



## 2013 State & Legislative Policy Priorities

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The lack of homes New Jerseyans can afford is harming our residents and stifling our economy. Community developers, housing advocates and our state's leaders need to work together to restore balance to our housing market and to our neighborhoods. Our policy priorities focus on restoring foreclosed and abandoned properties in our suburbs and urban centers, and supporting the creation of new homes in appropriate places, especially those with transit opportunities. In addition, we are working with our members to secure appropriate resources to rebuild neighborhoods and re-house families affected by Hurricane Sandy. We can move New Jersey forward, by working towards the following goals:

**Expanding Land Banking Opportunities (A.1648/S.583):** Land banks allow communities to acquire and maintain vacant and abandoned properties so they can be redeveloped or reused for long-term community benefit. They can help assemble and restore problem properties and put them back on the tax rolls, revitalizing neighborhoods and improving the quality of life for residents and taxpayers. Under this bill, NJ towns could designate redevelopment entities (redevelopment authorities, housing authorities or county improvement authorities) and non-profits to act as a land bank on behalf of the municipality. The town could convey city-owned properties to that entity, which could also acquire properties for the land bank through gift or purchase, and could act as the municipality's agent to carry out lien foreclosures and spot blight takings. This bill passed the Assembly in June and was referred to Senate Budget and Appropriations Committee.

**Advancing Housing Policies to Move NJ Forward:** The Network continues to promote state housing policies that would encourage the creation of homes people can afford near employment and transit centers. NJ needs a predictable and fair system to ensure our residents have enough homes in communities across the state. We will work to ensure the recent Supreme Court's *Mount Laurel* decision results in new rules that promote housing opportunities throughout the state.

**Sandy Recovery:** The Network will continue to partner with our allies to advocate that federal Sandy recovery funds address the critical housing needs of people who were impacted by the storm. We will work to ensure that there is a transparency on where Sandy funds have been spent and a public process on NJ's plan for future rounds of Sandy recovery money

**Amending the Tax Sale Law (A.3570/S2400):** The tax foreclosure process, governed by the state Tax Sale Law, is the principal vehicle by which local governments can gain control of problem properties. Proposed amendments to NJ's law would allow local governments to gain control of tax delinquent properties more easily, without the need to make an upfront appropriation, and reduce the risk of properties falling into legal limbo. Communities could acquire the liens on tax delinquent properties by preemptive bid, without having to compete with private investors, and to issue delinquent tax anticipation notes (DTANs) secured by these liens, either individually or jointly with other municipalities.

**Reducing the Impact of Foreclosures:** NJ continues to be among the states with the worst foreclosure problem. There are three foreclosure bills that can help. Two of these bills (**S.115/A.3072 & S.1740/A.172**) will help towns learn who is foreclosing on a building and who to go after if the building

they are foreclosing on falls into disrepair. These proposals have passed the Senate and are being reviewed in the Assembly. Another bill **A.4031** requires registration of certain vacant and abandoned properties with municipalities and provides enforcement tools related to maintenance of these properties. Finally, **(A.3396/S.3557)**, which is before the Senate, will codify the judiciary's current Foreclosure Mediation Program and collect money from foreclosure filings and fines to fund the program on a permanent basis.

**Establish Mold Standards (A1588/S2081)**. Requires DCA to establish standards concerning mold hazards in residential building interiors, and certification programs for mold inspectors and mold hazard abatement workers. This bill that passed the Assembly in March and was referred to Senate Environment and Energy Committee.

**Preventing tenants from being penalized for living in overcrowded homes (A.766/S.489)**: The Network opposes this bill, which imposes fines, ranging from \$2,500 to \$10,000 per violation, on tenants for living in overcrowded conditions. However, it allows landlords to avoid being fined. The bill would not apply to seasonal rentals or to buildings with more than four residential rental units.

**Preserving the State Budget and Production Funding**: We continue to work to preserve and expand the State Rental Assistance Program (SRAP), as NJ's need for rental assistance continues to grow. This program needs a dedicated funding source so that the NJ Affordable Housing Trust Fund can once again be used to create more homes that are affordable. The past three state budgets have NOT funded the rehabilitation and construction of homes that are affordable.

**Keeping Municipal Housing Trust Funds Local**: We are working with our allies to ensure that the remaining \$141 million held in local municipal housing trust funds, which the Christie Administration is trying to recapture, is made available to community developers to create the homes and jobs New Jersey needs.

**Action Taken on our Policy Priorities:**

**Increasing the Neighborhood Revitalization Tax Credit (A3206/S583)**: Passed by the legislature. Vetoed by the Governor.

**NJ Residential Foreclosure Transformation Act (S.2157/A3413)**: Passed by the legislature. Vetoed by the Governor.

**Requires HMFA to expand participation in the NJ HomeKeeper Program (S2202/A3372)**: Passed by the legislature. Vetoed by the Governor.

**Expedites the foreclosure process for vacant and abandoned residential properties (S.2156/A3248)**: Passed by the legislature. Signed into law by the Governor.

*For the complete text of any of these bills, go to [www.njleg.state.nj.us](http://www.njleg.state.nj.us) and search by bill number.*

*For more information about these issues, contact Arnold Cohen or Staci Berger, 609/393-3752.*

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