

# Montclair, NJ

## Affordable Housing



## **Background/Introduction**

- Goals of the report
- Changing Montclair
- Demographic Data

## **Housing Needs Assessment**

- Vacancy
- McClure Method and other Resources

## **Policies Enacted since 2004**

- IZ
- Rent Control
- ADU

## **Recommendations to Improve Policies**

- IZ
- Rent Control
- ADU

## **Other Policy Recommendations**

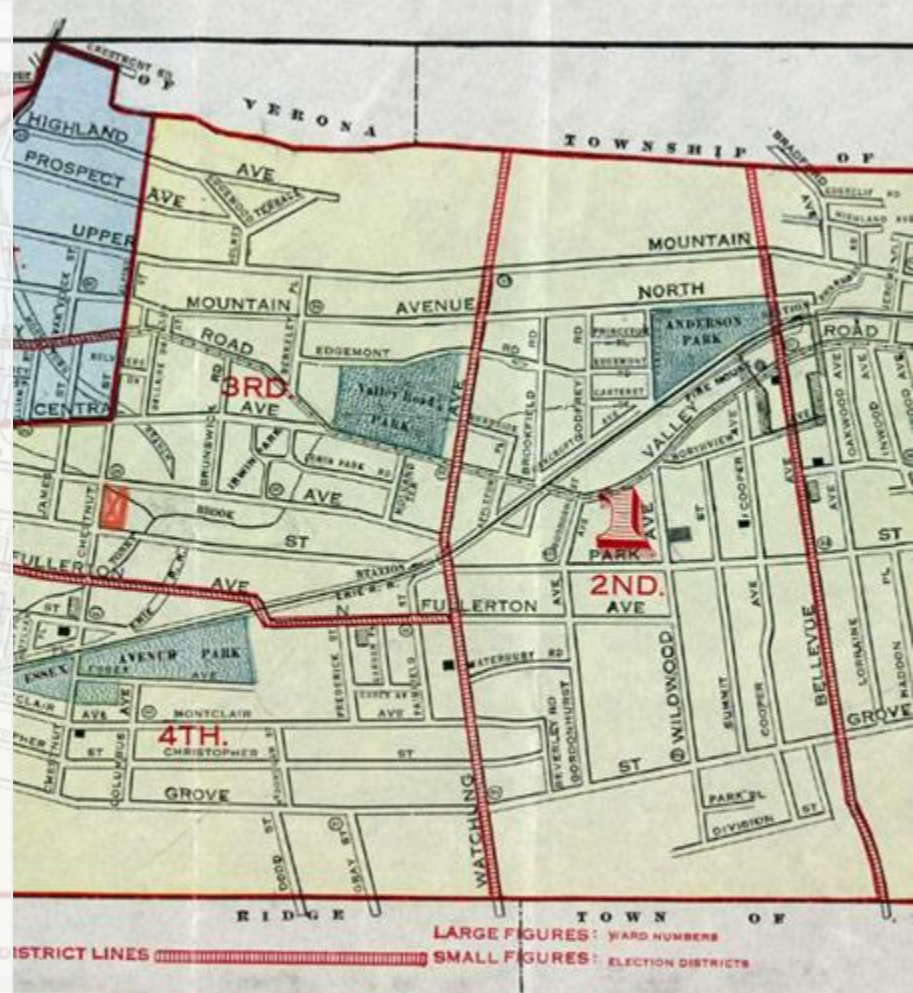
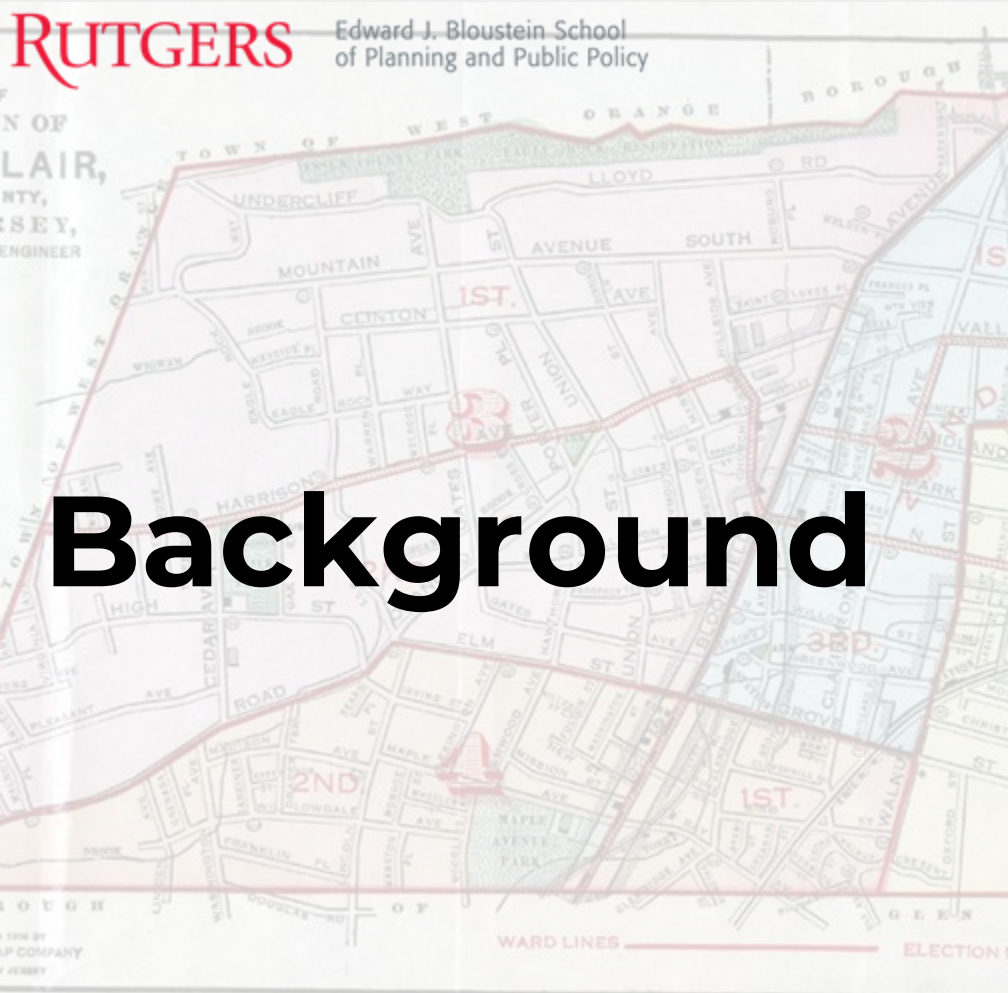
- Upzoning
- Parking Minimums
- Resident and community ownership
- Other renter protections
- Affordable Housing on church lands

