



## MAKING JERSEY CITY MORE AFFORDABLE

### Introduction

Jersey City has an affordable housing crisis. The cost to buy a home or rent an apartment has skyrocketed and many people from Jersey City simply can't afford to live here anymore. While the rising value of properties certainly benefits homeowners and demonstrates the desirability of a neighborhood, lifelong Jersey City residents should not be priced out of their home. There has been a change in American taste that now favors urban over suburban living, from millennials to empty nesters, and Jersey City's proximity to booming New York has made this demand even greater. Consequently, Jersey City has some of the most costly real estate in New Jersey. The current affordability crisis in Jersey City is not just a problem experienced by low-income people, but by working and middle-class people as well. Senior citizens who have lived here their whole life, particularly have a hard time affording the rising cost of living. Jersey City residents everyday are forced to make sacrifices to remain in the community they love, often sacrificing financial security and their own personal goals such as starting a business or saving for retirement or their children's education

As mayor, I will implement and execute policies that will stimulate the development of more affordable housing, create an Office of Affordable Housing that

assists people seeking to obtain affordable housing, expand outreach to the homeless, undertake an affordable housing audit and revise our rent control laws to encompass more people and units that are currently exempt from such restrictions.

### **What is affordable housing and how is it provided?**

What “affordable housing” means may vary depending upon who is defining it or what program is regulating a given project. Generally speaking, the term means housing that people of low and moderate income can afford. Local government plays a variety of roles in facilitating the availability of affordable housing, sometimes limiting the housing to individuals who meet certain income eligibility requirements. Usually, a local government like Jersey City collaborates with state or federal agencies to provide financing to private developers to facilitate the development of affordable housing. Garden State Episcopal Community Development Corporation is an example of a nonprofit that utilizes both City and Federal funds to develop affordable housing that has produced over 240 residential units and converted over 90 abandoned properties into housing for over 630 people in Jersey City.

The federal and state governments also directly subsidize housing in Jersey City through the local Housing Authority and the New Jersey Department of Community Affairs. For example, nonprofit affordable housing developers have built many affordable units using grants from the federal HOME Program via the City<sup>i</sup>. Jersey City also restricts rent increases for certain apartments, but without regard to income.

According to the Rules of the New Jersey Council on Affordable Housing (“COAH”), *affordable* is defined as a sales price or rent within the means of a low or moderate income household.<sup>ii</sup> *Affordable housing* is generally defined as a dwelling in which the occupant’s payment does not exceed 30% of his/her income for aggregate housing costs, including utilities<sup>iii</sup>. The U.S. Department of Housing and Urban Development (HUD) establishes an Area Median Income (AMI) to determine what income levels should be eligible for certain affordable housing that is income restricted and also to set what should qualify as an affordable rent or sales price. The annual AMI is \$63,100 for a household in Jersey City according to HUD<sup>iv</sup>.

HUD uses a formula to come to income limits for low income (\$68,800 for a four-person family), very low income (\$43,000 for a four-person family) and extremely low income \$25,800.<sup>v</sup> Affordable rent for a two bedroom low income is \$1,548; \$967 for a very low income and \$581 for an extremely low income<sup>vi</sup>. A project in Jersey City that received state grants and a large tax abatement raised eyebrows when it recently began marketing “affordable” units to residents at 80% of AMI with rents of \$1,462 for a one bedroom and \$1,548 for two bedrooms<sup>vii</sup>.

As stated above, the federal government, specifically HUD, plays a major role in providing affordable housing to low-income residents of Jersey City by providing direct public housing and vouchers to pay rent, known as Section 8 vouchers. The State DCA also provides rent vouchers to extremely low, disabled and seniors who are New Jersey residents and in need through the State Rental Assistance Program (“SRAP”)<sup>viii</sup>. The Jersey City Housing Authority is a public authority that was created by Jersey City in 1938

pursuant to federal and state laws, that oversees public housing (what city residents historically called “the projects”) for 4,526 low and moderate income Jersey City residents in 19 complexes and assists 9,837 residents through the Section 8 Housing Choice Voucher Program<sup>ix</sup>. The Jersey City Housing Authority has seven members, with five appointed by the City Council, one by the Mayor and one by the New Jersey Department of Community Affairs (“DCA”). In addition, public housing, the Jersey City Housing Authority provides oversight of more than 4,000 “Housing Choice Vouchers” vouchers from HUD for low-income families that are used to pay rent to private landlords, as well as other forms of public housing like Single Room Occupancy buildings. The Choice voucher waiting list, Section 8 voucher list, and public housing waiting list *are all currently closed*. The Section 8 voucher waiting list was opened for five days in May 2017 and before that, it was not open since 2002.

