I’d like to illustrate our conference theme of “mobility and opportunity in a regional context” with two local stories.

The first concerns Ethel R. Lawrence Homes in Mount Laurel, the first affordable housing ever built in that wealthy, eponymous township. Ground was broken on the 140-townhouse development by Peter J. O’Connor’s Fair Share Housing Development in 2001 – 26 years after the New Jersey Supreme Court issued its epochal Mount Laurel decision … and 31 years after O’Connor, then a young Legal Services lawyer, brought suit on behalf of Ethel Lawrence, her African American neighbors, and the South Burlington County NAACP to force the township council to approve a proposed affordable housing project for a small black community that had lived in the then semi-rural township for over a century. Their courage and determination in pursuing doggedly their goal over more than three decades is truly awe-inspiring.

Ethel R. Lawrence Homes is a mixed-income community of 140 families whose incomes range from 80 percent AMI (Area Median Income) to 10 percent AMI – from about $58,000 per year down to less than $10,000 per year. Some forty families are former residents of Camden (many clustered towards the very bottom of that income range). When asked about the impact of their having moved from Camden to Mount Laurel, Michelle Baraka, tenant services manager, once memorably replied, “Now that these women no longer have to struggle daily just to survive, they can begin to grow.” To grow – going back to school, improving their skills, getting a better job, all the while secure in the knowledge that they are sending their children off to a high quality – and safe – school. Through Fair Share Housing’s unwavering determination, “opportunity-based housing” (in John Powell’s phrase) was actually created in Mount Laurel.
My second story concerns a wealthy township where opportunity-based housing is not being built – fourth-ring Medford, bordering third-ring Mount Laurel. Under the Mount Laurel doctrine, Medford was assigned a fair share allocation of 477 units of affordable housing by the state Council on Affordable Housing (COAH). Medford fought its allocation in the courts for five years and succeeded in getting its “fair share” allocation lowered to 200 units.

Regional Contribution Agreements (RCAs)

Two years ago Medford engaged a broker to go out and sell half of its constitutional fair share housing allocation for $3 million ($30,000 per housing unit) to a poorer community under a so-called “Regional Contribution Agreement” (RCA). Like bounties paid by rich draftees to poor men to take their place in the Union Army during the Civil War, New Jersey law allows wealthy suburbs to bribe poor cities to take up to half of their constitutional obligation to build affordable housing off their hands.

Medford’s RCA broker could not approach Camden: the Camden Recovery Act banned Camden from accepting any more RCAs. So the broker dangled the $3 million before fragile, at-risk Pennsauken, a first-ring suburb of Camden. Thanks to the hard work of the New Jersey Regional Coalition, the Pennsauken township council did something unprecedented: it became the first municipality in New Jersey to reject an RCA bribe. So Medford convinced Glassboro, another at-risk community, to take the RCA.

Let me place this transaction into context. Medford has a property tax base of $30 million per poor family; Pennsauken, $3 million per poor family; Glassboro, $2 million per poor family; and Camden, only $150,000 per poor family. So, in terms of the fiscal capacity to provide adequate public services for low-income families that depend upon public services the most, Medford has ten times the fiscal capacity of Pennsauken, fifteen times the fiscal capacity of Glassboro, and 200 times the fiscal capacity of Camden! (In fact, the local tax base of Camden City Public Schools is sufficient to operate its schools for only about five days a year! State emergency aid must fund the other 175 days of the school year.)

Lost Opportunities

To measure opportunities lost in another manner, Medford experienced modest job growth during the 1990s (about six percent) but sits next to Mount Laurel, the fastest growing job center in South Jersey; the percentage of low-income children in Medford’s public schools is just two percent. Glassboro also had modest job growth (five percent) but one-third
of its school children are low-income. Pennsauken lost 17 percent of its jobs and has 29 percent low-income children, while Camden lost 22 percent of its jobs and 88 percent of its school children are poor enough to qualify for subsidized school meals.

My studies suggest that the impact of a poor child’s family moving from Camden to Medford would, on average, be about an 18 percentile improvement in the child’s test scores in spite of the fact that in 2004-05 the Camden City schools spent 30 percent more per pupil than did the Medford schools. The big difference is who your classmates are: housing policy is school policy.

