

ASSEMBLY, No. 4248

STATE OF NEW JERSEY 216th LEGISLATURE

INTRODUCED FEBRUARY 24, 2015

Sponsored by:

Assemblywoman MILA M. JASEY

District 27 (Essex and Morris)

Assemblyman GILBERT "WHIP" L. WILSON

District 5 (Camden and Gloucester)

Assemblywoman SHAVONDA E. SUMTER

District 35 (Bergen and Passaic)

Assemblywoman VALERIE VAINIERI HUTTLE

District 37 (Bergen)

Assemblyman JERRY GREEN

District 22 (Middlesex, Somerset and Union)

Assemblyman JAMEL C. HOLLEY

District 20 (Union)

SYNOPSIS

Permits municipal land banking in conjunction with online mapping.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning municipal land banking and online mapping,
2 and amending P.L.1960, c.183 and P.L.1971, c.199, and
3 amending and supplementing P.L.1992, c.79.

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

7
8 1. (New section) Sections 1 through 16 of P.L. , c. (C.)
9 (pending before the Legislature as this bill) shall be known and may
10 be cited as the “New Jersey Land Bank Law.”

11
12 2. (New section) The Legislature finds and declares that:

13 a. Difficult economic conditions coupled with the continued
14 high rate of foreclosures have significantly increased the number of
15 vacant, abandoned, and other problem properties in the State’s
16 municipalities, particularly its older cities;

17 b. The continued presence and proliferation of these vacant,
18 abandoned, and other problem properties in the communities of this
19 State has a negative effect on the public health and welfare, reduces
20 property values and municipal revenues, and impedes the economic
21 development and revitalization of the State’s municipalities,
22 particularly its older cities;

23 c. At present, many vacant, abandoned and other problem
24 properties, rather than being productively reused, remain vacant
25 despite frequent changes in ownership, and continue to have a
26 blighting effect on their surroundings;

27 d. The State’s municipalities can benefit from more effective
28 tools to control the inventory of vacant, abandoned, and other
29 problem properties, in order to both minimize the harm that they do
30 in their present condition and to facilitate their restoration to
31 productive use;

32 e. In order to most effectively engage the local community in
33 identifying problem properties, the State’s municipalities can also
34 benefit from the publication of interactive online mapping databases
35 of vacant and abandoned properties;

36 f. To ensure that land banking activities are conducted in an
37 honest and open manner, the public can also benefit from the
38 inclusion of properties subject to land banking agreements within
39 the interactive online mapping databases regardless of whether or
40 not such properties are vacant and abandoned; and

41 g. It is, therefore, in the best interest of this State to allow
42 municipalities to designate single entities to act on their behalf to
43 acquire, maintain, and sell, lease and otherwise dispose of vacant,
44 abandoned and problem properties, in order to carry out strategies
45 to ensure that the reuse of these properties provides the greatest

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

Matter underlined thus is new matter.

1 long-term benefit to the physical, social and economic condition of
2 the municipality.

3

4 3. (New section) As used in P.L. , c. (C.) (pending
5 before the Legislature as this bill):

6 “Land bank entity” means a redevelopment entity, or a non-profit
7 entity, that has entered into a land banking agreement.

8 “Land bank property” means property subject to a land banking
9 agreement.

10 “Land banking agreement” means an agreement between a
11 municipality and a land bank to act on behalf of the municipality to
12 hold, maintain and sell, lease, or convey property owned by the
13 municipality and not needed for any public purpose.

14 “Redevelopment entity” means either:

15 (1) A redevelopment entity designated by the municipality
16 pursuant to section 4 of the “Local Redevelopment and Housing
17 Law,” P.L.1992, c.79 (C.40A:12A-4);

18 (2) A county improvement authority designated by the
19 municipality to act as a redevelopment entity pursuant to the
20 “county improvement authorities law,” P.L.1960, c.183 (C.40:37A-
21 44 et seq.) for the purpose of entering into a land banking
22 agreement with said entity, without regard to whether the county
23 improvement authority is otherwise acting as a redevelopment
24 entity in the municipality; or

25 (3) The municipality itself, or one of its departments or agencies,
26 but only if the municipality is executing redevelopment
27 responsibilities directly pursuant to section 4 of P.L.1992, c.79
28 (C.40A:12A-4). In such cases, the designated redevelopment entity
29 shall not need to adopt separate ordinances or resolutions, as
30 appropriate, for the purpose of adopting a land banking agreement
31 or amendments pursuant to subsections d. and e. of section 5 of
32 P.L. , c. (C.) (pending before the Legislature as this bill),
33 and the adoption of one ordinance to create the land banking
34 agreement, and one ordinance for each amendment thereto shall
35 suffice. Termination notice requirements, prescribed by subsection
36 l. of this section, also shall not be necessary.