## **Site Plans for Municipally-Owned Parcels**

- Wildwood Avenue
- New Street

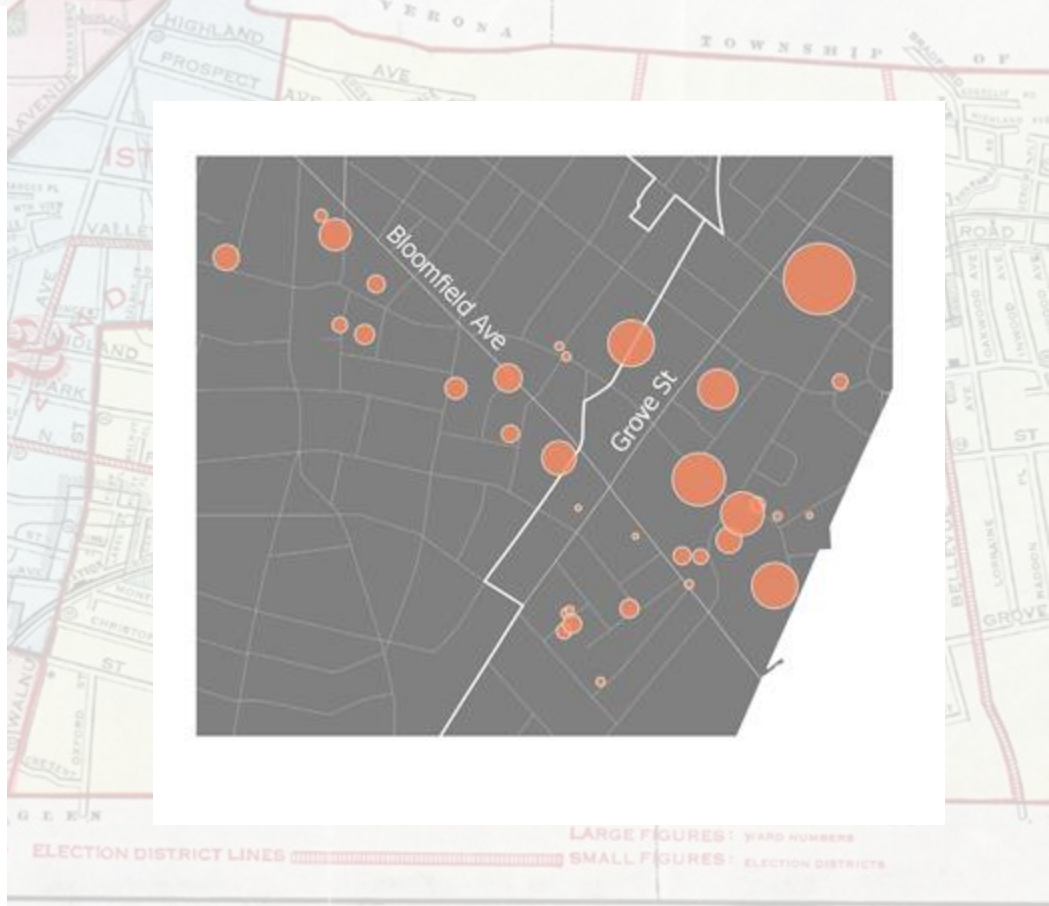
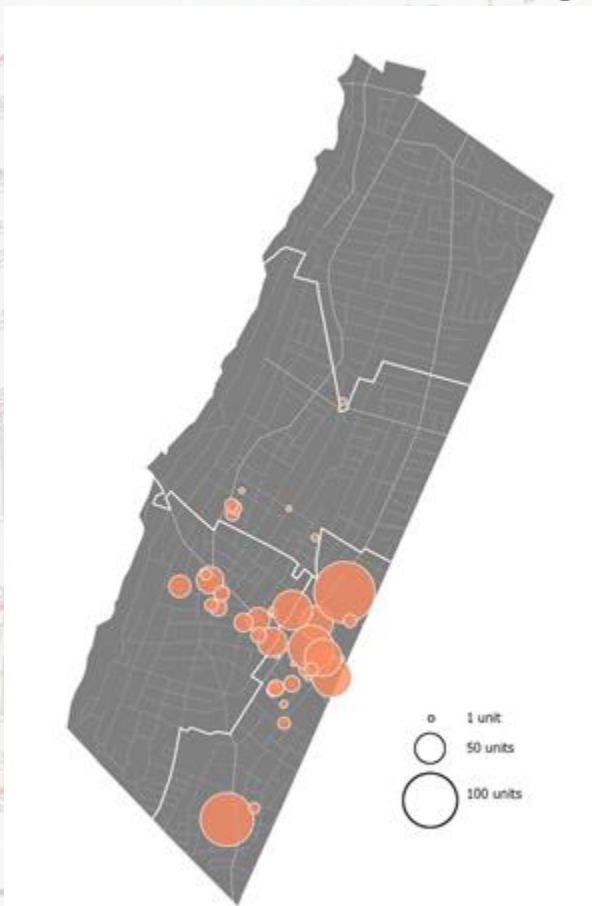
N OF  
LAIR,  
NTY,  
SEY,  
INEER

# Background



OFFICIAL MAP OF MONTCLAIR, ENGRAVED AND PRINTED BY THE INTERSTATE MAP CO., NEWARK, N. J.