It is hard to imagine a more obscene example in New Jersey of what Paul Scully yesterday branded “government-sponsored segregation” than RCAs. RCAs are literally cementing poor children into impoverished communities where jobs are vanishing and in which the odds are overwhelming that they will fail in school. Chris Benner spoke yesterday about how a necessary component of a successful workforce development program must be “changing the rules of the game” in addition to increasing the skills of individual job seekers. Getting the New Jersey legislature to ban RCAs is the top legislative goal of the New Jersey Regional Coalition, Fair Share Housing Center, and their many allies.

Where the Jobs Are

In talking about mobility and opportunity for Camden residents, I would like to focus your attention on Chris’s presentation yesterday. In Census 2000, only 32 percent of Camden residents actually work in the city; 58 percent work in Camden’s suburbs (40 percent elsewhere in Camden County, and 18 percent in other New Jersey counties). Not to my surprise (for I first saw similar data in the 1990 census) only seven percent of Camden workers cross the Ben Franklin Bridge to work in Philadelphia, and another two percent work elsewhere on the Pennsylvania side.

In fact, talking about “Camden’s suburbs” at all is a bit of a misnomer. The phrase implies that Camden is a major job center for the region. Though Camden is still designated as a “central city” by the census, that is done probably just out of political courtesy. Camden is no longer a

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1 I have not studied the New Jersey public schools. However, applying the same relationships I found in my metro Albuquerque and metro Baltimore studies, moving a poor family from Camden City Public Schools (88 percent FARM) to Medford public schools (2 percent FARM) would, on average, result in an 18 percentile improvement in their child’s test scores over time.
major regional job center, providing barely one percent of the Philadelphia PA-NJ region’s jobs. Four times as many South Jersey suburbanites commute to Philadelphia than to Camden for work.\(^2\) Camden is a primary employment center only for its own city residents. South Jersey’s suburbs are suburbs of Philadelphia, not Camden.

During the 1990s, Camden suffered continuing decline as an employment center, losing 6,200 private sector jobs (or -22 percent). By contrast, South Jersey suburbs gained 44,000 jobs (or +13 percent). Today, Camden is probably only the fifth or sixth largest private sector jobs center in South Jersey behind Cherry Hill, Mount Laurel, Moorestown, Evesham, and possibly Pennsauken.\(^3\)

So, for half a century Camden has been hemorrhaging jobs, and, despite bold plans for Camden’s revival, the city is projected to lose another 600 jobs over the coming decade by the Delaware Valley Regional Planning Commission (only one-tenth the job loss of the 1990s). Not even the most optimistic projections, though, suggest that enough jobs will be created within Camden to lift its 35,000 poor and near-poor residents out of poverty.

During the 1990s those 44,000 new suburban jobs were hardly distributed evenly among all 100 suburban municipalities. That 44,000 net job growth was totally accounted for by a dozen towns, led by Mount Laurel (11,589 new jobs, or one-quarter of the regional growth), Vorhees, Logan, Evesham, and Berlin Township.

Municipal Opportunity Index

Working with Myron Orfield, john powell, and myself, the New Jersey Regional Coalition (NJRC) has devised a “municipal opportunity index.” The index measures relative ability of a municipality to provide public services (property tax base per capita), employment opportunity (total jobs and rate of change), educational opportunity (percentage of low-income

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\(^2\) In 1960, Camden still had 69,645 jobs; 33,992 South Jersey suburbanites commuted into Camden for work (or 14% of the total suburban work force). A slightly larger number of South Jersey suburbanites (44,416) commuted to Philadelphia. By 2000, Camden had lost over half its earlier job level in just four decades.

\(^3\) Camden and Pennsauken’s relative ranking is determined by which is losing jobs faster—Camden or Pennsauken (which lost 4,199 private sector jobs in the 1990s). Though Camden has roughly 6,000 public sector employees, the addition of public sector employment would not significantly raise Camden’s ranking since suburban town governments and school districts are also significant public employers.
pupils), and socioeconomic status (median family income and family poverty rate).

By this municipal opportunity index NJRC has divided the three-county region’s 101 municipalities into six categories:

8 maximum-opportunity towns: Haddonfield, Medford, Moorestown, Evesham, Mount Laurel, Vorhees, Logan, and – just about to drop down one category – Cherry Hill (which is probably living more on past achievement than future prospects);

22 high-opportunity towns;

22 medium-opportunity towns;

18 low-opportunity towns, including Pennsauken and Maple Shade;

30 minimum-opportunity towns, such as Lindenwold and Glassboro; and, at the bottom,

Camden city.

