

**Covid-19 Pandemic's Impact on Low-Income & Affordable Housing in
Jersey City, New Jersey**

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Dedication

I want to dedicate my Master thesis to my beloved family, friends, and professors for your continued support and believing in me throughout my journey in the Master's Science in Finance Program. I also want to thank all of the professionals of Jersey City that I interviewed for my thesis project.

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Introduction

The Covid-19 pandemic has resulted in devastating impacts to the low-income households and population of Jersey City, New Jersey. The pandemic resulted in hundreds of thousands of Americans throughout the US entering into unemployment because of paused workplace environments. Jersey City alone experienced total fatalities of 1,005, a 30 day average of 101 cases, a peak of new cases of 962, and a seven day peak average of 673 cases. According to the data from the public tableau Covid-19 cases in Jersey City, the two largest age groups with the most Covid-19 cases were ages 16 - 30 yrs. with a 26.4% of cases. The second largest group was 31 - 40 yrs. with a 22.7% of diagnosed cases. The population with the highest fatalities by age groups were those with an age range of 61 - 75 yrs. with 37.9% and 75 yrs. and up were at 38.2% of fatal cases. The lockdown period also took a substantial toll on the mental health and wellbeing of individuals forced into isolation because of strict quarantine protocol in the beginning of the pandemic and the mysterious impacts of the Covid-19 virus and destructive variants.

Fortunately, thanks to the advanced biomedical technology, the United States was able to create and provide emergency approval for vaccines with Moderna, Pfizer, and Johnson & Johnson. Prior to the vaccines, ordinary business operations were halted and resulted in a drastic push toward remote work, online learning, and small businesses to rely on Covid-19 relief funds to alleviate the pressure of rent/utility payments, and prevent bankruptcies. US Citizens and taxpayers received generous stimulus packages from the government three times to assist with bill payments and pay for daily necessities such as food, water, and household utilities. The Covid-19 pandemic has unveiled the weaknesses within our healthcare system to provide adequate support to meet the skyrocketing demand for respirators and care for patients within

intensive care units. The pandemic became a global phenomenon that will mark the history of humanity forever.

The escalating covid-19 deaths and infections was incredibly overwhelming for a society to bear. The news outlets were overflowing with covid-19 breakthrough cases even after periods of vaccinations. Thankfully, vaccinations and booster shots have strengthened the immune systems for everyone, especially those most vulnerable to death and severe illness from the virus. Similar to thousands of cities throughout the world, Jersey City experienced a substantial halt in operations regarding housing and new construction projects.

Yet, when the pandemic began to abate and regulations began to loosen, the construction projects that were halted were resumed near the final quarter of 2020. Construction companies and private investors were intrigued by the low-interest rates for investment opportunities and lock the low rates for securing residential space for new construction properties. The Federal Reserve lowered and kept interest rates near zero which made investing and borrowing money easier. The spike in investment project proposals and rapid desire to construct market rate housing throughout Jersey City. Within the past 365 business days, Jersey City contains one hundred and four active housing construction projects, of which ninety-nine are private and five public housing projects. The majority of the private construction projects throughout Jersey City are all market rate housing which provides minimal to zero affordable housing units. The concern for many is that the low-income households will get priced out of the market and pushed toward the margins of the city.

Gentrification can bring an abundance of life and prosperity to a city. However, if the low-income populations are not supported within the community, then the low-income

households will cease to live within the middle-income neighborhoods because of the expensive standards of living, and intra-urban economic inequality will proliferate.

This thesis will examine Jersey City's Housing construction projects since the start of the 2020 Pandemic and what the city has and is doing to support affordable housing initiatives and the low-income population. The Covid-19 Pandemic resulted in record low-interest rates which allowed construction companies and private organizations the opportunity to purchase land and projects at low-interest rates. However, many low-income households lost out on these opportunities directly because of their loss of prime family income and the loss of jobs. Now they are finding that with the rise in market price housing throughout Jersey City, low-income residents will further suffer from being priced out of the market with high rent prices.

The questions focused on are: How has Jersey City's budget for housing/construction projects impacted the low-income households throughout the city with the new resident complexes being built throughout the City? I plan to look into Jersey City's budget and review their impact on housing to low-income households post covid-19 pandemic. Jersey City post-pandemic has failed to prioritize the housing situation for long-term low-income households through budgetary project allocations. The pandemic's impact on the low-income households was devastating and the support resources from New Jersey and Jersey City provided economic relief. However, the construction projects throughout Jersey City and specifically the Journal Square community will price out low-income households pushing them to move out of Jersey City or toward the margins. The municipality of Jersey City caters more support to the real estate developers and institutional investors, then prioritizing the low-income households through mixed-income and mixed used housing complexes. The Fair Share Housing organization stands to support affordable housing. Thus, the tax abatements, Mount Laurel, gentrification, and the

statistical data reveal the actual support within the low-income households. For instance, out of the 104 construction projects going on throughout the city, only five of the projects are government funded while the remaining 99 are privately funded. The privately funded housing projects are predominantly market rate housing. Majority of the construction projects in Jersey City are catering to higher income households which encourages new local investment projects to enhance the city's infrastructure with redevelopment projects. The redevelopment projects going on throughout the city call for policy requirements that ought to serve and support the low-income households in the community. Policy makers for housing requirements in Jersey City should be consistent with New Jersey's housing policy with allotting a percentage of affordable housing in market rate housing locations. The thesis will further discuss the effects of the Covid-19 pandemic to Jersey City with background of affordable housing efforts, the Jersey City IZO, macroeconomic factors impacts from the pandemic, redevelopment projects in Jersey City, and policy implementations.

Chapter One: Covid-19's Impact, and the Origins of Inclusionary Housing Advocacy in New Jersey

The Covid-19 Pandemic has impacted the community of Jersey City, New Jersey with Covid-19 related fatalities, unemployment, and unforeseeable health complications moving forward from contracting the virus. According to the Covid-19 data powered by Tableau public of Jersey City last updated on April 7th, 2022, Jersey City experienced 1,003 Covid-19 fatalities, a seven day peak average of 673, peak of new cases 962, and a seven day average of 61 Covid-19 cases. The age group with the most covid cases was from 16 - 30 which accounts for 14,989 or 26.6% of cases in Jersey City. The second highest is the age group of 31 - 40 years old with a total cases of 12,682 which accounts for 22.5% of cases throughout Jersey City (Jersey City Covid-19). Furthermore, The Bureau of Labor Statistics, U.S. Census Bureau stated the unemployment in Jersey City was more than 10% in April 2020 with a rate of 14.9% 20,568 people unemployed, a labor force of 137,710, and employment of 117,142. The unemployment continued to rise to 17.4% as of June 2020 where a record low of unemployment was experienced in April 2019 with a rate of 2.9%. (U.S. Bureau of Labor Statistics). The State of New Jersey experienced a 9.8% unemployment rate with 445,657 individuals unemployed with a total labor force of 4,532,883 (U.S. Bureau of Labor Statistics). The Saint Louis Missouri FRED recorded a national U.S unemployment rate of 3.5% in January 2020 and a record high 14.7% unemployment rate as of April 2020 (FRED). The shocking impact of the Covid-19 virus is felt even more potent within the low-income households with the loss of a prime breadwinner, and or health complications resulting from the virus. The pandemic pushed Jersey City to a halt in their regularly planned construction redevelopment projects, and gathered support services/resources to aid the community. With the loss of a prime household breadwinner, the household needs to

scatter for resources to support essential survival needs such as food, shelter (rent/mortgage payments), water, educational costs, and more. The shift to remote learning for students, mental health concerns from the fear of the future and isolation from quarantine, and University students having to stop studying temporarily to support their families became a pivotal time in the lives for households.

Jersey City gathered support resources to help alleviate the distress impacting households since the start of the COVID-19 Pandemic. The Jersey City Housing Authority (JCHA) which strives to build communities, create opportunities, and transform lives. JCHA collaborated with the Department of Housing and Urban Development (HUD), local public health officials, and the Jersey City Office of Emergency Management to provide COVID-19 relief services such as low-income public housing, housing choice vouchers, and more. In addition to the support services provided by the JCHA, the community offices were able to help gather support resources relating to mental health such as the National Institute of Mental Health (NIMH) which focuses on “transforming the understanding and treatment of mental illnesses” (NIMH). The NIMH provides courses and educational tools for households on why your mental health matters, information on tele mental health, learning when to seek help, helping children and adolescents cope with COVID-19, and anxiety symptoms vs COVID-19 symptoms. Furthermore, the additional resources families can learn about are the following: free and low cost internet service and computers support, free online learning activity resources provided by Jersey City Free Public Library, and information on a plethora of resources for NJ residents including employment, food assistance, mental health, legal aid, mortgage relief, child care resources, resources for immigrants, veterans, domestic violence, and energy assistance through Low-Income Home Energy Assistance Program (LIHEAP) for NJ residents with utility bills (JCHA,

2020). Jersey City ensured that their residents were supported throughout the COVID-19 Pandemic. However, questions can emerge in regards to what is considered low-income & low-income housing since the rising rent prices are increasing throughout Jersey City with the rise in market rate housing construction projects. Majority of the housing resources are aimed to support elderly individuals and drug addicts. Unfortunately, young households with a family need to scrape by and live paycheck to paycheck to help make ends meet, pay utility bills, technology bills, and pay for food/water. The waitlists for affordable housing units are overflowing and for young households that do not have enough income for a down payment on a home & live paycheck to paycheck the odds seem to be stacked against them.

To date, there are currently 104 construction projects with 99 of the project market rate private funding housing with little to zero affordable housing units. The concern now is what is going to happen to the low-income households that will get priced out of the market when the rent payments are increasing and need to be paid at the end or beginning of each month.

According to the Office of State Comptroller in 2010, tax abatements are “granted typically to businesses and developers to encourage them to make improvements to property or to locate a project in a distressed or blighted area” (OSC, 2010). Therefore, tax abatements can be used to save millions of dollars on construction development projects on taxes paid with a generous tax break. The tax abatements become an incentive for municipalities and individual investors to invest capital allocations to enhance a community environment that is dilapidated and needs redevelopment. Payments to municipalities by businesses and developers in lieu of taxes, known as PILOT payments, according to the state “distort municipal incentives in using and structuring abatements at the expense of counties, school districts, and other taxpayers” (OSC, 2010). The individual investors and corporations are able to construct new projects with greater tax reliefs

and obligations than local property stores and households. With respect to tax abatements throughout Jersey City for development projects, the OSC document captures the focus of using affordable housing and commercial development as an avenue to expedite this strategy:

“Promoting affordable housing and seeking commercial and industrial entities that offer long-term employment and a stable tax base would seem to be more appropriate development choices in these areas. In contrast, continuing to grant abatements for market-rate housing increases population density while straining local budgets that now need to serve more residents who do not fully contribute to normal tax revenues, despite their ability to afford expensive accommodations. Perhaps partially as a result of these abatement practices, many of these neighborhoods recently have faced issues of housing oversupply” (OSC, 2010).

Thus, as stated above the construction development projects result in an extraordinary opportunity for individual investors and larger corporations to develop with tax abatements and obtain handsome tax breaks from 5 to 15 years. In Jersey City, the quote above hits home because of the 99 currently planned market rate luxury housing projects throughout the city. The waterfront condominiums and luxury apartments bring forth new commercial opportunities for pricier businesses and pushes low-income residents toward the margins of the city. Jersey City ought to strive and stand to support the low-income residents of Jersey City and place them at the forefront of the redevelopment as opposed to small percentages within certain luxury housing complexes.

Fair Share Housing Center (FSHC) was founded in 1975 and devotes the services and resources to support the housing rights of New Jersey’s poor communities. The Mount Laurel Doctrine states that it “prohibits economic discrimination through exclusionary zoning and requires all towns to provide their “fair share” of their region’s need for affordable housing” (FSHC, 2022). The organization is a 501(c) (3) non-profit organization that supports low-income communities with safe, decent, and sanitary housing near employment and educational opportunities.

The Mount Laurel I court case focuses on exclusionary zoning practices that excluded low-income households that were not able to afford or live in the community. The court case was a class action lawsuit against Mount Laurel Township, its Planning Board, and Municipal Utility Authority to challenge the abuses of the local government fund allocations at the state, federal, and local level. According to the Mount Laurel I case, the abusers were accused of “using the funds to develop infrastructure which made development feasible in the Township and then used it planning and zoning power to exclude affordable housing opportunities in Mount Laurel Township for its resident poor and the poor in the region who desired to live in Mount Laurel” (FSHC, 2022).

