

JACKSON TOWNSHIP RENT CONTROL BOARD
MEETING OF APRIL 26, 2007
MINUTES

The meeting was called to order at 7:30 PM by Chairperson Donna Hopkins with a flag salute and reading of the Sunshine Law by Mr. Rumpf.

PRESENT: G. DeVito, B. Spielman, L. Savage, D. Hopkins, N. Stallone, B. Rumpf, Esq. and J. Bellu, CPA

MINUTES OF March 8, 2007 – Motion to approve minutes as submitted SPIELMAN/Savage DeVito – Abstain
Remainder - Ayes

CORRESPONDENCE – CPI & Real Estate Tax Increase Applications received from Fountainhead Park and Regency Club Rental Increase Application. All applications will be scheduled for the meeting of May 10, 2007.

BILLS – Motion to pay all bills SAVAGE/Spielman All Ayes

Mr. Rumpf will contact the Township Council liaison to the Board to discuss amendments to the Ordinance as discussed at the last workshop meeting.

MGM AT JACKSON – CPI AND REAL ESTATE TAX INCREASE

Present representing MGM is Ms. Lori Greenberg. Mr. Bellu is sworn in by Mr. Rumpf. Mr. Bellu states that the application is seeking a 2.54% increase for CPI, effective March 1, 2007. Ms. Greenberg is in agreement with the 2.54% and notes this is a corrected CPI amount from the original application.

Mr. James Tarella is present representing the Homeowner Association. Mr. Boyce, President of the Association questions 2.54% of what number would be the increase based upon? Mr. Bellu responds that it would be 2.54% of the current base rent amount.

MOTION to approve CPI increase of 2.54% effective March 1, 2007 DEVITO/Savage All Ayes

REAL ESTATE TAX INCREASE/DECREASE

Mr. Bellu notes that there are two parcels of land, one the mobile home park is on and the other is adjacent to the park. Both have different block and lot numbers. If the increase was approved on both parcels, the increase amount would be an increase of \$.351 per site per month with a maximum paid of \$42.15. If the increase is passed only on the one parcel that the park is on, this would result in a reduction of \$4.37 per site per month, with a maximum paid of \$34.27.

Mr. Tarella states that he tenants should be allowed retro credit back to 2001. Lot #13 is vacant and consists of approximately 98 acres.

Mrs. Greenberg states that the residents use the vacant lot, there are walking paths, etc. Previous hearings were conducted on this issue. If the residents don't want to use the property and stop paying taxes on same, the landlord will mark with 'No Trespassing Signs' and be free to do anything they want with the property.

Ms. Hopkins states that the landlord can at any time develop the property, by the residents paying the taxes, this will not stop development.

Mary Beth Parks – sworn in – manager of MGM, states that Mr. Boyce was the president and had an application for reduction but withdrew it.

Ms. Greenberg states that the Board has heard the issue previously, if the residents want to open the issue again, must submit a new application. The Hardship matter was also previously ruled upon by Judge Foster. Transcripts must be provided. The landlord cannot develop the property as it has been in the applications every year.

Ms. Hopkins – does not believe that the residents are fully aware of what they pay taxes on.

Ms. Parks states that the residents did come forward to state that they use the property.

Ms. Hopkins asks Ms. Greenberg if it is true that as long as the residents pay taxes, the landlord will not develop the property?

Ms. Greenberg responds that she cannot say that would be the case.

Ms. Hopkins feels that there should be a vote of the residents of the park, whether or not to pay taxes on the vacant land. The residents should be the ones to decide.

Mr. Rumpf questions what year was the application withdrawn?

Ms. Greenberg is not sure but it was after August 2005.

Wilbur Boyce states that there was never a real estate tax reduction application filed by MGM. The homeowners used it as a bargaining tool regarding the retro tax increase amount.

Ms. Greenberg is against going backwards.

Mr. Tarella – What Ms. Greenberg is talking about are what courts do, court concepts do not bind the Rent Boards. The board should be guided by what the Ordinance says – refers to section 86-22. There is nothing that the tenants can do to prevent the owner at any time from developing the property in question. The license issued to the park by the Township is only for the actual 59 acres occupied by the park. The vacant property is posted "No Trespassing / No Hunting" as evidenced by photos taken by a park resident. The Ordinance does not have any statute of limitation, there are no specific limitations in the Ordinance. 86-25. The Ordinance authorizes corrections. He proposes to go back to 1993, but should go back to 2001 as that is when the Ordinance was adopted. Would request retro go back to 2001. Figures need to be checked and recalculated. The Hardship on the terms of the Ordinance has an improper inclusion. The tax surcharge is inflated in the hardship.

<Nick Stallone arrives 8:23 PM>

There are three parts to the application 1) Real Estate Tax application 2) Retro 3) Hardship
Debra Wankel of 32 Boxwood sworn in – took the photos of the signs on the 100 acres. Signs have always been there for the five years that she has lived in the park.

