

## **NEPTUNE TOWNSHIP RENT LEVELING BOARD**

### **Minutes – June 14 2018**

Mrs. Johnson called the meeting to order at 6:05 pm and requested the Secretary to call the roll. The following members were present: Ruth Johnson, Connie Holmes, James Manning, Catherine McAphee, Jeff Klein and Naomi Riley. Absent: Morrell Massicot

Mrs. Johnson stated adequate notice of this meeting as required by P.L. Chapter 231 has been provided by notice in the Coaster, which was posted on the bulletin board of the Municipal Complex and filing a said notice with the Municipal Clerk.

Mrs. Johnson announced that the Consumer Price Index [May's price index was 272.196, area prices unchanged over the month and up 1.7% increase over the year].

### **APPROVAL OF MINUTES**

Mr. Manning offered a motion, moved and seconded by Mrs. Holmes to approve the minutes of the meeting for May 3, 2018; all that were eligible to vote were in favor.

### **RESOLUTIONS**

There were none

### **DISCUSSION ITEMS – HEARING – JUMPING BROOK APTS- CAPITAL IMPROVEMENTS – P2**

Paul Schneider of the law firm of Giordano, Halleran & Ciesla was present on behalf of JB Neptune Holding's, LLC; also present were Jack Adler, principal and partner; Adam Gluck, operations manager and partner,.

Mr. Anthony stated they started the application hearing and the Board allowed the applicants to go into Phase II and was to the public. He stated they still must listgen to the public and they hoped to finish the public comment section. He also stated Section 8 tenants would receive a surcharge.

Teresa Holmes, tenant, stated the changes being made were to attract new tenants and their profiles. She stated she received a letter regarding the pool and its fees. She also stated the leasing office was improved prior to this and suggested improving the inside of the apartments and not so much the outside. She also stated once someone moves out of an apartment they charge more and it makes it hard for people to afford the rent.

Elizabeth Kenney, Apt 252, stated she's lived in Jumping Brook for over twenty years and this is the fifth owner. She stated they already did the roof and it didn't need it. She stated bushes made buffers but since they removed them people can now look into your apartment. They are fixing things that do not need fixing. She stated she's never used the pool and gym and she never goes into the rental office. She stated she did not feel that she should pay for their office. She stated she felt that the projects should have been stretched out. She questioned when would the surcharge take place.

Mr. Anthony stated it would go into effect pretty soon after it has been approved.

Ms. Kenney questioned how long would she have to pay the surcharge.

Mr. Anthony stated the Board would have to appreciate it out.

Ms. Kenney stated they do not do a lot to help the tenants, they help themselves and she did not think that it was fair nor was it right.

Mr. Manning questioned roughly what was the roof done.

Mr. Klein question when her roof was replaced.

Ms. Kenney stated she just got it done.

Mr. Klein stated they did not have authority over Section 8. He stated the owner could go to the County and ask for relief. He stated Section 8 would not be on her back.

Mr. Anthony stated they would not be passing it on to the other tenants.

Lauren Tropponi, Apt# 66, stated she's been told that the capital improvements were for the residents and if they were truly for the residents then they should have what they wants. She stated she felt this was a business improvement. She stated she moved to Jumping Brook because it was affordable. She stated now there is no consistency with the owners, the only thing that is consistent are the residents.

Mr. Anthony stated this is a rent control town and if it wasn't the landlord could pass as much as he wants onto the tenant but your increase doesn't go past what the cpi dictates. He informed her that her landlord must have a fair return on his investment.

Ms. Tropponi stated she does not have hot water at times and it's even brown. She stated she must turn her heat on from the floor.

Mr. Klein questioned whether there was a system to follow if you have a problem.

Ms. Tropponi stated she just speaks to the maintenance people.

Mr. Anthony informed her that she should have been made aware of the heat control situation prior to moving in but stated it was not a rent control issue.

Ms. Tropponi stated she did not realize the wall unit for the heat did not work until after she moved in.

Mr. Anthony informed her that she could have come before the Board for reduction in services for lack of heat and damage property with the exception of the location of the heat nob.

