

Corzine Signs Landmark Affordable Housing Reforms

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By Herald Staff



Gov. Jon Corzine

MOUNT LAUREL – Gov. Jon S. Corzine on July 17 signed landmark legislation that will reform affordable housing laws in New Jersey and increase housing opportunities for low and middle income families throughout the state.

“Through these measures, we are ending decades of unfair, unbalanced, and insufficient provision of affordable housing in New Jersey,” said Corzine in a release. “The fact is, this legislation holds much promise for the thousands of New Jerseyans who want to stay in their hometown — to work there and raise their families there — but simply can’t afford to live there. This bill lays the groundwork for us to reach our ultimate goal of ensuring that housing is available to all New Jerseyans, which ultimately will enhance the quality of life for everyone in this state.

“I also want to recognize the courage and persistence of our legislative leaders, especially Assembly Speaker Joe Roberts, for being at the forefront of this issue and standing up for people who need affordable housing in New Jersey.”

“New Jersey’s affordable housing laws have failed to live up to the promise of providing homes for low- and moderate-income residents while having the insidious side-effect of concentrating poverty in our inner cities,” said Speaker Joseph J. Roberts, Jr. (D-Camden). “New Jerseyans need homes they can afford and jobs they can reach. Today we are transforming the state’s almost barren affordable housing landscape from one of lost opportunities to one of hope and promise for thousands of families.”

The bill, A500/S1783, effectively ends the Regional Contribution Agreement (RCA) as means to address affordable housing requirements under the Fair Housing Act. It also creates a statewide non-residential development fee of 2.5 percent that will be charged on non-residential construction or improvements to raise revenue for the construction and rehabilitation of affordable and workforce housing in New Jersey.

“This legislation will provide affordable housing for tens of thousands of New Jersey residents and promote smart growth and economic development. A win-win-win for New Jersey,” said Sen. Raymond J. Lesniak (D-Union).

“Gov. Corzine has stressed the need to provide affordable housing for the hard working men and women of New Jersey and their families,” said DCA Commissioner Joseph Doria. “This legislation will provide additional funding and means to

accomplish this and I commend Speaker Roberts and Sen. Lesniak for their action.”

“Every family deserves to have a choice in where they live and access to a home that is within their means,” said Majority Leader Bonnie Watson Coleman (D-Mercer). “New Jersey’s housing policy must be something more than two options: either you can afford a roof over your head or you move to another state.”

The bill also establishes an Urban Housing Assistance Fund to assist urban aid municipalities in the rehabilitation and production of housing. Funding will be supported through receipts from statewide non-residential development fees.

“Low-income New Jersey families are burdened by some of the highest rents and housing costs in the nation,” said Assemblyman Jerry Green (D-Union), chairman of the housing panel. “We have a moral responsibility to countless New Jerseyans – disabled residents, families living on limited incomes, and senior citizens – to ensure access to housing is safe and affordable.”

“State officials, local leaders, and developers need every tool possible to promote the construction of new affordable housing,” said Assemblyman Thomas P. Giblin (D-Essex). “By working together, the public and private sector can make the dream of home ownership a reality for working families.”

“New Jersey cannot continue as a state comprised of towns where a lack of affordable housing blocks police, firefighters, or teachers from living in the communities they serve,” said Assemblyman Albert Coutinho (D-Essex). “This overhaul of the state’s affordable housing laws is long overdue.”

Through the legislation, minimum numbers of housing units required will be established statewide and set aside for very low income persons under the Fair Housing Act.

“Thousands of working New Jersey families spend upwards of one-third of their hard earned incomes just to keep a roof over their heads,” said Assemblywoman Mila Jasey (D-Essex). “These reforms will bring real relief to the many New Jersey families who are struggling to keep up with the ever-increasing cost of housing.”

“For too long we’ve allowed wealthy municipalities to buy their way out of their affordable housing obligations,” said Sen. Dana Redd, (D-Camden). “If New Jersey is to continue to grow and thrive, it is critical that we provide affordable housing opportunities in all of our community - urban, suburban, and rural - so that working families, young people and seniors can continue to call the Garden State home.”

Primary sponsors of the legislation in the Assembly include Speaker Joseph J. Roberts, Jr., (D-Camden), Assembly Majority Leader Bonnie Watson Coleman (D-Mercer), Assemblymen Jerry Green (D-Union), Thomas P. Giblin (D-Essex), Albert Coutinho (D-Essex) and Assemblywoman Mila M. Jasey (D-Essex). Primary sponsors in the Senate were Senators Raymond J. Lesniak (D-Union) and Dana L. Redd (D-Camden).

Bill Highlights:

Establishes a statewide non-residential development fee of 2.5 percent to be charged upon non-residential construction or improvements to raise revenue for the construction and rehabilitation of affordable and workforce housing. Certain exclusions apply. Developers of non-residential properties without COAH's or the court's authorization to charge development fees, will be required to remit the non-residential development fees to the State Treasurer. The fees will be used for affordable housing purposes under the "Fair Housing Act."

Eliminates the Regional Contribution Agreement (RCA) as a method to address affordable housing needs under the FHA.

Renames the “Neighborhood Preservation Nonlapsing Revolving Fund” to the “New Jersey Affordable Housing Trust Fund.” This transformation will require very specific accounting and reporting by the Department of Community Affairs on the fund’s activities.

Amends the “Fair Housing Act” to expand the types of properties that may be excluded from being designated as vacant land, including covenant-restricted agricultural lands, lands restricted from development pursuant to environmental laws, reserved recreational sites and historic sites.

Creates the “Urban Housing Assistance Fund,” to be funded by an annual \$20 million appropriation from the State portion of the receipts of the statewide non-residential development fees which are received directly by the State Treasurer. The program will assist urban aid municipalities in the rehabilitation and production of housing. Funds can be used for households earning up to 120% of area medium income.

Establishes minimum numbers of housing units required to be set aside statewide for very low income persons under the FHA (for those earning 30 percent of median household income).

Also requires redevelopers of redevelopment projects to replace low and moderate income housing units which are subject to affordability controls and are eliminated as a result of such activities with comparable housing, on a one-for-one basis.

Establishes a State Housing Commission to develop a strategic housing plan for New Jersey, as well as prepare an annual housing performance report to the Governor and the Joint Committee on Housing Affordability.