

# Housing Research Report

*Prepared for Paterson One Square Mile*

**PATERSON**  
**ONE SQUARE MILE**

**April 2024**



**TRANSFORM**  
— CONSULTING GROUP —

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# Introduction

Paterson One Square Mile is a hyper-local, place-based, cross-sector initiative with the goal of accelerating the revitalization of a concentrated area in Paterson, New Jersey. Utilizing strategically organized community engagement efforts focused on a bounded area within the city of Paterson, this community-led collective impact initiative aims to improve equitable outcomes in health, education, and economic opportunity for the residents of Paterson.

Montclair State University (MSU) reached out to Transform Consulting Group (TCG) for assistance in implementing Paterson One Square Mile. MSU and TCG formed a Paterson One Square Mile Community Advisory Committee to guide the initiative. The Advisory Committee is a diverse group of representatives from education, social and human service organizations, businesses, and the government.

With guidance from the MSU and the Advisory Committee, TCG conducted public research and community feedback, which is detailed in the [Community Data & Feedback Summary Report from March 2024](#). Using the information provided in that report, the **Paterson One Square Mile Advisory Committee chose “housing” as their area of focus for Paterson One Square Mile.**

TCG is using a collective impact framework to guide this planning process for Paterson One Square Mile.



Now Paterson One Square Mile is heading into the “third step” or “What” phase of the collective impact process. To help inform the Advisory Committee as they plan what they want to accomplish around housing, TCG gathered additional information related to housing from the following methods:

1. Public data and information from the US Census Bureau American Community Survey and other public sources with information related to:
  - a. Housing affordability
  - b. Housing supply and stability
  - c. Housing quality
  - d. Housing and neighborhood as a platform
  - e. Housing that builds assets and wealth
2. Aspirational research to explore models other communities and organizations have adopted to address housing. This research is presented as inspiration for the Paterson One Square Mile Advisory Committee to consider as they create goals and strategies around housing.

### Next Steps for Paterson One Square Mile Advisory Committee

**On Friday, May 3, 2024, the Paterson One Square Mile Advisory Committee will gather for their strategy session. TCG requests that all participants read this report in advance of the strategy session.** Along with an overview of this report, a panel discussion on housing will be conducted during the strategy session.

The purpose of the strategy session is to use the knowledge gathered from the *Community Data & Feedback Summary Report*, this Housing Research Report, and the panel discussion to determine the goals and strategies that will be included in the Paterson One Square Mile Plan.

After the Paterson One Square Mile Advisory Committee defines goals and strategies, the Paterson community will have an opportunity to provide feedback on the plan at a community carousel event in June. TCG will incorporate the community’s feedback into the final Paterson One Square Mile Plan, which will launch in October 2024.

# Paterson Community Profile

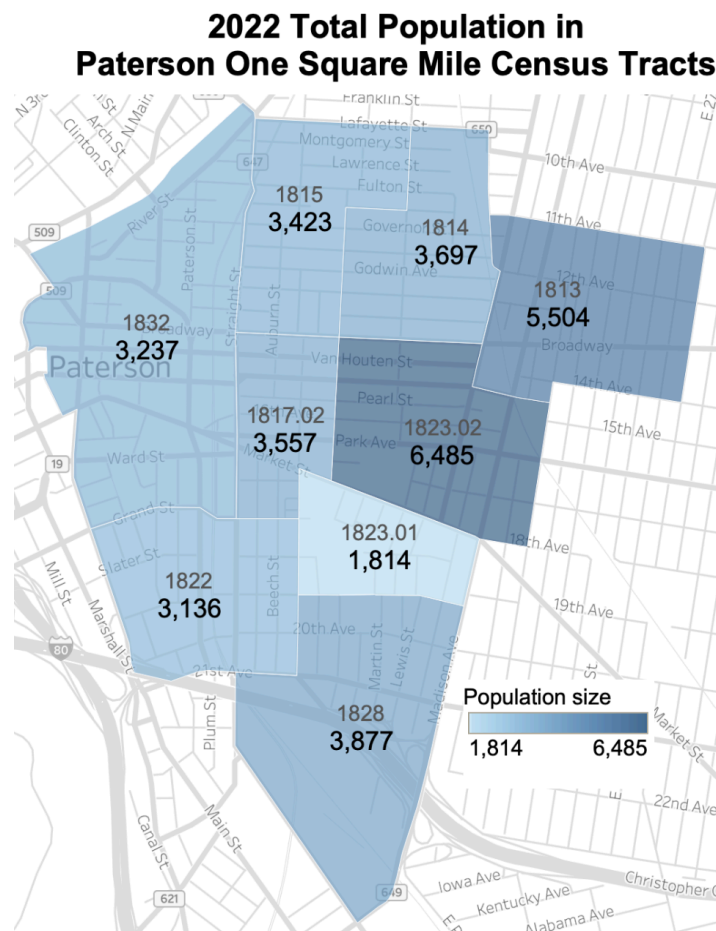
TCG identified nine census tracts that align most closely within the boundaries of Paterson One Square Mile to help us understand the community.<sup>1</sup>

## Population

Paterson One Square Mile is primarily defined by the 4th and 5th wards as well as some of the 1st ward of the city of Paterson, NJ. Paterson is located in Passaic County, which is New Jersey's 8th most populous county.

In 2022, Passaic County had a total population of over half a million (519,986) people. Approximately one third (30%; 157,864) of the county population reside in the city of Paterson.

Looking more closely at the defined area of Paterson One Square Mile, approximately **35,000 residents live within the Paterson One Square Mile radius** (nine census tracts), representing over one fifth (22%) of Paterson's and nearly one tenth (7%) of Passaic County's population.



<sup>1</sup> Unless otherwise noted, data was sourced from the U.S. Census Bureau. (2022). American Community Survey, ACS 5-Year Estimates Detailed Tables. Retrieved February 2023, from <https://data.census.gov>.

## Race and Ethnicity

**Paterson One Square Mile is more racially diverse than the city of Paterson and the county as a whole.** Within Paterson One Square Mile, approximately one third (30%) of the population are Black or African American, a higher representation than Paterson (24%), Passaic County (11%), and the state of New Jersey (13%).

The opposite is true for White residents. Less than one tenth (8%) of residents in Paterson One Square Mile are White, compared to less than one fifth (18%) of Paterson residents, about half (51%) of county residents, and nearly two thirds (60%) of the state.

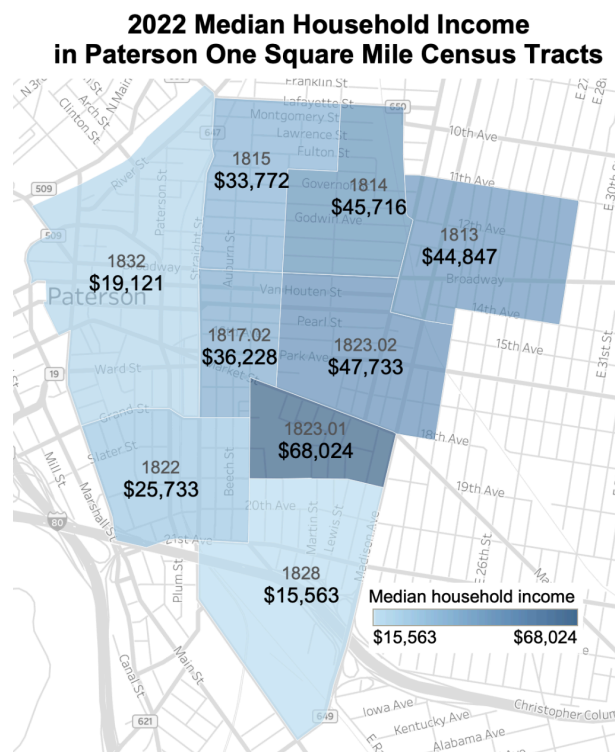
Asian individuals represent 1% of Paterson One Square Mile residents, slightly less than the city (5%) and county residents (5%). Half (52%) of the residents in One Square Mile identify as some other race, compared to more than one third (36%) of city residents and only 17% of county residents. The remaining nine percent of One Square Mile residents identify themselves as two or more races.

Paterson One Square Mile is also more ethnically diverse compared to the city and county, as two thirds (67%) of the residents identify as Hispanic or Latino. Nearly two thirds (63%) of Paterson residents identified as Hispanic, but this is still 20% more than the county (43%).

## Income and Poverty

The median household income in the city of Paterson is much lower than the county. The 2022 overall median household income in Paterson is \$52,092, over \$32,000 less than the county median household income (\$84,465). The median household income within Paterson One Square Mile ranges from \$15,563 to \$68,024.

2022 Median Household Income	
Paterson One Square Mile	\$37,415
Paterson	\$52,092
Passaic County	\$84,465
Newark	\$46,460
New Jersey	\$97,126



The 2024 Federal Poverty Guidelines state a single-person household earning \$15,060 or less live in poverty, or a three-person household earning \$25,820 live in poverty. In **Paterson One Square Mile, almost one third (29%) of the residents live in poverty**, which is higher than

the city (24%), county (13%), and state (10)%. Compared to 2015 (39%), the percentage of people living in poverty in Paterson One Square Mile has decreased by ten percentage points.

