

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 the 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, pursuant to N.J.S.A. 52:27D-320(a) and N.J.S.A. 52:27D-321(b) 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 to a builder's remedy or to receiving municipalities in an approved regional contribution agreement (RCA); and

WHEREAS, N.J.S.A. 52:27D-320(c) and N.J.S.A. 52:27D-321(d) further provides that during the first 12 months from the effective date of the Fair Housing Act and for any additional period of time which the Council on Affordable Housing (COAH) 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 COAH voted to approve an extension to allow DCA and HMFA to continue to award monies from their respective funds to all municipalities; said extension to last until July 1, 1988, at which time COAH would evaluate whether an additional extension was appropriate; and

WHEREAS, COAH held a discussion of the matter at its public meeting of June 20, 1988, and at that time determined to extend the approval until its next public meeting on July 5, 1988 so as to permit further discussion of the matter; and

WHEREAS, at its public meeting of July 5, 1988 COAH voted to approve an extension permitting the award of monies from the DCA and HMFA funds to any municipality, provided that the municipality's housing program would meet all or part of its lower income housing obligation, until July 1, 1989; and

WHEREAS, COAH conditioned the extension upon satisfaction of the following:

1. DCA and 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, COAH voted not to approve any further extensions past July 1, 1989 with the exception of "urban aid municipalities" and municipalities that have petitioned for substantive certification; and

WHEREAS, COAH set forth at length in its Resolution of July 5, 1988 the reasons for granting the extension on the terms indicated; and

WHEREAS, COAH has become aware that this interpretation of the Fair Housing Act will result in the loss of federal commitments for funding lower income new construction projects;

WHEREAS, at its public meeting of September 18, 1989, COAH voted to grant an additional classification, in order to permit DCA and HMFA to award monies from their respective funds for municipalities meeting all of the following criteria:

i) the municipality must be subject to the jurisdiction of the Superior Court, pursuant to exclusionary zoning litigation filed against the municipality prior to the municipality's filing of a housing element with COAH; and

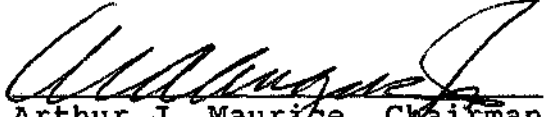
ii) the municipality must have received a commitment of federal funds to be utilized for a lower income new construction project, which project will go toward meeting a portion of the municipality's Mt. Laurel fair share housing obligation; and

iii) said new construction project must be subject to a shortfall in funds necessitating an additional funding source; and

WHEREAS, COAH does not intend for the housing development being funded to replace the litigant's site in the final housing element and fair share plan.

NOW THEREFORE BE IT RESOLVED that COAH hereby approves the award of monies from the DCA and HMFA funds established pursuant to the FHA to all municipalities meeting the criteria set forth above.

COUNCIL ON AFFORDABLE HOUSING


Arthur J. Maurice, Chairman
Council on Affordable Housing

DATED: December 11, 1989.

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