

New Jersey's Economic Future Depends on Affordable Housing

As housing prices have skyrocketed in recent years, the shortage of affordable homes is making life impossible for hard-working New Jerseyans, hurting both low-income families and the middle class. One in four New Jersey families spends half or more of their income on their rent or mortgage, often forced to choose between paying for housing or nutritious food, reliable transportation or health care needs. No one should have to make those choices.

Thankfully, New Jersey law contains a strong framework – known as the Mount Laurel Doctrine – that requires municipalities to provide their fair share of affordable housing. Since it was established in 1975, the Mount Laurel Doctrine has helped to break down patterns of segregation and has promoted greater economic integration in our state.

We have seen the benefits of the Mount Laurel Doctrine firsthand. Habitat for Humanity affiliates work in every county of the state and have built hundreds of homes that were sold to qualified buyers, thanks to the donations and volunteer labor of many thousands of New Jerseyans and public and private grants. We know that, comparatively, families who live in affordable homes have better economic and health outcomes than those who were unable to obtain affordable housing.

What's more, affordable housing does not just benefit the people who live in it — it benefits all of us. Shortages of affordable housing have detrimental effects on society — causing significant slowdowns in overall economic growth and limiting labor mobility.

As New Jersey prepares for the fourth round of Mount Laurel obligations in 2025 — when each municipality must develop an updated plan for how to provide additional affordable homes — it is more critical than ever for policymakers to safeguard and strengthen the doctrine's framework.

In 2015, New Jersey took an important step forward when the state Supreme Court ruled that the judicial system would ensure municipalities are providing their fair share of affordable housing. That decision effectively eliminated the Council on Affordable Housing (COAH), which had long been ineffective in overseeing compliance.

Since then, the rate of affordable housing production has nearly doubled, multifamily housing production has significantly increased, and neighborhoods have become more integrated. More than 20,000 new affordable homes have been created in New Jersey since 2015.

However, some legislators and communities are taking action to reinstate COAH and a system that failed to fulfill its purpose of overseeing compliance of the production of affordable housing in New Jersey.

That is why all 17 Habitat for Humanity affiliates in New Jersey support enforcing Mount Laurel obligations through the judicial process and not through COAH. To return to a failed system when we need more affordable housing than ever before is counterintuitive and bad policy.

It is significant that New Jersey is taking steps to invest in affordable housing. However, considering that our state is home to some of the most competitive for-sale and rental markets in the U.S., there is still much more that needs to be done.

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