ASSEMBLY, No. 5112

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED DECEMBER 10, 2020

Sponsored by:
Assemblyman RONALD S. DANCER
District 12 (Burlington, Middlesex, Monmouth and Ocean)
Assemblyman DANIEL R. BENSON
District 14 (Mercer and Middlesex)

Co-Sponsored by:
Assemblywoman Stanfield

SYNOPSIS

Establishing veterans' affordable housing preference; authorizing bonus fair share credit for veterans' affordable housing.

CURRENT VERSION OF TEXT

As introduced.

(Sponsorship Updated As Of: 1/25/2021)

AN ACT concerning veterans' affordable housing preference and fair share bonus credit, and amending and supplementing P.L.1985, c.222.

BE IT ENACTED *by the Senate and General Assembly of the State of New Jersey:*

1. Section 11 of P.L.1985, c.222 (C.52:27D-311) is amended to read as follows:

11. a. In adopting its housing element, the municipality may provide for its fair share of low and moderate income housing by means of any technique or combination of techniques which provide a realistic opportunity for the provision of the fair share. The housing element shall contain an analysis demonstrating that it will provide such a realistic opportunity, and the municipality shall establish that its land use and other relevant ordinances have been revised to incorporate the provisions for low and moderate income housing. In preparing the housing element, the municipality shall consider the following techniques for providing low and moderate income housing within the municipality, as well as such other techniques as may be published by the council or proposed by the municipality:

(1) Rezoning for densities necessary to assure the economic viability of any inclusionary developments, either through mandatory set-asides or density bonuses, as may be necessary to meet all or part of the municipality's fair share in accordance with the regulations of the council and the provisions of subsection h. of this section;

(2) Determination of the total residential zoning necessary to assure that the municipality's fair share is achieved;

(3) Determination of measures that the municipality will take to assure that low and moderate income units remain affordable to low and moderate income households for an appropriate period of not less than six years;

(4) A plan for infrastructure expansion and rehabilitation if necessary to assure the achievement of the municipality's fair share of low and moderate income housing;

(5) Donation or use of municipally owned land or land condemned by the municipality for purposes of providing low and moderate income housing;

(6) Tax abatements for purposes of providing low and moderate income housing;

(7) Utilization of funds obtained from any State or federal subsidy toward the construction of low and moderate income housing;

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined <u>thus</u> is new matter.

(8) Utilization of municipally generated funds toward the construction of low and moderate income housing; and

(9) The purchase of privately owned real property used for residential purposes at the value of all liens secured by the property, excluding any tax liens, notwithstanding that the total amount of debt secured by liens exceeds the appraised value of the property, pursuant to regulations promulgated by the Commissioner of Community Affairs pursuant to subsection b. of section 41 of P.L.2000, c.126 (C.52:27D-311.2).

b. The municipality may provide for a phasing schedule for the achievement of its fair share of low and moderate income housing.

c. (Deleted by amendment, P.L.2008, c.46)

d. Nothing in P.L.1985, c.222 (C.52:27D-301 et al.) shall require a municipality to raise or expend municipal revenues in order to provide low and moderate income housing.

e. When a municipality's housing element includes the provision of rental housing units in a community residence for the developmentally disabled, as defined in section 2 of P.L.1977, c.448 (C.30:11B-2), which will be affordable to persons of low and moderate income, and for which adequate measures to retain such affordability pursuant to paragraph (3) of subsection a. of this section are included in the housing element, those housing units shall be fully credited as permitted under the rules of the council towards the fulfillment of the municipality's fair share of low and moderate income housing.

f. It having been determined by the Legislature that the provision of housing under P.L.1985, c.222 (C.52:27D-301 et al.) is a public purpose, a municipality or municipalities may utilize public monies to make donations, grants or loans of public funds for the rehabilitation of deficient housing units and the provision of new or substantially rehabilitated housing for low and moderate income persons, providing that any private advantage is incidental.

g. A municipality which has received substantive certification from the council, and which has actually effected the construction of the affordable housing units it is obligated to provide, may amend its affordable housing element or zoning ordinances without the approval of the council.

h. Whenever affordable housing units are proposed to be provided through an inclusionary development, a municipality shall provide, through its zoning powers, incentives to the developer, which shall include increased densities and reduced costs, in accordance with the regulations of the council and this subsection.

i. The council, upon the application of a municipality and a developer, may approve reduced affordable housing set-asides or increased densities to ensure the economic feasibility of an inclusionary development.

