

### **UNTAPPED RESOURCES:**

How New Jersey Can Leverage State Financing and Land for Affordable Housing

SEPTEMBER 2022



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### A SPECIAL THANKS

Fair Share Housing Center (FSHC) is thankful to the Robert Wood Johnson Foundation (RWJF) for its steadfast support and commitment to improving public health in the State of New Jersey by ensuring that all residents have access to safe, healthy, and affordable housing in diverse and thriving communities. In particular, FSHC recognizes and thanks Marco Navarro, RWJF's Senior Program Officer, for his support and guidance on this report and project.

Support for this report was provided by the Robert Wood Johnson Foundation. The views expressed here do not necessarily reflect the views of the Foundation.

### ACKNOWLEDGMENTS

This report would not have been possible without significant contributions from many individuals who are dedicated to the goal of ensuring that New Jersey leverages it land and financial resources to ensure that affordable homes are available to individuals and families across the State who are being squeezed by rising rents and escalating home prices.

Although there is insufficient room to thank every individual who contributed in some way to this report, FSHC would like to highlight the meaningful contributions of several individuals, listed below.

David Kinsey Valerie Haynes Jacqueline Manning Luke Hinrichs Bassam Gergi Yvette Chen Katherine Payne Eric Dobson Alex Staropoli Martina Manicastri

#### A LETTER FROM OUR EXECUTIVE DIRECTOR



Dear Friends,

When *Mount Laurel* was first decided in 1975 and the New Jersey Supreme Court held that every town in New Jersey is constitutionally required to provide its "fair share" of the regional need for affordable housing, there were many who doubted that the decision would result in actual homes for individuals and families.

In fact, after the decision, the Mayor of Mount Laurel told the New York Times that if people think the "ruling mean[s] that [affordable] housing is just around the corner, . . . [n]othing could be farther from the truth." He vowed, along with the rest of the Township Council, to continue fighting -- all the way to the United State Supreme Court if need be.

In view of this open hostility, there was good reason to be cynical about what would result from the decision -- to doubt that such deep-seated recalcitrance could be overcome. Yet Ethel Lawrence, the lead plaintiff in the case, was quoted as stating that, despite the "hard-hearted" council, "[t]he verdict . . . is a step in the right direction. It gives us hope. We have something to look forward to."

Fifty years later, despite continued fierce opposition from those who want to keep New Jerseyans divided along racial and socioeconomic lines, the success of *Mount Laurel* is clear. Tens of thousands of affordable homes have been constructed across the state, providing access to higher-opportunity communities for low-income individuals and families. Hundreds of thousands of lives have been transformed for the better.

Since 2015, over 340 municipalities have plans that will lead to over 50,000 much-needed affordable homes, breaking a 15 year-long logjam from the failures of the Council on Affordable Housing to implement the law.

But there is still more work to do. Despite the gains already achieved, there are too many New Jerseyans being squeezed by rising rents and escalating home prices. Too many families excluded from the opportunity to access integrated, high-quality schools and well-paying jobs. And too much segregation and injustice in our state. The time is now to prioritize affordable housing, during the most dire housing crisis the state has seen in generations. New Jersey's affordability crisis coupled with recovery from the COVID-19 pandemic, requires the state to commit to meaningful and transformative change. New Jersey must prioritize affordable housing to address systemic racism, segregated housing markets, and historic disinvestment in communities of color, including many communities that now face displacement as a result of gentrification.

We applaud Governor Murphy and the Legislature for committing \$305 million to affordable housing development resulting from *Mount Laurel* in the Fiscal Year 2023 State Budget, a landmark investment of American Rescue Plan funds that will produce over 3,000 new affordable homes. This report suggests how New Jersey can further build on that investment and leverage its land and financial resources to improve public health through the creation of affordable housing.

In 2008, New Jersey amended the Fair Housing Act to require that any residential development financed, in whole or in part with state monies, or on lands that are owned by the State, reserve at least twenty percent of the homes as affordable for very low-, low- and moderate-income households. And in 2021, the Legislature and Governor Murphy expanded and strengthened this requirement as applied to \$14 billion dollars in tax credits offered through the Economic Development Authority.

Despite this clear legislative requirement, in the more than ten years since enacted, New Jersey has done little to actually implement the law's command, missing many opportunities to support the creation of affordable housing.

This report walks through the legislative history of the law, provides an overview of how it has been and can be used to further support affordable housing, and makes recommendations for how New Jersey can fully implement the policy and accelerate affordable housing development.

These provision provides an important tool for New Jersey that has been untapped. No new legislation is required, and with more active enforcement of the law, New Jersey can potentially develop thousands of new affordable homes that will help create healthier, fairer, and more integrated communities throughout our state.

It will be another step in the right direction. It will be a legacy that we can all be proud of.

6000

ADAM GORDON, ESQ.

Executive Director, Fair Share Housing Center

### INTRODUCTION

New Jersey has very strong public policies to support the development of affordable housing. Through the *Mount Laurel* decisions—in which the New Jersey Supreme Court held that every town in the state must provide its "fair share" of the regional need for affordable housing—and the New Jersey Fair Housing Act of 1985, tens of thousands of affordable homes have been built across the State. But despite this policy landscape, there are still not enough affordable homes to meet the need for residents in our state.

Many New Jerseyans, disproportionately those from Black and Latino communities, are continually denied access to safe, healthy, and affordable homes. Many of these individuals and families have no meaningful choice but to live in substandard housing or resource-poor pockets of the state, depriving them, their children, and future generations from the opportunities that are critical to leading healthy lives. With the connection between health and housing is well-established, it's no surprise that New Jersey is also home to some of the worst racial health disparities in the nation.

But it does not have to be this way. The state and its municipalities have numerous levers at their disposal to guarantee the equitable development of affordable homes in every region, thereby impacting the health and well-being of all New Jerseyans. They can and should do more.

This report focuses on one major mechanism that has not yet been properly utilized to propel affordable housing development: requiring that new residential development that occurs on stateowned land or is supported in whole or in part with state monies, include affordable homes at all income levels.

In 2008, when the New Jersey Legislature amended the state Fair Housing Act, it adopted provisions that require that any residential development supported by the state reserve twenty percent of the new homes as affordable housing for very-low-, low- and moderate-income households. In 2021, the Legislature reinforced and expanded this requirement for a new \$14 billion package of tax credits for the Economic Development Authority.

Despite the clarity of the statutory requirement, the state has yet to enforce the policy or set forth clear guidance for state agencies and others to abide by the law. If New Jersey acts swiftly to comprehensively implement the 2008 amendments to the Fair Housing Act and the 2021 Economic Development Authority requirements, it would provide substantial opportunities for much-needed affordable housing, which would ultimately will impact the health and well-being of all New Jerseyans.

The overriding goal of this report is to encourage New Jersey to make better, more equitable use of its resources. The report begins by outlining the connection between residential segregation and public health, and why affordable housing is important to the collective health of New Jersey and its residents. It then describes the history of the Fair Housing Act's 2008 requirements, and examines several cases where residential development financed with state monies or built on state land included affordable housing pursuant to the Fair Housing Act — though too often only after litigation that would not have had to been brought if clear guidance were in place — and one case where an opportunity was missed altogether.

Next, the report surveys and highlights selected state-owned parcels that present prime opportunities for affordable housing development. Finally, the report offers recommendations about what New Jersey should do to leverage the Fair Housing Act and the state's resources to ensure equitable development and to give all New Jersey residents a realistic opportunity to live in a safe, healthy, and affordable home.



### RESIDENTIAL SEGREGATION & PUBLIC HEALTH

Residential segregation is fundamentally a public health issue. Racial disparities across most indicators of health and well-being are directly tied to where people live and what opportunities they have access to. More racially isolated neighborhoods are associated with higher health risks for people of color.

