LAWRENCE TOWNSHIP AFFORDABLE HOUSING BOARD

Regular Meeting Thursday, March 22, 2018

Present: Peter Ferrone, Vice Chairperson

Kevin VanHise, Chairperson

Mary McKillip Jarnail Tucker

Absent: Murali Mallampati

Excused Absence: Susan McCloskey

Jean Washington Keva Stewart

Also Present: Andrew Link, Liaison

Christopher Bobbitt, Council 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.

Welcome New Members:

Ms. Stewart was not present at the meeting.

Minutes:

The October 26, 2017 and February 22, 2018 minutes were approved per unanimous vote.

Public Participation (for items not on agenda):

There was someone present at the meeting; however, he was there just to observe.

Expiring Affordable Control:

Mr. Link stated the Township Attorney is preparing documents to have people execute who are living in an affordable units where their controls have expired and they wish to continue. That is the next step and once we have that in place, we will see how everything else works to send our housing inspector to inspect their unit to make sure that everything is up to code. If it is not the Township will repair it and move forward.

Township Actions:

Mr. Link stated:

- 1319 Colts Circle: we have been talking to a real estate agent to help us sell that one because we have exhausted our list and the person that we thought was going to purchase the unit was unable to get financing, which she has tried several times. She is out and no one else on the list is interested. We need help so our Manager suggested that we get a real estate professional to help us.

- 34 Chamberlin Court: we have a signed contract and hopefully she will be able to get financing and will close within two months.
- 232 Federal Point Boulevard: we purchased at a sheriff's sale and we have yet to see the deed from the sheriff's office. Once we get the deed then we will go and take a look at the unit to see the condition it is in. If it needs to be repaired and the repairs will be done and then sell to an eligible income household.

Chairperson VanHise asked if he has seen problems with getting financing on the affordable units. Mr. Link responded definitely. Chairperson VanHise commented that he was in court today and that came up and it is a state wide thing and has gotten worse since 2008 with the codification that the judgment of foreclosure won't extinguish the restrictions because they are protected anyway. They spoke with Judge Bookbinder having to grant waivers and things because the whole market and that is what most of the affordable housing projects that are being approved now in the settlement agreements are really incorporating rental units because it is difficult state wide to get qualified households, not because lack of interest, it is because of qualifying for mortgages they are so tight right now.

Housing Rehabilitation Program:

Mr. Link stated our consultant has sent out ten applications and she has two potential people who are interested in qualifying and she has sent out another ten to additional people. So we do not have any active rehab programs going on at the moment; however, that may change soon. Chairperson VanHise asked if we had our compliance hearing yet. Mr. Link commented that it might be April 30th but that may be pushed back further.

Updated Status of Changes at State Level:

Chairperson VanHise stated Judge Jacobson on Mach 8th issued a 217 page opinion with Princeton and West Windsor as the main plaintiffs. Essentially codifying the methodology for Mercer County, which will be replicated elsewhere around the State. The Fair Share Housing Center immediately after the opinion was released, she distilled all of the exports. Judge Jacobson made her ruling and discuss what the implications of that would be and calculated the obligations for Princeton and West Windsor. There is a conference coming up on Tuesday and then go to compliance hearing at the end of July. So between now and middle of June, Princeton and West Windsor have an obligation to create their affordable housing plans and adopt their ordinances and go back before the court for compliance.

Judge Jacobson has established what the obligations are, they have to make a plan and go back and evaluate those plans against that obligation. The numbers are tracking about 47% of what Mr. Kinsey, who was Fair Share Housing Center expert, what Kinsey calculated them, so the obligation is like half of what the advocate groups were arguing for. They are not double what the municipal groups are, which is a good decision. Chairperson VanHise believes there are going to be appeals filed, there are questions over timing because there a couple different clocks. There was a 20 day clock started on March 8th and that is for motions for reconsiderations or motion to stay at the decision. The other side that could happen is that somebody could wait until July, but the court entered the final judgement and that would be appealable.

