

RESOLUTION NO. 2008-170

(c)

cc: Admin

OFFERED BY: Bartlett

SECONDED BY: Zimmermann



WHEREAS, the State of New Jersey, through the New Jersey Sports and Exposition Authority ("NJSEA"), is undertaking 2 major construction projects on its property, to wit: Xanadu and the new Giants/Jets Stadium (the "Stadium Project"); and

WHEREAS, all of the NJSEA property is adjacent to the Borough of Carlstadt; and

WHEREAS, despite the location of both Xanadu and the Stadium Project in East Rutherford, the Borough of Carlstadt had no role in the planning or approval of either Xanadu or the Stadium Project because each is located on land controlled by the NJSEA; and

WHEREAS, the growth share rules of the Council on Affordable Housing ("COAH") and recent amendments to the Fair Housing Act impose an obligation on the municipality in which the project is located to provide for affordable housing in proportion to the employment generated by new commercial development such as Xanadu or the Stadium Project; and

WHEREAS, COAH regulations and the Fair Housing Act provide that commercial development in a municipality provides the basis for the municipality's "growth share" of affordable housing based upon the employment projected to be generated by that commercial development; and

WHEREAS, using that growth share basis, Xanadu and the Stadium Project are projected to generate thousands of employees and an affordable housing obligation of in excess of 1,600 units; and

WHEREAS, recent amendments to the Fair Housing Act ("A500/S1783") eliminate the power of Carlstadt to enter into a Regional Contribution Agreement with other municipalities in this region to accept up to 50% of Carlstadt's affordable housing obligation, including those generated by Xanadu or the Stadium Project; and

WHEREAS, those same recent amendments assess a statewide commercial development fee of 2.5% of the cost of development to finance affordable housing obligations generated by commercial development; and

WHEREAS, the New Jersey League of Municipalities has estimated that the development fee as provided for in the recent amendments will fund only a fraction of the cost of affordable housing derived from the commercial development which triggered the affordable housing need, leaving the local citizens and taxpayers to foot the balance of the cost; and

WHEREAS, the recent amendments allow the State to raid affordable housing trust funds established by municipalities; and

WHEREAS, the recent amendments allow the State to raid the fund created by the development fee to pay for affordable housing in areas of the State's choosing instead of allowing municipalities to devise their own solutions to the obligation; and

WHEREAS, the recent amendments create a new bureaucracy known as the State Housing Commission which will bring new costs and expenses with no appreciable benefit to municipalities trying to cope with the burdens created by the recent amendments and with the growth share obligations generally; and

WHEREAS, those same recent amendments and a court decision have exempted the NJSEA from both an obligation to provide affordable housing generated by Xanadu and the Stadium Project and even from paying the commercial development fee otherwise assessed to all other commercial development; and

WHEREAS, those exceptions result in the entire affordable housing obligation generated by Xanadu and the Stadium Project falling on the citizens and taxpayers of Carlstadt and further results in the citizens and taxpayers of Carlstadt subsidizing the State of Jersey in its development of Xanadu and the Stadium Project; and

WHEREAS, these recent amendments even confirm the obligation of Carlstadt to subsidize the affordable housing obligation arising out of the development activity of the State represented by Xanadu and the Stadium Project; and

WHEREAS, the afforested housing obligation generated by Xanadu and the Stadium Project constitute a "state mandate" because they arise solely out of the decision of the State of New Jersey; and

WHEREAS, the New Jersey Constitution provides that the State of New Jersey must pay the cost of such state mandates imposed upon New Jersey municipalities under these circumstances.

NOW THEREFORE, BE IT RESOLVED by the Mayor and Council of the Borough of Carlstadt:

1. The Mayor and Council urge Governor Corzine and the State Legislature to acknowledge the unfairness of the situation described above.
2. The Mayor and Council urge Governor Corzine and the State Legislature to promptly amend the Fair Housing Act to remove the burden of the affordable housing obligation generated by Xanadu and the Stadium Project from the backs of the citizens and taxpayers of East Rutherford.
3. The Mayor and Council urge the State Legislature and Governor Corzine to acknowledge the State's constitutional obligation to pay the cost of these new state mandates for affordable housing derived from Xanadu and the Stadium Project and arising out of the sole decisions of the State of New Jersey over which the citizens and taxpayers of East Rutherford had no power.
4. The Mayor and Council endorse the efforts of the New Jersey League of Municipalities to correct the unjust public policy contained in the COAH growth share rules and in the recent amendments to the Fair Housing Act.
5. A copy of this resolution be sent to: Governor Corzine, Senator Paul Sarlo and all members of the State Senate; Assemblymen Gary Schaer and Fred Scalera and all members of the General Assembly; Dennis Robinson, President of the NJSEA; the New Jersey League of Municipalities; and the Clerk of each municipality in New Jersey.

DATED: July 21, 2008

APPROVED: WM. JAY ROSEMAN, MAYOR

ATTEST: CLAIRE FOY, BOROUGH CLERK

ROLL CALL VOTE				
COUNCIL MEMBER	YES	NO	ABSTAIN	ABSENT
Ritchie				X
Lahullier	X			
Crifasi	X			
Zimmermann	X			
Stoltz	X			
Bartlett	X			

I hereby certify that the foregoing is a true copy adopted by the Borough Council of the Borough of Carlstadt, New Jersey on

July 21, 2008
Claire Foy
Claire Foy, Borough Clerk