdiction and at the discretion
44 of the authority, there may be a public hearing on each project, the
45 cost of which is estimated to exceed \$250,000, within the municipality
46 in which the project is to be located. In the event that a hearing is to

1 be conducted, the authority shall cause notice of the hearing to be
2 published in at least two newspapers of general circulation within the
3 municipality at least 15 days prior to the date of the hearing and shall
4 also file the notice at least 15 days prior to the date of the hearing with
5 the governing body of the county and municipality in which the project
6 is to be located.

7 The notice shall summarize the project and specify where and how
8 additional information may be obtained.

9 b. All testimony presented at the hearing and all material submitted
10 to the authority within 15 days following the hearing shall be included
11 in a hearing record to be prepared and made available to the public by
12 the authority.

13 c. The governing body of the county or municipality in receipt of
14 the notice prescribed in subsection a. of this section may file with the
15 authority, within 15 days following the hearing, a written objection to
16 the project, stating in detail the nature of the objection.

17 d. The authority shall respond in writing to any objection filed
18 pursuant to subsection c. of this section, including specific responses
19 to the data, views, and arguments contained in the objection.

20

21 21. (New section) The exercise of the powers granted by P.L. ,
22 c. (C.) (pending before the Legislature as this bill) shall constitute
23 the performance of an essential governmental function and the
24 authority shall not be required to pay any taxes or assessments upon
25 or in respect of a project, or any property or moneys of the authority,
26 and the authority, its projects, property and moneys and any bonds and
27 notes issued under the provisions of P.L. , c. (C.) (pending before
28 the Legislature as this bill), their transfer and the income therefrom,
29 including any profit made on the sale thereof, shall at all times be free
30 from taxation of every kind by the State except for transfer,
31 inheritance and estate taxes and by any political subdivision of the
32 State; provided, that any person occupying a project whether as lessee,
33 vendee or otherwise shall, as long as title thereto shall remain in the
34 authority, pay to the political subdivision in which such project is
35 located a payment in lieu of taxes which shall equal the taxes on real
36 and personal property, including water and sewer service charges or
37 assessments, which such person would have been required to pay had
38 it been the owner of such property during the period for which such
39 payment is made and neither the authority nor its projects, properties,
40 money or bonds and notes shall be obligated, liable or subject to lien
41 of any kind for the enforcement, collection or payment thereof. If and
42 to the extent the proceedings under which the bonds authorized to be
43 issued under the provisions of P.L. , c. (C.) (pending before the
44 Legislature as this bill) so provide, the authority may agree to
45 cooperate with such person occupying a project, in connection with
46 any administrative or judicial proceedings for determining the validity

1 or amount of such payments and may agree to appoint or designate
2 and reserve the right in and for such person to take all action which
3 the authority may lawfully take in respect of such payments and all
4 matters relating thereto, provided such person shall bear and pay all
5 costs and expenses of the authority thereby incurred at the request of
6 such person or by reason of any such action taken by such person on
7 behalf of the authority. If such person occupying a project has paid
8 the amounts in lieu of taxes required by this section to be paid, such
9 person shall not be required to pay any such taxes for which a
10 payment in lieu thereof has been made to the State or to any political
11 subdivision, any other statute to the contrary notwithstanding.

12

13 22. (New section) The governing bodies of any two contiguous
14 municipalities within which is located or is to be located a New Jersey
15 Redevelopment Authority project situated in part within each
16 municipality, may by reciprocal ordinances enter into agreements with
17 each other to share all tax revenues, payments in lieu of taxes or other
18 revenues as shall be derived from the entire project, and to which they
19 are by law entitled, in such proportion as they deem proper.

20

21 23. (New section) Any agreement entered into pursuant to section
22 22 of P.L. , c. (C.) (pending before the Legislature as this bill) for
23 the sharing of payments and revenues derived from a project shall also
24 set forth the manner in which the costs of municipal services for such
25 project are to be apportioned and specify the services to be supplied
26 by each municipality in sufficient detail so as to permit the owners,
27 occupants and users of property within the project to determine the
28 responsibilities of each participating municipality.

29

30 24. (New section) Notwithstanding any restriction contained in
31 any other law, the State and all political subdivisions of this State, and
32 all other persons who are or may hereafter be authorized to invest in
33 bonds or other obligations of the State, may invest any sinking funds,
34 moneys or other funds, including capital, belonging to them or within
35 their control in any bonds or notes issued by the authority under the
36 provisions of P.L. , c. (C.) (pending before the Legislature as this
37 bill).

38

39 25. (New section) The foregoing sections of P.L. , c. (C.)
40 (pending before the Legislature as this bill) shall be deemed to provide
41 a complete method for the doing of things authorized thereby and shall
42 be regarded as not in conflict with, or as restrictive of, powers
43 conferred by any other laws, and the provisions of P.L. , c. (C.)
44 (pending before the Legislature as this bill) shall be complete authority
45 for the issuance of bonds by the authority and the provisions of any
46 other laws shall not apply to the issuance of such bonds.

1 26. (New section) With its first annual report, and every second
2 year thereafter, the authority shall submit a New Jersey
3 Redevelopment Strategy document, setting forth the goals and
4 priorities governing the selection of the projects it anticipates
5 participating in or assisting; and the authority shall annually review and
6 evaluate the projects actually undertaken in light of the goals and
7 priorities established therefor by the New Jersey Redevelopment
8 Strategy document. In selecting projects for its participation, and in
9 evaluating those projects in which it has participated, the authority
10 shall devise and employ techniques for forecasting and measuring
11 relevant indices of accomplishment of its goals of economic
12 revitalization, including specifically:

13 a. the number of jobs created, or to be created, by, or as a result
14 of, the project;

15 b. the cost, or estimated cost, to the State, involved in the creation
16 of those jobs;

17 c. the amount of private capital investment in, or stimulated by, a
18 project, in proportion to the public funds invested therein; and

19 d. in the case of an industrial project or a multi-purpose project
20 which has, as one of its elements, a project classified as an industrial
21 project, a determination, based upon written findings, that the project
22 would not be undertaken but for the participation of the authority.

23

24 27. (New section) a. There is hereby created the New Jersey
25 Redevelopment Investment Fund, or "fund," a revolving loan pool to
26 be used for the purpose of making loans, loan guarantees or grants
27 pursuant to the provisions of this act, into which shall be paid:

28 (1) moneys received from the sale of authority bonds.

29 (2) funds appropriated by section 68 of P.L. , c. (C.) (pending
30 before the Legislature as this bill) as may be determined by the
31 authority;

32 (3) repayments of loans or other payments, including repayments
33 of principal and interest on loans, received by the authority pursuant
34 to agreements made under authority of sections 5, 8, 9 or 10 of P.L. ,
35 c. (C.) (pending before the Legislature as this bill);

36 (4) any income derived from investment pursuant to subsection b.
37 of this section;

38 (5) moneys collected as user fees and facility charges in connection
39 with any civic project or utilities project managed or operated by the
40 authority as authorized by subsection z. of section 5 of P.L. , c.
41 (C.) (pending before the Legislature as this bill); and

42 (6) such additional funds as the Legislature may from time to time
43 appropriate for the purpose.

44 b. The fund shall be in the custody and control of the authority,
45 which may invest and reinvest any portion thereof not immediately
46 required for the purposes of the authority in the manner provided by

1 law for investment of public funds on projects and investments
2 utilizing revenues from the sale of general obligation bonds, which
3 projects shall be subject to the approval of the State Treasurer, and the
4 State Treasurer's actions shall be based solely on his fiduciary role to
5 ensure that all applicable federal and State tax laws are adhered to
6 regarding the investment of bond funds.

7 c. The authority may resell any loan or loans made by the authority
8 pursuant to this act to any buyer or buyers; the proceeds of any such
9 sales shall be returned to the fund established pursuant to this section.

10

11 28. (New section) a. Loan rates and maturities of loans made by
12 the New Jersey Redevelopment Authority shall be established by the
13 ¹[State Treasurer] Commissioner of Commerce and Economic
14 Development¹ taking into consideration rates available in capital
15 markets for comparable maturities and comparable credit quality.
16 Local governments may secure interim financing under this act to
17 enable a project to be undertaken before permanent financing is
18 secured or may secure permanent financing under P.L. , c. (C.)
19 (pending before the Legislature as this bill) with a final maturity
20 related to the expected useful life of the project being so financed.

21 b. ¹[Pending their application to the purposes provided in P.L. ,
22 c. (C.) (pending before the Legislature as this bill), the monies in the
23 New Jersey Redevelopment Investment Fund may be invested and
24 reinvested as are other trust funds in the custody of the State
25 Treasurer, in the manner provided by law.]¹ Net earnings received
26 from the investment or deposit of ¹[that fund] the New Jersey
27 Redevelopment Investment Fund¹ shall be paid into the New Jersey
28 Redevelopment Investment Fund.

29 ¹[c. No interest-free loan shall be permitted without the written
30 approval of the State Treasurer or his designee.

31 d. The State Treasurer or the Director of the Division of Budget
32 and Accounting in the Department of the Treasury shall approve
33 expenditures from the fund for administrative costs.]¹

34

35 29. (New section) a. Any county, by resolution of its governing
36 body, shall have power to enter into contracts with the authority
37 relating to any project or projects situated within the county; provided,
38 however, that any such resolution shall be introduced in writing at a
39 meeting of the governing body and shall be passed upon first reading
40 which may be by title, and thereafter, the resolution shall be published
41 with notice of the introduction thereof and of the date, time and place
42 of further consideration for final passage, and on the date and at the
43 time and place so advertised, all persons interested shall be given the
44 opportunity to be heard and after the hearing, the governing body may
45 proceed to reject or finally adopt the resolution by the recorded
46 affirmative votes of at least two-thirds of the full membership of the

1 governing body; and provided, further, that the resolution shall contain
2 findings and determinations of the governing body (1) that the project
3 will maintain employment opportunities in the county or provide new
4 employment opportunities in the county and (2) that the contract with
5 the authority is a necessary inducement to the undertaking of the
6 project in that it makes the financing thereof feasible. The contract or
7 contracts may provide for the payment to the authority by the county
8 annually or otherwise of such sum or sums of money, computed at
9 fixed amounts or by any formula, or in any other manner as may be
10 fixed in or pursuant thereto. Any contract may be made and entered
11 into for a term beginning currently or at some future or contingent
12 date and with or without consideration and for a specified or unlimited
13 time and on any terms and conditions which may be approved by the
14 county and which may be agreed to by the authority in conformity with
15 its contracts with the holders of any bonds, and shall be valid and
16 binding on the county whether or not an appropriation is made thereby
17 prior to authorization or execution of the contract. Every county is
18 hereby authorized and directed to do and perform any and all acts and
19 things necessary, convenient or desirable to carry out and perform any
20 contract entered into by it and to provide for the payment or discharge
21 of any obligation thereunder in the same manner as other obligations
22 of the county.

