A History of Shelter Housing in Mt. Holly

By Kent R. Pipes, President / CEO
The Affordable Homes Group, Inc.

The long and embattled history of shelter housing for homeless persons in Mt. Holly predates my arrival in June of 1980.

When I came onto the scene to work with the First Presbyterian Church as a Parish Associate, discussions were already underway to create a shelter for the homeless, then called transients. Both the staff and congregation of the First Presbyterian Church of Mt. Holly, as well as other members of the Mt. Holly Clergy Association (now called the Rancocas Valley Clergy Association), recognized this need. After a study was conducted on the need for affordable housing, a proposal was made to the Clergy to turn a vacant property at 200 Garden Street into a residence for transient men. The Clergy Association failed to adopt the proposal, as its members did not believe that they possessed the expertise to implement the plan, nor the financial means to sustain it.

I had a construction background, having worked for my father, a general contractor, throughout my high school and college years prior to leaving California for seminary in Chicago. While pastoring in Willingboro from 1978 to 1980, I had become aware of the growing community concern with issues like blockbusting, steering and discrimination in the real estate market. So, in order to learn more about the real estate profession and practice, I enrolled in the Burlington County College's Real Estate Salesperson course. After passing the class I obtained my Salesperson's license and for a period of about two years sought to support myself and my family selling real estate before I arrived in Mt. Holly.

The staff and a growing number of members of the First Presbyterian Church were concerned about what we came to understand as disinvestment, landlords who purchased relatively inexpensive properties, broke them up into smaller apartments, and charged high rents to obtain a sizeable profit. Many landlords in the Mt. Holly area were not residents in the community, but invested solely for their own economic gain. Absentee landlords, or, in the more negative connotation, slumlords, allowed their housing units to deteriorate while keeping rents relatively high, in order to maximize their return on investment. In an increasing number of cases, properties deteriorated so badly as to become uninhabitable.

In 1981, the year we formed Homes of Hope, Inc. as a separate non-profit corporation, there were five vacant, boarded-up properties literally within a stone's throw of the parking lot of the First Presbyterian Church. These units on Garden and Cherry Streets were creating a depressed neighborhood in the block immediately surrounding the Church, such that some of the members were beginning to advocate a desire for what was altogether too common of a practice among white, middle-class Presbyterians and other Christians in urban centers all across the United States -- move out to the suburbs, away from the increasingly black and poor populations moving into lower cost housing in the urban areas. Many members believed that the neighborhood around the church had

reached an irreversible decline and thought that it was best not to continue to invest in the church property, but to seek a more spacious site outside of Mt. Holly in the growing areas of Eastampton or Westampton. That is precisely what the First Baptist Church did in about 1985.

Newly formed Homes of Hope, Inc. identified the most promising property for rehabilitation at 125 Cherry Street. After negotiating a sales contract, we raised funds from the members of the church who loaned the money at zero interest or low 1-2% interest rates to purchase and renovate the property. A variance was sought to convert the property into three separate apartments, reserving the first floor front room as an on-site counseling office. This space, called The Well, was used to provide counseling to community residents, at no cost, outside of the church's main worship and education facilities. It was believed that a neutral site would be more conducive to people seeking help who might not be comfortable in the church building proper.

As required by zoning law, notices were sent to the neighborhood that brought out a whole host of people in opposition to the proposal in the use variance. Through careful and deliberate campaigning by members of the Church itself, coupled with strong evidence of the need and reasonableness of the plan by the applicant and its professionals, the ZBA granted a Use Variance by a slim margin, which I believe to have been 5-2, the number necessary to win approval.

The application and the plan were met with opposition by Township officials and residents outside of the immediate neighborhood, including a sizeable number of the congregants in the First Presbyterian Church itself. This was, remember, prior to the Supreme Court's landmark Mt. Laurel II case in which poor people found a court mandate to be included in every municipality's housing plans.

While Homes of Hope, Inc., with myself as its first Executive Director, continued to work on the building using volunteers and Court-appointed offenders with Community Service obligations in lieu of jail time, the problem of the homeless continued to grow in Mt. Holly, which was and is the County seat. Many of the other public and private agencies who served the indigent were located in the community and, as is typical of County seat communities such as Woodbury, Camden City, Freehold, Trenton, etc., Mt. Holly found itself facing an increasingly growing population of indigent people. After much discussion and debate, the Mt. Holly Clergy Association formed a Task Force on the Homeless, who asked me to be Chairperson because of my knowledge and experience in construction and the efforts of Homes of Hope, Inc. The local clergy set up a common, unified system of responding to requests for food and clothing in a common pantry called the Caring Center, plus a rotating briefcase which held vouchers and other information to provide help for those seeking after hours assistance or other services such as temporary, overnight housing in a motel, gasoline, medication, fuel oil, payment on a utilities, et cetera. Out of this common fund and administrative program, the churches began to understand the scope of the problems of both hunger and homelessness that arise from poverty.

