

P.L. 2019, CHAPTER 159, *approved July 9, 2019*  
Senate, No. 1214 (*Second Reprint*)

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

**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:  
<sup>1</sup>Senate SBA committee amendments adopted December 10, 2018.  
<sup>2</sup>Assembly AAP committee amendments adopted May 20, 2019.

the interactive online mapping databases regardless of whether or not such properties are vacant and abandoned; <sup>2</sup>[and]<sup>2</sup>

g. It is <sup>2</sup>[, therefore,]<sup>2</sup> in the best interest of this State to allow municipalities to designate single entities to act on their behalf to acquire, maintain, and <sup>2</sup>[sell] convey<sup>2</sup>, lease and otherwise dispose of vacant, abandoned and problem properties, in order to carry out strategies to ensure that the reuse of these properties provides the greatest long-term benefit to the physical, social and economic condition of the municipality <sup>2</sup>; and

h. It is, therefore, appropriate to identify land banking, and associated land banking activities, including those involving site improvements and the preparation of property for productive reuse, as a public purpose, and to permit a municipality to provide tax-exempt status to properties for so long as they are held as land bank properties<sup>2</sup>.

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

“Land bank entity” means a <sup>2</sup>[redevelopment entity,] public land bank entity<sup>2</sup> or a non-profit <sup>2</sup>land bank<sup>2</sup> entity <sup>2</sup>[, that has entered into a land banking agreement]<sup>2</sup>.

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

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

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

“Public land bank entity” means a redevelopment entity that has entered into a land banking agreement.<sup>2</sup>

“Redevelopment entity” means either:

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

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

(3) The municipality itself, or one of its departments or agencies, but only if the municipality is executing redevelopment

1 responsibilities directly pursuant to section 4 of P.L.1992, c.79  
 2 (C.40A:12A-4). In such cases, the designated redevelopment entity  
 3 shall not need to adopt separate ordinances or resolutions, as  
 4 appropriate, for the purpose of adopting a land banking agreement  
 5 or amendments pursuant to subsections d. and e. of section 5 of  
 6 P.L. , c. (C. ) (pending before the Legislature as this bill),  
 7 and the adoption of one ordinance to create the land banking  
 8 agreement, and one ordinance for each amendment thereto shall  
 9 suffice. Termination notice requirements, prescribed by section 14  
 10 of P.L. , c. (C. ) (pending before the Legislature as this bill),  
 11 also shall not be necessary.

12 <sup>2</sup>“Trust agreement” means an agreement between a municipality  
 13 and land bank entity, pursuant to subsection f. of section 5 of  
 14 P.L. , c. (C. ) (pending before the Legislature as this bill).<sup>2</sup>  
 15

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

19 b. A municipality may enter into a land banking agreement  
 20 with a non-profit entity so long as the by-laws of the non-profit  
 21 entity provide that the chief financial officer of the municipality  
 22 serves on the board of the non-profit entity, ex officio.  
 23

24 5. (New section) a. A land banking agreement shall establish  
 25 the responsibilities of the land bank entity and shall specify the  
 26 terms and conditions under which the land bank entity may acquire  
 27 property on behalf of the municipality, demolish and otherwise  
 28 clear buildings and conduct other site improvements located on the  
 29 property, maintain and secure the property, conduct other activities  
 30 on the property, and, notwithstanding the provisions of the “Local  
 31 Lands and Buildings Law,” P.L.1971, c.199 (C.40A:12-1 et seq.),  
 32 <sup>2</sup>[sell,]<sup>2</sup> lease <sup>2</sup>[,]<sup>2</sup> or convey property held on behalf of the  
 33 municipality. The land banking agreement also shall provide for  
 34 such municipal oversight of the land bank entity as the municipality  
 35 deems necessary and appropriate and shall establish the manner in  
 36 which any costs and revenues, including proceeds of the sale or  
 37 leasing of land bank property shall be distributed. The land bank  
 38 entity shall not lease any land bank property for an individual term  
 39 of more than <sup>2</sup>[10] <sup>99</sup><sup>2</sup> years. Land bank property that is <sup>2</sup>[sold,]<sup>2</sup>  
 40 leased <sup>2</sup>[,]<sup>2</sup> or conveyed by a land bank entity, shall be subject to  
 41 ordinances adopted pursuant to the “Municipal Land Use Law,”  
 42 P.L.1975, c.291 (C.40:55D-1 et seq.), <sup>2</sup>any redevelopment plan  
 43 enacted pursuant to the “Local Redevelopment and Housing Law,”  
 44 P.L.1992, c.79 (C.40A:12A-1 et al.).<sup>2</sup> and other applicable State  
 45 statutes following the <sup>2</sup>[sale,]<sup>2</sup> lease <sup>2</sup>[,]<sup>2</sup> or conveyance.

