

MEMORANDUM

To: All Members of the New Jersey State Senate

From: Nicholas Kikis, Vice President of Legislative and Regulatory Affairs

Date: March 19, 2020

Re: NJAA Testimony in Support of S-2276 (Cryan/Pou)/A-3859 (McKnight/Schepisi) and

Suggested Steps to Protect New Jersey's Housing Supply

On behalf of the New Jersey Apartment Association (NJAA), and our members who provide housing to over 1 million New Jersey residents, we support S-2276/A-3859, and would suggest other measures to maintain both housing and business continuity.

NJAA recognizes the tremendous amount of difficulty and uncertainty we face as a state and as a nation in an attempt to stem the outbreak of Coronavirus Disease 2019 (COVID-19) and ultimately counter the disease. As legislators, you and the governor play a critical role in assisting New Jerseyans during this difficult time. We also understand that this is an evolving situation and that other steps will need to be taken to assist both New Jersey residents and businesses. Please look at the NJAA as a partner in these efforts.

In that vein, please understand that the apartment industry in New Jersey is at the frontlines of the COVID-19 response. As schools and workplaces shutdown, residents are spending more time at home, and for many, that means more time in their apartment buildings. Given the population density in apartment communities, NJAA members have increased cleaning of common areas and have taken steps to educate residents on the best ways to limit the spread of the virus as well as exposure. We are also adopting maintenance plans to accommodate concerns raised by COVID-19.

We would ask that in furtherance of your efforts to assist residents and businesses, the state establish funding to assist tenants unable to pay rent due to financial hardships created by COVID-19 as well as assistance for property owners in paying their mortgages. When rent goes unpaid, there is a chain reaction, as owners become unable to meet their mortgage obligations and other expenses. This has an impact on all property owners attempting to maintain their properties, and a greater impact on affordable housing and smaller properties. As such, if business assistance is being offered across industries, please note that our business is to provide the homes to over 1 million New Jerseyans, and that if our businesses fail, the impact on those residents could be devastating.

Furthermore, we would ask the state for guidance on issues such as providing maintenance in apartments where tenants are under quarantine, addressing reduced staffing levels, and avoiding the spread of the virus by limiting unnecessary intrusions into residents' homes from inspection programs and other regulatory responsibilities.

Again, please look at the NJAA and the apartment industry as a partner in attempting to deal with the impacts of COVID-19. Should you have any questions or would like to discuss further, please do not hesitate to contact me at 732-992-0605 or nicholas@njaa.com.