

INSTITUTE FOR JUSTICE

Robert McNamara, Esq. (VA Bar No. 73208)*

Bobbi M. Taylor, Esq. (435162023)

901 N. Glebe Road Suite, 900

Arlington, VA 22203

703-682-9320 (T)

703-682-9321 (F)

**Pro Hac Vice* Application to be filed

McKIRDY, RISKIN, OLSON, & DELLAPELLE, P.C.

Joseph W. Grather, Esq. (004831999)

201 Littleton Rd. Suite 135

Morris Plains, NJ 07950

973-539-8900 (T)

973-539-8900 (F)

Attorneys for Plaintiffs

HONEY MEERZON, JULIAN
DOZORTCEV, DINA FINKELSTEIN, 505
SMITH STREET, LLC, LUIS F. ROMERO,
AND QUICK TIRE & AUTO, INC.

Plaintiffs,

v.

THE CITY OF PERTH AMBOY,

Defendants.

SUPERIOR COURT OF NEW JERSEY
LAW DIVISION: MIDDLESEX
COUNTY

DOCKET NO.:

**COMPLAINT IN LIEU OF
PREROGATIVE WRITS**

Plaintiffs Honey Meerzon, Julian Dozortcev, Dina Finkelstein, 505 Smith Street, LLC, Luis Romero, and Quick Tire & Auto, Inc. (collectively “Plaintiffs”), by and through counsel, by way of Complaint in lieu of prerogative writs, against Defendant, the City of Perth Amboy, (the “City”), allege as follows:

INTRODUCTION

1. This lawsuit seeks to challenge a legally insufficient and factually inaccurate blight designation by the City of Perth Amboy, New Jersey. Plaintiffs are two property owners—one landlord and one small business owner—who have invested time and money into maintaining their properties and growing their businesses. Honey Meerzon’s property houses four families, and Luis Romero’s business employs six people and services countless customers. But Perth Amboy wants to take their properties, not because anything is wrong with them, but to add to its already expansive redevelopment project.

2. While New Jersey law allows municipalities to clear blighted areas to make way for redevelopment using the power of eminent domain, neither the New Jersey statutes, nor the State or Federal Constitutions allow that power to be used in the way that Perth Amboy seeks to do here. In designating these properties blighted, the City relies on a blight study full of factual inaccuracies, and an interpretation of New Jersey law that, if allowed to stand, would render virtually every property in Perth Amboy and the state of New Jersey blighted and at risk for taking by eminent domain. The New Jersey Supreme Court has already ruled that the Blighted Areas Clause of the New Jersey Constitution cannot be used this way. The property rights of the citizens of Perth Amboy and the rest of New Jersey deserve—and receive—far more protection under the law.

JURISDICTION AND VENUE

3. Plaintiffs bring this lawsuit for declaratory and injunctive relief under the New Jersey Declaratory Judgment Act, N.J.S.A. § 2A:16-52, for violations of the New Jersey Local Redevelopment and Housing Law, N.J.S.A. §§ 40A:12A-1 *et seq.*, the New Jersey Civil Rights

Act, N.J.S.A. § 10:6-2, Article VIII, § 3, ¶ 1 of the New Jersey Constitution, 42 U.S.C. § 1983, and the Fifth and Fourteenth Amendments of the U.S. Constitution.

4. Plaintiffs seek declaratory and injunctive relief concerning Perth Amboy's Resolution R-169-4/25, which designated a small area, including Plaintiffs' properties, as an "area in need of redevelopment" pursuant to N.J.S.A. § 40A:12A-3. As applied to Plaintiffs and their properties, this action violates the New Jersey Local Redevelopment and Housing Law (the "LRHL"), the Blighted Areas Clause of Article VIII of the New Jersey Constitution, and the Fifth and Fourteenth Amendments of the United States Constitution.

5. This Court has jurisdiction pursuant to Article VI, § 3, ¶ 2 of the New Jersey Constitution.

6. Venue is proper in this Court pursuant to N.J. Court Rules, R. 4:3-2(a)(2) as the cause(s) of action arose in this county.

THE PARTIES

7. Plaintiff Honey Meerzon is a resident of Old Bridge, Middlesex County, New Jersey. She, along with her husband Julian Dozortcev and her mother Dina Finkelstein, own the property located at 503–505 Smith Street in Perth Amboy, Middlesex County, New Jersey, through their limited liability company.

8. 505 Smith Street LLC is the LLC under which Honey, Julian, and Dina bought the property. They purchased the multi-family home in 2016 and lease the four units within to longtime tenants, including several families with small children.

9. Plaintiff Luis Romero is a resident of Longwood, Florida. He owns Quick Tire & Auto, a tire shop and auto repair shop located on the property at 509–513 Smith Street in Perth Amboy, Middlesex County, New Jersey.

