

[Second Reprint]

SENATE, No. 1214

STATE OF NEW JERSEY
218th LEGISLATURE

INTRODUCED JANUARY 25, 2018

Sponsored by:

Senator M. TERESA RUIZ

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Senator NILSA CRUZ-PEREZ

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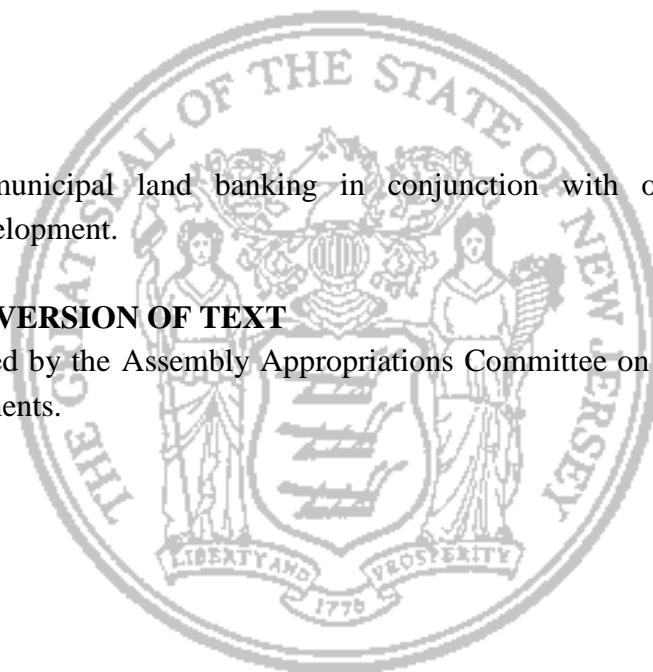
Senators Rice, Pou, Assemblywomen Timberlake, Pintor Marin, Assemblyman Caputo, Assemblywoman Speight, Assemblymen Calabrese, Giblin, McKeon and Senator Codey

SYNOPSIS

Permits municipal land banking in conjunction with online property database development.

CURRENT VERSION OF TEXT

As reported by the Assembly Appropriations Committee on May 20, 2019, with amendments.



(Sponsorship Updated As Of: 5/31/2019)

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. ,
9 c. (C.) (pending before the Legislature as this bill) shall be
10 known and may 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; ²[and]²

41 g. It is ²[, therefore,]² 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 ²[sell] convey², lease and otherwise dispose
44 of vacant, abandoned and problem properties, in order to carry out

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.

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SBA committee amendments adopted December 10, 2018.

²Assembly AAP committee amendments adopted May 20, 2019.

1 strategies to ensure that the reuse of these properties provides the
2 greatest long-term benefit to the physical, social and economic
3 condition of the municipality ²; and

4 h. It is, therefore, appropriate to identify land banking, and
5 associated land banking activities, including those involving site
6 improvements and the preparation of property for productive reuse,
7 as a public purpose, and to permit a municipality to provide tax-
8 exempt status to properties for so long as they are held as land bank
9 properties².

10
11 3. (New section) As used in sections 3 through 16 of
12 P.L. , c. (C.) (pending before the Legislature as this bill):

13 “Land bank entity” means a ²[redevelopment entity,] public land
14 bank entity² or a non-profit ²land bank² entity ²[, that has entered
15 into a land banking agreement]².

16 “Land bank property” means property subject to a land banking
17 agreement.

18 “Land banking agreement” means an agreement between a
19 municipality and a land bank entity to act on behalf of the
20 municipality to hold, maintain and ²[sell,]² lease ²[,]² or convey
21 property owned by the municipality and not needed for any public
22 purpose.

23 ²“Non-profit land bank entity” means a non-profit entity,
24 established pursuant to the “New Jersey Nonprofit Corporation
25 Act,” N.J.S.15A:1-1 et seq., that has entered into a land banking
26 agreement.

27 “Public land bank entity” means a redevelopment entity that has
28 entered into a land banking agreement.²

29 “Redevelopment entity” means either:

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

33 (2) A county improvement authority designated by the
34 municipality to act as a redevelopment entity pursuant to the
35 “county improvement authorities law,” P.L.1960, c.183 (C.40:37A-
36 44 et seq.) for the purpose of entering into a land banking
37 agreement with said entity, without regard to whether the county
38 improvement authority is otherwise acting as a redevelopment
39 entity in the municipality; or

40 (3) The municipality itself, or one of its departments or
41 agencies, but only if the municipality is executing redevelopment
42 responsibilities directly pursuant to section 4 of P.L.1992, c.79
43 (C.40A:12A-4). In such cases, the designated redevelopment entity
44 shall not need to adopt separate ordinances or resolutions, as
45 appropriate, for the purpose of adopting a land banking agreement
46 or amendments pursuant to subsections d. and e. of section 5 of
47 P.L. , c. (C.) (pending before the Legislature as this bill),

1 and the adoption of one ordinance to create the land banking
 2 agreement, and one ordinance for each amendment thereto shall
 3 suffice. Termination notice requirements, prescribed by section 14
 4 of P.L. , c. (C.) (pending before the Legislature as this bill),
 5 also shall not be necessary.

