

Township of Verona, NJ  
Thursday, November 21, 2019

## Chapter 112. Rent Control

[HISTORY: Adopted by the Borough Council of the Borough of Verona 8-8-1983 as Ord. No. 8-83.<sup>[1]</sup> Amendments noted where applicable.]

### GENERAL REFERENCES

Uniform construction codes — See Ch. **64**.

Property maintenance — See Ch. **107**.

[1] *Editor's Note: This ordinance also repealed former Ch. 112, Rent Control, adopted 3-3-1977 as Ord. No. 3-77, as amended.*

## § 112-1. Definitions.

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

### BASE RENT

The rental amount exclusive of any surcharges, supplemental or ancillary charges or fees.

### CONSUMER PRICE INDEX (Referred to in this chapter as CPI)

The "CPI/W" for urban wage earners and clerical workers for New York and Northeastern New Jersey, of which Verona, New Jersey, is a part, as published monthly by the Bureau of Labor Statistics, United States Department of Labor.

[Added 10-7-1985 by Ord. No. 16-85]

### DWELLING

Includes any building or structure or trailer or land used as a trailer park, including garage space, rented or offered for rent, exempting one- or two-family homes. Also exempt from this chapter are motels, hotels and similar type buildings. Housing units rented for the first time are exempt, and the initial rental may be determined by the landlord. All subsequent rentals shall be subject to the provisions and conditions of this chapter. New owners or landlords shall be bound by the rentals in existence at the time of transfer of title. Also included in this definition are housing units previously rented and bound by the terms of this chapter and thereafter converted to condominium units for so long as the tenant in possession at the time of the conversion to a condominium remains a tenant pursuant to and as a result of the notice requirements of the New Jersey Condominium Act.

[1]

### HOUSING SPACE

That portion of a dwelling rented or offered for rent for living and dwelling purposes, together with all privileges, services, furnishings, furniture, equipment, facilities and improvements connected with the occupancy or enjoyment of the property to be used by the tenant.

### QUALIFIED SENIOR CITIZEN AND DISABLED

[Repealed 10-7-1985 by Ord. No. 16-85]