Throughout history and still today, across the United States and in New Jersey, government and private entities have created a complicated web of public and private policies designed to disadvantage people of color and maintain power among white communities. Policies to advance and maintain residential segregation—like redlining and exclusionary zoning—have produced hyper-segregated regions, like Camden and Newark (See Figures 1 and 2),<sup>1</sup> throughout the nation. Historic disinvestment

•• Today's residential segregation in the North, South, Midwest, and West is not the unintended consequence of individual choices and of otherwise well-meaning law or regulation but of unhidden public policy that explicitly segregated every metropolitan area in the United States.

#### RICHARD ROTHSTEIN THE COLOR OF LAW

from Black and Latino communities has disconnected people of color from regional opportunities, high quality public infrastructure, and wealth. New Jersey was the last northern state to abolish slavery and the last state in the country to ratify the 13th Amendment. There is no doubt that New Jersey's racial history has impacted the state's progress around racial equity. As evident in data on racial disparities, structural racism is still deeply entrenched in New Jersey.

Increasingly, there is heightened attention on the social determinants of health (SDOH) and the significant role they play in individual and community outcomes. SDOH are defined by the U.S. Department of Health and Human Services as the conditions in the environments where people are born, live, learn, work, play, worship, and age that affect a wide range of health, functioning, and quality of life outcomes and risks.<sup>2</sup> Research demonstrates that it is these factors that play a major role in individual health, well-being, and quality of life, and they contribute significantly to health disparities and inequities. It is impossible to talk about these conditions without also talking about the impact that structural racism, and residential segregation in particular, has had on them.

Nationally and in New Jersey, people of color fare worse than white people across the majority of examined health measures. A national analysis by the Commonwealth Fund looked at state data to assess health care access, quality, and outcomes by race.<sup>3</sup> In the scoring system, for New Jersey, whites and Asians scored in the 90th and 94th percentile while Hispanics and Blacks scored at 47% and 42%, respectively. In the same study, the frequency of death before the age of 75 due to preventable and treatable conditions had a sharp racial health disparity with Blacks at the highest rates of such deaths –141 per 100,000 compared to whites at 67, Hispanics at 55, and Asians at 37.

COVID-19's disproportionate impact on Black and Latino communities is directly linked to the existing health challenges faced by these populations due to structural racism. In New Jersey, Black and Latino populations were overrepresented in COVID-19 case, hospitalization, and mortality rates.<sup>4</sup> Infection rates in majority nonwhite zip codes were double that of New Jersey's majority white zip codes. While the pandemic exposed cracks that already existed in our healthcare system, it also demonstrated the direct relationship between health and residential segregation.

#### **PERCENT OF BLACK POPULATION IN CAMDEN REGION** (FIGURE 1)



#### **PERCENT OF BLACK POPULATION IN NEWARK REGION** (FIGURE 2)



<1%

1% to 5%

5% to 10%

15% to 30%

30% to 40%

90% to 95%

> 95%



Generations of harmful policies have perpetuated segregation and produced widely disparate outcomes by race.

Crestmon Country Club

> Tell Clu

## 6<sup>th</sup>+7<sup>th</sup>

New Jersey is America's sixth most segregated state for Black students and the seventh most segregated for Latino students.<sup>5</sup>

# \$300K

New Jersey's Black-white wealth gap is just over \$300,000, among the highest in the nation.<sup>6</sup>

**Back** A Black baby born in New Jersey is over three times more likely to die before his or her first birthday than a white baby.<sup>7</sup>



A Black mother in New Jersey is seven times more likely than a white mother to die from maternity-related complications.<sup>8</sup>

12:1 6:1 New Jersey is among the worst states in the nation for our Black-white incarceration rates. Black New Jerseyans are more than twelve times more likely to be incarcerated than white New Jerseyans.<sup>9</sup> Latino New Jerseyans are more than six times more likely to be incarcerated that white New Jerseyans.<sup>10</sup>

#### HEALTH BENEFITS OF AFFORDABLE HOUSING

Housing access is one of the most researched SDOH. Access to safe, healthy, and affordable housing is directly linked to improved health, well-being, and quality of life. In contrast, homelessness and housing instability—which includes multiple moves, poor housing quality, and high housing costs in proportion to income has serious detrimental impacts on both child and adult health. Because housing is intrinsically at the center of all SDOH, its impact on individual and community outcomes is profound.

The Ethel R. Lawrence Homes are a local and exemplary example of how access to stable and affordable housing in a high opportunity neighborhood improves SDOH like education and income. Princeton sociology professor, Douglas S. Massey, and his team studied the residents of the Ethel R. Lawrence Homes, which were built as part of the resolution of the original *Mount Laurel* case. affluent and predominately white town, consists of a 140 units in a 100% affordable development. Massey and his colleagues compared the families to otherwise similar families who applied for an apartment but did not get in. Their results found that living in Mount Laurel conferred many health benefits including a 25% improvement in mental health due to less stress and increased earnings of 25%. These increased earnings allowed families to prioritize other basic needs like food and healthcare (See Figures 3 and 4).<sup>11</sup>

The housing project, located in Mount Laurel, New Jersey, an

The Ethel Lawrence findings build upon research showing that physical surroundings and the social characteristics of a neighborhood influence health. Researchers at Princeton found that New Jersey neighborhoods with a majority of Black residents

#### FAMILIES WITH SEVERE BURDEN *(FIGURE 3)*



#### FAMILIES WITH AFFORDABLE HOUSING (FIGURE 4)





are two times more likely to be located near industrial sources of air pollution and busy highways producing harmful particulate matter. Using data on children in New Jersey from 2006-2010 and records of emergency room visits, the researchers found that characteristics of highly segregated neighborhoods can lead to persistent racial health disparities such as Black children developing asthma at higher rates.<sup>12</sup> The social characteristic of a neighborhood has a profound effect on health. Access to public transportation, healthy grocery stores, and safe recreation spaces are all correlated with improved health outcomes.<sup>13</sup>

Residential segregation worsens conditions in historically disinvested neighborhoods and widens racial disparities by limiting access to quality schools, jobs, and healthcare facilities. Children living in overcrowded homes score lower on reading tests and complete fewer years of schooling than their peers.<sup>14</sup> And being forced to move due to unstable and unaffordable housing often are has devastating consequences; even just one move in elementary school can result in decreased math and reading achievement equivalent to 3-4 months of learning disadvantage.<sup>15</sup> Housing instability contributes to an achievement gap that remains and is cemented over time. For schools with large populations of children

who experience hypermobility—or six or more moves in a calendar year—the entire school population has a lower achievement gap.

Research on the Moving to Opportunity (MTO) program, a randomized controlled trial conducted by the Department of Housing and Urban Development between 1994-1998, showed that families moving to lower-poverty areas had significant improvements in physical and mental health. Children in families that were given vouchers to move to a lower poverty neighborhood saw 31% higher annual incomes once they reached adulthood compared to children whose families were not provided a voucher.<sup>16</sup> The advantages were particularly stark for families with young children who moved to higher quality neighborhoods with well performing school districts.

Structural racism and residential segregation have directly impacted the health, well-being, and quality of life for communities of color in New Jersey. To build a stronger, healthier New Jersey, we must acknowledge the state's historical and present role in perpetuating racial disparities, and move forward with creating a more equitable state.

 ALMOST 20 YEARS HAVE PASSED SINCE THE ENACTMENT OF NEW JERSEY'S FAIR HOUSING ACT. IT IS CLEAR THAT THE LAW ISN'T WORKING, AND WE MUST CONFRONT THAT REALITY. TOO FEW UNITS ARE BEING BUILT, AND THERE ARE TOO MANY LOOPHOLES IN THE LAW.
TOO MANY FAMILIES ARE SIMPLY BEING PRICED OUT OF NEW JERSEY, AND POVERTY IS CONCENTRATED IN A FEW COMMUNITIES.