The Homeless Task Force began to keep track of individuals who sought help in our community and found – to their surprise - that regularly poor people were sent to Mt.

Holly by public officials and clergy from other towns, touting Mt. Holly as the place where they could get help. Police were known to drive indigent people to Mt. Holly, and church people from communities such as Moorestown would buy bus tickets and send the poor who knocked on their door down the road to another place to seek help.

The Task Force met with Township Officials in Mt. Holly to discuss the problems and found a lukewarm audience. We went to Trenton and Camden to visit operating shelters and found centers we did not want replicated in our community, since they were large, warehouse-type, institutional settings. We talked with representatives from the faith-based Atlantic City Rescue Mission and Catholic Charities only to realize that nothing currently being done was satisfactory to us, either in terms of quality of service or potential impact on our community, if we were to bring their models of operation to Mt. Holly.

While we were still discussing our options and seeking to come to some kind of consensus, a similar task force had begun meeting in the Browns Mills area. When the County Freeholders built a new hospital across from the County College they closed the older Buttonwood Hall, which sat vacant. The Clergy from Browns Mills sought Freeholder permission to open a shelter site in that facility and were denied because it was deemed by them to be in too poor a shape. Even after offering to hire an architect or engineer to study the costs to adapt or modify the building for such use, the clergy were still denied. The Freeholders were being told by representatives of Catholic Charities that the problem of the homeless was being adequately met by motel/hotel placements and that everything was under control.

The clergy in Mt. Holly and Browns Mills knew otherwise. In an attempt to heighten the visibility of homelessness in the county, a group of people from Browns Mills organized an encampment on County-owned grounds in front of the historic jail and courthouse on High Street in Mt. Holly in August of 1985. They requested assistance and support from the Mt. Holly clergy and churches, including tents, blankets, food and access to bathrooms. As Chairperson of the local Homeless Task Force, I became the contact person for the Mt. Holly churches during this time. As media attention around what became known as “Tent City” grew quickly, I also found that I became identified as a spokesperson for the encamped homeless, who grew from around 10 to some 25-30 strong. The clergy held a formal meeting after Labor Day and adopted a resolution of support for the cause. Many joined in the daily vigil along High Street.

The encampment ended with a decision by Judge Haines in an eviction suit filed by Mt. Holly Township Council with support from the County Freeholders. Judge Haines ruled that the campers were in violation of trespassing upon County property and ordered them to vacate. During those proceedings, Catholic Charities testified on behalf of the County and Township that there was no homeless problem and that everything was being handled satisfactorily by them using County and State funds to provide temporary shelter in hotels and motels.

Believing that we might have lost the battle, but not the war, we pressed onward. The Clergy Association in Mt. Holly kept strict records for a two month period and presented the results to the Freeholders showing that there was still a significant, unmet need for

homeless housing, in spite of Catholic Charities' testimony. We pleaded for help, to no avail. The Freeholders' attitudes were best characterized by a statement from Freeholder Conda at the time, to the effect that "If you sit on a candle you have to suffer a blister on your rear-end." The Freeholders held to the attitude that homelessness was a person's own fault and they should suffer for it without the public having any responsibility to help. It became the duty of private citizens and religious groups to provide charity, and not the obligation of public officials to respond.

A few concerned individuals continued to meet and talk about ways to provide an alternative. By this time I was working as Executive Director of The Mt. Holly Christian Retirement Center and overseeing the renovation and adaptation of the Samuel Miller Elementary School into a senior congregate care residence, and I continued to serve as Chair of the Clergy's Homeless Task Force in Mt. Holly. A proposal was finally developed to purchase an available property at 87 Mill Street. This was a historic home that had been converted to a combination of rooming house and apartment building over the years. When presented with the proposal and a point when they needed to say either Yes or No, the Clergy backed away from supporting the project and taking the opportunity to do something specific and measurable.