[1] *Editor's Note: See N.J.S.A. 46:8B-1 et seq.*

## § 112-2. Rental increase.

- A. Permissible rental increase. The establishment of rents between a landlord and a tenant to whom this chapter is applicable shall hereafter be determined by the following provisions:  
[Amended 10-7-1985 by Ord. No. 16-85]
- (1) Frequency. No landlord shall request or receive any increase in rental payments from any tenant more often than once in any period of twelve (12) consecutive months.
  - (2) Calculation of rent increases. At the expiration of a lease or at the expiration of a periodic tenancy, such as a month-to-month tenancy, no landlord may request or receive a percentage increase in rent which is greater than the consumer price index published for the twelve (12) month period ending on October 31, of the year preceding the calendar year in which such increase shall be effective.
  - (3) Maximum rent increase. In no event shall any rent increase exceed five percent (5%) of the previous base rent in any twelve (12) month period.
- B. Excessive or unauthorized rental increases. Any rental increase other than the appropriate allowable increase in accordance with § **112-2** herein shall be null and void and constitute a violation of this chapter subject to the enforcement provisions of § **112-13**.
- C. Notification of rental increase.
- (1) Any landlord seeking an increase in rent shall notify the tenant in accordance with § **112-11**. Said notice shall include a copy of calculations involved in computing the increase, including the monthly base rental amount (exclusive of any and all surcharges, service fees, etc.), the allowable percentage increase and the allowable rent increase amount. This notification shall be given not less than thirty (30) days prior to the effective date of such rental increase.
  - (2) Any landlord seeking an increase in rent from a tenant shall include within the notice to tenants required under Subsection (1) of this subsection a statement that the landlord has obtained an annual certification that the exterior building of each dwelling leased is in substantial compliance with the Property Maintenance Code of the Township of the Borough of Verona.<sup>[1]</sup> Prior to the implementation of any rental increase under this section, the landlord shall obtain such certification from the Property Maintenance Department or Construction Code Official of the Township of the Borough of Verona. "Substantial compliance" means that the exterior of the dwelling is free from all health, safety and fire hazards as well as ninety percent (90%) qualitatively free from all other violations of the Township of the Borough of Verona Property Maintenance Code.  
*[1] Editor's Note: See Ch. 107, Property Maintenance.*
- D. In the event that an individual unit, housing space or dwelling is not properly maintained by the landlord in accordance with any and all provisions of the Township of the Borough of Verona Property Maintenance Code, the tenant may appeal any rental increase sought by the landlord so long as such appeal is made to the Rent Control Board within thirty (30) days after notice is given by the landlord to the tenants, as required under Subsection **C(1)** of this section. The Rent Control Board, upon receiving notice of such appeal by any tenant, shall request the Property Maintenance Department or Construction Code Official to conduct an inspection of the individual unit, housing space or dwelling to determine whether such individual unit, housing space or dwelling is in substantial compliance with the Property Maintenance Code of the Township of the Borough of Verona. "Substantial compliance" means that the individual unit, housing space or dwelling which is the subject of the tenant's appeal under this subsection is free from all heat, hot water, elevator and all health, safety and fire hazards as well as ninety percent (90%) qualitatively free from all other violations of the Township of the Borough of Verona Property Maintenance Code. If the Property Maintenance Department or Construction Code Official determines that the individual unit, housing space or dwelling which is the subject of the tenant's appeal under this subsection is not in substantial compliance, as that term is defined hereunder, the rental increase sought by the landlord shall be prohibited until such time as the required maintenance and/or renovation is completed by the landlord in the manner and to the extent prescribed and approved

by the Property Maintenance Department or the Construction Code Official. If the Property Maintenance Department or Construction Code Official determines that the individual unit, housing space or dwelling which is the subject of the tenant's appeal under this subsection is in substantial compliance, as that term is defined hereunder, the increase sought by the landlord shall be due and payable by the tenant to the landlord as of the date when such increase was to have taken effect as stated in the notice from the landlord pursuant to § 112-2C(1) of this chapter. In the event that a tenant appeals a rental increase on the grounds that his housing space fails to comply with the Property Maintenance Code of the Township of the Borough of Verona, then at the time said appeal is filed, the tenant shall specify three (3) days which shall be between Monday and Friday, 10:00 a.m. to 4:00 p.m., when his housing space will be available for inspection. The aforesaid dates shall be within ten (10) days of the date that the appeal is filed. In the event that the tenant fails to specify said dates or, if having specified said dates, fails to make his housing space available for inspection, the housing space shall be considered to be in compliance with the Property Maintenance Code.

## § 112-3. Vacancy increase.

[Amended 10-7-1985 by Ord. No.]

- A. Notwithstanding any limitations upon 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 sum as he deems appropriate, except that the maximum rent which the landlord may fix for such vacated apartment shall be equal to the previous rent for such vacated apartment increased by fifteen percent (15%) or the highest rent received by the landlord for a comparable apartment in the same building complex at the time such rent is fixed, whichever sum is higher.
- B. Qualification for increase; hearing.
  - (1) In order for a landlord to qualify for the 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 space unit and that the vacation of such unit was a voluntary act on the part of the tenant. 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; or
    - (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.
  - (2) A hearing pursuant to Subsection **B(1)(d)** above shall be held before the Rent Leveling Board upon at least seven (7) days notice to the public and the vacating tenant. The decontrol provision of this section shall only apply to dwelling units which are physically vacated subsequent to the effective date of this section.
- C. Upon vacation of any apartment hereafter, the landlord shall file a statement with the Rent Leveling Board, certifying to the Board:
  - (1) The apartment and building numbers of such dwelling unit.

