

2A:18-61.1

LEGISLATIVE HISTORY CHECKLIST
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NJSA: 2A:18-61.1

(Condominium
conversion--prohibit
eviction of any
preconversion
tenants)

LAWS OF: 1991

CHAPTER: 45

Bill No: S905

Sponsor(s): Cowan

Date Introduced: Pre-filed

Committee: Assembly: -----

Senate: County & Municipal Government

Amended during passage: Yes Senate substitute enacted (1st reprint)

Date of Passage: Assembly: January 31, 1991

Senate: January 14, 1991

Date of Approval: March 4, 1991

Following statements are attached if available:

Sponsor statement: Yes

Committee Statement: Assembly: No

Senate: Yes

Fiscal Note: No

Veto Message: No

Message on signing: Yes

Following were printed:

Reports: No

Hearings: No

(over)

Hearing on similar bill, during previous Legislative sessions:

974.90 New Jersey. Legislature. Assembly. Community Development
H842 Committee.
1989S Public meeting on A2653 and S2107 on... eviction, held 5-25-89.

See newspaper clippings--attached:

KBG/SLJ

[FIRST REPRINT]

SENATE SUBSTITUTE FOR
SENATE, No. 905

STATE OF NEW JERSEY

ADOPTED NOVEMBER 19, 1990

Sponsored by Senator COWAN

1 AN ACT temporarily prohibiting eviction actions by landlords
2 against tenants with respect to condominium or cooperative
3 conversions.
4

5 BE IT ENACTED *by the Senate and General Assembly of the*
6 *State of New Jersey:*

7 1. Notwithstanding the provisions of P.L.1974, c.49
8 (C.2A:18-61.1 et al.) or any other law to the contrary, no action
9 shall be instituted pursuant to subsection k. of section 2 of
10 P.L.1974, c.49 (C.2A:18-61.1) ¹], and any action instituted prior
11 to the enactment of this act pursuant to that section for which a
12 judgment for possession has not yet been entered shall be
13 dismissed by the Superior Court, against any lessee or tenant or
14 the assigns, under-tenants or legal representatives of any such
15 lessee or tenant] and no judgment shall be rendered based on an
16 action instituted pursuant to that section with respect to any
17 dwelling unit or park site. Notwithstanding the provisions of this
18 section, the period of notice required pursuant to subsection g. of
19 section 3 of P.L.1974, c.49 (C.2A:18-61.2) shall not extend
20 beyond the date on which the three year period expires or June 1,
21 1992, whichever date occurs later¹.

22 2. Notwithstanding the provisions of P.L.1974, c.49
23 (C.2A:18-61.1 et al.) or any other law to the contrary, any lessee
24 or tenant or the assigns, under-tenants or legal representatives of
25 any such lessee or tenant ¹of a dwelling unit or park site¹ against
26 whom ¹[a judgment of possession has been entered on or after
27 January 1, 1990] an action has been instituted pursuant to
28 subsection k. of section 2 of P.L.1974, c.49 (C.2A:18-61.1) or
29 against whom a judgment has been rendered based on an action
30 instituted pursuant to that section,¹ but who has not been
31 removed from the residential premises as of the effective date of
32 this act, shall not be removed from the residential premises
33 ¹[pursuant to subsection k. of section 2 of P.L.1974, c.49
34 (C.2A:18-61.1)] in accordance with any judgment rendered in such
35 action until June 1, 1992¹.

36 3. ¹[Upon application to the Superior Court by any person
37 entitled to the protection afforded in section 2 of P.L. , c.

EXPLANATION--Matter enclosed in bold-faced brackets [thus] in the
above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Senate floor amendments adopted December 13, 1990.

