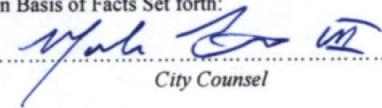


ORDINANCE OF THE CITY OF EAST ORANGE, NEW JERSEY

1ST Reading: 9, 8, 14
Public Hearing: 10, 14, 14
2nd Reading & Adoption: 10, 14, 14

Referred to Planning Board: ____/____/____
Received from Planning Board: ____/____/____

Approved as to Formal and Legality
On Basis of Facts Set forth:

.....
City Counsel

Factual Contents Certified to By:

.....
Department Head

Appropriations:

.....
Comptroller

Tabled: ____/____/____

Removed From Table: ____/____/____

Councilman/ Councilwoman COOPER / JOHNSON

Presents the following Ordinance:

ORDINANCE NO. 27 OF 2014

AN ORDINANCE TO REPEAL AND REPLACE THE CODE OF THE CITY OF EAST ORANGE, ARTICLE XXIV, "ABANDONED PROPERTY DESIGNATION PROGRAM" (ADOPTED 12-08-2008 AS ORD. 23 OF 2008) AND TO ESTABLISH MAINTENANCE REQUIREMENTS FOR VACANT PROPERTIES

WHEREAS, the City of East Orange contains numerous structures that are vacant and abandoned in whole or large part; and

WHEREAS, in many cases the owners or other responsible parties of the structures are neglectful of them, are not maintaining or securing them to an adequate standard, or restoring them to productive use; and

WHEREAS, it has been established that vacant and abandoned structures cause severe harm to the health, safety and general welfare of the community, including diminution of neighboring property values, increased risk of fire, and potential increases in criminal activity and public health risk; and

WHEREAS, it is in the public interest for the City of East Orange to establish minimum standards of accountability on the owners or other responsible parties of vacant and abandoned structures in order to protect the health, safety and general welfare of the residents of the City of East Orange; and

WHEREAS, it is in the public interest for the City of East Orange to impose a fee in conjunction with a registration ordinance for vacant and abandoned structures in light of the disproportionate costs imposed on the City by the presence of these structures; and

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of East Orange that Chapter 159 of the Municipal Code is amended and supplemented as follows:

SECTION 1. Article XXIV "Abandoned Property Designation Program" is repealed and replaced by the following:

ARTICLE XXIV

ABANDONED PROPERTY DESIGNATION PROGRAM

§ 159-206. Definitions.

A. "Abandoned Property" shall mean any property that is determined to be abandoned pursuant to P.L. 2003, c. 210 (N.J.S.A. 55:19-78 et al.) as follows:

1. Property must not have been legally occupied for six (6) months and must meet any one of the following criteria:

- i. Property is in need of rehabilitation in the reasonable judgment of the public officer, and no rehabilitation has taken place during that six (6) month period.
- ii. Construction was initiated and discontinued prior to completion, leaving the building unsuitable for occupancy, and no construction has taken place for at least six (6) months as of the date of determination that the building is abandoned.
- iii. At least one (1) installment of property tax remains unpaid and delinquent as of the date of determination.
- iv. The property has been determined to be a nuisance by the public officer as defined in this section.

2. **Exceptions to abandoned property.**

- i. A property on which an entity other than the municipality holds a tax sale certificate is not deemed to be abandoned if the owner of the certificate (1) continues to pay all municipal taxes and liens when due; and (2) initiates foreclosure proceedings within six (6) months after the property is eligible for foreclosure.
- ii. A property used on a seasonal basis is deemed to be abandoned only if it meets any two of the criteria listed in paragraphs (A)(1)(i) through (iv) above.

B. "City" shall mean the City of East Orange.

C. "Department" shall mean the New Jersey Department of Community Affairs.

D. "Lien holder or mortgage holder" shall mean any person or entity holding a note, mortgage or other interest secured by the building or any part thereof.

E. "Nuisance" shall mean any property that is determined by the public officer to be a nuisance if any one of the following applies:

1. The property is found to be unfit for human habitation, occupancy or use pursuant to N.J.S.A. 40:48-2.3.
2. The condition and vacancy of the property materially increases the risk of fire to the property and adjacent properties.
3. The property is subject to unauthorized entry leading to potential health and safety hazards; the owner has failed to take reasonable and necessary measures to secure the property; or the municipality has secured the property in order to prevent such hazards after the owner has failed to do so.
4. The presence of vermin or the accumulation of debris, uncut vegetation or physical deterioration of the structure or grounds have created potential health

and safety hazards and the owner has failed to take reasonable and necessary measures to remove the hazards; or

5. The dilapidated appearance or other condition of the property materially affects including the economic welfare, of the residents of the area in close proximity to the property, and the owner has failed to take reasonable and necessary measures to remedy the conditions.

F. "Owner" shall mean the holder or holders of title to an abandoned property.

G. "Public Officer" shall mean the Director of Property Maintenance or any designees of the Director of Property Maintenance.

H. "Qualified rehabilitation entity" shall mean an entity organized or authorized to do business under the New Jersey statutes which shall have as one of its purposes the construction or rehabilitation of residential or nonresidential buildings, the provision of affordable housing, the restoration of abandoned property, the revitalization and improvement of urban neighborhoods, or similar purpose, and which shall be well qualified by virtue of its staff, professional consultants, financial resources, and prior activities set forth in P.L. 2003, c. 10 (N.J.S.A. 55-19-78 et al.) to carry out the rehabilitation of vacant buildings in urban areas.

§ 159-207. Designation and Power of Public Officer.

The Public Officer is hereby directed to identify abandoned properties within the municipality, place said properties on an abandoned property list, established as provided in Section 36 of P.L. 1996, c. 62 (N.J.S.A. 55:19-55), as amended by P.L. 2003, c. 210, § 28, effective January 8, 2004; P.L. 2005, c. 118, § 1, effective June 29, 2005; P.L. 2006, c. 24, § 4, effective June 22, 2006, and provide such notices and carry out such other tasks as are required to effectuate an abandoned property list as provided by law.

§ 159-208. Abandoned property report.

The Public Officer shall provide a report to the Mayor, City Administrator and governing body every six months with respect to the number and location of properties on the abandoned property list, the status of those properties, and any actions taken by the municipality or by any qualified rehabilitation entity, designated pursuant to the authority granted the Public Officer, with respect to any property on the list or any other abandoned property within the City of East Orange.

§ 159-209. Establishment and Updates to abandoned property list.

The Public Officer shall establish the abandoned property list or any additions thereto by publication in the official newspaper of the City of East Orange, which publication shall constitute public notice and, within ten (10) days after publication, shall send a notice, by certified mail, return receipt requested, and by regular mail, to the owner of record of every property included on the list. The published and mailed notices shall identify property determined to be abandoned setting forth the owner of record, if known, the tax lot and block number and street address. The Public Officer, in consultation with the Tax Collector, shall also send out a notice by regular mail to any mortgagee, servicing organization, or property tax processing organization that receives a duplicate copy of the tax bill pursuant to subsection d. of N.J.S.A. 54:4-64. When the owner of record is not known for a particular property and cannot be ascertained by the exercise of reasonable diligence by the Tax Collector, notice shall

not be mailed but instead shall be posted on the property in the manner as provided in section 5 of P.L. 1942, c. 112 (N.J.S.A. 40:48-2.7). The mailed notice shall indicate the factual basis for the public officer's finding that the property is abandoned property as that term is defined in section 35 of P.L. 1996, c. 62 (N.J.S.A. 55:19-54) and the rules and regulations promulgated thereunder, specifying the information relied upon in making such finding. In all cases a copy of the mailed or posted notice shall also be filed by the Public Officer in the office of the Essex County Clerk or Register of Deeds and Mortgages. This filing shall have the same force and effect as a notice of lis pendens under N.J.S.A. 2A:15-6. The notice shall be indexed by the name of the property owner as defendant and the name of the City as plaintiff, as though an action had been commenced by the City against the owner.

