

Hudson County

2020 Analysis of Impediments to Fair Housing Choice



Hudson County Executive Tom DeGise
& The Board of Chosen Freeholders



Executive Summary

The following Analysis of Impediments to Fair Housing Choice (AI) serves as a comprehensive look at fair housing issues in Hudson County. The report includes an analysis of various demographic, economic, and housing indicators, a review of public and private sector policies that affect fair housing, and a review of the County's efforts to affirmatively further fair housing per federal law.

Hudson County is one of the fastest growing counties in New Jersey. It is located on the northeastern border of the state across the Hudson River from New York City. The county is bordered by Bergen County on the north, Essex County on the west, and Union County on the southwest. Hudson County is the geographically smallest and most densely populated county in the State of New Jersey and the sixth-most densely populated county in the Country.

For much of the County's history it has been a transportation center and is still home the numerous rail lines. Two of the primary ways to get into New York City, the Lincoln Tunnel and Holland Tunnel, are both located in Hudson County. The County is highly developed and urbanized and is centrally located in the New York-New Jersey Metropolitan Region. As an economic center there is a relatively small amount of land dedicated to residential spaces, only 18%. This is a considerable factor in the price of housing. With a lack of available land for development the housing market has fewer options in creating affordable housing. With the rising pressure to create affordable housing, the County faces barriers and impediments such as lack of sufficient new housing development and a continued need for fair housing awareness and education in order to effectively realize fair housing for all residents seeking homes.

The County has taken steps to promote fair housing and to educate its leadership, staff, and residents to ensure that all residents are protected under state and local law and to adhere with the Department of Housing and Urban Development (HUD) regulations on fair housing as required by HUD entitlement grants.

Summary of Findings:

The conclusion of this analysis has identified several current impediments to fair housing choice. For each impediment, recommendations and outcome measures have been identified for activities that can help to alleviate these impediments moving forward. The current impediments to fair housing choice are:

1. The building industry's preference for market rate units rather than subsidized affordable housing units.
2. A high cost of living in Hudson County.
3. Inconsistent annual funding allocations for the HOME program make it difficult to maintain a steady development pipeline of affordable housing in Hudson County.
4. Funding sources for rental, homeownership, and foreclosure counseling services are limited.
5. A scarcity of available land for housing development.

6. A patchwork of municipally based rent control systems with varying degrees of compliance and enforcement resulting in overcharged rents and loss of rent controlled units.
7. Higher denial rates for qualified mortgages to low- and moderate-income persons in minority and underserved neighborhoods.
8. The lack of supportive services and operating funds for special needs housing developments.

Actions to Address Impediments:

In an effort to overcome or ameliorate barriers to fair housing choice, Hudson County listed corresponding strategic actions. The actions listed will be addressed over the next five years, aligning the accomplishments of these actions with the consolidated planning cycle. Although all of the impediments will not likely be eliminated in a short time period, such as five years, the County will strive to affirmatively further fair housing and reduce these barriers to promote fair housing choice.

Table of Contents

EXECUTIVE SUMMARY	2
PURPOSE OF FAIR HOUSING	6
FAIR HOUSING CONCEPTS	7
METHODOLOGY	8
DEMOGRAPHIC PROFILE	9
INTRODUCTION	9
POPULATION	9
RACE AND ETHNICITY	20
FOREIGN-BORN	25
DIVERSITY	26
DISABILITY	29
VETERANS	32
SEXUAL ORIENTATION AND GENDER IDENTITY	33
HEALTH	35
ECONOMIC PROFILE	40
INCOME	40
INCOME AND RACE	42
LMI CHANGES	47
POVERTY	48
POVERTY AND RACE	52
EMPLOYMENT	55
COMMUTE	59
HOUSING PROFILE	62
HOUSING TYPE	62
UNIT SIZE	63
OCCUPANCY CHARACTERISTICS	66
CONSTRUCTION ACTIVITY	68
MARKET AND DEMAND	69
HOUSING COSTS	72
AFFORDABILITY	76
PUBLIC SECTOR ANALYSIS	80
OVERVIEW	80
PUBLIC POLICIES	81
OPPORTUNITY ZONES	84
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)	85
HOME INVESTMENT PARTNERSHIP PROGRAM (HOME)	85
EMERGENCY SOLUTIONS GRANT (ESG)	85

PRIVATE SECTOR ANALYSIS	87
LENDING PRACTICES.....	87
FAIR HOUSING PROFILE	105
FEDERAL LAWS	106
NEW HUD FAIR HOUSING GUIDANCE	110
COMPLAINTS AND LAWSUITS	112
CITIZEN PARTICIPATION PROCESS.....	115
PREVIOUSLY IDENTIFIED IMPEDIMENTS TO FAIR HOUSING CHOICE.....	116
IDENTIFICATION OF IMPEDIMENTS TO FAIR HOUSING CHOICE	123
AFFORDABLE HOUSING RELATED IMPEDIMENTS	123
FAIR HOUSING RELATED IMPEDIMENTS	124
FAIR HOUSING ACTION PLAN	126
CONCLUSION	127
APPENDICES	128

Purpose of Fair Housing

Fair housing has long been an important issue in American urban policy – a problem born in discrimination and fueled by growing civil unrest that reached a boiling point in the Civil Rights Movement. The passing of the Fair Housing Act in 1968 was a critical step towards addressing this complex problem, but it was far from a permanent solution. Since the passing of the Act, community groups, private businesses, concerned citizens, and government agencies at all levels have worked diligently to battle housing discrimination. The Fair Housing Act mandates that HUD ‘affirmatively further fair housing’ through its programs. Towards this end, HUD requires funding recipients to undertake fair housing planning (FHP) in order to proactively take steps that will lead to less discriminatory housing markets and better living conditions for minority groups and vulnerable populations.

This 2020 Analysis of Impediments to Fair Housing Choice is an in-depth study of potential barriers, challenges and opportunities for housing choice for Hudson County residents on a countywide scale. Impediments to Fair Housing are defined as any actions, omissions, or decisions based upon race, color, religion, national origin, disability, gender, or familial status that restrict, or have the effect of restricting, housing choice or the availability of housing choice. Fair Housing Choice is the ability of persons of similar income levels – regardless of race, color, religion, national origin, disability, gender, or familial status – to have the same housing choices.

The Analysis of Impediments is an integral component of the fair housing planning process and consists of a review of both public and private barriers to housing choice. It involves a comprehensive inventory and assessment of the conditions, practices, laws, and policies that impact housing choice within a jurisdiction. It provides documentation of existing, perceived and potential fair housing concerns, and specific action strategies designed to mitigate or eliminate obstacles to housing choice for the residents. The Analysis is intended to serve as a strategic planning and policy development resource for local decision makers, staff, service providers, the private sector, and community leaders in the county. As such, this Analysis of Impediments will ultimately serve as the foundation for fair housing planning in the County. The long-term objective of this Analysis of Impediments to Fair Housing Choice is to make fair housing choice a reality for residents of Hudson County through the prevention of discriminatory housing practices.

Fair Housing Concepts

Housing choice plays a critical role in influencing individuals' and families' abilities to realize and attain personal, educational, employment and income potential. The fundamental goal of HUD fair housing policy is to make housing choice a reality through sound planning. Through its ongoing focus on Fair Housing Planning, HUD "is committed to eliminating racial and ethnic discrimination, illegal physical and other barriers to persons with disabilities, and other discriminatory practices in housing." Among the recurring key concepts inherent in fair housing planning are:

- *Affirmatively Further Fair Housing (AFFH)* – Under its community development programs, HUD requires its grantees to affirmatively further fair housing through three broad activities: 1) conduct an Analysis of Impediments to Fair Housing Choice; 2) act to overcome identified impediments; and 3) track measurable progress in addressing impediments and the realization of fair housing choice.
- *Affordable Housing* – Decent, safe, quality housing that costs no more than 30% of a household's gross monthly income for utility and rent or mortgage payments.
- *Fair Housing Choice* – The ability of persons, regardless of race, color, religion, national origin, disability, gender, or familial status, of similar income levels to have the same housing choices.
- *Fair Housing Planning (FHP)* – Fair Housing Planning consists of three components: the Analysis of Impediments, a detailed Action Plan to address identified impediments, and a monitoring process to assess progress in meeting community objectives. FHP consists of a close examination of factors that can potentially restrict or inhibit housing choice and serves as a catalyst for actions to mitigate identified problem areas.
- *Impediments to Fair Housing* – Any actions, omissions, or decisions based upon race, color, religion, national origin, disability, gender, or familial status that restrict, or have the effect of restricting, housing choice or the availability of housing choice.
- *Low and Moderate Income* – Defined as 80% of the median household income for the area, subject to adjustments for areas with unusually high or low incomes or housing costs. Very low-income is defined as 50% of the median household income for the area, subject to adjustments for areas with unusually high or low incomes or housing costs. Poverty level income is defined as 30% or below median household income.
- *Private Sector* – Private sector involvement in the housing market includes banking and lending institutions, insurance providers, real estate and property management agencies, property owners, and developers.
- *Public Sector* – The public sector for the purpose of this analysis includes local and state governments, regional agencies, public housing authorities, public transportation,

community development organizations, workforce training providers, and community and social services.

Methodology

The Analysis of Impediments to Fair Housing Choice consists of a comprehensive review of laws, regulations, policies, and practices affecting housing affordability, accessibility, availability, and choice within Hudson County. The assessment specifically includes an evaluation of:

- Existing socio-economic conditions and trends in the County, with a particular focus on those that affect housing and special needs populations;
- Public and private organizations that impact housing issues in the County and their practices, policies, regulations, and insights relative to fair housing choice;
- The range of impediments to fair housing choice that exists within both the urban center communities and other areas of the County;
- Specific recommendations and activities for the County to address any real or perceived impediments that exist; and
- Effective measurement tools and reporting mechanisms to assess progress in meeting fair housing goals and eliminating barriers to fair housing choice

Additional quantitative data were obtained from sources including U.S. Census Bureau reports, American Community Survey data (ACS), the US Bureau of Labor Statistics (BLS), Longitudinal Employer-Household Dynamics (LEHD), Boxwood Means Inc. via PolicyMap, Federal Financial Institutions Examination Council (FFIEC), Home Mortgage Disclosure Act data (HMDA), and the US Department of Housing and Urban Development (HUD).

Demographic Profile

Introduction

The Demographic Profile looks at the county from the perspective of its people, exploring variables such as race and ethnicity, age, disability status, and others. This information will allow the County to answer one of the most important questions when addressing fair housing issues, *who* is in need of assistance. People are at the foundation of the decision-making process and understanding what the demographics of the County are and how they have changed is necessary before policy changes can be proposed.

The majority of the data in this section comes from either the 2010 Decennial Census or the 2013-2017 American Community Survey, both conducted by the US Census Bureau. When additional data sources are used, they will be clearly identified. It should be noted that the estimates provided are meant to show overall trends and not exact counts. In most cases, different data sources will differ on their estimates due to differences in methodology, but the overall trends will support each other.

Population

Understanding the change in population that occurs over time is necessary to properly address housing needs in the community. Not only is it important to be aware of the current population but it is also necessary to look at historical trends. When a population grows more quickly than the housing stock the overall demand increases which puts upward pressure on housing prices. Increased prices make it more difficult to locate affordable, safe, and secure housing, particularly for lower income households. Housing demand is made up of more than just the number of households but analyzing the population provides a starting point for determining impediments to fair housing.

There are approximately 679,266 people living in the County, which represents 11.6% growth since 2000. The majority of the growth occurred between 2010 and 2017 when the County gained over 45,000 residents. The County's growth rate was noticeably higher than the state where the growth rate was only 6.5%.

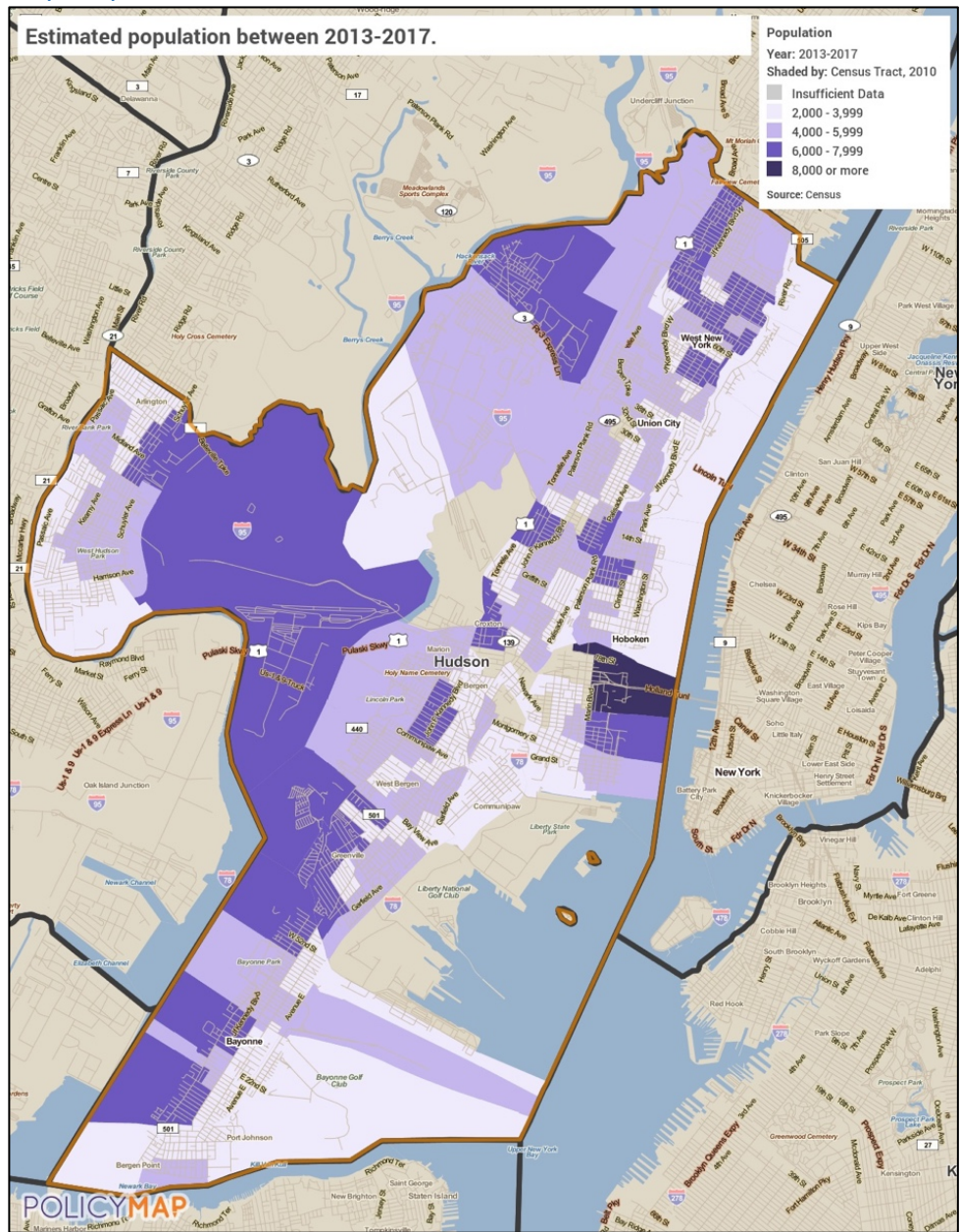
Table 1: Population

	2000	2010	2017	% Change 2000- 2010	% Change 2010- 2017	% Change 2000- 2017
Hudson County	608,975	634,266	679,756	4.15%	5.75%	11.6%
New Jersey (state)	8,414,350	8,791,894	8,960,161	4.49%	1.91%	6.5%
Source: 2000 & 2010 Census, 2013-2017 American Community Survey 5-Year Estimates (DP05)						

Census tracts are geographic boundaries that are determined by the U.S. Census Bureau. After every decennial census the boundaries of tracts are altered to adjust to any population changes with the goal of approximately 4,000 people per tract. When a census tract has significantly more people than that it often represents areas of population growth since the boundaries were drawn. Similarly, when a tract has a population that is significantly less than 4,000 people it may mean that the population in those areas is decreasing.

In Hudson County, the population in each census tract is not uniform. Many tracts in the County have a disproportionately large population, including one tract on the Hudson River that has over 8,000 residents. This may point to certain neighborhoods becoming more desirable for residents now than they were in 2010.

Map: Population



Source: 2013-2017 ACS via PolicyMap

The change in population in the Hudson County Consortium varied significantly between jurisdictions. Between 2000 and 2010, there were three cities that had a shrinking population: Harrison by 5.6%, Union City by 0.1%, and Weehawken by 7.0%. However, by 2017 every jurisdiction saw their population grow, sometimes by double digits. The Consortium as a whole grew by 4.8% between 2000 and 2010 and then by 7% between 2010 and 2017. In total, there are nearly 45,000 more people living in the Consortium now than in 2000.

Table: Population Change by Municipality

	2000	2010	2017	% Change 2000-2010	% Change 2010-2017
Bayonne	61,842	63,024	66,719	1.9%	5.9%
East Newark	2,377	2,406	2,725	1.2%	13.3%
Guttenberg	10,807	11,176	11,733	3.4%	5.0%
Harrison	14,424	13,620	15,898	-5.6%	16.7%
Hoboken	38,577	50,005	54,117	29.6%	8.2%
Kearny	40,513	40,684	42,487	0.4%	4.4%
North Bergen	58,092	60,773	63,438	4.6%	4.4%
Secaucus	15,931	16,264	19,279	2.1%	18.5%
Union City	67,088	66,455	69,815	-0.1%	5.1%
Weehawken	13,501	12,554	14,268	-7.0%	13.7%
West New York	45,768	49,708	53,345	2.1%	7.3%
Total	368,920	386,669	413,824	4.8%	7.0%
Source: 2000 & 2010 Census, 2013-2017 American Community Survey 5-Year Estimates (DP05)					

Age

The age distribution is vitally important to the housing market and a jurisdiction's economy. The needs of residents vary depending on what stage of life they are in. Residents who are nearing retirement or currently retired are often looking to downsize into smaller homes and may prioritize accessibility and transportation options. Young adults, particularly new families, have different housing demands and tend to look for homes they can grow into and possibly raise children in. Understanding how the age of the population is changing is important to determine which types of housing units are in need and it will also help set realistic goals for what funds will be available.

Like much of the country, the demographic data from the County indicates that the average age of the population is increasing. In 2017, the median age of the population was 34.9 years old. That is an increase of 1.3 years since 2000 when the median age was 33.6 years old. In general, the population can be divided into three age groups: Youth (24 and younger), Working Age (24 to 60), and Elderly (60 and older). In Hudson County, 29.2% of the population is Youth, 54.7% are Working Age, and 16.1% are Elderly. The largest age group in the County is the 25 to 34 years old group with 142,778 people, or 21% of the population. That large age cohort has more people in it than all the Elderly people in the County.

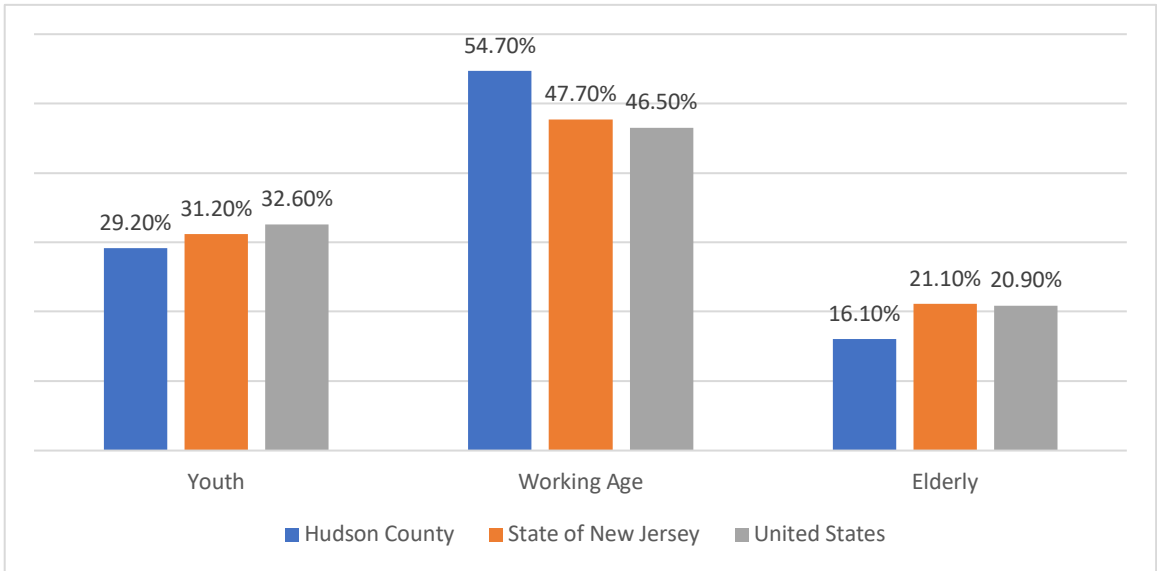
Table: Age

	Number of People in Age Group	Percent of People in Age Group
	Hudson County	
Under 5 years	47,441	7.0%
5 to 9 years	37,427	5.5%
10 to 14 years	33,791	5.0%
15 to 19 years	33,666	5.0%
20 to 24 years	45,586	6.7%
25 to 34 years	142,778	21.0%
35 to 44 years	106,722	15.7%
45 to 54 years	85,727	12.6%
55 to 59 years	36,644	5.4%
60 to 64 years	33,990	5.0%
65 to 74 years	43,138	6.3%
75 to 84 years	23,134	3.4%
85 years and over	9,712	1.4%
Median Age	34.9	(x)

Source: 2013-2017 American Community Survey 5-Year Estimates (DP05)

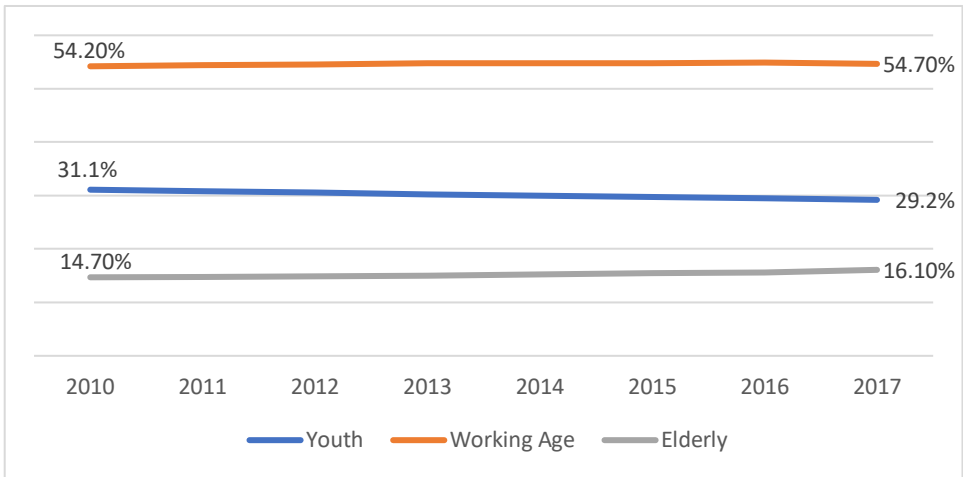
When compared to the State of New Jersey and the nation as a whole, the County stands out as having a relatively large working age population. The County’s elderly population is particularly small compared to the other jurisdictions. With a relatively small elderly and youth population, the County has more resources to dedicate to economic development and family housing. The needs of the working age residents will be a higher priority in Hudson than they might be in other jurisdictions.

Graph: Age Groups by Jurisdiction



Since 2010, the County has seen its Youth population decrease slightly and the Elderly population increase slightly. The Working Age population has remained relatively constant during this time period. This stability can help the County make better predictions on the needs and assets in the coming years.

Graph: Change in Age Groups



Youth

As noted above, Hudson County has a Youth population that is shrinking slightly when compared to other groups. In order to understand the consequences of this it is important to look at data for the youth subpopulations: Pre-School Age, Children, High School Age, and College Age. Due to data limitations the ages used in each category are an approximation of the members of each group.

Pre-School Age (Under 5 Years)

In many ways, children of this age represent how desirable it is for new parents to live within Hudson County. If this population is relatively small or shrinking then it is possible that parents view living in nearby jurisdictions as a better option for them. This may be due to lack of desired housing types, prices, and other factors.

In 2017, the Pre-School Age population made up 7.0% of the residents of Hudson County, or approximately 47,441 children. This is very similar to the 6.7% that this group represented in 2010.

Children (5 to 14 Years Old)

Members of this group are in elementary and middle school, generally an indicator that a family is less likely to move in the coming decade. In Hudson County, 10.5% of the population is in this group, a drop from 11.7% in 2010.

High School Age (15 to 19 Years Old)

Youth in this age are considerably more mobile than younger groups but their living situation is generally controlled by their parents. In Hudson County, 5.0% of the 2017 population was made up of this age group, or 33,666 people.

College Age (20 to 24 Years Old)

This population differs considerably from the other members of the Youth subgroup. They are more likely to live in a place of their choosing and may be students from outside the County. The factors that attract college age residents are different than the ones that attract parents with children. Hudson County is home to the following institutions: Hudson County College, New Jersey City University, Saint Peter's University, Stevens Institute of Technology, and New Jersey City University. Jersey City is also in close proximity to New York City with easy transportation linkages and less expensive housing for students attending college in NYC. This population is also likely to start looking for a place to raise a family and/or become more stable, which requires housing that appeals to that desire. In the County, 6.7% of the population is in the College Age group. This is a drop from 2010 when 7.6% of the County's population was College Age.

Overall, the youth population is smaller now than in 2010. This change has occurred across all subsets except Pre-School Age which grew by 0.3%. The Children subgroup fell by 1.2%, High School Age fell by 1.1%, and College Age Youth fell by 0.9%.

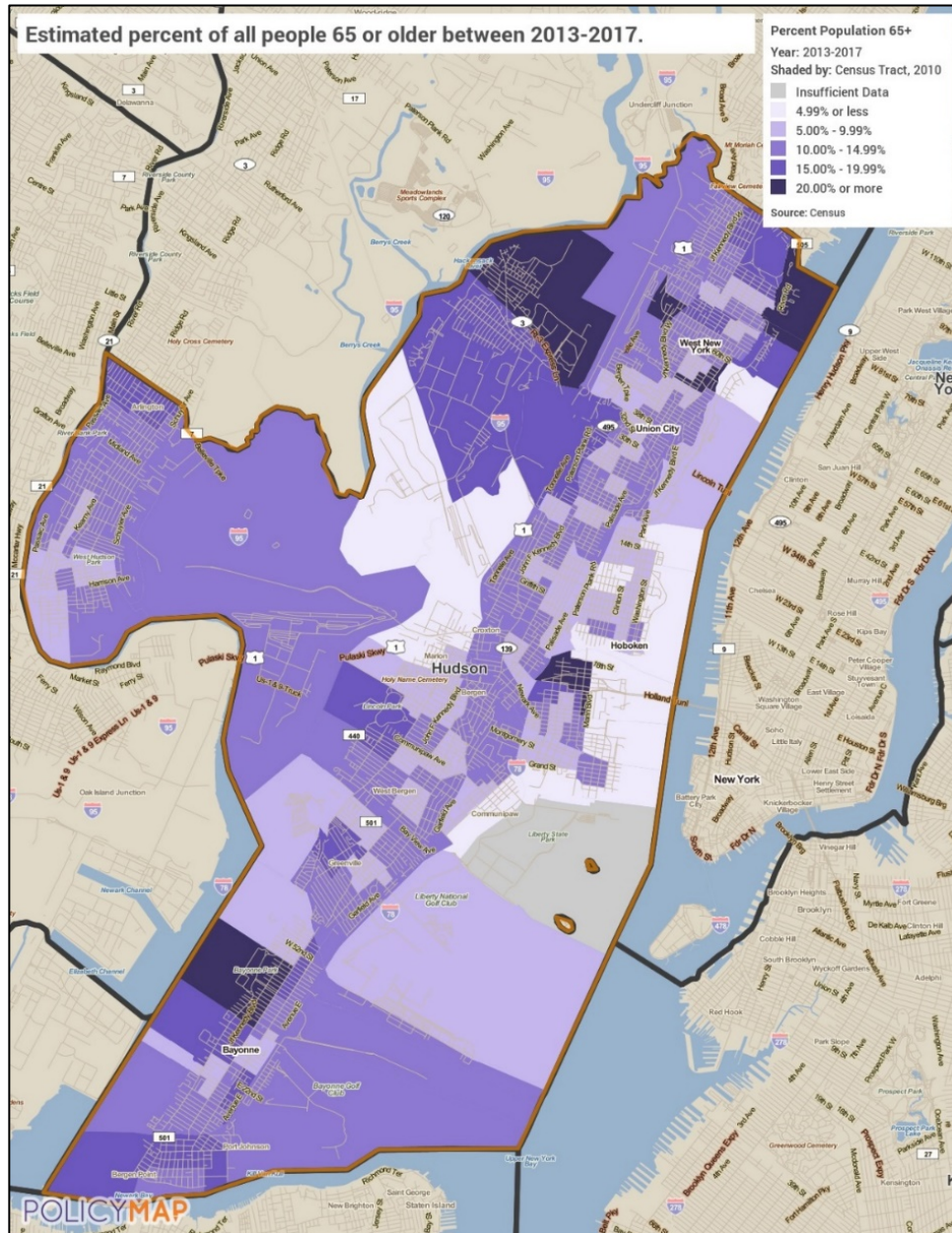
Elderly

Where housing is concerned, the needs of people aged 65 and over are particularly important. As people age, they may require new types of social services, healthcare, and housing. As communities across the nation grow proportionately older, the needs of the elderly become an increasingly important aspect of both public and private decision-making. Central to these evolving needs is access to housing options that are decent, safe, affordable, accessible, and located in proximity to services and transportation. Housing is one of the most essential needs of the elderly because the affordability, location, and accessibility of where they live will directly impact their ability to access health and social services – both in terms of financial cost and physical practicality.

In 2017, elderly 65 years and older were 11.2% of the total population in Hudson County. That represents an increase of almost 0.7% from 2010, when people aged 65 and older also made up 10.5% of the total population. In addition to the percentage growth in elderly residents, the population of elderly in the County grew from 65,323 in 2010 to 75,984 in 2017.

The following map highlight the geographic distribution of the elderly population throughout the county. Lighter colored shades represent areas with lower populations and darker shades represent areas with higher populations.

Map: Elderly Population (65 and older)



Source: 2013-2017 ACS via PolicyMap

Age Dependency Ratio

Age dependency ratios relate the number of working-aged persons to the number of dependent-aged persons (children and elderly). An area's dependency ratio is comprised of two smaller ratios - the child dependency ratio and the old-age dependency ratio. These indicators provide insight into the social and economic impacts of shifts in the age structure of a population. Higher ratios of children and the elderly require higher levels of services to meet the specific needs of those populations. Furthermore, a higher degree of burden is placed on an economy when those who mainly consume goods and services become disproportionate to those who produce. It is important to note that these measures are not entirely precise – not everyone under the age of 18 or over 65 is economically dependent, and not all working age individuals are economically productive. With these caveats in mind, dependency ratios are still helpful indicators in gauging the directional impacts of shifting age structures.

Table: Age Dependency Ratio

	Old-age Dependency Ratio	Child Dependency Ratio	Age Dependency Ratio
Hudson County	16.3	29.9	46.2
New Jersey (state)	24.2	35.7	59.8

Source: 2013-2017 American Community Survey 5-Year Estimates (S0101)

Currently, the County has a significantly lower dependency ratio across all three indicators than the State of New Jersey. However, given the shifting demographics discussed previously in this section, the age dependency ratios across the County will continue to rise steadily and the County must continue to monitor these trends. A shrinking working age population means fewer workers producing goods and services, and consequently generating less tax revenue.

Race and Ethnicity

Federal housing policy intentionally racially segregated housing for decades. Those policies, as well as the many local and state discrimination policies, are no longer legal, but many communities still feel the effect of red-lining and other laws meant to segregate racial groups. An unfortunate truth is that within the United States there is a link between a person’s race or ethnicity and their access to housing and economic opportunities. Many areas of the country have been classified as a Racially/Ethnically Concentrated Area of Poverty (R/ECAP). Proactively addressing the connection between race, housing, and poverty is a necessary part of any housing program.

Overall, Hudson County is more racially diverse than the state as a whole. It is a majority White County, but only by 5.3%. Unlike many places, there is not a primary minority race in the County. Black or African American, Asian, and households who identify as a race not presented on the census all make up between 12.4% and 15.2%. The County also has a significant Hispanic population, 43.2%.

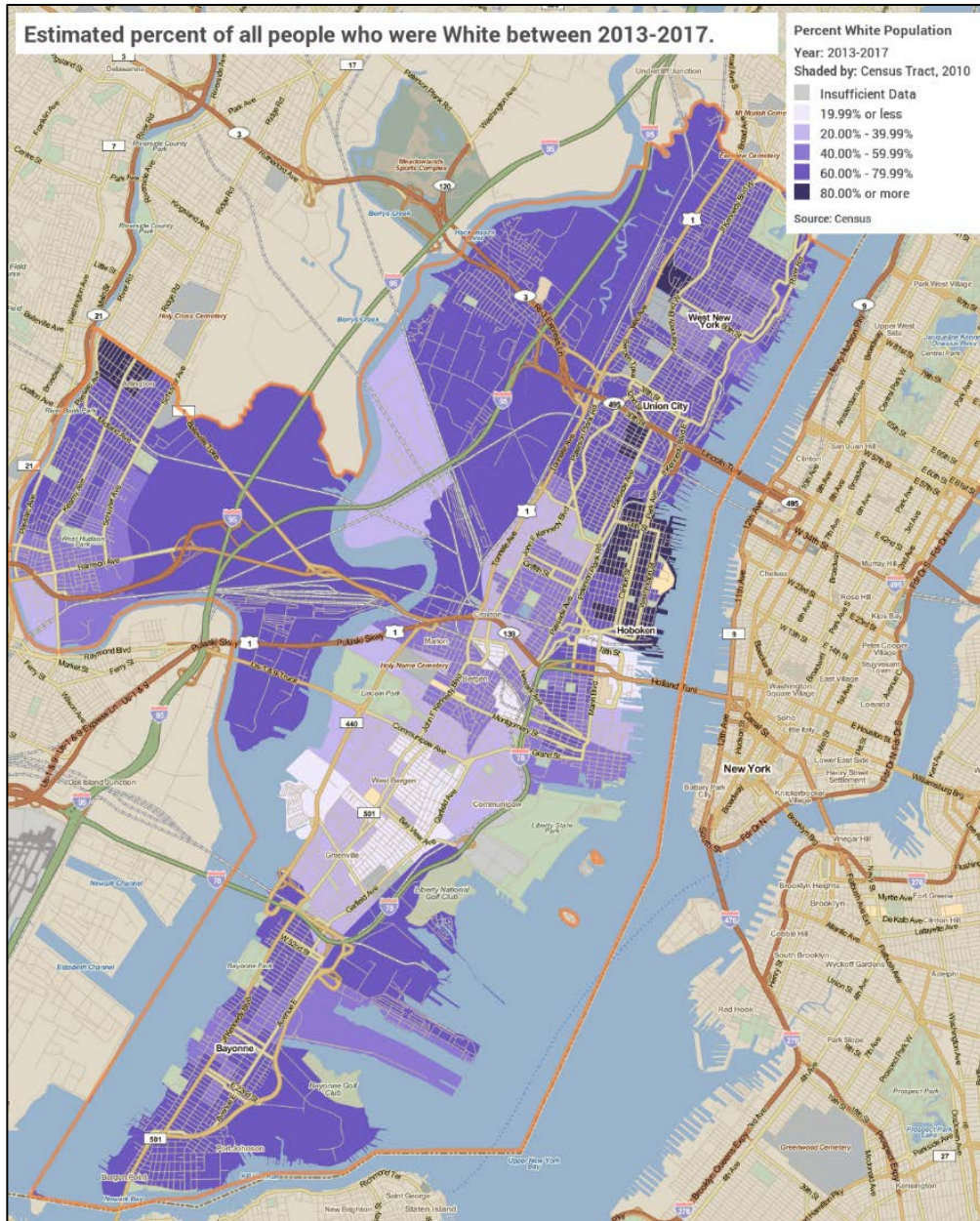
Table: Race and Ethnicity

	Hudson County	Percentage	New Jersey (state)	Percentage
White	376,168	55.3%	6,085,474	67.9%
Black or African American	84,114	12.4%	1,207,356	13.5%
American Indian and Alaska Native	2,132	0.3%	18,006	0.2%
Asian	103,036	15.2%	844,105	9.4%
Native Hawaiian / Other Pacific Islander	567	0.1%	3,013	0.0%
Some other race	91,410	13.4%	630,313	7.0%
Two or more races	22,329	3.3%	229,061	2.6%
Hispanic or Latino (of any race)	293,465	43.2%	1,764,520	19.7%
Source: 2013-2017 American Community Survey 5-Year Estimates (DP05)				

White

Countywide, White residents make up 55.3% of the population—with 28.8% of the County population being non-Hispanic/Latino White Alone. However, there are certain census tracts in which this group makes up a substantial majority, 80% or more. These areas are primarily near Hoboken, West New York, and Kearny. Areas with a very small White population (under 20%) are concentrated in the southern central part of the County.

Map: White Population

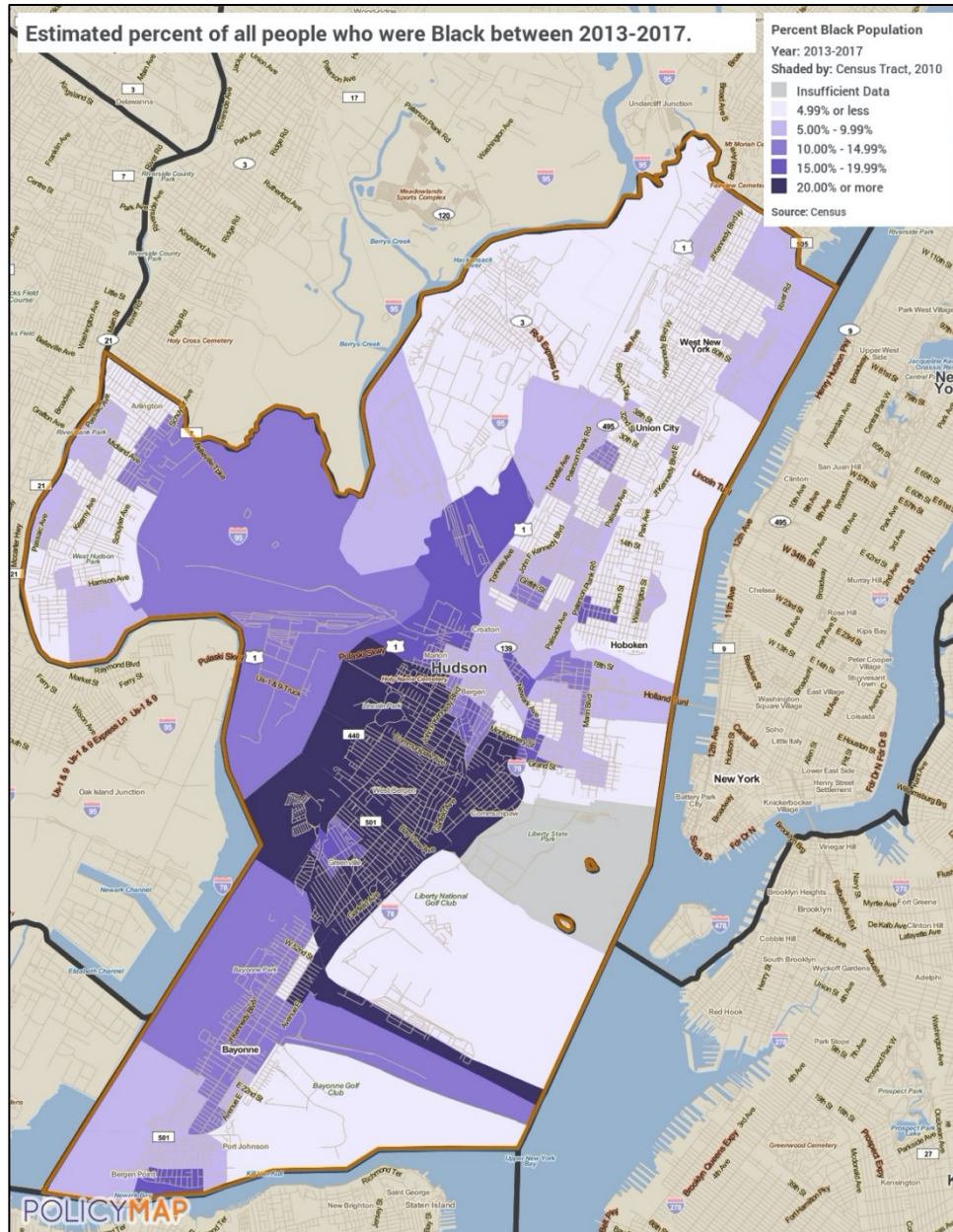


Source: 2013-2017 ACS via PolicyMap

Black

Nearly 85,000 residents of Hudson County identify as Black or African American, making up 12.4% of the total population. These residents have a living pattern that is the opposite of White residents. High concentrations of Black residents are primarily in the southern central part of the county where they represent 20% or more of the population. Areas with a relatively small number of Black residents usually have less than 5% of their population in this group.