1 (C.) (now pending before the Legislature as this bill) the
2 judgment for possession entered on or after January 1, 1990
3 against the person shall be vacated and of no force or effect]
4 Sections 1 and 2 of P.L. ,c. (C. and C.) (now pending
5 before the Legislature as this bill) shall not apply to those units
6 for which the owner has, prior to the effective date of this act,
7 executed a contract to sell the unit to a buyer who seeks to
8 personally occupy it, provided that the owner otherwise complies
9 with the requirements of section 2. of P.L.1974, c.49
10 (C.2A:18-61.1).¹

11 ¹[4. If any section or part of this act is rendered invalid, such
12 invalidation shall not affect, impair or invalidate the remainder
13 of this act which shall remain in full force and effect.]¹

14 ¹[5.] 4.¹ This act shall take effect immediately¹[, be
15 retroactive to January 1, 1990,]¹ and expire ¹[18 months after
16 the date of its enactment] on June 1, 1992¹.

17

18

19

HOUSING

20

21 Temporarily prohibits eviction actions against tenants in
22 condominium or cooperative conversions.

SENATE, No. 905

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1990 SESSION

By Senator COWAN

1 AN ACT concerning protection of residential tenants during the
2 conversion of a multiple dwelling or mobile home park to a
3 planned residential development, amending and supplementing
4 P.L. 1974, c. 49 and P.L. 1975, c. 311, and repealing various
5 sections of P.L. 1981, c. 226.
6

7 BE IT ENACTED *by the Senate and General Assembly of the*
8 *State of New Jersey:*

9 1. (New section) The Legislature takes note of its previous
10 legislative findings adopted or given notice pursuant to section 10
11 of P.L. 1986, c. 138 (C. 2A:18-61.1a) which have relevance to this
12 1988 amendatory and supplementary act.

13 2. (New section) As used in this 1988 amendatory and
14 supplementary act:

15 a. "Convert" means to convert one or more buildings or
16 structures or mobile home sites or pads from residential rental
17 use to condominium, cooperative, planned residential
18 development or separable fee simple ownership of the dwelling
19 units or of the mobile home sites or pads.

20 b. "Registration of conversion" means an approval of an
21 application for registration by the Department of Community
22 Affairs in accordance with "The Planned Real Estate
23 Development Full Disclosure Act," P.L. 1977, c. 419 (C.
24 45:22A-21 et seq.).

25 c. "Conversion recording" means the recording with the
26 appropriate county officer of a master deed for a condominium or
27 a deed to a cooperative corporation for a planned residential
28 development or separable fee simple ownership of the dwelling
29 units.

30 3. Section 2 of P.L. 1974, c. 49 (C. 2A:18-61.1) is amended to
31 read as follows:

32 2. No lessee or tenant or the assigns, under-tenants or legal
33 representatives of such lessee or tenant may be removed by the
34 county district court or the Superior Court from any house,
35 building, mobile home or land in a mobile home park or tenement
36 leased for residential purposes, other than owner-occupied
37 premises with not more than two rental units or a hotel, motel or
38 other guest house or part thereof rented to a transient guest or

EXPLANATION--Matter enclosed in bold-faced brackets [thus] in the
above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

- 1 seasonal tenant, except upon establishment of one of the
2 following grounds as good cause:
- 3 a. The person fails to pay rent due and owing under the lease
4 whether the same be oral or written;
- 5 b. The person has continued to be, after written notice to
6 cease, so disorderly as to destroy the peace and quiet of the
7 occupants or other tenants living in said house or neighborhood;
- 8 c. The person has willfully or by reason of gross negligence
9 caused or allowed destruction, damage or injury to the premises;
- 10 d. The person has continued, after written notice to cease, to
11 substantially violate or breach any of the landlord's rules and
12 regulations governing said premises, provided such rules and
13 regulations are reasonable and have been accepted in writing by
14 the tenant or made a part of the lease at the beginning of the
15 lease term;
- 16 e. The person has continued, after written notice to cease, to
17 substantially violate or breach any of the covenants or
18 agreements contained in the lease for the premises where a right
19 of reentry is reserved to the landlord in the lease for a violation
20 of such covenant or agreement, provided that such covenant or
21 agreement is reasonable and was contained in the lease at the
22 beginning of the lease term;
- 23 f. The person has failed to pay rent after a valid notice to quit
24 and notice of increase of said rent, provided the increase in rent
25 is not unconscionable and complies with any and all other laws or
26 municipal ordinances governing rent increases;
- 27 g. The landlord or owner (1) seeks to permanently board up or
28 demolish the premises because he has been cited by local or State
29 housing inspectors for substantial violations affecting the health
30 and safety of tenants and it is economically unfeasible for the
31 owner to eliminate the violations; (2) seeks to comply with local
32 or State housing inspectors who have cited him for substantial
33 violations affecting the health and safety of tenants and it is
34 unfeasible to so comply without removing the tenant;
35 simultaneously with service of notice of eviction pursuant to this
36 clause, the landlord shall notify the Department of Community
37 Affairs of the intention to institute proceedings and shall provide
38 the department with such other information as it may require
39 pursuant to rules and regulations. The department shall inform
40 all parties and the court of its view with respect to the feasibility
41 of compliance without removal of the tenant and may in its
42 discretion appear and present evidence; (3) seeks to correct an
43 illegal occupancy because he has been cited by local or State
44 housing inspectors and it is unfeasible to correct such illegal
45 occupancy without removing the tenant; or (4) is a governmental
46 agency which seeks to permanently retire the premises from the
47 rental market pursuant to a redevelopment or land clearance plan
48 in a blighted area. In those cases where the tenant is being

