



Testimony on the Proposed Allocation Plan for the National Housing Trust Fund
NJ Department of Community Affairs
July 21, 2016

Good morning. My name is Staci Berger, and I am President and CEO of the Housing and Community Development Network of New Jersey, the statewide association of over 250 non-profit housing and community development corporations, individuals, professional organizations, and prominent New Jersey corporations that support the creation of housing choices and economic opportunities for low- and moderate-income community residents. Thank you very much for the opportunity to speak here today about this important new funding source.

As the state partner of the National Low Income Housing Coalition, which has been leading efforts to establish the National Housing Trust Fund, we are excited that NJDCA will be receiving a new source of funding to address the housing needs of people with extremely low incomes. We hope this allocation from the federal government will grow in the future. It is important that in this first round of funding New Jersey put together a program that works well.

We have reviewed the state's plan for dispensing this initial allocation of funds and have suggestions we hope you will consider. First, we agree with the recommendation to have a priority for applicants with experience in serving special needs populations and non-profits. However, we disagree with the 100% preference for re-entry population. While we understand that this population has significant housing needs, we would propose that this be changed so that half of the funding is prioritized for the re-entry population with the other half being set aside for other special needs populations.

We request that NJDCA's allocation plan have preferences for developments with the deepest possible affordability for rents and the longest possible periods of affordability. Your plan only mentions a minimum of 30 years affordability. We urge you to give preference for projects that extend that affordability period.

We are gravely concerned that the draft plan not address affordability. We urge you to give preference to projects where rents will be no more 30% of a person's income. We support establishing a criteria for geographic diversity in areas of high opportunity, with access to public transportation employment opportunities and other community amenities. However, we also urge you to ensure that these funds do the most good by providing a preference in suburban communities that are part of efforts to affirmatively further fair housing or at least part of a fair share municipal plan and in urban areas, to developments that are part of a comprehensive neighborhood plan.

We also believe the funds should not be concentrated in one place or with one developer, and suggest the following limitations: No one developer should get more than one quarter of the

funds and no one city should get more than a quarter of the funds. Even though the current funding will only create 12 homes, we think they should not all go to one developer or to one municipality.

We request that DCA reconsider taking the full 10% administrative fee. To the maximum extent possible, we'd want to see these dollars be used to create more homes.

Finally we urge you to increase the transparency of who receives funding by convening an application review panel composed of state officials and at least two private citizens representing the housing and homeless advocacy community who are not affiliated in any way with any applicant.

Thank you for your time today. Of course, I am happy to answer any questions you may have.