

[Second Reprint]

ASSEMBLY, No. 3797

STATE OF NEW JERSEY

218th LEGISLATURE

INTRODUCED APRIL 5, 2018

Sponsored by:

Assemblywoman MILA M. JASEY

District 27 (Essex and Morris)

Assemblywoman ANNETTE CHAPARRO

District 33 (Hudson)

Assemblywoman CLEOPATRA G. TUCKER

District 28 (Essex)

Co-Sponsored by:

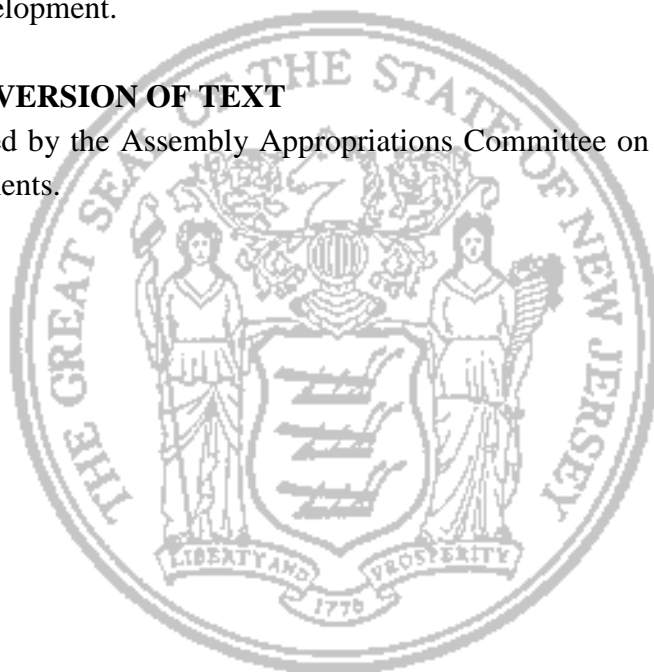
**Assemblywomen Timberlake, Pintor Marin, Assemblyman Caputo,
Assemblywoman Speight, Assemblymen Calabrese, Giblin and McKeon**

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: 5/24/2019)

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. , 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; 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:

¹Assembly floor amendments adopted January 31, 2019.

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 P.L. ,
12 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),
48 and the adoption of one ordinance to create the land banking

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

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

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

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

17 5. (New section) a. A land banking agreement shall establish
 18 the responsibilities of the land bank entity and shall specify the
 19 terms and conditions under which the land bank entity may acquire
 20 property on behalf of the municipality, demolish and otherwise
 21 clear buildings and conduct other site improvements located on the
 22 property, maintain and secure the property, conduct other activities
 23 on the property, and, notwithstanding the provisions of the “Local
 24 Lands and Buildings Law,” P.L.1971, c.199 (C.40A:12-1 et seq.),
 25 ²[sell,]² lease ²[,]² or convey property held on behalf of the
 26 municipality. The land banking agreement also shall provide for
 27 such municipal oversight of the land bank entity as the municipality
 28 deems necessary and appropriate and shall establish the manner in
 29 which any costs and revenues, including proceeds of the sale or
 30 leasing of land bank property shall be distributed. The land bank
 31 entity shall not lease any land bank property for an individual term
 32 of more than ²[10] ²99 years. Land bank property that is ²[sold,]²
 33 leased ²[,]² or conveyed by a land bank entity, shall be subject to
 34 ordinances adopted pursuant to the “Municipal Land Use Law,”
 35 P.L.1975, c.291 (C.40:55D-1 et seq.), ²any redevelopment plan
 36 enacted pursuant to the “Local Redevelopment and Housing Law,”
 37 P.L.1992, c.79 (C.40A:12A-1 et al.).² and other applicable State
 38 statutes following the ²[sale,]² lease ²[,]² or conveyance.