**Adults that grew up in Paterson are likely to earn low incomes and live within poverty, regardless of where they live as adults.** The Opportunity Atlas reports the average outcomes in adulthood of people who grew up in each Census tract and were born between 1978 and 1983. The data is mapped based on where children grew up, regardless of where they live as adults. In Paterson, the average annual household income for adults at age 35 does not exceed \$48,000. Most areas within Paterson One Square Mile report earning below \$30,000 annually.<sup>2</sup>

### Household Income at Age 35 of Children Raised within Paterson

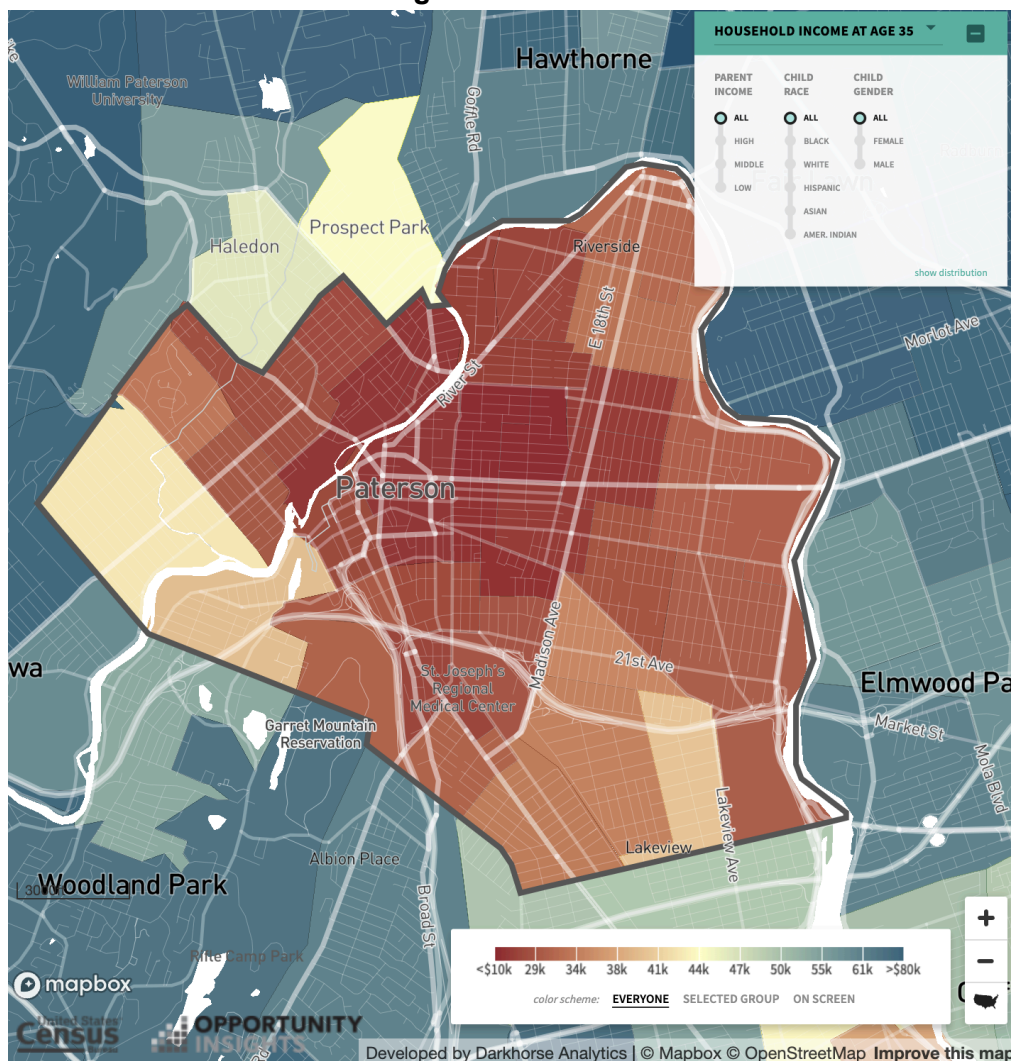


Image sourced from The Opportunity Atlas, <https://www.opportunityatlas.org/>

<sup>2</sup> Opportunity Insights, *The Opportunity Atlas*, retrieved here: <https://www.opportunityatlas.org/>

# Housing in Paterson One Square Mile

## A Pathway for Economic Mobility

Ensuring access to suitable housing is fundamental for paving the way to financial stability and plays a crucial role in enabling upward economic mobility. Through secure, well-connected, and affordable housing options, individuals and families can save money and gain access to essential resources, enhance their health outcomes, maintain strong community ties, and even foster wealth accumulation and equity through homeownership. **Extensive research indicates that a person's housing stability during childhood significantly influences their educational journey and long-term economic prosperity as an adult.**<sup>3</sup>

Based on research completed by the Urban Institute and other research groups, the following housing outcomes described below outline the ways in which housing impacts outcomes for individuals and families. While the housing outcomes are listed individually, they are very much interconnected. As result, TCG focused our research on pulling additional data and information around these five housing outcomes in this report:

1. Housing affordability
2. Housing supply and stability
3. Housing quality
4. Housing and neighborhood as a platform
5. Housing that builds assets and wealth

## Housing Affordability

Housing affordability is defined as paying no more than 30% of one's income toward housing costs each month, freeing up resources for other household needs.

**More than half (58%) of Paterson One Square Mile residents are rent-burdened**, indicating they spend 30% or more of their household income on rent. Paterson One Square Mile has a higher percentage of rent-burdened residents than the city, county, and state. Nearly half (49%) of Paterson One Square Mile homeowners spend 30% or more of their income on housing costs. Paterson One Square Mile has a higher percentage of housing cost-burdened residents than the county and state but fewer than Paterson as a whole.

Households experiencing a housing cost burden often have to reduce their spending in other areas, ultimately affecting their health, educational attainment, professional development, and overall economic well-being. When a household spends no more than 30% of its income on housing, they are less likely to be forced into making difficult trade-offs, such as having to choose between paying for food, clothing, medical care, and other vital necessities. In the chart below, housing costs includes mortgages, real estate taxes, insurance on the property, utilities, and fuels; while rent includes contract rent, utilities, and fuel.

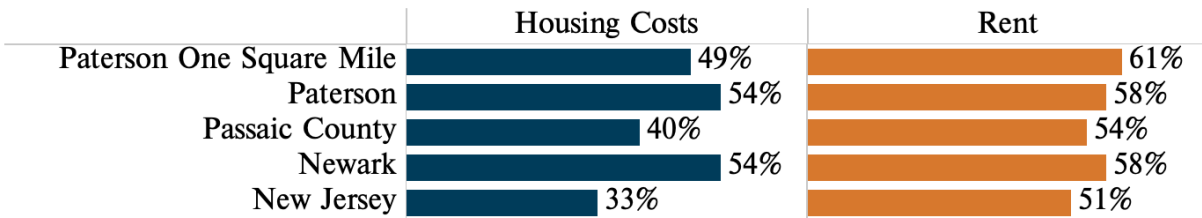
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<sup>3</sup> Gaitán, V. (2019). *How housing affects children's outcomes*. Retrieved from [housingmatters.urban.org/articles/how-housing-affects-childrens-outcomes](https://housingmatters.urban.org/articles/how-housing-affects-childrens-outcomes) .





### Percentage of Residents Spending 30% or More of Their Household Income on Housing



Source: U.S. Census Bureau. (2022). *American Community Survey, ACS 5-Year Estimates, Table DP04*. Retrieved February 2023, from <https://data.census.gov>.

The housing cost burden will only continue to rise as the price of rent increases. Paterson, Passaic County, and New Jersey have all seen median rent increase by at least \$240 in the past five years. Paterson rent prices increased by over 28% from 2012 to 2022.

Median Gross Rent Over Time				
	2012	2017	2022	10-Year Percentage Increase
Paterson	\$1,085	\$1,149	\$1,392	28% ↑
Newark	\$954	\$1,014	\$1,273	33% ↑
Passaic County	\$1,136	\$1,238	\$1,484	31% ↑
New Jersey	\$1,154	\$1,249	\$1,577	37% ↑

Source: U.S. Census Bureau (2022). *American Community Survey, ACS 5-Year Estimates, Table DP04*. Retrieved from <https://data.census.gov>

As rent increases, more families are forced to live in crowded housing. Paterson has 49,678 households with an average household size of 3.14, which is higher than the average household sizes compared to Newark (2.61), Passaic County (2.89), and the state (2.64).<sup>4</sup> A higher percentage (5%) of Paterson One Square Mile residents live in overcrowded housing than the city (3%), county (2.3%), and state (1.3%).<sup>5</sup> Overcrowding is often related to the availability of affordable housing and refers to having fewer than 1.5 persons per room living in a home. Crowded living conditions can poorly impact physical and mental health, educational performance, and long-term economic success.<sup>6</sup>

<sup>4</sup> U.S. Census Bureau (2022). *American Community Survey, ACS 5-Year Estimates, Table S1101*. Retrieved from <https://data.census.gov>.

<sup>5</sup> U.S. Census Bureau (2022). *American Community Survey, ACS 5-Year Estimates, Table S2501*. Retrieved from <https://data.census.gov>.

<sup>6</sup> Solari, C.D., & Mare, R. D. (2012) *Housing Crowding Effects on Children's Wellbeing*. *Social Science Research*, 41(2)(2012): 464–476.



## Percentage of Residents Living in Overcrowded Housing



Source: U.S. Census Bureau. (2022). *American Community Survey, ACS 5-Year Estimates, Table S2501*. Retrieved February 2023, from <https://data.census.gov>.

Federal, state, and local programs exist to address the lack of affordable housing, and local governments have the opportunity to support affordable housing with various taxes and zoning funds. Some programs like Section 8 and Public Housing allow the local housing authority to provide affordable units. Other funding can go to the development of affordable housing.

The tables in the appendix identify the publicly funded programs and funding that supports affordable housing. TCG was not able to obtain information on the number of residents in Paterson waiting or receiving housing assistance in the programs. **Nationally, only one in four eligible households receive federal rental assistance due to lack of funding.**

## Housing Supply and Stability

The intertwined issues of housing stability, encompassing homelessness, eviction, and housing supply, present significant challenges to Patersonians. Housing stability refers to the ability of residents to live in their homes as long as they choose, without being forced to move due to cost, evictions, or other unwanted reasons.