Map: Black Population

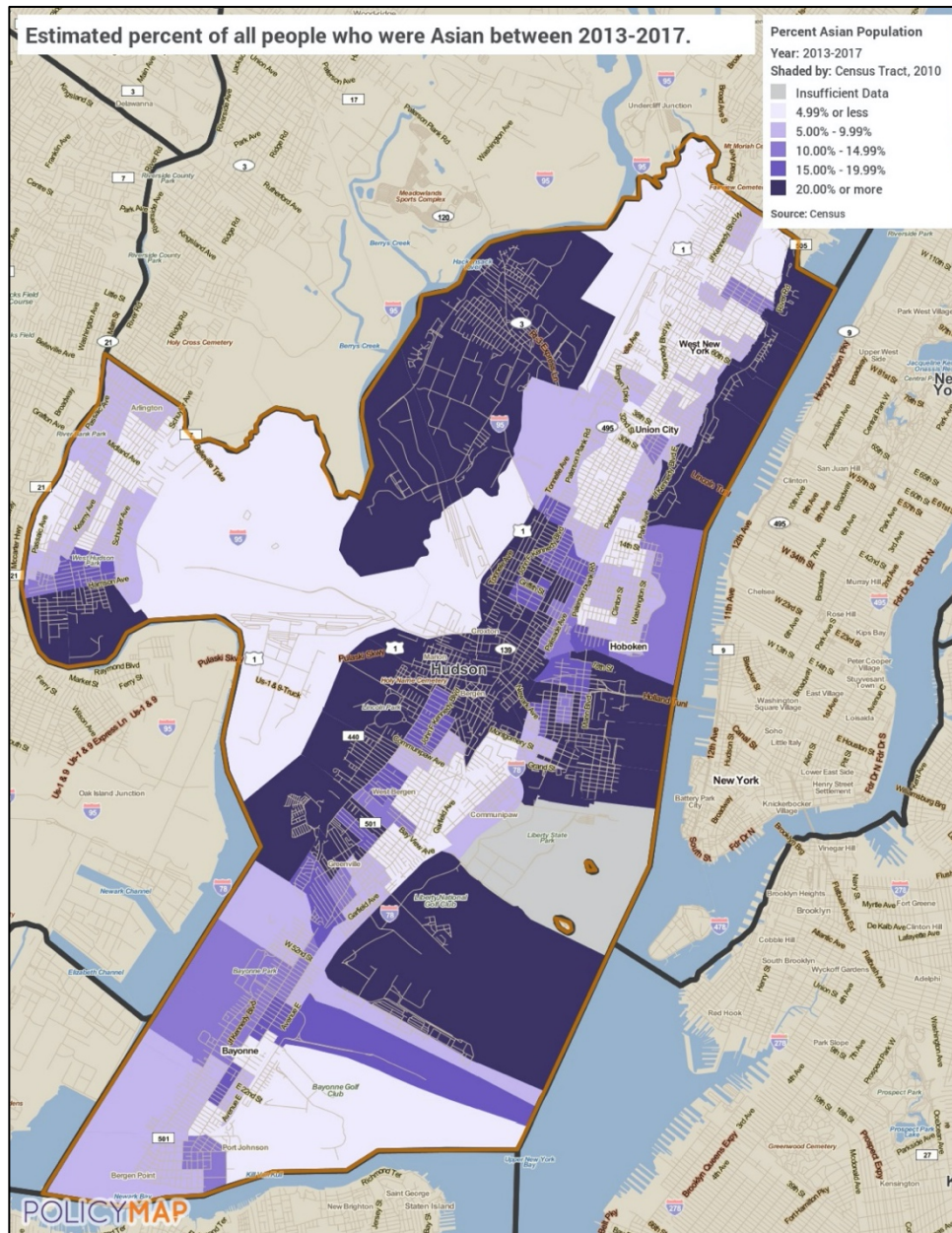


Source: 2013-2017 ACS via PolicyMap

Asian

Residents who identify as Asian are the second largest racial group and make up 15.2% of the County's population. Again, we see census tracts that are heavily concentrated based on racial group. There are many tracts in the County where 20% or more of the population identifies as Asian, as well as many tracts where less than 5% do.

Map: Asian Population

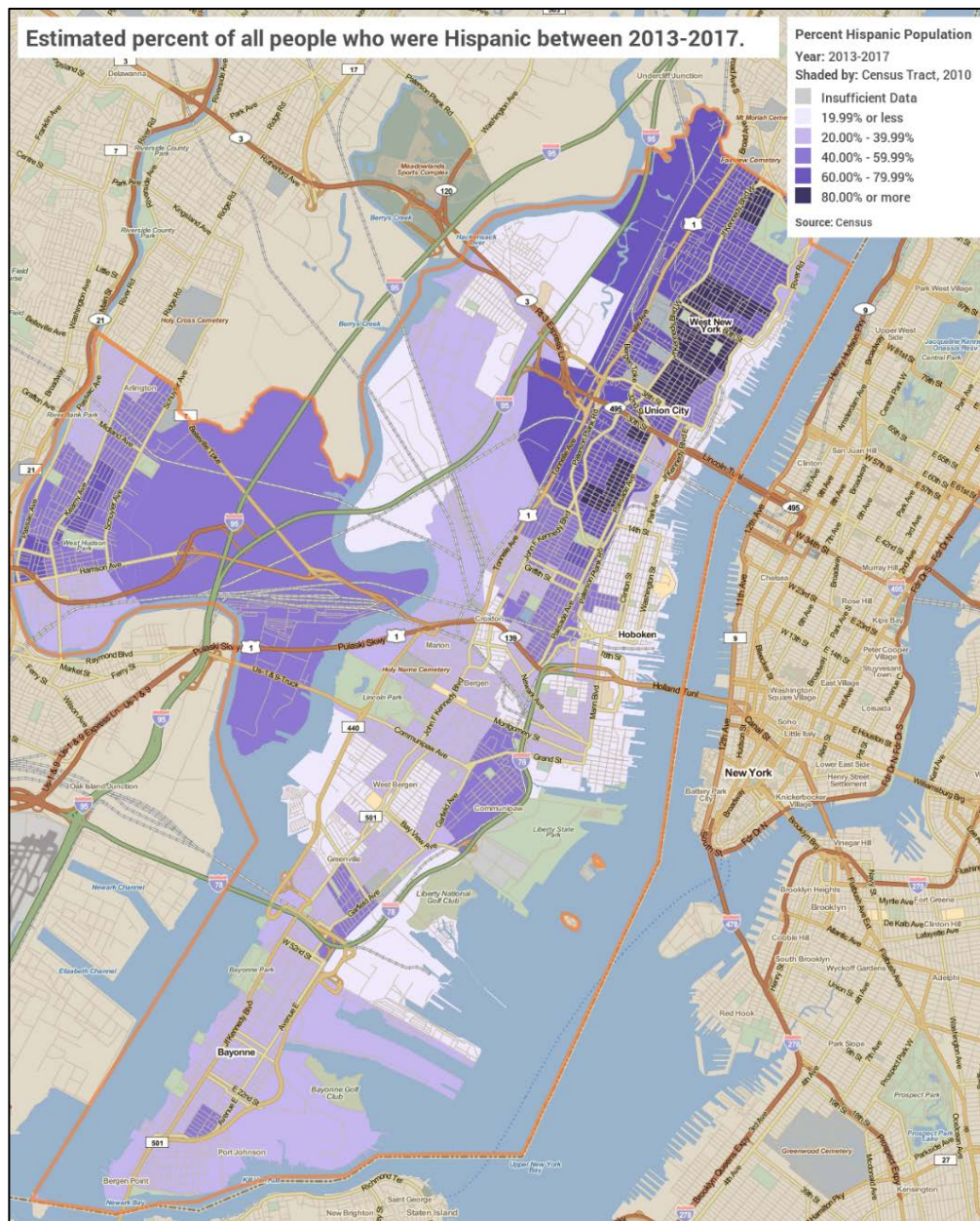


Source: 2013-2017 ACS via PolicyMap

Hispanic

As noted above, a significant number of residents in Hudson County are Hispanic. Areas with a heavy Hispanic concentration are located primarily in the northern parts of the County. Many tracts in this area have 80% or more of their population that identify as Hispanic. In many other parts of the county the Hispanic population is less than 20%.

Map: Hispanic Population



Source: 2013-2017 ACS via PolicyMap

Due to the relatively small number of residents from the other identified racial groups accurate mapping and analysis was not conducted.

Foreign-Born

Like many communities across the country, Hudson County has a significant foreign-born population. According to the most recent data, there are 292,342 foreign-born residents and 47.0% of them are naturalized citizens. Nearly half of them entered prior to 2000 and over half came from Latin America. The median household income for foreign-born residents in the County is over \$10,000 less than the MHI for foreign-born residents in the state.

Table: Demographics of Foreign-Born Population

	Hudson County		State of New Jersey	
	#	%	#	%
Date Entered				
Entered Prior to 2000	145,979	49.9%	1,119,070	56.5%
2000 to 2009	84,709	29.0%	561,332	28.4%
2010 or Later	61,654	21.1%	298,754	15.1%
Total	292,342	100.0%	1,979,156	100.0
Place of Birth				
Europe	23,095	7.9%	300,830	15.2%
Asia	83,025	28.4%	653,118	33.0%
Africa	19,002	6.5%	104,895	5.3%
Oceania	585	0.2%	3,958	0.2%
Latin America	165,173	56.5%	902,490	45.6%
North America	1,169	0.4%	15,833	0.8%
Citizenship Status				
Naturalized Citizen	137,401	47.0%	1,082,598	54.7%
Not a U.S. Citizen	154,941	53.0%	896,558	45.3%
Economic Indicators				
Median Household Income	\$58,181	--	\$69,719	--
In Poverty	49,135	16.9%	249,414	12.7%
Housing Tenure				
Owner-Occupied	36,453	29.4%	409,918	50.1%
Renter-Occupied	87,537	70.6%	408,282	49.9%
Source: 2013-2017 American Community Survey 5-Year Estimates (S0501, S0502)				

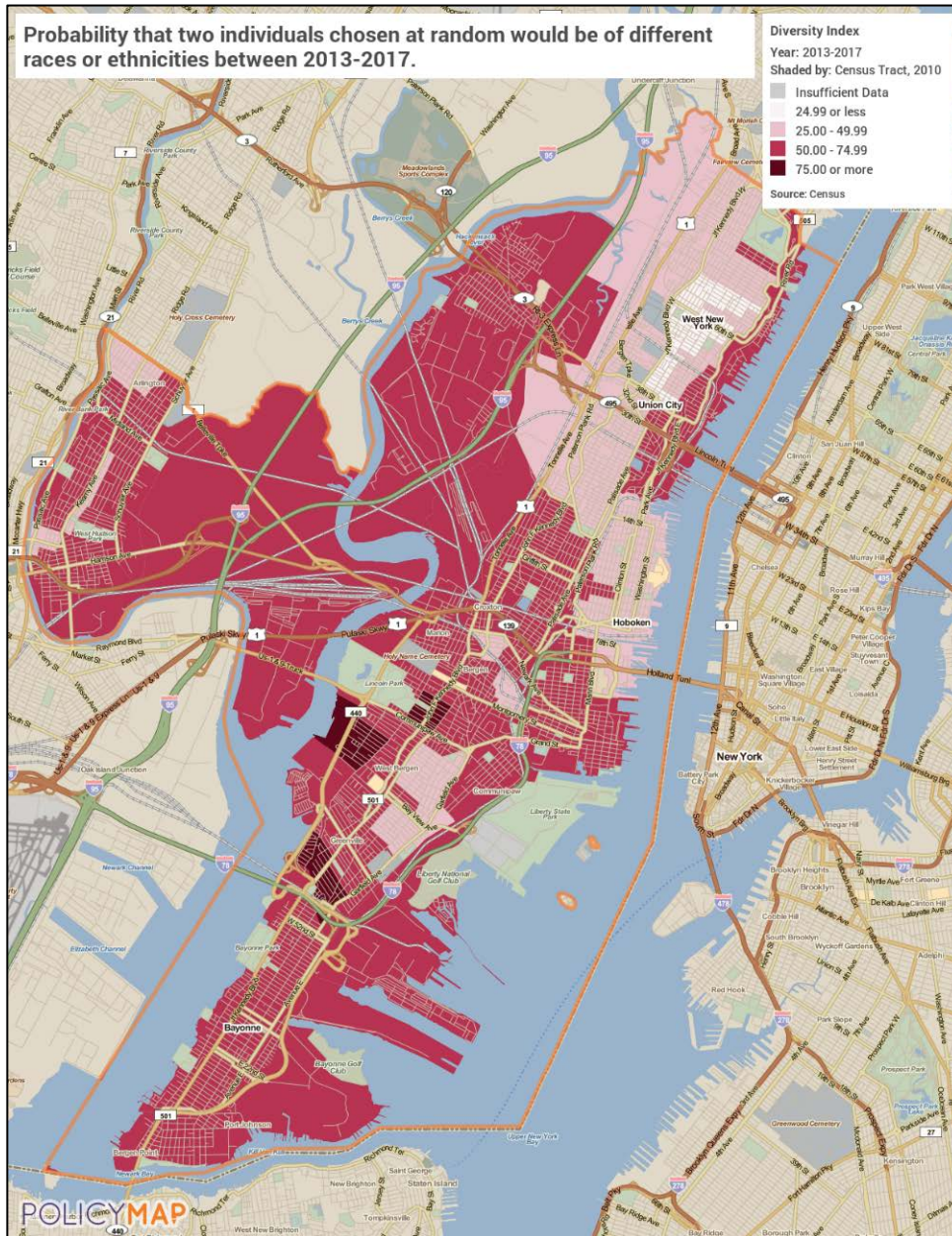
Diversity

There are two metrics that can be used to determine how diverse a jurisdiction is, the Diversity Index and the Predominant Race. The map below displays the Diversity Index ranking for census tracts in Hudson County, based on data from Policy Map. As Policy Map explains:

The diversity index is an index ranging from 0 to 87.5 that represents the probability that two individuals, chosen at random in the given geography, would be of different races or ethnicities between 2013-2017. Lower index values between 0 and 20 suggest more homogeneity (similar) and higher index values above 50 suggest more heterogeneity (diverse). Racial and ethnic diversity can be indicative of economic and behavioral patterns. For example, racially and ethnically homogenous areas are sometimes representative of concentrated poverty or concentrated wealth. They could also be indicative of discriminatory housing policies or other related barriers.

The majority of Hudson County has a diversity index score of over 50, meaning that it is classified diverse. While no areas in the County had a score below 20, there are areas that are noticeably less diverse than others. Tracts in the northeast part of the County, where there is a prominent Hispanic population, are less diverse overall.

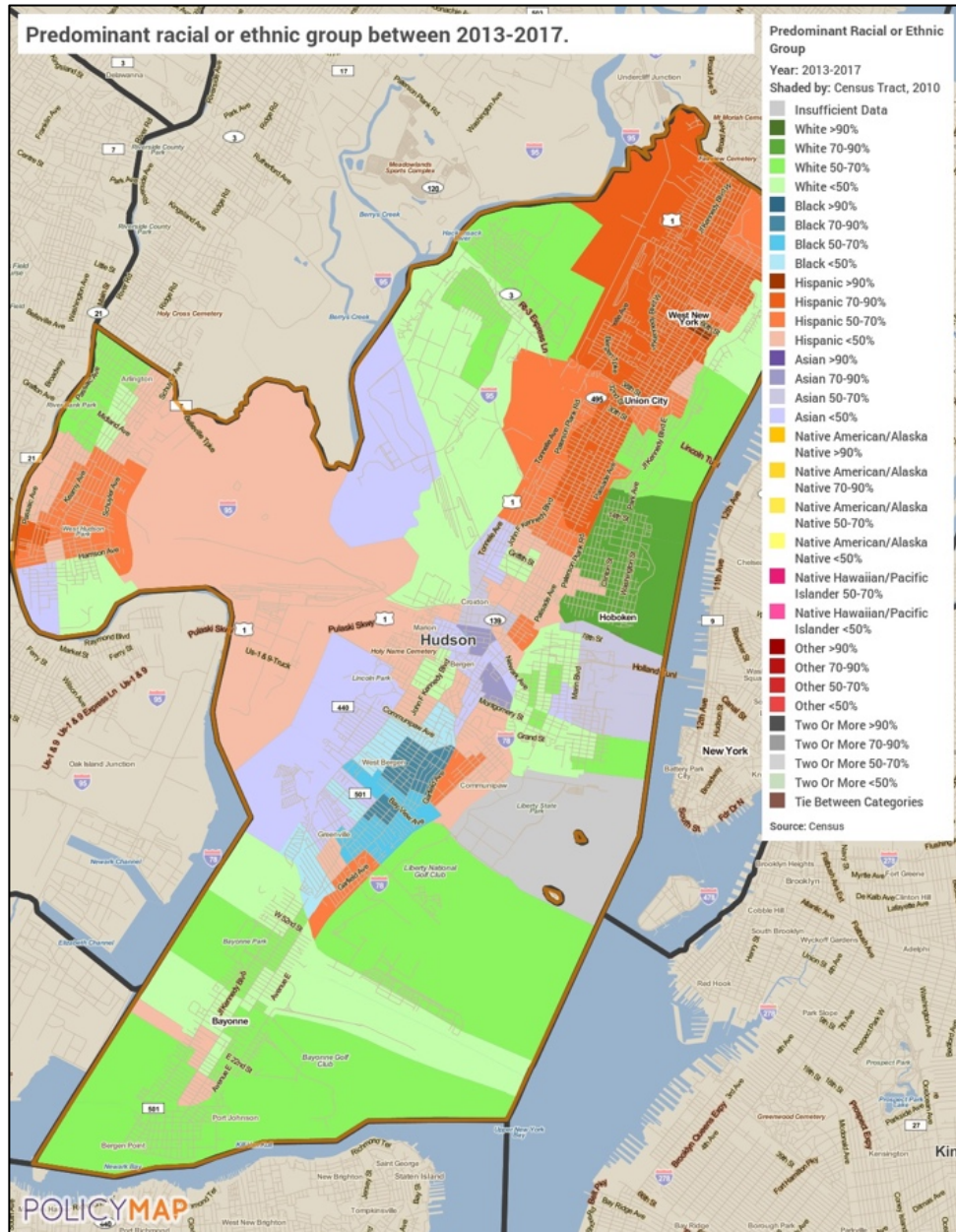
Map: Diversity Index



Source: 2013-2017 ACS via PolicyMap

The map below provides a visual representation of where there are predominant races within the County. This shows the patterns that have been noted previously in this section, there are areas that appear to be racially segregated with disproportionate representation by one group.

Map: Predominant Race



Source: 2013-2017 ACS via PolicyMap

Disability

Residents who have a disability face additional challenges, particularly when it comes to housing. Finding affordable housing is even more difficult for those who need units that have or can be modified for wheelchairs, shower supports, ramps, and other accessibility aides. Communities with a relatively large elderly population need to pay particular attention to this issue due to the close relationship between age and disability.

In Hudson County there are 63,440 residents who report a disability, or 9.4%. This is slightly lower than the statewide rate of 10.5%. Unsurprisingly, the percentage of residents with a disability increases with age. Less than 1% of residents under the age of 5 have a disability and nearly 50% of residents 75 and over have one.

The number of residents under 5 years old with a disability is relatively small but it is an important demographic to consider. Families raising children with disabilities have costs that can be substantial higher than other families. It is important that resources are available to prevent housing insecurity.

Table: Age and Disability Status

	Hudson County		New Jersey	
	Number	Disability Rate	Number	Disability Rate
Persons with a disability	63,440	9.4%	925,580	10.5%
Under 5 years	239	0.5%	3,193	0.6%
5 to 17 years	4,589	5.0%	67,084	4.6%
18 to 34 years	6,716	3.3%	89,822	4.7%
35 to 64 years	25,777	9.8%	341,580	9.4%
65 to 74 years	11,199	26.3%	157,772	21.1%
75 years and over	14,920	47.8%	266,129	46.9%
Source: 2013-2017 American Community Survey 5-Year Estimates (S1810)				

Residents who have disabilities are not evenly distributed based on race or ethnicity. American Indian and Alaska Native residents report the highest disability rate in the County, 11.7%. This group similarly reports the highest rate of disability for the state as a whole. The lowest disability rate was reported by Asian residents who had a rate half that of many other groups.

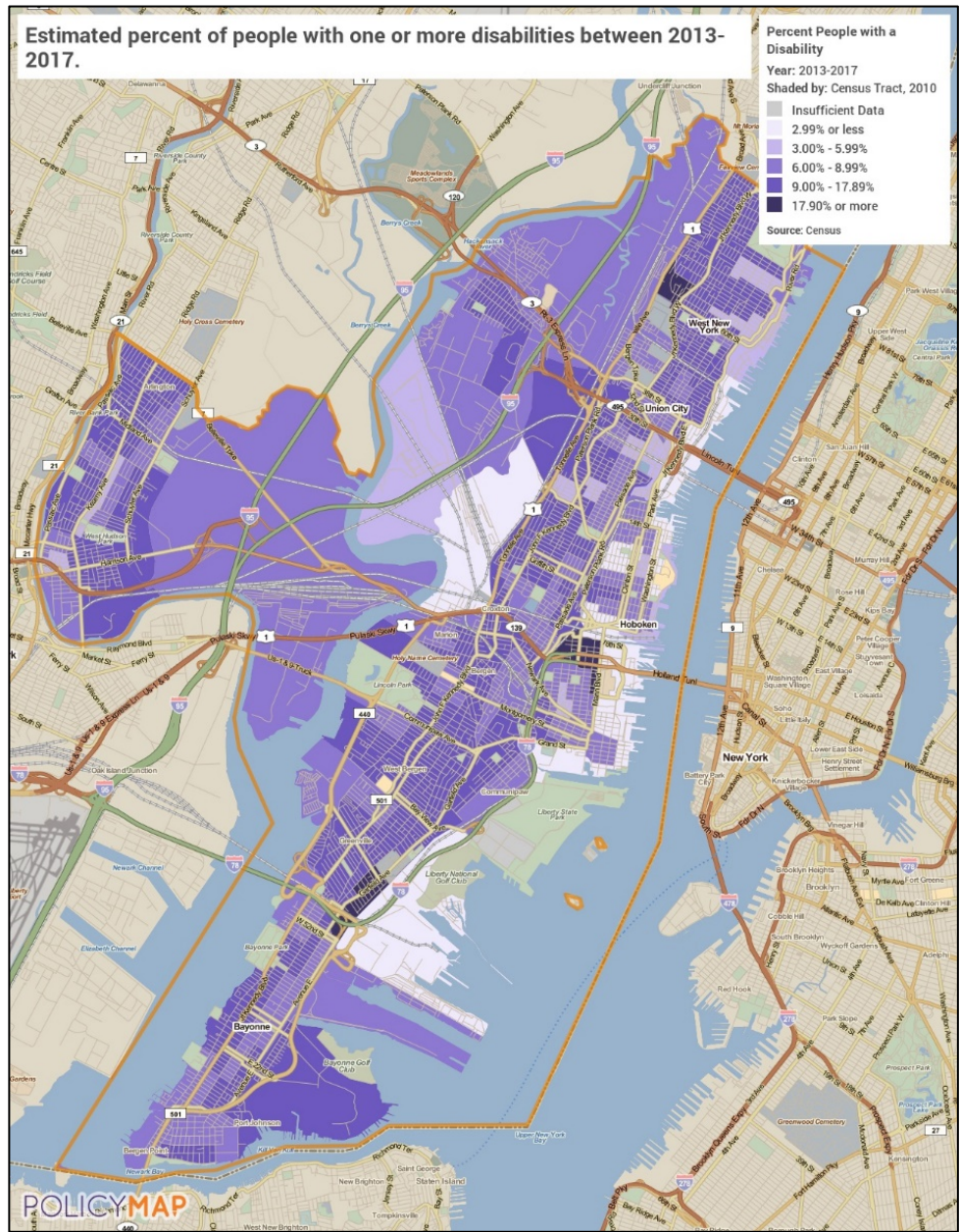
Table: Race and Disability Status

	Hudson County		New Jersey	
	Number	Disability Rate	Number	Disability Rate
White	37,279	10.0%	665,379	11.0%
Black or African American	9,392	11.3%	144,591	12.4%
American Indian and Alaska Native	249	11.7%	2,739	15.4%
Asian	5,951	5.8%	42,664	5.1%
Native Hawaiian and Other Pacific Islander	46	8.2%	243	8.2%
Some other race	8,216	9.0%	49,000	8.6%
Two or more races	2,307	10.3%	20,964	9.2%
Hispanic or Latino (of any race)	28,653	9.8%	149,013	8.5%
Source: 2013-2017 American Community Survey 5-Year Estimates (S1810)				

In addition to having to overcome barriers such as discrimination and difficulty finding accessible units, people with disabilities face financial hardships at higher rates than those without disabilities. In 2017, persons with a disability had a median earning of \$25,754 in Hudson County while persons without a disability had median earnings of \$39,000, nearly \$14,000 more. The employment rate for persons with a disability is also significantly lower than those without, 23.7% vs 69.2%. This puts these residents in the difficult position of having more specific housing needs and less access to economic opportunities.

The map below shows the distribution of people with disabilities in Hudson County. There are some census tracts that stand out as having a disproportionately large or small number of residents with a disability. However, there is not a clear concentration in certain parts of the County for this population.

Map: Disability



Source: 2013-2017 ACS via PolicyMap

Veterans

Since the War on Terror started 18 years ago the number of veterans in the United States has consistently increased. With this influx of veterans there has been a mix of unique challenges and opportunities. Many communities, in cooperation with the Veterans Administration, has worked to provide educational and economic opportunities to veterans and to reduce veteran homelessness to zero. Veterans do face additional challenges though, particularly due to physical and mental disabilities obtained while serving.

In Hudson County, there are 13,274 veterans. Nearly 30% of these veterans are Vietnam War veterans, the largest group, and 19.1% are War on Terror veterans. Overall, veterans tend to have stronger economic indicators than non-veterans. They have a higher median income, slightly lower unemployment, and a lower poverty rate. Veterans also have a slightly lower labor participation rate and a disability rate that is over twice the rate for non-veterans.

Table: Veterans in Hudson County

	Veterans	Non-veterans
Civilian population over 18 years old	13,274	527,429
Median Income	\$40,004	\$31,831
Labor force participation rate	77.1%	78.9%
Unemployment rate	6.9%	7.1%
Below poverty in the past 12 months	9.9%	15.1%
With any disability	22.1%	10.7%
Source: 2013-2017 American Community Survey 5-Year Estimates (S2101)		

When compared to the state as a whole, it appears that veterans in Hudson County are generally less well off than the statewide average. The median income and labor force participation rate are lower while the poverty rate is higher.

Table: Veterans – State Comparison

	Hudson County	New Jersey
Civilian population over 18 years old	13,274	351,542
Median Income	\$40,004	\$43,994
Labor force participation rate	77.1%	78.2%
Unemployment rate	6.9%	7.0%
Below poverty in the past 12 months	9.9%	5.4%
With any disability	22.1%	28.1%
Source: 2013-2017 American Community Survey 5-Year Estimates (S2101)		

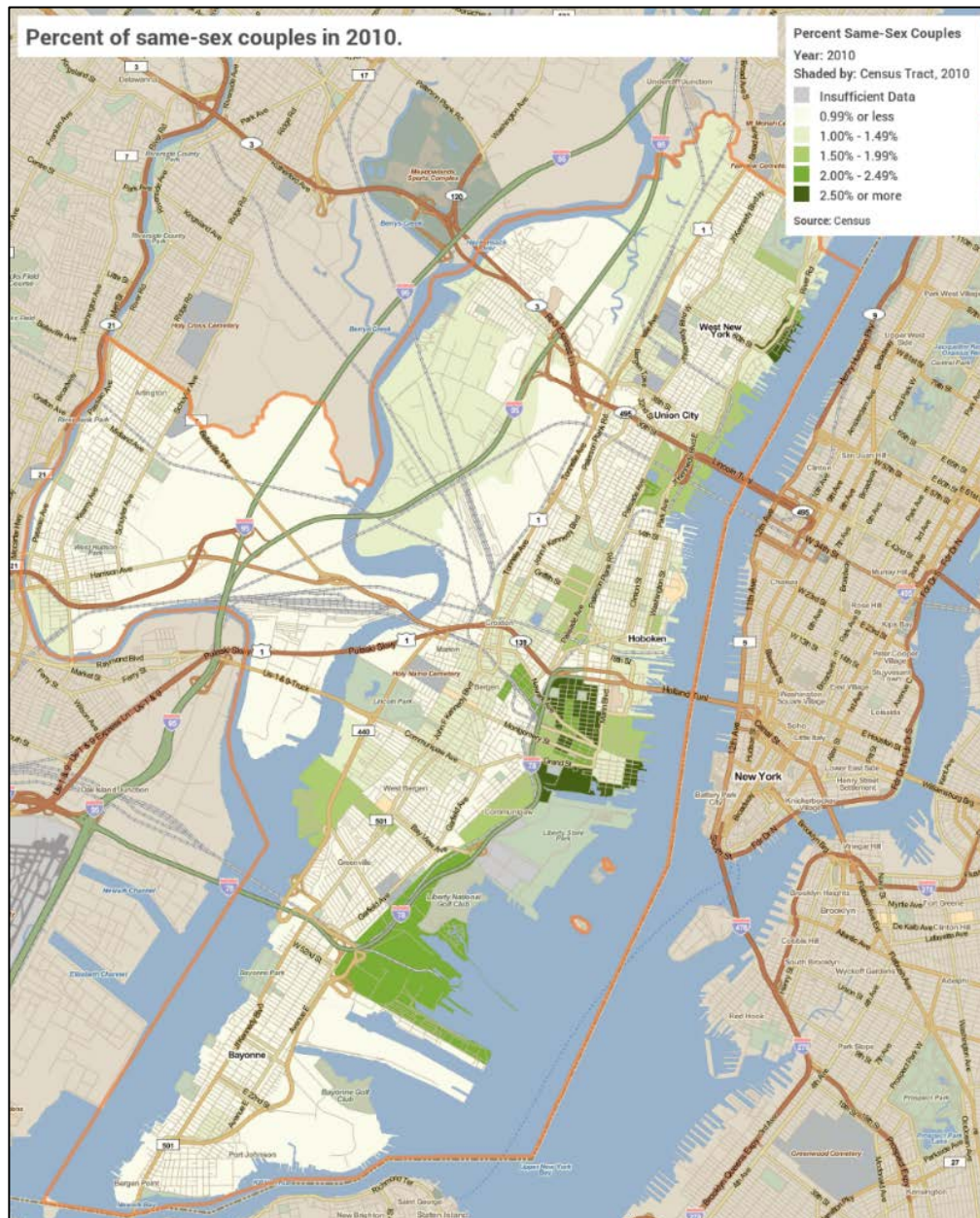
Sexual Orientation and Gender Identity

The State of New Jersey prohibits housing discrimination based on sexual orientation but does not provide similar protection based on gender identity. HUD regulations prohibit discrimination based on sexual orientation and gender identity but adding local protection would be beneficial to the residents of the County.

The U.S. Census Bureau does not ask a person's sexual orientation or gender identity. However, a report by The Williams Institute at UCLA reports that 4.1% of the State's population identify as LGBT. of the County's population. Gathering accurate data is difficult due to stigma and methodological barriers. Lack of adequate legal protections can lead to underreporting and difficulty adequately defining orientations can lead to variation among estimates.

One statistic the Census Bureau does record is the number of same-sex couples in a geographic region. In 2017, approximately 1.02% of couples were same sex in the County. As can be seen in the below map, the distribution of same-sex couples in the County is not uniform. Same sex couples have a larger representation in a few tracts, particularly near the Holland Tunnel.

Map: Same-Sex Couples



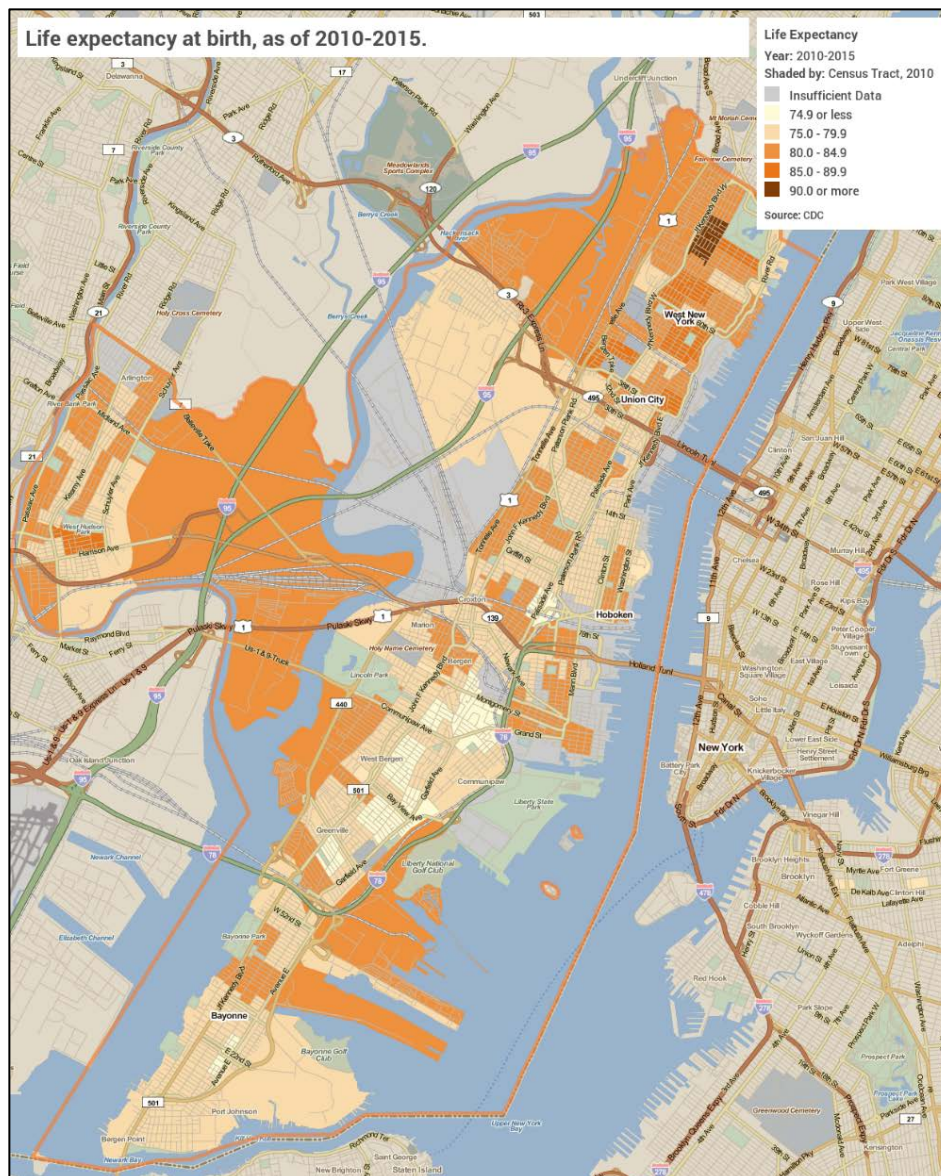
Source: 2010 Decennial Census via PolicyMap

Health

Life Expectancy

There are various factors that can impact a person's life expectancy. Economic stability, access to safe and secure housing, and access to medical care all play an important role. In Hudson County, the life expectancy can vary depending on what census tract someone lives in. Tract 34017014300 located in the north part of the County has a life expectancy of 90.4 years. This is 15 or more years longer than some of the tracts in the southern part of the County where the life expectancy is between 70 and 75 years.

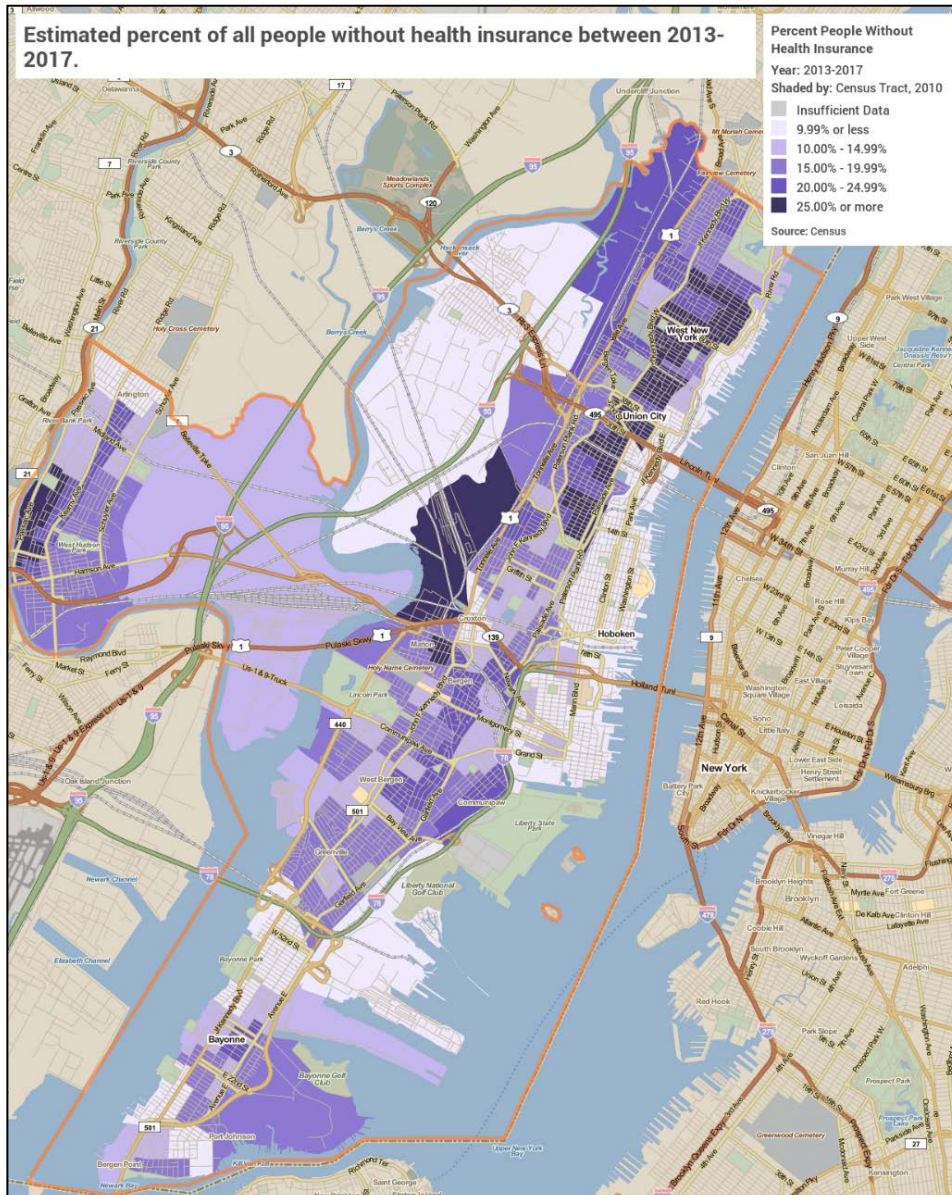
Map: Life Expectancy at Birth



Source: Center for Disease Control via PolicyMap

Countywide, 16.23% of residents do not have access to health insurance. In many tracts, over one quarter of residents did not have access, which can have a significant impact on a person's ability to be economically independent and limit their access to housing.

Map: Health Insurance Rates



Source: 2013-2017 American Community Survey via PolicyMap

Crime

The prevalence of property and violent crime in an area has a large impact on the supply of safe, secure, and affordable housing. Areas with a high crime rate also tend to have fewer economic opportunities, higher poverty rates and lower labor participation rates. These communities may have a number of potentially high-quality and affordable homes, but the presence of crime may deter many households, particularly families. The root causes of crime are multi-faceted and include economic, social, and environmental factors. Addressing these are beyond the scope of this report, but crime does impact housing and may act as an impediment to fair housing choice.

Each year, the New Jersey State Police collects and publishes crime data for each county in the state. In 2018, the most recent year available, there were 13,241 crimes reported in the County. Of these, 2,131 were violent crimes, including 22 murders and 142 rapes. Jersey City Police reported 6,014 crimes, the highest of any jurisdiction and nearly half of all crimes in the County. Secaucus had the highest crime rate at 2,716.6 per 100,000, nearly 800 higher than the County rate of 1,918.7 per 100,000. The countywide clearance rate was 21% and East Newark had the lowest clearance rate with only 2%, meaning there was only one arrest reported during the year against the 45 crimes reported. The Port Authority of New York and New Jersey had the highest clearance rate at 36%.

Sexually Transmitted Infection

Sexually transmitted infections (STIs) can have serious health consequences and long-term negative effects on a person’s quality of life if left untreated. Understanding that STIs are common and treatable is an important step to maintaining health. Unfortunately, there is a lot of misinformation about STIs which can lead to increased medical costs and spreading of the infection. These additional medical costs can but an increased financial burden on residents, particularly low-income residents.

The New Jersey Department of Health collects data on STIs and provides information for residents. In 2017, there were 132 new HIV/AIDS diagnosis in the County and just over 5,000 cases overall. Men are much more likely to have HIV/AIDS than women. Hispanic residents have a higher rate of HIV/AIDS than other racial or ethnic groups.

Table: HIV and AIDS in 2017

	HIV/AIDS Cases	
	Diagnosed in 2017*	Living
Hudson County	132	5,098
Source: 2017 Epidemiologic Profiles of HIV in Hudson County		

Table: HIV and AIDS by Race or Ethnicity

	White, non-Hispanic	Black or African American, non-Hispanic	Hispanic	Other or Unknown	Total*
Males	837	1,182	1,649	112	3,780
Females	165	585	537	31	1,318
Total	1,002	1,767	2,186	143	5,098
Source: 2017 Epidemiologic Profiles of HIV in Hudson County					

Drug Abuse

Addiction and abuse of drugs can have a negative impact on a person’s ability to access affordable housing. Estimating the prevalence of the abuse of any narcotic is difficult due to legal barriers and social stigmas that surround getting medical help. Many addicts fear the loss of jobs, housing, or criminal charges if they seek assistance. It is often the case that a person is not counted in these estimates until they seek medical attention or encounter law enforcement.

Alcohol

The costliest and commonly abused controlled substance in the United States is alcohol. Excessive alcohol consumption costs communities across the country a significant amount. Losses in workplace productivity, health care expenses, criminal justice proceedings and other expenses all add up. The Center for Disease Control estimates that excessive alcohol consumption costs the state of New Jersey \$6.2 billion annually, which amounts to \$702 per capita. Data from the New Jersey Department of Health 2015-2017 Behavioral Risk Factor Survey estimates that 17.3% of all adults 18 years old or older reported binge drinking in the last 30 days in Hudson County, ranking 5th out of all counties in the state. In 2018, a report by the University of Wisconsin Population Health Institute found that 20% of all automobile deaths in the county were alcohol related.

Tobacco

The health risks that come from smoking tobacco has been well established for decades. Heart disease, lung cancer, and obesity are just some of the risks associated with smoking. According to the CDC tobacco use remains the single largest preventable cause of disease, disability, and death in the country. Despite these risks, the CDC reports that 16% of adult residents in Hudson County smoke, slightly higher than the statewide rate of 14%.

