

Chapter 435. Rent Control

[HISTORY: Adopted by the Bloomfield Council 8-19-1985^[1] (Ch. 208 of the 1987 Code); amended in its entirety 5-16-2016 by Ord. No. 16-11. Subsequent amendments noted where applicable.]

GENERAL REFERENCES

Housing standards — See Ch. 307.

Property maintenance — See Ch. 423.

[1] *Editor's Note: This ordinance was reenacted by an ordinance adopted 10-1-1991, Section 2 of which read as follows:*

"This ordinance is to take effect on adoption and shall remain in full force and effect until the first Public Meeting of the Mayor and Township Council in the month of October 1994, at which time said ordinance shall be reviewed and considered by the governing body and if not extended shall terminate, except, however, Chapter 206-2B (§ 206-2B) herein incorporated by reference, shall be reviewed annually as provided therein."

§ 435-1. Definitions.

As used in this chapter, the following terms shall have the meanings indicated:

AVAILABLE FOR RENT TO TENANTS

Fit for habitation, as defined by the statutes, codes and ordinances in full force and effect in the State of New Jersey, County of Essex and Township of Bloomfield, and occupied or unoccupied and offered for rent.

DWELLING

Any building or other structures containing housing spaces rented or offered for rent to one or more tenants or family units. A "dwelling" includes buildings or structures that are exempt from the restrictions mandated under this chapter.

HOUSING SPACE

Includes that portion of a dwelling rented or offered for rent for living and dwelling purposes to one individual or family unit together with all privileges, services, furnishings, furniture, equipment, facilities and improvements connected with the use or occupancy of such portion of the property.

PERIODIC TENANT

A residential tenant who was previously under lease controlled by this chapter, and subsequently continued residing in the same housing space under a new lease, whether oral or written, for periods of less than one year, including but not limited to month-to-month tenancies and tenancies at will.

§ 435-2. Rent increases.

- A. Establishment of rent. Establishment of rents between a landlord and tenant to whom this chapter is applicable shall hereafter be determined by the provisions of this chapter. At the expiration of a lease or at the termination of a lease of a periodic tenant, a landlord may request or receive a percentage increase in rent up to 3% per annum over and above the rent charged in the previous lease or previous tenancy, or the percentage difference between the Consumer Price Index (CPI) three months prior to the expiration or termination of the lease and three months prior to the commencement of the lease term, whichever is greater, not to exceed 5%. Exempted from this section shall be those tenancies operating under previous rent control ordinances of the Township, which, upon the effective date of this chapter, shall remain and continue to operate under the previous ordinance throughout the duration of the respective tenancies.
- B. Rental increase.
 - (1) All landlords shall file with the Rent Leveling Board no later than 30 days after the effective date of this chapter as herein amended a list of rents charged as of July 1, 2016, for any dwelling or housing space

under their control. The list of rents charged shall be by building, unit number and tenant name.

- (2) Upon the sale of, transfer of title to or the construction of dwelling or housing space to which this chapter is applicable, the new landlord shall file a copy of the rents charged for each rental unit. Such filing must be made within 60 days of the closing of title and/or issuance of a certificate of habitability.
- (3) Any rental increase at a time other than at the expiration of a lease or termination of a period tenancy shall be void. Any rental increase in excess of that authorized herein shall be void and the excess shall be refunded to the tenant by the landlord within 30 days after the Rent Leveling Board has made its findings. Refunds shall be made in the form of a credit against future monthly rents or by a check made payable to the tenant.

