Introduction date: May 8, 2017 Adoption date: May 22, 2017

#### **ORDINANCE NO 2017-10**

# TOWNSHIP OF EASTAMPTON BURLINGTON COUNTY

AN ORDINANCE OF THE TOWNSHIP OF EASTAMPTON, IN THE COUNTY OF BURLINGTON, STATE OF NEW JERSEY, REQUIRING CREDITORS IN A FORECLOSURE ACTION TO MAINTAIN AND REPAIR THE EXTERIOR OF VACANT AND ABANDONED RESIDENTIAL PROPERTIES IN THE TOWNSHIP OF EASTAMPTON ON WHICH A FORECLOSURE ACTION HAS BEEN FILED

WHEREAS, the Township of Eastampton ("Township"), Burlington County, New Jersey regulates the care, maintenance and upkeep of vacant properties located within the Township on which a summons and complaint in an action of foreclosure has been filed; and

**WHEREAS**, the Township prohibits properties in conditions which are aesthetically unpleasing or would pose a health or safety risk to members of the community or the public at large; and

WHEREAS, the Township has experienced an increase in the number of vacant and abandoned properties due to the general condition of the economy; and

WHEREAS, the Township Council desires to create Chapter 386 in the municipal code to provide that the creditor filing the summons and complaint in an action to foreclose shall be responsible for the maintenance and upkeep of the vacant residential property, and if located out-of-State, shall be responsible for appointing an in-State agent to act for the foreclosing creditor; and

WHEREAS, if the Township expends public funds to abate a nuisance or correct a municipal code violation on a residential property where the creditor was given notice of the violation and failed to act the Township desires to have the same recourse against the creditor as it would have against the title owner of the property; and

**WHEREAS**, pursuant to <u>N.J.S.A</u>. 40:48-2.12s and <u>N.J.S.A</u>. 46:10B-51 et seq., the Mayor and Township Council have determined it to be in the best interests of the Township to adopt an ordinance to require the care, maintenance, security and upkeep of vacant and abandoned residential properties under foreclosure in the Township.

**NOW THEREFORE, BE IT ORDAINED** by the Township Council of the Township of Eastampton, County of Burlington and State of New Jersey as follows:

## **SECTION I.**

- A. A creditor filing a summons and complaint in a foreclosure action shall be responsible for the care, maintenance, security, and upkeep of the exterior of vacant and abandoned residential properties on which a foreclosure action has been filed, and, if the creditor is located outside the State of New Jersey, shall be responsible for appointing an instate representative or agent to act for the foreclosing creditor.
- B. A creditor serving a summons and complaint in an action to foreclose on a mortgage on residential property in the Township shall, within 10 days of serving the summons and complaint, notify the Township Clerk that a summons and complaint in an action to foreclose on a mortgage has been filed against the subject property. The notice shall contain the name and contact information for the representative of the creditor who is responsible for receiving complaints of property maintenance and code violations. The notice may contain information about more than one property. The notice shall be provided by mail pursuant to N.J.S.A. 46:10B-51 et seq.

### **SECTION II.**

In the event the creditor is located outside the State of New Jersey, the notice shall designate an in-state representative or agent to act for the creditor and shall provide the full name and contact information of the in-state representative responsible for the care, maintenance, security and upkeep of the exterior of the property. A creditor located outside the State of New Jersey found by any court of competent jurisdiction to be in violation of this requirement shall be subject to a fine of \$2,500 for each day of the violation, commencing on the day after the 10 day period for providing notice to the Township Clerk that a summons and complaint in a foreclosure action has been served.

# **SECTION III.**

A. The Township Manager, and/or his/her designee, shall be authorized to issue a notice to the creditor filing the summons and complaint in a foreclosure action, or the representative or agent of any creditor located outside the State of New Jersey, as applicable, if the Township Manager determines that the creditor has failed to provide for the care, maintenance, security and upkeep of the exterior of the property on which a foreclosure action has been filed. The notice shall provide a period of thirty (30) days from receipt of the notice to correct the violation, or within 10 days of receipt of the

notice if the violation presents an imminent threat to public health and safety. The issuance of this notice shall constitute proof that a property is "vacant and abandoned" for purposes of N.J.S.A. 2A:50-73.

B. A creditor found by any court of competent jurisdiction to be in violation of the requirement to provide for the care, maintenance, security, and upkeep of the exterior of vacant and abandoned residential properties on which a foreclosure action has been filed pursuant to this section shall be subject to a fine of \$1,500 for each day of the violation, commencing 31 days following receipt of the notice, except a violation that presents an imminent risk to public health and safety, in which cases any and all fines shall commence 11 days following receipt of the notice

### SECTION IV.

In accordance with N.J.S.A. 46:10B-51 et seq., if the owner of a residential property vacates or abandons any property on which a foreclosure proceeding has been initiated, or if a residential property becomes vacant at any point subsequent to the creditor's filing of the summons and complaint in an action to foreclose on a mortgage against the subject property, but prior to vesting of title in the creditor or any other third party, and the exterior of the property is found to be a nuisance or in violation of any applicable State law and/or Township ordinance, the Township Manager, and/or his/her designee, shall notify the creditor or the representative or agent of any creditor located outside the State of New Jersey, as applicable, who shall have the responsibility to abate or correct the violation in the same manner and to the same extent as the title owner of the property, to the standard and specification required by State law and Township ordinance. The notice shall include with the notice of violation a description of the condition which gave rise to the violation, and shall provide a period of thirty(30) days of the creditor's receipt of the notice for the creditor to remedy the violation. If the creditor fails to remedy the violation within that time period, the Township may impose penalties allowed for the violation of its ordinances pursuant to N.J.S.A. 40:49-5.

### SECTION V.

If the Township expends public funds in order to abate a nuisance or correct a violation on a residential property in situations in which the creditor was given notice pursuant to Section III above, but failed to abate the nuisance or correct the violation as directed, the Township shall have the same recourse against the creditor as it would have against the title owner of the property, including, but not limited to, the recourse provided under section 42 of P.L.2003, c.210 (N.J.S.A. 55:19-100), including any future amends or supplements to said statute.

# **SECTION VI.**

Each section, subsection, sentence, clause and phrase of this Ordinance is declared to be an independent section, subsection, sentence, clause and phrase, and the finding or holding of any such portion of this Ordinance to be unconstitutional, void, or ineffective for any cause, or reason, shall not affect any other portion of this Ordinance.

# **SECTION VII.**

All ordinances or parts of ordinances inconsistent with this Ordinance are hereby repealed to the extent of such inconsistency.

JAY SPRINGER

ATTEST:

KIM-MARIE WHITE

Municipal Clerk

Adopted: May 22, 2017

Introduction 5.8.2017

Council	Motion	2 <sup>nd</sup>	Ayes	Nays	Abstain	Absent
Councilman Adams						X
Councilman Edson			X			
Councilman Apgar	X		X			
Councilman Zeno		X	X			
Mayor Springer			X			
		VOTE	4	0		

Adoption 5.22.17

Council	Motion	2 <sup>nd</sup>	Ayes	Nays	Abstain	Absent
Councilman Adams			X			
Councilman Edson						X
Councilman Apgar	X		X			
Councilman Zeno		X	X			
Mayor Springer			X			
	24	VOTE	4	0	Internal Control	4 7 2 7 2 1 4