In New Jersey, smoking is correlated with several demographic characteristics, including income, education, and race. Research by Rutgers University found that over 25% of residents who didn’t

graduate high school smoke while only 8.4% of graduates from a college or technical school smoke. Similarly, rates of smoking decrease as income increases with nearly 25% of those earning less than \$25,000 annually smoking regularly and only 11.4% of those who earn more than \$75,000 smoke. Black, non-Hispanic residents are more likely to smoke than any other racial or ethnic group (21.3%) and Asian, non-Hispanic residents are least likely (7.5%). Considering the added financial and health costs associated with smoking the prevalence of nicotine addiction among lower income residents may reduce access to affordable housing.

Opioids

Communities across the nation are struggling to deal with the opioid epidemic that has spread throughout the country. A combination of over-prescribed opioids and easy access to illegal opioids has led to a significant number of overdoses and deaths. The New Jersey Department of Law and Public Safety tracks opioid related data at the county level. As of October 2019, there have been 91 suspected overdose deaths in Hudson County, less than half the total number that occurred in 2018 (184). The amount of Naloxone administered is also significantly less and the number of opioid prescriptions distributed is at 119,719 so far in 2019. In every year since 2013 there has been over 217,000 prescriptions dispensed.

Dr. Tucker Woods, chief medical officer at CarePoint Health-Christ Hospital in Jersey City stated in a 2018 NJ.com article that there has been significant progress in reducing the use of opioids. Alternative pain relievers are more commonly prescribed for common conditions and opioids are used for only specific treatments, like for cancer.

It is important that Hudson County and the State of New Jersey continue to take the opioid epidemic seriously. The most recent data appears to show great reductions in opioid related deaths and prescriptions in 2019. The treatment of addiction and abuse as a medical problem will assist in improving the health outcomes, which in turn increase the ability of residents to be economically stable and access safe and secure housing.

Economic Profile

The market for housing and the availability of affordable housing is tied to two forces: supply and demand. In theory, the market will reach an equilibrium where supply equals demand but in practice it is much more complicated. Demand is not a static data point, it is the culmination of the needs, wants, and resources available to members of the population. An important factor in the demand is the economic position a person is in. Their income, employment opportunities, education, and availability of transportation all play a part in the demand for affordable housing.

Income

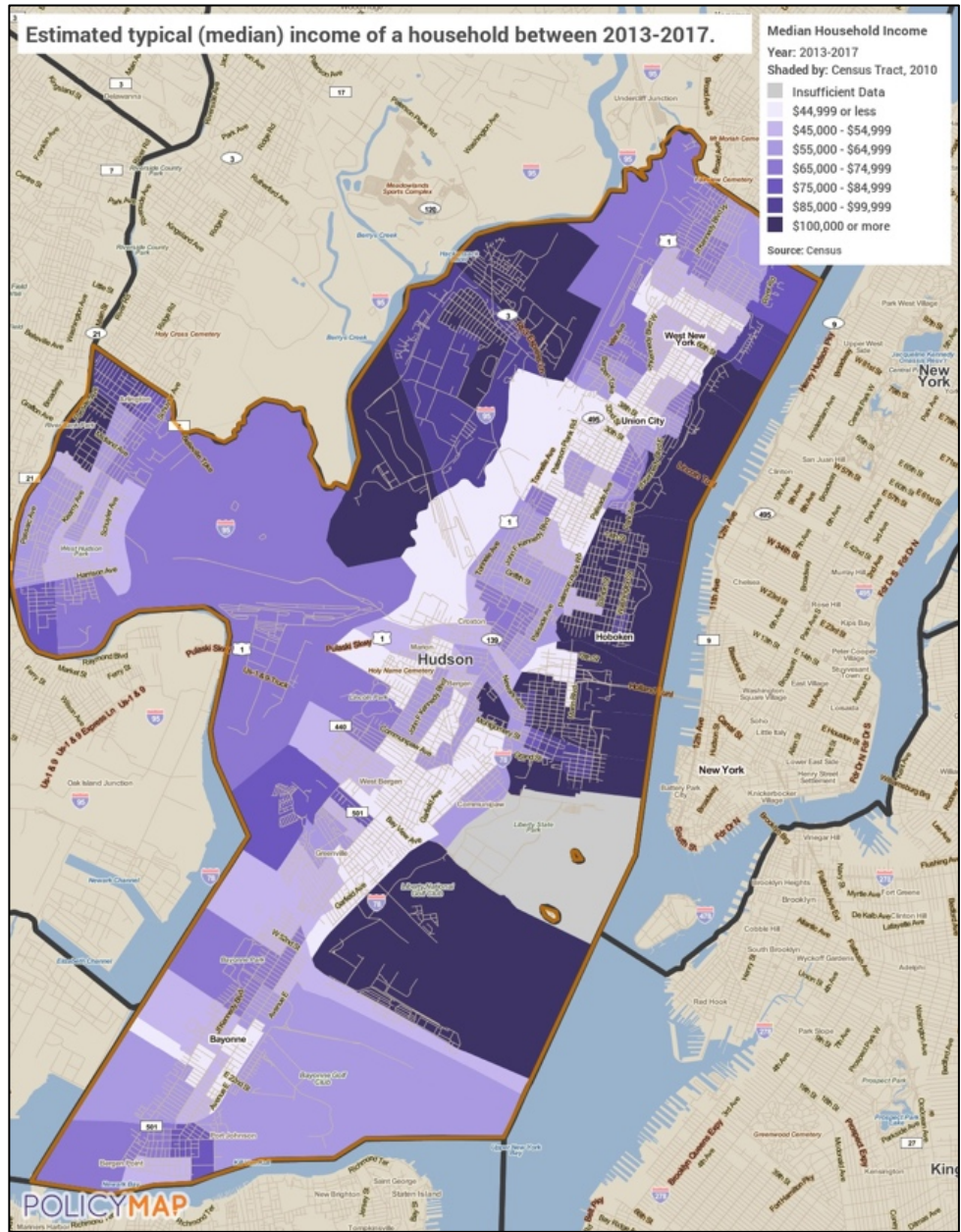
In 2017, the median household income (MHI) in Hudson County was \$62,681. This was less than the statewide MHI of \$76,475, however MHI grew at a greater rate for the county than the state from 2010 to 2017. This suggests that if the trend from these years continues the gap between County and State will lessen but jurisdictions are dynamic places and a seven-year pattern is relatively small.

Table: Median Household Income

	2010	2017	Percent Change 2010-2017
Hudson County	\$55,275	\$62,681	13.40%
New Jersey (state)	\$69,811	\$76,475	9.55%
Source: 2006-2010 & 2013-2017 American Community Survey 5-Year Estimates (DP03)			

The map below displays the geographical distribution of median household income throughout Hudson County. Lighter colored shades represent areas with lower MHI and darker shades represent areas with higher MHI. There appears to be a relative concentration of wealth in areas along the Hudson River and in the northwestern tracts. These tracts had an MHI of \$100,000 or more. On the opposite end of the spectrum, the MHI was less than \$45,000 in the inland tracts.

Map: Median Household Income

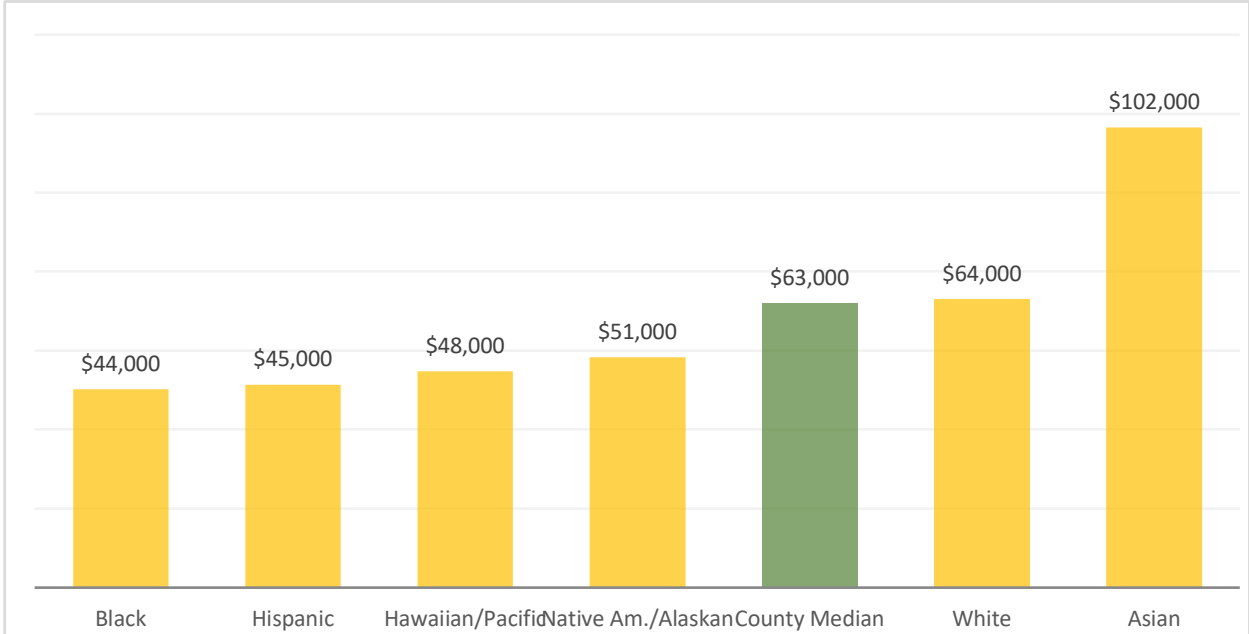


Source: 2013-2017 ACS via PolicyMap

Income and Race

While the 2017 countywide median household income (MHI) was \$62,681, there was a significant disparity among different racial and ethnic groups in the county. With an MHI of approximately \$102,000, Asian households had the highest MHI, by far. Black and Hispanic households both reported the lowest MHIs at \$44,000 and \$45,000, respectively. The chart below displays the difference of MHI between all races in the county.

Chart: Income & Race Comparison

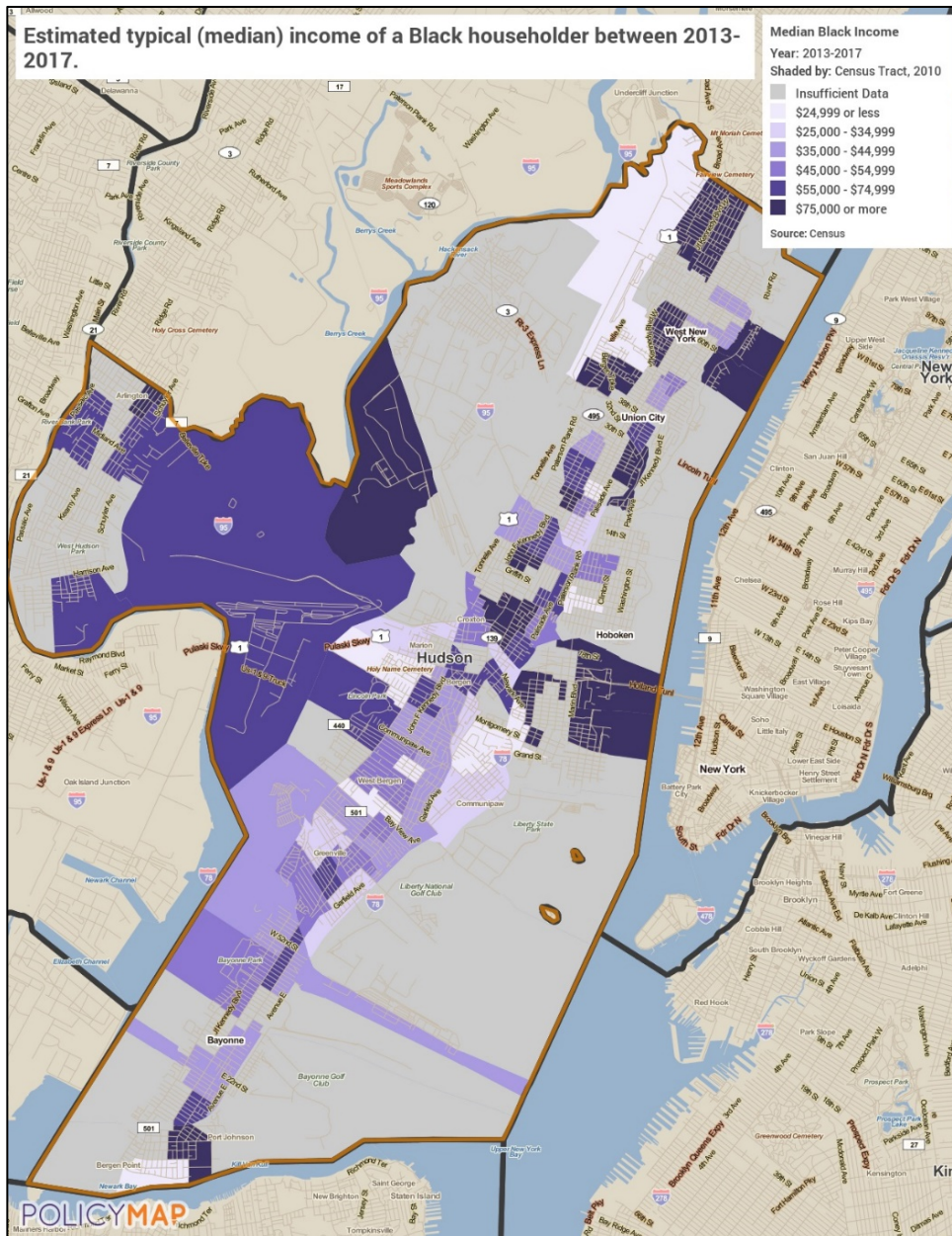


Data Source: 2013-2017 American Community Survey 5-Yr Estimates (S1903)

Black

While Black households had the lowest MHI in the County, there was some variation depending on location. Black households in higher income tracts along the river reported higher incomes than many inland tracts. However, many of the high income areas had so few black households that the MHI could not be accurately estimated.

Map: Median Household Income, Black

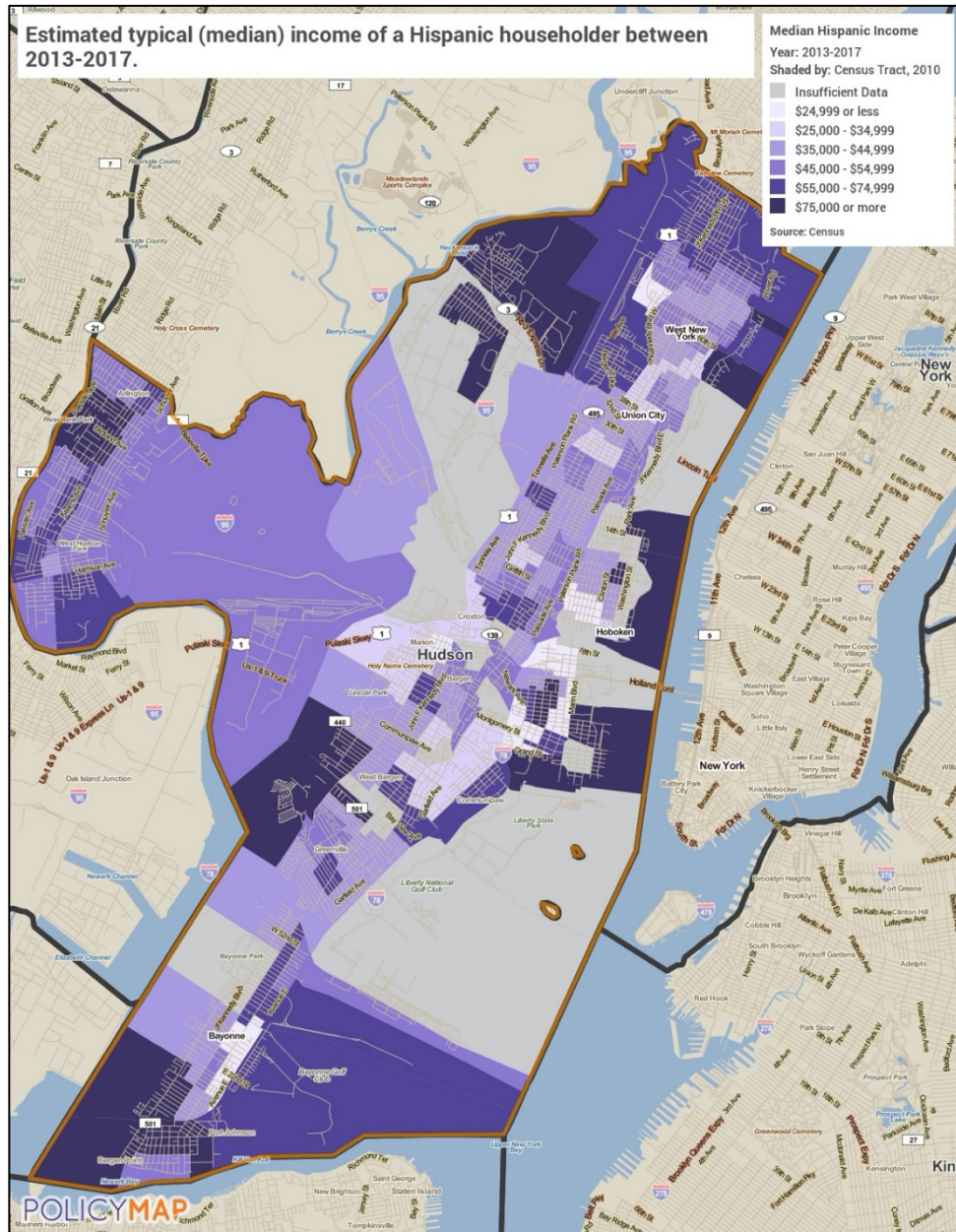


Source: 2013-2017 ACS via PolicyMap

Hispanic

Hispanic households reported a similar MHI distribution as Black households. Generally high-income areas had a higher income reported by Hispanic households. Again, there were areas with too few Hispanic households to provide an estimate.

Map: Median Household Income, Hispanic



Source: 2013-2017 ACS via PolicyMap

Racially or Ethnically Concentrated Areas of Poverty

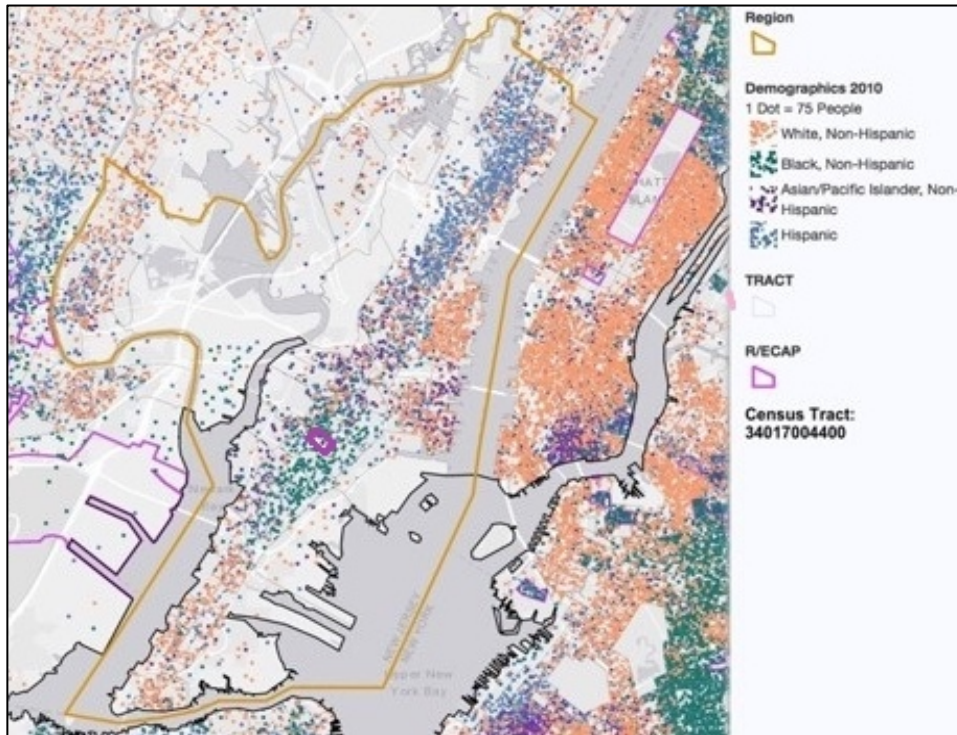
HUD defines Racially or Ethnically Concentrated Areas of Poverty (R/ECAP) tracts as census tracts with at least a 50% non-white population and exceeds 40% poverty rate or that is three or more times the average tract poverty rate for the metropolitan/micropolitan area, or whichever threshold is lower. The Black population made up the vast majority of the total population in R/ECAP tracts with 80.01% followed by Hispanics with 15.5%.

Table: R/ECAP Demographics

	Estimate	Percent
Total Population in R/ECAPs	2406	(x)
White, Non-Hispanic	40	1.66%
Black, Non-Hispanic	1925	80.01%
Hispanic	373	15.5%
Asian or Pacific Islander, Non-Hispanic	6	0.25%
Native American, Non-Hispanic	7	0.29%
Other, Non-Hispanic	16	0.67%
Multi-Racial, Non-Hispanic	39	1.62%
Source: HUD AFH Data and Mapping Tool (AFHHT0004)		
Note: There is only one R/ECAP tract in Hudson County.		

In Hudson County there is only one R/ECAP Tract identified, tract 3401700440. As noted in the table above, this area has a large minority population, primarily Black and Hispanic.

Map: R/ECAPs

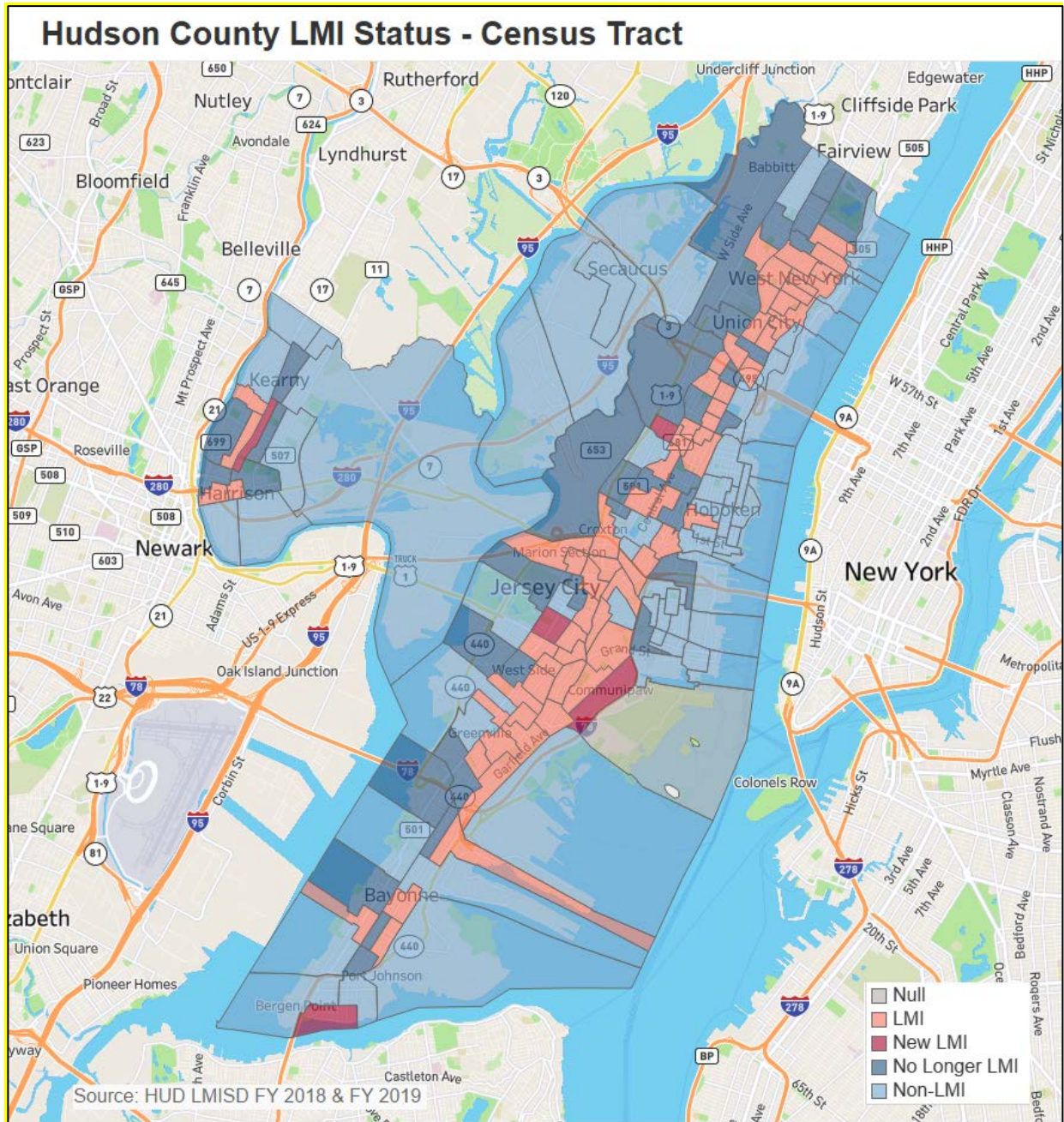


Source: HUD AFH Data and Mapping Tool (AFHHT0004)

LMI Changes

Every five years HUD publishes an update to the LMI Status of tract block groups. LMI tracts are locations where at least 51% of the residents are LMI, which allows HUD grant programs to be classified as LMA benefit. In the County there are 70 LMI tracts, 5 of which is new. The remaining 95 are non-LMI tracts, which includes 35 that changed from LMI to non-LMI.

Map: LMI Changes



Source: HUD LMISD FY 2018 & FY 2019

Poverty

Households who are in poverty face significant difficulty in finding safe, secure, and affordable housing. Residents living in impoverished areas have an increased risk for mental illness, chronic diseases, and a shorter life expectancy. These negative health effects can be particularly troubling when children are involved. Living in poverty increases the chance that a child will have higher rates of cavities, food insufficiency and struggle in school. In general, poverty is more common in rural environments than urban and is more prevalent in minority communities. In Hudson County, the poverty rate grew by slightly more than the state but at a slower rate.

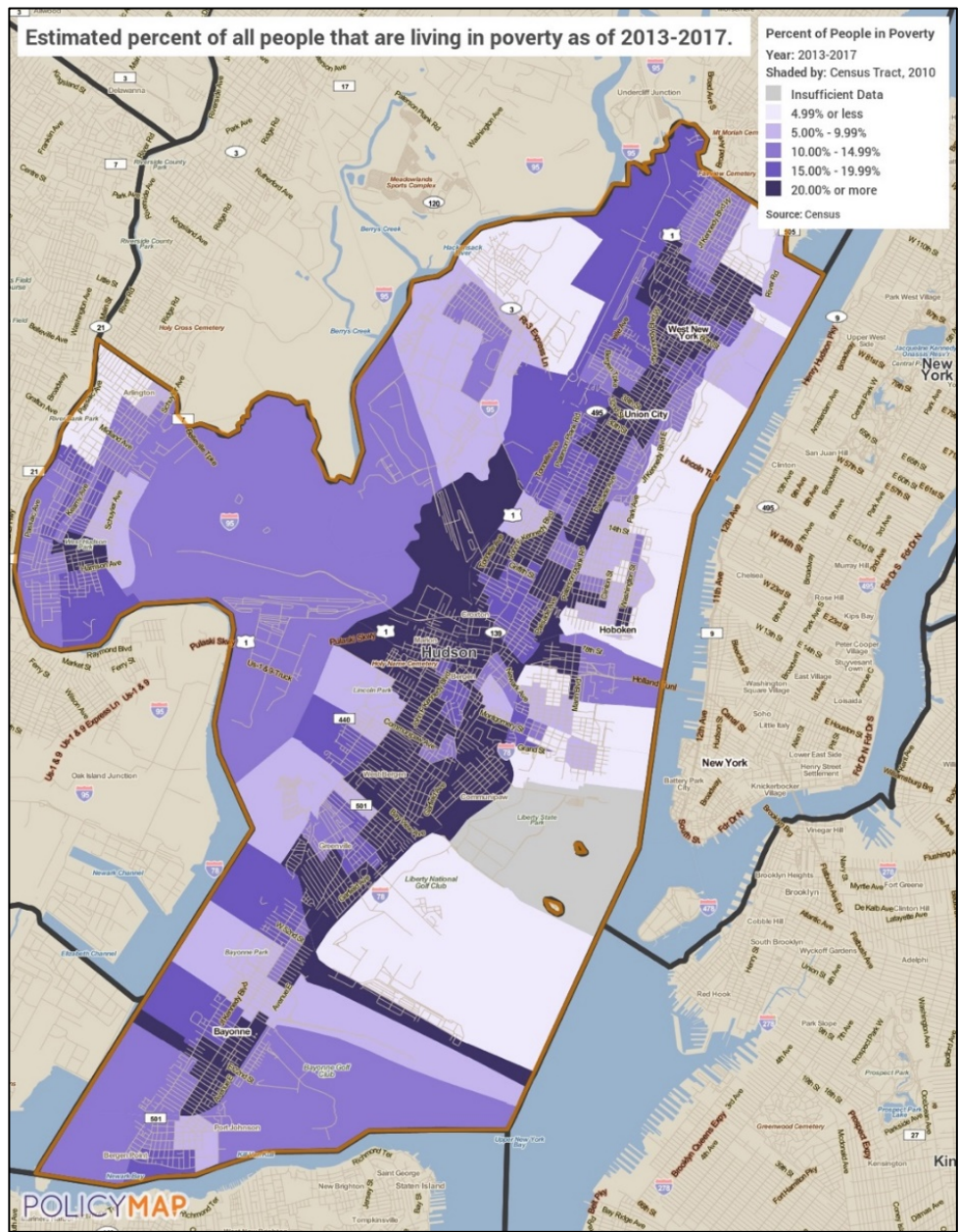
Table: Poverty Rate

	Poverty Rate (2010)	Poverty Rate (2017)	Difference	Percent Change
Hudson County	15.1%	17.1%	2.0%	13.3%
New Jersey	9.1%	10.7%	1.6%	17.6%

Source: 2006-2010 & 2013-2017 American Community Survey 5-Year Estimates (DP03)

The following map displays the geographical distribution of poverty throughout Hudson County. The lighter shaded areas represent a smaller percent of people in poverty and the darker shaded areas represent a higher percent of people in poverty. Unsurprisingly, lower income central tracts reported a higher poverty rate, often over 20%.

Map: People in Poverty

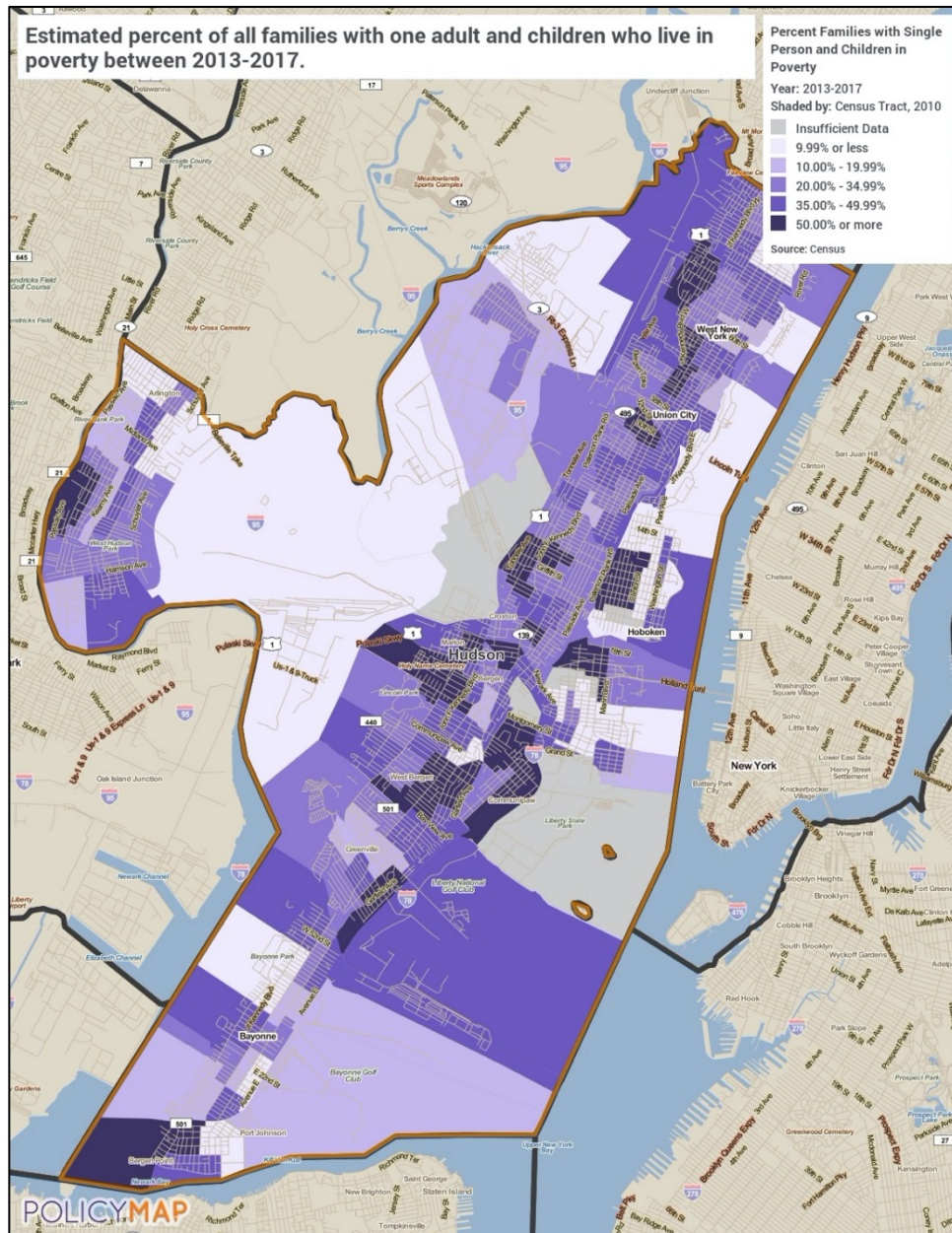


Source: 2013-2017 ACS via PolicyMap

Poverty and Household Type

Single headed families are at an increased risk of homelessness and living in substandard conditions. In Hudson County, the poverty rate for these households is higher than the County as a whole. In many areas of the County over 50% of single headed families with children are in poverty.

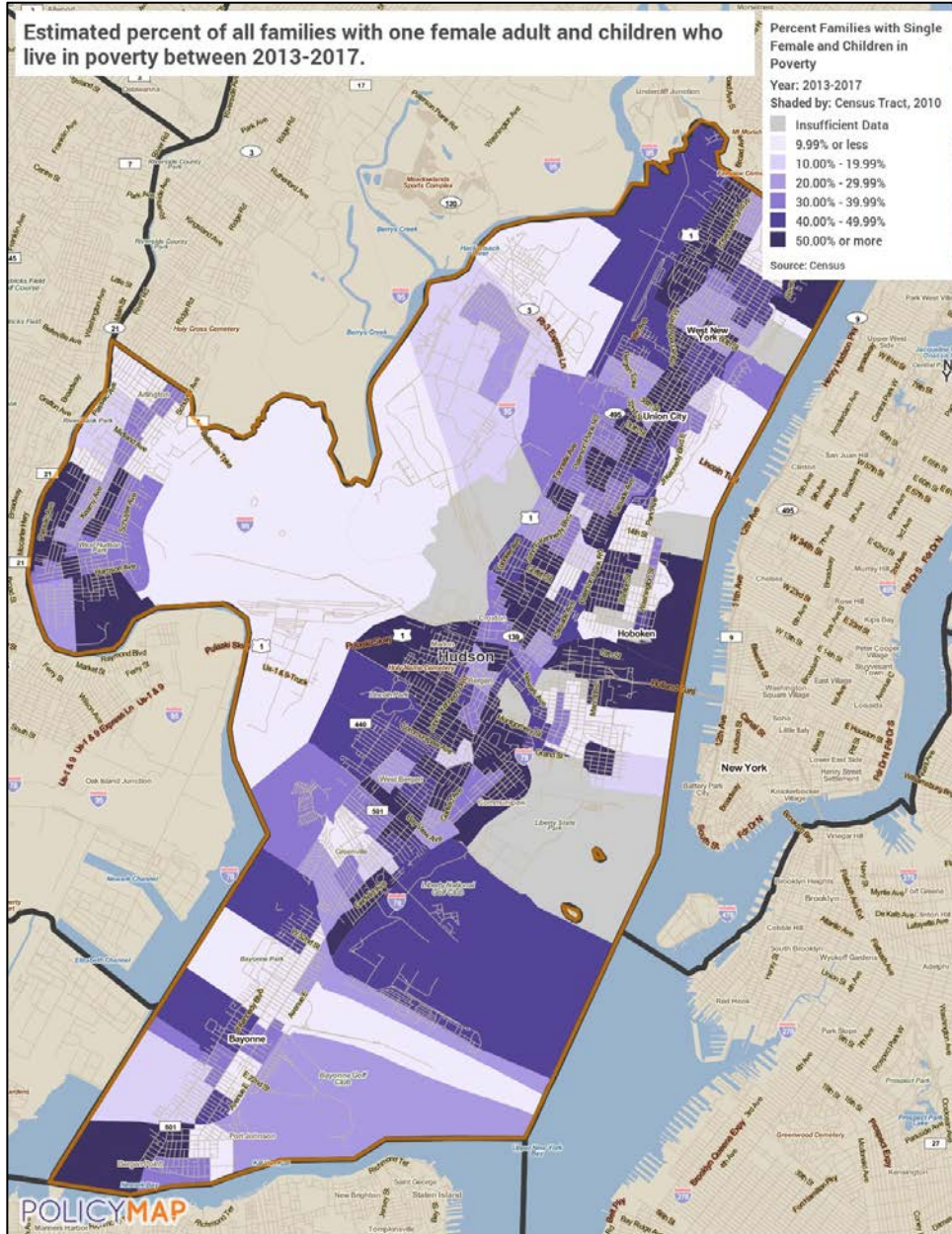
Map: Single Headed Families with Children in Poverty



Source: 2013-2017 ACS via PolicyMap

Single female headed families with children report an even higher poverty rate than the above group. The number of tracts where over half of these families are in poverty increases substantially and spans the entire county.

Map: Single Female Headed Families with Children in Poverty



Source: 2013-2017 ACS via PolicyMap

Poverty and Race

The 2017 countywide poverty rate was 17.1%, but there was significant disparity among differing racial and ethnic groups. Whites, the largest racial group (67.9%) in the County, had a slightly lower poverty rate than the countywide rate. In comparison, Blacks and African Americans, American Indian and Alaska Natives and individuals identifying ethnically as Hispanic or Latino had poverty rates higher than the countywide rate. As noted previously, Blacks and African Americans have the largest concentrated areas of poverty in the County with many in new or existing LMI census tracts.

Asians make up about 9.4% of the population demographic and the group’s poverty rates are also below countywide rate. Due to the same size of the American Indian/Alaska Native and Native Hawaiian/Other Pacific Islander population, the poverty rates varied widely from the countywide median rate.

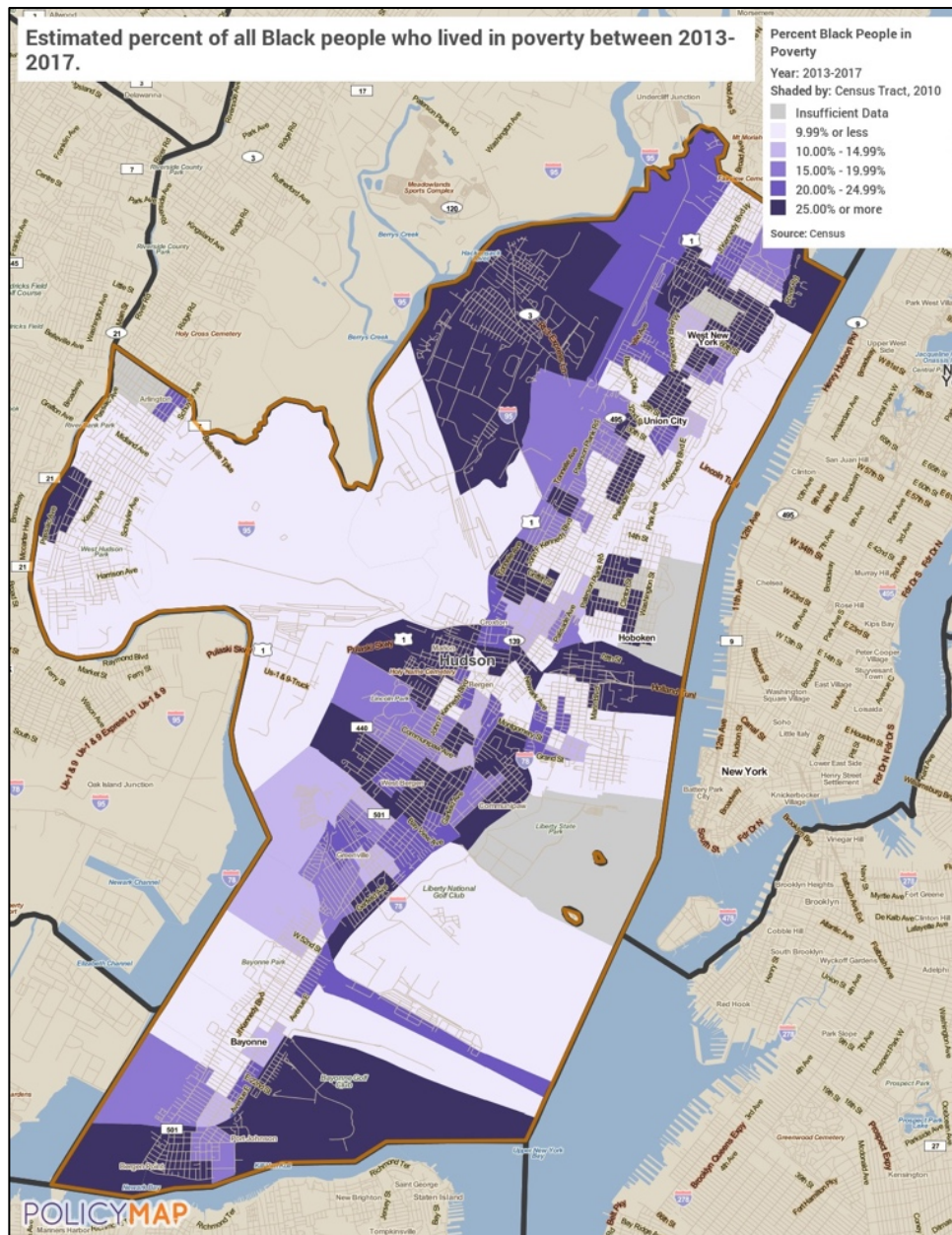
Table: Poverty and Race or Ethnicity

	Estimate	Percentage
White	60,584	16.3%
Black or African American	19,235	23.4%
American Indian and Alaska Native	414	19.6%
Asian	11,915	11.6%
Native Hawaiian / Other Pacific Islander	137	24.4%
Some other race	18,773	20.6%
Two or more races	4,196	18.9%
Hispanic or Latino (of any race)	63,309	21.8%
Hudson County	115,254	17.1%
Source: 2013-2017 American Community Survey 5-Year Estimates (S1701)		
Data Note: Hispanic and Latino identify as an ethnic group.		

