

BOROUGH OF RED BANK

COUNTY OF MONMOUTH

RESOLUTION NO. 08-261

RESOLUTION REQUESTING REVIEW AND APPROVAL OF A MUNICIPAL AFFORDABLE HOUSING TRUST FUND SPENDING PLAN BY THE NEW JERSEY COUNCIL ON AFFORDABLE HOUSING FOR SUBSTANTIVE CERTIFICATION

Ms. Lee offered the following resolution and moved its adoption:

WHEREAS, the Governing Body of the Borough of Red Bank petitioned the Council on Affordable Housing (COAH) for substantive certification on December 22, 2008; and

WHEREAS, the Borough of Red Bank received approval from COAH in, or about July, 2006 of a development fee ordinance and is further awaiting COAH approval of a revised development fee ordinance, enacted in December 2008; and

WHEREAS, the development fee ordinance establishes an affordable housing trust fund that includes development fees, payments from developers in lieu of constructing affordable units on-site, barrier free escrow funds, rental income, repayments from affordable housing program loans, recapture funds, proceeds from the sale of affordable units; and

WHEREAS, N.J.A.C. 5:97-8.1(d) requires a municipality with an affordable housing trust fund to receive approval of a spending plan from COAH prior to spending any of the funds in its housing trust fund; and

WHEREAS, N.J.A.C. 5:97-8.10 requires a spending plan to include the following:

1. A projection of revenues anticipated from imposing fees on development, based on pending, approved and anticipated developments and historic development activity;
2. A projection of revenues anticipated from other sources, including payments in lieu of constructing affordable units on sites zoned for affordable housing, funds from the sale of units with extinguished controls, proceeds from the sale of affordable units, rental income, repayments from affordable housing program loans, and interest earned;
3. A description of the administrative mechanism that the municipality will use to collect and distribute revenues;
4. A description of the anticipated use of all affordable housing trust funds pursuant to N.J.A.C. 5:97-8.7, 8.8, and 8.9;
5. A schedule for the expenditure of all affordable housing trust funds;
6. If applicable, a schedule for the creation or rehabilitation of housing units;
7. A pro-forma statement of the anticipated costs and revenues associated with the development if the municipality envisions supporting or sponsoring public sector or non-profit construction of housing; and
8. A plan to spend the trust fund balance as of July 17, 2008 within four years of the Council's approval of the spending plan, or in accordance with an implementation schedule approved by the Council;

9. A plan to spend and/or contractually commit all development fees and any payments in lieu of construction within three years of the end of the calendar year in which funds are collected, but no later than the end of third round substantive certification period;
10. The manner through which the municipality will address any expected or unexpected shortfall if the anticipated revenues from development fees are not sufficient to implement the plan; and
11. A description of the anticipated use of excess affordable housing trust funds, in the event more funds than anticipated are collected, or projected funds exceed the amount necessary for satisfying the municipal affordable housing obligation; and

WHEREAS, the Borough of Red Bank has prepared a spending plan consistent with N.J.A.C. 5:97-8.10 and P.L. 2008, c.46.

NOW, THEREFORE, BE IT RESOLVED that the Governing Body of the Borough of Red Bank requests that COAH review and approve the Borough of Red Bank’s spending plan.

Seconded by Mr. Murphy and adopted on roll call by the following vote:

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

Dated: December 22, 2008