A few months later, myself and two others, including my then-wife Marilee, decided to form a new non-profit housing and social service organization they called The Salt and Light Company, Inc. The name came from Jesus' instruction to his disciples in the book of Matthew that they were to be the "salt of the earth" and "the light of the world." The organization was incorporated in June of 1986 and successfully negotiated the purchase of the property at 87 Mill Street the next year, which was named "The Mustard Seed", again after Jesus' teaching that "with faith even as small as a grain of mustard seed a great tree shall grow." Believing that God would bless their efforts, they began to take in homeless single women and single-parent female heads of household. The first resident, a County Welfare Board placement (now called the Board of Social Services), moved in on July 22, 1987. Thus began the efforts of The Salt and Light Company, Inc. to provide a higher quality of both housing and supportive services to the homeless. The Welfare Board quickly began to prefer placing homeless residents in our building over area motels, which had become centers for drugs, alcohol abuse and prostitution. Those horrible environments were certainly no place for people trying to put their lives back together and become self-sufficient, much less for the children of those individuals.

Knowing that we would never likely get support from municipal leaders in Mt. Holly or the County Freeholders, we attempted to renovate and improve the building with private funds. When we had done the best we could, we announced to the press that we were holding an Open House and invited public officials and residents from the community to visit. Embarrassed by the event, the Freeholder's Community Development Coordinator, Kathy Packowski called to ask what they could do to help. The end result was a $25,000 grant, which paid for the renovation of two bathrooms and installation of two new kitchens to serve the 18 residents (eight women and 10 children) housed in the building. As our work became known, we were increasingly asked to provide housing and services far our capability at the time.

Shortly after opening The Mustard Seed, the famous Mattica decision by an Atlantic County Superior Court judge declared that the County could not deny a homeless person temporary housing due to either fault or notice. Even if a person might have contributed to his or her homelessness, and even if they might have had sufficient notice to seek alternative housing, the ruling stated that a person was not to be denied temporary shelter on those grounds. Within a few very short months, the County of Burlington's homeless population seeking temporary shelter services at the Welfare Board grew from about 200 to over 800, overwhelming the system.

Because of Salt and Light's successful efforts at The Mustard Seed, requests came from the Welfare Board and other municipal offices to develop additional housing sites as an alternative to the motel system they were forced to use. Due to similar growth in Camden and Mercer Counties, the shelter providers there were also overcrowded. Both the Volunteers of America and the Trenton Rescue Mission made requests to Burlington County to stop sending homeless persons to their facilities because of the already overwhelming local demand.

Because our organization was underfunded and overworked, growth was slow. I worked for two years without pay for my services, still seeking to support my family as a part-time real estate agent. In 1989, the Department of Community Affairs implemented a grant program from within the newly-formed Office of Housing Advocacy, which provided financial support for staff costs and operational expenses. It was around the same time that Mitch Snyder, the famous homeless advocate in Washington D.C., went on a hunger strike outside of an empty federally-owned building. He contended that while homeless people were dying on the streets, literally within view of the Capital Building and White House, dozens of federally-owned buildings sat empty. These buildings, he successfully convinced the Reagan administration, should be made available to shelter the homeless. Congress passed what is known as the Stuart B. McKinney Act, which, among other things, mandated that "any unused or underutilized federal property must be made available to shelter the homeless." This resulted in vacant post offices, military bases and other federally-owned properties being turned over to local groups. Nationwide, all of the Department of Veterans Affairs, Department of Housing and Urban Development and Farmers Home Administration (now called the U.S. Department of Agriculture) foreclosures were also made available to non-profits and housing providers.

Together with a few privately-owned properties in Mt. Holly offered at attractive prices, these federally-owned homes from HUD, the VA, and the USDA helped Salt and Light grow in the next decade from a small staff running one building with eight living units to nearly 30 properties serving 125 people and run by twelve staff members. In the second decade, from 1996 to 2006, the organization doubled in size again to have nearly 70 residences serving 200 people and 25 full-time staff members. Most of the housing was developed within our own community during the first decade, while the majority of development took place outside of Mt. Holly in the second decade, due to increased expertise and financial resources.

In September of 2005 our organization agreed to take over Homes of Hope, Inc. which was suffering from such poor management that it was at risk of going out of business and losing the 22 units of housing it had developed in its 25 years of operation.

The more that our organization grew the more that Mt. Holly officials voiced concerns that all of the county's homeless were housed in Mt. Holly and argued that other communities should do their "fair share" to address the problem. The attached list shows the location of all the properties we own and operate as a multi-faceted company. It is clear that more properties are outside of Mt. Holly than within it.