Mr. Klein suggested she fill out the landlord form and go through the written procedure for a paper trail.

Vernon McGowan, Apt # 285, stated he moved into Jumping Brook on December 1, 1978. He stated a blind man could see what was happening. He stated within a year a new owner has come in and done cosmetic improvements. He stated his apartment was in the

same condition as it was when he moved in. He stated they only do improvements to increase the property value and then they flip it. He stated they are getting the value to go up and increase the rent. He questioned whether they knew that improvements needed to be done before buying to compensate for improvements. He stated they were shrewd business men. He stated if they wanted to improve the apartments they should insulate the walls. He stated he doubted the new owners would have the property for ten years. He questioned how could some of these improvements help the tenants. He stated he wished they had left some of the trees alone. He stated they never had safety issue problems and they were preparing this property so that they could sell it.

The Board made a motion to end Public Comments.

Mr. Gluck stated they were not able to adjust the temperature the way they should and most don't work. He stated he was advised to eliminate them.

Mr. Anthony stated that causes another issue. The State requires it remain at a certain level. If it's not the tenant can come before the board for reduction in services.

Mr. Gluck stated they were aware of the regulations they just cannot control it.

Mr. Schneider stated the new boilers can be remotely controlled and that is what they are trying to address.

Mrs. Holmes questioned why would they do improvements outside and not inside and she thought they might be considerate and talk to the tenants when buying the building.

Mr. Gluck stated that normally the landlord doesn't allow you to talk to the residents and they pretty much knew what had to be done.

Mrs. Johnson questioned the crime rate.

Mr. Gluck stated it has reduced drastically.

Mr. Schneider stated many companies charge an immenity fee. There's a pool pass you have to pay for. If you're behind you can't use it.

Mr. Manning questioned the fact the tenants could not use the gym.

Mr. Gluck stated they were working on it.

Mr. Klein questioned the cost for the pool and gym fee.

Mr. Gluck stated it was \$150.00.

Mr. Klein questioned whether there was a limit as to who can use them.

Mr. Gluck stated everyone that's on the lease can use it.

Mrs. Holmes questioned why were they charging \$150 for lost pool tags.

Mr. Gluck stated he was not sure but he would get back to the Board regarding it.

Mr. Anthony questioned what where the unit upgrades.

Mr. Gluck stated they would have to approve them up to standards but their intention was to put everything new in the apt.

Mr. Schneider stated that would be for the new tenants and at the options of the current tenants.

Mr. Gluck stated if a tenant was in an apt for thirty years they could not do it at no increase. If there are tenants that are willing to pay for the upgrade then they would do it.

Mr. Anthony stated that would not be a capital improvement for the whole complex and that should be taken out of this because that is a capital improvement for that apt alone. He explained what would have to be done to accomplish this. They would have to present to the Board what they would like to do and the tenant must be willing.

Mr. Klein questioned whether they could just sign an agreement.

Mr. Anthony stated he would like to make sure that the tenant is aware of what they are signing.

Ms. Riley questioned what type of upgrades are done for 40 year residents.

Mr. Gluck stated the resident would be entitled to fully operational appliances and can submit a ticket if it's not working and if it's a reasonable request they will do it.

Mr. McGowan stated an increase was an increase and if this is approved they would be opening up a hornets nest because there's no cap.

Mr. Anthony stated he did not feel it's a good idea to make it a part of your rent and there needs to be a separate consensual agreement.

Mrs. Johnson questioned what would they normally upgrade.

Mr. Gluck stated it would be kitchens and bathrooms.

Elza Inna, Apt 53, stated she's reported multiple times about her balcony because the rods are rusted and it was never fixed. She stated she was even given a hard time to fix the floors and cabinets. She stated there was still a gap in the floor and was told there was nothing wrong with it.

Mr. Gluck stated they did not get to the balconies in the back yet.

Mr. Anthony stated the tenant could file a complaint for the interior and receive a reduction in service.

Ms. Inna stated she has to run the shower to get hot water in her sink.

Mr. Gluck stated he would look into it.

Mr. Klein questioned whether she recalled seeing boilers being replaced.

Ms. Inna stated she never had a problem and if you did someone was always available to fix it.

