



# THE CITY OF NEW BRUNSWICK

Office of Rent Control  
Department of Planning, Community and  
Economic Development  
Civic Square • 25 Kirkpatrick Street • PO Box 269  
New Brunswick, NJ 08903  
[www.cityofnewbrunswick.org/rentcontrol](http://www.cityofnewbrunswick.org/rentcontrol)

---

## Vacancy Decontrol Application - Instruction Guide

### Qualifications:

#### ➤ **Property Must Be Registered for Current Year**

A landlord may raise the rent in excess of the annual allowable increase (CPI-consumer price index) under the following circumstances:

- The previous tenant has vacated the unit voluntarily or through a legal eviction
- The landlord has submitted a vacancy decontrol application and it was approved by the Rent Control office

**Applications Submitted 60 Days Prior to Re-Renting Will Be Processed  
within 30 Days of New Tenancy Lease Start Date**

### New Update for 2021

Title 5, Chapter 5.80, Section 5.80.140, Vacancy Decontrol, Market Vacancy Decontrol is amended.

(B) Additionally, certain forms of capital improvements will qualify a landlord for a market vacancy decontrol. To qualify, the landlord must document the investment of at least fifteen percent (15%) of the annual rent (for the previous year) for improvements to the rental unit, and include it on the current decontrol application.

Those improvements must meet one or more of the following criteria:

- All of the improvements included herein must have been installed with all necessary and appropriate zoning and construction permits.
- 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.)
- The property has 100% of its windows replaced with new Energy Star-rated double pane windows.
- Conversion from oil heat to gas or electric heat has been done.
- Installation of solar panels for the benefit of the tenant(s) has been completed, i.e., all of the electricity generated will reduce only the bill(s) of the tenant(s). If any 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 toward the market vacancy decontrol.
- Installations of new HVAC or geothermal heating/cooling for the use of the tenants in units (that previously did not have said amenities) have been completed.
- Installation of flooding mitigation improvements, such as French drain or dry well, has been completed. (Up to 50% of this cost may be applied to the market vacancy decontrol.)

## Application Information

### **Owner Information:**

Provide the name of the owner of the property, the owner's mailing address, and daytime phone number. Also, provide the name of the person completing the form.

### **Vacating Unit Information:**

- The "vacating unit" is the unit from which a tenant(s) has either moved, or will be moving out, at the end of their tenancy.
- Provide the address and unit # for which this application applies. (One application per unit is required).
- Provide the **base rent** that was paid by the tenant who has vacated the unit.
- Check one box on the form to indicate how many years ago this unit originally became a rental unit.
- Provide the start date of the lease term for the new tenant after the unit was rehabilitated.
- If the unit is not yet occupied, list the unit as vacant. However, the landlord is responsible for updating this information to the Rent Control office when a lease is signed. In order to qualify for decontrol of the unit, the notarized voluntary vacancy certification must be filed with the Rent Control office within **30 days** of the start of the new tenant's lease.

## Select the Type of Decontrol

### ❖ **Vacancy Adjustment Request: \$45.00 Fee per Rental Unit**

A vacant unit can qualify every 24 months (2 years). No improvements to unit are required to be documented. The allowable increase is calculated from the annual CPI + the 4% adjustment factor.

**Example:** 2021 annual allowable increase is  $2.5\% + 4\% = 6.5\%$  increase

(If the unit was approved for a Market Decontrol the previous year, it is only allowed the annual increase this year.)

- 1. Provide the date of most recent vacancy adjustment:** Please note the date the last vacancy adjustment was granted for this site (base rent plus 4% increase).
- 2. Base rent increase amount:** This figure changes annually but is supplied on the form. Please make sure you are using the current year's form.
- 3. Adjustment factor of 4%:** This figure is supplied on the form and remains constant.
- 4. Vacancy adjustment increase:** This is the maximum percentage rent increase allowed through a vacancy adjustment. **This figure changes annually.** Please make sure you have the current year's form.
- 5. Base rent:** Re-enter the base rent amount you entered above.
- 6. Allowable increase:** Calculate the allowable increase by multiplying the Vacancy Adjustment Increase (#4) by the Base Rent (#5).
- 7. New adjusted rent:** Add the Allowable Increase (#6) to the Base Rent (#5). This is the maximum rent that can be charged for this unit after the Vacancy Adjustment is approved.
- 8. Notice by landlord to tenant:** Please provide notice in writing, to at least one adult tenant, of any VDC application or approval by regular and certified mail indicating that a Vacancy Decontrol Application has been filed or approved with the Rent Control office.

**9. Notarized statement by landlord to the Rent Control office:** This statement is a necessary part of the application that verifies appropriate notice to the tenant(s) was made.

**❖ Market Decontrol Request: \$90.00 Fee per Rental Unit**

In order to qualify for a Market Decontrol, the investment amount must be equal to or greater than 15% of the annual rent entered in #3 above. Additionally, the vacating unit must not have been granted a Market Decontrol in the past five years. The owner must prove investments in the unit, or to the common space (pro-rated over multiple units) of at least 15% of the vacating tenant's annual rent.

*Example:* If the vacating tenant's rent was \$1,000.00, the total annual rent is \$12,000.00 (1,000 x 12). \$12,000.00 x 15% = \$1,800.00 of investments over the past five years. The owner is **required** to provide copies of payments made and/or receipts documenting the improvements to this unit. Property maintenance items (such as painting and maintaining unit) are not applicable.

**1. Provide the date of most recent market decontrol:** Please note in the box the date of the last time this unit was decontrolled to market, i.e., the last time the rent was permitted to be increased without any restriction on the increase.

**2. Annual rent for the previous year:** Please note in the appropriate space the total rent charged for the previous 12 months.

**3. 15% of annual rent:** Calculate this value by multiplying the Annual Rent (#2) by 0.15. This is the minimum amount that must have been invested in this unit during the past 60 months in order to qualify for a Market Decontrol.

**4. Actual investment in improvements to this unit for the past 60 months:** Write the total amount in the box on the form, and provide documentation of this amount.

**5. Provide dated receipts, contracts, cancelled checks, etc., to document these costs.** If the owner has performed the improvement work himself/herself, they may include a labor cost of 150% of the documented cost of materials they have installed. If investments were made to common areas or systems, such as a parking area or a roof in a multi-family building, this investment must be prorated over the total number of units in the building. The common area share for the unit to be decontrolled is calculated by adding the total investment in common areas or systems, and then dividing this total by the number of units in the property.

*Example:* If a new roof is installed on a 4-family house at a cost of \$10,000, the share of this cost that can be allocated to the unit for which decontrol is sought is \$2,500 (\$10,000 divided by 4 units = \$2,500).

**6. New market rent for this unit:** Enter the new decontrolled market rent per month that will now be charged for this unit. ("Market rent" is defined as whatever the market will bear.)

**7. Notice by landlord to tenant:** Please provide notice in writing, to at least one adult tenant, of any VDC application or approval by regular and certified mail indicating that a Vacancy Decontrol Application has been filed or approved with the Rent Control office.

**8. Notarized statement by landlord to the Rent Control office:** This statement is a necessary part of the application that verifies appropriate notice to the tenant(s) was made.