

Meeting Minutes
Manchester Township
Rent Leveling Board Meeting
January 18, 2024

- 1) The meeting was called to order with a salute to the flag and a reading of the statement.
- 2) Mr. Kerstein, Chairman, acknowledged the adequate notice provided for the meeting in accordance with the Open Public Meeting Act. The notice was advertised in the Asbury Park Press, Star-Ledger, and posted on the township website.
- 3) **Roll Call**
 - a) Ms. Sugden: Present
 - b) Ms. Frisch: Present
 - c) Ms. Norris: Present
 - d) Mr. Kerstein: Present
 - e) Attorney Debra Rumpf: Present
 - f) Board Accountant Carmen Memoli: Present
- 4) The Chairman made a statement emphasizing the importance of maintaining decorum during the meeting, reminding attendees that discussions should be limited to relevant issues.
- 5) Before proceeding with the agenda items, Mr. Kerstein addressed the confusion regarding the Consumer Price Index (CPI) and the rent leveling ordinance.
 - a) The Chairperson referred to Section 326.11 of the ordinance, which mandates the Board to assist landlords, owners, and tenants in complying with the ordinance. To clarify, the Chairperson read an excerpt from the Bureau of Labor Statistics regarding the CPI, emphasizing its significance in determining rent adjustments.
 - b) According to the ordinance, the CPI used for rent adjustments is the CPIU index for the region, including the Township of Manchester, New Jersey, as published by the Bureau of Labor Statistics. The Chairperson noted that the CPI increase for the Northeast region of the United States, including Ocean County, was 3.0% for 2024, based on data from September 2023.
 - c) A motion was made to set the CPI for 2024 at 3.0%, as per Section 326.2 of the ordinance, and to post this motion on the Rent Leveling Board's page on the Township website. The motion was seconded, followed by a roll call vote, which resulted in unanimous approval.
- 6) **Minutes**
 - a) Mr. Kerstein moved to approve the minutes of the previous meeting. After confirming no corrections, the minutes were approved as read and distributed.
- 7) **Bills**
 - a) The meeting proceeded to discuss bills, but it was noted that there were no bills to review then.
- 8) **Resolutions**

- a) The Board then addressed Resolution # 2024-01 regarding proposed rules and regulations.
 - i) After a motion was made and seconded, a roll call vote was conducted, resulting in unanimous approval for the resolution to be published on the Township website.

9) Voting on Positions

- a) Nominations were then opened for the position of Vice Chairperson, and Ms. Mari Norris was nominated and seconded. A roll call vote was conducted, resulting in unanimous approval for Ms. Norris to assume the position.

10) Applications

- a) Mr. Kerstein recused himself from discussions about Pine Ridge South due to their residency in that area.
- b) The Board addressed concerns raised by Mr. Hanlon, legal representation for Pine Ridge South, regarding the absence of a landlord representative on the Board and the need for an adjournment until such representation was secured. Discussion ensued regarding the implications of granting the adjournment request.
 - i) The Board decided to proceed with the hearing, considering the potential delays and legal ramifications of granting the adjournment. Mr. Hanlon expressed his intention to challenge the Board's decision if it ruled against his client.
 - ii) The Board discussed a request for adjournment by Mr. Hanlon regarding the absence of a landlord representation on the Board. The Secretary acknowledged Mr. Hanlon's concerns about the notice period but emphasized that the Board could proceed with decisions even in the absence of a landlord member, provided the quorum was met. After deliberation, the request for adjournment was denied.
- c) **Roll Call Vote on Denial of Adjournment Request:**
 - i) Ms. Sugden: Yes
 - ii) Ms. Frisch: Yes
 - iii) Ms. Norris: Yes
- d) **Discussion on CPI Calculation:**
 - i) Mr. Hanlon presented his concerns regarding calculating the Consumer Price Index (CPI), particularly referencing including a tax component in the rental income. The Chairperson highlighted discrepancies between Mr. Hanlon's interpretation and the ordinance's language. Mr. Hanlon emphasized the need to adhere strictly to the ordinance language, citing legal precedents. The discussion focused on whether the rental income calculation should include a tax pass-through, with Mr. Hanlon asserting that no tax pass-through had occurred.
- e) **Opening of Public Session:**
 - i) The Chairperson called the meeting to order and moved to open the session to the public. The motion was seconded and unanimously approved.
- f) **Public Comment:**
 - i) Joshue Forrest, attorney from the Community Health Law Project, addressed the Board, expressing that he agrees with the board's decision to deny postponing and asks why Mr. Hanlon was moving forward without petitioning the board.
- g) **Closing of Public Session:**