Black

The following series of maps displays the poverty rate based on race or ethnicity. Lighter shaded areas represent areas where the particular groups have lower rates of poverty and darker shaded areas represent areas where the groups have higher poverty rates. Throughout the county there were tracts with a relatively high poverty rate for Black residents, over 25%. There were also some relatively low poverty tracts, primarily in higher income areas, where the poverty rate was under 10%

Map: Poverty – Black

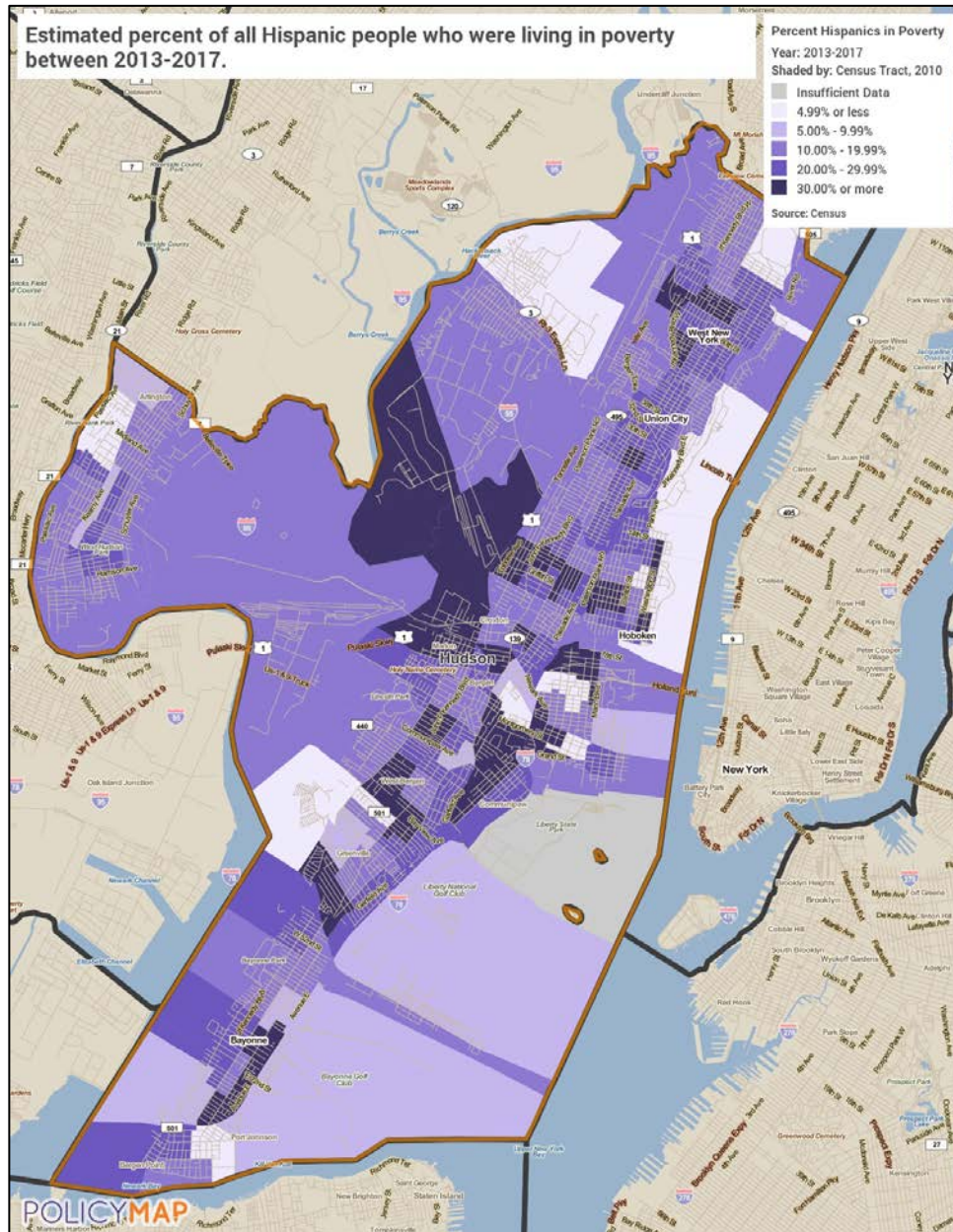


Source: 2013-2017 ACS via PolicyMap

Hispanic

Hispanic residents also saw the poverty rate vary across the County. Relatively high poverty tracks (30% and above) throughout the County, as well as lower poverty tracts. These areas match closely the high MHI and low MHI areas for this group.

Map: Poverty – Hispanic



Source: 2013-2017 ACS via PolicyMap

Employment

The table below outlines the labor statistics in Hudson County by industry. The largest industry is Education and Health Care Services at 19% and the second largest job-producing industry is Professional, scientific, management, administrative, and waste management with 15.5%. The county has more prevalent finance and insurance, real estate, rental, leasing; transportation and warehousing and utilities; and professional, scientific, management, administrative and waste management services industries than the state.

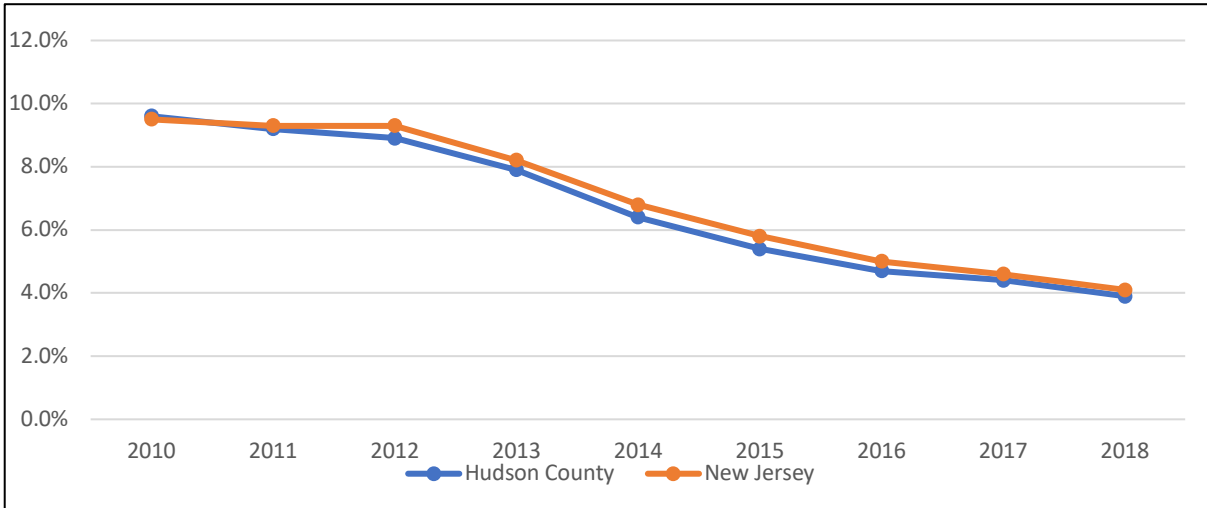
Table: Employment by Industry

	Number of Workers	Share of Workers (%)	Number of Workers	Share of Workers (%)
	Hudson County		New Jersey	
Agriculture, forestry, fishing and hunting, mining	219	0.1%	13,755	0.3%
Construction	16,724	4.7%	249,596	5.7%
Manufacturing	24,349	6.9%	362,892	8.3%
Wholesale trade	13,073	3.7%	149,340	3.4%
Retail trade	37,279	10.5%	488,795	11.1%
Transportation and warehousing, and utilities	29,039	8.2%	261,195	6.0%
Information	11,560	3.3%	123,449	2.8%
Finance and insurance, real estate, rental, leasing	39,667	11.2%	372,301	8.5%
Professional, scientific, management, administrative and waste management services	54,726	15.5%	580,562	13.2%
Educational services, health care, social assistance	67,194	19.0%	1,041,368	23.7%
Arts, entertainment, recreation, accommodation and food services	33,442	9.4%	366,508	8.4%
Other services, except public administration	16,489	4.7%	194,728	4.4%
Public administration	10,344	2.9%	183,535	4.2%
Total	354,105	100.10%	4,388,024	100.00%
Source: 2013-2017 American Community Survey 5-Year Estimates (DP03)				

Unemployment

Data for the following two charts come from the Bureau of Labor Statistics. From a high of 9.6% in 2010, the unemployment rate has steadily decreased each year to its current low of 3.9% in 2018. The county unemployment rate tracks very closely with the statewide unemployment rate.

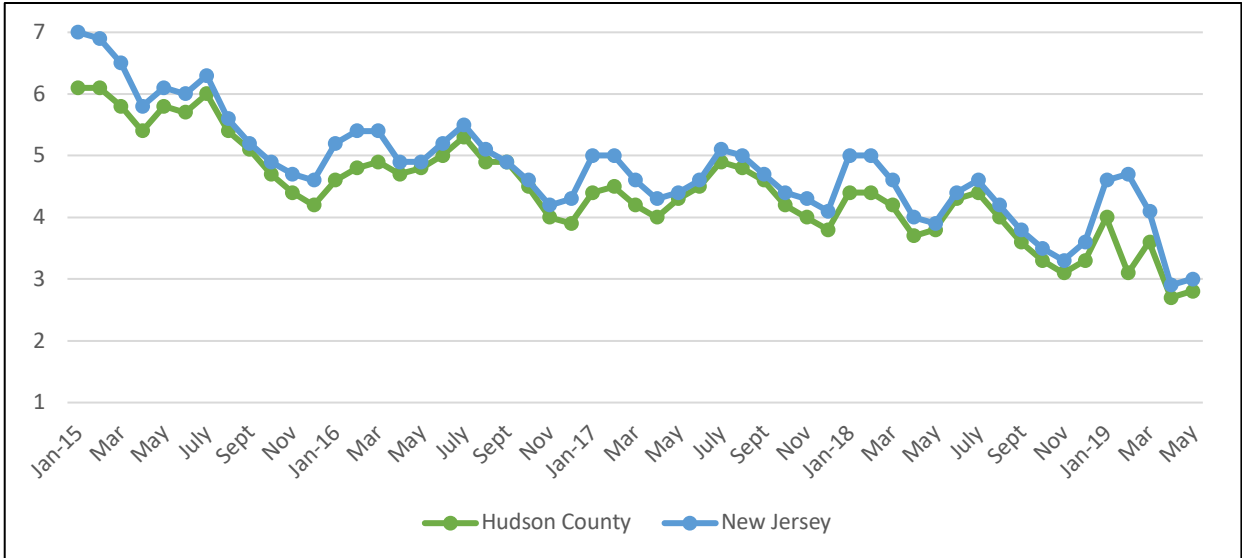
Chart: Unemployment Rate from 2010 to 2018 (%)



Source: BLS, Local Area Unemployment Statistics, Not seasonally adjusted

The chart below shows the unemployment rate by month over the past several years. While seasonal employment affects the unemployment rate, the overall trend is that unemployment has been steadily decreasing over the past decade. This follows closely with the statewide rate but the seasonal rate in Hudson County appears to fluctuate less than the statewide rate.

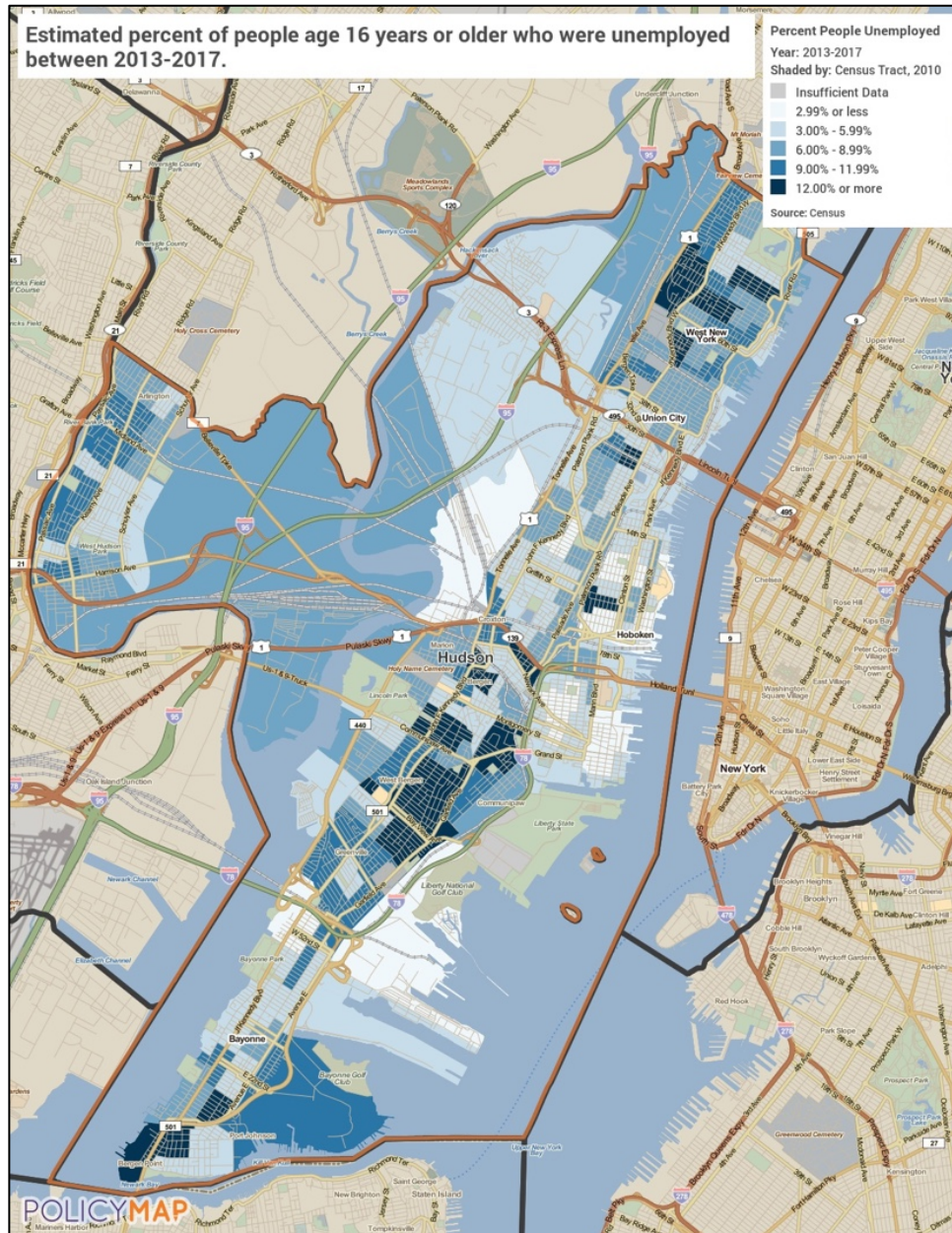
Chart: Monthly Unemployment Rate (%)



Source: BLS, Local Area Unemployment Statistics, Not seasonally adjusted

The map below shows the geographical distribution of the unemployment rate throughout the Hudson County. The lightest shade represents areas with the lowest unemployment rate, and the unemployment rate increases as the shade darkens. Unemployment is most common in inland tracts where it is often over 12%.

Map: Unemployment Rate

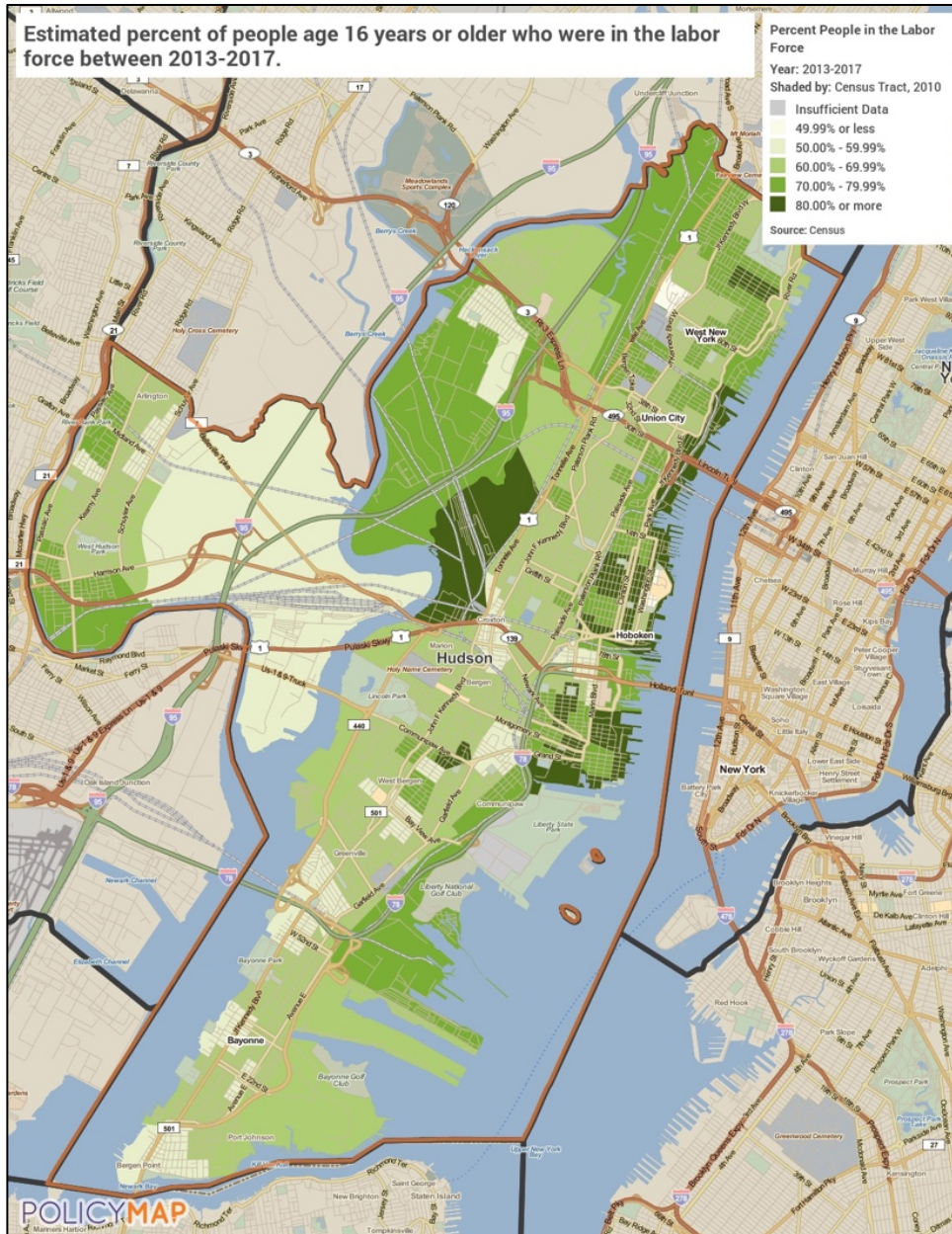


Source: 2013-2017 ACS via PolicyMap

Labor Force Participation

The map below displays the geographical distribution of the labor force in Hudson County. The lightest shade represents areas where the percentage of the population participating in the labor force is less. The percent participating in the labor force increases as the shade darkens. The concentration of the county's labor force is more heavily concentrated in the southern areas of tracts along the Hudson River.

Map: Labor Force



Source: 2013-2017 ACS via PolicyMap

Commute

Workers driving a personal vehicle is the most common form of transportation in Hudson County, however it is only a plurality with 44.9%. Public transportation is incredibly common with 42.4% of residents utilizing it for their commute, which is significantly less than the 11.5% of New Jersey residents as a whole who use public transportation. Non-motorized travel is also relatively common with 8.3% walking or biking.

Table: Commuting Method

	Hudson County (%)	New Jersey (%)
Workers 16 years and over	347,223	4,300,873
Car, truck, or van	44.9%	79.5%
Drove alone	37.0%	71.5%
Carpooled	7.8%	8.0%
Public transportation (excluding taxicab)	42.4%	11.5%
Walked	7.9%	3.0%
Bicycle	0.4%	0.3%
Taxicab, motorcycle, or other means	1.5%	1.5%
Worked at home	2.9%	4.2%
Source: 2013-2017 American Community Survey 5-Yr Estimates (S0801)		

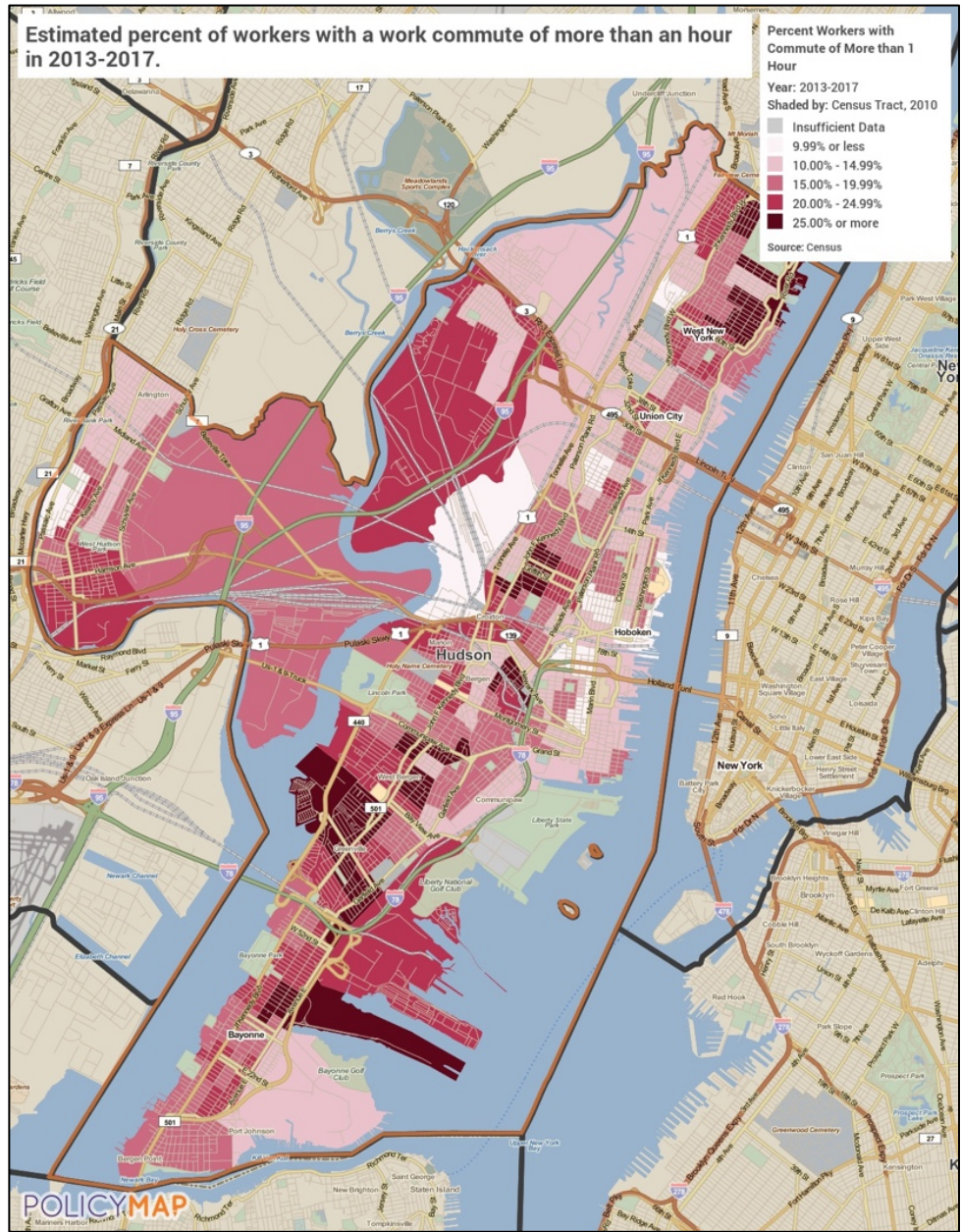
Overall, commute times to work have increased slightly from 2017. The mean travel time has increased primarily do the significant rise in workers who are commuting more than one hour and reduction in residents who commute less than 10 minutes.

Table: Travel Time to Work

Hudson County	2010	2017	Percent Change
Workers 16 years+ did not work at home	306,361	337,171	10.06%
Less than 10 minutes	7.3%	5.3%	-27.40%
10 to 14 minutes	9.2%	7.9%	-14.13%
15 to 19 minutes	10.4%	9.4%	-9.62%
20 to 24 minutes	12.2%	10.9%	-10.66%
25 to 29 minutes	4.1%	4.1%	0.00%
30 to 34 minutes	17.6%	17.2%	-2.27%
35 to 44 minutes	9.5%	10.3%	8.42%
45 to 59 minutes	14.8%	16.7%	12.84%
60 or more minutes	14.8%	18.2%	22.97%
Mean travel time to work (minutes)	32.8	35.7	8.84%
Source: 2006-2010 & 2013-2017 American Community Survey 5-Yr Estimates (S0801)			

Travel time to work appears to higher on the northern and southern ends of the County, as well as a few tracts in the middle. These areas are not as close to major passages across the Hudson River into New York City.

Map: Average Travel Time to Work



Source: 2013-2017 ACS via PolicyMap

Housing Profile

Housing Type

According to the 2013-2017 American Community Survey estimates, 20 or more-unit properties structures were the most prevalent type of housing in Hudson County, comprising 28.2% of all units. This is a slight increase from 2010 when this housing type represented 25.8%. There were no property types that saw a significant change between 2010 and 2017.

HUD defines a single-family structure as a structure with one to four units. Using that definition, the data shows that the most prevalent housing type in Hudson County was multifamily with 52.5% of all housing units located in structures of one to four units. An important group of property types are called the “Missing Middle” and represent housing types that are neither 1-unit or large complexes. In Hudson County, a significant number of units are part of the “Missing Middle” (2-19 units), 48.1%. This points to a large variety of housing options available for residents with families of all sizes.

Table: Residential Property Types

	2010		2017	
	Number	%	Number	%
1-unit, detached structure	26,570	10.0%	27,495	9.9%
1-unit, attached structure	16,384	6.2%	15,783	5.7%
2 units	60,416	22.8%	63,608	22.9%
3 or 4 units	39,878	15.1%	39,025	14.1%
5-9 units	30,643	11.6%	31,187	11.2%
10-19 units	22,145	8.4%	21,699	7.8%
20 or more units	68,249	25.8%	78,381	28.2%
Mobile Home	439	0.2%	448	0.2%
Boat, RV, van, etc.	120	<0.1%	116	<0.1%
Total	264,844	100.0%	277,742	100.0%
Data Source: 2006-2010 & 2013-2017 American Community Survey 5-Year Estimates (DP04)				

Unit Size

According to the 2013-2017 ACS, 2-bedroom units make up the largest portion of County’s housing stock at 37.2% of all units. The second most prevalent housing size were 1-bedroom units at 26.8% of the county’s housing stock. At 24.2% of the housing stock, 3-bedroom unit’s account for the third largest housing size in Hudson County. It is important for a variety of housing sizes to exist in order to provide residents at all stages of life with the home size they need.

Table: Housing Units by Size

	2010		2017	
	Number	%	Number	%
No bedroom	13,152	5.0%	14,902	5.4%
1 bedroom	75,121	28.4%	74,514	26.8%
2 bedrooms	97,042	36.6%	103,441	37.2%
3 bedrooms	59,178	22.3%	67,294	24.2%
4 bedrooms	12,587	4.8%	12,052	4.3%
5 or more bedrooms	7,764	2.9%	5,539	1.9%
Total	264,844	100.0%	277,742	100.0%
Data Source: 2006-2010 & 2013-2017 American Community Survey 5-Year Estimates (B25041)				

Age of Housing Units

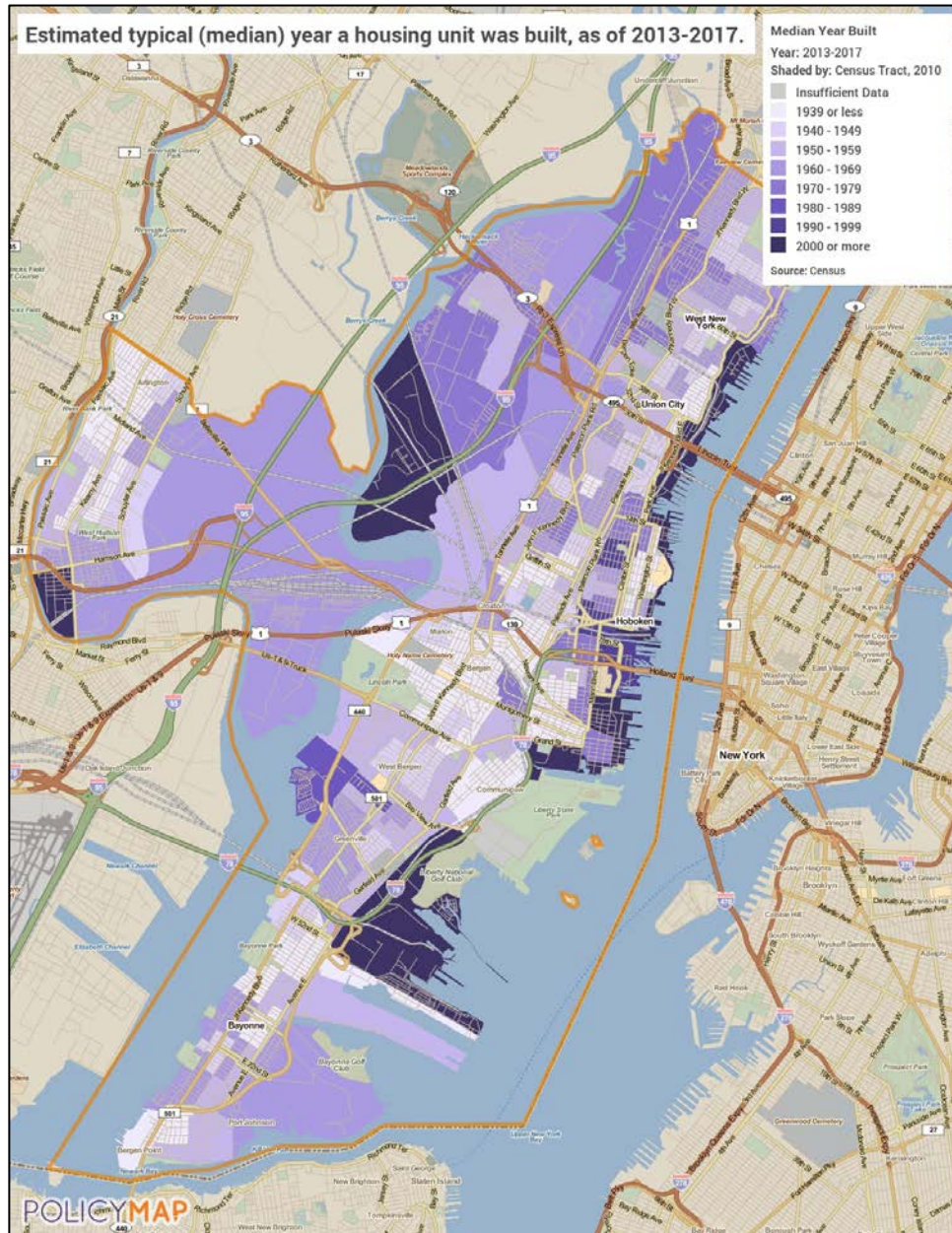
The table below provides data on the age of Hudson County’ housing stock by year cohort in comparison to the state as a whole. Much of the housing stock in the County is very old, while the age of the housing stock in the state is distributed much more evenly across all time period ranges. The largest cohort in the county was units built before 1939, comprising of over one third of the units with 35.9%. Further, approximately 72.3% of all housing in Hudson County was built before 1980. As homes age, they become much more susceptible to increased maintenance issues, deteriorate, be at risk for lead-based paint hazards and/or fall into dilapidated conditions. Due to such a large portion of the housing stock being very old, the County will have to monitor the condition of its housing stock closely and promote either the creation of new homes in the county or provide for rehabilitation of the housing stock where needed.

Table: Year Unit Built

	Hudson County		New Jersey	
	Number	%	Number	%
Built 2010 or Later	8,956	3.3%	72,928	2.0%
Built 2000 to 2009	33,620	12.1%	334,957	9.3%
Built 1990 to 1999	16,707	6.0%	341,793	9.5%
Built 1980 to 1989	17,599	6.3%	427,942	11.9%
Built 1970 to 1979	24,591	8.9%	458,582	12.8%
Built 1960 to 1969	27,043	9.7%	486,259	13.5%
Built 1950 to 1959	27,599	9.9%	547,187	15.2%
Built 1940 to 1949	21,814	7.9%	269,846	7.5%
Built 1939 or earlier	99,813	35.9%	655,561	18.2%
Total	277,742	100.0%	3,595,055	100.0%
Data Source: 2013-2017 American Community Survey 5-Year Estimates (DP04)				

Newer homes are primarily found along the riverfront of Hudson County. These areas have a median year built of 2000 or later. The more inland tracts have a much older median year built, 1939 or earlier.

Map: Median Year Built



Source: 2013-2017 ACS via PolicyMap

Occupancy Characteristics

The table below compares renter and owner occupancy data across Hudson County between 2010 and 2017. Since the 2010, the percentage of total occupied housing units has increased slightly in the County. The total number of housing units also increased slightly. During this time period it appears there has been a slight shift away from owner-occupied units to rental units, which now make up 68.6% of all occupied units.

Table: Housing Occupancy

	2010		2017	
	Number	%	Number	%
Total Housing Units	264,844	(x)	277,742	(x)
Occupied Housing Units	237,726	89.80%	252,352	90.9%
Owner Occupied Housing Units	81,643	34.3%	79,116	31.4%
Renter Occupied Housing Units	156,083	65.7%	173,236	68.6%
Data Source: 2006-2010 & 2013-2017 American Community Survey 5-Year Estimates (DP04)				

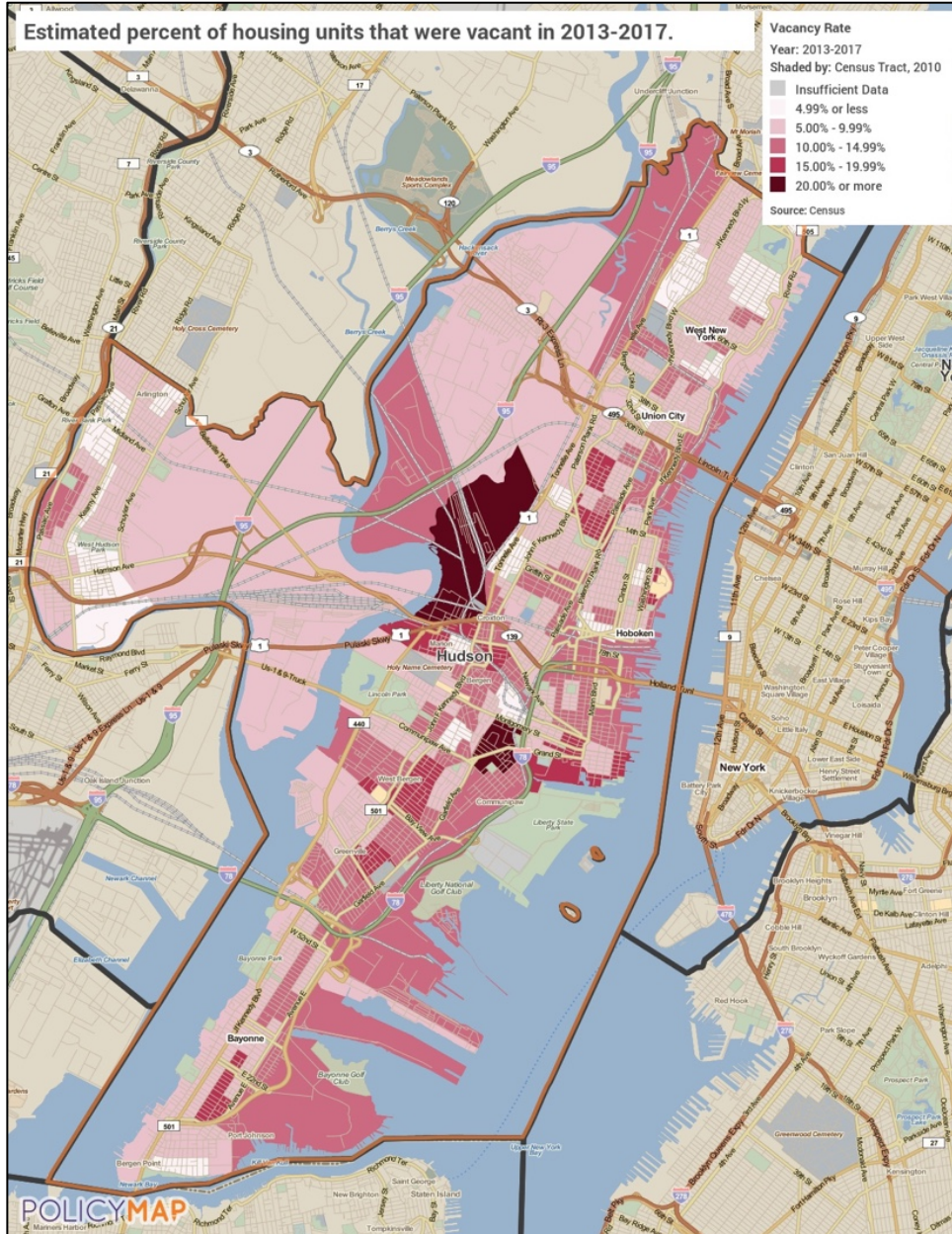
The following table shows the vacancy rates for renters and homeowners in 2010 and 2017. A property is considered vacant if no one is living in it at the time of enumeration and it is available for occupation (for example, it does not contain any structure that is damaged to a point where it would be deemed unfit for occupation). During this time period the vacancy rate dropped for every group in both the County and the state of New Jersey. The largest drop was Homeowner vacancy in Hudson County by going down from 4.6% to 1.8%.

Table: Residential Vacancy Rate

	2010		2017	
	Homeowner Vacancy Rate	Rental Vacancy Rate	Homeowner Vacancy Rate	Rental Vacancy Rate
Hudson County	4.6%	6.8%	1.8%	5.1%
New Jersey (state)	1.9%	6.9%	1.7%	5.5%
Data Source: 2006-2010 & 2013-2017 American Community Survey 5-Year Estimates (DP04)				

The map below depicts the residential vacancy rates by census tract in Hudson County. There is not a significant pattern of vacancies identified, but a few tracts stand out with a vacancy rate of over 20%. Both of those tracts share a border with a low vacancy rate tract, under 5%.

Map: Vacancy



Source: 2013-2017 ACS via PolicyMap

Construction Activity

Between 2010 and 2018 residential construction units issued in Hudson County grew significantly from 917 total to 4,617. Since 2017, the number of permits issued was approximately 4,000 – 5,000. The most common housing type to receive a permit is 5+ units, which fits the trend of large multi-unit properties being commonplace within the County.

