



MEMORANDUM

To: Assembly Housing and Community Development Committee Members
From: Nicholas Kikis, Vice President of Legislative and Regulatory Affairs
Gary La Spisa, Assistant Vice President of Government Affairs
Date: December 18, 2018
Re: **NJAA Testimony for Hearing on Landlord Tenant Issues**

On behalf of the New Jersey Apartment Association (NJAA), and our members who own, develop, and manage more than 210,000 units of both market rate and affordable rental housing, we thank you for the opportunity to testify today before the Assembly Housing and Community Development Committee.

We understand that New Jersey faces significant challenges as it pertains to the availability of quality affordable housing, and we offer ourselves as a resource to you as you work to address these issues. With prices for single-family houses averaging over \$300,000 statewide, apartments are the best option for affordable living for many New Jerseyans.

NJAA's membership, which consists of professionally managed apartment communities, has a vested interest in making the distinction between good and bad landlords. In keeping with that, we have worked with Senator Rice on comprehensive legislation to hold bad actors accountable. Specifically, Senator Rice's bill, S-2696, which we believe may move next year, would increase transparency through improving landlord registration, would accelerate the resolution of significant violations, and would focus inspection resources on the worst properties.

Additionally, our members spend hundreds of thousands of dollars each year on education for their workforce. NJAA directly provides education and professional development classes for the industry, holding 40 to 50 classes each year. These classes include national certifications for leasing staff, property managers, maintenance personnel, and portfolio managers and fair housing training at all levels within an organization from maintenance staff and leasing agents to executives. We also offer classes on timely topics, for example, we recently held a course on how to respond during an active shooter situation.

We recognize that vast majority of bills aimed at addressing landlord-tenant issues are not targeted at the good actors, and we appreciate that. That being said, there are often unintended consequences to well-intentioned legislation, and we ask that you use us a resource so that we can help ensure that legislation is appropriately targeted.

Finally, we ask that you keep in mind that every mandate has a cost, and ultimately, these costs will drive up the cost of housing in New Jersey. These costs hinder both the development and preservation of market rate and affordable housing. More specifically, there is a limited amount of money that is available for affordable housing construction, management and operation. When costs are increased, absent increased funding, less affordable housing will be built, existing housing will deteriorate, and/or the cost of housing will continue to rise.

Again, we look forward to a continued dialogue on these and other housing policy issues. If you have any questions or if you would like to discuss further, please do not hesitate to contact us at 732-992-0600.