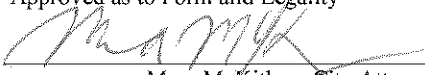


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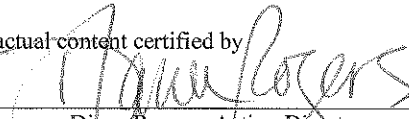
No. 16-208

Date of Adoption MAY 19 2016

Approved as to Form and Legality


Marc McKithen, City Attorney

Factual content certified by


Diana Rogers, Acting Director
Department of Housing & Economic Development

Councilman/woman



presents the following Resolution:

RESOLUTION AUTHORIZING THE PUBLIC AUCTION OF CITY-OWNED PROPERTIES PURSUANT TO THE N.J.S.A. 40A:12-13(a) OF THE LOCAL LANDS AND BUILDINGS LAW

WHEREAS, the properties identified in Schedule "A" (attached hereto and incorporated herein by reference) are owned by the City of Trenton and are not needed for public purposes (hereinafter, individually the "Property," and collectively the "Properties"); and

WHEREAS, it is in the best interest of the City of Trenton to sell the Properties by public auction in the manner set forth in N.J.S.A. 40A:12-13(a); and

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Trenton that the identified Properties shall be advertised for public sale pursuant to the Local Lands and Buildings Law, N.J.S.A. 40A:12-1, et seq., subject to the following conditions:

1. The auction shall take place on Tuesday, June 28, 2016, commencing at 12:00 P.M. in City Council Chambers, 2nd Floor, City Hall, Trenton, New Jersey, in the manner of an open public auction in accordance with procedures to be announced by the City Clerk. The City Clerk shall advertise the open public auction in the manner required by applicable State law. The bidding for the Properties shall commence at the minimum bid specified in Schedule "A". In the event that circumstances prevent or interfere with the conduct of the auction on the above date, the Director of the Department of Housing and Economic Development may adjourn and reschedule the auction without further City Council Resolution, provided that the applicable notice requirements are satisfied.
2. The City shall have the right to remove any property from the auction for any reason whatsoever upon until the time of the auction. Notice of such removal will be posted prior to the commencement of the auction.
3. All interested, potential bidders will be required to pre-register for the auction via www.evenbrite.com or any other service the City deems appropriate by 4:30 p.m. on the day prior to the auction, and be required to pay a \$150 registration fee plus servicing charge. **NO BIDDERS WILL BE PERMITTED TO REGISTER ON THE DAY OF THE AUCTION.** No refunds of registration fees will be allowed for any reason.
4. Immediately after the close of bidding for a Property, the highest qualified bidder, as designated by the City Clerk, shall submit a **NON-REFUNDABLE DEPOSIT IN THE AMOUNT OF TEN PERCENT (10%) OF THE SUCCESSFUL BID IN THE FORM OF CASH OR CERTIFIED CHECK ONLY.** The City expressly reserves the right to offer a Property for purchase to the next highest qualified bidder if the preceding highest bidder(s) either (i) elects not to pursue the purchase of a Property, or (ii) fails to comply with the requirements stated herein or in the Contract of Sale.
5. All bids shall be referred to the City Council for review and final approval pursuant to N.J.S.A. 40A:12-13(a) and N.J.S.A. 40A:12-13.1. The City reserves the right to accept

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or reject any and all bids including the highest bid and shall make its decision known by way of a City Council Resolution.