To reform this geography of opportunity, NJRC has adopted a three-tiered regional strategy:

- tier 1: revitalize Camden, always on an inclusionary basis, but recognizing that Camden can never provide sufficient opportunities for all current low-income residents;

- tier 2: stabilize and promote re-investment in inner ring suburbs (minimum- and low-opportunity towns) that are already economically and (usually) racially diverse but at-risk, facing social, economic, fiscal challenges; and

- tier 3: open up opportunities for poor residents of Camden and inner-ring towns in the outer-ring suburbs (medium-, high- and maximum opportunity towns), achieving greater economic and racial integration.

With regard to tier 3 the key tool is opportunity-based housing. Opportunity-based housing must provide more than just affordable shelter (which has been the goal of traditional affordable housing programs). It must also be located where it can provide access to good jobs and good schools. We’ve talked about where good jobs are growing within the Camden region; let’s returned to a broader discussion of where the good schools are.
In 1966, famed sociologist James Coleman in *Equality of Educational Opportunity* found that the two factors that best predicted academic success or failure was the student’s socioeconomic status (as measured by family income and parental educational attainment), followed closely by the socioeconomic status of the student’s classmates. Nothing else – per pupil expenditure, class size, teacher experience, age of school buildings, etc., that is, what school districts can do – came close to the basic issue of who the kids are in the classroom. Whether a school is “good” or “bad” is overwhelmingly determined by who the students are.

**Housing Policy Is School Policy**

I myself have studied this relationship in 14 different areas, ranging in size from the 22 elementary schools in Gainesville-Alachua County, FL to all 518 elementary schools throughout the state of Connecticut. Based on the percentage of low-income students qualifying for Free And Reduced-price Meals (or FARM) and scores on standardized tests, the correlation between socioeconomic status and academic achievement is so powerful that, for the communities I’ve studied, just tell me the FARM percentage of a school’s student body and I will estimate that school’s average test scores (plus or minus four or five percentiles) with 95 percent accuracy! I don’t need to know anything about how much money is being spent per pupil, or pupil-teacher ratios, or the principal’s qualifications, or the faculty’s training and experience, etc., just tell me who the kids are.

What was the education opportunity index for South Jersey (for 2000-01) where almost every one of the 101 towns has its own school district?

- 4 percent FARM in maximum-opportunity towns;
- 6 percent FARM in high-opportunity towns;
- 12 percent FARM in medium-opportunity towns;
- 19 percent FARM in low-opportunity towns;
- 29% FARM in minimum-opportunity towns; and
- **88 percent FARM** in the Camden City Public Schools!

The New Jersey State Supreme Court ordered dramatic action to try to remedy such disparities in its *Abbott v Burke* rulings (1997 and thereafter). The court ordered the state of New Jersey to spend, on average, 35 percent more money per pupil in 30 urban school districts (the *Abbott* districts) than is spent statewide by non-*Abbott* districts. Furthermore, the court directed the state to allocate $8.4 billion to renovate or build new schools in *Abbott*
Camden City Public Schools’ share of the Abbott construction fund is $437 million for a district currently with 15,850 pupils.

I certainly honor the New Jersey Supreme Court’s motives, but I doubt that the remedy will work. Without a dramatic change in the socioeconomic composition of the Camden City Public Schools, I doubt that the hundreds of millions of dollars will make a dime’s worth of difference.

As an alternative remedy, the court could have applied to Abbott the philosophy that it wisely promulgated in the Mt. Laurel cases (1975 and 1983): housing policy is the key to opportunity. For $437 million the state could have purchased median priced suburban homes for three out of four poor families with children in Camden, immediately moving them to better job opportunities for the parents and better schools for their children.

To sum up, poor residents of Camden need its suburbs for their potential to provide life-transforming employment and educational opportunities – and opportunity-based housing is the key to opening up those opportunities.

Why Suburbs Need Camden

Why do its suburbs need Camden, especially since Camden is no longer a dominant job center?

