

ORDINANCE NO. 2016:20

AN ORDINANCE CREATING A NEW CHAPTER XVI OF THE REVISED GENERAL ORDINANCES OF THE BOROUGH OF BOUND BROOK AUTHORIZING THE CREATION OF AN ABANDONED PROPERTY LIST FOR THE REHABILITATION OF ABANDONED PROPERTIES IN ACCORDANCE WITH N.J.S.A. 55:19-54 ET SEQ. AND THE ABANDONED PROPERTIES REHABILITATION ACT, N.J.S.A. 55:19-78 ET SEQ.

WHEREAS, abandoned properties create a wide range of problems, such as fostering criminal activity, creating public health problems and otherwise diminishing the quality of life for area residents and business operators; and

WHEREAS, abandoned properties diminish the property values of neighboring properties and have a negative effect on the quality of life of adjacent property owners, increasing the risk of property damage through arson and vandalism and discouraging neighborhood stability and revitalization; and

WHEREAS, the continued presence of abandoned properties, which are presumptively considered to be nuisances in view of their negative effects on properties and the quality of life of residents and businesses within the Borough of Bound Brook, acts as a significant barrier to the Borough's continued progressive development and revitalization; and

WHEREAS, pursuant to N.J.S.A. 55:19-55, a municipality may adopt an ordinance directing a public officer designated or appointed by the governing body to create an Abandoned Property List for rehabilitation of abandoned properties in accordance with the Abandoned Properties Rehabilitation Act, N.J.S.A. 55:19-78 *et seq.*,

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the Borough of Bound Brook, in the County of Somerset and State of New Jersey, as follows:

SECTION 1. The Revised General Ordinances of the Borough of Bound Brook (the "Borough Code") is hereby amended, supplemented and revised to include a new Chapter XVI entitled Rehabilitation of Abandoned Property, as follows:

§ 16-1 Definitions.

"Abandoned Property" means property that is abandoned as determined by the Act.

"Act" means the Abandoned Properties Rehabilitation Act, N.J.S.A. 55:19-78 *et seq.*

"Borough" means the Borough of Bound Brook in the County of Somerset, State of New Jersey.

"Lien holder" or "Mortgage holder" means any person or entity holding a note, mortgage or other interest secured by the building or any part thereof.

"Owner" means the holder or holders of title to an abandoned property.

“Property” means any building or structure and the land appurtenant thereto.

“Public Officer” means the person designated by the Borough pursuant to *N.J.S.A. 40:48-2.5*, or any officer of the Borough qualified to carry out the responsibilities set forth in the Abandoned Properties Rehabilitation Act, *N.J.S.A. 55:19-78 et seq.*, and who is designated by the Borough pursuant to resolution of the Mayor and Council.

“Qualified rehabilitation entity” means an entity organized or authorized to do business under the New Jersey statutes, which shall have as one of its purposes the construction or rehabilitation of residential or non-residential buildings, the provision of affordable housing, the restoration of abandoned property, the revitalization and improvement of urban neighborhoods, or similar purpose, and which shall be well qualified by virtue of its staff, professional consultants, financial resources, and prior activities set forth in the Act to carry out the rehabilitation of vacant buildings in urban areas.

“Utility” means any electric or natural gas public utility that is regulated under the jurisdiction of the New Jersey Board of Public Utilities.

§ 16-2 Establishment of abandoned property list.

A. The Public Officer shall identify abandoned property within the Borough for the purpose of establishing an abandoned property list in accordance with *N.J.S.A. 55:19-55*. The abandoned property list shall include, for each abandoned property identified, the tax block and lot number, the name of the owner of record, if known, and the street address of the lot. The Public Officer may add properties to the abandoned property list at any time, and may delete properties at any time when he or she finds that the property no longer meets the definition of an abandoned property.

B. An abandoned property shall not be included on the abandoned property list if rehabilitation is being performed in a timely manner, as evidenced by building permits issued and diligent pursuit of rehabilitation work authorized by those permits. A property on which an entity other than the Borough has purchased or taken assignment from the Borough of a tax sale certificate, which has been placed on the abandoned property list, may be removed if the owner of the certificate pays all municipal taxes and liens due on the property within 30 days after the property is placed on the list; provided, however, that if the owner of the certificate fails to initiate foreclosure proceedings within six months after the property was first placed on the list, the property shall be restored to the abandoned property list in accordance with the provisions of *N.J.S.A. 55:19-103*.