23 b. For the purpose of aiding the authority and cooperating in the
24 planning, designing, acquiring, constructing, reconstructing,
25 improving, equipping and furnishing of any project situate in any
26 county, any county, by ordinance of its governing body, shall have
27 power from time to time and for such period and upon such terms,
28 with or without consideration, as may be provided by the ordinance
29 and accepted by the authority:

30 (1) to appropriate moneys for the purposes of the authority with
31 respect to the project, and to loan or donate such money to the
32 authority in such installments and upon such terms as may be agreed
33 upon with the authority;

34 (2) upon authorization by it in accordance with law of the
35 performance of any act or thing which it is empowered by law to
36 authorize or perform and after appropriation of the moneys, if any,
37 necessary for that performance, to covenant and agree with the
38 authority to do and perform any act and as to the time, manner and
39 other details of its doing and performance; and

40 (3) to appropriate money for all or any part of the cost of the
41 acquisition or construction of the project, and, in accordance with the
42 limitations and exceptions thereto and in the manner or mode of
43 procedure prescribed by the local bond law to incur indebtedness,
44 borrow money and issue its negotiable bonds for the purpose of the
45 project and appropriation, and to pay the proceeds of those bonds to
46 the authority.

1 c. Any contract, and any instrument making or evidencing the
2 same, may be pledged or assigned by the authority, with the consent
3 of the county executing the contract, to secure its bonds and thereafter
4 may not be modified except as provided by the terms of such
5 instrument or by the terms of the pledge or assignment.

6
7 30. (New section) All property of the authority shall be exempt
8 from levy and sale by virtue of an execution and no execution or other
9 judicial process shall issue against the same nor shall any judgment
10 against an authority be a charge or lien upon its property; provided,
11 that nothing herein contained shall apply to or limit the rights of the
12 holder of any bonds to pursue any remedy for the enforcement of any
13 pledge or lien given by the authority on or with respect to any project
14 or any revenues or other moneys.

15
16 31. (New section) a. All sums appropriated, transferred or
17 otherwise available to the New Jersey Redevelopment Authority from
18 any source, are transferred to the New Jersey Redevelopment
19 Investment Fund to carry out the purposes of P.L. , c. (C.)
20 (pending before the Legislature as this bill).

21 b. All of the functions, powers and duties of the New Jersey Urban
22 Development Corporation are hereby transferred to and vested in the
23 New Jersey Redevelopment Authority.

24 c. At the discretion of the board of the New Jersey Redevelopment
25 Authority, all employees employed by the New Jersey Urban
26 Development Corporation as of the effective date of this act may serve
27 the New Jersey Redevelopment Authority.

28 d. All records, property, outstanding loans, loan guarantees and
29 other obligations of the New Jersey Urban Development Corporation
30 shall be transferred to, and assumed by, the New Jersey
31 Redevelopment Authority.

32
33 ARTICLE TWO - FINANCING
34

35 32. (New section) Moneys deposited in the fund established
36 pursuant to section 4 of P.L.1983, c.190 (C.34:1B-39), shall be used
37 to provide financial assistance to sponsors for implementation of
38 projects as defined pursuant to P.L.1974, c.80 (C.34:1B-1 et seq.).
39 Financial assistance provided by the fund shall be used to meet eligible
40 project costs as defined pursuant thereto. Eligible projects to be
41 undertaken by the New Jersey Redevelopment Authority pursuant to
42 P.L. , c. (C.) (pending before the Legislature as this bill), shall be
43 given priority consideration by the Commissioner of Commerce and
44 Economic Development in administering this fund.

45
46 33. (New section) In order to provide security for the bonds or

1 other obligations authorized herein, a municipality may adopt an
2 ordinance which provides for tax abatement within a redevelopment
3 area and for a payment in lieu of taxes. Any tax abatement granted by
4 the municipality and any agreement for the payment in lieu of taxes
5 shall be included as part of a financial agreement between the
6 municipality and the developer in accordance with the provisions of
7 P.L.1991, c.431 (C.40A:20-1 et seq.); provided, however, that
8 provisions of subsection b. of section 12 of P.L.1991, c.431
9 (C.40A:20-12), subsection a. of section 14 of P.L.1991, c.431
10 (C.40A:20-14) and subsection c. of section 18 of P.L.1991, c.431
11 (C.40A:20-18) shall not apply to any financial agreement entered into
12 pursuant to this section.

13

14 34. (New section) a. A financial agreement entered into pursuant
15 to section 33 of P.L. , c. (C.) (pending before the
16 Legislature as this bill) shall provide for payments in lieu of taxes in an
17 amount agreed upon, and, to the extent needed to pay debt service and
18 other related costs of the bonds or other obligations authorized in this
19 section, shall be pledged to the repayment of the bonds or other
20 obligations authorized in this section.

21 b. The bonds or other obligations authorized in this section shall be
22 special and limited obligations secured by the agreement for payment
23 in lieu of taxes or other available sources.

24 c. The New Jersey Redevelopment Authority, New Jersey
25 Economic Development Authority or county improvement authority
26 may issue negotiable bonds or other obligations for the purpose of
27 financing or refinancing the construction, reconstruction, repair,
28 alteration, improvement and development of any infrastructure or
29 parking or transportation facilities or work that reduces, abates or
30 prevents environmental pollution or other improvements that provide
31 a public benefit within or to a redevelopment area ¹as defined pursuant
32 to section 3 of P.L.1992, c.79 (C.40A:12A-3)¹.

33 d. The financial agreement provided for in this section or other
34 source of revenues may be assigned, by the municipality, in whole or
35 in part, directly to the New Jersey Redevelopment Authority, New
36 Jersey Economic Development Authority or county improvement
37 authority or the trustee of bonds or other obligations as payment or
38 security for the bonds or other obligations.

39 e. In the event the payment in lieu of taxes is secured by a
40 mortgage, the mortgage may also be assigned and pledged to the
41 repayment of the bonds authorized herein.

42 f. Notwithstanding any law to the contrary, the assignment of the
43 agreement for payment in lieu of taxes may be an absolute assignment
44 of all or part of the municipality's right, title and interest in such
45 agreement or in the payment in lieu of taxes, and to the extent
46 assigned, such agreement or payment shall not be included in the

1 general funds of the municipality.

2 g. After the bonds or other obligations are paid and no longer
3 deemed to be outstanding, the entire payment in lieu of taxes shall be
4 paid directly to the municipality and shall be included within its general
5 funds.

6 h. The assignment of any mortgage that secures a payment in lieu
7 of taxes may also be an absolute assignment of all or part of the
8 municipality's right, title and interest in such mortgage and, to the
9 extent assigned, any moneys realized from the foreclosure of the
10 mortgaged property shall not be included in the general funds of the
11 municipality.

12 i. After the bonds or other obligations are paid and no longer
13 deemed to be outstanding, the assignment of the mortgage shall
14 terminate and any monies realized from the foreclosure of the
15 mortgaged property shall be included in the general funds of the
16 municipality.

17

18 35. (New section) For the purposes of this article:

19 "Abandoned property" means

20 a. real property for which ¹[substantial]¹ environmental
21 remediation is required by the ¹[Department of Environmental
22 Protection pursuant to]¹ State law, rule or regulation ¹[, which
23 remediation has not been substantially completed within 12 months of
24 the order from the Department of Environmental Protection] and the
25 condition of which is found or declared by the public officer to be
26 inimical to the welfare, including the economic welfare of the residents
27 of the municipality wherein the real property is located¹; or

28 b. a building or structure found or declared to be inimical to the
29 welfare, including the economic welfare, of the residents of the
30 municipality wherein the building or structure is located, pursuant to
31 section 1 of P.L.1989, c.91 (C.40:48-2.3a) or unfit for human
32 habitation, occupancy or use pursuant to section 3 of P.L.1942, c.112
33 (C.40:48-2.5), along with the parcel of land upon which the building
34 or structure is situate.

35 "Public officer" means a person designated or appointed by the
36 municipal governing body pursuant to section 3 of P.L.1942, c.112
37 (C.40:48-2.5) who is responsible for determining that a property is
38 abandoned.

39

40 36. (New section) a. A qualified municipality that has designated
41 or appointed a public officer pursuant to section 3 of P.L.1942, c.112
42 (C.40:48-2.5), may adopt an ordinance directing the public officer to
43 undertake an inventory of abandoned property in those areas
44 designated for redevelopment pursuant to the "Local Redevelopment
45 and Housing Law," P.L.1992, c.79 (C.40A:12A-1 et seq.). The
46 ordinance may direct the public officer to exclude from the inventory

1 of abandoned property that property for which the expense to the
2 municipality of determining the cost of environmental remediation
3 required under State or federal law would be excessive, in the
4 judgment of the municipal governing body. Each item of abandoned
5 property on the inventory shall include the tax block and lot number,
6 the name of the owner of record, if known, and the street address of
7 the lot.

8 b. In those municipalities in which an inventory has been conducted
9 in accordance with subsection a. of this section, the public officer shall
10 maintain a list of abandoned property, to be known as the "abandoned
11 property list." An abandoned property shall not be included on the
12 abandoned property list if rehabilitation is being performed in a timely
13 manner.