The City has the ability to provide several different incentives to stimulate affordable housing. The City manages an Affordable Housing Trust Fund, which is mainly funded by developers that receive property tax abatements pursuant to the New Jersey Long Term Tax Exemption Law. By law, the City can charge a developer \$1,500 per unit<sup>x</sup>. Typically, the City will co-fund a project being developed by a private affordable housing developer who is leveraging other sources of revenue, like state grants from the DCA, aforementioned HOME grants and, most notably, federal tax incentives.

Additionally, the City can provide a private affordable housing developer with a property tax abatement that reduces the amount of money the developer must pay the City for property taxes by substituting property tax payments with contractual payments in lieu

of taxes. Tax abatements for affordable housing can be longer than market rate abatements if federal funding source requires it (sometimes as long as 50 years) and can be more generous than market rate abatements, as the City usually charges 6.28% of gross revenue for affordable housing projects and at least 10% for market rate<sup>xi</sup>.

Previously, the City has partnered with the New Jersey Housing Mortgage & Finance Agency and private developers to provide so-called “workforce” housing, aimed at enabling working class residents to purchase homes. For example, using the State’s CHOICE program, the City leveraged Affordable Housing Trust Fund monies to build the 16 townhouses on Martin Luther King Drive called the Harriet Tubman Homes in Greenville, 45 units known as the Summit Heights on Hague Street by the Union City border, and the 23 unit Mary Norton Homes on the West Side on Duncan Avenue during the Healy Administration<sup>xii</sup>.

The State Economic Development Authority (“EDA”) has given tax credits for developers promising to build on-site affordable housing, including some \$40 million to a project slated to provide on-site affordable units totaling 20% of an otherwise market rate project of two towers Downtown, off Marin Boulevard by 6<sup>th</sup> Street.<sup>xiii</sup> On top of the \$40 million in State grants, the City awarded the developer a 25-year tax abatement and an extra subsidy requiring so-called “redevelopment area bonds”, that brought the contractual payments in lieu of taxes to an exceptionally low 7% of annual gross revenue.<sup>xiv</sup> The project will produce 177 affordable units out of 867 units, but the affordability controls will only last 25 years, at which time, the developer can then rent them at market rents. Additionally, as referenced above, the units will only be affordable for people making 80%

of AMI and thus people who are classified as very low and extremely low income will not be able to live there. Generally, this project is emblematic of why the Fulop Administration tactic of extending abatements to developers that provide affordable housing doesn't work: they usually piggy back off state subsidies so it is questionable whether the abatement is even necessary, only apply to people making 80% of AMI, thereby excluding truly low-income residents, and only last for as long as the abatement, typically less than 30 years, which does not even meet COAH standards, which requires affordability controls to last 30 years<sup>xv</sup>.

The City has also occasionally required affordable housing through zoning. The State's Housing and Redevelopment Law allows the City to promulgate redevelopment plans in areas that are deemed suffering from economic stagnation based upon a variety of criteria, ranging from vacant lots to environmental contamination to areas with many structures that are in poor condition, and require a set-aside of affordable housing units. Nearly half of Jersey City's land area is governed by redevelopment plans as opposed to zoning and more than half of Jersey City's residents live redevelopment areas. Out of Jersey City's approximately 100 redevelopment plans (the number of plans change with some frequency), less than 15% require affordable housing<sup>xvi</sup>.

### **How is the Situation for Affordable Housing Jersey City? We need an Audit**

In 2015, Steve Fulop issued a Housing Plan that was essentially devoid of any real proposals but did pledge to use "data" to assist in overcoming affordable housing challenges. Since then, Steve Fulop has failed at this pledge, and the City now provides less

data regarding affordable housing then it previously did. The Division of Community Development previously prepared an annual tally of affordable housing created in the City. However, requests for this document via phone calls and Open Public Records Requests have not been fruitful<sup>xvii</sup>.