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

43 c. The ordinance comprising the land banking agreement shall
 44 include findings establishing the need for land bank activity in the
 45 municipality, ²the public purpose that the municipality intends the
 46 land bank entity to pursue,² and the qualifications of the land bank
 47 entity to carry out the responsibilities established pursuant to
 48 P.L. , c. (C.) (pending before the Legislature as this bill).

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

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

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

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

28
29 6. (New section) Pursuant to the land banking agreement or
30 any subsequent amendment thereto, the land bank entity may be
31 designated by the municipality to:

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

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

46
47 7. (New section) a. For purposes of this section, a
48 municipality, through the land banking agreement itself, or through
49 the adoption of a separate ordinance, may ²**sell, lease, or convey to**

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

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

31

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

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

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

5
6 9. (New section) In ²["selling,"]² leasing ²[""]² or conveying
7 land bank property ², unless the property is part of an area in need
8 of redevelopment.² a redevelopment entity shall not be subject to
9 the provisions of section 9 of P.L.1992, c.79 (C.40A:12A-9), but
10 shall be subject to any terms and conditions set forth in the land
11 banking agreement ²["and by the regulations of the redevelopment
12 ^{entity, adopted pursuant to section 10 of P.L. , c. (C.)}
13 ^{(pending before the Legislature as this bill)"]².}

14
15 10. (New section) ²["Within six months after designation by the
16 municipality, the land bank entity shall adopt written regulations
17 governing the sales, leases, and conveyances"] Following entrance
18 into a land banking agreement, the land bank entity may modify its
19 bylaws or other governing documents to address actions taken on
20 land bank property, including but not limited to, the leasing and
21 conveyance² of land bank property ²so long as such modifications
22 are² consistent with ²["any"] the² provisions of the land banking
23 agreement ²["and with respect to any other matters that may be
24 required by said agreement, which regulations shall be published on
25 the Internet web sites of the land bank entity and the municipality,
26 along with the database required pursuant to subsection c. of section
27 11 of P.L. , c. (C.) (pending before the Legislature as this
28 bill)"]².

29
30 11. (New section) a. Within six months after designation by the
31 municipality ²,² the land bank entity shall create a community
32 advisory board, which shall consist of representatives of recognized
33 community associations and non-profit organizations operating
34 within the municipality, ²["in particular"] including² those
35 associations and organizations active in areas where the land bank
36 entity anticipates holding properties.

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

42 c. (1) In coordination with the municipality and the
43 community advisory board, the land bank entity shall, within a
44 reasonable time, create, maintain, and make publicly available on
45 its Internet website, a database listing all current and former land
46 bank properties, each owner of record since each property became a
47 land bank property, and the sales price of each land bank property
48 that has been ²["sold or"]² purchased by the land bank entity ²on

1 behalf of the municipality². ²['In] Beginning 30 days after the date
2 on which a land bank entity publishes a database pursuant to this
3 subsection and every six months thereafter, in² accordance with the
4 guidance provided by the Division of Local Government Services in
5 the Department of Community Affairs pursuant to subsection e. of
6 this section, the land bank entity shall ²['periodically']² update those
7 State agencies identified by the division concerning any changes to
8 the database. To the extent that the database includes properties in
9 foreclosure proceedings, and ²['recently-foreclosed']² properties
10 ²foreclosed within the six-month reporting period² , the land bank
11 entity shall ²take reasonable steps to² ensure that the information
12 provided is both accurate and consistent with any corresponding
13 information provided by any State agency, or by the Judiciary.¹

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

17 (a) a list of all vacant and abandoned properties within the
18 municipality;

19 (b) a mechanism to allow the public to offer suggestions
20 concerning what properties should be labeled as vacant and
21 abandoned; and

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

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

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

40

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

45

46 13. (New section) The land banking agreement between the
47 municipality and a ²['non-profit'] land bank² entity may provide that
48 properties ²['sold, leased, or conveyed by the municipality to the

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

11
 12 14. (New section) a. ²(1)² The municipality may ², by
 13 ordinance,² terminate the land banking agreement at any time ²,
 14 with or without cause,² by providing the land bank entity with one
 15 year's notice of termination ²from the date of the adoption of that
 16 ordinance².

