

ORDINANCE OF THE TOWNSHIP OF DEPTFORD AMENDING THE REGISTRATION REQUIREMENTS, REGISTRATION FEES, INSPECTION REQUIREMENTS, MAINTENANCE REQUIREMENTS AND INSURANCE REQUIREMENTS FOR VACANT, ABANDONED, AND FORECLOSED PROPERTIES

WHEREAS, the Township of Deptford (the "Township") contains structures which are vacant in whole or large part; and

WHEREAS, in many cases, the owners or responsible parties of these 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 risks; and

WHEREAS, the Township incurs disproportionate costs in order to deal with the problems of vacant and abandoned structures, including, but not limited to, excessive police calls, fire calls and property inspections; and

WHEREAS, it is in the public interest for the Township 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 Township; and

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

WHEREAS, pursuant to N.J.S.A. 40:48-2, the Council is authorized to enact and amend ordinances as deemed necessary for the preservation of the public health, safety and welfare and as may be necessary to carry into effect the powers and duties conferred and imposed upon the Township by law; and

WHEREAS, pursuant to P.L. 2021, c. 444, the Council is authorized to adopt or amend ordinances creating a property registration program for the purpose of identifying and monitoring residential and commercial properties within the Township for which a summons and compliant in an action to foreclosure on a mortgage has been filed, regulate the care, maintenance, security, and upkeep of such properties, and impose a registration fee on the creditor of such properties.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the Township of Deptford as follows:

(1) For purposes of this Ordinance, the following terms are defined as set forth herein:

FORECLOSURE or FORECLOSURE ACTION shall mean the legal process by which a Mortgagee, or other lien holder, terminates or attempts to terminate a property Owner's equitable right of redemption to obtain legal and equitable title to the Real Property pledged as security for a debt or the Real Property subject to the lien. This definition shall include, but is not limited to, a complaint and summons filed with respect to foreclosure on a mortgage, a lis pendens filed against it by the lender holding a mortgage on the property, a deed-in-lieu of foreclosure, sale to the mortgagee or lien holder, certificate of title and all other processes, activities, and actions, by whatever name, associated with the described process. The legal process is not concluded until the property obtained by the Mortgagee, lien holder, or their designee, by certificate of title, or any other means, is sold to a non-related bona fide purchaser in an arm's length transaction to satisfy the debt or lien.

MORTGAGEE - shall mean the creditor, including, but not limited to, trustees, mortgage servicing companies, lenders in a mortgage agreement, an agent, servant, or employee of the creditor, any successor in interest, or any assignee of the creditor's rights, interests, or obligations under a mortgage agreement for the property, excluding governmental entities as assignee or owner.

MUNICIPAL OFFICER - shall mean the Director of the Department of Community Development or such official within that Department as may be designated by the Department Head in writing.

OWNER- shall include the title holder, any agent of the title holder having authority to act with respect to a vacant property.

REAL PROPERTY shall mean any residential or commercial land and/or buildings, leasehold improvements and anything affixed to the land, or portion thereof identified by a property parcel Identification number, located in the Township limits.

VACANT PROPERTY - 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 reoccupied without repair or rehabilitation, including, but not limited to, any property meeting the definition of abandoned property in N.J.S.A. 55:19-80; provided, however, that any property where all building systems are in working order, where the building and grounds are maintained in good order, or where the building is in habitable condition, and where the building is being actively marketed by its owner for sale or rental, shall not be deemed a vacant property for purposes of this ordinance.