14 c. (1) The Department of Community Affairs shall adopt rules and
15 regulations prescribing guidelines and criteria for determining if a
16 property is inimical to the welfare, including the economic welfare, of
17 the residents of the municipality wherein the building or structure is
18 located, pursuant to section 1 of P.L.1989, c.91 (C.40:48-2.3a) or
19 unfit for human habitation, occupancy or use pursuant to section 3 of
20 P.L.1942, c.112 (C.40:48-2.5), and whether such property is
21 undergoing rehabilitation in a timely manner within the meaning of
22 subsection b. of this section. The public officer shall apply such
23 standards in conducting any inventory pursuant to this section.

24 (2) The Department of Community Affairs in conjunction with the
25 Department of Environmental Protection shall prepare an information
26 bulletin for distribution to every municipality describing the authority
27 of a municipality under existing statutes and regulations to repair,
28 demolish or otherwise deal with abandoned property.

29 d. (1) The public officer, within 10 days of the completion of the
30 abandoned property list, shall send a notice, by certified mail, return
31 receipt requested, and by regular mail, to the owner of record of every
32 property included on the list and shall cause the list to be published in
33 the official newspaper of the municipality, which publication shall
34 constitute public notice. The published and mailed notices shall
35 identify property determined to be abandoned setting forth the owner
36 of record, if known, the tax lot and block number and street address.
37 The public officer, in consultation with the tax collector, shall also
38 send out a notice by regular mail to any mortgagee, servicing
39 organization, or property tax processing organization that receives a
40 duplicate copy of the tax bill pursuant to subsection d. of R.S.54:4-64.
41 When the owner of record is not known for a particular property and
42 cannot be ascertained by the exercise of reasonable diligence by the tax
43 collector, notice shall not be mailed but instead shall be posted on the
44 property in the manner as provided in section 5 of P.L.1942, c.112
45 (C.40:48-2.7). The mailed notice shall indicate the factual basis for
46 the public officer's finding that the property is abandoned property as

1 that term is defined in section 35 of P.L. , c. (C.) (now
2 pending before the Legislature as this bill) and the rules and
3 regulations promulgated thereunder, specifying the information relied
4 upon in making such finding. In all cases a copy of the mailed or
5 posted notice shall also be filed by the public officer ¹[as a notice of lis
6 pendens , indexed by the name of the property owner as defendant and
7 the name of the municipality as plaintiff,]¹ in the office of the county
8 clerk or register of deeds and mortgages, as the case may be, of the
9 county wherein the property is situate. ¹This filing shall have the
10 same force and effect as a notice of lis pendens under N.J.S.2A:15-6.
11 The notice shall be indexed by the name of the property owner as
12 defendant and the name of the municipality as plaintiff, as though an
13 action had been commenced by the municipality against the owner.¹

14 (2) The authority or its subsidiaries, as appropriate, may reimburse
15 the municipality for the postage costs and search fees associated with
16 providing notice in accordance with paragraph (1) of this subsection
17 in accordance with procedures and rules promulgated by the
18 Department of Community Affairs.

19 e. An owner or lienholder may challenge the inclusion of his
20 property on the abandoned property list determined pursuant to
21 subsection b. of this section by appealing that determination to the
22 public officer within 30 days of the owner's receipt of the certified
23 notice or 40 days from the date upon which the notice was sent. An
24 owner whose identity was not known to the public officer shall have
25 40 days from the date upon which notice was published or posted,
26 whichever is later, to challenge the inclusion of a property on the
27 abandoned property list. For good cause shown, the public officer
28 shall accept a late filing of an appeal. Within 30 days of receipt of a
29 request for an appeal of the findings contained in the notice pursuant
30 to subsection d. of this section, the public officer shall schedule a
31 hearing for redetermination of the matter. Any property included on
32 the list shall be presumed to be abandoned property unless the owner,
33 through the submission of an affidavit or certification by the property
34 owner averring that the property is not abandoned and stating the
35 reasons for such averment, can demonstrate that the property was
36 erroneously included on the list. The affidavit or certification shall be
37 accompanied by supporting documentation, such as but not limited to
38 photographs, repair invoices, bills and construction contracts. The
39 sole ground for appeal shall be that the property in question is not
40 abandoned property as that term is defined in section 35 of P.L. ,
41 c. (C.) (now pending before the Legislature as this bill). The
42 public officer shall decide any timely filed appeal within 10 days of the
43 hearing on the appeal and shall promptly, by certified mail, return
44 receipt requested, and by regular mail, notify the property owner of
45 the decision and the reasons therefore.

46 f. The property owner may challenge an adverse determination of

1 an appeal with the public officer pursuant to subsection e. of this
2 section, by instituting, in accordance with the New Jersey Court Rules,
3 a summary proceeding in the Superior Court, Law Division, venued in
4 the county in which the property is located, which action shall be tried
5 de novo. Such action shall be instituted within 20 days of the date of
6 the notice of decision mailed by the public officer pursuant to
7 subsection e. of this section. The sole ground for appeal shall be that
8 the property in question is not abandoned property as that term is
9 defined in section 35 of P.L. , c. (C.) (now pending before
10 the Legislature as this bill). The failure to institute an action of appeal
11 on a timely basis shall constitute a jurisdictional bar to challenging the
12 adverse determination, except that, for good cause shown, the court
13 may extend the deadline for instituting the action.

14 g. The public officer shall promptly remove any property from the
15 abandoned property list that has been determined not to be abandoned
16 on appeal.

17

18 37. (New section) a. Notwithstanding R.S.54:5-19 or the
19 provisions of any other law to the contrary, if a property is included
20 on the abandoned property list and the property taxes or other
21 municipal liens due on the property are delinquent six or more quarters
22 as of the date of expiration of the right to appeal inclusion on the list,
23 or, if an appeal ¹[is pending] has been filed¹ is pending, as of the date
24 that all opportunities for appeal of inclusion on the list have been
25 exhausted, then the tax lien on the property may be sold in accordance
26 with the procedures in the "tax sale law," R.S.54:5-1 et seq., on or
27 after the 90th day following the expiration of that time of appeal or
28 final determination on an appeal, as appropriate. The purchaser of a
29 tax sale certificate sold pursuant to this subsection, unless it is the
30 municipality or the authority or its subsidiaries, shall be required to
31 post bond to guarantee the rehabilitation of the property in accordance
32 with the requirements for an owner to remove the property from the
33 abandoned property list pursuant to section 36 of P.L. , c. (C.)
34 (pending before the Legislature as this bill). The cost of the bond
35 posted by the purchaser of the tax sale certificate shall be added to the
36 amount required to be paid by the owner for redemption of the
37 property. The municipality may, at its option, require that the sale of
38 the tax sale certificate or any subsequent assignment or transfer of a
39 tax sale certificate held by the municipality be subject to the express
40 condition that the purchaser or assignee shall be obliged to perform
41 and conclude any rehabilitation or repairs necessary to remove the
42 property from the abandoned property list pursuant to section 36 of
43 P.L. , c. (C.) (pending before the Legislature as this bill) and
44 to post a bond in favor of the municipality to guarantee the
45 rehabilitation or repair of the property. The cost of rehabilitation and
46 repairs and the cost of the bond shall be added to the amount required

1 to be paid by the owner for redemption of the property. The
2 purchaser, assignee or transferee of the tax sale certificate who is
3 required to rehabilitate and repair the property shall be required to file
4 the appropriate affidavits with the tax collector, pursuant to R.S.54:5-
5 62, representing the amounts of monies expended periodically toward
6 the rehabilitation or repair of the property. A purchaser, assignee or
7 transferee shall be entitled to interest on the amounts expended, as set
8 forth in the affidavits, at the delinquent rate of interest for
9 delinquencies in excess of \$1,500 pursuant to R.S.54:4-67 of the
10 municipality in effect for the time period when the amounts were
11 expended. The tax sale certificate purchaser, assignee or transferee,
12 under the auspices and with the authority of the municipality, shall be
13 permitted to enter in and upon the property for the purposes of
14 appraising the costs of rehabilitation and repair and to perform all
15 other acts required to guarantee the completion of the rehabilitation or
16 repair of the property. No rehabilitation or repair work shall be
17 commenced, however, until proof of adequate liability insurance and
18 an indemnification agreement holding the municipality harmless is filed
19 with the public officer. If the tax sale certificate is not purchased at
20 the initial auction of the tax sale certificate and the municipality
21 purchases the certificate pursuant to R.S.54:5-34, then the
22 municipality is authorized and empowered to convey and transfer to
23 the authority or any of its subsidiaries, without receiving compensation
24 therefor, all of its right, title and interest in that certificate; however,
25 any portion of the amount paid to the tax collector to redeem the tax
26 sale certificate that represents tax or other municipal lien delinquencies
27 and subsequent municipal liens, including interest, shall be returned by
28 the tax collector to the municipality.

29 b. (1) If the municipality or the authority or its subsidiaries
30 acquires the tax sale certificate for a property on the abandoned
31 property list, then, upon 10 days' written notice to the property owner
32 and any mortgagee as of the date of the filing of the lis pendens notice
33 under subsection d. of section 36 of P.L. , c. (C.) (pending
34 before the Legislature as this bill), that entity shall be permitted to
35 enter upon the property and remediate any conditions that caused the
36 property to be included on the abandoned property list. No
37 remediation shall be commenced, however, if within that 10 day period
38 the owner or mortgagee shall have notified the municipality or
39 authority or its subsidiary, as appropriate, in writing that the owner or
40 mortgagee has elected to perform the remediation itself. When the
41 owner or mortgagee elects to perform the remediation itself, it shall be
42 required to post bond in favor of the municipality or authority or its
43 subsidiaries, as appropriate, in order to ensure performance. The
44 amount and conditions of the bond shall be determined by the public
45 officer.

46 (2) The cost of remediation incurred by the municipality or the

1 authority or its subsidiaries pursuant to this subsection, as so certified
2 by the entity incurring the cost upon completion of the remediation,
3 shall constitute a lien upon the property first in time and right to any
4 other ¹lien, whether the other lien was filed prior to, or after the filing
5 of any lien by the municipality or the authority¹, except for municipal
6 taxes, liens and assessments and any lien imposed pursuant to the
7 "Spill Compensation and Control Act," P.L.1976, c.141 (C.58:10-
8 23.11 et seq.), together with any interest thereon. The certification of
9 cost shall be filed ¹and recorded¹ as a lien by the entity incurring the
10 cost with the county clerk or register of deeds and mortgages, as
11 appropriate, in the county in which the property is located.

