



RESOLUTION 21-370

**Resolution of the Mayor and Council of Princeton Supporting
A4270/S2516-Eliminating Credit Score Standard**

WHEREAS, the Princeton Affordable Housing Board has been researching barriers and obstacles for fair and equal access to affordable housing; and

WHEREAS, the Princeton Affordable Housing Board has identified the current practice of credit background checks a potential obstacle for fair and equal access to affordable housing; and

WHEREAS, a poor credit score is often a result of past discriminatory practices and other factors beyond an applicant's control, including, but not limited to, a medical event, child or elder emergencies, and/or layoffs; and

WHEREAS, landlords currently utilize and rely upon industry credit reports in determining the creditworthiness of applicants for the rental of affordable housing units within the Municipality of Princeton; and

WHEREAS, current practice relies on an applicant's ability to meet a minimum credit score, and there is disparate treatment because credit score minimums are set by individual management company approval policies; and

WHEREAS, the Princeton Affordable Housing Board has identified alternative ways to assess creditworthiness, including but not limited to:

- Income
- Employment and wage history compared to the Region's cost of living
- Rent, mortgage and utility payment history
- Health history of the applicant or household members
- Disability
- Personal emergencies that impact the applicant's ability to stay on budget; and

WHEREAS, the Princeton Affordable Housing Board does not want to discourage applicants who are eligible for affordable rental housing in Princeton based upon income level and household size; and

WHEREAS, personal credit history can be a frustrating and unfair standard for applicants of affordable housing in Princeton; and

WHEREAS, A4270/S2516 will help alleviate this problem by removing credit scores or other assessments from the rental application process thereby ensuring that low-income tenants saddled with low credit scores, but otherwise eligible, will have access to affordable housing; and

WHEREAS, A4270/S2516 will apply to holders of state- or federal-based housing subsidies and/or anyone looking to live in a home restricted to low- or moderate-income households; and

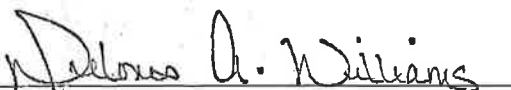
WHEREAS, creditworthiness legislation has been introduced in each Legislative session over the past decade without success, and lawmakers voted S2516 out of Senate Community and Urban Affairs Committee on 3/1/21; and

WHEREAS, A4270 lingers and awaits a hearing in the Assembly Housing Committee;

NOW, THEREFORE, BE IT RESOLVED, that the Princeton Affordable Housing Board recommends to Mayor and Council that they, with haste and urgency, contact Assembly Members Zwicker and Freiman to call upon their colleague Assemblyman Benjie E. Wimberly Chair of the Assembly Housing Committee to express Princeton Mayor and Council’s support of A4270 urging that the legislation be a priority in these last days of the 2020-2021 Legislative session.

Councilperson	Absent	Present	1 st	2 nd	Yea	Nay	Abstain	Disqualified
Mr. Cohen		X			X			
Ms. Fraga		X	X		X			
Ms. Niedergang		X			X			
Ms. Pirone Lambros		X			X			
Ms. Sacks		X			X			
Mr. Williamson		X		X	X			
Mayor Freda		X						

I, Delores A. Williams, Municipal Clerk of Princeton, do hereby certify that the above is a true copy of a resolution adopted by the Mayor and Council of Princeton at a meeting held held December 13, 2021.


 Delores A. Williams, Municipal Clerk

ATTACHMENTS:

- Council memo credit background,affordable housing (DOC)