



Testimony before the Senate Economic Growth Committee
Staci Berger, President & CEO
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Good morning. Thank you Chairman Lesniak and members of the committee for the opportunity to testify. My name is Staci Berger, and I am the president and CEO of the Housing and Community Development Network of NJ. On behalf of our 250 community development corporations, private sector supporters and other advocates who share our mission to ensure that everyone has an affordable place to call home in the community of their choice, we are pleased to support of Senate Bill 1852. This legislation will bring critically needed additional resources to our lower income communities.

It is important to note that the legislation encourages mixed income development that would provide housing opportunities to residents of even very modest means. Developers engaged in these efforts would need to set aside at least 20% of the homes built for low and moderate income families, of which 13% must be very low income, as defined by HUD. Currently, those very low income families would be earning less than approximately \$25,000 per year. In addition, 20% of these homes would be set aside for working families who are not making enough to afford a great place to call home.

According to *Out of Reach*, the annual, national report about rental housing affordability, New Jersey is the fifth most expensive location in the nation to rent a two bedroom apartment; only Hawaii, California, and New York are less affordable. In order to afford a modest two-bedroom home in the Garden State, a family must earn an hourly wage of \$25.17, or \$52, 357 annually, to afford a two bedroom rental at \$1,309.

The mean wage for a New Jersey renter is \$16.92 an hour, below the housing wage for a modest two-bedroom. At the mean wage, an individual would have to work 59 hours a week to afford a two-bedroom apartment at FMR. At minimum wage — \$8.38 an hour — a New Jersey worker would have to work 120 hours per week or 3 full jobs a week to afford a two-bedroom at FMR.

Numerous occupations in New Jersey — social service workers, dental lab technicians, emergency dispatchers, preschool teachers, accounting clerks, child care workers, home health aides, school bus drivers, security guards, janitors, hairstylists, receptionists, cashiers and others — pay less than the housing wage.

We want to be sure that the people who are the backbone of our economy –as well as teachers, nurses, firefighters and others – have the option to live in these new developments and to work near where they live. We are glad to see that our elected officials are promoting balanced ways to create more homes, and look forward to seeing this legislation advance.