

SENATE BILL NO. 2577
(Second Reprint)

To the Senate:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Senate Bill No. 2577 (Second Reprint) with my recommendations for reconsideration.

This bill would permit the conversion of age-restricted housing developments to non-age-restricted housing developments, under certain circumstances, and make additional modifications to the current laws governing the provision of affordable housing. For example, the bill would authorize such conversions when the developer agrees to set aside up to 20% of the units in the converted development for affordable housing. The bill also would prohibit the conversion of any development where the developer had conveyed or accepted a deposit for even a single housing unit. The bill would make other changes to the affordable housing laws, including authorizing certain municipalities to provide preferences for occupancy of affordable housing units to households with family members who work or live in the municipality on a temporary basis and waiving affirmative marketing requirements for foreclosure programs in response to current economic conditions.

I commend the sponsors of this bill for their efforts to stimulate the development of housing, including affordable housing, during these difficult economic times, and to initiate construction projects when the construction industry, like many others, is facing difficulties. I also recognize the sponsors' initiative in addressing and remedying some of the procedural impediments that can, from time to time, delay development projects, and in removing unintended consequences of certain affordable housing regulations. I am concerned, however, that the

STATE OF NEW JERSEY
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2

bill does not go far enough in ensuring the provision of housing for those whose needs the private market has not addressed, and further recommend providing local governmental units with additional approval authority in matters of planning for residential development.

Accordingly, I herewith return Senate Bill No. 2577 (Second Reprint) and recommend that it be amended as follows:

Page 4, Section 3, Line 22:

After "agrees that" delete "an amount not exceeding"

Page 5, Section 4, Line 41:

Insert a new subsection 4(c), to read as follows: "c. If the approving board determines that the requirements of P.L. , c. (C.) (pending before the Legislature as this bill) have been satisfied, and the conversion can be granted without substantial detriment to the public good and will not substantially impair the intent and purpose of the zone plan and zoning ordinance, the application for the conversion shall be approved."

Page 8, Section 11, Lines 32-35:

After "the court shall consider" delete "whether the applicant complied with the criteria contained in section 3 and section 4 of P.L. , c. (C.) (pending before the Legislature as this bill). Upon finding that the criteria have been satisfied" and insert "the reasonableness of the decision of the approving board. Upon finding that the conversion should have been approved".

Respectfully,

/s/Jon S. Corzine

Governor

[seal]

Attest:

/s/William J. Castner, Jr.

Chief Counsel to the Governor