- (2) The rent paid by the vacating tenant.
  - (3) The maximum rent increase which would be permissible under the other provisions of this chapter.
  - (4) The number of days such apartment remains vacant.
  - (5) The rent agreed to by the new tenant for such apartment.
  - (6) That the vacation of such apartment was the voluntary act of the vacating tenant and that such vacation was not the result of landlord harassment or pressure upon such vacating tenant.
  - (7) That the vacant apartment has been inspected by the Code Enforcement Official for compliance with the Property Maintenance Code<sup>[1]</sup> and found to be in substantial compliance. [The fee for such inspection is twenty-five dollars (\$25.).]  
 [1] *Editor's Note: See Ch. 107, Property Maintenance.*
- D. Anti-harassment; complaint procedure. In the event that a tenant believes that he or she is being harassed by actions or omissions of his or her landlord in any way which might be calculated to induce the tenant to vacate his or her apartment, such tenant may make complaint to the Verona Construction Code Official. If the Code Official is not able within his lawful powers to take action to cause the landlord to cease the harassment complained of, or if the Code Official concludes that the landlord's action or omission complained of does not constitute harassment, the tenant shall have the right to appeal directly to the Rent Control Board within thirty (30) days after the Code Official has communicated such findings to the complaining tenant. If the Code Enforcement Official concludes that the complaint does constitute harassment, the landlord shall have the right to appeal to the Rent Board within thirty (30) days after the Code Official has communicated such findings to the landlord. Notice of the complaint of the tenant should be given to the landlord in question and a hearing date should be set when both the tenant and landlord or proper representatives of each appear before the Board about the complaint. If the Board determines that the tenant's complaint has merit, the landlord will be immediately notified in writing that until the harassment complained of is eliminated, said landlord shall be prohibited from increasing the rent for that apartment and that the amount of time during which the harassment continues after the date of the landlord's receipt of notice from the Board shall be the amount of time which is pro rata deducted from any rent increase that the landlord may next request. The Board will assume that the landlord will comply with its directives and will not prohibit rent increases unless a tenant complains and proves to the Board's satisfaction that the landlord has not complied with the Board's directive about harassment.
- E. The Rent Leveling Board shall submit monthly reports to the governing body summarizing the number of apartments vacated during each such month and the differences, if any, between the permissible rent increases under the other provisions of this chapter as compared to the increases in rent due to the application of this section. Such monthly reports shall also include the statement of the number of complaints received by the Board with respect to alleged coercion by landlords for the purpose of forcing tenants to vacate apartments.

## § 112-4. Hardship appeal.

[Amended 10-7-1985 by Ord. No. 16-85]

- A. In the event that a landlord is not earning a just and reasonable return on his investment, he may appeal to the Board for increased rental. The landlord must furnish the Board with a full and complete statement of all income, names of tenants, details of the apartments rented, the amount of rent, together with an operating schedule of the costs of operating and maintaining the premises, as well as all other supporting documentation which the Board may reasonably request

in connection with the appeal. The Board shall make a determination as to whether a hardship exists and whether such hardship warrants an increase in rent. In any hardship application, the Board may grant a hardship rent increase if the landlord has not received rent increases which equal his increases in operating expenses in order to maintain a fair net operating income as defined in this chapter. "Net operating income" means the amount by which the annual income exceeds annual operating expenses. "Annual income" means the legal monthly, weekly or other period rent for all units in the building, both residential and commercial, on the date that the landlord's appeal is filed, together with any other income earned from the operation of the building during the period of twelve (12) consecutive months immediately preceding the date of the landlord's appeal. In any case where a rental unit is occupied in whole or in part rent free, the full rental value shall be considered the legal rent. "Annual operating expenses" means all real estate taxes and operating costs necessary to the operation and maintenance of the building but excluding depreciation, mortgage interest and amortization properly allocated to the twelve-month period immediately preceding the date on which the appeal is filed.