The representatives that initiated the court accusations against Mount Laurel Township were “Carl S. Bisgaiser, Kenneth E. Meiser and Peter J O'Connor, Camden Regional Legal Service Attorneys, Ethel Lawrence, potential displacement from Mount Laurel’s black community and the Southern Burlington County NAACP joined forces with the Camden County NAACP and Black and Hispanic residents of the City of Camden” (FSHC, 2022). The focus of Mount Laurel was to attract middle and upper income residents to live in the city while excluding low income residents that cannot afford to live in the Township. Furthermore, Mount Laurel’s mayor in Fall of 1970 Bill Haines stated, “If you people can’t afford to live in our town, then you’ll just have to leave...” (FSHC, 2022). The city actively used federal, local, and state funds to build a city for people to live in which held exclusionary living standards that rejected inclusionary zoning practices. Ethel Lawrence took the lead to push the court case further which led to the Mount Laurel New Jersey Supreme Court decisions, the Fair Housing Act, and the accessibility of the suburbs to the low-income households of the community. In a similar way, Rosa Parks refused to leave her seat on the bus, Ethel Lawrence refused to leave the injustice of

low-income households to live in Mount Laurel and the suburbs of New Jersey. The NJ Supreme Court concluded that:

“Every...municipality must, by its land use regulations, presumptively make realistically possible an appropriate variety and choice of housing. More specifically, presumptively it cannot foreclose the opportunity of the classes of people mentioned for low and moderate income housing and in its regulations must affirmatively afford that opportunity, at least to the extent of the municipality’s fair share of the present and prospective regional need therefore” (FSHC, 2022).

Mount Laurel Township then retaliated with sectioning off 20 acres of 22.4 square miles (14,300 acres) for affordable housing in the Township. However, the parts that were sectioned off were near an industrial park, and were placed near wetlands close to public water and sewer outlets where it was difficult to develop sound infrastructure. Lastly, the city limited the housing for only two to three bedroom apartments which makes it difficult to foster larger family households. Thus, after five years of Mount Laurel I, the New Jersey Supreme court chose to revisit and adjust measures for Mount Laurel II in July 1978.

In 1983, the New Jersey Supreme court decided Mount Laurel II where Fair Sharing Housing Center and advocacy by attorneys for New Jersey’s Public Advocate noted widespread noncompliance with the Mount Laurel I regulation. The article references that “The Mount Laurel ‘fair share housing’ doctrine is widely regarded as the most significant civil rights case in the nation since *Brown vs. Board of Education* (1954)” (FSHC, 2022).

The Mount Laurel II chose a strict stance against economic discrimination against low-income households. The legal enforcement pushed state and local governments to provide affordable housing opportunities for low-income households within the municipality that is not pushed toward the outskirts of the city, in wetlands, and industrial parks. Mount Laurel litigations in 1985 pushed for approximately 60,000 affordable housing units built in New Jersey’s suburbs where many other states have followed the lead (FSHC, 2022). The unfortunate

reality that low-income households usually get pushed toward the margins of the community and are excluded from good funded public schools. Furthermore, the discriminatory race riots during the middle and late 1960s. Racial discrimination between colored and white households was prevalent in the suburbs as opposed to urban city districts such as Newark, Paterson, Camden, and more. The Fair Housing Act of 1985 was drafted into existence from municipalities to ensure their policies were abiding by the Mount Laurel II obligations. Furthermore, the Fair Housing Act created the Council on Affordable Housing (COAH), which is a state agency which “allows municipalities to voluntarily devise a plan to comply with Mount Laurel and, by doing so, receive protection from further builder’s remedy lawsuits” (FSHC, 2022). The New Jersey Supreme court’s response to support and assist the advocates against economic and zoning discrimination against low-income households paved a way for more inclusionary zoning measures throughout New Jersey and the United States.

Another inclusionary zoning practice in a wealthy metropolitan area is the SoHo/NoHo Neighborhood Plan. According to the New York Department of City Development, the SoHo/NoHo Neighborhood plan strives to “expand housing opportunities for New Yorkers and promote equity, support continued cultural and economic success in a holistic way and reduce regulatory burdens for the people who live and work there” (NYC Department of City Development, 2022). The SoHo/NoHo Neighborhood plan was approved by the City Council on Dec. 15, 2021. The major goals of the Neighborhood plan is to provide opportunities for affordable housing to low-income families to live in a high opportunity and transit focus area. Unfortunately, a question that can be asked is affordable housing and low-income for whom? The cost of living, transportation, and rent in the areas are high enough where low-income households may struggle to make ends meet by living paycheck to paycheck just to pay for the

rent, utility, food, and transportation expenses. For instance, a household with a family of five and a household income of \$30,000 will struggle to make ends meet in the environment with school, transportation, and living expenses. The population living in SoHo contains 13,094 residents, with 6,650 households in SoHo which is made up of around two members per household, where 870 have children and 5,779 households are without children. In addition, Point 2 states that the average annual household income in SoHo is \$224,579 and a median household income sits at \$120,582 per year where residents age 25 to 44 earn \$157,970 and those under 25 and older than 65 earn on low \$78,260 per year in SoHo (Point 2, 2022). The people indicated that living under poverty in SoHo are 1,267 which is a -7.3% year over year whereas the average household income remains at \$224,579. The SoHo/NoHo housing fact sheet provided by the NYC Planning Committee is that out of the 888 buildings in SoHo/NoHo only 21% or 185 contain at least one rent-protected unit, and 22 or 12% are areas of opportunity whereas the Historic Corridors, 103 or 56% is the no density increase (NYC Department of City Planning). The Inclusionary Zoning Ordinances (IZOs) in a city ought to be consistent and meet the needs of the members within the community and keep the low-income households at the forefront to secure housing along with the city's further growth and development.

Chapter Two: Affordable Housing, Economic Indicators, and Redevelopment Projects

The Inclusionary Zoning Ordinance (IZO) in Jersey City has been a collaboration with the Fair Share Housing Center (FSHC) and the municipality of Jersey City to ensure the low-income households are being supported and provided sustainable housing. On December 17th 2021, the *Hudson Reporter*'s staff writer Mark Koosau covered an article titled, "Jersey City Council adopts new inclusionary zoning ordinance for affordable housing" which states that the city will "provide 10 to 15 percent of affordable housing in new developments and comes with no buyouts allowing developers to opt out" (Koosau, 2021).

Affordable housing in Jersey City is a topic that residents throughout Jersey City are concerned about especially with all of the luxury residential apartment complexes in construction throughout the city. Residents are afraid of being priced out of the market and being pushed toward the outskirts of the city. Jersey City serves a large working class population and strives to support the low-income residents with affordable housing, section eight, and additional housing aid programs. The conversation will continue to remain in the forefront of Jersey City activist groups such as the FSHC and the Journal Square Community Association.

The article by Koosau goes on to state that within the tier system for affordable housing based on "low, moderate, and middle census tracts will require a minimum of 10 percent of affordable housing, and developments in upper income census tracts would have 15 percent" (Koosau, 2021). The tracts are determined by the income levels of the included recipients. The city is mainly composed of lower tiers, whereas the downtown and waterfront districts are more upper tier areas for affordable housing which supports more middle income households than low-income households. The U.S. Census of 2020 found the population increased 44,852 from 2010 to 2020 from 247,597 in 2010 to 292,449 in 2020. Furthermore, the median household

income in 2020 was \$76,444 with a per capita income in the past 12 months of \$44,761, and a poverty rate of 15.7% (U.S Census, 2022). Jersey City Affordable Housing Authority assesses a person’s eligibility for affordable housing through the U.S. Department of Housing and Urban Development (HUD) and Area Median Income (AMI) for Jersey City. The New Jersey State Department of Community Affairs supports HUD with “grants and other programs to increase housing opportunities and maintains lists of federally funded housing by state” (Department of Community Affairs, 2022). The AMI uses the household incomes within the area in order to determine the income eligibility scale set up by the HUD. The HUD determines the AMI beyond the City because low-income households will strive to look for the best deals within the city and the neighboring cities. HUD sets the eligibility scale each year. Residents that are eligible based on eligibility with AMI are Section 8, HOME, Low Income Housing Tax Credit (LIHTC), and Section 515, 202 and 811 (Affordable Housing, 2022).

HUD Income Limits 2021								
Family Size:	One	Two	Three	Four	Five	Six	Seven	Eight
Low (50–80%)	\$58,000	\$66,250	\$74,550	\$82,800	\$89,450	\$96,050	\$102,700	\$109,300
Very Low (30–50%)	\$36,250	\$41,400	\$46,600	\$51,750	\$55,900	\$60,050	\$64,200	\$68,350
Extremely Low (0–30%)	\$21,750	\$24,850	\$27,950	\$31,050	\$33,550	\$36,050	\$40,120	\$44,660

Effective July 1, 2021
Source: [U.S. Department of Housing and Urban Development](#)

According to the income qualification guidelines for HUD Rental Assistance in Jersey City, a resident can qualify for 0% - 30% (Extremely Low Income) AMI income limit with a household of four is \$31,050, a 30% - 50% (Very Low) of AMI at \$51,750, and a 50% - 80% (Low) of

AMI at \$82,800 (HUD User, 2022). Households that fall within the above income eligibility guidelines are able to apply for the housing opportunity. However, a challenge that many households face within the system is having to sit on the waiting list for weeks and months before they hear back from a housing opportunity within their area.

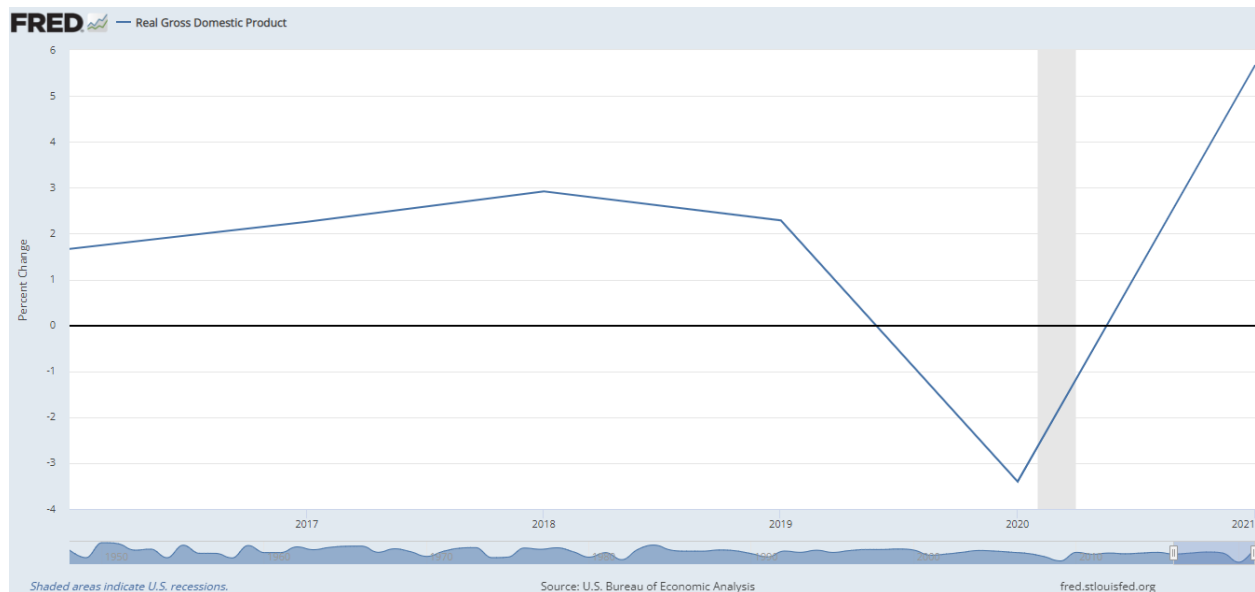
Monthly Rent Levels 2021							
Unit Type:	Efficiency	One- BR	Two- BR	Three- BR	Four- BR	Five- BR	Six- BR
Fair Market Rent	\$1,550	\$1,686	\$1,958	\$2,435	\$2,655	\$3,053	\$3,452
High Rent Limit (65% AMI)	\$1,159	\$1,243	\$1,493	\$1,716	\$1,895	\$2,072	\$2,250
Low Rent Limit (50% AMI)	\$906	\$970	\$1,165	\$1,345	\$1,501	\$1,656	\$1,811

Effective July 1, 2021
 Source: [U.S. Department of Housing and Urban Development](#)

The AMI guideline qualifications allow for a fair market rate housing rent which consists of an AMI of 50% to pay \$1,501 of rent and a 65% AMI with a rent of \$1,895 of rent within a fair market rent of \$2,655 (Anderson, 2022). Thus, the question that ought to be asked is not whether low-income housing exists, but for whom, especially considering the rise in inflationary pressures with gasoline and the costs of goods and services because of the pandemic’s supply/demand shock.