- i) With no further public comments, the Chairperson moved to close the public session. The motion was seconded and unanimously approved.

h) Board Discussion on Application:

- i) The Board discussed Mr. Hanlon's application, focusing on the calculations' compliance with the ordinance. Concerns were raised about including a tax component and adherence to ordinance language.

i) Motion and Vote on Application:

- i) A motion was made to void Mr. Hanlon's calculations as incorrect, citing discrepancies with the ordinance. The motion was seconded and put to a roll call vote, resulting in unanimous approval.

11) Discussion on Pine Ridge at Crestwood Lease:

- a) The Board discussed whether leases at Pine Ridge at Crestwood were exempt from the rent increase cap outlined in the ordinance. Ms. Greenberg, representing Pine Ridge, presented arguments based on a settlement agreement and clarified lease terms.
- b) Mr. Joshua Forrest addressed the Board regarding Ms. Greenberg's application and raised concerns about the retroactive application of the settlement agreement to tenants. He highlighted constitutional issues and questioned the legality of retroactive provisions within the ordinance.
- c) Mr. Forrest referenced the case of Martin v. Wilkes and argued against the retroactive application of the settlement agreement, citing constitutional concerns and legal precedent. He emphasized the need for fairness and adherence to public policy.
- d) Ms. Greenberg clarified the settlement agreement negotiations and reaffirmed Pine Ridge's position regarding lease exemptions from the ordinance. She highlighted the settlement agreement's binding nature and urged compliance with its terms.
- e) The board's composition was discussed, with concerns raised about the presence of tenants with vested interests. Legal counsel guided the ordinance's requirements for board membership.
- f) Decision on Application:**
 - i) In light of legal constraints and board composition issues, the Chairperson proposed deferring the decision on Pine Ridge's application to the next meeting. With unanimous approval, a motion was made and seconded to postpone the application.

12) Public Comment: All speakers at public comment were sworn in by attorney Debra Rumpf

- a) Mr. Frank Gualrapp, a resident of Pine Ridge, addressed the Board, expressing concerns about rent increases and residents' financial hardships. He appealed for assistance from the Board and expressed intentions to raise the issue at the upcoming council meeting.
- b) Mr. John Jasionowicz expressed concerns about the lease agreements and the lack of options provided to tenants. He highlighted issues with lease clauses and emphasized the need for professionalism in lease management.
- c) Mr. John Mercer inquired about the validity of the 3% rent increase voted by the board, referencing previous settlements and ordinances. The discussion clarified the legal complexities surrounding the settlement agreements and their impact on rent increases.
- d) Public Comments and Questions:

- i) Several public members questioned rent increases, lease agreements, and board decisions. Attendees sought clarification on legal matters, lease exemptions, and the validity of ordinances.
- ii) Board Responses:
- iii) Board members and legal counsel addressed questions from the public, providing explanations on legal interpretations, board procedures, and the status of lease agreements. They emphasized the need for further review and legal advice on complex issues.
- iv) Adjournment:
- v) After addressing public comments and questions, the meeting was adjourned, with attendees thanking them for participating.
- vi) Next Steps:
- vii) Attendees were encouraged to seek legal advice and further clarify their concerns. The board planned to reconvene to address outstanding issues and provide updates as needed.

13) Closure:

- a) The meeting concluded with well wishes for the weekend, and attendees departed.
- b) The board thanked attendees for their engagement and encouraged continued communication to address community concerns effectively.

Meeting Minutes Prepared by Board Secretary Kaylan Ricotta.