C. Notice of rental increase required.

- (1) Any landlord seeking an increase in rent, including the rent of a periodic tenant, shall notify the tenant by certified mail or by personal service with affidavit of service to be provided, of the proposed rental increase and the proposed percentage increase, the prior year's rent, the allowable rental increase and allowable percentage increase under the provisions of this chapter at the same time notice is sent to the Rent Leveling Board, as recited below.
- (2) Any landlord seeking a rent increase shall notify the Rent Leveling Board, by certified mail or by personal service with affidavit of service to be provided, of all proposed rent increases by apartment number and name of tenant. The notification shall include the percentage increase sought and proof that notice of such rent increase was sent to all tenants involved.
- (3) No rent increase shall be approved for any landlord who has failed to comply with all of the provisions of this chapter and with all of the provisions of N.J.S.A. 46:8-28 et seq. and N.J.S.A. 46:8-27 et seq. Landlords shall furnish satisfactory evidence of such compliance as the Board shall prescribe.
- (4) All landlords must file a statement of rent charged at the expiration of a lease or periodic tenancy if no increase is being sought pursuant to Subsection **C(1)** above.

D. Approval of rental increase; objection.

- (1) Any proposed rental increase in conformity with the provisions of this chapter shall be approved by the Rent Leveling Board unless objection is filed by the tenant to the Board within 30 days of notification of the proposed rental increase. If objection to the proposed rental increase is properly filed, the Board shall meet within 30 days of notification in order to conduct hearings on the proposed increase. The Secretary of the Rent Leveling Board shall notify the tenant and the landlord of the scheduled date for the hearing in writing so as to give ample prior notice.
- (2) No rent increase shall be approved for any landlord who has failed to comply with all of the provisions of N.J.S.A. 46:8-38 et seq. Landlords shall furnish satisfactory evidence in such form as the Board shall prescribe.

E. Notice of tenants' rights. Every lease shall contain a provision which shall advise the tenant in a conspicuous manner of the name and address of the Rent Leveling Board, the maximum rent allowable, the tenant's right to object to a proposed rental increase, the tenant's right to a hearing before the Rent Leveling Board if objection is filed within 30 days of notification of any proposed rental increase, and the tenant's right to appeal the findings of the Board to the Township Council. This notice of tenant's rights shall be given at the inception of every lease and annually in the case of renewals. In the case of a periodic tenant, the same notice of tenant's rights shall be given at the inception and at the anniversary of each tenancy.

F. Tax appeal; notice of rent reduction.

- (1) In the event that a landlord perfects a successful tax appeal, the tenant shall receive 75% of all reductions as applied pro rata to the tenant's living space so leased, after deducting all actual expenses incurred by the landlord in perfecting the appeal.
- (2) The landlord shall file with the Rent Leveling Board, within 30 days after such reduction becomes effective or within 120 days of receipt of a judgment on a tax appeal favorable to the landlord, whichever occurs first, a statement certifying that said rent reduction has been granted to the tenants.
- (3) Prior to the landlord being entitled to deduct all actual expenses, as set forth above, the landlord shall demonstrate compliance with the provisions of this section. In addition, the landlord shall provide the Rent

Leveling Board with an itemization of these expenses.

§ 435-3. Rent Leveling Board.

A. Rent Leveling Board; creation; organization.

- (1) There is hereby created a Bloomfield Rent Leveling Board (Board) which shall consist of five members appointed as hereinafter set forth.
- (2) The members of the Board must be bona fide residents of the Township and shall serve without compensation except as otherwise provided by ordinance.
- (3) The members of the Board shall be appointed by the governing body, and their terms of office shall be for periods of three years each, except that the terms of these members first appointed shall be as follows:
 - (a) Two members shall be appointed for a term of one year.
 - (b) Two members shall be appointed for a term of two years.
 - (c) One member shall be appointed for a term of three years.
 - (d) Thereafter the successor of each member appointed by the Council shall be appointed for a term of three years and until the appointment and qualification of a successor.
- (4) A vacancy during the term of any member shall be filled for the unexpired portion thereof only.
- (5) The Township Council may remove any regular member of the Board for cause upon written charges served upon the member and after a hearing thereon at which the members shall be entitled to be heard and represented by counsel.
- (6) A member shall not be permitted to act on any matter in which he/she has either directly or indirectly any personal or financial interest.
- (7) All appointments to the Board shall be by resolution of the Township Council.
- (8) The Board shall operate under standard principles of administrative law, and is required to hold public meetings, give adequate notice and publicize the agenda of their meetings in accordance with the Open Public Meetings Act.