### Homelessness

Housing stability stands as a critical factor in preventing homelessness. Individuals experiencing homelessness risk adverse long-term outcomes, especially among children and youth. Homelessness not only jeopardizes safety and social connections but also impacts overall health and life expectancy. For families, the consequences of homelessness can be devastating, leading to developmental setbacks, educational disruptions, and family separations.<sup>7</sup>

**Passaic County has experienced dramatic shifts in the number of individuals experiencing homelessness over the last five years.**<sup>8</sup> In 2018, Passaic County recorded 434 individuals experiencing homelessness, and this increased to over 580 people in 2020. The following year, the number decreased by 57% to 251 individuals.<sup>9</sup> In 2022, the recorded number

<sup>7</sup> Chimowitz, H. & Ruege, A. (2023). The costs and harms of homelessness. Retrieved from <https://community.solutions/research-posts/the-costs-and-harms-of-homelessness/#:~:text=Homelessness%20can%20adversely%20affect%20virtually.in%20education%2C%20and%20family%20separation.>

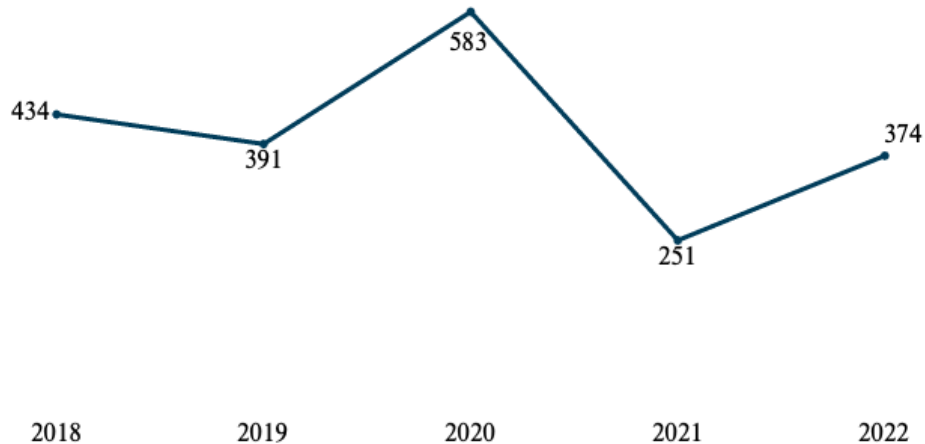
<sup>8</sup> Data is not available at the city or census tract level.

<sup>9</sup> From 2019 to 2021 during the COVID pandemic, across the country communities experienced a decrease among households and individuals entering into homelessness. On the positive side, increased relief funding for Housing Choice Vouchers, Emergency, Rental Assistance, and eviction moratoria helped



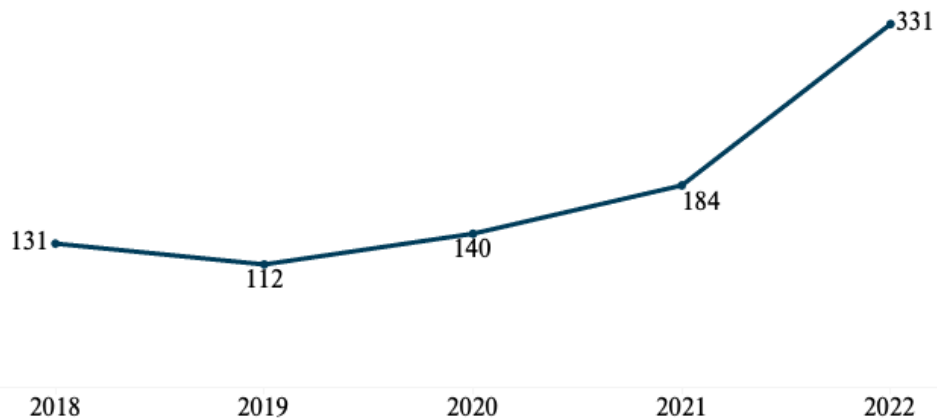
of individuals experiencing homelessness rose to 374. Equally concerning as those experiencing homelessness is the substantial increase in the average duration someone experiences homelessness, with individuals spending 147 more days unhoused in 2022 compared to the previous year.

### Number of Individuals Experiencing Homelessness on a Single Night in Passaic County



Source: U.S. Department of Housing and Urban Development, *Continuum of Care Performance Profile Reports, (2022)*.

### Average Number of Days Unhoused in Passaic County



Source: U.S. Department of Housing and Urban Development, *Continuum of Care Performance Profile Reports, (2022)*.

**One of the most crucial factors in measuring homeless service systems and housing stability in a community is the ability to move individuals experiencing homelessness**

reduce those entering into homelessness. On the down side, shelters were not accepting as many individuals due to health and social distancing regulations. (National Alliance to End Homelessness, [Impacts of COVID-19 Relief on Sheltered Homelessness](#))

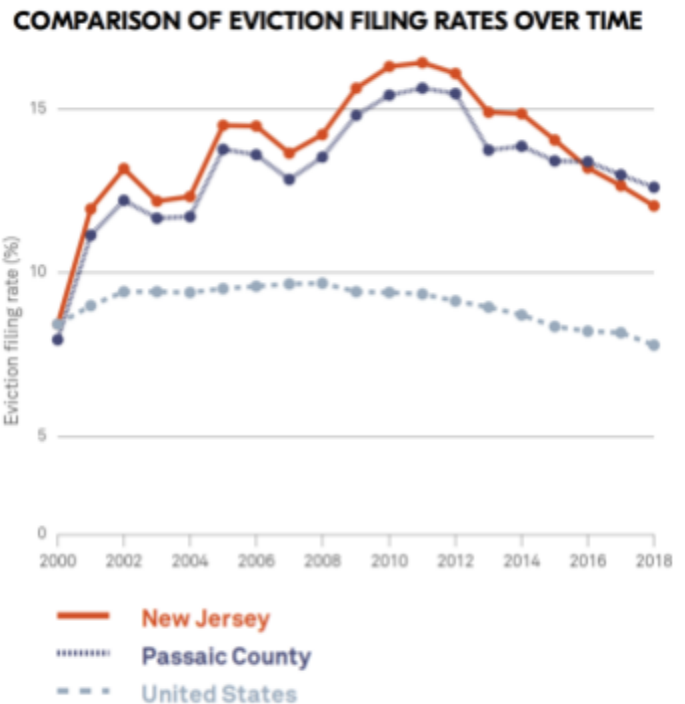
**quickly into permanent housing.**<sup>10</sup> Efforts to support individuals experiencing homelessness also aid the community in reducing crime, increasing employment, and improving health.<sup>11</sup>

## Eviction

Eviction is an influential disruptor of a community's housing security. Eviction is defined as an involuntary displacement initiated when a landlord expels renters from a property, whether due to a lack of payment, a landlord's decision to terminate a lease, or a renter's violation of rental agreements. Low-income families, who allocate more than half of their income toward housing, are especially susceptible to evictions and the ensuing housing instability. Despite stagnant incomes for low and middle-income households, soaring housing costs increase vulnerability to evictions and subsequent housing instability. Families are grappling with the challenges of meeting rent and utility costs, and an increasing number are living on the edge, one misstep or emergency away from eviction.<sup>12</sup>

While Passaic County has historically experienced a lower eviction rate than the state, in 2016, this pattern changed.<sup>13</sup> In Passaic County, 12.6 evictions were filed for every 100 renter households, slightly higher than New Jersey's eviction rate of 12.1%. Passaic County and New Jersey experience a higher eviction rate than the country's average (7.8%). In the county, 9.3% of households have been threatened with an eviction filing, equating to 7,700 threatened households.<sup>14</sup>

Passaic County's eviction rate highlights a pressing need to safeguard housing security for threatened households.



Source: Princeton University Eviction Lab. *Estimating eviction prevalence across the United States*. (April 2022). <https://data-downloads.evictionlab.org/#estimating-eviction-prevalence-across-us/>.

<sup>10</sup> HUD Exchange (n.d.) *Length of Time Person Remains Homeless*. Retrieved from <https://www.hudexchange.info/sites/onecpd/assets/File/CoC-System-Performance-Measure1-Video-Transcript.pdf>

<sup>11</sup> National Low Income Housing Coalition (2021). *New study finds that providing people experiencing homelessness with housing has positive impacts*. Retrieved from <https://nlihc.org/resource/new-study-finds-providing-people-experiencing-homelessness-housing-has-positive-impacts>

<sup>12</sup> Princeton University Eviction Lab. *Understanding Eviction* (2022).

<sup>13</sup> Data is not available at the city or census tract level.

<sup>14</sup> *ibid.*



**NEW JERSEY**  
UNITED STATES



**PASSAIC COUNTY**  
NEW JERSEY



Source: Princeton University Eviction Lab. *Estimating eviction prevalence across the United States*. (April 2022). <https://data-downloads.evictionlab.org/#estimating-eviction-prevalanceacross-us/>.

## Housing Supply

Housing supply dynamics in Paterson further complicate housing stability efforts.<sup>15</sup> The overall availability of housing for rent and sale is an important indicator of the housing market’s ability to welcome new households and support housing choices for existing residents. Of the 49,678 occupied homes in Paterson, 26% were owner-occupied homes, and 74% were renter-occupied homes. Out of all homes, 6% of homes were vacant. Paterson One Square Mile has an even higher percentage (92%) of renters than the city, and only 8% of Paterson One Square Mile residents are homeowners.<sup>16</sup>

When determining the share of housing stock available for new renters and owners, only homes that are 'for rent' and 'for sale only' can be occupied by new renters and owners. Although 2,963 homes are vacant in Paterson, only 30% are vacant and for rent, and 3% are vacant and for sale. The remaining 67% may be rented or sold but not occupied, used for seasonal or recreational purposes, or vacant for unknown reasons.<sup>17</sup>

Although Paterson has a larger percentage of available rental units than the county and state, they do not necessarily accommodate the needs of Patersonians. For example, large developments with studio and one-bedroom apartments cannot accommodate families without

<sup>15</sup> Housing supply represents the number of available homes in a region.