1 removed for any reason specified in this subsection, no warrant
2 for possession shall be issued until P.L. 1967, c. 79 (C. 52:31B-1
3 et seq.) and P.L. 1971, c. 362 (C. 20:4-1 et seq.) have been
4 complied with;

5 h. The owner seeks to retire permanently the residential
6 building or the mobile home park from residential use or use as a
7 mobile park, provided this paragraph shall not apply to
8 circumstances covered under paragraph g. of this section;

9 i. The landlord or owner proposes, at the termination of a
10 lease, reasonable changes of substance in the terms and
11 conditions of the lease, including specifically any change in the
12 term thereof, which the tenant, after written notice, refuses to
13 accept; provided that in cases where a [tenant has received a
14 notice of termination pursuant to section 3 g. of P.L.1974, c. 49
15 (C. 2A:18-61.2), or has a protected tenancy status pursuant to
16 section 9 of the "Senior Citizens and Disabled Protected
17 Tenancy Act," P.L. 1981, c. 226 (C. 2A:18-61.22 et al.)] landlord
18 or owner has applied for or received registration for conversion
19 of the building or mobile home park pursuant to "The Planned
20 Real Estate Development Full Disclosure Act," P.L. 1977, c. 419
21 (C. 45:22A-21 et seq.), the landlord or owner shall have the
22 burden of proving that any change in the terms and conditions of
23 the lease, rental or regulations both is reasonable and does not
24 substantially reduce the rights and privileges to which the tenant
25 was entitled prior to the conversion;

26 j. The person, after written notice to cease, has habitually and
27 without legal justification failed to pay rent which is due and
28 owing;

29 k. [The landlord or owner of the building or mobile home park
30 is converting from the rental market to a condominium,
31 cooperative or fee simple ownership of two or more dwelling
32 units or park sites, except as hereinafter provided in subsection
33 l. Where the tenant is being removed pursuant to this subsection,
34 no warrant for possession shall be issued until this act has been
35 complied with. No action for possession shall be brought pursuant
36 to this subsection against a senior citizen tenant or disabled
37 tenant with protected tenancy status pursuant to the "Senior
38 Citizens and Disabled Protected Tenancy Act," P.L. 1981, c. 226
39 (C. 2A:18-61.22 et al.), as long as the agency has not terminated
40 the protected tenancy status or the protected tenancy period has
41 not expired] (Deleted by amendment; P.L. , c.);

42 l. (1) The owner of a building or mobile home park, which is
43 constructed as or being converted to a condominium, cooperative
44 or fee simple ownership, seeks to evict a tenant or sublessee
45 whose initial tenancy began after the master deed, agreement
46 establishing the cooperative or subdivision plat was recorded,
47 because the owner has contracted to sell the unit to a buyer who
48 seeks to personally occupy it and the contract for sale calls for

