

**ASSEMBLY, No. 1700**

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**STATE OF NEW JERSEY**

**218th LEGISLATURE**

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PRE-FILED FOR INTRODUCTION IN THE 2018 SESSION

**Sponsored by:**

**Assemblyman RONALD S. DANCER**  
**District 12 (Burlington, Middlesex, Monmouth and Ocean)**  
**Assemblywoman VALERIE VAINIERI HUTTLE**  
**District 37 (Bergen)**

**Co-Sponsored by:**

**Assemblywoman Murphy**

**SYNOPSIS**

Specifies vacant shopping malls and office parks as eligible for designation as areas in need of redevelopment.

**CURRENT VERSION OF TEXT**

Introduced Pending Technical Review by Legislative Counsel.



**(Sponsorship Updated As Of: 9/14/2018)**

1 AN ACT concerning the designation of certain areas as in need of  
2 redevelopment and amending P.L.1992, c.79.

3

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

6

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

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

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

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

22 c. Land that is owned by the municipality, the county, a local  
23 housing authority, redevelopment agency or redevelopment entity,  
24 or unimproved vacant land that has remained so for a period of ten  
25 years prior to adoption of the resolution, and that by reason of its  
26 location, remoteness, lack of means of access to developed sections  
27 or portions of the municipality, or topography, or nature of the soil,  
28 is not likely to be developed through the instrumentality of private  
29 capital.

30 d. Areas with buildings or improvements which, by reason of  
31 dilapidation, obsolescence, overcrowding, faulty arrangement or  
32 design, lack of ventilation, light and sanitary facilities, excessive  
33 land coverage, deleterious land use or obsolete layout, or any  
34 combination of these or other factors, are detrimental to the safety,  
35 health, morals, or welfare of the community.

36 e. A growing lack or total lack of proper utilization of areas  
37 caused by the condition of the title, diverse ownership of the real  
38 properties therein or other similar conditions which impede land  
39 assemblage or discourage the undertaking of improvements,  
40 resulting in a stagnant and unproductive condition of land  
41 potentially useful and valuable for contributing to and serving the  
42 public health, safety and welfare, which condition is presumed to be  
43 having a negative social or economic impact or otherwise being  
44 detrimental to the safety, health, morals, or welfare of the  
45 surrounding area or the community in general.

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

Matter underlined thus is new matter.

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

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

27 h. The designation of the delineated area is consistent with  
28 smart growth planning principles adopted pursuant to law or  
29 regulation.

30 i. Areas with buildings used, or previously used, as a shopping  
31 mall, shopping plaza, or professional office park, which buildings  
32 have been vacant or partially vacant with less than 50% occupancy,  
33 for a period of at least one year.

34 (cf: P.L.2013, c.159, s.1)

35  
36 2. This act shall take effect immediately.

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39 STATEMENT

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41 This bill would amend the "Local Redevelopment and Housing  
42 Law," P.L.1992, c.79 (C.40A:12A-1 et seq.), to specify that a  
43 municipality may determine an area to be in need of redevelopment  
44 if the area contains buildings that are used as, or were previously  
45 used as, a shopping mall, a shopping plaza, or a professional office  
46 park, and the buildings have been vacant, or partially vacant with  
47 less than 50% occupancy, for a period of at least one year. In many  
48 cases throughout New Jersey, these once prestigious land use types,

1 now vacant or significantly underutilized, are imposing such a  
2 significant strain on their surrounding communities, that it is  
3 appropriate and necessary to allow municipalities to use the powers  
4 authorized under Article VIII, Section III, paragraph 1 of the State  
5 Constitution for the redevelopment of blighted areas.

6 The post-World War II development of New Jersey's suburban  
7 landscape was heavily influenced by automobile-dependent types of  
8 land uses. Prominent among these land use prototypes was the  
9 development of regional and local shopping malls and suburban  
10 office campuses. For decades, many municipalities, particularly  
11 suburban municipalities, relied on the existence of large office  
12 campuses and shopping malls to supply jobs and contribute revenue  
13 through the payment of property taxes.

14 Throughout New Jersey, these once vibrant, envied land use  
15 types have fallen into disuse. Corporations across New Jersey have  
16 vacated office parks because they understand that today's job  
17 seekers prefer to work near where they live, or where they can  
18 commute by mass transit. Similarly, recognizing that community  
19 shopping centers have been underperforming for decades, retail  
20 merchants have vacated space in shopping malls in favor of making  
21 a more aggressive presence in vibrant downtown neighborhoods  
22 and on the web.

23 Because large corporate office parks and large shopping malls  
24 have become obsolete, vacant, and difficult to market, today they  
25 are characterized in development circles as "stranded assets." In  
26 order to encourage private entities to work together with municipal  
27 governments to redevelop stranded assets, it may be necessary to  
28 resort to more potent development tools than traditional land use  
29 planning and zoning. By specifying that a vacant shopping mall or  
30 office park is an area in need of redevelopment, a municipality can  
31 offer potential private sector partners redevelopment tools such as  
32 tax exemptions and abatements to encourage them to repurpose  
33 stranded assets.