

**MINUTES OF THE CALDWELL RENT REVIEW BOARD**  
**February 21, 2024 Meeting**

A meeting of the Borough of Caldwell Rent Review Board was held electronically via ZOOM Meetings at 7:02 PM on Wednesday, February 21, 2024.

**PRESENT:** Councilman Jurgensen, Ms. Evans, Mr. Kostecka, Mr. Irwin and Mr. Galante. Mr. Chiaia, the Board Attorney was also present.

**ABSENT:** None.

**STATEMENT OF COMPLIANCE**

**PLEDGE OF ALLEGIANCE**

**MINUTES:**

The meeting minutes from January 17, 2024 were accepted and approved by the Board.

**OLD BUSINESS:**

**Kosteckas Tenant Complaint**, 507 Bloomfield Avenue  
*Tabled from the January 17, 2024 Meeting*

Mr. Kosteckas reported that he had not had any communication from the Property Management Company or from their representing attorney, Mr. Gasparro. There were no representatives present for the meeting on behalf of the property owner/management company.

When asked by Mr. Galante, Mr. Chiaia instructed the Board Members that they could entertain a motion to carry the application to the next meeting date or vote on a decision regarding Mr. Kostecka's complaint, since there was no amicable resolution to the complaint and no one present on behalf of the property owner.

Mr. Irwin asked if a decision with regard to Mr. Kostecka's case would set a precedent for any other tenants with similar complaints?

Mr. Chiaia responded that it would set a precedent but that it would not be a binding precedent since each case is individual, however, other tenants with the same complaints could expect the same fact finding.

Mr. Galante made a motion to vote that Mr. Kostecka's additional fee for parking remain at the agreed upon and original amount of \$35 a month and not the \$75 a month that the management company was requesting as part of the upcoming annual renewal of his lease agreement. Ms. Evans seconded the motion.

Upon roll call, the votes were as follows:

Mr. Kostecka	abstained	
Ms. Evans	yes	
Mr. Irwin	yes	
Mr. Galante	yes	(3 – 0 – 1 Approved to remain at \$35 per month)

**Victoratos Tenant Complaint**, 501 Bloomfield Avenue  
*Tabled from the January 17, 2024 Meeting*

The Board Secretaries reported that Mr. Victoratos had not been contacted by the Property Management Company or their representing attorney, Mr. Gasparro. In addition, a copy of Mr. Victoratos' Lease was not submitted to the Board Secretaries.

Mr. Galante stated that it would be difficult for the Board to make a ruling on Mr. Victoratos' Complaint without the Board viewing a copy of his lease agreement.

Mr. Galante made a motion to table Mr. Victoratos' Complaint and asked if the Board Secretaries could reach out to Mr. Victoratos to obtain a copy of his agreement. The motion was seconded by Mr. Kostecka.

Upon roll call, the votes were as follows:

Mr. Kostecka	yes	
Ms. Evans	yes	
Mr. Irwin	yes	
Mr. Galante	yes	(4 – 0 – 0 Tabled until the next meeting date)

**NEW BUSINESS:**

**Moscattello Tenant Complaint, 4 Provost Square**

It was reported that a complaint was filed by Ms. Moscatello for a maintenance issue for her apartment unit at 4 Provost Square.

Mark Guiliano, the Borough's Code Enforcement Officer reported to the Board that he inspected the premises on February 12, 2024 based on Ms. Moscatello's Complaint and did find evidence of leaks. A Violation Notice was issued to the Property Owner who promised to rectify the issue by renting a machine to caulk the windows in the apartment and in the hallways to prevent further water damage. An abatement date for remediation was set by Mr. Guiliano for March 15, 2024.

Mr. Galante suggested that the property owner be allowed time to rectify the issue.

Mr. Galante made a motion to table the complaint until the next meeting date or until the Board Secretaries are notified by Ms. Moscatello that the problem has been satisfied. Mr. Kostecka seconded the motion.

Upon roll call, the votes were as follows:

Mr. Kostecka	yes	
Ms. Evans	yes	
Mr. Irwin	yes	
Mr. Galante	yes	(4 – 0 – 0 Tabled until the next meeting date)

**APPROVAL OF FORMS:**

**Amended Complaint Form and amended Letter to Notify Landlord of Rent Increase Complaint**

Two sample letters, one for complaints with regard to maintenance issues and one for complaints with regard to rent increases, were provided to the Board Members by the Board Secretary.

Both sample letters were accepted and approved by the Board Members to be utilized in the filing of future complaints.

**ORDINANCE REVIEW Chapter 182. Rent Control Ordinance for the Borough of Caldwell**

Commentaries were provided by the Board Members with regard to the Borough of Caldwell's Rent Ordinance:

- None of the other neighboring towns examined utilize a sliding scale system for rent control.
- The rent thresholds used in the Borough's sliding scale system are antiquated and not up to date with current market rates.
- Two members of the public lobbied at the January 17, 2024 meeting to keep the maximum rental increase allowed at 2 ¾%.
- Caldwell takes pride in encouraging residents from all different backgrounds to live in the community. One of the objectives of the Board is to keep Caldwell rents affordable.
- Councilman Jurgensen provided some research data:
  1. On a national level, landlords turn over apartments 46% every year. When they do in Caldwell, the landlord is able to raise the rent up to 25 %. (It was noted that tenant turnovers may not happen as frequently in smaller rental units like two-family residential complexes).
  2. When looking at the Consumer Price Index for Costs of Living, capping rent increases at 2 ¾% keeps living expenses at a steady pace.
  3. According to the data, a tenant's rent would double at the 26-year mark at a 2 ¾% cap and would double at the 20-year mark with a 3% cap on rental increases.
  4. The data tends to demonstrate that landlords are not affected negatively by the 2 ¾% rental increase cap and that rents seem in line with stable cost of living increases for the tenants.
  5. The average allowable annual rent increase in the State of New Jersey is between 2 and 3 ¼%.
- Only one landlord filed a hardship case before the Board in recent years.
- Board members noted that even a 2 ¾% annual increase tends to add up over time when interest is compounded.
- Mr. Chiaia noted that Section 182-2 exempts all two-family rental properties that are owner-occupied from rent control.