Ms. Savage questions if there are trails, benches, etc. on the property, set up for the specific purpose as per Ms. Greenberg stating that the residents use the property.

There are no trails, etc. on the property.

Ms. Greenberg again expresses the need for transcripts for the retroactive refund. The 45 day appeal period after the approval of the application has expired. The residents have testified that they do use the area. The Hardship has been litigated and she objects to reopening this issue.

Ms. Parks states that the signs are on the perimeter of the area and are to keep other people out – not the residents. There are no signs between the park and the wooded area.

Ms. Hopkins questions if the property tax is subtracted from the income tax of the park

Ms. Greenberg states that as the park is reimbursed dollar for dollar on the tax it is an offset. The residents do get 18% of the rent taken out as real estate taxes – they do get a tax deducted, but the landlord gets no benefit.

Ms. Savage states that on the surcharge, no one came to the Board and made this issue clear during the remand.

Mr. Tarella states that the remand was specific to the five items, he was told he could not discuss any other issues.

Garold Miller sworn in – the matter only went to Judge Foster regarding the three year payout – it was ruled on 9/22/06 not 2005 as stated in Ms. Greenberg's brief. He is unable to get minutes from the Township Clerk's Office.

Ms. Hopkins notes that MGM was willing to go for more than the three years.

Mr. Miller – the board at the time allowed the \$93.00, he has no complaint with Mary Beth.

Jack Kelnhofer – sworn in – states it is a huge piece of property surrounded by Posted Signs, all around. The only hunters that use the property are the owners.

Mr. Miller states that the park itself incorporates a lake surrounded by woods, the 98 acres is full of briars.

Ms. Hopkins still feels the matter should be voted on by the residents.

Mr. Kelnhofer refers to the Ordinance Section 86-3.1 a & b regarding the appeal procedure.

Mr. Boyce did not know that they were paying taxes on the Lot #13, most do not know. Residents do not use the property and should not pay, also feels the retro should be allowed. He is the Association President and speaks for the people.

Mr. Miller is the Vice President. They are elected by the people.

Sara Barone – sworn in – has lived in the park since 1975 and has never set foot on the property. Notes that not everyone gets the homestead rebate – must qualify. They were never advised of the August 2006 meeting between MGM and the Rent Board.

Ralph Sarcone – most people in the park, due to physical limitations, are not able to use the property.

PUBLIC CLOSED

Ms. Savage – is not comfortable going back on the real estate taxes. The vacant property should not be part of the park. Would like to hear advice from Mr. Rumpf.

Mr. Rumpf – has received Briefs from both sides. The board does have a right to extract the vacant land real estate tax, which would result in a decrease for the tenants. As for the Hardship recalculations – this would have to be presented to the court. As to the retroactive refund back to 2001, the Ordinance is silent as to this. Prior boards have ruled and those rulings were not appealed. The board should consider the present application before it for the calendar year 2007

MOTION by SAVAGE/Spielman to approve a decrease in Real Estate Taxes in the amount of \$4.37, with a maximum tax to be paid of \$34.27 per site per month. Real Estate Taxes for Lot #12.01 only, should be included, the vacant Lot #13 should be separated from the park taxes. Effective date of March 1, 2007. It should also be noted that residents will no longer have access and will not be able to walk, hunt, hike, etc. on this vacant property without prior approval of the landlord. The residents are no longer paying taxes on Lot #13, they will only be responsible for taxes on the 59 acres, Lot# 12.01 of the park itself.

ALL AYES

MOTION to Deny the Increase of Real Estate Taxes which included Lot #13

SAVAGE/Spielman All Ayes

Ms. Greenberg would like to clarify that this would be a net increase, not an actual denial of the tax increase.

PUBLIC

Ms. Wankel questions the Hardship documents and the back up required by the board, has this been provided?

Mr. Rumpf states that it has, ownership documentation and corporate structure has been provided to the board. The board did not find any pertinent information as to the application tonight.

Ms. Wankel notes that Aggressive Landscape cleaned up around the park and also around the rental units. This will be separated for billing purposes?

Ms. Parks states that it will be separate.

Mr. Miller asks if MGM acts as an agent for Mrs. VanPelt.

Ms. Parks replies – no

Mr. Miller questions how it is that MGM signs leases for the units and accepts rental checks?

Mr. Tarella suggests that the Board consider this aspect.

Mr. Bellu states that the board has asked for copies of leases.

Discussion regarding underground oil tank removal.

Ms. Greenberg stated that Judge Klein ruled that the removal of oil tanks can be considered a Capital Improvement.

MEETING ADJOURNED 9:22 PM

Minutes prepared and submitted by:

Kathleen Sevckenko
Secretary