C. The Public Officer shall establish the abandoned property list and any additions or deletions thereto by authorizing the publication of the list in the official newspaper of the Borough, which publication shall constitute public notice, and, within 10 days after publication, shall send a notice, by certified mail, return receipt requested, and by regular mail, to the owner of record of every property included on the list. The published and mailed notices shall identify property determined to be abandoned, setting forth the owner of record, if known, the tax lot and block number and street address. The Public Officer, in consultation with the Tax Collector, shall also

send out a notice by regular mail to any mortgagee, servicing organization, or property tax processing organization that receives a duplicate copy of the tax bill pursuant to *N.J.S.A. 54:4-64(d)*. When the owner of record is not known for a particular property and cannot be ascertained by the exercise of reasonable diligence by the Tax Collector, notice shall not be mailed but instead shall be posted on the property in the manner as provided in *N.J.S.A. 40:48-2.7*. The mailed notice shall indicate the factual basis for the finding by the Public Officer that the property is abandoned property as that term is defined herein and in *N.J.S.A. 55:19-54*, and shall specify the information relied upon in making such finding. In all cases, a copy of the mailed or posted notice shall also be filed by the Public Officer in the Office of the Somerset County Clerk. This filing shall have the same force and effect as a formal notice under *N.J.S.A. 2A:15-6*. The notice shall be captioned with the name of the Borough of Bound Brook as "plaintiff," and the name of the property owner as "defendant," as though an action had been commenced by the Borough against the owner.

D. An owner or lien holder may challenge the inclusion of his/her property on the abandoned property list by appealing that determination to the Public Officer within 30 days of the owner's receipt of the certified notice or 40 days from the date upon which the notice was sent. An owner whose identity was not known to the Public Officer shall have 40 days from the date upon which notice was published or posted, whichever is later, to challenge the inclusion of a property on the abandoned property list. For good cause, the Public Officer shall accept a late filing of an appeal. Within 30 days of receipt of a request for an appeal of the findings contained in the notice, the Public Officer shall schedule a hearing for redetermination of the matter. Any owner, through the submission of an affidavit or certification asserting that the property is not an abandoned property, can demonstrate that the property was erroneously included on the list. The affidavit or certification shall be accompanied by supporting documentation, such as, but not limited to, photographs, repair invoices, bills and construction contracts. The sole ground for appeal shall be that the property in question is not abandoned property as defined in *N.J.S.A. 55:19-54*. The Public Officer shall decide any timely filed appeal within 10 days of the hearing on the appeal and shall promptly, by certified mail, return receipt requested, and by regular mail, notify the property owner of the decision and the reasons therefor.

E. The property owner may challenge an adverse determination by the Public Officer of an appeal pursuant to subsection D of this Section 16-2, by instituting, in accordance with the New Jersey Court Rules, a summary trial proceeding in the Superior Court, Somerset County. Such action shall be instituted within 20 days of the date of the notice of decision mailed by the Public Officer. The sole ground for appeal and new hearing before the Superior court shall be that the property in question is not abandoned property as defined in *N.J.S.A. 55:19-54*. The failure to institute an action of appeal on a timely basis shall constitute a jurisdictional bar to challenging the adverse determination, except that, for good cause shown, the court may extend the deadline for instituting the action.

F. The Public officer shall promptly remove any property from the abandoned property list that has been determined not to be abandoned on appeal and may, in its discretion, remove properties from said list whenever the Public Officer deems such removal appropriate under the circumstances.

G. The abandoned property list shall become effective, and the Borough shall have the right to pursue any legal remedy with respect to properties on the list at such time as any one property has been placed on the list in accordance with the provisions of this Chapter 16, upon the expiration of the period for appeal with respect to that property or upon the denial of an appeal brought by the property owner.

H. The Public Officer, within ten days of establishing of the abandoned property list, shall send a copy of the list via regular mail, facsimile or electronic mail to the electric and gas utilities serving the Borough.

§ 16-3 Property not to be placed on abandoned property list; conditions.