> JOHN J. ROBERTS NEW JERSEY ASSEMBLY SPEAKER

### FAIR HOUSING ACT AMENDMENTS OF 2008

In 1985, the New Jersey Legislature enacted the Fair Housing Act (FHA or Act)<sup>17</sup> in response to the New Jersey Supreme Court's landmark *Mount Laurel I* and *Mount Laurel II* decisions, which held that every town in New Jersey has a constitutional obligation to zone and provide for its "fair share" of the regional need for low-and moderate-income housing.<sup>18</sup>

The Act created an administrative agency, the Council on Affordable Housing (COAH), which was empowered to determine both the extent and satisfaction of a municipality's Mount Laurel obligations, that is, whether a town had taken adequate steps to create a realistic opportunity for the construction of its "fair share" of affordable housing.

In July 2008, about twenty years after the FHA was enacted, the New Jersey Legislature amended the Act, via Assembly Bill 500, to

address the lack of action by COAH to implement the Mount Laurel decisions and the growing affordability crisis in the state.<sup>19</sup>

The 2008 amendments were the result of a concerted organizing effort led by FSHC, other housing advocates, and the leadership of then-Speaker Joseph J. Roberts and then-Assembly Majority Leader Bonnie Watson Coleman. The amendments explicitly recognized that more needed to be done to ensure that low- and moderateincome households in New Jersey were able to access the large and growing supply of good jobs, excellent public services, and highperformance schools available in wealthier municipalities.

At the December 10, 2007 public hearing on the proposed amendments, Speaker Roberts explained that the amendments "m]ark[ed] a beginning, a starting point, if we are serious about delivering change."

#### LEGISLATIVE PROPOSAL FOR AFFORDABLE HOUSING SET-ASIDE



Renderings for the Crossings at Brick Church near the rail line in East Orange, which was named a Transit Village by the state Department of Transportation in 2019.



During the 212th Legislature, various bills were proposed to address the statewide affordability crisis. In November 2007, in advance of the annual meeting of the New Jersey League of Municipalities, the Assembly Leadership team announced that it would be pursuing "a 12-point plan" to reform New Jersey's affordable housing policies.

One of the 12 points in the plan was to establish an affordable housing set-aside in state-assisted residential development. In the "Affordable Housing Reform Plan" that was subsequently released, the plan stated that the Legislature would:

[e]stablish a 20% affordable housing set aside for all State-assisted development projects, including projects in Smart Growth Areas and Transit Villages. The State also should direct all State agencies with land-use authority (e.g., Pinelands Commission, Meadowlands Commission, Highlands Council, and Sports and Exposition Authority) to incorporate mixed-income housing development requirements into their master plans, redevelopment plans,

#### and development regulations.

At the December 2007 public hearings that followed, legislative leaders, affordable housing advocates and opponents, and members of the public all recognized that the 20 percent affordable housing requirement for all state-assisted development should be expansive and encompass any residential development that resulted from the state exercising its authority, including its authority to utilize state-owned lands for residential development.

The Acting Commissioner of the Department of Community Affairs, Joseph V. Doria, Jr., also noted at the time that Governor Jon S. Corzine had "made a commitment to affordable housing; a very strong commitment to create 100,000 units of affordable housing." He went on to say, "twenty percent of all State projects should be affordable. And that should be done. So we should move forward on something like that."

As Speaker Roberts stated, "[f]rankly, the state needs to lead by



example. And if it's Smart Growth projects, if it's transit village projects, the state needs to lead and provide a foundation on which other communities can build."

Carla L. Lerman, Housing Committee Chair for the New Jersey Chapter of the American Planning Association, testified in strong support "of the suggestion for 20 percent requirement of all statesupported housing projects, regardless of who is supporting them, or where they are, or what type of residence. We think that could have a significant impact on the availability of affordable housing."

The American Planning Association's written testimony added that "[t]his mandate across the state, further enforced by all state agencies that have land use authority, and in all types of residential development could have a significant impact on statewide availability of affordable housing."

The Housing and Community Development Network of New Jersey and Homes for New Jersey similarly expressed general support for the requirement that "all state development projects to include 20% affordable units." And Legal Services of New Jersey also offered its "support [for] mandatory minimum 20% set-asides for affordable housing in all state assisted development projects."

And Robert L. Bowser, Mayor of the City of East Orange and then-President of the New Jersey League of Municipalities, which opposed many aspects of the plan, noted that his members might be willing to support "[t]he proposal [that] calls for the establishment of a 20% housing set aside for all state-assisted development projects, including projects in smart growth areas, transit villages and for areas in which land use decisions are controlled by state agencies."

#### LEGISLATIVE VICTORY

Governor Jon Corzine signs A500 as Speaker Joe Roberts, Majority Leader Bonnie Watson Coleman and community members look on under the tent at the Ethel R. Lawrence Homes in Mount Laurel.

In June 2008, Assembly Bill 500 was passed by the Legislature. On July 17, 2008, Governor Corzine traveled to Mount Laurel, the site of the seminal legal battle in the half-century struggle to overcome New Jersey's pernicious pattern of exclusionary zoning, to sign the bill into law.

Once enacted, advocates and policy experts across the country hailed the new law as "the most important housing reform legislation enacted in the nation in the past two decades, and one of the most significant community organizing victories ever."

The full promise of Assembly Bill 500 has yet to be unlocked, however. One of the most important, yet not fully implemented, 2008 amendments to the FHA is what is now codified at N.J.S.A. 52:27D-329.9(b), which requires that at least 20 percent of the residential units financed in whole or in part with state funds, or that develop on, but not limited to, property in transit villages designated by the Department of Transportation or on property owned by the state, must be reserved for low- and moderate-income households. The full text reads:

Subject to the provisions of subsection d. of this section, a developer of a project consisting of newly-constructed residential units being financed in whole or in part with State funds, including, but not limited to, transit villages designated by the Department of Transportation and units constructed on State-owned property, shall be required to reserve at least 20 percent of the residential units constructed for occupancy by low or moderate income households, as those terms are defined in section 4 of P.L. 1985, c. 222 (C.52:27D-304), with affordability controls as required under the rules of the council, unless the municipality in which the property is located has received substantive certification from the council and such a reservation is not required under the approved affordable housing plan, or the municipality has been given a judgment of repose or a judgment of compliance by the court, and such a reservation is not required under the approved affordable housing plan.

As the plain language clearly states, the statute applies to any "developer of a project consisting of newly-constructed residential units," and it sets forth that these developers "shall be required to reserve at least 20 percent of the residential units constructed for occupancy by low or moderate income households, . . . with affordability controls as required" by state law.

The statute establishes that developers must "reserve at least 20 percent of the residential units constructed" as affordable housing when the "residential units [are] being financed in whole or in part with State funds, including, but not limited to," residential development (i) in "transit villages designated by the Department of Transportation," and (ii) "constructed on State-owned property."

The statute states that there may be limited instances when residential development may be exempt from the above requirement, namely, when "the municipality has been given a judgment of repose or a judgment of compliance by the court, and such a reservation is not required under the approved affordable housing plan."

The Legislature in 2021 reinforced and strengthened this statutory requirement as applied to the Economic Development Authority's programs as part of a comprehensive package of \$14 billion in state tax credits,, making it clear that the requirement in those programs for 20 percent affordable housing applied with no exceptions in any municipality.<sup>20</sup>

But despite the clarity of the statutory requirement dating back to 2008, little has been done to implement and enforce this provision. No guidance or directives have been issued to state agencies and critical state policies regarding the utilization of state-owned lands have yet to be updated to incorporate this change in the law.