46 b. Prior to submission of the land banking agreement for  
 47 approval by the municipal governing body, the municipality shall

1 hold a public meeting to solicit the advice of the public on the  
2 substance and intent of the land banking agreement.

3 c. The ordinance comprising the land banking agreement shall  
4 include findings establishing the need for land bank activity in the  
5 municipality, <sup>2</sup>the public purpose that the municipality intends the  
6 land bank entity to pursue,<sup>2</sup> and the qualifications of the land bank  
7 entity to carry out the responsibilities established pursuant to  
8 P.L. , c. (C. ) (pending before the Legislature as this bill).

9 d. The land banking agreement shall be adopted by an  
10 ordinance of the governing body of the municipality and by  
11 resolution of the governing body of the land bank entity.

12 e. The land banking agreement may be amended at any time by  
13 ordinance of the governing body of the municipality and by  
14 resolution of the governing body <sup>2</sup>or board, as appropriate,<sup>2</sup> of the  
15 land bank entity.

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

28 g. A land bank entity is not subject to the requirements of the  
29 "Local Public Contracts Law," P.L.1971, c.198 (C.40A:11-1 et seq.)  
30 in association with a land banking agreement or with contracts  
31 entered by the land bank entity in association with the land banking  
32 agreement. Public bidding is not necessary to enter into a land  
33 banking agreement, or, unless otherwise stated in the land banking  
34 agreement, for contracts entered into by the land bank entity in  
35 association with the land banking agreement.<sup>2</sup>

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

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

44 b. act as its agent, or in place of its municipal officer, with  
45 respect to acquisition of property, including but not limited to  
46 purchase of tax and other liens, foreclosure of tax and other liens,  
47 and individual abandoned property takings pursuant to paragraph

(2) of subsection c. of section 37 of the “New Jersey Urban Redevelopment Act,” P.L.1996, c.62 (C.55:19-56) on behalf of the municipality and to <sup>2</sup>take title to acquire and hold in trust<sup>2</sup> such properties on behalf of the municipality; provided, however, that nothing in this section shall authorize the use of eminent domain beyond that use already permitted by law.

7. (New section) a. For purposes of this section, a municipality, through the land banking agreement itself, or through the adoption of a separate ordinance, may <sup>2</sup>sell, lease, or convey to the authorize the<sup>2</sup> land bank entity <sup>2</sup>and the land bank entity may take title to, to hold in trust on behalf of the municipality<sup>2</sup> any property or properties held by the municipality and not <sup>2</sup>needed being used<sup>2</sup> for any public purpose, whether or not the property is located in an area designated as a redevelopment area or an area in need of rehabilitation, without public bidding and at such prices and upon such terms as the municipality deems reasonable <sup>2</sup>in accordance with parameters that may be established in the land banking agreement<sup>2</sup>. <sup>2</sup>Unless the terms of the land banking agreement provide otherwise, such sales, leases, and conveyances to A trust agreement with<sup>2</sup> the land bank entity <sup>2</sup>itself<sup>2</sup> shall be conditioned on the municipality’s ability to regain control of the properties pursuant to <sup>2</sup>subsection c. of<sup>2</sup> section 14 of P.L. , c. (C. ) (pending before the Legislature as this bill).

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

8. (New section) a. To the extent that the statute under which a redevelopment entity was established, section 4 of P.L.1992, c.79 (C.40A:12A-4) or P.L.1960, c.183 (C.40:37A-44 et seq.) in the case of a county improvement authority, confers on that entity the power to borrow funds and incur debt, the

1 redevelopment entity may exercise those powers in furtherance of  
 2 its land banking obligations subject to the conditions and limitations  
 3 set forth in section 4 of P.L.1992, c.79 (C.40A:12A-4) or P.L.1960,  
 4 c.183 (C.40:37A-44 et seq.).