10. Quick Tire & Auto, Inc., is the corporation through which Luis owns the tire shop. The business has been in the family since 1976 and employs six people full time.

11. Defendant City of Perth Amboy (the “City”) is a municipal corporation of the State of New Jersey with its principal place of business at 260 High Street, Perth Amboy, NJ 08861 in Middlesex County.

12. Defendant, by and through its City Council, and based on the recommendation of its Planning Board, enacted Resolution R-169-4/25 which designated Plaintiffs’ properties as blighted.

STATEMENT OF FACTS

PLAINTIFFS’ PROPERTIES INCLUDE A MULTI-FAMILY HOME AND A SUCCESSFUL AUTO REPAIR BUSINESS

Plaintiff Honey Meerzon

13. Honey Meerzon is a lifelong New Jersey resident. Her parents fled the Soviet Union in the 1970s to escape religious discrimination. She is a wife and mother to three children.

14. She purchased the property at 505 Smith Street with her husband Julian and her mother, Dina Finkelstein, in 2016, after she split from her ex-husband. The divorce was financially and emotionally difficult for Honey, as she was left alone with thousands of dollars in debt and responsible for her young children. The property is owned by their LLC, 505 Smith Street, LLC.

15. Honey saw property ownership as a way to provide for herself and her then young children. Her parents had instilled in her from a young age the importance of financial

independence and the importance of leaving a legacy for the next generation, so she scraped together what little she had, took out loans, and bought the property on Smith Street. A picture of the property is below:



16. The building currently houses four single-family units and is home to 13 people in total. The tenants are of modest means and rely on the home's location for its proximity to public transportation, and to their jobs. None of the tenants own vehicles, and they all walk to work. If the tenants were displaced, they would risk losing their jobs.

17. The first, second, and third floors are occupied by families with children who have lived on the property for over ten years. The fourth-floor tenant moved in when Honey purchased the property. Honey has never had any complaints from her tenants, or about her tenants.

18. Honey has a good relationship with all of her tenants, many of whom have occupied their apartments for almost a decade. They pay rent on time and are wonderful to work with. She does not want to displace them from their homes.

19. When they purchased the property, it did need some work. Over the years, Honey, Julian, and Dina have invested over \$150,000 in repairs, upkeep, and maintenance on the property including adding new siding, replacing boilers, installing a new roof, installing a French drain, and adding a new fire alarm system.

20. Since Honey and Dina have owned the property, they have never received any citations for violations of city codes. The property is well maintained.

21. In April 2024, Honey received a letter letting her know that her property was being considered for condemnation.

22. Honey had never before, and has not since, received any letters or notices from the City about the condition of her property.

23. Had the City asked Honey to repair or address the condition of the property, she would have done so. In fact, during their fire code inspection last year, the fire department asked her to upgrade the fire alarm system, and she did so immediately.

24. Honey relies on part of the income from the rent to pay the mortgage and makes a small profit on the rest, but the property is not just a source of income for Honey, but a symbol of her determination and hard work over the years. It is her desire to leave the property as a legacy for her children.

Plaintiff Luis Romero

25. Luis Romero has lived in New Jersey since 1971. His parents fled Cuba when he was only nine years old.

26. Luis learned to work on cars from his father at a very young age. In 1973, Luis's father opened his own auto repair business, and throughout the years, his father had successful businesses in both New Jersey and Florida. After seeing his father's success, Luis wanted to build a successful business for himself.

27. Luis now owns Quick Tire & Auto, a tire shop and auto repair shop that has served the Perth Amboy community for almost 50 years. A picture of Quick Tire & Auto is below:



28. Luis's cousin started the business in 1976 as a small one-man operation. In 1979, the business expanded to its current location at 509 Smith Street. Luis took over for his cousin in 2004 and has owned the business ever since. He now splits his time between his residence in

Florida and his business in New Jersey, leaving the day-to-day operation to his longtime manager.

29. The shop employs six people full-time and services approximately 100 customers per day.

30. Many of Luis's employees have been working at the shop for over 20 years. The shop is the main way Luis's employees provide for their families.

31. Over the years, Luis has maintained the property in good repair. He has painted as needed, repaired things as needed and kept the place clean.

32. The property has never been cited for violations of City codes. Although the property is between two residences, neither of the neighbors has complained about the conditions of the shop. Occasionally, a neighbor will ask Luis to move a tire, and he always does so quickly.

33. Like Honey, in April 2024, Luis got a letter letting him know that the City Council had authorized the planning board to investigate whether his property was eligible for condemnation.

34. Luis had never before received any information from the City about his property or its conditions.

35. Had the City asked Luis to remediate or fix any conditions on his property, he would have done so. In fact, since receiving the letter, Luis has asked City officials if there is anything he can do to improve the condition of his property, and they have been unresponsive. Luis remains willing to work with the City.