6 ²“Trust agreement” means an agreement between a municipality
 7 and land bank entity, pursuant to subsection f. of section 5 of
 8 P.L. , c. (C.) (pending before the Legislature as this bill).²

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

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

18 5. (New section) a. A land banking agreement shall establish
 19 the responsibilities of the land bank entity and shall specify the
 20 terms and conditions under which the land bank entity may acquire
 21 property on behalf of the municipality, demolish and otherwise
 22 clear buildings and conduct other site improvements located on the
 23 property, maintain and secure the property, conduct other activities
 24 on the property, and, notwithstanding the provisions of the “Local
 25 Lands and Buildings Law,” P.L.1971, c.199 (C.40A:12-1 et seq.),
 26 ²[sell,]² lease ²[,]² or convey property held on behalf of the
 27 municipality. The land banking agreement also shall provide for
 28 such municipal oversight of the land bank entity as the municipality
 29 deems necessary and appropriate and shall establish the manner in
 30 which any costs and revenues, including proceeds of the sale or
 31 leasing of land bank property shall be distributed. The land bank
 32 entity shall not lease any land bank property for an individual term
 33 of more than ²[10] ⁹⁹² years. Land bank property that is ²[sold,]²
 34 leased ²[,]² or conveyed by a land bank entity, shall be subject to
 35 ordinances adopted pursuant to the “Municipal Land Use Law,”
 36 P.L.1975, c.291 (C.40:55D-1 et seq.), ²any redevelopment plan
 37 enacted pursuant to the “Local Redevelopment and Housing Law,”
 38 P.L.1992, c.79 (C.40A:12A-1 et al.).² and other applicable State
 39 statutes following the ²[sale,]² lease ²[,]² or conveyance.

40 b. Prior to submission of the land banking agreement for
 41 approval by the municipal governing body, the municipality shall
 42 hold a public meeting to solicit the advice of the public on the
 43 substance and intent of the land banking agreement.

44 c. The ordinance comprising the land banking agreement shall
 45 include findings establishing the need for land bank activity in the
 46 municipality, ²the public purpose that the municipality intends the
 47 land bank entity to pursue,² and the qualifications of the land bank

1 entity to carry out the responsibilities established pursuant to
2 P.L. , c. (C.) (pending before the Legislature as this bill).

3 d. The land banking agreement shall be adopted by an
4 ordinance of the governing body of the municipality and by
5 resolution of the governing body of the land bank entity.

6 e. The land banking agreement may be amended at any time by
7 ordinance of the governing body of the municipality and by
8 resolution of the governing body ²or board, as appropriate,² of the
9 land bank entity.

10 ²f. Through entrance into a land banking agreement, a
11 municipality may authorize a land bank entity to hold property in
12 trust on behalf of the municipality. The land banking agreement
13 shall establish whether a trust agreement shall provide authorization
14 to the land bank entity to convey property, lease property, and
15 conduct other land banking activities without municipal
16 authorization for each individual conveyance, and other action. If
17 provided in the land banking agreement, each trust agreement shall
18 provide the land bank entity with all the powers of property
19 ownership, subject to the potential termination of the land banking
20 agreement pursuant to section 14 of P.L. , c. (C.) (pending
21 before the Legislature as this bill).

22 g. A land bank entity is not subject to the requirements of the
23 "Local Public Contracts Law," P.L.1971, c.198 (C.40A:11-1 et seq.)
24 in association with a land banking agreement or with contracts
25 entered by the land bank entity in association with the land banking
26 agreement. Public bidding is not necessary to enter into a land
27 banking agreement, or, unless otherwise stated in the land banking
28 agreement, for contracts entered into by the land bank entity in
29 association with the land banking agreement.²

30

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

34 a. acquire properties on its behalf through contribution, gift,
35 grant, bequest, purchase or otherwise, whether or not the property is
36 located in an area designated as a redevelopment area or an area in
37 need of rehabilitation; and

38 b. act as its agent, or in place of its municipal officer, with
39 respect to acquisition of property, including but not limited to
40 purchase of tax and other liens, foreclosure of tax and other liens,
41 and individual abandoned property takings pursuant to paragraph
42 (2) of subsection c. of section 37 of the "New Jersey Urban
43 Redevelopment Act," P.L.1996, c.62 (C.55:19-56) on behalf of the
44 municipality and to ²**[take title to]** acquire and hold in trust² such
45 properties on behalf of the municipality; provided, however, that
46 nothing in this section shall authorize the use of eminent domain
47 beyond that use already permitted by law.