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

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

17  
 18 9. (New section) In <sup>2</sup>[selling,]<sup>2</sup> leasing <sup>2</sup>[,]<sup>2</sup> or conveying  
 19 land bank property <sup>2</sup>, unless the property is part of an area in need  
 20 of redevelopment.<sup>2</sup> a redevelopment entity shall not be subject to  
 21 the provisions of section 9 of P.L.1992, c.79 (C.40A:12A-9), but  
 22 shall be subject to any terms and conditions set forth in the land  
 23 banking agreement <sup>2</sup>[and by the regulations of the redevelopment  
 24 entity, adopted pursuant to section 10 of P.L. , c. (C. )  
 25 (pending before the Legislature as this bill)]<sup>2</sup>.

26  
 27 10. (New section) <sup>2</sup>[Within six months after designation by the  
 28 municipality, the land bank entity shall adopt written regulations  
 29 governing the sales, leases, and conveyances] Following entrance  
 30 into a land banking agreement, the land bank entity may modify its  
 31 bylaws or other governing documents to address actions taken on  
 32 land bank property, including but not limited to, the leasing and  
 33 conveyance<sup>2</sup> of land bank property <sup>2</sup>so long as such modifications  
 34 are<sup>2</sup> consistent with <sup>2</sup>[any] the<sup>2</sup> provisions of the land banking  
 35 agreement <sup>2</sup>[and with respect to any other matters that may be  
 36 required by said agreement, which regulations shall be published on  
 37 the Internet web sites of the land bank entity and the municipality,  
 38 along with the database required pursuant to subsection c. of section  
 39 11 of P.L. , c. (C. ) (pending before the Legislature as this  
 40 bill)]<sup>2</sup>.

41  
 42 11. (New section) a. Within six months after designation by the  
 43 municipality <sup>2,2</sup> the land bank entity shall create a community  
 44 advisory board, which shall consist of representatives of recognized  
 45 community associations and non-profit organizations operating  
 46 within the municipality, <sup>2</sup>[in particular] including<sup>2</sup> those

1 associations and organizations active in areas where the land bank  
2 entity anticipates holding properties.

3 b. The land bank entity shall adopt policies and procedures to  
4 ensure that the community advisory board is provided with  
5 adequate information and opportunity to provide valued input into  
6 the decisions of the land bank entity in its capacity as a land bank  
7 entity.

8 c. (1) In coordination with the municipality and the  
9 community advisory board, the land bank entity shall, within a  
10 reasonable time, create, maintain, and make publicly available on  
11 its Internet website, a database listing all current and former land  
12 bank properties, each owner of record since each property became a  
13 land bank property, and the sales price of each land bank property  
14 that has been <sup>2</sup>["sold or"]<sup>2</sup> purchased by the land bank entity <sup>2</sup>on  
15 behalf of the municipality<sup>2</sup>. <sup>2</sup>["<sup>1</sup>In"] Beginning 30 days after the date  
16 on which a land bank entity publishes a database pursuant to this  
17 subsection and every six months thereafter, in<sup>2</sup> accordance with the  
18 guidance provided by the Division of Local Government Services in  
19 the Department of Community Affairs pursuant to subsection e. of  
20 this section, the land bank entity shall <sup>2</sup>["periodically"]<sup>2</sup> update those  
21 State agencies identified by the division concerning any changes to  
22 the database. To the extent that the database includes properties in  
23 foreclosure proceedings, and <sup>2</sup>["recently-foreclosed"]<sup>2</sup> properties  
24 <sup>2</sup>foreclosed within the six-month reporting period<sup>2</sup> , the land bank  
25 entity shall <sup>2</sup>take reasonable steps to<sup>2</sup> ensure that the information  
26 provided is both accurate and consistent with any corresponding  
27 information provided by any State agency, or by the Judiciary.<sup>1</sup>

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

31 (a) a list of all vacant and abandoned properties within the  
32 municipality;

33 (b) a mechanism to allow the public to offer suggestions  
34 concerning what properties should be labeled as vacant and  
35 abandoned; and

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

39 d. On an annual basis at minimum, the community advisory  
40 board shall report on the accuracy, integrity, accessibility, and  
41 comprehensiveness of the database established pursuant to  
42 subsection c. of this section. Each annual report shall be accessible  
43 to the public through the internet website of the municipality and  
44 the land bank entity. The fact that a land bank entity has failed to  
45 comply with the database requirement under subsection c. of this  
46 section shall be prominently noted in each annual report, but no  
47 other penalty shall inure to that failure.