West Windsor has a 1,500 unit obligation and not thrilled about that. Princeton has a 753 unit obligation and below what the settlement number was. All the eyes are on from all around the State because it will allow all the judges to replicate it and did get the data sheets from the court's special master on the 19th. For Lawrence the obligation by settlement was 1,110 with vacant land adjustment to 696, her decision says the obligation will be 714. We have to build a plan to 696 units, anything above that goes into an unmet need, that is the difference between the obligation is and what you can actually physically produce; but by the calculations, the Township should actually reduce that unmet need number, basically 15 units.

Mayor Bobbitt stated that Ms. McKinsey is redoing the numbers and that is making it interesting for our Township Attorney, so we are still working through that part. Chairperson VanHise stated that all of this math seems to work out per his spread sheet, but two off from the County wide need. The way the ultimate obligation gets calculated is that the experts figure out what the regional need is and there are essentially three primary factors that portioned it out to the municipality and it is the change in your non-residential ratable base, how much developable land you have in the municipality and your household income levels, those all go in.

One thing the municipality struggles with is that the regional need for Region 4, Mercer County, 35,000 units roughly. If we take an appeal and we can reduce that need by a 1,000 units, this is one thing the municipalities are struggling with right now. There is some certainty know and putting forth a plan, it may impact the experts on both sides to actually trying to run all of the math's and proof what David Kinsey did.

Mayor Bobbitt stated from Council's perspective, we had to pay our special master another amount of money to continue the work on this, what we thought was settled and heard from the Attorney's report that we are still undergoing some back and forth, which is frustrating because we thought we settled. This was also with the vacant land adjustment and seemed to us that we did the right thing, looked at every developable piece of property in the Township and applied the formulas and that is where we ended up.

Mayor Bobbitt that McKinsey is looking at unsewered lands, which basically means north Lawrence, which is why would you build affordable housing at a density that would require sewer, when sewer doesn't exist and talking about infrastructure costs and everything else. This is one thing Mayor Bobbitt has an issue with affordable housing is balancing the Mt. Laurel decision which is a good decision, no issue with Mt. Laurel, it is the sustainability issue and sort of density and appropriateness of affordable housing. The idea of having someone in an affordable housing unit off of Rosedale with no public transportation, no real jobs nearby, no real services nearby, it is a weird place to put affordable housing. This is one thing we are working through with the settlement to get it back to the more appropriate areas.

Chairperson VanHise stated with the settlement number of 1,110, she is trying to squeeze in every unit she can, but again if the numbers are going to be close enough and Lawrence's settlement does provide that if the court adjudicates an obligation less than what the settlement number was you have the ability of take advantage of the lower number and that may give you the ability to go back to her. Mayor Bobbitt stated the numbers from last year were really wacky, so the municipality hired a consultant who had this really low number and fair share had a high number and it met in the middle at the end, but one of the difficulties we had, as a municipality was the fair share housing numbers were going to be, if you portioned it over the entire state, it would have been the biggest building boom ever for this State.

Ms. McKillip asked approximately how many affordable housing units are in Lawrence currently. Mr. Link responded that we have 369 for sale units, but that number is being lowered because some people have chosen not to reapply after their controls have expired and we have 38 rental units and we used to have good bit more in Avalon Run and Avalon Run East, but the term of their controls expired, so we lost those units. As far as our plan is concerned there are other units too that are included in our plan such there are three age restricted affordable all rental units, there is Project Freedom, various group homes within the Township and those are counted toward our numbers. Ms. McKillip asked if the 714 or 696 includes that number. Chairperson VanHise stated these would in addition to.

Mr. Tucker commented that the plans that are being considered, in terms of building, all affordable development or just developments set aside. Mayor Bobbitt answered that at the initial piece is rental housing over the Lenox Drive area and that would be a mix of affordable and market rate. Mayor Bobbitt stated who lives in affordable housing and if you think about everyone lives in affordable housing. One of the things we looked at in rentals something that we could get on board as quickly as possible and the other pieces were sort of overlays. Mayor Bobbitt would rather see a mix of affordable and market rate instead of having separate buildings.

