

## APPENDIX



**CITY OF TRENTON**  
OFFICE OF THE MAYOR

**W. Reed Gusciora**  
*Mayor*

**RE: Testimony for Assembly Housing Committee Meeting – September 15, 2022**

I thank the Assembly Housing Committee for convening this important forum and the Chair for her kind invitation. I've seen the impact of housing policy as an Assemblyman for New Jersey's 15<sup>th</sup> legislative district where I represented semi-rural, suburban, and urban municipalities, and as Mayor of the City of Trenton.

There's a history of the Capital City being a leader in the provision and maintenance of affordable housing stock in the State of New Jersey. As a result of the 1985 Fair Housing Act, other municipalities compensated the city for meeting their affordable housing obligations. In 2008 with the passage of Bill A-500, these regional contribution agreements (RCAs) were abolished. Yet, the state faces challenges in the provision of housing.

There are two recommendations that I would like to share. First, if there is movement to return to RCAs, cities – like Trenton – should have increased discretion in how funds are used. One of the principal challenges associated with the system of RCAs is overregulation: The City of Trenton should have the flexibility to use funds to rehab properties whereas this was not previously permitted. Second, the city would benefit from the opportunity for affordable housing units to graduate from affordable housing and become market rate units (i.e., after 5 years or a determined timeline). If implemented, these two recommendations would increase the city's flexibility in the provision of affordable housing, which would deliver significant regional benefits.

The City of Trenton retains its commitment to maintaining housing stock that is affordable to city residents: The City of Trenton has a significant amount of deed-restricted affordable housing – stock that cannot be sold or rented to households with income less than 80% of the area median income. Prior estimates suggest that 24% of the city's housing stock are deed-restricted affordable units.

Our administration unfroze millions of dollars in federal funding and dedicated \$800,000 in HUD Investment Partnerships money to help overcome a fourteen-year long funding gap for the development of Jennings Village. A formerly vacant lot has now been converted into 72 affordable and sustainable housing units in the North Ward. There are many abandoned houses and lots in the Capital City: The greater housing stock we have, the greater the competition, leading to more affordable communities. We remain committed to affordable housing.

If there is movement to return to RCAs or a similar system, the Capital City would benefit from a regulatory environment that permits increased flexibility in the use of funds and permits properties to graduate from affordable units to market-rate units.





*Testimony Before the Assembly Housing Committee Hearing on Mount Laurel Fourth Round Obligations*

*September 15, 2022*

*Marlene Lao-Collins, Executive Director*

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Good Afternoon Chair Lopez, Vice Chair Jimenez and distinguished members of the Assembly Housing Committee. My name is Marlene Lao-Collins, I am the Executive Director for Catholic Charities, Diocese of Trenton. Thank you for the opportunity to testify on this critical issues. For 30 plus years I have been an advocate for the creation of affordable housing for low income families through sensible strategies that does not concentrate poverty. During this time, I have witnessed the rise of exclusionary policies aimed to keep low-income families and people of color from communities with better schools, improved infrastructure, and more opportunity to access jobs and resources. This has created a highly segregated state, accentuating the differences between the haves and have nots. We need policies that will uphold the dignity of the human person and offer low-income families opportunities to thrive. It is, I believe, what the Mount Laurel Doctrine intended.

Catholic Charities, Diocese of Trenton provides a ranges of specialized services in 4 counties (Monmouth, Ocean, Mercer and Burlington) including addressing homelessness through our supportive housing programs for those facing mental illness; homelessness prevention and Rapid Re-Housing for families and single adults; Transitional Housing for families; and Domestic Violence Shelter. Each of these services have face major challenges in finding safe, clean and affordable housing, especially in 2022. Our DV shelter in Ocean County has had to house 140 families in motels, because the numbers referred to us far exceeds our shelter capacity. Those families that technically can and should move on to permanent housing in the community, can't, there is no affordable housing out there for them. So women and children languish in motel for indefinite periods of time. Even individual with vouchers in our supportive housing programs are facing the possibility of having to move, because as the leases are renewed landlords are raising the rent beyond the FMR (Fair Market Rent) the voucher program allows. Where do they go? Housing is fundamental to the stability and well-being of the families and individual. We are drowning and we need a process that will work and move the development of affordable housing forward.

When the Council on Affordable Housing was in operation, hundreds of towns were in an indefinite limbo in which their plans were never reviewed and thus affordable housing didn't move forward. For example, during the Second Round from 1993-1999, only 138 towns had their plans fully reviewed and approved by COAH- and about 200 towns didn't get their plans reviewed even before the end of the time period they were supposed to build the homes. Endless bureaucracy is not what our families need nor deserve. Between 2000-2015, the Mount Laurel Doctrine was unenforced by the COAH – barely any affordable home were built. But since 2015, when enforcement of the Mount Laurel Doctrine was sent back to the courts, we have seen significant progress. To date, Fair Share Housing Center has settled more than 340 cases with

municipalities throughout the state. They anticipate approximately 50,000 homes to be built as a result of these settlements over the next decade. Towns that have never built a single unit of affordable housing are well on their way to developing homes for working families in New Jersey.