<sup>16</sup> U.S. Census Bureau (2022). *American Community Survey, ACS 5-Year Estimates, Table DP04*. Retrieved from <https://data.census.gov>

<sup>17</sup> *ibid.*

overcrowding. In Paterson, 11% of occupied housing units have more than one individual per room.

As the Rental Plan Association stated, “Housing production goals should factor in population change and balance the type of housing necessary to prevent displacement of existing residents while accommodating newcomers who want to live there.”<sup>18</sup>

## Housing Quality

Housing quality is essential in protecting and promoting an individual’s health. Quality housing protects individuals and families from harmful exposures and provides them with a sense of privacy, security, stability, and control. When individuals live in poor quality and inadequate housing, they are more likely to experience health problems such as infectious and chronic diseases, injuries, and poor childhood development.

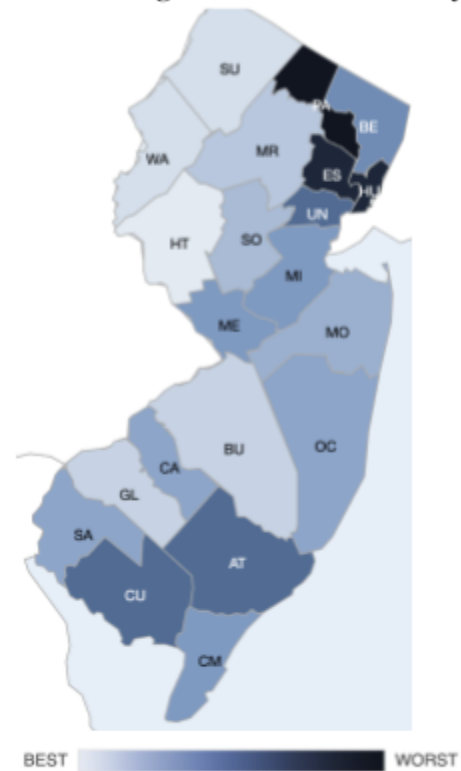
More than one third (36%) of Patersonians experience at least one of four severe housing problems, compared to only 27% of Passaic County residents and 20% of New Jersey residents.<sup>19</sup>

According to the University of Wisconsin Population Health Institute, severe housing problems include the following:

1. housing unit lacks complete kitchen facilities;
2. housing unit lacks complete plumbing facilities;
3. household is overcrowded; or
4. household is severely cost-burdened.

As reflected in the state map, **Passaic County has the highest rate of residents experiencing severe housing problems in the state**, followed by Essex County. As an even higher rate of Patersonians experience these housing conditions, there is an emphasis on improving the community’s housing quality.

Severe Housing Problems in New Jersey



Source: University of Wisconsin Population Health Institute. County Health Rankings & Roadmaps 2024. [www.countyhealthrankings.org](http://www.countyhealthrankings.org).

## Housing and Neighborhood as a Platform

Housing and neighborhoods as a platform recognize the unique impact of a person’s housing location related to their access to quality schools, jobs, and other benefits. Communities need affordable housing to thrive, and local leaders can increase support for affordable housing when

<sup>18</sup>Regional Plan Association (2023). *Paterson Housing Profile*. Retrieved from <https://rpa.org/work/reports/paterson-new-jersey-renter-empowerment-and-neighborhood-tools-nj-rent>

<sup>19</sup> University of Wisconsin Population Health Institute (2024). County Health Rankings & Roadmaps 2024. [www.countyhealthrankings.org](http://www.countyhealthrankings.org).

they see how it relates to other community needs such as infrastructure, public safety, healthcare, workforce, climate resilience, and economic mobility.<sup>20</sup> Many high-poverty neighborhoods lack these amenities and resources, limiting access to opportunity and resulting in negative long-term outcomes, particularly for children.

## Education

Affordable housing improves outcomes for children in “educational attainment, family stability, and future earnings.”<sup>21</sup>

Paterson Public Schools is the only public school system in the community, serving about 25,000 pre-K through 12th-grade students. New Jersey’s Every Student Succeeds Act (ESSA) accountability system identified 13 of the 43 schools in the district as overall low performers. However, schools are working diligently to improve their quality.<sup>22</sup> Of the Paterson Public Schools, 11 are located within the Paterson One Square Mile, five of which are designated as low performing.

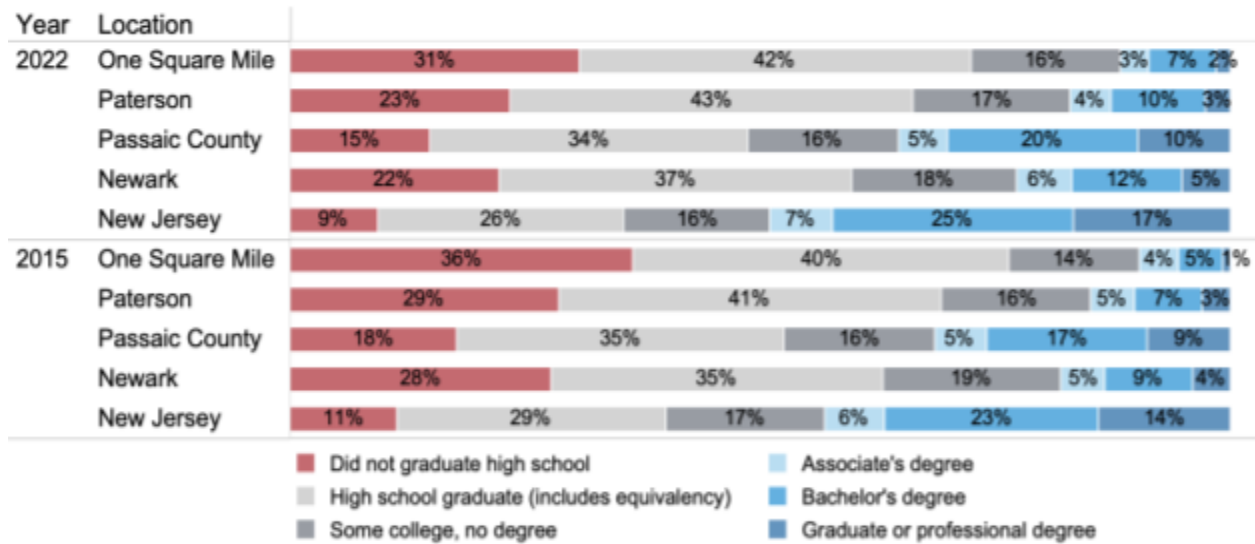
Within Paterson One Square Mile and the city of Paterson, a higher percentage of adults did not graduate high school compared to Passaic County and New Jersey. **Nearly one third (31%) of adults in Paterson One Square Mile have not graduated high school**, but this is a slight improvement compared to 2015, when 36% of adults did not graduate high school. Over 40% of Paterson One Square Mile residents graduated high school and did not pursue higher education. From 2015 to 2022, there has not been much change in the number of adults who earned an associate’s degree or higher. In 2015, 10% of Paterson One Square Mile adults earned an associate’s degree or higher, and in 2022, 12% of adults earned a degree.

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<sup>20</sup> ICF Team Janine Cuneo, Alexandre Pereira, Toni Gallo, and Carrie Kronberg. (no date.) Increasing the Supply of New Affordable Housing: A Primer of Strategies to Implement Today. Retrieved from <https://files.hudexchange.info/resources/documents/Affordable-Housing-Supply-Primer.pdf>

<sup>21</sup> *ibid.*

<sup>22</sup> New Jersey Department of Education, (2023). *New Jersey School Performance Report*. Retrieved from <https://rc.doe.state.nj.us/>



U.S. Census Bureau (2022). *American Community Survey, ACS 5-Year Estimates, Table DP02*. Retrieved from <https://data.census.gov>

## Income and Employment

When the workforce has an affordable place to live that is safe, and near their workplace, they often have higher job satisfaction and stay at their jobs longer. Affordable housing for employees can make it easier for employers to find employees. Shorter commutes can be more predictable for both employers and employees.<sup>23</sup>

Quality employment is a key resource needed to access living wages, accessible housing, and quality education. Of those in the Paterson labor force, 67,470 were employed, and 7,882 were unemployed. Patersonians experience a higher unemployment rate (11%) than the county (8%) and state (6%).

The city of Paterson's median household income is also much lower than the county. The 2022 overall median household income in Paterson is \$52,092, over \$32,000 less than the county median household income (\$84,465). The median household income within Paterson One Square Mile ranges from \$15,563 to \$68,024.

The 2024 Federal Poverty Guidelines state a single-person household earning \$15,060 or less live in poverty, or a three-person household earning \$25,820 live in poverty. In Paterson One Square Mile, almost one third (29%) of the residents live in poverty, which is higher than the city (24%), county (13%), and state (10%). Compared to 2015 (39%), the percentage of people living in poverty in Paterson One Square Mile has decreased by ten percentage points.

## Neighborhood Safety

The availability of affordable housing can lead to less crime. Providing avenues for housing for persons with correctional backgrounds can reduce recidivism. Housing for those experiencing

<sup>23</sup> *ibid.*



chronic homelessness can lead to lower incarceration rates and reduce the need for emergency medical care, which leads to the community saving tax dollars.<sup>24</sup>

Families with low incomes and few housing options may be confined to unsafe neighborhoods and can suffer negative outcomes as a result. **Patersonians experience a higher rate of violent crimes than the national average.** There were 641.6 reports of assault per 100,000 residents, compared to 282.7 for the national rate. There was also a higher rate of reported murders and robberies. However, Paterson has a lower rate of property crimes, with 390.5 reported burglaries compared to 500.1 for the nation and 925.9 thefts compared to the country's rate of 2,042.8.