# Affordable Housing Properties in Montclair



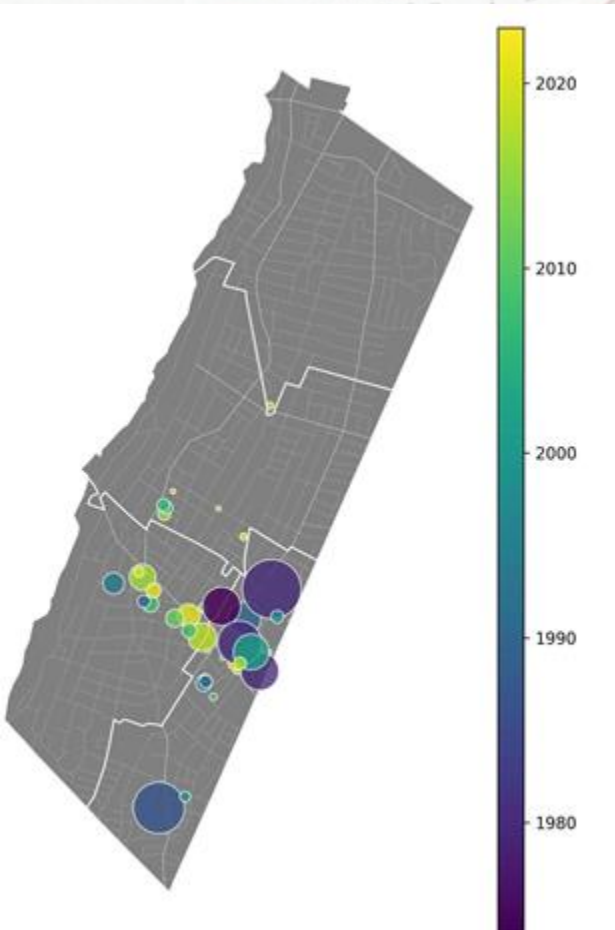
# Affordable Housing Properties in Montclair by Type

- 100% Affordable Housing
- Alternative Living Arrangement
- HOME Corp
- Inclusionary Development
- Other
- Prior Cycle Credits
- Senior Housing



LARGE FIGURES: WARD NUMBERS  
SMALL FIGURES: ELECTION DISTRICTS

# Affordable Housing Properties in Montclair by Year Online



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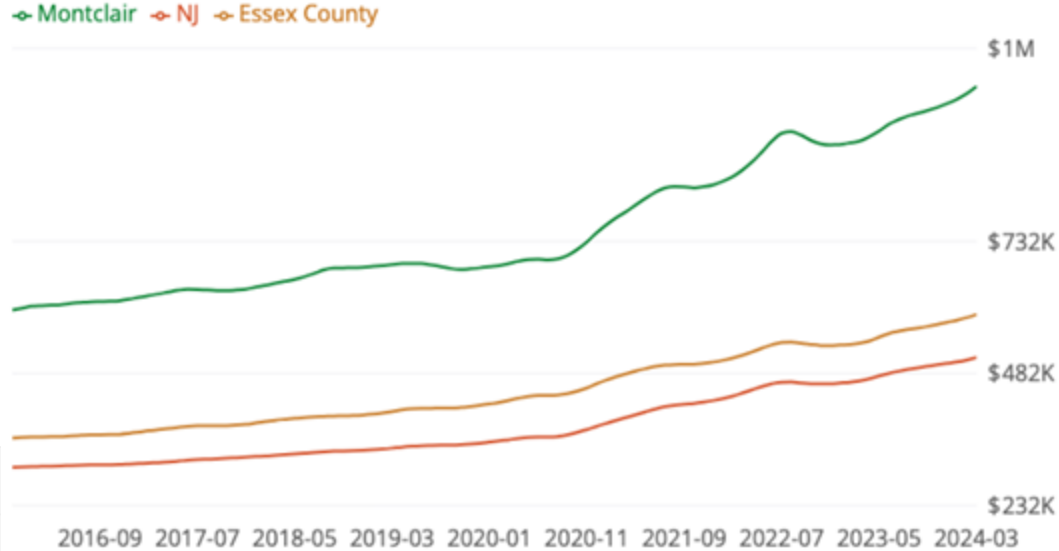
LARGE FIGURES: WARD NUMBERS  
SMALL FIGURES: ELECTION DISTRICTS

# Changing Montclair – Housing Costs

March 2020	March 2024
Montclair : \$690,964	Montclair : \$1,026,210
NJ : \$357,306	NJ : \$512,908
Essex County : \$431,743	Essex County : \$594,545

The Zillow Home Value Index increased 49% between March 2020 (the start of COVID) and March 2024.

Zillow Home Value Index in Montclair, 2016-Present



Cost Burdened Households Estimated in 2020

	Cost Burdened	Percent	Severely Cost Burdened	Percent	Total
Owners	2,480	28.9%	1170	13.6%	8,595

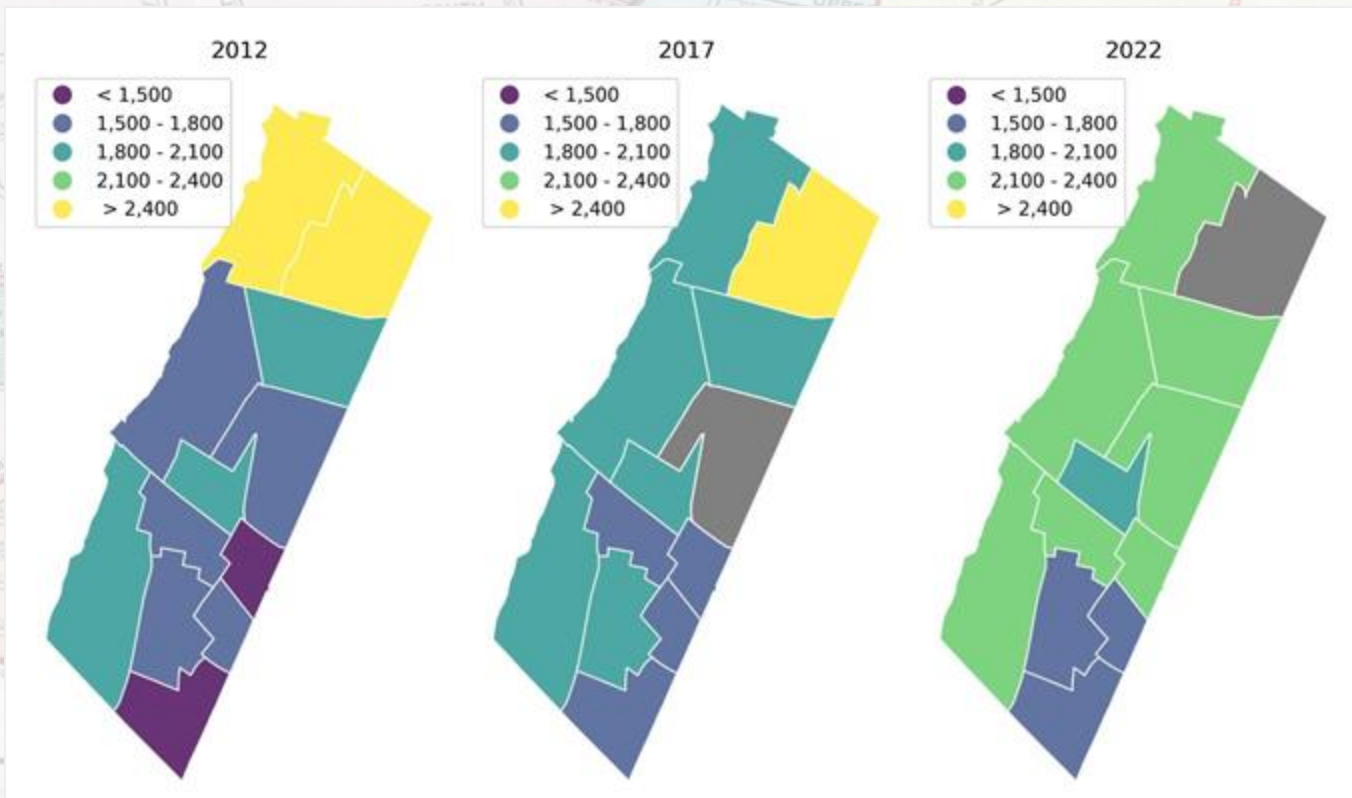
OFFICIAL MAP OF MONTCLAIR, ESTABLISHED AND REVISED BY THE INTERSTATE MAP CO., NEWARK, N. J.  
 LARGE FIGURES: WARD NUMBERS  
 SMALL FIGURES: ELECTION DISTRICTS

