

BOROUGH OF RED BANK

COUNTY OF MONMOUTH

RESOLUTION NO. 08-139

RESOLUTION URGING THAT THE GOVERNOR AND STATE LEGISLATORS NOT TO APPROVE AFFORDABLE HOUSING BILLS A-500 AND S-1783

Mr. DuPont offered the following resolution and moved its adoption:

WHEREAS, New Jersey is in the midst of a major fiscal and tax crisis, and

WHEREAS, governments at all levels throughout the State are struggling to maintain services while not increasing the already substantial tax burden on its citizens; and

WHEREAS, there also exists a significant downturn in the housing market, with housing prices either stagnating or falling, reducing both development and the collection of fees for the Borough's Affordable Housing Trust Fund; and

WHEREAS, through no fault of its own, the development of Affordable Housing in the Borough has also been adversely impacted by the sewer ban imposed by the Two River Water Reclamation Authority; and

WHEREAS, certain legislation known as Assembly Bill A-500 and Senate Bill S-1783, have been submitted to the State Legislature for a vote, which, if approved, will create severe financial impacts upon municipalities and taxpayers and further reduce the development of affordable housing throughout the State, and within the Borough of Red Bank in particular, for the following reasons:

1. The Bills abolish RCA Agreements, which are a substantial tool for enabling municipalities to meet their COAH obligations and for the rehabilitation of older communities such as the Borough of Red Bank;
2. The Bills propose to relieve commercial developers from the obligation to contribute to municipal Affordable Housing Trust Funds, but at the same time do not relieve municipalities of their obligation to construct affordable units required as a result of that same commercial development, thereby giving municipalities no option to fund that portion of their affordable housing obligations other than through increased property taxes;
3. Under the proposed legislation, the fees previously paid to the Borough by commercial developers will be paid to a newly-established state fund, the effect of which will be to remove such funds from the control of the Borough and place them within the discretionary authority of a new state bureaucracy, which may not be sensitive to the particular needs of the Borough of Red Bank;
5. The Bills relieve commercial developers of a substantial portion of the financial obligation to fund affordable housing growth and thereby shifts a larger burden to fund those obligations to taxpayers and municipalities. The League of Municipalities estimates this additional funding shortfall to be approximately \$4,800,000,000 through the year 2018.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council Borough of Red Bank that it strenuously objects to and urges the defeat Assembly Bill A-500 and Senate Bill S-

1783 as such legislation will cause substantial additional financial burdens and hardships upon municipalities and taxpayers in this State and will not promote the development of affordable housing in this State;

BE IT FURTHER RESOLVED that the Borough Clerk is hereby directed to send copies of this resolution to Governor Corzine, Senator Beck and Assemblypersons O'Scanlon and Cassagrande.

Seconded by Ms. Lee and adopted on roll call by the following vote:

	Yes	No	Abstain	Absent
Mr. Curley	(x)	()	()	()
Mr. Murphy	(x)	()	()	()
Ms. Lee	(x)	()	()	()
Mr. DuPont	(x)	()	()	()
Ms. Cangemi	(x)	()	()	()
Ms. Horgan	(x)	()	()	()

Dated: June 23, 2008