1 7. (New section) a. For purposes of this section, a municipality,
2 through the land banking agreement itself, or through the adoption
3 of a separate ordinance, may ²[sell, lease, or convey to the]
4 authorize the² land bank entity ²[, and the land bank entity may
5 take title to,] to hold in trust on behalf of the municipality² any
6 property or properties held by the municipality and not ²[needed]
7 being used² for any public purpose, whether or not the property is
8 located in an area designated as a redevelopment area or an area in
9 need of rehabilitation, without public bidding and at such prices and
10 upon such terms as the municipality deems reasonable ²in
11 accordance with parameters that may be established in the land
12 banking agreement². ²[Unless the terms of the land banking
13 agreement provide otherwise, such sales, leases, and conveyances
14 to] A trust agreement with² the land bank entity ²[itself]² shall be
15 conditioned on the municipality's ability to regain control of the
16 properties pursuant to ²[subsection c. of]² section 14 of
17 P.L. , c. (C.) (pending before the Legislature as this bill).

18 b. 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 ², subject to the
21 provisions of R.S.54:5-112 and R.S.54:5-113, except that the liens
22 may be assigned² with or without consideration and at such prices
23 and upon such terms as ²[it] the municipality² deems reasonable.
24 If an ordinance adopted pursuant to this subsection permits the
25 land bank entity to retain a portion of the interest payments on one
26 or more tax liens, or the proceeds from one or more sheriff's sales
27 or short sales, or both, then the municipality shall retain the
28 authority to, at any time, by ordinance, restrict the amount of one or
29 both of these funding sources that may be retained by the land bank
30 entity following the date of adoption of the ordinance. The terms of
31 a tax lien assignment pursuant to this subsection shall remain intact,
32 without restriction by a subsequent ordinance, for no less than one
33 year.²

34
35 8. (New section) a. To the extent that the statute under
36 which a redevelopment entity was established, section 4 of
37 P.L.1992, c.79 (C.40A:12A-4) or P.L.1960, c.183 (C.40:37A-
38 44 et seq.) in the case of a county improvement authority, confers
39 on that entity the power to borrow funds and incur debt, the
40 redevelopment entity may exercise those powers in furtherance of
41 its land banking obligations subject to the conditions and limitations
42 set forth in section 4 of P.L.1992, c.79 (C.40A:12A-4) or P.L.1960,
43 c.183 (C.40:37A-44 et seq.).

44 b. To the extent that the statute under which the redevelopment
45 entity was established, section 4 of P.L.1992, c.79 (C.40A:12A-4)
46 or P.L.1960, c.183 (C.40:37A-44 et seq.) in the case of a county
47 improvement authority, provides that the municipality may

1 guarantee its debt or other borrowing, the municipality may also
2 guarantee its debt or other borrowing under the same terms and
3 conditions, in furtherance of the entity's obligations as a land bank
4 entity.

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

9
10 9. (New section) In ²~~selling,~~² leasing ²~~,~~² or conveying
11 land bank property ², unless the property is part of an area in need
12 of redevelopment,² a redevelopment entity shall not be subject to
13 the provisions of section 9 of P.L.1992, c.79 (C.40A:12A-9), but
14 shall be subject to any terms and conditions set forth in the land
15 banking agreement ²~~and by the regulations of the redevelopment~~
16 entity, adopted pursuant to section 10 of P.L. , c. (C.)
17 (pending before the Legislature as this bill)².

18
19 10. (New section) ²~~Within six months after designation by the~~
20 municipality, the land bank entity shall adopt written regulations
21 governing the sales, leases, and conveyances ~~Following entrance~~
22 into a land banking agreement, the land bank entity may modify its
23 bylaws or other governing documents to address actions taken on
24 land bank property, including but not limited to, the leasing and
25 conveyance² of land bank property ²so long as such modifications
26 are² consistent with ²~~any~~ ²the provisions of the land banking
27 agreement ²~~and with respect to any other matters that may be~~
28 required by said agreement, which regulations shall be published on
29 the Internet web sites of the land bank entity and the municipality,
30 along with the database required pursuant to subsection c. of section
31 11 of P.L. , c. (C.) (pending before the Legislature as this
32 bill)².