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

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

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

36 (1) in violation of the land bank entity's duty of loyalty to the
 37 municipality and the general welfare of the residents of the
 38 municipality;

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

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

43
 44 15. (New section) A land bank entity may act as a land bank
 45 entity for more than one municipality at the same time, subject to
 46 the provisions of the "Uniform Shared Services and Consolidation
 47 Act," P.L.2007, c.63 (C.40A:65-1 et seq.).

1 16. (New section) a. ²(1)² A municipal governing body may
2 provide ²[by] , pursuant to the land banking agreement itself, or
3 pursuant to a separate² ordinance that ²[an amount equaling up to
4 50 percent of property taxes or payments in lieu of taxes collected
5 on land bank properties each year] a limited series of annual
6 payments² shall be ²[returned] made by the municipality² to the
7 land bank entity ²[for up to 10 years]² following ²one or more
8 fiscal years during which² a ²[sale or]² conveyance of ²[those] one
9 or more land bank² properties from the land bank entity to a private
10 owner ²[. Such ordinance] occurs. Each payment that a
11 municipality commits to making pursuant to this subsection shall be
12 anticipated in the municipal budget adopted for the fiscal year
13 during which the payment shall be made.

14 (2) A payment budgeted pursuant to this subsection shall be
15 limited by the terms of the ordinance, but this payment shall not
16 exceed 50 percent of property taxes or payments in lieu of taxes due
17 and payable in the fiscal year for all properties that had been land
18 bank properties within the 10 fiscal years prior to the fiscal year for
19 which the payment is budgeted. If a property has been conveyed by
20 a land bank entity more than once, then property taxes and
21 payments in lieu of taxes due and payable for that property shall not
22 be applied to increase the annual limitation established pursuant to
23 this paragraph.

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

31 b. The distribution of any proceeds associated with the sales
32 and leasing of land bank property shall be addressed in the land
33 banking agreement itself and in amendments thereto. ²Distributions
34 to a land bank entity pursuant to this subsection may be made in
35 addition to payments provided pursuant to subsection a. of this
36 section.² Proceeds associated with the sales and leasing of land
37 bank property, and all other proceeds obtained by the land bank
38 entity ²on behalf of the municipality² under the ordinance, shall be
39 maintained in one or more accounts, separate from all other
40 accounts maintained by the entity serving as the land bank entity.
41 The account or accounts shall be deemed to be government records
42 and subject to the provisions of P.L.1963, c.73 (C.47:1A-1 et seq.),
43 commonly known as the open public records act.

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

46
47 17. Section 12 of P.L.1960, c.183 (C.40:37A-55) is amended to
48 read as follows:

- 1 12. Every authority shall be a public body politic and corporate
2 constituting a political subdivision of the State established as an
3 instrumentality exercising public and essential governmental
4 functions to provide for the public convenience, benefit and welfare
5 and shall have perpetual succession and, for the effectuation of its
6 purposes, have the following additional powers:
- 7 (a) To adopt and have a common seal and to alter the same at
8 pleasure;
- 9 (b) To sue and be sued;
- 10 (c) To acquire, hold, use and dispose of its facility charges and
11 other revenues and other moneys;
- 12 (d) To acquire, rent, hold, use and dispose of other personal
13 property for the purposes of the authority;
- 14 (e) Subject to the provisions of section 26 of this act, to acquire
15 by purchase, gift, condemnation or otherwise, or lease as lessee,
16 real property and easements or interests therein necessary or useful
17 and convenient for the purposes of the authority, whether subject to
18 mortgages, deeds of trust or other liens or otherwise, and to hold
19 and to use the same, and to dispose of property so acquired no
20 longer necessary for the purposes of the authority; provided that the
21 authority may dispose of such property at any time to any
22 governmental unit or person if the authority shall receive a
23 leasehold interest in the property for such term as the authority
24 deems appropriate to fulfill its purposes;
- 25 (f) Subject to the provisions of section 13 of this act, to lease to
26 any governmental unit or person, all or any part of any public
27 facility for such consideration and for such period or periods of
28 time and upon such other terms and conditions as it may fix and
29 agree upon;
- 30 (g) To enter into agreements to lease, as lessee, public facilities
31 for such term and under such conditions as the authority may deem
32 necessary and desirable to fulfill its purposes, and to agree,
33 pursuant thereto, to be unconditionally obligated to make payments
34 for the term of the lease, without set-off or counterclaim, whether or
35 not the public facility is completed, operating or operable, and
36 notwithstanding the destruction of, damage to, or suspension,
37 interruption, interference, reduction or curtailment of the
38 availability or output of the public facility to which the agreement
39 applies;
- 40 (h) To extend credit or make loans to any governmental unit or
41 person for the planning, design, acquisition, construction, equipping
42 and furnishing of a public facility, upon the terms and conditions
43 that the loans be secured by loan and security agreements,
44 mortgages, leases and other instruments, the payments on which
45 shall be sufficient to pay the principal of and interest on any bonds
46 issued for the purpose by the authority, and upon such other terms
47 and conditions as the authority shall deem reasonable;
- 48 (i) Subject to the provisions of section 13 of this act, to make
49 agreements of any kind with any governmental unit or person for