36. The shop is not just a source of income for Luis and his longtime employees—it is his American Dream. He would like to continue operating in the same spot, keep the business in the family, and keep his employees working.

**NEW JERSEY LAW ALLOWS MUNICIPALITIES TO USE EMINENT DOMAIN TO REMOVE BLIGHT
AND CLEAR THE WAY FOR REDEVELOPMENT**

37. The New Jersey State Constitution deems redevelopment of “blighted areas” to be a public purpose and public use, meaning a municipality may acquire land in a blighted area for redevelopment using the power of eminent domain. N.J. Const. art. VIII, § 3, ¶ 1; N.J.S.A. § 40A:12A-6(c).

38. The process for designating an area as a “blighted area” or an “area in need of redevelopment” is authorized by and described in New Jersey’s Local Redevelopment and Housing Law. N.J.S.A. §§ 40A:12A-1 *et seq.* For purposes of this law, the terms “blighted area” and “area in need of redevelopment” are synonymous. This statute establishes criteria for designating an area as blighted and outlines the procedures a municipal authority must follow.

39. A governing body must first authorize its planning board to conduct a preliminary investigation to determine whether the proposed area is blighted. *Id.* § 40A:12A-6(a). The planning board then prepares a map showing the boundaries of the proposed area and “a statement setting forth the basis for the investigation.” *Id.* § 40A:12A-6(b)(1).

40. The preliminary investigation includes a public hearing on the matter, before which notice must be given to “persons who are interested in or would be affected by” a determination of blight. *Id.* § 40A:12A-6(b)(2).

41. After the hearing, the results of the planning board’s investigation are then referred to the governing body, typically with a recommendation that the area is—or is not—an “area in need of redevelopment.” *Id.* § 40A:12A-6(b)(5)(a). For purposes of New Jersey Law, “blighted” has the same meaning as “area in need of redevelopment.”

42. The governing body has the option of accepting, accepting in part, or rejecting the planning board's recommendation. *Id.* § 40A:12A-6(b)(5)(b).

43. Once an area is designated as blighted, the governing body can adopt a redevelopment plan and select a "redevelopment entity" of its choosing. The governing body, or its chosen redeveloper, can then exercise its eminent domain powers to acquire privately owned property in the blighted area for redevelopment. *Id.* § 40A:12A-8.

44. Property owners often desire to remain where they are, and are unwilling to sell.

45. In order to be designated as blighted, an area must meet one of eight criteria found in N.J.S.A. § 40A:12A-5, including, in pertinent part:

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

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

...

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

Id. § 40A:12A-5(c)–(d), (h).

46. Land or properties that are not blighted may nonetheless be included in a blight designation if their inclusion is "found necessary, with or without change in their condition, for the effective redevelopment of the area of which they are a part." *Id.* § 40A:12A-3.

47. The designation of an area as blighted must be supported by substantial credible evidence, and must not be done arbitrarily, capriciously, or in bad faith.

48. A property owner wishing to challenge the designation of their property as blighted may file a Complaint with the Superior Court. *Id.* § 40A:12A-6(b)(5)–(7). A court will then review to determine if the blight designation is supported by substantial, credible evidence. *Id.* § 40A:12A-5.

49. A successful challenge of the blight designation would remove the current threat of taking by eminent domain.

**PERTH AMBOY FINDS PLAINTIFFS’ PROPERTIES BLIGHTED FOR NO OTHER REASON THAN
THEY ARE NEXT TO A REDEVELOPMENT AREA**

Perth Amboy’s “Gateway” Project

50. In September 2023, Perth Amboy’s Redevelopment Agency signed an agreement with a developer to develop a 44-acre site, known as the “Gateway” project, abutting the Smith Street business corridor.

51. The area used to be home to a manufacturing facility, but it had been vacant for over a decade prior to the City and its developer finally reaching an agreement.

52. The project, which broke ground in April 2024, includes construction of over 400,000 square feet of warehouse space, mixed use development, and passive recreation space including trails.

53. Although the boundary for the Gateway project runs along Smith and Herbert Streets, the project boundary initially did not—and still does not—include the area of Smith Street where Plaintiffs’ properties are located. See picture below:



54. And this makes sense, because the City's Gateway project was done to clean up vacant, contaminated, and abandoned parcels of land, while Plaintiffs' properties and others surrounding them were well-maintained and occupied.

55. But, in May 2023, the City Council passed Resolution R-237-5/23, directing the Planning Board to conduct an investigation into eight additional lots at the corner of Smith and Herbert Streets to determine whether these parcels should be designated as blighted as well. As the picture above indicates, these lots abut the Gateway project boundary and take the redevelopment area up to the intersection of Smith and Herbert Streets.