One of the issues a services organization faces is providing clients a consistent and high enough level of services satisfy their needs. Having a geographically diverse spread of properties stretching from Chippewa Trail in the Country Lakes section of Pemberton Township to Collings Road in the Fairview section of Camden to a single unit on Borden Street in Bordentown - and many other places in between – presents a challenge to our staff. In addition to providing social services, we are responsible for maintaining interior and exterior of our properties, with such duties as snow removal in the winter and lawn mowing in the summer. The higher-than-normal maintenance costs associated with a scattered range of sites are a burden in seeking to keep the quality of our housing high.

As a whole, our costs for services to the agencies are far below many other authorized providers. See the attachment listing the NJ Dept. of Human Services Emergency Shelter providers approved per diem rates. We uphold our high level of housing and services against any in the State, while ranking in cost among the lowest 25 percent.

Mt. Holly Township has *never* supported our emergency shelter program in any way. In fact, they sought multiple efforts to make it harder and more costly for us to operate over the years. These include:

1. In the late 1990s, the Township revoked all property tax exemptions for non-profit housing organizations. The Salt and Light Company, Inc. was the only non-profit to stand up and defend its right to property tax exemption under the Statutes. In a case supported on appeal by both the Appellate division and the Supreme, Court Salt and Light v. Mt. Holly Township, which was decided by Tax Court Judge Mary Hammel, affirmed the right of not only The Salt and Light Company, Inc. to be exempt from property tax, but many other non-profits who have since re-filed their property tax exemption applications and had their status granted.

   In attempting to make it more expensive for us to buy and operate housing within the township, Mt. Holly succeeded in making it easier for us to purchase and operate homes in other towns as well. Now all of our properties are tax exempt, with the exception of two that agreed not to remove from the tax rolls in a time when we sought to make peace with Mt. Holly.

2. In continuing the challenge, Mt. Holly Township refused to provide us with letters of support for County and State funding applications. We struck an agreement to limit the addition of shelters and other tax exempt properties in

exchange for municipal Resolution of Support letters from the mayor, required by both the County of Burlington and the State of New Jersey in housing grant applications. We were seeking to access existing public funds to diversify and grow our organization by developing standard rental and homeownership units.

We have since challenged the County's practice requiring such letters, and they have softened their position on the matter. The county now requires only that we give notice to the municipalities involved of our proposed use of the properties. The State, for most but not all of its funding and grant programs, still requires municipal letters of support. With Mt. Holly's continued resistance, we are locked out of some of the most liberally-funded State programs that would allow us to serve an even greater population than the homeless – lower income renters and home buyers.

3. Mt. Holly passed a series of Ordinances regarding inspection and licensing to make housing more arduous and more costly to operate. The township now requires a heater certification and municipal inspection between each occupancy, and has raised the fees for inspection and licensing. Heater inspections typically cost between $70 and $100, and the municipal inspection fee was recently increased from $80 to $120 per unit. Even though our emergency shelter placements for families may be 30 days or less, Mt. Holly still requires the re-inspection as a standard rental unit that may be occupied by the same tenant for multiple years. In addition to the re-occupancy requirement, the Township has recently amended the Ordinance to require inspections every two years, even if there is no change of occupancy.

These inspection requirements not only add to our operating costs – up to $220 every time we place a new family – but often delay us in being able to place a new person or family. This causes a higher vacancy rate and results in a loss of income. Meanwhile, the people that the County Board of Social Services waits to place with us sit in area motels. Aside from the less-than-ideal setting, the cost of housing persons in a motel far exceeds our placement costs and eats away at public tax dollars. Our current rate for a mom and two children is $68 a night. A two-parent family of five would be $119. The County pays $50 *per person*, per night in a motel placement – more than 50% above our rates.

A person is entitled to up to 12 months of emergency shelter housing in their lifetime. At our current rate, it costs $24,820 to house that family of mom and two kids for a year. To place them in a motel would cost $54,750. At a time when New Jersey residents are screaming about taxes and budgets, one might think we could find more support for lower-cost, supervised shelter housing for the homeless – if for no other reason than the financial impact on taxpayers.

Interestingly enough, there is not one motel within the Mt. Holly limits that the Board of Social Services uses for placement. So while the municipal leaders object to Mt. Holly having, as they see it, “more than its share of homeless shelters,” they are content to let the taxpaying residents of New Jersey fund the

overwhelming cost of pushing homeless persons into area motels rather than family residences within their limits.

