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June 30th, 2023

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Critical Legislation and Corresponding Investments in State Budget Will Help Address Housing Needs, Assist in Closing Racial Wealth Gap

The signing of bills S3780/A5415 and S3991/A5596 on First-Generation Homebuyer Down Payment Assistance and the creation of an Urban Preservation Program alongside the state budget's corresponding historic investments in these new programs and other housing needs, is an important step towards closing the racial wealth gap.

After years of advocacy from FSHC and allies, New Jersey has passed legislation creating a First-Generation Homebuyer Down Payment Assistance program (S3780/A5415). "So many Black and Brown families are faced with barrier after barrier when trying to purchase a home. This legislation will be a tool to assist Black and Brown communities across the state in buying a home and building generational wealth," said FSHC Deputy Director Rev. Eric Dobson, who serves as the co-chair of New Jersey's Wealth Disparities Task Force housing sub-committee, in which the First Generation program emerged as a key recommendation.

Staff Attorney Ashley J. Lee, Esq. added "New Jersey's program will match our nation's largest investment in First-Generation Homebuyers which will be a key tool to start to address the state's massive racial wealth gap." An allocation of \$20 million towards the program from HMFA's \$40 million Down Payment and Closing Cost Assistance Program will match Connecticut's investment in 2022 towards a similar program.

FSHC also celebrates the passage of an Urban Preservation Program (S3991) that will receive \$80 million in funding allocated from a historic \$275 million investment in housing from American Rescue Plan funds. The \$80 million will be used to fund the preservation of urban public housing and other affordable housing in urban areas. "Lower-income people don't just deserve affordable homes, they also deserve safe and healthy homes. And maintaining our public housing inventory is a critical part of preventing a widening housing shortage gap," said Director of Racial Justice Policy James C. Williams IV.

Additionally, \$100 million from American Rescue Plan funds will be used as a continued investment in the state's Affordable Housing Production Fund managed by the HMFA. "These funds help address the continued demand for creating affordable homes through the \$305 million Affordable Housing Production Fund established through last year's budget. The AHPF is already anticipated to create over 3,000 much-needed affordable homes throughout New Jersey," said Housing Justice Corps Legal Fellow Esmé Devenney.

The budget also fully funds the Affordable Housing Trust Fund and allocates \$25 million from the Affordable Housing Trust Fund to support the work of Habitat for Humanity in New Jersey.

The many facets of our state's housing crisis remain at the forefront of FSHC's work. We hope the investments from the Affordable Housing Trust Fund continue to support much-needed homes throughout New Jersey.

"Our state's commitment to the creation and rehabilitation of affordable housing, and the creation of newfound opportunities for communities most impacted by the racial wealth gap, comes at a time of critical need. FSHC will continue to advocate for comprehensive ways to address systemic barriers to housing," said Executive Director Adam Gordon.

While we are encouraged by the progress New Jersey is making in housing, FSHC would be remiss if we did not acknowledge the Supreme Court decisions of this week. The rulings on affirmative action, student loan forgiveness, and LGBTQ+ discrimination both perpetuate and raise new barriers for Black, Brown, and all marginalized communities. As we approach the July 4th holiday, we must remember the words of Frederick Douglass, "Fellow-citizens; above your national, tumultuous joy, I hear the mournful wail of millions! whose chains, heavy and grievous yesterday, are, to-day, rendered more intolerable by the jubilee shouts that reach them."

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FAIR SHARE HOUSING CENTER is a nonprofit advocacy organization that uses legal, policy, and community-building strategies to dismantle decades of racial and economic discrimination in New Jersey and nationally that excludes people from the opportunity to live in safe, healthy, and affordable housing.