Resolution of the City of Jersey City, N.J.

City Clerk File No. Res. 15.812

Agenda No. 10.B

Approved: NOV 24 2015

TITLE:

RESOLUTION AUTHORIZING THE SALE OF CITY PROPERTY NOT NEEDED FOR PUBLIC USE.

COUNCIL **offered and moved adoption of the following resolution:**

WHEREAS, the City of Jersey City (hereinafter referred to as the "City") is the owner of the following properties; and,

WHEREAS, said properties are not needed for public use; and,

WHEREAS, the City is authorizing to sell any such properties by public sale to the highest bidder pursuant to N.J.S.A. 40A:12-13 et seq; and,

WHEREAS, it is in the best interest of the City that a public auction be held for such properties;

NOW THEREFORE BE IT RESOLVED, by the Municipal Council of the City of Jersey City that:

1. The properties listed below are hereby offered for public sale to the highest bidder at no less than the minimum price set forth herein, subject to the conditions hereinafter as set forth in the terms and conditions of a contract of sale to be executed by the parties, at the **City Council Chambers, City Hall, 280 Grove Street, Jersey City, New Jersey on Thursday, January 7, 2016 at 10:00 A.M. Sharp.**

2. The sale shall be conducted by the Department of Administration, Real Estate Office of the City of Jersey City or by persons designated by the Business Administrator.

3. The sale shall be made subject to:
   (a) such state of facts which an accurate survey may disclose;
   (b) easements and restrictions of records, if any;
   (c) tenancies, leaseholds, and rights of persons in possession;
   (d) all federal, state, county and municipal laws, statutes, codes, ordinances, rules and regulations affecting the property, its use and occupation;
   (e) riparian rights or claims;
   (f) Certificate of Occupancy issued by the Division of Building.

5. The properties herein described, or any part thereof, are sold "as is" and without any representation or warranty, either expressed or implied, as to their present condition.
   (a) Prospective purchasers are put on notice that the City's records as to any code violations may not be accurate or up to date and the City expressly makes no representations as to such violations.
   (b) Purchasers will be given an opportunity to inspect the property prior to the auction to ascertain the condition of the property.
   (c) It shall not be grounds to nullify the contract of sale if the purchaser discovers or is notified of any code violations after the sale.

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6. In the event that the State of New Jersey or any upland owner shall have any rights or claims on the land being sold herein by reason of a riparian interest or otherwise are to be paid for and borne by the purchaser, in addition to the sale price which is bid for said property.

7. All prospective purchasers are put on notice to consult the Water and Sewerage Department for existing facilities.

8. The purchase price for such properties shall be paid by any of the following methods:
   (a) By payment to the City of Jersey City in cash, money order, bank check or certified check the full purchase price immediately after the conclusion of the bidding for a specific property.
   (b) By payment to the City of Jersey City immediately after the conclusion of the bidding for a specific property ten (10%) percent of the minimum bid price by cash, money order, bank check or certified check.
   (c) The balance of the purchase price is to be paid by certified check, money order or bank check within two (2) months of the date of Confirmation of Sale.
   (d) If the purchaser fails to pay the balance of the purchase price within two (2) month time limit, the sale to the purchaser is automatically canceled and the deposit shall be forfeited.

9. Purchaser may at its option arrange for a report on title before closing. Within thirty (30) days after the confirmation of sale by the governing body, purchaser shall notify the City in writing of any defects of title which may render title unmarketable. Marketable title is defined herein to mean title which a title company authorized to do business in the State of New Jersey is willing to insure at regular rates. Upon confirmation of such notice, the City shall refund purchaser's entire purchase price without interest and neither party shall have any further obligation or claim under this contract. If the purchaser fails to notify the City in accordance with this paragraph, purchaser shall be deemed to have waived all objections to title.

10. Upon delivery of deed, the purchaser shall:

    a) Make all payments to the City for all real property taxes.
    b) Submit proof to the City that the deed to the property was recorded with the Register of Deeds and Mortgages at 257 Cornelison Avenue, Jersey City, New Jersey 07302 within thirty (30) days following the closing or delivery of the deed or the deed will be null and void and consideration paid forfeited to the City.

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11. If purchaser fails to pay the purchase price when due or within a time as extended or fails to comply with any term of this contract, the Division of Real Estate may at its option rescind the contract or sue purchaser for any damages accruing or both. The City's failure to exercise any right or power arising out of purchaser's breach of this contract, shall not be deemed a waiver.