The court process also provides significant flexibility. Towns that lack open space can apply for adjustments to their fair housing obligations. The process also allows towns to steer development into specific parts of their community in response to local concerns. And once towns have adopted court-approved fair housing settlements, they have successfully defended their local zoning codes from developers who have not been part of the process.

The Mount Laurel Doctrine provides one of the strongest frameworks in the country for affordable housing. I urge you not to go back in time to a bureaucracy that produced so little over a significant amount of time. Instead, we should embrace the court process that has worked, holds parties accountable, and upholds fairness and the rule of law in the process.

Thank you for your time.

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Assembly Housing Committee Hearing on Mount Laurel Fourth Round Obligations  
Thursday, September 15, 2022  
Lori Leonard CEO Habitat for Humanity South Central NJ  
LLeonard@Habitatscnj.org

Im Lori Leonard and I've been the CEO of HFHSCNJ for 13 years. We serve Burlington, Mercer, Atlantic and part of Middlesex Counties - 77 municipalities across the state. Our HQ are in Burlington County where the ML decision was founded. We've had the daughter of Ethel Lawrence speak at our annual Building Hope luncheon. My professional and personal life IS DEDICATED to racial and social justice around housing.

My commitment is reinforced everyday working with people like Wanda Vidal and her family who recently moved from Camden NJ to their new Habitat home in Princeton, where they pay less for a mortgage than they did for rent.

Habitat for Humanity builds homes in every state in the US and internationally. In the last 10 years NJ Habitats have built, rehabbed and repaired over 2000 homes so NJ residents have an affordable place to live. We don't pump out thousands of units like big developers but we have our niche. For infill lots or smaller parcels of land to be developed we're a great option for townships.

I speak to many Habitats across the country and they are so envious that our state mandates affordable housing in every municipality. However, without an effective agency to provide oversight and enforcement it becomes difficult.

There are incredible challenges working among different agencies, government funding, administrative agents, townships, and rules, that haven't been revised in years. For example, the state's Affirmative Fair Housing Marketing Plan hasn't been updated to include website and social media so we spend money on radio & TV ads because that what's "the plan" dictates. **Common sense counts for nothing** because no agency wants to make a move for fear of going against the "COAH regulations".

That said, the process is much better now than it was under COAH. In the last 6 years townships have contacted us regularly about building affordable units. 6 in rural Springfield, 10 in Bordentown, 6 in Cinnaminson, and more in Evesham, Robbinsville, Hightstown, Egg Harbor Township to name a few. We now have a full 5 year pipeline thanks to progress that has been made since the courts took over.

The current problem is that when there are questions or discrepancies, there's really no point person or agency to go to. However...if you're willful like me you end up getting on a zoom call with the Special Master, Mr. Surenian's office, FSH, and the DCA to discuss the inefficiencies

but often times there is no resolution - whether it has to do with:

- unfair deed restriction language that prohibits generational wealth,
- the extension of restrictions after 30 years by the township with no compensation to the homeowner,
- outdated affirmative marketing and income levels,
- or which agency takes precedence

We need to improve upon the process by updating and streamlining operations to support everyone who is involved in producing and filling the units. We owe this in honor of Ethel Lawrence.

Thank you for the opportunity to speak.

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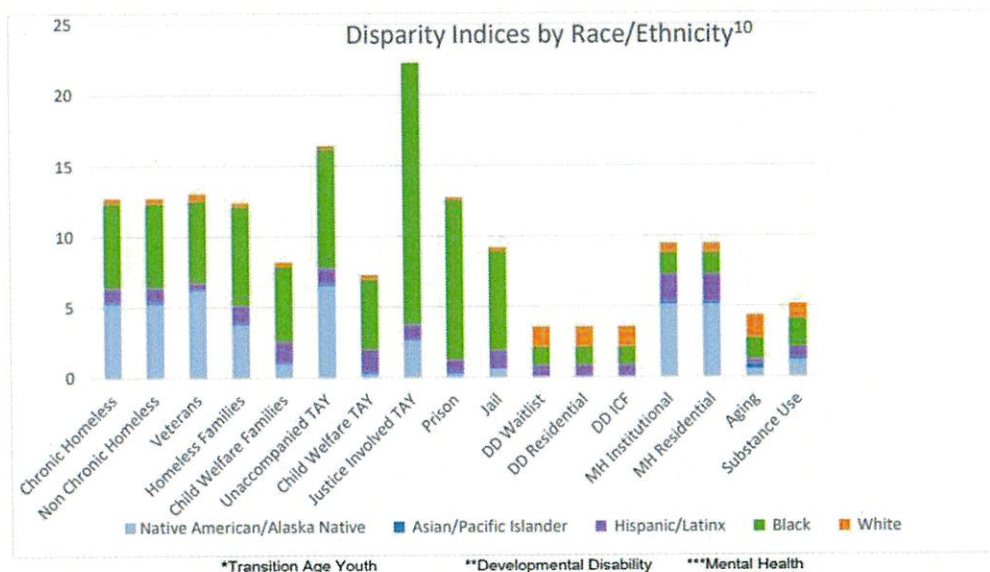