(2) a. As of the effective date of this ordinance, any owner of a vacant property as defined herein, shall, within 30 calendar days after the building becomes vacant property or within 30 calendar days after assuming ownership of the vacant property, whichever is later; or within 10 calendar days of receipt of notice by the municipality, file a registration statement for such vacant property with the municipal officer on forms provided by the Township for such purposes. Failure to receive notice by the municipality shall not constitute grounds for failing to register the property.

b. Any Mortgagee who holds a mortgage on real property located within the Township shall perform an inspection of the property to determine vacancy or occupancy, upon default, as evidenced by a foreclosure filing by the mortgagor. The Mortgagee shall, within ten (10) days of the inspection, register the property with the Code Enforcement Department, or its designee, on forms or other manner as directed,

and indicate whether the property is vacant or occupied. A separate registration is required for each property, whether it is found to be vacant or occupied.

c. Any Mortgagee filing a summons and complaint in an action to foreclose shall, in addition to the notice provided to the municipality pursuant to section 17 of P.L.2008, c.127 (C.46:10B-51), register the residential or commercial property with the municipality's property registration program as a property in foreclosure and, as part of that registration: (a) provide the municipality with the information regarding the creditor required by subsection d below; (b) identify the date the summons and complaint in an action to foreclose on a mortgage was filed against the subject property, the court in which it was filed, and the docket number of the filing; and (c) identify whether the property is vacant and abandoned in accordance with the definition in the ordinance.

d. Each property having a separate block and lot number as designated in official records of the municipality shall be registered separately.

e. The registration statement shall include the name, street address, telephone number, and email address (if applicable) of a person 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 administrative enforcement proceeding on behalf of such owner or owners in connection with the enforcement of any applicable code; and the name, street address, telephone number and email address (if applicable) of the firm and the actual name(s) of the firm's individual principal(s) responsible for maintaining the property. The individual or representative of the firm responsible for maintaining the property shall be available by telephone or in person on a 24-hours- per day, seven-day per week basis. The two entities may be the same or different persons. Both entities shown on the statement must maintain offices in the state of New Jersey or reside within the state of New Jersey.

f. If there is any change in the name, address, or telephone number for a representative, agent, or individual authorized to accept service on behalf of a creditor required to register pursuant to the property registration program following the filing of the summons and complaint, the creditor shall update the property registration program within 10 days of the change in that information.

g. In the event the Mortgagee that has served a summons and complaint in an action to foreclose on a commercial property that is located out-of-State, the notice shall also contain the full name, address, and telephone number of an in-State representative or agent who shall be responsible for the care, maintenance, security, and upkeep of the exterior of the property if it becomes vacant and abandoned. If the municipality has designated or appointed a public officer, the municipal clerk shall forward a copy of the notice to the public officer or shall otherwise provide it to any other local official responsible for administration of any property maintenance or public nuisance code. The notice shall also include the street address, lot, and block number of the property.

h. The Mortgagee filing a summons and complaint in an action to foreclose shall, if the registered property becomes vacant and abandoned, in accordance with the definition in the ordinance, after the property is initially registered with the municipality, update the property registration with the municipality to reflect the change in the property's status.

i. The Vacant registration shall remain valid for six months from the date of registration. The owner shall be required to renew the registration semi-annually, as long as the building remains a vacant property, and shall pay a registration or renewal fee in the amount prescribed in this ordinance, for each vacant property registered.

j. Each Foreclosure property on the Registry that has been registered for six (6) months or more prior to the Effective Date shall have thirty (30) days to renew the registration and pay the non-refundable annual registration fee. Properties registered less than six (6) months prior to the Effective Date shall

renew the registration every twelve (12) months from the expiration of the original registration renewal date and shall pay the non-refundable annual registration fee.

k. The registration statement shall be deemed prima facie proof of the statements therein contained in any administrative enforcement proceeding or court proceeding instituted by the Township against the owner or owners of the building.

l. Registration of foreclosure property does not alleviate the Mortgagee and/or Owner from obtaining all required licenses, permits and inspections required by applicable code or State Statutes. Acquisition of required licenses, permits, and inspections or registration of rental property does not alleviate the requirement for the property to be registered under this section. Mortgagee and/or Owner is expected to update the status of the property in the event of a Mortgagee managed rental.

