

HOUSING

State Planning Advisory Committee

Report #2

April 1992

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STATE
and
PLAN

HOUSING

State Planning Advisory Committee

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Preface

The mission of the Housing State Planning Advisory Committee (Housing SPAC) is to advise the Office of State Planning and the State Planning Commission on a range of housing issues in the proposed State Development and Redevelopment Plan. This Committee was organized by the Office of State Planning, in accordance with the State Planning Act (N.J.S.A. 52:18A-204), and pursuant to a resolution by the State Planning Commission (SPC Resolution #88-014) to contribute to the formulation of an effective State Development and Redevelopment Plan through a multi-disciplinary, structured dialogue.

As another vehicle for public participation in the State Planning process (see State Planning Rules, N.J.A.C. 17:32-4.6), the Housing SPAC met three times during the extended Cross-acceptance period of Negotiations to discuss and report findings and recommendations to the Office of State Planning. Comprised of individuals with varying backgrounds and wide expertise, the Housing SPAC represented a balance of interests to review the Interim State Development and Redevelopment Plan and accompanying documents; major issues arising from the negotiations phase of cross-acceptance, and any other matters referred by the State Planning Commission and OSP.

Committee Acknowledgments

In addition to the members of the Committee who have generously contributed their time and efforts in order to produce this report, the Housing State Planning Advisory Committee benefited from the input of William Ragozine (representing Mayor Levin), Ray Codey (representing Msgr. Linder), Flora Baldwin (representing Ms. Johnson), and Renee Reiss (representing Mr. Opalski). Others who contributed to the dialogue include: Jon Erickson, New Jersey Future; Greg Delozier, N.J. Association of Realtors; Dave Rizzo, Cherry Hill Township; and Anthony Cancro, N.J. Department of Community Affairs.

Meetings

The Housing SPAC convened on January 24, February 21, and March 12, 1992 in Newark, Edison and Cherry Hill to organize, engage in discussions on housing issues in the Interim State Development and Redevelopment Plan and the Interim Report of the New Jersey State Planning Commission on Implementation Issues, and identify the boundaries of debate and the areas of consensus. "Findings" and "Recommendations" were identified during each of these meetings and were noted in summaries produced after each meeting. This report represents the Housing SPAC's contribution to the State planning discussion during the Negotiations phase of Cross-Acceptance, and is a follow-up to the November 1990 report of the Housing SPAC.

Discussion

During the course of its deliberations, the Committee considered a number of items of interest to housing experts, as found in the Interim State Development and Redevelopment Plan and the Interim Report of the State Planning Commission on Implementation Issues . These items included how the Interim Plan responded to the Housing SPAC's previous findings and recommendations, and what changes should be made to the Interim Plan and the Interim Implementation Report. A consensus process was used to reach agreements on the major findings and recommendations.

The Housing State Planning Advisory Committee reviewed an article in the January 1992 issue of Housing New Jersey, by David Kinsey, regarding the Interim State Plan's response to affordable housing. Key findings of this article follow. The Housing SPAC discussed the recent efforts of the Council on Affordable Housing as related to the State planning process, and provided findings and recommendations. And, the Committee received a presentation from the N.J. Department of Community Affairs on the State's Comprehensive Housing Affordability Strategy (CHAS). The Housing SPAC expressed an interest in discussing further how State agencies would implement the policies of the adopted State Development and Redevelopment Plan.

Overview of Issues

The Housing State Planning Advisory Committee discussed 7 areas of interest as related to the Interim Plan and the Interim Implementation Report:

- * how the Interim State Development and Redevelopment Plan responded to the findings and recommendations of the November 1990 Housing SPAC report;
- * general findings and recommendations related to the Interim Plan and its accompanying documents;
- * the State Planning Commission and State agency implementation of the adopted State Plan;
- * legislative issues found in the Interim Implementation Report;
- * questions raised regarding the State Plan and affordable housing;
- * whether the projected growth will "fit";
- * specific housing-related policies in the Interim Plan; and,
- * public investment priorities and the identification of centers.

The Housing SPAC's findings and recommendations are contained within this report.

Issue #1: The Response of the Interim State Plan to the November 1990 consensus report of the Housing SPAC.

Findings included In Kinsey's Housing New Jersey Article;