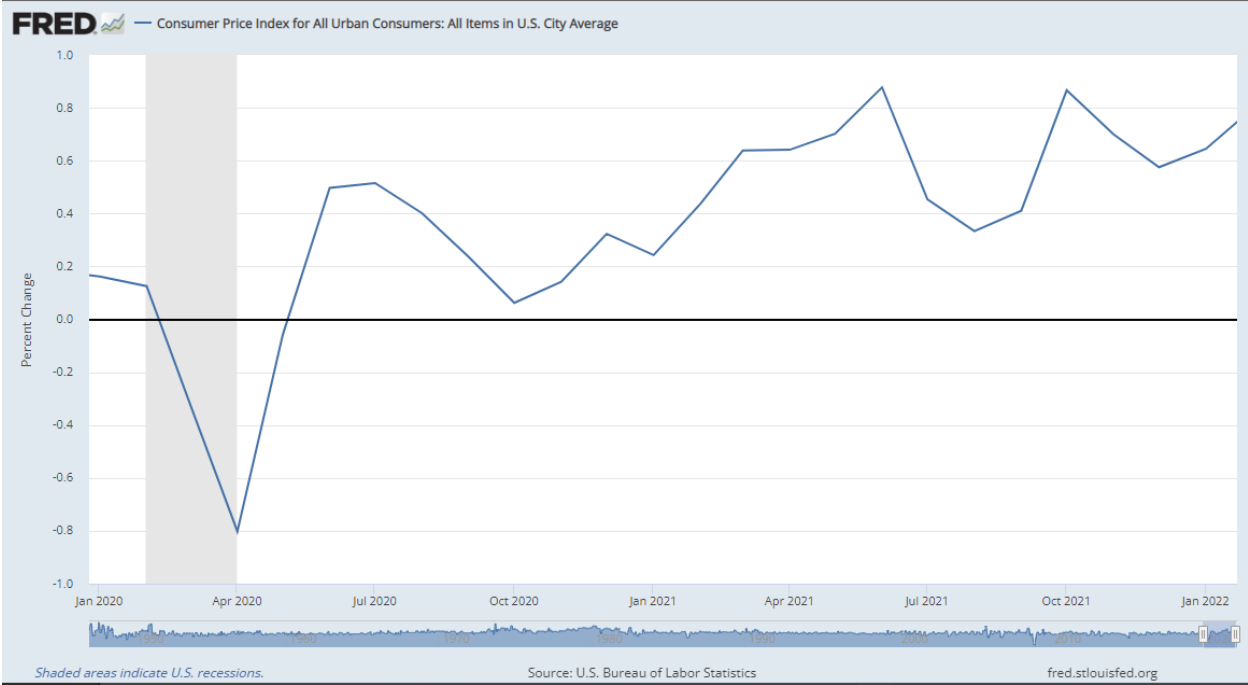
According to the Saint Louis, Missouri Federal Reserve Bank FRED collects the Real Gross Domestic Product (GDP) of the United States. FRED defines Real GDP as “the inflation adjusted value of the goods and services produced by labor and property located in the United States” (FRED-Real GDP, 2022). The Covid-19 Pandemic lowered the Real GDP annual rate from pre-pandemic levels at 2.91% in 2018 to -3.40% by Dec. 2020. The slump in Real GDP

was caused by the sudden halt in the economy in March - May of 2020. The fear of the unknown Covid-19 virus shocked the financial markets and placed a sudden pause on goods and services produced and sold. The sudden stop resulted in extreme supply chain bottlenecks as workers & shipments imports were forced to quarantine, a rise in the unemployment rate, and domestic/international travel temporarily paused. The graph below shows the Real GDP from 2016 to 2021:

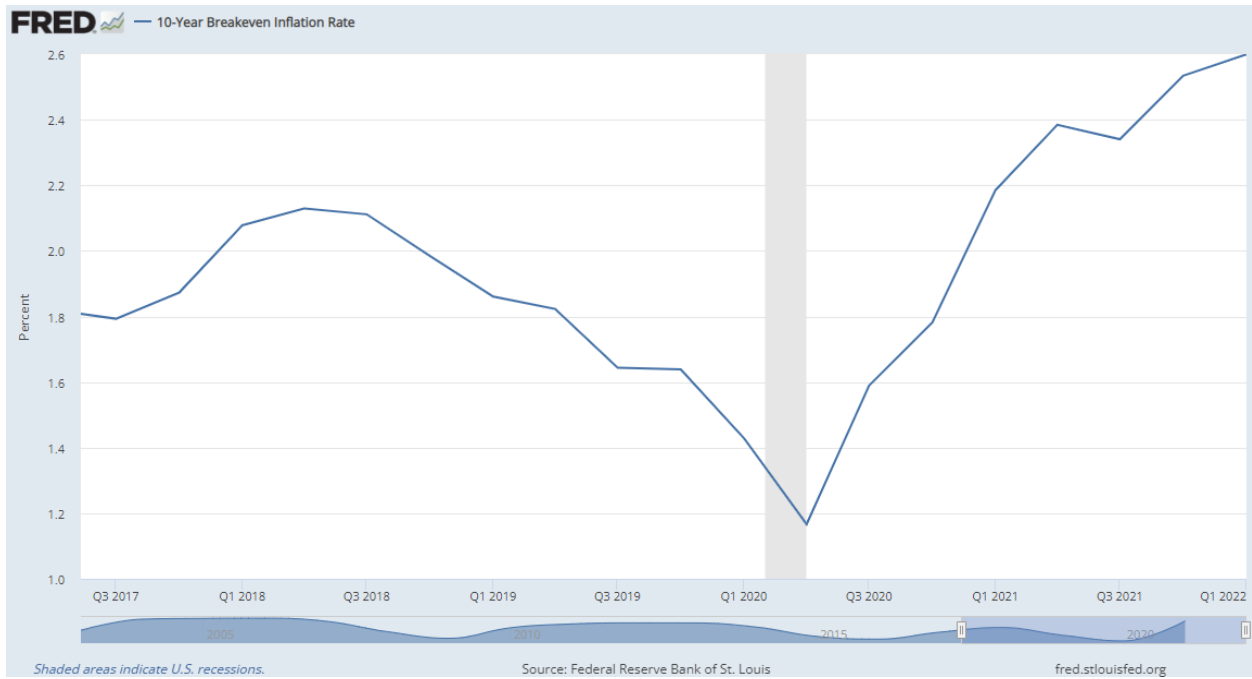


The Consumer Price Index (CPI) measures the price index of goods and services paid by urban consumers. The Saint Louis, Missouri based FRED collects the aggregate prices on a monthly basis from the U.S. Bureau of Labor Statistics. The FRED states that the “prices are collected monthly from about 4,000 housing units and approximately 26,000 retail establishments across 87 urban areas” (FRED, 2022). The CPI index takes into account the inflationary pressures within the economy. The CPI index in January 2020 was .16% change, and the CPI index plummeted in the peak of the world lock down in April of 2020 to -.80% change. Furthermore, in July 2020 the CPI index rose to .52%, and peaked in June 2021 to .88% change

for 2021. The current CPI rate is near an all-time high at 1.24% as of March 2022 (FRED, 2022). The diagram below reveals the CPI percentage change from January 2020 to March 2022.



The inflation rate is a factor that impacts the prices of goods and services produced and sold within a country. FRED identifies the inflationary rate as a “measure of expected inflation derived from 10-Year Treasury Constant Maturity Securities and 10-Year Inflation-indexed constant Maturity Securities” (FRED, 2022). The graph below from the FRED shows the quarterly 10-Year Breakeven Inflation Rate from the third quarter of 2017 to the first quarter of 2022.



In the first quarter of 2018, the 10-Year Breakeven Inflation Rate was 2.08%. The inflation rate dipped to 1.17% in the second quarter of 2020. In 2021, the Inflation Rate spiked to 2.38% in the second quarter of 2021 and a 2.60% inflationary peak as of the second quarter of 2022 within the past five years. The inflationary pressures caused the increase in the Consumer Price Index and rise in gasoline prices throughout 2021 and 2022.

The Federal Funds Effective Rate according to the FRED is “the interest rate at which depository institutions trade federal funds (balances held at Federal Reserve Banks) with each other overnight” (Board of Governors of the Federal Reserve System, 2022). The interest rate experienced an all-time low during the initial stages of the pandemic at the end of the second quarter of 2020. The interest rate in the first quarter of 2017 was .70% and then spiked to 2.40% at the end of the second quarter in 2019. Furthermore, the interest rate gradually started to go down to 1.65% at the end of the fourth quarter 2019. Once the pandemic hit the global financial markets and economy, the interest rate plummeted to near zero at .06% in the second quarter of 2020. The low interest rate resulted from the scare in consumer and business confidence.

However, the low-interest rate allows for investors to lock in lower interest rates to build construction projects, purchase residential buildings, and allow some freedom to invest their money. As of the first quarter of 2022, the interest rose to .12% (FRED, 2022). The gradual rising interest rate per quarter by the Federal Reserve is slowing down the hot housing market that allows for home owners to sell their properties at inflated prices. The opportunity allowed for real estate investors to enter bidding wars to secure residential properties before the interest rate hikes kick in.

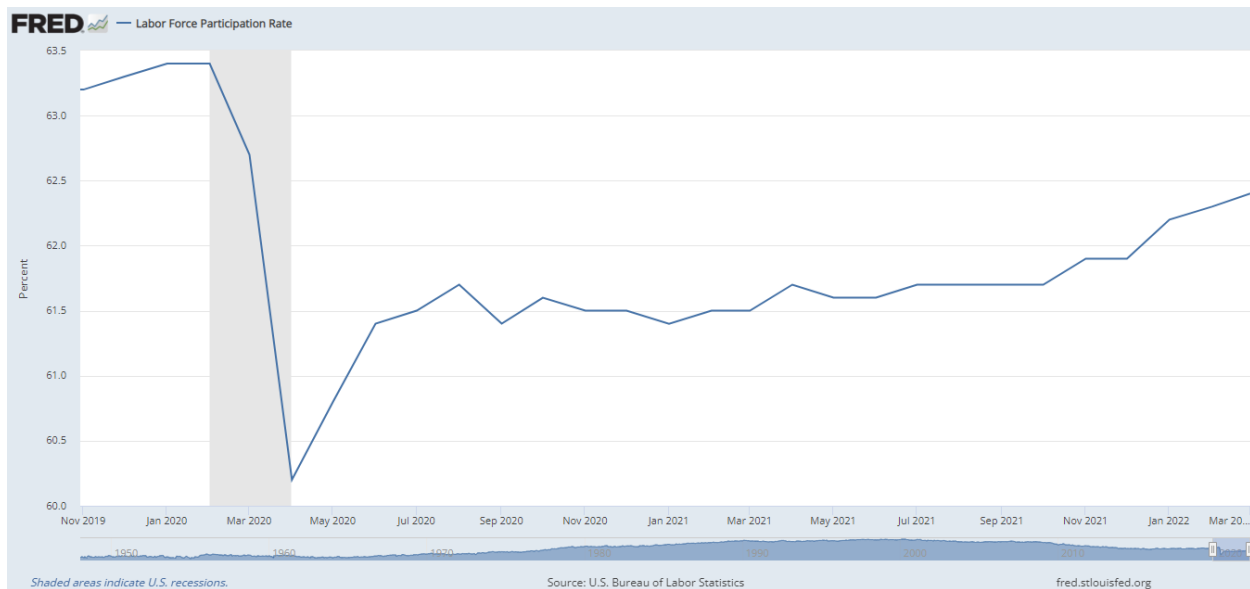
The pandemic caused a sudden supply shock when the global economy entered the Covid-19 pandemic. The demand for goods and services remained persistent. Unfortunately, the supply of goods imported and exported from countries were slowed down by the pandemic's quarantine policy of shipment handlers having to quarantine for 15 days at the ports to slow down the spread of the COVID-19 virus.



During this time, the unemployment rate spiked to an all-time high. The U.S. Bureau of Labor Statistics defines the unemployment rate as a number that represents a percentage of the labor force. The labor force data shows “restricted to people 16 years of age and older, who

currently reside in 1 of the 50 states or the District of Columbia, who do not reside in institutions, and who are not on active duty in the Armed Forces” (U.S. Bureau of Labor Statistics, 2022). In order to be considered in the unemployment rate, you have to be actively looking for work within the past 6 months. The pre-pandemic unemployment rate in November 2019 was 3.6% and in February 2020 the unemployment rate dipped to 3.5%. However, once the lockdowns around the world began to take effect, the unemployment rate rose to 4.4% in March of 2020 and spiked 10.3% to an all-time high of 14.7% by April of 2020 (U.S. Bureau of Labor Statistics, 2022). The impact of this increased unemployment rate left thousands of employees, especially vulnerable low-income households, furloughed or temporarily laid off until the quarantine restrictions were lifted or eased. In addition, households still needed to pay their utility bills and rent payments which resulted in payments accumulating as households scrambled to find any means to ensure basic necessities were being provided to their families such as food, clean water, and shelter. The mental health of residents took an exorbitant impact during the initial stages of the pandemic. The rush for government and biotech organizations such as Pfizer, Moderna, and Johnson & Johnson to create a rapid vaccine to help combat the hazardous effects of the COVID-19 virus. The uncertainty of the future kept people from going outside, and a fear of contracting the virus and spreading to loved ones with immunocompromised health conditions. The support of the vaccines taken throughout the U.S. population via vaccine mandates helped reduce the unemployment rate to near pre-pandemic level of 3.6% as of March 2022 (U.S. Bureau of Labor Statistics, 2022). Overall, with the continued support of the vaccine and mask mandates the United States is continuing to learn to combat COVID-19 variants with booster shots and educating the public on ways to stay strong and healthy such as visiting the Doctor’s office for

routine checkups, washing hands frequently, wearing a mask in crowded public spaces, and more.