33
34 11. (New section) a. Within six months after designation by the
35 municipality ^{2,}² the land bank entity shall create a community
36 advisory board, which shall consist of representatives of recognized
37 community associations and non-profit organizations operating
38 within the municipality, ²~~in particular~~ ²including² those
39 associations and organizations active in areas where the land bank
40 entity anticipates holding properties.

41 b. The land bank entity shall adopt policies and procedures to
42 ensure that the community advisory board is provided with
43 adequate information and opportunity to provide valued input into
44 the decisions of the land bank entity in its capacity as a land bank
45 entity.

46 c. (1) In coordination with the municipality and the
47 community advisory board, the land bank entity shall, within a

1 reasonable time, create, maintain, and make publicly available on
2 its Internet website, a database listing all current and former land
3 bank properties, each owner of record since each property became a
4 land bank property, and the sales price of each land bank property
5 that has been ²[sold or]² purchased by the land bank entity ²on
6 behalf of the municipality². ²[¹In] Beginning 30 days after the date
7 on which a land bank entity publishes a database pursuant to this
8 subsection and every six months thereafter, in² accordance with the
9 guidance provided by the Division of Local Government Services in
10 the Department of Community Affairs pursuant to subsection e. of
11 this section, the land bank entity shall ²[periodically]² update those
12 State agencies identified by the division concerning any changes to
13 the database. To the extent that the database includes properties in
14 foreclosure proceedings, and ²[recently-foreclosed]² properties
15 ²foreclosed within the six-month reporting period² , the land bank
16 entity shall ²take reasonable steps to² ensure that the information
17 provided is both accurate and consistent with any corresponding
18 information provided by any State agency, or by the Judiciary.¹

19 (2) In coordination with the municipality and the community
20 advisory board, the land bank entity is encouraged to incorporate
21 into the online database:

22 (a) a list of all vacant and abandoned properties within the
23 municipality;

24 (b) a mechanism to allow the public to offer suggestions
25 concerning what properties should be labeled as vacant and
26 abandoned; and

27 (c) an interactive mapping component to allow the public to
28 visualize the impact of land banking and the extent of vacant and
29 abandoned properties within the municipality.

30 d. On an annual basis at minimum, the community advisory
31 board shall report on the accuracy, integrity, accessibility, and
32 comprehensiveness of the database established pursuant to
33 subsection c. of this section. Each annual report shall be accessible
34 to the public through the internet website of the municipality and
35 the land bank entity. The fact that a land bank entity has failed to
36 comply with the database requirement under subsection c. of this
37 section shall be prominently noted in each annual report, but no
38 other penalty shall inure to that failure.

39 e. The Division of Local Government Services in the
40 Department of Community Affairs shall, within six months of the
41 effective date of P.L. , c. (C.) (pending before the
42 Legislature as this bill), publish and disseminate a guidebook of
43 good practice for creating and maintaining databases established
44 pursuant to subsection c. of this section.

45

46 12. (New section) The land bank entity shall provide an annual
47 report to the municipal governing body and the public describing

1 the properties being held by it as a land bank entity and the
2 activities that it carried out during the year as a land bank entity.

3
4 13. (New section) The land banking agreement between the
5 municipality and a ²**[non-profit] land bank**² entity may provide that
6 properties ²**[sold, leased, or conveyed by the municipality to the**
7 **non-profit]** held by the land bank² entity in trust on behalf of the
8 municipality² pursuant to section 7 of P.L. , c. (C.)
9 (pending before the Legislature as this bill), or acquired by the
10 ²**[non-profit] land bank**² entity pursuant to section 6 of
11 P.L. , c. (C.) (pending before the Legislature as this bill),
12 are held in trust² by the entity on behalf of the municipality for a
13 public purpose and shall be exempt from property taxation until or
14 unless ²**[sold,]**² leased ²**[,]**² or conveyed by the entity on behalf
15 of the municipality² or used by the entity for a purpose that is not
16 eligible for exemption from taxation.

17
18 14. (New section) a. ²(1)² The municipality may ², by
19 ordinance,² terminate the land banking agreement at any time ²,
20 with or without cause,² by providing the land bank entity with one
21 year's notice of termination from the date of the adoption of that
22 ordinance².