37

38 4. (New section) a. A municipality may enter into a land
39 banking agreement with a redevelopment entity, and designate the
40 redevelopment entity as its land bank entity.

41 b. A municipality may enter into a land banking agreement with
42 a non-profit entity so long as the by-laws of the non-profit entity
43 provide that the chief financial officer of the municipality serves on
44 the board of the non-profit entity, ex officio.

45

46 5. (New section) a. A land banking agreement shall establish
47 the responsibilities of the land bank entity and shall specify the
48 terms and conditions under which the land bank entity may acquire

1 property on behalf of the municipality, demolish and otherwise
2 clear buildings and conduct other site improvements located on the
3 property, maintain and secure the property, conduct other activities
4 on the property, and, notwithstanding the provisions of the “Local
5 Lands and Buildings Law,” P.L.1971, c.199 (C.40A:12-1 et seq.),
6 sell, lease, or convey property held on behalf of the municipality.
7 The land banking agreement also shall provide for such municipal
8 oversight of the land bank entity as the municipality deems
9 necessary and appropriate and shall establish the manner in which
10 any costs and revenues, including proceeds of the sale or leasing of
11 land bank property shall be distributed. The land bank entity shall
12 not lease any land bank property for an individual term of more
13 than 10 years. Land bank property that is sold, leased, or conveyed
14 by a land bank entity, shall be subject to ordinances adopted
15 pursuant to the “Municipal Land Use Law,” P.L.1975, c.291
16 (C.40:55D-1 et seq.), and other applicable State statutes following
17 the sale, lease, or conveyance.

18 b. Prior to submission of the land banking agreement for
19 approval by the municipal governing body, the municipality shall
20 hold a public meeting to solicit the advice of the public on the
21 substance and intent of the land banking agreement.

22 c. The ordinance comprising the land banking agreement shall
23 include findings establishing the need for land bank activity in the
24 municipality, and the qualifications of the land bank entity to carry
25 out the responsibilities established pursuant to P.L. , c. (C.)
26 (pending before the Legislature as this bill).

27 d. The land banking agreement shall be adopted by an ordinance
28 of the governing body of the municipality and by resolution of the
29 governing body of the land bank entity.

30 e. The land banking agreement may be amended at any time by
31 ordinance of the governing body of the municipality and by
32 resolution of the governing body of the land bank entity.

33

34 6. (New section) Pursuant to the land banking agreement or any
35 subsequent amendment thereto, the land bank entity may be
36 designated by the municipality to:

37 (1) acquire properties on its behalf through contribution, gift,
38 grant, bequest, purchase or otherwise, whether or not the property is
39 located in an area designated as a redevelopment area or an area in
40 need of rehabilitation; and

41 (2) act as its agent, or in place of its municipal officer, with
42 respect to acquisition of property, including but not limited to
43 purchase of tax and other liens, foreclosure of tax and other liens,
44 and individual abandoned property takings pursuant to paragraph
45 (2) of subsection c. of section 37 of the “New Jersey Urban
46 Redevelopment Act,” P.L.1996, c.62 (C.55:19-56) on behalf of the
47 municipality and to take title to such properties on behalf of the
48 municipality; provided, however, that nothing in this section shall

1 authorize the use of eminent domain beyond that use already
2 permitted by law.

3
4 7. (New section) For purposes of this section, a municipality,
5 through the land banking agreement itself, or through the adoption
6 of a separate ordinance, may sell, lease, or convey to the land bank
7 entity, and the land bank entity may take title to, any property or
8 properties held by the municipality and not needed for any public
9 purpose, whether or not the property is located in an area designated
10 as a redevelopment area or an area in need of rehabilitation, without
11 public bidding and at such prices and upon such terms as the
12 municipality deems reasonable. Unless the terms of the land
13 banking agreement provide otherwise, such sales, leases, and
14 conveyances to the land bank entity itself shall be conditioned on
15 the municipality's ability to regain control of the properties
16 pursuant to subsection c. of section 14 of P.L. , c. (C.)
17 (pending before the Legislature as this bill).

18 Through the land banking agreement itself, or through the
19 adoption of a separate ordinance, a municipality may assign any tax
20 liens or other liens to the land bank entity with or without
21 consideration and at such prices and upon such terms as it deems
22 reasonable.