Beth Kennedy, Apt 252, stated whenever the street lights went out they had to call JCP&L. she questioned whether the lights belonged to Jumping Brook or the light company because they had pole numbers on them.

Mr. Gluck showed her a picture and she said that JCP&L would take care of it.

Teresa Holmes stated some lights were not needed but the wooded area needs more lighting.

Mr. Gluck stated they did not claim to be perfect but they try to do what they can.

Mr. Anthony stated the Board would deliberate. He explained what a capital improvement was and that it had to also comply with the IRS.

Mr. Klein questioned how many units were gas and electric.

Mr. Gluck stated 204 were electric and 104 were gas.

Mr. Klein questioned how many roofs were done on the gas/electric sides.

Mr. Gluck stated one or two were replaced prior to their ownership. Bldgs 2, 4, 6, 16 and 19.

Mr. Manning raised questioned about the roofs.

Mr. Klein questioned whether they were advised about open permits.

Mr. Gluck stated yes and they were addressed.

Mr. Klein questioned whether they could put a list together as to what was done for the roofs.

Mr. Manning questioned whether the roofs were replaced during their ownership.

Mr. Klein stated roofs and gutter were improvements.

Mr. Anthony suggested this be put on hold until we new information.

Mr. Klein raised questions regarding the upgrade to the boilers for the landlord to control the heat .

Mr. Schneider stated he didn't think the thermostats were ineffective.

Mr. Klein stated when you replace units it lowers the cost of operation.

Mr. Anthony stated we were not looking at that.

Mr. Klein stated he was concerned.

Mrs. Riley questioned how did they intend to provide evidence that they were keeping it up to code.

Mr. Gluck stated maintenance would go in with a camera and measure it. He also referred to a work order report regarding hot water.

Mr. Klein questioned the status of the hot water heaters, he questioned whether they were old and how many units have originals.

Mr. Gluck stated all four units were replaced on the West side but replaced because it was residential hot water tanks.

Boilers - The board conditionally voted that the boiler & hot water heaters were capital improvements contingent upon owners providing additional documentation. Offered by Mr. Manning, seconded by Mrs. Johnson; Mrs. Holmes abstained, Manning, aye, Johnson, aye McAphee, abstained; Klein aye.

Brick Cleaning – both Mr. Manning and Klein stated they did not feel that it was a capital improvement. They felt it was more of a maintenance. Mrs. Holmes offered a motion that this was not a capital improvement moved and seconded by Mrs. Johnson. Mrs. Holmes aye, Manning, aye, Johnson, aye McAphee, aye; Klein aye.

Breezing Upgrade – Mr. Klein felt it was an upgrade because of safety and Mr. Manning agreed. Mr. Manning offered a motion that this was a capital improvement moved and seconded by Mr. Klein. Mrs. Holmes aye, Manning, aye, Johnson, aye McAphee, aye; Klein aye.

Management Office – Mr. Klein stated he felt that it was not a capital improvement because it did not benefit the tenants. Mrs. Johnson agreed. Mr. Klein offered a motion that this was not a capital improvement moved and seconded by Mrs. Johnson. Mrs. Holmes aye, Manning, aye, Johnson, aye McAphee, aye; Klein aye.

Pool Area, Decorations, Furniture – Mr. Klein stated he did not believe it was a capital improvement because it was not conducive to all the tenants to reap the benefits. Mrs. Johnson stated she felt it was cosmetic. Mr. Anthony stated for future reference it would be a difference if they were replacing the pool, you cannot just say that not everyone will not use it. Mr. Manning also discussed the fees collected for pool access and those fees could go towards the pool. Mrs. Johnson offered a motion that this was not a capital improvement moved and seconded by Mr. Klein. Mrs. Holmes aye, Manning, aye, Johnson, aye McAphee, aye; Klein aye.

Exterior Lighting Upgrade – Mr. Klein stated he did feel that this was a capital improvement. He stated they just needed to make sure that they take care of the dark spots and to not make this a cosmetic issue. Mrs. Johnson stated she felt that the lights would help to deter crime. Mr. Klein offered a motion that this was a capital improvement moved and seconded by Mr. Manning. Mrs. Holmes aye, Manning, aye, Johnson, aye McAphee, aye; Klein aye.

