

Affordable Housing Board Meeting
Thursday, October 23, 2014

The following are the minutes of the Affordable Housing Board meeting, which was held on Thursday, October 23, 2014 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:

Present: Peter Ferrone, John Masso, Susan McCloskey, Kevin VanHise, Murali Mallampati

Absent: James Kownacki, Council Liaison

Excused Absence: Jean Washington, Walker Ristau

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

Approval of Minutes:

The July 24, 2014 minutes were approved as submitted by unanimous vote.

Approval of 2015 Meeting Schedule:

The Board members changed the December meeting date from the 24th to the 17th.

Public Comment:

None

Housing Rehabilitation Program Update:

Mr. Link stated we have two units that are being finished and two new units that are being started. One of the new ones, 53 Joyner Court, the Township owns it because the owner was going into foreclosure so the Township decided to purchase the unit before it got to that point. The Township will fix it up with our rehabilitation program and sell to an affordable household.

Township Actions:

Mr. Link stated 12 Mendry Court is a for sale unit where the owner has been renting it so our attorney has taken the approach to evict the tenants, which will put pressure on the owner to do whatever he needs to do to sell the unit. Our attorney is preparing the document and has not been sent out yet and it will be sent to the tenants and the owner.

Mr. Link stated we have two others units being rented out and notices will be sent to them.

Mr. Mallampati asked about buying back a unit it has to be in foreclosure. Mr. Link stated this person was going to lose the unit and we try to keep units in our program and we try to intervene before it goes to a sheriff sale, which is our preferred method.

Affordable Housing Board Meeting
Thursday, October 23, 2014
Page 2

The owners offered the unit to the Township stating they were going to lose the unit and if the Township was interested in purchasing it. Mr. Mallampati wanted to know what basis does the Township want to buy it or we do not want to purchase this unit. Mr. Link stated the price was to cover her obligations and with that and the cost of rehabilitation will be able to sell it at what is the allowable maximum price according to the State's formula. We look at each case as it comes along.

Chairperson VanHise stated that if the affordable controls will be lost in foreclosure process, the Township has incentive to go and acquire the unit to preserve those controls because it will still be in the Township's inventory.

Mr. Mallampati asked if any units that were built, there was a specific year about a unit can be sold at a market rate. Mr. Link stated the units in Liberty Green all have deeds restrictions that will be terminated in a sheriff's sale and same as with Eagles Chase, all deed restrictions will be terminated. Mr. Ferrone stated that is how Eagles Chase acquired 310 Talon Court which is now owned by Eagles Chase. Chairperson VanHise stated the ones that are in an established development, it is usually in the Master Deed and the individual deeds to the units. 2004 the regulations changed the provision and a lot of the Townships were not using the new deed restrictions because they had some type of formula built into it.

Mr. Mallampati stated about Liberty Green there are two units that went up for a sheriff's sale which are affordable units. The Township was not interested in purchasing those units, so what is the criteria the Township looks at before purchasing a unit. Mr. Link stated it did not get to a sheriff's sale. Mr. Mallampati stated the keys were handed to the Association and got the judgment. Chairperson VanHise stated a judgment of foreclosure will extinguish the restrictions only if it made by the primary lender. However, if the Association takes it to a foreclosure, the restrictions do not come off. If any illegal secondary lender would take it to foreclosure, the restrictions do not come off. Some lenders consented and have talked to the banks and everybody agrees that the foreclosure will not extinguish the restrictions.

Status of Changes at State Level

Chairperson VanHise stated COAH came out with the new proposed rules and generated 3,000 comments (what was wrong with the rules). Fair Share Housing or one of the advocacy groups went back to the Supreme Court saying that COAH has dropped the ball and they do not meet the letter of the Court order for round 1 and 2 methodology and the Supreme Court denied this request.

The Supreme Court denied it because the Head of DCA had assured the Board they were on track. The proposed rules are out and are getting comments. DCA stated they can do amendments, similar to what was done in 2008, and assured the Court they are meeting the deadline, and by the end of October, the rules will be adopted and published and will be in place.

The original meeting was scheduled in early October and the meeting was re-scheduled. Six members were present; the Board consists of 13 members, which six are eligible to vote. However, the first motion was to table things because of the comments so we need to reevaluate the rules and no rule amendments that are proposed like in 2008. In 2008 they adopted the rules and on the next agenda, the item was an introduction of amendments. However, this time there were no proposed amendments, a motion was made to table it and the vote was three yes and three no's; therefore, it fails because it did not get the majority. Second item was to adopt the rules and the vote fails. Motion was made to go into a closed session and motion was to adjourn the meeting.

Affordable Housing Board Meeting
Thursday, October 23, 2014
Page 3

There is no word from COAH whether or not they will make that deadline because the deadline is tomorrow and they will not make it because they are behind the notice requirements. Failure to adopt rules on a motion when you had a quorum and now you have to get them again is sufficient enough to waive a notice requirement for public meetings.

Even if the Township did not like the rules, there would have been some and at least start to plan and then to modify as the amendment came out. The advocacy groups will file with the Supreme Court again that the argument being COAH is unable to meet the statutory charge of the administration of affordable housing if they can't adopt rules. It took 10 years to adopt the third round rules and still not done. Have a special master to create rules and this would violate the separation of powers and can't have a judicial branch of government creating administrative regulations. The Supreme Court has two new members since the last ruling.

Other Business:

None

Adjournment:

The meeting was adjourned at 6:59 p.m. The next meeting is January 22, 2015.


Susan Snook
Secretary

SJS

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