12 c. (1) Failure of an owner or lienholder to remove a property from
13 the abandoned property list within 60 days after expiration of the
14 period of time for appeal of inclusion of the property on the list
15 pursuant to subsection e. of section 36 of P.L. , c. (C.)
16 (pending before the Legislature as this bill), shall be prima facie
17 evidence of the intent of the owner to continue to maintain the
18 property as abandoned property.

19 (2) The clearance, development, redevelopment, or repair of
20 property being maintained as an abandoned property pursuant to
21 paragraph (1) of this subsection shall be a public purpose and public
22 use for which the power of eminent domain may be exercised.

23

24 38. (New section) a. An owner may remove a property from the
25 list of abandoned properties prior to sale of the tax sale certificate by
26 paying all taxes and municipal liens due, including interest and
27 penalties and:

28 (1) by posting cash or a bond equal to the cost of remediating all
29 conditions because of which the property has been determined to be
30 abandoned pursuant to section 36 of P.L. , c. (C.) (pending
31 before the Legislature as this bill) and posting cash or a bond to cover
32 the cost of any environmental cleanup required on the property,
33 evidenced by a certification by the ¹[the Department of Environmental
34 Protection] a licensed engineer retained by the owner and reviewed
35 and approved by the public officer stating¹ that the cash or bond
36 adequately covers the cost of the cleanup; or

37 (2) by demonstrating to the satisfaction of the public officer that
38 the conditions rendering the property abandoned have been remediated
39 in full; provided, however, that where the public officer finds that the
40 owner is actively engaged in remediating the conditions because of
41 which the property was determined to be abandoned pursuant to
42 section 36 of P.L. , c. (C.) (pending before the Legislature
43 as this bill), as evidenced by significant rehabilitation activity on the
44 property, the public officer may grant an extension of time of not more
45 than 120 days for the owner to complete all work, during which time
46 no further proceedings will be taken against the owner or the property.

1 b. If the owner has posted cash or a bond in order to have a
2 property removed from the abandoned property list and the conditions
3 because of which the property was determined to be abandoned have
4 not been fully remediated within one year of the date of posting the
5 cash or bond, or, in the case of a property which requires
6 ¹[environmental cleanup] a remediation of any known, suspected or
7 threatened release of contaminants¹, if the ¹[cleanup has not been
8 substantially completed within one year of the date of posting the cash
9 or bond,] owner has failed to enter into a memorandum of agreement
10 with the Department of Environmental Protection or an administrative
11 consent order, as the case may be, or if an agreement or order is in
12 effect but the owner has failed to perform the remediation in
13 conformance with the agreement or order, then¹ the cash or bond shall
14 be forfeited to the municipality which shall use the cash or bond and
15 any interest which has accrued thereon for the purpose of demolishing
16 or rehabilitating the property or performing the environmental
17 ¹[cleanup] remediation¹. Any funds remaining after the property has
18 been demolished, rehabilitated or cleaned up shall be returned to the
19 owner.

20

21 39. (New section) a. When a person other than the municipality
22 or the authority or its subsidiaries acquires a tax sale certificate for a
23 property on the abandoned property list at tax sale, the purchaser may
24 institute an action to foreclose the right of redemption at any time
25 after the expiration of six months following the date of ¹the¹ sale ¹of
26 the tax sale certificate¹.

27 b. Notwithstanding section 6 of P.L.1948, c.96 (C.54:5-104.34),
28 when the municipality is the purchaser at tax sale of any property on
29 the abandoned property list pursuant to R.S.54:5-34, or when the
30 authority or any of its subsidiaries acquires the tax sale certificate
31 pursuant to subsection a. of section 37 of P.L. , c.
32 (C.) (pending before the Legislature as this bill), an action to
33 foreclose the right of redemption may be instituted in accordance with
34 the provisions of ¹subsection b. of ¹R.S.54:5-77 ¹[, subject to the
35 provisions of subsection c. of this section]¹.

36 c. After the foreclosure action is instituted, the right to redeem
37 shall exist and continue to exist until barred by the judgment of the
38 Superior Court; provided, however, that no redemption shall be
39 permitted except where the owner:

40 (1) posts cash or a bond equal to the cost of remediating the
41 conditions because of which the property was determined to be
42 abandoned pursuant to section 36 of P.L. , c. (C.) (pending
43 before the Legislature as this bill), as determined by the court; or

44 (2) demonstrates to the court that the conditions because of which
45 the property was determined to be abandoned pursuant to section 36
46 of P.L. , c. (C.) (pending before the Legislature as this bill)

1 have been remedied in full.

2

3 40. (New section) Once a final judgment barring the right of
4 redemption with respect to a property on the list of abandoned
5 properties has been recorded, no court shall reopen such judgment at
6 any time except on the grounds of lack of jurisdiction or fraud in the
7 conduct of the action; in any such proceeding, the provisions of
8 P.L. , c. (C.) (pending before the Legislature as this bill) shall be
9 construed liberally in favor of the purchaser, assignee or transferee of
10 the tax sale certificate.

11

12 41. R.S.54:5-86 is amended to read as follows:

13 54:5-86. [The purchaser, his heirs or assigns, in In addition to the
14 remedy provided by article eight of this chapter (s.54:5-77 et seq.),
15 when] When the municipality is the purchaser of a tax sale certificate,
16 the municipality, or its assignee or transferee, may, at any time after
17 the expiration of the term of 6 months from the date of sale [when the
18 municipality is the purchaser, and 2 years from the date of sale for all
19 other purchasers, whether notice to redeem has been given or not],
20 institute an action to foreclose the right of redemption. Except as
21 provided in subsection a. of section 39 of P.L. , c. (C.), for all
22 other persons that do not acquire a tax sale certificate from a
23 municipality, an action to foreclose the right of redemption may be
24 instituted at any time after the expiration of the term of two years from
25 the date of sale of the tax sale certificate. On instituting the action the
26 right to redeem shall exist and continue until barred by the judgment
27 of the Superior Court.

28 (cf: P.L.1974, c.91, s.4)

29

30 42. Section 30 of P.L.1971, c.361 (C.20:3-30) is amended to read
31 as follows:

32 30. Just compensation shall be determined as of the date of the
33 earliest of the following events: (a) the date possession of the
34 property being condemned is taken by the condemnor in whole or in
35 part; (b) the date of the commencement of the action; (c) the date on
36 which action is taken by the condemnor which substantially affects the
37 use and enjoyment of the property by the condemnee; or (d) the date
38 of the declaration of blight by the governing body upon a report by a
39 planning board pursuant to section 38 of P.L.1971, c.361 (C.20:3-38),
40 or, in the case of a property being maintained as an abandoned
41 property for failure to remove the property from the abandoned
42 property list, as provided pursuant to subsection c. of section 37 of
43 P.L. , c. (C.) (pending before the Legislature as this bill), if there
44 was no declaration of blight, as of the date of expiration of the
45 condemnee's right to appeal inclusion of the property on the

1 abandoned property list.

2 (cf: P.L.1971, c.361, s.30)

3

4 43. R.S.54:5-112 is amended to read as follows:

5 54:5-112. When a municipality has or shall have acquired title to
6 real estate by reason of its having been struck off and sold to the
7 municipality at a sale for delinquent taxes or assessments, the
8 governing body thereof may, by resolution adopted by a majority
9 thereof by roll call, sell such real estate at private sale to such person
10 and for such sums, not less than the amount of municipal liens charged
11 against the same, except as provided in subsection a. of section 38 of
12 P.L. , c. (C.) (pending before the Legislature as this bill), as
13 shall seem to be to the best interest of the municipality. Upon the
14 adoption of the resolution and the payment of the consideration as
15 stated therein, the officers of the governing body authorized by
16 resolution shall make, execute, acknowledge and deliver a deed
17 without covenants to the purchaser, which deed shall vest in the
18 purchaser all of the right, title and interest of the municipality in the
19 real estate therein described. The deed need not contain any recitals,
20 except a statement of the actual consideration. Such sales shall not
21 include real estate, title to which has been perfected by the
22 municipality.

23 (cf: R.S.54:5-112)

24

25 44. R.S.54:5-113 is amended to read as follows:

26 54:5-113. When a municipality has or shall have acquired title to
27 real estate by reason of its having been struck off and sold to the
28 municipality at a sale for delinquent taxes and assessments, the
29 governing body thereof may by resolution authorize a private sale of
30 the certificate of tax sale therefor, together with subsequent liens
31 thereon, for not less than the amount of liens charged against such real
32 estate, except as provided in section 2 of P.L.1993, c.113
33 (C.54:5-113.1) and subsection a. of section 38 of P.L. , c.
34 (C.) (pending before the Legislature as this bill). The sale
35 shall be made by assignment executed by such officers as may be
36 designated in the resolution. When the total amount of the municipal
37 liens shall, at the time of the proposed sale or assignment, exceed the
38 assessed value of the real estate as of the date of the last sale thereof
39 for unpaid taxes and assessments, the certificates, together with
40 subsequent liens thereon, may be sold and assigned for a sum not less
41 than such assessed value.

