

Affordable Housing Update: Governor Christie Conditionally Vetoes Non-Residential Development Fee Moratorium

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In the latest legislative development to impact New Jersey's affordable housing landscape, Governor Christie has conditionally vetoed A1907/S1011, proposed legislation which would have retroactively reinstated and extended, until January 1, 2015, the moratorium on payment of the 2.5% non-residential affordable housing development fees paid by retail, office, commercial and industrial developers

The Governor's September 10, 2014 conditional veto of the Non-Residential Development Fee returns the bill to the Assembly for action on legislation that would have permitted most fees paid since the July 1, 2013 expiration of the moratorium to be refunded. The bill also continued the protections afforded by the moratorium through the end of 2014. In the absence of the legislation, a fee equal to 2.5% of the equalized assessed value of non-residential development in New Jersey must be paid in connection with most commercial and industrial development pursuant to the terms of the Statewide Non-residential Development Fee Act, N.J.S.A. 40:55D-8.1. The conditional veto included extensive proposed amendments to the Fair Housing Act, including such proposals as abolishing the Council on Affordable Housing and implementing growth share methodology, proposals that have previously been rejected by the Legislature and the Courts.

We will continue to monitor this proposed legislation and will keep you apprised. If you have questions regarding this or other land use issues, please contact the author of this Alert, **Meryl A.G. Gonchar**, Co-Chair of the Redevelopment & Land Use Department.