6. The Properties listed in Schedule "A" may include commercial and residential properties, as well as vacant, City-owned lots.
7. All bidders must appear in person at the auction and upon being designated as the successful bidder, must present identifying credentials. A person bidding on behalf of a corporation must, upon being designated as the successful bidder, present a copy of the Certificate of Incorporation and a letter of authorization of the corporation. A person bidding on behalf of a partnership or using a trade name must, upon being designated as the successful bidder, submit a copy of the Certificate of Trade Name (partnership) and a letter of authorization from all other partner(s). No bidder may submit a bid on behalf of another except that a husband or wife may bid on behalf of both. **UNDER NO CIRCUMSTANCES WILL ANY INDIVIDUAL BE PERMITTED TO BID UNDER ANOTHER REGISTERED BIDDER'S BID NUMBER. FAILURE TO COMPLY WITH THIS PROHIBITION SHALL RESULT IN THE DISQUALIFICATION OF THE REGISTERED BIDDER FROM THE AUCTION, AND ANY PROPERTIES AWARDED TO SUCH REGISTERED BIDDER WILL BE RE-BID AND THE CONTRACT OF SALE FOR SUCH PROPERTY OR PROPERTIES WILL BE DECLARED NULL AND VOID.**
8. The successful bidder shall be obligated to execute a Contract of Sale with the City, embodying the terms and conditions hereof, directly after the close of bidding at the public auction.
9. The City shall record the deed and Contract of Sale with the Mercer County Clerk's Office on behalf of the successful bidder, and successful bidders shall be responsible for payment of (i) an administrative fee in the amount of \$130, and (ii) a deed recording fee in the amount of \$11. Further, successful bidders shall not be permitted to assign their bid nor any right, title or interest in the property on which the bid was made to any other person or entity prior to closing.
10. Title to the Property shall be conveyed by a Deed of Bargain and Sale and payment of the balance of the purchase price (less the 10% deposit) shall be made in the form of cash or certified check at a closing to be arranged between the successful bidder and the City.
11. In the event the City incurs any costs for the maintenance or repair of the Property subsequent to the auction but prior to the transfer of title to the property, the City shall be entitled to seek reimbursement for the same from the purchase price at closing.
12. The City shall not pay any commission to any broker for the sale of any auction property nor shall it pay any legal fees in connection with the sale of any auction property.
13. It shall be the obligation of the successful bidder to have a title search of the property conducted within the prescribed time period referenced in the Contract of Sale and obtain a title commitment. Further, the successful bidder shall deliver a copy of the title report to the City within the time period prescribed in the Contract of Sale, together with written notice of any encumbrance, interest, or exception of title disclosed by the title report the would render title unmarketable. A purchaser's failure to obtain a title report or to

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provide such notice to the City of any title question relating to the marketability of a property within the requisite time period shall be deemed a waiver of each such title question or possible claim. **THE CITY SHALL ASSUME NO RESPONSIBILITY FOR ANY DEFECTS IN TITLE WHICH THE PURCHASER DOES NOT DELIVER NOTICE OF WITHIN THE TIME PERIOD PRESCRIBED IN THE CONTRACT OF SALE.** In the event that the Purchaser fails to obtain a title commitment, the City may elect to convey title to the property to the purchaser by quitclaim deed.

14. Tax liability on any property which is purchased from the City shall commence as of the first day of the first full month following the closing of the property. Purchasers shall be responsible for the timely payment of all real estate taxes and other municipal assessments and charges during the time period within which the Property is being rehabilitated, and at all times thereafter.
15. The successful bidder of an auction property shall automatically be exempt from the requirements of the Vacant Property Registration Ordinance during the time period permitted for obtaining a Certificate of Occupancy in the Contract of Sale. If the successful bidder fails to obtain a Certificate of Occupancy as required by the Contract of Sale, such successful bidder shall be required to register the property as a "vacant" property and pay the initial vacant property registration fee of \$250 and any other fees due and owing.
16. The purchaser of the auctioned property shall not sell or otherwise transfer title to any property purchased through auction, or any part thereof, to a non-profit or non-taxable organization for a period of five (5) years from the date of closing on the property. Such clause shall be included in the deed.
17. All properties shall be sold in "AS IS/WHERE IS" condition, subject to any and all existing tenancies, code violations and other physical and environmental conditions. The City does not make any representations or warranties as to the condition or value of the properties or their suitability for any particular purpose. Bidders shall be afforded the opportunity to inspect the properties prior to the auction. Upon purchasing an occupied property, successful bidders shall be solely responsible, in their sole discretion, for terminating any existing tenancies and initiating eviction proceedings.
18. The successful bidder shall be required to rehabilitate the property to meet code standards for use and occupancy as hereby required, regardless of actual occupancy of the property. At closing, the Director of the Department of Housing and Economic Development in his/her discretion, may require the successful bidder to provide to the Division of Real Estate and property Management a schedule acceptable to the Division for the rehabilitation of the property that ensures that a Certificate of Occupancy will be issued within 12 months from the date of closing, which schedule shall include timetables for the completion of plans and issuance of permits and any additional information requested by the City. Extensions of not more than a total of 6 months may be granted for good cause by the Director of the Department of Housing and Economic Development, but under no circumstances shall the time period for rehabilitation exceed 18 months from the date of closing. Failure to complete any steps in the schedule within 90 days from the date set forth in the schedule approved at closing or otherwise repair, rehabilitate and maintain the property in accordance with the Contract of Sale, shall constitute an event of

