



Statement to the Wildwood Crest Board of Commissioners Affordable Housing Public Hearing March 21, 2018

Dear Commissioners,

Thank you for the opportunity to submit these comments in writing. Below is a brief summary of the proposed affordable housing program in Wildwood Crest, which includes an overview of the ordinances before you this evening and addresses some of the issues that have been recently raised in the community, e.g. why is the program necessary, who will live in the housing, etc.

1. In 1983, the Supreme Court of New Jersey ruled that every municipality in the State of New Jersey is constitutionally obligated to provide a realistic opportunity for its fair share of affordable housing for low and moderate income individuals and families. This decision, and related court decisions, is referred to as the "Mt Laurel Doctrine", and was enacted into law in 1985 with the passage of the NJ Fair Housing Act.

Providing a "realistic opportunity" for affordable housing means that local land use regulations must include provisions for the affordable housing units to be constructed. While some municipalities choose to construct some or all of their affordable housing obligation, Wildwood Crest has decided to make the opportunity available to others through its zoning.

2. In 2015, the NJ Supreme Court ruled on the state's affordable housing program because of the failure of the NJ Council on Affordable Housing to adopt regulations for the period of 1999-2015. In its decision, the Court effectively dissolved the Council and instructed all municipalities with outstanding affordable housing obligations to submit new plans to county-level Superior Court judges for certification by year's end.

The Court was clear in pointing out that the failure of a municipality to submit these plans would render the municipality's zoning invalid and subject to a builder's remedy. A builder's remedy is a court-imposed entitlement to a developer for constructing affordable housing. With a builder's remedy, the municipality loses all control over the size, density, height and character of the affordable housing development.

Recognizing the undesirable risk and consequences of a builder's remedy, Wildwood Crest chose to submit its affordable housing intentions to the Superior Court in July 2015. The borough's affordable housing obligation and draft zoning provisions were approved by the Court in a Settlement Agreement signed on January 3, 2018.



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3. Wildwood Crest's affordable housing obligation from now until 2025 is to rehabilitate 20 substandard housing units (occupied by low and moderate income households), and to provide zoning that could accommodate its obligation for 305 low and moderate income housing units. This number was based upon the current availability of affordable housing in the borough and region, the number of low and moderate income households in the borough and region, and other factors. The Borough of Wildwood Crest did not agree with the methods used to calculate the affordable housing obligation and reserved the right to counter the obligation at such time when new statewide rules are adopted.

4. Persons and households eligible for affordable housing units must meet the low and moderate income thresholds established by the state, and which vary according to household size. In Wildwood Crest, the very low-income limit for a family of 4 is \$24,600, the low-income limit for a household of 4 is \$37,500, and the moderate-income limit for a household of 4 is \$60,000. Note that the median income for a family of four in Wildwood Crest is \$72,979, which means that there are likely residents in the borough today that would be income-eligible for affordable housing units. Other occupants of these affordable housing units are people we see every day - school teachers, policemen and restaurant servers are just a few examples, as well as our children and grandchildren who are just entering the workforce and face the steep cost of today's housing.

5. Wildwood Crest will address its affordable housing opportunities in two ways. First, through a new overlay zoning district on top of the B-1 commercial zone, which will allow up to a four story housing unit if it includes at least 1 affordable housing per 4 regularly-priced units. Second, an inclusionary zoning ordinance will require that all new multi-family developments of 5 or more units set aside 20% of the units as affordable housing. Both of these zoning provisions will result in an integration of affordable housing into market rate, non-income restricted housing.

6. A third ordinance before you this evening is the Development Fee Ordinance, which establishes a fee of 1.5% and 2.5% of the assessed value of new residential and non-residential construction, respectively. The fees will go into a housing trust fund, and will be used to fund the borough's affordable housing program which includes 1) upgrading up to 20 sub-standard housing units occupied by low-moderate income households; and, 2) administering the affordable housing requirements in new construction as it occurs.

Very truly yours,

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