56. The eight additional lots include Luis's business, Quick Tire & Auto, and the multi-family home owned by Honey and occupied by her tenants. While initially left out of the redevelopment area, Perth Amboy now seems determined to bring them in.

The City's Blight Study

57. As part of its investigation, the Planning Board hired CME Associates to study the area.

58. CME studied the area encompassing the City's tax lots 1.01, 1.02, 1.03, 2.02, 3, 3.01, 4, and 4.01 at Block 89, (the "study area"). The home owned by Honey and Dina sits on Lot 2.02, and Quick Tire & Auto sits on lots 3, 3.01, 4, and 4.01.

59. CME's depiction of the study area is depicted below:



60. CME reported its findings in an "Area In Need of Redevelopment Study" (the "blight study"), and concluded that all of the parcels met the statutory criteria to be designated as blighted under N.J.S.A. § 40A:12A-5, either pursuant to sub-sections (c), (d), or (h), and that the area as a whole met the definition of a "Redevelopment Area" pursuant to N.J.S.A. § 40A:12A-3.

61. But a review of the blight study shows that its conclusions were based on inaccurate information.

62. For example, the picture above suggests that City-owned lots 4.01 and 3.01 are land locked and undevelopable, making them eligible for a blight designation under sub-section (c) of N.J.S.A. § 40A:12A-5. *See* ¶ 45, *supra*. The blight study's picture also suggests that the boundaries for lots 4, 3, and 2.02 end before the buildings terminate, and the buildings extend into the public right of way. This is incorrect.

63. In reality, what the blight study shows as lots 4.01 and lot 3.01 are the back of the Quick Tire & Auto shop, owned by Luis Romero. A 1975 survey confirms that what the blight study shows as four separate lots are actually one commonly owned site. In fact, Luis stores spare tires in a structure on what is shown as lot 4.01.

64. This means that the purportedly City-owned properties¹ behind the Quick Tire & Auto are not land locked and undevelopable. Instead, they have already been developed. Therefore, they are not eligible for designation as blighted pursuant to sub-section (c).

65. The other City-owned property, lot 1.03, is a triangular-shaped parcel located on the corner of Smith and Herbert streets. The blight study indicates that inclusion of lot 1.03 is necessary for effective redevelopment of the area, and therefore lot 1.03 is included pursuant to N.J.S.A. § 40A:12A-3.

66. However, a photo of lot 1.3 (below) shows that it encompasses an intersection, a sidewalk, and a crosswalk. Not only is the development of this lot unnecessary for effective

¹ The parties dispute the ownership of these lots, as alleged above, but that dispute is irrelevant to this action. Whether the City or Luis ultimately owns the property, it is neither land-locked nor undevelopable.

redevelopment of the area, but developing this lot would require the removal of pedestrian safety features making the intersection, and the area as a whole, more dangerous.



67. Thus, the blight study incorrectly designated these City-owned lots as blighted pursuant to statutory criteria that were inaccurately applied to the lots at issue.

68. The blight study also cited transitory conditions, and conditions common to many other properties in Perth Amboy to justify its designation of certain properties as blighted, without any evidence showing that these conditions are detrimental to the safety, health, morals, or welfare of the community.

69. Honey's property, lot 2.02, was designated as blighted pursuant to sub-section (d) of N.J.S.A. § 40A:12A-5. *See* ¶ 45, *supra*. But upon closer examination, the blight study's application of sub-section (d) to Honey's property was arbitrary, and capricious.

70. For example, the blight study pointed to photos of a small amount of litter taken in January 2024. But that litter has since been removed. In any event, the amount of litter present was so unsubstantial that it would not cause a detriment to the safety or health of the community.

71. The blight study also cited the amount of building and pavement coverage on Honey's property and concluded that so much impervious surface "increases the rate of runoff that discharges from a site." But the blight study does not point to any instance of water runoff from Honey's property causing a detriment to the community, and it confirms that the property sits in an area of minimal flood hazard

72. The blight study cites the home's "narrow driveway" as posing a safety hazard. However, there is no evidence that the size of the home's driveway has actually caused a hazard or been unsafe. Existence of such evidence would be unlikely because the home's occupants, Honey's tenants, do not own vehicles. Moreover, the configuration of the driveway at Honey's property is consistent with that of many other dwellings along Smith Street that have not been designated as blighted.

73. Finally, the blight study cites eight incidents requiring a response by the Perth Amboy police department at Honey's address. But this is misleading, because these incidents were unrelated to the condition of the property, unrelated to Honey, and unrelated to her tenants, with the majority of them being motor vehicle stops of drivers passing by the residence. In other words, these were not incidents at Honey's property. They were incidents on the public street near Honey's property, unrelated to the property or its condition.

