

**Updated Summary 7/24 Jul 24, 2024 12:45 PM**

**Summary of Rent Control Ordinance and Provision for One-Time Intent to Increase Rent:**

The Hoboken Council has proposed amendments to the Rent Control Ordinance that seek to maintain existing tenant protections and address concerns raised by a petitioning committee, offering a compromise to avoid the enactment of a potentially less protective initiative referendum.

These amendments seek to improve registration and compliance with Hoboken's rent control laws, strengthen protections for existing tenants, preserve legal and base rate definitions, provide additional funding for enforcement of our rent control laws, and provide funding to expand Hoboken's Affordable Housing Trust Fund. In exchange, the amendment provides compliant landlords with a one time ability to increase rents on vacant units above Hoboken's current ordinance.

In exchange for the passage of this amendment, the petitioning committee has agreed to withdraw its Initiative ordinance.

Key provisions of the proposed amendments include:

- 1. Notifications and Transparency:** Property owners may opt to submit an Intent to Increase Rent Upon Vacancy Form within one year of ordinance adoption, with program registration fees of \$100 for currently registered units and \$3500 for unregistered units. This ensures transparency and resets the new rent as the legal rent. The Rental Increase Scale for landlords who opt for an Intent to Increase Provision may raise rents in units upon the next vacancy of the unit based on the applicable, following occupancy duration—25% increase for 2 years, 50% for 5 years, and 100% or up to \$1750 per month for 10 years or more. An additional fee will be charged when the compliant landlord exercises its right to seek a rental increase. The fees for these vacancy decontrols are as follows: 25%/\$500, 50%/\$1000, 100%/\$2000.
- 2. Update of Capital Improvement Provision for Vacant Units:** Upon a proper vacancy of a unit, landlords can self-certify capital improvements with documentation including photos, receipts, and fair-value allocations. This follows the Jersey City model and requires compliance with City Codes and permit requirements.
- 3. Tenant Rent Calculation Transparency:** Both landlords and tenants have the right to request and receive rent calculations. All calculations must be simultaneously provided to both the landlord and the tenant. Surcharges and Capital Improvements are not included in the calculation of legal rent.
- 4. Disincentives for Non-Compliance:** Falsification related to documentation provided results in permanent disqualification from vacancy decontrol and potential legal

prosecution.

**5. Increased Funding for Enforcement and Affordable Housing.** The first \$250,000 of program participation fees generated to enroll in the program will go to enforcement of Hoboken's rent control ordinance, with any amounts in excess going to Hoboken's Affordable Housing Trust Fund. All fees paid by compliant landlords for rental increases will go to Hoboken's Affordable Housing Trust Fund.