



April 21, 2016

Commissioner Chuck Richman
Department of Community Affairs
P.O. Box 800
Trenton, NJ 08625

Dear Commissioner Richman,

As you know, New Jersey continues to rank at the top of the least affordable places for residents to afford a rental home. Almost one-third of renters are paying over half of their income for their homes. In order to afford a modest two-bedroom rental in this state, a resident must earn \$25.17 an hour, according to the National Low Income Housing Coalition's "Out of Reach" report; far more than the state's average hourly wage of \$16.92. This is extremely difficult for residents who are the sole providers in their household, recent college graduates, and seniors living on fixed incomes for example. "Out of Reach" ranks New Jersey as the fifth most expensive place to live in the country.

As the state partner for NLIHC, the Housing and Community Development Network of New Jersey has long advocated for full funding for the National Housing Trust Fund, to make sure that there is an available stock of rental homes for our lowest income residents. We are thrilled that the NHTF has begun to be funded and that New Jersey will receive resources from the NHTF this summer. Thank you so much for the opportunity to provide recommendations to the Department of Community Affairs' allocation plan. This is the beginning of funding from this new source and we want to lay a good foundation with a plan that will use this money most effectively and show its value for the future.

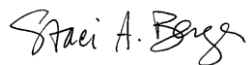
The Network asks that DCA include the following recommendations in crafting the major elements of its plan:

- **Primary use of this funding:** We suggest that funding be used for construction, project based vouchers and/or operating subsidies to enable housing with other funding to serve very low income families and individuals. Use of guidelines similar to the ones used for the Special Needs Housing Trust Fund will help ensure that money and time are not spent creating a new program. We would like to see DCA piggyback on existing mechanism for delivery to reduce or eliminate use of NHTF funds for program administration.

- **Preferences:**
 - We recommend there should be preference given to developments with the deepest possible affordability for rents and the longest possible periods of affordability.
 - In suburban communities, preference should be given to developments that are part of an approved municipal plan. In urban areas, preference should be given to developments that are part of a comprehensive neighborhood plan.
 - There should be a preference for non-profit developers who have the commitment as part of their mission to serve a very low income population.
- **Transparency:** DCA should convene 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. This is similar to the former COAH board where there was a representative from the Special Needs Community.
- **Fund Limitations:** No one developer should get more than one quarter of the funds. No one city should get more than one quarter of the funds.

I want to again thank you for giving the Network the opportunity to submit these comments. Please let me know if you'd like to discuss any of these issues in greater depth.

Sincerely,

A handwritten signature in cursive script that reads "Staci A. Berger".

Staci A. Berger
President & CEO