

**TOWNSHIP OF WALL
CITIZENS COMMITTEE ON AFFORDABLE HOUSING
MINUTES OF MEETING**

August 10, 2009

Present: Robin Cervantes, Chairperson, Karen Barbagelata, Ronald Jennings, Vinny Marron, Lauren Nikola-McCaffrey, Committeeman Jeff Foster, Township Administrator Joseph Veruni, and Board of Education Member Michael Bogner

Absent: Susan Miles, Henry Sprance

Public: 12 present

At 7:02 p.m. the meeting was called to order.

Mrs. Cervantes introduced Maureen Mulligan, Director of the Coastal Habitat for Humanity. Ms. Mulligan provided a history of Habitat for Humanity, which has a 30 year history of providing affordable housing for those in need. Coastal Habitat has been operating for 15 years, and will merge with the Freehold Habitat and Long Branch Habitat in the fall. Coastal Habitat has built 12 homes in this area, mostly in Neptune with one in Wall and one in Asbury. New projects are anticipated in Howell, Neptune and Fort Monmouth.

Coastal Habitat works with area Townships, in an effort to obtain donated land. Out of 50 Habitat homes in the area, only 5 were purchased. Once the land is obtained, Coastal Habitat raises money for materials, recruits volunteers and absorbs all the costs for the property from survey to Certificate of Occupancy.

To qualify for a Habitat home, you must first attend a seminar. Habitat does not use waiting lists; they build with one specific homeowner in mind. In order to qualify for a Habitat home you need an income between 25-50% of the median income, which is the lowest category of need. Additionally, each homeowner is required to put in 250 hours per adult of "sweat equity," where they work on their home. Finally, each Habitat homeowner must have a good credit rating with no foreclosure or bankruptcy. The mortgage payments received from Habitat homeowners fund the next project.

Habitat homes are sold deed restricted and Coastal Habitat has the right of first refusal on each home. Often, homes are recycled back into the Habitat system.

The Habitat mortgage is an interest-free loan on materials only, plus escrow for taxes and insurance. The average homeowner pays \$750-\$850 a month for their total mortgage payment. For the Wall Township Habitat home, the taxes were adjusted to reflect the sales price, rather than the market value of the home.

If Coastal Habitat is building for COAH, then they work within the COAH rules. In those cases, Coastal Habitat runs a lottery for the home(s) being built. If they are selected in the lottery, then the potential homeowner must meet all COAH and Coastal Habitat requirements.

Coastal Habitat has a rehabilitation program called “A Brush with Kindness,” where they work with area homeowners in need of an exterior rehabilitation. Additionally, there is a full home rehabilitation program, but this often involves financial risks due to unseen issues with the home. All Coastal Habitat homes must meet the income requirements.

General discussion was held on Habitat and income requirements, as well as neighborhood reactions to Habitat homes. Mr. Veruni indicated that as with all affordable housing, neighbors require an educational period where they learn about the program. In his experience, the Wall scattered-site program has had a positive outcome. Mr. Veruni noted that Wall Township works to keep neighbor issues down by maintaining zoning integrity in the neighborhood.

Mrs. Cervantes inquired about the cul de sac homes she’d seen on the bus tour.

Ms. Mulligan noted that Habitat homes quality under the “very low” category of affordable homes, and that 13% of the Township’s COAH obligation had to fall into that category.

Members of the community inquired about the number of homeowner units required under COAH, and Mr. Veruni replied that none were required. All COAH mandates can be satisfied with rental units. He added that Wall has seen success with homeowner units.

A member of the audience inquired if building COAH units resulted in additional COAH obligations. Mr. Veruni responded that they do not, COAH units do not compound.

Ms. Mulligan indicated that nationally, Habitat for Humanity has a foreclosure rate under 1%. This is current information, reflecting the current foreclosure crisis. She added that if a Habitat homeowner hits a financial crisis, Coastal Habitat works with them to defer payments until the family is back on their feet. Ms. Mulligan noted, as well, that Habitat pays taxes and insurance for their units until the 30-year mortgage is paid off.

A member of the community inquired about publication for the Habitat seminar, the first step in becoming a Habitat homeowner. Ms. Mulligan responded that publication is local, from Ocean to Brielle and areas east of the Parkway. She noted that if COAH is involved the publication area is required to become a bit wider.

Ms. Mulligan departs.

Mr. Veruni noted that when Wall built their scattered-sites, they used a service to qualify the homeowners. Postings were placed in the area, including area churches. Additionally, in Wall’s experience, all of the costs were recouped by the Township, with the moderately low income housing covering a small shortfall with the low income housing. The Wall units were 3 bedroom models, with 1 and 1/2 baths. There were two models, and both included a storage shed. At the present time, there are 29 scattered-site lots on the Township’s list.

A question was raised about assessments, and whether they reverted to market level at some point in time. Mr. Veruni will locate this information and provide it to the CCAH.

Discussion was held on if these homes improve the neighborhoods they’re located in.

Committeeman Foster and Mr. Veruni updated the CCAH on the status of the Amendment to the COAH Plan:

- Holly is in negotiations and has 25 property owners. An appraisal has been submitted and it will be discussed in an August meeting.
- Colfax Plaza's 26 units are being certified. The owner has to limit the rents for 30 years, but there are offsetting benefits such as prequalified tenants and tax reductions. The Township is hopeful these units will be added.
- Bearmore is being used by the Township to meet the first 2 COAH rounds. Then the Township will work to extend into the 3rd Round. The Township is optimistic about these units.
- Sunnyside is involved in a lawsuit by adjoining property owners, who were opposed to senior housing. That litigation is pending, and if it resolves the property could provide 6-8 units.
- Schwartz is being resubmitted, with the Township proposing the use of the undisturbed or farmed area. Sewer services are being negotiated, as well.
- Olympics' owner has expressed an interest in remaining in the Plan. While the limo service has been sold, the owner retains ownership of the property itself.
- Atlantic Manor has 36 units currently being finalized.

By September or October, both Holly and Colfax negotiations should be complete. The Township is also hopeful that the Amendments will be complete by October or November of this year. The Special Master is being kept informed of every step in the process, and knows Wall Township is working towards resolution of all issues.

Mrs. Cervantes inquired if Holly's 150 senior units will result in an overbuilding for that category of affordable home. Committeeman Foster replied that extra homes are "banked" and used to meet future COAH requirements.

Mrs. Cervantes advised that Committeeman Hoffman has suggested that the CCAH consider the review all the sites considered for the Plan. After discussion, it was agreed by the CCAH that we would not review each site unless and until it was deemed necessary, as it would be a re-review of already considered items. Committeeman Foster suggested that the Township could provide a listing of all properties considered for COAH, and that at the next CCAH meeting, someone from the Township will be available to address any questions the CCAH may have with regard to that listing.

Committeeman Foster added that the Township is involved in the Farmland Preservation Act. The minimum required to be considered a Farm under the act is 50 acres, and the larger farms in the area are being looked at. Keeping farmland classified as farmland will assist the township in maintaining our quality of life, as well as keeping future COAH obligations down.

The meeting was adjourned at 9:15 p.m. The next meeting is the second Monday in September, September 14, 2009 at 7:00 p.m. in the Wall Township Municipal Building, 2700 Allaire Road, Wall, New Jersey. The regularly scheduled meeting in October will not be held due to the Columbus Day holiday.

Karen Barbagelata
Secretary