



Legislation Text

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AN ORDINANCE TO AMEND TITLE II, ADMINISTRATION, CHAPTER 10, DEPARTMENT OF ECONOMIC AND HOUSING DEVELOPMENT, SECTION 1.4G, REGISTRATION OF FORECLOSURE MORTGAGE PROPERTIES, SUBSECTION 1.4G.1, DEFINITIONS, TO CLARIFY DEFINITION OF VACANT AND ABANDONED, AND SECTION 2, INSPECTION AND REGISTRATION, OF THE REVISED GENERAL ORDINANCES OF THE CITY OF NEWARK, NEW JERSEY, 2000, AS AMENDED AND SUPPLEMENTED, TO ADD AN ADDITIONAL FEE, IF THE REGISTRABLE PROPERTY IS VACANT OR ABANDONED.

WHEREAS, on June 2, 2011, the Municipal Council adopted Ordinance 6PSF-a, amending Title 2, Administration, Chapter 10, Department of Economic Development and Housing Development to add new Section 2:10-1.4E, incorrectly referenced as 2:10-1.4D, governing the maintenance of vacant properties in the City of Newark, establishing registration requirements and levying registration fees on owners of vacant properties; and

WHEREAS, on March 18, 2015, the Municipal Council adopted Ordinance 6PSF-b to amend Title 2, Chapter 10, Section 1.4E, to change all responsibilities of vacant property registration from the rent regulation officer to the Deputy Mayor/Director of the Department of Economic and Housing Development and/or his designee; and

WHEREAS, on October 19, 2022, the Municipal Council adopted Ordinance 6PSF-a, to further amend Title 2, Chapter 10, Section 1.4E, to add registration fees and violations for commercial units, increase the registrations fees and violation fines for residential units, and add regulations on the registration of foreclosed mortgage properties; and

WHEREAS, City of Newark (The "City") continues to be negatively impacted both fiscally and economically, by the vacant properties, both commercial and residential; and

WHEREAS, the City recognizes Registrable Properties that are subject to foreclosure action or foreclosed upon located throughout the City create a greater risk of blight and lead to a decline in community and property value; create nuisances; lead to a general decrease in neighborhood and community aesthetic; create conditions that invite criminal activity; and foster an unsafe and unhealthy environment; and

WHEREAS, pursuant to P.L. 2021, c. 444 and N.J.S.A. 40:48-2.12s3, the City of Newark 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 City of Newark for which a summons and complaint in an action to foreclosure on a mortgage has been filed, and among other things regulate the care, maintenance, security and upkeep of such properties, and impose a registration fee on the creditor of such properties; and

WHEREAS, the City finds it in its best interest to add additional registration fees to Registrable Properties that have been foreclosed on or are in foreclosure that are vacant or abandoned to assist in the cost to the City of Newark to address and/or mitigate the risk of blight.

NOW, THEREFORE, BE IT ORDAINED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY THAT:

Note: Additions are shown as **underlined and bold**. Deletions are shown as ~~strikethroughs~~.

SECTION 1. Title II, Administration, Chapter 10, of the Revised General Ordinances of the City of Newark, New Jersey, 2000, is hereby amended as follows:

§ 2:10-1.4G.1 DEFINITIONS.

“Vacant” **and “Abandoned”** as used in this Article shall mean any parcel of land in the City that contains any building or structure that is not **legally** lawfully occupied or inhabited by human beings **by a mortgagor or tenant, which is in such condition that it cannot be legally reoccupied, because of the presence or finding of at least two of the following:** A property also shall be deemed vacant if it is occupied without a valid, unexpired certificate of occupancy or other written authorization for occupancy as may be required by Applicable Laws.

