

**BOROUGH OF DUMONT
BERGEN COUNTY, NEW JERSEY
RENT LEVELING BOARD
MINUTES – MARCH 14, 2016**

Flag Salute

SUNSHINE LAW: The notice requirements of the Open Public Meetings Act of the State of New Jersey have been satisfied by the inclusion of the date, time and place of this Rent Leveling Board meeting of the Borough of Dumont having been sent to *The Record*, the *Ridgewood News*, and posted on the Borough website and in the Borough Hall.

ROLL CALL: Ralph Williams, Judy Parker, Albert Taxter, Joseph Woska, Irwin Buchheister, Coleman Szely: present; Lillian DeCristofaro-Absent

Mr. Williams was introduced to the Board. He was appointed to the Board on February 16, 2016 as Homeowner Representative and the designated Chairman of the Board. Also present at the meeting was Matthew Hayes, Council Liaison, Gregg Paster, Borough Attorney, and Kathy Schaefer, Board Secretary.

Ms. DeCristofaro arrived at 7:15pm.

Motion to open the meeting to the public: Mr. Williams, second: Ms. DeCristofaro.
All in favor: Aye

There being no members of the public present, motion made to close the meeting to the public: Mr. Williams, second: Ms. Parker.
All in favor: Aye

Ms. Schaefer stated that Mr. Paster would not be available for the whole meeting, that we should skip items two through four and start with Other Business.

Ms. Schaefer advised that the Board had received a request from former Councilman Harry Stylianou, which request had been sent to the board members prior to the meeting. He requested the board review Chapter 322.-3 Determination of Rents of the Rent Control Ordinance which was approved in August 2010. He wanted the Board to amend the ordinance to state that the landlord can increase rent in the same percentage of the CPI or a maximum of 4%, whichever is greater.

Ms. Parker stated that she agrees with it 100% and it is nice that someone brought that up, he is right. Mr. Woska stated that he feels this issue should be discussed further. He does not agree with it, that the increases should be below 5% or even below 4%, one or two percent may be okay, but nothing above that. Mr. Paster stated that what he thinks is that Harry is looking for is a recommendation from this board to the Mayor and

Council as to what to consider and obviously there are competing interests on both sides of the equation. Mr. Taxter stated that he thinks Judy and Lillian are probably okay with this since they are landlords but he doesn't know why we have to hit on this right now. He just came home and received the packet, didn't get a chance to look at it.

Mr. Williams stated what would be a fair increase. Ms. DeCristofaro asked why we have to have an increase. Mr. Woska stated that if we came in with a one or two percent increase, he thinks that is fair. Ms. Parker stated that of course she would prefer the 4% max. She stated that the landlord needs the increase; property taxes are going up, the heat the landlords pay, the water is going up. Mr. Taxter stated again, he would like to reschedule this meeting. Mr. Szely asked why, there is not much to read, either we are going to raise it or not.

Mr. Williams stated that we have to decide on what is fair and equitable to both parties, we have to decide on some common ground, the CPI is not, the 5% is not. Mr. Taxter asked if this going to be permanent. Ms. DeCristofaro stated that if the other one wasn't going to be permanent, then this one won't be either. Mr. Woska stated that if we could keep it at a certain level, it won't be outrageous to some of the homeowners and some of the landlords. Mr. Taxter stated that five or six years ago when we were paying, 3, 4 and 5% increases, the landlords were happy. Then all of a sudden the economy goes down, the tenants are not paying any increases for the past year or so, then all of a sudden you want raises -- it is not fair to the tenants. Ms. Parker stated that it is, how can I make improvements to the property and pay the gas and the electric and all the bills that are going on and the increase in property taxes with no increase to the tenants.

Ms. Parker said we are not looking at the other side of the story. When the landlord doesn't get to increase their rents, then the landlords are going to start filing tax appeals on the town which that is going to cost the town a lot of money in legal fees. If you give the landlord the ability to make a decent increase in their rents, that may lessen the tax appeals.

Mr. Taxter said he would rather leave it as is. Mr. Buchheister agreed.

