

## **COURT BLOCKS GOVERNOR CHRISTIE'S HOUSING RULES**

**October 20, 2011 – Trenton, New Jersey** - Late yesterday, a state appellate court ordered the state to halt the enforcement of "interim procedures" that would implement Governor Christie's takeover of the Council on Affordable Housing. The Appellate Division of the New Jersey Superior Court issued the order in a case filed by Fair Share Housing Center (FSHC). The stayed procedures, if implemented, would have given the Christie Administration the power to control municipal compliance with the New Jersey Fair Housing Act and to oversee the expenditure of over \$250 million in funds through a discretionary process with no standards. The Appellate Division also accelerated a full hearing on FSHC's challenges to both the procedures and the overall plan to abolish the Council on Affordable Housing, ordering all briefing and argument to be completed over the next four months.

"New Jersey needs a fair process for building and rehabilitating homes that will create much-needed jobs - not more barriers that exclude working families, lower-income seniors, and people with special needs," FSHC attorney Kevin D. Walsh said. "Fortunately, the courts have enjoined Governor Christie's plan, preventing him from replacing the rule of law with special treatment for exclusionary communities."

The Court's ruling bars DCA Commissioner Lori Grifa from implementing new procedures that would have "encouraged" municipalities to seek any waivers they want of law from her directly. The procedures and waivers, FSHC argued, violated the New Jersey Administrative Procedures Act, which requires all changes to law to go through a public process that allows public comment.

Christie's plan, if it had been upheld, would have circumvented the Fair Housing Act's requirement that housing decisions balance economic development, the needs of lower-income families and people with special needs, and municipal planning. By the administration's own admission, the plan's intention was to allow municipalities to impose new regulations on economic development to keep out working families, seniors, and people with special needs. Instead, the court ordered the administration to follow current rules while the appeal is fully litigated.

Last year, a State Department of Transportation study showed that, despite the economic downturn and need for economic development, the use of exclusionary zoning in New Jersey prevents the housing market from functioning properly. The Department of Transportation study, released by the Governor's own administration, found that the Route One corridor provides zoning for 13 times as many jobs as houses. The CEO of Princeton-based Educational Testing Services

to tell the Star-Ledger that, as a result, he is considering expanding in Pennsylvania instead of New Jersey due to the imbalance in the housing market. The results were further reinforced by a Rowan University study of Monmouth and Somerset Counties earlier this year, which found similar zoning disparities in those two counties.

"Unfortunately, the Governor has ignored his own administration's findings that exclusionary communities pose a threat to New Jersey's economic growth," Walsh added. "New Jersey cannot afford the red tape that Governor Christie wants to impose, especially when our private sector job growth lags behind the nation as a whole."

This is the second time the administration has been enjoined by the courts for overreaching in giving municipalities more powers to impose exclusionary red tape on starter homes. In February 2010, the governor issued an executive order that shut down COAH. That action was likewise enjoined, and the governor withdrew it a month later to avoid defending it in court.

The full appeals involving the rules and the overall plan, which was not stayed pending argument, will be heard by the Appellate Division in Trenton on February 15, 2012.

Fair Share Housing Center, founded in 1975 is based in Cherry Hill. It is the only public interest organization devoted entirely to defending the housing rights of New Jersey's poor through implementing the Mount Laurel doctrine, which requires that each municipality provides its fair share of housing affordable to low- and moderate-income people.

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