2022 Annual Crime Rate Per 100,000 Residents		
Crime	Paterson, NJ	National
Assault	641.6	282.7
Murder	18.6	6.1
Rape	34.5	40.7
Robbery	239.9	135.5
Burglary	390.5	500.1
Theft	925.9	2,042.8
Motor Vehicle Theft	173.9	284

Source: Niche (n.d.) *Paterson Profile*. Retrieved from <https://www.niche.com/places-to-live/paterson-passaic-nj/#report-card> ; Federal Bureau of Investigation, (2022). *Uniformed Crime Report*.

## Housing that Builds Assets and Wealth

Housing that builds assets and wealth contributes to household members' ability to deploy resources to meet their needs and achieve their goals (e.g., to deal with predictable and unexpected repairs or pursue educational or entrepreneurial goals).

Approximately one quarter (26%) of Patersonians own their homes. Various programs such as housing education and counseling, tax relief, downpayment and closing cost assistance, foreclosure prevention, and repair assistance have been established across the country to help individuals become homeowners.<sup>25</sup>

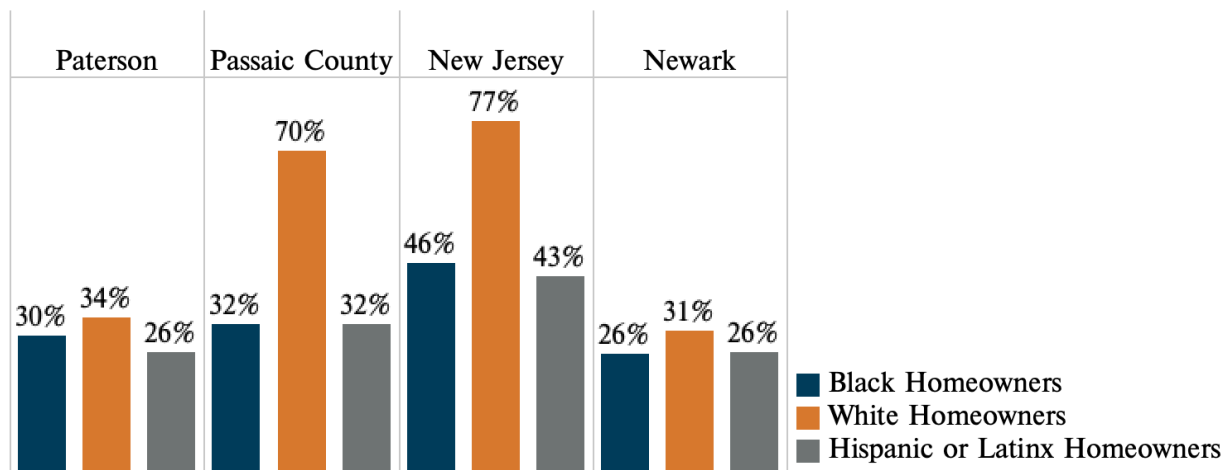
<sup>24</sup> *ibid.*

<sup>25</sup> Local Housing Solutions. (n.d.) Increasing Access to Sustainable Homeownership. Retrieved from <https://localhousingsolutions.org/policy-objectives/increasing-access-to-sustainable-homeownership/#:~:text=Programs%20that%20enable%20low%2Dincome.s%20and%20repairs.>

Although there is a smaller gap, the White Patersonian population (34%) slightly exceeds Black Patersonians (30%) and Hispanic or Latinx (26%) Patersonians in homeownership. Passaic County has a far greater gap, with 70% of White residents owning homes and only 32% of Black residents and Hispanic or Latinx residents.

The home equity rates can be connected to Black and Hispanic or Latinx residents having less wealth, fewer savings and retirement funds, less access to educational opportunities, and poorer health outcomes than White people.<sup>26</sup> Narrowing this home equity gap is a priority to secure equal opportunity and financial security for Patersonians.

### Percentage of Homeowners by Race and Ethnicity



Source: U.S. Census Bureau. (2022). *American Community Survey, ACS 5-Year Estimates, Table B25008*. Retrieved February 2023, from <https://data.census.gov>.

<sup>26</sup> Enterprise & Strive Together (2020). *Advancing Mobility from Poverty*.

## Community Feedback

The Community Feedback below is from the Community Data & Feedback Summary Report prepared for Paterson One Square Mile in March 2024. The feedback was compiled from over 300 participants from holiday social events and listening sessions held in November 2024 - February 2025. TCG highlighted the community feedback specifically around housing below.

*“Housing - too hard to find a place.”*

*-Holiday Social Attendee*

Holiday Social participants overwhelmingly said that **Housing** is the **most pressing need** in Paterson. “More housing,” “affordable housing,” and “rent issues” and “rent control” were the most common responses in this area.

The most common category of responses when asked **what improvement** participants wanted focused on was **Housing**. “More housing,” “availability,” and “affordable housing” were the most common responses under Housing. Other responses included “less rent,” and housing for specific populations, such as, “homeless,” “women,” and “elderly.”

Participants expressed their **hope** for “help for the homeless” through programming, work, and shelters. Others said “more housing,” “better housing,” and “more affordable housing.”

*“The mayor needs to improve the buildings and lowering the market rent.”*

*-Holiday Social Attendee*

Participants in listening sessions expressed challenges regarding access to safe and affordable housing. They shared concerns about housing affordability and the lack of access to living spaces, and they also shared ideas to improve affordable housing. They also shared an urgency for homeless shelters, and subsidized housing.

Improvements	Challenges and Barriers
<ul style="list-style-type: none"> <li>• More homeless shelters and assistance services</li> <li>• Lottery system for Section 8 housing</li> <li>• Advocating for better management by the housing authority to address systemic housing shortages</li> </ul>	<ul style="list-style-type: none"> <li>• Difficulties of housing authority not addressing systematic lack of housing</li> <li>• No access to safe and affordable housing</li> <li>• Concerns about traffic and new apartments</li> <li>• Pests</li> <li>• Too expensive</li> </ul>



## Housing Resources and Programs in Paterson

There are many existing organizations in Paterson who are already working to close the gaps in housing in Paterson. Paterson One Square Mile may work to support work that is already taking place or choose different areas to work on. Whatever goals and strategies Paterson One Square Mile decides on, collaboration with these organizations should be a priority. TCG compiled the following list of organizations working to address housing in Paterson, and there may be more. The table below shows how area organizations are serving in the areas addressed in this report.

Organization	Housing Affordability	Housing Supply and Stability	Housing Quality	Housing & Neighborhood as a Platform	Housing that Builds Assets and Wealth
<b>Building Healthier, More Equitable Communities (BHEC)</b>	X	X	X	X	
<b>Eva's Village</b>		X			
<b>Passaic County Habitat for Humanity</b>	X	X	X		X
<b>New Jersey Community Development Corporation (NJCDC)</b>	X	X	X	X	
<b>Paterson Housing Authority (PHA)</b>	X	X	X		
<b>St. Paul's Community Development Corporation (SPCDC)</b>		X			
<b>YMCA of Paterson</b>		X			





**Building Healthier, More Equitable Communities (BHEC)**  
[www.bhecny.org/city-teams/paterson](http://www.bhecny.org/city-teams/paterson)

With funding from the Robert Wood Johnson Foundation, the Reinvestment Fund is supporting four New Jersey cities in cross-sector collaboration. “The Building Healthier, More Equitable Communities (BHEC) initiative aims to address the social determinants of health through changes to the built environment and the community investment system in selected New Jersey cities, including support for efforts around equitable recovery from the current health and economic crisis.” In 2020, the Health Coalition of Passaic County (HCPC) received BHEC funding, and along with partners are working to create housing for single women. The housing will offer wrap-around care with an onsite child care center that will be open to the community, and other services the women need, including educational opportunities and social services.



**Eva's Village**  
[www.evasvillage.org/shelters.html](http://www.evasvillage.org/shelters.html)

Eva's Village provides emergency shelter beds or temporary housing for people experiencing homelessness, ages 18 and older. Food, clothing, and connections to services are also provided to people using their emergency shelter.



**Passaic County Habitat for Humanity**  
[www.habitatpc.org](http://www.habitatpc.org)

“Since 1984 we have served the Paterson and Passaic County area. Families and individuals in need of a hand-up partner with Passaic County Habitat to build or improve a place they can call home. Combining affordable homeownership and community redevelopment efforts, Passaic County Habitat works to revitalize distressed neighborhoods and create communities people want to call home.”



**New Jersey Community Development Corporation (NJCDC)**  
[www.njcdc.org/affordable-supportive-housing](http://www.njcdc.org/affordable-supportive-housing)

“NJCDC has built over 200 units of affordable and supportive housing, many of which have onsite social services for individuals with special needs, including those who are homeless, those diagnosed with mental illness, those with intellectual and developmental disabilities, youth aging-out of foster care, and homeless youth.”



**Paterson Housing Authority (PHA)**  
[patersonhousingauthority.org](http://patersonhousingauthority.org)

“The PHA’s Mission is to provide housing opportunities to Paterson residents eligible for Section 8 Housing



Choice Vouchers and Public Housing that is decent, safe and affordable. PHA will also promote home ownership through the use of Section 8 Housing Vouchers.” PHA “works with other entities in the creation of mixed income finance developments to provide new or rehabilitated housing. Our goal is to empower residents, in concert with HUD’s program and initiatives and preserve and expand the supply of good quality housing units.”