23
24 8. (New section) a. To the extent that the statute under which a
25 redevelopment entity was established, section 4 of P.L.1992, c.79
26 (C.40A:12A-4) or P.L.1960, c.183 (C.40:37A-44 et seq.) in the case
27 of a county improvement authority, confers on that entity the power
28 to borrow funds and incur debt, the redevelopment entity may
29 exercise those powers in furtherance of its land banking obligations
30 subject to the conditions and limitations set forth in section 4 of
31 P.L.1992, c.79 (C.40A:12A-4) or P.L.1960, c.183 (C.40:37A-44 et
32 seq.).

33 b. To the extent that the statute under which the redevelopment
34 entity was established, section 4 of P.L.1992, c.79 (C.40A:12A-4)
35 or P.L.1960, c.183 (C.40:37A-44 et seq.) in the case of a county
36 improvement authority, provides that the municipality may
37 guarantee its debt or other borrowing, the municipality may also
38 guarantee its debt or other borrowing under the same terms and
39 conditions, in furtherance of the entity's obligations as a land bank
40 entity.

41 c. The guaranteeing of debt and borrowing of funds permitted
42 under subsections a. and b. of this section only shall be permitted so
43 long as the land banking agreement itself also explicitly permits
44 these actions.

45
46 9. (New section) In selling, leasing, or conveying land bank
47 property, a redevelopment entity shall not be subject to the
48 provisions of section 9 of P.L.1992, c.79 (C.40A:12A-9), but shall

1 be subject to any terms and conditions set forth in the land banking
2 agreement and by the regulations of the redevelopment entity,
3 adopted pursuant to section 10 of P.L. , c. (C.) (pending
4 before the Legislature as this bill).

5
6 10. (New section) Within six months after designation by the
7 municipality, the land bank entity shall adopt written regulations
8 governing the sales, leases, and conveyances of land bank property
9 consistent with any provisions of the land banking agreement and
10 with respect to any other matters that may be required by said
11 agreement, which regulations shall be published on the Internet web
12 sites of the land bank entity and the municipality, along with the an
13 interactive online mapping database required pursuant to subsection
14 c. of section 11 of P.L. , c. (C.) (pending before the
15 Legislature as this bill).

16
17 11. (New section) a. Within six months after designation by the
18 municipality the land bank entity shall create a community advisory
19 board, which shall consist of representatives of recognized
20 community associations and non-profit organizations operating
21 within the municipality, in particular those associations and
22 organizations active in areas where the land bank entity anticipates
23 holding properties.

24 b. The land bank entity shall adopt policies and procedures to
25 ensure that the community advisory board is provided with
26 adequate information and opportunity to provide valued input into
27 the decisions of the land bank entity in its capacity as a land bank
28 entity.

29 c. (1) In coordination with the municipality and the community
30 advisory board, the land bank entity shall itself, or through a third-
31 party contractor, develop and publish an interactive online mapping
32 database of vacant and abandoned properties within the
33 municipality, and current and former land bank properties.

34 (2) The database shall be accessible to the public, through the
35 Internet website of the municipality and the land bank entity, and
36 shall allow the public to offer suggestions concerning what
37 properties should be labeled as vacant and abandoned.

38 (3) The database shall label all current and former land bank
39 properties, as well as the current owner and any current tenant of
40 those properties, and each owner and tenant since the property
41 became a land bank property. The database shall list all sales prices
42 and lease prices of all transactions of all current and former land
43 bank properties that have been sold, conveyed, or leased since the
44 property became a land bank property. Transactions that shall be
45 labeled pursuant to this paragraph include transactions between the
46 municipality and the land bank entity itself.

47 (4) On an annual basis at minimum, the community advisory
48 board shall report on the accuracy, integrity, accessibility, and

1 comprehensiveness of the interactive online mapping database.
2 Each annual report shall be accessible to the public through the
3 internet website of the municipality and the land bank entity.

4 (5) The form of the database shall be consistent with rules and
5 regulations promulgated by the Director of the Division of Local
6 Government Services in the Department of Community Affairs.

7
8 12. (New section) The land bank entity shall provide an annual
9 report to the municipal governing body and the public describing
10 the properties being held by it as a land bank entity and the
11 activities that it carried out during the year as a land bank entity.

12
13 13. (New section) The land banking agreement between the
14 municipality and a non-profit entity may provide that properties
15 sold, leased, or conveyed by the municipality to the non-profit
16 entity pursuant to section 7 of P.L. , c. (C.) (pending before
17 the Legislature as this bill), or acquired by the non-profit entity
18 pursuant to section 6 of P.L. , c. (C.) (pending before the
19 Legislature as this bill), are held by the entity on behalf of the
20 municipality for a public purpose and shall be exempt from property
21 taxation until or unless sold, leased, or conveyed by the entity or
22 used by the entity for a purpose that is not eligible for exemption
23 from taxation.