Mr. Chiaia highlighted several items for Board Members to consider with regard to updating the Borough's Rent Ordinance:

- Should a discount be offered to Senior Citizens with regard to the maximum allowed annual rental increase? If so, at what age would an individual qualify as a Senior Citizen?
- The language in Section 182-11 Subsection E is contradictory and ambiguous. His interpretation of this section of the Ordinance is that all parking spaces, whether stated as part of the rent or separately, should be combined into one total number, which would be subject, in total, to the 2 ¾% annual rental increase cap. According to Mr. Chiaia, the language in the section that refers to "where not separately stated" refers to when the landlord is renting a parking space that is not to a tenant in the complex/building.

Mr. Kostecka suggested that when drafting new language for Subsection E, there should be wording that encompasses any additional fees that may include parking, pet fees, or internet charging fees.

Discussion ensued amongst the Board Members with regard to service animals.

Mr. Chiaia clarified that there is a Federal Law that allows individuals to have legitimate or certified service animals. It would be difficult for a landlord to prohibit a tenant from having a service animal,

however, charging an additional fee for that service animal would be a different issue, unless the Board wanted to include language prohibiting landlords from charging additional fees for these pets. The New Jersey State Law clarifies that landlords may not charge for emotional support animals. They are exempt from any additional charges as long as an ESA Letter is provided by a Licensed Mental Health Professional.

Mr. Galante suggested that the Board wait until the Federally Approved CPI (or Consumer Price Index) is updated to reflect 2024 figures. He asked if Mr. Chiaia could prepare a draft of the proposed Ordinance changes for the next meeting. Mr. Chiaia agreed.

**OPEN TO PUBLIC:**

1. **John Carr, a tenant in the Borough of Caldwell** began reading a letter that was sent to him from his landlord. Mr. Chiaia informed him that he would need to file an official complaint with the Board Secretaries and have it reviewed to see if the issues fell under the purview of the Rent Review Board. Mr. Carr was given instructions by Mr. Galante on how to file a complaint. Mr. Carr stated that he was against the annual rent increase cap going above 2 ¾%.
2. **Helene Patruedo, a tenant in the Borough of Caldwell** stated that she was against raising the maximum annual rent increase above 2 ¾%. She stated that it seems like landlords are already able to receive the increases they need for their buildings without having to raise the maximum rates beyond 2 ¾%.
3. **Tatiana, a tenant in MaryAnn Apartments in Caldwell** informed the Board Members that she was opposed to the maximum annual rent increase being raised as well. Most residents in Caldwell who rent are working class tenants. She already pays \$1,700 a month for her rent and would not be able to afford an increase.
4. **Jeff, a tenant in the Borough of Caldwell** stated that a raise in the maximum allowable rate would be burdensome to tenants. The landlords raise the rents every year anyway. The 2 ¾% rate has historically provided a stabile population in Caldwell that has benefited everyone in town. Caldwell's character is because of it's people and it's population. Reasonable rents encourage people to stay in town.
5. **John Carr, a tenant in the Borough of Caldwell** asked the Board if they could make the process to attend virtual meetings easier.  
Mr. Galante stated that the Board had to switch to virtual meetings due to building issues with Borough Hall and with COVID concerns, but that the Board would like to switch to in-person meetings as soon as it is feasibly possible.  
Councilman Jurgensen stated that he would report to the Governing Body that the Rent Review Board is anxious to meet in person as soon as possible.
6. **Jeff, a tenant in the Borough of Caldwell** asked if landlords could start charging tenants for existing pets?  
Mr. Chiaia stated that language in the Borough's Ordinance does not clarify that issue and that the Board was proposing to provide clarification in the revisions of the Ordinance.
7. **Jim McGrath, a tenant in the Borough of Caldwell** stated that he had difficulty signing onto the meeting as well. He reported that many renters in the Borough of Caldwell are on fixed incomes or young people trying to save to purchase a home of their own. The current economy is not favorable to renters. He asked if the Board would consider a lower maximum annual rent increase amount for Senior Citizens.  
Mr. Galante stated that the Board was trying to understand all view points with regard to assessing if a raise in the annual rent increase is needed and that the Board is looking to keep

the Borough's Rent Ordinance current and relevant. Any decision made would be by the Governing Body of the Borough.

Mr. Galante made a motion to review the Board's Virtual ZOOM Meeting Process, seconded by Mr. Kostecka.

Upon roll call, all members voted in the affirmative.

8. **Jeff, a tenant in the Borough of Caldwell** stated that he believed that there would not be developers encouraged to build in the town of Caldwell if it were not profitable for them with the existing 2 ¾% cap on annual rent increases.
9. **Jim McGrath, a tenant in the Borough of Caldwell** asked for a status update on several housing developments in the Borough.  
Councilman Jurgensen provided details for Mr. McGrath and encouraged him to look for more information on the Caldwell Website under the "Affordable Housing" tab.

Ms. Evans made a motion to adjourn the meeting, seconded by Mr. Kostecka.  
The meeting adjourned at 9:14PM.

Respectfully Submitted,

Kim Conlon  
Rent Board Secretary