# Changing Montclair – Rent Burden

Rent Burdened Households Estimated in 2020					
	Cost Burdened	Percent	Severely Cost Burdened	Percent	Total
Renters	2,225	40.5%	1280	23.3%	5,500

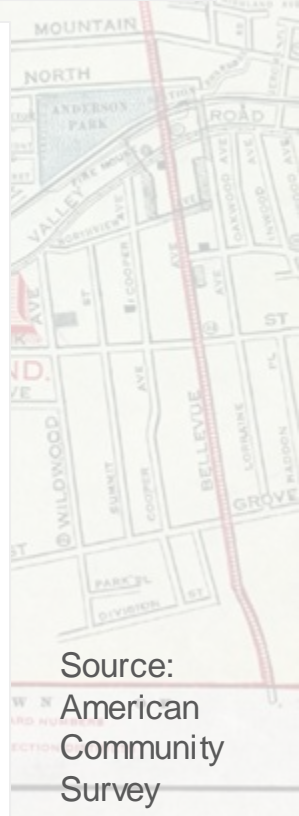
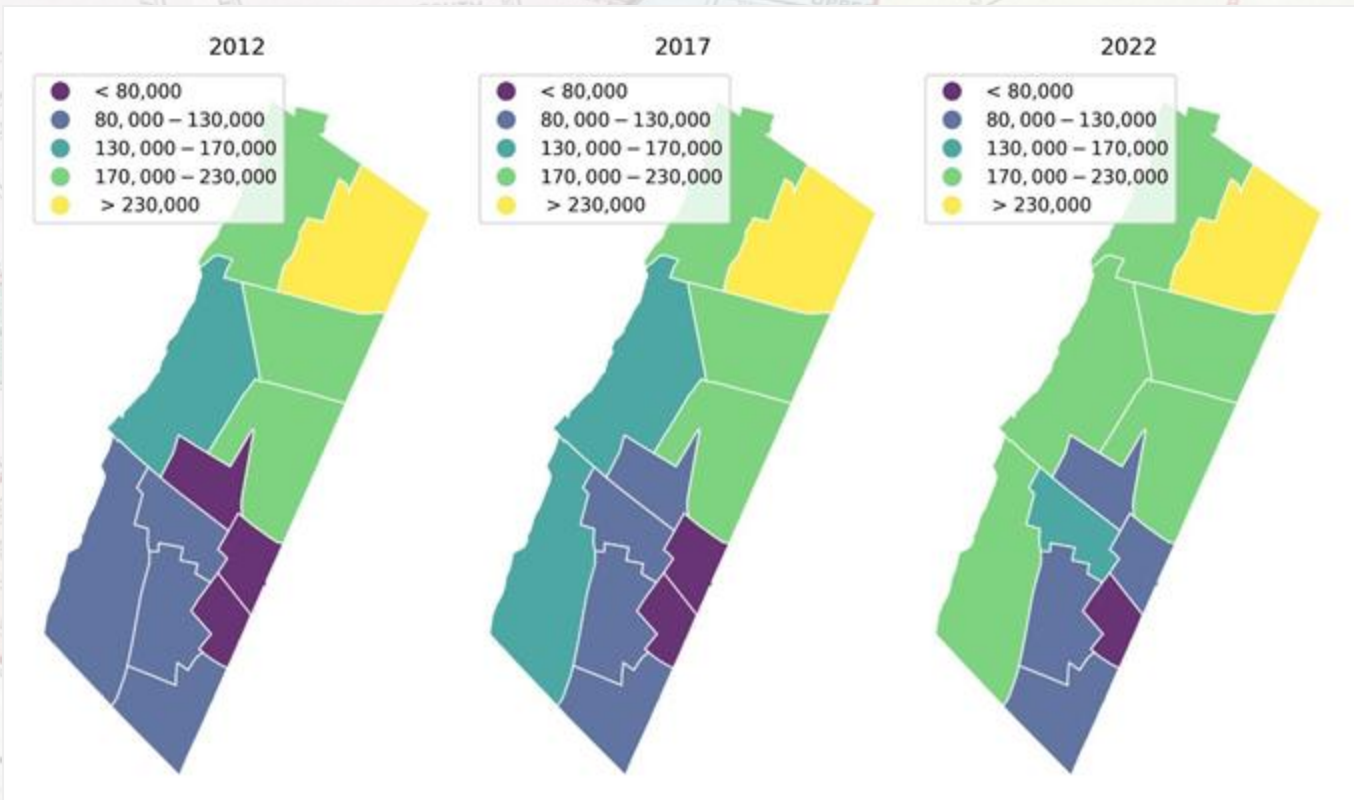


