

AN ORDINANCE AUTHORIZING THE SALE OF VARIOUS CITY OWNED PROPERTIES LESS THAN THE MINIMUM LOT SIZE TO THE CONTIGUOUS PROPERTY OWNER WHO SUBMITS THE HIGHEST BID, PURSUANT TO N.J.S.A.40A:12-13 et. seq.

WHEREAS, N.J.S.A. 40A:12-13(b)(5) provides that a municipality may sell real property not needed for public use, which is less than the minimum size required for development, and without any capital improvement thereon, by private sale to an owner of contiguous property; and

WHEREAS, the properties on the attached list owned by the City of Plainfield are not needed for public purposes, are less than the minimum size required for development, and without capital improvements, and have more than one contiguous property owner; and

WHEREAS, it is in the best interests of the City of Plainfield to offer these properties for private sale to contiguous property owners; and

WHEREAS, the fair market value of each property has been established as indicated on the attached list; and

WHEREAS, there is more than one contiguous owner and therefore the sale must be made to the highest bidder amongst the contiguous property owners;

NOW THEREFORE BE IT ENACTED, by the City Council of the City of Plainfield, County of Union, State of New Jersey, that it hereby authorizes the offer of the properties on the attached list to the highest bid received from a contiguous property owner, for not less than the fair market value.

BE IT FURTHER ENACTED, that the properties on the attached list shall be advertised for sale to the contiguous owners as follows:

1. The list of property to be sold shall be posted on the bulletin board or another conspicuous space in City Hall and advertised in the official newspaper within five (5) days following enactment of the Ordinance as required by N.J.S.A. 40A:12-13(b).
2. Offers for the properties so listed may be made to the City Council or its designee for a period of twenty (20) days following the advertisement herein required, at not less than said minimum prices.
3. The City Clerk shall file with the Director of the Division of Local Government Services a sworn affidavit verifying the publication of advertisements as required by N.J.S.A. 40A:12-13(b).
4. The sale shall be subject to the conditions of sale attached hereto and incorporated herewith.
5. The highest offer shall be subject to acceptance by the City Council by Resolution.

BE IT FURTHER ENACTED, that the Mayor and City Clerk are hereby authorized to execute a contract of sale with the highest bidder and such documents as are necessary to effectuate the sale.

LIST OF SUBSTANDARD LOTS TO BE OFFERED FOR SALE

<u>BLOCK / LOT</u>	<u>PROPERTY ADDRESS</u>	<u>LOT SIZE</u>	<u>MINIMUM BID</u>
102 5	307-09 Madison Avenue	47.02x160 IRR	\$ 5,000
325 64	215 Richmond Street	30x133.9	\$ 3,000

**SUBSTANDARD LOTS
CONDITIONS OF SALE**

1. Submission and Acceptance of Bids

Substandard lots offered for sale are less than the minimum requirements for building as set forth in the City of Plainfield's Zoning Ordinance. The property list of substandard lots will be advertised in the manner required by N.J.S.A. 40A:12-13(b) within 5 days after enactment of the authorizing Ordinance. The minimum bid price for the property is as set forth on the attached list. Any offer less than the minimum bid price shall be rejected. Offers to purchase the property shall be submitted in person or by certified mail, return receipt requested to the City's Tax Assessor's Office within twenty (20) days after advertisement of the sale in a sealed envelope. Offers may be submitted up to twenty (20) days after the date of advertisement of the sale. Each bid is subject to acceptance or rejection by the City Council, and shall be deemed conditionally accepted until such time as the Council may accept the bid. The City Council reserves the right to reject any or all bids.

The City Council reserves the right to reconsider its authorizing Ordinance within thirty (30) days after enactment of the Ordinance and to thereafter advertise the property for public sale pursuant to N.J.S.A. 40A:12-13(a).

2. Deposit Requirements

The successful bidder shall be required to deposit 25% of his or her offer with the City's Tax Assessor at the time of the submission of the offer. All amounts shall be paid by certified check, money order or cash. All monies so received will be credited to the total sale price.

- (a) The bidder shall also submit a signed offer to purchase, which offer shall include the terms and conditions specified herein. Said offer shall be irrevocable.
- (b) The bidder is not entitled to a refund of this deposit in any case except where the City is unable to convey marketable title, as indicated in Condition of Sale Number 7, or where the bidders offer is not accepted.

3. Taxes

The City of Plainfield will prorate taxes, as applicable, on the subject property effective the first day of the month following the closing.

4. Payment of Recording fees

The successful bidder shall bear the cost of recording the deed and agrees that the deed shall be recorded on behalf of the bidder by the Corporation Counsel of the City of Plainfield.

5. No Assignments

The successful bidder will not be permitted to assign his bid nor any right, title or interest in the property on which the bid was made.

6. Deed and Closing

The City shall convey only such title as it owns. Title shall be subject to the following (the "Permitted Encumbrances"):

- a) Present and future zoning and building regulations, ordinances, restrictions or orders of any federal, state, county or municipal government or of any public authority having jurisdiction thereof, and any amendments and additions thereto;
- b) Present or future assessments for the construction of improvements benefiting the property;
- c) All restrictions, easements or other encumbrances of record;
- d) Any state of facts which an accurate survey may show;
- e) Existing tenancies, rights of persons in possession.

The Premises shall be conveyed by a Quitclaim Deed conveying such title as the City owns, which bidder agrees to accept subject to the Permitted Encumbrances and other conditions set forth in these conditions.

