

## **INVEST IN NJ'S RECOVERY:**

*Spend Municipal Housing Trust Funds to Restore the Shore & More*

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- Good morning, thank you for the opportunity to testify today. I am Staci Berger, Executive Director of the Housing & Community Development Network of NJ, the statewide association of more than 250 affordable housing and community development corporations, individuals and other organizations that support the creation of homes and economic opportunities for low- and moderate-income New Jerseyans.
- Our members and friends are here today to urge you to spend the trust funds the way they were intended – to create homes and jobs in communities that need more housing choices people can afford for working families, seniors and people with disabilities.
- As you know, there is presently \$140 million in these trust funds, of which \$80 million is based in the nine hardest hit Sandy counties. The Governor promised after that storm that he would help the families and businesses that were harmed. On Monday, he was thanking the federal government for \$1.8 billion in CDBG funding to help these communities rebuild.
- How can he now be asking you to take those funds for something other than the same effort, to which so many New Jerseyans have given blood, sweat, tears and their own money to help rebuild? Perhaps he has forgotten his promise, but we have not.
- These municipal housing trust funds are mostly already committed to be used for special needs and family affordable home developments and rehab of homes occupied by lower-income households. Many of these families and individuals were harmed by the Hurricane, and some were victims of the economic tsunami that struck before the storm. All New Jerseyans deserve an equal chance to rebuild their lives. Don't take the resources away from them to have a better future.
- According to the National Low Income Housing Coalition's Out of Reach 2013 report, New Jersey is the fourth most expensive state in the nation to live in. Sandy exacerbated the dire need for affordable rental homes, yet the Administration does not want to use these funds to help create the homes people need. You don't have to give this money over to the state to fether away on tax cuts that we don't need and don't work. You can use it to Restore the Shore, and more. You can help rebuild New Jersey's economy for everyone.

- **If the \$140 million remaining in local trust funds were to be used strictly for production, it would mean:**
  - Leveraging at least \$490 million in total housing investment, the majority of which will be private investment in New Jersey's economy.
  - Creating over 5,400 one-time jobs, including both construction jobs and related secondary jobs created as a result.
  - These workers will earn \$357 million in total income, and pay \$8 million in state income taxes
  - Purchases of construction materials and spending by the workers hired as a result of this activity will generate \$9 million in state sales tax revenues.
  - Once the homes are built, they and their residents will generate 992 ongoing jobs and \$1 million per year in state income taxes.
  - Generating as much as \$6.4 million per year in local property tax revenues.
  - Over 5 years, NJ and its localities will realize over \$54 million in total sales, income and property tax revenues.
  
- Every dollar is an opportunity to invest in the future of our communities and our residents, and that is especially true in those areas devastated by Sandy. The governor fought hard for Congress to approve funding to help our state recover and rebuild. So it's absolutely puzzling why he would take \$80 million away from those very communities.
  
- Everyone deserves to be able live in a great community in a home they can afford. The municipal housing trust funds before you today are essential funding mechanisms for that purpose. These funds are intended to help places ravaged by the storm and people who need homes and jobs in our state. You have the authority – legal and moral – to make sure that happens today.
  
- We urge you to vote to Restore the Shore, and more by investing in the people and communities of our great state.