



State of New Jersey

DEPARTMENT OF COMMUNITY AFFAIRS

101 SOUTH BROAD STREET

PO BOX 800

TRENTON, NJ 08625-0800

(609) 292-6420

CHRIS CHRISTIE
Governor

KIM GUADAGNO
Lt. Governor

RICHARD E. CONSTABLE, III
Commissioner

July 11, 2013

David J. Rosen
Legislative Budget and Finance Officer
Office of Legislative Services
State House Annex
PO Box 068
Trenton, NJ 08625-0068

Dear Mr. Rosen:

The purpose of this letter is to provide written responses to questions raised by members of the Assembly Budget Committee during the department's May 9, 2013 budget hearing.

Assemblyman Prieto

- How many municipal affordable housing trust fund spending plans were submitted and how many were approved by the Council on Affordable Housing and the Office of Local Planning Services in 2010, 2011, 2012, and 2013, respectively?

A total of 95 municipal spending plans were submitted during the period 2010 thru 2013. In 2010, 23 were approved; in 2011, 27 approved; in 2012, 29 approved; and in 2013, one (1) plan was approved.

- How much municipal accumulated absence liability has accrued that would not have if the Governor had signed Senate Bill No. 2220 (1R) of the 214th Legislature (2010-2011)?

DCA does not have data that would allow us to calculate what has been requested, though we do have data that indicates almost \$50 million of additional unpaid sick and vacation time has accrued since the Governor first called on the Legislature to end the practice of allowing local governments to pay employees for accrued sick and vacation time.



Assemblywoman Watson Coleman

- Which municipal spending plans, and in what amounts, were approved by the Council on Affordable Housing at its meeting on Wednesday, May 1, 2013?

Council action is not required to approve spending plans. The Executive Director has been delegated authority to approve, among other things, spending plans that are consistent with the regulations. The municipalities listed under item #4, Delegation of Authority, on the May 1, 2013 COAH agenda were considered by the Executive Director. The approved spending plans forecast expenditure of fund balances totaling \$69,412,058.83.

- Did the Department of Community Affairs notify any State departments, agencies, authorities, or other entities of the issuance of proposed regulations for the collection and expenditure of development fees and payments in lieu of constructing affordable housing? (See PRN 2012-60).

The regulations were never proposed.

Assemblyman Schaer

- How many applications for assistance from the New Jersey HomeKeeper Program are pending review by the New Jersey Housing and Mortgage Finance Agency?

The Christie Administration focused its efforts to make the New Jersey HomeKeeper Program more efficient and responsive while expanding access to help as many families as possible. New Jersey HomeKeeper has provided approximately \$147 million in assistance with an average loan of \$40,000. Over 2,000 loans were closed in 2012, and HMFA is on pace to do over 3,000 loans in 2013.

As of May 10, 2013, 1,120 applications were under review.

Assemblyman Bucco

- Is a municipality required to receive substantive certification of the housing element of its municipal master plan from the Council on Affordable Housing prior to the adoption of a development fee ordinance and the establishment of an affordable housing trust fund?

Substantive certification of the Housing Element and Fair Share Plan is not required for a municipality to adopt a development fee ordinance or establish an affordable housing trust fund. Any municipality that is under the jurisdiction of the Council on Affordable Housing (COAH) or is seeking a judgment of compliance through the court may adopt a development fee ordinance with review and approval by COAH.

Assemblyman Singleton

- The Fiscal Year 2014 Budget indicates a spending rate of 85% for the State Rental Assistance Program (SRAP). Please provide data on the year-to-year SRAP spending rate?

DCA has set a Fiscal Year 2014 target spending rate of 85% for SRAP. Actual spending rates for Fiscal Years 2011, 2012 and 2013 year-to-date are as follows:

Fiscal 2011 – 86%
Fiscal 2012 – 85%
Fiscal 2013 YTD – 90%

Assemblyman Brown

- How many affordable housing units were built in each of the 5 years prior to the enactment of Assembly Bill No. 500 of the 213th Legislature (2008-2009), now P.L. 2008, c. 46? How many affordable housing units were built in each of the 5 years following the enactment of P.L. 2008, c. 46?

| Year | No. of Affordable Housing Units Built |
|-------|---------------------------------------|
| 2005 | 3,386 |
| 2006 | 2,518 |
| 2007 | 3,035 |
| 2008 | 1,926 |
| 2009 | 3,289 |
| 2010 | 1,484 |
| 2011 | 2,272 |
| 2012 | 2,394 |
| 2013* | 843 |

* year-to-date

The economic downturn beginning in 2009/ 2010 had a direct impact on all types of construction including affordable housing units.

Thank you for the opportunity to respond to your questions.

Sincerely,



Richard E. Constable, III
Commissioner

C: Charlene Holzbaur, Office of Management and Budget
Mary Messenger, Assembly Democratic Office
Jerry Traino, Assembly Republican Office
Scott A. Brodsky, Office of Legislative Services