



## MEMORANDUM

**To:** Assembly Housing and Community Development Committee Members  
**From:** Nicholas Kikis, VP of Legislative and Regulatory Affairs  
**Date:** June 5, 2019  
**Re:** NJAA Opposition to A-5447 (Wimberly/Reynolds-Jackson/Vainieri Huttle)

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On behalf of the New Jersey Apartment Association (NJAA), and our members who provide both market rate and affordable rental housing to over one million New Jersey residents, we respectfully oppose A-5447, which is scheduled to be heard for discussion-only by the Assembly Housing and Community Development Committee on June 6, 2019.

A-5447 would establish statewide rent control for tenants who are 55 years or older, whose income is less than \$80,000 per year, and who have rented their apartment for 10 years or more as a principal residence. Under the bill, landlords would be limited in increasing rents for these units to 75% of the rate of inflation in the county where the property is located unless a local rent control ordinance specifies a lower amount.

**While we understand the sponsors' goal of assisting seniors struggling with high housing costs, we believe that this bill would negatively impact both the availability and quality of housing for those who this legislation intends to protect.**

New Jersey has seen the negative effects of rent control in those municipalities that have adopted local rent control ordinances, including: decreased investment in rental housing; housing shortages (as tenants hold onto apartments they no longer need and developers become reluctant to build modest units); and reduced property tax payments to municipalities, thus shifting the property tax burden to homeowners. While rent control may make housing cheaper for a specific tenant, it does nothing to tackle the broader issue of providing quality affordable housing for the low- and moderate-income households who need it. In fact, due to the negative impacts of rent control, it often has the opposite effect. Simply put, rent control is not the answer to our housing affordability crisis.

We have frequently testified before this committee about the affordable housing crisis and the housing affordability crisis in New Jersey. As it pertains to the former, New Jersey must build or preserve more than 150,000 units of affordable housing over the next decade to meet current affordable housing demand. This includes housing affordable for seniors. As it pertains to the latter, rental housing is perhaps the largest source of housing affordable to low- and moderate-income seniors and families.

We would like the opportunity to continue to work with this committee and the entire Legislature on comprehensive solutions to the state's housing crisis. This includes increased funding for affordable housing production and tenant-based assistance (vouchers), tools to preserve the existing affordable housing stock, and avoiding mandates that needlessly drive up housing costs.

We appreciate the chairman's commitment to these issues and we look forward to a continued dialogue. If you have any questions or would like to discuss this issue further, please do not hesitate to contact me at [nicholas@njaa.com](mailto:nicholas@njaa.com) or 732-992-0600.