1 the unit to be vacant at the time of closing. However, no action
2 shall be brought against a tenant under paragraph (1) of this
3 subsection unless the tenant was given a statement in accordance
4 with section 6 of this amendatory act;

5 (2) The owner of three or less condominium or cooperative
6 units seeks to evict a tenant whose initial tenancy began by
7 rental from an owner of three or less units after the master deed
8 or agreement establishing the cooperative was recorded, because
9 the owner seeks to personally occupy the unit, or has contracted
10 to sell the unit to a buyer who seeks to personally occupy it and
11 the contract for sale calls for the unit to be vacant at the time of
12 closing;

13 (3) The owner of a building of three residential units or less
14 seeks to personally occupy a unit, or has contracted to sell the
15 residential unit to a buyer who wishes to personally occupy it and
16 the contract for sale calls for the unit to be vacant at the time of
17 closing;

18 m. The landlord or owner conditioned the tenancy upon and in
19 consideration for the tenant's employment by the landlord or
20 owner as superintendent, janitor or in some other capacity and
21 such employment is being terminated.

22 (cf: P.L.1981, c.226, s.13)

23 4. Section 3 of P.L. 1974, c. 49 (C. 2A:18-61.2) is amended to
24 read as follows:

25 3. No judgment of possession shall be entered for any premises
26 covered by section 2 of this act, except in the nonpayment of
27 rent under paragraph a. or f. of section 2, unless the landlord has
28 made written demand and given written notice for delivery of
29 possession of the premises. The following notice shall be required:

30 a. For an action alleging disorderly conduct under paragraph b.
31 of section 2, or injury to the premises under paragraph c. of
32 section 2, or any grounds under paragraph m. of section 2, three
33 days' notice prior to the institution of the action for possession;

34 b. For an action alleging continued violation of rules and
35 regulations under paragraph d. of section 2, or substantial breach
36 of covenant under paragraph e. of section 2, or habitual failure to
37 pay rent, one month's notice prior to the institution of the action
38 for possession;

39 c. For an action alleging any grounds under paragraph g. of
40 section 2, three months' notice prior to the institution of the
41 action;

42 d. For an action alleging permanent retirement under
43 paragraph h. of section 2, 18 months' notice prior to the
44 institution of the action, and provided that, where there is a lease
45 in effect, no action may be instituted until the lease expires;

46 e. For an action alleging refusal of acceptance of reasonable
47 lease changes under paragraph i. of section 2, one month's notice
48 prior to institution of action;

1 f. For an action alleging any grounds under paragraph l. of
2 section 2, two months' notice prior to the institution of the
3 action, and provided that, where there is a written lease in
4 effect, no action shall be instituted until the lease expires[;].

5 g. [For an action alleging any grounds under paragraph k. of
6 section 2, three years' notice prior to the institution of action,
7 and provided that, where there is a written lease in effect, no
8 action shall be instituted until the lease expires.] (Deleted by
9 amendment; P.L. , c.)

10 The notice in each of the foregoing instances shall specify in
11 detail the cause of the termination of the tenancy and shall be
12 served either personally upon the tenant or lessee or such person
13 in possession by giving him a copy thereof, or by leaving a copy
14 thereof at his usual place of abode with some member of his
15 family above the age of 14 years, or by certified mail; if the
16 certified letter is not claimed, notice shall be sent by regular
17 mail.

18 (cf: P.L.1986, c.138, s.1)

19 5. Section 5 of P.L. 1975, c. 311 (C. 2A:18-61.8) is amended to
20 read as follows:

