

# 2021 Rent Control Registrations - Plain Language Summary

## 1. Units that do not have to be registered:

- NJ State Licensed Boarding Houses
- Public Housing Units
- College Dormitory Rooms/State Fraternities
- Motels and Hotels
- Properties without a CCO
- Vacant Property (Ord. #15.70)

## 2. Units that must be registered annually, but ARE NOT rent-controlled:

- Two-family owner-occupied rental units
- Some multiple dwellings
- Project-based Section 8 units

## 3. Units that must be registered annually, and are rent-controlled:

- All other residential units not mentioned above, including non-owner-occupied rented units, vacant units, units under construction that are without a Certificate of Occupancy, and rental units pending sale.
- Two-family owner-occupied properties are not rent-controlled, but owners must register their rented unit. This is to ensure that all units comply with code compliance 3-year rental inspections, and to discourage fraud by non-resident owners evading the provisions of the Rent Control Ordinance.

**All registrations and fees must be filed by April 1 of each year at \$45.00 per unit. Registrations received after April 30 will be charged a \$15.00 late fee per unit, unless the unit is rented for the first time.**

**Base Rent:** A landlord may not increase the base rent on a unit more than the maximum annual allowable increase. **The maximum allowable increase for 2021 is 2.5%.** For example, if the 2021 base rent was \$1,000, the maximum rent for a lease starting in 2021 is \$1,025.00 ( $\$1,000.00 \times 2.5\% = \$25.00$ ).

**Notice of Increase:** Any landlord seeking to increase the base rent shall, at least thirty (30) days prior to the effective date of such increase, notify the continuing tenant in writing of the calculations used to compute the increase.

**Surcharges:** The landlord may seek surcharges for hardship and/or capital improvements. In order to add these surcharges to the tenant's base rent payment, the landlord must have the surcharge approved by the Rent Control Board at a public hearing.

### **Vacancy Decontrol (VDC):**

**The VAR application fee for each unit is \$45.00. The MVD application fee for each unit is \$90.00.**

Checks are to be made out to The City of New Brunswick.

- A landlord may raise the rent in excess of the maximum annual increase if (1) the previous tenant has vacated voluntarily or through a legal eviction; and (2) the landlord's vacancy decontrol application has been approved by the Rent Control office within 30 days of signing of new lease.

### **To Qualify for Decontrol to Market (every five years):**

- The vacating unit has NOT been granted a Market VDC in the past **five** years.
- Owner has made an investment over the past 5 years equal to 15% of last year's annual rent.
- Example: Current unit monthly rent is \$1,000. If the unit has not had a "market VDC" in the past 60 months and the owner has invested at least \$1,800 in the unit ( $\$1,000 \times 12 \times 15\%$ ) over the past five years, the owner may qualify for a **MARKET DECONTROL** action of the vacating unit.

### **To Qualify for Vacancy Adjustment (Limited Decontrol/every two years):**

- If the vacating unit has been granted a Market VDC in the past five years, the unit may qualify for a Vacancy Adjustment. This is calculated using the allowable increase percentage for that year, plus 4%. Example: 2.5% (for 2021) + 4% = 6.5%
- The owner must not have taken a Vacancy Adjustment in the previous year. Vacancy adjustments cannot be given two consecutive years.

## **Notices Required**

- **All leases (written and oral) must contain the following notice regarding the Rent Control Ordinance:**

“This rental unit is covered by The Rent Control Ordinance of the City of New Brunswick. This ordinance affects the landlord’s ability to raise rents, impose mandatory fees and impose surcharges for various landlord expenses. A tenant can seek a remedy against a landlord for violation of this ordinance before the City’s Rent Control Board. Any questions regarding the Rent Control Ordinance should be addressed to the City of New Brunswick Rent Control Chairperson.”

- **Notices to Tenant at Initial Lease or Lease Renewal**

The landlord must provide the following to the tenant at initial lease or lease renewal:

- Base rent increase calculation
  - Most recent rent registration filing for the unit
  - Any notices for surcharge applications made in the previous 12 months
  - Any VDC applications made for the unit in the previous 12 months
  - Bilingual plain language summary of rent control requirements (this document)
- **Necessary Vacancy Decontrol Notices**
    - Notice by landlord to tenant in writing of any VDC application (by regular and certified mail)
    - Notarized statement by landlord to Rent Control Board that proper notice had been made to tenant
    - Notice by Rent Control Board to landlord and tenant (if occupied) of the approval/disapproval of the VDC application

## **Rent Receipts Required for Cash and Money Order Rent Payments** (per Ordinance 5.80.095)

- 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 not made in person.

## **Late Fees**

- Monthly late fees are not permitted to exceed 10% of the legal monthly rent rounded to the next nearest dollar.
- If a lease allows for multiple late fee charges (e.g., \$50 after five days and \$10 per day thereafter), then the maximum total late fees for that month are not greater than 10% of the legal monthly rent.

## **Complaints**

- Complaints about base rent, surcharges or vacancy decontrol may be made to the Rent Control Office, Civic Square, 25 Kirkpatrick Street, or 732.745.5050.
- The Rent Control Board will hold a public hearing on complaints that cannot be resolved amicably between the landlord and tenant(s).

## **Penalties**

- Violation of a municipal ordinance is punishable by fines levied by the Municipal Court, along with possible jail time or community service.
- If the Rent Control Board finds that rent was overcharged, there will be:
  - Return of any overcharged rent to the tenant
  - No base rent increase, VDC, or surcharge permitted for the next two annual leases

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**The full Rent Control ORDINANCE is available online at**  
<http://municipalcodes.lexisnexis.com/codes/newbrunswick>

**Title 5 - BUSINESS LICENSES AND REGULATIONS**  
**Chapter 5.80 RENT CONTROL**

**The rent control website and all associated forms and information can be found online at**  
[cityofnewbrunswick.org/rentcontrol](http://cityofnewbrunswick.org/rentcontrol)

**New Brunswick Rent Control Office: 732.745.5050**

