

JACKSON TOWNSHIP RENT CONTROL BOARD

SPECIAL MEETING OF JUNE 4, 2008

MINUTES

The meeting, held at the Jackson Township Senior Center was called to order by Chairperson Donna Hopkins at 7:30 PM with a flag salute and reading of the Sunshine Law by Mr. Rumpf.

PRESENT: N. Stallone, D. O'Keefe, L. Savage, D. Hopkins, R. Cruz, J. Bellu, CPA and B. Rumpf, Esq. Also present are Councilman Scott Martin and Jason Gudaitis

MAJOR PROPOSED REVISIONS TO THE JACKSON TOWNSHIP RENT CONTROL ORDINANCE

Councilman Scott Martin has prepared a Power Point presentation to cover the proposed changes to the Ordinance. Chairperson Donna Hopkins stresses that these changes are proposed and are not written in stone.

Councilman Martin, who is the liaison for the Rent Control Board told those present that it is the Township Council that adopts the changes to the Ordinance, not the Rent Control Board and that tonight they are looking for feedback on the proposed changes. These changes have been proposed over an approximately one and one half year review of the Ordinance.

#1 Cap on CPI increases reduced from 5.5% to 4.25% annually

CPI Increases will be calculated at the beginning of the year based on the previous year's average. The CPI numbers are released around January 15-16 for the previous calendar year. Resident would be notified of the increase as they are now, via regular mail.

Dora Karker – would like 30 days notice so residents know what they are going to pay.

Clem Caldarise- this only leaves 6-8 business days to prepare the notices.

Donna Hopkins – it should not take more than 8-16 hours for the landlord to prepare the notices.

Councilman Martin notes that the point of this is to give the residents more notice.

Mary Beth of MGM states that this works out better for the tenants.

#2 Cap on CPI increases for homes provided heat by the landlord reduced from 7% to 5.75%

#3 CPI shall be computed on an annualized basis

#4 Tenants to receive notice of any rental increase at least sixty (60) days prior to increase, as opposed to thirty days.

#5 All increases, including real estate tax pass-throughs, must be reviewed and approved by the Rent Leveling Board

#6 All landlord applications for increases must include a Certification that the rental property is in a safe and sanitary condition and that the landlord is in full compliance with all state and local laws pertaining to tenant's rights.

Question as to who certifies compliance? Mr. Rumpf states that the landlord would be responsible for the certification in the application. Ms. Hopkins urges the tenants to report any unsafe conditions to the Rent Board. This will allow the Board to review the condition prior to approval of the CPI or any other increase. Most likely aesthetics would not affect approval of an increase.

Greg Hebler of Land O'Pines questions how long the application would be denied and would it delay/deny every space or just the space in question for the increase?

Mr. Rumpf replies that the entire application would be delayed / denied the increase.

Councilman Martin stated that the park would be entitled to retro increase once the unsafe condition was corrected. The decision to hold the application would not be up to the tenant, but up to the Rent Control Board, having reviewed the condition to hold up the application.

Councilman Jason Gudaitis stated that Ordinance 77-6 pertaining to sidewalks and driveways is not black and white in clarity.

Mr. Hebler states that some leases state that the tenant is responsible for sidewalk and driveway maintenance.

Mr. Gudaitis feels it needs to be made clearer.

Shari Williams of Fountainhead states that the local Ordinance would take precedence over the lease.

Mr. Rumpf would like to further discuss clarification on this point.

#7 Proof of the landlords notification compliance must be submitted to the Rent Leveling Board.

#8 Landlords must further supply information with each application including copies of all leases or letters setting forth the rental agreement along with information regarding the landlord having any ownership interest in a mobile home or homes within the community.

Mr. Rumpf notes this in order to have all information on all units in the park. There is a cap on the number of units a landlord can own at ten (10).

Sam Landy, Esq. principle of Southwind Park questions if the Rent Ordinance pertains to mobile home rentals?

Juan Bellu states that this is trying to eliminate the attempt to circumvent the Ordinance.

A question was asked that when owned by a corporation, does the cap of ten still apply? Can each person of the corporation own ten units?

Mr. Rumpf notes this will be further discussed.

#9 Presently there are no caps on miscellaneous fees such as pet fees, extra person fees and parking fees for cars in common areas. The new ordinance will cap pet fees at ten dollars (\$10) per pet in a mobile home not to exceed twenty dollars (\$20) per month. Pet fees in an apartment shall be capped at twenty-five (\$25) per pet with a fifty dollar (\$50) maximum. Extra person fees shall be capped at twenty dollars (\$20) per person over three people, excluding after-born or adopted children. Extra vehicle fees shall be capped at ten dollars (\$10) per month for vehicles in common areas. All such fees will not be calculated as part of base rent.

Ms. Hopkins noted that some pet fees are as high as \$40 per pet and some fees are being included in the base rent, which makes any increases higher.

