

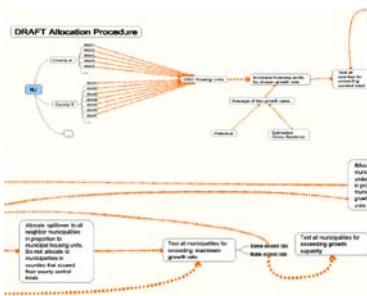
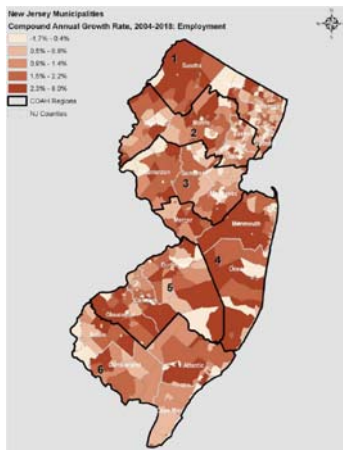


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State of New Jersey
 Council on Affordable Housing
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In January 2007, the Appellate Division overturned portions of the New Jersey Council on Affordable Housing’s (COAH) Round 3 growth share methodology and requested additional analysis to support the use of a growth share approach. Econsult played a leading role in a team retained by COAH to research, analyze data, and make recommendations regarding appropriate methods and practices to answer the shortcoming raised by the Appellate Division of the Superior Court of New Jersey regarding the adoption of COAH’s Third Round of Rules. Econsult worked with the University of Pennsylvania, Rutgers University’s National Center for Neighborhood & Brownfields Redevelopment (“NCNBR”), and others on the project, acting as the lead consultant on four specific tasks:

Task 1 – Developing long run projections of housing and employment: In Task 1, the team developed a sophisticated allocation model that is consistent with basic urban economic theories. This model was used to allocate the 2018 countywide projected growth estimates across the 566 municipalities in the state.

Task 2 – The impact of filtering on supplying affordable housing: In Task 2, Econsult presented a new approach to measuring the extent to which filtering has affected the supply of affordable housing for low-to-moderate households in New Jersey from 1993 through 2005, based on property-level data on home transactions in New Jersey from 1989 through 2005. In addition, Econsult provided a projection of filtering for the 2006 to 2018 period by apply the new model to current data in order to generate forward forecasts.

Task 3 – The impact of incentives on developer investments under inclusionary zoning: In Task 3, Econsult constructed an illustrative pro-forma model to determine the effects of various levels of affordable housing requirements on a developer’s return. Econsult further evaluated the potential of alternative incentive options to offset costs associated with providing affordable housing.

Task 4 – Evaluation of available information linking employment and square footage of commercial space: In Task 4, Econsult was responsible for reviewing and updating COAH’s existing job to commercial square footage ratios. Econsult developed median ratios from a survey of 1000+ nonresidential sites conducted by the Reed Group.