

Initiative and Referendum Petition Question

Should Chapter 155-31 of the Ordinances of the City of Hoboken, Rent Control Ordinance ("RCO") be amended to provide an option to landlords to pay a fee of \$2500 to the Hoboken Affordable Housing Trust Fund in order to lease voluntarily vacated apartments at a freely negotiated rent, which thereafter remain subject to the provisions of the ("RCO") including limitations on annual rent increases.

YES []

NO []

INTERPRETIVE STATEMENT FOR INITIATIVE PETITION

Currently, Property Owners/Landlords operating rent-controlled properties are not required to contribute to the funding necessary to foster and create new affordable housing. Rent controlled apartments do not satisfy the need for affordable housing since Tenants who move into or currently reside in Hoboken have incomes that generally exceed the standards to qualify for affordable housing.

A vote Yes means: *This amendment creates an option to all landlords governed by the ordinance to pay a fee of \$2500 to the Hoboken Affordable Housing Trust Fund in order to lease voluntarily vacated apartments at a freely negotiated rent. Thereafter the unit rent remains subject to the Rent Control Ordinance including limitations on annual rent increases. This Ordinance creates a new option to landlords who contribute to the city's Affordable Housing Trust Fund but does not eliminate any existing provision of the current rent control ordinance, or the rent amounts being charged to existing tenants in Hoboken.*

A vote No means: *The current rent control ordinance would not be changed; no option would be provided to landlords to financially contribute to the creation of new affordable housing in order to freely negotiate the rent amount with a new tenant; and there would be no obligation for landlords to contribute to the city's Affordable Housing Fund.*

TEXT OF ORDINANCE

Article VII, Chapter 155, specifically Section 155- 31 of the Ordinances of the City of Hoboken shall be repealed and replaced with the following provision.

§ 155-31 Dwelling decontrolled and exempted; Optional decontrol with Affordable Housing Contribution

Rent increases for existing tenants in properties subject to this ordinance are limited to those annual increases as set forth in Section 155-5. Provided that a dwelling is registered before the landlord implements a vacancy decontrol rent increase, upon the vacation of a residential apartment unit by a tenant, the landlord shall be entitled to either:

1. An increase of 25% over the last rental paid by the tenant who voluntarily vacated the rental unit, exclusive of any capital improvement surcharge that is a component of said last rental, or

2. Agree to the monthly rental amount with a new tenant conditioned upon the payment of a fee of \$2,500 by the landlord to the Affordable Housing Trust Fund of the City of Hoboken at the time of execution of the new lease agreement. It is the intention of this Amendment that such fees will be utilized to build new, affordable housing units in the City of Hoboken through the City of Hoboken's affordable Housing Trust Fund.

3. Section 155-34 will continue to apply to increases taken under option 1 above, but will not apply to option 2 above.

4. Any further increases, including annual increases are governed by the existing rent control ordinance.

5. The provisions of Section 155-32 B shall continue to apply to any vacancy decontrol to protect against tenant harassment.