42 (cf: P.L.1993, c.113, s.1)

43

44 ARTICLE 4 - NEIGHBORHOOD EMPOWERMENT PROGRAM

45

46 45. (New section) a. There is established in, but not of, the

1 Department of Community Affairs an Urban Coordinating Council.
2 b. The Urban Coordinating Council shall be comprised of the
3 Governor, the chief officer of each department of the executive
4 branch, and the executive directors of the New Jersey Redevelopment
5 Authority, the New Jersey Economic Development Authority, the
6 Casino Reinvestment Development Authority, the State Planning
7 Commission, the New Jersey Housing and Mortgage Finance Agency,
8 the Juvenile Justice Commission and the Commission on Higher
9 Education. The council shall be chaired by the Governor. Members
10 of the council may be represented on the council by their designees.
11

12 46. (New section) The Urban Coordinating Council shall:

13 a. Ensure that State agencies coordinate responses and provide
14 assistance to projects and programs outlined in neighborhood
15 empowerment plans developed pursuant to section 49 of P.L. , c.
16 (C.) (pending before the Legislature as this bill), and projects and
17 programs established by the New Jersey Redevelopment Authority, the
18 New Jersey Economic Development Authority, and development
19 initiatives proposed by municipal and county governments, including
20 making available the resources of the departments of the State in
21 implementing those programs;

22 b. Supervise and control the Office of Neighborhood
23 Empowerment created pursuant to section 48 of P.L. , c. (C.)
24 (pending before the Legislature as this bill);

25 c. Make available the resources of its member agencies to assist
26 local sponsors in implementing neighborhood empowerment plans;

27 d. Form interagency teams of State representatives. The
28 membership of each interagency team shall be determined by the needs
29 outlined in the neighborhood empowerment plan. Each interagency
30 team shall serve as the primary link between the neighborhood and
31 State government in responding to programming needs, shall be co-
32 chaired by a case manager from the Office of Neighborhood
33 Empowerment established pursuant to section 48 of P.L. , c.
34 (C.) (pending before the Legislature as this bill); and by the
35 community director, and shall include at least one representative of the
36 council; and

37 e. Have authority to adopt, amend and repeal rules relating to the
38 exercise by the council and the Office of Neighborhood Empowerment
39 established pursuant to section 48 of P.L. , c. (C.) (pending
40 before the Legislature as this bill), of their respective functions and
41 duties pursuant to this act;

42 f. Publish an annual report on the status of redevelopment activity
43 which shall describe the progress toward achieving the goals of this
44 act; and

45 g. Assist in coordinating the activities of the New Jersey
46 Redevelopment Authority, municipalities, counties, public or private

1 county and municipal development agencies, district management
2 corporations created pursuant to section 4 of P.L.1972, c.134
3 (C.40:56-68), and community action boards established pursuant to
4 section 4 of P.L.1991, c.51 (C.52:27D-398) that have developed
5 neighborhood empowerment plans pursuant to section 49 of P.L. , c.
6 (C.) (pending before the Legislature as this bill) or comprehensive
7 community development plans.

8
9 47. (New section) a. There is established in, but not of, the
10 Department of Community Affairs an Office of Neighborhood
11 Empowerment.

12 b. The Governor shall appoint an executive director of the Office
13 of Neighborhood Empowerment who shall serve at the pleasure of the
14 Governor. The executive director shall report solely to the Urban
15 Coordinating Council, which shall supervise and control the office.

16 c. The executive director of the Office of Neighborhood
17 Empowerment may hire employees as may be required to carry out the
18 purposes of this section, and to fix and pay their compensation from
19 funds available, all without regard to the provisions of Title 11A, Civil
20 Service, of the New Jersey Statutes.

21
22 48. (New section) The Office of Neighborhood Empowerment
23 shall:

24 a. Provide support for a community director who shall assist local
25 sponsors in developing or implementing neighborhood empowerment
26 plans;

27 b. Provide case management services to qualified local sponsors of
28 neighborhood empowerment plans;

29 c. Assist neighborhoods in developing and implementing
30 neighborhood empowerment plans;

31 d. Ensure that communities receive technical assistance in
32 neighborhood planning;

33 e. Train and provide administrative support for interagency teams;

34 f. Assist local sponsors in evaluating progress through mutually
35 agreed upon measures;

36 g. Provide assistance in obtaining private sector support for
37 developing and implementing neighborhood empowerment plans;

38 h. Maintain and make available a complete inventory of State
39 programs, services and funding that are available to municipalities; and

40 i. Enter into partnerships with qualified local sponsors.

41
42 49. (New section) ¹a.¹ In order to qualify to receive the services
43 of the Office of Neighborhood Empowerment and of an interagency
44 team, a community must first have developed a neighborhood
45 empowerment plan which shall be submitted to the Urban
46 Coordinating Council established pursuant to section 45 of P.L. , c.

1 (C.) (pending before the Legislature as this bill). A neighborhood
2 empowerment plan shall incorporate and address the needs of the
3 neighborhood as identified by the community. It shall be
4 comprehensive and shall take into consideration and show the
5 relationship to the municipal master plan, other locally adopted plans
6 (including, but not limited to urban enterprise zone plans,
7 redevelopment plans and neighborhood social service plans), and the
8 State Development and Redevelopment Plan, and shall outline how
9 residents, municipal government, the private sector and neighborhood
10 organizations will cooperate with the State and with each other during
11 implementation. Neighborhood empowerment plans shall focus on
12 neighborhood restoration. They may include, but need not be limited
13 to, projects for infrastructure improvement and expansion,
14 rehabilitation and construction of affordable housing, increased public
15 safety, facility rehabilitation and construction, economic development,
16 recreation and open space, environmental cleanup, employment and
17 training, improvement of educational opportunities for youth, and
18 efficient and humane provision of social services dedicated to
19 strengthening the community's human capital.

20 ¹b. Neighborhood empowerment plans shall be developed by local
21 sponsors with the guidance of a community director and under the
22 direction of, and with the participation of, residents, community-based
23 organizations, the private sector, and the municipal government. A
24 local sponsor may be a municipality, county, public or private county
25 and municipal development agency, district management corporation
26 created pursuant to section 4 of P.L.1972, c.134 (C.40:56-68),
27 community action board established pursuant to section 4 of P.L.1991,
28 c.51 (C.52:27D-398), sponsors of neighborhood empowerment
29 organizations, or an institution, such as a hospital, college or
30 university, or a community-based organization.

31 The entity that will implement the neighborhood empowerment plan
32 shall be either a new or existing community development organization
33 or a consortium of existing community based organizations.¹

34
35 50. (New section) Within one year of the effective date of P.L. ,
36 c. (C.) (pending before the Legislature as this bill), the Urban
37 Coordinating Council established pursuant to P.L. , c. (C.)
38 (pending before the Legislature as this bill), shall distribute to the
39 clerk of each qualified municipality eligibility guidelines for
40 participation in the neighborhood empowerment program. The
41 eligibility guidelines for participation in the neighborhood
42 empowerment program shall be established by the Urban Coordinating
43 Council established pursuant to section 46 of P.L. c. (C.)
44 (pending before the Legislature as this bill) in consultation and in
45 conjunction with the New Jersey Redevelopment Authority.

1 51. (New section) In designating qualified municipalities for
2 participation in the neighborhood empowerment program, the Urban
3 Coordinating Council in consultation ¹and in conjunction¹ with the
4 authority shall accord preference to neighborhood empowerment
5 plans which:

6 a. have the greatest potential for success in stimulating primarily
7 new economic activity in the area;

8 b. are designed to address the greatest degree of urban distress, as
9 measured by existing levels of unemployment and poverty;

10 c. demonstrate the most substantial and reliable commitments of
11 resources by empowerment neighborhood businesses, associations,
12 voluntary community organizations and other private entities to the
13 successful redevelopment of the empowerment neighborhood;

14 d. demonstrate the most substantial effort and commitment by the
15 municipality to encourage economic activity in the area and to remove
16 disincentives for job creation compatible with the fiscal condition of
17 the municipality; and

18 e. demonstrate most convincingly how the proposed plan will
19 increase jobs for neighborhood residents and ratables in the
20 neighborhood, thereby lessening the need for municipal tax increases.

21
22 52. (New section) In addition to the considerations set forth in
23 section 51 of P.L. , c. (C.) (pending before the Legislature as this
24 bill), the Urban Coordinating Council in consultation ¹and in
25 conjunction¹ with the authority in evaluating a neighborhood
26 empowerment plan for designation purposes shall consider:

27 a. the likelihood of attracting other State or federal assistance or
28 both to projects in the designated area;

29 b. the adverse or beneficial effects of an empowerment
30 neighborhood located at the proposed area upon economic
31 development activities or projects of State or other public agencies
32 which are in operation or are approved for operation in the qualified
33 municipality;

34 c. the degree of commitment made by public and private entities to
35 utilize minority contractors and assure equal opportunities for
36 employment in connection with any construction or reconstruction to
37 be undertaken in the eligible area;

38 d. the impact of the plan upon the social, educational, natural and
39 historic environment of the proposed empowerment neighborhood; and

40 e. the degree to which the implementation of the plan involves the
41 relocation of residents from the proposed empowerment neighborhood
42 and the adequacy of commitments and provisions with respect thereto.

43
44 53. (New section) Upon receipt of an application from a qualified
45 municipality, the Urban Coordinating Council in consultation ¹and in
46 conjunction¹ with the authority shall review the application to

1 determine whether or not it meets the eligibility guidelines established
2 pursuant to section 50 of P.L. , c. (C.) (pending before
3 the Legislature as this bill). The Urban Coordinating Council shall
4 complete its review within 90 days of receiving an application, but may
5 extend this time period by an additional 60 days if necessary.

6
7 54. (New section) a. Once the Urban Coordinating Council in
8 consultation and in conjunction with the authority has identified those
9 qualified municipalities whose neighborhood empowerment plans fulfill
10 the criteria for designation set forth in sections 51 and 52 of P.L. ,
11 c. (C.) (pending before the Legislature as this bill), the Urban
12 Coordinating Council may, at its discretion, hold public hearings for
13 the purpose of receiving public comments on the applications. In the
14 event that a hearing is to be conducted, at least one public hearing
15 shall be held in a municipality which has applied for empowerment
16 neighborhood designation. The Urban Coordinating Council shall give
17 at least 30 days' public notice of each hearing in advertisements in at
18 least two newspapers which circulate in the area served by the hearing
19 and at least 30 days' notice to the governing body and planning board
20 of each county and municipality in the area served by the hearing.

21 b. Taking full account of the testimony presented at the public
22 hearings, the Urban Coordinating Council in consultation and in
23 conjunction with the authority shall make a determination regarding
24 the designation of empowerment neighborhoods within 30 days of the
25 final hearing.

26 c. The Urban Coordinating Council in consultation and in
27 conjunction with the authority shall designate as many empowerment
28 neighborhoods as possible given available financial resources and the
29 ability of the Urban Coordinating Council to oversee project
30 implementation. The application process for each application cycle,
31 including the public hearings, shall occur as set forth in this section.

32
33 55. (New section) a. Any municipality in which an empowerment
34 neighborhood has been designated shall be eligible for investments by
35 the authority from the New Jersey Redevelopment Investment Fund in
36 infrastructure improvements and any other projects which the
37 authority may choose to invest in.

