

40A:12-15 et seq

LEGISLATIVE HISTORY CHECKLIST

NJSA: 40A:12-15 et seq.

(County and municipal property-leasing)

LAWS OF: 1984

CHAPTER: 27

Bill No: S551

Sponsor(s): Lipman and Caufield

Date Introduced: Per-field

Committee: Assembly: County Government

Senate: County and Municipal Government

Amended during passage: No

Date of Passage: Assembly: March 20, 1984

Senate: February 27, 1984

Date of Approval: April 11, 1984

Following statements are attached if available:

Sponsor statement: Yes

Committee statement: Assembly Yes

Senate Yes

Fiscal Note: No

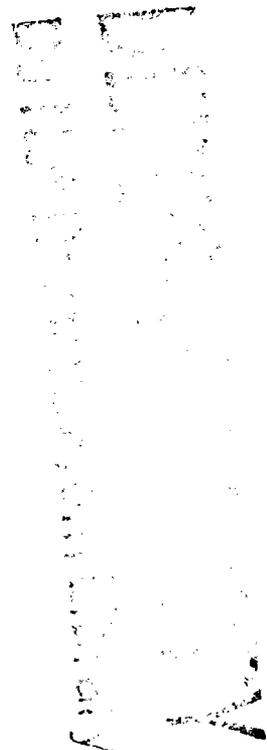
Veto Message: No

Message on Signing: ~~No~~ yes.

Following were printed:

Reports: No

Hearings: No



SENATE, No. 551

STATE OF NEW JERSEY

PRE-FILED FOR INTRODUCTION IN THE 1984 SESSION

By Senators LIPMAN and CAUFIELD

AN ACT concerning the leasing of county or municipal real property  
and amending P. L. 1971, c. 199.

1 BE IT ENACTED *by the Senate and General Assembly of the State*  
2 *of New Jersey:*

1 1. Section 14 of P. L. 1971, c. 199 (C. 40A:12-14) is amended to  
2 read as follows:

3 14. Leasing of county or municipal real property, capital im-  
4 provements or personal property. Any county or municipality may  
5 lease any real property, capital improvement or personal property  
6 not needed for public use as set forth in the resolution or ordinance  
7 authorizing the lease, other than county or municipal real property  
8 otherwise dedicated or restricted pursuant to law, and except as  
9 otherwise provided by law, all such leases shall be made in the  
10 manner provided by this section.

11 (a) In the case of a lease to a private person, *except for a lease*  
12 *to a private person for a public purpose as provided in subsection*  
13 *(j) of section 15 of P. L. 1971, c. 199 (C. 40A:12-15),* said lease  
14 shall be made by public letting to the highest bidder after advertise-  
15 ment thereof in a newspaper circulating in the municipality or  
16 municipalities in which the leasehold is situated by two insertions  
17 at least once a week during two consecutive weeks; the lease  
18 publication to be not earlier than seven days prior to the letting  
19 of the lease. The governing body may, by resolution, fix a mini-  
20 mum rental with the reservation of the right to reject all bids  
21 where the highest bid is not accepted. Notice of such reservation  
22 shall be included in the advertisement of the letting of the lease

**Matter printed in italics thus is new matter.**

23 and public notice thereof shall be given of the time of the letting  
24 of the lease. Such resolution may provide that upon the comple-  
25 tion of the bidding, the highest bid may be accepted or all of the  
26 bids may be rejected. It shall also set out the conditions, restric-  
27 tions and limitations upon the tenancy subject to the lease. Ac-  
28 ceptance or rejection of the bid or bids shall be made not later  
29 than at the second regular meeting of the governing body follow-  
30 ing the opening of the bids, and, if the governing body shall not  
31 so accept such highest bid, or reject all bids, said bids shall be  
32 deemed to have been rejected. Any such award may be adjourned  
33 at the time advertised for not more than one week without re-  
34 advertising.

35 (b) In the case of a lease to a public body, the lease may be upon  
36 such terms and conditions and for nominal or other consideration  
37 as the governing body of the county or municipality shall approve  
38 by ordinance or resolution.

39 (c) In the case of a lease to a nonprofit corporation *or associa-*  
40 *tion* for a public purpose, the lease shall be authorized by resolu-  
41 tion, in the case of a county, or by ordinance, in the case of a  
42 municipality, and may be for nominal or other consideration. Said  
43 authorization shall include the nominal or other consideration for  
44 the lease; the name of the corporation or corporations who shall  
45 be the lessees; the public purpose served by the lessee; the number  
46 of persons benefiting from the public purpose served by the lessees,  
47 whether within or without the municipality in which the leasehold  
48 is located; the term of the lease, and the officer, employee or agency  
49 responsible for enforcement of the conditions of the lease. Said  
50 ordinance or resolution shall also require any nonprofit corpora-  
51 tion holding a lease for a public purpose pursuant to this section,  
52 to annually submit a report to the officer, employee or agency  
53 designated by the governing body, setting out the use to which the  
54 leasehold was put during each year, the activities of the lessee  
55 undertaken in furtherance of the public purpose for which the  
56 leasehold was granted; the approximate value or cost, if any, of  
57 such activities in furtherance of such purpose; and an affirmation  
58 of the continued tax-exempt status of the nonprofit corporation  
59 pursuant to both State and federal law.

60 (d) In the case of a housing corporation or resident first-time  
61 homebuyer for the public purposes, and pursuant to the provisions  
62 of P. L. 1983, c. 335 (C. 55:18A-1 et al) the lease shall be authorized  
63 by ordinance by a municipality.

1 2. Section 15 of P. L. 1971, c. 199 (C. 40A:12-15) is amended  
2 to read as follows:

3 15. Purposes for which leases for a public purpose may be made.