1 the use or operation of all or any part of any public facility for such
2 consideration and for such period or periods of time and upon such
3 other terms and conditions as it may fix and agree upon;

4 (j) (1) To borrow money and issue negotiable bonds or notes or
5 other obligations and provide for and secure the payment of any
6 bonds and the rights of the holders thereof, and to purchase, hold
7 and dispose of any bonds;

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

13 (k) To apply for and to accept gifts or grants of real or personal
14 property, money, material, labor or supplies for the purposes of the
15 authority from any governmental unit or person, and to make and
16 perform agreements and contracts and to do any and all things
17 necessary or useful and convenient in connection with the
18 procuring, acceptance or disposition of such gifts or grants;

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

23 (m) To make and enforce bylaws or rules and regulations for the
24 management and regulation of its business and affairs and for the
25 use, maintenance and operation of any public facility, and to amend
26 the same;

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

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

33 (p) To mortgage, pledge or assign or otherwise encumber all or
34 any portion of its revenues and other income, real and personal
35 property, projects and facilities for the purpose of securing its
36 bonds, notes and other obligations or otherwise in furtherance of the
37 purpose of this act;

38 (q) To extend credit or make loans to redevelopers for the
39 planning, designing, acquiring, constructing, reconstructing,
40 improving, equipping and furnishing any redevelopment project or
41 redevelopment work;

42 (r) To conduct examinations and investigations, hear testimony
43 and take proof, under oath at public or private hearings of any
44 material matter, require the attendance of witnesses and the
45 production of books and papers and issue commissions for the
46 examination of witnesses who are out of the State, unable to attend,
47 or excused from attendance;

48 (s) To authorize a committee designated by it consisting of one
49 or more members, or counsel, or any officer or employee to conduct

1 any such investigation or examination, in which case such
2 committee, counsel, officer or employee shall have power to
3 administer oaths, take affidavits and issue subpoenas or
4 commissions;

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

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

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

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

22
23 18. Section 21 of P.L.1971, c.199 (C.40A:12-21) is amended to
24 read as follows:

25 21. When the governing body of any county or municipality
26 shall determine that all or any part of a tract of land, with or without
27 improvements, owned by the county or municipality, is not then
28 needed for county or municipal purposes, as the case may be, said
29 governing body, by resolution or ordinance, may authorize a private
30 sale and conveyance of the same, or any part thereof without
31 compliance with any other law governing disposal of lands by
32 counties and municipalities, for a consideration, which may be
33 nominal, and containing a limitation that such lands or buildings
34 shall be used only for the purposes of such organization or
35 association, and to render such services or to provide such facilities
36 as may be agreed upon, and except as provided in subsection (n) of
37 this section not for commercial business, trade or manufacture, and
38 that, unless waived, released, modified, or subordinated pursuant to
39 P.L.1943, c.33 (C.40:60-51.2), if said lands or buildings are not
40 used in accordance with said limitation, title thereto shall revert to
41 the county or municipality without any entry or reentry made
42 thereon on behalf of such county or municipality, to

