



**From:** NJLM - Municipal Clerks [mailto:njlm-clerks@cityconnections.com]  
**Sent:** Friday, January 22, 2010 3:13 PM  
**To:** Lashway, Lisa  
**Subject:** From NJLM COAH Mayors letters

### LEAGUE ALERT

Municipal Clerk: Please forward to Mayor and Governing Body.

January 22, 2010

RE: I. S-1 Reforms Fair Housing Act, Abolishes  
COAH  
II. Governor Publishes Transition Team  
Reports

Dear Mayor:

#### **I. S-1, Reforms Fair Housing Act, Abolishes COAH**

On Tuesday, Senator Raymond Lesniak (D-20) introduced S-1, which makes significant reforms to the Fair Housing Act (FHA) and abolishes the Council on Affordable Housing (COAH.)

The Senate Economic Growth Committee, which Senator Lesniak chairs, will take testimony on the bill on Monday, February 1. The Senator indicates that the bill will again be considered by the Committee on March 8. If approved by the Committee on March 8, the bill could be voted on by the full Senate as soon as March 22nd.

As introduced, S-1 would:

- Abolish COAH and assign any remaining administrative responsibilities to the State Planning Commission;
- Eliminate the statewide calculation of need;
- Forgive prior round unmet need;
- "...permit local governments to take charge of planning for opportunities for affordable housing."
- Amend the State Planning Act to require that the State Plan is amended every six years;
- Allow for certain regional contribution agreements (RCAs) that were extinguished by PL 2008,c. 46 to go forward. The bill statement estimates that as many as 5,000 housing units could be constructed and that up to \$116 million could be transferred to urban municipalities for rehabilitation and redevelopment.

The legislation would authorize a municipality to adopt an ordinance determining that it has provided for an appropriate variety and choice of housing and complied with the Fair Housing Act, if it meets criteria to be determined by the State Planning Commission.

If a municipality does not meet the criteria above, it is to pass an inclusionary zoning ordinance that requires a 20% set-aside for low and moderate income households and workforce housing. The ordinance would require “indirect economic incentives” for builders, such as payments-in-lieu, units built or rehabilitated offsite or alternate design standards. Additionally, a municipality and builder could jointly seek a site-specific reduction in the mandatory set-aside based on economic feasibility.

If a municipality does not meet the criteria to be established and fails to adopt an inclusionary zoning ordinance, a builder has the option to seek a “d” variance. In these cases, the variance application would be assumed to meet the positive criteria and need only to meet the negative criteria. This variance process appears to replace the “builder’s remedy” as the primary enforcement mechanism.

As noted above, this bill will be considered by a Senate committee on February 1 and March 8. To date, there is no Assembly companion but we anticipate an identical bill will be introduced in the General Assembly.

The League is currently reviewing the legislation and will communicate any concerns and suggestions to the sponsor. Likewise, we will continue to provide you with updates on the status of this legislation.

Questions on S-1 can be directed to Mike Cerra at [mcerra@njslom.com](mailto:mcerra@njslom.com) or 609-695-3481 x120.

## **II. Governor Publishes Transition Team Reports**

Earlier today, Governor Christie made available on his website, [www.nj.gov/governor](http://www.nj.gov/governor), the 19 Reports on the various departments of State Government that were prepared by his Transition Team. The Reports can be accessed at: [http://www.state.nj.us/governor/news/news/55\\_2010/approved/20100122a\\_reports.html](http://www.state.nj.us/governor/news/news/55_2010/approved/20100122a_reports.html).

We are in the process of reviewing the Reports and will soon provide you with our analysis.

If you have any problem accessing the Reports, contact Jon Moran at 609-695-3481, ext. 121.

Very Truly Yours,  
William G. Dressel, Jr.  
Executive Director