23 ²**[b.] (2)**² Termination of the land banking agreement ², pursuant
24 to this subsection,² shall not affect the status of any transaction
25 properly entered into by the land bank entity prior to termination.

26 ²**[c.] (3)**² Within 90 days following the date of termination, the
27 land bank entity shall convey ²and transfer² to the municipality
28 ²possession of² all land bank property without consideration;
29 provided, however, that the municipality and the entity may agree
30 to allow the entity to retain ²**[title to]** possession and control over²
31 any properties that are the subject of a pending transaction by the
32 entity until completion of the transaction, and until the end of any
33 lease.

34 ²**b.** With or without one year's notice to the land bank entity, the
35 municipality may, by ordinance, terminate the land banking
36 agreement upon notification of a determination from the county
37 prosecutor, or the municipal counsel, that the land bank entity, or a
38 director or officer of the land bank entity while acting in their
39 official role, has breached an essential duty of the land banking
40 agreement based upon an act or omission:

41 (1) in violation of the land bank entity's duty of loyalty to the
42 municipality and the general welfare of the residents of the
43 municipality;

44 (2) involving a knowing violation of criminal law; or

1 (3) resulting in the receipt by a director or officer of the land
2 bank entity, or by an associate of such person, of an improper
3 personal benefit.²
4

5 15. (New section) A land bank entity may act as a land bank
6 entity for more than one municipality at the same time, subject to
7 the provisions of the “Uniform Shared Services and Consolidation
8 Act,” P.L.2007, c.63 (C.40A:65-1 et seq.).
9

10 16. (New section) a. ²(1)² A municipal governing body may
11 provide ²[by] , pursuant to the land banking agreement itself, or
12 pursuant to a separate² ordinance that ²[an amount equaling up to
13 50 percent of property taxes or payments in lieu of taxes collected
14 on land bank properties each year] a limited series of annual
15 payments² shall be ²[returned] made by the municipality² to the
16 land bank entity ²[for up to 10 years]² following ²one or more
17 fiscal years during which² a ²[sale or]² conveyance of ²[those] one
18 or more land bank² properties from the land bank entity to a private
19 owner ²[. Such ordinance] occurs. Each payment that a
20 municipality commits to making pursuant to this subsection shall be
21 anticipated in the municipal budget adopted for the fiscal year
22 during which the payment shall be made.

23 (2) A payment budgeted pursuant to this subsection shall be
24 limited by the terms of the ordinance, but this payment shall not
25 exceed 50 percent of property taxes or payments in lieu of taxes due
26 and payable in the fiscal year for all properties that had been land
27 bank properties within the 10 fiscal years prior to the fiscal year for
28 which the payment is budgeted. If a property has been conveyed by
29 a land bank entity more than once, then property taxes and
30 payments in lieu of taxes due and payable for that property shall not
31 be applied to increase the annual limitation established pursuant to
32 this paragraph.

33 (3) An ordinance adopted pursuant to this subsection² may only
34 be applied to real property on which no property tax has been paid,
35 or payment in lieu of taxes collected, for at least two years prior to
36 the property becoming a land bank property. Such ordinance may
37 be applied to any individual ²[sale or]² conveyance, any group of
38 ²[sales and]² conveyances, or all future ²[sales and]² conveyances
39 that fit these criteria.

40 b. The distribution of any proceeds associated with the sales
41 and leasing of land bank property shall be addressed in the land
42 banking agreement itself and in amendments thereto. ²Distributions
43 to a land bank entity pursuant to this subsection may be made in
44 addition to payments provided pursuant to subsection a. of this
45 section.² Proceeds associated with the sales and leasing of land
46 bank property, and all other proceeds obtained by the land bank

1 entity ²on behalf of the municipality² under the ordinance, shall be
2 maintained in one or more accounts, separate from all other
3 accounts maintained by the entity serving as the land bank entity.
4 The account or accounts shall be deemed to be government records
5 and subject to the provisions of P.L.1963, c.73 (C.47:1A-1 et seq.),
6 commonly known as the open public records act.

7 c. As used in this section, “conveyance” shall not be construed
8 to include a lease.

