

Plainsboro

7/13 (1987)

Copy of newspaper article about
Neighborhood Preservation Balanced Housing
Program

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July 13, 1987

Joseph Stonaker, Esq.
41 Leigh Avenue
Princeton, NJ 08540

Dear Joe:

Enclosed please find a copy of a recent
Star-Ledger article regarding grants under the
Neighborhood Preservation Balanced Housing
Program. Is Plainsboro eligible for such grants?

Very truly yours,



encls

cc/Alan Mallach
C. Roy Epps
(w/encls)

9 municipalities receive \$3 million in state funding for Mt. Laurel housing

By RICHARD S. REMINGTON

The Department of Community Affairs (DCA) yesterday announced the award of \$3 million in grants to help nine municipalities build 237 units of Mt. Laurel housing for low- and moderate-income families.

The grants were awarded from the Neighborhood Preservation Balanced Housing Program, a component of the Fair Housing Act enacted two years ago by the Legislature in response to the state Supreme Court's Mt. Laurel rulings.

The grants were designed to help municipalities supply new housing for the poor and to meet their Mt. Laurel obligations as determined by the Council on Affordable Housing (COAH), a state agency which also was created as

part of the Fair Housing Act.

Paterson received a grant of \$662,800, the largest yet awarded under the program, to help finance the Sojourner Truth housing project. The project calls for the construction of 22 new units and the rehabilitation of 23 others for low- and moderate-income families.

Ironically, the grant was announced just two days after COAH received a staff recommendation advising that Paterson's Mt. Laurel quota be reduced to zero because of the city's record of providing more than 1,000 new affordable units during the 1980s.

Arthur Kondrup, who chairs COAH and heads DCA's housing division, which administers the grants program, said the state had wrestled with the

Grants will help build 237 units for low-, moderate-income families

issue of awarding funding to municipalities which are found to have no Mt. Laurel obligation.

Under COAH's criteria, Asbury Park also was found to have a zero obligation, Kondrup said, yet both cities have critical needs for affordable housing. "The money is going where it's needed to do the job," Kondrup said.

The total cost of the Sojourner Truth project was estimated at \$2.25 million. Horizon Bank has approved a \$1.5 million loan and prospective pur-

chasers of the new units have made \$56,650 in down payments.

Also awarded grants were:

- Atlantic City, which will receive \$500,000 to help finance 32 units in the Vermont Plaza project. A total of 201 units are to be built in the project which is expected to cost \$24.4 million.

- Phillipsburg, which will receive \$240,000 to finance 20 units of owner-occupied rehabilitated housing in the Hills Project.

- Brick Township, which is receiving \$200,000 to subsidize the construction of the 20-unit Breton Woods project.

- Hamilton Township, which is obtaining \$150,000 to help pay for 15 units in the De Cou Rehabilitation Project.

- Scotch Plains, which will use a \$348,000 grant to help rehabilitate 30 owner-occupied single-family homes.

In addition, DCA awarded \$347,700 to Downe Township in Cumberland County to finance the 30-unit Newport Rehabilitation Project, \$237,000 to Vineland to help rehabilitate 20 units and \$290,000 to Elk Township in Gloucester Township to help rehabilitate 25 single-family homes.

The nine grants bring to \$11.3 million the amount of funding awarded by DCA under the program. The program funding is provided through a 50 percent dedication of revenues raised under the state realty transfer tax.

Special rent and sales controls are attached to the housing funded under the program to ensure they remain affordable to low- and moderate-income families for periods ranging from 10 to 20 years. Low-income families are those which earn less than 50 percent of their county's median income while moderate-income families earn no more than 80 percent of the median income.

The grants provide an average subsidy of \$12,000 for rehabilitation work and \$33,000 for new construction.