The Labor Force Participation Rate is another essential economic indicator that assesses the participation of laborers in a market economy. FRED defines the Labor Force Participation Rate as the percentage “of the population that is either working or actively looking for work” (U.S. Bureau of Labor Statistics, 2022). The rate mainly looks at workers actively searching for career opportunities within the past 6 months and those that are currently working. As of November 2019, the pre-pandemic Labor Force Participation Rate was 63.2% and rose .2% in February of 2020 to 63.4%. However, by April of 2020 the Labor Force Participation Rate dipped 3.2% to 60.2%. Today, the Labor Force Participation Rate is striving to return to pre-pandemic levels with a rate of 62.4% as of March 2022 (U.S. Bureau of Labor Statistics, 2022). The low-income households were impacted the most with the loss of a primary household breadwinner and mortgage payer. The unforeseen future can expect more foreclosures on homes and an exodus of people without homes because of failure to keep up with rent payments,

inability to sustain a job through health impacts from the virus, and the great pressure of struggling in the waitlist for affordable housing options.

The Inclusionary Zoning Ordinance in Jersey City, New Jersey was approved in December of 2021 by the municipality of Jersey City. On December 15th the council voted 8-1 where Rolando Lavarro said no with a belief that more can be done to support the affordable housing efforts. Mr. Lavarro goes on to say that:

“I think in saying no, It’s the idea that no votes will reflect the reservations that people have, and the idea that people want to see something more, and see more affordability tools utilized by the city moving forward” (Koosau, 2021).

Jersey City residents hoped to see a 20% affordable housing mandate on new construction projects. However, the city has decided on a 10 to 15% affordable housing in new development with the developers given the option to opt out. Thus, the decision for private developers to opt out gives an incentive to continue to construct luxury apartment complexes without the need to provide affordable housing in the residential building. As mentioned earlier, the rising rent prices from the luxury residential units being constructed brings concerns to local residents. For instance, the local market rate rent levels in 2021 for a three bedroom apartment was \$2,435. The same three bedroom apartment with an eligible AMI of 65% would cost \$1,716 and AMI of 50% would cost \$1,345 (Anderson, 2022). Kristianne Molina, a resident of Jersey City, firmly believes that downtown Jersey City should provide 20% affordable housing because , “this would diversify the neighborhood and include affordable housing for more people of color, keeping the integrity of Jersey City being the most diverse city in the country” (Koosau, 2021). As wealthier residents move from Manhattan New York City to Jersey City, New Jersey, the appealing lower residential prices will continue to encourage movement from The Big Apple to

the downtown districts of Jersey City. Gentrification supports the development and evolution of an environment which brings forth more investment opportunities and redevelopment projects to Jersey City. However, a major question that continues to come up is what is the city going to do to advocate for affordable housing and low-income residents that will inevitably get priced out of the housing market.

Gentrification can support the redevelopment and growth of a city through the construction of new buildings. According to Henry Grabar from SLATE Metropolis, who wrote an article titled “New Buildings Do Change Neighborhoods -- Mostly for the Better”, there needs to be a focus on how new construction development can support the affordable housing efforts and help a city flourish. Grabar understands that people move in and out of municipal districts each year which includes wealthy and low-income residents. Furthermore, Grabar goes on to encourage the new building development projects by stating that, “If we build enough of it; and keep building it, those new buildings will go out of fashion, take on wear and tear around the edges, and become the affordable housing stock of tomorrow, without anyone lifting a finger” (Grabar, 2022). The article focuses on how construction of new buildings can help a city grow and evolve with new development. Cities have the duty to continue to provide affordable housing and support low-income households while also growing in various development projects to improve the quality of life of a city. The development prevents a city from stagnation.

Jersey City contains various redevelopment projects throughout the West Side, Journal Square, and Bayfront redevelopment projects. The West Side Crossing Phase 1 project is located near the Hackensack River, which will contain commercial and residential units. According to the Construction Journal, Project #: 2314730 West Side Crossing Phase 1 was reported on March 3rd, 2022 and reviewed on March 21st, 2022. The redevelopment project will contain

apartments/condominiums, a parking garage, and a retail segment, with the estimated value of the project being approximately \$1,000,000 to \$5,000,000. The owner of the development project is Bushburg Builders LLC and the primary architect is Marchetto Higgins Stieve. The apartment/condominiums is projected to be 30 stories above grade, is a new construction development with 473 unit(s), and parking garage with 344 parking spaces (Construction Journal Lead Manager, 2022). According to an article from Jersey Digs by Chris Fry released February 28th, 2022 titled, “Renderings Revealed for 3,000-Unit West Side Crossing Project, Jersey City” covers the three phases of the West Side Redevelopment projects (Fry, 2022). The image below captures the overview and locations of the three projected West Side Redevelopment projects.

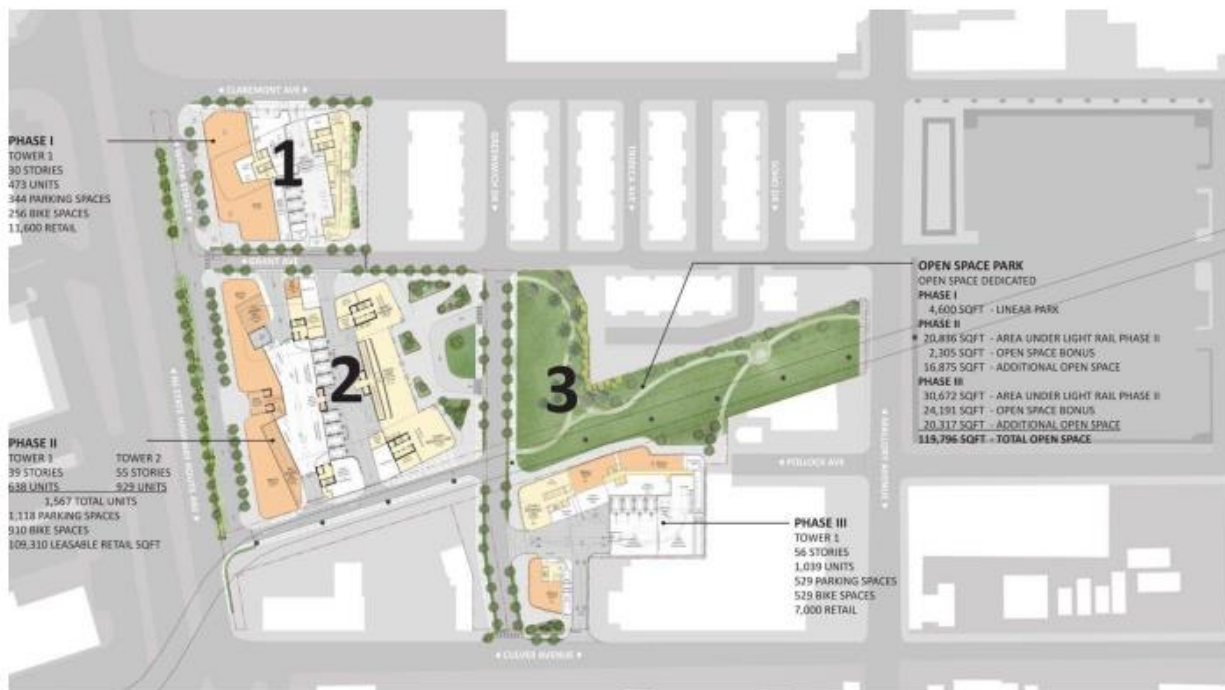


Image courtesy of Marchetto Higgins Stieve.

As stated in the image above the first, Phase I project will be 30 stories high, contain 473 residential units, 344 parking spaces, 256 bike spaces, and 11,600 retail space per square foot.

The Phase II project will contain two towers. Tower one will consist of 39 stories high, 638 residential units, and Tower two will be 55 stories high with 929 residential units. Both

towers will contain a total of 1,567 residential units, 1,118 parking spaces, 910 bike spaces, and 109,310 leasable retail space per square foot.

Phase III will contain one Tower that is 56 stories high, 1,039 residential units, 529 parking spaces, 529 bike spaces, and 7,000 retail spaces per square foot. The four tower project will include 11,600-square feet of ground-floor for retail space and 4,600-square foot linear park (Fry, 2022). The author also confirmed that there will be 3,700 new feet of elevated track age for a rail station that will expand from the Bayfront project currently in development. The model of the new development can be found below:



Image courtesy of Marchetto Higgins Stieve.

The model of the new development project is sure to bring in new residents and attract further investment opportunities within the community. Fry states that after the presentation before the Jersey City Redevelopment Agency (JCRA) was hosted last June, the “West Side Crossing’s current proposal would dedicate about 50% of the land to the future light rail and open space”

(Fry, 2022). The open space allows for essential green land that can be used for walking pets, community gatherings, picnics, and playgrounds for children. The focus of the redevelopment projects are geared toward supporting dilapidated areas within a community to flourish, expand, and grow, yet the duty of the city council members is to continue to stand up and support affordable housing efforts within new development projects. Unfortunately, the West Side Crossing seems to be a space for luxury residential units and has no confirmed spaces for affordable housing.

Another major redevelopment project moving Jersey City forward is the Journal Square redevelopment project which contains various luxury housing redevelopment projects throughout the journal square district. According to the Construction Journal project #: 1124670 New Construction development title One Journal Square was reported on November 16th, 2021 and reviewed on February 28th, 2022. The physical address is located in 10 Journal Square Jersey City, NJ 07306 which will contain apartments/condominiums, office space, a parking garage, and retail amenities. The construction of the development commenced June 2021, and the construction is expected to complete near the fourth quarter of 2025. The estimated value of the development is \$80,000,000 and is hosted by the Kushner Companies with the primary contact, Jared Kushner. The developer of the project is KABR Group, and the architects Woods, Bagot & NBSP. The mixed used property will include two towers of 46 and 79 stories with 1,725 residential units, 88,754 square feet of retail space. 126,937 square feet of office space, 910 parking spaces in one parking garage, and reconstruction of the Journal Square Plaza for mixed use purposes (Construction Journal, 2022). The development project for Journal Square will enhance the environment and bring more of the renovations applied in the downtown district of Jersey City. Chris Fry in an article with Jersey Digs titled, “Kushner’s One Journal Square

‘Scheduled’ to Finally Break Ground" in Jersey City on March 14th, 2022, states that the development “will host a total of 1,723 rental apartments breaking down as 493 studios, 972 one-bedrooms, 222 two-bedrooms, and 36 three-bedroom spaces. None of the units are designated as affordable housing, as none are required to be" (Fry, 2022). The luxury apartments in the Journal Square development will contain zero affordable housing units and only remain for middle and upper income households that can afford the high rents given the high demand for residential living. The image below showcases the vision for the development:



Image courtesy of Woods Bagot.

The design of the towers is by Wood Bagot which strives to bring state of the art construction development to modernize the aesthetics of Jersey City, Journal Square district. The Journal Square Community Association (JSCA) continues to strive and push the city and collaborates with the Fair Share Housing Center to push for more affordable housing within the Journal Square community. Unfortunately, with development projects similar to the One Journal Square projects developers can opt out to exclude affordable housing within their luxury property. Fry states that “Kushner will be making a \$2.5 million investment in local arts

initiatives as part of the development” (Fry, 2022). The development in the arts will support the beautification of the Journal Square environment which is going to be broken down into two phases, where Fry claims that 966 residential units will be developed, the entire development’s retail segment, and the project’s 883 space for the parking garage. The second tower will remain 757 residential units (Fry, 2022). At last, the project is pushing forward and the development will only support the expansion and growth of the Journal Square district.

The Jersey Journal by Jake Maher wrote an article titled, “At long last, construction on One Journal Square expected to begin in coming months” which was updated on March 15th, 2022 covers the scope of the project and viewpoints regarding the project’s development. The project has been almost 15 years in the making with promises, lawsuits, and challenges faced to kick start and push the project forward. Author Maher captured a frustrated councilman from Ward C regarding the timing of the development; namely, Councilman Boggiano of Ward C who commented that the development projects in Journal Square are too rapid, noting that, “We’ve got to space it out, take care of the people who live in this area here” (Maher, 2022). Councilman Boggiano seems to be concerned with the timing of the development project as there are several construction projects occurring at the same time. Another active community and activist within the JSCA, Bill Armbruster states, “I’ve been waiting a long, long time for it to happen. I’ll believe it when I finally see it, because we’ve been down this road so many times before. But it’s welcome news” (Maher, 2022). Mr. Armbruster hoped that the development project would include a space for affordable housing units as the local residents may not benefit from the construction development as people moving from Lower Manhattan to Journal Square would. Steven Fulop, the Mayor of Jersey City, plans to create a Courthouse Park at the new county courthouse complex currently in construction. Mr. Armbruster agreed by stating, “We

desperately need more open space throughout the city; but especially in Journal Square” (Maher, 2022). The open space under construction will allow for more green spaces for community gatherings in the evolving concrete jungle.

