

RESOLUTION

WHEREAS, the Fair Housing Act, N.J.S.A 52:27D-301, et seq., establishes within the Neighborhood Preservation Program within the Department of Community Affairs (DCA) the Neighborhood Preservation Nonlapsing Revolving Fund and appropriates monies for said fund to be used in accordance with terms of the Fair Housing Act for low and moderate income housing; and

WHEREAS, the Fair Housing Act also requires the New Jersey Housing and Mortgage Finance Agency (HMFA) to allocate no less than 25% of its bond authority to be used in conjunction with housing to be constructed or rehabilitated with assistance under the Fair Housing Act; and

WHEREAS, DCA and HMFA are authorized to award monies from the respective funds to municipalities whose housing elements have received substantive certification, to municipalities subject to a builder's remedy or to receiving municipalities in an approved regional contribution agreement (RCA); and

WHEREAS, the Fair Housing Act further provides that during the first 12 months from the effective date of the Fair Housing Act and for any additional time which the Council on Affordable Housing (Council) may approve, DCA and HMFA may assist affordable housing programs which are not located in municipalities whose housing elements have been granted substantive certification or which are not in furtherance of an RCA; provided that the affordable housing program will meet all or part of the municipality's low and moderate income housing obligation; and

WHEREAS, at its public meeting on April 20, 1987, the Council voted to approve an extension to allow DCA and HMFA to award monies from their respective funds to all municipalities; and not just those which have received substantive certification, or are subject to a builder's remedy or are receiving municipalities in an approved RCA; until July 1, 1988 at which time the Council would then evaluate whether any further extension should be approved; and

WHEREAS, at its public meeting on June 20, 1988, the Council discussed whether to approve any further extensions to enable DCA and HMFA to award monies from their respective funds to municipalities other than those enumerated in N.J.S.A. 52:27D-320 & 321; and

WHEREAS, the Council determined that further discussion on the topic was necessary before voting upon the matter and therefore, in light of the impending July 1, 1988 deadline, voted to approved an extension until July 5, 1988, the date of the next Council meeting in order to continue the discussion; and

WHEREAS, at its Council meeting on July 5, 1988, after further discussion, the Council voted to approve an extension of the award of monies from the DCA and HMFA funds until July 1, 1989 to any municipality, provided that the affordable housing program will meet all or part of the municipality's low and moderate income housing obligation; and

WHEREAS, the Council conditioned this extension upon satisfaction of the following:

1. DCA & HMFA shall give funding priority to "urban aid municipalities" as defined in N.J.S.A. 52:27D-178 et seq. and to hold harmless cities; municipalities that have petitioned for substantive certification of their housing elements and fair share plans; municipalities that have received substantive certification; municipalities subject to a builder's remedy; receiving municipalities to an approved regional contribution agreement and municipalities that have received a judgement of compliance from the court;

2. DCA shall propose and adopt regulations that set forth the priorities contained in condition number one by December 15, 1988;

3. DCA and HMFA shall work with municipalities in condition #1 to improve deficient applications.

WHEREAS, the Council further voted that as of July 1, 1989 no further extensions will be approved except for an extension to "urban aid municipalities" and municipalities that have petitioned for substantive certification; and

WHEREAS, the Council has determined that "urban aid municipalities" and municipalities that have petitioned for substantive certification should be permitted to receive HMFA and DCA monies at least until July 1, 1990; and

WHEREAS, the Council determined that it is appropriate to approve the above desired additional extension until July 1, 1989 since the administrative process is still relatively new and the Fair Housing Act requires all municipalities to have a housing element in accordance with the Act by August 1, 1988 which presumably will result in additional municipalities petitioning for substantive certification; and

WHEREAS, the Council further determined that for the administrative process of DCA and HMFA, it is appropriate to provide notice to all parties that the funds would be halted at a certain date in order to give DCA and HMFA sufficient time to deal with applications presently before them that do not satisfy the statutory criteria;

WHEREAS, the Council has determined that it is appropriate to approve a longer extension for "urban aid municipalities" and municipalities that have petitioned for substantive certification because the Fair Housing Act specifically states that deference should be accorded to "urban aid municipalities" when awarding the funds and further because municipalities that have petitioned for substantive certification have undertaken to comply with the petition and satisfy the constitutional obligation and therefore they should be permitted to receive funds;

NOW THEREFORE BE IT RESOLVED, that the Council hereby approves the award of monies from the DCA and HMFA funds established pursuant to the Fair Housing Act to all municipalities, provided that the affordable housing program for which the funds are awarded will meet all or part of the municipality's low and moderate income housing obligation, until July 1, 1989 with the following conditions:

1. DCA & HMFA shall give funding priority to "urban aid municipalities" as defined in N.J.S.A. 52:27D-178 et seq. and to hold harmless cities; municipalities that have petitioned for substantive certification of their housing elements and fair share plans; municipalities that have received substantive certification; municipalities subject to a builder's remedy; receiving municipalities to an approved regional contribution agreement and municipalities that have received a judgement of compliance from the court;

2. DCA shall propose and adopt regulations that set forth the priorities contained in condition number one by December 15, 1988;

3. DCA and HMFA shall work with municipalities in condition #1 to improve deficient applications.

BE IT FURTHER RESOLVED that the Council will not approve any further extension past July 1, 1989 with the exception of "urban aid municipalities" and municipalities that have petitioned for substantive certification; and

BE IT FURTHER RESOLVED that DCA and HMFA award monies to "urban aid municipalities" and municipalities that have petitioned for substantive certification until July 1, 1990.

Council on Affordable Housing

By: 

James L. Logue, III
Chairman

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