9
10 17. Section 12 of P.L.1960, c.183 (C.40:37A-55) is amended to
11 read as follows:

12 12. Every authority shall be a public body politic and corporate
13 constituting a political subdivision of the State established as an
14 instrumentality exercising public and essential governmental
15 functions to provide for the public convenience, benefit and welfare
16 and shall have perpetual succession and, for the effectuation of its
17 purposes, have the following additional powers:

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

20 (b) To sue and be sued;

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

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

25 (e) Subject to the provisions of section 26 of this act, to acquire
26 by purchase, gift, condemnation or otherwise, or lease as lessee,
27 real property and easements or interests therein necessary or useful
28 and convenient for the purposes of the authority, whether subject to
29 mortgages, deeds of trust or other liens or otherwise, and to hold
30 and to use the same, and to dispose of property so acquired no
31 longer necessary for the purposes of the authority; provided that the
32 authority may dispose of such property at any time to any
33 governmental unit or person if the authority shall receive a
34 leasehold interest in the property for such term as the authority
35 deems appropriate to fulfill its purposes;

36 (f) Subject to the provisions of section 13 of this act, to lease to
37 any governmental unit or person, all or any part of any public
38 facility for such consideration and for such period or periods of
39 time and upon such other terms and conditions as it may fix and
40 agree upon;

41 (g) To enter into agreements to lease, as lessee, public facilities
42 for such term and under such conditions as the authority may deem
43 necessary and desirable to fulfill its purposes, and to agree,
44 pursuant thereto, to be unconditionally obligated to make payments
45 for the term of the lease, without set-off or counterclaim, whether or
46 not the public facility is completed, operating or operable, and
47 notwithstanding the destruction of, damage to, or suspension,
48 interruption, interference, reduction or curtailment of the

1 availability or output of the public facility to which the agreement
2 applies;

3 (h) To extend credit or make loans to any governmental unit or
4 person for the planning, design, acquisition, construction, equipping
5 and furnishing of a public facility, upon the terms and conditions
6 that the loans be secured by loan and security agreements,
7 mortgages, leases and other instruments, the payments on which
8 shall be sufficient to pay the principal of and interest on any bonds
9 issued for the purpose by the authority, and upon such other terms
10 and conditions as the authority shall deem reasonable;

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

16 (j) (1) To borrow money and issue negotiable bonds or notes
17 or other obligations and provide for and secure the payment of any
18 bonds and the rights of the holders thereof, and to purchase, hold
19 and dispose of any bonds;

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

25 (k) To apply for and to accept gifts or grants of real or personal
26 property, money, material, labor or supplies for the purposes of the
27 authority from any governmental unit or person, and to make and
28 perform agreements and contracts and to do any and all things
29 necessary or useful and convenient in connection with the
30 procuring, acceptance or disposition of such gifts or grants;

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

35 (m) To make and enforce bylaws or rules and regulations for the
36 management and regulation of its business and affairs and for the
37 use, maintenance and operation of any public facility, and to amend
38 the same;

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

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

45 (p) To mortgage, pledge or assign or otherwise encumber all or
46 any portion of its revenues and other income, real and personal
47 property, projects and facilities for the purpose of securing its

1 bonds, notes and other obligations or otherwise in furtherance of the
2 purpose of this act;

3 (q) To extend credit or make loans to redevelopers for the
4 planning, designing, acquiring, constructing, reconstructing,
5 improving, equipping and furnishing any redevelopment project or
6 redevelopment work;

7 (r) To conduct examinations and investigations, hear testimony
8 and take proof, under oath at public or private hearings of any
9 material matter, require the attendance of witnesses and the
10 production of books and papers and issue commissions for the
11 examination of witnesses who are out of the State, unable to attend,
12 or excused from attendance;

13 (s) To authorize a committee designated by it consisting of one
14 or more members, or counsel, or any officer or employee to conduct
15 any such investigation or examination, in which case such
16 committee, counsel, officer or employee shall have power to
17 administer oaths, take affidavits and issue subpoenas or
18 commissions;

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

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

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

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

36

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

39 21. When the governing body of any county or municipality
40 shall determine that all or any part of a tract of land, with or without
41 improvements, owned by the county or municipality, is not then
42 needed for county or municipal purposes, as the case may be, said
43 governing body, by resolution or ordinance, may authorize a private
44 sale and conveyance of the same, or any part thereof without
45 compliance with any other law governing disposal of lands by
46 counties and municipalities, for a consideration, which may be
47 nominal, and containing a limitation that such lands or buildings
48 shall be used only for the purposes of such organization or

1 association, and to render such services or to provide such facilities
2 as may be agreed upon, and except as provided in subsection (n) of
3 this section not for commercial business, trade or manufacture, and
4 that, unless waived, released, modified, or subordinated pursuant to
5 P.L.1943, c.33 (C.40:60-51.2), if said lands or buildings are not
6 used in accordance with said limitation, title thereto shall revert to
7 the county or municipality without any entry or reentry made
8 thereon on behalf of such county or municipality, to