1. The Housing State Planning Advisory Committee recommended that the availability of low-and moderate-income, as well as market-priced housing, be assured in all the planning areas and types of centers; the Interim Plan's policies call for housing choice and diversity, but make no specific mention of low-and moderate income housing.
2. The Housing SPAC recommended better coordination of housing and transportation policy; this is included as a basic strategy of the Interim Plan.
3. The Housing SPAC recommended that opportunities for affordable housing be maximized in growth areas; the Interim Plan does not refer to growth areas and declines to emphasize affordable housing with any passion.
4. The Housing SPAC recommended that mechanisms be established to monitor and evaluate the provision of affordable housing; the Interim Plan calls for no such mechanisms.
5. The Housing SPAC recommended specific policy language on affordable housing for each of what are now called planning areas. In response, the Interim Plan does not differentiate its affordable housing policies by planning area.
6. The Housing SPAC raised the fundamental question "Will the growth Fit?" The Interim Plan adopts the concept of ensuring adequate developable land availability for each center, but fails to adopt a specific multiplier for the land that needs to be available to avoid constraining the market or establishing monopoly land pricing. The Interim Plan contains a numberless policy on densities in centers and no guidelines on size thresholds in centers, except for the tiniest type—the 10-100 acre hamlets with 100 households maximum.
7. The Housing SPAC stressed that adequate land had to be available to accommodate needed affordable housing, recommending that the supply of developable and redevelopable land be increased periodically through the state planning process; the Interim Plan provides no such procedure, other than the anticipated statutory triennial revision of the Plan.

Issue #2; Overall comments regarding the Interim State Plan and accompanying documents.

Findings:

1. An ambiguous State Plan will require greater interpretation by judges.
2. The "Mapping and Growth Accommodation Guide" is confusing and, in some cases, problematic (e.g., the approach to the delineation of aquifer recharge areas will lead to a multiplicity of standards).
3. Regarding the review of local plans for consistency with the SDRP, it is important the review not be shallow; master plans can be vague, while the ordinances contain the substance.
4. The State Plan's title, "Communities of Place" may not be readily understood. The acronym COPS could be responsible for some of the unpopular reception of the Plan.
5. The Interim State Plan is not explicit on what types of development should occur in environmentally-sensitive areas [Planning Area 5 & Critical Environmental Sites (CES)].
6. The Interim State Plan does not have critical development sites (CDS) identifying where development /redevelopment should occur.

Recommendations;

1. The State Plan should be written more specifically and less ambiguously.
2. Where possible make the State Plan as specific as possible so that it can be used in court with minimum need for interpretation by judges.
3. The State Plan should include guidelines regarding intensities of development.
4. The State Plan should include guidelines regarding housing obligations.
5. Technical documents like the "Mapping and Growth Accommodation Guide" should be reviewed by peer groups and undergo group development. These documents need to be specific and accurate.
6. Consistency with the State Plan should be linked to incentives and enticements (a.k.a. carrots).
7. The State Planning Rules should contain a provision that without a determination of consistency, there should not be a presumption of compliance.

Recommendations (continued);

8. The State Plan should have a merchandising name. The "Communities of Place" title should be made a sub-title, if it is retained.
9. To provide a better understanding of what a community of place is, concrete examples and pictures, ideally from New Jersey, need to be included in the State Plan.
10. The State Planning Commission should ensure that Planning Area 5 and Critical Environmental Site designations meet the criteria established in the State Plan; and, the Commission should analyze the cumulative impacts of designating Planning Area 5 and Critical Environmental Sites to ensure a balance among the goals of the Plan.

Issue #3; The State Planning Commission and State agency implementation of the adopted. State Development and Redevelopment Plan.

Findings;

1. Because the State Planning Commission's Plan provides a context for the whole State, its mandate is different from that of the State agencies.
2. The Council on Affordable Housing should continue to focus on the "fair share" aspects of housing; they should not be involved in defining the "balanced residential mix" identified in the State Planning Commission's Interim Implementation Report (pg. 35).

Recommendations;

1. As the Office of State Planning works with the State agencies to produce their agency implementation manuals, the OSP needs to bring the context of the whole State to the process.
2. The State Plan should provide guidelines to municipalities in defining "a balanced residential mix of housing types" for inclusion in municipal housing elements.

ISSUE f3; Legislative Issues (See the Interim Report of the State Planning Commission on Implementation Issues, "Section V".)

Findings;

1. Regarding "Legislative Issue #2, The Municipal Land Use Law" (p. 24), the MLUL should not attempt to regulate taste through a community design element.
2. Regarding "Legislative Issue #2, The Municipal Land Use Law" (p. 24), the scenic corridor element reference does not reflect that all scenic areas are not within a tube.

Recommendations:

1. Regarding "Legislative Issue #2, The Municipal Land Use Law" (p. 24), care should be taken to accommodate differing tastes in the community design element.
2. Regarding "Legislative Issue #2, The Municipal Land Use Law" (p. 24), the scenic corridor element recommendation should be changed to a scenic area element in order to account for scenic areas not contained within a corridor.
3. Regarding "Legislative Issue #6, Financial Support for the Construction, Maintenance and Repair of Infrastructure" (p. 31), the Development Impact Fee recommendations contained in the Implementation Report should be in the State Plan itself.

ISSUE #4: Questions raised regarding the State Plan and affordable housing.