The Bayfront Project is another major redevelopment project impacting Jersey City. Bayfront’s development is led by the Jersey City Redevelopment Agency which will focus on commercial and residential properties planned in the construction’s development. According to Bayfront Jersey City, the Bayfront Phase 1, Cove Pointe, plans to offer “590 total units of housing, 35% of those residences will be deemed affordable, set aside for those individuals and families at low and moderate-income levels” (Bayfront, 2021). The project plans to contain two major buildings where one building will be 11 stories high and the second 12 stories with parking spaces in between both complexes. In addition, both buildings will contain townhouses at the foot of the buildings along with green landscaping. The buildings will also contain retail spaces for groceries and department stores. The Bayfront at Cove Pointe will also contain residential amenities such as, “rooftop pool, fitness center, on-site parking, landscaped courtyards, terraces equipped with outdoor grills, tenant lounge area and more” (Bayfront, 2022).

According to the Bayfront Redevelopment proposal, “the planned construction [will involve] up to 8,000 residential units and 965,000 - 1.6 million square feet of commercial and retail space” (Bayfront, 2022). The residential project will contain 35% affordable housing (2,000 units) and the remaining 65% will be market rate housing. The affordable housing distribution will be broken down into the following sections, “60% of the AMI, while the Bayfront Redevelopment Project (BRP) development site will be a blend of 28 units at 30% AMI, 28 units at 40%, 28 units at 50%, 28 units at 60%, 28 units at 80% and 53 units at 120%”

(Bayfront, 2022). The image below provides a vision on what the finished Bayfront Project aims to achieve.



Figure 3. Aerial view of the site from Hackensack River to New York City

(Bayfront, 2022)

The project is expected to contain two central park areas of greenland known as Central Park and Promenade Park that run parallel to each other. The development will also contain a boat house, several pier points, and a Bayfront station as indicated in the diagram below:



Figure 8. Key places

(Bayfront, 2022)

The various key points indicated in the diagram above reveal the various entry points to the developments and key attraction of the project. The two park environments will encourage residents to enjoy the outdoor environments.

The Jersey City Today article written by Professor Donal Malone entitled, “Bayfront: The People Speak” on February 16th, 2022 discusses the origins, and activism behind the Bayfront project. Professor Donal Malone is a Sociologist that has been following the Bayfront project for years and understands the origins and activist background. Prof. Malone states that the original plan of the Bayfront project was “going back to 2008, was for 8,000 housing units with 10% as affordable with half of that to be built on-site and the other half built elsewhere” (Jersey City Today, 2022). The push for activist groups such as Jersey City Together helped to allow the increase of affordable housing within the Bayfront district. The origins of the project dates back to the 1980’s when the Interfaith Community Organization (ICO) of Jersey City demanded the New Jersey Department of Environmental Protection Force PPG Industries and Mutual Chemical (predecessors to Honeywell International) to clean up the contaminated soil (Jersey City Today, 2022). The soil was contaminated with chromium at the time where Industrial Areas Foundation, a national community organization, wanted to build affordable housing within the contaminated property. Jersey City Together, a grassroots organization, brought up in 2016 that the Bayfront project needed to be publicly discussed and thus proposed a mixed usage of the facility where 50% affordable housing would be provided to the majority of the city’s income groups. In 2021, the City responded and proposed a 35% affordable housing with the desired amenities of retail establishment jobs within the complex for local residents. The author of Jersey City Today states, “the city borrowed \$180 million to purchase Honeywell’s portion of Bayfront and to make infrastructure improvements” (Jersey City Today, 2022). The

social activists pushed the city to clean up the contaminated soil and allow for a 25% increase in affordable housing to 35% in the Bayfront project which will allow for more inclusivity. However, the author's analysis indicates that the city could have done more to allow for more affordable housing, such as 45%, or accept the request from Jersey City Together of 50% affordable housing. Jersey City needs to continue to place the low-income households at the forefront of the redevelopment projects. With the success of 35% affordable housing, the city ought to do more to balance the market rate housing throughout the city. As it stands today, the majority of Jersey City's new redevelopment projects generally contain larger market rate housing compared to affordable housing units. Thus, policies should be put in place to support the growth and flourishing of low-income and affordable housing communities for those with an AMI of 80% and below.

Chapter Three: Covid-19 Relief Disbursements, Holland Gardens, IZO, Rent, and The Housing Element

The federal government Covid-19 relief packages support the rent payments of tenants to prevent widespread evictions throughout low-income communities that were devastated with unemployment and loss of income throughout the initial and prolonged stages of the Covid-19 pandemic. The area focused on will be between the municipalities of Newark and Jersey City, New Jersey to perform a comparative analysis of each’s response. The following are each city’s demographics:

Table 1. Basic Demographics on Case Study Municipalities

Municipality	Pop	Black	Latino	Poverty Rate	Share Renters	Median Rent	Median Household Income	Rent as % Income	Un-Employment Rate
Newark	311,549	49%	36%	27%	78%	\$ 1,085	\$ 35,199	36%	15%
Jersey City	292,449	20%	29%	17%	71%	\$ 1,401	\$ 70,753	28%	10%

Source: Population and race/ethnicity data are Census 2020. The other variables are 2019 American Community Survey (ACS).

According to the study, Newark and Jersey City qualified for federal funding because the city populations are greater than 200,000 people.

The following also details each city’s relief packages:

Table 2. Local and New Jersey State Allocations for Emergency Rental Programs

	ERAP1 Allocation (millions)	ERAP2 Allocation (millions)
Newark	\$8.4	\$6.0
Jersey City	\$7.8	\$2.5

Source: Department of Treasury

In the beginning of the Covid-19 federal relief disbursements, Newark struggled to properly allocate the funds due to a shortage in staffing. However, after increased staffing support and Ernst & Young providing effective virtual training for the community and professional staff the city was able to disperse the federal relief packages more efficiently.

Table 3. Newark Rent Relief Programs (Four Rounds)⁴⁴

	Operators	Total Allocated and Spent	Relief Offered	Tenant Restrictions
Round 1 Nov-Dec 2020 <i>CARES ACT</i>	Newark Housing Authority, City's Economic and Housing Dept.	\$2 million	\$2,000, or up to three months rent	< 60% AMI
Round 2 May, 2021 <i>CARES ACT</i>	City's Economic and Housing Dept.	\$1 million	\$1,000 to 1,000 households	< 60% AMI
Round 3 July-Sep 2021 <i>ERAP</i>	City's Economic and Housing Department, Ernst & Young	\$14 million <i>\$813,000 spent</i>	Up to 15 months of rent in arrears, future or (sometimes) utilities	< 50% AMI preferred, <80% AMI eligible
Round 4 Oct-Dec 2021 <i>ERAP</i>	Ernst & Young	\$20.3 million <i>All of it spent</i>	Up to 15 months of rent in arrears, future or utilities	< 80% AMI eligible

(Troutt, Nelson, Farmbry, Sackler, et al)

The Cares Act and the ERAP both differed in their payment distribution. The authors state that Rounds One and Two of the CARES Act limited payments to \$2,000 and 1,000 per household. On the other hand, authors state the ERAP funding provided “fifteen months of rent payments, and the average payment was \$8,445 per household” (Troutt, Nelson, Farmbry, Sackler, et al). Furthermore, the city of Newark announced “1,900 families assisted through Rounds One and Two (June 30, 2021). It announced the ERAP rounds covered 1,800 households (December 8, 2021)” (Troutt, Nelson, Farmbry, Sackler, et al). The Newark municipality (State what is Abbreviated) OAS the average payments during “the first six months were \$5,100 per household and in the last \$9,000 per household, a clear indication of deepening need as the pandemic wears on for working-class tenants” (Troutt, Nelson, Farmbry, Sackler, et al). Newark continues to advocate for its residents to strive and provide more federal⁴⁴ and county resources to support the working class and poorer households of the city.

Jersey City’s Rent Relief disbursements were broken down into three rounds, with Round Two and Three remaining open for only two weeks each. The city focused the allocation of funds primarily for low-income households and small landlord homeowners that were the most hit by the pandemic. The authors Troutt, Nelson, Farmbry, Sackler, et al. state that “the funding assisted 1,600 households, with 95% of that grant money providing direct aid to lower-income residents in the Jersey City Heights and neighborhoods in the south-west section of the city” (Troutt, Nelson, Farmbry, Sackler, et al., 2022). The organizations that helped distribute the Round One funds were four community organizations such as York Street, Women Rising, United Way, and Puertorriqueños Asociados for Community Organization (PACO).

The community of Jersey City gathered together to ensure that the federal relief packages were properly distributed to low-income households and small landlords. The strategic process took time, but was geared toward targeting the neediest members in the community as opposed to large businesses and external investors that were interested in their shares of the relief packages. The table below reveals the Jersey City Rent Relief Round distributions:

Table 4. Jersey City Rent Relief Rounds

	Sources and Operators	Total Allocated	Relief Offered	Tenant Restrictions
Round 1 March 2021	Source: CDBG and Mayoral Fund Operated By: Community-based organizations	\$2.5 million	\$1,500 per household	50% AMI
Round 2 Aug 17-Aug 31, 2021	Source: ERAP Operated By: Jersey City Housing Authority	\$7.8 million	Up to 15 months of rent support	50% AMI, Small landlords only
Round 3 Oct 4-Oct 18 2021	Source: ERAP Operated By: Jersey City Housing Authority	\$7.8 million (continued)	Up to 15 months of rent support	50% AMI preferred, 80% AMI eligible

(Troutt, Nelson, Farmbry, Sackler, et al)

According to the three rounds of distribution for the Jersey City Rent Relief Rounds, the total allocated for the first round was \$2.5 million which offered \$1,500 per household with a restriction of 50% AMI. The second round which was administered during the period of August 17th through August 31st, 2021, and was operated by the Jersey City Housing Authority (JCHA) with an allocation of \$7.8 million which provided up to 15 months of rent support and the eligible populations were tenants with a 50% AMI, and small landlords. Lastly, the final round was for another two weeks from October 4th to October 18th 2021 and was also run by the JCHA. The allocated amount was for another \$7.8 million which provided rent support for up to another 15 months with eligibility for up to 15 months of rent support and 50% AMI preferred and an eligibility pool for 80% AMI (Troutt, Nelson, Farmbry, Sackler, et al). The allocation strategy was an effective way to target the most needed members of the community; however, thousands of households were left out by missing the strict two week deadline, which left thousands of households on an indefinite waiting list. For instance, Newark was able to extend their application deadline until January of 2022 with a greater timespan so the majority of the households were able to get their share of the relief package. Major Fulop stated in a press release on July 21st, 2021 entitled, “Mayor Fulop Announces Latest COVID-19 Rent Relief Program for Neediest Small Unit Landlords and Tenants,” that:

We understand that families are struggling to pay rent, and small property owners are also struggling to keep up with the mortgage and other bills. That’s why we are focusing on owner-occupied buildings with four units or less, because they have been the hardest-hit and will benefit most from this aid, rather than large businesses (Troutt, Nelson, Farmbry, Sackler, et al).

Eventually, the pool opened up to more community members and larger businesses. The major concern to understand is why did the city have to maintain such a tight deadline time frame without extensions? Did the city provide enough notice to the residents in regards to the

application portals re-opening and closing? Were non-English translation applications provided to residents such as Spanish, Arabic, and other languages? Were additional support services provided to help residents complete the applications and answer questions to ensure eligibility through proper documentation submission? These questions are asked mainly as a guide to support the efforts and better understand the effectiveness of the method through which the Jersey City Rent Relief packages were distributed.

The Jersey City Housing Authority (JCHA) serves affordable housing for low-income families, seniors, and persons with disabilities. JCHA serves over 15,000 residents and is responsible for the administration of approximately 7,100 housing units in every ward throughout Jersey City. Furthermore, the organization supports 2,500 public housing units and over 4,600 housing choice vouchers for community residents. A recent, prime construction project for understanding the JCHA is called Holland Gardens.

The Holland Gardens is currently a family public housing complex that is a prime location near the Holland Tunnel and fronting Jersey Avenue and between 14th and 16th street in Jersey City. According to the JCHA in regards to the new redevelopment project of the Housing complex, the building was built in 1944, is 3.3 acres of land, consists of five buildings with 192 units (189 residential) with 1, 2, 3, and 4 bedroom apartment types. Currently, there are 186 families with a total of 373 residents, 59 families with children, 116 children under 18, and 290 residents who have lived at Holland Gardens for more than 10 years. The site contains amenities such as a manager's office, community room, basketball court, and a play area (Brady-Phillips, Mukherji, Abdulla, et. al, 2021). For six months in 2019, the City of Jersey City and the JCHA led open meetings to address the community and city's vision for the redevelopment of the Holland Gardens project. Six sessions that were hosted monthly on the following topics:

Introduction and Overview, Development Parameters, Potential Approaches to Revitalization, Challenges and Opportunities, Neighborhood Context, and Redevelopment Scenarios provided plenty of opportunities for the residents and community members to express their concerns, inquiries, and desires for the new mixed income development project.