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

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

13. (New section) The land banking agreement between the municipality and a <sup>2</sup>**["non-profit"]** land bank<sup>2</sup> entity may provide that properties <sup>2</sup>**["sold, leased, or conveyed by the municipality to the non-profit"]** held by the land bank<sup>2</sup> entity <sup>2</sup>in trust on behalf of the municipality<sup>2</sup> pursuant to section 7 of P.L. , c. (C. ) (pending before the Legislature as this bill), or acquired by the <sup>2</sup>**["non-profit"]** land bank<sup>2</sup> entity pursuant to section 6 of P.L. , c. (C. ) (pending before the Legislature as this bill), are held <sup>2</sup>in trust<sup>2</sup> by the entity on behalf of the municipality for a public purpose and shall be exempt from property taxation until or unless <sup>2</sup>**["sold,"]**<sup>2</sup> leased <sup>2</sup>**[""]**<sup>2</sup> or conveyed by the entity <sup>2</sup>on behalf of the municipality<sup>2</sup> or used by the entity for a purpose that is not eligible for exemption from taxation.

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

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

<sup>2</sup>**["c."]** (3)<sup>2</sup> Within 90 days following the date of termination, the land bank entity shall convey <sup>2</sup>and transfer<sup>2</sup> to the municipality <sup>2</sup>possession of<sup>2</sup> all land bank property without consideration; provided, however, that the municipality and the entity may agree to allow the entity to retain <sup>2</sup>**["title to"]** possession and control over<sup>2</sup> any properties that are the subject of a pending transaction by the entity until completion of the transaction, and until the end of any lease.

<sup>2</sup>b. With or without one year's notice to the land bank entity, the municipality may, by ordinance, terminate the land banking agreement upon notification of a determination from the county prosecutor, or the municipal counsel, that the land bank entity, or a



1 director or officer of the land bank entity while acting in their  
 2 official role, has breached an essential duty of the land banking  
 3 agreement based upon an act or omission:

4 (1) in violation of the land bank entity's duty of loyalty to the  
 5 municipality and the general welfare of the residents of the  
 6 municipality;

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

8 (3) resulting in the receipt by a director or officer of the land  
 9 bank entity, or by an associate of such person, of an improper  
 10 personal benefit.<sup>2</sup>

11  
 12 15. (New section) A land bank entity may act as a land bank  
 13 entity for more than one municipality at the same time, subject to  
 14 the provisions of the "Uniform Shared Services and Consolidation  
 15 Act," P.L.2007, c.63 (C.40A:65-1 et seq.).

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

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

40 (3) An ordinance adopted pursuant to this subsection<sup>2</sup> may only  
 41 be applied to real property on which no property tax has been paid,  
 42 or payment in lieu of taxes collected, for at least two years prior to  
 43 the property becoming a land bank property. Such ordinance may  
 44 be applied to any individual <sup>2</sup>[sale or]<sup>2</sup> conveyance, any group of  
 45 <sup>2</sup>[sales and]<sup>2</sup> conveyances, or all future <sup>2</sup>[sales and]<sup>2</sup> conveyances  
 46 that fit these criteria.

1       b. The distribution of any proceeds associated with the sales  
2 and leasing of land bank property shall be addressed in the land  
3 banking agreement itself and in amendments thereto. <sup>2</sup>Distributions  
4 to a land bank entity pursuant to this subsection may be made in  
5 addition to payments provided pursuant to subsection a. of this  
6 section.<sup>2</sup> Proceeds associated with the sales and leasing of land  
7 bank property, and all other proceeds obtained by the land bank  
8 entity <sup>2</sup>on behalf of the municipality<sup>2</sup> under the ordinance, shall be  
9 maintained in one or more accounts, separate from all other  
10 accounts maintained by the entity serving as the land bank entity.  
11 The account or accounts shall be deemed to be government records  
12 and subject to the provisions of P.L.1963, c.73 (C.47:1A-1 et seq.),  
13 commonly known as the open public records act.