21 5. Any owner who intends to convert a multiple dwelling as
22 defined in P.L. 1967, c. 76 (C. 55:13A-1 et seq.), other than a
23 hotel or motel, or a mobile home park into a condominium or
24 cooperative, or to fee simple ownership of the several dwelling
25 units or park sites shall give the tenants [60 days'] notice of his
26 intention to convert and the full plan of the conversion [prior to
27 serving notice, provided for in section 3 of P.L. 1974, c. 49 (C.
28 2A:18-61.2)] after having received notice from the Department
29 of Community Affairs that the multiple dwelling or mobile home
30 park is in full compliance with all applicable State and municipal
31 health, safety, fire, housing, building, and/or maintenance codes,
32 regulations, ordinances, and/or statutes, and, pursuant to P.L.
33 1977, c. 419 (C. 45:22A-21 et seq.), that the conversion has been
34 registered or that the registration process has been waived by the
35 department. A duplicate of the first such [60-day] notice and full
36 plan shall be transmitted to the clerk of the municipality at the
37 same time. In the notice of intention to convert tenants shall be
38 notified of their right to purchase ownership in the premises at a
39 specified price in accordance with this section, and their other
40 rights as tenants under this act in relation to the conversion of a
41 building or park to a condominium, cooperative or fee simple
42 ownership. A tenant in occupancy at the time of the notice of
43 intention to convert shall have the exclusive right to purchase his
44 unit, the shares of stock allocated thereto or the park site, as the
45 case may be, for the first 90 days after such notice that such
46 purchase could be made during which time the unit or site shall
47 not be shown to a third party unless the tenant has in writing
48 waived the right to purchase. If the Department of Community

1 Affairs determines that the notice of intention to convert or full
2 plan of conversion given to the tenants was materially incomplete
3 or incorrect, then a new notice of intention to convert and full
4 plan or conversion shall be issued to the tenants, and the 90 day
5 exclusive purchase period shall begin again following such
6 issuance. The conversion shall not be recorded until after the 90
7 day exclusive purchase period has expired.

8 (cf: P.L.1981, c.8, s.4)

9 6. (New section) This 1988 amendatory and supplementary act
10 shall be applicable to any tenant against whom a judgment for
11 possession has not been entered pursuant to paragraph k. of
12 section 2 of P.L. 1974, c. 49 (C. 2A:18-61.1) prior to the
13 effective date of this 1988 amendatory and supplementary act.
14 Any tenant against whom a judgment for possession has been
15 entered pursuant to paragraph k. of section 2 of P.L. 1974, c. 49
16 (C. 2A:18-61.1) prior to the effective date of this 1988
17 amendatory and supplementary act shall retain all rights afforded
18 under section 7 of P.L. 1975, c. 311 (C. 2A:18-61.10) and section
19 8 of P.L. 1975, c. 311 (C. 2A:18-61.11).

20 7. (New section) In a municipality which does not have a rent
21 control ordinance in effect, no evidence of increased costs which
22 are solely the result of a conversion, including but not limited to
23 any increase in financing or carrying costs, and which do not add
24 services or amenities not previously provided shall be used as a
25 basis to establish the reasonableness of a rent increase under
26 paragraph f. of section 2 of P.L. 1974, c. 49 (C. 2A:18-61.1).

27 In a municipality which has a rent control ordinance in effect,
28 a rent increase for a dwelling unit or mobile home site or pad
29 which has been converted shall not exceed the increase
30 authorized by the ordinance for rent controlled units. Increased
31 costs which are solely the result of a conversion, including, but
32 not limited to, any increases in financing or carrying costs, and
33 which do not add services or amenities not previously provided
34 shall not be passed directly through to the tenants as surcharges
35 or pass-throughs on the rent, shall not be used as the basis for a
36 rent increase, and shall not be used as a basis for an increase in a
37 fair return or hardship hearing before a municipal rent board or
38 on appeal for such determination.

39 8. (New section) Any municipality may pass an ordinance
40 which regulates conversions in a manner which is not less
41 restrictive than applicable State statutes. A conversion which is
42 not prohibited by such an ordinance must also comply with all
43 applicable State statutes.

44 9. Sections 1 through 12 and sections 15 through 20 of P.L.
45 1981, c. 226 (C. 2A:18-61.22 through C. 2A:18-61.39) are hereby
46 repealed.

47 10. This act shall take effect immediately.