- B. In any hardship application, the Board shall determine the reasonableness of the landlord's figures and make adjustments accordingly. Prior to any such appeal to the Board, a landlord shall post in the lobby of each building, or if no lobby is present, in a conspicuous place in and about the premises, a notice of such appeal, setting forth the basis for such appeal. Said notice shall be posted for at least ten (10) days prior to the date fixed for hearing and appeal; and also, the landlord shall serve or cause to be served upon the tenants a notice of the appeal as provided in § 112-11 below at least ten (10) days prior to the date fixed for hearing and appeal. The Board shall hear the appeal and, if a determination is made that a hardship does exist which warrants a rent increase, the Board shall fix the amount of said increase, which sum shall be charged to the tenants in monthly installments pro rata, based upon square footage of dwelling space occupied.

## § 112-5. Surcharge for improvements; notification.

- A. Surcharge. The landlord may seek a surcharge for a capital or service improvement. He must first secure the approval of the Board before commencing the capital or service improvement project so that the Board may make a determination of said improvement or service to distinguish it from a repair or replacement to the premises. In making such a determination, the Board shall consider a capital or service improvement as that which enhances the value of the dwelling or housing space but shall not be bound by the Internal Revenue Service definition. In any event, the tenant shall not be liable for a capital or service improvement surcharge exceeding the cost of the capital or service improvement to the landlord per square feet occupied by the tenant. The surcharge shall be paid in equal monthly installments for a period no shorter than the Internal Revenue Service depreciation period claimed for said capital or service improvement and shall not exceed ten percent (10%) of the tenant's base monthly rental.
- B. Notification of surcharge assessment to tenant. Prior to any appeal to the Board for surcharge for a capital or service improvement, the landlord must post in the lobby of each building, or if no lobby is present, in a conspicuous place in and about the premises, a notice of said appeal. Said notice must be posted for at least ten (10) days prior to the date fixed for hearing the appeal, and, also, the landlord must serve or cause to be served upon the tenants a notice of the appeal as provided in § 112-11 below at least ten (10) days prior to the date fixed for hearing the appeal. The notice to the tenant must include the total cost of the improvement, the total number of square feet of the dwelling or housing space, the total number of square feet thereof occupied by the tenant and the capital improvement surcharge he is seeking from each tenant.

## § 112-6. Rent Control Board.

- A. Creation. There is hereby created a Rent Control Board within the Township of Verona, County of Essex and State of New Jersey.

- B. Membership. The Rent Control Board shall consist of seven (7) members, all of whom shall be residents of the Township of Verona. Members shall be appointed by the Council and shall serve without compensation.  
[Amended 2-1-1988 by Ord. No. 22-87]
- C. Term of office. All members appointed to a four-year term by resolution of the Council adopted July 1, 1987, shall serve through June 30, 1991. All members appointed to a two-year term by resolution of the Council adopted July 1, 1987, shall serve through June 30, 1989. Thereafter, as each term of office expires, each new appointee shall serve for a term of four (4) years. If a vacancy shall occur otherwise than by expiration of a term, such vacancy shall be filled by appointment as provided above for the unexpired term.  
[Amended 2-1-1988 by Ord. No. 22-87<sup>[1]</sup>]  
[1] *Editor's Note: This ordinance also provided for the repeal of former Subsection D, Council liaison member, as amended.*

