

SENATE, No. 2180

STATE OF NEW JERSEY

INTRODUCED JUNE 12, 1997

By Senators PALAIA, KYRILLOS and Ciesla

1 AN ACT concerning the period of usefulness of affordable housing  
2 projects and supplementing chapter 2 of Title 40A of the New  
3 Jersey Statutes.

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5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:

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8 1. Notwithstanding the provisions of N.J.S.40A:2-22, or any other  
9 law to the contrary, the period of usefulness of any project,  
10 undertaking or regional contribution agreement involving the  
11 construction or rehabilitation of low and moderate income housing in  
12 order to fulfill a fair share housing obligation pursuant to P.L.1985,  
13 c.222 (C.52:27D-301 et al.) shall be 20 years or such lesser period as  
14 a municipality may determine.

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16 2. This act shall take effect immediately.

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19 STATEMENT

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21 This bill would permit a municipality to issue bonds with maturity  
22 terms as long as 20 years if the proceeds of the bonds are used for the  
23 construction of affordable housing. This would override the court's  
24 decision in *AQN Associates, Inc. v. Township of Florence*, 248 N.J.  
25 *Super. 597 (App.Div. 1991)* which determined that the term be only  
26 six years. The longer bonding term will help some municipalities in  
27 financing affordable housing projects.

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32 Allows 20 year financing of affordable housing projects.