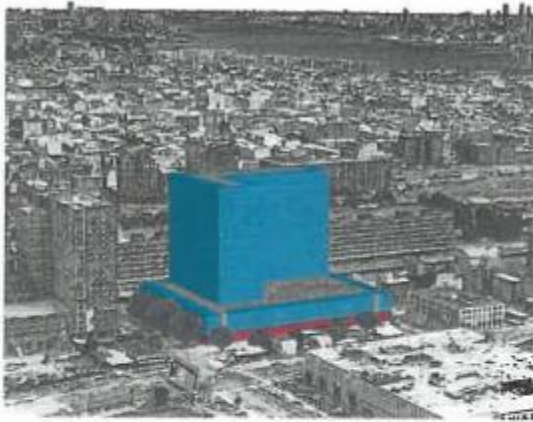
The managing attorney of the Waterfront Project, Amy Alberts, is actively involved with the Holland Garden project and assisting the residents within the transition process. Attorney Albert advocates for the low-income community residents and was present throughout the presentations of the JCHA vision for the Holland Gardens. She is concerned with the environmental & health concerns of the residents, residents being forced to live in Greenville, split units where extra people are living in the units such as grandchildren and close relatives, and undocumented residents cannot be a part of the relocation process under JC Housing Policy (A. Albert, personal communication, May 6th, 2022). The Jersey City Housing policy reflects the national housing policy regarding undocumented residents. In order to better understand the disparities within the socioeconomic populations, two important terms need to be distinguished in the discussion between low-income and affordable housing in Jersey City. Low-Income is considered anyone that contains an AMI of less than 30%. Affordable housing is considered for residents with an AMI of 80% and below. The major concern for the Holland Garden is the black mold, vermin, musty building smell, low air quality, and more. According to Teri West from *The Jersey Journal*, in an article titled “Jersey City Housing Authority seeks developers to build the new Holland Gardens” published on August 13th, 2021, states that “to simply maintain the complex’s current state would cost more than \$57 million over the next 20 years, according to an assessment conducted in July 2020” (West, 2021). Furthermore, the JCHA believes it would be an optimal investment to demolish the current site and rebuild an enhanced complex with over

500 residential units. The article also states that, “The JCHA has said it will relocate the residents during construction to other public housing complexes, offer Section 8 vouchers, or offer rental assistance for 42 months” (West, 2021). In addition, current residents of the Holland Gardens have the right to return back to the site after the development is complete. The building was constructed in 1944 and needs an infrastructure transformation. However, the public housing site will now become a mix-income, and mixed use facility that will contain a branch of the Jersey City Free Public Library with a community space, and JCHA Resident Empowerment and Community Engagement (RECE) Department Offices. Lastly, the site will also contain commercial rental and retail space (JCHA, 2022). Holland Gardens will no longer focus mainly on public housing, but seeks to embrace the additional mixed-income, public library and retail space open to the local community, and additional JCHA offices to support the public housing residents and low-income residents that are on the site.

The residents that decide to leave the site will search for housing outside of the city and or state will be given a tenant housing voucher. Gentrification is a complex topic that can be seen under two lights during a redevelopment project. On the brighter side, the project promises enhanced infrastructure that will not only be accessible to public housing residents, but also open to mixed-income residents with a median to moderate level of AMI above 30%. The site will contain a new Public Library expansion, more retail space, and new offices for JCHA to support public housing residents. On the other side, the housing complex will no longer consider full public housing, and push more of the residents living ten plus years on site toward the outskirts of the city or move away entirely.

The new Holland Garden development project pitched to the community will contain eleven-plus stories high with structured parking spaces. The JCHA is considering two different

scenarios which are named titles 2A and 2B. Structure 2A is a single structure with 500 plus residential units which will be plus/minus twenty-five stories and parking spaces for every other unit (JCHA, 2022). The diagram below showcases the single and multi-structure complex redevelopment plans:



SCENARIO 02A:

SINGLE STRUCTURE

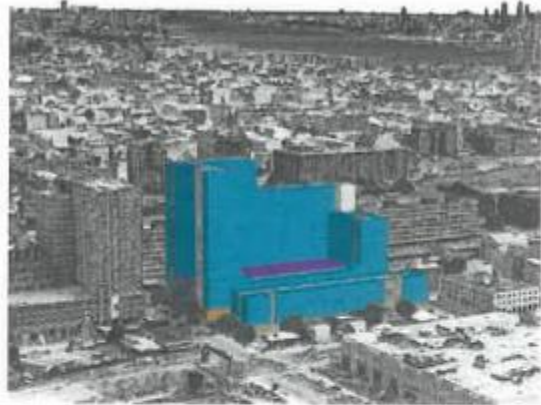
Jersey Ave Park Redevelopment Plan

500+ units (150 du/ac density)

±23 Stories (262' height)

0.5 parking spaces per unit

(JCHA, 2022)



SCENARIO 02B:

MULTIPLE STRUCTURES

Jersey Ave Park Redevelopment Plan

500+ units (150 du/ac density)

±25 Stories (284' height)

0.5 parking spaces per unit

The amenities for scenario 2A will contain 20 to 30,000 square feet (sf) of space for potential school, daycare, senior center, computer center, community room, and other activities, and a commercial space of up to 10,000sf for retail, restaurant, laundromat, and others. The residential space will contain 500 plus residential units with 192 considered for public housing. Lastly, the parking will contain one space for every 2 units made. The scenario 2B will consider similar services, but with greater density. To date, the project has been put on pause due to the slow down with the challenges that came with the Covid-19 pandemic. The project will continue

communication with the residents to ensure transparency on the initiation of the redevelopment project.

The new IZO re-evaluated in December 2021 by the City of Jersey City and its elected official states the purpose of the IZO is to “create mixed income housing through new construction to assist the City in promoting the creation of Inclusionary Developments and Affordable Housing as the City grows and attracts new market-rate residential development” (City of Jersey City, 2021). The ordinance documentation defines Affordable Housing as “residential housing that is restricted for occupancy by households whose combined annual income for all members does not exceed eight percent (8%) of the median income” (City of Jersey City, 2021). Furthermore, the income definitions are listed as follows:

Very Low Income: Up to 30% of the AMI

Low Income: Up to 50% of the AMI

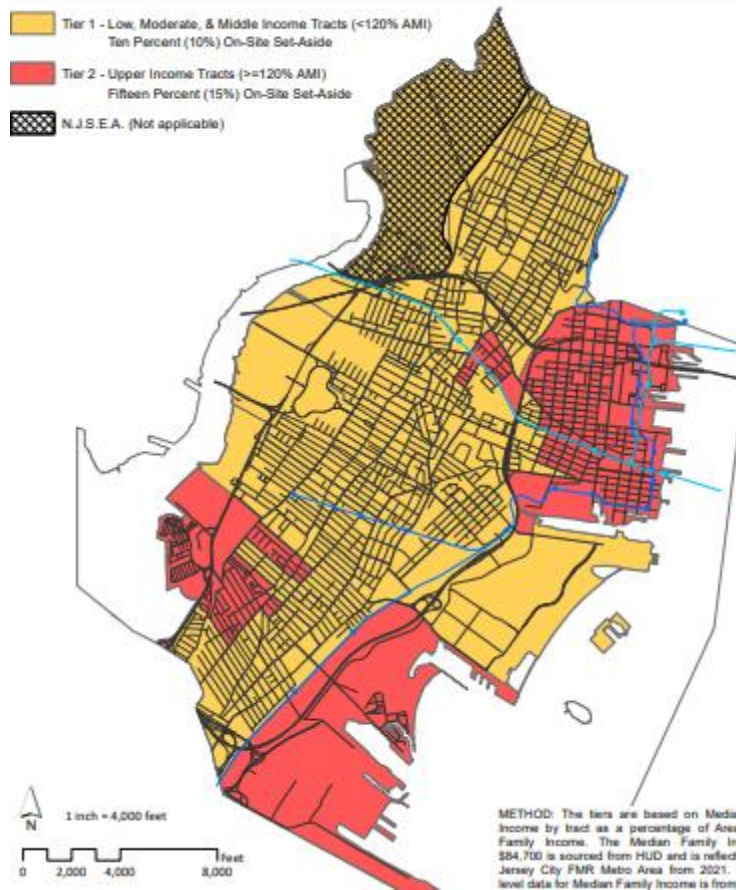
Moderate Low Income: Between 50% - 80% of the AMI

Workforce: Between 80% - 120% of the AMI

(The City of Jersey City, 2022)

The Inclusionary Zoning Tier Map is shown as follows:

October 21, 2021



(City of Jersey City, 2021)

The IZO is broken into two tiers. Tier 1 is highlighted in yellow and contains Very-Low, Low, Moderate, and Workforce Income tracts which is considered <120% AMI where 10% on-site set aside. The Tier 2 is highlighted in red and is set aside for upper income households with an $\geq 120\%$ AMI where 15% on-site set-aside. According to the IZO, the following developments should contain affordable housing set-aside for:

1. All developments with a residential component, including mixed-use developments for which a developer requests and/or obtains five (5) or more residential units or five-thousand (5,000) or more square feet of residential floor area (inclusive of residential hallways and egress areas) (i) as a result of variance(s) pursuant to N.J.S.A. 40:55D-70(c) and (d); (ii) as a result of rezoning; or (iii) as the result of the adoption of a new or amended redevelopment/rehabilitation plan pursuant to the Local Redevelopment and Housing Law.

(i) No subdivision shall be permitted or approved for the purpose of avoiding compliance with this Chapter. A developer may not, for example, subdivide a project into two lots and then plan each of them to produce

a number of units below the threshold. The approving authority may impose any reasonable conditions to ensure such compliance.

2. All developments with a residential component, including mixed-use developments that obtain low income housing tax credits and/or tax-exempt bond financing from the New Jersey Housing Mortgage Finance Agency, funding from the Economic Development Authority Aspire program or similar program, and/or any other State support pursuant to N.J.S.A. 52:27d-329.9(b) (City of Jersey City, 2021).

As stated above, the developer is not allowed to subdivide a project into two lots to remain below the threshold. The ordinance should apply to mixed-use developments when the developer obtains five or more residential units or the project is five-thousand (5,000) or more square feet on the residential construction property. For instance, the ordinance suggests that:

A change from an implied density of 35 units per acre on a 25x100 lot to 75 units per acre on a 25x100 lot. In other words that is going from two units to four units on a 25x100 lot. This type of change does not appear to trigger the ordinance, but how the master plan recommendations are to be implemented have to be studied further (City of Jersey City, 2021).

In addition, the ordinance is applicable when there are mixed-use developments that obtain low-income housing tax credits or tax-exempt credits from the New Jersey Housing Finance Agency and or additional municipal/State support funding. If a Tax-Abatement was used to support as a tax credit for the development project, then the development would need to include affordable housing a certain percentage of affordable housing given the tier description and suggested AMI. Unfortunately, the City has paused the tax abatements for development projects a few years ago and has not fully resumed to provide the tax credit to current developers. Tax Abatements and other tax credits such as Low Income Tax Credits (LITC) to help subsidize the construction project for a term period.

The exemptions from the IZO include the following cases where first a development project that has 15 units will not contain an onsite set-aside percentage of affordable housing. The revised IZO explains that “10% if 15 is 1.5 units yielding 2 onsite affordable housing units due to rounding requirements of this chapter” (City of Jersey City, 2021). The set-aside

percentages are more substantial at 15 units and above where before the ordinance exempted affordable housing for less than 15 residential units. Furthermore, if the development is controlled by the Jersey City Housing authority or a non-profit organization to develop, rehabilitate, and bring on new construction, then 50% of the total residential units created are for Low, Very-Low, and Moderate Income households. The city can require more affordable housing when the development is constructed on municipally owned land.

The affordable housing set-aside for the eligible residents ought to abide by the tier sectioning in tier 1 and tier 2. In tier 1, the population that will set aside affordable housing will be for the Low, Moderate, and Middle Income citizens according to their AMI distribution. Development projects that are given a tax abatement/payment in lieu of taxes from the City are required to provide fifteen percent (15%) minimum on-site affordable housing according to the total number of residential units in the project. Tier 1 states that development projects have to set aside 10% to residents with an AMI of less than 120%. The ordinance does not allow for loop holes where developers cannot buy out or reduce the distributed percentage. Jersey City contains 69% of its land in tier one alone. The remaining 31% of the city's population remain in tier two which contains a different pool of applicable populations given an AMI at or above 120% AMI.

The development in upper income census tracts are required to provide a minimum on-site affordable housing for development in the top tier tranche of fifteen percent (15%) of the total number of residential units. In addition, if a residential project received government/municipal subsidies, then the developer will need to provide 20% affordable housing on-site regardless of the tier system. In a special case, when the development calculation results in fractional affordable housing units set-aside can be shown in the following example in Tier 2.

Suppose that there is a development project with forty-two units. We will need to multiply the number of units by the affordable housing allocated according to the tier. In this case, we will multiply forty-two units by the 15% affordable housing allocation for Tier 2 which is 6.3 units ($42 \times .15 = 6.3$). In this case, 6 affordable housing units will be allocated on-site and a payment in lieu of on-site will be in the amount of \$54,000 ($0.3 \times \$180,000$) to account for the fractional unit. The funds are then deposited in the Affordable Housing Trust Fund for the creation of affordable housing throughout Jersey City (City of Jersey City, 2021). In the IZO, developers are required to make two installments for any payment in lieu of fractional affordable units which ought to be deposited into the City of Jersey City Affordable Housing Trust Fund.