Every family deserves to have a choice in where they live and access to a home that is within their means. New Jersey's housing policy must be something more than two options: either you can afford a roof over your head or you move to another state. ??

#### BONNIE WATSON COLEMAN MAJORITY LEADER OF THE ASSEMBLY, 2006-2009 NEW JERSEY LEGISLATURE

66 The challenge as we go forward is to celebrate today, but make sure that we have won. It's a victory, but it's not implementation.

PETER J. O'CONNOR FOUNDING EXECUTIVE DIRECTOR FAIR SHARE HOUSING CENTER AND FAIR SHARE DEVELOPMENT



### CASE STUDIES

The case studies highlighted below examine the various ways New Jersey and individual municipalities have responded to the affordable housing requirements enacted by the New Jersey Legislature in 2008 for projects that receive state support or occur on state-owned lands.

In most cases, the affordable homes were only provided after FSHC initiated litigation, or threatened to initiate litigation, to ensure that the statutory requirements met. While the FHA applied in every case, New Jersey did not consistently or independently enforce the law or even affirmatively inform the municipalities or applicable state agencies that it expected compliance.

As a result, in Sayreville, Haddon Township, and dozens of other municipalities, the path to safeguarding affordable housing has been arduous, costly, and has resulted in compromises that could

have been avoided if the law had been clearly enforced from the start by state agencies when they provided funding and/or land to these developments..

New Jersey's failure to fully and consistently implement this policy has resulted in many missed opportunities to expand access to affordable housing. As we find ourselves in the midst of an extreme affordability crisis, it is more important than ever that New Jersey fully leverages these existing policies to encourage and enforce affordable housing development throughout the state especially with \$14 billion in new Economic Development Authority tax credits on the table.

State agencies requiring at least 20 percent affordable housing in new development will help ensure that New Jerseyans of all income levels have access to safe, healthy, and affordable housing.



**Relevant Entities:** New Brunswick Development Corporation (Devco), Rutgers University; New Jersey Economic Development Authority; the City of New Brunswick Department of Planning, Community, and Economic Development; Pennrose Properties

**Total Units:** 38 affordable units (of total 192 residential units)

### NEW BRUNSWICK: GATEWAY TRANSIT VILLAGE (THE VUE)



Gateway Transit Village/The Vue is a 23-story, mixed-use development located at 100 Somerset Street in New Brunswick. The development is directly adjacent to the New Brunswick train station that is served by the Northeast Corridor line, and across the street from the main campus of Rutgers University.

The project is a partnership between Rutgers, Devco, and several other public and private entities. The 632,000 square foot mixed-use project includes the Rutgers University bookstore, retail, restaurants, 192 total residential units (150 rentals and 42 condominiums), and a 657-space parking structure.

The Gateway project was the first to be designated as eligible for the Urban Transit Hub Tax Credit Program through the New Jersey Economic Development Authority in 2009. The project also obtained funding from the New Jersey Housing and Mortgage Finance Agency with the City's support for \$22,000,000 of bond financing. The sale of the tax credits helped to subsidize the 38 affordable homes in the project, a 20 percent set-aside of the total number of rental units.

The development serves as the gateway to both downtown New Brunswick and Rutgers. To keep the area active and vibrant, it offers public enhancements like community gathering spaces within the Barnes & Noble, a large iconic clock spelling out R-U-T-G-E-R-S adorning the main facade of the building and a park-like elevated promenade adjacent to the building.



**Relevant Entities:** Fair Share Housing Center (FSHC); Sayreville Economic & Redevelopment Agency (SERA), a municipal redevelopment agency created by the Borough; Sayreville Seaport Associates Urban Renewal, LP (SSA), an urban renewal entity

**Total Units:** 300 affordable units (of total 2,000 residential units)

### SAYREVILLE: RIVERTON CONDOS



In 1999, the Sayreville Borough Council adopted a Waterfront Redevelopment Plan to govern the redevelopment of property formerly owned by NL Industries that had served as a paint manufacturing plant but sat vacant and mostly unused for more than a decade.

The property, located south of the Driscoll Bridge along the Raritan River, is directly adjacent to the Garden State Parkway and in close proximity to SR-35, and US-9.

Given its industrial past, the property has certain environmental liabilities and SERA has agreed to be the lead remediator for the project.

A Master Redevelopment Agreement and Agreement of Sale was finalized in 2008. As part of its obligation as redeveloper, SSA agreed to provide substantial public amenities, facilities, and payments to Sayreville, in addition to making other investments in utility services, FEMA flood standard compliance, and other site infrastructure. SERA approved a preliminary concept plan for several parcels of the redevelopment site, known as Riverton. In 2014, the New Jersey Economic Development Authority approved SSA's application for a \$223 million grant to help subsidize this development without requiring affordable housing to be included in the residential part of the development.

The full scope of the development includes 1.5 million square feet of retail, nearly 2 million square feet of office space, an 800,000-square-foot hotel and conference center, up to 2,000 apartment units, and a 400-slip marina.

The original redevelopment plan did not require any affordable housing as part of the 2,000 residential units, and FSHC filed a lawsuit one month after EDA's 2014 approval due to a concern that the project would not contain low- or moderate-income units despite the significant state funding being provided.

In 2015, SSA entered into a settlement agreement with FSHC whereby SSA agreed to set aside 300 of the 2,000 residential units or 15% of the units approved for development to be affordable to very-low, lowand moderate-income families. Development of the site is currently underway.



**Relevant Entities:** Fair Share Housing Center (FSHC); Fieldstone Associates, the redeveloper of the property; the Township of Haddon; and the Planning Board of the Township of Haddon.

**Total Units:** 38 affordable units (of total 252 residential units)

### HADDON: HADDON TOWNE CENTER



The development, known as Haddon Towne Center, is located at 225 Haddon Avenue in Haddon Township. The site of the development is the former location of Dy-Dee Diaper Service and is in close proximity to the PATCO Hi-Speedline's Westmont Station.

After the former diaper service building was demolished in 2007, the site was designated a Brownfield Development Area by the New Jersey Department of Environmental Protection in 2008. As a result, the Township received funding through from the state to perform environmental testing and remediation. Eventual cleanup was funded 75% by the state and 25% by the redeveloper, Fieldstone Associates.

Despite the state support, the Township had designated the property as a redevelopment area and adopted a redevelopment plan that allowed for the construction of 201 market rate residential units and 24,000 square feet of non-residential commercial space without the inclusion of any affordable units. Fieldstone received preliminary site plan approval for the project in 2009, without the inclusion of any on-site affordable housing units. FSHC filed a lawsuit challenging the approval and redevelopment plan for the property, arguing that, due to the state support, the development was required to include affordable units. The redeveloper attempted to get the lawsuit dismissed, but the judge denied its motion.

As a result of FSHC's litigation, Fieldstone, the Township, and FSHC reached an agreement in 2015 for a development that would include 252 residential rental units as well as 12,500 square feet of retail space, including 38 affordable homes for families (15% affordable). 25 of the affordable homes were built on-site and managed by Fieldstone. 13 were required to be built off-site and were the Township's responsibility to sponsor, finance, and ensure proper management



**Relevant Entities:** Boraie Development, LLC; New Jersey Economic Development Authority

**Total Units:** 50 affordable units (of total 250 residential units)

### ATLANTIC CITY: 600NOBE AT NORTH BEACH



The project, known as 600 NoBe at North Beach, is located at 600 Atlantic Avenue in Atlantic City. It consists of three four-story buildings with 250 rental units, including 50 affordable homes, built on eight acres of vacant land two blocks from the Atlantic City boardwalk in the South Inlet section of the City. Amenities include a 35,000 square foot exterior deck with a pool and lounge area, fitness room, storage, and 250 parking spaces in the first-floor garage.

