

TOWNSHIP OF MAPLE SHADE

Ordinance 2019-18

AN ORDINANCE, AMENDING THE TITLE OF CHAPTER 51 AND ADDING ARTICLE III, TO BE ENTITLED, “REGISTRATION OF FORECLOSURE AND VACANT PROPERTY”; REQUIRING THE REGISTRATION AND MAINTENANCE OF CERTAIN REAL PROPERTY BY MORTGAGEES BY OWNERS; PROVIDING FOR PENALTIES AND ENFORCEMENT.

WHEREAS, the Township Council desires to protect the public health, safety, and welfare of the citizens of the incorporated area of the Township of Maple Shade and maintain a high quality of life for the citizens of the Township through the maintenance of structures and properties in the Township; and

WHEREAS, the Council recognizes properties subject to foreclosure action and vacant property (hereinafter referred to as “Registrable Properties”) located throughout the Township can create nuisances; lead to a general decrease in neighborhood and community aesthetic; and foster an unhealthy environment; and

WHEREAS, the Council recognizes in the best interest of the public health, safety, and welfare a regulated method is needed to discourage Registrable Property Owners and Mortgagees from allowing their properties to be abandoned, neglected or left unsupervised; and

WHEREAS, the Council has a vested interest in protecting neighborhoods against decay caused by Registrable Property and concludes that it is in the best interests of the health, safety, and welfare of its citizens and residents to impose registration requirements of Registrable Property located within the Township;

NOW, THEREFORE, BE IT ORDAINED, by the Township Council of the Township of Maple Shade that the Township Code is hereby amended as follows:

Section 1.

The title of Chapter 51 is amended as follows:

Chapter 51: Abandoned property and Registration of Foreclosure and Vacant Property.

Section 2.

Supplement Chapter 51 by adding new Article III REGISTRATION OF FORECLOSURE AND VACANT PROPERTY as follows:

Article III. REGISTRATION OF FORECLOSURE AND VACANT PROPERTY.

51-34.Purpose and intent.

To establish a registration process to address the deterioration, and decline in value of Township neighborhoods caused by vacant and foreclosure property (both residential and non-residential).

51-35. Definitions

The following words, terms, and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning.

Default shall mean that the mortgagor has not complied with the terms of the mortgage on the property, or the promissory note, or other evidence of the debt, referred to in the mortgage.

Enforcing Officer shall mean any Police Officer, Construction Code Official, Zoning Inspector, Code Enforcement Officer, Fire Inspector or Building Inspector or other person authorized by the Township Manager and/or state of New Jersey to enforce the applicable laws.

Evidence of Vacancy shall mean any condition that on its own, or combined with other conditions present, would lead a reasonable person to believe that the property is vacant. Such conditions may include, but are not limited to: overgrown and/or dead vegetation; past due Utility notices and/or disconnected Utilities; accumulation of trash junk or debris; abandoned vehicles, auto parts and/or materials; the absence of furnishings and/or personal items consistent with habitation or occupancy; the presence of an unsanitary, stagnant swimming pool; the accumulation of newspapers, circulars, flyers and/or mail; statements by neighbors, passers-by, delivery agents or government agents; and/or the presence of boards over doors, windows or other openings in violation of applicable code.

Foreclosure or Foreclosure Action shall mean the legal process by which a Mortgagee, or other lien holder, terminates or attempts to terminate a property Owner's equitable right of redemption to obtain legal and equitable title to the Real Property pledged as security for a debt or the Real Property subject to the lien. The legal process is not concluded until the property obtained by the Mortgagee, lien holder, or their designee, by certificate of title, or any other means, is sold to a non-related bona fide purchaser in an arm's length transaction to satisfy the debt or lien.

Mortgagee shall mean the creditor, including but not limited to, trustees; mortgage servicing companies; lenders in a mortgage agreement; any agent, servant, or employee of the creditor; any successor in interest; or any assignee of the creditor's rights, interests or obligations under the mortgage agreement; or any other person or entity with the legal right to foreclose on the Real Property, excluding governmental entities.

Owner shall mean every person, entity, or Mortgagee, who alone or severally with others, has legal or equitable title to any Real Property as defined by this Chapter; has legal care, charge, or control of any such property; is in possession or control of any such property; and/or is vested with possession or control of any such property. The Property Manager shall not be considered the Owner.

Property Manager shall mean any party designated by the Owner as responsible for inspecting, maintaining and securing the property as required in this Chapter.