# Changing Montclair – Median Gross Rent by Census Tract (in 2022 Dollars)



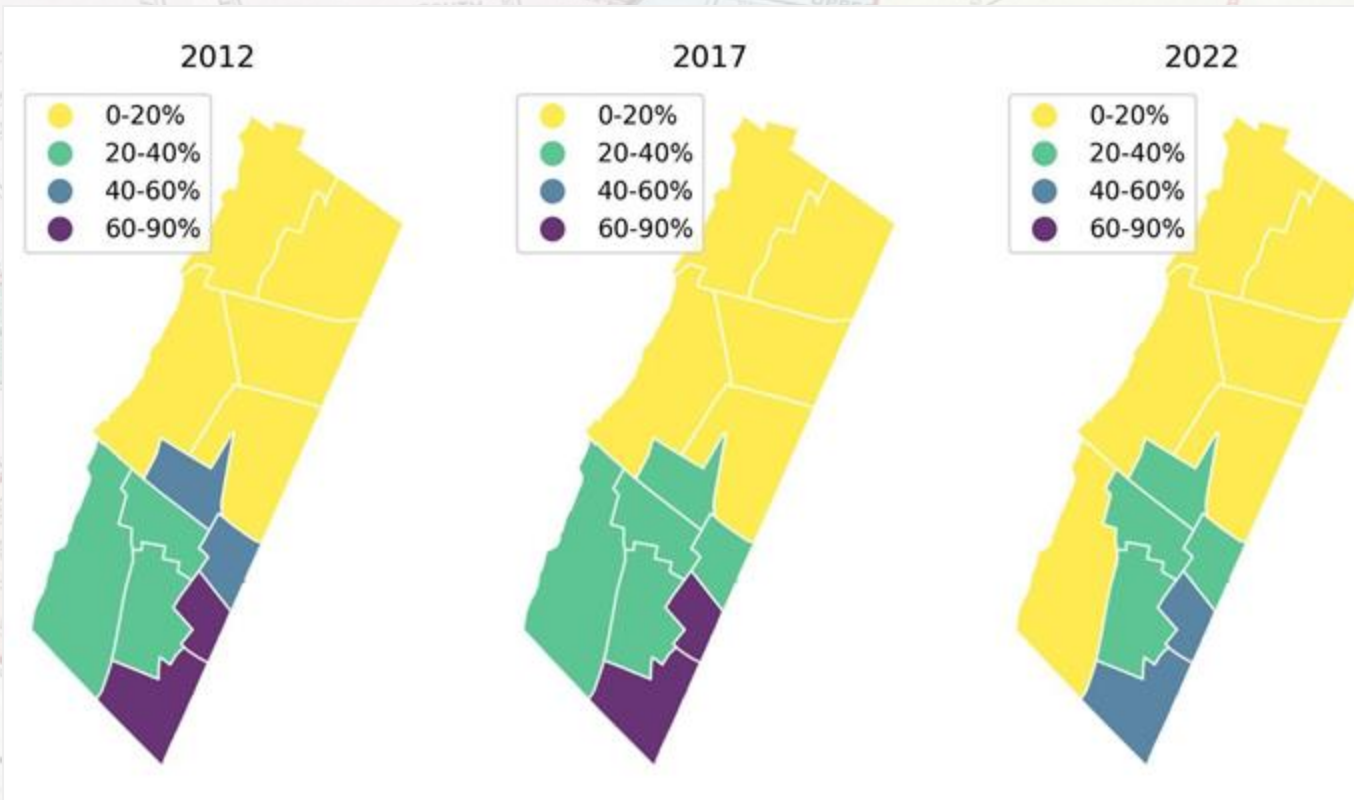
Source:  
American  
Community  
Survey

# Changing Montclair – Household Median Income by Census Tract (in 2022 Dollars)



Source:  
American  
Community  
Survey

# Changing Montclair – % Black Residents by Census Tract



Source:  
American  
Community  
Survey

# Housing Needs Assessment



# Vacancy

## Rental Vacancy Rate Estimates

	2012	2017	2022
<b>Montclair</b>	4.46%	3.44%	5.68%
<b>Essex County</b>	9.29%	7.71%	3.22%
<b>New Jersey</b>	6.91%	5.49%	3.88%

## Homeowner Vacancy Rate Estimates

	2012	2017	2022
<b>Montclair</b>	1.09%	1.66%	0.32%
<b>Essex County</b>	2.38%	2.68%	1.05%
<b>New Jersey</b>	1.84%	1.71%	1.04%

Source: American Community Survey 2012-2022

WARD LINES

ELECTION DISTRICT LINES

LARGE FIGURES: WARD NUMBERS

SMALL FIGURES: ELECTION DISTRICTS

OFFICIAL MAP OF MONTCLAIR, PROVIDED AND PRINTED BY THE INTERSTATE MAP CO., NEWARK, N. J.

# Housing Needs Assessment

## **Data:**

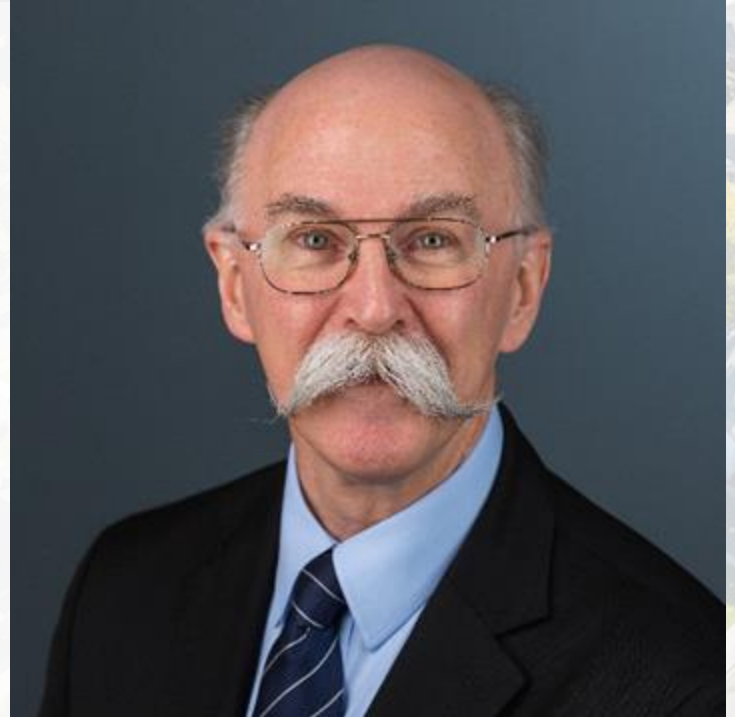
We used the American Community Survey (ACS) 5-year data to conduct our Housing Needs Assessment. We also looked at other sources such as the Comprehensive Housing Affordability Strategy from HUD to apply additional context.