**St. Paul’s Community Development Corporation (SPCDC)**

[stpaulscdcnj.org/program.php?name=shelter](http://stpaulscdcnj.org/program.php?name=shelter)

SPCDC’s “Emergency Men’s Shelter provides emergency housing, clothing and food to as many as 40 homeless men per night. Our Shelter staff work to make each resident’s stay as brief and helpful as possible by providing referrals for housing, employment, mental health and rehabilitation services.”



**YMCA of Paterson**

[ymcaofpaterson.org/housing/supportive-housing-for-individuals](http://ymcaofpaterson.org/housing/supportive-housing-for-individuals)

“The YMCA of Paterson is the largest provider of permanent housing for chronically homeless men and women in Passaic County. We offer 195 SRO units (with shared bathrooms) for single adults that are chronically homeless.”

## Aspirational Organizations & Communities

TCG researched aspirational organizations and communities that are doing good work related to housing outcomes. The purpose of this research is to provide the Paterson One Square Mile Advisory Committee with inspiration for goals and strategies. TCG considered the following areas when researching housing:

- **Housing Affordability** - Housing affordability is defined as paying no more than 30% of one’s income toward housing costs each month, freeing up resources for other household needs.
- **Housing Supply and Stability** - Housing stability refers to the ability of residents to live in their homes as long as they choose, without being forced to move due to cost, evictions or other unwanted reasons.
- **Housing Quality** - Housing quality that protects and promotes one’s health is free of structural issues and hazards.
- **Housing and Neighborhood as a Platform** - Housing and neighborhoods as a platform recognizes the unique impact of the location of a person’s housing on their access to quality schools, jobs and other benefits.
- **Housing that Builds Assets and Wealth** - Housing that builds assets and wealth contributes to household members’ ability to deploy resources to meet their needs and achieve their goals (e.g., to deal with predictable and unexpected repairs or pursue educational or entrepreneurial goals).

In addition, MSU thought it would be helpful to know which aspirational organizations and communities use the Collective Impact and/or an Anchor Collaborative model. Therefore, TCG took note of models that are conducted through Collective Impact and/or Anchor Collaborative when that information was available, and those models are marked with an asterisk.

Category	Aspirational Organization/ Community	Strategies/ Goals
Housing Affordability	<a href="#">Georgia King Village*</a> <i>Newark, NJ</i>	Georgia King Village is a project featuring 78 affordable rental apartments for low- and moderate-income households, including 16 set aside for homeless individuals. The building will include a ground-floor clinic and hospital office space operated in partnership with University Hospital. This wellness center will enhance social services throughout the neighborhood by providing much-needed outpatient medical care to an at-risk population.

	<a href="#">The Guild</a> <i>Atlanta, GA</i>	<p>The Guild uses Community Wealth Building strategies. For one project the group purchased an 7,000 foot abandoned building, and renovated it to include 18 units of permanently affordable housing with retail. Area residents can purchase shares in the housing trust that owns the building, and shareholders receive dividends from the operating income of appreciation. This is one example of other <a href="#">Innovating Equitable Homeownership</a> models presented by HUD.</p>
	<a href="#">Hope Enterprise Corporation</a> <i>AL, MS</i>	<p>Securing Homeownership through Expiring LIHTC Developments seeks to create a path to homeownership for residents in rural communities where poverty persists. The innovation features a flexible mortgage product to allow residents living in homes where the Low-Income Housing Tax Credit is expiring – and where they have made timely rent payments for up to 15 years – to realize the benefits of homeownership.</p>
	<a href="#">Inclusionary Zoning</a> <i>Minneapolis, MN</i>	<p>Common in other big cities, inclusionary zoning requires apartment-building developers to set aside some of a complex’s units for people with below-average incomes.</p>
	<a href="#">Inclusionary Zoning/Public Ownership</a> <i>Montgomery County, MA</i>	<p>Use of dedicated funding sources - building 9,000 publicly owned mixed-income units. 30% are priced at affordable rates for low-income residents.</p>
	<a href="#">Micro-Lofts</a> <i>Providence, RI</i>	<p>Indoor shopping mall converted into 48 micro-lofts, or one bedroom units with 225-800 square feet include a mini-kitchen, bathroom, built-in beds, and seating.</p>
	<a href="#">NYC Community Land Trust Initiative*</a> <i>NYC, NY</i>	<p>The funds will go toward incubating community land trusts (CLTs), or community-based nonprofits that sell housing or other buildings on property but retain ownership of the land. The unique model as a way to create permanently affordable residential and commercial spaces, but a lack of funding can be a barrier to getting CLTs off the ground.</p>
	<a href="#">PHL Housing+</a> <i>Philadelphia, PA</i>	<p>The program works a bit like a housing subsidy. Renters pay 30% of their income toward housing, then get a debit card loaded with enough to cover the rest. And while it's meant for rent, people can spend that on whatever they choose. The program is</p>



		funded with a mix of public money and philanthropy.
	<a href="#">Success Starts with Me</a> <i>Juneau, AL</i>	Success Starts With Me provides Tribal citizens with the opportunity to become homeowners. The solution fills the gap between traditional mortgage loans and the aspirations of Tribal families across Southeast Alaska. Through innovative lending and participant education, the program meets people where they are on their financial journey, supporting Tribal communities through accessible, affordable homeownership.
	<a href="#">Urban League of Essex County</a> <i>Newark, NJ</i>	The League, with public and private funding, is building and renovating two- and three-family homes for low-to-moderate income buyers. “All of them are designed to be owner-occupied with rental units, and the rental units, that’s how families can afford to purchase the homes because they have tenant income.”
	<a href="#">Westview Village</a> <i>San Buenaventura, CA</i>	An effort to preserve affordable housing and expand the opportunities for housing assistance to other qualifying low income households with minimal displacement.
<b>Housing Supply and Stability</b>	<a href="#">Luna Lodge</a> <i>Albuquerque, NM</i>	One of many examples of old motels/hotels being converted into affordable rental housing units for individuals with special needs. One third of units are set-aside to house persons with disabilities. In order to promote their independence and stability, a service coordinator meets with residents to identify their individual needs and assists with coordinating services through local community partners. Residents benefit from food delivery, life-skills classes, financial literacy training and counseling in addition to numerous social opportunities. Luna Lodge combined numerous financing sources to make the property financially feasible. Over \$2.8 million in Housing Credits, syndicated by RBC Capital Markets, was combined with grants from the City of Albuquerque, New Mexico Mortgage Finance Authority (MFA) Land Title Trusts Fund, and the Federal Home Loan Bank AHP program. Additionally, the MFA provided a \$1 million loan from its Housing Trust Fund.
	<a href="#">Newark Alliance's Ending Homelessness Project*</a> <i>Newark, NJ</i>	In late 2023 Mayor Baraka announced what was accomplished towards the city’s strategic plan to end chronic homelessness. The plan has been recognized around the world as a way to battle homelessness. The plan’s three strategies include Better

		Address Street Homelessness, Improve Access and Services Throughout the Shelter System, and Expand Prevention and Housing Services. The first year focused on addressing street homelessness by bringing together the partners who work with people experiencing homelessness and collecting data, resulting in 57% reduction in street homelessness.
	<a href="#">Terminal Tower</a> <i>Cleveland, OH</i>	The historic skyscraper was converted from office space to 652 apartment units, an example of rezoning and repurposing surplus office or retail space for housing.
	<a href="#">Housing Accountability Unit</a> <i>CA</i>	Many cities do not support affordable housing efforts, and put up roadblocks to prevent it. Some states are shifting control of housing away from local governments, creating enforcement units to hold local governments accountable to meet housing targets set by the state. One example is California's Housing Accountability Unit where 3,500 new homes resulted in just two years after the unit began. Massachusetts, Connecticut, Illinois, and Rhode Island are other examples.
	<a href="#">Rapid Re-Housing</a> <i>National</i>	Provides short-term rental assistance and services to help people obtain housing quickly, increase self-sufficiency, and stay housed. There are no preconditions, and services are person-centered. A strategy to get people experiencing homelessness into permanent housing, and has been shown to decrease the amount of time people experience homelessness and is less expensive than other interventions like shelters and transitional housing. Rapid Re-Housing helps find landlords and apartments quickly, pay for housing for the short term, and connect people to jobs and services.
<b>Housing Quality</b>	<a href="#">Healthy Homes</a> <i>Columbus, Ohio</i>	Healthy Homes is a nonprofit collaborative between Community Development for All People and Nationwide Children's Hospital. The organization completes full-gut renovations, builds new houses with energy efficient and green features, and makes grants to residents through their Home Repair Program.
	<a href="#">Hydronic Shell Technologies</a> <i>Syracuse, NY</i>	Thinking Outside the Box for More Sustainable and Healthy Affordable Housing introduces a new way to modernize multifamily buildings quickly, cost effective, and with minimal disruption to residents. Hydronic Shell Technologies' innovation – the first of its kind in the world – aims to revitalize older properties from the exterior to create more efficient, environmentally friendly structures with improved health

		outcomes for residents.
	<a href="#">Lead Free Families</a> <i>Lancaster, PA</i>	Penn Medicine Lancaster General Health launched Lead Free Families with \$50 million in funding. It's the first program in the US to be completely funded and led by a health system. Lead-Free Families identifies and remediates lead hazards in Lancaster County homes.
	<a href="#">Neighbor Works Umpqua's Self-Help Housing Rehabilitation Program</a> <i>Rural Oregon</i>	Neighbor Works created low- or zero-interest loans for low-income families whose homes need health- and safety-related repairs. They also offer construction coaching and a tool library. Homeowners provide much of the labor, empowering them to improve their homes.
	<a href="#">Nuisance Property Program</a> <i>Springfield, OH</i>	Gives the city options for dealing with property owners who refuse to make cited repairs.
<b>Housing Neighborhood as a Platform</b>	<a href="#">Barclay Place - St. Joseph's Hospital</a> (Housing & Health) <i>Paterson, NJ</i>	The state's first hospital-based supportive housing project. 56 subsidized units, 10 of which are reserved for patients with mental illnesses. The building's proximity to the hospital will act as a safety net for those residents who rely on the health services there.
	<a href="#">Bringing School Home*</a> (Housing & Education) <i>Boulder, CO</i>	Brings together high-quality, affordable, service enriched housing and educational opportunities for the whole family and ensures a single point of entry for families in crisis. Boulder Housing Partners and the "I Have a Dream" Foundation serve as the backbone agencies, coordinating with the Emergency Family Assistance Association on intake and service provision.
	<a href="#">Building for Tomorrow*</a> (Housing & Education) <i>Akron, OH</i>	Follows the concept that early childhood investments will yield long-term financial, health, and social-emotional benefits. Programming— including home visitation programs and high-quality preschool—serves 300 to 350 children younger than 5 whose families live in housing owned or administered by the Akron Metropolitan Housing Authority, which serves as the backbone agency.
	<a href="#">EastPoint*</a>	Redeveloped an "obsolete and inefficient" public housing site, and incorporated other

