

Report of the Lowering Housing Costs and Expanding Homeownership Action Team

The Lowering Housing Costs & Expanding Homeownership [Transition Action Team](#) identified four key priorities and followed with a series of recommendations for consideration by the Sherrill-Caldwell Administration.

Below, please find a summary of the priorities and corresponding recommendations. In some cases, we have added a note in *italics* to add context.

The report cites priorities:

- Increasing housing supply and homeownership opportunities.
- Addressing regulatory barriers at the state and local level.
- Strengthening and diversifying housing finance tools.
- Responding to federal program cuts.

Increasing Housing Supply and Homeownership Opportunities Recommendations

Establish a “Housing Czar” to act as the Chief of Housing Supply and Affordability within the Governor’s Office. This person will work in close coordination with a cross-agency permitting team and under the Chief Operating Officer to respond to New Jersey’s housing supply and affordability challenges.

If created, this would be a new position within the Administration.

Direct NJ Transit and relevant State agencies to identify State-owned properties for transit-oriented development (TOD) and housing redevelopment opportunities.

Incentivize redevelopment of stranded assets, such as dead malls and vacant commercial space, to create housing opportunities.

The report states that the Administration should “...work collaboratively with local governments that seek to redevelop underused and neglected properties.”

Further, it recommends an Executive Order prioritizing such development and to establish a “Statewide Stranded Asset Redevelopment Initiative.” At no point in the report do the recommendations endorse the concept of preemption of local zoning for these purposes, but rather an incentives driven approach.

Explore incentives and opportunities to expedite the construction of light touch density housing types (duplexes, triplexes, quads), and HUD-code manufactured housing to advance “Missing Middle” housing and expand homeownership opportunities.

Direct the NJHMFA to produce a statewide inventory of subsidized and LIHTC units and identify funds for preservation efforts.

Support the creation of municipal land banks across the state.

This is intended to expand the current law, which provides this option to municipalities.

Increase assistance through NJHMFA's Down Payment Assistance (DPA) and First-Generation Homebuyer Program to support affordable homeownership and help close the racial wealth gap.

Prioritize preventing foreclosures and home loss, especially among low- and moderate-income Black homeowners and other vulnerable populations.

Prioritize statewide investigations of housing discrimination, discrimination in lending, and predatory lending.

Evaluate Aspire and other existing workforce housing programs for effectiveness and efficiency for producing housing.

Expand and raise awareness about the Section 8 Homeownership Program

Addressing Regulatory Barriers at the State and Local Level

Identify opportunities to streamline state housing funding programs into a "one-stop shop," creating an ease of execution for affordable housing developers.

Develop proposals to encourage reform of local zoning processes.

Quoting the report, "The Sherrill-Caldwell Administration should take action to promote updates to local zoning regulations that will help cultivate thriving communities and stimulate economic vitality. During the first 100 days, the Governor should consider a proposal that would create an incentive program promoting local zoning reform for certain housing types and establish certain benchmarks for participating municipalities to meet. Additionally, participating municipalities would be eligible to receive prioritization for other state funding. The proposal could call for allowing them to receive grant funding for certain purposes if they meet a certain percentage of actions that are recommended by the State. Actions can include adopting pre-approved plans to fast-track construction of infill housing and ADUs, allowing higher density near transit and employment centers, reducing governing body approvals by expediting administrative reviews, reducing cap fees, and other actions that address specific barriers to housing production. This approach would enable a strong partnership between state and local governments while creating housing opportunities that fit a municipality's fabric.

The Administration should also consider a legislative proposal that would amend the Municipal Land Use Law (MLUL) to create an expedited review process for housing projects included in fair share plans. Fair share plans for the 4th round were heavily negotiated, meaning there is already significant buy-in from municipalities and interested parties to construct certain projects. The MLUL should be reviewed to see which review processes can be shortened for projects within fair share plans. This action should be taken in the first 100 days as well to quickly advance projects as part of the 4th round.

Expand the number of third-party review options for certain state and local level permitting positions.

This proposal recommends the expansion of third-party review options at both the State and local levels, modeled on the current Licensed Site Remediation Professional Program (LSRP) in the NJ Department of Environmental Protection.

NJHMFA should develop a comprehensive set of regulatory, operational, and administrative actions it will take to increase the pace and efficiency of housing production and preservation.

Strengthening and Diversifying Housing Finance Tools

Protect and invest in the Affordable Housing Trust Fund.

Explore alternative financing mechanisms to produce “Missing Middle” housing.

Expand opportunities for non-profit, emerging, faith-based, and small and mid-sized developers to access state capital for housing projects.

Increase investment in Community Development Financial Institutions and other mission-focused lenders such as faith-based credit unions.

Responding to Federal Program Cuts

Fight back against cuts to federal programs and changes to federal policies that will negatively affect New Jersey.