§ 159-210. Appeals of Abandoned Property List Inclusion.

- A.** An owner or lienholder may challenge the inclusion of his or her property on the abandoned property list by appealing that determination to the Public Officer within thirty (30) days of the owner's receipt of the certified notice or forty (40) days from the date upon which the notice was sent. An owner whose identity was not known to the Public Officer shall have forty (40) days from the date upon which notice was published or posted, whichever is later, to challenge the inclusion of a property on the abandoned property list. For good cause shown, the Public Officer shall accept a late filing of an appeal. Within thirty (30) days of receipt of a request for an appeal of the findings contained in the notice pursuant to § 159-209, the Public Officer shall schedule a hearing for redetermination of the matter. Any property included on the list shall be presumed to be abandoned property unless the owner, through the submission of an affidavit or certification by the property owner averring that the property is not abandoned and stating the reasons for such averment, can demonstrate that the property was erroneously included on the list. The affidavit or certification shall be accompanied by supporting documentation, such as but not limited to photographs, repair invoices, bills and construction contracts. The sole ground for appeal shall be that the property in question is not abandoned property as that term is defined in section 35 of P.L. 1996, c. 62 (N.J.S.A. 55:19-54). The Public Officer shall decide any timely filed appeal within ten (10) days of the hearing on the appeal and shall promptly, by certified mail, return receipt requested, and by regular mail, notify the property owner of the decision and the reasons therefor.
- B.** The property owner may challenge an adverse determination of an appeal with the Public Officer pursuant to § 159-210(A), by instituting, in accordance with the New Jersey Court Rules, a summary proceeding in the Superior Court, Law Division, sitting in Essex County, which action shall be tried de novo. Such action shall be instituted within twenty (20) days of the date of the notice of decision mailed by the Public Officer pursuant to subsection A of this section. The sole ground for appeal shall be that the property in question is not abandoned property as that term is defined in section 35 of P.L. 1996, c. 62 (N.J.S.A. 55:19-54). The failure to institute an action of appeal on a timely basis shall constitute a jurisdictional bar to challenging the adverse determination, except that, for good cause shown, the court may extend the deadline for instituting the action.
- C.** The Public Officer shall promptly remove any property from the abandoned property list that has been determined not to be abandoned on appeal.
- D.** The abandoned property list shall become effective, and the City of East Orange shall have the right to pursue any legal remedy with respect to properties on the abandoned property list at such time as any one property has been placed on the list in accordance

with the provisions of this section, upon the expiration of the period for appeal with respect to the property or upon the denial of an appeal brought by the property owner.

§ 159-211. Sale of tax lien.

- A. Notwithstanding N.J.S.A. 54:5-19 or the provisions of any other law to the contrary, if a property is included on the abandoned property list and the property taxes or other municipal liens due on the property are delinquent six (6) or more quarters as of the date of expiration of the right to appeal inclusion on the list, or, if an appeal has been filed, as of the date that all opportunities for appeal of inclusion on the list have been exhausted, then the tax lien on the property may be sold in accordance with the procedures in the "tax sale law," N.J.S.A. 54:5-1 et seq., on or after the 90th day following the expiration of that time of appeal or final determination on an appeal, as appropriate. The City of East Orange may, at its option, require that the sale of the tax sale certificate or any subsequent assignment or transfer of a tax sale certificate held by the City be subject to the express condition that the purchaser or assignee shall be obliged to perform and conclude any rehabilitation or repairs necessary to remove the property from the abandoned property list pursuant to section 36 of P.L. 1996, c. 62 (N.J.S.A. 55:19-55) and to post a bond in favor of the municipality to guarantee the rehabilitation or repair of the property. The public officer may waive a requirement to post a bond imposed by a municipality for any purchaser, assignee or transferee of a tax sale certificate that provides documentation acceptable to the public officer that the purchaser, assignee or transferee is a qualified rehabilitation entity as defined in section 3 of P.L. 2003, c. 210 (N.J.S.A. 55:19-80). The cost of rehabilitation and repairs and the cost of the bond shall be added to the amount required to be paid by the owner for redemption of the property. The purchaser, assignee or transferee of the tax sale certificate who is required to rehabilitate and repair the property shall be required to file the appropriate affidavits with the tax collector, pursuant to N.J.S.A. 54:5-62, representing the amounts of moneys expended periodically toward the rehabilitation or repair of the property. A purchaser, assignee or transferee shall be entitled to interest on the amounts expended, as set forth in the affidavits, at the delinquent rate of interest for delinquencies in excess of one thousand five hundred (\$1,500) dollars pursuant to N.J.S.A. 54:4-67 of the City of East Orange in effect for the time period when the amounts were expended. The tax sale certificate purchaser, assignee or transferee, under the auspices and with the authority of the City of East Orange, shall be permitted to enter in and upon the property for the purposes of appraising the costs of rehabilitation and repair and to perform all other acts required to guarantee the completion of the rehabilitation or repair of the property. No rehabilitation or repair work shall be commenced, however, until proof of adequate liability insurance and an indemnification agreement holding the City of East Orange harmless is filed with the public officer. If the tax sale certificate is not purchased at the initial auction of the tax sale certificate and the municipality purchases the certificate pursuant to N.J.S.A. 54:5-34, then the City of East Orange is authorized and empowered to convey and transfer to the New Jersey Redevelopment Authority or any of its subsidiaries, without receiving compensation therefor, all of its right, title and interest in that certificate; however, any portion of the amount paid to the Tax Collector to redeem the tax sale certificate that represents tax or other municipal lien delinquencies and subsequent municipal liens, including interest, shall be returned by the Tax Collector to the City of East Orange.

B. (1) If the City of East Orange or the New Jersey Redevelopment Authority or its subsidiaries acquires the tax sale certificate for a property on the abandoned property list, then, upon ten (10) days' written notice to the property owner and any mortgagee as of the date of the filing of the lis pendens notice under subsection d. of section 36 of P.L. 1996, c. 62 (N.J.S.A. 55:19-55), that entity shall be permitted to enter upon the property and remediate any conditions that caused the property to be included on the abandoned property list. No remediation shall be commenced, however, if within that 10-day period the owner or mortgagee shall have notified the City of East Orange or the New Jersey Redevelopment Authority or its subsidiary, as appropriate, in writing that the owner or mortgagee has elected to perform the remediation itself. When the owner or mortgagee elects to perform the remediation itself, it shall be required to post bond in favor of the City of East Orange or the New Jersey Redevelopment Authority or its subsidiaries, as appropriate, in order to ensure performance. The amount and conditions of the bond shall be determined by the Public Officer.