Mr. Paster stated that the legality of it is that you are voting to make a recommendation to the Mayor and Council who ultimately makes the decision. On the one hand, Judy is absolutely right, the taxes go up and costs go up. On the other hand, people renting, in many cases, are getting no pay raises, no fixed income, Social Security, disability raises but it seems like with the property tax, theoretically capped at 2% and rent, taking everything into account that the cost of operating a housing facility, it seems like 2% is a fair number because that's a fixed cost that you can basically be sure that that is the cost of operating is going to go up each year. He stated that he does not own property in town, that he doesn't own rental property anywhere, but that I do own my own home. I am in the middle of the whole thing. If I was in your position, I would be saying 2%.

Mr. Taxter made a motion to leave the ordinance as it is now.

Second: Mr. Woska

Roll call vote: Mr. Taxter-yes, Mr. Woska-yes, Ms. Parker.-no, Ms. DeCristofaro-no

Mr. Williams: Abstain

The motion does not carry and there is no recommendation.

Ms. Parker made a motion change the ordinance to be the same percentage of the CPI or a maximum of 2%.

Second: Ms. DeCristofaro

Roll call vote: Mr. Taxter-no, Mr. Woska-no, Ms. Parker-yes, Ms. DeCristofaro-yes

Mr. Williams: Abstain

The motion does not carry and there is no recommendation.

Mr. Paster left the meeting at 8:00pm.

Ms. DeCristofaro asked if the Mayor and Council would have the right to supersede whatever we come out with. Councilman Hayes advised that the Mayor and Council could say yes or could say no. Ms. DeCristofaro asked if the Mayor and Council would say well they couldn't make up their minds, so we are going to do it. Ms. Schaefer advised that there is an Ordinance Committee that will look at this. If it gets a majority vote for yes, Councilman Hayes, Chairman of the Committee, will pass it along to Mayor and Council for their approval.

Ms. Parker made a motion change the ordinance to read:

"The maximum increase for a twelve-month period, shall be 1.5% of the current rent or the percentage increase of the Consumer Price Index based upon an average of the previous 12 months, whichever is greater"

Second: Ms. DeCristofaro

Roll call vote: Mr. Taxter-yes, Mr. Woska-yes, Ms. Parker-yes, Ms. DeCristofaro-yes

Mr. Williams: yes

Chapter 322.3 shall be revised as follows":

§ 322-3. Determination of rents. [Amended by Ord. No. 925; Ord. No. 947; Ord. No. 1004]

Establishment of rents between a landlord and tenant to whom this article is appropriate shall be determined by the purposes of this section. No landlord shall increase the rental of any housing space more than once in a twelve-month period, except for as provided in Section 322-4 hereof. The maximum increase for a twelve-month period shall be one.five percent (1.5%) of the current rent or the percentage increase of the Consumer Price Index ("CPI"), based upon an average of the previous 12 months, whichever is greater for all dwelling units covered by Chapter 11A of the Revised Ordinances of the Borough of Dumont. The CPI shall be established and published the average of the

previous 12 months of the CPI as is determined by the U.S. Department of Labor Statistics for the New York, New York-northeastern New Jersey area, or its successor. The twelve-month increase shall not exceed 5%.

Councilman Hayes, as Chairman to the Ordinance and Resolution Committee, will bring this revision to the committee for its approval.

Copies of the December 8, 2014 minutes were sent to all board members prior to the meeting.

Motion to approve the minutes of the December 8, 2014: Ms. Parker, second: Mr. Woska
Roll call vote: Ms. DeCristofaro, Ms. Parker, Mr. Taxter, Mr. Woska -Aye
Mr. Williams - Abstain

Copies of Resolution 16-02 Authorizing the 2015 Annual Meeting Schedule of the Rent Leveling Board of the Borough of Dumont was sent to Board members prior to the meeting.

Motion to approve Resolution 16-02: Mr. Woska, second: Mr. Taxter
All in favor: Aye

Copies of Resolution 16-03 Authorizing Fair and Open Process for Legal Notice for Request for Qualifications for Rent Leveling Board for 2015 were sent to the board prior to the meeting.

Mr. Williams made a motion to pull Resolution 16-03.
Second: Ms. Parker
All in favor: Aye

Motion to adjourn the meeting: Mr. Williams
Second: Mr. Woska
All in favor: Aye

The meeting was adjourned at 8:20pm.

Minutes respectively submitted:


Kathy Schaefer 9/26/14
Rent Level Board Secretary