43 (a) A duly incorporated volunteer fire company or board of fire
44 commissioners or first aid and emergency or volunteer ambulance
45 or rescue squad association of a municipality within the county, in
46 the case of a county, or of the municipality, in the case of a
47 municipality, for the construction thereon of a firehouse or fire
48 school or a first aid and emergency or volunteer ambulance or
49 rescue squad building or for the use of any existing building for any

1 or all of said purposes and any such land or building sold to any
2 duly incorporated volunteer fire company may be leased by such
3 fire company to any volunteer firemen's association for the use
4 thereof for fire school purposes for the benefit of the members of
5 such association, or

6 (b) Any nationally chartered organization or association of
7 veterans of any war, in which the United States has or shall have
8 been engaged, by a conveyance for consideration, a part of which
9 may be an agreement by the organization or association to render
10 service or to provide facilities for the general public of the county
11 or municipality, of a kind which the county or municipality may
12 furnish to its citizens and to the general public, or

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

15 (d) Any veteran with paraplegia, that is to say, any officer,
16 soldier, sailor, marine, nurse or other person, regularly enlisted or
17 inducted, who was or shall have been in the active military or naval
18 forces of the United States in any war in which the United States
19 was engaged, including any member of the American Merchant
20 Marine during World War II who is declared by the United States
21 Department of Defense to be eligible for federal veterans' benefits,
22 and who, at the time the veteran was commissioned, enlisted,
23 inducted, appointed or mustered into such military or naval service,
24 was a resident of and who continues to reside in this State, and who
25 has paraplegia and permanent paralysis of both legs or the lower
26 parts of the body resulting from injuries sustained through enemy
27 action or accident while in such active military or naval service, for
28 the construction of a home to domicile the veteran, or to any
29 organization or association of veterans, for the construction of a
30 home or homes to domicile veterans with paraplegia, with powers
31 to convey said lands and premises to the veteran or veterans with
32 paraplegia on whose behalf said organization or association shall
33 acquire title to said land, or

34 (e) Any duly incorporated nonprofit association or any regional
35 commission or authority composed of one or more municipalities or
36 one or more counties for the construction or maintenance thereon of
37 an animal shelter, or

38 (f) Any duly incorporated nonprofit historical society for the
39 acquisition of publicly owned historic sites for their restoration,
40 preservation, improvement, and utilization for the benefit of the
41 general public, or

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

44 (h) Any duly incorporated nonprofit organization for the
45 principal purpose of the education or treatment of persons with
46 developmental disabilities including cerebral palsy, or

47 (i) Any county or municipal sewerage authority serving the
48 residents of the county or municipality, for the use thereof for
49 sewerage authority purposes, or

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

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

(l) Any duly incorporated urban renewal corporation organized pursuant to P.L.1991, c.431 (C.40A:20-1 et seq.) for the purpose of constructing housing for low or moderate income persons or families or persons with disabilities, or

(m) Any duly incorporated nonprofit hospice organization whose principal purpose is to provide hospice services to persons with terminal illnesses, or