**Testimony of the Corporation for Supportive Housing (CSH)  
New Jersey Assembly Housing Committee  
September 15, 2022**

Thank you for allowing the Corporation for Supportive Housing (CSH) to provide testimony to inform discussions around affordable housing, we support the court-led settlement process and hope this committee recommends continuing this critical process for making progress in having communities build their fair share of affordable housing.

CSH's mission is to advance solutions that use housing as a platform to deliver services, improve the lives of the most vulnerable people and build healthy communities. We are a national nonprofit and Community Developmental Financial Institution (CDFI), fostering the creation of 5,290 supportive housing units in the Garden State through loans, grants, and TA to supportive housing providers and developers and expert advice to public agencies. During the past 25 years, CSH has issued 85 loans in New Jersey, totaling \$40M for affordable and supportive housing development. We also provide technical assistance and consulting services to the supportive housing field including providers, developers and government.

Through CSH's work to advance supportive housing in communities across the country, CSH has witnessed the significant overrepresentation of Black, Indigenous, People of Color (BIPOC) individuals within the homeless system and institutional settings. There are significant racial disparities for BIPOC across multiple crisis public systems in New Jersey due to historic and systemic racism and marginalization, like the homeless systems ([Graph is of CSH's Racial Disparities and Disproportionality Index](#), with New Jersey specific data).



These disparities are a result of systemic failures and not individual ones, and therefore require systematic approaches to center equity for their undoing. New Jersey policy makers, advocates and the

community at large must act boldly to undo structural racism and take an anti-racist approach to creating the policies and programs that lead to thriving and equitable communities.

To understand the scope of homelessness in New Jersey, we must first understand the role of structural racism and its manifestations within both the long history and contemporary disproportionate rates of homeownership and renting. Starting in the 1930s, government-sponsored real estate maps outlined Black communities in red to signify neighborhoods that were deemed too risky for lending institutions issuing federally-insured mortgage loans. This practice, known as redlining, is a root cause of why many of New Jersey's communities remain segregated today. The current refusal of many municipalities to abide by the 1975 Mt. Laurel court decision which ruled affordable housing must be developed throughout the state equitably, coupled with predatory lending practices, continues this redlining legacy and contributes to the affordable housing crisis.

Between 2000 and 2015, the Mount Laurel Doctrine was unenforced by the Council on Affordable Housing—barely any affordable homes were built. During that same time period, rents and sale prices for homes grew rapidly, at two- and three-times the rate of incomes respectively. Lack of affordable housing development coupled with rising housing costs, created the dire housing situation we are currently in today.

When the Council on Affordable Housing was in operation, hundreds of towns were in an indefinite limbo in which their plans were never reviewed and thus affordable housing didn't move forward. For example, during the Second Round from 1993-1999, only 138 towns had their plans fully reviewed and approved by COAH – and about 200 towns didn't get their plans reviewed even before the end of the time period they were supposed to build the homes during. This is what towns calling for a return to COAH want – endless bureaucracy without doing anything.

New Jersey is facing a housing crisis fueled by exclusionary zoning, rising housing costs, and population growth. As a state, we do not have enough homes to meet the needs of our residents. Between 2010 and 2020, New Jersey grew by more than 210,000 households, but during that same period, according to the Department of Community Affairs, our housing stock only increased by 95,000 homes. Such a huge mismatch between population growth and creating new homes has played a critical role in driving up rents and home prices in New Jersey.

But since 2015, when enforcement of the Mount Laurel Doctrine was sent back to the courts, we have seen significant progress. To date, Fair Share Housing Center has settled more than 340 cases with municipalities throughout the state. They anticipate approximately 50,000 homes to be built as a result of these settlements over the next decade. Towns that have never built a single unit of affordable housing are well on their way to developing homes for working families in New Jersey.

NJ leadership recently allocated \$305M in ARP funds to help with Mount Laurel settlements that were through the court-led process. We would also elevate Senator Singleton's request for additional monies for urban communities – the state's tax credit system is designed to support Mount Laurel settlement cases and as such, has a preference for non-urban projects. It is important Mount Laurel settlements be met and at the same time there is a strong pathway to develop urban projects as well.

Given the settlement numbers, comparing the COAH led process to the court-led settlement process, the numbers speak for themselves. We hope this committee recommends continuing the court-led

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settlement process for making progress in having communities build their fair share of affordable housing.

Thank you for your time and attention,

Cassandra Warney

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