9 (a) A duly incorporated volunteer fire company or board of fire
10 commissioners or first aid and emergency or volunteer ambulance
11 or rescue squad association of a municipality within the county, in
12 the case of a county, or of the municipality, in the case of a
13 municipality, for the construction thereon of a firehouse or fire
14 school or a first aid and emergency or volunteer ambulance or
15 rescue squad building or for the use of any existing building for any
16 or all of said purposes and any such land or building sold to any
17 duly incorporated volunteer fire company may be leased by such
18 fire company to any volunteer firemen's association for the use
19 thereof for fire school purposes for the benefit of the members of
20 such association, or

21 (b) Any nationally chartered organization or association of
22 veterans of any war, in which the United States has or shall have
23 been engaged, by a conveyance for consideration, a part of which
24 may be an agreement by the organization or association to render
25 service or to provide facilities for the general public of the county
26 or municipality, of a kind which the county or municipality may
27 furnish to its citizens and to the general public, or

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

30 (d) Any veteran with paraplegia, that is to say, any officer,
31 soldier, sailor, marine, nurse or other person, regularly enlisted or
32 inducted, who was or shall have been in the active military or naval
33 forces of the United States in any war in which the United States
34 was engaged, including any member of the American Merchant
35 Marine during World War II who is declared by the United States
36 Department of Defense to be eligible for federal veterans' benefits,
37 and who, at the time the veteran was commissioned, enlisted,
38 inducted, appointed or mustered into such military or naval service,
39 was a resident of and who continues to reside in this State, and who
40 has paraplegia and permanent paralysis of both legs or the lower
41 parts of the body resulting from injuries sustained through enemy
42 action or accident while in such active military or naval service, for
43 the construction of a home to domicile the veteran, or to any
44 organization or association of veterans, for the construction of a
45 home or homes to domicile veterans with paraplegia, with powers
46 to convey said lands and premises to the veteran or veterans with
47 paraplegia on whose behalf said organization or association shall
48 acquire title to said land, or

- 1 (e) Any duly incorporated nonprofit association or any regional
2 commission or authority composed of one or more municipalities or
3 one or more counties for the construction or maintenance thereon of
4 an animal shelter, or
- 5 (f) Any duly incorporated nonprofit historical society for the
6 acquisition of publicly owned historic sites for their restoration,
7 preservation, improvement, and utilization for the benefit of the
8 general public, or
- 9 (g) Any duly incorporated nonprofit cemetery organization or
10 association serving the residents of the municipality or county, or
- 11 (h) Any duly incorporated nonprofit organization for the
12 principal purpose of the education or treatment of persons with
13 developmental disabilities including cerebral palsy, or
- 14 (i) Any county or municipal sewerage authority serving the
15 residents of the county or municipality, for the use thereof for
16 sewerage authority purposes, or
- 17 (j) Any duly incorporated nonprofit organization for the
18 purpose of building or rehabilitating residential property for resale.
19 Any profits from the resale of the property shall be applied by the
20 nonprofit organization to the costs of acquiring and rehabilitating
21 other residential property in need of rehabilitation owned by the
22 county or municipality, or
- 23 (k) Any duly incorporated nonprofit organization or association,
24 other than a political, partisan, sectarian, denominational, or
25 religious organization or association, which includes among its
26 principal purposes the provision of educational, gardening,
27 recreational, medical, or social services to the general public,
28 including residents of the county or municipality, or
- 29 (l) Any duly incorporated urban renewal corporation organized
30 pursuant to P.L.1991, c.431 (C.40A:20-1 et seq.) for the purpose of
31 constructing housing for low or moderate income persons or
32 families or persons with disabilities, or
- 33 (m) Any duly incorporated nonprofit hospice organization whose
34 principal purpose is to provide hospice services to persons with
35 terminal illnesses, or
- 36 (n) Any duly incorporated nonprofit organization or association
37 for the cultivation and sale of fresh fruits and vegetables on a tract
38 of land of less than five acres within a municipality, provided that
39 the nonprofit organization or association is not controlled, directly
40 or indirectly, by any agricultural, commercial, or other business.
41 The nonprofit organization or association shall be authorized to sell
42 fresh fruits and vegetables either on the land that was conveyed, off
43 that land, or both, provided, that the sales are related and incidental
44 to the non-profit purposes of the organization or association and the
45 net proceeds received by the nonprofit organization or association
46 are used to further the non-profit purposes of the organization or
47 association.