12. The highest bid shall be made subject to acceptance or rejection by the governing body, but the acceptance or rejection therefore shall be made not later than the second regular meeting of the governing body following the sale, and if the governing body shall fail or refuse to accept or reject the highest bid as afore said, the said bid shall be deemed to have been rejected. The City also reserves the right to reject all bids where the highest bid is not accepted upon notice to the highest bidder and hearing thereto.

13. **PLEASE TAKE NOTICE** that no employee, agent, officer body or subordinate body has any authority to waive, modify or amend any of the conditions of sale without the express approval of the governing body of the City.

14. No commissions shall be paid to any agent, representative or broker or the successful purchaser of any of the properties listed for sale by the City.

15. The prices set forth as minimum herein are merely upset prices and do not Constitute market value or future assessments.

16. The City shall execute a Contract of Sale with any successful bidder upon Any additional terms and conditions which are necessary to effectuate the purposes herein and to secure the best interests of the City of Jersey City and its citizens, provided that any additional terms and conditions shall not be inconsistent with the terms and conditions of this resolution.

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17. Additional Conditions of Sale.
    (a) No sale shall be made to any person nor shall said person be permitted to bid who, prior to such sale, has purchased the property being sold or any other property from the City and has breached any of the conditions and terms of the purchase of property from the City.
    (b) No person who was the previous owner of the property to be sold be permitted to bid for said property if the property was acquired by the City by reason of the non-payment of taxes or other municipal charges by such prior owner.
    (c) No person shall be permitted to bid for any property to be sold by the City if that person is delinquent in the payment of taxes or other municipal charges on any other property which such person shall own in the City.
    (d) No sale shall be made to any person who owns other property in the City regarding which properties there exists violations of the Property Maintenance Code and/or Uniform Construction Code, which violations have not been corrected at the time of the sale.

    (e) **PLEASE TAKE NOTICE** all bidders, whether they be the actual prospective purchasers or agents of or representatives of the actual prospective purchasers, shall submit an affidavit, under oath, setting forth the following:
        (i) That the actual purchaser is not a person who has previously breached a contract for the purchase of property from the City.
        (ii) That the actual prospective purchaser is not the former owner from whom the City acquired the property to be sold or any other property by reason of the non-payment of taxes or other municipal charges.
        (iii) That the actual prospective purchaser is not the owner of any other property in the City who is delinquent in the payment of taxes or other municipal charges on said other property.
        (iv) That the actual prospective purchaser is not the owner of any other properties in the City regarding which there exists Violations of the Property Maintenance Code and/of Uniform Construction Code, which violations have not been corrected at the time of the sale.

        (v) Such affidavit shall contain the address and block and lot numbers of all the properties the prospective purchaser owns in the City.

    (f) Such affidavit shall be submitted to the officer conducting the sale prior to the commencement of the public auction of the particular parcel in which the prospective bidder is interested. Failure to submit said affidavit shall disqualify a bidder from participating in the public auction.
    (g) No sale to the highest bidder shall be confirmed by the Municipal Council, in the event an investigation and/or inspection reveals that the purchaser is a person who falls within the categories listed in paragraph 19 sub-section (a) through (f).

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(h) In the event a sale is confirmed by the Municipal Council and after the sale has been confirmed by the Municipal Council, it is discovered that the purchaser is a person who falls within the categories set forth in paragraph 19 sub-section (a) through (f) of this resolution, then the purchaser is placed on notice that the said confirmation of sale shall be rescinded by the Municipal Council.

18. The City of Jersey City conveys this property to buyer so long as buyer rehabilitates the property in compliance with the Uniform Construction Code and the Property Maintenance Code. The buyer shall demonstrate compliance with the Uniform Construction Code and Property Maintenance Code by obtaining a Certificate of Occupancy from the Construction Official. The Construction Official may issue a temporary Certificate of Occupancy for portions of the building provided such portions are in substantial Compliance with code standards. Securing a Temporary Certificate of Occupancy shall not however, constitute compliance with the condition of sale. Upon receiving a deed, listed below is the period of time in which a purchaser shall have to repair, alter and improve the property.

1 Unit Building – 360 Days (12 Months)
2-5 Unit Building – 450 Days (15 Months)
6 or More Units or Special Purpose Building – 540 Days (18 Months)

The City Council will not under any circumstances grant an extension of the rehabilitation period listed above.

19. **PLEASE TAKE NOTICE** the buyer shall not sell, convey or otherwise transfer the above described property until the buyer has rehabilitated the property in compliance with the other conditions of sale contained in the resolution. If the buyer (1) fails to make the required repairs within the time allotted in Paragraph 18, (2) sells or attempts to sell the property before making the required repairs, or (3) refuses access to City Officials seeking to inspect the property, title to the property shall automatically revert and become vested in the City of Jersey City. The City Council shall upon the buyer's completion of all the terms and conditions of sale adopt a resolution stating such fact and shall remove from the deed the restriction against alienation.