38 b. State programs shall give consideration to projects included in
39 neighborhood empowerment plans developed pursuant to section of
40 P.L. , c. (C.) (pending before the Legislature as this bill), or
41 community development plans, as far as practicable.

42 43 ARTICLE 5 - URBAN SITE REMEDIATION STANDARDS

44
45 56. Section 8 of P.L.1976, c.141 (C.58:10-23.11g) is amended to
46 read as follows:

- 1 8. a. The fund shall be strictly liable, without regard to fault, for
2 all cleanup and removal costs and for all direct and indirect damages
3 no matter by whom sustained, including but not limited to:
- 4 (1) The cost of restoring, repairing, or replacing any real or
5 personal property damaged or destroyed by a discharge, any income
6 lost from the time such property is damaged to the time such property
7 is restored, repaired or replaced, and any reduction in value of such
8 property caused by such discharge by comparison with its value prior
9 thereto;
- 10 (2) The cost of restoration and replacement, where possible, of any
11 natural resource damaged or destroyed by a discharge;
- 12 (3) Loss of income or impairment of earning capacity due to
13 damage to real or personal property, including natural resources
14 destroyed or damaged by a discharge; provided that such loss or
15 impairment exceeds 10% of the amount which claimant derives, based
16 upon income or business records, exclusive of other sources of
17 income, from activities related to the particular real or personal
18 property or natural resources damaged or destroyed by such discharge
19 during the week, month or year for which the claim is filed;
- 20 (4) Loss of tax revenue by the State or local governments for a
21 period of one year due to damage to real or personal property
22 proximately resulting from a discharge;
- 23 (5) Interest on loans obtained or other obligations incurred by a
24 claimant for the purpose of ameliorating the adverse effects of a
25 discharge pending the payment of a claim in full as provided by this
26 act.
- 27 b. The damages which may be recovered by the fund, without
28 regard to fault, subject to the defenses enumerated in subsection d. of
29 this section against the owner or operator of a major facility or vessel,
30 shall not exceed \$50,000,000.00 for each major facility or \$150.00 per
31 gross ton for each vessel, except that such maximum limitation shall
32 not apply and the owner or operator shall be liable, jointly and
33 severally, for the full amount of such damages if it can be shown that
34 such discharge was the result of (1) gross negligence or willful
35 misconduct, within the knowledge and privity of the owner, operator
36 or person in charge, or (2) a gross or willful violation of applicable
37 safety, construction or operating standards or regulations. Damages
38 which may be recovered from, or by, any other person shall be limited
39 to those authorized by common or statutory law.
- 40 c. (1) Any person who has discharged a hazardous substance, or
41 is in any way responsible for any hazardous substance, shall be strictly
42 liable, jointly and severally, without regard to fault, for all cleanup and
43 removal costs no matter by whom incurred. Such person shall also be
44 strictly liable, jointly and severally, without regard to fault, for all
45 cleanup and removal costs incurred by the department or a local unit

1 pursuant to subsection b. of section 7 of P.L.1976, c.141
2 (C.58:10-23.11f).

3 (2) In addition to the persons liable pursuant to paragraph (1) of
4 this subsection, in the case of a discharge of a hazardous substance
5 from a vessel into the waters of the State, the owner or operator of a
6 refinery, storage, transfer, or pipeline facility to which the vessel was
7 en route to deliver the hazardous substance who, by contract,
8 agreement, or otherwise, was scheduled to assume ownership of the
9 discharged hazardous substance, and any other person who was so
10 scheduled to assume ownership of the discharged hazardous substance,
11 shall be strictly liable, jointly and severally, without regard to fault, for
12 all cleanup and removal costs if the owner or operator of the vessel did
13 not have the evidence of financial responsibility required pursuant to
14 section 2 of P.L.1991, c.58 (C.58:10-23.11g2).

15 Where a person is liable for cleanup and removal costs as provided
16 in this paragraph, any expenditures made by the administrator for that
17 cleanup and removal shall constitute a debt of that person to the fund.
18 The debt shall constitute a lien on all property owned by that person
19 when a notice of lien identifying the nature of the discharge and the
20 amount of the cleanup, removal and related costs expended from the
21 fund is duly filed with the clerk of the Superior Court. The clerk shall
22 promptly enter upon the civil judgment or order docket the name and
23 address of the liable person and the amount of the lien as set forth in
24 the notice of lien. Upon entry by the clerk, the lien, to the amount
25 committed by the administrator for cleanup and removal, shall attach
26 to the revenues and all real and personal property of the liable person,
27 whether or not that person is insolvent.

28 For the purpose of determining priority of this lien over all other
29 claims or liens which are or have been filed against the property of an
30 owner or operator of a refinery, storage, transfer, or pipeline facility,
31 the lien on the facility to which the discharged hazardous substance
32 was en route shall have priority over all other claims or liens which are
33 or have been filed against the property. The notice of lien filed
34 pursuant to this paragraph which affects any property of a person
35 liable pursuant to this paragraph other than the property of an owner
36 or operator of a refinery, storage, transfer, or pipeline facility to which
37 the discharged hazardous substance was en route, shall have priority
38 from the day of the filing of the notice of the lien over all claims and
39 liens filed against the property, but shall not affect any valid lien, right,
40 or interest in the property filed in accordance with established
41 procedure prior to the filing of a notice of lien pursuant to this
42 paragraph.

43 To the extent that a person liable pursuant to this paragraph is not
44 otherwise liable pursuant to paragraph (1) of this subsection, or under
45 any other provision of law or under common law, that person may
46 bring an action for indemnification for costs paid pursuant to this

1 paragraph against any other person who is strictly liable pursuant to
2 paragraph (1) of this subsection.

3 Nothing in this paragraph shall be construed to extend or negate the
4 right of any person to bring an action for contribution that may exist
5 under P.L.1976, c.141, or any other act or under common law.

6 d. (1) In addition to those defenses provided in this subsection, an
7 act or omission caused solely by war, sabotage, or God, or a
8 combination thereof, shall be the only defenses which may be raised by
9 any owner or operator of a major facility or vessel responsible for a
10 discharge in any action arising under the provisions of this act.

11 (2) A person, including an owner or operator of a major facility,
12 who owns real property acquired after the effective date of P.L.1993,
13 c.139 (C.13:1K-9.6 et al.), on which there has been a discharge, shall
14 be considered a person in any way responsible for the discharged
15 hazardous substance pursuant to subsection c. of this section, unless
16 that person can establish by a preponderance of the evidence that all
17 of the following apply:

18 (a) the person acquired the real property after the discharge of that
19 hazardous substance at the real property;

20 (b) (i) at the time the person acquired the real property, the person
21 did not know and had no reason to know that any hazardous substance
22 had been discharged at the real property, or (ii) the person acquired
23 the real property by devise or succession, except that any other funds
24 or property received by that person from the deceased real property
25 owner who discharged a hazardous substance or was in any way
26 responsible for a hazardous substance, shall be made available to
27 satisfy the requirements of P.L.1976, c.141;

28 (c) the person did not discharge the hazardous substance and is not
29 in any way responsible for the hazardous substance; and

30 (d) the person gave notice of the discharge to the department upon
31 actual discovery of that discharge.

32 To establish that a person had no reason to know that any
33 hazardous substance had been discharged for the purposes of this
34 paragraph (2), the person must have undertaken, at the time of
35 acquisition, all appropriate inquiry into the previous ownership and
36 uses of the property. For the purposes of this paragraph (2), all
37 appropriate inquiry shall mean the performance of a preliminary
38 assessment, and site investigation (if the preliminary assessment
39 indicates that a site investigation is necessary), as defined in section 23
40 of P.L.1993, c.139 (C.58:10B-1), and performed in accordance with
41 rules and regulations promulgated by the department defining these
42 terms.

43 Nothing in this paragraph (2) shall be construed to alter liability of
44 any person who acquired real property prior to the effective date of
45 P.L.1993, c.139 (C.13:1K-9.6 et al.).

46 (3) Notwithstanding the provisions of paragraph (2) of this

1 subsection to the contrary, if a person who owns real property obtains
 2 actual knowledge of a discharge of a hazardous substance at the real
 3 property during the period of that person's ownership and
 4 subsequently transfers ownership of the property to another person
 5 without disclosing that knowledge, the transferor shall be strictly liable
 6 for the cleanup and removal costs of the discharge and no defense
 7 under this subsection shall be available to that person.

8 (4) Any federal, State, or local governmental entity which acquires
 9 ownership of real property through bankruptcy, tax delinquency,
 10 abandonment, escheat, eminent domain, condemnation or any
 11 circumstance in which the government involuntarily acquires title by
 12 virtue of its function as sovereign, shall not be liable for the cleanup
 13 and removal costs of any discharge which occurred or began prior to
 14 that ownership. This paragraph shall not apply to any federal, State
 15 or local governmental entity which has caused or contributed to the
 16 discharge of a hazardous substance.

17 e. (1) If the Department of Environmental Protection issues a no
 18 further action letter or approves a remedial action workplan after the
 19 effective date of ¹[this act]P.L. , c. (C.)(pending before the
 20 Legislature as this bill)¹ for a site at which a discharge occurred prior
 21 to or after the effective date of ¹[this act]P.L. , c. (C.)(pending
 22 before the Legislature as this bill)¹ , then any person who is not
 23 otherwise liable for any discharge at the site which occurred prior to
 24 the department's approval of the no further action letter or remedial
 25 action workplan shall not be liable for the discharge based solely on
 26 that person becoming an owner or operator of the site of the discharge
 27 after the discharge has occurred. For the purposes of this ¹[section]
 28 paragraph¹ , a site shall constitute the real property defined in the
 29 remedial action workplan or, if no remedial action workplan is
 30 required, the no further action letter. The provisions of this ¹[section]
 31 paragraph¹ shall only apply when the site is located in a qualified
 32 municipality as defined pursuant to section 3 of P.L. , c. (C.)
 33 (pending before the Legislature as this bill) and there is continued
 34 compliance with all of the conditions of the no further action letter, the
 35 remedial action workplan and all applicable engineering and
 36 institutional controls.