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

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

9 (cf: P.L.2017, c.131, s.175)

10
11 19. Section 22 of P.L.1992, c.79 (C.40A:12A-22) is amended to
12 read as follows:

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

18 a. To sue and be sued; to have a seal and to alter the same at
19 pleasure; to have perpetual succession; to make and execute
20 contracts and other instruments necessary and convenient to the
21 exercise of the powers of the agency or authority; and to make and
22 from time to time amend and repeal bylaws, rules and regulations,
23 not inconsistent with this act, to carry into effect its powers and
24 purposes.

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

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

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

36 e. Invest in a trustee or trustees or holders of bonds the right to
37 enforce the payment of the bonds or any covenant securing or
38 relating to the bonds, which may include the right, in the event of
39 the default, to take possession and use, operate and manage any
40 project or part thereof, and to collect the rents and revenues arising
41 therefrom and to dispose of the moneys in accordance with the
42 agreement of the authority with the trustee.

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

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

- 1 h. Pay or compromise any claim arising on, or because of any
2 agreement, bond indenture, mortgage or instrument.
- 3 i. Acquire or contract to acquire from any person, firm, or
4 corporation, public or private, by contribution, gift, grant, bequest,
5 devise, purchase, or otherwise, real or personal property or any
6 interest therein, including such property as it may deem necessary
7 or proper, although temporarily not required for such purposes, in a
8 redevelopment area or in any area designated by the governing body
9 as necessary for carrying out the relocation of the residents,
10 industry and commerce displaced from a redevelopment area.
- 11 j. Subordinate, waive, sell, assign or release any right, title,
12 claim, lien or demand however acquired, including any equity or
13 right of redemption, foreclosure, sell or assign any mortgage held
14 by it, or any interest in real or personal property; and purchase at
15 any sale, upon such terms and at such prices as it determines to be
16 reasonable, and to take title to the property, real, personal, or
17 mixed, so acquired and similarly to sell, exchange, assign, convey
18 or otherwise dispose of any property.
- 19 k. Complete, administer, operate, obtain and pay for insurance
20 on, and maintain, renovate, repair, modernize, lease or otherwise
21 deal with any property.
- 22 l. Employ or retain consulting and other attorneys, planners,
23 engineers, architects, managers and financial experts and other
24 employees and agents of a permanent or temporary nature as may
25 be necessary, determine their qualifications, duties and
26 compensation, and delegate to one or more of its agents or
27 employees such powers and duties as it deems proper. For such
28 legal services as may be required, a redevelopment agency or
29 housing authority may call upon the chief law officers of the
30 municipality or county, as the case may be, or may employ its own
31 counsel and legal staff.
- 32 m. Arrange or contract with a public agency, to the extent that it
33 is within the scope of that agency's functions, to cause the services
34 customarily provided by such other agency to be rendered for the
35 benefit of the occupants of any redevelopment area or housing
36 project, and have such other agency provide and maintain parks,
37 recreation centers, schools, sewerage, transportation, water and
38 other municipal facilities adjacent to or in connection with a
39 redevelopment area or project.
- 40 n. Conduct examinations and investigations, hear testimony
41 and take proof, under oath at public or private hearings of any
42 material matter, compel witnesses and the production of books and
43 papers and issue commissions for the examination of witnesses who
44 are out of State, unable to attend, or excused from attendance;
45 authorize a committee designated by it consisting of one or more
46 members, or counsel, or any officer or employee to conduct the
47 examination or investigation, in which case it may authorize in its

- 1 name the committee, counsel, officer or employee to administer
2 oaths, take affidavits and issue subpoenas or commissions.
- 3 o. Make and enter into all contracts and agreements necessary
4 or incidental to the performance of the duties authorized in this act.
- 5 p. After thorough evaluation and investigation, bring an action
6 on behalf of a tenant to collect or enforce any violation of
7 subsection g. or h. of section 11 of the "Law Against
8 Discrimination," P.L.1945, c.169 (C.10:5-12).
- 9 q. Designate members or employees, who shall be
10 knowledgeable of federal and State discrimination laws, and who
11 shall be available during all normal business hours, to evaluate a
12 complaint made by a tenant pursuant to the "Law Against
13 Discrimination," P.L.1945, c.169 (C.10:5-12).
- 14 r. Act as and exercise the powers of a land bank entity
15 pursuant to P.L. , c. (C.) (pending before the Legislature as
16 this bill) under a land banking agreement approved by an ordinance
17 adopted by the municipal governing body.
18 (cf: P.L.2002, c.82, s.5)
19
- 20 20. This act shall take effect immediately.