



# Governor Murphy Signs Law Expanding Eligibility Criteria for Designating Certain Areas as in Need of Redevelopment

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On August 9, 2019, Governor Murphy signed Bill A1700 into law, expanding the eligibility criteria for redevelopment under the Local Development and Housing Law. The new law allows municipalities to designate significantly vacant shopping malls, shopping plazas, and professional office parks as areas in need of redevelopment. Under the new law, vacancy includes buildings with less than 50% occupancy for a period of at least one year.

Once prominent and desirable land use types, some shopping malls and office campuses now fail to attract the modern consumer and job seeker. More and more people shop online and work from home, near home, or where they can easily commute by mass transit. Retailers and corporations have recognized this shift and moved their businesses into downtowns and buildings offering multi-use development projects.

The new law recognizes that redevelopment of “stranded assets” requires more than traditional land use planning and zoning. Designation as an area in need of redevelopment provides municipalities and private sector developers with more powerful tools, including tax exemptions and abatements, to effectuate a broader, more modern, range of redevelopment projects.

Riker Danzig has extensive experience representing developers and governments in redevelopment projects. Currently, Riker Danzig attorneys are representing SJP Properties in connection with its proposal to construct two office buildings in downtown Morristown, the most consequential redevelopment project in that town since the Headquarters Plaza Complex was built in the 70's.

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