Instead, the City points to its “affordable housing navigator<sup>xviii</sup>” website as both a tool for helping people find affordable housing and to provide data. The website provides a useful tool by enabling one to use a mouse to hover over circles on a map indicating projects (both constructed and unconstructed) with contact information. However, this interactive online tool is hardly deep data regarding the affordable housing situation in Jersey City. For example, the navigator fails to specify income, age, disability, or military-status requirements for each development, necessitating users to spend unneeded time and energy researching their eligibility and potentially discouraging them from applying for an affordable rental. Moreover, after reaching out to 20 of some 28 providers throughout Jersey City listed on the Affordable Housing Navigator, twelve were unreachable due to unresponsiveness or outdated contact information, seven were contacted, but have no vacancies or long or informal waitlists and one had two vacancies.

Although there is no data to back it up, Mayor Fulop frequently states that Jersey City has created more affordable housing in the last three years than the City did in the previous 10 (although his most recent pronouncement modified that claim to “we have built more affordable housing than any other administration in the city's history”) Interestingly, many of the projects on the navigator were constructed during the Healy Administration, like the aforementioned Mary Norton Holmes. It's nearly impossible that

Fulop's contention is true when considering that, from "1993 to 2011, 36 low-income apartment communities containing 2,245 rental apartments have been constructed and made affordable to low-income persons in Jersey City by the (federal) Low Income Housing Tax Credit Program<sup>xix</sup>" *alone*. These 2,245 units do not include affordable units developed independently of the Low Income Housing Tax Credit Program. Moreover, the one document provided by the City in response to OPRA requests seeking documents that show a tally of affordable housing created between 2006 and 2017, demonstrates that the City created 1,108 units (between units by the Affordable Housing Trust Fund and HOME funds) and just 178 between 2013 and 2016, demonstrating that Fulop's assertion is clearly erroneous, at least based upon a document produced by his Administration. Indeed, contrary to his assertion, under Fulop, the City has created much less affordable housing than in the past.

Furthermore, if the Fulop Administration is doing such a poor job in providing data on affordable housing, it is unlikely that it is doing much to ensure that income limitations and rent restrictions are being complied with by operators of affordable housing. As Corporation Counsel, I frequently oversaw litigation against developers and property owners that violated affordable housing restrictions.

The City needs to do an affordable housing audit that: (1) tabulates exactly how many units of affordable housing there are divided into the various eligibility designations; e.g. low incomes, versus extremely low income versus moderate income, etc.; (2) determines where they are; (3) how and when they were provided; (4) how long their respective affordability controls will last; (4) what condition they are in; (5) whether the income

restrictions and rent limits are being complied with; (5) how rent control is assisting moderate and low-income families versus high income earners; (6) the impact Airbnb is having on the housing market; and (7) how Jersey City families are able to afford, or not afford, housing in the City's constantly evolving real estate market.

### **An Office of Affordable Housing**

The previously mentioned affordable housing navigator website, which is operated by an employee of the autonomous Jersey City Redevelopment Agency, is the extent to which the City helps connect people to affordable housing. If you don't have access to the internet, you are out of luck. There is no number you can call to get help, never mind someone you can meet with to get assistance. Do you make too much money to qualify for subsidized housing? Are there other alternatives like rent controlled housing? For now, Jersey City residents have to figure those questions out on their own.

As mayor, I will create an Office of Affordable Housing within the Division of Community Development. The Office will be led by an affordable housing policy expert who I will work with to implement policies that will create more affordable housing and keep up with changing trends and new initiatives. The office will seek grant opportunities and do background checks on developers that seek to leverage city funds for projects.

Crucially, the office will keep track of all affordable housing in the City and be ready to provide that information with one click. Moreover, the Office will make sure that all affordable housing units are complying with covenants to limit the units to income-eligible residents and that affordable rents are being charged. Employees from the Office

will monitors the conditions of affordable and rent control units and work with other departments to make sure that the Housing Code is enforced.

Finally, and most importantly, the Office of Affordable Housing will have staff that will help residents connect to affordable housing. These employees will be *case workers* that will prescreen residents, and help them complete applications, and assist in finding housing that they can afford. A primary focus will be senior citizens, who may have a special need for assistance in finding affordable accommodations.

All the office's work will be transparent and regularly updated online. We will not only know how many affordable units have been added to the pipeline (or subtracted from it), but we will know how many residents sought help and how many received it.