Landscaping – Mr. Klein stated this was cosmetic as well as normal maintenance repairs. Mr. Manning stated grading upgrades were including in this Mr. Klein suggested they take the grading out and show a bill/engineer report or something from the town saying that it was needed. Other than that he felt it was normal repairs. Mr. Gluckow stated it was not on a level they would have gotten a violation. It was a safety issue and curb appeal. He stated they were given compliments by the residents regarding it. Mr. Klein stated it was good marketing and maintenance issue and a lot of complexes are eliminating for safety issues. Mr. Klein offered a

motion that this was not a capital improvement moved and seconded by Mr. Manning. Mrs. Holmes aye, Manning, aye, Johnson, aye McAphee, aye; Klein aye.

Mold Prevention and Remediation – Board felt that this was not a capital improvement.

Mr. Schneider submitted a letter from Above and Beyond. Mr. Adler stated they had the basement tested after the last hearing and they do not have the results yet. Mr. Klein stated he felt this was a safety issue. Mrs. Johnson stated if mold was present it could be dangerous. Mr. Anthony questioned whether they felt it rose to a level of a capital improvement. After further discussion, Mr. Klein stated he did not feel it was a capital improvement but a maintenance issue. Mrs. Johnson offered a motion that this was not a capital improvement moved and seconded by Mrs. Holmes. Mrs. Holmes aye, Manning, aye, Johnson, aye McAphee, aye; Klein aye.

Parking lot – Mr. Klein stated he felt it was 100% a capital improvement and Mr. Manning agreed. Mr. Klein offered a motion that this was a capital improvement moved and seconded by Mr. Manning. Mrs. Holmes aye, Manning, aye, Johnson, aye McAphee, aye; Klein aye.

Security Cameras - Mr. Klein stated at the last meeting there was a problem with the cameras. Mr. Gluck stated they went back and looked at the cameras and found the incident that was reported. The tenant actually gave the wrong date of the incident. Mr. Klein stated it was a safety issue and he did consider it as a capital improvement and Mrs. Johnson agreed. Mr. Klein offered a motion that this was a capital improvement moved and seconded by Mrs. Johnson. Mrs. Holmes aye, Manning, aye, Johnson, aye McAphee, aye; Klein aye.

Signage – Mr. Manning stated he felt this was not a capital improvement and not a benefit to the residents. Mr. Manning offered a motion that this was not a capital improvement moved and seconded by Mrs. Johnson. Mrs. Holmes aye, Manning, aye, Johnson, aye McAphee, aye; Klein aye.

Electrical Service Upgrade – Mr. Klein stated he felt this was a normal repair, maintenance issue and not a capital improvement. Mr. Klein offered a motion that this was not a capital improvement moved and seconded by Mr. Manning. Mrs. Holmes aye, Manning, aye, Johnson, aye McAphee, aye; Klein aye.

Phase II Renovations to Gym – Mr. Klein stated he did not feel this was an enhancement to the life of the tenants. Mrs. Johnson agreed. Mr. Gluck stated this was reconstruction of the gym. Mr. Klein offered a motion that this was not a capital improvement moved and seconded by Mrs. Johnson. Mrs. Holmes aye, Manning, aye, Johnson, aye McAphee, aye; Klein aye.

Balcony Renovations – Mr. Klein stated this was a safety situation, Mrs. Holmes agreed. Mr. Manning offered a motion that this was a capital improvement moved and seconded by Mr. Klein. Mrs. Holmes aye, Manning, aye, Johnson, yes McAphee, aye; Klein aye.

The Board and the Representatives agreed to meet again on Thursday, August 9<sup>th</sup> at 6pm. The Board offered a motion to cancel July 5<sup>th</sup>'s and August 2<sup>nd</sup>'s meeting. The Board will address two outstanding items at the next meeting.

Mrs. Johnson offered a motion to adjourn the meeting, moved and seconded by Mr. Klein. All were in favor.

Pamela D. Howard  
Secretary