

**CITY OF UNION CITY  
COUNTY OF HUDSON, STATE OF NEW JERSEY**

**ORDINANCE 2018-33**

**AN ORDINANCE AMENDING CHAPTER 334 (RENT CONTROL)  
TO SET FORTH REQUIREMENTS FOR LANDLORDS SEEKING A RENT CONTROL  
EXEMPTION FOR NEW CONSTRUCTION**

**WHEREAS** State Law, more specifically N.J.S.A. 2A:42-84.1, enacted in 1987, mandates that new, residential multi-family construction cannot be subject to local rent control; and

**WHEREAS**, Union City has a comprehensive rent control ordinance under Chapter 334 of the Code of the City of Union City (the “Code”); and

**WHEREAS**, Chapter 334, Section 2, Subsection (B)(4) of the Code specifically exempts new construction from the City’s rent control ordinance and;

**WHEREAS**, the State Law requirements for a property owner seeking such an exemption only require the landlord to file with the municipal construction official, a least 30 days prior to the issuance of a certificate of occupancy, a written statement of the owner’s claim of exemption from the (local) rent control ordinance; and

**WHEREAS**, this written statement must include a statement of the date upon which the exemption period so claimed shall commence and information to identify the address of the property and the number of rental units; and

**WHEREAS**, State law also requires the landlord to—following the submission of the statement to the construction official—provide any prospective tenants with a written statement that the building is exempt from rent control; and

**WHEREAS**, the landlord is required to include language indicating that the building is exempt from rent control in the lease of any prospective tenant; and

**WHEREAS**, there is no language in the state statute to provide a hearing in the event the landlord does not comply with either of these sections; and

**WHEREAS**, the City of Union City finds that in accordance with its original finding of a housing emergency crisis and the need for affordable housing in the City, and the lack of any mechanism in the State Law, to address the sufficiency of the written notice of the landlord’s claim for exemption with the municipal construction official and/or the required notices and lease provisions to be provided to prospective tenants under the State Law; and

**WHEREAS**, the City finds that the lack of any mechanism in the State Law addressing such issues requires the City to address them as amendments to the rent control ordinance herein;

**NOW THEREFORE, BE IT ORDAINED** by the City of Union City that Chapter 334 of the Code of the City of Union City is amended as follows:

**SECTION ONE:**

- 1. The following language is appended immediately after the existing language of Section 334-2(B)(4)(C):**

Notwithstanding the exemption of a property qualified as new construction, the Rent Regulation officer shall be authorized to determine on notice to the landlord and affected tenant(s) the validity of the landlord's application for exemption under the State Law in accordance with Section 334-5(A)(3)(l) and further require registration of rents charged by the landlord as exempt from rent control under State Law in accordance with Section 334-16 (A)(7).<sup>1</sup>

- 2. Section 334-5(A)(3) Rent Regulation Officer; duties is amended to add the following new section:**

(l) To determine the sufficiency of the written notice of the landlord's claim for exemption pursuant to N.J.S.A. 2A:42-84.1 et seq., with the municipal construction official and/or the required notices and lease provisions to be provided to prospective tenants under the State Law. In the event the Officer determines the requirements under the State Law have not been met by the Landlord, the rent for the affected unit(s) shall be subject to a determination of the legal rent by the Officer under the rent control provisions of this ordinance.

- 3. Section 334-16 (Registration requirement) is amended to add the following new section:**

(A)(7) Notwithstanding a building may qualify for exemption from rent control as new construction pursuant to N.J.S.A. 2A:42-84.1 et seq., a landlord will still be required to file an annual rent registration statement with the charged rents.

**SECTION TWO:**

**Severability.** If any term or provision of this Ordinance is held to be illegal, invalid, or unenforceable by a court of competent jurisdiction, in whole or in part, such determination shall not affect the validity of the remaining terms and provisions of this Ordinance.

**SECTION THREE:**

**Repealer.** To the extent that any provision of the Code of the City of Union City is found to conflict with this Ordinance, in whole or in part, this Ordinance shall control.

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<sup>1</sup> Note that Sections 334-5(A)(3)(l) and Section 334-16 (A)(7), referenced here, are newly-created by this Ordinance.

**SECTION FOUR:**

In order to avoid accidental repeal of existing provisions, the City Clerk and the Corporation Counsel are hereby authorized to change any chapter numbers, article numbers and/or section numbers in the event that the codification of this Ordinance reveals that there is a conflict between those numbers and the existing Code.

**SECTION FIVE:**

This Ordinance shall take effect upon passage and publication as required by law.

**I HEREBY CERTIFY** this to be a true and correct Ordinance of the City of Union City Board of Commissioners, introduced on October 16, 2018 and was further considered and adopted after a Public Hearing held on October 30, 2018 at Colin Powell Elementary School, 1509 New York Avenue, Union City, New Jersey.

INTRODUCED:      October 16, 2018

ADOPTED:      October 30, 2018

ATTEST:

Erin Knoedler  
City Clerk

## **SUMMARY OF ORDINANCE**

This Ordinance establishes requirements for landlords seeking a rent control exemption for new construction.