We use 30% of HH Income to define affordability.

Further details on process and replication will be provided in the report.

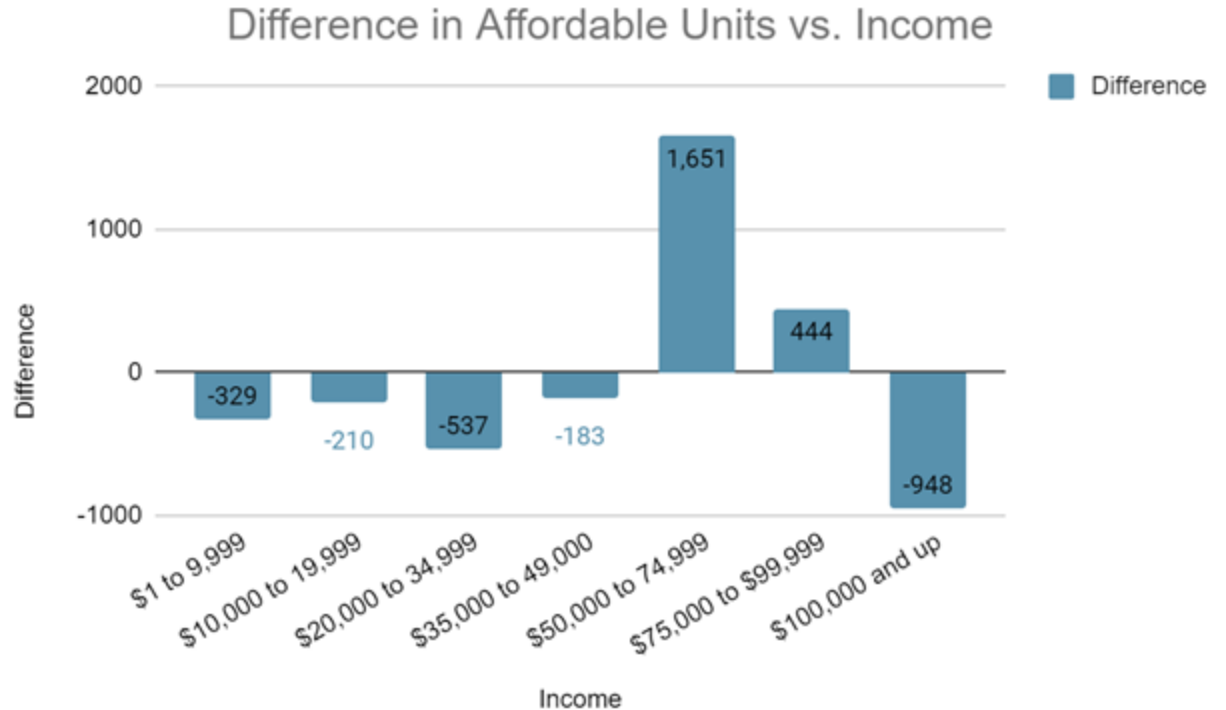
# McClure Need Assessment

- Kirk McClure is a professor of urban planning at the University of Kansas
- Focuses on Housing and Real Estate Development
- Created Technique to decipher housing needs using ACS data that breaks people into groups by income and units by rent asked for.
- Then match income groups with housing units at affordable prices, and find the difference between the two.



# McClure Data Estimates

We estimate that Montclair lacks 1,259 rental units for households who make less than \$50,000 in the municipality.





# Policies Enacted Since 2004



# Inclusionary Zoning



# Inclusionary Zoning

- **Ordinance Enacted: 2006**
- **Purpose:** Help capture value in new developments in Montclair's housing market for low income residents.
- **Population Affected:** Developers of projects that numbered at least 5 units, including residential and mix-use projects.
- **Key Requirements:**
  - At least least 20% of the total number of units within the development must be affordable
  - At least half of the affordable units within each bedroom distribution must be low-income units

# Rent Control

Rent Controlled Properties in Montclair by # of Units



# Rent Control

## Ordinance Overview:

- **Enacted:** 2022
- **Purpose:** Stabilize rising rental prices in Montclair's housing market.
- **Population Affected:** Households in multi-family rental buildings (with some exceptions); landlords of those buildings
- **Coverage:** 60% of Montclair renters covered under the ordinance, totaling 820 units.
- **Enforcement:** Seven member Rent Control Board

## Rent Increase Guidelines:

- **Initial Increase:** Landlords who haven't adjusted rent since May 2020 can increase up to 6% once.
- **Annual Increase:** Capped at 4%, with a lower cap of 2.5% for units housing seniors aged 65 and above.
- **Exceptions:** Allow higher increases for hardships or major property improvements.

## Vacancy Decontrol Provision:

- **Purpose:** Allows landlords to raise rents without percentage limits, once every 5 years, after apartment vacancy.

# ADU - Ordinance Overview

- **What:** Accessory Dwelling Units (ADUs) are small residences that share a lot with a single-family or two-family home. ADUs can be attached or detached
- **Purpose:**
  - Provide residents with housing options
  - Allow residents to age in place
  - Increase the supply of attainable housing
- **Date enacted:** February 2023
- **Who is eligible?** ADUs can be built on lots containing one- and two-family homes
- **Requirements:**
  - Only one ADU can be built per lot
  - Each ADU must have at least one off-street parking space
  - The property owner must live in either the ADU or the primary dwelling unit
- **Approval Process:** The property owner must submit an application to the Department of Planning and Community Development. It must include the proposed floor plan and a survey of the property.

