

HOUSING

2. Newark's Rent Receivership Ordinance Implemented

On July 9, 1969, the Newark Municipal Council unanimously passed two resolutions authorizing the Director of Health and Welfare to apply to Superior Court for the appointment of a rent receiver to collect rents and apply the rental monies to repair two substandard buildings. The buildings are located in Newark's Central Ward. This action is pursuant to Newark's Rent Receivership Ordinance (cf. N.J.S.A. 2A:42-74 et seq., enabling legislation) which was adopted in January, 1967. The ordinance sets up an elaborate procedure for complaints by tenants, inspections by the City, a hearing, and finally rent receivership if the landlord fails to abate housing code violations. This is the first time the ordinance has been implemented to the point of putting a building into receivership.

(N.B. The Council's action may moot the appeal in Tenant's Association v. Sprock which sought a declaration that the tenants be allowed to apply their rents directly to repairs.)

The effectiveness of the ordinance may depend on whatever precedents are set in the case when the Superior Court appoints a receiver: i.e., (1) whether rental monies have to be applied to mortgage payments and (2) whether the appointed receiver will act in the best interests of the tenants.

The tenants were represented by Al Lester, Ted See, Dick Grimsrud of Newark Legal Services Project.

3. The State Office can supply a limited number of copies of the State Regulations that implement the new Hotel and Multiple Dwelling Statute. Attorneys contemplating suits in the housing area should read these regulations.

Regulations.