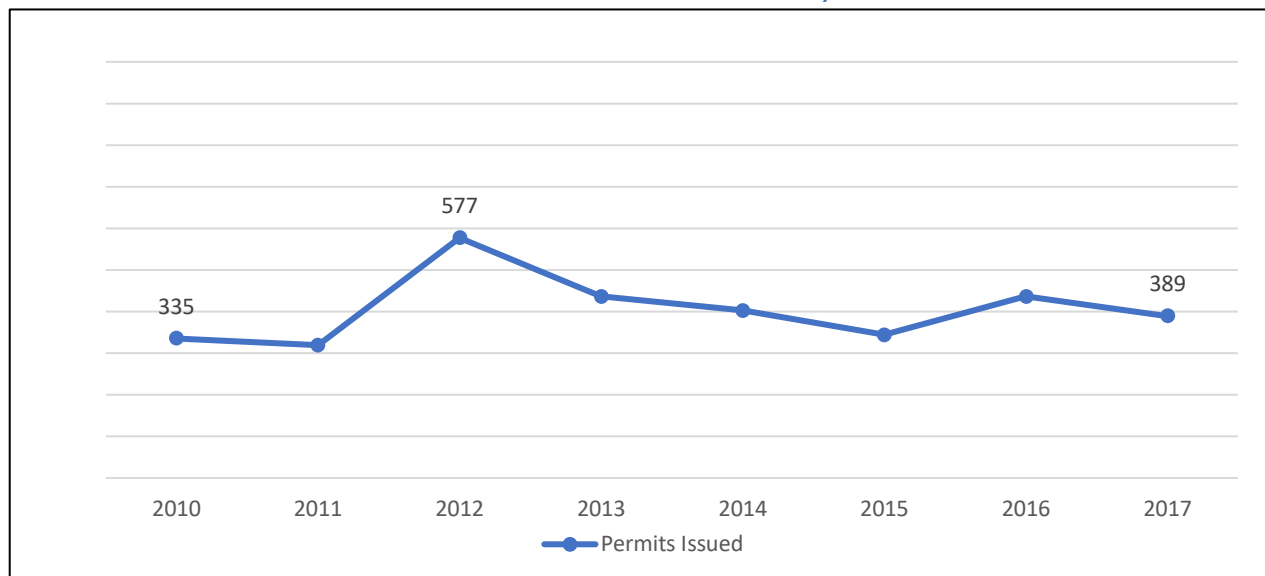
Table: Construction Permits Issued

	1-Unit		2-Units		3-4 Units		5+ Units		Total	
	#	PPU	#	PPU	#	PPU	#	PPU	#	PPU
2010	55	\$138,379	90	\$118,848	57	\$139,672	715	\$129,960	917	\$129,978
2011	45	\$145,305	52	\$99,159	11	\$99,091	1473	\$146,323	1581	\$144,414
2012	46	\$157,950	86	\$98,188	36	\$109,279	2508	\$81,428	2676	\$83,657
2013	130	\$127,671	80	\$97,175	60	\$93,383	3251	\$101,230	3521	\$101,980
2014	272	\$120,641	100	\$93,901	87	\$164,824	4162	\$177,209	4621	\$171,843
2015	400	\$79,833	46	\$221,541	71	\$212,181	4543	\$131,844	5060	\$129,675
2016	338	\$231,758	118	\$139,072	76	\$118,468	3632	\$179,271	4164	\$181,283
2017	243	\$176,093	148	\$102,428	89	\$100,883	4593	\$137,898	5073	\$138,043
2018	1,065	\$39,982	188	\$106,497	268	\$180,789	3096	\$252,412	4617	\$193,312

Source: US Census Bureau, Building Permits Survey

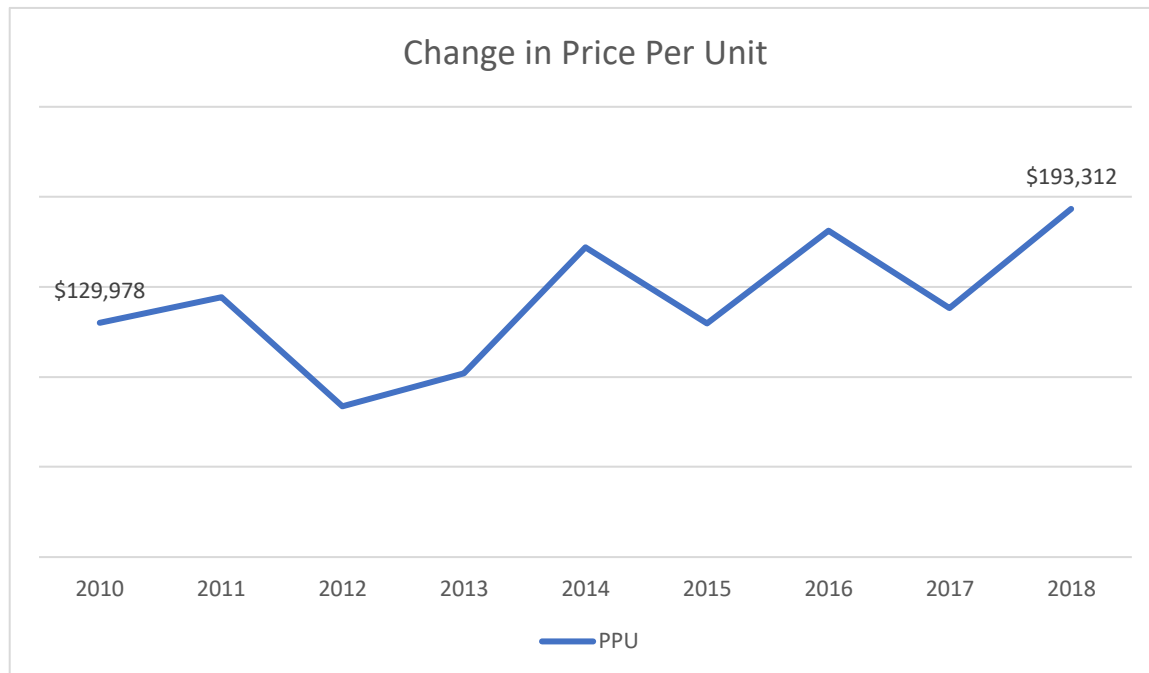
PPU = Price Per Unit

Chart: Residential Construction Permits Issued in Hudson County



Source: US Census Bureau, Building Permits Survey

Chart: Change in Price Per Unit (\$) in Hudson County



Source: US Census Bureau, Building Permits Survey

Market and Demand

The table below demonstrates the negative impact of the 2007 nationwide housing market collapse on annual housing sales in Hudson. Starting prior to 2008 there was a significant decrease in housing sales that was felt for several years. Since then the number of housing sales has recovered and even increased. Overall, the median sales price of homes in Hudson County has remained relatively stable, between \$310,000 and \$390,000. The number of homes sold increased from a low of 2,639 in 2009 to over 6,500 after 2014.

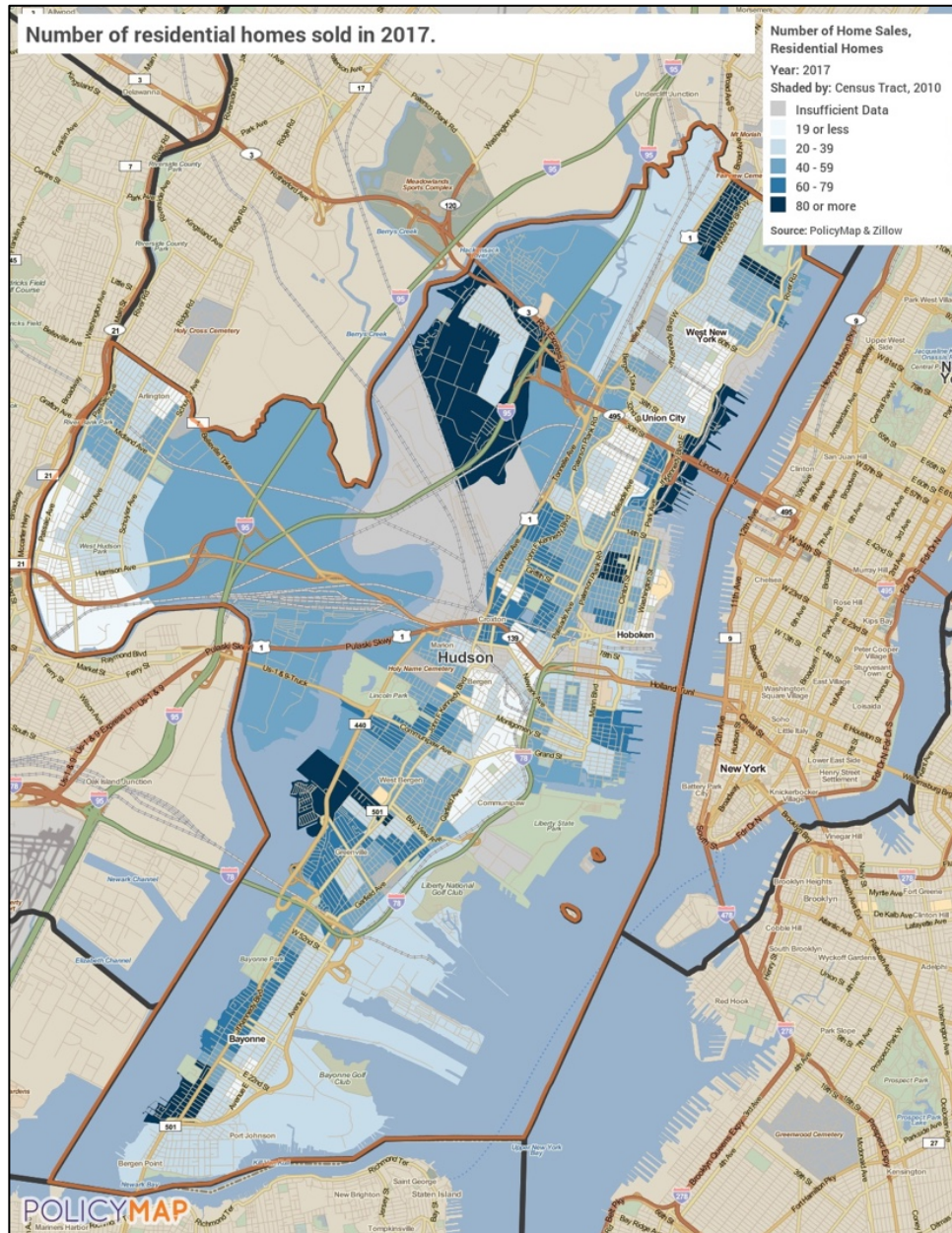
Table: Annual Housing Sales

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Total	5,137	2,639	5,135	4,823	4,402	5,941	5,771	7,356	6,637	6,910
MSP *	390,000	320,000	339,000	315,000	310,000	325,000	340,000	350,000	350,000	380,000

Data Source: Policy Map & Zillow
 *Data Note: Median Sales Price

In the following map, according to Zillow, a few tracts had significantly higher sales than elsewhere in the County. These tracts, identified as dark blue, had 80 or more home sales in 2017. Low sale tracts, as well as those with insufficient data, are primarily found in the central part of the County.

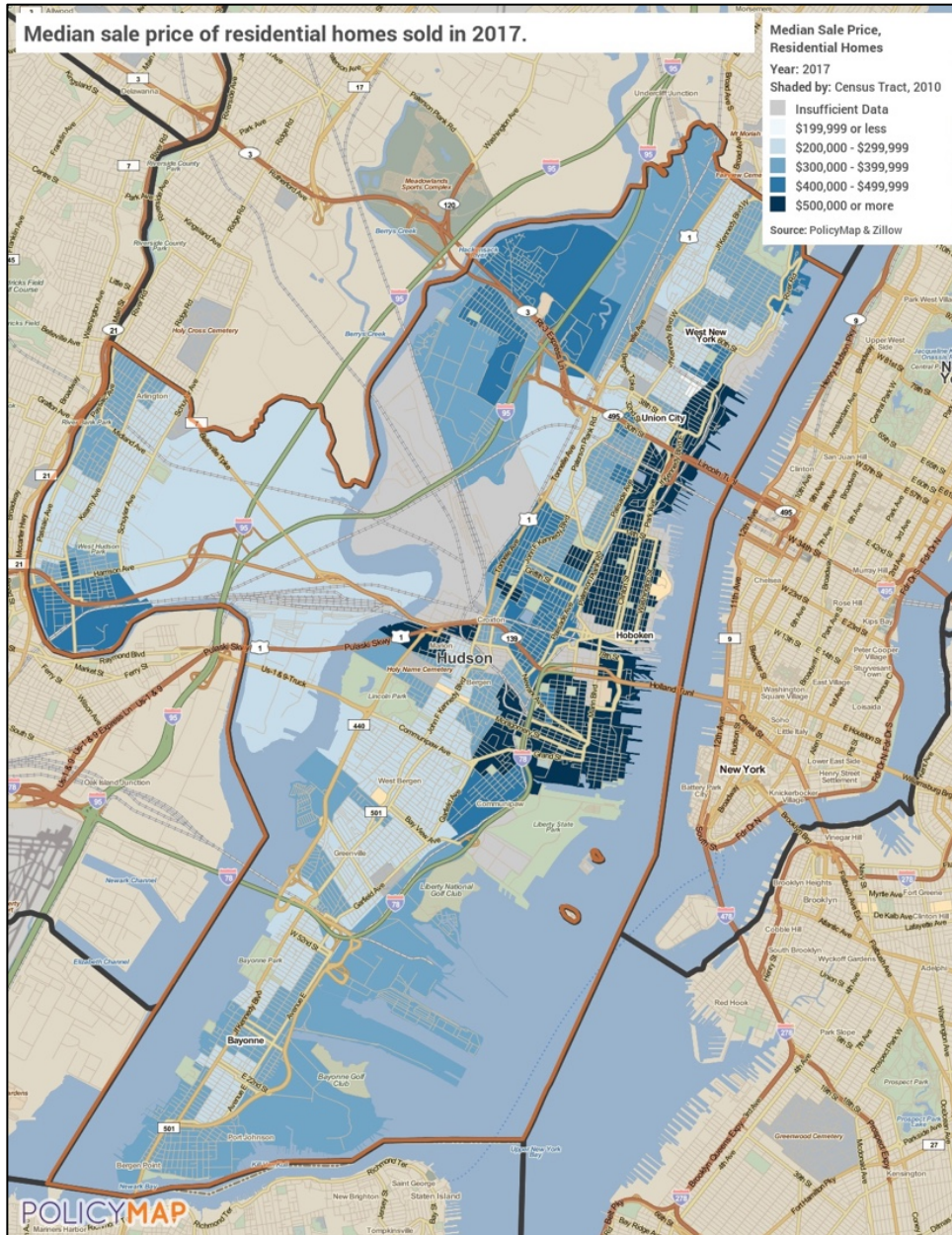
Map: Annual Home Sales



Source: PolicyMap & Zillow

Many of the areas with a high number of sales also had very high median sales prices, often over \$500,000. This is particularly true for tracts along the Hudson River.

Map: Median Sales Price in 2017



Source: PolicyMap & Zillow

Housing Costs

The following section examines the change in housing costs for owners and renters across Hudson County. The Median Home Value in Hudson County fell from \$383,900 in 2010 to \$349,500 in 2017, an 8.96% drop. However, rents have increased significantly in the County. The median contract rent in 2010 was \$938 and jumped to \$1,147 in 2017.

Table: Cost of Housing

	2010	2017	Percent Change
Median Home Value	\$383,900	\$349,500	-8.96%
Median Contract Rent	\$938	\$1,147	22.28%
Data Source: 2006-2010 & 2013-2017 American Community Survey 5-Year Estimates (DP04, B25058)			

Owner-Occupied Units

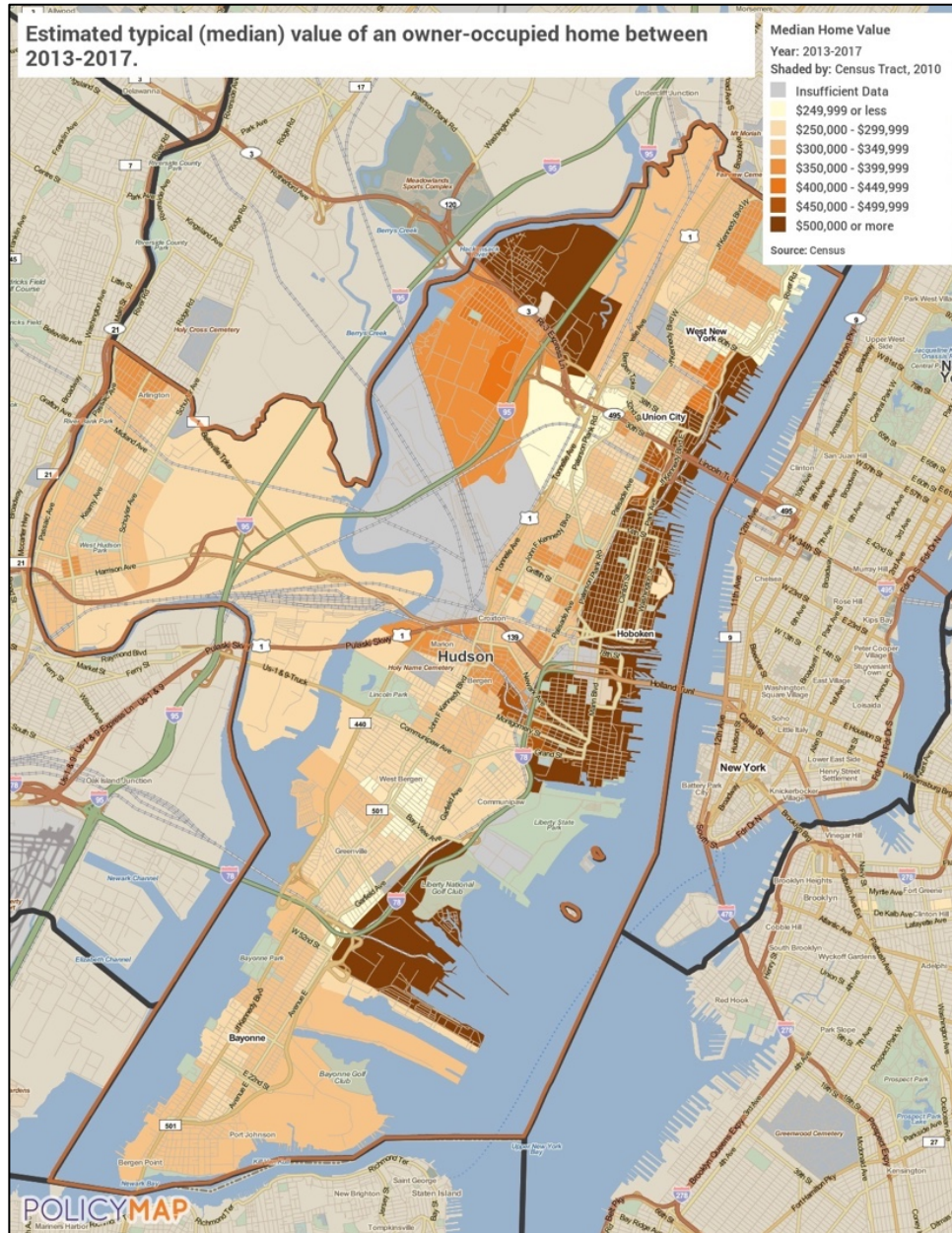
The following table compares 2010 and 2017 home value cohort data for the County. There is not a strong trend towards more expensive or less expensive homes. Groups of homes at both the low end and high end increased in proportion between 2010 and 2017. The largest increase was homes in the \$200,000s from 18.4% to 22.8%, and the largest decrease was homes in the \$300,000 with a drop from 44.9% to 38.1%.

Table: Median Home Value for Owner Occupied Units

	2010		2017	
	Number	Percentage	Number	Percentage
Less than \$50,000	846	1.0%	2,300	2.9%
\$50,000 to \$99,999	1,072	1.3%	1,226	1.5%
\$100,000 to \$149,999	2,100	2.6%	2,653	3.4%
\$150,000 to \$199,999	4,337	5.3%	5,802	7.3%
\$200,000 to \$299,999	15,036	18.4%	18,054	22.8%
\$300,000 to \$499,999	36,617	44.9%	30,181	38.1%
\$500,000 to \$999,999	19,323	23.7%	15,416	19.5%
\$1,000,000 or more	2,312	2.8%	3,484	4.4%
Total Units/Median Value	81,643	100.0%	349,500	100.0%
Data Source: 2006-2010 & 2013-2017 American Community Survey 5-Year Estimates (DP04)				

Homes are significantly more valuable along the Hudson River than they are more inland. Homes in these tracts cost \$500,000 or more, on average. Areas with a relatively low median home value come in at half that, less than \$250,000.

Map: Median Home Value



Source: 2013-2017 ACS via PolicyMap

Renter Occupied Units

The table below compares 2010 and 2017 rent cohort data for Hudson County. The general trend over time is that there are fewer units available in the lower rent cohorts and increasing numbers of units available in the higher rent cohorts. Of particular notice, units over \$1,500 consisted of only 22.8% of all rental units in 2010, however that figure jumped to 35.3% in 2017.

Table: Rental Costs

	2010		2017	
	Number	Percentage	Number	Percentage
No rent paid	3,012	(x)	2,940	(x)
Less than \$500	14,867	9.7%	13,924	8.2%
\$500-999	52,995	34.6%	33,992	20.0%
\$1,000-\$1,499	50,274	32.8%	62,263	36.6%
\$1,500 or more	34,935	22.8%	60,117	35.3%
Total Units/Median Rent	153,071	100.0%	170,296	\$2,940
Data Source: 2006-2010 & 2013-2017 American Community Survey 5-Year Estimates (DP04)				
Note: Median Rent is calculated based solely on those renters actually paying rent.				

The distribution of median gross rents in the County is similar to median home values. Property along the Hudson River has a high median rent (over \$1,600) while tracts inland have a lower median rent, usually less than \$1000.

Map: Median Rent



Source: 2013-2017 ACS via PolicyMap

Affordability

By HUD's definition, households paying in excess of 30 percent of their monthly household income towards housing costs (renter or owner) are said to be cost burdened. The tables below detail data on 1.) owner costs as percentage of household income for homeowners with a mortgage, 2.) homeowners without a mortgage, and 3.) renter costs as a percentage of income.

Approximately 44.3% of homeowners with a mortgage are cost-burdened in Hudson County. That is nearly 24,000 households that are at risk of missing mortgage payments, medical care, or paying utilities. Housing costs are more than just the mortgage payment and also includes utilities.

Table: Monthly Costs of Homeowners with a Mortgage

	Number	Percentage
Less than 20%	16,447	30.7%
20 to 24.9%	7,710	14.4%
25 to 29.9%	5,636	10.5%
30 to 34.9%	4,594	8.6%
35% or more	19,118	35.7%
Not Computed	479	(x)
Data Source: 2013-2017 American Community Survey 5-Year Estimates (DP04)		

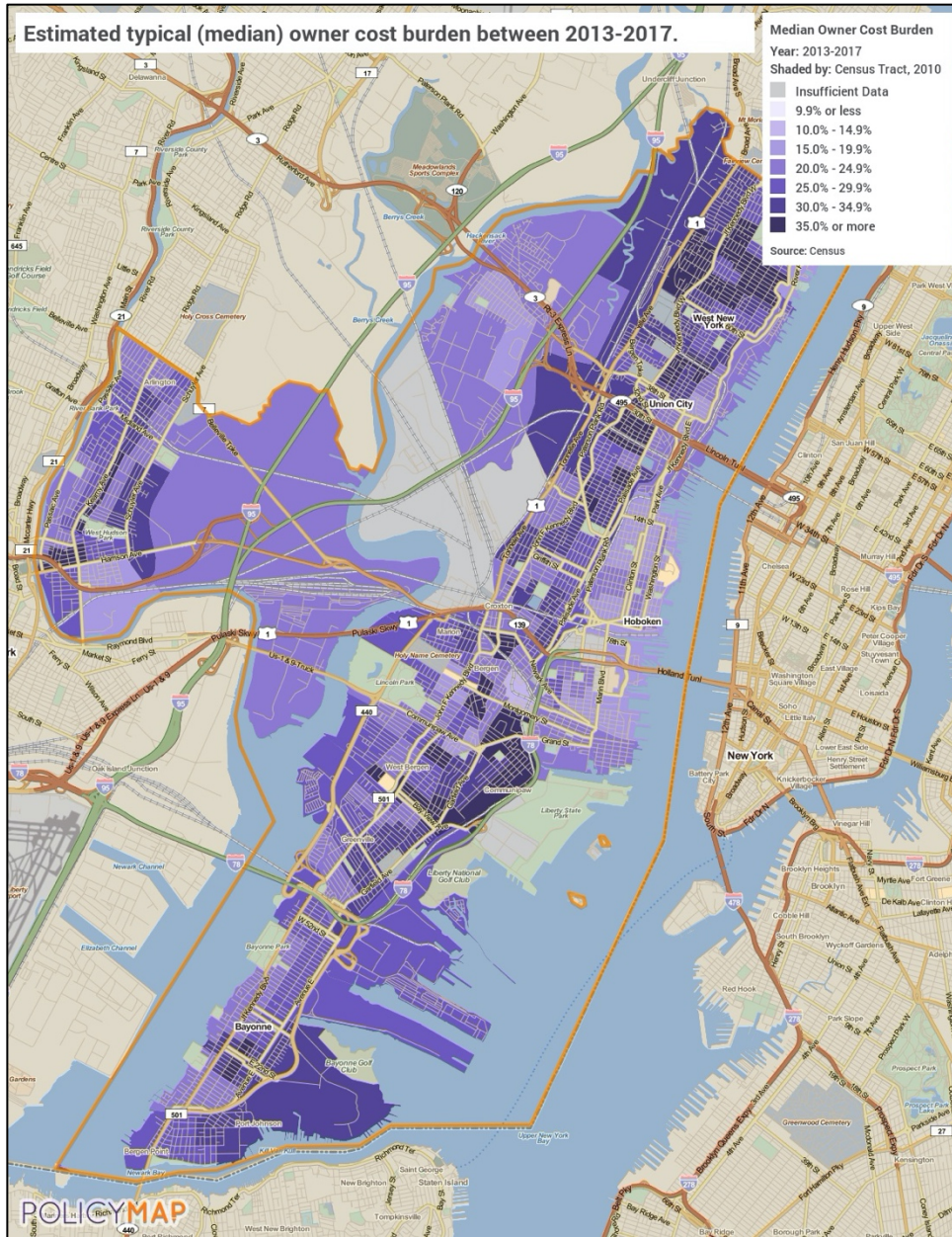
Homeowners without a mortgage are somewhat better off. Approximately 33% of homeowners without a mortgage are cost burdened. Many residents who no longer have a mortgage are older and may be on a fixed income, which means those that are cost burdened may need support to remain in their homes.

Table: Monthly Costs of Homeowners without a Mortgage

	Number	Percentage
Less than 10%	5,580	22.4%
10 to 14.9%	4,189	16.8%
15 to 19.9%	2,819	11.3%
20 to 24.9%	2,308	9.3%
25 to 29.9%	1,802	7.2%
30 to 34.9%	1,251	5.0%
35% or more	6,978	28.0%
Not Commuted	205	(x)
Data Source: 2013-2017 American Community Survey 5-Year Estimates (DP04)		

Cost burdened homeowners are more prevalent in the inland tracts than along the edges of the County. Over 35% of all homeowners in many of these areas are currently cost-burdened.

Map: Cost Burdened Owner-Occupied Households



Source: 2013-2017 ACS via PolicyMap

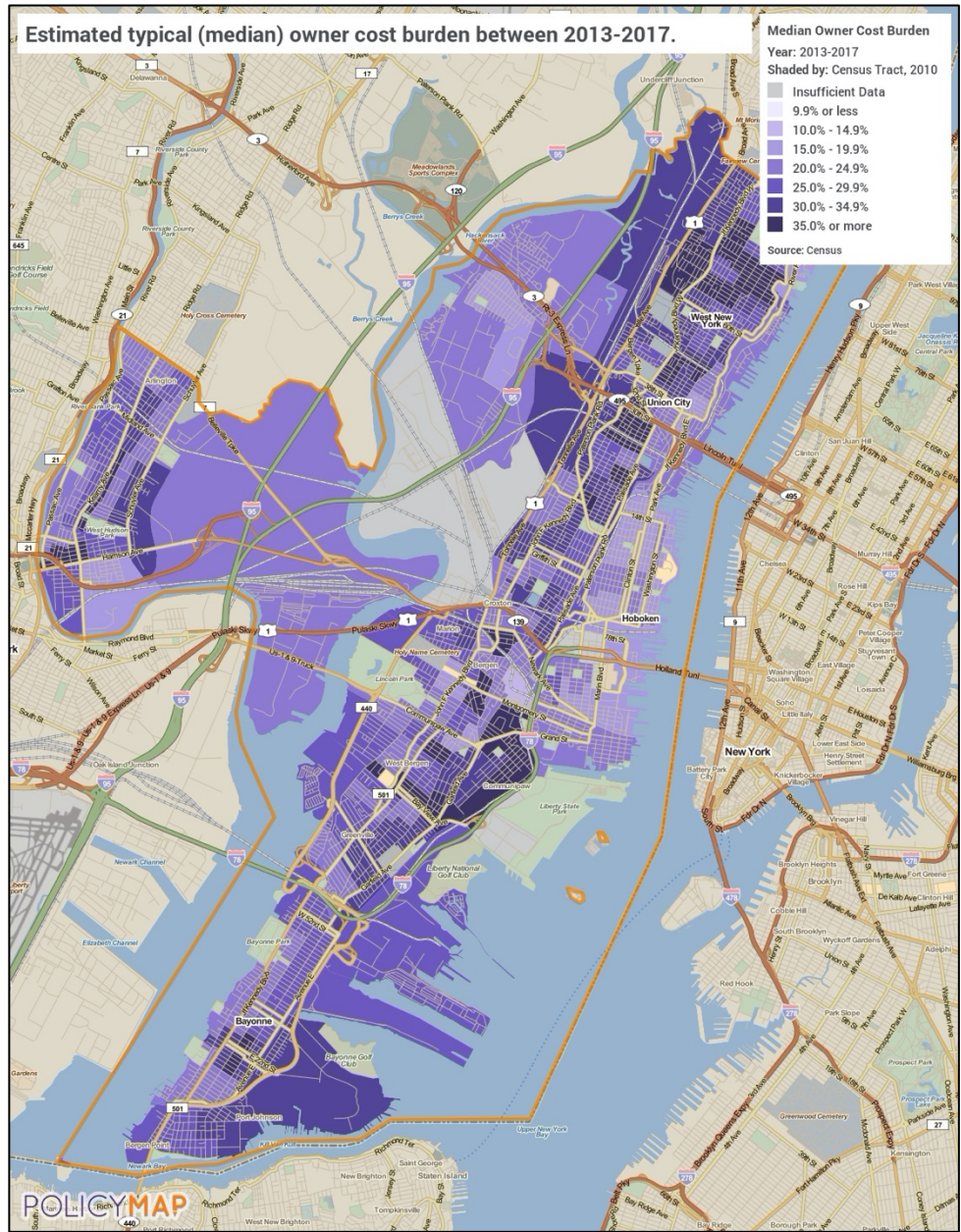
As is true across the Country, renters in Hudson County have the highest cost-burden rate, 47.8%. These households are a much higher risk for homelessness or substandard living conditions. Unlike homeowners, renters lack the capital that comes with home ownership and cannot simply sell their residence and downsize to help with financial difficulties.

Table: Monthly Costs of Renters

	Number	Percentage
Less than 15%	24,832	14.9%
15 to 19.9%	22,330	13.4%
20 to 24.9%	21,336	12.8%
25 to 29.9%	18,327	11.0%
30 to 34.9%	15,374	9.3%
35% or more	63,994	38.5%
Not Commuted	7,043	(x)
Data Source: 2013-2017 American Community Survey 5-Year Estimates (DP04)		

Cost burdened renters live in the same areas as cost burdened homeowners. The inland tracts have lower housing costs, but they have even lower median household incomes, leading to high cost burden rates.

Map: Cost Burdened Renter Households



Source: 2013-2017 ACS via PolicyMap

Public Sector Analysis

Overview

The Fair Housing Act generally prohibits the application of special requirements through land-use regulations, restrictive covenants, and conditional or special use permits that, in effect, limit the ability of minorities or the disabled to live in the residence of their choice in the community. If large-lot minimums are prescribed, if a house must contain a certain minimum amount of square feet, or if no multi-family housing or manufactured homes are permitted in an area, the results can exclude persons protected by the Act. If local mandates make it unfeasible to build affordable housing or impose significant obstacles, then a community must affirmatively work toward eliminating this type of impediment to fair housing choice.

The Fair Housing Acts of 1968 and 1988, as amended, also make it unlawful for municipalities to utilize their governmental authority, including zoning and land use authority, to discriminate against racial minorities or persons with disabilities. Zoning ordinances segregate uses and make differentiations within each use classifications. While many zoning advocates assert that the primary purpose of zoning and land use regulation is to promote and preserve the character of communities, inclusionary zoning can also promote equality and diversity of living patterns. Unfortunately, zoning and land-use planning measures may also have the effect of excluding lower-income and racial groups.

Zoning ordinances aimed at controlling the placement of group homes is one of the most litigated areas of fair housing regulations. Nationally, advocates for the disabled, homeless and special needs groups have filed complaints against restrictive zoning codes that narrowly define "family" for the purpose of limiting the number of non-related individuals occupying a single-family dwelling unit. The 'group home' arrangement/environment affords many persons who are disabled the only affordable housing option for residential stability and more independent living. By limiting the definition of "family" and creating burdensome occupancy standards, disabled persons may suffer discriminatory exclusion from prime residential neighborhoods.

The unfortunate reality is that segregation and the lack of access to affordable housing is in large part due to public policies. The federal government enacted regulations and legislation that both explicitly and implicitly prevented racial and ethnic minorities from accessing living areas that had access to jobs and high-quality schools. Local jurisdictions are still working to remove these previous barriers and to correct historic wrongs.

This section highlights many of the different methods that are being used to increase affordable housing and to deal with segregation. Whether it is legislation, enforcement, grants, or encouraging private investment, local governments play a vital role in ensuring that growth and prosperity in the community reaches everyone and not just a privileged few.

Public Policies

A wide range of government policies affects affordable housing and fair housing choice. Many of these policies are beyond the control of municipal government; Counties in New Jersey have few powers related to zoning and land use. However, the most important impediment revolves around the lack of Federal and State resources for affordable housing initiatives. The lack of programs and resources to reduce excessive rent or mortgage burdens to qualified persons is a key factor.

Hudson County and its Consortium municipalities do not put any limitations on growth. Through vehicles such as zoning ordinances, subdivision controls, permit systems, housing codes and standards new construction restrictions and rent control, the municipalities have attempted to ensure the health, safety, and quality of life of its residents while minimizing the barriers that may impede the development of affordable housing.

The following are public policy, zoning, and land issues that were reviewed:

Market Conditions

The major barrier to affordable housing in the Hudson County is the high cost of housing created by a demand for housing, both existing and new, which exceeds the current supply. Hudson County is perceived as a desirable place to live and has experienced growth in terms of both businesses that wish to operate here and people who wish to reside in the county.

In addition, the cost of site acquisition is often very high, and construction costs in the northern New Jersey are among the highest in the nation. These factors make Hudson County housing construction expensive and make affordable housing out of reach for low-income households.

Building Codes

Building regulations are essential to protecting the health and safety of citizens and the general welfare of the community. While building codes have positive contributions, they also contribute to increased construction costs. The state's uniform building code comes under the authority of the NJ Department of Community Affairs and was adopted by New Jersey in 1977. The code is administered by local officials who are licensed and regulated by NJDCA.

Building codes are designed to insure a reasonable building life. However, the uniform code tends to be conservative and slow to accept and include innovative techniques.

Property Taxes

Property taxes generate revenue to support a broad array of public facilities and services at the local and Consortium level of government. However, it is also recognized that property taxes are a significant housing cost and therefore can impact affordability. Homeowners in New Jersey pay

the highest property taxes of any state in the country. The average effective property tax rate in New Jersey is 2.44%, compared with a national average of 1.08%. Hudson County's average effective rate is 2.34%. At that rate, the taxes on a home worth \$300,000 would be \$7,020 per year.

One impact of high property taxes is that taxes are part of a household's monthly housing costs. Thus, a potential homeowner who can afford his mortgage may not qualify when property taxes are an added factor. Further, property taxes on rental housing is often passed on to the tenant, thus raising the overall rent which affects LMI households disproportionately as they are often already on a fixed income.

Land Use Regulations

Zoning ordinances and environmental regulations impact the amount of land available for development and thus, impact land and housing costs. The most basic control of land use is local zoning. However, several State offices and agencies regulate land use in Hudson County.

Public Housing

There are a number of housing authorities that operate within Hudson County. Subsidized housing is found throughout the County and is not clustered in any particular area. Many tracts have 200 or subsidized units and there are a number of HUD public housing facilities throughout the County.

Map: Public Housing and Vouchers

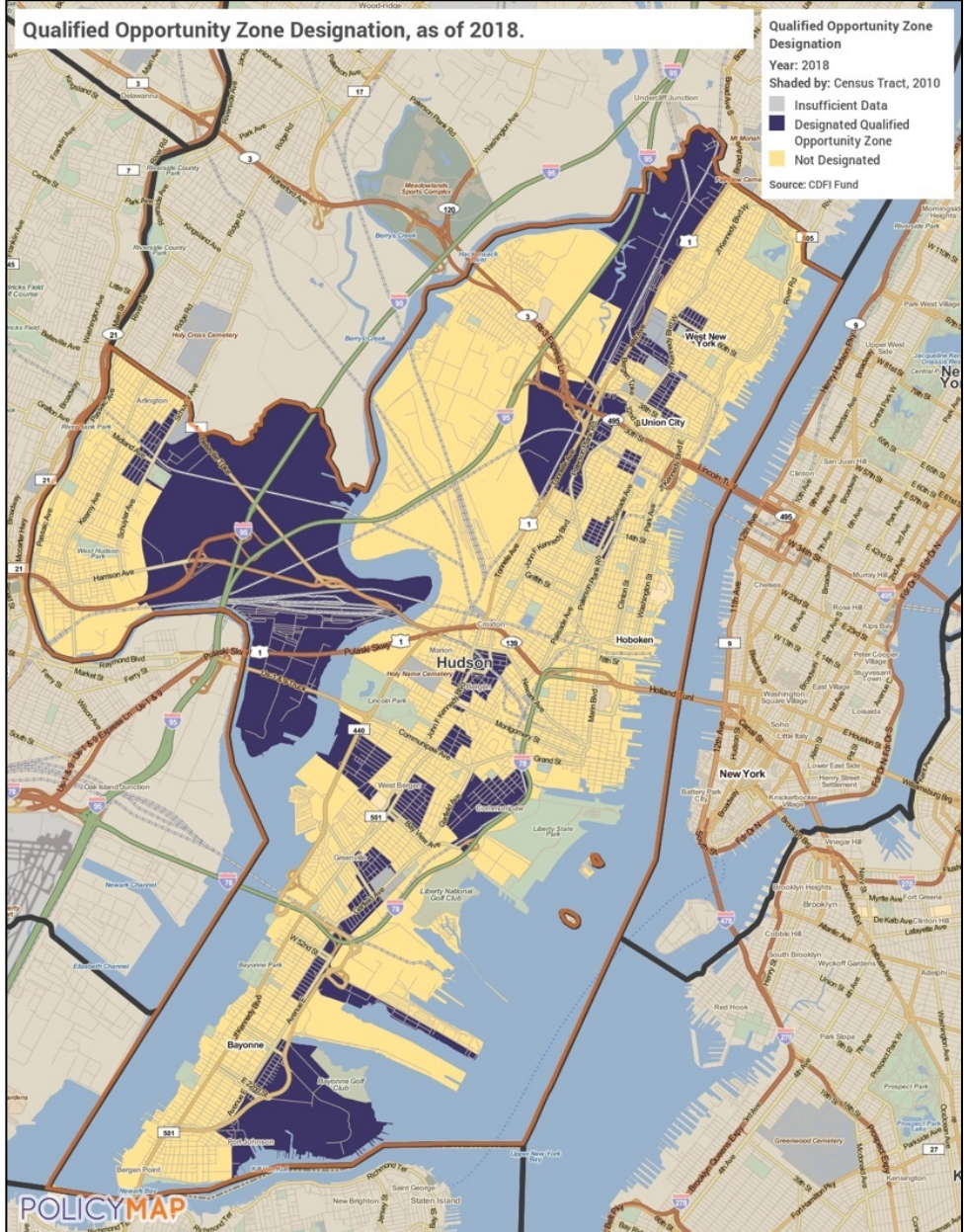


Source: HUD via PolicyMap

Opportunity Zones

In December 2017 the Tax Cuts and Jobs Act was signed into law. Part of that legislation was the Opportunity Zones Program which intends to provide tax incentives to investors to reinvest capital gains into communities in need. Using the metric outlined in the legislation, the state of New Jersey identified a number of Opportunity Zones in Hudson County. These areas are primarily located in the inland center of the County and represent some of the most in-need communities.

Map: Opportunity Zone



Source: Community Development Financial Institutions Fund, US Department of the Treasury via PolicyMap

Community Development Block Grant (CDBG)

Grants awarded to urban communities on a formula basis to support affordable housing and community development activities. The Community Development Block Grant (CDBG) program is used to plan and implement projects that foster revitalization of eligible communities. The primary goal of the program is the development of viable urban communities. Program objectives include the provision of decent housing, a suitable living environment and expanded opportunities principally for low- to moderate- income individuals and families. Hudson County receives its CDBG allocation directly from HUD.

- Acquisition/Rehabilitation
- Homebuyer Assistance
- Homeless Assistance
- Economic Development
- Public Improvements
- Public Services

Home Investment Partnership Program (HOME)

Grants awarded for the development and rehabilitation of affordable rental and ownership housing for low income households. The HOME Investment Partnership (HOME) program is used to assist in developing affordable housing strategies that address local housing needs. HOME strives to meet both the short-term goal of increasing the supply and availability of affordable housing and the long-term goal of building partnerships between state and local governments and nonprofit housing providers. In Hudson County, eleven of the twelve municipalities participate in the Hudson County Consortium, even though Bayonne, North Bergen, Union City and Hoboken are entitlement cities in their own right. The latter communities cooperate and collaborate in the Consortium process and their needs, plans and strategies are included in this plan. Hudson County is the lead agency for the HOME Consortium and receives its HOME funding directly from HUD.

Emergency Solutions Grant (ESG)

The Emergency Solutions Grant (ESG) is a Federal grant that was established by the Homeless Housing Act of 1986, in response to the growing issue of homelessness among men, women & children in the United States. In 1987, the ESG program was incorporated into subtitle B of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11371-11378). The ESG program is administered in the County through the Hudson County Division of Housing and Community Development.

The objectives of the Emergency Solutions Grant program are:

- Increase the number and quality of emergency shelter and transitional housing facilities for homeless individuals and families
- Operate these facilities
- Provide essential social services
- Help prevent homelessness

The four main ESG Program Eligible Activities are:

- Homeless Prevention
- Essential Services
- Operational and Maintenance
- Renovation, Rehabilitation, and Conversion

The Hudson County Division of Housing and Community Development serves as the chair of the Hudson County Alliance to End Homelessness (HCAEH). The Division consults with the Hudson County CoC/HCAEH when making funding decisions for the ESG Program. The Performance and Evaluation Committee of the HCAEH reviews applications and takes part in the monitoring of funded programs. HCAEH members were encouraged to take part in the various focus groups that were held on the consolidated planning process and the survey was shared with all members.

Private Sector Analysis

Lending Practices

Countywide lending practices were analyzed using data gathered from lending institutions in compliance with the Home Mortgage Disclosure Act (HMDA). The HMDA was enacted by Congress in 1975 and is implemented by the Federal Reserve Board as Regulation C. The intent of the Act is to provide the public with information related to financial institution lending practices and to aid public officials in targeting public capital investments to attract additional private sector investments.

Since enactment of the HMDA in 1975, lending institutions have been required to collect and publicly disclose data regarding applicants including: location of the loan (by Census tract, County, and MSA); income, race and gender of the borrower; the number and dollar amount of each loan; property type; loan type; loan purpose; whether the property is owner-occupied; action taken for each application; and, if the application was denied, the reason(s) for denial. Property types examined include one-to-four family units, manufactured housing and multi-family developments.