Mr. Hebler questions how the board came up with the \$20 extra person fee?

Mr. Rumpf notes that this does not supersede the lease, landlords can base the rent amount on the number of people.

Fred Hebler of Land O' Pines – states that his park is on septic systems and has a maximum of two people per unit. Some of the residents sublet and then they charge the \$50 per extra person. He does not charge for blood relatives.

Johanna D'Ambrosio of Oak Tree Park questions the extra vehicle charge. They have recreational vehicles in a special area of the park that are being charged \$25.

Ms. Hopkins states the cap is for vehicles occupying regular parking spots.

Mr. Landry states that in his park they have families that can sometimes have anywhere from two to four cars, this takes away spots from other residents.

Ms. Hopkins feels this should be addressed in the lease.

Mr. Landry states that the fees discourage any extra vehicles.

Shari Williams questions the fee if she wants to help a friend out with a place to live for several months?

Councilman Martin states that the fees are to discourage permanent residence, the revision could possibly include exclusion for residents less than thirty or sixty days.

If the landlord already has pet fees established this is designed to bring them all into line, will affect leases upon renewal. Pets are dogs and cats.

#10 The ordinance will require dissemination of truth in renting law to prospective tenants and all tenants and prospective tenants shall not be subject to discrimination as defined by New Jersey law.

#11 The new ordinance will provide penalties of up to \$2000 and ninety (90) days of jail for a willful landlord violation of the Ordinance. Such penalties apply to each rental space affected.

Shari Williams would recommend reducing the penalty to \$500 and 30 days.

#12 Vacancy decontrol will apply to the sale of mobile homes and new apartment rentals, however, the new ordinance shall contain anti-harassment controls to restrict a landlord's ability to coerce any tenant to vacate while providing strict punishment for any tenant complains found valid by the local court after referral from the Rent Leveling Board. In addition, any landlords found guilty of such harassment would lose the ability to gain vacancy decontrol for their entire park for a period of one year for a first offense, two years for a second offense and five years for a third and subsequent offense.

Shari Williams would like to see the vacancy decontrol capped.

Mr. Bellu feels that decontrol will result in fewer applications for hardship.

Mr. Landy states that the burden is picked up by the new tenants so that the residents of 30 years don't have to.

Mr. Cruz – as to the sale-ability of a home, the market will not allow over-priced rent.

Dora Karker – vacancy decontrol should not be considered. It was taken out of the ordinance years ago.

Councilman Martin – vacancy decontrol does not impact the present tenants, it affects the next tenants. Market value encourages owners to put major improvements into their property in order to receive market rent increases. Vacancy decontrol will protect the tenants.

Lori Greenberg, Esq. – without vacancy decontrol, residents would face major hardship application.

Mr. Bellu has developed a spreadsheet form standard to be used by all landlords applying for rental increases. This will be included in the ordinance and will reduce his review time along with the meeting times spent on applications.

GENERAL COMMENTS

Mr. Hebler feels landlords should be included on the Mobile Home Advisory Board.

Shari Williams – would like the number of units landlords own lowered

Ms. Greenberg – landlords still are under Rent Control on the pad, the home rental is separate

Shari Williams – regarding the Truth in Renting Law, the landlord should provide in writing why a prospective buyer was turned down.

Ms. Greenberg states that by law the credit report cannot be released.

Shari Williams would like the board to consider addition of a mandate that the landlord supply what are the minimum requirements for acceptance into the park- a guideline standard.

Mr. Rumpf feels this would not be a Rent Control issue.

Jackie of Fountainhead feels #12 was requested by the landlords, the tenants are not in favor of vacancy decontrol

Mr. Rumpf states that when the CPI caps were reduced, there was concern that the maximum CPI would be the norm for the future. To gain equity, that's where decontrol comes in.

Ms. Hopkins again notes that the revisions are not written in stone.

Shari Williams – questions if the Board will have a second forum like this before the Ordinance goes for hearing.

Ms. Hopkins states that there will be a second forum.

PUBLIC CLOSED

Mr. Rumpf notes that there is a regular meeting of the Rent Control Board on June 12, 2008.

There are two Township Council meetings scheduled before reorganization, the board needs to finish review and submit to Council. A special meeting of the Rent Control Board will be scheduled for Monday, June 9 to finish any other changes on the ordinance and submit for the Council Meeting on Tuesday, June 10.

Some issues to be considered are the extra person charges, \$50 if septic and well water, \$40 if not. Temporary resident limit to 60 days..

Car fees of \$40 to discourage extra vehicles, recreational vehicles separate.

Vacancy decontrol limits landlord to raise the rent on the new tenant for a period of one year.

When the application is received by Mr. Bellu, a meeting date should be scheduled by the Board.

BILLS – Motion to pay all bills O'KEEFE / Cruz All Ayes

MEETING ADJOURNED 10:10 PM

Minutes prepared and submitted by:

Kathleen Sevckenko
Secretary