4. In the mid-1990s Mt. Holly passed an ordinance that adopted the definition of "single family" identified in the Glassboro vs. Vallorosi case, in order to limit the ability of The Salt and Light Company, Inc. from opening any more shared residences for homeless single adults. In an unpublished case decided at the municipal court level by Hon. Marie White Bell in Willingboro, it was ruled that unrelated, single adults could not occupy the property we leased from the Department of Veterans Affairs to house homeless single veterans. Upon appeal to the Zoning Board in Willingboro we were denied a use variance to convert the property to a licensed shelter. This decision was sustained by Judge Harold B. Wells of the Superior Court of Burlington County and sustained by the Appellate Division Court and the Supreme Court.

When William J. Kearns, Esq. became the Solicitor for the Zoning Board in Mt. Holly he brought his experience and knowledge of our case from Willingboro - where he was the Township attorney - to Mt. Holly and urged the township to change its definition of family, thus limiting our ability to open any new shelter sites for single adults. The only houses where single adults may legally occupy a dwelling in Mt. Holly, or in any other town that we know of in Burlington County, are prior non-conforming sites that were established before the ordinance change. Of our residences, these include properties on South Martin Avenue, Levis Drive, Grant St. and White Street. When we sought to convert an adjoining property on Grant Street from a family shelter to a shared single adult shelter, then Zoning Officer Thomas Gonzoph ruled that our proposed conversion was not permitted and required a Zoning Variance.

5. To further add costs to our program for single adults, Mt. Holly's Housing Inspector Ray O'Dell cited us in the early 1990s for having multiple residents in the above-identified shelters for single men. In a non-published case before Municipal Judge Dennis McInerny, he ruled in favor of the Township that they were entitled to enforce the licensing of our shared residences for single adults on a *per person* basis rather than a per house basis. For the past 12 or 13 years, we have been paying license fees for each *bed* rather than each *address*. This has made our costs significantly higher than that of standard rental dwellings. Attached is the most recent invoice and our payment made the week of February 15, 2007 as evidence.

I have personally made multiple appearances before the municipal governing body requesting that they change these policies since, in my opinion, they are unjust and do not promote the public good or serve to protect the Township in any measurable way. In every case I have either been ignored or denied.

The resistance of Mt. Holly to our shelter program has by no means been our only obstacle over the years. In addition to the events named above, we were denied three separate applications to the Planning Board in the late 1980s and early 1990s to develop tracts of land for homeownership opportunities for low and moderate income families, in

keeping with the Mt. Laurel decision. We appealed one of these cases, and it was successfully overturned by Judge Wells.

In addition to our efforts in Mt. Holly, The Salt & Light Company, Inc. attempted to develop projects in Browns Mills at the former Browns Mills Realty building, in Westampton at the then-closed Best Western, and in Burlington City at the old Alexander's Inn. Each of these cases was denied by the local Planning or Zoning Boards.

In the case of the Browns Mills Realty building, our application was to use the property as a shelter for single homeless men. The denial by the Browns Mills Zoning Board was later reversed by Judge Wells, but the project was ultimately defeated when the Township took the property by the power of eminent domain.

The Alexander's Inn project was defeated by the mere threat of eminent domain. The Salt & Light Company had obtained commitments of over $1,200,000 to fund the conversion of the decrepit old hotel into a 22-unit emergency shelter and permanent single-room-occupancy units for adult men. The city filed notice of its intent to exercise eminent domain, thus successfully killing any and all funding commitments, which require clear title be conveyed to the buyer. The city later offered to purchase the property, and The Salt and Light Company agreed that if all its expenses were repaid, it would drop its opposition to the purchase.

Our application to convert the Best Western into an emergency shelter/transitional housing site with 21 units of single-room-occupancy for adult men was denied by the Westampton Zoning Board and later reversed by the Superior Court in Mt. Holly. Westampton Township appealed the decision to the Appellate division, and with this continued delay the 75-year-old owner of the motel property pleaded with our organization to consent to cancel its Purchase Agreement so he could sell to another motel owner. In his interest, we agreed to do so.

These events drew much attention from the local media, and we believe this increased talk amongst many other community leaders about the homeless housing issues our county faced. As a result, Mt. Holly's political opposition to being the center of the County's homeless housing only grew as they witnessed other towns fighting and winning attempts to keep The Salt and Light Company from opening shelters within their limits.

We at AHG know there is a difference between losing a battle or two and losing the war. The need for a high level of housing and services in a sheltering program or system is critically needed in every town, county, and state in our nation. Great models and examples of successful and effective programs exist all across the United States. By working together, government and private sector - both for profit and non-profit - can achieve what each could not do alone.

To that end, The Affordable Homes Group family of companies is committed to continue the advocacy for and provision of direct services. This is a better world because of our efforts, but we understand we still have a long way to go.