B. Powers. The Rent Leveling Board is hereby granted, and shall have and exercise, in addition to other powers herein granted, all powers necessary and appropriate to carry out and execute the purposes of this chapter, including, but not limited to, the following:

- (1) To issue and promulgate such rules and regulations as it deems necessary to implement the purposes of this chapter, and which rules and regulations shall have the force of law until revised, repealed or amended from time to time by the Board in the exercise of its discretion, providing that such rules are filed with the Township Clerk.
- (2) To hold hearings as a quasijudicial body and adjudicate applications from tenants for reduced rental as hereinafter provided.
- (3) To hold hearings as a quasijudicial body and adjudicate allegations from tenants of harassment by landlords.
- (4) To hold hearings as a quasijudicial body and adjudicate applications from landlords for increased rental as herein provided.
- (5) The Board shall give both landlord and tenant reasonable opportunity to be heard before making any determination.
- (6) The Township Council shall provide legal counsel to represent the Rent Leveling Board. Such counsel's compensation shall be determined by the Township Council.

C. Appeal to Board.

- (1) Hardship rent increase. In the event that a landlord cannot meet his/her mortgage payments and maintenance, he/she may appeal to the Rent Leveling Board for increased rent. The Board may grant the landlord a hardship rent increase to meet these payments and to allow a just and reasonable return on his/her investment. Prior to any such appeal to the Board, a landlord must post in the lobby of the building or, if no lobby is present, then in a conspicuous place in and about the premises a notice of the appeal setting forth the basis for the appeal and the date and place of any hearing before the Rent Leveling Board. The notice must be posted for at least 10 days prior to the hearing date. The landlord shall also serve notice of such application and date and place of hearing by certified mail, return receipt requested, or by personal service, with affidavit of service to be provided on each tenant no less than 10 days prior to the hearing.
- (2) Increase for major capital improvements. The landlord may seek additional rental for major capital improvements or services. Capital improvements shall be defined as set forth in the Internal Revenue Code. Each tenant must be notified by certified mail or by personal service, with affidavit of service to be provided, of the total cost of the completed capital improvement or service, the number of years of useful life of the improvement as claimed by the landlord for purposes of depreciation for income tax purposes, the average cost of the improvement, the total number of square feet of the dwelling or housing space, the total square feet occupied by the tenant and the capital improvement surcharge being sought from each tenant. The landlord seeking a capital improvement or service surcharge shall apply to the Rent Leveling Board for the surcharge and the Board shall determine if the improvement is a major improvement; and, if so, shall permit the increase to take place. In any event, no increase authorized by this section shall exceed 10% of the tenant's average rent for the preceding 12 months. The Secretary of the Board shall give reasonable written notice to the landlord and tenants of the date, time and place of the hearing on the landlord's application.

D. Standards of service.

- (1) The landlord shall maintain the same standards of service, maintenance, furniture, furnishings and equipment in the housing space and dwelling as he or she provided or was required to do by law or lease at the date into which the lease was entered. An individual tenant or a group of tenants who are not receiving substantially the accepted standards of service, maintenance, furniture or furnishings or equipment may have the Rent Leveling Board determine the reasonable rental value of the housing unit or dwelling in view of this deficiency. The tenant or group of tenants shall pay the reasonable rental value as full payment for rent until the landlord abates the deficiency.
- (2) No landlord after July 1, 2016, shall change any rents in excess of that which he or she was receiving on July 1, 2016, except for increases authorized by this chapter, and such excess rent shall be refunded to the tenant by the landlord. Payment shall be made to the tenant as provided in § 435-2B. The base rent shall be deemed to be the lawful rent for the housing space which was in effect on July 1, 2016. That rent for housing space shall not exceed base rent plus any surcharge or increase authorized by the provisions of this chapter.
- (3) The Rent Leveling Board shall provide information on and in accordance with the procedures hereinabove described. It shall enforce any federal legislation or regulations unless prohibited from such action by federal or state law.