(2) The cost of remediation incurred by the City of East Orange or the New Jersey Redevelopment Authority or its subsidiaries pursuant to this subsection, as so certified by the entity incurring the cost upon completion of the remediation, shall constitute a lien upon the property first in time and right to any other lien, whether the other lien was filed prior to, or after the filing of any lien by the municipality or the New Jersey Redevelopment Authority, except for municipal taxes, liens and assessments and any lien imposed pursuant to the "Spill Compensation and Control Act," P.L. 1976, c. 141 (N.J.S.A. 58:10-23.11 et seq.), together with any interest thereon. The certification of cost shall be filed and recorded as a lien by the entity incurring the cost with the county clerk or register of deeds and mortgages, as appropriate, in the county in which the property is located.

C. (1) Failure of an owner or lienholder to remove a property from the abandoned property list within the period of time for appeal of inclusion of the property on the list pursuant to subsection e. of section 36 of P.L. 1996, c. 62 (N.J.S.A. 55:19-55), shall be prima facie evidence of the intent of the owner to continue to maintain the property as abandoned property.

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

§ 159-212. Removal of property from list of abandoned properties; remediation.

A. An owner may remove a property from the list of abandoned properties prior to sale of the tax sale certificate by paying all taxes and municipal liens due, including interest and penalties and:

1. by posting a certified check, money order, or a bond equal to the cost of remediating all conditions because of which the property has been determined to be abandoned pursuant to section 36 of P.L. 1996, c. 62 (N.J.S.A. 55:19-55) and posting a certified check, money order, or a bond to cover the cost of any environmental cleanup required on the property, evidenced by a certification by a licensed engineer retained by the owner and reviewed and approved by the public officer stating that the certified check, money order, or bond adequately covers the cost of the cleanup; or

2. by demonstrating to the satisfaction of the Public Officer that the conditions rendering the property abandoned have been remediated in full; provided, however, that where the Public Officer finds that the owner is actively engaged in remediating the conditions because of which the property was determined to be abandoned pursuant to section 36 of P.L. 1996, c. 62 (N.J.S.A. 55:19-55), as evidenced by significant rehabilitation activity on the property, the Public Officer may grant an extension of time of not more than 120 days for the owner to complete all work, during which time no further proceedings will be taken against the owner or the property.

B. If the owner has posted a certified check, money order, or a bond in order to have a property removed from the abandoned property list and the conditions because of which the property was determined to be abandoned have not been fully remediated within one year of the date of posting a certified check, money order or bond, or, in the case of a property which requires a remediation of any known, suspected or threatened release of contaminants, if the owner has failed to enter into a memorandum of agreement with the Department of Environmental Protection or an administrative consent order, as the case may be, or if an agreement or order is in effect but the owner has failed to perform the remediation in conformance with the agreement or order, then the cash or bond shall be forfeited to the municipality which shall use the a certified check, money order, or bond and any interest which has accrued thereon for the purpose of demolishing or rehabilitating the property or performing the environmental remediation. Any funds remaining after the property has been demolished, rehabilitated or cleaned up shall be returned to the owner.

§ 159-213. Acquisition of tax sale certificate for abandoned property; action to foreclose right of redemption.

- A. When a person other than the City of East Orange or the New Jersey Redevelopment Authority or its subsidiaries acquires a tax sale certificate for a property on the abandoned property list at tax sale, the purchaser may institute an action to foreclose the right of redemption at any time after the expiration of six months following the date of the sale of the tax sale certificate.
- B. Notwithstanding section 6 of P.L. 1948, c. 96 (N.J.S.A. 54:5-104.34), when the City of East Orange is the purchaser at tax sale of any property on the abandoned property list pursuant to N.J.S.A. 54:5-34, or when the New Jersey Redevelopment Authority or any of its subsidiaries acquires the tax sale certificate pursuant to subsection a. of section 37 of P.L. 1996, c. 62 (N.J.S.A. 55:19-56), an action to foreclose the right of redemption may be instituted in accordance with the provisions of subsection b. of N.J.S.A. 54:5-77.
- C. After the foreclosure action is instituted, the right to redeem shall exist and continue to exist until barred by the judgment of the Superior Court; provided, however, that no redemption shall be permitted except where the owner:
1. posts a certified check, money order, or a bond equal to the cost of remediating the conditions because of which the property was determined to be abandoned pursuant to section 36 of P.L. 1996, c. 62 (N.J.S.A. 55:19-55), as determined by the court; or
 2. demonstrates to the court that the conditions because of which the property was determined to be abandoned pursuant to section 36 of P.L. 1996, c. 62 (N.J.S.A. 55:19-55) have been remedied in full.

§ 159-214. Entry of final judgment barring right of redemption; grounds for reopening judgment.

Once a final judgment barring the right of redemption with respect to a property on the list of abandoned properties has been recorded, no court shall reopen such judgment at any time except on the grounds of lack of jurisdiction or fraud in the conduct of the action; in any such proceeding, the provisions of P.L.1996, c. 62 (N.J.S.A. 55:19-20 et al.) shall be construed liberally in favor of the purchaser, assignee or transferee of the tax sale certificate.

§ 159-215. Property Deemed not Abandoned; Criteria; Certification of Abandonment Provided Upon Request.

- A. If an entity other than the City of East Orange has purchased or taken assignment from the City of a tax sale certificate on a property that has not been legally occupied for a period of six (6) months, that property shall not be placed on the abandoned property list pursuant to section 36 of P.L. 1996, c. 62 (N.J.S.A. 55:19-55) if (1) the owner of the certificate has continued to pay all City of East Orange taxes and liens on the property in the tax year when due; and (2) the owner of the certificate takes action to initiate foreclosure proceedings within six (6) months after the property is eligible for foreclosure pursuant to either subsection a. or subsection b. of N.J.S.A. 54:5-86, as appropriate, and diligently pursues foreclosure proceedings in a timely fashion thereafter.
- B. A property which is used on a seasonal basis shall be deemed to be abandoned only if the property meets any two (2) of the additional criteria set forth in Section 4 of P.L. 2003, c. 210 (N.J.S.A. 55:19-81).
- C. A determination that a property is abandoned property under the provision of P.L. 2003, c. 210 (N.J.S.A. 55:19-78 et al.) shall not constitute a finding that the use of the property has been abandoned for purposes of municipal zoning or land use regulation.
- D. Upon the request of a purchaser or assignee of a tax sale certificate seeking to bar the right of redemption on an abandoned property pursuant to subsection b. of N.J.S.A. 54:5-86, the public officer or the Tax Collector shall, in a timely fashion, provide the requester with a certification that the property fulfills the definition of abandoned according to the criteria set forth in Section 4 and 5 of P.L. 2003, c. 210 (N.J.S.A. 55:19-81 and N.J.S.A. 55:19-82).

§ 159-216. Transfer of Possession and Control of Abandoned Property.

- A. A summary action or otherwise to transfer possession and control of abandoned property in need of rehabilitation to the City of East Orange may be brought by the City of East Orange in the Superior Court in Essex County. If the Court shall find that the property is abandoned pursuant to Section 4 of P.L. 2003, c. 210 (N.J.S.A. 55:19-81) and the owner or party in interest has failed to submit and initiate a rehabilitation plan, then the Court may authorize the City of East Orange to take possession and control of the property and develop a rehabilitation plan.
- B. The City of East Orange granted possession and control may commence and maintain those further proceedings for the conservation, protection or disposal of the property or any part thereof that are required to rehabilitate the property, necessary to recoup the cost and expenses of rehabilitation and for the sale of the property; provided, however, that the Court shall not direct the sale of the property if the owner applies to the Court

for reinstatement of control of the property as provided in Section 15 of P.L. 2001 c. 210 (N.J.S.A. 55:19-92).