## § 112-7. Powers and duties of Rent Control Board.

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

- A. To issue and promulgate such rules and regulations as it deems necessary to implement this chapter, which rules and regulations shall be incorporated herein by reference and shall have the force and effect of law until revised, repealed or superseded by state or federal law or amended from time to time by the Board, in the exercise of its discretion, provided that such rules are filed with the Township Clerk.
- B. To supply information and assistance to landlords and tenants to help them comply with the provisions of this chapter.
- C. To hold regularly scheduled meetings for the purpose of deciding matters brought before the Board. After the termination of the proceedings of the matters brought before it, the Board shall render its decisions within thirty-five (35) days or at the next scheduled meeting, whichever shall come first. All parties shall receive a written copy of the Board's decision signed by the Chairman or by the Secretary.
- D. To act as the administrative agency for the purpose of administering the provisions of the Senior Citizens and Disabled Protected Tenancy Act, N.J.S.A. 2A:18-61.22 et seq., and to promulgate such reasonable rules and regulations, consistent with state law, as may be necessary for this purpose, including the power to establish reasonable fees payable to the township in connection with such administrative hearings as may be conducted by the Board at the request of a landlord or tenant. Fees established under this subsection shall be in addition to any fees payable under Chapter 65 of the Verona Code and shall not exceed one hundred dollars (\$100.) per hearing.  
[Amended 11-2-1987 by Ord. No. 18-87]

## § 112-8. Appeal of Rent Control Board decisions to Township Council.

[Amended 11-2-1987 by Ord. No. 18-87]

Any landlord or tenant may appeal the findings of the Board to the Township Council, except that there shall be no appeal from administrative determinations made by the Rent Control Board pursuant to § 112-7D of this chapter. Appeal hearings shall be de novo on the record of proceedings established before the Board. An appeal shall be in writing and shall state the decision of the Board being appealed from and the reasons for the appeal. It shall be served upon the Township Council not later than twenty-five (25) calendar days from the decision of the Board. The hearing will be at a date and

time to be fixed by the Township Council. The appellant shall order and pay for an original and seven (7) copies of a transcript of the proceedings before the Board from the certified shorthand reporting service which was designated to transcribe the record before the Board and serve the transcripts upon the Township Council at least two (2) weeks prior to the date set for the hearing.

## § 112-9. Property maintenance.

- A. The provisions of the Property Maintenance Code<sup>[1]</sup> will be applied strictly to all rental units. Landlords will comply with all requirements for maintenance of both interiors and exteriors. The Code Enforcement Official will make inspections of rentals to ensure compliance.

[1] *Editor's Note: See Ch. 107, Property Maintenance.*

- B. The landlord shall be obligated to maintain the same standards of service, maintenance, furniture, fixtures, equipment, appliances and conveniences in or on the premises as were provided or required by law or lease, at the date the lease was originally entered into or during the term of the tenancy.

- C. Prior to making application for hardship relief under § 112-4 or for a surcharge for a capital or service improvement under § 112-5 and prior to the reletting of a housing space or dwelling unit upon vacancy, the landlord shall obtain a certification that said housing space or dwelling unit is in substantial compliance with the Verona Property Maintenance Code. Such certification shall be obtained from the Property Maintenance Department or Construction Code Official of the Township of the Borough of Verona and, in the case of an application for hardship relief or for a surcharge for capital or service improvement, shall be provided to the Board at the time the application is filed. "Substantial compliance" means that the housing space or dwelling unit are free from all heat, hot water, elevator and all health, safety and fire hazards as well as ninety percent (90%) qualitatively free from all other violations of the Township of the Borough of Verona Property Maintenance Code. The landlord shall notify the Property Maintenance Department or Construction Code Official of the Township of the Borough of Verona at least thirty (30) days prior to making application for hardship relief or for a surcharge for a capital service improvement. The Property Maintenance Department or Construction Code Official shall make the necessary inspections and issue the necessary certifications to the Board within said period of time. Failure of the Property Maintenance Department or Construction Code Official to make necessary inspections of at least fifty percent (50%) of the dwelling units and housing space within sixty (60) days after the landlord has given such notice shall be deemed to be compliance by the landlord. Failure of the Property Maintenance Department or Construction Code Official to make the necessary inspection of at least seventy percent (70%) of the dwelling units and housing space within seventy-five (75) days after the landlord has given such notice shall be deemed to be compliance by the landlord. Failure of the Property Maintenance Department or Construction Code Official to make the necessary inspections of at least ninety percent (90%) of the dwelling units and housing space within ninety (90) days after the landlord has given such notice shall be deemed to be compliance by the landlord.

