

New affordable housing rules will hurt businesses in N.J.

By JOAN VERPLANCK
 For the Courier-Post

New Jersey's Council on Affordable Housing (COAH) recently adopted revised rules that went into effect on June 2.

While providing affordable housing is a good cause, these changes will have a devastating impact on economic development efforts and discourage employers from growing jobs. This comes at a time when New Jersey's economy is in recession and job opportunities are shrinking.

Why would affordable housing have a detrimental impact on economic development? While we support the idea of affordable housing, we disagree with one of the ways COAH wants to pay for it — by taxing job growth. Under the revised rules, for every 16 jobs a New Jersey company adds, it must pay a "growth share" for the privilege. In other words, the new rules would make companies pay for a

unit of housing for every 16 jobs they add. COAH determined a need for 115,666 units of affordable housing through 2018 — up from 52,000 previously.

The financial impact on employers will be great. New Jersey is the only state in the nation with such a mandate, adding to the long list of reasons why companies may want to look elsewhere.

In a statewide survey of New Jersey residents, 62 percent felt that businesses should pay lower taxes so they can stay and reinvest here. Residents get it. Why doesn't government?

Let COAH and your legislators know that the state should be doing everything possible to grow jobs. These affordable housing rules instead penalize companies for providing opportunities for New Jerseyans.

The writer is president of the New Jersey Chamber of Commerce based in Trenton.