# ADU

Montclair Gateway to Aging in Place hosted an ADU design competition in 2023

The designs from the competition show how Montclair can incorporate ADUs in existing neighborhoods



Design by Endrit Sopa

# Recommendations to Improve Policies





# Inclusionary Zoning

- Increase on-site set-aside
- Expand IZ zones
- Create an exclusive marketing window for Montclair residents
- Consider a sliding scale mechanism
- Density bonuses or other incentives
- Reevaluate affordability levels

# Rent Control

- Limit the vacancy decontrol provision
- Make the list of units registered and eligible under Rent Control Ordinance public and/or more easily accessible
- Lower the cap on allowable rent increases
- Increase fines for non-complying landlords
- Consider incorporating preferential rent and/or preferential banking

# ADU Recommendations

## Parking Requirements

- A single parking spot can cost between \$3,000 and \$7,000
- We recommend eliminating parking requirements for ADUs

## Owner Occupancy Requirement

- Make financing ADUs more difficult
- Concerns about absentee landlords and maintenance can be addressed through building codes and other ordinances

## Additional Resources for Property Owners

- Issue an RFI for contractors that can build ADUs
- Create reference document that lists lenders and contractors for property owners to use
- Use Montclair Housing Trust Fund to offer below-market interest rate loans for ADU construction

# ADU Recommendations

- Seattle published pre-approved designs for property owners to use
- Designs meet the city's building and energy efficiency codes
- Streamlines the process for both property owners and the municipality



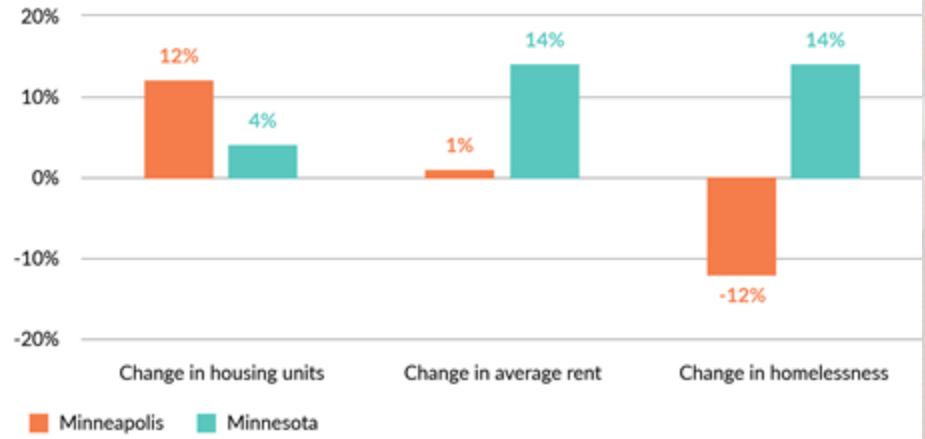
# Other Policy Recommendations



# Upzoning

- Upzoning keeps rents down by increasing the overall supply of housing.
- **Minneapolis, MN** has seen positive outcomes from eliminating parking requirements and allowing higher density (see chart).
- By allowing high density within just a **quarter-mile of Metro stops**, the city of **Arlington, VA** has been able to keep rents down *and* avoid tax hikes.

**Minneapolis' Rent Growth Was Much Lower Than Minnesota's**  
Percentage change in housing stock, average rent, and homelessness, 2017-22



Source: Pew Charitable Trusts

# Current zoning within ¼ mile radius of Montclair NJT stations

Currently, about **45% of land** within a quarter mile radius of Montclair train stations is zoned **R-1**; **15%** is zoned **R-2**; while **only 7%** is zoned for some form of **apartment housing**.



# Suggested Zones for Upzoning

Low hanging fruit:

- Land currently zoned **C-2 (General Business & Light Industrial)** around **Walnut St. Station**.
- Land currently zoned **N-C (Neighborhood Commercial)** around **Upper Montclair and Watchung Ave stations**.





# Parking Minimums

- Montclair should re-evaluate parking minimums for all housing
- Montclair currently follows the guidance of the NJ Residential Site Improvement Standards (RSIS) for parking minimums
- The Rutgers Center for Real Estate found that RSIS parking minimums often require more parking spots than the average renter needs
- Excessive parking requirements cost renters an additional \$960 per year in rent
- Montclair has the ability to reduce or eliminate parking minimums either throughout the town or within a specified distance of train stations

# Resident and Community Ownership

- **Tenant Opportunity to Purchase (TOPA)** and **Community Opportunity to Purchase (COPA)** policies provide tenants living in multifamily buildings or community-based nonprofits with advance notice that the landlord is planning to sell their building and gives them **an opportunity to collectively purchase the building**
- Turns potential eviction and displacement into an opportunity for tenants to become homeowners, helping to close racial homeownership and wealth gaps
- Has been particularly successful in Washington, DC, and now in San Francisco.

# Other Renter Protections

- **Renter Relocation Ordinances - Pacific Northwest**

- Force landlords to pay renters relocation assistance if they serve them a no-cause eviction (or encounter any other triggering event)
- Disincentivizes landlords from displacing lower-income tenants

- **Rent Escrow Account Program (REAP) - Los Angeles**

- Ties together habitability and code enforcement with rent negotiations
- Encourages owners to make necessary repairs and return property to a safe and habitable condition
- Tenants are given a rent reduction (10-50%) depending on the nature and severity of the violations cited
- Tenants can pay reduced rent to landlord or into an escrow account managed by the housing department

# Affordable Housing on church-owned land

- Major barriers to building AH on religious property include:
  - Cost from delayed applications
  - Historic Preservation and Local Resistance
  - Lack of capacity
  - Zoning
- “YIGBYs” have started to identify solutions:
  - Washington State (signed 2019) has offered Density Bonuses to affordable units built on property owned by religious organizations (ROs)
  - California (signed 2023) has given ROs a “use by right” to build affordable housing units on property owned by them with reduced parking minimums
  - Senator Brown of Ohio has proposed the YIGBY act which would provide technical assistance and grants to municipalities and ROs to build AH
- Nonprofits provide capital and technical assistance to religious organizations
  - Enterprise Community Partners
  - LISC



# Site Plans for Municipal Parcels



# Wildwood Avenue (Block 4601, Lot 80)



- Vacant for decades
- Used as a staging area for the town
- Unsightly at the moment
- Current use is not the best use for the township

# Wildwood Avenue - Today



# Wildwood Avenue - Context





# Wildwood Avenue - R-1 ONE FAMILY ZONE?

## Current Zoning

R1- One Family

Height Setback:

- Maximum height: 35 feet.
- Maximum number of stories: 2 1/2.

Front Yard Setback - 25 ft

Side Yard Setback: six feet for one yard and 10 feet for the other yard.

Rear Yard Setback: 25 feet

Maximum building coverage shall be 25%.

An attached garage with no habitable space above shall not extend beyond the front building line established by the rest of the principal structure.