STATEMENT

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This bill provides that every person who was a tenant prior to a conversion recording shall be entitled to remain in his or her dwelling unit as a tenant. Specifically, the bill extends this entitlement by removing eviction of pre-conversion tenants as an allowable cause for eviction under section 2 of P.L. 1974, c. 49 (C. 2A:18-61.1). Any pre-conversion tenant against whose residence a judgment of possession has not been entered at the time this bill is enacted into law cannot be displaced because of conversion.

Under subsection g. of section 3 of P.L. 1974, c. 49 (C. 2A:18-61.2), a landlord must provide pre-conversion tenants with three years' notice of the conversion. Since conversion is grounds for eviction under subsection k. of section 2 of P.L. 1974, c. 49 (C. 2A:18-61.1), tenants may be compelled to move upon expiration of the three year notice period. As an exception, senior citizens and disabled persons are entitled to a more extended continuation of tenancy, and other persons displaced by conversion are entitled to relocation assistance or compensation in lieu thereof. Since this bill overturns that general rule and accords to all tenants a right of indefinite continuance in tenancy, it also repeals as unnecessary those portions of the statutory law protecting the tenancies of senior citizens and the disabled. Those portions of statutory law requiring relocation, compensation or stays of eviction due to conversion, however, specifically section 7 of P.L. 1975, c. 311 (C. 2A:18-61.10) and section 8 of P.L. 1975, c. 311 (C. 2A:18-61.11), remain in effect for any tenant in occupancy on the effective date of this act, where a judgment for eviction due to conversion with respect to such tenancy has already been granted.

The bill also guarantees the same rent increase protection to all converted dwelling units that had previously been established for senior citizens, disabled tenants, and other tenants whose tenancies were protected from eviction due to conversion for a limited period of time. These units will be protected by rent control in municipalities that have rent control and conversion-related cost increases will not to be used as the basis for rent increases in any municipality.

In addition, the bill requires compliance with all State and municipal maintenance and health codes prior to the issuance of the notice of intention to convert and the full plan of conversion, and allows municipalities to enact ordinances regulating conversions while requiring concomitant compliance with applicable State statutes for those conversions that are not prohibited by such municipal ordinances.

SENATE COUNTY AND MUNICIPAL
GOVERNMENT COMMITTEE

STATEMENT TO

SENATE, No. 905

with Senate committee amendments

STATE OF NEW JERSEY

DATED: MAY 24, 1990

Senate Bill No. 905, as amended by the committee, provides that every person who was a tenant prior to a conversion recording shall be entitled to remain in his or her dwelling unit as a tenant. Specifically, the bill extends this entitlement by removing eviction of pre-conversion tenants as an allowable cause for eviction under section 2 of P.L.1974, c.49 (C.2A:18-61.1). Any pre-conversion tenant against whose residence a judgment of possession has not been entered at the time this bill is enacted into law cannot be displaced because of conversion.

Under subsection g. of section 3 of P.L.1974, c.49 (C.2A:18-61.2), a landlord must provide pre-conversion tenants with three years' notice of the conversion. Since conversion is grounds for eviction under subsection k. of section 2 of P.L.1974, c.49 (C.2A:18-61.1), tenants may be compelled to move upon expiration of the three year notice period. As an exception, senior citizens and disabled persons are entitled to a more extended continuation of tenancy, and other persons displaced by conversion are entitled to relocation assistance or compensation in lieu thereof. Since this bill overturns that general rule and accords to all tenants a right of indefinite continuance in tenancy, it also repeals as unnecessary those portions of the statutory law protecting the tenancies of senior citizens and the disabled. Those portions of statutory law requiring relocation, compensation or stays of eviction due to conversion, however, specifically section 7 of P.L.1975, c.311 (C.2A:18-61.10) and section 8 of P.L.1975, c.311 (C.2A:18-61.11), remain in effect for any tenant in occupancy on the effective date of this act, where a judgment for eviction due to conversion with respect to such tenancy has already been granted.

The bill also guarantees the same rent increase protection to all converted dwelling units that had previously been established for senior citizens, disabled tenants, and other tenants whose tenancies were protected from eviction due to conversion for a limited period of time. These units will be protected by rent control in municipalities that have rent control and conversion-related cost increases will not be used as the basis for rent increases in any municipality.