	(Housing & Education, Workforce & Public Safety) <i>San Antonio, TX</i>	programs such as cradle to career education, workforce development, and crime prevention and safety-enhancing activities.
	<a href="#">The College Housing Assistance Program*</a> (Housing & Education) <i>Tacoma, WA</i>	Provides housing subsidies for 250 formerly homeless or near-homeless students at Tacoma Community College and the University of Washington Tacoma. The backbone agency is Tacoma Housing Authority, and higher education partners, along with Graduate Tacoma, provide education navigation services and other support for students in the program.
	<a href="#">Home and Hope Initiative*</a> (Housing & Education) <i>Pacific Northwest</i>	In 2017, Enterprise launched the Home & Hope initiative in the Pacific Northwest to address the region’s critical shortages of affordable housing and early learning centers. The Home & Hope initiative convened partners across sectors to outline the need for co-locating early learning centers and affordable housing and facilitated partnerships to create a pipeline of development projects that meet these needs. The initiative worked with public-sector partners to identify public and tax-exempt sites that could be designated for these development projects.
	<a href="#">Homework Starts with Home</a> (Housing & Education) <i>MN</i>	A grant program focused on addressing homelessness and housing instability among students and their families. The program serves families with children eligible for a pre-Kindergarten through grade 12 academic program and youth (with or without children of their own) who are eligible for an academic program through grade 12 and who are without their parent or guardian.
	<a href="#">HousEd*</a> (Housing & Education) <i>CA</i>	The HousED initiative places a careful focus on training, standards and quality improvement. This emphasis is readily apparent in HousED’s approach, which includes: cultivating systems of continuous learning through a data driven, continuous quality improvement process; building the capacity of current and future leaders in public and affordable housing; and achieving results for students through enrichment programming that positively impacts healthy development, school engagement and academic outcomes.
	<a href="#">Impact KCK*</a> (Housing & Education)	Offers wraparound services for homeless and unstably housed students and their families. Each week, the backbone agency, Avenue of Life, leads “Impact

	<i>Wyandotte, KS</i>	Wednesday,” which brings together providers of services such as health care to meet with families, with the goal of reducing student homelessness and increasing graduation rates. Impact KCK also offers classes on personal finances, renters’ rights and responsibilities, and trauma-care parenting.
	<a href="#">Project Hope*</a> (Housing & Services) <i>Boston, MA</i>	Aims to alleviate poverty and empower families through case management, adult education programs, family shelter and housing navigation services, workforce development, and child care and small business trainings. The organization’s housing services department partners with schools and other agencies through a local collaborative that coordinates to identify homeless students and deliver services.
	<a href="#">Purpose Built Communities*</a> (Housing & Education) <i>National</i>	Works with leaders from across the country to help establish holistic approaches to address poverty and other challenges that distressed communities face. Purpose Built Communities supports local lead organizations to develop and refurbish high-quality, mixed income housing; improve the surrounding infrastructure; foster an early learning-to-high school educational pipeline; and promote community wellness and health.
	<a href="#">The Residences at Career Gateway</a> (Housing & Workforce) <i>Columbus, OH</i>	Provides affordable housing and on-site career development training for Nationwide Children’s Hospital workforce.
	<a href="#">Star-C</a> (Housing & Education) <i>Atlanta, GA</i>	Star-C coordinates community services at affordable housing complexes. Star-C identifies and works with private landlords who own or manage market-rate apartment complexes near schools experiencing high rates of student mobility or transiency. Through this partnership, private landlords agree to keep rents affordable and cover half the costs for community services, including after-school programs, community gardening, and health and wellness navigation. Affordable rents and community services can help families achieve stability and reduce student mobility and transiency. In turn, Star-C coordinates the programming and covers the remaining service costs through donations and grants. Star-C also partners with

		community-based organizations and school districts to provide additional services and student support.
<b>Housing that Builds Assets and Wealth</b>	<a href="#">Build UP</a> <i>Birmingham, AL</i>	Most housing solutions focus on multifamily rental properties for older people at 80% of area median income. Instead, this breakthrough approach prioritizes Black youth – most at 30% AMI and below. It prepares youth for careers in the high-demand building trades and readies them to become first-generation homeowners as early as age 21. Build UP’s plans to scale include expanding to other cities and states and creating a first-time homebuyer mortgage program.
	<a href="#">The Homes for the Future Fund</a> <i>FL, GA, NC, and TX</i>	The Homes for the Future Fund has its roots in community land trust and shared equity models that emerged during the Civil Rights movement as a way for Black people to gain control of land and farms so they could exercise their right to vote. The fund acquires rental homes in climate-safe locations and places them in portfolios that will ultimately transfer to community-based organizations. The fund maintains homes as rentals for up to 10 years. Home appreciation and monthly rental payments reduce the loan balance and equity accumulates.
	<a href="#">Hudson River Housing, Inc.</a> <i>Poughkeepsie, NY</i>	One strategy communities use to increase homeownership is through education. Hudson River Housing improves lives and communities through housing through several programs, including Homebuyer Education & Assistance. Education opportunities include owning and maintaining a home and counseling services to help prevent foreclosures. Other Hudson River Housing, Inc. programs include: Emergency & Affordable Housing, Specialized Supportive Services, Vocational Training & Small Business Support, and Real Estate & Community Development.
	<a href="#">The Last Mile Network</a> <i>MD, PA, VA, Washington D.C.</i>	The Last Mile Network features a centralized factory – a production hub in Pittsburgh – that builds different home parts and a circuit of modular micro facilities in disinvested communities. Local workforce development programs provide residents in communities of color an entry to well-paying construction jobs. The Last Mile Network factory workers also gain an equity stake in the business and down-payment assistance to buy a home they create.
	<a href="#">One Roof Community Housing</a>	One Roof Community Housing uses a shared equity homeownership model, which is

	<i>Duluth, MN</i>	<p>an alternative to renting and to traditional homeownership. When a nonprofit or government entity subsidizes the cost of a home to make it affordable to a low-income buyer, that buyer enters a shared homeownership agreement to share the home price appreciation when they sell the home. This allows the house to stay affordable for the next low-income homeowner. One example of an organization using a shared equity homeownership model is One Roof Community Housing, a community land trust nonprofit organization. Duluth is a city with low incomes and old housing stock. Low-income buyers often are not able to make needed repairs to homes. One Roof builds and rehabilitates vacant and blighted properties that it acquires through foreclosures and bank programs. They complete the rehabilitation and sell the properties as affordable housing at 20-25% lower than the appraised value. One Roof retains ownership of the land the homes sit on, allowing the subsidy. Buyers enter into a 99-year lease and pay a monthly lease fee. When the buyer moves on, they receive 25% of any appreciation in appraised value, and 100% of any investments made in eligible capital improvements.</p>
<p>*Denotes aspirational work by collective impact or anchor collaborative groups</p>		

# Appendix

List of Affordable Housing Assistance Programs			
Program	Administration and Funding	Eligibility	Status in Paterson
First Time Home Buyer Grants	Administered by the City of Paterson, with funding from HUD.	Unknown	Unknown
<a href="#">Housing Choice Voucher program (HCV)</a>	Administered locally by a public housing authority (PHA), with funding and oversight by the U.S. Department of Housing and Urban Development (HUD), the HCV program enables qualifying households to receive a subsidy (known as a housing assistance payment) to apply toward a rental unit on the private market.	Eligibility: Households earning no greater than 50% of AMI.  Rent: A household is responsible for paying the difference between the rent charged by the landlord and the housing assistance payment authorized by the PHA.	No new applicants are being accepted at this time
<a href="#">Low-Income Housing Tax Credits (LIHTC)</a>	Administered by a state or local tax credit allocating agency (such as a state housing finance agency), LIHTC is funded through tax credit expenditure enabled by the Internal Revenue Service.	Eligibility: Households earning up to 80% of the Area Median Income (AMI) are eligible, as long as the average overall income of residents in a given property is 60% of AMI or below.  Rent: A household is responsible for paying 30% of the qualifying household income (based on the AMI eligibility tied to the unit).	Unknown
<a href="#">Project-Based Section 8 Rental Assistance (PBRA)</a>	Administered by a contract administrator or HUD. The PBRA is funded by HUD and provides affordable homes to qualifying low-income	Eligibility: Households earning no greater than 80% of AMI.  Rent: A household is responsible for	Deciding factors include the date and time the Housing Authority



	households at select privately owned properties.	paying 30% of monthly income.	receives the application and/or a lottery system
<a href="#">Public Housing</a>	Administered by the local PHA and funded through HUD, public housing is the nation's oldest subsidized housing program.	<p>Eligibility: Households earning no greater than 80% of AMI (and 40% of newly admitted families must be at 30% of AMI or below).</p> <p>Rent: The majority of households are responsible for paying 30% of their income toward rent. PHAs may require lower rents based on extenuating circumstances, with a minimum of \$50 monthly.</p>	According to the Paterson Housing Authority's website, 992 Family Residence and Senior Residence units exist. Vacancy rate is unknown/ waiting list are unknown

