



August 17, 2017

City of Jersey City
Office of the Mayor
280 Grove Street
Jersey City, NJ 07302

Dear Steve,

This office is concerned that you may not fully understand the concerns of a group of Jersey City REALTORS that you recently met with and discussed your ideas to battle the recent rapid gentrification that is occurring in Jersey City. It was relayed to me by some of the REALTORS who attended this meeting that you dismissed our research on what happens when bad policy is implemented. The kind of policy being discussed by your administration does more harm for tenants than it does good.

The graphic that was presented to you on the changing housing stock which compared Hoboken with Jersey City may have been misunderstood. It was not a statistical study or a theory, but it was fact based. The reason we put together this active changing housing stock comparison of Hoboken with Jersey City was because in 1983, Hoboken implemented a rent control policy, like the one you are thinking will protect Jersey City residents from gentrification. However, it did not protect Hoboken tenants, but ironically, it actually helped put gentrification on a fast track. I have been advised that the REALTORS who met with you did not mention my personal experience with gentrification in Hoboken. Since I was a long time resident of Hoboken during the beginning of its gentrification, the following maybe helpful for you to understand your thinking is the wrong way to go.

In April 1983, when Hoboken City Council included three and four family buildings under rent control, I attended that meeting. At that meeting, I predicted that in 50 years this new law would change the makeup of our neighborhoods with small buildings and that it would actually do more harm for tenants. I also discussed how this policy change, along with other policies would speed up the gentrification of Hoboken. My prediction was that two through four family homes would be converted to one family homes or condominiums. I regret that my prediction is on track to come true sooner than I predicted.

At this meeting, suggestions were made by residents and all were ignored. The suggestions I believe would also be helpful to you are:

The first was not to approve the rent control amendment they were considering because the market place would naturally change the housing stock, reducing the number of apartments available for tenants to rent.

The second was to reimplement the acquiring of federal and state funding for providing rent subsidies for moderate income tenants. This would mean hiring the proper staff, instead of friends and family members.

The hardest recommendation for the elected officials to accept was for them to stop their marketing of Hoboken. This marketing was inviting more people to move to Hoboken and the complaint was that it was really being used to improve the image of the elected officials. The Hoboken residents suggested that instead of using those tax monies for promoting the city, for the money to be put to a better use by providing subsidies for moderate income tenants.

Gentrification arrived in Jersey City more than 20 years ago. Today's problem today is that it has left Downtown and currently moving rapidly throughout more Jersey City areas. With that, longtime residents fear their neighborhoods are not changing to benefit their families and friends. The elected officials in Jersey City can make the same mistakes made in Hoboken or they can change their present thinking and policies.

Sincerely,

Joseph W. Hottendorf
Executive Vice President