37 (2) The fund established pursuant to the "Spill Compensation and
 38 Control Act," P.L.1976, c.141 (C.58:10-23.11 et seq.), shall not be
 39 liable for any damages incurred by any person who is relieved from
 40 liability pursuant to this ¹[section] subsection¹.

41 (cf: P.L.1993, c.139, s.44)

42
 43 57. (New section) a. ¹[When] Where¹ a person who is performing
 44 a remediation on real property located in a qualified municipality, as
 45 defined by section 3 of P.L. , c. (C.) (pending before the
 46 Legislature as this bill) and who has entered into a memorandum of

1 agreement with the department, subsequently submits to the
2 department documents relating to the remediation of that property, the
3 department shall:

4 (1) review those documents in a timely fashion and provide
5 approval, disapproval or conditional approval, as required by section
6 58 of P.L. , c. (C.) (pending before the Legislature as this bill),
7 and

8 (2) provide in writing to that person a document detailing the basis
9 for any disapproval or conditional approval.

10 b. Where a person who is performing a remediation on real
11 property located in a qualified municipality, as defined by section 3 of
12 P.L. , c. (C.) (pending before the Legislature as this bill) and
13 who has entered into a memorandum of agreement with the
14 department, subsequently submits to the department a remedial action
15 workplan which proposes innovative technologies, the department
16 shall:

17 (1) review the remedial action workplan in a timely fashion and
18 provide approval, disapproval or conditional approval, as required by
19 section 58 of P.L. , c. (C.) (pending before the Legislature as
20 this bill), and

21 (2) provide in writing to that person a document detailing the basis
22 for any disapproval or conditional approval.

23

24 58. (New section) a. The Commissioner of Environmental
25 Protection shall appoint an Urban Site Remediation Coordinator. The
26 coordinator shall be responsible for the oversight and approval of site
27 remediations conducted in areas designated as empowerment
28 neighborhoods pursuant to article 4 of P.L. , c. (C.) (pending
29 before the Legislature as this bill). The Commissioner of
30 Environmental Protection shall vest in the coordinator sufficient
31 authority to properly manage the timely approval of site remediation
32 activities in empowerment neighborhoods. The coordinator shall
33 report directly to the commissioner. The coordinator shall meet
34 regularly with the commissioner to ensure the proper and efficient
35 coordination of these projects.

36 b. Upon the submittal of the administratively and technically
37 complete and accurate results of a phase of a remediation required to
38 be submitted that requires the department's review and approval in
39 order to comply with the applicable laws and regulations concerning
40 a site remediation conducted in an area designated as an empowerment
41 neighborhood, the department shall review and approve, approve with
42 conditions, or disapprove the submission or other documents within
43 the following time frames:

44 (1) preliminary assessment - 15 days;

45 (2) site investigation - 15 days;

46 (3) remedial investigation workplan - 30 days;

- 1 (4) remedial investigation report - 60 days;
- 2 (5) remedial action workplan - 90 days;
- 3 (6) remedial action progress reports - 30 days;
- 4 (7) remedial action final report - 45 days.

5
6 59. (New section) Beginning in the calendar year following the
7 effective date of this act, the New Jersey Economic Development
8 Authority shall allocate no less than 12-1/2 percent of the aggregate
9 amount of loans and loan guarantees made by the New Jersey
10 Economic Development Authority in any fiscal year to projects
11 consistent with the provisions of "The New Jersey Economic
12 Development Authority Act," P.L.1974, c.80 (C.34:1B-1 et seq.) and
13 that are located in municipalities designated as qualified municipalities
14 pursuant to section 3 of P.L. , c. (C.) (pending before the
15 Legislature as this bill).

16
17 60. (New section) The New Jersey Redevelopment Authority shall
18 fund such projects as may be practicable in any municipality eligible
19 for designation as an empowerment zone or enterprise zone under
20 federal law through the issuance of tax exempt bonds as provided in
21 section 1394 of P.L.103-66; 107 Stat 548, which bonds shall also be
22 exempt from any tax levied pursuant to Title 54 of the Revised
23 Statutes or Title 54A of the New Jersey Statutes.

24
25 ¹[61. (New section) In determining the projects to be funded from
26 the issuance and sale of bonds pursuant to the "Water Supply Bond
27 Act of 1981," P.L.1981, c.261, consideration shall be given to funding
28 such projects as may be practicable in an empowerment zone or
29 enterprise community as designated under federal law or which are
30 part of an approved neighborhood empowerment plan or other
31 authority projects under this act or community redevelopment plan, or
32 which will benefit urban residents, so long as they are consistent with
33 the purposes of P.L.1981, c.261.]¹

34
35 ¹[62. (New section) In determining the projects to be funded from
36 the issuance and sale of bonds pursuant to the "Green Acres, Clean
37 Water, Farmland and Historic Preservation Bond Act of 1992,"
38 P.L.1992, c.88, consideration shall be given to funding such projects
39 as may be practicable in an empowerment zone or enterprise
40 community as designated under federal law or which are part of an
41 approved neighborhood empowerment plan or other authority projects
42 under this act or community redevelopment plan, or which will benefit
43 urban residents, so long as they are consistent with the purposes of
44 P.L.1992, c.88.]¹

45
46 ¹[63. (New section) In determining the projects to be funded

1 pursuant to the "1992 New Jersey Employment and Workforce
2 Development Act," P.L.1992, c.43, consideration shall be given to
3 funding such projects as may be practicable in an empowerment zone
4 or enterprise community as designated under federal law or which are
5 part of an approved neighborhood empowerment plan or other
6 authority projects under this act or community redevelopment plan, or
7 which will benefit urban residents, so long as they are consistent with
8 the purposes of P.L.1992, c.43.]¹

9
10 ¹61. (New section) The authority may apply for funding from the
11 "Water Supply Bond Act of 1981," P.L.1981, c.261. Consideration
12 shall be given to funding such projects as may be practicable in a
13 qualified municipality as defined pursuant to section 3 of P.L. ,
14 c. (C.) (pending before the Legislature as this bill) or in an
15 empowerment zone or enterprise community as designated under
16 federal law, so long as those projects are consistent with the purposes
17 of P.L.1981, c.261.¹

18
19 ¹62. (New section) The authority may apply for funding from the
20 "Green Acres, Clean Water, Farmland and Historic Preservation Bond
21 Act of 1992," P.L.1992, c.88 and the "Green Acres, Farmland and
22 Historic Preservation, and Blue Acres Bond Act of 1995," P.L.1995,
23 c.204. Consideration shall be given to funding such projects as may
24 be practicable in a qualified municipality as defined pursuant to section
25 3 of P.L. , c. (C.) (pending before the Legislature as this bill)
26 or in an empowerment zone or enterprise community as designated
27 under federal law, so long as those projects are consistent with the
28 purposes of P.L.1992, c.88 or P.L.1995, c.204, as the case may be.¹

29
30 ¹63. (New section) The authority may apply for funding from the
31 "1992 New Jersey Employment and Workforce Development Act,"
32 P.L.1992, c.43. Consideration shall be given to funding such projects
33 as may be practicable in a qualified municipality as defined pursuant to
34 section 3 of P.L. , c. (C.) (pending before the Legislature as
35 this bill) or in an empowerment zone or enterprise community as
36 designated under federal law, so long as those projects are consistent
37 with the purposes of P.L.1992, c.43.¹

38
39 64. Section 27 of P.L.1993, c.139 (C.58:10B-5) is amended to
40 read as follows:

41 27. a. (1) Financial assistance from the remediation fund, made to
42 persons other than municipal governmental entities, the New Jersey
43 Redevelopment Authority, or to persons who voluntarily undertake a
44 remediation, may only be rendered to persons who cannot establish a
45 remediation funding source for the full amount of a remediation.
46 Financial assistance pursuant to this act may be rendered only for that

1 amount of the cost of a remediation for which the person cannot
2 establish a remediation funding source.

3 (2) Financial assistance rendered to persons who voluntarily
4 undertake a remediation may only be made for that amount of the cost
5 of the remediation that the person cannot otherwise fund by any of the
6 authorized methods to establish a remediation funding source.

7 b. Financial assistance may be rendered from the remediation fund
8 to (1) owners or operators of industrial establishments who are
9 required to perform remediation activities pursuant to P.L.1983, c.330
10 (C.13:1K-6 et al.), upon closing operations or prior to the transfer of
11 ownership or operations of an industrial establishment, (2) persons
12 who have discharged a hazardous substance or who are in any way
13 responsible for a hazardous substance pursuant to P.L.1976, c.141
14 (C.58:10-23.11 et seq.), and (3) persons who voluntarily undertake the
15 remediation of a discharge of a hazardous substance or hazardous
16 waste and who have not been ordered or directed to perform the
17 remediation by the department or by a court.

18 c. Financial assistance and grants may be made from the
19 remediation fund to municipal governmental entities that own or hold
20 a tax sale certificate on real property on which there has been a
21 discharge or on which there is a suspected discharge of a hazardous
22 substance or hazardous waste or the New Jersey Redevelopment
23 Authority established pursuant to P.L. , c. (C.) (pending
24 before the Legislature as this bill) for any such real property upon
25 which the New Jersey Redevelopment Authority owns or holds the tax
26 sale certificate.

27 d. Grants may be made from the remediation fund to persons,
28 including the New Jersey Redevelopment Authority, other than other
29 governmental entities who own real property on which there has been
30 a discharge of a hazardous substance or a hazardous waste and that
31 person qualifies for an innocent party grant pursuant to section 28 of
32 P.L.1993, c.139 (C.58:10B-6).

33 For the purposes of this section, "person" shall include the New
34 Jersey Redevelopment Authority established pursuant to P.L. , c.
35 (C.) (pending before the Legislature as this bill).