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### List of Public Funding that can Support Affordable Housing

Program/ Revenue Source	Description of Funding	Eligibility/ Program Details	Status in Paterson
<a href="#">Community Development Block Grant (CDBG)</a>	<p>Administered by the City of Paterson, with funding from the US Department of Housing and Urban Development (HUD)</p> <p>The CDBG Program provides funding to state, cities, and counties to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons.</p>	<p>Housing-related eligible activities include acquisition of real property, clearance/demolition, infrastructure, rehabilitation, and in limited circumstances, new housing construction.</p>	<p>Unknown</p>
<p>Dedicated Revenue Sources</p>	<p>This umbrella term refers to mechanisms, typically a new or repurposed tax or fee, through which governments can raise funds for a stated purpose. Approving the related legislation may be a lengthy and contentious process; however, it tends to yield a stable and reliable source of funds. Many of the sources listed below can be used or conceived of as dedicated revenue sources.</p>	<p>The local government establishing the source of funding creates the eligibility criteria.</p>	<p>Unknown</p>

Demolition Taxes and Condominium Conversion Fees	These are fees levied on property owners who demolish a structure or convert a residential building into a condominium generating revenues that can be used as dedicated funding sources for affordable housing production.	Community decides the fee amount and other details for collecting the fee.	Unknown
<a href="#">Federal Home Loan Bank Grants</a>	Federal Home Loan Banks must establish an Affordable Housing Program, and contribute 10% of its earnings to the program. Funds can finance the purchase, construction, or rehabilitation of owner-occupied housing for low to moderate income households, and the purchase, construction, or rehabilitation of rental housing where at least 20% of the units are affordable or occupied by very low-income households.	Federal Home Loan Banks can run two programs. 1) Competitive Application Program - Application submitted by a financial institution on behalf of a nonprofit or for profit sponsor. 2) Homeownership Set-Aside Program - Grants directly from the financial institution to provide funds for down payments, closing costs, counseling assistance, or rehabilitation assistance to homeowners.	Passaic County Habitat has successfully assessed in the past. It's unknown if other organizations have used them.
Inclusionary Zoning Funds	Inclusionary zoning (IZ) requires new market-rate developments to set aside a specified percentage of units as affordable housing. Some IZ programs also allow developers to 'buy out' of the obligation of dedicating affordable housing units within their properties by contributing a set amount to a fund dedicated to producing affordable housing.	Local government implements the inclusionary zoning policies.	Unknown

<a href="#">Federal Historic Preservation Tax Incentives</a>	<p>The National Park Service 20% Federal Tax Credits can be used for qualified expenses on substantial rehabilitation to a certified historic building.</p>	<p>Rehabilitation must meet the Secretary of Interior’s Standards for Rehabilitation. Applications are submitted to the State Historic Preservation Office.</p>	<p>NJCDC has used</p>
<a href="#">HOME Investment Partnerships (HOME)</a>	<p>Administered by the City of Paterson with funding from the US Department of Housing and Urban Development (HUD). Formula grants to states and localities that communities use - often in partnership with local nonprofits - to fund activities including building, buying, rehabilitating affordable housing for rent or homeownership, or providing direct rental assistance to low-income people.</p>	<p>Eligible activities include costs associated with housing acquisition, new construction, and rehabilitation as well as tenant-based rental assistance.</p>	<p>Passaic County Habitat currently has a pending application for six units of affordable home ownership</p>
<a href="#">Housing Finance Agency (HFA) Risk-Sharing: Section 542(C)</a>	<p>The Program provides new insurance authority independent of the National Housing Act. Section 542(c) provides credit enhancement for mortgages of multifamily housing projects whose loans are underwritten, processed, serviced, and disposed of by HFAs. HUD and HFAs share in the risk of the mortgage.</p>	<p>Eligible mortgagors include investors, builders, developers, public entities, and private Non-profit corporations or associations may apply to a qualified HFA. Eligible Customers include: Individuals, families, and property owners may be eligible for affordable housing.</p>	<p>Unknown</p>
<a href="#">The Housing Trust Fund (HTF)</a>	<p>The HTF Program provides Housing and Urban Development (HUD) grants to states to develop and preserve affordable housing— primarily rental housing for extremely low-income households.</p>	<p>Eligible activities include housing acquisition, new construction, and rehabilitation, along with operating subsidies to ensure the long-term financial stability of assisted projects</p>	<p>Currently utilized by NJCDC and Passaic County Habitat. Habitat is currently finishing a 13-home project within Paterson One Square Mile</p>

<a href="#">Neighborhood Revitalization Tax Credits</a>	<p>State Level Competitive Tax Credit. The Neighborhood Revitalization Tax Credit Program (NRTC) provides business entities a 100 percent tax credit for funds provided to nonprofit entities carrying out comprehensive revitalization plans. Nonprofit entities must use at least 60% of the tax credit funds for housing and economic development; the remaining funds may be used for supportive services and other activities that promote neighborhood revitalization.</p>	<p>501(c)3 organizations in eligible municipalities are eligible to apply.</p>	<p>Currently three eligible neighborhoods in Paterson, one in Paterson One Square Mile, managed by Habitat for Humanity. The 2024 application for 2024 Tax Credits was part of the qualified pool, but did not meet the funding threshold and therefore was not funded.</p>
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<a href="#">NJEDA Aspire Tax Credits</a>	<p>Gap financing to support commercial, mixed use, and residential real estate development projects.</p>	<ul style="list-style-type: none"> <li>● To be eligible for Aspire support, a project must:</li> <li>● Demonstrate through NJEDA analysis that without the incentive award, the redevelopment project is not economically feasible.</li> <li>● Demonstrate that a project financing gap exists and/or the redevelopment project will generate a below market rate of return.</li> <li>● Be located in a designated “Incentive Area.”</li> <li>● Include developer who has an equity participation of at least 20 percent of the total cost.</li> <li>● Result in a net positive benefit to the State.</li> <li>● Meet specific cost thresholds, depending on where the project is located.</li> </ul>	<p>No known successful applications from Paterson</p>
<a href="#">NJEDA Historic Property Reinvestment Program</a>	<p>A \$50 million competitive tax credit program that can leverage the federal historic tax credit program to support rehabilitation of historic properties.</p>	<p>Apply to the NJEDA when the application is open.</p>	<p>NJCDC has used</p>

<a href="#">New Market Tax Credits</a>	<p>Federal Tax Credit Program where the Community Development Financial Institutions Fund allocates tax credit authority to Community Development Entities (CDE) through a competitive application process. The CDE offers the tax credit to investors in exchange for equity, then the CDE can offer loans and investments to businesses in low-income communities for better rates than market rate.</p>	<p>CDE's must be certified by the Community Development Financial Institutions Fund.</p>	<p>Passaic County Habitat and Boys and Girls Club have accessed the credits. Unknown if other Paterson organizations have used them</p>
<a href="#">Payment in Lieu of Taxes (PILT)</a>	<p>The Interior's Office of the Secretary has administrative authority over the program. Tax-exempt organizations that own property in a given locality may agree to make annual payments to the local government to ease the tax burden generated by their tax-exempt status. This is typically negotiated at the start of a development project, particularly when public land or other concessions are granted to the project. PILT revenues are another common source of dedicated revenue for affordable housing production.</p>	<p>The formula used to compute the payments is contained in the PILT Act and is based on population, revenue-sharing payments, and the amount of Federal land within an affected county.</p>	<p>Unknown</p>
<p>Revenue and General Obligation Bonds (GO Bonds)</p>	<p>Revenue bonds allow municipalities to borrow funds against the projected future revenues of the project for which they are providing financing (i.e., the rental income from a housing development).</p>	<p>The jurisdiction may require a special election to authorize the bond.</p>	<p>Unknown</p>

Section 108 Loan Guarantee (Section 108)	The Section 108 Program enables CDBG grantees to leverage their annual CDBG grant allocation to access low-cost, adaptable financing for community and economic development-related projects.	Section 108 loans can be used for a number of housing activities eligible for CDBG assistance, including housing rehabilitation, acquisition, site preparation, and, under limited circumstances, new affordable housing construction.	Unknown
Tax-Exempt Bonds	Typically issued by State or local government agencies and are often in conjunction with an award of non-competitive 4% LIHTCs. Tax-exempt housing bonds function like loans that are contracted by governments and then passed along to developers but with one important difference.	State-chartered bond authorities exist in every state.	Unknown
Tax Increment Financing (TIF)/ TIF Districts	Governments can use TIF to raise funds for infrastructure or redevelopment projects and repay the borrowed money through the increase in property tax revenues associated with that project. TIF funding can be used for a range of redevelopment activities, including the development of affordable housing.	The City, Township or Borough approves the TIF District, and the City Council, State, or State Local Finance Board approves the project.	Unknown

Sources:

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<https://localhousingsolutions.org/housing-policy-library/general-obligation-bonds-for-affordable-housing>

-U.S. Department of Housing and Urban Development (n.d.) Increasing the Supply of New Affordable Housing: A Primer of Strategies to Implement Today.

Retrieved from <https://files.hudexchange.info/resources/documents/Affordable-Housing-Supply-Primer.pdf>



A map of the boundaries of Paterson One Square Mile:

# PATERSON ONE SQUARE MILE