74. The blight study's treatment of Luis's property was no better. Quick Tire & Auto, encompassing lots 3, 3.01, 4, and 4.01, was also designated as blighted pursuant to sub-section (d) of N.J.S.A. § 40A:12A-5. See ¶ 38, *supra*.

75. For example, the blight study cites pictures of insubstantial amounts of litter (and the existence of a stray cat) on what it refers to as lots 3.01 and lots 4.01. But, as explained above, because the properties are mislabeled in the blight study, the litter (and the stray cat) is actually on the property behind lots 3.01 and 4.01, which is not owned by Luis and not part of the study area.

76. Even so, the amount of litter present was so insubstantial that it would not cause a detriment to the safety or health of the community, and the blight study points to no evidence that it does.

77. The blight study also cites the amount of building and pavement coverage at Quick Tire & Auto and similarly concluded that so much impervious surface “increases the rate of runoff that discharges from a site.” But the blight study again does not point to any instance of water runoff from the property causing a detriment to the community, and it confirms that this property also sits in an area of minimal flood hazard. Moreover, the local zoning code would allow a property to be built on this same site today with essentially the same impervious coverage.

78. The blight study cites the insufficient setback of Quick Tire & Auto’s public service bays from the public right of way, and claims that the setup is a faulty design, detrimental to the safety, health, morals, or welfare of the community. But the blight study does not point to any incidents resulting from traffic to the service bays and otherwise fails to show how the design of the service bays causes a detriment to the community.

79. The blight study also does not account for the fact that Quick Tire & Auto has a driveway that provides access to the rear of the building, or that the service bays at Quick Tire & Auto are designed to be accessed from the *rear* of the building, allowing cars to *exit* from the bays, which minimizes any impact to traffic.

80. Indeed, while the blight study cites police incidents at the Quick Tire & Auto address, none relate to the design or configuration of the building, and none relate to the condition of the property, to Luis, or to any of his employees. In fact, most are related to incidents at the convenience store across the street.

81. Even if the police incidents listed in the blight study were related to Honey's or Luis's properties (and they are not), the incidents are insubstantial. Neighboring businesses—like a 7-11 at 255 Smith Street or a Dunkin at 482 Smith Street—received far more police calls in the same period, but neither location is included in the blight study's purportedly blighted area.

82. There has never been a motor vehicle accident caused by Quick Tire & Auto's employees, their customers, or their operations.

83. There has never been an impact to pedestrian safety either. Luis's employees ensure that they are careful when pulling out onto Smith Street, and customers have always been able to use the sidewalk in front of the shop.

84. The blight study does not provide any evidence to suggest that Luis's business creates traffic or pedestrian-safety problems. Instead, it provides a single photograph of a single vehicle belonging to one of Luis's customers blocking the sidewalk. It provides no reason to believe that this is a recurring problem. It at most shows that one car, on one day, blocked the sidewalk at least long enough to take a picture. That problem—like the litter and other transitory problems identified by the blight study—does not require the invocation of the state's power of eminent domain. It can be fixed by moving the car.

85. Moreover, the setback at Quick Tire & Auto is consistent with that of many other businesses in the area that have not been designated as blighted.

86. To the extent the blight study even discusses the physical condition of the properties, it does not suggest (nor could it) that these conditions are unlawful. It does not assert (nor could it) that any condition of the property differs substantially from other buildings in Perth Amboy. It does not assert (nor could it) that any condition of the property has ever caused any danger to surrounding properties or the people of Perth Amboy. It does not assert that the properties have ever received so much as a code violation from the city of Perth Amboy.

87. Applying the blight statute in this manner would mean that many other homes and businesses in the area could be blighted and subject to taking by eminent domain. Many other homes and businesses have things like cars parked out front, minimal amounts of litter, and non-conforming setbacks.

88. Finally, the blight study says that both properties qualify for a blight designation pursuant to sub-section (h) of the statutory criteria, which allows for designation of an area as blighted when it is “consistent with smart growth planning principles adopted pursuant to law or regulation.” N.J.S.A. § 40A:12A-5(h). But the blight study points to no such planning principles adopted pursuant to law or regulation nor does it explain what “smart growth planning principles” are.

89. There is no New Jersey statute or regulation defining “smart growth planning principles,” and the term does not appear in Perth Amboy’s municipal code. Despite that, the city’s blight study designated both Honey’s and Luis’s property as blighted consistent with these as yet undefined, amorphous “principles.”

90. In sum, the blight study designated both Honey’s property and Luis’s business as blighted based on information that is factually inaccurate, conditions that are inherently transitory (like stray

cats), without evidence of causation, and based on a broad interpretation of statutory criteria that would, if permitted, apply to most of the entire city of Perth Amboy.