24
25 14. (New section) a. The municipality may terminate the land
26 banking agreement at any time by providing the land bank entity
27 with one year's notice of termination.

28 b. Termination of the land banking agreement shall not affect
29 the status of any transaction properly entered into by the land bank
30 entity prior to termination.

31 c. Within 90 days following the date of termination, the land
32 bank entity shall convey to the municipality all land bank property
33 without consideration; provided, however, that the municipality and
34 the entity may agree to allow the entity to retain title to any
35 properties that are the subject of a pending transaction by the entity
36 until completion of the transaction, and until the end of any lease.

37
38 15. (New section) A land bank entity may act as a land bank
39 entity for more than one municipality at the same time, subject to
40 the provisions of the "Uniform Shared Services and Consolidation
41 Act," P.L.2007, c.63 (C.40A:65-1 et seq.).

42
43 16. (New section) a. A municipal governing body may provide
44 by ordinance that an amount equaling up to 50 percent of property
45 taxes or payments in lieu of taxes collected on land bank properties
46 each year shall be returned to the land bank entity for up to 10 years
47 following a sale or conveyance of those properties from the land
48 bank entity to a private owner. Such ordinance may only be applied

1 to real property on which no property tax has been paid, or payment
2 in lieu of taxes collected, for at least two years prior to the property
3 becoming a land bank property. Such ordinance may be applied to
4 any individual sale or conveyance, any group of sales and
5 conveyances, or all future sales and conveyances that fit these
6 criteria.

7 b. The distribution of any proceeds associated with the sales and
8 leasing of land bank property shall be addressed in the land banking
9 agreement itself and in amendments thereto. Proceeds associated
10 with the sales and leasing of land bank property, and all other
11 proceeds obtained by the land bank entity under the ordinance, shall
12 be maintained in one or more accounts, separate from all other
13 accounts maintained by the entity serving as the land bank entity.
14 The account or accounts shall be deemed to be government records
15 and subject to the provisions of P.L.1963, c.73 (C.47:1A-1 et seq.),
16 commonly known as the open public records act.

17 c. As used in this section, "conveyance" shall not be construed
18 to include a lease.

19

20 17. Section 12 of P.L.1960, c.183 (C.40:37A-55) is amended to
21 read as follows:

22 12. Every authority shall be a public body politic and corporate
23 constituting a political subdivision of the State established as an
24 instrumentality exercising public and essential governmental
25 functions to provide for the public convenience, benefit and welfare
26 and shall have perpetual succession and, for the effectuation of its
27 purposes, have the following additional powers:

28 (a) To adopt and have a common seal and to alter the same at
29 pleasure;

30 (b) To sue and be sued;

31 (c) To acquire, hold, use and dispose of its facility charges and
32 other revenues and other moneys;

33 (d) To acquire, rent, hold, use and dispose of other personal
34 property for the purposes of the authority;

35 (e) Subject to the provisions of section 26 of this act, to acquire
36 by purchase, gift, condemnation or otherwise, or lease as lessee,
37 real property and easements or interests therein necessary or useful
38 and convenient for the purposes of the authority, whether subject to
39 mortgages, deeds of trust or other liens or otherwise, and to hold
40 and to use the same, and to dispose of property so acquired no
41 longer necessary for the purposes of the authority; provided that the
42 authority may dispose of such property at any time to any
43 governmental unit or person if the authority shall receive a
44 leasehold interest in the property for such term as the authority
45 deems appropriate to fulfill its purposes;

46 (f) Subject to the provisions of section 13 of this act, to lease to
47 any governmental unit or person, all or any part of any public
48 facility for such consideration and for such period or periods of

1 time and upon such other terms and conditions as it may fix and
2 agree upon;

3 (g) To enter into agreements to lease, as lessee, public facilities
4 for such term and under such conditions as the authority may deem
5 necessary and desirable to fulfill its purposes, and to agree,
6 pursuant thereto, to be unconditionally obligated to make payments
7 for the term of the lease, without set-off or counterclaim, whether or
8 not the public facility is completed, operating or operable, and
9 notwithstanding the destruction of, damage to, or suspension,
10 interruption, interference, reduction or curtailment of the
11 availability or output of the public facility to which the agreement
12 applies;

