

ORDINANCE NO. 11 – 2024

AN ORDINANCE AMENDING CHAPTER 74. PROPERTY MAINTENANCE, ARTICLE III. ABANDONED AND VACANT PROPERTY OF THE CODE BOOK OF THE BOROUGH OF CLAYTON

BE IT ORDAINED by the Mayor and Council of the Borough of Clayton, County of Gloucester, State of New Jersey, that Chapter 74, Property Maintenance, Article III, Abandoned and Vacant Property be amended as follows:

Section 1. Chapter 74-18. Findings, Sub-Section A, is hereby amended to read as follows:

- A. Whereas, the present mortgage foreclosure crisis has serious negative implications for all communities trying to manage the consequences of property vacancies and abandoned real properties; and whereas, the Borough of Clayton (“Borough”) recognizes an increase in the number of vacancies and abandoned properties located throughout the Borough; and whereas, the Borough is challenged to identify and locate owners or foreclosing parties who can maintain the properties that are in the foreclosure process or that have been foreclosed; and whereas, the Borough finds that the presence of vacant and abandoned properties can lead to a decline of property value, create attractive nuisances and lead to a general decrease in neighborhood and community aesthetic; and whereas, the Borough has already adopted property maintenance codes to regulate building standards for the exterior of structures and the condition of the property as a whole; and whereas, the Borough has a vested interest in protecting neighborhoods against decay caused by vacant and abandoned properties and concludes that it is in the best interest of the health, safety, and welfare of the citizens and residents to impose registration and certification requirements on abandoned and vacant properties located within the borough; and whereas, the Borough of Clayton had adopted Ordinance No. 12-2013 for the creation of a new section titled “Abandoned Property – Registration Requirements” within Chapter 74 of the Code of the Borough of Clayton; now, therefore, be it ordained by the Mayor and Council of the Borough of Clayton that Ordinance No. 12-2013 is hereby repealed in its entirety and a new article is hereby created within Chapter 74 to be titled “Abandoned/Vacant Property” – Registration Requirements” to read as follows:

Section 2. Chapter 74-19, Purpose and intent, is hereby amended to read as follows:

It is the purpose and intent of the Borough to establish a process to address the deterioration and blight of Borough neighborhoods caused by an increasing amount of abandoned, foreclosed or distressed real property located within the Borough, and to identify, regulate, limit and reduce the number of abandoned properties located within the Borough.

Section 3. Chapter 74-20. Definitions, the followings words, terms and phases are hereby amended to read as follows:

ABANDONED REAL PROPERTY

Any real property located in the Borough, whether vacant or occupied, that is in default as evidenced by the filing of a foreclosure complaint on a mortgage, has had a lis pendens filed against it by the lender holding a mortgage on the property, is subject to an ongoing foreclosure action by the lender, is subject to an application for a tax deed or pending Tax Assessor's lien sale, or has been transferred to the lender under a deed in lieu of foreclosure. The designation of a property as "abandoned" shall remain in place until such time as the property is sold or transferred to a new owner, the foreclosure action has been dismissed, and any default on the mortgage has been cured.

Section 4. Chapter 74-22, Establishment of registry, is hereby amended to read as follows:

Pursuant to the provisions of this Article, the Borough and/or its designee shall catalog each abandoned property within the Borough, containing the information required by this Article.

Section 5. Chapter 74-23, Registration of abandoned real property, Sections A, A(1), A(1)(c) and A(3) are hereby amended to read as follows:

A. Registration of abandoned property for which a summons and complaint in an action to foreclosure on a mortgage has been filed. The Article is adopted pursuant to subsection a of N.J.S.A. 40:48-2.12S3 and requires that:

A(1) A creditor filing a summons and complaint in an action to foreclosure shall, in addition to the notice provided to the Borough of Clayton pursuant to Section 17 of N.J.S.A. 46:10B-51 or Section 2 of N.J.S.A. 40:48-2.12s2, register the residential or commercial property with the municipality's property registration program as a property in foreclosure and, as part of the registration:

A(1)(c) Identify whether the property is vacant and abandoned in accordance with the definition in Subsection 74-20.

A(3) The creditor filing a summons and complaint in an action to foreclosure shall, if the registered property becomes vacant and abandoned in accordance with the definition in Subsection 74-20 after the property is initially registered with the municipality, update the property registration with the municipality to reflect the change in the property's status.

Section 6 Chapter 74-23(E), As used in this section, CREDITOR, Subsection (2) is hereby amended to read as follows:

(2) A creditor subject to this section found by the municipal court or by any other court of competent jurisdiction, to be in violation, excluding only a violation addressed by Subsection E(1), of this Chapter shall be subject to a fine of \$1,500 for each day of the violation. Any fines imposed pursuant to this subsection shall commence 31 days following receipt of the notice of

violation, except if the violation presents an imminent risk to public health and safety, in which case any fines shall commence 11 days following receipt of the notice.

Section 7. Severability:

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 8. Effective Date:

This Ordinance shall be in full force and effect from and after its adoption and any publication as required by law.

BOROUGH OF CLAYTON



Thomas Bianco, Mayor

ATTEST:



Christine Newcomb, Borough Clerk

NOTICE OF INTRODUCTION

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TAKE NOTE that the foregoing ordinance was introduced at a meeting of the Mayor and Council of the Borough of Clayton held on April 11, 2024 and was then read for the first time. The said ordinance will be further considered for final passage by the Mayor and Council at the Municipal Building, 125 N. Delsea Drive, Clayton, New Jersey, at a meeting beginning 6:30 p.m. on April 25, 2024, at which time and place, or any time and place to which such meeting be adjourned, all persons interested will be given an opportunity to be heard concerning such ordinance.

BY ORDER of the Mayor and Council of the Borough of Clayton.

Christine Newcomb
Borough Clerk

NOTICE OF ADOPTION

ORDINANCE NO. 11 – 2024

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The foregoing Ordinance was finally adopted by the Mayor and Council of the Borough of Clayton on April 25, 2024.

Christine Newcomb
Borough Clerk