

**BOROUGH OF WOODLAND PARK
COUNTY OF PASSAIC
STATE OF NEW JERSEY**

ORDINANCE NO. 23-19

**AN ORDINANCE TO AMEND CHAPTER 21 OF THE CODE OF THE
BOROUGH OF WOODLAND PARK WITH REGARD
TO RENT STABILIZATION**

§ 21-1 PURPOSE.

Under the legal powers granted to the Mayor and Municipal Council in order to promulgate the health, safety and general welfare of the citizens of the Borough, these provisions hereof are enacted, through this ordinance.

§ 21-2 DEFINITIONS.

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 Passaic and Borough of Woodland Park and occupied or unoccupied and offered for rent.

DWELLING

Shall mean any building or structure or garage space which may be rented or offered for rent, to one or more tenants or family units. Exempted from this chapter are dwellings containing five or fewer housing space providing the landlord rents or offers for rent no other housing space in the Borough of Woodland Park. Also exempted is any motel, hotel or other premises primarily serving transient persons within the Borough of Woodland Park.

HOUSING SPACE

Shall mean 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, facilities and improvements, including, but not limited to parking space, garage space, storage space connected with the use or occupancy such portion of the property.

LANDLORD

Shall mean any person, firm, partnership, corporation or other entity and any officer, agent or employee, or any of the foregoing, which is the owner, rental agent, manager of, or otherwise has the authority to rent any rental unit to a tenant.

TENANT

Shall mean any non-owner occupant of a rental unit.

§ 21-3 ESTABLISHMENT OF RENTS.

- a. Establishment of rents between landlords and tenants to whom this chapter is applicable shall hereinafter be determined by the provisions of this chapter. At the expiration of a period of not less than twelve (12) consecutive calendar months following the effective date of the last previous rental increase for any unit of multiple dwelling housing space subject to rent regulation under the terms of this chapter, no landlord shall request, demand, receive or collect an increase in rental for such unit which shall exceed one hundred (100%) percent of the percentage increase in the Consumer Price Index in effect for the third month next preceding the month during which the rental increase permitted hereby is to take effect (hereinafter referred to as the "base month") and the consumer price index in effect one (1) year prior to the base month.

(Example: Any rent increase is limited to the increase in the CPI from a given month in year 1 to the same month in year 2.)

- b. For purposes of this chapter, Consumer Price Index means the Consumer Price Index for Urban Wage Earners and Clerical Workers, New York-Northeastern New Jersey published by the Bureau of Labor Statistics, United States Department of Labor.
- c. There shall be no increase in the rent of a month-to-month tenant within the period of any twelve (12) months and then no landlord may request to receive a percentage increase greater than as set forth in paragraph a. hereof.
- d. In the event of a vacancy a landlord may request, demand, receive and collect any increase for the rental unit from a new tenant.

§ 21-4 RENTAL INCREASES.

- a. Increase; when void. Any rental increase at a time other than at the expiration of a lease or termination of a periodic lease will be void.
- b. Unauthorized increases prohibited. No landlord shall after the effective date of this chapter charge any rents in excess of what he or she was receiving from the effective date of this chapter, except for increases authorized by this chapter.
- c. Violations and Penalties. A willful violation of any provision of this chapter, including, but not limited to, a landlord charging a tenant with inappropriate rents, will be charged with a violation of this chapter, and fined \$1,000 for each violation. Thereafter, the tenant is entitled to advance a civil action in the Superior Court of New Jersey's Special Civil Part, seeking any and all damages that the Court deems appropriate.
- d. Interpretation of This Chapter. This chapter shall be necessary for the welfare of the Borough and its inhabitants, and shall be liberally construed to effectuate the purposes thereof.
- e. Severability. If any provision of this chapter or the application for such provision to any person or circumstances is declared invalid, such invalidity shall not affect other provisions of this chapter which are declared to be severable.
- f. Effective date. This chapter is to take effect immediately upon passage and publication according to the laws of the state of New Jersey, and shall remain in full force and effect until such time that this ordinance is changed.

§ 21-4.1 MAXIMUM INCREASE ALLOWABLE.

Establishment of rent between a landlord and a tenant to whom this chapter is applicable shall hereafter be determined by the provisions of this chapter. At the expiration of a lease or determination of this increase by a periodic tenant, no landlord may receive or request a percentage increase in rent greater than 2.5% in any calendar year.

§ 21-5 INCREASES; NOTICE TO TENANT.

Any landlord seeking an increase in rent shall notify the tenant of the calculations involved in computing the increase, including the Consumer Price Index at the date of the entry of the lease, the Consumer Price Index one hundred twenty (120) days before the expiration of the lease and the allowable rent increase.

§ 21-6 TAX SURCHARGE.

A landlord may seek a tax surcharge from a tenant because of an increase in municipal property taxes. The tax surcharge shall not exceed that amount authorized by the following provisions. The landlord shall divide the change in the property tax between the previous two (2) calendar years by the number of rooms in the dwelling

to obtain the tax increase per room. The tenant shall not be liable for a tax surcharge exceeding the tax increase per room multiplied by the number of rooms occupied by the tenant.

§ 21-7 NOTIFICATION OF TAX SURCHARGE.

Any landlord seeking a tax surcharge shall notify the tenant of the calculations involved in computing the tax surcharge including the present property tax, the total number of rooms in the dwelling, the tax increase per room, the number of rooms occupied by the tenant and the maximum allowable surcharge.