The 2021 Affordable Housing Regional Income Limits by Household Size indicates the breakdown of income eligibility from Very-Low Income to Median Income. The chart below reveals the affordable housing income limits as follows for Hudson County:

Prepared by Affordable Housing Professionals of New Jersey (AHPNJ) - April 27, 2021

2021 AFFORDABLE HOUSING REGIONAL INCOME LIMITS BY HOUSEHOLD SIZE

Income limits not officially adopted by the State of New Jersey. Contact your municipality to see if applicable in your jurisdiction. Additional information about AHPNJ income limits is posted on AHPNJ.org

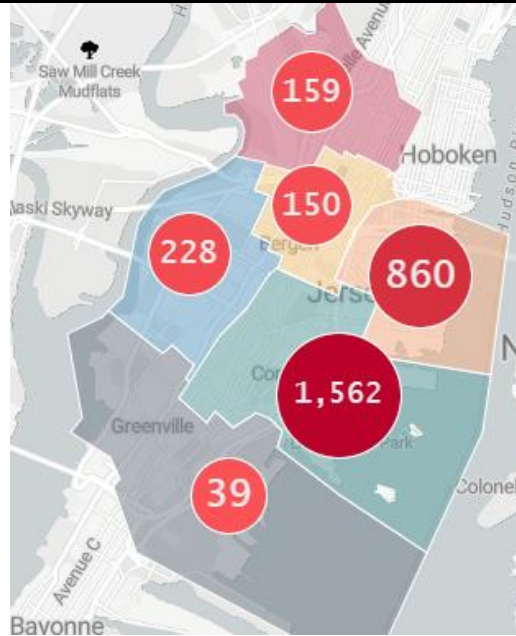
		1 Person	*1.5 Person	2 Person	*3 Person	4 Person	*4.5 Person	5 Person	6 Person	7 Person	8+ Person	Max Increase		Regional Asset Limit****
												Rents**	Sales***	
Region 1	Median	\$72,846	\$78,050	\$83,253	\$93,659	\$104,066	\$108,229	\$112,391	\$120,717	\$129,042	\$137,367			
Bergen, Hudson, Passaic and Sussex	Moderate	\$58,277	\$62,440	\$66,602	\$74,928	\$83,253	\$86,583	\$89,913	\$96,573	\$103,233	\$109,894	1.6%	8.46%	\$201,229
	Low	\$36,423	\$39,025	\$41,626	\$46,830	\$52,033	\$54,114	\$56,196	\$60,358	\$64,521	\$68,684			
	Very Low	\$21,854	\$23,415	\$24,976	\$28,098	\$31,220	\$32,469	\$33,717	\$36,215	\$38,713	\$41,210			

(The City of Jersey City, 2022)

The breakdown shows the difference of income limits with respect to the household size and AMI trench. For example, a household with an AMI of 30% or below with a household of four contains an income limit of \$31,220. The max increase in rent in 2021 was 1.6%, and residential property sales are capped at 8.46%. The regional asset limitation to qualify for affordable housing in Hudson County is \$201,229.

According to Jersey City open data, Jersey City currently has 2,998 residential housing units defined as affordable housing. The table and ward map breakdown below reveals the breakdown of the affordable housing units throughout Jersey City:

Ward	Affordable Housing Units	Percentages
A	39	1.30%
C	150	5.00%
D	159	5.30%
B	228	7.61%
E	860	28.69%
F	1562	52.10%



(Jersey City-Open Data, 2020)

Ward F contains the most units of affordable housing in Jersey City which is also within the Tier 1 of the IZO. In addition, Ward E is also the second largest ward with a section with affordable housing units and is within the Tier 2 of the IZO. Tier 2 is considered for anyone with an AMI of

120 and above. Ward E is a part of the affluent downtown district of Jersey City. Whereas the lowest areas with affordable housing is Ward A with 39 units.

Rent prices in Jersey City have experienced significant price movements since the start of the pandemic lockdowns. According to Zumper, a company that tracks median residential price data, states that in March of 2020 rent prices for a one-bedroom apartment was \$2,106. Today, as of April 2022, one-bedroom rent prices have skyrocketed to \$2,726. The price difference is a \$620 price increase within a two year span. The percentage price increase is 29.44% ($\$620/\2106×100) price increase. The following graph below reveals the price changes of rent from January 2016 until April of 2022.



(Zumper, 2022)

For a one-bedroom apartment near the Waterfront of Jersey City, the price for a residential unit is \$3,251 which is 15% the city's median rent price. The Journal Square rent price for a one-

bedroom apartment is \$1,650 which is 42% lower than the city median rent price. According to Zumper, “the median rent for a one bedroom apartment in Greenville is 27% lower than the median rent in the Heights” (Zumper, 2022). As rent prices have increased with inflationary pressures, the burden on low-income households has been substantial. The struggle to live paycheck to paycheck, work multiple jobs, and lose a primary household breadwinner are all factors that have devastated the low-income populations of Jersey City.

Another valuable piece of information on “Jersey City is the Housing Element Update - Jersey City” which was published from Census data collected back between 2010 - 2017. The document was published on March 26th, 2019 by Tanya R. Marione, AICP, PP and Cameron Black, AICP. The document covers areas such as the Jersey City rent statistics, household income & benefits, and information on the fastest growing population. According to the authors regarding Jersey City’s rent becoming less affordable for Very-Low, Low, and Moderate Income levels. The authors state that, “in 2016, 45% of renters paid 30% plus on housing costs which is a 13% increase from 2010. Renters living in ‘severe overcrowding’ conditions increased 63%” (Marione & Black, 2019, p.3). As showcased in the rent graph above, rent has gone up substantially from the start of the Covid-19 pandemic to now. Furthermore, the middle class has also seen a steady decline. Marione & Black state that “from 2010-2016, households making the median income decreased by 9%” and “the fastest growing population increased 16% from 1990 to an estimated \$266,000 in 2017” (Marione & Black, 2019, p.3). The fastest growing population over the years has and continues to be the population that makes over \$100,000. The chart below captures the rapid growth of the households that make over \$100,000 compared to the shrinking middle class and lower income households:

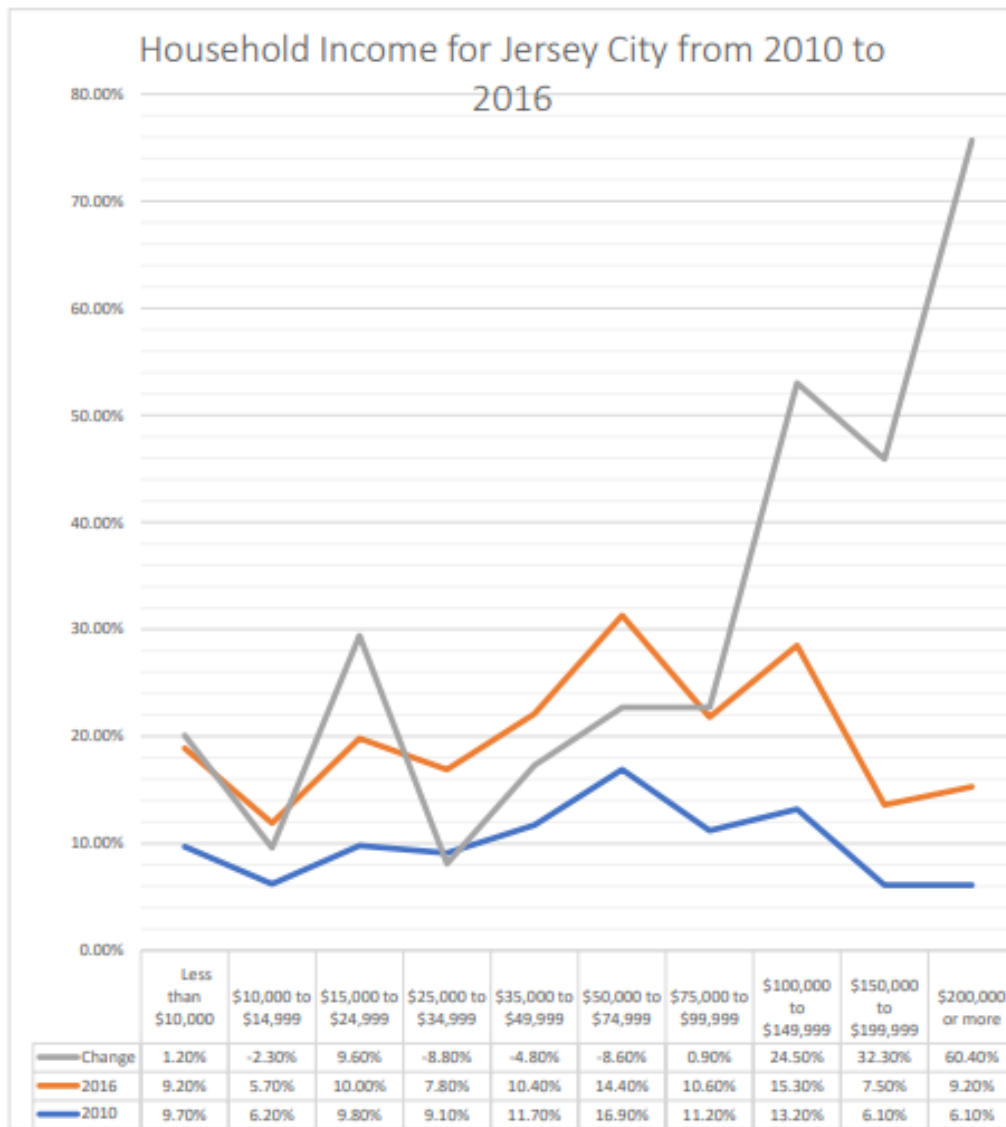
Household Income and Benefits						
Jersey City, 2010 and 2016 Estimates						
	2010		2016		Change	
	Number	Percent	Number	Percent	Number	Percent
Total households	93,026	100%	99,612	100%	6,586	7.1%
Less than \$10,000	9,013	9.7%	9,118	9.2%	105	1.2%
\$10,000 to \$14,999	5,793	6.2%	5,658	5.7%	-135	-2.3%
\$15,000 to \$24,999	9,098	9.8%	9,968	10.0%	870	9.6%
\$25,000 to \$34,999	8,476	9.1%	7,732	7.8%	-744	-8.8%
\$35,000 to \$49,999	10,918	11.7%	10,390	10.4%	-528	-4.8%
\$50,000 to \$74,999	15,684	16.9%	14,335	14.4%	-1,349	-8.6%
\$75,000 to \$99,999	10,422	11.2%	10,516	10.6%	94	0.9%
\$100,000 to \$149,999	12,246	13.2%	15,248	15.3%	3,002	24.5%
\$150,000 to \$199,999	5,680	6.1%	7,513	7.5%	1,833	32.3%
\$200,000 or more	5,696	6.1%	9,134	9.2%	3,438	60.4%
Source: 2012-2016 American Community Survey 5- Year Estimate						

(Marione & Black, 2019, p. 14)

According to the chart, households with a household income of \$200,000 or more experienced a 60% increase from 2010 to 2016. In addition, households between \$100,000 to \$149,999 increased 25.5%, and households with income between \$150,000 to \$199,999 increased 32.3%. The middle class on the other hand, shows that families with an income of \$50,000 to \$74,999 decreased -8.6% between 2010 - 2016. Households with income limits between \$25,000 to \$34,000 experienced a -8.8% decrease and \$35,000 to \$49,000 decreased -4.8%. The 9.6% increase is within the Very-Low Income households between \$15,000 to \$24,999 (Marione &

Black, 2019, p.14). Thus, the skewed data shows the shrinking middle class and low income households compared to the booming upper class residents moving into Jersey City.

The chart below found on page 15 in the Housing Element Jersey City document reveals the Household income for Jersey City from 2010 to 2016:



(Marione & Black, 2019, p.15)

The spike in the percent change from 2010 to 2016 is significant as the fastest growing population being considered are the wealthiest members within the city. Another map that

showcases the Median Household Income by Census Tract reveals concentrations of the various income limits throughout the city.