- (a) **Overgrown or neglected vegetation;**
- (b) **The accumulation of newspapers, circulars, flyers, or mail on the property;**
- (c) **Disconnected gas, electric, or water utility services to the property;**
- (d) **The accumulation of hazardous, noxious, or unhealthy substances or materials on the property;**
- (e) **The accumulation of junk, litter, trash, or debris on the property;**
- (f) **The absence of window treatments such as blinds, curtains, or shutters;**
- (g) **The absence of furnishings and personal items;**
- (h) **Statements of neighbors, delivery persons, or government employees indicating that the property is vacant and abandoned;**
- (i) **Windows or entrances to the property that are boarded up or closed off, or multiple window panes that are damaged, broken and unrepaired;**
- (j) **Doors to the property that are smashed through, broken off, unhinged, or continuously unlocked;**
- (k) **A risk to the health, safety, or welfare of the public or any adjoining or adjacent property owners due to acts of vandalism, loitering, criminal conduct, or the physical destruction or deterioration of the property;**
- (l) **An uncorrected violation of a municipal building, housing, or similar code during the preceding year, or any order by municipal authorities declaring the property to be unfit**

for occupancy and to remain vacant and unoccupied;

- (m) The mortgagee or other authorized party has secured or winterized the property due to the property being deemed vacant and unprotected or in danger of freezing;**
- (n) A written statement issued by a mortgagor expressing the clear intent of all mortgagors to abandon the property; or**
- (o) Any other reasonable indicia of abandonment.**

§ 2:10-1.4G.2 INSPECTION AND REGISTRATION.

(e) At the time of initial registration each registrant shall pay a non-refundable Annual Registration fee of **five hundred dollars (\$500.00.)** for each Registrable Property. Subsequent non-refundable Annual Registrations of properties and fees in the amount of **five hundred dollars (\$500.00)** are due within **ten (10)** days of the expiration of the previous registration. **An additional two thousand dollars (\$2,000.00) per Registrable Property annually is required if the Registrable Property is vacant or abandoned when the summons and complaint in a Foreclosure Action is filed, or becomes vacant and abandoned pursuant to the definition in this Ordinance at any time thereafter while the property is in foreclosure, for a total of two thousand five hundred dollars (\$2,500.00) due annually on such property.** Said fees shall be used to offset the costs of: (1) registration and registration enforcement, (2) code enforcement and mitigation related to Foreclosure properties, (3) post-closing counseling and Foreclosure intervention limited to Owner-occupied persons in Default, which may not include cash and mortgage modification assistance, and (4) for any related purposes as may be adopted in the policy set forth in this Chapter. Said fees shall be deposited to a special account in the City's Department dedicated to the cost of implementation and enforcement of this Ordinance, and fulfilling the purpose and intent of this Chapter. None of the funds provided for in this Section shall be utilized for the legal defense of Foreclosure Actions.

(f) Each individual property on the Registry that has been registered for twelve (12) 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(s).** Properties registered less than twelve (12) 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(s).**

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(i) If the registered Registrable Property becomes Vacant and Abandoned in accordance with Section 2:10-1.4E.1 after initially **being** registered with the City, the creditor shall update the the Department of Economic Development and Housing Development to reflect the change in the property's status;

SECTION 2. All City ordinances or parts thereof inconsistent herewith are hereby repealed to the extent of their inconsistency only.

SECTION 3. If any part of this Ordinance shall be declared to be invalid or inoperative, such

part shall be deemed severable and the invalidity thereof shall not affect remaining parts of this Ordinance.

SECTION 4. This Ordinance shall take effect upon final passage and publication in accordance with the laws of the State of New Jersey.

SECTION 5. This Ordinance shall be a part of the Code of the City of Newark as though codified and fully set forth therein. The City Clerk shall have this Ordinance codified and incorporated in the official copies of the Code. The City Clerk and the Corporation Counsel are authorized and directed to change any Chapter, Article and/or Section number of the Code of the City of Newark in the event that the codification of this Ordinance reveals that there is a conflict between the numbers and the existing Code, and in order to avoid confusion and possible accidental repealers of existing provisions not intended to be repealed.

STATEMENT

This Ordinance amends Title II, Administration, Chapter 10, Department of Economic and Housing Development, Section 1.4G.1, Definitions and Sections 1.4G.2, Inspection and Registration.