j. (1) A ⟦municipality may enter into an agreement with a⟧ developer ⟦or⟧ , residential development owner ⟦to⟧ , or

administrative agent for affordable housing in a municipality, as applicable, shall provide a preference for both rental and ownership affordable housing to low to moderate income veterans [who served in time of war or other emergency, as defined in section 1 of P.L.1963, c.171 (C.54:4-8.10), of up to 50] , regardless of war service, of the United States Armed Forces, or a Reserve Component thereof, or the New Jersey National Guard. The veterans preference shall be applicable to no less than 50 percent of the affordable units in [that] a particular project. This preference shall be established in the applicant selection process for available affordable units so that applicants who are veterans [who served in time of war or other emergency] , as referenced in this subsection, and who apply within 90 days of the initial marketing period shall receive preference for the [rental] occupancy of the agreed-upon percentage of affordable units. After the first 90 days of the initial 120-day marketing period, if any of those units subject to the preference remain available, then applicants from the general public shall be considered for occupancy. Following the initial 120-day marketing period, previously qualified applicants and future qualified applicants who are veterans [who served in time of war or other emergency] , as referenced in this subsection, shall be placed on a special waiting list as well as the general waiting list. The veterans on the special waiting list shall be given preference for affordable units, as the units become available, whenever the percentage of preference-occupied units falls below the agreed upon percentage. Any [agreement to provide] affordable housing preferences for veterans provided pursuant to this subsection shall not affect a municipality's ability to receive credit for the unit from the council, or its successor.

(2) In addition to the affirmative marketing otherwise required for affordable units, the Adjutant General of the Department of Military and Veterans Affairs shall provide appropriate outreach to veterans to enhance awareness of the veterans preference and the steps necessary to take advantage of the preference. In order to facilitate appropriate outreach to veterans, the Adjutant General shall maintain a registry of veterans who have expressed interest in, or may be eligible for, affordable housing, and the regions or municipalities in which the veterans live, or would be willing to live, should affordable housing become available. In order to ensure that affordable units are offered to eligible veterans before non-veterans, in accordance with the requirements of this subsection, the Adjutant General shall coordinate with the council or its successor, the department, the agency, and developers and residential development owners.

(cf: P.L.2013, c.6, s.1)

2. (New section) Notwithstanding any limitation on the percentage of a municipality's fair share obligation that may be satisfied through bonus credits, the municipality shall receive one unit of credit and one-half bonus credit for each unit of housing occupied or reserved for occupancy by a low or moderate income veteran, regardless of war service, of the United States Armed Forces, or a Reserve Component thereof, or the New Jersey National Guard, pursuant to subsection j. of section 11 of P.L.1985, c.222 (C.52:27D-311).

3. The Commissioner of Community Affairs, in accordance with the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), and in consultation with the Adjutant General of the Department of Military and Veterans Affairs, shall adopt the rules and regulations necessary to effectuate P.L. , c. (C.) (pending before the Legislature as this bill) on or before the effective date of P.L. , c. (C.) (pending before the Legislature as this bill).

4. This act shall take effect on the first day of the fourth month next following enactment.

STATEMENT

This bill would establish a veterans' affordable housing preference, and would offer municipalities bonus fair share credits for veterans' affordable housing. Specifically, the bill would require the developer, residential development owner, or administrative agent for affordable housing in a municipality to provide a preference to low to moderate income veterans, regardless of war service, of the United States Armed Forces, or a Reserve Component thereof, or the New Jersey National Guard, with regard to no less than 50 percent of the affordable units in a project. This requirement would apply to both rental and ownership affordable housing. Under existing law, municipalities are permitted to enter into agreements with owners and developers to establish similar veterans preferences for up to 50 percent of the housing in a development. This bill would require a veterans preference for no less than 50 percent of the housing in a development.

In addition to the affirmative marketing otherwise required for affordable units, the bill directs the Department of Military and Veterans Affairs to provide appropriate outreach to veterans to enhance awareness of the veterans preference and the steps necessary to take advantage of the preference. In order to facilitate appropriate outreach to veterans, the bill requires the department to maintain a registry of veterans who have expressed interest in, or may be eligible for, affordable housing, and the regions or municipalities in which the veterans live, or would be willing to

live, should affordable housing become available. In order to ensure that affordable units are offered to eligible veterans before non-veterans, in accordance with the requirements of this bill, the bill requires the department to coordinate with the council or its successor, the department, the agency, and developers and residential development owners.

Additionally, the bill provides that a municipality would receive one unit of credit and one-half bonus credit for each unit of housing occupied or reserved for occupancy by a low or moderate income veteran.

The bill requires the Commissioner of Community Affairs to adopt rules and regulations, in consultation with the Adjutant General of the Department of Military and Veterans Affairs, to effectuate the purposes of the bill on or before the effective date of the bill. The bill would take effect on the first day of the fourth month next following enactment.