



Proposal eliminates state Council on Affordable Housing

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Legislation that opponents charge would wipeout 71 percent of the obligation of New Jersey cities and towns to provide affordable housing was approved by the Assembly Monday by a vote of 43 to 32.

Forty-one votes were needed for passage. The vote was mainly along party lines with Democrats providing the support.

Proponents stress the bill (A-3447) abolishes the state Council on Affordable Housing, the agency that determined the number of affordable houses and apartments municipalities had to help provide, in part, through development.

Opponents stress the measure will reduce the number of houses and apartments provided over the next 10 years from the 115,666 set by a state appeals court to about 30,000 to 35,000. Seventy-one cities and towns would not have to provide any of the housing.

The bill would also eliminate a 2.5 percent fee on commercial development to help pay for affordable housing.

"New Jersey will finally have a viable housing plan for its hard-working families that is also good

for business and workable for mayors," Assemblyman Jerry Green (D-Union), a sponsor, said. "This bill gives towns relief from COAH's unreasonable demands, offers businesses a much-needed break and clears the way for housing for lower-income New Jerseyans to finally actually be built in our state. It is a sound and reasonable approach that bodes well for New Jersey's future."

The worth of the proposal has caused an unusual split between affordable housing advocates.

"These numbers are too low and will let too many municipalities off the hook." Kevin D. Walsh, associate director of the Cherry Hill-based Fair Share Housing Center, said. "Municipalities will be deemed compliant, in the term of the bill, without actually meeting the needs of lower-income New Jerseyans."

"The passage of the housing bill in the Assembly today is a good first step in moving New Jersey in the right direction, Staci Berger, the HCDNNJ policy and advocacy director, said. "This bill is a fair and reasonable approach that will help create the starter homes and family rentals New Jersey needs. Our current housing market is completely lopsided, with an overemphasis on the creation of high end homes. It's as if people could only choose to buy a luxury car, a Cadillac or a Lexus. We know folks need to be able to buy a Ford Escort or a Corolla, too. This proposal helps build starter homes and family rentals, which lets our market have something everyone can afford."

Bill Dressel, League of Municipalities director, said he requested the vote be delayed. "Our request that the Assembly hold off on a vote was so that municipalities and other stakeholders have adequate time to assess the impact of the legislation," he said. "We also requested independent confirmation of the estimates by the (state) Office of Legislative Services and the (state) Department of Community Affairs."

The bill also would:

Exempt 71 municipalities from housing obligations. These municipalities have more than 50 percent of their children participating in free or reduced school lunch programs.

Require municipalities with 20 to 50 percent of their children on free and reduce lunch to ensure 8 percent of their housing is for low- and moderate-income families.

Require municipalities with less than 20 percent of their children on free and reduced lunch to ensure 10 percent of their housing is for low- and moderate-income families.

Eliminate the 2.5 percent fee on commercial development.

Subject residential development that does not include low- and moderate-income housing to a 1.5 percent development fee.

"This new approach will bring an end to the constant wasting of taxpayer money on numerous lawsuits and court challenges, saving taxpayer money and allowing us to better focus resources on issues like public safety, health care, education economic growth and job creation," Assemblyman Albert Coutinho (D-Essex) said. "Clearly, we're all be better off by implementing this clear and intelligible system that actually will encourage both low- and moderate-income housing and economic growth. That's good news for New Jersey families and businesses."

Assemblyman Gary Chiusano (R-Sussex) disapproves of the measure. "The Democrats' proposal to provide a workable affordable housing policy is actually a step backwards," Chiusano said. "The flaws contained in the legislation will dramatically change the housing landscape throughout our state and ultimately make it less affordable. Infrastructure expenses will increase, with the costs passed on to the property taxpayer. That kind of policy is diametrically opposed to what New Jersey residents need.

"The potential mandates that would emanate from Trenton under this bill do not provide clarity to the municipalities who must comply with them, but rather add to their confusion," the Assemblyman added. "It is troubling, but not terribly surprising that the Democrats have taken an unsustainable housing program and made it even worse."