E. Board Secretary; creation.

- (1) There is created the position of Secretary to the Rent Leveling Board to assist the Board with the administration of this chapter. The Secretary of the Board shall be appointed by the governing body, and shall serve under the direction of the Township Administrator or his designee. The Secretary to the Board shall be available to supply information and assistance to landlords and tenants to help them comply with the provisions of this chapter.

§ 435-4. Exceptions.

A. Exempt from this chapter are:

- (1) Dwellings with five or fewer housing spaces.
- (2) Initial renting. The owner of housing space or a dwelling being rented for the first time shall not be restricted in the initial rent he/she charges. Any subsequent rental increases, however, shall be subject to the provisions of this chapter.

- (3) In accordance with N.J.S.A. 2A:42-84.1 et seq., the provisions of this chapter shall not apply to multiple dwellings constructed, as defined in the statute, after June 25, 1987, for a period of 30 years following completion of construction. This exemption only applies where a landlord complied with all requirements contained in N.J.S.A. 2A:42-84.1 et seq.
- (4) Units where rent is determined as a factor of income.
- (5) Units receiving state or federal subsidies directly to the owner and where federal preemption from local rent control is ordered by the United States Department of Housing and Urban Development pursuant to federal law or regulation.

B. Vacancy decontrol.

- (1) Notwithstanding any limitations on permissible rent increases under any other provisions of this chapter, upon the voluntary uncoerced vacation of any apartment, rent increases for which are controlled in this chapter, the landlord shall have the right to fix the rent for such vacated apartment at such sums deemed appropriate subject to the following:
 - (a) In order to qualify for a vacancy decontrol rent increase, the landlord shall first be required to file with the Rent Leveling Board a written statement signed by the vacating tenant certifying to the Board that the landlord has not, in any way, harassed or pressured the tenant into vacating the housing unit and that the vacating of such unit was a voluntary act on the part of the tenant.
 - (2) Such statement shall also include the rent paid by the vacating tenant and the date the tenant will be vacating the unit. For the purposes of this section a vacation caused or necessitated by substandard, unsafe or unsanitary conditions shall not be deemed a voluntary vacation. Such noncoercion certification shall not be required in order for the landlord to qualify for the vacancy decontrol increase if:
 - (a) The increase does not exceed the total of all permissible increases authorized by any other provisions of this chapter;
 - (b) The tenant has moved from the unit without notice to the landlord;
 - (c) The unit has been vacated pursuant to a judicially mandated eviction;
 - (d) The tenant has refused to sign such certification, and upon appeal by the landlord the Rent Leveling Board has found that such refusal was unwarranted and that there was in fact no coercion exerted by the landlord upon the vacating tenant.
- (3) A hearing pursuant to Subsection **B(2)(d)** above shall be held before the Rent Leveling Board upon at least seven days' notice to the public and the vacating tenant. The decontrol provision of this section shall apply only to dwelling units which are physically vacated subsequent to the effective date of this section.

§ 435-5. Apartment vacated; statement by landlord.

Upon the rerenting of any dwelling, the landlord shall file a statement with the Rent Leveling Board certifying to the Board:

- A. The unit and building numbers of such dwelling.
- B. The date such dwelling became vacant.
- C. The rent paid by the prior tenant.
- D. The rent agreed to by the new tenant.
- E. The date of any new lease.
- F. A statement that all proper occupancy approvals have been obtained from the Township.

§ 435-6. Violations and penalties.

A willful violation of any provision of this chapter including, but not limited to, the willful filing with the Rent Leveling Board of any material misstatement of fact, may be punishable by a fine as established in the Township Code. A violation affecting more than one leasehold shall be considered a separate violation to each leasehold.

§ 435-7. Effective date.

This chapter is to take effect immediately on July 1, 2016, and shall remain in full force and effect unless specifically repealed by the Township Council by ordinance.