(3) The owner of any vacant property registered under this ordinance shall provide access to the Township to conduct exterior and interior inspections of the building to determine compliance with municipal codes, upon reasonable notice to the property owner or the designated agent.

a. An owner or mortgagee who meets the requirements of this ordinance with respect to the location of his/her residence or workplace in the State of New Jersey may designate himself/herself as agent or as the individual responsible for maintaining the property.

b. 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 proceeding 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 or mortgagee 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 purpose of this section until the owner notifies the Township, in writing, of a change of authorized agent or until the owner files a new annual registration statement.

c. Any owner or mortgagee who fails to register vacant or foreclosure property under the provisions of this Article shall further be deemed to consent to receive, by posting on the building, in plain view, and by service of notice at the last known address of the owner of the property on record with the Township by regular and certified mail, any and all notices of code violations and all process in an administrative proceeding brought to enforce code provisions concerning the building.

(4) a. The initial registration fee shall be due at the time of the filing of the registration statement and each subsequent annual or semi-annual renewal fee shall be due on the anniversary of the last registration or renewal payment. A mortgagee shall be directly responsible for its own registration and renewal fees pursuant to this section. A mortgagee may not pass on the registration fees, or any other fees associated with the property to the owner or the mortgagor of the vacant property.

b. The Foreclosure registration shall remain valid for twelve months from the date of registration. The mortgagee or their agent shall be required to renew the registration annually, as long as the property remains a foreclosure property, and shall pay a registration or renewal fee in the amount of five hundred dollars (\$500.00), for each Foreclosure property registered. An additional two-thousand dollars (\$2,000.00) per property annually if the property is vacant or abandoned pursuant to the definition in the ordinance when the summons and complaint in an action to foreclose is filed or becomes vacant and abandoned pursuant to the definition in the ordinance at any time thereafter while the property is in foreclosure.

c. An out-of-State creditor subject to this ordinance found by the municipal court of the municipality in which the property subject to the ordinance is located, or by any other court of competent

jurisdiction, to be in violation of the requirement to appoint an in-State representative or agent pursuant to the ordinance shall be subject to a fine of two-thousand and five-hundred dollars (\$2,500.00) for each day of the violation. Any fines imposed on a creditor for the failure to appoint an in-State representative or agent shall commence on the day after the 10-day period for providing notice to the municipal clerk that a summons and complaint in an action to foreclose on a mortgage has been served.

d. At least 80% of all fee income resulting from the application of this ordinance shall be used for the sole purpose of carrying out municipal activities with respect to vacant and distressed properties, including, but not limited to; code enforcement, abatement of nuisance conditions, stabilization, rehabilitation, and other activities designed to minimize blight and further productive reuse of properties.

e. If the Foreclosing or Foreclosed Property is not registered, or the registration fee is not paid within thirty (30) days of when the registration or renewal is required pursuant to this section, a late fee equivalent to ten percent (10%) of the Annual Registration fee shall be charged for every thirty-day period (30), or portion thereof, the property is not registered and shall be due and payable with the registration.

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

a. Enclose and secure the building against unauthorized entry as provided in the applicable provisions of the Township Code, or as set forth in the rules and regulations supplementing those codes; and

b. Post a sign affixed to the building indicating the name, address and telephone number of the owner or the owner's authorized agent, for the purpose of service of process, and the person responsible for the 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 no smaller than 18" x 24" and shall include the words "To report problems with this building, call ... ", and placed in such a location, so as to be legible from the nearest public street or sidewalk, whichever is nearer; 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; and

d. Make provision for the cessation of electric or gas utility services to the property; other than buildings with a fire sprinkler system; and

e. Make provision for the winterizing of the property by the cessation of water service to the property and the draining of water lines; other than buildings with a fire sprinkler system; and

f. Make provision for the cessation of the delivery of mail, newspapers, and circulars to the property, including having the property listed on the exclusion list maintained by the Township of Deptford for the delivery of circulars and advertisements to the property; and

g. Make provision for the maintenance of the lawn and yard, including regular grass cutting as required by the applicable provisions of the Code of the Township of Deptford; and

h. Ensure that the exterior grounds of the structure, including yards, fences, sidewalks, walkways, rights-of-way, alleys, retaining walls, attached or unattached accessory structures and driveways, are well-maintained and free from debris, loose litter, and grass and weed growth; and

i. Continue to maintain the structure in a secure and closed condition, keep the grounds in a clean and well-maintained condition, and ensure that the sign is visible and intact until the building is again occupied, demolished, or until repair and/or rehabilitation of the building is complete.