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

16

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

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

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

27       (b) To sue and be sued;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

46 (n) Any duly incorporated nonprofit organization or association  
47 for the cultivation and sale of fresh fruits and vegetables on a tract  
48 of land of less than five acres within a municipality, provided that

1 the nonprofit organization or association is not controlled, directly  
2 or indirectly, by any agricultural, commercial, or other business.  
3 The nonprofit organization or association shall be authorized to sell  
4 fresh fruits and vegetables either on the land that was conveyed, off  
5 that land, or both, provided, that the sales are related and incidental  
6 to the non-profit purposes of the organization or association and the  
7 net proceeds received by the nonprofit organization or association  
8 are used to further the non-profit purposes of the organization or  
9 association.

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

15 The provisions of this section shall not be deemed to restrict land  
16 banking agreements undertaken pursuant to P.L. , c. (C. )  
17 (pending before the Legislature as this bill).  
18 (cf: P.L.2017, c.131, s.175)

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

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

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

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

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

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

45 e. Invest in a trustee or trustees or holders of bonds the right to  
46 enforce the payment of the bonds or any covenant securing or  
47 relating to the bonds, which may include the right, in the event of  
48 the default, to take possession and use, operate and manage any

- 1 project or part thereof, and to collect the rents and revenues arising  
2 therefrom and to dispose of the moneys in accordance with the  
3 agreement of the authority with the trustee.
- 4 f. Provide for the refunding of any of its bonds, by the issuance  
5 of such obligations, in such manner and form, and upon such terms  
6 and conditions, as it shall deem in the best interests of the public.
- 7 g. Consent to the modification of any contract, bond indenture,  
8 mortgage or other instrument entered into by it.
- 9 h. Pay or compromise any claim arising on, or because of any  
10 agreement, bond indenture, mortgage or instrument.
- 11 i. Acquire or contract to acquire from any person, firm, or  
12 corporation, public or private, by contribution, gift, grant, bequest,  
13 devise, purchase, or otherwise, real or personal property or any  
14 interest therein, including such property as it may deem necessary  
15 or proper, although temporarily not required for such purposes, in a  
16 redevelopment area or in any area designated by the governing body  
17 as necessary for carrying out the relocation of the residents,  
18 industry and commerce displaced from a redevelopment area.
- 19 j. Subordinate, waive, sell, assign or release any right, title,  
20 claim, lien or demand however acquired, including any equity or  
21 right of redemption, foreclosure, sell or assign any mortgage held  
22 by it, or any interest in real or personal property; and purchase at  
23 any sale, upon such terms and at such prices as it determines to be  
24 reasonable, and to take title to the property, real, personal, or  
25 mixed, so acquired and similarly to sell, exchange, assign, convey  
26 or otherwise dispose of any property.
- 27 k. Complete, administer, operate, obtain and pay for insurance  
28 on, and maintain, renovate, repair, modernize, lease or otherwise  
29 deal with any property.
- 30 l. Employ or retain consulting and other attorneys, planners,  
31 engineers, architects, managers and financial experts and other  
32 employees and agents of a permanent or temporary nature as may  
33 be necessary, determine their qualifications, duties and  
34 compensation, and delegate to one or more of its agents or  
35 employees such powers and duties as it deems proper. For such  
36 legal services as may be required, a redevelopment agency or  
37 housing authority may call upon the chief law officers of the  
38 municipality or county, as the case may be, or may employ its own  
39 counsel and legal staff.
- 40 m. Arrange or contract with a public agency, to the extent that it  
41 is within the scope of that agency's functions, to cause the services  
42 customarily provided by such other agency to be rendered for the  
43 benefit of the occupants of any redevelopment area or housing  
44 project, and have such other agency provide and maintain parks,  
45 recreation centers, schools, sewerage, transportation, water and  
46 other municipal facilities adjacent to or in connection with a  
47 redevelopment area or project.



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

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

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

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

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

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

27

28 20. This act shall take effect immediately.

29

30

31

32

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