- C. Failure by the owner, mortgage holder or lien holder to submit plans for rehabilitation to the City of East Orange, obtain appropriate construction permits for rehabilitation or, in the alternative, submit formal applications for funding the cost of rehabilitation to local, State or Federal agencies providing such funding within that six (6) month period shall be deemed prima facie evidence that the owner has failed to take any action to further the rehabilitation of the property.

§ 159-217. Filing of Complaint; Required Information.

- A. A complaint filed pursuant to Section 7 of P.L. 2003, c. 210 (N.J.S.A. 55:19-84) shall include:
 - 1. Documentation that the property is on the municipal abandoned property list or a certification by the public officer that the property is abandoned; and
 - 2. A statement by an individual holding appropriate professional qualifications that there are sound reasons that the building should be rehabilitated rather than demolished based upon the physical, aesthetic or historical character of the building or the relationship of the building to other buildings and lands within its immediate vicinity.

§ 159-218. Filing of Complaint; Notice Requirements; Entry to Secure, Stabilize, Repair or Inspect the Property.

- A. Within ten (10) days of filing a complaint pursuant to P.L. 2003, c. 210 (N.J.S.A. 55:19-78 et al.), the plaintiff shall file a notice of lis pendens with the County of Essex recording officer.
- B. At least thirty (30) days before filing the complaint, the City of East Orange shall serve a notice of intention to take possession of an abandoned building. The notice shall inform the owner and interested parties that the property has not been legally occupied for six (6) months and of those criteria that led to a determination of abandonment pursuant to Section 4 of P.L. 2002, c. 210 (N.J.S.A. 55:19-81).

The notice shall provide that unless the owner or a party in interest prepares and submits a rehabilitation plan to the appropriate City of East Orange official, the City will seek to gain possession of the building to rehabilitate the property and the associated costs shall be a lien against the property, which may be satisfied by the sale of the property, unless the owner applies to the court for reinstatement of control of the property as provided in Section 16 of P.L. 2003, c. 210 (N.J.S.A. 55:19-92).

After the complaint is filed, the complaint shall be served on the parties in interest in accordance with the New Jersey Rules of Court.

- C. After serving the notice of intent pursuant to subsection (B) of this section, the City of East Orange or its designee may enter upon that property after written notice to the owner by certified mail, return receipt requested, in order to secure, stabilize or repair the property, or in order to inspect the property for purposes of preparing the plan to be submitted to the Court pursuant to Section 12 of P.L. 2003, c. 210 (N.J.S.A. 55:19-89).

§ 159-219. Property Owner, Defense Against Complaint; Requirement.

- A.** Any owner may defend against a complaint filed pursuant to Section 7 of P.L. 2003, c. 210 (N.J.S.A. 55:19-84) by submitting a plan for the rehabilitation and reuse of the property which is the subject of the complaint and by posting a bond equal to one hundred twenty-five (125%) percent of the amount determined by the Public Officer or the Court to be the projected cost of rehabilitation.

Any plan submitted by an owner to defend against a complaint shall be submitted within sixty (60) days after the complaint has been filed, unless the Court provides the owner with an extension of time for good cause shown.

- B.** A plan submitted by an owner pursuant to this section shall include, but not be limited to:
1. A detailed financial feasibility analysis, including documentation of the economic feasibility of the proposed reuse, including operating budgets or resale prices, or both, as appropriate;
 2. A budget for the rehabilitation of the property, including sources and uses of funds, based on the terms and conditions of realistically available financing, including grants and loans;
 3. A timetable for the completion of rehabilitation and reuse of the property, including milestones for performance of major steps leading to and encompassing the rehabilitation and reuse of the property; and
 4. Documentation of the qualifications of the individuals and firms that will be engaged to carry out the planning, design, financial packaging, construction, and marketing or rental of the property.
- C.** The Court shall approve any plan that, in the judgment of the Court, is realistic and likely to result in the expeditious rehabilitation and reuse of the property, which is the subject of the complaint.

If the Court approves the owner's plan, then it may appoint the public officer to act as monitor of the owner's compliance. If the owner fails to carry out any step in the approved plan, then the City may apply to the Court to have the owner's bond forfeited, possession of the building transferred to the City to complete the rehabilitation plan and authorization to use the bond proceeds for rehabilitation of the property.

The owner shall provide quarterly reports to the City on its activities and progress toward rehabilitation and reuse of the property. The owner shall provide those reports to the Court on its activities that the court determines are necessary.

- D.** The Court may reject a plan and bond if it finds that the plan does not represent a realistic and expeditious means of ensuring the rehabilitation of the property or that the owner or his representatives or agents, or both, lack the qualifications, background or other criteria necessary to ensure that the plan will be carried out successfully.

§ 159-220. Owner Unsuccessful in Defending Against Complaint; Mortgage or Lien Holders to be Designated in Possession of Property.

- A. If an owner is unsuccessful in defending against a complaint filed pursuant to Section 7 of P.L. 2003, c. 210 (N.J.S.A. 55:19-84), the mortgage holder or lien holder may seek to be designated in possession of the property by submitting a plan and posting a bond meeting the same conditions as set forth in Section 10 of P.L. 2003, c. 210 (N.J.S.A. 55:19-87). The plan shall be submitted within sixty (60) days after the Court has rejected the owner's plan, unless the Court provides the mortgage holder or lien holder with an extension of time for good cause shown. If the Court approves any such mortgage holder or lien holder's plan, it shall designate that party to be in possession of the property for purposes of ensuring its rehabilitation and reuse and may appoint the public officer to act as monitor of the party's compliance.

The mortgage holder or lien holder, as the case may be, shall provide quarterly reports to the Court and the City on its activities and progress toward rehabilitation and reuse of the property.

If the mortgage holder or lien holder fails to carry out any material step in the approved plan, then the public officer shall notify the Court, which may order the bond forfeit, grant the City possession of the property, and authorize the City to use the proceeds of the bond for rehabilitation of the property.

- B. Any sums incurred or advanced for the purpose of rehabilitating the property by a mortgage holder or lien holder granted possession of a property pursuant to subsection A of this section, including Court costs and reasonable attorney's fees, may be added to the unpaid balance due that mortgage holder or lien holder, with the interest calculated at the same rate set forth in the note or security agreement; or, in the case of a tax lien holder, at the statutory interest rate for subsequent liens.

§ 159-221. City of East Orange to be Designated in Possession of Property; Submission of Plan to Court.

- A. If no mortgage holder or lien holder meets the conditions of Section 11 of P.L. 2003, c. 210 (N.J.S.A. 55:19-88), then the City shall submit a plan to the Court which conforms with the provisions of subsection b. of Section 10 of P.L. 2003, c. 210 (N.J.S.A. 55:19-87). The plan shall designate the entity which shall implement the plan, which may be the City or that entity designated in accordance with the provisions of Section 13 P.L. 2003, c. 210 (N.J.S.A. 55:19-90).
- B. The Court shall grant the City possession of the property if it finds that:
1. The proposed rehabilitation and reuse of the property is appropriate and beneficial;
 2. The City is qualified to undertake the rehabilitation and reuse of the property; and
 3. The plan submitted by the City represents a realistic and timely plan for the rehabilitation and reuse of the property.