A. If an entity other than the Borough has purchased or taken assignment from the Borough of a tax sale certificate on a property that has not been legally occupied for a period of six months, that property shall not be placed on the abandoned property list pursuant to *N.J.S.A. 55:19-55* if (1) the owner of the certificate has continued to pay all municipal taxes and liens on the property in the tax year when due; and (2) the owner of the certificate takes action to initiate foreclosure proceedings within six months after the property is eligible for foreclosure pursuant to either subsection a or subsection b of *N.J.S.A. 54:5-86*, as appropriate, and diligently pursues foreclosure proceedings in a timely fashion thereafter.

B. A property which is used on a seasonal basis shall be deemed to be abandoned only if the property meets any two of the additional criteria set forth in Subsection 16-4 hereof.

C. A determination that a property is abandoned property under the provisions of *N.J.S.A. 55:19-78* shall not constitute a finding that the use of the property has been abandoned for purposes of municipal zoning or land use regulation.

D. Upon the request of a purchase or assignee of a tax sale certificate seeking to bar the right of redemption on an abandoned property pursuant to subsection b of *N.J.S.A. 54:5-86*, the Public Officer or the Tax Collector shall, in a timely fashion, provide the requester with a certification that the property fulfills the definition of abandoned according to the criteria set forth in Subsection 16-4 hereof.

§ 16-4 Abandoned property criteria.

A. Except as provided in *N.J.S.A. 55:19-83*, any property that has not been legally occupied for a period of six months, and which meets any one of the following additional criteria, may be deemed to be abandoned property upon a determination by the Public Officer that:

(1) The property is in need of rehabilitation in the reasonable judgment of the Public Officer, and no rehabilitation has taken place during that same six-month period; or

(2) Construction was initiated on the property and was discontinued prior to completion, leaving the building unsuitable for occupancy, and no construction has taken place for at least six months as of the date of a determination by the Public Officer; or

(3) At least one installment of property tax remains unpaid and delinquent on that property as of the date of a determination by the Public Officer; or

(4) The property has been determined to be a nuisance by the Public Officer, in accordance with *N.J.S.A. 55:19-82* for one or more of the following reasons:

(a) The property has been found to be unfit for human habitation, occupancy or use pursuant to *N.J.S.A. 40:48-2.3*; or

(b) The condition and vacancy of the property materially increases the risk of fire to the property and adjacent properties; or

(c) The property is subject to unauthorized entry leading to potential health and safety hazards; the owner has failed to take reasonable and necessary measures to secure the property; or the Borough has secured the property in order to prevent such hazards after the owner has failed to do so; or

(d) The presence of vermin or the accumulation of debris, uncut vegetation or physical deterioration of the structure or grounds have created potential health and safety hazards and the owner has failed to take reasonable and necessary measures to remove the hazards; or

B. A property which contains both residential and nonresidential space may be considered abandoned pursuant to *N.J.S.A. 55:19-78 et seq.* so long as 2/3 or more of the total net square footage of the building was previously legally occupied as residential space and none of the residential space has been legally occupied for at least six months at the time of the determination of abandonment by the Public Officer.

§ 16-5 Interested parties may request additions to the abandoned property list.

A. Any interested party may submit a written request to the Public Officer that a property within the Borough be included on the abandoned property list. The written request must specify the street address and block and lot number of the property to be included, and the grounds for its inclusion. Within 30 days of receipt of any such request, the Public officer shall provide a written response to the party, either indicating that the property will be added to the list or, if not, the reasons for not adding the property. For purposes of this section, the term "interested parties" shall include any resident of the Borough, any owner or operator of a business within the Borough or any organization representing the interests of residents, business owners or engaged in furthering the revitalization and improvement of the neighborhood in which the property is located.

B. Any interested party may participate in a redetermination hearing regarding the inclusion of a property on the abandoned property list. Upon written request by any interested party, the Public Officer shall provide that party with at least 20 days' notice of any such hearing. The party shall provide the Public Officer with notice at least 10 days before the hearing of its intention to participate and the nature of the testimony or other information that it proposes to submit at the hearing.

§ 16-6 Removal of property from abandoned property list.

