

Affordable Housing Board Meeting
Thursday, April 18, 2013

The following are the minutes of the Affordable Housing Board meeting, which was held on Thursday, April 18, 2013 in the Community Development Conference Room, located in the Lawrence Township Municipal Building.

Statement of Proper Notice

Adequate notice of the regular meeting of the Lawrence Township Affordable Housing Board has been provided by filing an annual meeting schedule with the Municipal Clerk, and by filing the agenda with the Municipal Clerk, posting prominently in the Municipal Building, and mailing to the Trenton Times, the Trentonian and the Lawrence Ledger.

Opening of Meeting/Roll Call (6:30 p.m.):

Present: Peter Ferrone, John Masso, Susan McCloskey, Kevin VanHise, Walker Ristau, Jean Washington

Absent: None

Excused Absence: William Capell

Also Present: J. Andrew Link, Principal Planner, Susan Snook, Secretary

Approval of Minutes:

The February 21, 2013 minutes were approved as submitted by unanimous vote.

General Public Comment:

Ms. Sheran Boddie came to the meeting to observe first because this is the first time she attended a meeting and then she will say what she has to say.

Ms. Boddie stated she lived at Lawrence Square Village since 1987 and has seen some changes that she does not like. Her home went into foreclosure; however, she did get her house back. She is having other people check on different things and found out that investors are purchasing affordable units. She wants to know how this happened. She thought people on the list were supposed to buy the homes.

Ms. Boddie does not know if the investors purchased through a foreclosure. Ms. Boddie stated she did not know what the income levels are and are we still using the 1978 income levels. Chairperson VanHise stated the income levels are adjusted every year and the problem State wide is on the for sale units is the low income units, there are people with a low income have a lower assets and because credit is so tight right now, they are not able to qualify for mortgages or don't have enough money to put down that will satisfy the mortgage company.

Ms. Boddie asked what if a moderate income would apply for a low unit. Chairperson VanHise stated only if a hardship is granted and not all moderates want to buy a low income unit because if a low income unit seller does get a hardship that means a moderate income person can buy that unit but when they go to sell it is still a low income restricted unit.

There are a lot of units in foreclosure and that is why we see a lot of investors at the Sheriff's sales and start bidding on the units and the Township has taken a lot of steps to prevent that. When the Township hears a unit is under foreclosure, Mr. Link is notified. Ms. Boddie asked what the moderate income limit would be for a person buying the unit and Mr. Link read from the COAH sheet for a two person household for a moderate unit, the income range would be \$36,557 to \$58,409 and if the person applying falls in that range they would be eligible for the moderate unit. If it is a three person household, the range is \$41,126 to \$65,802.

Chairperson VanHise asked Mr. Link if we lost any units in Lawrence Square Village. Mr. Link stated there were some units that went into foreclosure and were bought by a private person and they are no longer a part of our affordable housing program, but it has not happened in ten years. Ms. Washington stated then we are not notified when a house goes into foreclosure. Mr. Link stated it is getting better, our Clerk has to be notified when an affordable housing unit goes into foreclosure and she notifies this office and Mr. Link explained the procedure he has to follow. Mr. Link stated the people on the list are not notified when an affordable housing unit is under foreclosure because it does not work that way.

Mayor Kownacki asked Ms. Boddie to get the addresses to Mr. Link so he can check them out.

Hardship Waiver Procedure Discussion:

Chairperson VanHise explained that the Board entertained and approved an application and one thing we found as a result of to tighten up the procedures. We were working with procedures from a decade ago and try to mesh those with the new requirements.

Chairperson VanHise asked the Board members for any input. Mayor Kownacki asked to run thru the procedure. Chairperson VanHise stated there is a provision in the old the COAH rules and under the Land Use Ordinance that if you have a deed restricted COAH unit that you are not able to actually sell to another income qualified individual; you can apply for a waiver of the rules.