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

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

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

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

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

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

- 1 a. To sue and be sued; to have a seal and to alter the same at
2 pleasure; to have perpetual succession; to make and execute
3 contracts and other instruments necessary and convenient to the
4 exercise of the powers of the agency or authority; and to make and
5 from time to time amend and repeal bylaws, rules and regulations,
6 not inconsistent with this act, to carry into effect its powers and
7 purposes.
- 8 b. Pursuant to an adopted cash management plan, invest any
9 funds held in reserve or sinking funds, or any funds not required for
10 immediate disbursement, in property or securities in which
11 governmental units may legally invest funds subject to their control;
12 to purchase its bonds at a price not more than the principal amount
13 thereof and accrued interest, all bonds so purchased to be cancelled.
- 14 c. Borrow money and receive grants and loans from any source
15 for the financing of a redevelopment project or housing project.
- 16 d. Invest in an obligee the right in the event of a default by the
17 agency to foreclose and take possession of the project covered by
18 the mortgage or apply for the appointment of a receiver.
- 19 e. Invest in a trustee or trustees or holders of bonds the right to
20 enforce the payment of the bonds or any covenant securing or
21 relating to the bonds, which may include the right, in the event of
22 the default, to take possession and use, operate and manage any
23 project or part thereof, and to collect the rents and revenues arising
24 therefrom and to dispose of the moneys in accordance with the
25 agreement of the authority with the trustee.
- 26 f. Provide for the refunding of any of its bonds, by the issuance
27 of such obligations, in such manner and form, and upon such terms
28 and conditions, as it shall deem in the best interests of the public.
- 29 g. Consent to the modification of any contract, bond indenture,
30 mortgage or other instrument entered into by it.
- 31 h. Pay or compromise any claim arising on, or because of any
32 agreement, bond indenture, mortgage or instrument.
- 33 i. Acquire or contract to acquire from any person, firm, or
34 corporation, public or private, by contribution, gift, grant, bequest,
35 devise, purchase, or otherwise, real or personal property or any
36 interest therein, including such property as it may deem necessary
37 or proper, although temporarily not required for such purposes, in a
38 redevelopment area or in any area designated by the governing body
39 as necessary for carrying out the relocation of the residents,
40 industry and commerce displaced from a redevelopment area.
- 41 j. Subordinate, waive, sell, assign or release any right, title,
42 claim, lien or demand however acquired, including any equity or
43 right of redemption, foreclosure, sell or assign any mortgage held
44 by it, or any interest in real or personal property; and purchase at
45 any sale, upon such terms and at such prices as it determines to be
46 reasonable, and to take title to the property, real, personal, or
47 mixed, so acquired and similarly to sell, exchange, assign, convey
48 or otherwise dispose of any property.

1 k. Complete, administer, operate, obtain and pay for insurance
2 on, and maintain, renovate, repair, modernize, lease or otherwise
3 deal with any property.

4 l. Employ or retain consulting and other attorneys, planners,
5 engineers, architects, managers and financial experts and other
6 employees and agents of a permanent or temporary nature as may
7 be necessary, determine their qualifications, duties and
8 compensation, and delegate to one or more of its agents or
9 employees such powers and duties as it deems proper. For such
10 legal services as may be required, a redevelopment agency or
11 housing authority may call upon the chief law officers of the
12 municipality or county, as the case may be, or may employ its own
13 counsel and legal staff.

14 m. Arrange or contract with a public agency, to the extent that it
15 is within the scope of that agency's functions, to cause the services
16 customarily provided by such other agency to be rendered for the
17 benefit of the occupants of any redevelopment area or housing
18 project, and have such other agency provide and maintain parks,
19 recreation centers, schools, sewerage, transportation, water and
20 other municipal facilities adjacent to or in connection with a
21 redevelopment area or project.

22 n. Conduct examinations and investigations, hear testimony
23 and take proof, under oath at public or private hearings of any
24 material matter, compel witnesses and the production of books and
25 papers and issue commissions for the examination of witnesses who
26 are out of State, unable to attend, or excused from attendance;
27 authorize a committee designated by it consisting of one or more
28 members, or counsel, or any officer or employee to conduct the
29 examination or investigation, in which case it may authorize in its
30 name the committee, counsel, officer or employee to administer
31 oaths, take affidavits and issue subpoenas or commissions.

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

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

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

43 r. Act as and exercise the powers of a land bank entity
44 pursuant to P.L. , c. (C.) (pending before the Legislature as
45 this bill) under a land banking agreement approved by an ordinance
46 adopted by the municipal governing body.

47 (cf: P.L.2002, c.82, s.5)

48
49 20. This act shall take effect immediately.