Real Property shall mean any residential or non-residential land and/or buildings, leasehold improvements and anything affixed to the land, or portion thereof identified by a property parcel identification number, located in the Township limits. Condominiums are exempt from registration.

Registrable Property shall mean:

- (a) Any Real Property located in the Township, whether vacant or occupied, that is encumbered by a mortgage subject to an ongoing Foreclosure Action by the Mortgagee or Trustee, has been the subject of a Foreclosure Action by a Mortgagee or Trustee and a Judgement has been entered, or has been the subject of a Foreclosure sale where the title was transferred to the beneficiary of a mortgage involved in the Foreclosure and any properties transferred under a deed in lieu of foreclosure/sale. The designation of a “foreclosure” property as “registrable” shall remain in place until such time as the property is sold to a non-related bona fide purchaser in an arm’s length transaction or the Foreclosure Action has been dismissed; or
- (b) Any property that is vacant for more than thirty (30) days or any cancellation of Utility or Service, whichever occurs first.
- (c) Exemption from registration: Condominiums

Registry shall mean a web-based electronic database of searchable Real Property records, used by the Township to allow Mortgagees and Owners the opportunity to register properties and pay applicable fees as required in this Chapter.

Semi-Annual Registration shall mean six (6) months from the date of the first action that requires registration, as determined by the Township, or its designee, and every subsequent six (6) months. The date of the initial registration may be different than the date of the first action that required registration.

Utilities and Services shall mean any utility and/or service that is essential for a building to be habitable and/or perform a service necessary to comply with all Township codes.

Vacant shall mean any parcel of land in the Township that contains any building or structure that is not lawfully occupied.

51-36. Applicability and jurisdiction

This Chapter applies to Foreclosing, Foreclosed and Vacant property within the Township.

51-37. Establishment of a registry

(a) Pursuant to the provisions of this chapter the Township, or its designee, shall establish a registry cataloging each Registrable Property within the Township, containing the information required by this Chapter.

(b) All foreclosure and vacant properties must be registered and pay the appropriate initial fee within thirty (30) days of adoption of this ordinance.

51-38. Foreclosure real property inspection and registration

(a) Within ten (10) days of the date any Mortgagee files a Foreclosure Action, the Mortgagee shall register the Real Property with the Township Registry, and, at the time of registration, indicate whether the property is Vacant, and if so shall designate in writing a New Jersey based Property Manager to inspect, maintain, and secure the Real Property subject to the mortgage under a Foreclosure Action. A separate registration is required for each property under a Foreclosure Action, regardless of whether it is occupied or vacant.

(b) Initial registration pursuant to this section shall contain at a minimum the name of the Mortgagee, the mailing address of the Mortgagee, e-mail address, telephone number and name of the New Jersey based Property Manager and said person's address, e-mail address, and telephone number.

(c) At the time of initial registration each registrant shall pay a non-refundable Semi-Annual Registration fee of five hundred dollars (\$500.00) for each property. Subsequent non-refundable Semi-Annual renewal registrations of properties and fees in the amount of five hundred dollars (\$500.00) are due within ten (10) days of the expiration of the previous registration. Said fees shall be used to offset the costs of: (1) registration and registration enforcement, (2) code enforcement and mitigation related to Defaulted properties, (3) post-closing counseling and Foreclosure intervention limited to Owner-occupied persons in Default, which may not include cash and mortgage modification assistance, and (4) for any related purposes as may be adopted in the policy set forth in this Chapter. Said fees shall be deposited to a special account in the Township's Department dedicated to the cost of implementation and enforcement of this Ordinance, and fulfilling the purpose and intent of this Chapter. None of the funds provided for in this section shall be utilized for the legal defense of Foreclosure Actions.

(d) If the mortgage and/or servicing on a Registrable Property is sold or transferred, the new Mortgagee is subject to all the terms of this Chapter. Within thirty (30) days of the transfer, the new Mortgagee shall register the property or update the existing registration. The previous Mortgagee(s) will not be released from the responsibility of paying all previous unpaid fees, fines, and penalties accrued during that Mortgagee's involvement with the Registrable Property.

(e) If the Mortgagee sells or transfers the Registrable Property in a non-arm's length transaction to a related entity or person, the transferee is subject to all the terms of this Chapter. Within ten (10) days of the transfer, the transferee shall register the property or

update the existing registration. Any and all previous unpaid fees, fines, and penalties, regardless of who the Mortgagee was at the time registration was required, including, but not limited to, unregistered periods during the Foreclosure process, are the responsibility of the transferee and are due and payable with the updated registration. The previous Mortgagee will not be released from the responsibility of paying all previous unpaid fees, fines, and penalties accrued during that Mortgagee's involvement with the Foreclosed Property.