13 (h) To extend credit or make loans to any governmental unit or
14 person for the planning, design, acquisition, construction, equipping
15 and furnishing of a public facility, upon the terms and conditions
16 that the loans be secured by loan and security agreements,
17 mortgages, leases and other instruments, the payments on which
18 shall be sufficient to pay the principal of and interest on any bonds
19 issued for the purpose by the authority, and upon such other terms
20 and conditions as the authority shall deem reasonable;

21 (i) Subject to the provisions of section 13 of this act, to make
22 agreements of any kind with any governmental unit or person for
23 the use or operation of all or any part of any public facility for such
24 consideration and for such period or periods of time and upon such
25 other terms and conditions as it may fix and agree upon;

26 (j) (1) To borrow money and issue negotiable bonds or notes or
27 other obligations and provide for and secure the payment of any
28 bonds and the rights of the holders thereof, and to purchase, hold
29 and dispose of any bonds;

30 (2) To issue bonds, notes or other obligations to provide funding
31 to a municipality that finances the purchase and installation of
32 renewable energy systems and energy efficiency improvements by
33 property owners as provided in section 2 of P.L.2011, c.187
34 (C.40:56-13.1);

35 (k) To apply for and to accept gifts or grants of real or personal
36 property, money, material, labor or supplies for the purposes of the
37 authority from any governmental unit or person, and to make and
38 perform agreements and contracts and to do any and all things
39 necessary or useful and convenient in connection with the
40 procuring, acceptance or disposition of such gifts or grants;

41 (l) To determine the location, type and character of any public
42 facility and all other matters in connection with all or any part of
43 any public facility which it is authorized to own, construct,
44 establish, effectuate or control;

45 (m) To make and enforce bylaws or rules and regulations for the
46 management and regulation of its business and affairs and for the
47 use, maintenance and operation of any public facility, and to amend
48 the same;

1 (n) To do and perform any acts and things authorized by this act
2 under, through or by means of its own officers, agents and
3 employees, or by contract with any governmental unit or person;

4 (o) To acquire, purchase, construct, lease, operate, maintain and
5 undertake any project and to fix and collect facility charges for the
6 use thereof;

7 (p) To mortgage, pledge or assign or otherwise encumber all or
8 any portion of its revenues and other income, real and personal
9 property, projects and facilities for the purpose of securing its
10 bonds, notes and other obligations or otherwise in furtherance of the
11 purpose of this act;

12 (q) To extend credit or make loans to redevelopers for the
13 planning, designing, acquiring, constructing, reconstructing,
14 improving, equipping and furnishing any redevelopment project or
15 redevelopment work;

16 (r) To conduct examinations and investigations, hear testimony
17 and take proof, under oath at public or private hearings of any
18 material matter, require the attendance of witnesses and the
19 production of books and papers and issue commissions for the
20 examination of witnesses who are out of the State, unable to attend,
21 or excused from attendance;

22 (s) To authorize a committee designated by it consisting of one
23 or more members, or counsel, or any officer or employee to conduct
24 any such investigation or examination, in which case such
25 committee, counsel, officer or employee shall have power to
26 administer oaths, take affidavits and issue subpoenas or
27 commissions;

28 (t) To enter into any and all agreements or contracts, execute any
29 and all instruments, and do and perform any and all acts or things
30 necessary, convenient or desirable for the purposes of the authority
31 or to carry out any power expressly given in this act subject to the
32 "Local Public Contracts Law," P.L.1971, c. 198 (C.40A:11-1 et
33 seq.); **[and]**

34 (u) To pool loans for any local governmental units within the
35 county or any beneficiary county that are refunding bonds and do
36 and perform any and all acts or things necessary, convenient or
37 desirable for the purpose of the authority to achieve more favorable
38 interest rates and terms for those local governmental units ; and

39 (v) To act as and exercise the powers of a land bank entity
40 pursuant to P.L. , c. (C.) (pending before the Legislature as
41 this bill) for any municipality situated within the county pursuant to
42 a land banking agreement approved by an ordinance adopted by the
43 municipal governing body.