The Blight Designation

91. The Planning Board held a meeting on March 5, 2025, wherein pursuant to the blight study, it voted to recommend to the City Council that the study area, including Honey and Luis's properties, be designated as blighted.

92. Honey spoke at the Planning Board meeting, as did a few supporters, explaining that her property is in good condition, that she has done upgrades, and that if the City were to take the property, four families would essentially be left homeless.

93. Luis also spoke to the Planning Board at the March 5 meeting. He pleaded with them not to condemn his property, explaining he operates a successful business, employs six people, and keeps the property in good condition.

94. One member of the City Council even showed support for Honey and Luis. Through a statement, Councilwoman Hailey Cruz said "I've been to that area, specifically to the tire shop. I don't think the business is detrimental to the safety, health or morals of the community. I don't think it was unsafe. Even the multi-family homeowner, I see they did make improvements on the home."

95. The Planning Board was not persuaded, and at the end of the meeting, they voted to recommend to the City Council that they designate Luis and Honey's properties as blighted.

96. The City Council held a meeting on April 17, 2025, to vote on the designation. Members of the public, including Honey, Luis, and many others supporting them, were present.

97. Honey again spoke and pleaded with the City to let her know what she could do to keep her property. The City did not respond and has not since responded.

98. Luis again asked the City Council to reconsider. He asked what he could do to save his property, even offering to paint the façade if it would look more appealing to the City. The City Council did not—at that meeting, or ever—tell Luis what it was about the condition of his property that made it blighted.

99. Community planning consultant Peter Steck also testified and provided a written report (attached as Exhibit A). That testimony and report detailed the various flaws in the blight study that destroy its credibility and eliminate any basis for declaring this area blighted.

100. A crowd of citizens came to oppose the blight designation and support the property owners, and the city council responded by going into an hours-long closed executive session. The city council meeting did not begin until 10:35, by which point most members of the public had gone home.

101. Despite the outpouring of public support for Honey and Luis, the City Council decided by a vote of 4-1 (with Councilwoman Cruz being the lone ‘no’ vote), to adopt the blight designation.

102. The City now intends to use its eminent domain power to take Honey’s property and Luis’s business for redevelopment, displacing Honey’s tenants, leaving Luis and his employees jobless, and leaving both Honey and Luis without property that they’d hoped to leave to future generations.

HARM TO PLAINTIFFS

103. Plaintiffs each have constitutionally protected property interests in challenging the City’s blight designation, because it authorizes Perth Amboy to exercise its eminent domain power.

104. Plaintiffs fear that they will be forced to sell their property or otherwise relocate against their will.

105. The uncertainties created by the blight designation make it difficult for Honey, her tenants, Luis, his employees, and his business partners to make long-term plans.

106. Honey and Dina have invested over \$150,000 in maintenance and upgrades to their property over the last decade. They would not have invested such a substantial sum of money if they thought Perth Amboy would nonetheless designate the home as blighted and try to take their property.

107. If Honey is forced to sell her property, she will lose the money she earns from renting the property to the four tenant families. Her tenants, with whom she has long-term relationships, will be displaced.

108. Honey's tenants do not own vehicles, so they all walk to work. They rely on the home and its proximity to their jobs. If they are forced to leave, they may lose their income as well.

109. For Honey, the home is more than just a piece of property or a source of income. It is a symbol of the work she has done to become financially independent and provide a life for her children. She sees the home as her American Dream and wants to leave the home as a legacy for her children. She does not want to sell.

110. Likewise, Luis has invested his time and money in his business since he took over ownership in 2004. He would not have invested such substantial sums of money if he knew that Perth Amboy would nonetheless designate his property as blighted.

111. If Luis is forced to sell his business, his employees will lose their jobs. Some of these men have been with Luis for twenty years. Luis will lose the equity the property has built up over the years, and his dream of keeping the property in the family.

112. Like Honey, Luis sees Quick Tire & Auto as more than just a business or a source of income. It is a symbol of his hard work and success over the years, and a tribute to his father's hard work. He is proud of the business and the building and does not want to sell or relocate.

113. Luis wants to improve his property, but he is hesitant to invest more of his hard-earned money into those improvements because of the threat of eminent domain hanging over the business. For example, he would like to put a new roof on the building and add an additional covered bay, but will not do so if the City is going to take it.

114. Plaintiffs are currently living in fear and uncertainty. Like all property and business owners, they need to plan for the future, but it is impossible to do so with the threat of eminent domain hanging over their heads. This uncertainty is causing both Honey and Luis real emotional distress and anxiety and has resulted in a significant loss of time spent consulting attorneys, attending city council meetings, marshalling community support, and otherwise taking actions to avoid the possibility that Perth Amboy will take their properties.