HMDA data is a useful tool in accessing lending practices and trends within a jurisdiction. While many financial institutions are required to report loan activities, it is important to note that not all institutions are required to participate. Depository lending institutions – banks, credit unions, and savings associations – must file under HMDA if they hold assets exceeding the coverage threshold set annually by the Federal Reserve Board, have a home or branch office in one or more metropolitan statistical areas (MSA), or originated at least one home purchase or refinancing loan on a one-to-four family dwelling in the preceding calendar year. Such institutions must also file if they meet any one of the following three conditions: status as a federally insured or regulated institution; originator of a mortgage loan that is insured, guaranteed, or supplemented by a federal agency; or originator of a loan intended for sale to Fannie Mae or Freddie Mac. For-profit, non-depository institutions (such as mortgage companies) must file HMDA data if: their value of home purchase or refinancing loans exceeds 10 percent of their total loan originations or equals or exceeds \$25 million; they either maintain a home or branch office in one or more MSAs or in a given year execute five or more home purchase, home refinancing, or home improvement loan applications, originations, or loan purchases for properties located in MSAs; or they hold assets exceeding \$10 million or have executed more than 100 home purchase or refinancing loan originations in the preceding calendar year.

It is recommended that the analysis of HMDA data be tempered by the knowledge that no one characteristic can be considered in isolation but must be considered in light of other factors. For instance, while it is possible to develop conclusions simply based on race data, it is more accurate when all possible factors are considered, particularly in relation to loan denials and loan pricing. According to the FFIEC, “with few exceptions, controlling for borrower-related factors reduces the differences among racial and ethnic groups.” Borrower-related factors include income, loan

amount, lender, and other relevant information included in the HMDA data. Further, the FFIEC cautions that the information in the HMDA data, even when controlled for borrower-related factors and the lender, “is insufficient to account fully for racial or ethnic differences in the incidence of higher-priced lending.” The FFIEC suggests that a more thorough analysis of the differences may require additional details from sources other than HMDA about factors including the specific credit circumstances of each borrower, the specific loan products that they are seeking, and the business practices of the institutions that they approach for credit.

The following analysis is provided for the Hudson County, New Jersey summarizing 2017 HMDA data (the most recent year for which data are available), and data between 2007 and 2017 where applicable. Where specific details are included in the HMDA records, a summary is provided below for loan denials including information regarding the purpose of the loan application, race of the applicant and the primary reason for denial. For the purposes of analysis, this report will focus only on the information available and will not make assumptions regarding data that is not available or was not provided as part of the mortgage application or in the HMDA reporting process.

2017 County Overview

In 2017, there were approximately 18,500 applications within Hudson County for home loans to purchase, refinance or make home improvements for a single-family home - not including manufactured homes. Of those applications, around 8,800 or 48 percent were approved and originated. This represents a decrease of approximately 1,100 originations from 2016 and a percentage decrease of approximately 11 percent, similar to the national decrease of 13 percent. Of the remaining 9,700 applications, approximately 2,600 or 14 percent of all applications were denied. The top two application denial reasons within the County were debt-to-income ratio (30 percent) and lack of collateral (23 percent), representing over half of the County’s total denials. Credit history and incomplete applications represented 18 percent and 12 percent of denials respectively. It is important to note that financial institutions are not required to report reasons for loan denials, although many do so voluntarily. Also, while many loan applications are denied for more than one reason, HMDA data reflects only the primary reason for the denial of each loan. The balance of the approximately 7,100 applications, that were not originated or denied, were closed for one reason or another including a) the loan was approved but not accepted by the borrower, b) the application was closed because of incomplete information or inactivity by the borrower or c) in many instances the application may have been withdrawn by the applicant.

Table: Disposition of Application by Loan Type and Purpose, 2017

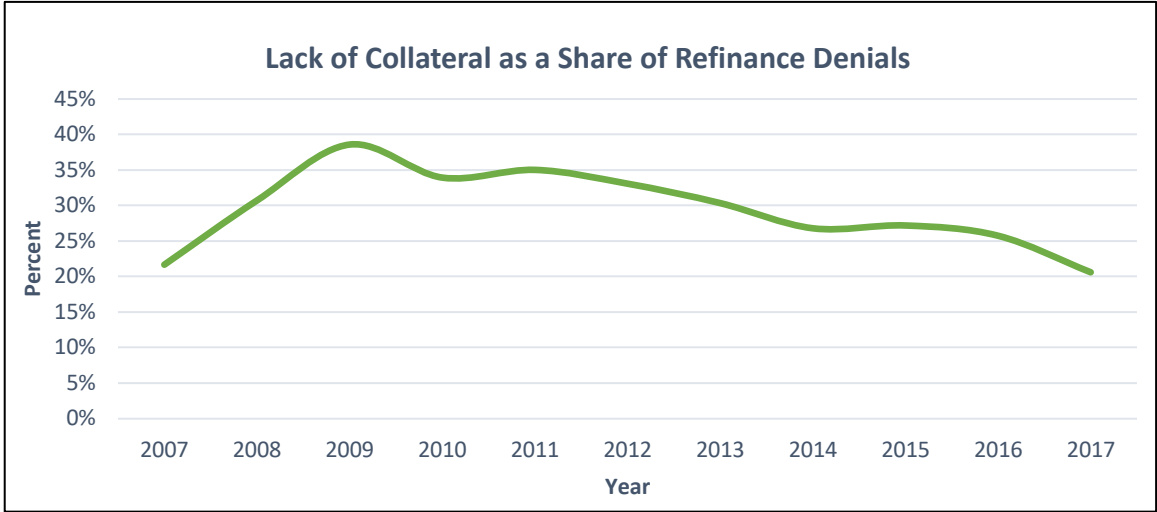
Note: Single Family Homes (excluding manufactured homes)

	Loan Type	Home Purchase	Refinance	Home Improvement
Total Applications				
	Conventional	8,730	5,658	935
	FHA	1,631	1,193	90
	VA	122	170	8
Loans Originated				
	Conventional	4,919	2,417	358
	FHA	664	345	31
	VA	51	57	3
Loans Approved but Not Accepted				
	Conventional	302	193	15
	FHA	59	56	6
	VA	3	4	0
Applications Denied				
	Conventional	769	1,048	369
	FHA	148	217	11
	VA	24	45	2
Applications Withdrawn				
	Conventional	1,146	1,048	95
	FHA	240	243	25
	VA	30	28	3
Files Closed for Incompleteness				
	Conventional	233	450	57
	FHA	54	136	5
	VA	2	20	0

Source: 2017 HMDA

A further examination of the 2,633 denials within Hudson County during 2017 indicates that approximately 50 percent were for applicants seeking to refinance existing mortgages for owner-occupied, primary residences. The number one reason for denial of refinance applications was debt-to-income ratio (34 percent of refi. denials), followed by lack of collateral (21 percent of refi. denials). Typically, homeowners, seeking to refinance their existing home mortgage are able to use their home as collateral. When the denial reason given for a refinance is a lack of collateral, this would indicate the home is worth less than the existing mortgage and, therefore, refinancing is not an option – these homes are commonly referred to as “under-water” or the borrowers are

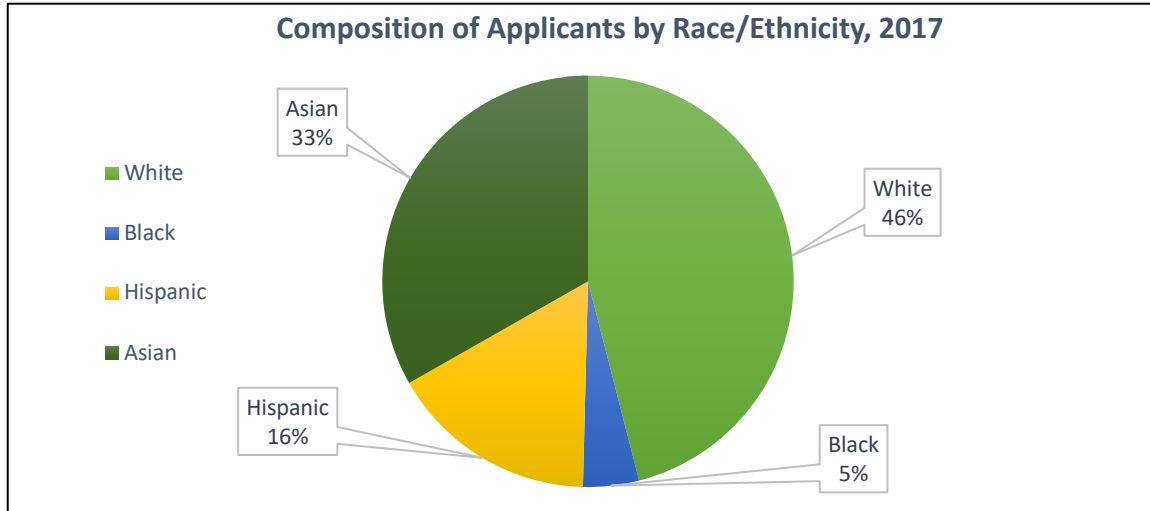
“upside-down” in their mortgage. Shown below, the percentage of refinance denials given for the reason of lack of collateral has declined since the peak of the housing crisis, suggesting that the number of “under-water” homes in Hudson County has declined since 2009.



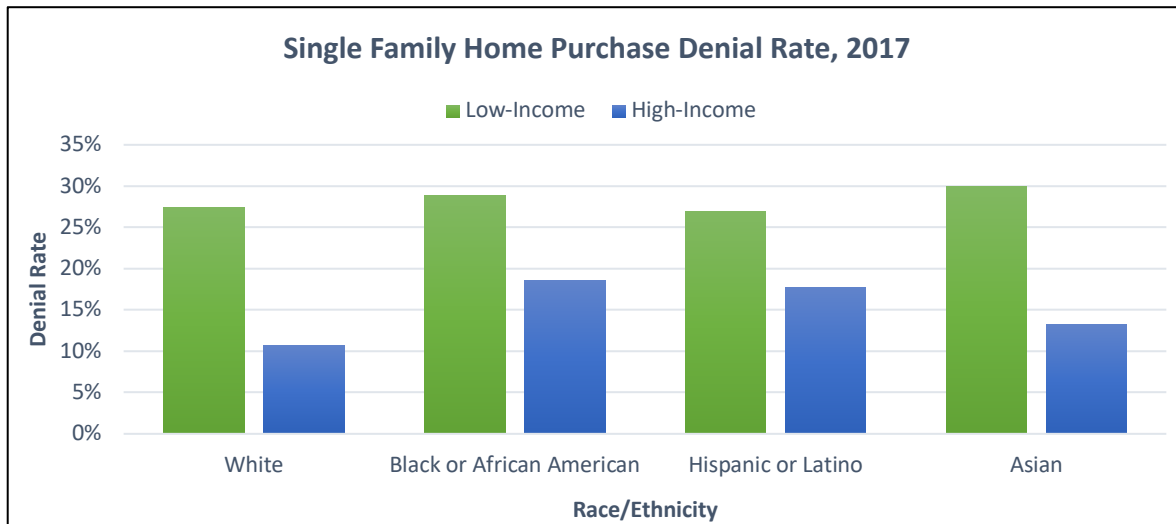
Home Purchase Lending in Hudson County

Of the home purchase loans for single family homes that were originated in 2017, (5,634 loans originated) approximately 87 percent of these originations were provided by conventional lenders, higher than the national conventional home purchase share of 64 percent. The remaining 12 percent of home purchase loans in Hudson County were provided by federally backed sources including the Federal Housing Administration and the Department of Veterans Affairs. Nonconventional loans, including the FHA and VA lending programs, have relatively lower down-payment requirements in comparison to conventional lenders. The FHA and VA lenders had application/approval ratios of 36 percent and 37 percent respectively. Conventional lenders, by contrast, originated home purchase loans at a higher 50 percent of all applications.

The share of applications and percentage of loan application denials for traditional home purchase loans in Hudson County varies by race/ethnic groups. The largest applicant group in 2017 were non-Hispanic Whites (46 percent) followed by Asians (33 percent). Hispanics represented 16 percent of all home purchase applications while Black applicants represented 5 percent. In 2017, Whites were least likely to be denied for conventional single-family home purchases, being denied at a rate of 8 percent. Asians and Hispanics were denied at a rate of 10 percent and 14 percent, respectively, while Black applicants faced the highest conventional home purchase denial rate at 15 percent.



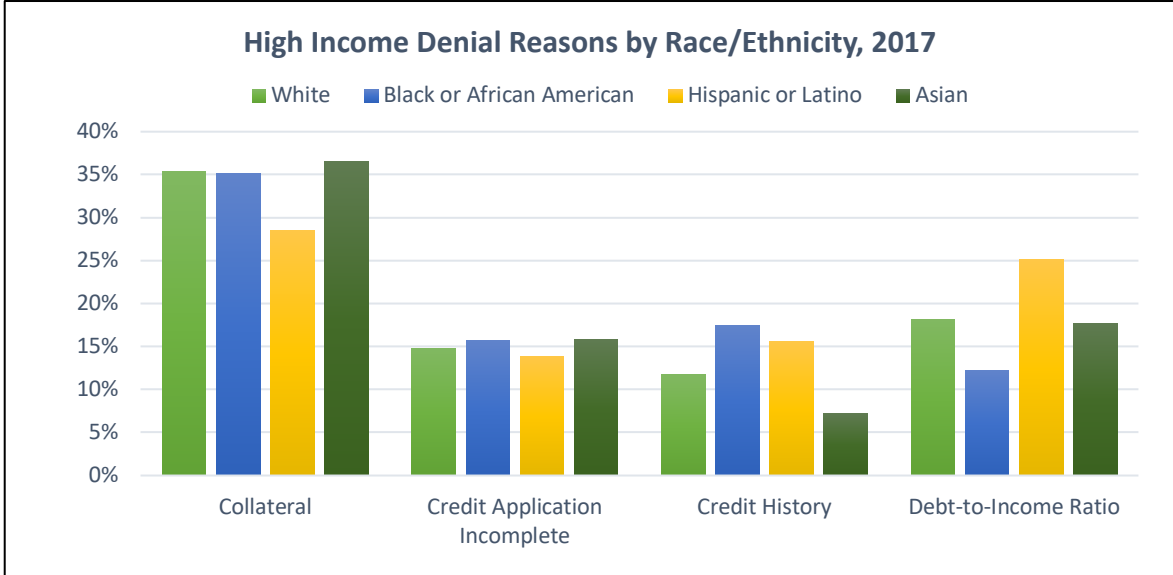
Additionally, a closer look at home purchase denial rates by race/ethnicity and income group within Hudson County, shown below, demonstrates that High Income applicants (having greater than 120 of Area Median Income) in all groups were less likely to be denied for a single family home purchase than Low Income applicants (having less than 80 percent of Area Media Income). Low Income Asians were the group with the highest home purchase denial rate at 30 percent, while High Income Whites were denied at a rate of 11 percent, the lowest of all groups examined. Whites and Asians had the highest gap in denial rates between Low- and High-income applicants at 17 percent, while the disparity between Hispanics and Blacks was approximately 10 percent.



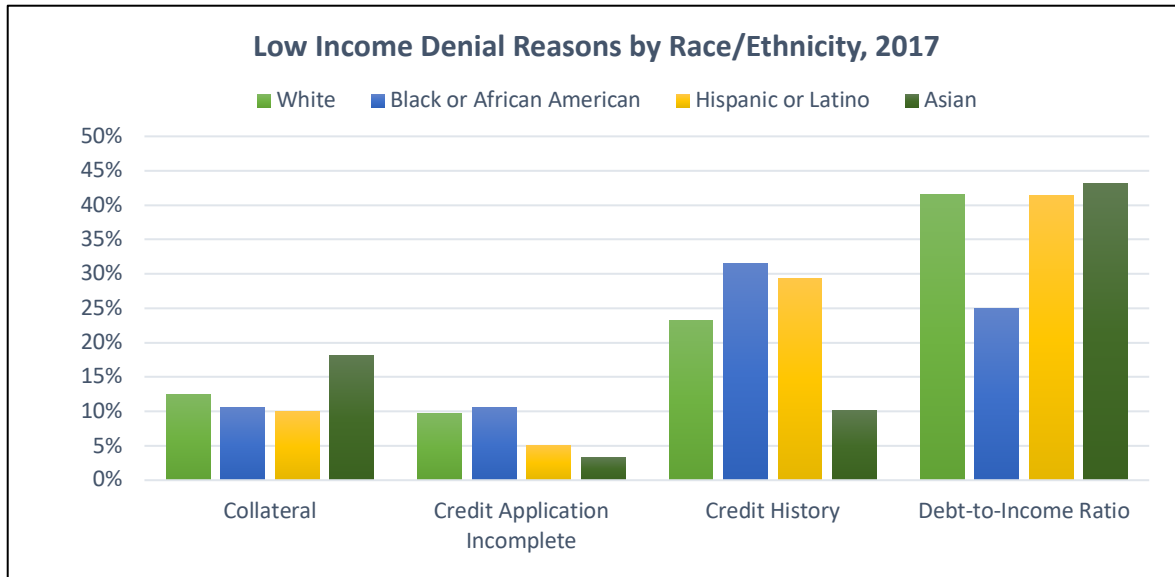
Application Denial Reasons by Income Group

The below charts compare denial reasons among White, Black, Hispanic, and Asian applicants in Hudson County for 2017 by income group.

As of 2017, the leading denial reason for all High-Income applicant groups was lack of collateral. For White, Black, and Asian applicants, this represented more than a third of each group’s respective denials, approximately double the share of each group’s second-highest denial reason. High Income Hispanics had the highest share of applicants denied for debt-to-income ratio, while High Income Blacks had the highest share for credit history.



For Low Income denials, debt-to-income ratio was the top reason for all groups except Black applicants, where credit history was the top reason in 2017. All Low-Income groups were denied for debt-to-income ratio at a higher rate than their High-Income counterparts, and in the case of Whites, Blacks, and Asians, the difference relative to High Income applicants was more than double. Additionally, Low Income applicants in all groups were less likely to be denied due to lack of collateral relative to High Income applicants.

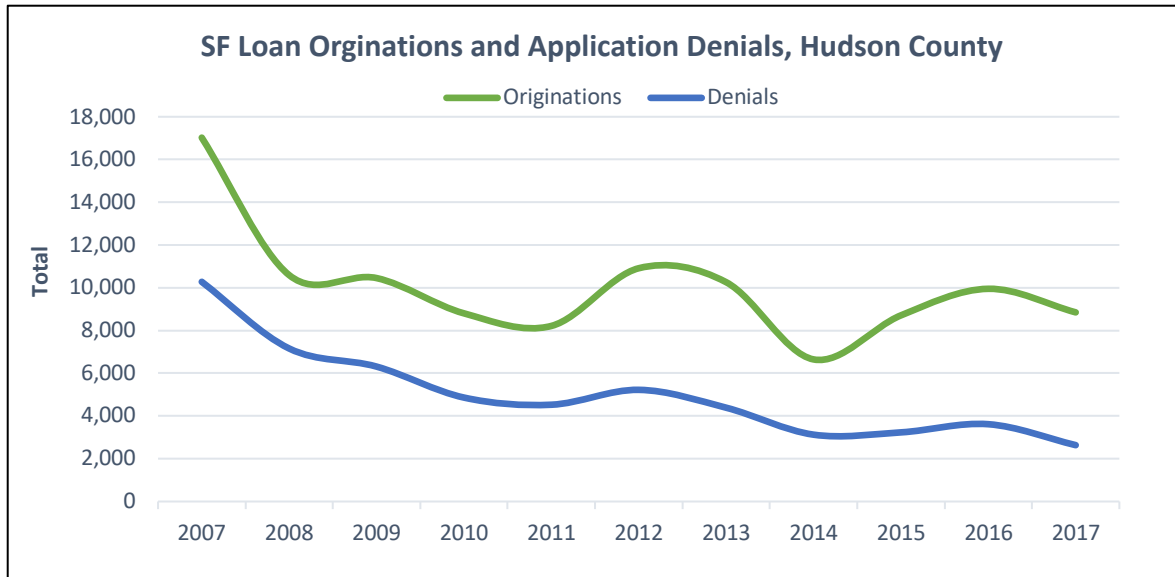


Hudson County’s Single-Family Lending Market, 2007-2017

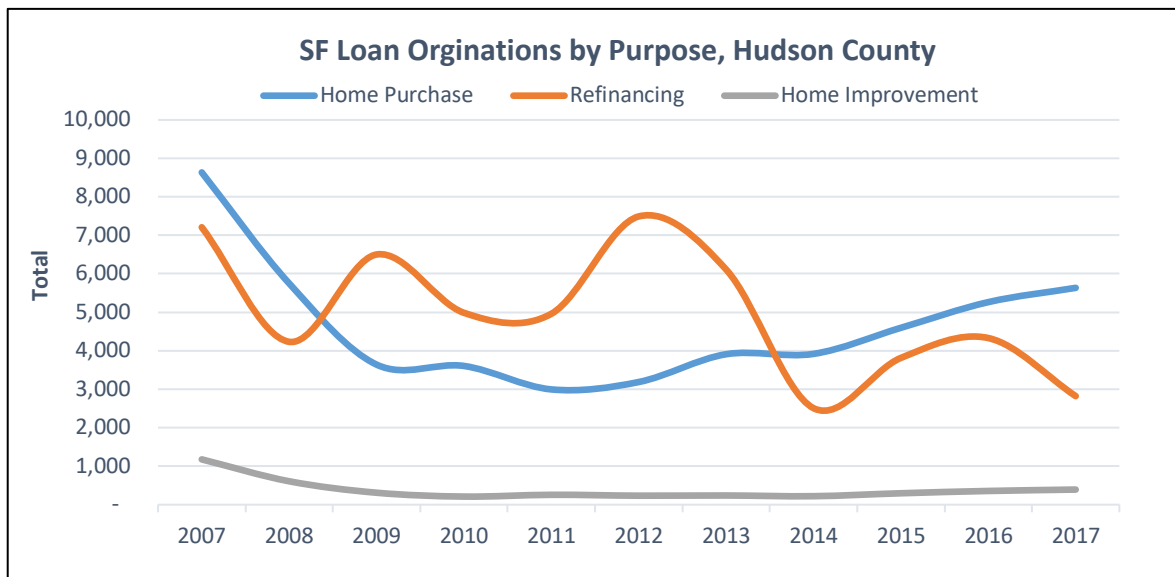
The following section will examine HMDA data over the time period 2007-2017, for Hudson County.

Highlighted below, the number of single-family loan originations in Hudson County followed a dynamic trajectory between 2007 and 2017. At the onset of the housing crisis, originations declined 38 percent between 2007 and 2008, followed by a mild increase between 2008 and 2009. Subsequently, originations trended downward between 2009 and 2011, followed by a year-over-year increase of 33 percent between 2011 and 2012, the latter year having the highest post-2007 number of originations at nearly 11,000. Loan originations then fell by 39 percent between 2012 and 2014, though grew steadily between 2014 and 2016. Between 2016 and 2017, originations fell by 11 percent, and as of 2017, total originations in Hudson County are about 52 percent of the level prior to the housing crisis.

In contrast to originations, the number of application denials within Hudson County demonstrated fewer extreme changes between 2007 and 2017. As of the most recent data year, denials are 74 percent below the level experienced in 2007. Relatedly, the share of denials as a percent of total originations and total denials has declined since the housing bust, from 38 percent in 2007 to approximately 23 percent as of 2017.

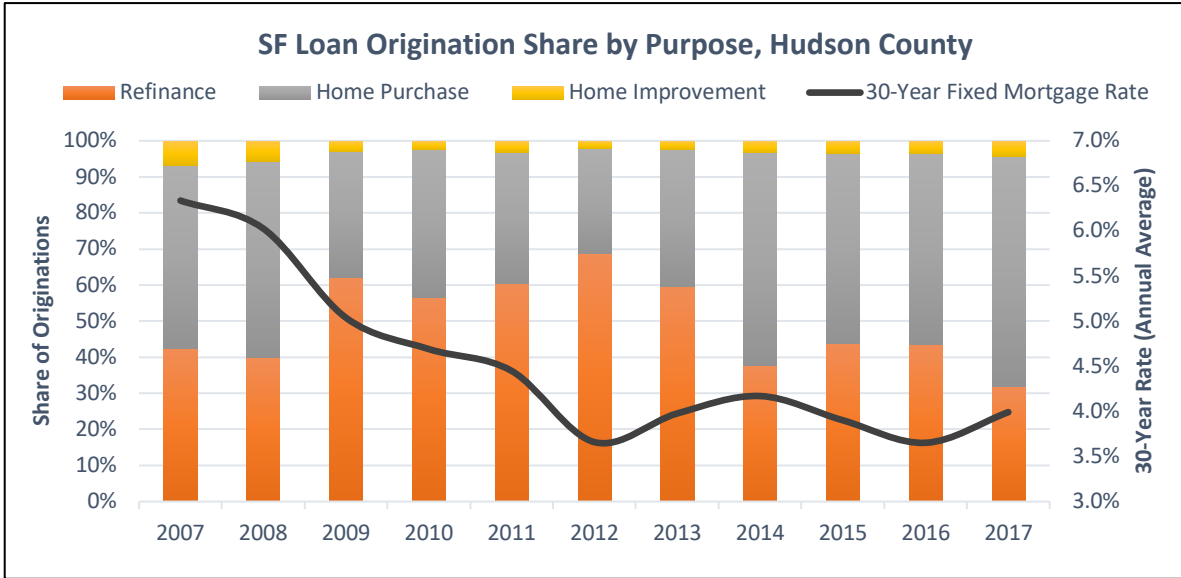


Shown below, much of the year-to-year fluctuations in total originations that occurred between 2007 and 2017 were the result of refinancing originations. Home purchases were the top loan purpose in 2007 and 2008, though refinancing became the dominant loan purpose between 2009 and 2013, as interest rates were broadly falling, discussed further below. In 2017, home purchases comprised 64 percent of the County’s total originations, and the 5,600 home purchase loans originated is the highest annual total since 2008. The consistent growth of home purchase originations since 2011 (88 percent growth rate between 2011 and 2017) reflects a steady and recovering demand for housing within the County.



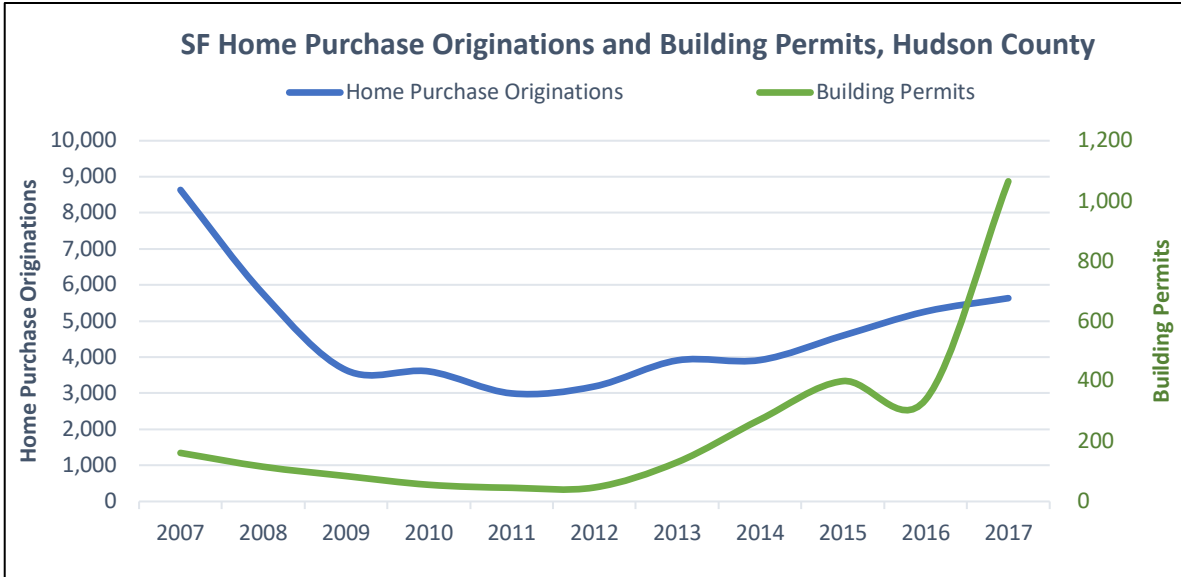
The share of refinance originations in Hudson County appears to move generally with the 30-year fixed rate mortgage average, shown below. In 2012, for example, when the average 30-year fixed

rate mortgage was at its lowest level of all the years examined, refinance originations reached the highest level in both absolute number and percentage terms of all data years analyzed. Similarly, when interest rates rose between 2012 and 2014, the share of refinance originations fell from 69 percent to 38 percent. The increase in the annual average of the 30-year fixed mortgage rate between 2016 and 2017 is consistent with Hudson County’s 35 percent reduction in the number of refinance loan originations over the same time period.



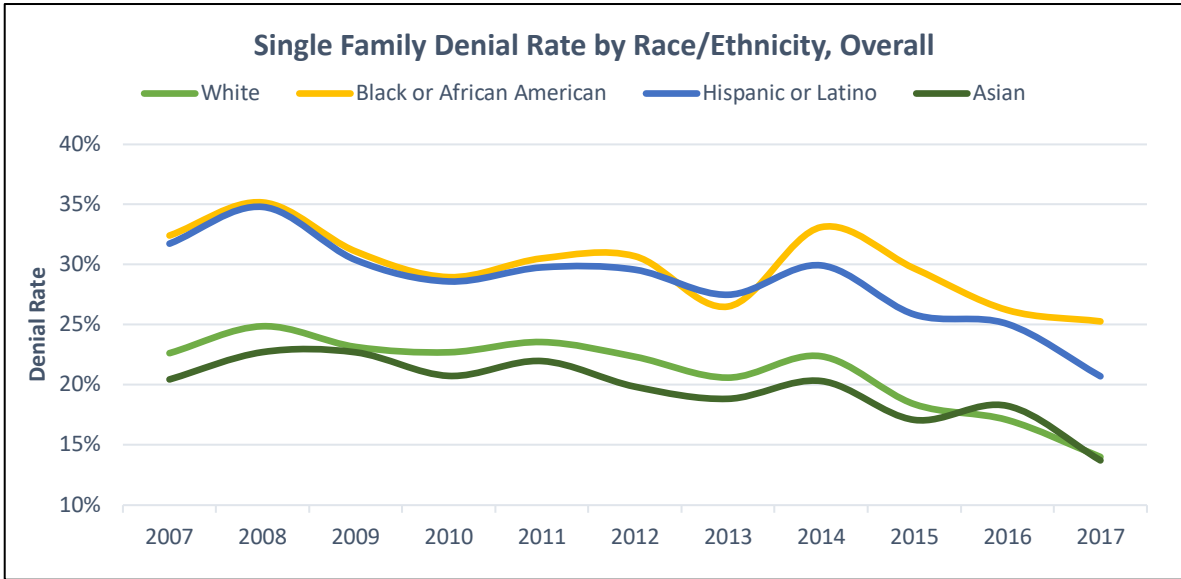
Source: HMDA, Federal Reserve Bank of St. Louis

For home purchase loans, the movement of originations often tracks trends in the number of single-family building permits issued, as shown below. Both trends are indicative of steady and consistent growth in housing demand within the County.

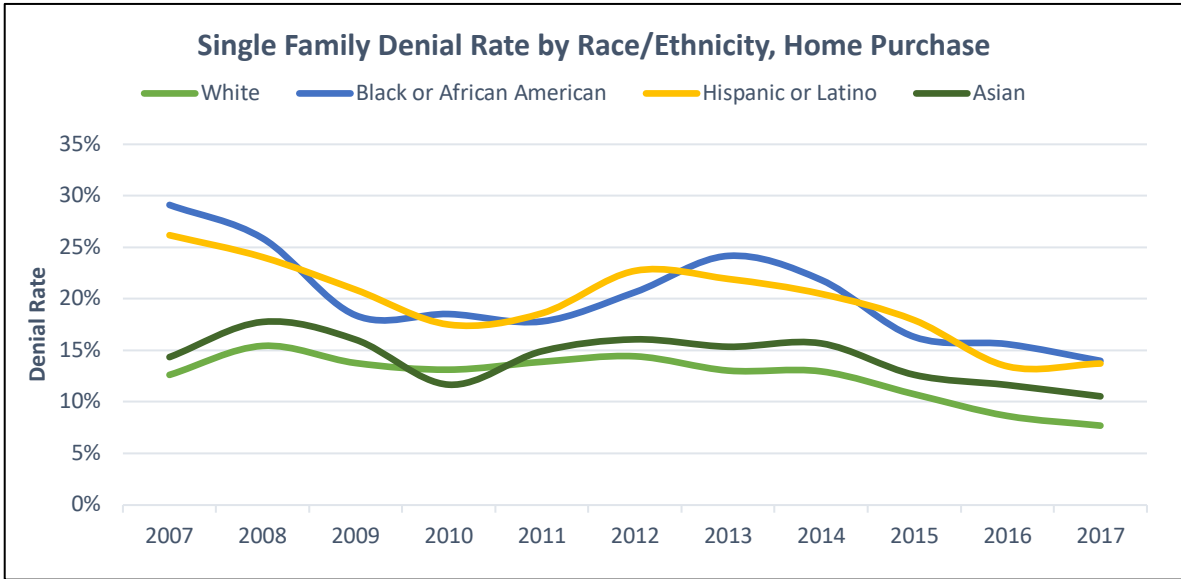


Income, Race, and Single-Family Loan Denials in Hudson County

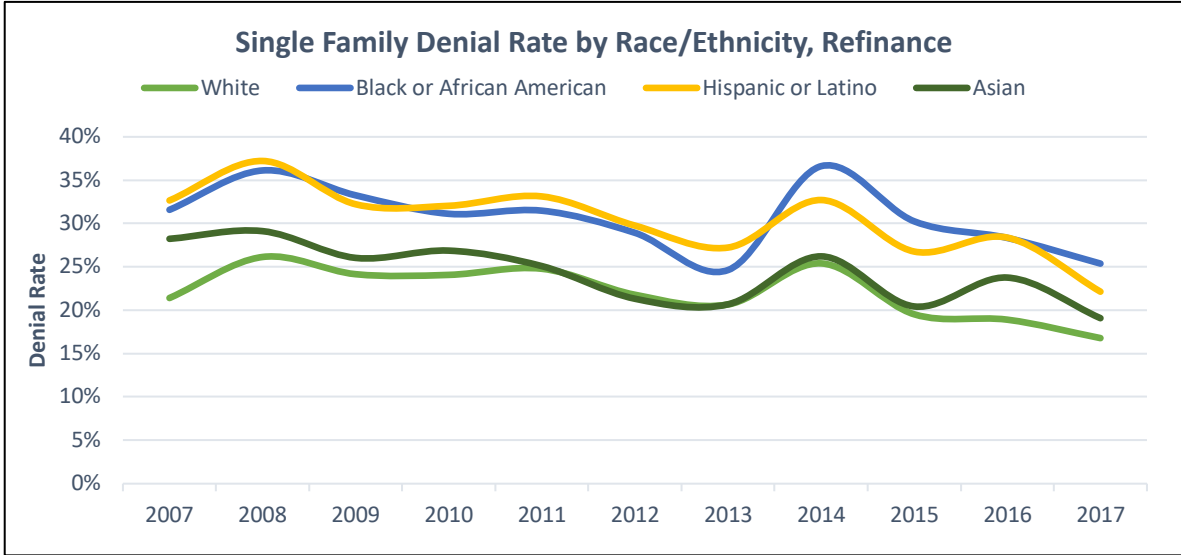
Denial rates for single family loans in Hudson County over time vary by race and ethnicity. The charts below show that between 2007 and 2017, White and Asian applicants were generally less likely to be denied relative to Black and Hispanic applicants. The overall denial rate for all groups has fallen during the analysis period.



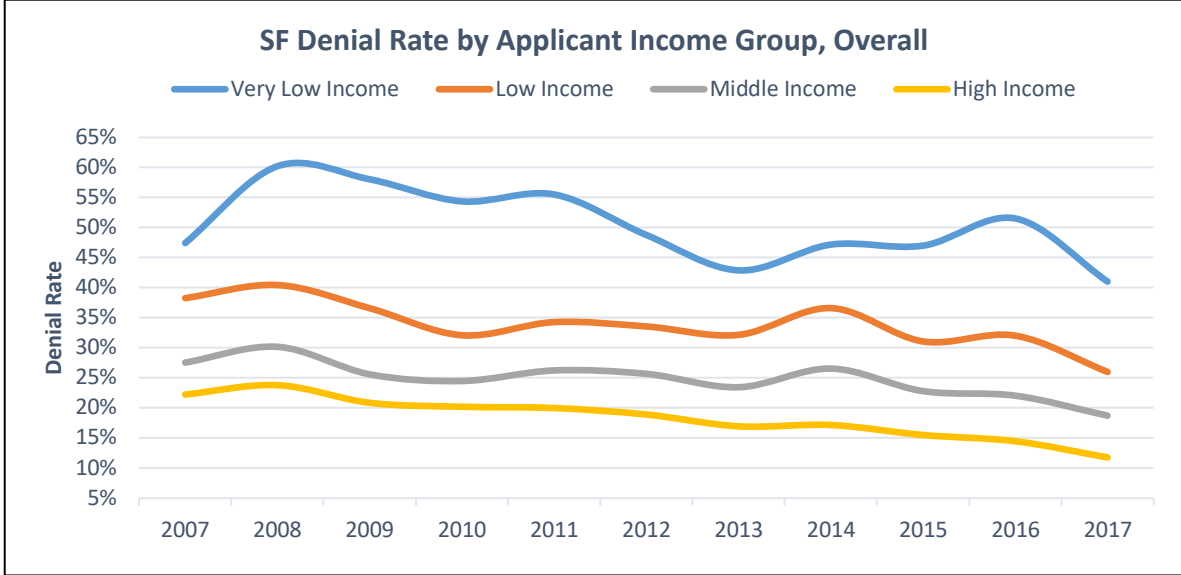
Home purchase applications exhibit lower denial rates for all applicant groups relative to overall denial rates. Whites were the least likely to be denied in every year examined except for 2010. As of the most recent data year, Black and Asian applicants experienced the highest home purchase denial rates at approximately 14 percent.



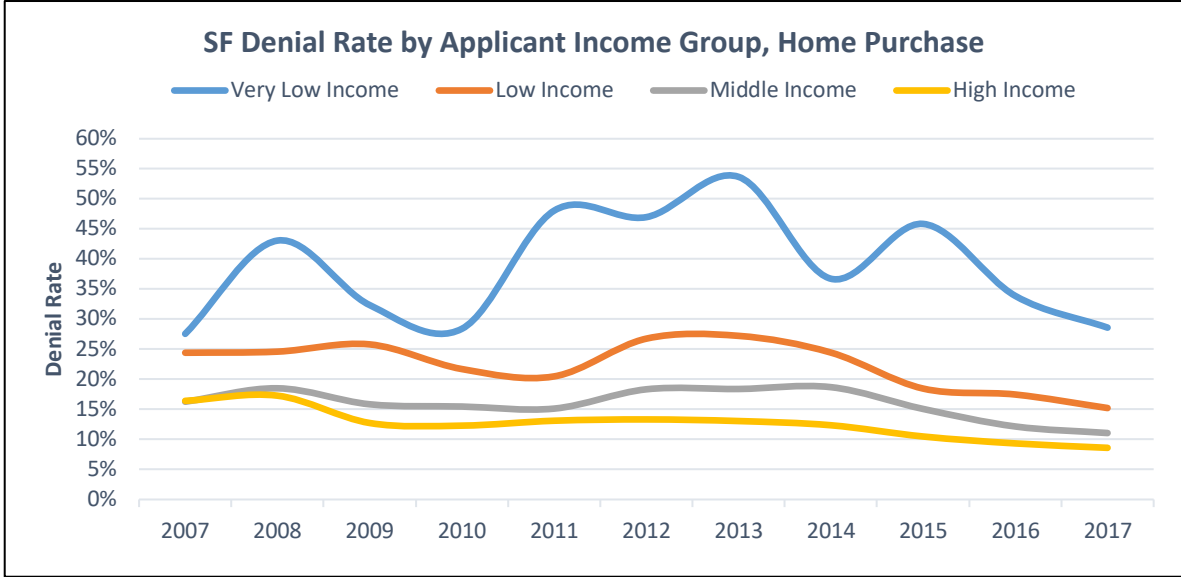
Similar to the overall denial rate and home purchases, White and Asian applicants were the least likely to be denied a refinance in every year between 2007 and 2017. Refinance denials rates have fallen by over 10 percent for Black and Hispanic applicants since 2014.



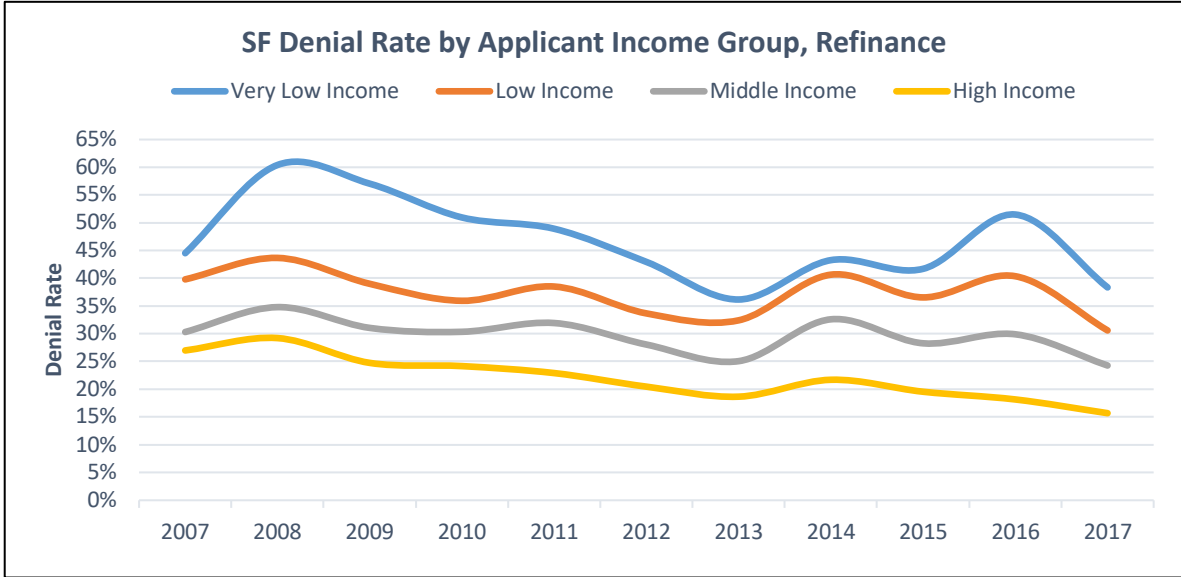
A view of single-family denial rates by applicant income group within Hudson County, highlighted below, shows the expected outcome of higher income groups experiencing lower denial rates than lower income groups. However, Very Low-Income applicants (50 percent of less of Area Median Income) have remained well above other income groups. High Income (greater than 120 percent of Area Median Income) and Middle Income (80 to 120 percent of Area Median Income) applicants have been the lowest and second-lowest denied groups respectively since 2012, with Low Income (between 50 percent and 80 percent of Area Median Income) the third lowest. The single-family denial rate declined for all income groups between 2007 and 2017.



