

**RESOLUTION GRANTING HANOVER TOWNSHIP, MORRIS COUNTY A WAIVER FROM
N.J.A.C. 5:97-8.1(d) and N.J.A.C. 5:97-8.7(a)**

COAH DOCKET # 08-2023

WHEREAS, on August 4, 1999, Hanover Township, Morris County, received second round substantive certification of its Housing Element and Fair Share Plan from the Council on Affordable Housing (“COAH”); and

WHEREAS, on September 14, 2005, Hanover received extended substantive certification; and

WHEREAS, on December 21, 2005, Hanover petitioned COAH with its third round Housing Element and Fair Share Plan; and

WHEREAS, The Rose House (“Rose House”), in conjunction with NewBridge Services (“NewBridge”), purchased an existing single-family dwelling at 290 Cedar Knolls Road in Hanover and plans to demolish the existing structure and construct a new, nine- apartment, thirteen-bedroom dwelling; and

WHEREAS, the new dwelling will be comprised of four one-bedroom units and four two-bedroom units, made available to low income individuals with developmental disabilities, housing a maximum of twelve total unrelated residents aged 18 or over, as well as one apartment housing an on-site landlord; and

WHEREAS, to finance the purchase of the property and construction of a new dwelling, Rose House received: \$830,138 from the New Jersey Housing Mortgage and Finance Agency; funding from the

New Jersey Division of Developmental Disabilities in the amount of \$500,000; \$110,000 in financing from the Federal Home Loan Bank of New York; Morris County HOME funds in the amount of \$150,000; funding from United Way in the amount of \$25,000; and a funding commitment from Hanover Township in the amount of \$540,000; and

WHEREAS, Rose House and NewBridge have added a deferred developer's fee to the project in the amount of \$138,456; and

WHEREAS, in a motion dated October 28, 2008, Hanover seeks a waiver from COAH, pursuant to N.J.A.C. 5:96-15.1, from the requirements of N.J.A.C. 5:97-8.1(d) and N.J.A.C. 5:97-8.7(a), enabling the Township to expend \$540,000 from its affordable housing trust fund in support of the supportive and special needs housing being developed by Rose House; and

WHEREAS, N.J.A.C. 5:97-8.1(d) mandates that a municipality may not spend development fees until such time as the municipality obtains approval of its spending plan from COAH and N.J.A.C. 5:97-8.7(d) requires that funds generated by the collection of development fees may only be applied toward housing activity identified in a COAH approved spending plan; and

WHEREAS, the waiver is necessary because the affordable housing project on which the Township wishes to spend affordable housing trust funds is neither identified in its third round Housing Element and Fair Share Plan nor does the Township have a COAH approved spending plan; and

WHEREAS, pursuant to N.J.A.C. 5:96-15.2, COAH's review of a waiver request shall consider whether the strict application of the rule would create an unnecessary hardship; or that such a waiver

fosters the production of affordable housing, fosters the intent, if not the letter, of COAH's rules, and that the Housing Element and Fair Share Plan provide a mix of housing options; and

WHEREAS, granting the waiver requested would foster the production of affordable housing and would serve the intent of COAH's rules by ensuring that Hanover addresses its fair share obligation through a variety of affordable housing options including the creation of supportive and special needs housing; and

WHEREAS, no replies in opposition to Hanover's waiver request were received by COAH; and

WHEREAS, COAH staff has prepared a report dated December 10, 2008, attached and incorporated as Exhibit A, recommending that the waiver from N.J.A.C. 5:97-8.1(d) and N.J.A.C. 5:97-8.7(a) be granted.

NOW THEREFORE BE IT RESOLVED that COAH finds that the waiver is necessary for Hanover to take advantage of an emergent affordable housing opportunity in the municipality, thus fostering the production of affordable housing in the Township and fostering the intent of COAH's rules; and

BE IT FURTHER RESOLVED that the disbursement of funds from Hanover's affordable housing trust fund in support of the supportive and special needs housing being developed by NewBridge and sponsored by Rose House is consistent with the goal of promoting affordable housing in the Township; and

BE IT FURTHER RESOLVED that COAH grants the waiver from the requirements of N.J.A.C. 5:97-8.1(d) and N.J.A.C. 5:97-8.7(a), with the following conditions:

1. Hanover must either petition COAH by December 31, 2008 with a revised third round Housing Element and Fair Share Plan or adopt a resolution within 45 days committing to petition COAH in accordance with the petition deadline extension and terms of extension set forth in the Memorandum of Understanding between COAH and the Highlands Council dated and effective October 30, 2008; and
2. Hanover must include the Rose House supportive and special needs project in its revised third round Housing Element and Fair Share Plan and Spending Plan.

DATED: *December 10, 2008*



Renee Reiss, Council Secretary