The project was financed by the Fund for Restoration of Multifamily Housing (FRM), the Sandy Special Needs Housing Fund-CBDG Program, the Casino Redevelopment Authority, and Residential Economic Development and Growth Grant Program funds from the NJEDA.

The project received a 30-year tax abatement from the City, and the Atlantic City Council believed the redevelopment project would help to revitalize the area by acting as a non-casino draw for shoppers, renters, and visitors, as well as increasing the quality of life for residents of Atlantic City by providing a greater variety of housing options within the Atlantic City Tourism District.

Construction began in 2017 and was completed in 2018. In May 2019, The Press of Atlantic City described the project as "exceed[ing] expectations of those behind the project" and that it "has attracted both white-collar and blue collar professionals." Maritza Busch, Director of Leasing, said, "We have doctors, police officers, restaurant owners and casino workers all moving in or already living here," adding that "We thought it would take 18 months or so to reach our goals, but in less than eight months, we're already close."

The project includes 250 units, including 50 affordable homes (a 20 percent set-aside) for low-income households. 45 of the affordable homes are for families and include a mix of bedroom sizes, and 5 of the affordable homes are reserved for individuals with developmental disabilities.

## **MISSED OPPORTUNITY** SOMERVILLE: SOMERSET TRANSIT VILLAGE

Somerville has a rich concentration of resources. Its variety of public and private institutions, proximity to open space such as the 2,700acre Duke Farms. transportation infrastructure including bus routes, the Raritan Valley train line with service to New York City, and proximity to regional highways Route 22 and Interstate 287, and concentrations of population and employment make Somerville a high-opportunity for affordable residential development.

Yet Somerset Station Transit Village, the largest mixed-use development in the Borough's history, is moving forward without including affordable residential units, demonstrating the need for proactive enforcement of state policy before projects are granted site approval.

The plan for the state-owned site, initially released in January 2007, envisioned a combination of mixed use and open spaces with 1,216 residential housing units, including market rate rental apartments, condominiums and townhouse units, and sufficient affordable housing to satisfy the "growth share" fair share housing obligations generated by the redevelopment under the then-applicable affordable housing regulations. In September 2007, the Borough adopted the Somerville Station Area and Landfill Redevelopment Plan, which required any residential development in the Redevelopment Area to "...be subject to [the Council on Affordable Housing's] most current standards and regulations at the time of development."

Despite these commitments and the 20 percent affordable housing requirement, in August 2014, NJ Transit entered into an agreement with Somerset Development to redevelop the site with no requirement for affordable housing. Somerset received site plan and subdivision approvals from the Somerville Planning Board in May 2018 and purchased the property from NJ Transit for \$11 million in 2019.

Somerset Development plans to create a transit-oriented development on its 31-acre parcel with 370 apartments with a mix of studio, one-, and two-bedroom units; 156 townhomes; two parking garages; 4,000 square feet of retail space; and a 4,000 square foot community civic center. The approved project does not currently include any affordable housing despite NJ Transit's involvement.





#### STATE-OWNED LANDS WITH DEVELOPMENT POTENTIAL

As part of this project, FSHC also identified potential vacant and underutilized state-owned properties that present potential opportunities for affordable housing development.

The list produced is by no means exhaustive, but it serves as a series of examples, of which there are surely more, of how New Jersey could leverage unused or underutilized land to generate both new affordable homes and revenue for the state. The list was generated using the following methodology.

First, FSHC identified more than 120,000 state-owned parcels using data from the New Jersey Property Tax system. From there, FSHC applied several filters to eliminate ill-suited parcels for residential development from the database.

These filters included: (i) ensuring the parcel owners were either the State of New Jersey, State agencies (other than the Department of Environmental Protection, as those parcels were assumed to be parks, forests, fish & game, or wildlife areas), or a university/ educational institution; (ii) removing all sites under 0.5 acres because they were deemed to have limited development potential; and (iii) filtering out bodies of water, parks, roads, railroads, trains, highways, bypasses, and canals.

This initial filtering narrowed the properties to about 1,100 vacant parcels. Next, FSHC manually reviewed the 1,100 parcels to best identify which sites were potentially available for and well-suited for affordable housing development. The parcels analyzed were located across New Jersey and primarily in urban and suburban communities, with some rural locations.

Based on this manual review, additional parcels were eliminated for reasons including: (i) lot configuration (narrow and irregular shapes or landlocked areas unfit for development); (ii) some parcels being water bodies despite their tax classification; (iii) small parcels >0.5 acre but <1.0 acre adjacent to interstate or state highways; (iv) roads, interchanges, jug handles, shoulders, associated detention basis and associated rights-of-way, and (v) if they were constrained by wetlands, flood hazard areas, steep slopes (when there is a municipal ordinance), and preserved farmland and open space.

With a narrowed list, FSHC then considered the non-profit or forprofit development potential of each site. The review focused on four potential types of projects and scales: (i) smaller non-profit 100% affordable developers (smaller scale most likely); (ii) private and larger non-profit 100% affordable developers (50-100 units); (iii) private mixed-use inclusionary developers; and (iv) private inclusionary, mixed-income developers.

This analysis resulted in a pool of 45 state-owned parcels that appeared to have the most potential for affordable housing development. As a final step FSHC further screened the 45 remaining sites using several additional criteria to ultimately identify 37 prime parcels.

NJ Transit developed an online inventory of its real estate assets as required by the 2018 amendments to its enabling legislation. This database serves as a model for tracking available property among other state agencies.<sup>21</sup>



#### IDENTIFYING PRIME PARCELS

FSHC narrowed the aforementioned database of 120,000 parcels to 37 parcels (19 parcels of State-owned land plus 18 State-owned National Guard armory properties which could be analyzed further to determine whether they could be sold, of course subject to whether they are still needed as armories) that were identified as most suitable for affordable housing development.

FSHC then mapped the 37 parcels and classified them according to priority of consideration for affordable residential development. A list of the 37 parcels is attached as Appendix A.

Six particularly interesting properties that could be used for affordable housing are described in detail in the following section. These State-owned properties are proximate to transit infrastructure, employment centers, public spaces and amenities, and/or services and healthcare.

The National Guard armory sites are classified separately because the New Jersey Department of Defense has not noted whether these are considered surplus properties, yet they, too, present some development and redevelopment potential if some or all of them are potentially surplus in the future, as some armories have been found to be in the past; of course, that will ultimately be subject to the needs of the Department of Defense.

It is important to note that this process and identification of the 37 state-owned parcels has been done without any on-site field analyses or consultation with state agencies. This assessment is a preliminary step in the process of identifying suitable state-owned property for affordable housing development.

The resulting interactive, online map (static version presented to the right) therefore, is designed as a prototype for what a more broadly accessible, affordable housing development parcel inventory could look like for use by the state and the public. The online map is available at <u>https://arcg.is/rHOfG0</u>.

### STATE-OWNED PROPERTIES WITH POTENTIAL FOR DEVELOPMENT

Of the 37 parcels of state-owned land identified as having significant potential for affordable housing development, the following pages outline 6 tracts (none of which are armories) that could provide initial opportunities for consideration by New Jersey for affordable housing development or redevelopment.
### NEW JERSEY OWNED PARCELS WITH AFFORDABLE HOUSING DEVELOPMENT POTENTIAL



## HOBOKEN-WEEHAWKEN, HUDSON COUNTY



Address: 1714 Grand Street, Hoboken

**Owner:** NJ Transit

Acreage: 3.8 acres

This site, made up of six distinct parcels owned by NJ Transit (excluding a Light Rail right-of-way), is located at the convergence of the Hoboken, Weehawken, and Union City municipal boundaries.