(6) The owner of any Vacant property shall acquire and otherwise maintain liability insurance, in an amount of not less than \$300,000.00 for buildings designed primarily for residential use, and not less than \$1,000,000.00 for any other building, including, but not limited to, buildings designed for multi-family,

manufacturing, industrial, storage or commercial uses, covering any damage to any person or any property caused by any physical condition of or in the building or property subject to the provisions of the ordinance. Said insurance shall provide a rider for payment of all demolition costs should the vacant building become abandoned and require the Township to demolish the building. Any insurance policy acquired or renewed after the building has become vacant shall provide for written notice to the municipal officer within 30 calendar days of any lapse, cancellation or change in coverage. The owner shall attach evidence of the insurance to the owner's registration statement. Any registration statement submitted that does not include such evidence shall be deemed to be an invalid registration. Insurance must name the Township of Deptford as party or payee for demolition costs should the Township deem demolition is required.

(7) Any owner of vacant property who plans to restore the property to productive use and occupancy during the twelve-month period following the date of the initial registration of the property shall file a sufficiently detailed statement of the owner's plans for restoration of the property with the registration statement along with a timeline schedule. Any owner who within the initial registration period completes restoration of the property whereby the property no longer is defined as a vacant property may request a 50% refund of the vacant property registration fee from the municipal officer upon presentation of a Certificate of Occupancy.

(8) The municipal officer may issue rules and regulations for the administration of the provisions of this ordinance. Such administratively promulgated rules and regulations shall be in writing and shall be provided to the owners of properties registered under this Article or their designated agents within 30 calendar days of their effective date.

(9) The municipality may contract with and set the compensation of a private entity, pursuant to the "Local Public Contracts Law," P.L.1971, 18 c.198 (C.40A:11-1 et seq.), to assist the municipality in the implementation and administration of the property registration program. The municipality may delegate to such private entity any duties under the property registration program, including, without limitation, identifying properties located within the municipality that are subject to the registration requirements of the property registration program, maintaining and updating the property registrations for the municipality, communicating with the creditors or the in-State representative or agent appointed by creditors located out of State of such properties, invoicing and collecting payment from the creditors for such properties any fees authorized by the ordinance, and monitoring compliance with the requirements of the ordinance. The municipality may conduct property registration services on behalf of the municipality pursuant to a shared services agreement subject to the "Uniform Shared Services and Consolidation Act," P.L.2007, c.63 (C.40A:65-1 et al.). Property registration fees imposed pursuant to this ordinance adopted shall be considered a municipal charge pursuant to the "tax sale law," R.S.54:5-1 et seq., regardless of whether the fees are being collected by a third-party entity or by the municipality directly.

(10) Violations.

a. Any person or mortgagee who violates any provision of this Article or of the rules and regulations issued hereunder shall be fined \$100.00 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.

b. Any person subject to this ordinance found by the municipal court of the municipality in which the property subject to the ordinance is located, or by any other court of competent jurisdiction, to be in violation, 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 paragraph shall commence 31 days following receipt of the notice of violation, except if the violation presents an imminent risk to public health and safety, in which case any fines shall commence 11 days following receipt of the notice.