CLAIMS

COUNT I: THE CITY DESIGNATED PLAINTIFFS' PROPERTIES AS BLIGHTED WITHOUT SUBSTANTIAL CREDIBLE EVIDENCE, IN VIOLATION OF THE LAND REDEVELOPMENT AND HOUSING LAW

115. Plaintiffs re-allege and incorporate by reference the allegations contained in Paragraphs 1-114.

116. To designate an area as blighted under N.J.S.A. § 40A:12A-5 of the LRHL, a governing body must show substantial credible evidence of the applicable statutory criteria.

117. For example, a designation of blight pursuant to N.J.S.A. § 40A:12A-5(c) requires a showing of substantial credible evidence that, “by reason of its location, remoteness, lack of means of access to developed sections or portions of the municipality, or topography, or nature of the soil,” a city-owned property “is not likely to be developed through the instrumentality of private capital.”

118. A designation of blight pursuant to N.J.S.A. § 40A:12A-5(d) requires substantial credible evidence of conditions of the property such as “dilapidation,” “obsolescence,” “overcrowding,” or “faulty arrangement or design.”

119. A designation of blight pursuant to N.J.S.A. § 40A:12A-5(d) also requires a showing of substantial credible evidence that *by reason of these* aforementioned conditions, the property is “detrimental to the safety, health, morals, or welfare of the community.” In other words, a municipality must show evidence of actual detriment or harm.

120. A designation of blight pursuant to N.J.S.A. § 40A:12A-5(h) requires a showing of substantial evidence that “the designation of the delineated area is consistent with smart growth planning principles adopted pursuant to law or regulation.”

121. Perth Amboy lacked substantial credible evidence of any of the applicable statutory criteria when it designated Plaintiffs’ properties as blighted pursuant to the LRHL, because the City relied on a blight study that failed to provide that evidence.

122. The blight study’s reference to City-owned lots unable to be developed is based on factually inaccurate information in the blight study and cannot be relied on as substantial

evidence to support a blight designation pursuant to Sections 40A:12A-5(c) or 40A:12A-3 of the LRHL.

123. The blight study's reference to transitory conditions like de minimis amounts of litter and feral cats on or near Plaintiffs' properties cannot be relied on as substantial evidence to support a blight designation pursuant to § 40A:12A-5(d). Such a broad interpretation of the statute would essentially grant the City Council unfettered discretion to designate any property in Perth Amboy as blighted.

124. The blight study's reference to legal, non-conforming zoning conditions such as setbacks and amount of impervious surface area on Plaintiffs' properties cannot be relied on as substantial evidence of "faulty arrangement or design" sufficient to support a blight designation pursuant to § 40A:12A-5(d). Such a broad interpretation of the statute would essentially grant the City Council unfettered discretion to designate all legally non-conforming properties in Perth Amboy as blighted.

125. Moreover, the blight study contains no substantial, credible evidence showing *how* the supposed conditions on Plaintiffs properties are detrimental to the safety, health, morals, or welfare of the community. In fact, aside from a mere recitation of the statutory language, the blight study does not comment on the safety, health, morals, or welfare of the community at all. This mere recitation of magic words cannot be relied on to establish a blight designation pursuant to Section 40A:12A-5(d) of the LRHL.

126. The blight study also contains no substantial, credible evidence of actual detriment or harm because of the conditions of these properties.

127. The blight study also contains no substantial credible evidence showing that designating Plaintiffs' properties as blighted is consistent with smart growth planning principles adopted pursuant to law or regulation sufficient to support a blight designation pursuant to N.J.S.A. § 40A:12A-5(h) of the LRHL. The blight study references no "law or regulation" enacting "smart growth planning principles," and does not show how designation of these properties is consistent with that law or regulation.

128. Upon information and belief, there is no New Jersey law or regulation, or Perth Amboy code provision enacting "smart growth planning principles." It is impossible to have substantial credible evidence that a blight designation is consistent with a non-existent law. The blight study's reference to sub-section (h) cannot, therefore, be relied on to establish a blight designation pursuant to Section 40A:12A-5(h) of the LRHL.

129. Because nothing in the City's blight study can be relied upon as substantial credible evidence of blight, the City blighted Plaintiffs' properties and the surrounding area without substantial credible evidence of any of the statutory criteria, in violation of the LRHL.

130. Plaintiffs do not want the cloud of a blight determination hanging over their property, nor do they want their properties taken through eminent domain.

131. Unless Resolution R-169-4/25 and its accompanying blight designation, set forth above, are declared in violation of New Jersey law and permanently vacated, Plaintiffs will continue to suffer great and irreparable harm.