44 (cf: P.L.2011, c.187, s.4)

45
46 18. Section 21 of P.L.1971, c.199 (C.40A:12-21) is amended to
47 read as follows:

1 21. Private sales to certain organizations upon nominal
2 consideration. When the governing body of any county or
3 municipality shall determine that all or any part of a tract of land,
4 with or without improvements, owned by the county or
5 municipality, is not then needed for county or municipal purposes,
6 as the case may be, said governing body, by resolution or
7 ordinance, may authorize a private sale and conveyance of the
8 same, or any part thereof without compliance with any other law
9 governing disposal of lands by counties and municipalities, for a
10 consideration, which may be nominal, and containing a limitation
11 that such lands or buildings shall be used only for the purposes of
12 such organization or association, and to render such services or to
13 provide such facilities as may be agreed upon, and except as
14 provided in subsection (n) of this section not for commercial
15 business, trade or manufacture, and that, unless waived, released,
16 modified, or subordinated pursuant to P.L.1943, c.33 (C.40:60-
17 51.2), if said lands or buildings are not used in accordance with said
18 limitation, title thereto shall revert to the county or municipality
19 without any entry or reentry made thereon on behalf of such county
20 or municipality, to

21 (a) A duly incorporated volunteer fire company or board of fire
22 commissioners or first aid and emergency or volunteer ambulance
23 or rescue squad association of a municipality within the county, in
24 the case of a county, or of the municipality, in the case of a
25 municipality, for the construction thereon of a firehouse or fire
26 school or a first aid and emergency or volunteer ambulance or
27 rescue squad building or for the use of any existing building for any
28 or all of said purposes and any such land or building sold to any
29 duly incorporated volunteer fire company may be leased by such
30 fire company to any volunteer firemen's association for the use
31 thereof for fire school purposes for the benefit of the members of
32 such association, or

33 (b) Any nationally chartered organization or association of
34 veterans of any war, in which the United States has or shall have
35 been engaged, by a conveyance for consideration, a part of which
36 may be an agreement by the organization or association to render
37 service or to provide facilities for the general public of the county
38 or municipality, of a kind which the county or municipality may
39 furnish to its citizens and to the general public, or

40 (c) A duly incorporated nonprofit hospital association for the
41 construction or maintenance thereon of a general hospital, or

42 (d) Any paraplegic veteran, that is to say, any officer, soldier,
43 sailor, marine, nurse or other person, regularly enlisted or inducted,
44 who was or shall have been in the active military or naval forces of
45 the United States in any war in which the United States was
46 engaged, including any member of the American Merchant Marine
47 during World War II who is declared by the United States
48 Department of Defense to be eligible for federal veterans' benefits,

1 and who, at the time he was commissioned, enlisted, inducted,
2 appointed or mustered into such military or naval service, was a
3 resident of and who continues to reside in this State, who is
4 suffering from paraplegia and has permanent paralysis of both legs
5 or the lower parts of the body resulting from injuries sustained
6 through enemy action or accident while in such active military or
7 naval service, for the construction of a home to domicile him, or to
8 any organization or association of veterans, for the construction of a
9 home or homes to domicile paraplegic veterans, with powers to
10 convey said lands and premises to the paraplegic veteran or
11 veterans on whose behalf said organization or association shall
12 acquire title to said land, or

13 (e) Any duly incorporated nonprofit association or any regional
14 commission or authority composed of one or more municipalities or
15 one or more counties for the construction or maintenance thereon of
16 an animal shelter, or

17 (f) Any duly incorporated nonprofit historical society for the
18 acquisition of publicly owned historic sites for their restoration,
19 preservation, improvement and utilization for the benefit of the
20 general public, or

21 (g) Any duly incorporated nonprofit cemetery organization or
22 association serving the residents of the municipality or county, or

23 (h) Any duly incorporated nonprofit organization for the
24 principal purpose of the education or treatment of persons afflicted
25 with developmental disabilities including cerebral palsy, or

26 (i) Any county or municipal sewerage authority serving the
27 residents of the county or municipality, for the use thereof for
28 sewerage authority purposes, or

29 (j) Any duly incorporated nonprofit organization for the purpose
30 of building or rehabilitating residential property for resale. Any
31 profits from the resale of the property shall be applied by the
32 nonprofit organization to the costs of acquiring and rehabilitating
33 other residential property in need of rehabilitation owned by the
34 county or municipality, or

35 (k) Any duly incorporated nonprofit organization or association,
36 other than a political, partisan, sectarian, denominational or
37 religious organization or association, which includes among its
38 principal purposes the provision of educational, gardening,
39 recreational, medical or social services to the general public,
40 including residents of the county or municipality, or

41 (l) Any duly incorporated nonprofit housing corporation or any
42 limited-dividend housing corporation or housing association
43 organized pursuant to P.L.1949, c.184 (C.55:16-1 et seq.) for the
44 purpose of constructing housing for low or moderate income
45 persons or families or handicapped persons, or

46 (m) Any duly incorporated nonprofit hospice organization whose
47 principal purpose is to provide hospice services to the terminally ill,
48 or

1 (n) Any duly incorporated nonprofit organization or association
2 for the cultivation and sale of fresh fruits and vegetables on a tract
3 of land of less than five acres within a municipality, provided that
4 the nonprofit organization or association is not controlled, directly
5 or indirectly, by any agricultural, commercial, or other business.
6 The nonprofit organization or association shall be authorized to sell
7 fresh fruits and vegetables either on the land that was conveyed, off
8 that land, or both, provided, that the sales are related and incidental
9 to the non-profit purposes of the organization or association and the
10 net proceeds received by the nonprofit organization or association
11 are used to further the non-profit purposes of the organization or
12 association.