In addition, the bill requires compliance with all State and municipal maintenance and health codes prior to the issuance of the notice of intention to convert and the full plan of conversion, and

allows municipalities to enact ordinances regulating conversions while requiring concomitant compliance with applicable State statutes for those conversions that are not prohibited by such municipal ordinances.

The committee amended the bill by updating the amendatory sections to conform with the current law and made various technical and clarifying changes. The bill was also amended by the committee to require that any rent increase sought by a landlord or owner of a converted building must be reasonable before any tenant in these buildings could be evicted for non-payment of a rent increase.

This bill was pre-filed for introduction in the 1990 session pending technical review. As reported, the bill includes the changes required by technical review which has been performed.

974-901

661



OFFICE OF THE GOVERNOR NEWS RELEASE

CN-001
Contact:

Emma Byrne
Nancy Kearney
609/292-8956

TRENTON, N.J. 08625

Release:

Monday
March 4, 1991

GOVERNOR FLORIO SIGNS BILL PROTECTING TENANTS FROM EVICTION

JERSEY CITY -- Governor Jim Florio today signed a law placing a moratorium on the conversion of rental units to condos, protecting tenants from eviction.

"The bill I'm signing today will keep people from being evicted as a result of condominium conversions. The bill isn't permanent. It's a temporary measure, but it will give us all some time to settle the issue," said Governor Florio. "It's not just about whether we should have condominiums. It's about whether people should be forced out of their apartments when someone else decides to convert them to condominiums."

The bill, S 905/A 1017, sponsored by Senator Thomas Cowan/Assemblyman David Kronick, places a moratorium on conversions until June 1, 1992 while permanent legislation dealing with the issue is developed. The moratorium protects both tenants that have eviction actions pending and those tenants who have had judgments entered against them, but have not actually been removed from the premises. The bill does not apply to units where a contract has been executed prior to enactment and the purchaser will personally occupy the unit.

"We face a challenge in housing, particularly affordable rental housing. There just isn't enough of it," Governor Florio said. "More and more builders and developers are taking existing apartment buildings and converting them to condominiums. Nothing wrong with that. The demand is there, and people have a right to make money."

"But what happens to people in the apartments that are converted? What about their lives," he asked. "These apartments aren't just a place to live. They're homes. Many people can't afford to live in a condominium and many are on fixed incomes."

"I've listened to both sides of this argument and I'll continue to listen," the Governor said. "The solution isn't easy, but I'm confident that we'll find it."

Governor Florio also urged senior citizens once again to file a state income tax, even if they never filed before, in order to receive up to \$500 under the state's expanded Homestead Rebate program. In the past, many seniors never had to file due to income, he noted, and they still won't have to pay any taxes. Social security benefits are not taxable in New Jersey. In addition, there is no tax on the first \$10,000 in pension earnings for married couples and \$7,500 for singles. Seniors can call a special toll-free number -- 1-800-323-4400 -- for assistance in filling out their tax and rebate form.

Today's ceremony was the first in a series of events planned around the state citing the need for affordable housing in New Jersey.

#

REMARKS PREPARED FOR DELIVERY BY GOVERNOR JIM FLORIO
CONDOMINIUM CONVERSION BILL SIGNING
JERSEY CITY, NEW JERSEY
MONDAY, MARCH 4, 1991

I'M VERY PLEASED TO BE HERE TODAY, BECAUSE WE'RE GOING TO DO WHAT'S RIGHT FOR PEOPLE. WE'RE GOING TO PROTECT THEM. WE'RE GOING TO MAKE SURE THEY HAVE SOME CONTROL OVER THEIR LIVES.

THAT'S WHAT GOVERNMENT OUGHT TO DO. IT'S SUPPOSED TO SERVE PEOPLE. IT'S SUPPOSED TO ADDRESS THEIR REAL NEEDS.