### **Developing Affordable Housing**

As stated above, Jersey City redevelopment plans govern over a third of its land mass and more than half the population, but approximately less than 15% of them require some form of affordable housing and the amount and type of affordable housing they require varies. As mayor, we will study the real estate market in every redevelopment area to ascertain what plans can support a requirement of affordable housing and how much. In short, the redevelopment areas with the hottest real estate markets will bear a heavier burden of providing affordable housing as the market will enable developers to bear this out. This concept is not new, as New York City has carved the City into regions that require inclusionary affordable housing, and Mayor Fulop's tax abatement policy creates tiers that require affordable housing for some abatements. The City Council recently introduced an ordinance that would require 20% of the units of all tax-abated projects on

the Waterfront be set aside for affordable housing, but the ordinance was tabled after developers and unions voiced concerns<sup>xx</sup>. Meanwhile, some redevelopment plans that govern economically depressed areas require affordable housing, but arguably should not have to, as these areas could use an infusion of market rate housing and to require developers to provide affordable housing may stifle what is already a risky development venture.

Each redevelopment plan will be amended accordingly to require a certain percentage of units to be affordable to a variety of incomes ranging from working class to the extremely low income. Our plan will allow for developers to avoid constructing up to 50% of the units on site by allowing them to make contributions to the affordable housing Trust Fund of at least \$150,000 per unit. This buyout option reflects two competing policy goals: onsite, inclusionary affordable housing creates income diversity by building low and moderate income housing among market rate (sometimes luxury) housing, however, doing so comes at a cost that limits the total amount of affordable housing units that could be built, because developing affordable housing in a market rate complex is obviously much more expensive than to build it elsewhere. In simple terms, if the money used to build on-site inclusionary affordable housing were taken and spent on building affordable housing in a less costly area and structure, more housing would be built. So it is a difficult call: achieve integration with less housing, or more housing with some economic segregation? The 50-50 split tries to achieve some of both goals. Thus, diversity is achieved by requiring half the units to be built on-site and additional units will be built with funds the developer sends to the Affordable Housing Trust Fund.

## Keeping Rent Affordable

Out of the 110,000 residential units in Jersey City, a little over 70% are occupied by renters. It is unknown how many units are subject to rent control, pursuant to inquiries to the Division of Tenant-Landlord Relations.

Right now, many Jersey City residents are forced to spend a disproportionate amount of their income on rent. A household is deemed “cost burdened” by HUD if 30% or more of its annual household income is spent on housing and “extremely cost burdened” if it spends more than 50% of its income on housing. According to the Mayor’s Office Housing Plan that was issued in 2015, over 48% of the renters in Jersey City were cost burdened.<sup>xxi</sup> Over one-quarter of Jersey City renter households are extremely cost burdened.<sup>xxii</sup>

Jersey City’s median per capita income in 2015 was \$33,901, which means an affordable rent would be around \$850. The median rents for a one bedroom vary greatly in Jersey City. The median rent for a one-bedroom Downtown is \$2,400, while the median rent for a one-bedroom in Journal Square and the Heights is around \$1,500 and \$1,287 in Greenville. In short, the median rent for a one-bedroom apartment in Jersey City is unaffordable for a person making Jersey City’s median per capita income.

Jersey City has a “Rent Control” Ordinance on the books since 1973 that limits how much a landlord can raise rent for certain apartments<sup>xxiii</sup>. The Jersey City Rent Control Ordinance only applies to dwellings with five or more units and applies regardless of the tenant’s income<sup>xxiv</sup>. Thus, there is no limitation on how much a landlord can raise the rent of a tenant that lives in a building with four or fewer units, except that State law

prohibits “unconscionable” rent increases (unless it is an owner occupied building with two or less rental units, in which case there is no restriction on rent increases)<sup>xxv</sup>. To determine whether a rent increase is unconscionable, a “trial judge may consider: (1) the amount of the proposed rent increase; (2) the landlord's expenses and profitability; (3) how the existing and proposed rents compare to rents charged at similar rental properties in the geographic area; (4) the relative bargaining position of the parties; and (5) based on the judge's general knowledge, whether the rent increase would ‘shock the conscience of a reasonable person.’<sup>xxvi</sup>” One court found a rent increase of 317% not to be unconscionable because the increased rent was still below market value.<sup>xxvii</sup>

By State Law, municipal rent control ordinances can only apply to buildings that were constructed 30 years ago or more<sup>xxviii</sup>. The Jersey City Rent Control Ordinance permits increases pursuant to a relatively complex formula once every twelve months during a vacancy or the expiration of a lease by either the percent difference of the consumer price index (CPI) three months prior to the termination of an old lease or three months prior to the new leases’ commencement or, 4%, whichever is less<sup>xxix</sup>. The Division of Landlord Tenant relation publishes what the permissible percent rent increase is for a given month and for January to May 2017, the number has ranged from 1% to 2.5%, while the number was zero for several months in 2016<sup>xxx</sup>. During a vacancy in Jersey City, monthly rent may be raised above the cost-of-living without a prior application if capital improvements are made, with the rental increase depending upon the project’s cost.

