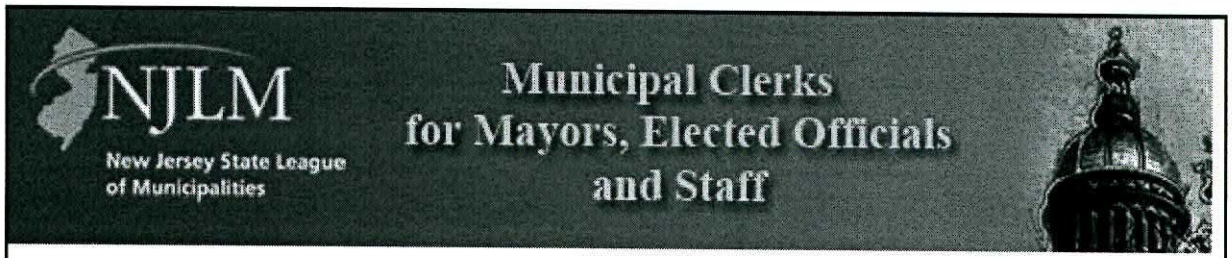
Lashway, Lisa

From: NJLM to Municipal Officials [njlm-clerks@cityconnections.com]
Sent: Tuesday, March 06, 2012 12:53 PM
To: Lashway, Lisa
Subject: A. Budget Committee Hearings on-line registration available make the case for relief funding restoration B. Legislative Alert

To view an online version of this email, click here.



March 6, 2012

Re: A. BUDGET COMMITTEE HEARINGS ON-LINE REGISTRATION AVAILABLE MAKE THE CASE FOR RELIEF FUNDING RESTORATION

Dear Mayor:

The Senate Budget and Appropriations Committee and the Assembly Budget Committee have announced their schedules for public hearings on the Governor's proposed State Budget.

Any Mayor wishing to testify can register on-line at: http://www.njleg.state.nj.us/13Budget/default.asp.

Senate hearings are scheduled for **March 13, 2012** at **Montclair State University,** and **March 21, 2012** at **Burlington County College.** Assembly Committee hearings will be held **March 7, 2012** at the **State House Annex in**

Trenton, March 14, 2012 at **UMDNJ - New Jersey Dental School in Newark and March 20, 2012** at a site to be determined in South Jersey.

This is your opportunity to make the case for full municipal property tax relief funding. If you prepare testimony, please provide us with a copy.

If you decide to testify, please emphasize our top priority property tax relief issue – providing local government with the revenues available through the ENERGY TAX and CMPTRA programs. More information on this is available at our Energy Tax Restoration Center, on-line at: http://www.njslom.org/energy-tax-resource-center.html

Press accounts of the League's testimony on this issue at yesterday's meeting of the Assembly Budget Committee can be found at http://www.politickernj.com/55229/local-officials-appeal-budget-committee-restoration-energy-tax-revenue and http://www.njspotlight.com/stories/12/0304/2237/

If you have any questions, contact Jon Moran at 609-695-3481, ext. 121 or jmoran@njslom.com Very truly yours,

William G. Dressel, Jr.,
Executive Director

Re: B. LEGISLATIVE ALERT
I. Permit Extension bill advances in Senate
II. "New Jersey Residential Transformation Act" advances in Assembly

Dear Mayor:

I. **Permit Extension bill advances in Senate**

Yesterday, the Senate Economic Growth Committee considered and released, **without recommendation,** S-3165 which would extend and expand the Permit Extension Act of 2008 for an additional 24 months, until December 31, 2014. Further, this legislation expands the current areas in the State covered by the Act. The bill, however, was not advanced to the full Senate, but instead second referenced to the Senate Budget and Appropriations Committee for further consideration.

The League, joined by Clinton Town Mayor Janice Kovach and Bedminster Mayor Robert Holtaway, testified in **opposition** to the bill based on the expansion of the law. Specifically, the bill would create the definition of "extension area" to expand the implementation of the Act to include Planning Area 3 (PA3) and Planning Area 4A (PA4A) and the entire planning area in the Highlands.

While the Committee released the bill, it was acknowledged that further amendments would be needed to address issues related to the bill, and it was second referenced to the Senate Budget committee. It is not known when that Committee will consider the bill. Meanwhile, the Assembly companion, A-1338, could be scheduled for a vote by the full Assembly on March 15.

We thank Mayors Kovach and Holtaway for their testimony yesterday. More information on these bills can be found in the League's Dear Mayor letters of March 2, and January 31.

II. "New Jersey Residential Transformation Act" advances in Assembly

On Monday, the Assembly Housing and Local Government approved A-2168, the "New Jersey Residential Transformation Act." This bill would establish a statewide program to transition foreclosed property into affordable housing. Under the bill, a new corporation would be created under the New Jersey Housing and Mortgage Finance Agency (HMFA) to use funds from the State Affordable Housing Trust Fund to purchase and deed-restrict foreclosed properties to be used as affordable housing. The corporation would expire at the end 2017.

Under the program, a municipality will be given the right of first refusal to

purchase a foreclosed home using its trust fund dollars. Such a house that is then deed-restricted as part of the municipality's affordable housing inventory would result in a 2-for-1 credit towards the municipality's affordable housing obligation. If the municipality declines to purchase the home, it can still qualify for the credits if it authorizes, by resolution, the state corporation to use the municipality's trust fund dollars to purchase an eligible property, which is then converted to affordable housing.

Under both circumstances, the use of the municipal trust fund dollars is done with the consent of the municipality. This was achieved by an amendment requested by the League. For this reason, the League testified in **support** of this voluntary legislation, which provides an option for municipalities to expend their trust fund dollars with certainty that the units and credits will count towards its housing obligations, whenever such obligations are finally determined.

The Senate companion, S-1566, is scheduled for consideration by the Senate Budget and Appropriations committee on Thursday. We anticipate that both the Senate and Assembly bills will be scheduled for floor votes on March 15. More information on this is available from our February 17 Dear Mayor letter.

Questions on this letter or on these bills can be directed to Mike Cerra at mcerra@njslom.com or 609-695-3481 x120.

Very truly yours,

William G. Dressel, Jr.
Executive Director