## § 112-10. Required filing.

[Added 10-7-1985 by Ord. No. 16-85<sup>[1]</sup>]

- A. The landlord of a multiple dwelling subject to the provisions of this chapter shall file with the Rent Control Board not later than thirty (30) days from the effective date of this chapter, a statement, in the form prescribed and adopted pursuant to the rules and regulations of the Rent Control Board, which statement shall contain the following:
- (1) The name and address of the landlord.
  - (2) The street address of the multiple dwelling.

- (3) The apartment number, floor designation or other designation or other information adequate to identify the housing space for which the report is submitted.
  - (4) The rent in effect as of thirty (30) days from effective date of this chapter.
  - (5) The commencement date and expiration date of any written lease covering the housing space in effect thirty (30) days from the effective date of this chapter.
- B. The landlord of a multiple dwelling subject to the provisions of this chapter shall file with the Rent Control Board not later than thirty (30) days after an increase in rent which becomes effective after thirty (30) days from the effective date of this chapter, a statement, in the form prescribed and adopted pursuant to the rules and regulations of the Rent Control Board, which shall contain the following:
- (1) The name and address of the landlord.
  - (2) The street address of the multiple dwelling.
  - (3) The apartment number, floor designation or other designation or other information adequate to identify the housing space as to which the report is submitted.
  - (4) The rental charge prior to the increase in rent.
  - (5) The new rental charge.
  - (6) The effective date of the rental increase.
  - (7) The expiration date of any written lease covering the housing space as of the effective date of the increase.

[1] *Editor's Note: This ordinance also provided for the repeal of former § 112-10, Records.*

## § 112-11. Method of notification.

Whenever notice is required under any section of this chapter, it shall be accomplished by posting to the person to be served a copy of said notice by certified mail, return receipt requested, or by handing a copy of said notice to said person or his duly authorized agent. "Person" as used in this section shall also include corporations, partnerships and their duly authorized agents or representatives.

## § 112-12. Interpretation.

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

## § 112-13. Violations and penalties.

- A. A violation of any provision of this chapter, a willful filing of any material misstatement of fact with the Board, a willful misstatement of testimony given to the Board or to the Mayor and Council on an appeal from the Board, or a failure to comply with any order of the Board shall be punishable by a fine of not more than one thousand dollars (\$1,000.) or imprisonment for not more than ninety (90) days, or both, and in addition a forfeiture of all allowable increases for all rentals in the property concerned for a one-year period commencing upon the adjudication of a violation of this chapter. A violation affecting more than one (1) leasehold shall be considered a separate violation as to each.



[Amended 10-7-1985 by Ord. No. 16-85]

- B. This section shall be enforced by the Chairman of the Board or his designate or by an aggrieved party filing a complaint with the Clerk of the Verona Municipal Court.

## § 112-14. Real estate tax rebates or reductions.

[Added 10-7-1985 by Ord. No. 16-85]

In the event that a landlord perfects a successful tax appeal, the tenants shall receive seventy-five percent (75%) of all refunds of excess taxes as applied pro rata to the tenants occupying the property as of October 1 of the pre-tax year, after deducting all reasonable expenses incurred by the landlord in perfecting the tax appeal. A tenant qualifying for a refund of excess taxes shall be entitled to a refund applicable to the tax year under appeal and to such years following the appeal as the judgment on the tax appeal may be effective in accordance with N.J.S.A. 54:51A-8. Such refunds shall be reflected in a downward adjustment of such tenant's rent. In addition, the landlord shall file with the Board within sixty (60) days after the entry of judgment on a tax appeal favorable to the landlord a statement containing the information required by § **112-10B** hereof except that such statement shall reflect the appropriate refund of excess taxes to the tenant. This section shall be applicable to all property tax appeals in which a judgment is entered by the County Board of Taxation or the Tax Court of New Jersey after the effective date of this chapter.