The suburbs need Camden because Camden is home to major regional institutions and facilities that benefit most suburbanites:

- colleges and universities: Rutgers-Camden, Rowan University, Camden County College;
- major hospitals: Cooper Health Systems and Our Lady of Lourdes Medical Center;
- as Camden County seat, major county government offices and the state courts;
- important state and federal agencies;
- valuable regional facilities like the Adventure Aquarium, Tweeter Center, and Campbell’s baseball park that add to the region’s quality of life.

It would be prohibitively expensive to relocate these from Camden into the suburbs, yet their value would be greatly diminished if the city were allowed to decline further.
Camden has another asset that the suburbs don’t need, but would be foolish to let be needlessly tossed away: with its location across the river from Center City Philadelphia, Camden contains some of the most valuable real estate (potentially) in the region. The talent and buying power that residential development of that property can bring would contribute to the region’s prosperity and quality of life.

**little boxes vs. Big Box**

This region’s fragmentation of local government authority among 101 municipal governments for a 1.2 million person area is also not unique – just extreme. The Camden region is the epitome of what I’ve termed a “little boxes” region. State government has delegated planning and zoning authority exclusively to the 101 municipalities; the region’s three county governments have no land use powers whatsoever.

By contrast, the seven-county Baltimore region is the epitome of what I’ve termed a “Big Box” region. Maryland law makes county government the primary local government; municipalities are few and weak.

Both “little boxes” regions and “Big Box” regions face common problems, but the target for regional reform movements can be very different. If the goal is to secure area-wide implementation of inclusionary housing policies, for example, there is no way through local action to get a significant number of the Camden area’s 101 municipalities on the same page; you must target state government policy. Through the state legislature, state agencies, and state courts, reform movements must get state government to set new “rules of the game” – to literally lay down the law regarding how the 101 cities, boroughs, and township must act. Such is precisely the campaign that the New Jersey Regional Coalition and its allies are mounting.

In the Baltimore region, however, seven “Big Box” county governments control housing policy for 97 percent of the region’s population. In fact, the region’s four most populous “Big Boxes” (Baltimore City, Baltimore County, Anne Arundel County, and Howard

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4 Under the Metropolitan Power Diffusion Index devised by Professor David Y. Miller of the University of Pittsburgh, the Philadelphia-Camden PA-New Jersey region is easily the USA’s most governementally fragmented metropolitan area.

5 As an “independent city,” Baltimore City (651,154) is its own county separate and apart from Baltimore County (754,292). Hagerstown (35,939) and Annapolis (35,838) are Maryland’s largest cities.
County) accounted for 83 percent of the region’s population – and their planning and zoning policies covered 74 percent of all housing built in the 1990s. (These four jurisdictions are the primary targets of the Baltimore Regional Housing Campaign.)

By contrast, South Jersey’s four most populous jurisdictions (Camden, Cherry Hill, Gloucester Township, and Pennsauken) accounted for 21 percent of the region’s population and less than 13 percent of new housing built in the 1990s (almost 60 percent within Gloucester township alone.)

Winning in the Camden region can set the pattern for how regional reform movements can pressure state government into changing the “rules of the game” in order to bring down the walls of the “segregation of opportunity” in the “little boxes” states of the Northeast and Midwest.

Winning in the Baltimore region can set the pattern for how regional reform movements can pressure local governments to apply their delegated powers to dismantle for their own benefit the walls of the “segregation of opportunity” in the “Big Box” states of the South and West.

Within 100 miles of each other these two regional coalitions are conducting comprehensive regional reform campaigns. Despite the contrasting governance of their two regions, they are highly coordinated with each other. Both share common partners (Orfield, powell, Rusk, Innovative Housing Institute). Their litigators (Fair Share Housing Center and ACLU-Maryland) compare notes regularly. New Jersey Regional Coalition and BRIDGE are sister affiliates within the Gamaliel Foundation network with close ties between staff and leaders; they meet together regularly to share the lessons of success (and failure) and plan strategy.

I will close with a reminder of another significant observation we have heard at this workforce development conference. Yesterday Camden’s state-appointed Chief Operating Officer Randy Primas stated that Camden will never produce enough jobs for all its poor residents.

Workforce development strategies must be based on economic trends throughout the entire region – and include actions to change the rules of the game in the regional housing market and public school systems.

For most of the poor residents of Camden there is no alternative.