A. An owner may request removal of their property from the abandoned properties list prior to sale of the tax sale certificate by paying all taxes and Borough liens due, including interest and penalties, and:

(1) By posting cash or a bond to the cost of remediating all conditions because of which the property has been determined to be abandoned pursuant to *N.J.S.A. 55:19-55*, and by posting cash or a bond to cover the cost of any environmental cleanup required on the property, evidenced by a certification by a licensed engineer retained by the owner and reviewed and approved by the Public Officer stating that the cash or bond adequately covers the cost of the cleanup; or

(2) By demonstrating to the satisfaction of the Public officer that the conditions rendering the property abandoned have been remediated in full; provided, however, that where the Public Officer finds that the owner is actively engaged in remediating the conditions because of which the property was determined to be abandoned pursuant to *N.J.S.A. 55:19-55*, as evidenced by significant rehabilitation activity on the property, the Public Officer may grant an extension of time of not more than 120 days for the owner to complete all work, during which time no further proceedings will be taken against the owner or the property.

B. If the owner has posted cash or a bond in order to have a property removed from the abandoned property list and the conditions because of which the property was determined to be abandoned have not been fully remediated within one year of the date of posting the cash or bond, or, in the case of a property which requires a remediation of any known, suspected or threatened release of contaminants, if the owner has filed to enter into a memorandum of agreement with the New Jersey Department of Environmental Protection or an administrative consent order, as the case may be, or if an agreement or order is in effect but the owner has failed to perform the remediation in conformance with the agreement or order, then the cash or bond shall be forfeited to the Borough, which shall use the cash or bond and any interest which has accrued thereon for the purpose of demolishing or rehabilitating the property or performing the environmental remediation. Any funds remaining after the property has been demolished, rehabilitated or cleaned up shall be returned to the owner.

§ 16-7 Sale of restricted tax liens.

A. Notwithstanding the provisions of *N.J.S.A. 54:5-19*, or the provisions of any other laws to the contrary, if a property is included on the abandoned property list and the property taxes or other Borough liens due on the property are delinquent for six or more quarters as of the date of expiration of the right to appeal the property's inclusion on the list or, if an appeal has been filed as of the date that all opportunities for appeal of inclusion on the list have been exhausted, then the tax lien on the property may be sold in accordance with the procedures of the Tax Sale Law, *N.J.S.A. 54:5-1 et seq.*, on or after the 90th day following the expiration of that time of appeal or final determination on an appeal.

B. The Borough may, at its option, require that the sale of the tax sale certificate or any subsequent assignment or transfer of a tax sale certificate held by the Borough be subject to the express condition that the purchaser or assignee shall be obliged to perform and conclude any rehabilitation or repairs necessary to remove the property from the abandoned property list pursuant to *N.J.S.A. 55:19-55* and to post a bond in favor of the Borough to guarantee the rehabilitation or repairs of the property. The Public Officer may waive a requirement to post a bond imposed by the Borough for any purchaser, assignee or transferee of a tax sale certificate that provides documentation acceptable to the Public Officer that the purchaser, assignee or transferee is a qualified rehabilitation entity as defined in *N.J.S.A. 55:19-80*. The cost of rehabilitation and repairs and the cost of the bond shall be added to the amount required to be paid by the owner for redemption of the property. The purchaser, assignee or transferee of the tax sale certificate who is required to rehabilitate and repair the property shall be required to file the appropriate affidavits with the Tax Collector, pursuant to *N.J.S.A. 54:5-62*, representing the amounts of monies expended periodically toward the rehabilitation or repair of the property. A purchaser, assignee or transferee shall be entitled to interest on the amounts expended, as set forth in the affidavits, at the delinquent rate of interest for delinquencies in excess of \$1,500 in effect for the time period when the amounts were expended, pursuant to *N.J.S.A. 54:4-67*. The Tax sale certificate purchaser, assignee or transferee, with the authority of the Borough, shall be permitted to enter in and upon the property for the purposes of appraising the costs of rehabilitation and repair and to perform all other acts required to guarantee the completion of the rehabilitation or repair of the property. No rehabilitation or repair work shall be commenced, however, until proof of adequate liability insurance and an indemnification agreement, holding the Borough harmless, has been filed with the Borough Clerk.