It is located just three blocks from Hoboken's main commercial district, placing it within easy walking distance of several grocery stores, pharmacies, and green spaces, and numerous restaurants and shops. The site's proximity to Weehawken and Union City would allow potential residents to access stores and amenities in those municipalities, as well.

Multiple transit modes are easily accessible from the site, connecting potential residents to locations within New Jersey and across the river to New York. The site is roughly one-half mile from the Lincoln Harbor station on the Hudson-Bergen Light Rail line, which connects residents to Bayonne, Jersey City, Hoboken, Weehawken, Union City, and North Bergen. It is also one-half mile from the NY Waterway Lincoln Harbor ferry terminal to Midtown Manhattan as well as from the Lincoln Tunnel toll plaza and Interstate 495. There are two main challenges associated with this site. First, much of the tract is in a flood hazard area, as is the case for the majority of Hoboken; the eastern edge of the site is within 1,000 feet of the Hudson River as the crow flies. The property is located in FEMA flood zone AE, meaning it is a special flood hazard area within the 100-year floodplain and flood insurance is mandatory.

Second, the site's convenient location at the nexus of Hoboken, Weehawken, and Union City has the potential to make coordinating redevelopment planning logistically challenging because the parcels are in three different municipalities. Strong relationships would need to be in place for a project to be built and managed successfully.

Despite these complexities, the site's combination of convenient access to area services and multiple transit options makes it a compelling location to consider affordable residential development.

## EWING, MERCER COUNTY

Address: Carlton Avenue, Ewing

**Owner:** The College of New Jersey/ Trenton State College

Acreage: 8.86 acres



This site is part of a 20-acre tract owned by the College of New Jersey (TCNJ), and it is situated across Route 31 from the main entrance to TCNJ. The site is partially wooded with some wetlands and a single house. Aside from the College, the surrounding neighborhood is largely residential with single-family homes. There are several parks in the area.

The tract is one-quarter mile from a number of amenities within the Campus Town mixed-use development, including an 83,000 square foot retail center with restaurants, retail shops, and an urgent care center. It is also one mile from several other commercial corridors in Ewing along Parkway Avenue and Scotch Road.

The area is served by the 601 bus route that runs between TCNJ and Hamilton, which makes several stops including Trenton Transit Center (connecting riders to Philadelphia, NJ Transit's Northeast Corridor line to New York City, and Amtrak), the New Jersey State House, and Hamilton's K-Mart and Briarwood Shopping Centers. Route 624 also runs along Route 31, which runs through Pennington and Trenton and stops at the Hughes Justice Complex, the Perry Street Park and Ride, and the Trenton Transit Center, among other locations. Ramps to Interstate 295 are roughly 1.5 miles to the north.

The site's residential location; proximity to Trenton as a center of services, transportation, and employment; and access to the College of New Jersey, which offers additional opportunities for employment and access to services, makes it a potentially desirable location for affordable housing development.

## SOUTH BRUNSWICK, MIDDLESEX COUNTY



**Address:** 4290-4322 Route 27, South Brunswick

**Owner:** NJ Department of Transportation

Acreage: 15.66 acres

This wooded parcel, of which 10 acres are developable, is near the village of Kingston along the South Brunswick municipal boundary. There are wetlands and a stream at the rear of the site. To the west is a higher density/multifamily development and low density single-family residential to the east, while the rear of the site abuts preserved woodland.

This tract is situated roughly 1.3 miles from U.S. Route 1, a major regional thoroughfare, making it a good location for commuting and accessing services. The Village of Kingston's primary commercial corridor is 0.3 miles away and provides additional amenities.

The site is also less than three miles from downtown Princeton, a key employment center in the region. Princeton is also home to several healthcare centers, including Penn Medicine's Princeton Medical Center, and has access to New Jersey Transit's Northeast Corridor line at Princeton Junction in nearby West Windsor.

The parcel is close to several open space preserves and trails; the Cook Natural Area is near the rear of the property and part of Delaware and Raritan Canal State Park, a 70-mile trail network, is also nearby.

## TOMS RIVER, OCEAN COUNTY

**Address:** Lomell Lane, Garden State Parkway

**Owner:** State of NJ/NJ Highway Administration

Acreage: 9.5 acres



This 9.5-acre triangular-shaped parcel, of which 4.8 acres is developable, is located on Lomell Lane adjacent to the Garden State Parkway's north- and southbound ramps. The site is next to existing multifamily housing to the east and south.

The property is roughly 500 feet from Lakewood Road, also known as U.S. Route 9, a commercial corridor with a wide range of amenities and services. Hooper Avenue, one mile to the east, provides access to additional resources. There are a number of schools nearby as well; Ocean County Vocational School, Toms River Intermediate School North, Toms River High School North, and Cedar Grove Elementary School are all within 1.5 miles. Ocean County College is less than 5 miles from the property. Several parks and recreation areas are also in the vicinity, including Winding River Park.

One of the key assets of this parcel is its proximity to the convergence of the Garden State Parkway and Route 9, which enables easy access to employment centers in the immediate area and the broader region.

## NORTH BRUNSWICK, MIDDLESEX COUNTY



Address: Route 1, North Brunswick

*Owner:* NJ Economic Development Authority

Acreage: 49 acres

This large site in North Brunswick, made up of 49 acres of commercial land along northbound U.S. Route 1, is occasionally used for temporary fairs and other events.

The parcel is adjacent to DeVry University's Chamberlain University College of Nursing on one side and a recreational area with a playground and soccer and baseball fields on the other. Behind the tract is a complex occupied by light industrial uses, including manufacturing, distribution, and warehousing.

The property's excellent location along Route 1 provides easy access to employment centers and other nearby amenities. It is less than one mile from Georges Road, a nearby commercial corridor in North Brunswick. New Brunswick, a major regional employment center and transit hub, is 2.5 miles away. Nearby train stations include the Jersey Avenue Northeast Corridor station and the New Brunswick station with New Jersey Transit Northeast Corridor and Amtrak service.

New Brunswick is also home to a number of medical institutions, including Robert Wood Johnson University Hospital, Saint Peter's University Hospital, and Rutgers Health.

The site is served by the 811 NJ Transit bus line that makes stops at the New Brunswick Rail Station in addition to other shopping and civic destinations in North Brunswick, Milltown, and East Brunswick.

## FRANKLIN TOWNSHIP, SOMERSET COUNTY

Address: 4463 Route 27, Franklin

**Owner:** NJ Department of Transportation

Acreage: 93 acres



Directly across Route 27 from the South Brunswick tract is this parcel in Franklin Township, near the village of Kingston.

It is bisected by a stream and partially bisected by wetlands towards the rear half of the tract. At 93 acres, this large property has significant potential for affordable housing development and benefits from the same access to amenities and infrastructure as the parcel across the street in South Brunswick, which was described above.

# RECOMMENDATIONS

To fully realize the intent of the 2008 Amendments to the Fair Housing Act and to address the immense need for more affordable housing in our state, New Jersey should act quickly to take the necessary steps to enforce the 20 percent affordable housing set-aside statutory requirement for all residential development that is funded by the state or constructed on state-owned land.

Other states have already taken significant steps to use their state land and other resources for affordable housing, and New Jersey should follow suit. For example, the state of California has compiled a map of its non-private owned lands.<sup>22</sup> Included below are steps New Jersey can take immediately. While they are by no means exhaustive, they provide a significant path forward to safeguarding affordable housing in our state.

**RECOMMENDATION 1:** Issue Clear Guidance to State Agencies That Ensures Compliance With the 20 Percent Affordable Housing Requirement for State-Assisted Projects.