- (f) If the Foreclosing or Foreclosed Property is not registered, or the registration fee is not paid within thirty (30) days of when the registration or renewal is required pursuant to this section, a late fee equivalent to ten percent (10%) of the Semi-Annual Registration fee shall be charged for every thirty-day period (30), or portion thereof, the property is not registered and shall be due and payable with the registration.
- (g) This section shall also apply to properties that have been the subject of a foreclosure sale where title is transferred to the Mortgagee as well as any properties transferred to the Mortgagee under a deed in lieu of foreclosure or by any other legal means.
- (h) Properties subject to this section shall remain subject to the Semi-Annual Registration requirement, and the inspection, security, and maintenance standards of this section as long as the property remains Registrable Property.
- (i) Failure of the Mortgagee and/or property Owner of record to properly register or to modify the registration to reflect a change of circumstances as required by this ordinance is a violation of this Chapter and shall be subject to enforcement by any of the enforcement means available to the Township.
- (j) If any property is in violation of this Chapter the Township may take the necessary action to ensure compliance with and/or place a lien on the property for the cost of the outstanding obligation and any additional cost incurred to the property into compliance.

51-39. Registration of Vacant real property

- (a) Any Owner of Vacant property (as defined by section 51-35) shall within thirty (30) days after the property becomes Vacant, shall register the Real Property with the Township Registry.
- (b) Initial registration pursuant to this section shall contain at a minimum the name of the Owner, the mailing address of the Owner, e-mail address, and telephone number of the Owner, and if applicable, the name and telephone number of the New Jersey based Property Manager and said person's address, e-mail address, and telephone number.
- (c) At the time of initial registration each registrant shall pay a non-refundable Semi-Annual Registration fee of five hundred dollars (\$500.00) for each Vacant property. Subsequent non-refundable Semi-Annual renewal registrations of Vacant properties and fees in the amount of five hundred dollars (\$500.00) are due within ten (10) days of the expiration of

the previous registration. Said fees shall be used to offset the costs of: (1) registration and registration enforcement, (2) code enforcement and mitigation related to Vacant properties, and (3) for any related purposes as may be adopted in the policy set forth in this Chapter. Said fees shall be deposited to a special account in the Township's Department dedicated to the cost of implementation and enforcement of this Ordinance, and fulfilling the purpose and intent of this Chapter.

- (d) If the property is sold or transferred, the new Owner is subject to all the terms of this Chapter. Within ten (10) days of the transfer, the new Owner shall register the Vacant property or update the existing registration. The previous Owner(s) will not be released from the responsibility of paying all previous unpaid fees, fines, and penalties accrued during that Owner's involvement with the Vacant property.
- (e) If the Vacant property is not registered, or either the registration fee or the Semi-Annual Registration fee is not paid within thirty (30) days of when the registration or Semi-Annual Registration is required pursuant to this section, a late fee shall be equivalent to ten percent (10%) of the Semi-Annual Registration fee shall be charged for every thirty (30) dayperiod, or portion thereof, the property is not registered and shall be due and payable with the registration. This section shall apply to the initial registration and registrations required by subsequent Owners of the Vacant property.
- (f) Properties subject to this section shall remain subject to the Semi-Annual Registration requirement, and the inspection, security, and maintenance standards of this section as long as the property is Vacant.
- (g) Failure of the Owner to properly register or to modify the registration to reflect a change of circumstances as required by this ordinance is a violation of this Chapter and shall be subject to enforcement by any of the enforcement means available to the Township.
- (h) If any property is in violation of this Chapter the Township may take the necessary action to ensure compliance with and place a lien on the property for the cost of the outstanding obligation and any additional cost incurred to the property into compliance.
- (i) Properties registered as a result of this section are not required to be registered again pursuant to the Foreclosure mortgage property section.

51-40. Maintenance requirements

- (a) Properties subject to this chapter shall be kept free of weeds, overgrown brush, dead vegetation, trash, junk, debris, building materials, any accumulation of newspaper circulars, flyers, notices, except those required by federal, state or local law, discarded personal items including, but not limited to, furniture, clothing, large and small appliances, printed material, or any other items that give the appearance that the property is abandoned.

- (b) At all times, all real property (land and structures) shall be maintained in accordance with Township codes including but not limited to Section 152 Property Maintenance.

