



*"Do you want to know who you are? Don't ask. Act! Action will delineate and define you." Thomas Jefferson*

July 29, 2019

City Council of Jersey City  
280 Grove Street, Room 202  
Jersey City, New Jersey 07302

Dear Council Member:

The Liberty Board of REALTORS is concerned that the Jersey City Council has been reacting to numerous housing issues for more than two decades and their policies have only exacerbated the shortage of affordable housing for long-time moderate-income residents. Minorities are the largest group of residents being displaced. The actions taken appear to be sincere, but never fully solve the problem. In fact, most of the actions have increased the number of long-time residents being displaced. Unfortunately, there have been minimal actions taken to assist these residents.

The city is undergoing a housing renaissance, which entails the arrival of new high-income residents. However, Jersey City does not have a system that ensures new wealthy residents pay their fair share of taxes through their rent payments. Many of them are occupying rent-controlled apartments, and by doing so, it increases the shortage of affordable housing for long-time moderate-income residents. The city should understand their taxing assessment ability under state law that allows an increase in tax receipts. These new tax receipts can be used to provide new subsidized housing and/or a voucher program to begin solving the problem.

After more than 45 years of rent control, it's proven that it does not solve the housing shortage. Rather, it reduces the amount of affordable housing in the city. The original reasons for rent control were to protect tenants from unreasonable rent increases that were caused by a shortage of affordable housing. To justify rent control today, is to ignore state statutes and court decisions during the last 45 years that have increased tenant protections and prohibits unconscionable rent increases.

The laws in New Jersey now have the burden of defining what is an unconscionable or a reasonable rent increase which rests entirely on the property owner. It is now time for the city to become innovative and provide housing for moderate-income Jersey City residents. They must put a halt to the displacement of those who grew up and spent most of their lives in Jersey City.

The Council may be interested to know why we are making such a bold suggestion. We understand the pressure elected officials have when their constituents' demand action to solve their problems. However, the recent action by the Mayor and City Council on short term rental is an indication they are willing to do what is best for most of their constituents instead of listening to only those that shout the loudest.

If anyone would like to discuss the shortage of affordable housing, please do not hesitate to contact us.

Sincerely,

Joseph W. Hottendorf, Executive Vice President

Cc: The Honorable Mayor Steven Fulop