

**THE CITY OF
EAST ORANGE, NEW JERSEY
ORDINANCE NO. 21 OF 2020**

**An Ordinance Amending the City's Rent Leveling Code to Limit the Imposition of
Additional Costs on Tenants**

WHEREAS, COVID-19 is caused by a coronavirus called SARS-CoV-2.

WHEREAS, The spread of COVID-19 has given rise to a global pandemic which has resulted in the death of approximately 320,807 globally and 10,356 within the State of New Jersey as of May 19, 2020.

WHEREAS, COVID-19 has had a calamitous impact on both the global and local economy as multiple business and industries have been shuttered and the financial markets have sustained substantial losses.

WHEREAS, In light of the forgoing, the State of New Jersey has implemented multiple executive Orders that afforded a measure of financial relief to tenants, mortgagors and landlords.

WHEREAS, While respecting the freedom to contract, the City of East Orange is mindful that there is a lack of equivalence with respect to bargaining power which typically gives rise to leases that are contracts of adhesion which frequently favor a property's landlord.

WHEREAS, The City of East Orange's Rent Leveling Code provides landlords with the opportunity to earn a reasonable rate of return on their investments as permissible annual rent increases are consistent with industry norms.

WHEREAS, Courts have long recognized that Municipalities have the authority to impose reasonable controls on the amount that rent can be increased on an annual basis.

WHEREAS, The City of East Orange is desirous of amending its rent leveling code so that tenants and landlords are afforded a measure of cost certainty.

NOW THEREFORE BE IT RESOLVED AS FOLLOWS:

1. The City of East Orange hereby amends its rent leveling code as follows:

§ 218-4 Definitions

Rent - A regular recurring payment that grants tenants the right to remain or reside at a dwelling or housing space within the City of East Orange. As used herein the term rent shall not include late fees, attorneys' fees or any other fee that causes a tenant's monthly rent to exceed the percentage increase that is provided for in the City's rent control Ordinance. This provision shall expire on December 31, 2020 unless the City's governing body agrees to extend same.