



State of New Jersey
DEPARTMENT OF COMMUNITY AFFAIRS
101 SOUTH BROAD STREET
PO BOX 803
TRENTON, NJ 08625-0803

PHILIP D. MURPHY
Governor

LT. GOVERNOR SHEILA Y. OLIVER
Commissioner

November 12, 2019

Mayor Moran
520 Market Street
City Hall, 4th Floor
Camden, NJ 08101

Dear Mayor Moran:

I have received and reviewed the draft Shared Services Agreement for the Code Enforcement Program submitted for Division review. I have also been informed that the City Council walked on a resolution seeking to authorize the Agreement this past week. This runs contrary to prior Division advice and directives. Therefore, I write to reiterate the Division's concerns regarding the contemplated reinstatement of this program.

The original program cost the City over \$1,010,000 in the FY2016 and FY2017 budgets yet failed to yield the anticipated operational returns and revenues. Having proven unsuccessful, the parties did not formulate or implement FY2018 or FY2019 budgets, allowing the program to sunset. It is also excluded from the FY2020 introduced budget.

On February 6, 2019, representatives from the City, County, and State met to discuss the potential amendment and reinstatement of the program, among other matters. All attendees were advised of the Division's concerns, including that code enforcement was a vital municipal function and a valuable self-funding revenue source, and that any future proposal to reinstate the program must address the various circumstances that ultimately rendered the original program unsuccessful. The City and County were tasked with analyzing and submitting to the Division the City and Program's historical code enforcement revenue source and collection data to assist in the development and evaluation of any future code shared services proposal.

The draft program agreement submitted for review is inconsistent with the above. First, it is characterized as an amendment to an existing program. The original program expired and has not been funded in the current fiscal year budget. Thus, any action taken at this juncture would establish a new, not amended, shared services agreement.

Second, the requisite analysis has not been proffered, and the proposed agreement does not include modifications that could reasonably be anticipated to remedy the underlying causes of the

original program's failure. The City's already strained operating budget can ill afford to reinstate this costly program without changes reasonably calculated to yield different, more successful, results.

Therefore, the Division will not approve this agreement in the form proffered. We remain available to assist you in development of a code enforcement shared services program that will be of mutual benefit to the entities and communities involved. Please be guided accordingly.

Should you wish to discuss this matter further, please do not hesitate to contact me.

Sincerely,



Melanie R. Walter, Director
Division of Local Government Services

cc. John Salvatore