C. If the Borough acquires the tax sale certificate for a property on the abandoned property list, then, upon 10 days' written notice to the property owner and any mortgagee as of the date of the filing of the notice pursuant to *N.J.S.A. 55:19-55*, the Borough shall be permitted to enter upon the property and remediate any conditions that caused the property to be included on the abandoned property list. No remediation shall be commenced, however, if within that ten-day period the owner or mortgagee shall have notified the Borough in writing that the owner or mortgagee has elected to perform the remediation itself. When the owner or mortgagee elects to perform the remediation itself, it shall be required to post bond in favor of the Borough in order to ensure performance. The amount and conditions of the bond shall be determined by the Public Officer.

D. The cost of remediation incurred by the Borough, as so certified by the entity incurring the cost upon completion of the remediation, shall constitute a lien upon the property first in time and right to any other lien, whether the other lien was filed prior to or after the filing of any lien by the Borough, except for Borough taxes, liens and assessment and any lien imposed pursuant to the Spill Compensation and Control Act, *N.J.S.A. 58:10-23.11 et seq.*, together with any interest thereon. The certification of cost shall be filed and recorded as a lien by the entity incurring the cost with the Somerset County Clerk.

E. The clearance, development, redevelopment or repair of property being maintained as an abandoned property pursuant to his Chapter shall be considered a public purpose and public use, for which the power of eminent domain may be lawfully exercised.

§ 16-8 Special tax sale and criteria for bidders.

A. The Borough may hold special tax sales with respect to those properties eligible for tax sale pursuant to *N.J.S.A. 54:5-19* which are also on the abandoned property list.

B. The Borough shall establish criteria for eligibility to bid on property at the sale, which may include, but need not be limited to:

(1) Documentation of the bidder's ability to rehabilitate or otherwise reuse the property consistent with the Borough's plans and regulations and commitments by the bidder to rehabilitate or otherwise reuse the property; consistent with the Borough's plans and regulations;

(2) Commitments by the bidder to take action to foreclose on the tax lien by a date certain; and

(3) Such other criteria as the Borough may determine are necessary to ensure that the properties to be sold will be rehabilitated or otherwise reused in a manner consistent with the public interest.

C. The Borough may establish minimum bid requirements for a special tax sale that are less than the full amount of the taxes, interest and penalties due, to help ensure that the properties will be rehabilitated or otherwise used in a manner consistent with the public interest.

D. The Borough may combine properties in said special tax sale into bid packages, and require that bidders place a single bid on each package, rejecting any and all bids on individual properties that are submitted.

E. The Borough may sell said properties subject to the provision that, if the purchaser fails to carry out any commitment that has been set forth as a condition of sale or misrepresents any material qualification that has been established as a condition of eligibility to bid pursuant thereto, then the properties and any interest thereto acquired by the purchaser shall revert to the Borough, and any amount paid by the purchaser at the special tax sale shall be forfeited to the Borough.

F. In the event there are two or more qualified bidders for any property or bid package in a special tax sale, the Borough may designate the unsuccessful qualified bidder whose bid was closest to the successful bid, as an eligible purchaser.

G. In the event that the selected purchaser of that property or bid package fails to meet any of the conditions of sale established by the Borough pursuant to this section, and their interest in the property or properties reverts to the Borough, the Borough may subsequently designate the entity previously designated as an eligible purchaser as the winning bidder for the property or

properties, and assign the tax sale certificates to that entity on the basis of that entity's bid at the special tax sale, subject to the terms and conditions of the special tax sale.

H. The Borough shall provide notice of a special tax sale pursuant to *N.J.S.A. 54:5-26*. The notice shall include any special terms of sale established by the Borough pursuant to this section. Nothing shall prohibit the Borough from holding a special tax sale on the same day as a standard or accelerated tax sale.

§ 16-9 Expedited action to foreclose right of redemption.

A. When a person or entity other than the Borough acquires a tax sale certificate for a property on the abandoned property list at tax sale, the purchaser may institute an action to foreclose the right of redemption at any time after the expiration of six months following the date of the sale of the tax sale certificate.

B. Notwithstanding *N.J.S.A. 54:5-104.34*, when the Borough is the purchaser at tax sale of any property on the abandoned property list pursuant to *N.J.S.A. 54:5-34*, an action to foreclose the right of redemption may be instituted in accordance with the provisions of subsection b of *N.J.S.A. 54:5-77*.