4 A leasehold for a term not in excess of 50 years may be made  
5 pursuant to this act and extended for an additional 25 years by  
6 ordinance or resolution thereafter for any county or municipal  
7 public purpose, including, but not limited to:

8 (a) The provision of fire protection, first aid, rescue and  
9 emergency services by an association duly incorporated for such  
10 purposes.

11 (b) The provision of health care or services by a nonprofit clinic,  
12 hospital, residential home, out-patient center or other similar  
13 corporation or association.

14 (c) The housing, recreation, education or health care of veterans  
15 of any war of the United States by any nonprofit corporation or  
16 association.

17 (d) Mental health, or psychiatric services or education for the  
18 mentally ill, mentally retarded, mentally defective by any non-  
19 profit corporation or association.

20 (e) Any shelter care or services for persons aged 62 or over  
21 receiving Social Security payments, pensions, or disability benefits  
22 which constitute a substantial portion of the gross income by any  
23 nonprofit corporation or association.

24 (f) Services or care for the education or treatment of cerebral  
25 palsy patients by any nonprofit corporation or association.

26 (g) Any civic or historic programs or activities by duly incor-  
27 porated historical societies.

28 (h) Services, education, training, care or treatment of poor or  
29 indigent persons or families by any nonprofit corporation or  
30 association.

31 (i) Any activity for the promotion of the health, safety, morals  
32 and general welfare of the community of any nonprofit corporation  
33 or association.

34 (j) *The cultivation or use of vacant lots for gardening or recrea-*  
35 *tional purposes.*

36 In no event shall any lease under this section be entered into for,  
37 with, or on behalf of any commercial, business, trade, manufactur-  
38 ing, wholesaling, retailing, or other profit-making enterprise, nor  
39 shall any lease pursuant to this section be entered into with any  
40 political, partisan, sectarian, denominational or religious corpora-  
41 tion or association, or for any political, partisan, sectarian, denomi-  
42 national or religious purpose, *except that a county or municipality*  
43 *may enter into a lease for the use permitted under subsection (j)*  
44 *with a sectarian, denominational or religious corporation provided*  
45 *the property is not used for a sectarian, denominational or religious*

46 *purpose. In the case of a municipality the governing body may*  
47 *designate the municipal manager, business administrator or any*  
48 *other municipal official for the purpose of entering into a lease for*  
49 *the use permitted under subsection (j).*

1 3. This act shall take effect immediately.

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#### STATEMENT

This bill permits the leasing of county or municipal real property to private individuals and nonprofit corporations or associations for the purpose of gardening or recreation. This leased real property may not be used for profit-making enterprises.

Presently, the law does not permit leasing to any religious association or corporation and it requires that leasing to any private person be made by public letting to the highest bidder.

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*SSST (1984)*

ASSEMBLY COUNTY GOVERNMENT AND  
REGIONAL AUTHORITIES COMMITTEE

STATEMENT TO

**SENATE, No. 551**

**STATE OF NEW JERSEY**

DATED: MARCH 15, 1984

Senate Bill No. 551 would amend section 15 of P. L. 1971, c. 199 (C. 40A:12-15) to add gardening and recreation to the purposes for which leases of county or municipal real property not needed for public use may be entered into. In addition, the bill would exempt leases entered into for these purposes from the public bidding requirements of section 14 of that act (C. 40A:12-14), and from the prohibition in section 15 on leasing to sectarian, denominational or religious corporations. The bill would leave intact, however, the requirement that the property not be used for sectarian, denominational or religious purposes.

The bill was released by the Senate County and Municipal Government Committee on February 6, 1984 and passed by a vote of 36-2 in the Senate on February 27, 1984.

SENATE COUNTY AND MUNICIPAL GOVERNMENT  
COMMITTEE

STATEMENT TO

**SENATE, No. 551**

**STATE OF NEW JERSEY**

DATED: FEBRUARY 6, 1984

Senate Bill No. 551 would amend section 15 of P. L. 1971, c. 199 (C. 40A:12-15) to add gardening and recreation to the purposes for which leases of county or municipal real property not needed for public use may be entered into. In addition, the bill would exempt leases entered into for these purposes from the public bidding requirements of section 14 of that act (C. 40A:12-14), and from the prohibition in section 15 on leasing to sectarian, denominational or religious corporations. The bill would leave intact, however, the requirement that the property not be used for sectarian, denominational or religious purposes.

SJR 31 SIGNED, ET AL.

PAGE TWO

APRIL 11, 1984

The Governor also signed the following bills:

S-1325, sponsored by State Senator Carmen A. Orechio, D-Essex, which increases the membership of the New Jersey Statue of Liberty Commission from 21 to 24. The Commission would thus be made up of 12 members appointed by the Governor and six each appointed by the Senate President and the Speaker of the Assembly. The bill gives each of the appointing authorities one additional member.

S-1317, sponsored by State Senator William L. Gormley, R-Atlantic, which validates certain bond proceedings in the Galloway Township School District. The Board of Education had properly advertised its intention to extend referendum hours to 10:00 p.m., but was unaware that State statute calls for elections to end at 9:00 p.m.

S-551, sponsored by State Senator Wynona Lipman, D-Essex, which permits municipal or county governments to lease property to private individuals and nonprofit corporations or associations, including religious corporations, for the purposes of gardening and recreation. The bill grants an exemption from laws that require advertisement and public bidding for the leasing of public property.

A-1151, sponsored by Assemblyman James Zangari, D-Essex, which makes landlords, corporate officers and certain stockholders personally liable for expenses associated with the cost of relocating tenants who are forced to leave their apartments because of construction or housing code violations.

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