THE BILL I'M SIGNING TODAY WILL KEEP PEOPLE FROM BEING EVICTED AS A RESULT OF CONDOMINIUM CONVERSIONS. THE BILL ISN'T PERMANENT. IT'S A TEMPORARY MEASURE. BUT IT WILL GIVE US ALL SOME TIME TO SETTLE THE ISSUE.

BECAUSE IT'S NOT JUST ABOUT WHETHER WE SHOULD HAVE CONDOMINIUMS. IT'S ABOUT WHETHER PEOPLE SHOULD BE FORCED OUT OF THEIR APARTMENTS WHEN SOMEONE ELSE DECIDES TO CONVERT THEM TO CONDOMINIUMS. AS OF TODAY, WE'RE STOPPING THESE FORCED EVICTIONS UNTIL JUNE 1 1992.

WE FACE A CHALLENGE IN HOUSING. PARTICULARLY AFFORDABLE RENTAL HOUSING. THERE JUST ISN'T ENOUGH OF IT.

MORE AND MORE BUILDERS AND DEVELOPERS ARE TAKING EXISTING APARTMENT BUILDINGS AND CONVERTING THEM TO CONDOMINIUMS. NOTHING WRONG WITH THAT. THE DEMAND IS THERE, AND PEOPLE HAVE A RIGHT TO MAKE MONEY.

BUT WHAT HAPPENS TO PEOPLE IN THE APARTMENTS THAT ARE CONVERTED? WHAT ABOUT THEIR LIVES? THESE APARTMENTS AREN'T JUST A PLACE TO LIVE. THEY'RE HOMES. MANY PEOPLE CAN'T AFFORD TO LIVE IN A CONDOMINIUM. AND MANY ARE ON FIXED INCOMES.

THE QUESTIONS CAN'T GO UNANSWERED. AND THE NEEDS OF THESE PEOPLE CAN'T BE IGNORED. WE HAVE TO FIND A BALANCE. SOMETHING THAT WILL BEST SERVE EVERYONE'S NEEDS. BUT UNTIL WE DO, WE'RE GOING TO STOP THE FORCED EVICTIONS.

I'VE LISTENED TO BOTH SIDES OF THIS ARGUMENT. AND I'LL CONTINUE TO LISTEN. THE SOLUTION ISN'T EASY, BUT I'M CONFIDENT THAT WE'LL FIND IT. SO WITHOUT ANY FURTHER DELAY, I'M GOING TO SIGN THIS BILL.

I WANT TO TALK ABOUT SOMETHING ELSE FOR A MINUTE. SOME GOOD NEWS FOR ALL TENANTS AND HOMEOWNERS WHO ARE HARD PRESSED BY HIGH PROPERTY TAXES -- AND THAT'S JUST ABOUT EVERYONE. IT'S ABOUT OUR HOMESTEAD REBATE PROGRAM. WE'VE MADE IT BETTER, AND IT'S GOING TO HELP A LOT OF PEOPLE. NOT JUST HOMEOWNERS, BUT TENANTS, TOO.

I READ A STORY THE OTHER DAY IN THE NEWSPAPER THAT SAID A LOT OF PEOPLE WHO RENT AREN'T AWARE THAT THEY QUALIFY FOR THE REBATES. THEY DO. AND MANY ARE GOING TO GET CHECKS UP TO \$500 THIS YEAR.

BUT IN ORDER TO GET THESE REBATES, YOU HAVE TO FILE A STATE INCOME TAX RETURN AND FILL OUT THE REBATE APPLICATION. IN THE PAST, MANY PEOPLE, EXPECIALLY OUR SENIOR CITIZENS, HAVEN'T HAD TO FILE RETURNS. THIS YEAR THEY WILL -- BUT THEY STILL WON'T HAVE TO PAY ANY TAXES.

SOCIAL SECURITY BENEFITS ARE NOT TAXABLE IN NEW JERSEY. AND THERE IS NO TAX ON THE FIRST \$10,000 IN PENSION EARNINGS FOR MARRIED COUPLES. FOR SINGLES, THE LIMIT IS \$7,500. THE DEADLINE IS THE SAME -- APRIL 15. SO HELP ME SPREAD THE WORD.