

WAITING APPRVL. 06.07.2022

Town of Phillipsburg

Work Session

Tuesday, May 10, 2022

Via Zoom 7PM

(Virtual Zoom Cod to Join: Meeting ID: 857 7011 8335 – instructions located on Town Website)

1. CALL TO ORDER – 7PM
2. OPEN PUBLIC MEETING ACT STATEMENT: - Read by Councilman Kennedy
3. INVOCATION AND FLAG SALUTE: - Led by Councilman Piazza
4. Roll Call: PRESENT: VP Clark, Kennedy, Marino, Piazza
 ABSENT: Wyant
5. Public Discussion on Agenda Items – None will be heard
6. Discussion
 RENT CONTROL

Councilman Piazza began discussion by stating the idea of Rent Control was addressed a few years ago and again recently. He continued, a wide variety of reasons, but ended up Vetoed. Could be just inspections, rent rollback or everything in between.

May not fit what everyone would like. Noted, Marie Chismar from Elder Avenue – shared information – listed every city that had rent control. Some were, Hoboken, Maplewood, North Bergen, North Plainfield. Some with higher incomes that TOP, adding rents have drastically shot up. Hard to Plan when COLA goes up 2.5% and rent is way above that. Families want to create stability for selves and children. Very broad spectrum of those affected. Would like to form sub-committee – to see what would work for Town of Phillipsburg.

1. Wants to slow down Community turnover – noting those who stay have vested interest – wanting to be involved – attending Annual Events.
2. If Rent can only go up certain amount – connected to quality, inspections of rental units, if families can Plan – they can plan to stay LONG TERM.

Joe Meyner shared with Council his ideas on Rent being connected to Inspection – if going to raise rent – no repairs will be left undone. This cuts down on movement. Rates does effect schooling – kids are effected if less stable situation.

Also a Section 8 Program – pretty big Program. Also shared service – PHA – based on income – not Fair Market Rentals.

Look into doing more – UEZ / NORWESCAP – help
River of Life Church – Food Banks
NORWESCAP – Food Banks

Probably 20% Poverty – a little more stability

Anyone else have ideas of should or should not.

VP Clark – Thanked Councilman Piazza for bringing up this important Subject and sharing his researched pointes.

Councilman Marino – noted he has read Articles, but feels skewed – written by educated, working individuals. Doesn't feel a true representation of problem – lack of affordable housing to Rent within one's Budget. Renters are diverse group, families, retired individuals, those with disabilities – fixed incomes.

Pre-pandemic – how subject of Rent Control slanted by educated people. Effects 18-20% of population. Some Landlords – okay with small increase. Rent Control does exist in CA, NY, NJ and MD. Feels some type of Rent Control needed – someone on SSI or SSD or retired, simply can't afford a \$150 increase monthly. Continued, Lehigh Valley Rents are out of control, adding Town of Phillipsburg has seen 10% increase and to a person on fixed income, they can't do it.

Slanted to Landlord, not renter. Look hard – need to hear from our Town, our people. He continued, Committee could give feedback – comprise of general mix. Landlord – it's a business making money, but don't want to see people move out.

Councilman Kennedy noted there are always (2) sides. He disagrees with Rent Control. Feels Businessman purchases property as an investment – noting if you CAP – places will fall into disrepair. Stated negatives outweigh the positives. Continued, if we invoke Rent Control does it effect Mr. Perrucci's property? Does not think we need a sub-committee to come to that conclusion.

VP Clark stated, understands it can be beneficial. Continued, only certain instances when a good thing. Feels current climate does not support Rent Control. Currently tackling gentrification – 1k – 3k Rents pushing out low income and people of color. Currently Town

of Phillipsburg has some of the lowest rents in Warren County. Continued we are facing historical inflation it's not just higher rents. The entire country, Town of Phillipsburg is on more fortunate end of it. Added, can't combat inflation with Rent Control. Stated, he made a point to talk with Business Owners, renters and tenants. He doesn't want to see people displaced. Continued, he is the only renter on Council. Noted current economic situation could push rental Community out. Want to remain aware of, not just short term effects, but Business growth and development. He added, not saying there is nothing Council can do, but leading economists are hopeful we can meet supply chain challenges.

VP Clark noted he wishes to remain pro-active. Need to safeguard the most vulnerable. Stated, NORWESCAP has program to help with energy bills – heating/cooling. Would like to hear from NORWESCAP as to number of subsidies. Continued, real root is growing inflation. Stated, gas, food will stabilize. Believes we would need Professionals if we create sub-committee. Noted, in speaking to members of Downtown Association – rent control kills businesses. Continued, not in support of it right now.

Councilman Piazza stated, VP Clark offered valid counterpoints. Continued, all broad spectrum of hypothetical – over 3% increase, would need inspection – this would not keep people from fixing up Property, just the opposite. Properties would be kept up to date. Continued, we are experiencing fires, bulldozing and demolitions, would like to stop that from continuing. Added, doesn't stop rent income – because would not be a cap. Also, regarding new development – there would be a Moratorium within 20 years. This was introduced as a bipartisan endeavor Councilman Josh Davis and Councilman Fulper. If ever new affordable housing would be exempt because brand new and up to standards.

He continued, if Phillipsburg Downtown Association stated kills businesses – if people keep moving, those people don't go to Small Businesses. Keeping people in our Community is good for our Businesses.

VP Clark stated, appreciate your input.

Cnclman Marino noted, he knows Downtown – 3 of 5 Businesses – left rent too high.

VP Clark asked if he was referring to Commercial?

Cnclman Marino responded, yes.

Councilman Piazza moved for adjournment.

Adjournment – 7:30 PM