**COUNT II: THE CITY'S DESIGNATION OF PLAINTIFFS' PROPERTIES AS BLIGHTED
WITHOUT SUBSTANTIAL CREDIBLE EVIDENCE VIOLATES THE BLIGHTED AREAS
CLAUSE OF THE NEW JERSEY CONSTITUTION**

132. Plaintiffs re-allege and incorporate by reference all of the allegations contained in Paragraphs 1–114.

133. The Blighted Areas Clause of the New Jersey Constitution allows municipalities to use their eminent domain power to acquire and redevelop blighted areas. N.J. Const. art. VIII, § 3, ¶ 1.

134. Plaintiffs' properties, however, are not blighted and the area surrounding them is not a "blighted area" within the meaning of the Blighted Areas Clause. Therefore, the attempt by Perth Amboy to designate them as such is an impermissible attempt to use the City's eminent domain power in violation of the New Jersey Constitution.

135. In designating Plaintiffs' properties as blighted, Perth Amboy relied on a broad and flimsy interpretation of the term blight as defined by the LRHL, to include things like de minimis amounts of litter, a feral cat, and legal but non-conforming property conditions.

136. Such an interpretation is arbitrary and capricious, because it would render virtually any property in Perth Amboy blighted, which goes beyond the meaning of blight in the New Jersey Constitution.

137. Plaintiffs do not want the cloud of a blight determination hanging over their property, nor do they want their properties taken through eminent domain.

138. Unless Resolution R-169-4/25 and its accompanying blight designation, set forth above, are declared in violation of the New Jersey Constitution and permanently enjoined as applied to Plaintiffs' properties, Plaintiffs will continue to suffer great and irreparable harm.

**COUNT III: THE CITY'S DESIGNATION OF PLAINTIFFS' PROPERTIES AS BLIGHTED
VIOLATES THE FIFTH AMENDMENT OF THE U.S. CONSTITUTION**

139. Plaintiffs re-allege and incorporate by reference all of the allegations contained in Paragraphs 1–114.

140. The Fifth Amendment of the United States Constitution (incorporated to the states by the Fourteenth Amendment) provides that private property shall only be taken via eminent domain for public use.

141. Acquiring Plaintiffs' properties for private redevelopment as part of the Gateway project and handing them over to a private developer is not a public use.

142. Upon information and belief, it is not Perth Amboy's primary purpose to remediate blight, but to transfer Plaintiffs' properties to private parties for a private use.

143. Upon information and belief, and given the inaccuracies and legal errors in the blight study, the elimination of blight on Plaintiffs' properties is being used as a pretext to hand these properties over to a private developer as part of an already underway private development project.

144. Thus, Perth Amboy wishes to take Plaintiffs' properties via eminent domain for a private purpose, in violation of the Constitution.

145. Plaintiffs do not want the cloud of a blight determination hanging over their property, nor do they want their properties taken through eminent domain.

146. Unless Resolution R-169-4/25 and its accompanying blight designation, set forth above, are declared in violation of the United States Constitution and permanently enjoined as applied to Plaintiffs' properties, Plaintiffs will continue to suffer great and irreparable harm.

REQUEST FOR RELIEF

Plaintiffs respectfully request that the Court grant the following relief:

A. A declaratory judgment that Perth Amboy's designation of the area as blighted pursuant to Resolution R-169-4/25 is invalid as a violation of the Local Housing and Redevelopment Law.

B. A declaratory judgment that, as applied to Plaintiffs, Perth Amboy's designation of their properties as blighted pursuant to Resolution R-169-4/25 is invalid as a violation of the New Jersey Constitution.

C. A declaratory judgment that, as applied to Plaintiffs, Perth Amboy's designation of their properties as blighted pursuant to Resolution R-169-4/25 is invalid as a violation of the U.S. Constitution.

D. A preliminary and permanent injunction prohibiting Defendants from enforcing Resolution R-169-4/25 against Plaintiffs and their properties and preventing the City from moving forward with condemnation using eminent domain.

E. Reasonable costs and attorneys' fees; and

F. Such other legal or equitable relief as this Court may deem appropriate and just.

Dated: 6/11/2025

Respectfully submitted,

Joseph W. Grather, Esq. (ID 004831999)
McKirdy, Riskin, Olson, & DellaPelle, P.C.
201 Littleton Rd. Suite 135
Morris Plains, NJ 07950
973-539-8900 (T)
973-539-8900 (F)
Local Counsel for Plaintiffs

Robert McNamara, Esq.(VA Bar. No. 73208)*
Bobbi M. Taylor, Esq. (435162023)
Institute for Justice
901 N. Glebe Road, Suite 900

Arlington, VA 22203
Phone: (703) 682-9320
Fax: (703) 682-9321
rmacnamara@ij.org
btaylor@ij.org

**Lead Counsel for Plaintiffs; Application for
Admission Pro Hac Vice to be filed*