C. After the foreclosure action is instituted, the right to redeem shall exist and continue to exist until barred by the judgment of the Superior Court; provided, however, that no redemption shall be permitted except where the owner:

(1) Posts cash or a bond equal to the cost of remediating the conditions because of which the property was determined to be abandoned pursuant to *N.J.S.A. 55:19-55*, as determined by the court; or

(2) Demonstrates to the court that the conditions because of which the property was determined to be abandoned pursuant to *N.J.S.A. 55:19-55* have been remedied in full.

§ 16-10 Action to transfer property to Borough.

A. A summary action or otherwise to transfer possession and control of abandoned property in need of rehabilitation to the Borough may be brought by the Borough in the Superior Court, Somerset County. If the court shall find that the property is abandoned pursuant to *N.J.S.A. 55:19-81* and the owner or party in interest has failed to submit an initiate a rehabilitation plan, then the court may authorize the Borough to take possession and control of the property and develop a rehabilitation plan.

B. Where the Borough has been granted possession and control, the Borough may commence and maintain further proceedings for the conservation, protection or disposal of the property, or any part thereof, that are required to rehabilitate the property, recoup the cost and expenses of rehabilitation, and for the sale of the property; provided, however, that the court shall not direct the sale of the property if the owner applies to the court for reinstatement of control and possession of the property as permitted by *N.J.S.A. 55:19-92*.

C. Failure by the owner, mortgage hold or lien holder to submit a plan for rehabilitation to the Borough, obtain appropriate construction permits or, in the alternative, submit formal applications for funding the cost of rehabilitation to local, state or federal agencies providing such funding, within the initial six-month period, shall be deemed clear evidence that the owner has failed to take any action to further the rehabilitation of the property.

D. The Borough shall file such action in accordance with the requirements of *N.J.S.A. 55:19-85* and *N.J.S.A. 55:19-86*.

E. An owner may defend against a complaint filed pursuant to this Subsection 16-10, in accordance with *N.J.S.A. 55:19-87*.

F. If an owner is unsuccessful in defending against a complaint, the mortgage holder or lien holder may seek to be designated in possession of the property by submitting a plan and posting a bond meeting the same conditions as set forth in *N.J.S.A. 55:19-87*. Such plan must be submitted within 60 days following the court's rejection of the owner's plan, unless the court provides the mortgage holder or lien holder with an extension of time for good cause shown. If the court approves any such mortgage holder or lien holder's plan, it shall designate that party to be in possession of the property for purposes of ensuring its rehabilitation and reuse and may appoint the Public Officer to act as monitory of the party's compliance.

G. The mortgage holder or lien holder, as the case may be, shall provide quarterly reports to the court and the Borough on its activities and progress toward rehabilitation and reuse of the property. If the mortgage holder or lien holder fails to carry out any material step in the approved plan, the Public Officer shall notify the court, which may order the bond forfeited, grant the Borough possession of the property, and authorize the Borough to use the proceeds of the fond for rehabilitation of the property.

H. Any sums incurred or advanced for the purpose of rehabilitating the property by a mortgage holder or lien holder granted possession of a property, including court costs and reasonable attorney's fees, any be added to the unpaid balance due that mortgage holder or lien holder, with interest calculated at the same rate set forth in the note or security agreement; or, in the case of a tax lien holder, at the statutory interest rate for subsequent liens.

I. If no mortgage holder or lien holder meets the conditions of *N.J.S.A. 55:19-88*, then the Borough may submit a plan to the court which conforms to the provisions of *N.J.S.A. 55:19-87*. Such plan shall designate whether the Borough or a qualified rehabilitation entity shall undertake the rehabilitation plan in accordance with the provisions of *N.J.S.A. 55:19-90*.

§ 16-11 Borough may designate qualified rehabilitation entity.

A. The Borough may designate a qualified rehabilitation entity for the purpose of exercising the Borough's rights, where that designation will further the rehabilitation and reuse of the property consistent with the Borough's plans and objectives.

B. Regardless of whether the Borough exercises its rights directly or designates a qualified rehabilitation entity pursuant to this Subsection 16-11, the Borough shall maintain, safeguard,

and maintain insurance on the property while in possession of the property. Notwithstanding the Borough's possession of the property, the owner of the property shall not be relieved of any civil or criminal liability or any duty imposed by reason of acts or omissions of the owner.