**RECOMMENDATION 2:** Direct State Agencies to Formulate and Adopt Rules That State-Assisted Projects Reserve 20 Percent of New Units as Affordable.

**RECOMMENDATION 3:** Direct the Department of Treasury to Incorporate the 20 Percent Affordable Housing Requirement Into Its Joint Circular on the Conveyance of State-Owned Lands.

**RECOMMENDATION 4:** Commit to Identify and Convey Prime State-Owned Lands to Be Used to Create Substantial Opportunities for Affordable Housing.



#### **RECOMMENDATION 1:** Issue Clear Guidance That Ensures Compliance With the 20 Percent Affordable Housing Requirement for State-Assisted Projects.

The first and perhaps most significant step that New Jersey should take is to issue a clear central directive – in the form of guidance by the Attorney General or an Executive Order from the Governor – that informs agencies and developers across New Jersey about the Fair Housing Act requirements and what is expected to be in compliance.

The directive should make clear that at least 20 percent of the residential units financed in whole or in part with State funds, or that are developed on, but not limited to, property in transit villages designated by the Department of Transportation or on property owned by the state must be reserved for very low-, low-and moderate-income households.

The directive should emphasize that when the state finances residential development in any way – including when agencies support site acquisition and preparation, environmental cleanup, and grants for improvements – that the residential units that

result must set aside at least 20 percent as affordable housing. State agencies involved in financing or selling lands for residential development should be directed to draft and adopt rules to comply with the Act. These rules should be clear, as required by the statute, that the affordable housing provided include very-low-, low-, and moderate-income households, include a mix of bedroom sizes and guarantee long-term affordability as required by the Uniform Housing Affordability Controls.

We also recommend that the directive make clear that all stateowned land utilized by developers – whether through the surplus land process or any other process –must require at least a 20 percent set-aside for affordable housing in any new residential development thereon.

In the short term – even before formal guidance is issued – any existing and forthcoming RFQs, RFPs, and TOD REOIs should incorporate the requirements of N.J.S.A. 52:27D-329.9(b).

#### **RECOMMENDATION 2:** Direct State Agencies to Draft and Adopt Rules That Require State-Assisted Projects to Reserve 20 Percent of New Units as Affordable.

State agencies should be directed to draft and adopt rules regarding their procedures for the utilization of lands they control or own to comply with N.J.S.A. 52:27D-329.9(b).

As part of their enabling legislation, most if not all State agencies are required to adopt rules to guide the exercise of their powers and the fulfillment of their duties.

Despite this requirement, most agencies have not yet adopted clear rules that guide the utilization of lands that they control or own, and no agencies appear to have rules that ensure the utilization of these lands is in accordance with N.J.S.A. 52:27D-329.9(b).

Perhaps most pressingly, EDA should implement more specific regulations on the implementation of the 2021 law, N.J.S.A.

34:1B-325(d), requiring a 20 percent set-aside for affordable housing in projects EDA funds. Again, those rules should require very-low-income, low-income, and moderate-income housing a mix of bedroom sizes and guarantees of long-term affordability.

While the 2008 amendments and 2021 EDA law need to be enforced now, to ensure their clear enforcement in the future, it is important that they are not only codified in statute, but also in state regulation. Rules and regulations provide an important framework for the policy infrastructure of our state. They are important tools for implementation and enforcement of our laws. As some of these examples in the report show, without these regulations, laws often have gone unenforced. Agencies must move forward with rulemaking processes to ensure full compliance with this important law.



#### **RECOMMENDATION 3:** Direct the Department of Treasury to Incorporate the 20 Percent Affordable Housing Requirement Into Its Joint Circular on the Utilization of State-Owned Lands.

The New Jersey Department of Treasury should update its Joint Circular No. 08-06-PMC/OMB to incorporate N.J.S.A. 52:27D-329.9(b) and provide guidance to agencies on how they can comply with the requirement that any residential development on state-owned land reserves at least 20 percent of the units for affordable housing.

The circular addresses the utilization of surplus state-owned real property and the granting of easements/licenses across state

lands, but it has not been updated since 2007 – before N.J.S.A. 52:27D-329.9(b) was enacted.

When the circular is updated, Treasury should also make the necessary modifications to the form used by state agencies to commence the land surplus process (Form DPM/RPR-1) in order to incorporate the 20 percent affordable housing set-aside requirement.



#### **RECOMMENDATION 4:** Commit to Identify Prime State-Owned Lands to Be Used to Create Substantial Opportunities for Affordable Housing.

This report has identified prime parcels of state-owned lands that would be well-suited for residential development. New Jersey should leverage its resources to create substantial opportunities for affordable housing by committing to identifying state-owned land to be used for residential development. An affirmative plan of attack will lead to smart, new residential development in highopportunity areas that is in the best interest of the state and its residents.

New Jersey should follow the lead of some municipalities, that have already committed to identifying municipal land for

affordable housing development. For example, in August 2021, Newark Mayor Ras Baraka announced a plan regarding all citycontrolled vacant property that will require at least 30 percent of the property be used to develop affordable housing. It is anticipated that this program could create 3,000 new affordable homes in Newark by 2026.

As New Jersey continues to climb out of a deep shortage of affordable homes, it should use all the tools at its disposal to drive affordable housing development.



# CONCLUSION

In 2008, the New Jersey Legislature enacted a series of amendments to the Fair Housing Act to address a growing affordability crisis.

At that time, Speaker Roberts explained, "[t]oo few units are being built, and there are too many loopholes in the law. Too many families are simply being priced out of New Jersey, and poverty is concentrated in a few communities."

Nearly 15 years later, and New Jersey is in a similar situation. While residential development is booming, we are still facing a significant affordability crisis coupled with the challenges of a global pandemic. Racial and economic disparities in our state are staggering, placing us at the top of the list as one of the worst states in the nation across multiple indicators of health and well-being. As New Jersey's population grows, and we are nearly 50 percent people of color, prioritizing affordability and addressing racial and economic disparities must be a priority.

Access to safe, healthy, and affordable housing must be at the center of this conversation. And New Jersey must do all that it can to facilitate and accelerate the development of affordable homes.

The 2008 amendments to the Fair Housing Act and the 2021 requirements for Economic Development Authority-funded projects provide a unique opportunity to spur affordable housing development by enforcing existing law. Without the need to pass new legislation, this law is an untapped resource that should be leveraged to its fullest extent.



## **APPENDIX A**

COUNTY	MUNICIPALITY	BLOCK/LOT	LOCATION	OWNER	ACREAGE	COMMENTS
Atlantic	Hammonton	3702/3	550 Egg Harbor Rd	NJ Dept of Military & Veterans Affairs	9.33	Armory. Wetlands on eastern half of the parcel, about 4 acres of developable land, with buildings and parking
Bergen	Lodi	286/1.01	Essex & Route 17	Dept of Defense	4.01	Armory. Fully developed site adjacent to l-80
Bergen	Teaneck	5301/1	1799 Teaneck Rd	State of NJ/Dept Military	13.66	Armory. Fully developed, although surrounded by residential development
Burlington	Delanco	2300/9	39 Hawk Island	State of NJ	32.10	Former Hawk Island on Delaware River, two lots (9 & 10) total 54.9 acres; former dredge spoil
Burlington	Delanco	2300/10	Associated with 39 Hawk Island	State of NJ	22.80	area, outside flood hazard area, now wooded
Burlington	Lumberton	22.01/4.03	1682 Route 38	NJ State Armory	3.07	Mowed land associated with adjacent armory building and parking lot; adjacent to multi-family housing.
Burlington	Mount Holly	117.02/2.01	1670 Route 38	NJ State Armory	2.65	Armory building with adjacent undeveloped parcel in Lumberton
Camden	Camden	79/13	WS Delaware W Del & Elm	NJ Dept of Corrections	22.74	Fronts on Delaware River, site of former state prison, 1985-2009. Cooper's Poynt Park walking paths along the river. In flood hazard area. NJEDA sought developers in 2013. A developer announced in late 2013 plans to build a 2.3 million square foot world trade center. No further information available on the Web.
Cumberland	Upper Deerfield	1201/2	1240 Highway 77	NJ Dept of Defense	25.70	Wooded, rural, bisected by wetlands, adjacent farmed fields. Two commercial uses on site.
Essex	Newark	1905/28	112-120 Roseville Ave	State of NJ	0.77	Armory. Building on entire lot, adjacent to railroad, residential, and commercial uses
Essex	Newark	2719/1	214-228 Ridgewood Ave	State of NJ, Dept of Transportation	1.14	At corner of W. Runyon St. and Ridgewood Ave., by ramps to/from I-78, new adjacent residential across Runyon St. Redevelopment likely on cleared block across Ridgewood Avenue
Essex	Newark	2847/2	350-364 Orange St	State of NJ	2.05	Adjacent to park, railroad, and housing; near I-280; some potential for new housing