1. Will projected growth "fit"? Specifically, are municipalities identifying a sufficient number of growth centers to accommodate the Cross-accepted, projected levels of growth?
2. Within centers, what is the multiple of acreage needed to avoid higher, monopoly land prices—and will advance the production of affordable housing?
3. In regard to the implementation of the adopted State Plan housing policies, how will growth be facilitated in identified growth areas?
4. Is the State Planning Commission (SPC) realistic about the amount of growth that will be absorbed by existing centers and by urban areas? Does this assessment include an analysis of land costs, infrastructure costs, relocation/demolition costs, tax disparities, sewer bans and ECRA?

Issue #5: Will projected growth "fit"?

Findings:

1. The "fit" issue must take both design and density into account.
2. Some Committee members felt, based on their understanding of the Interim Plan, that urban areas should not be expected to absorb more than 15 to 30% of projected statewide growth.
3. If urban redevelopment problems related to ECRA, site preparation, demolition, soil settlement and land assembly could be resolved, the growth potential of urban areas would be greatly increased.

Findings (continued);

4. Redevelopment and rehabilitation projects undertaken by non-profit housing organizations make an important contribution to the development of affordable housing.
5. Regarding projects which have already received approvals, there may need to be a retro-fitting of these projects to achieve implementation of the State Plan's housing policies. "Retro-fitting" development, though, will be an awkward concept to implement.
6. Mechanisms are needed to ensure that when growth takes place the demand for affordable housing is met.
7. The State Plan needs to contain language that provides guidance to State agencies with respect to the sensitivities (e.g., political, cultural, historic, environmental, etc.) of different densities in Planning Area 1.
8. Planning Area 1 suburbs may justifiably raise alarm to density assumptions, given that the Interim Plan mixes disparate types of communities (e.g., Newark and Livingston).

Recommendations;

1. Demonstration projects should be undertaken to test what State Plan policies work in Planning Areas 1 & 2 to produce reasonably priced housing.
2. If there is a substantial incongruence between the State Plan's population and employment projections and what can be accommodated by the Plan's policies and map of designated centers and planning areas, there should be an effort to increase the congruence prior to the adoption of the State Plan.
3. The income distribution of growth should be analyzed to ensure that the multiple housing needs are being met.
4. Non-profit housing organizations should continue to be supported through technical assistance provided by the Department of Community Affairs.
5. The State should provide technical and financial assistance to private developers who work in partnership with non-profit corporations and/or municipalities in producing affordable housing.

Issue ., #6; Housing policies in the Interim State Plan.

Findings;

1. Housing policies in the Interim State Plan, while not discouraging affordable housing, are too broad and vague to be of much use in bringing about the development of affordable housing.
2. Affordable housing should be a funding priority regardless of planning area.
3. Housing policies do not provide for densities sufficient to support mass transit.

Recommendations;

1. Regarding "Public Investment Priorities" (Interim Plan, p. 30), the Plan should include a new policy in the "Statewide Category" for affordable housing. The policy should be made explicit regarding which funding programs are subject to priority funding.
2. Regarding "Public Investment Priority, Policy f!6, Additional Priority for Certified Housing Elements" (Interim Plan, p. 33), this policy should be amended and clarified to include the following:
 - a. the policy should suggest that all urban aid municipalities have a certified housing plan; and,
 - b. the policy should include court-compliance plans.
3. There should be an effort to "sell" the idea of higher densities through visual surveys and other techniques.
4. The State Plan's housing policies should include policies that discourage housing segregation. The State Plan should provide choice to all people regarding places to live and work.
5. Data from the N.J. Division on Civil Rights should be used to monitor the impact of the State Plan on housing segregation and the development of affordable units.
6. Regarding "Housing Policy f!2, Nondiscrimination" (Interim Plan, p. 52), this policy should be amended to specifically include those with "disabling conditions."
7. Regarding "Housing Policy #15, Housing Linkage" (Interim Plan, p. 52), this policy should strongly promote impact fees as a means of achieving the development of affordable housing.
8. The Plan should address housing for the "working poor".
9. Regarding "Housing Policy #10 Housing Subsidies" (Interim Plan, p. 52), the term "Tenure Types" should be clarified.

Issue #7; Public investment priorities and the identification of centers.

Findings;

1. In order to improve their position in the State Plan priority system, a number of counties have suggested the redesignation of certain areas meeting regional center criteria as urban centers.
2. The "Public Investment Priorities" section of the Interim Plan is too complex.

Recommendations:

1. Urban and Regional Centers should be identified accordingly after considering the future potential of these Centers. Focusing solely on those areas which now look like Urban and Regional Centers is too restrictive a classification principal and shuts out areas which could be shaped into such centers given the type of investment priority envisioned in the Plan, which until now has been lacking.
2. The State Plan should better state how its priority system will be utilized. Possible methods to accomplish this may involve the inclusion of a matrix, flow chart or summary to the State Plan. Various priority flows exist; priority for centers is just one example. The Plan should explicitly acknowledge parallel priority-flows.
3. The priority system must account for many different circumstances. The array of beneficial public investments is broad and cannot be reduced to a strictly literal interpretation without discretion on a case by case basis.

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