

New Jersey's housing affordability crisis demands immediate action from state legislators.

More than 400 municipalities are now moving forward to create affordable homes under the state's landmark 2024 affordable housing law (A4/S50). Reforming outdated zoning laws, strengthening tenant protections and housing access, and providing strong housing funding — especially restoring the Affordable Housing Trust Fund — are essential to build on that progress and to prevent a surge in evictions driven by unprecedented federal budget cuts.

Fair Share Housing Center supports a broad set of solutions to meet this moment. This policy agenda outlines eight near-term priorities to ensure New Jersey not only protects the gains of A4/S50, but delivers lasting housing stability and affordability statewide.

## Zoning:

### 1. Converting Office Parks and Retail Centers Into Mixed-Use Developments ([S1766/A3535](#))

This legislation would let developers convert struggling office parks and shopping centers into mixed-use developments — combining housing and commercial uses — without needing special zoning approvals. Any residential component would have to include at least 20% affordable housing. This would create jobs, enable the creation of thousands of homes, revitalize large vacant commercial sites, provide increased tax bases for municipalities, and assist municipalities in complying with their affordable housing requirements. Simplifying the conversion process would also cut costs and lead to faster housing construction.

### 2. Encouraging Religious and Nonprofit Organizations to Convert Properties to Affordable Housing ([S1836](#))

This bill enhances the ability of religious institutions and other tax-exempt non-profit groups in New Jersey to convert all or part of their property into developments that include affordable housing. Municipal planning boards would be required to permit such conversions without the need for a use variance, provided the project meets certain zoning and affordability standards. This proposal seeks to unlock the potential of affordable housing development from faith-based and nonprofit organizations, as well as provide the incentives needed to further empower these organizations to pursue conversions on the property they already own.

## Tenant Protections and Housing Access:

### 3. Prohibiting “Unconscionable” Rent Increases ([A5307/S726](#))

This would codify the test, provided in state case law, for determining whether a rent increase is unconscionable. It also provides that any court records concerning an eviction action brought by a residential landlord against a residential tenant, where the tenant prevails, shall be excluded from public databases. This addresses a practice by which landlords have in the past tried to exclude any tenant who has previously sued a landlord, even for legitimate issues such as lack of heating.

### 4. Increasing Eviction Filing Fees to Support Homelessness Prevention Fund ([S391/A3481](#))

This legislation would increase the eviction filing fee in order to disincentivize frivolous eviction proceedings. It also uses revenue from filing fees to create a dedicated funding mechanism to support homelessness prevention and housing stability services, at a time when emergency assistance is desperately needed in the wake of federal cuts.

## 5. Strengthening Tenant Screening Confidentiality and Transparency ([S402/A1744](#))

This would make most landlord-tenant court records confidential (especially early filings and those not resulting in a possession judgment) and limit what eviction history landlords can use when screening rental applicants, prohibiting consideration of cases that didn't lead to actual displacement or that are older than three years. It also requires landlords to disclose their screening criteria and provide written notice explaining adverse decisions. Additionally, the bill treats refusing to rent to someone because they were involved in a landlord-tenant case as unlawful discrimination under the state's anti-discrimination law.

## 6. Limiting Private Equity and Institutional Investors in Housing ([S3097/A4524](#))

This legislation would limit large institutional investors' ability to buy up single-family homes in New Jersey and reduce certain tax advantages for bulk purchasers, while expanding support for individual buyers through down payment assistance, tax deductions, and dedicated funding for starter and affordable home construction. By addressing the growing role of corporate ownership in the state's tight housing market, this would help level the playing field for individual homebuyers.

## Budget:

### 7. Fully Restoring the Affordable Housing Trust Fund

The Affordable Housing Trust Fund — which is crucial to mitigating the harms of the ongoing housing affordability crisis — was cut in last year's budget at exactly the wrong time. This is often the only source of funds for smaller, community-driven, shovel-ready developments that do not qualify for the limited federal funding available.

The funding should be fully restored and indeed expanded by passing legislation ([S3103/A1737](#)) modifying the recently-enacted "mansion tax" — which is expected to raise over \$300 million annually — to dedicate at least half of the realty transfer fees on home sales of over \$2 million to the Affordable Housing Trust Fund. This would ensure a reliable, recurring revenue stream for the Affordable Housing Trust Fund to support affordable housing production, preservation, and municipal compliance with A4/S50.

### 8. Preserving and Expanding the First-Generation Homebuyer Program

The New Jersey Housing and Mortgage Finance Agency's Down Payment Assistance and First-Generation Homebuyers (FirstGen) programs help make home ownership a reality for those who struggle to save enough for a down payment. For many people of color, systemic barriers such as lower levels of inherited wealth, discrimination in lending, and redlining have contributed to a significant racial wealth gap. In the FirstGen program, 34% of homebuyers are Black and 31% are Latino, which shows much greater progress in shrinking the racial wealth gap than traditional first-time homeownership programs. The FirstGen program also serves significant numbers of other homebuyers who do not have access to familial wealth.

The Legislature should fully fund these programs outside of the Affordable Housing Trust Fund, which should be reserved for housing production and rehabilitation.

*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 that excludes people from the opportunity to live in safe, healthy, and affordable housing.*



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