Similar to overall denial rates by income group, home purchase applications were denied at a much higher rate for Very Low-Income applicants between 2007 and 2017 while Low, Middle, and High Income applicants have remained closer to each other. As of the most recent data year, Very Low Applicants are over three times as likely to be denied for a home purchase relative to High Income applicants.

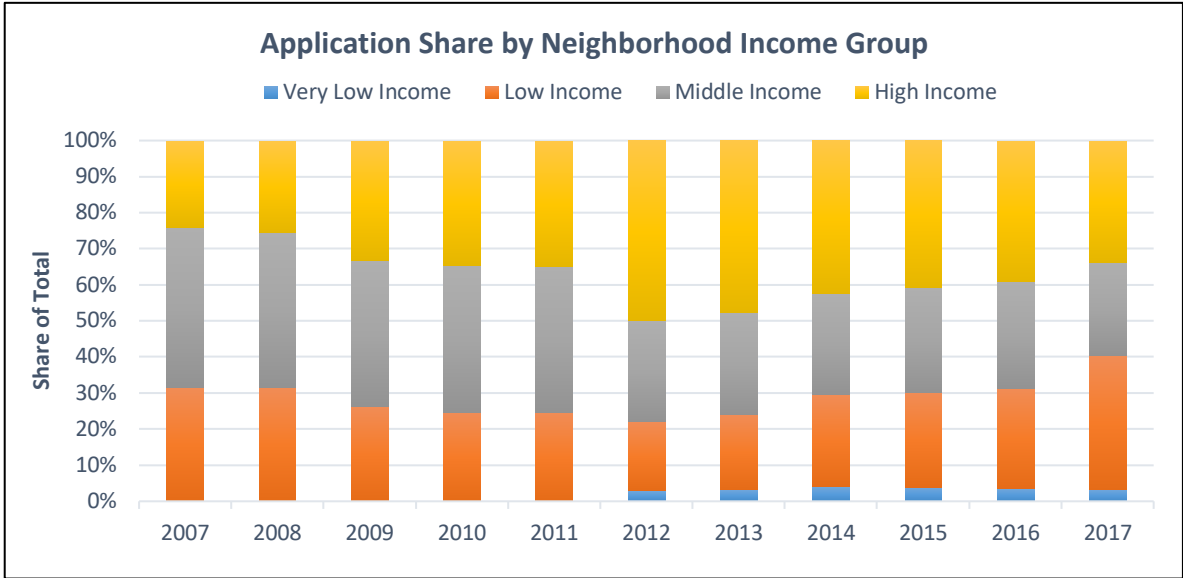


For all income groups, denial rates for refinance applications declined between 2007 and 2017, though High-Income applicants experienced the greatest decline at over 11 percent.

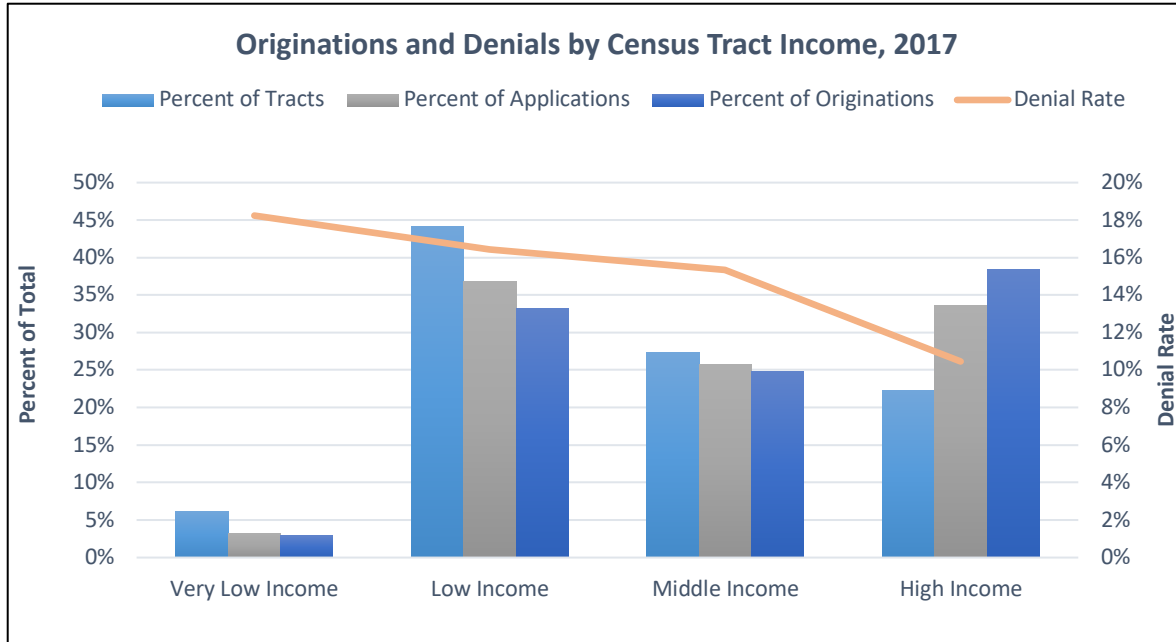


As a percentage of total applications within Hudson County, the distribution among neighborhoods by income group (defined as median income of property’s Census tract) shows that for every year examined, Middle- and High-Income neighborhoods represented the majority

of applicants (59 percent as of 2017). The share of Low-Income neighborhood applications has increased from 19 percent in 2012 to 37 percent in 2017.

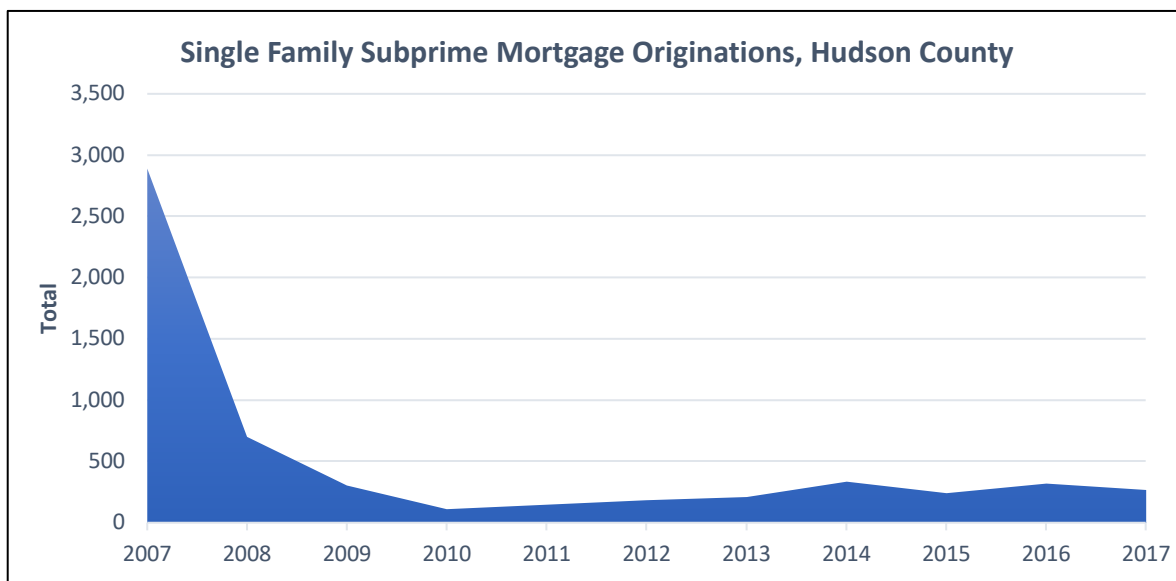


Within Hudson County, Very Low Income and Low-Income neighborhoods represent half of the County’s total neighborhoods, although they are represented by approximately 36 percent of total originations and 40 percent of total applications as of 2017, shown below. This suggests that Low and Very Low-Income neighborhoods within the County are less likely to participate in the single-family lending market relative to other neighborhoods. By contrast, loan applications and originations within Hudson County are disproportionately likely to occur for properties in Middle and particularly High-Income neighborhoods. For example, High Income neighborhoods represent 22 percent of the County total, though they accounted for 34 percent of applications and 39 percent of all single-family loans originations throughout the County in 2017.

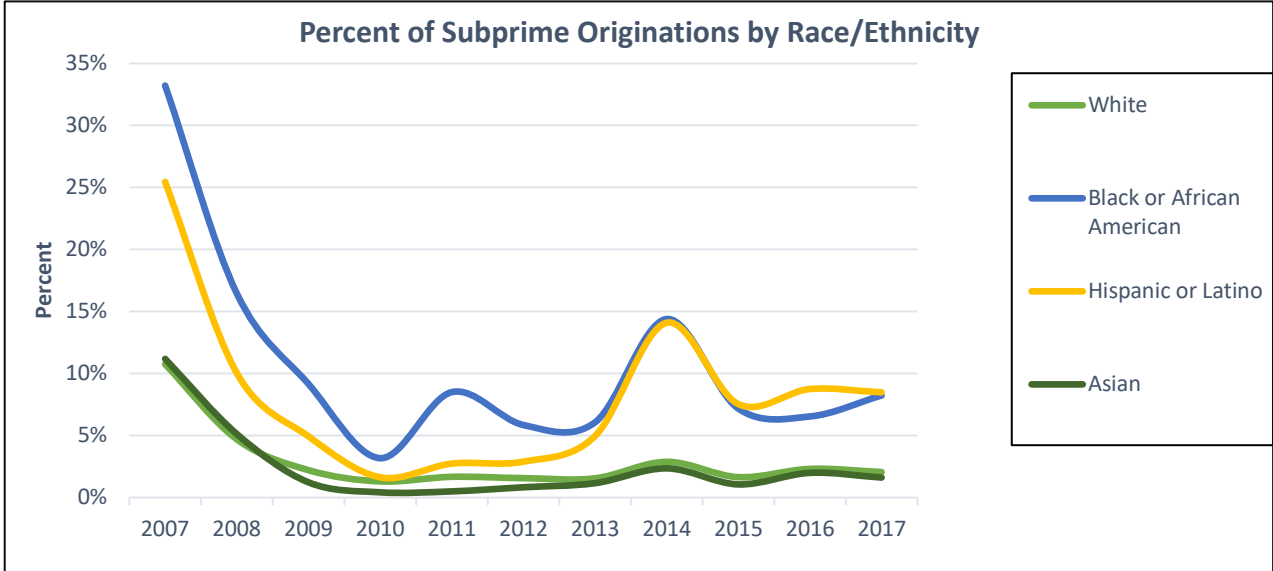


The Subprime Market

Illustrated below, the subprime mortgage market in Hudson County declined significantly between 2007 and 2010, dropping by 96 percent. Though subprime originations more than doubled times between 2010 and 2017, they represent less than 10 percent of the 2007 total. Subprime loans are defined as those with an annual percentage rate that exceeds the average prime offer rate by at least 1.5 percent. The total number of subprime loan originations decreased by approximately 91 percent on net between 2007 and 2017, while prime originations decreased by 39 percent during the same time period. As a percent of Hudson County's total, subprime originations declined from 17 percent to 3 percent between 2007 and 2017.

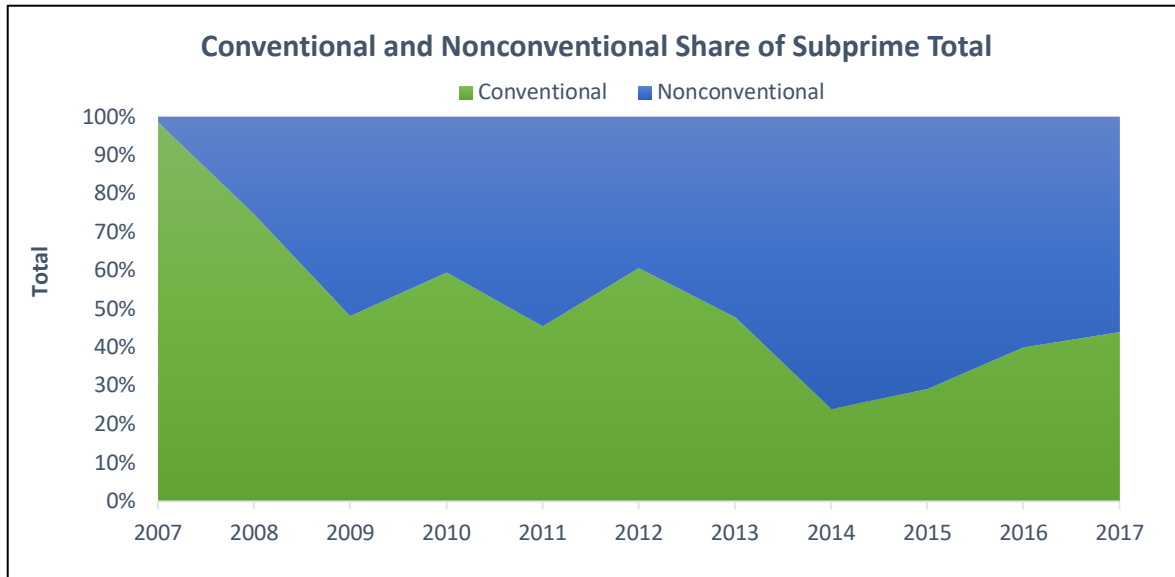


Looking at the share of subprime loans as a percentage of total originations by race/ethnicity reveals that Hispanic loan recipients were approximately 2.4 times as likely to be subprime relative to White loan recipients in 2007 while Black applicants were approximately 3.1 times as likely. This trend is consistent with the broader national pattern of minorities being disproportionately subjected to predatory subprime lending leading up to the housing crash, as outlined in a post-crisis report by the US Department of Housing and Urban Development.¹ The period between 2007 and 2010 saw the subprime share for Black and Hispanic borrowers decline substantially, falling from 33 percent to 3 percent and 26 percent to 2 percent, respectively. Relative to the pre-crisis share of subprime originations, Black originations are at approximately one quarter of the 2007 share, while Hispanic subprime originations are at approximately one third of the 2007 share as of 2017.

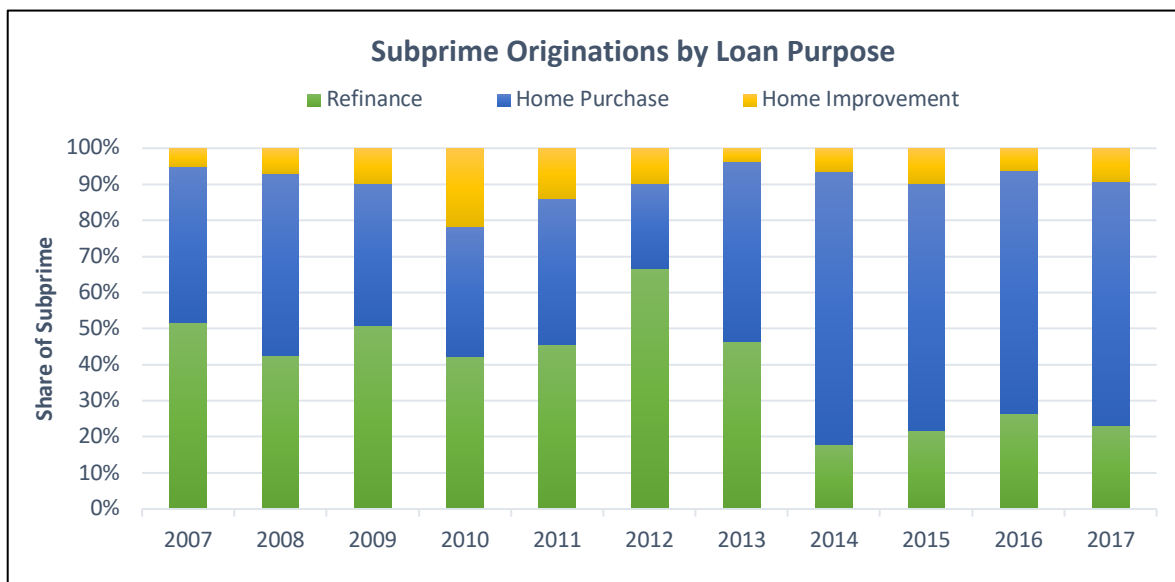


Consistent with broader national trends, the composition of subprime loans within Hudson County has shifted from conventional loans to government-insured nonconventional loans in recent years. In 2007, over 98 percent of subprime loans within the County were originated by conventional lenders. As of 2017, that percentage is 44 percent, up from a low of 24 percent in 2014. Of the nonconventional subprime loans originated in Hudson County the overwhelming majority are insured by the Federal Housing Administration (over 99 percent in 2018). By contrast, the FHA’s share of nonconventional prime loans is 89 percent, with the remaining 11 percent insured by the Department of Veterans Affairs.

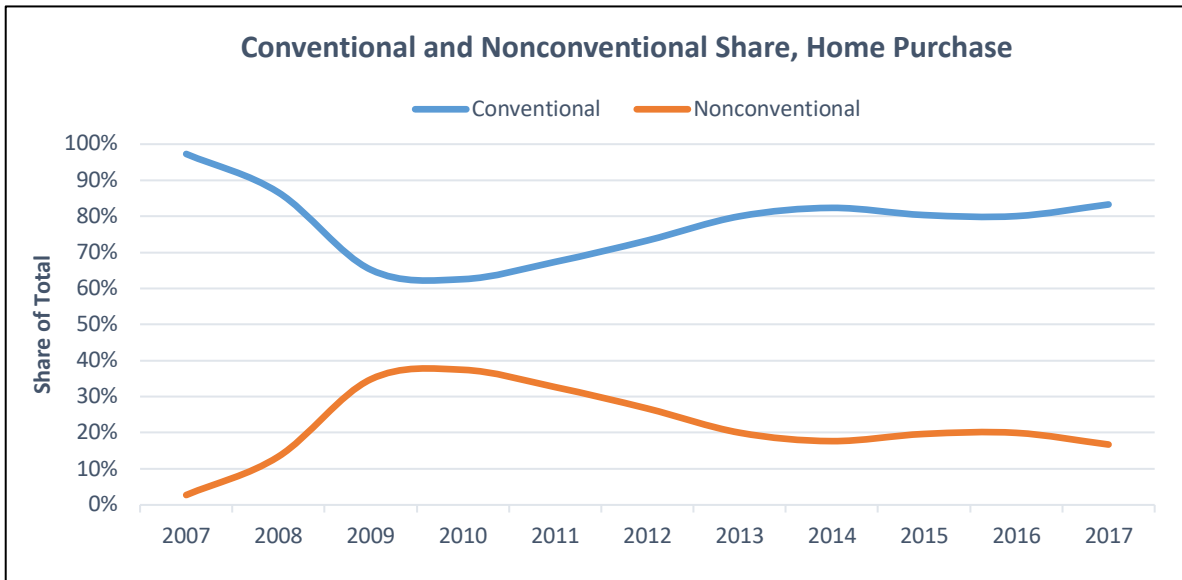
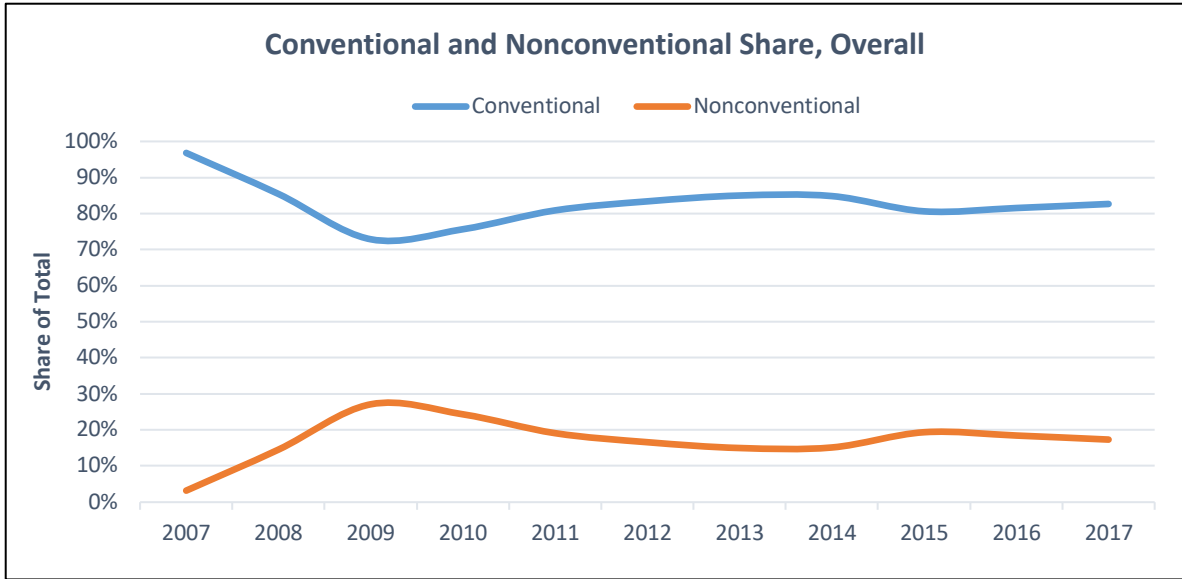
¹ https://www.huduser.gov/portal/publications/foreclosure_09.pdf

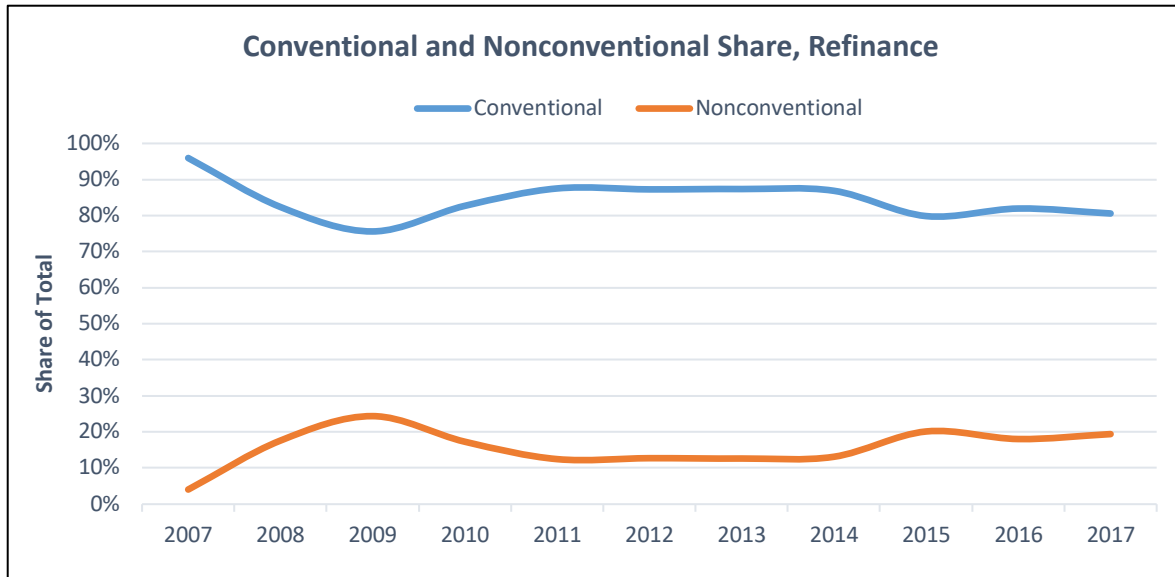


As a percentage of all subprime loan originations within Hudson County, home purchases have represented a majority since 2014, and as of 2017 were at 68 percent. The subprime home purchase share is up from a low of 24 percent in 2012.



Though subprime loans within Hudson County are mostly nonconventional, 83 percent of all single-family originations in 2017 were from conventional lenders. The highest share of nonconventional originations for any loan purpose was for home purchase loans in 2010 at 38 percent. The share of conventional lending in Hudson County has stabilized to around 80 percent since 2015.





Lending Analysis Conclusion

Mortgage lending activity in Hudson County is consistent with many of the broader trends that have occurred in the wake of the housing crash, Great Recession, and subsequent economic recovery.

Further, Hudson County exhibits relatively strong mortgage market fundamentals. Home purchase originations have increased every year since 2011 and in 2017 were at the highest level since 2008, suggesting signs of growing housing demand and a housing market recovery within the County. Additionally, the share of refinance applications denied for lack of collateral, suggesting an “under-water” home, has declined since the peak of the housing crisis.

The County has also been subject to cyclical trends that reflect broader economic conditions in recent years, including changes in mortgage rates that influence the prevalence of refinance originations and a subprime lending market that remains well below its peak prior to the housing bust. Government-insured mortgages have increased, consistent with tighter credit conditions and a more active regulatory environment in the wake of the housing crash.

Some trends, however, have continued despite business cycle fluctuations, such as higher denial rates for Black and Hispanic applicants relative to White and Asian applicants, in addition to higher denial rates for lower income applicants and neighborhoods.

Fair Housing Profile

Fair Housing is the right of individuals to obtain the housing of their choice, free from discrimination based on race, color, religion, sex, disability, familial status, or national origin. This right is assured by the Federal Fair Housing Acts of 1968 and 1988, as amended, which make it unlawful to discriminate in the sale, rental, financing, or insuring of housing.

The Fair Housing Acts, as amended, also make it unlawful for municipalities to utilize their governmental authority, including zoning and land-use authority, to discriminate against racial minorities or persons with disabilities. Zoning ordinances segregate uses and make differentiations within each use classifications. While many zoning advocates assert that the primary purpose of zoning and land-use regulation is to promote and preserve the character of communities, inclusionary zoning can also promote equality and diversity of living patterns. Unfortunately, zoning and land-use planning measures may also have the effect of excluding lower-income and racial groups.

Zoning ordinances aimed at controlling the placement of group homes are one of the most litigated areas of fair housing regulations. Nationally, advocates for the disabled, homeless, and individuals with special needs have filed complaints against restrictive zoning codes that narrowly define "family" for the purpose of limiting the number of non-related individuals occupying a single-family dwelling unit. The group home arrangement/environment provides for many people who are disabled the only affordable housing option for residential stability and more independent living. By limiting the definition of "family" and creating burdensome occupancy standards, disabled persons may suffer discriminatory exclusion from prime residential neighborhoods.

The unfortunate reality is that segregation and the lack of access to affordable housing is in large part due to public policies. The federal government, in particular, enacted regulations and legislation that both explicitly and implicitly prevented racial and ethnic minorities from accessing living areas that had access to jobs and high-quality schools. Local jurisdictions are still working to remove these previous barriers and to correct historic wrongs.

This section highlights many of the different methods that are being used to increase affordable housing and to deal with segregation. Whether it is legislation, enforcement, grants, or encouraging private investment, local governments play a vital role in ensuring that growth and prosperity in the community reaches everyone and not just a privileged few.

Federal Laws

Numerous acts, laws, and presidential executive orders have been enacted in order to create fair housing opportunities throughout the US. The following information can be found on the website for the US Department of Housing and Urban Development (HUD). Some of the legislation in the section below does not directly address fair housing but is included because it promotes the prevention and termination of discrimination, which is related to fair housing law.

Presidential Executive Order 11063

John F. Kennedy, in 1963, created the first piece of fair housing legislation by issuing presidential executive order 11063. The terms of the order stated that “discrimination in the sale, leasing, rental, or other disposition of properties and facilities” is prohibited if the properties or facilities are owned, operated, or funded by the government.

Civil Rights Act of 1964

According to Title VI of the Civil Rights Act of 1964, “discrimination on the basis of race, color, or national origin” is prohibited in programs and activities receiving federal financial assistance.

Presidential Executive Order 11246

Lyndon B. Johnson, in 1965, issued executive order 11246. According to this amended presidential order, discrimination based on race, color, religion, sex, or national origin was forbidden in federal employment.

Fair Housing Act

The Fair Housing Act, which is Title VIII of the Civil Rights Act of 1968, prohibits discrimination or other unfair actions against persons, which “otherwise make unavailable or deny a dwelling to any person because of race, color, religion, sex, familial status, or national origin.” The act prohibits both intentional housing discrimination — disparate treatment — and action or policies that may not seem to discriminate but do have a negative effect on fair housing choice — disparate impact. The federal Fair Housing Act provides for a broad range of sanctions and remedies to cure existing and prevent future violations.

Architectural Barriers Act

In 1968 the Architectural Barriers Act was enacted to increase accessibility for handicapped individuals. The act “requires that buildings and facilities designed, constructed, altered, or leased with certain federal funds [...] must be accessible to and useable by handicapped persons.”

Education Amendments Act 103

Title IX of the Education Amendment Act of 1972 prohibits discrimination on the basis of sex. This applies to federally funded education programs or activities.

Rehabilitation Act

The Rehabilitation Act of 1973 is a provision of the federal Fair Housing Act administered by HUD. Section 504 of the act prohibits a “refusal to make accommodations in rules, policies, practices, or services, when such accommodations may be necessary to afford them [the handicapped person] equal opportunity to use and enjoy a dwelling [...] including public and common use areas.” This act includes nearly all public activities that can adversely affect housing for handicapped people and is not limited to federally funded projects.

Housing and Community Development Act

Section 109 of Title I of the Housing and Community Development Act of 1974 protects against discrimination when HUD funds are involved. That is, programs and activities receiving financial assistance from HUD’s Community Development Block Grant Program cannot discriminate based on race, color, national origin, sex, or religion.

Home Mortgage Disclosure Act

The Home Mortgage Disclosure Act (HMDA), passed by Congress in 1975, was created in order to make loan information publicly available. HMDA mandates that information to help determine how financial institutions are responding to the housing needs be made available to local communities. HMDA also assists public officials in attracting private investors. Additionally, the Act aids in identifying discriminatory lending practices. HMDA requires the disclosure of information from banks, savings associations, credit unions, and other mortgage lending institutions. The required information includes the distribution of home mortgage and home improvement lending on a geographic and demographic basis such as the distribution of mortgage loans to minorities. More specifically, reporting requirements include data on the number, type, and amount of loans as well as the type of action taken — applications approved but not accepted, applications denied, applications withdrawn, or files closed as incomplete (<http://www.ffiec.gov/hmda/history.htm>)

Age Discrimination Act

The Age Discrimination Act of 1975 prohibits discrimination on the basis of age. This applies to federally funded programs or activities.

Community Reinvestment Act

According to the U.S. Environmental Protection Agency, lenders, developers and property owners are concerned about the cost and liabilities of cleaning up and refinancing low-to-moderate income urban neighborhoods, leading them to develop in other areas that are perceived to be less risky. The Community Reinvestment Act (CRA) was enacted by Congress in 1977, to “require banks, thrifts, and other lenders to make capital available in low- and moderate-income urban neighborhoods, thereby boosting the nation’s efforts to stabilize these declining areas” (<http://www2.epa.gov/brownfields>).

The CRA applies to federally insured depository institutions, national banks, thrifts, and state-chartered commercial and savings banks (<http://www.occ.gov/topics/compliance-bca/cra/index-cra.html>). It works to prevent redlining – discrimination by refusing to grant loans, mortgages or insurance to people in a specific area, particularly those deemed poor or to be “financial risks.”

In May 1995, the Office of the Comptroller of the Currency revised the CRA to allow lenders to claim community development loan credits for loans “made to help finance the environmental cleanup or redevelopment of an industrial site when it is part of an effort to revitalize the low- and moderate-income community in which the site is located.” This revision was intended to encourage economic activity in inner-city neighborhoods through financing and property redevelopment.

The CRA requires that each insured bank’s record of helping meet the credit needs of its entire community be evaluated periodically (<http://www.ffiec.gov/cra/history.htm>). There are several organizations that work to promote and ensure the credibility and compliance of all lenders subject to the CRA: Office of the Comptroller of the Currency (OCC), Board of Governors of the Federal Reserve System (FRS), and the Federal Deposit Insurance Corporation (FDIC). The Office of Thrift Supervision (OTS) as of 2011 is no longer an active regulatory agency. The following active institutions are required to report data under the CRA:

- All savings associations except small institutions (those with total assets equaling less than \$1 billion in the past 2 years) regulated by the OTS.
- All state member banks, state nonmember banks, and national banks except small institutions (those with total assets less than \$250 million in the past 2 years) regulated by the FRS, FDIC, and OCC.

Amendment of the Federal Fair Housing Act

In 1988 the federal Fair Housing Act was amended to include handicapped persons among those protected; those with one or more handicaps are discriminated against when there is a failure to make reasonable modifications to residential premises which may be necessary to enable a handicapped person “full enjoyment of the premises.”

Americans with Disabilities Act

Title II of the Americans with Disabilities Act of 1990 prevents discrimination against disabled persons. More specifically, public programs, services, and activities cannot discriminate based on disabilities. Further, “HUD enforces Title II when it relates to state and local public housing, housing assistance, and housing referrals.”

Presidential Executive Order 12892

In 1994 President William J. Clinton issued his first presidential executive order pertaining to fair housing. The amended executive order 12892 “requires federal agencies to affirmatively further fair housing in their programs and activities.”

Presidential Executive Order 12898

In 1994, President Clinton issued his next presidential executive order pertaining to fair housing. According to executive order 12898, federal agencies must conduct programs, policies, and activities that have an impact on the environment and individuals’ health in a way that does not exclude anyone based on race, color, or national origin.

The Quality Housing and Work Responsibility Act

The Quality Housing and Work Responsibility Act (QHWRA), signed by President Clinton in 1998, applies to public housing and public housing voucher programs. Its purposes range from “reducing the concentration of poverty in public housing,” to creating opportunities and incentives for public housing residents to find work, to rehabilitating public housing units through the establishment of the HOPE VI program.

Presidential Executive Order 13166

In 2000, President Clinton issued his final presidential executive order pertaining to fair housing. Executive order 13166 strives to eliminate the barrier caused by poor English proficiency that would deny benefits from federally funded programs and activities.

Presidential Executive Order 13217

In 2001, President George W. Bush issued the most current fair housing-related executive order. His executive order 13217 requires federal agencies to examine their policies and programs in order to find way to improve the availability of “community-based living arrangements for persons with disabilities.”

June 2015 Supreme Court Ruling on Fair Housing

On June 25, 2015 the Supreme Court handed down a landmark fair housing ruling that upheld the ability to bring “disparate impact” claims under Fair Housing Act. The Fair Housing Act of

1968, an integral legislative victory of the Civil Rights Movement, protects people from discrimination when they are renting, buying, or securing financing for housing. The case, *Texas Department of Housing and Community Affairs v. Inclusive Communities Project*, centered on the question of whether a policy or action has to be intentionally discriminatory, or merely have a discriminatory effect, in order to qualify as a valid basis for a discrimination claim under the Act.

Inclusive Communities, a Dallas-based non-profit, claimed that the Texas Department of Housing and Community Affairs was guilty of housing discrimination because the way in which the state allocated Low Income Housing Tax Credits perpetuated racial segregation by limiting the development of affordable housing into areas that were historically impoverished with high concentrations of minorities. The state claimed that no discrimination occurred because its intention was not to promote racial segregation but to revitalize these underserved areas by injecting much needed capital for the development of new affordable housing. Inclusive Communities claimed that regardless of intention, the state's decision to fund tax-credit projects only in minority and poverty-laden neighborhoods resulted in segregation, and thus had a discriminatory effect (disparate impact).

Fair housing advocates across the nation watched the case closely and worried if the Supreme Court ruled against disparate impact claims that it would essentially "defang" the Fair Housing Act by removing a key basis for liability. Intent is much harder to prove than effect. In the end the Court ruled 5-4 to uphold the lower court decisions in favor of Inclusive Communities, salvaging fair housing disparate impact claims.

New HUD Fair Housing Guidance

Guidance on Application of Fair Housing Act Standards to the Use of Criminal Records

The Fair Housing Act prohibits discrimination in the sale, rental, financing of dwellings and in other housing-related activities on the basis of race, color, religion, sex, disability, familial status or national origin. In April 2016, HUD's Office of General Counsel issued guidance on the discriminatory effect of using criminal history to make housing decisions. If a policy or practice that restricts access to housing on the basis of criminal history has a disparate impact on a protected class (whether or not that effect is intentional), it is in violation of the Fair Housing Act – unless there is a "substantial, legitimate, nondiscriminatory interest" served by the policy.

While it is impossible to know the precise number of people transitioning from a correctional facility at any one point in time, the ability to access safe, secure, and affordable housing is critical for a formerly incarcerated person's reintegration into society. As of 2016, the State of New Jersey had approximately 32,000 individuals incarcerated. The incarceration rate in New Jersey is relatively low at 460 per 100,000 adults, ranking #44 in the United States.

HUD's guidance is intended to eliminate barriers to securing housing for that population, and it is imperative that all jurisdictions make a clear effort to eliminate any discriminatory barriers

these individuals may face. In order for former inmates to avoid recidivism and work in society they must have access to housing free of discrimination.

Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity

On September 21, 2016 HUD published a final rule entitled “Equal Access in Accordance with an Individual’s Gender Identity in CPD programs.” Through this final rule, HUD ensures equal access to individuals in accordance with their gender identity all HUD funded programs. This rule builds upon the 2012 final rule, “Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity” (2012 Equal Access Rule). This final rule ensures that HUD's housing programs would be open to all eligible individuals and families regardless of sexual orientation, gender identity, or marital status.

Furthermore, as HIV/AIDS disproportionately affects the LGBT community, it is important to note that HIV/AIDS is protected under the Fair Housing Act as a disability. HUD specifically states that housing discrimination because of HIV/AIDS is illegal.

The HUD Office of Policy Development and Research conducted a study in 2013, *An Estimate of Housing Discrimination Against Same-Sex Couples*, as the first large-scale, paired-testing study to assess housing discrimination against same-sex couples in metropolitan rental markets via advertisements on the Internet. Two emails were sent out, with the only difference between the two emails was the sexual orientation of the prospective renting couples. The study finds:

“[... same-sex couples experience less favorable treatment than heterosexual couples in the online rental housing market. The primary form of adverse treatment is that same-sex couples receive significantly fewer responses to e-mail inquiries about advertised units than heterosexual couples. Study results in jurisdictions with state-level protections against housing discrimination on the basis of sexual orientation unexpectedly show slightly more adverse treatment of same-sex couples than results in jurisdictions without such protections. “

Complaints and Lawsuits

To register a complaint with the State of New Jersey Department of Community Affairs, the aggrieved party must officially file the complaint within 180 days after the date of the alleged discrimination. During this process, every effort is made to mediate and resolve the problem. The primary mechanism used for mediation and resolution of complaints is the Mediation/Alternative Dispute Resolution effort.

Complaints can be filed at any New Jersey Division of Civil Rights Office by phone:

- South Shore Regional Office: 609-441-3100
- Southern Regional Office: 856-486-4080
- Northern Regional Office: 973-648-4678
- Central Regional Office: 609-292-4605

A complaint can also be filed online at the HUD website:

<https://portal.hud.gov/FHEO903/Form903/Form903Start.action>

Analyzing the complaints filed under fair housing laws is useful in discerning which types of discrimination are most prevalent among Hudson County households and which protected groups are most commonly affected. According to HUD in the most recent 5 years there were 48 fair housing complaints filed in the County.

