

## **AFFORDABLE HOUSING: Bill eliminating COAH would only make matters worse**

By KEVIN D. WALSH • July 25, 2010

New Jersey's housing market is broken. Unfortunately, the Legislature is proposing to make things worse. It is considering legislation that would eliminate the Council on Affordable Housing without providing any alternative way to ensure adequate housing is provided for working families, seniors and people with special needs.

COAH was a national model for producing not only affordable housing but also middle-class starter homes in the 1980s and 1990s. A national study found that New Jersey did better than any other comparable state in keeping housing affordable to middle-class families in the 1990s.

But starting around 2000, COAH's agenda was captured by certain towns that wanted to be allowed to only build luxury housing and to impose new regulations that would ban starter homes. Towns passed regulations that prevented Habitat for Humanity from buying land and building on it, and that banned replacing shopping centers or office buildings that have outlived their usefulness with new homes, to name a few examples, in an extreme version of the "ratable chase" in which working families with children became enemy No. 1.

As a result, as the economy boomed, we produced lots of McMansions, which replaced farms and forests but failed to meet market demand for modestly priced townhouses and apartments near jobs and transit. It became increasingly harder to find a starter home, especially in growing job centers like Mount Laurel and Parsippany-Troy Hills.

In contrast, the housing boom in Pennsylvania and Delaware included homes affordable to middle-class families. After decent job growth in the 1990s, New Jersey gained barely any private-sector jobs in the last decade. A key reason, according to business leaders, was that people did not want to relocate to New Jersey because it cost so much to buy or rent a home here.

Despite the negative effects on our economy, some legislators are taking up the cause of towns that still want to ban starter homes from being built. The S-1 legislation proposed this spring by Sens. Christopher "Kip" Bateman, R Somerset, and Sen. Raymond Lesniak, D- Union, was dubbed the "scary one" by the Sierra Club and opposed by the New Jersey Builders Association, Habitat for Humanity, every Catholic Bishop in New Jersey and the NAACP to name a few. These unlikely allies saw S-1 for what it was: a cynical attempt to make the problem worse, pushing sprawl and hurting our economy.

These legislators somehow came up with a bill that asks South Jersey to provide more affordable housing than North Jersey, and rural communities in Ocean and Sussex counties to do more than places like Far Hills and Princeton. The legislation would have allowed municipalities to build malls and office parks while expecting neighboring towns to provide housing for people who work in those buildings. When many towns pursued this strategy over the past decade, we ended up with a lot of empty office space, overpriced homes and jobs and people moving to Pennsylvania.

Thankfully, the Assembly has rejected S-1 and recognized that we can do better. Moving forward, the Legislature should replace COAH with a policy that actually puts shovels in the ground to build and renovate homes, creates new jobs and puts our state in a stronger economic position. With the state running out of vacant land, New Jersey needs redevelopment of old shopping centers and unused office buildings into communities with housing for middle-class families, seniors on a fixed income, the working poor and people with special needs. If zoning boards impose unreasonable red tape to block beneficial developments that will get the economy going, there needs to be consequences.

More affordable communities like Pennsauken and South River, both of which Bateman and Lesniak's S-1 implausibly call "exclusionary," should be recognized, not punished, for their affordability. These communities should not be forced to do more while places with the most jobs are permitted to pass costly regulations that stop new housing development.

When the Legislature begins the debate anew on a replacement for COAH in the fall, it should cut the red tape on starter homes near jobs and transit, protect our environment and treat towns like Pennsauken and South River fairly. Policies that discourage reasonably priced homes and apartments caused jobs to leave New Jersey in the last decade for states such as Pennsylvania and Delaware that have less burdensome regulations. If the Legislature creates even more red tape for nonprofits and businesses trying to build new homes near jobs and transit, it will happen again.

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