

CITY OF PASSAIC
ORDINANCE NO. 2476-25

**ORDINANCE AMENDING CHAPTER 231 "RENT STABILIZATION"
OF THE CITY OF PASSAIC CODE**

WHEREAS, pursuant to N.J.S.A.40:48-2, the governing body of a municipality may make, amend, repeal, and enforce such other ordinances, regulations, rules and by-laws not contrary to the laws of this state or of the United States, as it may deem necessary and proper for the good government, order and protection of person and property, and for the preservation of the public health, safety and welfare of the municipality and its inhabitants, and as may be necessary to carry into effect the powers and duties conferred and imposed by this subtitle, or by any law;

WHEREAS, this Ordinance is being proposed to ensure that the citizens of the City are protected from unconscionable rent increases throughout the duration of their tenancies while also ensuring that property owners are incentivized to continue investing in the City and maintaining and improving their properties to ensure adequate living conditions throughout the City;

NOW THEREFORE, IT IS ORDAINED by the City Council of the City of Passaic that the City Code of the City of Passaic is hereby amended to incorporate the revisions to Chapter 231 Section 23, Subsection A. to include a carve-out to permit property owners to pass along property tax increases in a given year to their tenants, *pro rata*, above the rent stabilization limits, adjust the rent stabilization limits to account for said additional relief, and as promulgated herein:

SECTION I

**ALL ADDITIONS ARE UNDERLINED
ALL DELETIONS ARE NOTED BELOW BY STRIKETHROUGH**

§ 231-23 Rent Stabilization of 2025.

A. Notwithstanding any other provision of this chapter, from the effective date of this section, up until the sixth (6th) anniversary of the effective date of this section, it shall be unlawful for any landlord of a multiple-dwelling housing space or Dwelling Unit to demand, receive or collect any rental increase more than once in any twelve-month period; or, in situations in which a lease for a period of time greater than twelve months is involved, no landlord shall demand, receive or collect any rental increase more than once in a twelve-month period and any rent increase shall be restricted to a maximum of 86% plus a fee derived from any *pro rata* share of property tax increases incurred in that calendar year as set forth in Subsection (1) below. The landlord may increase the base rent on each annual anniversary date of each tenancy by a maximum of 86% plus the below stated property tax increase fee.

- (1) Above any maximum rental increase authorized within this section, § 231-23, any landlord who receives a municipal property tax increase may pass 100% of the increase on to their tenants as a fee which shall be divided, pro rata, across all dwelling units based upon an approximate square footage share of total dwelling units offered for rent in said property. Any such adjustment should take effect upon the anniversary date of each tenancy, shall be specifically itemized in the landlord's rental increase notification, and shall be deemed an admissible fee over and above the 6% maximum rental increase. For purposes of future rent increases, the portion of monthly rent associated with this property tax increase fee shall not be incorporated when calculating the subsequent permissible rent increase. Adjustments shall be applicable to the 2025 tax year and each successive tax year, with 2024 being the base year.

SECTION II

If any section or provision of this ordinance shall be invalid in any court the same shall not affect the other sections or provisions of this ordinance except so far as the section or provision so declared invalid shall be inseparable from the remainder or any portion thereof.

SECTION III

All ordinances or parts of ordinances to inconsistent herewith are hereby repealed to the extent of such inconsistency.

SECTION IV

This Ordinance shall be subject to review by the Council after passage of six months from its effective date.

SECTION V

This ordinance shall take effect upon publication as provided by law.

INTRODUCED BY COUNCILPERSON: Terrence Love

SECONDED BY COUNCILPERSON: Thania Melo

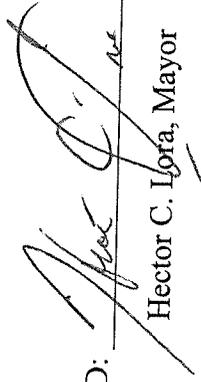
Record of Council Vote on Final Passage	Aye	Nay	Abstain	Absent
GARCIA, J.	X			
MELO, T.	X			
LOVE, T.	X			
MUNK, C.				
SCHAER, G.	X			X
SCHWARTZ, D	X			
COLON-MONTANEZ, M.				X

Adoption of first reading at a meeting of the Council of the City of Passaic, NJ on

January 21, 2025

Adopted on the second and final reading after the hearing on February 4, 2025

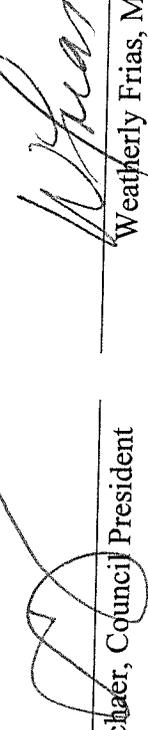
APPROVED:



Hector C. Lora, Mayor

2/4/2025

Date



Gary S. Schaer, Council President

Weatherly Frias, Municipal

Clerk

CITY CLERK'S OFFICE
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