Leading Locally
The future of housing in New Jersey

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Local officials are on the frontlines of housing development, shaping what kind of housing gets built, where it can be constructed, and the local roads and sidewalks residents use to get from their homes to everywhere else. Municipalities have the authority to adopt land use plans, set zoning codes, and create redevelopment areas and parking maximums that facilitate high quality places. Municipalities and counties have the transportation teams to design, pave, and maintain the streets and sidewalks that create the character of a community and determine if it is welcoming and safe for all users.

But the external challenges facing local leaders have become more complicated and more intense. The COVID-19 pandemic and climate change have particularly exacerbated the pressing issues of escalating housing costs, pedestrian safety, displacement of lower-income people, empty office space, and flooding, to name a few. First demand and inflation drove up housing prices, and now high interest rates have made mortgage financing increasingly difficult.

Center-based housing development

Towns and cities that encourage a range of housing types in walkable neighborhoods and centers aren’t just revitalizing town and city centers for aesthetics. Successful downtowns and centers are converting abandoned strip malls, vacant shops, and empty office space to new housing, which provide municipalities with more reliable, steady, tax revenues, often without adding the costs of new students to their school district.

The result is stronger tax ratables and dynamic live-work-shop places where residents enjoy local restaurants, parks, and theaters. Towns should not overlook the benefits of providing mixed-use centers to their residents and enabling them to host friends and family at their favorite places to promote even further commercial activity.

Center-based housing development supports long-time residents as they undergo changes in life but seek to remain close to their personal networks that provide them fulfilling opportunities to live full and meaningful lives.
Consider empty nesters looking to downsize from their single-family home to age in place, and newly separated parents who want to continue to live in the same school district that their children attend. While occupancy rates for office and retail space have been weakened by post-pandemic hybrid work schedules and online shopping, the demand for center-based housing is robust, and growing as new generations, primarily Millennials and Gen Z, seek to live close to family, but with a modicum of urbanity to facilitate their hobbies and interests. Towns and cities that plan and zone for center-based housing create options for their community members undergoing life transitions, without forcing them to relocate.

Walkable places with a mix of housing and services simplify the way residents get between homes, pick up their children from school, and make it to their next doctor’s appointment. Smartly designed, compact town and city centers can reduce commute times and allow people to accomplish multiple tasks within one trip.

Attainable housing

Rising costs of housing in New Jersey are a significant driver of the growing affordability crisis in the state. A 2021 Rutgers-Eagleton poll “found that 90% of New Jerseyans are worried about the cost of housing in the state, with 55% considering it a ‘very serious’ problem.” It’s in New Jersey’s best interest economically, socially, and environmentally to provide stable and lower-cost housing options in their communities, so the state as a whole is more affordable. New Jersey’s high cost of housing has long had an impact on the state’s “brain drain,” the migration of highly educated individuals out of the state, due to the lack of housing access.

Developing additional housing also eases pressures on lower-income households. In the absence of new development or quality redevelopment, affluent households will outcompete lower-income households, fueling gentrification and triggering displacement of long-time residents.

Teachers, healthcare professionals, and service workers of every variety are commuting longer, often in their private automobile, to their places of work. “Across the state, municipalities that facilitate solutions to promote sustainable housing opportunities for all workers will see a ripple of positive effects for their communities,” observed Montclair Mayor Sean Spiller, who also serves as president of New Jersey Educators Association.

Spiller suggests that making sure educators, and educational support professionals, and their families are able to live in the communities they serve, is a win-win for educators, students, and communities as a whole. “New Jersey cities and towns should think holistically about the benefits of promoting diversity and sustainability within their communities, and as we’ve done in Montclair, take legislative action to achieve and preserve that diversity,” he said.

The future of housing in New Jersey

Since its formation in 1987, New Jersey Future has steadfastly advocated for center-based development and smart redevelopment projects in accordance with our statewide goals of balancing development and preservation and spurring equitable economic growth. While we have had an eye to statewide progress, it is local municipal leaders and planners who have the tools and powers to encourage development and redevelopment that can deliver more housing that is affordable, inclusionary, climate resilient, located in walkable, people-oriented centers that increase commercial activity and improve public health.

But local community planning and zoning is tricky and complicated. Even as we celebrate local success stories (see this year’s Smart Growth Award winners in the sidebar), we know municipal leaders often struggle to redevelop and add housing supply to our already dense and well-connected state. Many of our partners in government, nonprofit, and the private sector are likewise interested in identifying and constructing solutions out of the current crunch.

Over the coming months, New Jersey Future will be convening partners and stakeholders to envision future housing development in our state that is equitable, affordable, resilient, and diverse. Through a collaborative process we seek to identify practical, actionable steps to get there including everything from understanding and elevating municipal needs, to state planning and policy, to partnering with low and moderate-income residents.

To inform that conversation, New Jersey Future is circulating a simple survey to collect the perspectives of municipal leaders, community members, planners, architects, and developers. We invite you to take 10 minutes or less and share your thoughts on the pressures, successes, and challenges you and your town are facing as we confront this together.

@ Survey available online at www.njfuture.org/housingsurvey

Smart Growth Awards

On October 3, New Jersey Future held its 21st annual Smart Growth Awards to honor projects, plans, and policies across the state that demonstrate smart growth principles in action. This year, New Jersey Future honored:

- Barclay Street Apartments (Paterson)
- Clinton Hill Early Learning Center (Newark)
- Gant-Gilbert Arts Collective (Newark)
- Hinchliffe Stadium (Paterson)
- Lord & Taylor/Train Station Redevelopment Plan (Westfield)
- One Thompson Ave (Dover)
- Somerset County Preservation Plan (Somerset)

Learn more online at: www.njfuture.org/awards/2023smartgrowthawards/