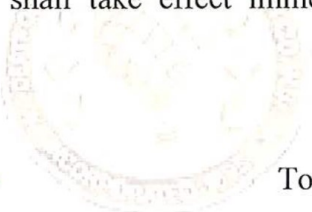
c. For purposes of this section, failure to file a registration statement within 30 calendar days after a building becomes vacant or foreclosure property or within 30 calendar days after assuming ownership of a vacant property, whichever is later; or within 10 calendar days of receipt of notice by the municipality, and failure to provide correct information on the registration statement, failure to comply with the provisions of Sections 2 through 6 of this ordinance, or such other provisions contained herein shall be deemed to be violations of this ordinance.

Repealer. All ordinances or parts of ordinances inconsistent or in conflict with this Ordinance are hereby repealed as to said inconsistencies and conflict.

Severability. If any section, part of any section, or clause or phrase of this ordinance is for any reason held to be invalid or unconstitutional, such decision shall not affect the remaining provisions of this ordinance. The governing body of the Township of Deptford declares that it would have passed the ordinance and each section and subsection thereof, irrespective of the fact that any one or more of the subsections, sentences, clauses, or phrases may be declared unconstitutional or invalid.

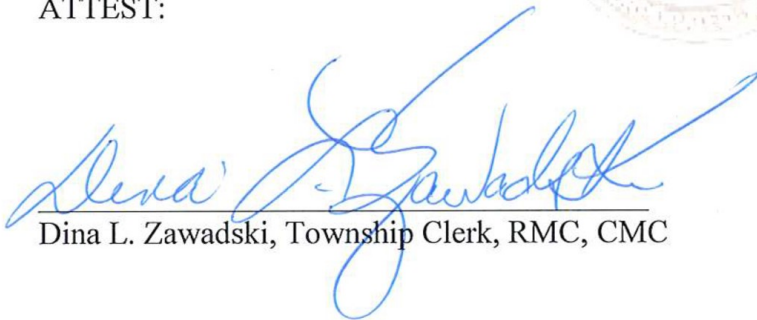
Amendments. Registration fees and penalties outlined in this Article may be modified an amendment to this Article, passed and adopted by the Council.

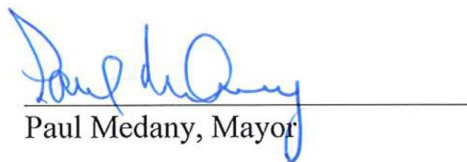
Effective Date. The ordinance shall take effect immediately upon passage and publication according to law.



ATTEST:

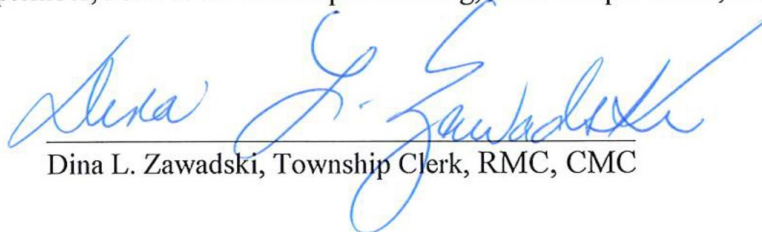
Township of Deptford


Dina L. Zawadski, Township Clerk, RMC, CMC


Paul Medany, Mayor

CERTIFICATION

The foregoing Ordinance was introduced at a Work Session Meeting of the Township Council of the Township of Deptford held on the 15th day of August, 2022 and will be considered for final passage and adoption at a Council Meeting at which time any person interested therein will be given an opportunity to be heard. Said meeting to be held on the 12th day of September, 2022 at the Municipal Building, 1011 Cooper Street, Deptford, New Jersey.


Dina L. Zawadski, Township Clerk, RMC, CMC

RECORD OF VOTE – Introduction O.14.22				
Council Member	Yes	No	Abstain	Absent
Medany	✓			
Hufnell	✓			
Barnshaw	✓			
Belling	✓			
Lamb	✓			
Love				✓
Schocklin				✓

RECORD OF VOTE – Adoption O.14.22				
Council Member	Yes	No	Abstain	Absent
Medany	✓			
Hufnell	✓			
Barnshaw				✓
Belling				✓
Lamb	✓			
Love	✓			
Schocklin	✓			