Median Household Income by Census Tract

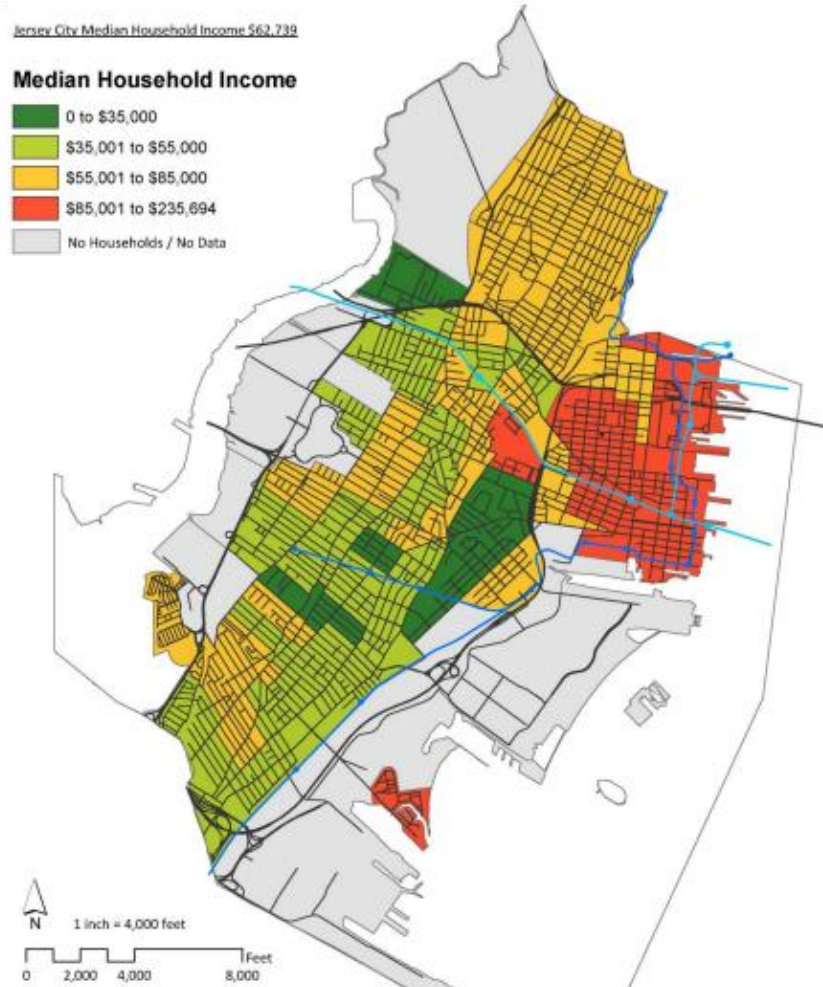
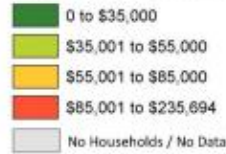
JERSEY CITY, NJ

March 1, 2019



Jersey City Median Household Income \$62,739

Median Household Income



(Marione & Black, 2019, p.17)

The highest rent prices in the city are concentrated in the red zone which is the Downtown/Waterfront area of Jersey City. The yellow zone is more concentrated in the Jersey City Heights area whereas the very-low, and low income populations are between the West Side and Greenville sections of the city.

The increase in consumer goods, rent, and services cause a dent in the wallets of households that struggle to make ends meet and provide food at the family table. The food banks throughout Jersey City have aided the community members to persevere throughout the toughest parts of the Covid-19 pandemic. However, a new challenge of increasing rent prices, inflationary pressures, supply chain bottlenecks, and more are all factors that increase the pressures of the local residents. The following policy recommendations ought to be taken into action by the City of Jersey City to ensure residents are prioritized throughout the redevelopment projects in Jersey City:

Policy Recommendations:

- 1) Use Tax Abatements to incentivize developers to include affordable housing in development plans which will lead to tax credits
- 2) Entice developers by educating them on the available Tax Credits ex. (Low-Income Tax Credits)
- 3) Strengthen Rent Control and Tenant Protection
- 4) Implement Effective Educational Opportunity Programs targeted for Low-Income Residents to Help Transition out of Public Housing
- 5) Use municipal Land for Affordable Housing
- 6) Require Affordable Housing in Redevelopment Projects and apply the Inclusionary Zoning Ordinance to work with developers

The first policy recommendation focuses on reinstating Tax Abatements to incentivize developers to include affordable housing in development plans. The Tax Abatement will serve as a beneficial tax credit for the developers. The tax credit will allow property taxes to be exempted

or reduced for a period of five to ten years. Furthermore, the tax incentive will benefit the developer and the city by requiring affordable housing in their development plans. The city of Jersey City can also strive to work with the federal and state government for additional funding to balance out the public and affordable housing for those with an AMI of 50% and below. Unfortunately, the waitlists for low-income and public housing are overflowing with limited public and affordable housing availability. Thus, investing in low-income and public housing facilities that are not mixed use and mixed income will support the demand for these residents seeking a place to live.

The second policy recommendation goes into educating the developers on the available tax credits such as Low-Income Tax Credits that provide non-refundable, and transferable tax credits which help subsidize construction costs. From a developer's viewpoint, in a conversation with Diego Hodara from Titanium Realty Group, his two major concerns with including affordable housing within his market rate properties is the property tax to endure, and the owner not being able to exercise control of the 20% affordable housing placement in the building. In regards to the first point, the property tax can be supported by the city's Low-Income Tax Credits and or Tax Abatements that can be implemented to support housing for those with an AMI of 50% - 80% and below. Mr. Hodara recommends that the city implement these two policy recommendations from his viewpoint to support developers becoming incentivized to include affordable housing and low-income housing within their properties. First, to align affordable housing projects with Tax Abatements, Payment-in-Lieu-of-Taxes, and additional tax credits/incentives to entice developers. In addition, the second recommendation is to have property managers elect and hire/fire the landlord if developers expectations are not met (D. Hodara, personal communication, May 5th, 2022). The developer wants to ensure that all

residential units are filled which allows for a greater return on the investment property. At the end of the day, developers are interested in reaping a benefit from the investment of their time and energy. If the City of Jersey City works with developers to provide support for affordable housing and public housing efforts, then the give back to the community will be far greater.

The third policy is to strengthen rent control and tenant protection which will allow for long-term residents of Jersey City to remain in the city. Unfortunately, residents have been forced to leave their areas of living because of the spike in rent prices throughout Jersey City in the recovery period from the pandemic. The booming redevelopment projects throughout Jersey City are bringing forth luxury housing that is catered to those with an AMI of 120% or greater in evolving areas in the city. As the city grows and evolves, the long-term residents of the city with an AMI below 80% need to be protected to prevent home displacement, homelessness, and pushing the low-income households out or to the margins of the city. James Solomon, Jersey City Ward E Councilperson comments on the topic by stating, "Housing all residents of Jersey City can afford is paramount to ensuring Jersey City remains home to a diverse community of residents. To do that, Jersey City must strengthen its tenant protections, introduce affordable housing requirements into future development plans, and use all the tools at its disposal to ensure affordable homes are actually constructed" (J. Solomon, personal communication, May 10th, 2022). Councilman Solomon is on point with the importance of ensuring the preservation of the diverse community members of the city. The fastest growing population is the households with over 100k and therefore the city ought to provide growth support for the low-income and families with an AMI of 50% and below. As the city grows, the city should also implement effective programs to help low-income residents develop skills and resources to grow out of the impoverished community the citizens are accustomed to live in.

In the fourth policy recommendation, Jersey City ought to implement effective educational opportunity programs targeted for low-income residents to help transition out of public housing. Public housing should be a temporary space where residents should be supported to develop skills and resources to then move out and grow from the public housing complexes. To date, the Family Self-Sufficiency Program 5-Year Plan (National Program) strives to support Low-income households toward upward mobility with case-management, financial incentives, and financial coaching services. The program is run by the Department of Urban Development (HUD) which administers the Family Self-Sufficiency (FSS) program to support residents to increase their earnings and savings. According to the program for voluntary participants states, that “participants work with an FSS service coordinator to identify their financial and employment-related goals, including education or training, and can access a range of support services, such as child care or credit repair, that offer assistance in achieving their goals” (Center on Budget and Policy Priorities, 2020). The national program is an excellent concept on ways to support residents’ transition out of low-income housing. However, the Center on Budget and Policy Priorities state that the biggest challenge facing the low-income population is “while it is understandable that a family’s contribution to their rent increases as their income increases, this makes it difficult for families to also save money as their income increases” (Center on Budget and Policy Priorities, 2020). The struggle for residents to break free from the cycle of poverty is evident. The residents serviced by the system must be willing to put in the work and effort to break free from the cycle of poverty. The FSS program is voluntary to the low-income residents and is not required by all residents. Therefore, residents that choose to remain comfortable in the system with minimal motivation to progress are at the highest risk of potentially moving out of Jersey City or pushed near the margins. The downtown development projects are expanding to

the Journal Square and McGinley Square areas. The development is great for the city and for affluent residents that can pay for the market rate rent prices in the luxury housing buildings. The challenge lies on the court of underrepresented members in the Jersey City community.

The fifth policy recommendation is to use municipally owned land to construct affordable housing. The availability of affordable housing varies throughout the wards of Jersey City. As the private real estate market rate development projects spread across the city, residents will experience higher rent burdens as residents struggle to recover from inflationary pressures and lack of wage increases throughout industries. The Executive Director of the Jersey City Housing Authority, Vivian Brady-Phillips, states that:

Public Housing Authorities continue to be an important source of affordable housing for low-income residents across the country, providing safe and stable homes and communities. Unfortunately, decades of disinvestment in public housing have contributed to the housing crisis we face today and hurt our public housing stock. The JCHA, which serves over 15,000 residents in Jersey City, is committed to preserving its public housing portfolio and expanding housing opportunities and housing supports for the benefit of residents. (V. Brady-Phillips, personal communication, May 10th, 2022).

Furthermore, when developing solutions to the public housing and low-income affordable housing shortage, policy makers should consider existing financial resources to support construction in areas such as tax credits, soft loans, additional housing incentives, and sources of rental subsidy which includes housing choice voucher (Section 8). Jersey City needs to listen and cater to the needs of the low-income residents and incentivize developers on supported development projects.

The final policy recommendation focuses on requiring affordable housing in redevelopment projects and applying the IZO to work with developers with tax incentives. As mentioned earlier, the luxury housing redevelopment projects in Journal Square and West-Side Avenue are catering heavily on market rate housing as opposed to considering a 10% - 15% of low-income or affordable housing to residents with an AMI of 80% and below. Majority of the

redevelopment projects are catering more toward those with an AMI of 80% or greater depending on the location of the IZO tier list. Prof. Donal Malone strongly encourages that the city should, “include 20% affordable housing in their buildings as they do in Newark. The mayor's office says that Newark’s redevelopment projects are fewer because of that but Newark is still gentrifying and attracting institutional investors.” Prof. Malone goes on to encourage the City of Jersey City to “issue bonds to purchase land and buildings to develop for affordable housing” (D. Malone, personal communication, May 11th, 2022). The city ought to work with the state and federal government to obtain funds to construct affordable and public housing projects in Jersey City.

Conclusion

The recovery from the Covid-19 pandemic is a gradual process for households throughout Jersey City. The most impacted households from the pandemic are the low-income households as they strive to navigate through Jersey City's redevelopment projects and maintain their housing. Families that lost a primary breadwinner in the household due to a disability, death, and more ought to adjust rapidly to find ways to pay the bills, and obtain a new source of income. The FSS program is a great way for households to expand their growth, but will need continued support from the JCHA to navigate the turbulent economic times. The pressures of inflation, and mental health concerns on households from the pandemic are especially prevalent in the low-income households of Jersey City. The City of Jersey City ought to enhance the support and prioritize the long-term low and middle income households by using state and federal funds to fund public and affordable housing complexes that do not include mixed use, nor mixed income. Majority of the redevelopment projects throughout Jersey City in construction are for market rate housing and catering to wealthier households moving into the city. Furthermore, the inclusionary housing advocacy in Jersey City through Fair Share Housing, Jersey City Together, and Journal Square Community Association represent a voice of the community that needs to be heard and have a seat at the table. The policies recommended will provide efficient support and prioritize the most vulnerable members within the community in the midst of the redevelopment projects throughout the city. The implementation of Tax Abatements for affordable and public housing, education of developers on all the available tax credits, strengthen rent control and tenant protection, provide effective FSS programs to all public housing residents, use of municipal land for affordable housing, and apply the IZO to work with the

community and developers will continue to push Jersey City forward responsibly and strategically.

Further research ought to be conducted to further expand and anticipate the evolving data and information that will be published within the coming months and years. Four areas where further research can be studied are within the following areas such as, economic mobility for low-income households, analyze the next updated Housing Element data for Jersey City, conduct a financial analysis to showcase the benefits of the Low-Income Tax Credits and other tax credit incentives for developers, and the implementation of the IZO in Jersey City's master plan. By enhancing the educational economic mobility programs, residents would be required/strongly encouraged within public housing and low-income affordable housing sections to expand their skill set and ability to gradually build capital, knowledge, and financial literacy. The program can also include more corporation connection programs that will help residents obtain higher paying careers and develop the skills necessary to excel in an evolving workforce economy. Developers should attend a training hosted by the city to be educated on all of the Low-Income Tax Credits to support the affordable and public housing efforts. The strengthening of rent control and tenant protection will provide security for Jersey City residents that have been living in the area for over ten years. The implementation of the policy will only maintain the rich diversity of Jersey City as one of the most diverse cities in the world. If the city uses municipally owned land to construct affordable housing and public housing, then it would reduce confrontational negotiations with private investors. Lastly, the application of the IZO to ensure all development projects contain a 10% - 15% affordable housing in Tier one developments and a 20% affordable housing within areas with an AMI of Tier two. Development in Jersey City is

essential for the growth and flourishing of the city as long as the low-income, public, and middle-income households are prioritized and at the forefront of the redevelopment projects.

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