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default, on the basis of which the City may take such steps as are necessary to reacquire title to the property. Any successful bidder seeking to rehabilitate any property consisting of three or more units will be required to comply with the regulations of the New Jersey Multi-Housing Inspection Bureau.

19. The Contract of Sale with the City shall not be assignable by the successful bidder to any other party, other than to a business entity to be formed by the bidder for the purpose of fulfilling the redevelopment plan, without the prior written consent of the Director of the Department of Housing and Economic Development, which consent shall not to be unreasonably withheld. Failure to obtain such consent shall constitute an event of default under the Contract of Sale, on the basis of which the City may take such steps as are necessary to reacquire title to the property.
20. Rehabilitation of any property located in a historic district must be in conformity with the Restoration Guidelines of the Trenton Landmarks Commission and purchasers of such properties shall be required to present their rehabilitation plan to the Landmarks Commission in accordance with the applicable City Ordinance. Successful bidders shall be required to comply with all other applicable Federal, State and local laws and regulations in the rehabilitation and repair of the property
21. Failure to comply with any of the requirements set forth herein or to close within sixty (60) days following the date the Contract of Sale is fully executed, shall entitle the City, in its sole discretion, to rescind prior bid approval, terminate any and all rights to the designated bidder in the property, and retain the deposit.
22. The City will not accept a bid by or on behalf of any person or business association, or any person having a 10% or greater ownership interest therein, that owned, in whole or in part, the property being sold at any time within 12 months prior to its foreclosure by the City for tax arrearages unless:
 - a. the proposed bidder submits a bid in an amount equal to or greater than the calculated tax redemption amount, which amount shall be made available on request during the auction registration period; and
 - b. if the previous owner submits the highest bid, said bidder shall tender, at the conclusion of the bidding, cash or certified funds in the amount of 50% of his closing bid, in default of which the closing bid of the next highest qualifying bidder shall be deemed to be the highest bid received.
23. Prior to closing, the successful bidder shall be required to provide evidence of its financial ability, and capacity to undertake the repair and rehabilitation of the property to full code standards within the timeframe set forth in Paragraph 18 above. The City may cancel the sale of the property if such evidence is not received in a timely fashion, or if such evidence does not, in the City's judgment, adequately establish the capability of the successful bidder.
24. The City may, at its discretion, reject a bid by or on behalf of, or disqualify a successful bidder who:

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- a. has previously purchased city owned properties and has not complied with the terms and conditions of sale or has failed to consummate the purchase of those properties;
 - b. has submitted a check that was returned for insufficient funds and has subsequently failed to tender payment and the returned check fee;
 - c. has previously purchased one or more city owned properties and, at the time of the auction, has yet to receive a Certificate of Occupancy for any property so purchased in the time period required;
 - d. owns or has more than a 10% ownership stake in any property located within the City upon which there exists a tax arrearage of more than 2 quarters; or
 - e. owns property located within the City upon which there exists outstanding citations for housing code violations.
25. Except as otherwise specifically set forth herein, no employee, agent or officer of the City has authority to waive, modify or amend any of the foregoing conditions of sale.

	Aye	Nay	Abstain	Absent		Aye	Nay	Abstain	Absent		Aye	Nay	Abstain	Absent
BETHEA	✓				HOLLY WARD				✓	CHESTER	✓			
CALDWELL WILSON	✓				MUSCHAL	✓								
HARRISON	✓				REYNOLDS JACKSON	✓								

This Resolution was adopted at a Meeting of the City Council of the City of Trenton on

MAY 19 2016

Zedney C. Chester

President of Council

Russell M. ...