C. The City shall take all steps necessary and appropriate to further the rehabilitation and reuse of the property consistent with the plan submitted to the Court. In making its findings pursuant to this subsection, the Court may consult with qualified parties, including the Department of Community Affairs, and, upon request by a party in interest, may hold a hearing on the plan.

D. Where either a redevelopment plan pursuant to P.L. 1992, c. 79 (N.J.S.A. 40A:12-1 et seq.) or a neighborhood revitalization plan pursuant to P.L. 2001, c. 415 (N.J.S.A. 52:27D-490 et seq.) has been adopted or approved by the Department of Community Affairs, as appropriate, encompassing the property which is the subject of a complaint, the Court shall make a further finding that the proposed rehabilitation and reuse of the property are not inconsistent with any provision of either plan.

§ 159-222. The City of East Orange Exercise of Rights to Further Rehabilitation and Reuse of Property; Designation of Qualified Rehabilitation Entity.

The City may exercise its rights under P.L. 2003, c. 210 (N.J.S.A. 55:19-78 et al.) directly, or may designate a qualified rehabilitation entity to act as its designee for the purpose of exercising the City's rights where that designation will further the rehabilitation and reuse of the property consistent with the City's plans and objectives. This designation shall be made by resolution of the Council of the City of East Orange. The City Council may delegate this authority to the Public Officer.

Regardless of whether the City exercises its rights directly or designates a qualified rehabilitation entity pursuant to this section, while in possession of a property pursuant to P.L. 2003, c. 210 (N.J.S.A. 55:19-78 et al.), the City shall maintain, safeguard, and maintain insurance on the property. Notwithstanding the City's possession of the property, nothing in P.L. 2003, c. 210 (N.J.S.A. 55:19-78 et al.) shall be deemed to relieve the owner of the property of any civil or criminal liability or any duty imposed by reason of acts or omissions of the owner.

§ 159-223. The City of East Orange Deemed Possessor of Property; Borrowing of Funds; Reporting and Filing Requirements.

A. If the City has been granted possession of a property pursuant to Section 12 of P.L. 2003, c. 210 (N.J.S.A. 55:19-89), the City shall be deemed to have an ownership interest in the property for the purpose of filing plans with public agencies and boards, seeking and obtaining construction permits and other approvals, and submitting applications for financing or other assistance to public or private entities.

For the purposes of any State program of grants or loans, including but not limited to programs of the Department of Community Affairs and the New Jersey Housing and Mortgage Finance Agency, possession of a property under this subsection shall be considered legal control of the property.

Notwithstanding the granting of possession to the City, nothing in P.L. 2003, c. 210 (N.J.S.A. 55:19-78 et al.) shall be deemed to relieve the owner of the property of any obligation the owner or any other person may have for the payment of taxes or other City liens and charges, or mortgages or liens to any party, whether those taxes, charges or liens are incurred before or after the granting of possession.

The granting of possession shall not suspend any obligation the owner may have as of the date of the granting of possession for payment of any operating or maintenance expense associated with the property, whether or not billed at the time of the granting of possession.

- B.** The Court may approve the borrowing of funds by the City to rehabilitate the property and may grant a lien or security interest with priority over all other liens or mortgages other than municipal liens. Prior to granting this lien priority, the Court shall find that (1) the City sought to obtain the necessary financing from the senior lien holder, which the assignment will further the purposes of this section.
- C.** Where the City has been granted possession by the Court in the name of the City, the City may seek the approval of the Court to assign its rights to another entity, which approval shall be granted by the Court when it finds that: (1) the entity to which the City's rights will be assigned is a qualified rehabilitation entity; and (2) the assignment will further the purposes of this section.
- D.** Where the City has designated a qualified rehabilitation entity to act on its behalf, the qualified rehabilitation entity shall provide quarterly reports to the City on its activities and progress toward rehabilitation and reuse of the property. The City or qualified rehabilitation entity, as the case may be, shall provide such reports to the Court as the Court determines to be necessary. If the Court finds that the City or its designee have failed to take diligent action toward rehabilitation of the property within one (1) year from the grant of possession, then the Court may request the City to designate another qualified rehabilitation entity to exercise its rights, or if the City fails to do so, may terminate the order of possession and return the property to its owner.
- E.** The City shall file a Notice of Completion with the Court, and shall also serve a copy on the owner and any mortgage holder or lien holder, at such time as the City has determined that no more than six (6) months remain to the anticipated date on which rehabilitation will be complete. This notice shall include an affidavit of the public officer attesting that rehabilitation can realistically be anticipated to be complete within that time period, and a statement setting forth such actions as it plans to undertake to ensure that reuse of the property takes place consistent with the plan.

§ 159-224. Petition for Reinstatement of Control and Possession by Owner.

- A.** An owner may petition for reinstatement of the owner's control and possession of the property at any time after one (1) year from the grant of possession, but no later than thirty (30) days after the City has filed a Notice of Completion with the Court or, in the event the Notice of Completion is filed within less than one (1) year of the grant of possession, within thirty (30) days after the City has filed notice.
- B.** The Court may allow additional time for good cause if that additional time does not materially delay completion of the rehabilitation, place undue hardship on the City, or affect any of the terms or conditions under which the City, has applied for or received financing for the rehabilitation of the property.
- C.** Any petition for reinstatement of the owner's control and possession of the property filed pursuant to Section 15 of P.L. 2003, c. 210 (N.J.S.A. 55:19-92) shall:
 - 1. Include a plan for completion of the rehabilitation and reuse of the property consistent with the plan previously approved by the court;

2. Provide legally binding assurances that the owner will comply with all conditions of any grant or loan secured by the City or repay those grants or loans in full, at the discretion of the maker of the loan or grant; and
3. Be accompanied by payment equal to the sum of (1) all City liens outstanding on the property; (2) all costs incurred by the City in bringing action with respect to the property; (3) any costs incurred by the City not covered by grants or loans to be assumed or repaid pursuant to this section; and (4) any costs remaining to complete rehabilitation and reuse of the property, as determined by the public officer, which payment shall be placed in escrow with the Clerk of the Court pending disposition of the petition.

§ 159-225. Obligations of Owner Prior to Grant of Petition.

Prior to the granting of a petition on the part of the owner by the Court pursuant to Section 15 of P.L. 2003, c. 210 (N.J.S.A. 55: 19-92), the owner may be required to post a bond or other security in an amount determined by the Court, after consultation with the Public Officer, as likely to ensure that the owner will continue to maintain the property in sound condition. That bond or other security shall be made available to the City to make any repair on the property in the event of a Code violation which is not corrected in timely fashion by the owner. The bond or other security may be forfeited in full in the event that the owner fails to comply with any requirement imposed as a condition of the reinstatement petition filed pursuant to Section 15 of P.L. 2003, c. 210 (N.J.S.A. 55:19-92).

The owner may seek approval of the Court to be relieved of this requirement after five (5) years, which shall be granted if the court finds that the owner has maintained the property in good repair during that period, that no material violations affecting the health and safety of the tenants have occurred during that period, and that the owner has remedied other violations in a timely and expeditious fashion.