20. The City of Jersey City's right of reversion is hereby subordinated to the mortgage of the buyer's lender specifically as follows: A transfer of title to such mortgagee pursuant to the mortgage will not be considered a condition activating the City of Jersey City's right of reversion. The express intent being that prior to reversion of title to the City of Jersey City, the mortgagee shall have the right to assume the obligations and duties of buyer set forth in this deed including the buyer's duty to make the required repairs within the number of days as set forth in the Council resolution authorizing the sale of property at public auction. The assumption of the duties and obligations of the buyer by the mortgagee shall not extend the time period for completion of repairs. The mortgagee's right to assume the duties and obligations of the buyer shall arise upon a default under the mortgage and/or upon a default under the terms and conditions of the City Council resolution authorizing the sale of this property at public auction.

21. All offers to bid shall be in increments of no less than one thousand dollars ($1,000.00).

SEE RIDER ATTACHED

Continuation of Resolution _____ Pg. # 6

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VACANT LAND

THE FOLLOWING PROPERTIES ARE OFFERED FOR SALE UPON THE CONDITION THAT THE PURCHASER SHALL CLEAN AND GRADE THE LOT, REPAIR THE SIDEWALK IF NECESSARY, ERECT A FENCE AROUND THAT PART OF THE PERIMETER OF THE LOT WHICH FRONTS ANY PUBLIC STREET WITH A MINIMUM HEIGHT OF SIX (6) FEET, EXCEPT WHEN ACQUIRED BY AN ADJACENT PROPERTY OWNER IN WHICH CASE, THE HEIGHT SHALL BE THE SAME AS THE FENCING ON THEIR PROPERTY, BUT IN NO CASE LESS THAT THREE (3) FEET IN HEIGHT. (THESE PROPERTIES ARE NOT SUBJECT TO PARAGRAPH 19 IN THIS RESOLUTION.

BLOCK	LOT(S)	LOCATION	DESCRIPTION	SIZE	MINIMUM BID
17101	8	29 Astor Place	Vacant Land	25x95	$50,000.00
20001	16	199 Woodward St.	Vacant Land	14x100	$15,000.00
21101	57	90 Virginia Ave	V/Land & Garage	108.17x108	$200,000.00
21102	43	67 Virginia Ave.	Vacant Land	22.10x77.53irr.	$20,000.00
23404	37	210 Bayview Ave.	Vacant Land	25x100	$30,000.00
24902	15,16	97-101 M.L. King Dr.	Vacant Land	58.32x90	$60,000.00
24905	30	228 Dwight Street	Vacant Land	46x102x32x103	$50,000.00

BUILDINGS

THE FOLLOWING PROPERTIES ARE OFFERED FOR SALE WITH THE CONDITION THAT THE PURCHASER SHALL REPAIR, ALTER AND IMPROVE IN ACCORDANCE WITH PARAGRAPHS 18, 19 & 20 OF THE TERMS AND CONDITIONS OF SALE.

BLOCK	LOT(S)	LOCATION	DESCRIPTION	SIZE	MINIMUM BID
21101	40	60 Virginia Ave.	2S-F-D-2U-H	25x106.88	$90,000.00
27003	16	12 Parnell Place	2.5S-F-D-1U-H	25x50	$75,000.00

Description Codes: S-Story, F-Frame, B-Brick, A-Asphalt, C-Cinder Block, BT- Basement, D-Dwelling, U-Unit, G-Garage, H-Heat.

Physical description of each property as set forth in this Land sale are for informational purposes only and the City of Jersey City will not be responsible for their accuracy.

APPROVED: Ann Marie Nelle, Real Estate Manager

APPROVED: _____ Business Administrator

APPROVED AS TO LEGAL FORM _____ Corporation Counsel

Certification Required ☐

Not Required ☐

APPROVED 9-0

RECORD OF COUNCIL VOTE ON FINAL PASSAGE 11.24.15											
COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.	COUNCILPERSON	AYE	NAY	N.V.
GAJEWSKI	✓			YUN	✓			RIVERA	✓		
RAMCHAL	✓			OSBORNE	✓			WATTERMAN	✓		
BOGGIANO	✓			COLEMAN	✓			LAVARRO, PRES.	✓		

✓ Indicates Vote N.V.-Not Voting (Abstain)

Adopted at a meeting of the Municipal Council of the City of Jersey City N.J.

Rolando R. Lavarro, Jr., President of Council

Robert Byrne, City Clerk