

Below are changes to the City Rent Control Ordinance that took effect on January 1st, 2021

**** Notes for clarification/explanation in RED**

SECTION I

Title 5, Chapter 5.80, Section 5.80.030, “**Definitions**” is hereby amended to include the following definition:

“Quiet Enjoyment” means the right to the undisturbed and enjoyment of real property by a tenant.

SECTION II

Title 5, Chapter 5.80, Section 5.80.080, “**Amendments**” is hereby amended to read as follows:

- A. In the event that the rental unit is vacant at the time of registration, and should the rental unit be thereafter occupied prior to the registration of the unit by the landlord for the following year, the landlord is required to amend the registration form for that rental unit within thirty (30) days of the occupancy of such unit providing the information required as set forth above in subsection 5.80.070(B).
- B. If ownership of a registered rent-controlled unit or units changes prior to the annual re-registration requirement, the new owner shall file a notice of new ownership with the rent control office within thirty (30) days of the closing of title on the unit or units, except:
 - a. If the closing of title occurs on or after December 1st in a given calendar year an amended registration shall not be necessary.
 - b. Failure to register within thirty (30) days of closing of title shall require payment of a late fee as set in Section 5.80.100 B.

SECTION III

Title 5, Chapter 5.80, Section 5.80.095, “**Receipt Required for Certain Rent/Other Payments**” is hereby amended to read as follows:

- A. A landlord receiving rent or other payments from a tenant in cash or by money order shall provide a written receipt for payment immediately upon receipt if the payment is made in person, or within three business days if payment by cash or money order is not made in person.
- B. Receipts shall be required to include the following details:
 - 1. Date of payment
 - 2. Month of rent paid
 - 3. Rent amount
 - 4. Method of payment (cash, money order, other)
 - 5. Signature of the landlord or property managing agent
 - 6. Any additional non-rent fees or payments and an explanation of the purpose of said fees or payments.

SECTION IV

Title 5, Chapter 5.80, Section 5.80.110, “**Standards of Service**” **A.** is hereby amended to read as follows:

- A. During the term of the rental, the landlord shall maintain the same standard of service, maintenance, furnishings or equipment in the rental unit as he or she was required to do at the commencement of the lease. An individual tenant or class of tenants who do not receive substantially the same standard of service, maintenance, furnishings, equipment or quiet enjoyment of the rental unit may appeal to the rent control board for a determination of the reasonable rental value of the rental unit in view of the deficiency. Upon such determination such tenant or class of tenants shall only be required to pay that reasonable value in lieu of full rental payment, until the deficiency is corrected.

SECTION V

Title 5, Chapter 5.80, Section 5.80.100, “**Fee**” is hereby amended to read as follows:

- A. As of January 1, 2021, the fee for registration shall be forty-five dollars (\$45.00) per rental unit to be paid at the time of registration. There shall be no fee for amendment of registration unless otherwise specified in Section 5.80.080.

- B. As of January 1, 2021, a late fee of fifteen dollars (\$15.00) per unit shall be paid for rental units which are registered after April 30 if such rental unit was required to be registered as of April 1.
- C. As of January 1, 2021, the fee for application for a Vacancy Adjustment under Section 5.80.140 shall be equal to the fee for annual rent registration per rental unit. **** \$45 per unit for 2021**
- D. As of January 1, 2021, the fee for an application for a Market Vacancy Decontrol under Section 5.80.140 shall be equal to double the fee for annual rent registration per rent unit. **** \$90 per unit for 2021**

SECTION VI

Title 5, Chapter 5.80, Section 5.80.140, **Vacancy Decontrol, A. Vacancy Decontrol, 2. Market Vacancy Decontrol** is hereby amended to **ADD** the following:

- b. Additionally, certain forms of capital improvements will qualify a landlord for a market vacancy decontrol. They may qualify if the landlord documents the investment of at least fifteen (15) percent of the annual rent for the year previous to the current decontrol application in improvements to the rental unit and they meet one or more of the following criteria:
 - i. All of the improvements included herein must have been installed with all necessary and appropriate zoning and construction permits as needed.
 - ii. The property is assessed by a certified lead evaluation contractor and is deemed lead free by a certified lead abatement contractor. This applies to both lead paint and lead water pipes. (Lead water pipe replacement must include all new piping up to the City's water main in the street)
 - iii. The property has 100% of its windows replaced with new Energy Star rated double pane windows.
 - iv. Conversion from oil heat to gas or electric heat.
 - v. Installation of solar panels for the benefit of the tenant(s). E.g. all of the electricity generated reduces only the bill(s) of the tenant(s). If the any of the electricity is used for the benefit of anyone that is not a residential tenant of the property, then only a prorated portion of the solar cost shall apply towards the market vacancy decontrol.
 - iv. Installation of new HVAC or geothermal heating/cooling for the use of the tenants in units that previously did not have said amenities.
 - vii. Installation of flooding mitigation improvements such as a french drain or dry well. (This may only apply up to 50% of this cost towards the market vacancy decontrol)