51-41. Security requirements

- (a) Properties subject to these Sections shall be maintained in a secure manner so as not to be accessible to unauthorized persons.
- (b) A “secure manner” shall include, but not be limited to, the closure and locking of windows, doors, gates and other openings of such size that may allow any unauthorized person to access the interior of the property or structure. Broken windows, doors, gates, and other openings of such size that may allow access to the interior of the property or structure must be repaired.
- (c) If a property is Registrable, and the property has become vacant or blighted, a Property New Jersey based Manager shall be designated by the Mortgagee and/or Owner to perform the work necessary to bring the property into compliance with the applicable code(s), and the Property Manager must perform regular inspections to verify compliance with the requirements of this Chapter, and any other applicable laws.
- (d) In addition to the above, the property is required to be secured in accordance with the applicable code(s) of the Township.
- (e) When a property subject to this Chapter becomes Vacant, it shall be posted with the name and twenty-four (24) hour contact telephone number of the New Jersey based Property Manager. The Property Manager shall be available to be contacted by the Township Monday through Friday between 9:00 a.m. and 5:00 p.m. The sign shall be placed in a window facing the street and shall be visible from the street. The posting shall be no less than eighteen (18) inches by twenty-four (24) inches and shall be of a font that is legible from a distance of forty-five (45) feet. The posting shall contain the following language with supporting information:

THIS PROPERTY IS MANAGED BY _____.
AND IS INSPECTED ON A REGULAR BASIS. _____.
THE PROPERTY MANAGER CAN BE CONTACTED _____.
BY TELEPHONE AT _____.
OR BY EMAIL AT _____.

- (f) The posting required in subsection (e) above shall be placed on the interior of a window facing the street to the front of the property so that it is visible from the street, or secured to the exterior of the building/structure facing the street to the front of the property so that it is visible from the street or if no such area exists, on a stake of sufficient size to support the posting in a location that is at all times visible from the street to the front of the property but not readily accessible to vandals. Exterior posting shall be constructed of and printed with weather-resistant materials.

Failure of the Mortgagee and/or property Owner of record to properly inspect and secure a property subject to this Chapter, and post and maintain (current and correct) the signage noted in this section, is a violation and shall be subject to enforcement by any of the enforcement means available to the Township. The Township may take the necessary action to ensure compliance with this section, and recover costs and expenses in support thereof. If the Mortgagee or Owner does not reimburse the Township for the cost of temporarily securing the property, or of any abatement directed by the Enforcing Officer, within thirty (30) days of the Township sending the Mortgagee or Owner the invoice then the Township may lien the property with such cost, along with an administrative fee as determined in the Township's fee ordinance to recover the administrative personnel services. In addition to filing a lien the Township may pursue financial penalties against the Mortgagee or Owner.

The provisions set forth under this chapter shall be enforced by the Maple Shade Police Department, Code Enforcement Officer, Zoning Officer, Construction Code Official, Utility Manager, authorized agents of the Township, or other official so designated by the Township Manager. Any Mortgagee and/or property Owner of record committing a violation of this section shall be subject to a fine of \$500 for a first offense; \$1,000 for a second offense; and \$1,500 for a third offense; subsequent offenses are subject to the provisions of Chapter 1, Article II herein.

Section 3.

Repealer. Any and all other ordinances inconsistent with any of the terms and provisions of this ordinance are hereby repealed to the extent of such inconsistencies.

Section 4.

Severability. In the event that any section paragraph, clause phrase, term, provision or part of this ordinance shall be adjudicated by a court of competent jurisdiction to be involved or unenforceable for any reason, such judgment shall not effect, impair or invalidate the remainder thereof, but shall be confined in its operation to the section, paragraph, clause, term, provision or part thereof directly involved in the controversy in such judgment shall be rendered.

Section 5.

This ordinance shall take effect immediately upon adoption and publication according to law.

Introduction: September 12, 2019

COUNCIL	MOTION	SECOND	AYES	NAYS	ABSTAIN	ABSENT
Manchello			x			
Nunes		x	x			
Volpe	x		x			
Wiest			x			
Kauffman			x			

CERTIFICATION

I hereby certify the foregoing to be a true copy of an Ordinance adopted by the Maple Shade Township Council at a meeting held on September 26, 2019.

Andrea T. McVeigh, Township Clerk

Adoption: September 26, 2019

COUNCIL	MOTION	SECOND	AYES	NAYS	ABSTAIN	ABSENT
Manchello						x
Nunes		x	x			
Volpe	x		x			
Wiest			x			
Kauffman			x			