13 Whenever a sale of property is proposed pursuant to subsection
14 (k), for gardening, or subsection (n) of this section, the county or
15 municipality shall comply with all notice requirements for an
16 application for development under section 7.1 of P.L.1975, c.291
17 (C.40:55D-12).

18 The provisions of this section shall not be deemed to restrict land
19 banking agreements undertaken pursuant to P.L. , c. (C.)
20 (pending before the Legislature as this bill).

21 (cf: P.L.2011, c.171, s.3)

22

23 19. Section 22 of P.L.1992, c.79 (C.40A:12A-22) is amended to
24 read as follows:

25 22. A municipality, county, redevelopment agency, or housing
26 authority is authorized to exercise all those public and essential
27 governmental functions necessary or convenient to effectuate the
28 purposes of this act, including the following powers which shall be
29 in addition to those otherwise granted by this act or by other law:

30 a. To sue and be sued; to have a seal and to alter the same at
31 pleasure; to have perpetual succession; to make and execute
32 contracts and other instruments necessary and convenient to the
33 exercise of the powers of the agency or authority; and to make and
34 from time to time amend and repeal bylaws, rules and regulations,
35 not inconsistent with this act, to carry into effect its powers and
36 purposes.

37 b. Pursuant to an adopted cash management plan, invest any
38 funds held in reserve or sinking funds, or any funds not required for
39 immediate disbursement, in property or securities in which
40 governmental units may legally invest funds subject to their control;
41 to purchase its bonds at a price not more than the principal amount
42 thereof and accrued interest, all bonds so purchased to be cancelled.

43 c. Borrow money and receive grants and loans from any source
44 for the financing of a redevelopment project or housing project.

45 d. Invest in an obligee the right in the event of a default by the
46 agency to foreclose and take possession of the project covered by
47 the mortgage or apply for the appointment of a receiver.

1 e. Invest in a trustee or trustees or holders of bonds the right to
2 enforce the payment of the bonds or any covenant securing or
3 relating to the bonds, which may include the right, in the event of
4 the default, to take possession and use, operate and manage any
5 project or part thereof, and to collect the rents and revenues arising
6 therefrom and to dispose of the moneys in accordance with the
7 agreement of the authority with the trustee.

8 f. Provide for the refunding of any of its bonds, by the issuance
9 of such obligations, in such manner and form, and upon such terms
10 and conditions, as it shall deem in the best interests of the public.

11 g. Consent to the modification of any contract, bond indenture,
12 mortgage or other instrument entered into by it.

13 h. Pay or compromise any claim arising on, or because of any
14 agreement, bond indenture, mortgage or instrument.

15 i. Acquire or contract to acquire from any person, firm, or
16 corporation, public or private, by contribution, gift, grant, bequest,
17 devise, purchase, or otherwise, real or personal property or any
18 interest therein, including such property as it may deem necessary
19 or proper, although temporarily not required for such purposes, in a
20 redevelopment area or in any area designated by the governing body
21 as necessary for carrying out the relocation of the residents,
22 industry and commerce displaced from a redevelopment area.

23 j. Subordinate, waive, sell, assign or release any right, title,
24 claim, lien or demand however acquired, including any equity or
25 right of redemption, foreclosure, sell or assign any mortgage held
26 by it, or any interest in real or personal property; and purchase at
27 any sale, upon such terms and at such prices as it determines to be
28 reasonable, and to take title to the property, real, personal, or
29 mixed, so acquired and similarly to sell, exchange, assign, convey
30 or otherwise dispose of any property.

31 k. Complete, administer, operate, obtain and pay for insurance
32 on, and maintain, renovate, repair, modernize, lease or otherwise
33 deal with any property.

34 l. Employ or retain consulting and other attorneys, planners,
35 engineers, architects, managers and financial experts and other
36 employees and agents of a permanent or temporary nature as may
37 be necessary, determine their qualifications, duties and
38 compensation, and delegate to one or more of its agents or
39 employees such powers and duties as it deems proper. For such
40 legal services as may be required, a redevelopment agency or
41 housing authority may call upon the chief law officers of the
42 municipality or county, as the case may be, or may employ its own
43 counsel and legal staff.