§ 16-12 Ownership interest of Borough.

A. If the Borough has been granted possession of the property pursuant to *N.J.S. A. 55:19-89*, the Borough shall be deemed to have an ownership interest in the property and the provisions of *N.J.S.A. 55:19-91* shall apply.

§ 16-13 Petition for reinstatement of control and possession by owner.

A. An owner may petition for reinstatement of the owner's control and possession of the property in accordance with the provisions of *N.J.S.A. 55:19-92*.

B. If the owner fails to petition for the reinstatement of the owner's control and possession of the property within 30 days after the Borough has filed a notice of completion with the court attesting that the rehabilitation of the property is anticipated to be completed within six months or, in any event, within two years after the initial grant to possession, or if the owner fails to meet any conditions that may be set by the court in granting a reinstatement petition, the court may grant the Borough title or authorize the Borough to sell the property, subject to the provisions of *N.J.S.A. 55:19-96*.

§ 16-13 Procedure for Borough to place liens, obtain title and sell property.

A. The Borough, with the approval of the court, may place a lien on the property to cover any costs of the Borough in connection with any proceeding under *N.J.S.A. 55:19-78 et seq.*, incurred prior to the grant by the court of an order of possession, which may include costs incurred to stabilize or secure the property to ensure that it can be rehabilitated in a cost-effective manner. Any such lien shall be considered a Borough lien for the purposes of *N.J.S.A. 54:5-9*, with the rights and status of a Borough lien pursuant thereto.

B. Where the Borough seeks to gain title to the property, it shall purchase the property for fair market value on such terms as the court shall approve and may place the proceeds of sale in escrow with the court.

C. The court may authorize the Borough to sell the building free and clear of liens, claim and encumbrances, in which event all such liens, claims and encumbrances shall be transferred to the proceeds of sale with the same priority as existed prior to resale in accordance with the provisions of this section, except that municipal liens shall be paid at settlement. The proceeds of the purchase of the property shall be distributed as set forth in *N.J.S.A. 55:19-97*.

D. Upon approval by the court, the Borough shall sell the property on such terms and at such price as the court shall approve and may place the proceeds of sale in escrow with the court. The court shall order a distribution of the proceeds of sale after paying court costs in the order of priority set forth in *N.J.S.A. 55:19-97*.

E. With the exception of the holding of special tax sales pursuant to N.J.S.A. 55:19-101, the remedies available under N.J.S.A. 55:19-678 et seq. shall be available to the Borough with respect to any abandoned property, whether or not the Borough has established an abandoned property list and whether or not the property at issue has been included on any such list.

SECTION 2. Severability Clause.

If any article, section, subsection, sentence, clause or phrase of this Ordinance is, for any reason, held to be unconstitutional or invalid, such decision shall not affect the remaining portions of this Ordinance and they shall remain in full force and effect, and to this end the provisions of this Ordinance are hereby declared severable.

SECTION 3. Repealer.

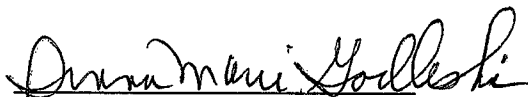
All other ordinances in conflict or inconsistent with this Ordinance are hereby repealed, to the extent of such conflict or inconsistency. In the event of any inconsistencies between the provisions of this Ordinance and any prior ordinance of the Borough, the provisions hereof shall be determined to govern. All other parts, portions and provisions of the ordinances of the Borough are hereby ratified and confirmed, except where inconsistent with the terms hereof.

SECTION 7. Effective Date.

This Ordinance shall take effect following adoption and publication in accordance with the laws of the State of New Jersey.

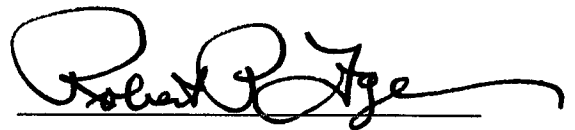
ATTEST:

BOROUGH OF BOUND BROOK



Donna Marie Godleski
Borough Clerk

By:



Robert Fazen
Mayor

Date of Introduction: June 14, 2016

Date of Adoption: June 28, 2016