§ 159-226. Failure of Owner to Petition for Reinstatement of Control and Possession of Property; Granting of Title to the City of East Orange; Authority to Sell.

If the owner fails to petition for the reinstatement of control and possession of the property within thirty (30) days after the entity in possession has filed a Notice of Completion or in any event within two (2) years after the initial grant of possession, or if the owner fails to meet any conditions that may be set by the Court in granting a reinstatement petition filed pursuant to Section 15 of P.L. 2003, c. 210 (N.J.S.A. 55:19-92), upon petition from the entity in possession, the Court may grant the City title or authorize the City to sell the property, subject to the provisions of Section 19 of P.L. 2003, c. 210 (N.J.S.A. 55:9-96).

§ 159-227. Procedure of City of East Orange Seeking to Gain Title to Property; Authorization to Sell; Proceeds.

- A. Where the City seeks to gain title to the property, it shall purchase the property for fair market value on such terms as the Court shall approve, and may place the proceeds of sale in escrow with the Court.

The Court may authorize the City to sell the building free and clear of liens, claims and encumbrances, in which event all such liens, claims and encumbrances shall be transferred to the proceeds of sale with the same priority as existed prior to resale in accordance with the provisions of this section except that municipal liens shall be paid at settlement.

The proceeds of the purchase of the property shall be distributed as set forth in Section 20 of P.L. 2003, c. 210 (N.J.S.A. 55:19-97).

- B. The City may seek approval of the Court to sell the property to a third party when the Court finds that such conveyance will further the effective and timely rehabilitation and reuse of the property.
- C. Upon approval by the Court, the City shall sell the property on such terms and at such price as the court shall approve, and may place the proceeds of sale in escrow with the Court. The Court shall order a distribution of the proceeds of sale after paying Court costs in the order of priority set forth in Section 20 of P.L. 2003, c. 210 (N.J.S.A. 55:19-97).

§ 159-228. Distribution of Proceeds.

- A. The proceeds paid pursuant to subsection c. of Section 19 of P.L.2003, c. 210 (N.J.S.A. 55:19-96) shall be distributed in the following order of priority:
 - 1. The costs and expenses of sale;
 - 2. Other governmental liens;
 - 3. Repayment of principal and interest on any borrowing or indebtedness incurred by the City and granted priority lien status pursuant to subsection a. of Section 21 of P.L. 2003, c. 210 (N.J.S.A. 55:19-98);
 - 4. A reasonable development fee to the City consistent with the standards for development fees established for rehabilitation programs by the New Jersey Department of Community Affairs or the New Jersey Housing and Mortgage Finance Agency;
 - 5. Other valid liens and security interests, in accordance with their priority; and
 - 6. The owner.

§ 159-229. Public Officer; Authority to Place Lien on Property; Remedies.

- A. The Public Officer, with the approval of the Court, may place a lien on the property to cover any costs of the City in connection with a proceeding under P.L. 2003, c. 210 (N.J.S.A. 55:19-78 et al.) incurred prior to the grant by the Court of an order of possession under P.L. 2003, c. 210 (N.J.S.A. 55:19-78 et al.) which may include costs incurred to stabilize or secure the property to ensure that it can be rehabilitated in a cost-effective manner. Any such lien shall be considered a City lien for the purposes of N.J.S.A. 54:5-9 with the rights and status of a City lien pursuant thereto.
- B. With the exception of the holding of special tax sales pursuant to Section 24 of P.L. 2003, c. 210 (N.J.S.A. 55:19-101), the remedies available under P.L. 2003, c. 210 (N.J.S.A. 55:19-78 et al.) shall be available to the City with respect to any abandoned property, whether or not the City has established an abandoned property list as provided in Section 36 of P.L. 1996, c. 62 (N.J.S.A. 55:19-55) and whether or not the property has been included on any such list.

§ 159-230. Court's Denial of Rights and Remedies to Lien Holders and Mortgage Holders.

Notwithstanding any provision to the contrary in P.L. 2003, c. 210 (N.J.S.A. 55:19-78 et al.), a Court may in its discretion deny a lien holder or mortgage holder of any or all rights or remedies afforded lien holders and mortgage holders under P.L. 2003, c. 210 (N.J.S.A. 55:19-78 et al.), if the Court finds that the owner of a property subject to any of the provisions of P.L. 2003, c. 210 (N.J.S.A. 55:19-78 et al.) owns or controls more than a fifty (50%) percent interest in, or effective control of the lien holder or mortgage holder or that the familial or business relationship between the lien holder or mortgage holder and the owner precludes a separate interest on the part of the lien holder or mortgage holder.

§ 159-231. Recourse of the City of East Orange Against Individuals or Corporations.

- A. With respect to any lien placed against any real property pursuant to the provisions of Section 1 or Section 3 of P.L. 1942, c. 112 (N.J.S.A. 40:48-2.3 or 40:48-2.5) or section 1 of P.L. 1989, c. 91 (N.J.S.A. 40:48-2.3a) or any receiver's lien pursuant to P.L. 2003, c. 295 (N.J.S.A. 2.A:42-114 et al.) the City shall have recourse with respect to the lien against any asset of the owner of the property if an individual, against any asset of any partner if a partnership, and against any asset of any owner of a ten (10%) percent interest or greater if the owner is any other business organization or entity recognized pursuant to law.
- B. The Public Officer, with the approval of the Court, may place a lien on the property to cover any costs of the City in connection with a proceeding under P.L. 2003, c.210 (N.J.S.A. 55:19-78 et al.) incurred prior to the grant by the Court of an order of possession under P.L. 2003, c. 210 (N.J.S.A. 55:19-78 et al.), which may include costs incurred to stabilize or secure the property to ensure that it can be rehabilitated in a cost-effective manner. Any such lien shall be considered a City lien for the purposes of N.J.S.A. 54:5-9 with the rights and status of a City lien pursuant thereto.
- C. With the exception of the holding of special tax sales pursuant to Section 24 of P.L. 2003, c. 210 (N.J.S.A. 55:19-101, the remedies available under P.L. 2003, c. 210 (N.J.S.A. 55:19-78 et al.) shall be available to the City with respect to any abandoned property, whether or not the City has established an abandoned property list as provided in Section 36 of P.L. 1996, c. 62 (N.J.S.A. 55:19-55) and whether or not the property has been included on any such list.

§ 159-232. Properties Eligible for Tax Sales; Notice.