Several municipalities have more expansive rent control than Jersey City in that they apply rent control to buildings with less than four units. Union City applies rent

control to buildings with four units or more but exempts buildings where an owner resides if it has between four and six units<sup>xxxii</sup>. Newark's Rent Control Ordinance extends to all dwelling units, except that units in one to three unit buildings where the owner resides are exempt<sup>xxxii</sup>. Hoboken applies rent control to all units regardless of whether an owner resides in the building<sup>xxxiii</sup>.

In Jersey City, many people and families rent housing in buildings that have less than five units where landlords can raise their rent well beyond the limits imposed by Jersey City's Rent Control Ordinance. Indeed, nearly half of the residential units in Jersey City (53,321 units) are in buildings with four or less units. Greenville and the Heights have many two family houses where one, and frequently both units are rented.

I have met many residents who lived in buildings with less than five units who had to move due to steep rent increases. As the hot Jersey City real estate market has enabled property owners to demand greater rents, they have charged existing tenants, whose leases have expired, rent increases consistent with what the market can bare, but which can sometimes represent rent increases of a third (33%) or even more.

The question is, should rent control be extended to cover renters that rent in buildings with four units or less? And, if rent control is extended to such buildings, should there be an exemption for buildings where an owner resides?

Some argue that it would be a disincentive to small investors that buy dilapidated small residential buildings, like two family houses, and renovate them so that they can be rented. Indeed, many economists, on both the left and right agree that "a ceiling on rents reduces the quality and quantity of housing."<sup>xxxiv</sup> As I go door to door on the campaign, I

sometimes enter the somewhat rundown lobby of what was once an obviously glorious vestibule with darkened marble and flickering lights above and wonder how the place lost its glory and whether current luxury apartments could possibly see a similar fate. But there are many explanations beyond rent control because the same fate met many buildings that were not subject to rent control, as Jersey City's economic fortunes declined in the 60s and 70s. Meanwhile, rent control has its defenders in academia as well, who contest the assertion that affordable housing creates a shortage of housing or causes landlords to provide poor maintenance<sup>xxxv</sup>.

Extending rent control is not an easy question, not only because there is a dispute in academia, but because there is so much information lacking on the status of the housing need in Jersey City. Indeed, the Division of Tenant-Landlord Relations cannot even answer how many rent controlled units exist in Jersey City. As part of the affordable housing audit referenced above, the City will also analyze the status of rent control and, at a minimum, determine how many possible units could be captured by extending rent control to beyond four units.

However, to me, the evidence is clear that *some form of rent stabilization* must be provided to renters in buildings of four or less units, at least in those that are not owner occupied. Landlords that contend with steep property taxes and who occupy two and three-family homes as their primary residence, should not be restricted in what rents they charge to tenants who reside in the other units. Thus, I would exempt owner-occupied buildings with four units or less.

What should the form of rent control-stabilization be? Perhaps it should not be as strict as regular rent control restrictions, which frequently limit rent increases to two percent or even less, but tenants should also not be expected to pay a 25% rent increase. What exactly the form of the rent control is should be informed by analysis and input from both landlords and tenant advocates.

### **Abandoned Properties**

Under the New Jersey Abandoned Properties Rehabilitation Act (APRA), the City can condemn an abandoned property and designate a developer to acquire the property and develop it. The City began this process under the Healy Administration and has made some progress under Mayor Fulop. These units frequently are used for affordable housing.

But progress has been slow and there are some 900 properties on the list. As mayor, I will make expediting the conveyance of these properties to qualified affordable housing developers a priority and we will take all politics out of the equation.

### **City Workers**

Many City workers are having a hard time affording to live in the City they serve. Once, many cops and fireman left Jersey City because they wanted to live in a town they deemed to offer a better quality of life, now, many can't afford to buy a home here.

