

WANAQUE

Fate of COAH funds hanging by legal thread

Court injunction stops transfer of \$300K to state

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The fate of just over \$300,000 in the borough's affordable housing trust fund remains uncertain as state officials battle over the legality of Governor Christie's plan to seize an estimated \$164 million in affordable housing trust funds from municipalities.

The municipal accounts primarily comprise fees collected from developers to construct or rehabilitate existing homes into affordable housing units within each town's borders.

Although borough officials are prepared to comply by forwarding their share of the funds, a state appeals court panel issued a temporary injunction against the order on May 13.

The New Jersey Council on Affordable Housing (COAH) met on May 1 for the first time in two years and passed a resolution requiring municipalities to send proof of plans to spend money that had been dormant in their affordable housing trust funds for four years beginning in July 2008. The municipalities were told to transfer the remaining unspent money to COAH by May 22, according to the resolution.

The Appellate Division of Superior Court issued the injunction after it was sought by the Fair Share Housing Center. Judge Jose

L. Fuentes, who signed the order, has scheduled oral arguments beginning on June 5 in Newark.

This is the second time in a year that the Christie Administration's plan to take the trust funds has been blocked by a court order. The Appellate Division filed a similar injunction on Aug. 10, 2012 because the trust fund seizure was not approved by the COAH board.

It's no secret that the governor has been in favor of abolishing COAH since he took office in January 2010. In June 2011, he filed a reorganization plan that would disband the council completely. A state appeals panel overturned that plan in March 2012 with a unanimous decision by Judges Philip Carchman, Clarkson Fisher, and William Nugent, who ruled that only the Legislature can eliminate COAH, an independent agency.

Borough Administrator Tom Carroll announced during the May 13 Borough Council meeting that Wanaque was prepared to forward just over \$300,000 to COAH before the deadline.

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Several council members asked Carroll for clarification of the transfer's meaning.

"So, they're taking our surplus?" asked Councilman Eric Willse.

"They are taking the money we haven't spent or committed," Carroll said.

Councilman Dom Cortellessa wanted to know how COAH's decision would affect the construction of a housing project for

the developmentally disabled on Warren Hagstrom Boulevard.

Carroll said that the plan to build a group home at 10 Warren Hagstrom Boulevard is not endangered by COAH's decision.

"We did it just at the right time," he said.

As previously reported in *Suburban Trends*, Bergen County United Way (BCUW) and its partner, the Madeline Group, are planning to construct and operate a special needs housing development project at that location. Wanaque used \$320,000 from its affordable housing trust fund to purchase the property last year. Groundbreaking is expected to occur this summer, according to BCUW President Tom Toronto.

Carroll affirmed during the May 13 meeting that the group home project is still in the planning and approval stages.

BCUW, he said, "is going through the regulation process with the DEP (N.J. Department of Environmental Protection)."

Uncertain future

With COAH, the state budget and the estimated \$164 million in housing trust funds hanging in the balance, local officials are not sure what will be expected of municipalities following the outcome of the injunction.

Even before he was aware of the court decision to stay the seizure of funds, Carroll was musing over the future of the borough's affordable housing obligations.

"It's anybody's guess as to what they (COAH) are going to require," he said at the May 13 meeting.

"Wasn't there a number (of affordable housing units) that we needed to meet?" Councilman Ed Leonard asked.

"At one point it was 129 units," Carroll explained, "but it's all formula based." He said that the borough had applied for Round Three certification in meeting its COAH requirements, but because the formula was still being contested by the Fair Share Housing Center, nothing had come of it to date.