- A. The City may hold special tax sales with respect to those properties eligible for tax sale pursuant to N.J.S.A. 54:5-19 which are also on an abandoned property list established by the City pursuant to Section 36 of P.L. 1996, c. 62 (N.J.S.A. 55:19-55). If the City elects to hold a special tax sale shall conduct that sale subject to following provisions:
 - 1. The City shall establish criteria for eligibility to bid on properties at the sale, which may include, but shall not be limited to: documentation of the bidder's ability to rehabilitate or otherwise reuse the property consistent with the City's plans and regulations; commitments by the bidder to take action to foreclose on the tax lien by a date certain; and such other criteria as the City may determine are necessary to ensure that the properties to be sold will be rehabilitated or otherwise reused in a manner consistent with the public interest;

2. The City may establish minimum bid requirements for a special tax sale that may be less than the full amount of the taxes, interest and penalties due, the amount of such minimum bid to be at the sole discretion of the City, in order to ensure that the properties to be sold will be rehabilitated or otherwise reused in a manner consistent with the public interest;
3. The City may combine properties into bid packages, and require that bidders place a single bid on each package, and reject any and all bids on individual properties that have been included in bid packages;
4. The City may sell properties subject to provisions that, if the purchaser fails to carry out any commitment that has been set forth as a condition of sale pursuant to subsection (A)(1) of this section or misrepresents any material qualification that has been established as a condition of eligibility to bid pursuant thereto, then the properties and any interest thereto acquired by the purchaser shall revert to the City, and any amount paid by the purchaser to the City at the special tax sale shall be forfeited to the City;
5. In the event there are two (2) or more qualified bidders for any property or bid package in a special tax sale, the City may designate the unsuccessful but qualified bidder whose bid was closest to the successful bid as an eligible purchaser;
6. In the event that the purchaser of that property or bid package fails to meet any of the conditions of sale established by the City pursuant to this section, and their interest in the property or properties revert to the City, the City may subsequently designate the entity previously designated as an eligible purchaser as the winning bidder for the property or properties, and assign the tax sale certificates to that entity on the basis of that entity's bid at the special tax sale, subject to the terms and conditions of the special tax sale.
7. The City shall provide notice of a special tax sale pursuant to N.J.S.A. 54:5-26. The notice shall include any special terms of sale established by the City pursuant to subsection (A)(2), (A)(3), or (A)(4) of this section. Nothing shall prohibit the City from holding a special tax sale on the same day as a standard or accelerated tax sale.

§ 159-233. Eminent Domain Proceedings; Establishment of Fair Market Value.

- A. With respect to any eminent domain proceeding carried out under Section 37 of P.L. 1996, c. 62 (N.J.S.A. 55:19-56), the fair market value of the property shall be established on the basis of an analysis which determines independently:
 1. The cost to rehabilitate and reuse the property for such purpose as is appropriate under existing planning and zoning regulations governing its reuse or to demolish the existing property and construct a new building on the site, including all costs ancillary to rehabilitation such as, but not limited to, marketing and legal costs;
 2. The realistic market value of the reused property after rehabilitation or new construction, taking into account the market conditions particular to the neighborhood or subarea of the City in which the property is located; and

3. The extent to which the cost exceeds or does not exceed the market value after rehabilitation, or demolition and new construction, and the extent to which any "as is" value of the property prior to rehabilitation can be added to the cost of rehabilitation or demolition and new construction without the resulting combined cost exceeding the market value as separately determined. If the appraisal finds that the cost of rehabilitation or demolition and new construction, as appropriate, exceeds the realistic market value after rehabilitation or demolition and new construction, there shall be a rebuttable presumption in all proceedings under this subsection that the fair market value of the abandoned property is zero, and that no compensation is due the owner.

§ 159-234. Removal of Property from Abandoned Property List.

If a property, which an entity other than the City has purchased or taken assignment from the City of a tax sale certificate, is placed on the abandoned property list, the property shall be removed from the list if the owner of the certificate pays all the City's taxes and liens due on the property within thirty (30) days after the property is placed on the list; provided, however, that if the owner of the certificate fails to initiate foreclosure proceedings within six (6) months after the property was first placed on the list, the property shall be restored to the abandoned property list.

§ 159-235. Request for Property to be Placed on Abandoned Property List.

- A. Any interested party may submit in writing a request to the public officer that a property be included on the abandoned property list prepared pursuant to Section 36 of P.L. 1996, c. 62 (N.J.S.A. 55:19-55), specifying the street address and block and lot number of the property to be included, and the grounds for its inclusion. Within thirty (30) days of receipt of any such request, the public officer shall provide a written response to the party, either indicating that the property will be added to the list of abandoned properties or, if not, the reasons for not adding the property to the list. For the purposes of this paragraph, "interested party" shall include any resident of the City, any owner or operator of a business within the City or any organization representing the interests of residents or engaged in furthering the revitalization and improvement of the neighborhood in which the property is located.
- B. Any interested party may participate in any redetermination hearing held by the public officer pursuant to subsection e. of Section 36 of P.L. 1996, c. 62 (N.J.S.A. 55:19-55). Upon written request by any interested party, the public officer shall provide the party with at least twenty (20) days' notice of any such hearing. The party shall provide the public officer with notice at least ten (10) days before the hearing of its intention to participate, and the nature of the testimony or other information that it proposes to submit at the hearing.

SECTION 2. (new section)

ARTICLE XXV

**MAINTENANCE OF VACANT PROPERTIES, REGISTRATION
REQUIREMENTS AND FEES**

§ 159-236. Definitions.

"Owner" shall include the title holder, any agent of the title holder having authority to act with respect to a vacant property, any foreclosing entity subject to the provisions of N.J.S.A.

46:10B-51 (P.L. 2008, c. 127, sec. 17) and P.L. 2014, c. 35, or any other entity determined by the City of East Orange to have authority to act with respect to the property.

"Vacant Property" shall mean any building used or to be used as a residence which is not legally occupied or at which substantially all lawful construction operations or residential occupancy has ceased, and which is in such condition that it cannot legally be re-occupied without repair or rehabilitation; provided, however, that any property that contains all building systems in working order and is being actively marketed by its owner for sale or rental, shall not be deemed vacant. Residential properties that meet the aforementioned criteria and are subject to a summons and complaint in an action for foreclosure shall be deemed vacant property in accordance with P.L. 2014, c. 35. Property determined to be "abandoned property" in accordance with the meaning of such term in the Abandoned Properties Rehabilitation Act, N.J.S.A. 55:19-78, et seq., shall also be deemed to be vacant property for the purposes of this section.

§ 159-237. General Requirements.

- A. Effective November 1, 2014, the owner of any vacant property as defined herein shall within sixty (60) days after the building becomes vacant property or within thirty (30) days after assuming ownership of the vacant property, whichever is later, file a registration statement for each such vacant property with the Public Officer on forms provided by the Public Officer for such purposes. The registration shall remain valid for one year from the date of registration. The owner shall be required to renew the registration annually as long as the building remains vacant property and shall pay a registration or renewal fee in the amount prescribed in § 159-239 of this Chapter for each vacant property registered.
- B. Any owner of any building that meets the definition of vacant property prior to November 1, 2014, shall file a registration statement for that property on or before November 30, 2014. The registration statement shall include the information required under § 159-238 of this Chapter, as well as any additional information that the Public Officer may reasonably require.
- C. The owner shall notify the Public Officer within 30 days of any change in the registration information by filing an amended registration statement on a form provided by the Public Officer for such purpose.
- D. The registration statement shall be deemed prima facie proof of the statements therein contained in any administration enforcement proceeding or court proceeding instituted by the City against the owner or owners of the building.

§ 159-238. Registration Statement Requirements; Property Inspection.

After filing a registration statement or a renewal of a registration statement, the owner of any vacant property shall provide access to the City to conduct an exterior and interior inspection of the building to determine compliance with the municipal code, following reasonable notice, during the period covered by the initial registration or any subsequent renewal.

- A. The registration statement shall include the name, street address and telephone number of a natural person twenty-one (21) years of age or older, designated by the owner or owners as the authorized agent for receiving notices of code violations and for receiving process, in any court proceeding or administration

enforcement proceeding, on behalf of such owner or owners in connection with the enforcement of any applicable code. This person must maintain an office in the State of New Jersey or reside within the State of New Jersey. The statement shall also include the name of the person responsible for maintaining and securing the property, if different.