As mayor, I would create a plan, in conjunction with the public worker unions, which would assist city workers with down payments on certain qualified homes. This will help theses public servants live in the community they serve, achieve the goal of having more police and firefighters live in town, something which has been sought after for years,

and also provide a subsidy to certain affordable housing and mixed income projects that need it to get off the ground.

### **Homeless**

There is a homeless problem in this City that the City government does little to address, relying solely on the County and nonprofits. The City needs to play a greater role and my Office of Affordable Housing will conduct outreach and connect the homeless to counseling and a home. Moreover, Jersey City needs a new homeless shelter, and as mayor, I will work with the County and nonprofits to get one built. Finally, the City should also look to incentivize transitional housing like Single Room Occupancy buildings, that can help people in the early stages of substance abuse recovery and recently released formerly incarcerated individuals.

### **Conclusion**

As mayor, I will immediately create an Office of Affordable Housing that helps connects residents to affordable housing. The Office will undertake a thorough audit of our housing situation in Jersey City. Within a year, we will amend Jersey City's redevelopment plans to require future developments to include affordable housing and for developers to contribute to the Affordable Housing Trust Fund. We will provide rent stabilization to many residents who live in buildings with four or less units that now have none. We will offer assistance to City workers to buy homes in Jersey City and conduct outreach to the homeless. When I am mayor, Jersey City will be more affordable.

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<sup>i</sup> To learn more about the HOME program see [https://portal.hud.gov/hudportal/HUD?src=/program\\_offices/comm\\_planning/affordablehousing/programs/home/](https://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/affordablehousing/programs/home/)

<sup>ii</sup> Rules of the New Jersey Council on Affordable Housing (COAH) N.J.A.C. 5:99 (2014).

<sup>iii</sup> 24 CFR 92.252; for a discussion on the origins and rationale of the 30% rule see <https://www.census.gov/housing/census/publications/who-can-afford.pdf>

<sup>iv</sup> Fiscal Year 2017 Income Limits, U.S. Department of Housing and Urban Development Office of Policy Development & Research (2017). [https://www.huduser.gov/portal/datasets/il/il2017/2017MedCalc.odn?inputname=METRO35620MM3640\\*Jersey+City%2C+NJ+HUD+Metro+FMR+Area&selection\\_type=hmfa&year=2017&wherefrom=mfi&incpath=%24incpath%24](https://www.huduser.gov/portal/datasets/il/il2017/2017MedCalc.odn?inputname=METRO35620MM3640*Jersey+City%2C+NJ+HUD+Metro+FMR+Area&selection_type=hmfa&year=2017&wherefrom=mfi&incpath=%24incpath%24)

<sup>v</sup> See the HUD website and calculator at <https://www.huduser.gov/portal/datasets/il/il2017/2017summary.odn> last visited June 25, 201.

<sup>vi</sup> HUD Affordable Income Eligibility and Corresponding Rents as Published by the New Jersey Housing Mortgage and Finance Agency. [http://www.nj.gov/dca/hmfa/media/download/tax/incomelimits/tc\\_2017\\_income\\_limits.pdf](http://www.nj.gov/dca/hmfa/media/download/tax/incomelimits/tc_2017_income_limits.pdf)

<sup>vii</sup> Terrence McDonald, *Jersey City Struggles to Define Affordable as it Eyes Cheaper Rents Downtown*, THE JERSEY JOURNAL, June 25, 2017.

<sup>viii</sup> For a further explanation of SRAP, see the DCA website at <http://www.nj.gov/dca/divisions/dhcr/offices/srap.html>

<sup>ix</sup> Jersey City Housing Authority Annual Financial report, March 2016.

<sup>x</sup> The City can developer's abatements for projects in areas designated to be in need of redevelopment pursuant to the Long Term Tax Abatement Law N.J.S.A 40A:20-1 et seq. and the Redevelopment and Housing Law (N.J.S.A 40A:12A-4.1 and 4.2.) permits the City to either require on site affordable housing or a charge up to \$1,500 per unit.

<sup>xi</sup> N.J.S.A. 40A:20-12

<sup>xii</sup> Ricardo Kaulassar, *More Affordable Housing Coming Downtown Couple, Other New Residents Get Low Cost Mortgages from State*, THE HUDSON REPORTER, November 9, 2008. For information the CHOICE Program see <http://www.njhousing.gov/dca/hmfa/developers/choice/>

<sup>xiii</sup> Terrence McDonald, *\$40 Million in State Credits OK'd For Downtown Jersey City Tower*, THE JERSEY JOURNAL June 9, 2015.