Title is to close within forty-five (45) days after the City's acceptance of the bid offer. Closing shall be held at the office of the Corporation Counsel, 515 Watchung Avenue, Plainfield, N.J. between the hours of 9:00 a.m. and 4:30 p.m. prevailing time, but if the last day for closing title falls on a Saturday, or legal holiday or a day on which City offices are closed, then title shall close on the following business day. The exact date and time of the closing must be confirmed with the Corporation Counsel.

NO POSTPONEMENT OF CLOSING IS PERMITTED UNLESS:

Postponement of closing is allowed only under the following circumstances:

- a. If the City undertakes to cure title defects, the City shall be allowed a reasonable time (not less than sixty (60) days) to clear defects and to close as set forth in condition 7 below.

7. Title defects

Notice of any alleged material defect in title shall be given to the City in writing no later than thirty (30) days after the City's acceptance of the bid. Notice is to be given by Certified Mail, Return Receipt Requested to the City Clerk and Corporation Counsel of the City of Plainfield.

If there is a valid Federal encumbrance against the bidder's property, the City, after being timely notified of this defect by the bidder, will endeavor to obtain within a reasonable time after such notification a release or discharge of such lien. If the City is successful in this regard, then part of the consideration to be paid by the bidder for the property shall be in the form of a certified check payable to the United States of America for the amount to be paid for such release or discharge.

Upon notice of any alleged defect in title, the City in its sole option may elect to proceed to clear the title defects within a reasonable time (not less than sixty (60) days), or can cancel the sale upon ten (10) days notice to the bidder. If the sale is cancelled the liability of the City shall be limited to the refund of deposit monies only, without any liability for costs, expenses, damages or claims.

If the material defects are not cleared within sixty (60) days after notice and the City does not otherwise elect to cancel, the bidder shall have the option to: (1) accept such title as may be able to be conveyed, without reduction of the Purchase Price or any credit, or allowance against the same and without any other liability on the part of the City; or (2) terminate the Agreement within ten (10) days after the expiration of the sixty (60) day period, in which case the Deposit shall be returned to the bidder and the Agreement shall become null and void and without further force and effect or right or remedy in favor of either party against the other.

Failure of the bidder to give such notice within the time stated, shall be deemed conclusive evidence that the bidder accepts the title in its then present condition.

8. Payment Terms and Adjustments

Payment in full shall be made upon final closing by certified check, cash, bank check or New Jersey attorney trust account check.

9. No Representations by City

The sale is to be made subject to such state of facts as an accurate survey may disclose, existing tenancies, rights of persons in possession, zoning ordinances, easements, environmental or other conditions, encumbrances, liens, covenants and restrictions, codes and ordinances of the City of Plainfield and any present or future assessments for the construction of improvements benefiting the property.

Bidder shall have inspected the Premises and agrees to purchase the Premises as a result of such inspection and not because of or in reliance upon any representations by the City, or any agent of the City. Bidder shall purchase the Premises in its present condition, strictly "AS IS", "WHERE IS". The City has not made nor shall the City be deemed to have made any representations or warranty, express or implied, as to the value, compliance with specifications, use, condition, or any other representations or warranty whatsoever, express or implied, with respect to the Premises, it being agreed that all risks incident thereto are to be borne by the Bidder. No representations of any kind are made by the City of Plainfield as to the condition of the property.

10. No Waiver

All prospective bidders are put on notice that no employee, agent or officer of the City of Plainfield has authority to waive, modify or amend any of the conditions of sale.

11. No Work Performed Prior To Closing/Certificate of Compliance/Occupancy

No work shall be performed on the premises prior to title closing. It is clearly understood by the successful bidder that he/she may not move into the premises and reside therein before or after closing, unless and until a Temporary Certificate of Compliance/Occupancy or a Full Certificate of Compliance/Occupancy from the City has been issued.

12. Bidder's Additional Responsibilities

It is conclusively presumed that a bidder prior to making his or her bid has done the following: (a) checked the exact location, including the correct street address and lot size of the property on the Official

Tax Maps which are available at the Tax Assessor's Office; (b) checked the zoning restrictions to ascertain the legal use of the property (this information can be obtained from the Inspections Division, City Hall, Third Floor); (c) reviewed the Terms and conditions as set forth in this document; (d) made an inspection of the property.

Responsibility for failure to comply with the above mentioned conditions and guidelines will be fully assumed by the bidder.

13. Maintenance and Use

Maintenance and use of the property must be in conformance with the City of Plainfield's Property Maintenance Code and Zoning Ordinance.

14. RESERVATION: The specific Conditions of Sale that do not merge with the deed and survive closing are as follows: 9 & 11.

15. Breach By Bidder.

In the event that the successful bidder fails to comply fully with the terms, conditions and requirements of the sale as contained in these Terms and Conditions, this shall be considered, as a material breach of the condition of sale, where upon the City may declare the bid or contract terminated and null and void.

All sums paid by or on behalf of the purchase price by way of deposit or otherwise shall be retained by the City of Plainfield as liquidated damages and the City may resell the property and/or pursue all other legal or equitable remedies available.

16. Prior Owners

If the successful bidder was the sole or part owner of the property at the time the City acquired title by in rem tax foreclosure, said bidder may not reacquire the property directly or indirectly at auction without complying with the following condition: The successful bidder of any property at this auction, by making such bid, thereby agrees to pay the City at closing of title the difference, if any, between the total amount of taxes, plus interest, penalties and costs due at the time the judgment of foreclosure was entered and the amount of the successful bid.

17. Time Of The Essence.

"Time is of the Essence" with respect to the closing of title.