Carl McCall, a Broker stated he had an opportunity to list a property at 39 Zoar Street and as a result of that a public information statement about the property because he wanted to get some feedback. He spoke with a few developers in what the interest was as far as constructing affordable housing. The land is comprised of about 5.9 acres in the R-4 Zone and is presently being used as farmland. He wanted to see what Lawrence participation in affordable was because that was brought up a couple different big developers and thought that Lawrence complied with relations as far as had to be for affordable housing. If anybody got a chance to read it and was sent to Kevin VanHise on January 3; however, Chairperson VanHise stated he never saw it and where was it sent to. He continued to say he did not get any feedback and kind of curious of what the status is as far as affordable housing.

Chairperson VanHise stated he is an attorney by profession and does a lot of affordable housing representation and various municipalities through the state and is on this Board. Essentially the Town has been compliant through the first two rounds when COAH came out with new regulations and when the third round revised rules came out the Township actually jumped ahead and put together a plan and was the first Township to receive certification for COAH. The Township has documentation and a track record and history of being compliant with the affordable housing obligations including when COAH came out with new rules, we were the first Town.

He continued that the court subsequently overturned those rules in 2004 and that is why the Towns are in the court process right now. Back in 2015 the Supreme Court said COAH is nonfunctioning, so the Towns who wanted to participate in COAH, being that COAH is not working anymore, we will open up the doors of the Court and you can come into Court, so Lawrence and several other municipalities in Mercer County went to Court and during the trial it went from July of 2015 through the August of last year, most of the Towns settled, except Princeton and West Windsor.

Lawrence took advantage of the settlement so the Town is compliant by virtue of its settlement agreement and that settlement set the Town's obligations and set forth a preliminary plan to meet that obligation which was agreed by Fair Share Housing and approved by the Court and we are now in the compliance phase, which means you have to get all your paperwork in. The Township is compliant with its affordable housing obligations, but working through them to get the final judgement from the Court.

Mayor Bobbitt stated he is always open to looking at properties that would fulfill it. But it has to be balanced with existing conditions, going through the proper channels and everything like that. Mr. McCall wanted to get some feedback from the Town to see if there was an opportunity to create such a project. It could be a mixed use or affordable housing. But before he spent too much time on it, he wanted to see what the Town's opinion was for this project. Mr. McCall gave Mayor Bobbitt a copy of the tax map showing the property and will send him a copy of the report.

Mayor Bobbitt stated most of it is wetlands. Mr. McCall stated he went to New Jersey Department of Environmental Protection a couple weeks ago for the delineation of the wetlands and obtained the wetland elevations, those elevations are old, years old so the line they used to delineate the actual wetland limits is a lot lower than existing ground that is out there now. He was going to get a couple of surveyor's to go out there and plot some elevations of the existing land. Chairperson VanHise stated that the Shabakunk Creek may be a C1 waterway, so New Jersey Department of Environmental Protection would think a 150' buffer so if you take 150' around the edge line that is irrespective of any wetlands.

Mayor Bobbitt stated to reach out to the Planner, James Parvesse, because he knows every lot in the Town. Mr. McCall stated he will e-mail him the proposal. He continued that the biggest issue is identifying the wetlands. Mayor Bobbitt stated going through our affordable housing settlement the Court's master was pointing out certain property and our Town Planner had to explain that these are unbuildable. Mayor Bobbitt stated he is always open to listening and anything creative we can do.

Other Business:

Ms. McKillip asked if there were still vacancies on the Board. Mr. Link responded that there is one alternate vacancy and someone has interest in it and not sure if she formally applied. Mayor Bobbitt stated Council did not receive anything yet. Ms. McKillip has a co-worker that would be interested, Joyce Scott.

Vice Chairperson Ferrone stated at the last meeting it was mentioned about 515 and 615 Eagles Chase Drive and a week ago and stated that 615 Eagles Chase Drive wanted to re-up and 515 is no longer an affordable unit. Chairperson VanHise commented that the 95/5 units lose 95% of the equity because 90% goes back to the municipality to replace the lost unit.

Vice Chairperson Ferrone spoke about the homeowner's association fees that they go up from \$103 to \$336 and for Mr. Link to let the property management know so they can re-coop the money.

Adjournment:

There being no further business to come before the Board, the meeting was adjourned at 7:07 p.m.

Digital audio file of this meeting is available upon request.

Respectfully submitted,

Susan J. Snook Recording Secretary

Minutes approved: April 26, 2018