- B. In accordance with P.L. 2014, c. 35, the requirements of § 159-238(A) shall also apply to in-State and out-of-State creditors who have filed a summons and complaint in an action to foreclose a property that is vacant or becomes vacant. Out-of-State creditors shall be required to appoint an in-State representative or agent who shall be listed on the registration statement.
- C. An owner who is a natural person and who meets the requirements of this ordinance as to location of residence or office may designate him or herself as agent.
- D. By designating an authorized agent under the provisions of this section the owner consents to receive any and all notices of code violations concerning the registered vacant property and all process in any court proceedings or administrative enforcement proceeding brought to enforce code provisions concerning the registered building by service of the notice or process on the authorized agent. Any owner who has designated an authorized agent under the provisions of this section shall be deemed to consent to the continuation of the agent's designation for the purposes of this section until the owner notifies the Public Officer of a change of the authorized agent or until the owner files a new annual registration statement. The designation of an authorized agent in no way releases the owner from any requirement of Article XXV.

§ 159-239. Fee Schedule.

The initial registration fee for each building shall be \$500.00. The fee for the first renewal is \$1,500.00, and the fee for the second renewal is \$3,000.00. The fee for any subsequent renewal beyond the second renewal is \$5,000.00.

§ 159-240. Requirements for Owners of Vacant Property.

The owner of any building that has become vacant property, and any person maintaining, operating or collecting rent for any such building that has become vacant shall, within 30 days:

- A. Enclose and secure the building against unauthorized entry as provided in § 159-63 and other applicable provisions of the code of the City of East Orange; and
- B. Post a sign affixed to the building indicating the name, address and telephone number of the owner, the owner's authorized agent for the purpose of service of process (if designated pursuant to § 159-238 of this Chapter), and the person responsible for day-to-day supervision and management of the building, if such person is different from the owner holding title or authorized agent. The sign shall be of a size and placed in such a location so as to be legible from the nearest public street or sidewalk, whichever is nearer, but shall be no smaller than 18" x 24"; and
- C. Secure the building from unauthorized entry and maintain the sign until the building is again legally occupied or demolished or until repair or rehabilitation of the building is complete.

§ 159-241. Administration.

The Mayor and/or his designee may issue rules and regulations for the administration of the provisions of this ordinance.

§ 159-242. Notice Requirements for Creditors.

In accordance with P.L. 2014, c. 35, if the Public Officer determines that violations of Article XXV have occurred on vacant residential property for which a summons and complaint in an action for foreclosure has been filed by an owner who is a creditor, the Public Officer shall issue a notice to the creditor to correct the violation within thirty (30) days of receipt of the notice, or within ten (10) days of receipt of the notice if the violation presents an imminent threat to public health and safety. The notice shall include a description of the conditions that gave rise to the violation.

§ 159-243. Violations and Penalties.

- A.** Other than out-of-State creditor owners, any owner who is not in full compliance with Article XXV or who otherwise violates any provision of Article XXV or of the rules and regulations issued hereunder shall be subject to a fine of not less than five-hundred dollars (\$500.00) and not more than one thousand dollars (\$1,000.00) for each offense. Every day that a violation continues shall constitute a separate and distinct offense. Fines assessed under this chapter shall be recoverable from the owner and shall be a lien on the property. For purposes of this subsection, failure to file a registration statement in time, failure to provide correct information on the registration statement, failure to comply with the provisions of § 159-240 of this Chapter, or such other matters as may be established by the rules and regulations of the Mayor or designee of the Mayor shall be deemed to be violations of this ordinance.
- B.** In accordance with P.L. 2014, c. 35, if an out-of-State creditor owner that is subject to Article XXV is found by the City's municipal Court or by any court of competent jurisdiction to be in violation of the requirement to appoint an in-State representative or agent shall be subject to a fine of two thousand five hundred dollars (\$2,500.00) for each day of the violation. However, any fines imposed on a creditor for the failure to appoint an in-State representative or agent shall commence on the day after the ten (10) day period set forth in paragraph (1) of subsection a. of section 17 of P.L. 2008, c. 127 (N.J.S.A. 46:10B-51) for providing notice to the municipal clerk that a summons and complaint in an action to foreclose on a mortgage has been served.
- C.** In accordance with P.L. 2014, c. 35, if an out-of-State creditor owner that is subject to Article XXV is found by the City's municipal Court or by any court of competent jurisdiction to be in violation of the requirement to correct a care, maintenance, security, or upkeep violation cited in a notice issued pursuant to this Article shall be subject to a fine of one thousand five hundred dollars (\$1,500.00) for each day of the violation. Any fines imposed pursuant to this subsection shall commence 31 days following receipt of the notice, except if the violation presents an imminent risk to public health and safety, in which case any fines shall commence eleven (11) days following receipt of then notice.
- D.** In accordance with P.L. 2014, c. 35, no less than twenty percent (20%) of any money collected from out-of-State creditor owners under this Article shall be utilized by the City for municipal code enforcement purposes.

SECTION 3. Severability of Ordinance Provisions

Each section of this ordinance is an independent section, and the holding of any section or part thereof to be unconstitutional, void or ineffective for any cause shall not be deemed to affect the validity of constitutionality of any other sections or parts thereof.

SECTION 4. Conflict of Other Ordinance Provisions

That all ordinances and parts of ordinances and conflicts that are inconsistent with this ordinance are hereby repealed but only to the extent of such conflict or inconsistency.

SECTION 5. Effective Date of Ordinance Provisions

That this ordinance shall take effect upon final passage upon expiration of twenty (20) days following publication unless otherwise provided.

FIRST READING

COUNCILMEMBER	AYE	NAY	N.V.	A. B.	VETO
FIELDS	X				
BULLOCK	X				
HOLMAN	X				
MCPHATTER	X				
GREEN	X				

COUNCILMEMBER	AYE	NAY	N.V.	A.B.	VETO
HUGHES	X				
COOPER	X				
JAMES	X				
JOHNSON	X				
TALMADGE	X				

RECORD OF COUNCIL VOTE ON SECOND READING & FINAL PASSAGE

COUNCILMEMBER	AYE	NAY	N.V.	A. B.	VETO
FIELDS	X				
BULLOCK	X				
HOLMAN	X				
MCPHATTER	X				
GREEN	X				

COUNCILMEMBER	AYE	NAY	N.V.	A.B.	VETO
HUGHES	X				
COOPER	X				
JAMES				X	
JOHNSON	X				
TALMADGE	X				

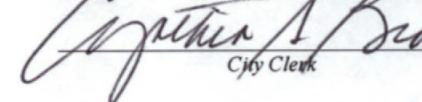
X- Indicates Vote A.B.- Absent N.V. -Not Voting (Abstained or Excused) ACTION ON VETO: ✓ To Sustain ✗ To Over-Ride

Passed on First Reading: 9 / 8 / 2014
 Adopted on final Reading: 10 / 14 / 2014
 Presented to Mayor: 10 / 15 / 2014
 Approved: 10 / 15 / 2014

Vetoed: ____ / ____ / 2014

Reconsidered by Council: ____ / ____ /


 Mayor


 Council Chairman/Chairwoman

 City Clerk