44 m. Arrange or contract with a public agency, to the extent that it
45 is within the scope of that agency's functions, to cause the services
46 customarily provided by such other agency to be rendered for the
47 benefit of the occupants of any redevelopment area or housing
48 project, and have such other agency provide and maintain parks,

1 recreation centers, schools, sewerage, transportation, water and
2 other municipal facilities adjacent to or in connection with a
3 redevelopment area or project.

4 n. Conduct examinations and investigations, hear testimony and
5 take proof, under oath at public or private hearings of any material
6 matter, compel witnesses and the production of books and papers
7 and issue commissions for the examination of witnesses who are out
8 of State, unable to attend, or excused from attendance; authorize a
9 committee designated by it consisting of one or more members, or
10 counsel, or any officer or employee to conduct the examination or
11 investigation, in which case it may authorize in its name the
12 committee, counsel, officer or employee to administer oaths, take
13 affidavits and issue subpoenas or commissions.

14 o. Make and enter into all contracts and agreements necessary or
15 incidental to the performance of the duties authorized in this act.

16 p. After thorough evaluation and investigation, bring an action
17 on behalf of a tenant to collect or enforce any violation of
18 subsection g. or h. of section 11 of the "Law Against
19 Discrimination," P.L.1945, c.169 (C.10:5-12).

20 q. Designate members or employees, who shall be
21 knowledgeable of federal and State discrimination laws, and who
22 shall be available during all normal business hours, to evaluate a
23 complaint made by a tenant pursuant to the "Law Against
24 Discrimination," P.L.1945, c.169 (C.10:5-12).

25 r. Act as and exercise the powers of a land bank entity pursuant
26 to P.L. , c. (C.) (pending before the Legislature as this bill)
27 under a land banking agreement approved by an ordinance adopted
28 by the municipal governing body.
29 (cf: P.L.2002, c.82, s.5)

30

31 20. This act shall take effect immediately.

32

33

34

STATEMENT

35

36 This bill allows municipalities to designate redevelopment
37 entities, including themselves and certain non-profit entities, to act
38 as land bank entities on their behalf. Eligible non-profit entities
39 shall allow the chief financial officer of the municipality to serve on
40 the board of the entity as an ex officio member.

41 The municipality may also convey municipal-owned properties
42 and assign municipal-owned liens to that entity. The land bank
43 entity may also acquire properties for the land bank through gift or
44 purchase, and act as the municipality's agent to purchase liens at tax
45 sale, and carry out lien foreclosures and individual abandoned
46 property takings.

47 Land bank entity designation is accomplished through a formal
48 agreement adopted by the municipality and the entity after

1 community input. The agreement establishes the terms and
2 conditions by which the entity may acquire and may sell, lease, or
3 convey a property, a mechanism for sharing costs and revenues
4 between the municipality and the entity, and the level of municipal
5 oversight. The agreement can be amended at any time by mutual
6 consent, and terminated by the municipality by giving one year's
7 notice to the entity.

8 When the land bank entity is a non-profit rather than
9 governmental entity, the municipality may exempt the properties
10 held as a land bank entity from property taxes.

11 The land bank entity is required to develop and maintain an
12 interactive online mapping database of current and former land
13 bank properties, and vacant and abandoned properties within the
14 municipality. The database shall be accessible to the public through
15 the Internet, and shall allow members of the public to offer
16 suggestions concerning what properties should be identified as
17 vacant and abandoned. The database shall label all properties
18 subject to the land banking agreement, and shall include
19 information on cost of transactions concerning those properties.

20 The land bank entity shall create a community advisory board,
21 and adopt procedures to ensure the advisory board has access to
22 information and opportunity to provide input into the entity's
23 decisions. The community advisory board shall report on the
24 accuracy, integrity, accessibility, and comprehensiveness of the
25 online mapping database on at least an annual basis. The land bank
26 entity must also submit an annual report on its land banking
27 activities to the municipal governing body and the public.

28 Once designated by a municipality, land bank entities may serve
29 the same function for other municipalities, subject to a shared
30 services agreement between the designated municipality and any
31 other municipalities. A municipality also may adopt an ordinance to
32 remit to the land bank entity an amount equaling up to 50 percent of
33 the property taxes or payments in lieu of taxes collected for up to 10
34 years on parcels sold or conveyed, but not leased, by the land bank
35 entity to private entities, provided that property taxes were not paid
36 on the parcel for at least two years preceding the date when the
37 parcel became a land bank property.