City Clerk

Schedule "A"

Block	Lot(s)	Number	Street	Zoning	Redevelopment Area	Description	Opening Bid
18407	22	811	Beatty St.	RB	N/A	Building	\$600
8201	41	348	Brunswick Ave.	RB	N/A	Building	\$500
8404	2	223	Brunswick Ave.	BB	N/A	Building	\$500
8506	17	391	Brunswick Ave.	BB	N/A	Building	\$200
9006	19, 19.01	609	Brunswick Ave.	BB	N/A	Building	\$500
6804	5	852	Calhoun St.	BB	N/A	Building	\$300
31801	28	823	Careret Ave.	RB2	N/A	Building	\$500
10504	47	415	Centre St.	RB	N/A	Building	\$200
11803	74	639	Centre St.	RB	N/A	Building	\$1,000
6103	7	27	Christoph St.	RB	N/A	Building	\$500
3202	35	61	Colonial Ave.	RB	HERMITAGE	Building	\$500
22303	14	223	Dickinson St.	IA	NORTH CLINTON	Building	\$200
12901	30	763	E. State St.	BB	N/A	Building	\$8,000
6102	1	69	Edgemere Ave.	RB	N/A	Building	\$500
2701	20	560	Edgewood Ave.	BB	HERMITAGE	Building	\$1,000
10901	5	144	Ferry St.	RB	LAMBERTON	Building	\$200
27102	7	141	Garfield Ave.	RB	N/A	Building	\$400
6201	66	266	Highland Ave.	RB	N/A	Building	\$200
6101	32	139	Hoffman Ave.	RB	N/A	Building	\$3,000
6202	11	144	Hoffman Ave.	RB	N/A	Building	\$200
10502	34	19-27	Huston Alley	BB	N/A	Land	\$3,500
22502	31	45	Klag Ave.	RB	NORTH CLINTON	Tenant Occupied Building	\$3,000
11002	29	413	Lamberton St.	BB	LAMBERTON	Building	\$400
9001	20	1222	Martin Luther King	RB	N/A	Building	\$5,000
22401	21	53	Mechanics Ave.	RB	NORTH CLINTON	Building	\$500
22404	5	58	Mechanics Ave.	RB	NORTH CLINTON	Building	\$200

Block	Lot(s)	Number	Street	Zoning	Redevelopment Area	Description	Opening Bid
13101	91	511	Monmouth St.	RB	N/A	Building	\$400
2605	15	40	Murray St.	RB	HERMITAGE	Building	\$200
5801	28	511	N. Hermitage Ave.	RB	N/A	Building	\$200
8604	12	637	N. Willow St.	RB	RB	Building	\$200
8702	18	1010	N. Willow St.	MU	N/A	Building	\$200
19201	51	225	Rusling St.	RB	N/A	Building	\$500
4403	28	328	Rutherford Ave.	RB	CENTRAL WEST	Building	\$200
17101	5	821	S. Broad St.	BB	N/A	Building/Commercial	\$15,000
13701	21	312	S. Clinton Ave.	RB	ROEBLING GATEWAY	Building	\$500
27301	25	114	S. Cook Ave.	RB	N/A	Building	\$200
10302	30	201	Second St.	RB	LAMBERTON	Building/Commercial	\$2,500
1604	8	6	Seward Ave.	RB	NORTH CLINTON	Building	\$300
5901	14	661	Stuyvesant Ave.	RB	N/A	Building	\$200
6401	20	813	Stuyvesant Ave.	BB	N/A	Building	\$1,000
6401	17	829	Stuyvesant Ave.	BB	N/A	Building	\$500
21906	19	105	Taylor St.	BB	NORTH CLINTON	Building	\$1,000
14004	1	336	Tyler St.	RB	N/A	Building	\$2,500
13801	6	242	Tyler St.	RB	N/A	Building	\$700
8808	82	71	Vine St.	RB	N/A	Building	\$400
8603	13	22	W. Ingham Ave.	RB	N/A	Building	\$200
26602	1	466	Walnut Ave.	RB	N/A	Building/Commercial	\$2,000
27301	33	411	Walnut Ave.	RB	N/A	Building	\$500
27601	5	275	Walnut Ave.	RB	N/A	Building	\$500
26504	17	348	Walnut Ave.	RB	N/A	Building	\$500
27302	14	20	Winder Ave.	RB2	N/A	Building	\$200