There is a proof requirement where you have to demonstrate how you market it, what you have done to market it, how long you have been doing it what ads to run. We did not have a set procedure that needs to be run in a number of newspapers, in the MLS and advertise on the web site. We were struggling on what the level of proof is required to meet those and also found is the issue was a low income unit and the Township maintains a list of eligible buyers, went through that list, could not find a buyer, had some issues with the realtor, hired a new realtor, he reached out to people on the list and no one was interested in the unit so he is ineligible to obtain the moderate income list because the Township will not release the moderate income qualified individuals until they actually get a waiver.

The problem is that if they are marketing the unit through the MLS, and that is what happened in this case, they had an individual who was interested in buying it, signed the contract to buy it, and actually thought they were going to meet the income qualification; however, he was over the income for a low unit but qualified for a moderate income unit. So he jumps over everyone on the moderate list because they were not eligible to market it to everybody who was on the moderate list, yet they had a contract. We wanted to give a thought about if there is some kind of administrative procedure; do we want to encourage after six months or after a certain amount of time they can go in and administratively approve it and give them the list and reaches out to the people on the list; but tells the homeowner they have to apply for waiver or do we want to keep the procedure the same where you do not give out that list until they obtain the waiver, but then you run the risk of what happened last time where a buyer comes off the street and jumps everyone on the list.

This is what the Board was struggling with and there are good reasons for both. You do not want to contact everyone on the opposite list and then find out the buyer does not qualify for a hardship waiver because now there a bunch of people interested and now can't buy the unit. The other side is for the inability to obtain the list is more time that they are not selling the unit.

Mayor Kownacki asked what the outcome was. Chairperson VanHise stated we granted the hardship in light of the circumstances; she had some medical conditions and was looking to get out as soon as possible. It was a third floor unit and there were some valid reasons why the unit was more difficult to sell and in light of everything we granted that one but we should really visit our procedures so in case we have one again and we do not want to make it any easy process. Mr. Link stated the Board needs to develop a policy so we have a set procedure to follow in the future and it won't be as difficult to make a decision next time.

The township is actually the facilitator between the buyer and the seller and have formulas and look at what your income is when you are buying a unit and also look at your income as you are selling a unit; they will act as a mediator. Mayor Kownacki stated he does not want a lot of weight put onto Mr. Link's shoulders with making a decision; therefore, we have to take the next step and form a sub-committee with the guidance of Mr. Link. Does this mean this will go in front of the Planning Board because it would change the Master Plan? Mr. Link stated this was done back in 1998 and it is a good question. Mr. Link stated maybe the procedures should be put into the Land Use Ordinance. Chairperson VanHise stated the original COAH rules, it was either done by deed restrictions on the unit and put in with a hardship waiver, but then COAH took it out and then units were going into foreclosure.

Mr. Link stated there is some language in the Land Use Ordinance currently; but not enough to guide the Board in a decision. Chairperson VanHise suggested that he will work with Mr. Link and try to get what kind of proof we would like. What would satisfy on an initial application or would they come in and we would require a certain number of notices or just general things we can do. Ms. Washington volunteered to be put onto the sub-committee. If the Board is comfortable with the new procedure it could be circulated to the Mr. Krawczun and Mr. Roskos and see if we want to Ordinance it or something we want to adopt by the Board as a resolution.

Mr. Ferrone stated we should go through the last hardship and see what we required them to do and use this as our cornerstone. Chairperson VanHise stated we did not have a lot of standards; the homeowner did a lot of explaining. We will have an application with a checklist, once the applicant has complied then they can apply to the Board for a hardship; however, if it is incomplete, we will not even hear it or apply for a waiver because they could not do three ads in the newspaper; but I did x, y and z.

Status of Changes at State Level

Chairperson VanHise stated nothing has changed that he is aware of and the Governor refuses to call COAH "COAH" on the web-site. They are not going to officially acknowledge COAH until the Supreme Court makes them or the executive branch was right and extinguish it.

Other Business:

None

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Adjournment:

The meeting was adjourned at 7:34 p.m. The next meeting will be held on May 16, 2013 at 6:30 p.m.

Susan Snook
Secretary

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