**** Any improvements that did not receive necessary permits from Zoning or Construction shall not qualify towards a decontrol.**

SECTION VII

Title 5, Chapter 5.80, Section 5.80.280, "**Harassment**" is hereby created to read as follows:

- A. It shall be unlawful for a landlord to intentionally cause termination of any of his or her tenant's utility services, including water, heat, electricity, or gas, except for an interruption of utility services for a reasonable time in order to make necessary repairs. Any landlord who violates this section may be liable to such tenant for actual damages sustained by a tenant, and up to one hundred dollars for each day or part thereof the tenant is thereby deprived of any utility service, and the prevailing party may recover his or her damages through action before by the Rent Control Board. It shall be unlawful for a tenant to intentionally cause the loss of utility services provided by the landlord, including water, heat, electricity, or gas, except for an interruption of utility services for a reasonable time in order to make necessary repairs.

SECTION VIII

Title 5, Chapter 5.80, Section 5.80.290, "**Late Fees**" is hereby created to read as follows:

- A. Monthly late fee charges shall not be permitted to exceed 10% of the legal monthly rent rounded to the nearest dollar.
- B. If a lease allows multiple late fee charges (e.g. \$50 after 5 days and \$10 per day after) then the maximum total of late fees for a given month, is no greater than 10% of the legal monthly rent.

C. Example Table

Monthly Rent	Maximum Monthly Late Fee
\$750	\$75
\$1133	\$113
\$2268	\$227

SECTION IX

Title 5, Chapter 5.80, Section 5.80.300, “**Utility Conversions**” is hereby created to read as follows:

Should a landlord convert the rental agreement from landlord-paid utilities to tenant-paid utilities while a current lease is in effect or upon the renewal of same, the landlord shall provide the prior three (3) years of utility bills to the tenant. The bills will be averaged to determine the per month average utility cost and the base rent shall be reduced by that amount.

**** If the average electricity cost from 2018-2020 was \$100 per month, then in order to convert to tenant paid utilities the landlord must reduce the base rent by \$100 per month in 2021.**

**** If the tenant is a new tenant on a new lease this shall not apply.**

SECTION X

Title 5, Chapter 5.80, Section 5.80.315, “**Probationary Program**” is hereby created to read as follows:

To better address poor property maintenance and housing conditions, below is outlined a probation program to require a higher level of attention to rental properties from the Bureau of Housing Inspections that meet the below standards:

1. Probationary conditions:
 - a. Annual inspections.
 - i. Properties subject to the probationary standard must register for and have a property inspection annually for two (2) consecutive years until the property passes inspection for two (2) consecutive years without a failed inspection.
 - ii. Rental registration fee increased to double of standard fee to offset cost of additional inspections.
 - b. Two (2) year reduction on rental increases.
 - i. Affected properties may only increase rents by half of the allowable annual increase as permitted by the rent control office. Example: If the maximum allowable rent in a given year is 3% then the affected properties can only have a maximum increase of 1.5%.
2. Probationary demerits:
 - a. Relocation due to property condition or illegal occupancy.
 - b. Greater than two (2) convicted violations per property within 24 months.
 - c. Revocation of inspection certificate as per Section 15.40.070.
 - d. Resolution by Rent Control Board requiring payment to tenant for illegal rent or standard of service violation.
3. The Office of Rent Control may begin this program on or after January 1st, 2021.

SECTION XI

Title 5, Chapter 5.80, Section 5.80.380, “**Standard of Service Complaints**” is hereby created to read as follows:

In the event a standard of service complaint that is adjudicated by the Rent Control Board of the City of New Brunswick against a Landlord, the following percentages shall apply to monthly rent credits or payment the Board requires the landlord to provide to the tenant:

- i. No Heat 45%
- ii. Quiet Enjoyment/Security Up to 60%
- iii. No utilities (except heat) Up to 30% (per utility)
- iv. Non-working refrigerator 40%
- v. Non-working other appliances 20%

SECTION XII

Title 5, Chapter 5.80, Section 5.80.400, "**Relaxation**" is hereby created and reads as follows:

From time-to-time there may be a need to temporarily grant relief or reprieve from this Chapter in order to protect and advance the public good. The City Council of the City of New Brunswick is hereby authorized to grant temporary relaxation of the any of the items within this Chapter through Council Resolution for a period of no more than twelve (12) months.

≡