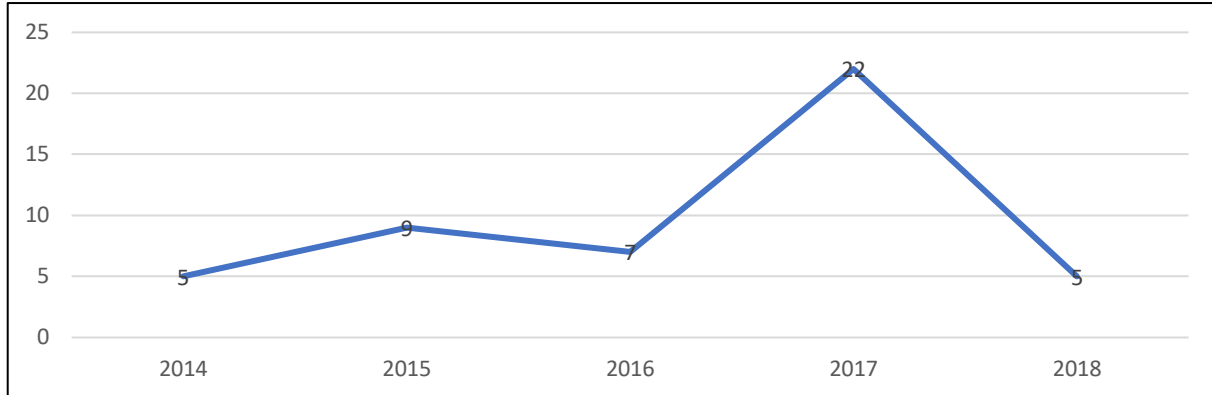
Table: Fair Housing Complaints

Violation State and County	HUD Filing Date	Bases
New Jersey - Hudson	5/13/14	Race, National Origin
New Jersey - Hudson	9/16/14	Race, National Origin
New Jersey - Hudson	10/22/14	Disability
New Jersey - Hudson	11/12/14	Disability
New Jersey - Hudson	11/24/14	Disability
New Jersey - Hudson	2/26/15	Familial Status
New Jersey - Hudson	3/3/15	Sex, Familial Status
New Jersey - Hudson	4/13/15	Race
New Jersey - Hudson	7/8/15	Disability
New Jersey - Hudson	7/28/15	Race, Color
New Jersey - Hudson	8/31/15	Disability
New Jersey - Hudson	8/31/15	Disability
New Jersey - Hudson	11/9/15	National Origin, Sex, Disability
New Jersey - Hudson	11/30/15	Sex
New Jersey - Hudson	4/20/16	Disability

Violation State and County	HUD Filing Date	Bases
New Jersey - Hudson	5/4/16	Race
New Jersey - Hudson	6/27/16	Disability
New Jersey - Hudson	7/12/16	Disability
New Jersey - Hudson	8/4/16	Religion
New Jersey - Hudson	8/25/16	Disability
New Jersey - Hudson	10/20/16	Disability
New Jersey - Hudson	1/6/17	Disability
New Jersey - Hudson	1/6/17	Familial Status
New Jersey - Hudson	1/31/17	Sex, Disability
New Jersey - Hudson	2/15/17	Retaliation
New Jersey - Hudson	3/7/17	Race, Familial Status
New Jersey - Hudson	3/9/17	Disability
New Jersey - Hudson	3/23/17	Race
New Jersey - Hudson	3/27/17	Sex
New Jersey - Hudson	4/28/17	Disability
New Jersey - Hudson	5/8/17	Disability
New Jersey - Hudson	5/8/17	Race, National Origin
New Jersey - Hudson	8/1/17	Race
New Jersey - Hudson	8/2/17	Disability
New Jersey - Hudson	8/9/17	Familial Status
New Jersey - Hudson	8/9/17	Familial Status
New Jersey - Hudson	8/9/17	Familial Status
New Jersey - Hudson	8/10/17	Familial Status
New Jersey - Hudson	8/10/17	Familial Status
New Jersey - Hudson	8/10/17	Familial Status
New Jersey - Hudson	8/16/17	Familial Status
New Jersey - Hudson	9/15/17	Race
New Jersey - Hudson	9/15/17	Familial Status
New Jersey - Hudson	3/8/18	Disability, Retaliation
New Jersey - Hudson	5/2/18	Disability
New Jersey - Hudson	5/15/18	Familial Status
New Jersey - Hudson	5/17/18	Disability
New Jersey - Hudson	10/18/18	Color, Familial Status
Source: HUD		

The largest number of complaints was received in 2017. During that year there were nearly as many complaints as the other four years combined. The fewest complaints came in 2014 and 2018 with five complaints.

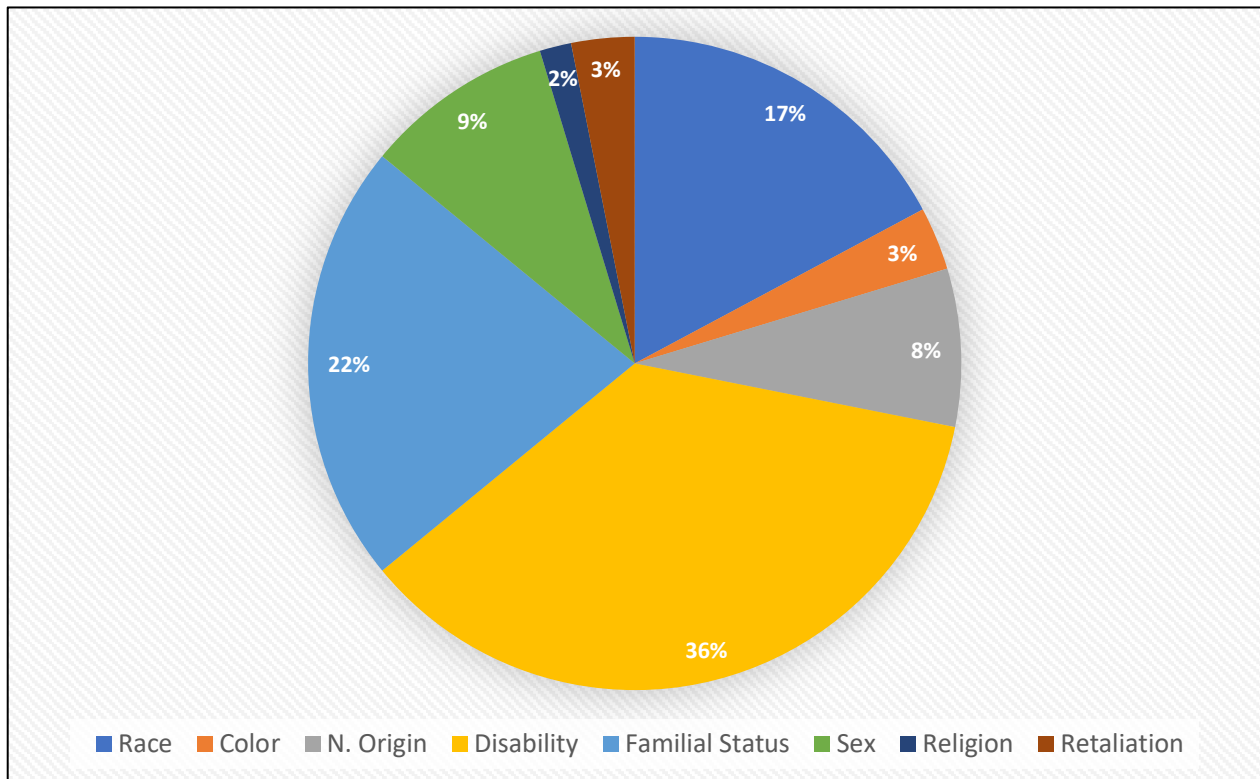
Chart: Number of Fair Housing Complaints by Year from 2014 to 2018



Source: HUD

Disability status was the most common discrimination complaint filed making up over one-third of the total. Familial Status and Race were also common making up 22% and 17%, respectively. Each of the remaining classifications made up less than 10% of fair housing complaints.

Chart: Fair Housing Complaints from 2014-2018 by Basis



Citizen Participation Process

In outlining their vision for the development of this document, County staff sought the widest possible input from residents, stakeholders, housing professionals, not-for-profit organizations, County staff, and community and government leaders. To this end, the County contacted representatives of various housing organizations, social service agencies, faith-based organizations, and governmental institutions to participate in a community survey. The survey contained a range of questions about possible impediments relating to fair housing discrimination, education, and causes.

In addition, an informational meeting was held on November 14, 2019 in order to educate the public on the Consolidated Plan and the Analysis of Impediments to Fair Housing Choice process and gather comments that were used to develop this AI. The Hudson County Division of Housing and Community Development hosted the meeting from 1:30 to 3:00 pm at the Hank Gallo Center, Lincoln Park, Jersey City. These meeting notices were posted in County buildings and appeared in print and online media.

Fair Housing Survey

Hudson County administered a countywide survey on residents' experiences with the local housing market from October 24, 2019 through March 24, 2020. It was available online and heavily circulated on County website, social media, neighborhood groups, and County partners. The survey received 283 total responses.

There were eight questions in the survey related to housing discrimination:

1. Do you believe housing discrimination is an issue in your neighborhood?
2. Have you experienced discrimination while looking for housing based on your race, color, gender, religion, disability, national origin, sexual orientation, marital status or family status? (Y/N)
3. Who do you believe discriminated against you?
4. On what basis do you believe you were discriminated against?
5. If you believe you have been discriminated against, have you reported the incident?
6. If you believe you have been discriminated against and did not reported the incident, why?
7. Have you ever witnessed or are aware of others being discriminated against in housing in your community?
8. If Yes, who discriminated in housing?

Survey Takeaways

Fifty-six percent of the respondents believed housing discrimination is an issue in their neighborhood. The leading causes for those whom have personally reported being discriminated against were race (49%), color (26%), and familial status (26%). The leading source of

discrimination for those reporting having experienced or witnessed is the landlord or property manager as the source of housing discrimination. However, most are not reporting the incident.

The main themes that were derived from the survey was that the lack of fair housing education is still prominent within the community. Access to affordable housing or affordable rent were also cited as issues within the County.

Previously Identified Impediments to Fair Housing Choice

In 2010, the county’s Analysis of Impediments to Fair Housing Choice was conducted to provide emerging impediments to fair housing in the Hudson County. The impediments were found from a thorough review of policies and practices in the public and private sectors, extensive public input, and a detailed examination of social and economic data. Those impediments were:

- Discrimination in The Housing Market
- Fair Housing Advocacy and Outreach
- Bias in Lending
- Limited Supply of Affordable Housing
- Government Policies
- Local Opposition (Nimby)

Status of Previously Identified Actions

Impediment One – Discrimination in The Housing Market

Recommendations from 2010 AI:

1. Educate households and housing related organizations by disseminating Fair Housing law literature, conducting Fair Housing law seminars and training, and focusing public awareness campaigns about Fair Housing law in ethnic and minority neighborhoods, and among civic, social, religious, and special interest groups.
2. Provide Fair Housing materials and educational programs in Spanish, especially in neighborhoods and communities with high percentages of Spanish-speaking persons.
3. Conduct training sessions and information campaigns especially among rental property owners and managers, as well as apartment owner associations, and management companies.
4. Increase housing choice alternatives for the disabled and families with children by encouraging the construction of affordable, and especially rental, housing (See affordability below).
5. Convene focus groups of advocacy groups, community-based organizations, real estate industry professionals, lenders, property owners, and government agency officials to review and assess fair housing issues. These groups should identify discriminatory

practices, trends, or changes in these practices, focal points of discriminatory practice, and the means or methods to address them.

6. The County should create a Fair Housing testing and auditing program, focusing upon rental properties at this time.

Actions taken to address Impediment 1:

In the last decade the Division of Housing and Community Development and our partners have taken significant steps to continue to combat discrimination in the housing market.

A lot of this work has been done through the lead housing counseling and legal services entity for Hudson County, The Waterfront Project (WFP). The Waterfront Project, a 501(c)3 legal services nonprofit and HUD-certified housing counseling agency addresses housing discrimination and other barriers to housing poverty through one-on-one housing counseling, landlord tenant legal services, and know-your-rights workshops.

In the last five years, through assistance from the Division of Housing and Community Development, WFP has expanded their services, staffing and counseling certifications. The Waterfront Project (WFP) employs three attorneys and two housing counselors. The housing counselors provide one-on-one counseling for tenants who need assistance identifying and applying for affordable housing, setting a budget or repairing credit in anticipation of applying for housing, challenging a tenant's rental application denial, understanding and contesting unfair lease provisions, and filing housing discrimination complaints. The staff attorneys, in addition to representing tenants in litigation related to their housing, provide know-your-rights workshops for low and moderate income people on topics such as fair housing, tenant rights, applying for public benefits, applying for affordable housing, credit repair and budgeting. WFP's know-your-rights workshops are presented for low and moderate income clients and nonprofit organization staff who serve low and moderate income clients. Combined WFP presents fair housing and tenants' rights workshops for over 400 attendees annually.

WFP presents a monthly fair housing and tenants' rights workshop at St. Matthew Lunchtime Ministry, a lunch program for people with food insecurity that draws residents from across Hudson County. WFP presents annual fair housing and tenants' rights workshops for low and moderate income homeless guests at York Street Project, Family Promise, and Hoboken Shelter. WFP has launched a lawyer in the library program and will present its fair housing and tenants' rights workshops at all of the libraries in Hudson County.

WFP presents an annual workshop on tenants' rights and fair housing for Hudson County Alliance to End Homelessness member organizations, NJ Department of Children and Family case workers, Jersey City Housing Authority staff, Partnership for Maternal and Child Health of Northern New Jersey's member health officers, public health nurses, health educators, and the Housing and Community Development Network of New Jersey member community developers. WFP also regularly accepts invitations from religious institutions, government agencies, elected officials, and other entities to present its fair housing and tenants' rights workshop.

WFP has been funded annually with a \$50,000 CDBG grant

Through the work of the Hudson County Alliance to End Homelessness, regular feedback is solicited and collected regarding barriers to accessing housing. A number of programs have been developed that target populations experiencing or likely to face homelessness. Programs include permanent supportive housing, with some programs targeting those with the most extensive incarceration histories, as they are likely to face discrimination when seeking housing. To avoid discrimination before it happens, local housing providers work to develop relationships with landlords and advocate for their clients. Providers also assist with credit workshops and budgeting to encourage landlords not to judge a client due to their past history. Additionally, the County has provided annual trainings and targeted assessments to combat housing barriers and discrimination. Trainings include LGBTQ+ competency and sensitivity, “Know Your Rights” trainings to ensure all housing providers are aware of fair housing violations they may experience and how to report them, as well as trainings on rental leases so they are aware of landlords should and should not be including in a lease.

Steps have also been taken to investigate the feasibility of a Right to Counsel Program for individuals and families facing eviction in Hudson County. The Division has funded a study to determine feasibility and cost to implement such a program.

Impediment Two – Fair Housing Advocacy and Outreach

Recommendations From 2010 AI:

At the present time, it does not appear that Hudson County has a strong, visible fair housing advocacy group that can assist persons who feel that they have suffered discrimination, and at the same time provide outreach and education on fair housing issues, such as those noted above.

1. Assist in the development of a fair housing organization that will actively assist
2. County residents with fair housing education and issues.
3. Expand efforts to inform renters and homebuyers of their rights and recourse, if they feel they have been discriminated against.
4. Conduct training sessions and information campaigns especially among rental property owners and managers, as well as apartment owner associations, and management companies.
5. Convene focus groups of advocacy groups, community-based organizations, real estate industry professionals, lenders, property owners, and government agency officials to review and assess fair housing issues. These groups should identify discriminatory practices, trends, or changes in these practices, focal points of discriminatory practice, and the means or methods to address them.
6. Update Fair Housing information regularly and adjust strategies and actions accordingly. In particular, the groups mentioned above should meet yearly.

Actions taken to address Impediment 2:

The 2010 AI found that Hudson County lacked a strong, visible fair housing advocacy group. This issue has been addressed with the Waterfront Project assuming the role as the lead for fair housing and advocacy issues countywide. In partnership with the county, numerous municipalities, religious leaders, community advocates and nonprofit organizations, the WFP ensures that those facing housing discrimination have access to housing counselors and/or attorneys. WFP leads numerous training sessions for tenants and community members to ensure they are aware of their rights.

Impediment Three – Bias in Lending

Recommendations from 2010 AI:

This Analysis did not find significant evidence of discrimination in lending practices. The issue does not appear to have generated specific complaints, and this data is far from conclusive. Additional detailed research is necessary to make any definitive conclusion. However, the County should, to the extent possible, ensure that persons seeking loans for home purchase or improvement are aware of lending practices and procedures.

1. Develop programs to foster conventional lending and banking services in underserved neighborhoods and to specific groups of persons.
2. Expand financial literacy and credit counseling programs, especially in minority and lower-income neighborhoods.
3. Develop programs to foster conventional lending and banking services in underserved neighborhoods and to specific groups of persons.
4. Expand financial literacy and credit counseling programs, especially in minority and lower-income neighborhoods.

Actions taken to address Impediment 3:

WFP does financial capability counseling with the goal of continuing to empower individuals with financial education and coaching. These services are designed to provide advice and skills to overcome financial challenges and achieve housing and other personal financial goals. The session(s) include financial goal setting, credit report review, as well as creating a budget.

HUD Certified pre-purchase counseling is available and regular trainings have been held within the county through Garden State Episcopal-NYC Housing Partnership. On average, 4-6 trainings are held annually with 120 participants from the Hudson County Consortium communities.

The Division created a foreclosure resource guide ensuring those facing foreclosure are aware of the resources available to them. This guide is located on the county website, distributed through mailing lists, and distributed by the Sheriff's Department staff handling foreclosure auctions.

A homebuyer resource guide has been generated and is provided to any resident contacting the Division that is interested in purchasing a home. It contains pre-purchase housing counseling

resources, available down payment assistance program information, and a list of lenders that offer competitive loans.

Additionally, the county developed a foreclosure registry program allowing municipalities to opt in and pass ordinances requiring foreclosing banks to register properties. This creates a database of foreclosed homes, allowing the county to share resources with resident early on in the foreclosure process. Five towns have opted in, with two more joining in 2020.

The HOME program has been utilized to create affordable homeownership opportunities including the development two family homes and condos, sold to low- and moderate-income households. 4 two family homes and 8 condos are currently under construction throughout the county.

The County has also partnered with the Hudson County Economic Development Corporation in the creation of a down payment assistance program.

Impediment Four– Limited Supply of Affordable Housing

Recommendations from 2010 AI:

1. Continue to use all available federal and state funding resources and programs to address high priority housing needs for rehabilitation, preservation, and development of affordable units.
2. Continue to work with community-based organizations, affordable housing developers, and housing advocacy groups to increase the supply of larger and disability accessible housing units, leveraging resources to the extent possible.
3. Continue and, if possible, expand housing rehabilitation programs to maintain the County's base of affordable units, both owner-occupied and rental.
4. Research other affordable housing programs for additional ideas and practices.

Actions taken to address Impediment 4:

The Division continued to work with developers and nonprofits to increase the supply of affordable housing in Hudson County. 491 units of affordable rental housing have been created by the HOME program in the last 10 years, 11 units of affordable homeownership housing have been created. 54 affordable rental units and 12 affordable homeownership units are in the pipeline.

The Division of Housing and Community Development created and launched the Hudson Housing Finder, a tool for residents to search for affordable units in the county. Built off of the NJ Housing and Mortgage Finance platform, all state funded affordable housing opportunities are included on the site, and all Hudson County HOME funded rental projects are listed, ensuring we have a user friendly, public facing database inclusive of all units funded with local HOME funds.

Through the Continuum of Care and homeless planning efforts, Hudson County saw an increase of 290 new housing vouchers that were brought into the county to expand permanent housing opportunities for individuals and families facing homelessness.

Impediment Five – Government Policies

Recommendations from 2010 AI:

This impediment deals with issues relating to the development of land including housing that is available to a wide range of persons and income levels in disparate locations. This goal is affected by a wide range of factors, some of which, as noted earlier, are beyond the ability of the municipalities or the County to change. Also, the County itself has little control over land use, zoning and permit application procedures.

1. Ensure that reasonable accommodation and disabled access issues are properly addressed in municipal zoning and construction codes.
2. Do as much as possible to reduce review and approval process times for both new construction and home modification applications.
3. Encourage the use of universal design principles in new housing developments.

Actions taken to address Impediment 5:

County Government has no control over local land use. Over the last ten years the Division has continued advocacy and education efforts with local municipalities to share available resources and assist in the development of affordable housing locally.

Impediment Six – Local Opposition (Nimby)

Recommendations from 2010:

The proposed development or location of affordable housing, group homes, public housing, or Section 8 housing often draws storms of criticism and opposition from neighborhood residents. This “not-in-my-backyard” (NIMBY) attitude affects the availability of housing for people in the protected classes and is a significant challenge to achieving fair housing objectives. While it is difficult to avoid this attitude, the County and municipalities can take some measures to mitigate these challenges.

1. Ensure that local zoning ordinances and building codes properly address issues of concern with respect to higher density housing, persons with disabilities, and group homes/congregate living/community care.
2. Encourage developers, housing advocacy groups, and other interested parties to conduct neighborhood outreach and information campaigns before submitting projects for review and approval.

3. Undertake a public outreach/education program about fair housing and affordable housing on a regular basis. While such efforts will not lay all misconceptions to rest, a broader understanding of the nature of fair housing and the types of persons and families involved will mitigate at least some opposition.

Actions taken to address Impediment 6:

County Government has no control over local land use. Over the last ten years the Division has continued advocacy and education efforts with local municipalities to share available resources and assist in the development of affordable housing locally.

Identification of Impediments to Fair Housing Choice

This section reviews fair housing issues, barriers to fair housing choice, and outlines activities to address these barriers in the county. The impediments to fair housing choice are presented in three categories:

- Fair Housing Related Impediments
- Affordable Housing Related Impediments
- Fair Housing Action Plan

Affordable Housing Related Impediments

Impediment 1. The building industry's preference for market rate units rather than subsidized affordable housing units.

The average residential building permit value increased from \$129,978 in 2012 to \$193,312 in 2017, or an increase of 49 percent, according to the U.S. Census Building Permits Survey. From 2010 and 2017, there are fewer units available in the lower rent cohorts and increasing numbers of units available in the higher rent cohorts. The wide disparity between affordable rents for low-moderate income households and market rate rents, especially in desirable areas, functions as a deterrent to developers leading them to choose development of market rate units.

Impediment 2. A high cost of living in Hudson County.

New Jersey is the sixth most expensive state in the nation for renters. The cost of living indices is based on a U.S. average of 100. The March 2019 cost of living index in Hudson County was 119.5. The median cost of both buying and renting housing is 193.9.

Cost burden and severe cost burden represent the most prevalent housing problem in Hudson County. Forty-two percent of the County's households are in the three lowest HUD income categories and face difficulties in obtaining affordable housing that is decent and safe. Renters in Hudson County have the highest housing cost-burden rate representing, 47.8 percent of all rental households. This is higher than the 39 percent of statewide households who are burdened by their housing cost. Consequently, these Hudson County households are at a higher risk for homelessness or substandard living conditions. Unlike homeowners, renters lack the capital that comes with home ownership and do not have the option to sell their residence and downsize to help with financial difficulties.

Impediment 3. Inconsistent annual funding allocations for the HOME program make it difficult to maintain a steady development pipeline of affordable housing in the County.

As federal funding was substantially reduced in the early 2010s and have been inconsistent ever since, many housing programs have struggled to acquire the resources to meet the needs of their clients. Therefore, it is critical to leverage HOME funds whenever possible. Major funding gaps

include lack of capital and limited development capacity for nonprofit organizations and small developers.

Although the other public and private resources to address the needs identified in the Consolidated Plan are limited, Hudson County has been successful in providing early comprehensive financial review and technical assistance to project developers for their proposed projects. Numerous projects have been successful in obtaining Low Income Housing Tax Credits and Special Needs Housing Trust Fund allocations from New Jersey Housing and Mortgage Finance Agency, Affordable Housing Program funds from Federal Home Loan Bank of New York, as well as construction and permanent loan financing. The HOME funds are utilized to provide gap financing in these projects and ensure the HOME investment is adequately leveraged.

Impediment 4. Funding for rental, homeownership, and foreclosure counseling services are limited.

Housing related counseling resources are limited from state and federal sources. The County has provided funding through CDBG Public Services to the non-profit Waterfront Project, a HUD certified housing counseling agency which provides free legal services for low and moderate-income tenants facing eviction, harassment, and other unfair or illegal actions by landlords. Several municipalities have passed ordinances requiring lenders pursuing foreclosures to register properties for a fee which is then shared with the County. The County intends to use the collected fees to support housing counseling organizations providing services to county residents.

Impediment 5. There is a scarcity of available land for housing development.

As a regional economic center, there is a relatively small amount of land in the county dedicated to residential spaces (18 percent). This is a considerable factor in the price of housing. With a lack of available land for residential development the housing market has fewer options in creating affordable housing. This condition further contributes to the high cost of land available and appropriateness for affordable housing development.

Fair Housing Related Impediments

Impediment 6. A patchwork of municipally based rent control systems with varying degrees of compliance and enforcement resulting in overcharged rents and loss of rent controlled units.

Eight of the 12 municipalities in Hudson County have rent control ordinances of varying types. There are numerous exemptions to rent control systems and mechanisms for developers to make capital improvements to rent controlled units in order to convert units to market rate.

Impediment 7. Higher denial rates for qualified mortgages to low- and moderate-income persons in minority and underserved neighborhoods.

Hudson County, like elsewhere in the country, is subject to cyclical trends that reflect national economic conditions. Some on-going trends, however, continue despite business cycle fluctuations, such as higher denial rates for Black and Hispanic applicants relative to White and Asian applicants. This includes higher home loan denial rates for lower income applicants and neighborhoods.

More specifically, in 2017, there were approximately 18,500 applications within Hudson County for home loans to purchase, refinance or make home improvements for a single-family home. Of those applications, 48 percent were approved. This represents a decrease from 2016 of approximately 11 percent from the prior year. Of the remaining year's applications, approximately 2,600 or 14 percent of all applications were denied. The top two application denial reasons within the county were debt-to-income ratio (30 percent of the total) and a lack of collateral (23 percent), representing over half of the County's total denials.

A further review of the 2,633 loan denials within Hudson County during 2017 indicates that approximately 50 percent were for applicants seeking to refinance existing mortgages for owner-occupied, primary residences. The number one reason for denial of refinance applications was debt-to-income ratio (34 percent of refinancing denials), followed by lack of collateral (21 percent of refinancing denials).

Impediment 8. The lack of supportive services and operating funds for special needs housing developments.

While there is increasingly more funding available to develop affordable housing units, funds for ongoing operating, including project-based rental assistance vouchers and supportive service funding necessary for permanent supportive housing are limited.

Fair Housing Action Plan

Hudson County recognizes that there are important steps to mitigate these barriers to affordable housing including a combination of planning, legal and financial tools to address these fair housing impediments. These include:

1. Apply compact design principles that provide mixed use, diverse housing opportunities, and foster economic development in urban settings.
2. Promote the development of a range of housing types with a mixture of densities, including low, moderate, middle and market rate housing that is affordable to millennials, young families and seniors.
3. Expand County Financial Incentives for Affordable Housing. The county should provide financial and development incentives for private developers and non-profits to construct and/or rehabilitate affordable housing. Incentivize developers to participate in the HOME program that creates or improves housing units for people below 30 percent of AMI by offering preference in the project application process.
4. Expand collaboration with affordable housing stakeholders to overcome misconceptions about affordable housing while also educating the public, property owners, and landlords on fair housing rights and responsibilities.
5. Actively work with developers to identify other private, state, and federal funds to subsidize the development of affordable housing.
6. Expand the County's current work with CRA loan lenders to maximize opportunity for first time homebuyers and LMI households' access to home purchase.
7. Continue to offer predevelopment funding and operational support to CHDO organizations.
8. Support Housing Preservation by creating a preservation strategy for affordable housing with expiring affordability periods. Explore options to leverage current funding that increases preservation of affordable rental units.
9. Expand Public Education Regarding Fair Housing Practices: The County and local non-profits need to continue to educate and make realtors, bankers, and landlords aware of discriminatory housing policies and to promote fair housing opportunities for all County residents. These efforts should also include improving knowledge and awareness of the Fair Housing Act; related housing and discriminatory laws and regulations; and continue to educate and make residents aware of their rights under the Fair Housing Act and the Americans with Disabilities Act (ADA).

Conclusion

As this AI has identified, Hudson County will have to face various challenges in order to achieve the goal of affirmatively furthering fair housing choice. In collaboration with the community residents, housing stakeholders, and the numerous non-profit and for-profit partners, the County can build on recent improvements, county strengths, and opportunities to increase fair housing choice moving forward. The Fair Action Plan included in this AI can serve as an easily understandable roadmap – for both policymakers and the public – in order to focus efforts and advance fair housing choice in the near future.

Appendices

Appendix A - The County of Hudson Division of Housing and Community Development Language Assessment Four-Factor Analysis

The County of Hudson Division of Housing and Community Development

Language Assessment Four-Factor Analysis

In order to determine the estimated needs of Limited English Proficient (LEP) persons in the County of Hudson, New Jersey the Hudson County Division of Housing and Community Development (“the Division”) conducted the following analysis:

Factor 1 – Number or proportion of LEP persons in the eligible service area

The Division obtained information from the U.S. Census Bureau’s Census Data website as recommended by HUD in order to gather data about the jurisdiction’s overall population, as well as the population of LEP persons within the jurisdiction and the primary languages spoken. This data indicates the following:

Total population 5 years and over	629,136
Total LEP population 5 years and over	147,095
Spanish speaking LEP population 5 years and over	101,417
Asian and Pacific Islander language speaking LEP population 5 years and over	31,416
<ul style="list-style-type: none"> • Persian speaking LEP population 5 years and over • Arabic speaking LEP population 5 years and over • Gujarati speaking LEP population 5 years and over • Hindi speaking LEP population 5 years and over • Telugu speaking LEP population 5 years and over • Punjabi speaking LEP population 5 years and over • Bengali speaking LEP population 5 years and over • Urdu speaking LEP population 5 years and over • Chinese speaking LEP population 5 years and over • Japanese speaking LEP population 5 years and over • Korean speaking LEP population 5 years and over • Thai speaking LEP population 5 years and over • Vietnamese speaking LEP population 5 years and over • Tagalog speaking LEP population 5 years and over • African language speaking LEP population 5 years and over 	<ul style="list-style-type: none"> 61 6,729 2,957 2,247 1,489 422 356 1,748 5,373 560 2,011 129 865 4,997 1,472

Other Indo-European language speaking LEP population 5 years and over	10,277
• French speaking (incl. Patois, Cajun) LEP population 5 years and over	1,401
• Haitian speaking LEP population 5 years and over	591
• Italian speaking LEP population 5 years and over	1,433
• Portuguese or Portuguese Creole speaking LEP population 5 years and over	3,811
• Hebrew speaking LEP population 5 years and over	224
• Yiddish, Pennsylvania Dutch or other West Germanic languages speaking LEP population 5 years and over	174
• Greek speaking LEP population 5 years and over	412
• Russian speaking LEP population 5 years and over	830
• Polish speaking LEP population 5 years and over	1,353
• Serbo-Croatian speaking LEP population 5 years and over	48
Other language speaking LEP population 5 years and over	3,985
• Other Indic language speaking LEP population 5 years and over	562
• Other Indo-European language speaking LEP population 5 years and over	347
• Other Slavic language speaking LEP population 5 years and over	2,007
• Other Dravidian language speaking LEP population 5 years and over	935
• Other and unspecified languages	134

Source: U.S. Census Bureau, 2018 American Community Survey

The above demonstrates that more than 70% of the jurisdiction’s LEP population is Spanish speaking and that there are fourteen other languages that meet 5% or 1,000 person thresholds for requiring written translation of vital documents. Those languages include: Arabic, Chinese, Tagalog, Hindi, Gujarati, Hindi, Telugu, Urdu, Tagalog, French Cajun, Portuguese, Polish, Italian, Korean, and African dialects. Other languages recorded by the 2011-2015 American Community Survey 5-year Estimate do not meet the 5% or 1,000 person threshold in place to require written vital documents.

The Division conducted an informal, in-office survey and collected survey data to determine how many LEP persons visited or called the offices and what their primary language was, over a six month period. This collection of survey information revealed that while there was significant number of Spanish, Arabic, and Chinese speaking individuals in Hudson County, over 90% of interactions are with English speaking individuals.

Fact 2 – Frequency of contract with the program

Based on monthly logs, maintained over a six month period, the Division determined that on average, less than 10% of all clients who contact the office require interpretation services for information or assistance. The only language that interpretation was requested for was Spanish. Despite the infrequency of calls or visits, the office is still committed to maintaining a Spanish speaking staff member. The Division is also committed to providing all written materials

available in Spanish when requested, and, when possible, the office will hire and work to maintain employees who speak any of the other thirteen (13) languages.

Fact 3 – Importance of service, information, program or activity

The Division does not provide any services directly and instead funds nonprofit organizations providing the direct services. The referral services that are provided are important as they relate to a client’s need for information of affordable housing and community services.

Fact 4 – Cost versus resources and benefits

Because the Division has Spanish speaking staff, it is cost effective for the Division to provide Spanish Language translation of vital documents and many others that, while not vital, may be beneficial to a client in house.

The Hudson County Division of Housing and Community Development offers translation services directly on its website via a “Select Language” icon and dropdown menu. Google has the capacity to translate material in over 100 languages; therefore, translation services are made available through Google and language availability will be modified as needed.

The Division will seek to retain services of professional and or qualified translators to make available vital documents in all 14 languages which meet the threshold requirement of 5% or at least 1,000 persons. The Division will also utilize any documents provided by HUD in languages other than English.

The Hudson County Division of Housing and Community Development

Language Assistance Plan (LAP)

Introduction

The Hudson County Division of Housing and Community Development (the “Division”) is committed to providing equal opportunity housing in a non-discriminatory manner, and in complying fully with all Federal, State, and local nondiscriminatory laws and with the rules and regulations governing Fair Housing and Equal Opportunity in housing and employment. This includes complying with the Title IV of the Civil Rights Act of 1964 to insure meaningful access to programs and activities by Limited English Proficient (LEP) persons.

The purpose of this Language Assistance Plan (LAP) is to identify how the Division will ensure its method of administration will not have the effect of subjecting LEP persons to discrimination because of their national origin, and to ensure LEP persons have full access the programs and services offered by both entities.

Who is LEP?

For the purpose of this LAP, anyone whose primary language is not English and has a limited ability to read, write, speak or understand English may be LEP.

The Division will not identify anyone as LEP – the beneficiaries of the services and activities must identify themselves as LEP (Federal Register Vol.72, No. 13, January 22, 2007).

Identification of Languages Needs Within the Jurisdiction

It was determined through review of the U.S. Census Bureau’s Census Data for the County of Hudson, as recommended by the U.S. Department of Housing and Urban Development (HUD), that a translation of vital documents must be provided for languages that meet the following

criteria: (1) Number or proportion of LEP persons served or encountered in eligible service area; (2) Frequency of contact with the program; (3) Importance of service, information, program, or activity; (4) Costs versus resources and benefits.

According to Census Data, a significant number of community members over the age of five years speak English less than very well. This group is composed of:

- 101,417 Spanish-speaking persons
- 6,729 Arabic-speaking persons
- 5,373 Chinese-speaking persons
- 4,997 Tagalog-speaking persons
- 2,247 Hindi-speaking persons
- 2,957 Gujarati-speaking persons
- 3,811 Portuguese-speaking persons
- 1,353 Polish-speaking persons
- 1,433 Italian-speaking persons
- 2,011 Korean-speaking persons
- 1,498 Telugu-speaking persons
- 1,748 Urdu-speaking persons
- 1,401 French Cajun-speaking persons

Guidance provided by HUD states that written translations of vital documents should be provided for each eligible LEP language that constitutes 5% or 1,000, whichever is less, of the population of persons eligible to be serviced or likely to be affected or encountered. The Division has determined that because there are more than 1,000 individuals over the age of five who speak English less than very well for all Fourteen(14) languages listed above, the Division will translate documents into all of the aforementioned languages. Translation efforts will begin with Spanish and Arabic.

According to the Census Data, there are also populations who speak French, French-Creole, Hebrew, Persian, Japanese, Thai, Vietnamese, German, Yiddish, Greek, Russian, Hungarian, Serbo-Croatian, Armenian, various African languages, or unspecified languages and who are over the age of five years and identified themselves as speaking English less than very well; however, none of these populations meet the threshold of 5% or 1,000 of the population of persons eligible to be serviced or likely to be affected or encountered. The Division also took into consideration that while these other language speaking populations exist, not all of them will seek assistance from the Division's programs and services for some of these individuals are children and others will not need the type of services provided by the Division. As a result, the Division has determined that it will not translate vital documents into these other languages;

however, the Division will seek to provide oral interpretation as needed to LEP persons requesting such services.

Written Translation

As stated above in Section III, the Division has determined that because there are more than 1,000 each of Spanish, Arabic, Chinese, Tagalog, Hindi, Gujarati, Portuguese, Polish, Italian, Telugu, Urdu, French Cajun, and Korean speakers in Hudson County who speak English less than very well, the Division will translate vital documents into those languages. As of the date of the creation of this LAP, the 13 languages stated are the only languages into which vital documents will be translated. This is subject to change upon review of the LAP discussed below.

The Division will seek translation assistance from its network of associated agencies and departments. Languages that cannot be fulfilled through these means will be fulfilled by third party professional translation services when needed. In addition, important community messages will be posted on the Hudson County website where Google translation services can be utilized to transcribe the message into 11 languages.

Vital Programs

The Division is constantly working towards implementing beneficial programs for the community. Programs that are deemed vital will be posted on the Hudson County website, where, as mentioned above, Google translation services may be utilized. Examples of vital programs include the following:

- Lead-based Paint Hazard Resources: The Hudson County website will enable access to information of the available lead remediation program for households who are at greatest risk of lead poisoning.
- Foreclosure Assistance Programs: Also posted directly on the Hudson County website, information for mortgage remediation programs in Hudson County are made available in 11 languages.
- CDBG planning activities: Notifications of availability shall be published in Spanish as well as English in both the local Spanish- and English-language media.
- Hudson County Alliance to End Homelessness Resource Guide: The annual guide shall be published in Spanish as well as English.
- Hudson Housing Finder: Powered by SocialServe.com, the Hudson Housing Finder is a tool that allows clients to locate affordable housing units on the private market. Listings located in Hudson County will include HUD subsidized and non-subsidized rental units. The website provides translation services in over 100 languages, including the 10 most spoken languages in Hudson County.

Translations for languages that have yet to be fulfilled by the Google translation feature on the Hudson County website will be obtained as needed.

Translations for languages that have yet to be fulfilled by the Google translation feature on the Hudson County website will be obtained as needed.

Vital Documents

HUD has identified “vital documents” to be those documents that are critical for ensuring meaningful access or awareness of rights or services, by beneficiaries generally and LEP persons specifically. In general, The Division will attempt to translate all letters sent to program applicants and participants into Spanish, Arabic, Chinese, Tagalog, Hindi, Gujarati, Portuguese, Polish, Italian, Telugu, Urdu, French Cajun, and Korean as needed. However, the following is a list of documents HUD has determined to be vital. The Division has committed to translating or providing a HUD-approved version:

Title	HUD Translation Available	To Be Translated
Housing Discrimination	English, Arabic, Chinese, Korean, Spanish	Gujarati, Hindi, Tagalog, Italian, Portuguese, Polish
Equal Opportunity	English, Creole, French, Hindi, Korean, Spanish, Tagalog	Arabic, Gujarati, Chinese, Tagalog, Italian, Portuguese, Polish
Domestic Violence Guide	English, Creole, French, Hindi, Korean, Spanish	Arabic, Gujarati, Chinese, Tagalog, Italian, Portuguese, Polish
Avoiding Foreclosure	English, Spanish	Arabic, Gujarati, Hindi, Chinese, Korean, Tagalog, Italian, Portuguese, Polish
Resident Rights Responsibilities	English, Arabic, Chinese, French, Korean, Spanish, Tagalog	Gujarati, Hindi, Chinese, Tagalog, Italian, Portuguese, Polish
Authorization for Release of Information	English, Arabic, Creole, Chinese, French, Korean, Spanish	Gujarati, Hindi, Tagalog, Italian, Portuguese, Polish
Domestic Violence Certification	English, Arabic, Creole, Chinese, French, Korean, Spanish	Gujarati, Hindi, Tagalog, Italian, Portuguese, Polish

For clients of the Division reception service is provided in Spanish, flyers and other communications posted in the lobby are translated into Spanish, and interviews and programs briefings are conducted in Spanish. Brochures advertising other available programs within the organization are also available in Spanish.

Oral Interpretation

The Division will make every effort to provide oral interpretation for all its clients who have identified themselves as LEP and request services.

Bilingual Staff

The Division employs bilingual, Spanish-speaking staff in several positions including program management, to ensure there are sufficient personnel available to assist Spanish-speaking LEP persons when needed. Currently the Division has access to other bilingual County employees, including numerous Spanish-speaking staff, as well as staff who speak any of the other twelve (12) languages.

As native speakers of the non-English languages detailed above, the Division's bilingual staff have not, to date, been required to pass a competency test in the other language in order to be designated as a bilingual person. However, other Hudson County employees have and will assist as needed.

Interpretation Services

Although there have been no recorded cases by the Division in which there has not been a staff person available who speaks the LEP person's primary language, the Division will seek interpretation through a professional interpreter service should such a situation arise. In addition, oral interpretation services will be pursued for special events when they occur.

In the event that the LEP person's primary language is not widely spoken and that the Division is unable to locate a suitable interpreter through a professional interpreter service, these entities may resort to other methods such as seeking community volunteers. As a last resort, in case the Division is unable to find an acceptable interpreter within a time frame to effectively assist the client, either entity may use an online translation website in order to communicate via an in-office computer.

Informal Interpreters

The Division will generally discourage the use of family members or other informal interpreters, but will allow the use of an interpreter of the LEP person's choosing (including family members or a professional interpreter at the LEP person's own expense) when the LEP person rejects free language assistance services offered by the Division. The Division will document the offer and the LEP person's subsequent rejection.

Outreach

The Division will conduct outreach in a method that is inclusive of LEP persons identified through an annual analysis. Outreach is conducted in the following ways:

- **Local Newspaper**: All Public Notices and marketing advertisements, such as notifications of availability of CDBG planning activities, shall be published in Spanish as well as English in both the local Spanish- and English-language media.
- **Website/Online Press Release**: All Public Notices will also be published on the Hudson County website where Google powered translation services are available in 11 languages.
- **Email Blast**: Announcements for events and program availability are also made to the growing Hudson County Alliance to End Homelessness (HCAEH) and the HOME mailing list. Individuals who need translation services may use built in or online resources to translate emails to the language that is needed.
- **Events**: The Division may also participate in community-sponsored events and make presentations through community organizations to target LEP persons and ensure they are aware of the availability of LEP assistance.
- **Community Meetings**: In addition, announcements are made during the monthly HCAEH meeting, which are advertised on the Hudson County website. Should interpretation services be needed, the HCAEH will attempt to provide interpretation services.
- **One-On-One**: The Division also reaches out to Hudson County leaders to ensure that the groups they service and represent have been informed of programs. Paper material is often provided in English and Spanish, should another language be requested, the Division will do its best to accommodate the need if the agency does not have the means to translate the material.

Through these means, the Division spreads awareness of programs to community groups, community organizers, municipal contacts, public agencies, and not-for-profit agencies. We ask community organizers and community groups to spread the message to their respective constituents and clients via social media and paper materials provided by the Division.

Staff Training

The Division will provide a copy of this LAP to all exiting staff, and will also provide training as to its contents and what is required of them under its policies. This training shall include the types of services available to clients and how to access them.

Monitoring and Updating of This LAP

The Division will review/revise this LAP on an as needed basis, but no less than every two years to ensure the populations of the various language groups within the jurisdiction and their needs are reflected in the provision of primary-language services. At that point, the Plan will be reviewed to determine if the existing LEP services are sufficient to meet the needs of Hudson County's LEP clients.

Events that will be considered indicators of the need for review of the LAP and will also be utilized to identify the need for LEP assistance in other languages include but not limited to LEP populations within the jurisdiction encountered or affected; frequency of encounters with LEP population; and continued availability of existing resources and the addition of new resources.