36 (cf: P.L.1993, c.139, s.27)

37

38 65. Section 28 of P.L.1993, c.139 (C.58:10B-6) is amended to
39 read as follows:

40 28. a. Except for moneys deposited in the remediation fund for
41 specific purposes, financial assistance and grants from the remediation
42 fund shall be rendered for the following purposes and, on an annual
43 basis, obligated in the percentages as provided in this subsection.
44 Upon a written joint determination by the authority and the department
45 that it is in the public interest, financial assistance and grants dedicated
46 for the purposes and in the percentages set forth in paragraph (1), (2),

1 or (3) of this subsection, may, for any particular year, be obligated to
2 other purposes set forth in this subsection. The written determination
3 shall be sent to the Senate Environment Committee, and the Assembly
4 ¹[Environment and Energy] Agriculture and Waste Management¹ [and
5 Hazardous Waste] Committee, or their successors. For the purposes
6 of this section, "person" shall include the New Jersey Redevelopment
7 Authority established pursuant to P.L. , c. (C.) (pending before
8 the Legislature as this bill).

9 (1) At least 15% of the moneys shall be allocated for financial
10 assistance to persons, including the New Jersey Redevelopment
11 Authority, other than other governmental entities, for remediation of
12 real property located in a qualifying municipality as defined in section
13 1 of P.L.1978, c.14 (C.52:27D-178);

14 (2) At least 10% of the moneys shall be allocated for financial
15 assistance and grants to municipal governmental entities that [own or]
16 hold a tax sale certificate on real property or have acquired through
17 foreclosure or other similar means real property on which there has
18 been or on which there is suspected of being a discharge of hazardous
19 substances or hazardous wastes or the New Jersey Redevelopment
20 Authority established pursuant to P.L. , c. (C.) (pending
21 before the Legislature as this bill), for any such real property upon
22 which the New Jersey Redevelopment Authority owns or holds the tax
23 sale certificate. Grants shall be used for performing preliminary
24 assessments [and], site investigations, and remedial investigations on
25 property [owned] acquired by a municipal governmental entity or the
26 New Jersey Redevelopment Authority, as the case may be, or on which
27 the municipality or the New Jersey Redevelopment Authority owns or
28 holds a tax sale certificate, in order to determine the existence or
29 extent of any hazardous substance or hazardous waste contamination
30 on those properties. A municipal governmental entity that has
31 performed a preliminary assessment [and], site investigation and
32 remedial investigation on property or the New Jersey Redevelopment
33 Authority, in any case where the New Jersey Redevelopment Authority
34 has performed the preliminary assessment, site investigation, and
35 remedial investigation may obtain a loan for the purpose of continuing
36 the remediation on those properties it owns as necessary to comply
37 with the applicable remediation standards adopted by the department;

38 (3) At least 15% of the moneys shall be allocated for financial
39 assistance to persons [or], including the New Jersey Redevelopment
40 Authority, or municipal governmental entities for remediation activities
41 at sites that have been contaminated by a discharge of a hazardous
42 substance or hazardous waste, or at which there is an imminent and
43 significant threat of a discharge of a hazardous substance or hazardous
44 waste, and the discharge or threatened discharge poses or would pose
45 an imminent and significant threat to a drinking water source, to
46 human health, or to a sensitive or significant ecological area;

1 (4) At least 10% of the moneys shall be allocated for financial
2 assistance to persons, other than municipal governmental entities, who
3 voluntarily undertake the remediation of a hazardous substance or
4 hazardous waste discharge, and who have not been ordered to
5 undertake the remediation by the department or by a court;

6 (5) At least 20% of the moneys shall be allocated for financial
7 assistance to persons, other than municipal governmental entities, who
8 are required to perform remediation activities at an industrial
9 establishment pursuant to P.L.1983, c.330 (C.13:1K-6 et al.), as a
10 condition of the closure, transfer, or termination of operations at that
11 industrial establishment;

12 (6) At least 20% of the moneys shall be allocated for grants to
13 persons, other than municipal governmental entities, who own real
14 property on which there has been a discharge of a hazardous
15 substance or a hazardous waste and that person qualifies for an
16 innocent party grant. A person qualifies for an innocent party grant if
17 that person acquired the property prior to December 31, 1983, except
18 as provided hereunder, the hazardous substance or hazardous waste
19 that was discharged at the property was not used by the person at that
20 site, and that person certifies that he did not discharge any hazardous
21 substance or hazardous waste at an area where a discharge is
22 discovered; provided, however, that if the person is the New Jersey
23 Redevelopment Authority established pursuant to P.L. _____, c. _____
24 (C. _____) (pending before the Legislature as this bill), the authority
25 shall qualify for an innocent party grant pursuant to this paragraph
26 where the immediate predecessor in title to the authority qualified for
27 but failed to receive such grant. A grant authorized pursuant to this
28 paragraph may be for up to 50% of the remediation costs at the area
29 of concern for which the person qualifies for an innocent party grant,
30 except that no grant awarded pursuant to this paragraph to any person
31 including the New Jersey Redevelopment Authority may exceed
32 \$1,000,000; and

33 (7) Ten percent of the moneys in the remediation fund shall be
34 allocated for financial assistance or grants for any of the purposes
35 enumerated in paragraphs (1) through (6) of this subsection, except
36 that where moneys in the fund are insufficient to fund all the
37 applications in any calendar year that would otherwise qualify for
38 financial assistance or a grant pursuant to this paragraph, the authority
39 shall give priority to financial assistance applications that meet the
40 criteria enumerated in paragraph (3) of this subsection.

41 b. Loans issued from the remediation fund shall be for a term not
42 to exceed ten years, except that upon the transfer of ownership of any
43 real property for which the loan was made, the unpaid balance of the
44 loan shall become immediately payable in full. Loans to municipal
45 governmental entities and the New Jersey Redevelopment Authority
46 established pursuant to P.L. _____, c. _____ (C. _____) (pending before the

1 Legislature as this bill), shall bear an interest rate equal to 2 points
2 below the Federal Discount Rate at the time of approval or at the time
3 of loan closing, whichever is lower, except that the rate shall be no
4 lower than 3 percent. All other loans shall bear an interest rate equal
5 to the Federal Discount Rate at the time of approval or at the time of
6 the loan closing, whichever is lower, except that the rate on such loans
7 shall be no lower than five percent. Financial assistance and grants
8 may be issued for up to 100% of the estimated applicable remediation
9 cost, except that the cumulative maximum amount of financial
10 assistance which may be issued to a person other than a governmental
11 entity, including the New Jersey Redevelopment Authority, in any
12 calendar year, for one or more properties, shall be \$1,000,000.
13 Financial assistance and grants to any one municipal governmental
14 entity, including the New Jersey Redevelopment Authority, may not
15 exceed \$2,000,000 in any calendar year. Repayments of principal and
16 interest on the loans issued from the remediation fund shall be paid to
17 the authority and shall be deposited into the remediation fund.

18 c. No person, other than a municipal governmental entity, the New
19 Jersey Redevelopment Authority or a person engaging in a voluntary
20 remediation, shall be eligible for financial assistance from the
21 remediation fund to the extent that person is capable of establishing a
22 remediation funding source for the remediation as required pursuant
23 to section 25 of P.L.1993, c.139 (C.58:10B-3).

24 d. The authority may use a sum that represents up to 2% of the
25 moneys issued as financial assistance or grants from the remediation
26 fund each year for administrative expenses incurred in connection with
27 the operation of the fund and the issuance of financial assistance and
28 grants.

29 e. Prior to March 1 of each year, the authority shall submit to the
30 Senate Environment Committee and the Assembly ¹[Environment and
31 Energy] Agriculture and Waste Management¹ [and Hazardous Waste]
32 Committee, or their successors, a report detailing the amount of
33 money that was available for financial assistance and grants from the
34 remediation fund for the previous calendar year, the amount of money
35 estimated to be available for financial assistance and grants for the
36 current calendar year, the amount of financial assistance and grants
37 issued for the previous calendar year and the category for which each
38 financial assistance and grant was rendered, and any suggestions for
39 legislative action the authority deems advisable to further the
40 legislative intent to facilitate remediation and promote the
41 redevelopment and use of existing industrial sites.

42 (cf: P.L.1993, c.139, s.28)

43

44 66. Section 29 of P.L.1993, c.139 (C.58:10B-7) is amended to
45 read as follows:

46 29. a. A qualified applicant for financial assistance or a grant from

1 the remediation fund shall be awarded financial assistance or a grant
2 by the authority upon the availability of sufficient moneys in the
3 remediation fund for the purpose of the financial assistance or grant.
4 Priority for awarding financial assistance and grants from the
5 remediation fund shall be based upon the date of receipt by the
6 authority of a complete application from the applicant. If an
7 application is determined to be incomplete by the authority, an
8 applicant shall have 30 days from receipt of written notice of
9 incompleteness to file any additional information as may be required
10 by the authority for a completed application. If an applicant fails to
11 file the additional information within those 30 days, the filing date for
12 that application shall be the date that the additional information is
13 received by the authority. An application shall be deemed complete
14 when all the information required by the authority has been received
15 in the required form. Notwithstanding that the New Jersey
16 Redevelopment Authority is eligible for grants and financial assistance
17 from the fund, the authority shall be awarded a grant or financial
18 assistance based upon the priority system for such awards as provided
19 in this subsection.

20 b. Within 90 days, for a private entity, or 180 days for a municipal
21 governmental entity or the New Jersey Redevelopment Authority, of
22 notice of approval of a financial assistance or grant application, an
23 applicant shall submit to the authority an executed contract for the
24 remediation activities for which the financial assistance or grant
25 application was made. The contract shall be consistent with the terms
26 and conditions for which the financial assistance or grant was
27 rendered. Failure to submit an executed contract within the time
28 provided, without good cause, shall constitute grounds for the
29 alteration of an applicant's priority ranking for the awarding of
30 financial assistance or a grant.

31 (cf: P.L.1993, c.139, s.29)

32

33 67. The following is hereby repealed: P.L.1984, c.172
34 (C.52:27D-250 et seq.).

35

36 68. There is appropriated to the New Jersey Redevelopment
37 Authority from the General Fund \$9,000,000 to effectuate the
38 purposes of this act. There is appropriated to the Office of
39 Neighborhood Empowerment established pursuant to section 47 of
40 P.L. c. (C.) (pending before the Legislature as this bill) from the
41 General Fund \$1,000,000 to effectuate the purposes of this act.

42

43 69. This act shall take effect on the 60th day following enactment,
44 except that section 4 shall take effect immediately.

- 1 _____
- 2
- 3 Designated the New Jersey Urban Redevelopment Act; appropriates
- 4 \$10 million.