COUNTY	MUNICIPALITY	BLOCK/LOT	LOCATION	OWNER	ACREAGE	COMMENTS
Essex	West Orange	171/1	Pleasant Valley Way	State of NJ/Dept of Defense	29.82	Part of armory complex, 15 developable acres, wooded, unconstrained acres
Gloucester	Woodbury	150.01/1	658 N Evergreen Ave	State of NJ	4.75	Armory. Fully developed site with buildings and parking
Hudson	Hoboken- Weehawken-Union City	144/1-20, 136/6.02, 143/2-3 Hoboken), 1902/1 (Union City), 2/3 (Weehawken)	1714 Grand Street	NJ Transit	4.00	Area owned by NJ Transit, including paper streets, outside of the light rail is about 4 acres. Some steep slopes at the foot of the Palisades on west edge. Most of the tract is in flood hazard area, as is most of Hoboken. Nearby municipal wastewater treatment plant across the light. Requires coordinating redevelopment planning of three municipalities.
Hudson	Jersey City	13503/12	678 Montgomery Street	NJ Dept of Defense	1.88	Armory building between Summit Avenue and Jordan Avenue
Hunterdon	Clinton Township	68/9.01	1801 Route 31	NJ Dept of Transportation	7.05	Wooded, adjacent single-family subdivision, fronts on Route 31 at Longwood Drive (extension of W. Main Street) intersection, developable. Near Spruce Run reservoir. Highlands Planning Area. Existing Community Zone.
Hunterdon	Raritan	42/14	422 Highway 12	NJ Dept of Defense	9.55	Armory buildings and
Hunterdon	Raritan	42/14.01	414 Highway 12	NJ Dept of Defense	3.95	woods
Mercer	Ewing	229.11/4	Carlton Ave	TCNJ-Trenton State College	8.86	Across Route 31 from entrance to The College of NJ in residential neighborhood. Part of 20-acre tract controlled by TCNJ. Wooded with some wetlands and one house
Mercer	Princeton	1503/10	166 River Road	State of NJ/Dept of Military & Veterans Affairs	8.10	Some wetlands to rear. Adjacent to regional wastewater treatment facility and municipal open space. Partially developed with a barn or garage, probably used by National Guard

COUNTY	MUNICIPALITY	BLOCK/LOT	LOCATION	OWNER	ACREAGE	COMMENTS
Middlesex	North Brunswick	252/1.06	Route 1	NJ Economic Development Authority	49.00	Prime commercial site on northbound US 1, adjacent to DeVry University; across from NJEDA incubators; sometimes used for temporary fairs, adjacent to local park
Middlesex	Old Bridge	18087/1	Leon Ave	NJ Dept of Transportation	2.18	Wooded, adjacent to Route 18, ramp to 527, Englishtown Road and Leon Avenue; adjacent small lot single family houses on two sides across streets, developable, no constraints
Middlesex	South Brunswick	81/10.01	914-928 Ridge Rd	NJ Dept of Transportation	9.96	Wooded, some wetlands, 7 unconstrained acres, prime site on Route 1, adjacent to Dow-Jones, across US 1 from new assisted living facility
Middlesex	South Brunswick	97/11.04	4290-4322 Route 27	NJ Dept of Transportation	15.66	Wooded about 10 acres developable, wetlands in rear, near village of Kingston
Middlesex	Woodbridge	189/1	625 Main St	NJ Dept of Defense	2.90	A
Middlesex	Woodbridge	190/1.02	Interior	NJ Dept of Defense	1.30	Armory
Monmouth	Freehold Borough	108/5	635 Park Ave	NJ Dept of Defense	4.15	Armory, also adjacent 3- acre Block 48, Lot 10 in Freehold Township
Morris	Morris	4801/1	430 Western Ave	NJ Dept of Defense	43.40	Armory with wetlands and steep slopes in wooded undeveloped areas
Morris	Riverdale	26/3.01	Riverdale Road	NJ Dept of Defense	1.73	Part of parking for the armory on Lot 23 (5.3 acres) and Lot 24.01 (3 acres)
Ocean	Toms River	410.01/32	1125 West Whitty Road	NJ Highway Authority	8.05	Developable, backs up to Parkway, adjacent diverse mix of uses
Ocean	Toms River	571/68	Garden State Parkway (Lomell Lane)	NJ Highway Authority	9.50	4.8 acres developable, adjacent to multifamily housing, and street adjacent to Parkway and ramps
Passaic	Clifton	78.02/32	1092 Bloomfield Ave	State of NJ	7.97	Long and somewhat narrow (200+ feet wide) between Route 3 and backyards of small single-family houses - two access points
Salem	Woodstown	14.01/2	501 N Main Street	NJ Dept of Defense	6.47	Small armory, adjoins 1.5-acre Block 13.01, Lot17.01, adjacent to Moose social club, at edge of Woodstown Borough

COUNTY	MUNICIPALITY	BLOCK/LOT	LOCATION	OWNER	ACREAGE	COMMENTS
Somerset	Franklin	5.02/119.03	4463 Route 27	NJ Dept of Transportation	93.00	Prime, large parcel bisected by stream, partially bisected by wetlands, outside village of Kingston
Somerset	Montgomery	37002/5.01	Blue Spring Road Rear	NJ Dept of Transportation	3.98	Landlocked behind townhouses, former R-
Somerset	Montgomery	37002/6.01	Princeton Ave	NJ Dept of Transportation	21.12	O-W, but could be combined with adjacent Lot 6.01, which has some wetlands, stream, and steep slopes, but street access, a 25-acre tract
Union	Westfield	2904/1	550 Rahway Ave	State of NJ	12.45	Armory in residential area, with school across Rahway Avenue
Union	Westfield	2904/2	302 Windsor Ave	State of NJ	1.22	Vacant, paved lot in mostly residential area, somewhat constrained on northern edge by stream

## **ENDNOTES**

- 1 United States Census Bureau. "American Community Survey 5 Year Data (2009-2020)
- 2 "Social Determinants of Health." Social Determinants of Health Healthy People 2030, https://health.gov/healthypeople/objec tives-and-data/social-determinants-health." https://www.census.gov/data/developers/data-sets/acs-5year.html.
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Pages 18 & 19	Crossings at Brick Church Station, East Orange. Rendering via Minno Wasko, https://jerseydigs.com/brick-church-plaza-east-or ange-closing-820-unit-development-planned/
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Page 33	Somerville Station, Somerville. Photos via Avalon Communities, https://www.avaloncommunities.com/New-Jersey/Somer ville-Apartments/Avalon-Somerville-Station.
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