

LAWRENCE TOWNSHIP AFFORDABLE HOUSING BOARD
Regular Meeting
Thursday, September 22, 2016

Present: Peter Ferrone, Vice Chairperson
Susan McCloskey
Kevin VanHise, Chairperson
Murali Mallampati

Absent: Jean Washington
Jessica Ann Clifford

Excused Absence: Christopher Bobbitt, Council Liaison

Also Present: Andrew Link, Liaison
Susan Snook, Secretary

Statement of Adequate Notice:

Adequate notice of this meeting has been provided in accordance with the provisions of the Open Public Meeting Act, N.J.R.S. 10:4-10, specifying the date, time and place of the meeting.

Minutes:

The July 28, 2016 were unanimously approved.

Public Participation (for items not on agenda):

None

Expiring Rental Unit Controls:

Mr. Link commented that there is nothing new to report and was mentioned last time that the affordable residents of Avalon Run would be allowed to re-apply to if they wanted to and if they are still income eligible they would be placed on the list according to their initial date of approval. The only problem is there are only 36 units available in Steward's Crossing and they are all occupied.

A question was raised about the owners of Avalon Run. Mr. Link answered that the terms of the controls have expired so the affordable units are no longer affordable and when people go to renew, it will give them another year at the affordable rates, but after that the rates go to the market rate. Mr. Mallampati commented that they actually have to sometime in 2017.

Township Actions:

Mr. Link stated we own four units and gave a brief summary of the following units that the Township has purchased in foreclosures:

- 217 Fountayne Lane: it is under a contract and closing is scheduled for October 25,
- 301 Talon Court: there is additional work that needs to be done to rehabilitate it.
- 319 Colts Circle: we are in the process of reviewing bids to rehabilitate it.

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- 34 Chamberlin Court: the owner passed away and we are contacting the heirs to give them the option to remove the owner's possessions, it fully furnished. If the owner's heirs do not come and get the possessions, we hire a company to come and take it.

Housing Rehabilitation Program:

Mr. Link stated we are going to award a contract to Affordable Housing Administrators which has been our consultant for several years. It is annual appointment and every year we have to award it and they were the low bidder again. Chairperson VanHise asked who it was and Mr. Link stated it is Maureen Fullaway who was, at one time, head of COAH.

Mr. Link continued that when we have rehabs, she has inspectors who inspect the property and define the work items are, she handles the bidding process and then follows through with construction.

Updated Status of Changes at State Level:

Chairperson VanHise stated it has been more of the same and that the appellate division had entered a ruling stating that there was no separate calculable gap period obligation in 1999 to 2015. There is a consultant, Richard Reading, who came out with numbers for Mercer County, Ocean County, Monmouth County and a couple other places and just as his report went public, about three weeks ago, the Supreme Court stated we will re-evaluate that decision and caused all the schedules and proceedings to come to a grinding halt. The State wide calculation is about 100,000 units for that gap period so all of the Towns have to have that share of 100,000. So nobody knows what is going on, except the Supreme Court has waived back in again and that the oral obligations will be held right after Thanksgiving. We will get a decision at their convenience.

All of the Towns in Mercer County has stipulated to Mr. Reading's report, but all of the municipalities and attorneys have met with respective governing bodies because the court has their experts, the advocates have their experts, and all have their own numbers. The court has their own expert and the municipal position, as of now, has been while we fight, it seems to make sense, because the Court hired their own master that would hold the sway with the judge having examined all of the reports and chimed in as an independent person. Therefore, to cut short the process, limit the litigation, the cost and the time associated with that, he has come out with numbers that the Town feels they could accommodate or meet and therefore, if we don't have to fight, we don't have to. This is all on hold because of the Supreme Court.

Mr. Mallampati asked if a builder has to build an apartment complex with ten units, if they all intend to be affordable housing, no market rates, who would price the units. Chairperson VanHise answered it depends what you have, if they are apartment units, they would not be for sale; therefore, it would not be market rate sales price. Mr. Mallampati asked about selling a unit, not market rate, who would price it. Chairperson VanHise stated the Township sets the price by a formula set in place by the State. The Township only cares what the State mandates the maximum sale prices.

Mr. Mallampati asked what is stopping the builder from building just rent based units. Chairperson VanHise stated zoning, inclusion of the Township's plan, the Town might not have a need, like Lawrence, when we get our obligation and exceeded that obligation they have leverage. They can only do what zoning permits. Mr. Mallampati stated this why we have this problem with Avalon Run East, their controls have expired and the people who are living there have to find a different place.

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Mr. Link stated the Township is not obligated to provide affordable housing for these people in Avalon Run, either a market rate or find another place, no requirement that the Township find another place for them. We want to do what we can for them and this is why we are putting them on the list under their original approval date. The Township is making them aware that we know and are giving them other resources, but not our responsibility to find them another place or pay for them to stay in another place.

Chairperson VanHise stated we do not have an obligation to house people in affordable housing per our zoning. When Avalon Run's restrictions, 20 years, despite the dispute, the Town has had these opportunities available and the fact when people rented these units, they knew the controls would be expiring, the opportunity has been available so the Township has fulfilled its obligation. So when we fulfilled our obligation through 1999, there is a new round of obligations because these kind of things happen and the statistics are built to accommodate the need for additional units and that is a part of the new fight.

Vice Chairperson Ferrone asked if this also applies to Eagles Chase. Mr. Link stated the units that are for sale are a thirty year term, but when someone sells the unit, we have the new buyer execute a new term for thirty years. It is on-going in that way.

Other Business:

None

Adjournment:

There being no further business to come before the Board, the meeting was adjourned at 6:54 p.m.

Digital audio file of this meeting is available upon request.

Respectfully submitted,


Susan J. Snook
Recording Secretary

Minutes approved: Oct. 27, 2016