## On block; Not R-1 Properties

- **18 units** Observed on Wildwood east of Grove Street:  
**7 duplexes Noted**

## Site Map - Key Plan



# Wildwood Avenue - Reimagining - Site Plan



(6) TWO FAMILY HOMES

SHARED DRIVEWAY

BACKYARD

PARKING

GROVE STREET

DIVISION STREET

WILDWOOD AVE



WILDWOOD SITE PLAN  
MONTCLAIR, NJ



# Wildwood Avenue - Reimagining - Rendering



## 53 – 55 New Street (Block 3111, Lots 61 and 62)



- Vacant for 20 Years; building were demolished in 2004
- Fenced and vacant land
- Part of Redevelopment Plan (Deteriorated Housing Project) enacted in 2007
- Has remained vacant and no one has done anything to it despite plan.
- Current use is not the best use for the township.

# 53 – 55 New Street - Today



## 53 – 55 New Street - Context



# 53 – 55 New Street - Zoning - R-A

## Current Zoning

R-A

Height Setback:

- Maximum height: 35 feet.
- Maximum number of stories: 2 1/2.

Front Yard Setback - 25 ft

Side Yard Setback: six feet for one yard and 10 feet for the other yard.

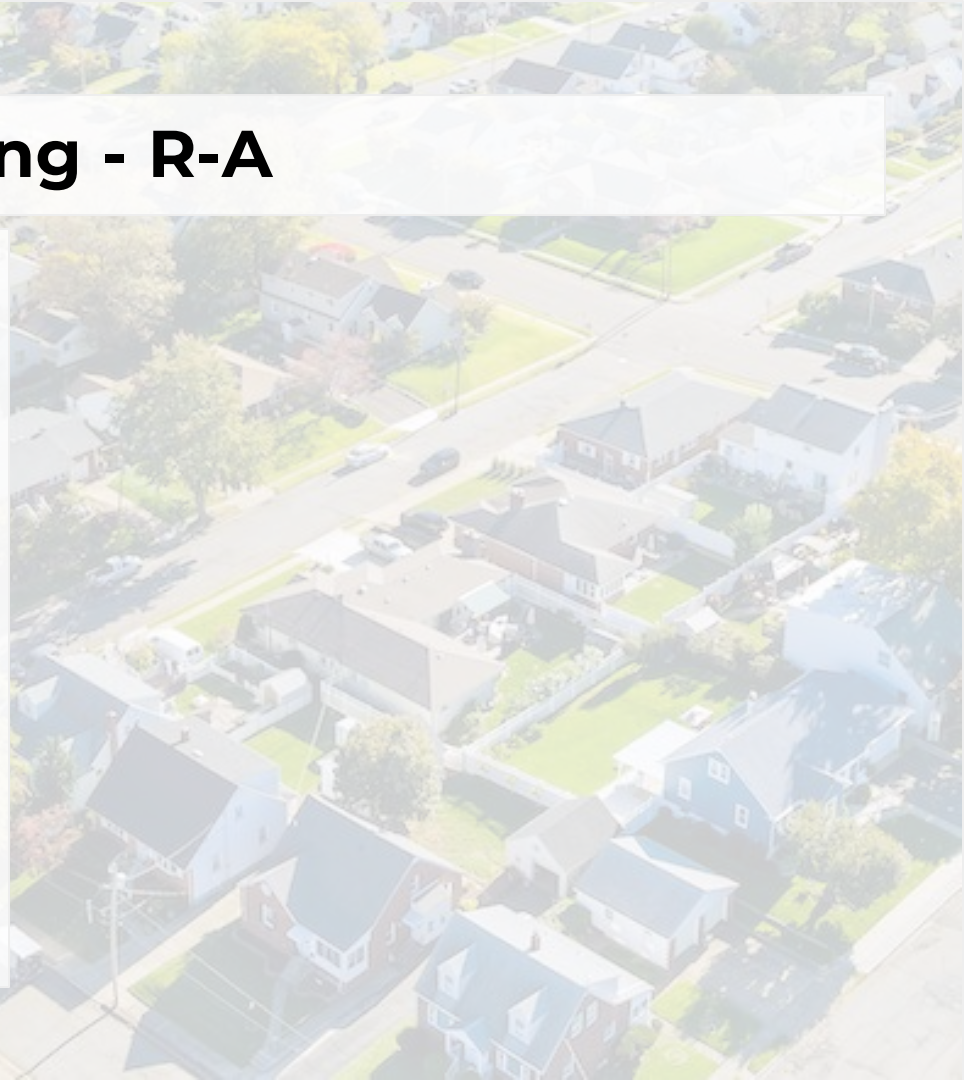
Rear Yard Setback: 25 feet

Min. Width of dwelling 65% of lot width

Min. Lot Width: 50 Feet

Maximum building coverage shall be 25%.

Location of Parking Spaces: Within the building, within an accessory building, or surface spaces located in the rear yard. No front yard parking spaces are permitted.

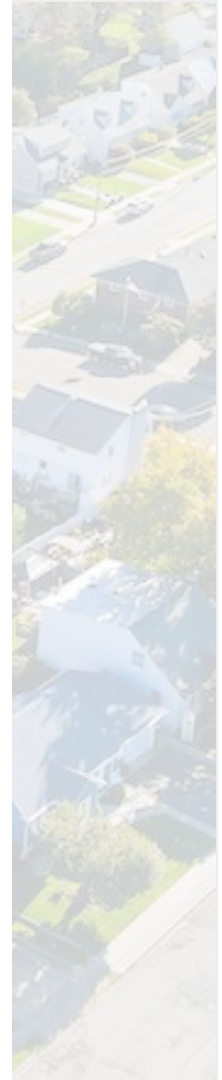


# 53 – 55 New Street - Reimagining - Site Plan



SCALE 1:60

NEW STREET SITE PLAN  
MONTCLAIR, NJ





# 53 – 55 New Street - Reimagining - Rendering



# Who We Are



# Studio Members



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# Studio Instructor



## **James DeFilippis, Ph.D.**

*Professor*

James DeFilippis' research focuses on the politics and economics of cities and communities. He is particularly interested in the processes of social change, and questions of power and justice in cities. His work strives to make connections; linking disciplines and connecting academic theory and grounded political practice. He has published work in academic journals in a variety of fields, both independently and in collaboration with other authors. He is the author or editor of six books and more than 40 articles and book chapters. Professor DeFilippis has also written applied monographs and reports, and his interests extend well beyond the academy and into the practice of concrete political work and policy analyses.