§ 21-8 PAYMENT OF SURCHARGE.

The tax surcharge that each tenant is liable for shall be paid in twelve (12) monthly installments.

§ 21-9 SURCHARGE NOT CONSIDERED RENT.

The tax surcharge shall not be considered rent for purposes of computing cost of living rental increases. In instances when tax surcharges shall have been imposed resulting from increases in municipal property taxes, proportionate reductions shall be provided in instances when municipal property taxes shall have been reduced.

§ 21-10 INCREASES FOR CAPITAL IMPROVEMENTS.

Landlord may seek additional rental for any major capital improvement or any substantial increase in the services rendered to the tenants. The landlord shall notify each tenant who may or shall be affected by such rental increase by certified mail of the total cost of the completed capital improvement, the number of years of useful life thereof as claimed by the landlord for the purpose of depreciation for Federal income tax purposes, the average annual cost of the improvement or service, the total number of square feet in the structure in which any multiple dwelling space is situated, the total number of square feet occupied by the tenant, and the capital improvement or service increase surcharge which the landlord is seeking from each tenant. The tenant shall not be liable for a capital improvement or service increase surcharge exceeding the same ratio to the total annual cost thereof as the number of square feet occupied by the tenant to the total number of square feet in the building or structure in question. Any landlord seeking a capital improvement or service increase surcharge shall appeal for the surcharge to the Municipal Council. The Municipal Council shall determine if any improvement is a major improvement or if the service increase is a substantial service increase. In no event shall any surcharge granted pursuant to this chapter exceed fifteen (15%) percent of the tenant's rent in effect at the time of the granting of such surcharge. Commencing with the month next succeeding the date of the granting of any such capital improvement or service increase surcharge, each tenant affected thereby shall pay, together with his monthly rental, one-twelfth (1/12) of the portion of such surcharge allocated to him by application of the calculation hereinabove set forth. Prior to any such appeal to the Municipal Council for any such capital improvement or service increase surcharge, a landlord shall post in the lobby of each building where the tenants of which may or shall be affected thereby, or, if no lobby is present, then in a conspicuous place on the premises, a notice of the appeal setting forth the basis for the appeal and the place and date scheduled for the hearing thereof. The notice must be posted not less than ten (10) days in advance of the date scheduled for the hearing of the appeal.

§ 21-11 TAX APPEALS.

In the event of a tax appeal the portion of a tenant's tax surcharge not being paid by the landlord to government will be held in an interest-bearing account.

§ 21-13 HARDSHIP INCREASES.

In the event a landlord cannot meet his mortgage payments and maintenance, or cannot realize a reasonable profit from his investment in his property, he may appeal to the court of competent jurisdiction for increased rents.

§ 21-14 STANDARDS OF SERVICE AND MAINTENANCE.

- a. Maintenance of Standards. During the term of this chapter the landlord shall maintain to minimum housing standards service, maintenance, furniture, furnishings or equipment in the housing space and dwelling as

he provided or was required to do by law or lease at the date the lease was entered into.

- b. **Deficiency in Maintenance of Standards, Recourse.** An individual tenant or a class of tenants who are not receiving substantially the same standards of service, maintenance, furniture or furnishings or equipment may have the court of competent jurisdiction determine the reasonable rental value of the housing unit or dwelling in view of this deficiency. The tenant or class of tenants shall pay the reasonable rental value as full payment for rent until the landlord proves that the deficiency has been corrected.

§ 21-15 UNAUTHORIZED INCREASES PROHIBITED.

No landlord shall after the effective date of this chapter charge any rents in excess of what he was receiving from the effective date of this chapter except for increases authorized by this chapter.

§ 21-16 FIRST RENTAL OF DWELLING SPACE.

The owner of housing space or dwelling being rented for the first time shall not be restricted in the initial rent CHARGED. Any subsequent rental increases, however, shall be subject to the provisions of this chapter.

§ 21-17 VIOLATIONS AND PENALTIES.

A willful violation of any provisions of this chapter including, but not limited to, the willful filing with the Municipal Council of any material misstatement of fact, shall be liable, upon conviction, to a penalty equal to twenty-five (25%) percent of the monthly rental fee in question; the penalty for subsequent offenses shall be equal to one hundred (100%) percent of the monthly rental fee in question. In addition, treble damages may be sought in a Court of competent jurisdiction. Such fine or fines and/or damages shall be computed on the basis of a separate violation as to each household.

§ 21-18 INTERPRETATION OF CHAPTER.

This chapter being necessary for the welfare of the Borough and its inhabitants, shall be liberally construed to effectuate the purpose thereof.

§ 21-19 SEVERABILITY.

If any provision of this chapter or the application for such provision to any person or circumstances is declared invalid, such invalidity shall not affect other provisions of this chapter which are declared to be severable.

§ 21-20 EFFECTIVE DATE AND TERM.

This chapter, upon passage and required publication, shall take effect immediately (adopted by Ord. No. 06-02) and shall remain in full force and effect until the Governing Body amends, revises or repeals this section according to law.

§ 21-21 ENFORCEMENT.

Matters of dispute should be referred to the court of competent jurisdiction.

This Ordinance shall take effect immediately upon final passage and publication as required by law.

Attest:

Approved:

Sandra Olivola, Municipal Clerk

Tracy Kallert, Acting Mayor

Introduced: August 16, 2023
Adopted: September 6, 2023