



**Senate Community and Urban Affairs Committee Testimony on S3085
Monday, November 15, 2021**

Good morning, Chairperson Singleton, Vice-Chairperson Rice, and members of the Senate Community and Urban Affairs Committee.

My name is Matthew Hersh, director of policy and advocacy of the Housing and Community Development Network of New Jersey. I am proud to represent 300 community development corporations, individuals and other organizations that support the creation of affordable homes, economic opportunities, and strong communities.

The Network is here to express deep concern with and opposition to S3085. However well intentioned, this legislation has the potential to deepen NJ's racial wealth gap and housing disparities. At a time when Black and Brown communities and residents are working to recover from the disproportionate impact of the COVID-19 pandemic, this proposal would prevent many essential workers who bore the brunt of the virus for having a fair chance at an affordable place to live.

New Jersey's affordable home crisis disproportionately impacts Black and Brown residents. Black, female heads of households are five times more likely to be evicted than white male counterparts. In NJ, 77 percent of white households own a home but less than half of Black households do. The NJ Institute for Social Justice (NJISJ) found that the median net worth for New Jersey's white families is \$352,000—the highest in our nation—but for our Black and Latino families, it is just \$6,100 and \$7,300, respectively. It would take a Black family 228 years to achieve the wealth that the average white family has today.

Out of Reach, the annual report released with our partners at the National Low Income Housing Coalition, consistently puts the Garden State among the top places that are least affordable to rent. In 2020, the report noted that NJ's housing wage was \$31.96/hour or \$66,468 annually. That's the hourly wage a full-time worker needs to earn in order to afford a modest two-bedroom rental apartment. A minimum wage worker in NJ would have to work 107 hours per week, or nearly three full time jobs, year-round to afford that home.

These racial disparities are evident in the over-representation of Black residents in our homeless population. Residents who identify as Black or African American make-up 13% of NJ's population, but [recent data](#) found that 49% of the population counted as homeless identified as Black or African American.

We know the crisis and we know who is most at-risk of housing insecurity. So why are we talking about creating an occupational preference for affordable housing for members of overwhelmingly white and male sectors? White males are historically less in need of affordable housing and also face the lowest barriers in accessing affordable housing when they do need it.

A critically important part of addressing housing affordability is New Jersey's compulsory obligation for towns to allow for the creation of homes that are affordable to lower income residents. There has

never been an occupational preference for affordable housing under Mount Laurel, and that's for good reason: our state's affordable housing commitments must be blind to occupational status. But we can't be blind to the facts on who is most impacted by a lack of affordable homes.

What does it say about our state if we meet our fair share requirements by creating affordable homes for a disproportionately white population? This bill, we fear, would exacerbate the racial wealth gap, create additional housing disparities, and could affect health outcomes for those not able to access an affordable home. This bill would place higher value on people who serve in certain professions over others. This seems like an odd policy to make, when the Garden State has rightly honored our health care heroes, our day care and education professionals, supermarket clerks, sanitation workers and so many other essential employees who have sacrificed their own safety during the pandemic. Are our front line workers somehow less deserving than our dedicated first responders?

If anything, this bill minimizes the need to invest more in those professions and overlooks an opportunity where the state can step in and assess the compensation our first responders receive, as well as the many public professions that are regarded as being underfunded and underpaid.

If towns can meet up to half of their affordable home requirements in this way, where the housing needs of a white, male-dominated sector are served, what does it say about the state's willingness to integrate our towns in the most racially segregated state in the nation? This bill speaks for itself in that regard and would continue the trend of leaving many of our neighbors behind.

New Jersey has long had a housing affordability crisis. Housing affordability is not pie, though. We can't slice it for some people, and leave crumbs for those who need it most. We need to make the pie bigger, and we are hopeful that we can do just that. In addition to state revenues in the Affordable Housing Trust Fund and American Rescue Plan funding, NJ is poised to receive significant investments when Congress passes the Build Back Better Act. This once-in-a-lifetime opportunity to invest in housing stability can put us on a path to housing affordability and security for all. This legislation would take us backwards, at a time when we need to move forward together.

Respectfully submitted,

Matthew Hersh
Director of Policy and Advocacy
Housing and Community Development Network of NJ