<sup>xiv</sup> Terrence McDonald, *Jersey City Gives 25 Year Tax Brake Break to Union-Backed Towers Project*, JERSEY JOURNAL, August 20, 2015.

<sup>xv</sup> N.J.A.C. 5:80-26.5

<sup>xvi</sup> This number was ascertained by doing a word search for "affordable" in every redevelopment plan listed on the City Open Data Portal.

<sup>xvii</sup> One request asked for "All documents that include an annual tally/total of affordable housing units that exist in Jersey City and that were created in a given year, prepared between 2010 and 2016. This should include but not be limited to all documents prepared for the Council on Affordable Housing and documents prepared by the Community Development Corporation" and was denied as "overly broad" and the requestor was directed to the "affordable housing navigator" on the Jersey City Redevelopment Agency Website. A similar request was made on June 5, 2017 that requested "Any documents that reflect tallies for affordable housing created in Jersey City between January 1, 2006 and December 31, 2006. I have been advised that a document called the "Housing Inventory" that reflected an annual tally of affordable housing created in Jersey City in a given year. This information is not available in the affordable housing navigator." After a two week extension from the City, a spread sheet that showed annual tallies for properties created only by the Affordable Housing Trust and the HOME program was provided, however the numbers the document presents demonstrates a reality different from the mayor's statements.

<sup>xviii</sup> <http://data.jerseycitynj.gov/showcase/affordable-housing-navigator>

<sup>xix</sup> See *Affordable Housing Online* website <https://affordablehousingonline.com/housing-search/New-Jersey/Jersey-City>

<sup>xx</sup> Terrence McDonald, *Plans for Stricter Jersey City PILOT Rules Alarm Developers, Unions*, THE JERSEY JOURNAL, June 9, 2017.

<sup>xxi</sup> Jersey City Housing Plan. [http://www.cityofjerseycity.com/uploadedFiles/City\\_Government/Department\\_of\\_Housing,\\_Economic\\_Development\\_and\\_Commerce/Division\\_of\\_Community\\_Development/Jersey%20City%20Housing%20Plan.pdf](http://www.cityofjerseycity.com/uploadedFiles/City_Government/Department_of_Housing,_Economic_Development_and_Commerce/Division_of_Community_Development/Jersey%20City%20Housing%20Plan.pdf)

<sup>xxii</sup> Per Affordable Housing Advocate Make Room

<sup>xxiii</sup> Jersey City Rent Control Ordinance, §260-1. et. seq.

<sup>xxiv</sup> Id §260-1.

<sup>xxv</sup> N.J.S.A. 2A:18-61.1(f).

<sup>xxvi</sup> *Fromet Properties v. Buel*, 294 N.J. Super. 601 (App. Div. 1996).

<sup>xxvii</sup> *Melrose Hall Equit Partner v. Saoud*, 2010 WL 5376524 (App. Div. 2010).

<sup>xxviii</sup> N.J.S.A. 2A:42-84.2.

<sup>xxix</sup> The Jersey City Rent Control Ordinance §260-3.

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<sup>xxxviii</sup> [http://www.jerseycitynj.gov/uploadedFiles/City\\_Government/Department\\_of\\_Housing,\\_Economic\\_Development\\_and\\_Commerce/2017%20RENT%20INCREASE%20INDEX%20mar%20apr%202017.pdf](http://www.jerseycitynj.gov/uploadedFiles/City_Government/Department_of_Housing,_Economic_Development_and_Commerce/2017%20RENT%20INCREASE%20INDEX%20mar%20apr%202017.pdf)

<sup>xxxix</sup> Union City Rent Control Ordinance § 334-2B.

<sup>xl</sup> Newark Rent Control Ordinance §19:2-2.

<sup>xli</sup> Hoboken Rent Control Ordinance § 155-2. .

<sup>xlii</sup> Paul Krugman, *Reckoning: A Rent Affair*, THE NEW YORK TIMES, June 7, 2000.

<sup>xliii</sup> For a discussion of some pro rent control studies see: Jake Blumgart, *In Defense of Rent Control*, THE PACIFIC STANDARD April 1, 2015.