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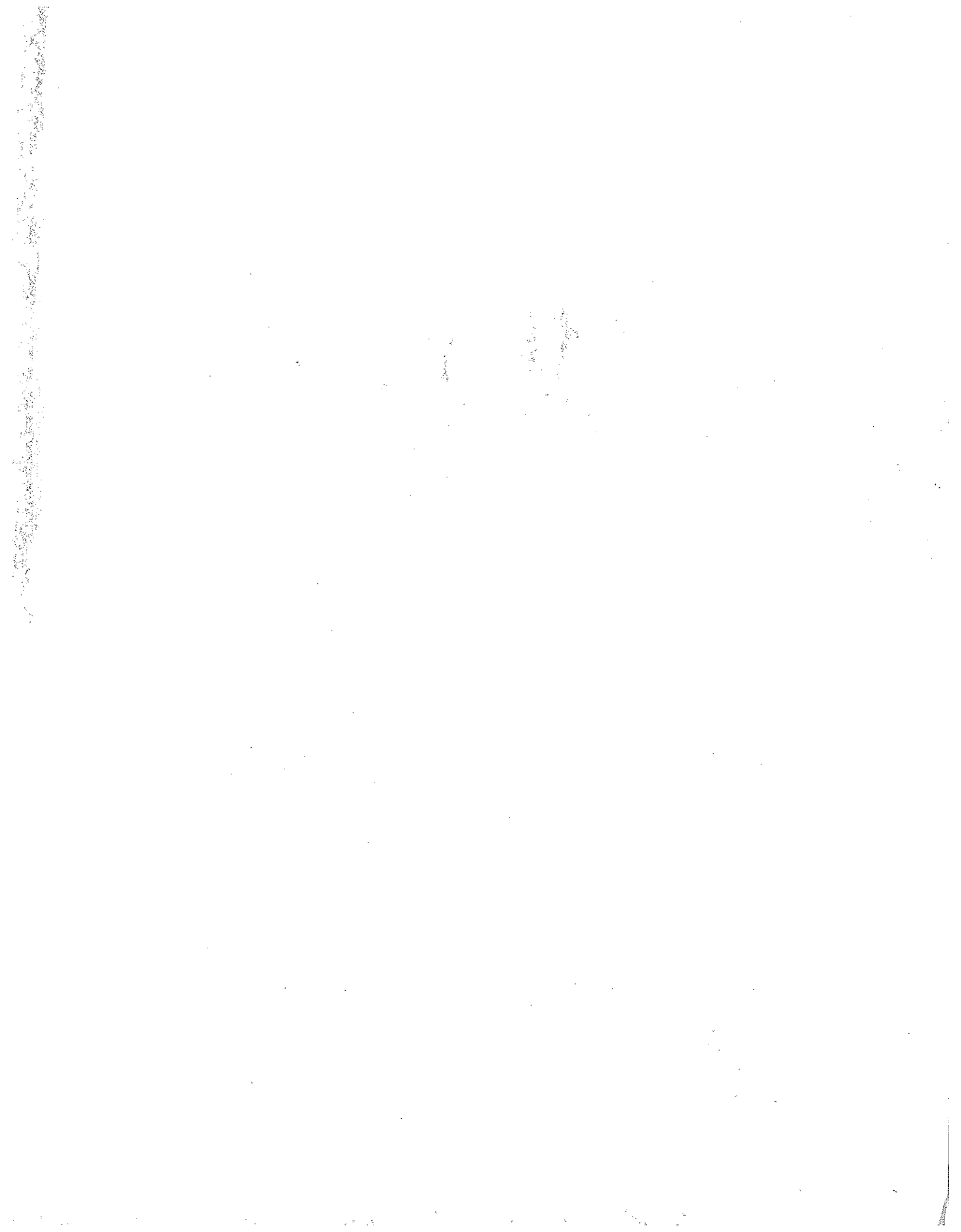
Amended Third Round Housing Element & Fair Share Plan

Adopted: May 26, 2020

Readington Township, Hunterdon County, New Jersey

Prepared by:

Clarke Caton Hintz | 100 BARRACK STREET | TRENTON, NJ | 08608



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Readington Township, Hunterdon County, New Jersey

Adopted by the Planning Board on May 26, 2020.

Endorsed by the Township Committee on June 15, 2020.

Prepared for Readington Township Planning Board by:

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TABLE OF CONTENTS

Executive Summary.....	I
Affordable Housing Judicial & Legislative Background.....	2
Affordability Requirements.....	9
Housing Element & Fair Share Plan Requirements.....	12
Readington's Affordable Housing History.....	13
Housing, Demographic & Employment Analysis.....	15
Consideration of Lands Appropriate for Affordable Housing.....	29
Fair Share Plan.....	30
Readington's Affordable Housing Obligation.....	30
Readington's Affordable Housing Plan.....	33
Satisfaction of the Third Round Obligation.....	42
Non-Deferred Third Round Obligation.....	43
Durational Adjustment Sites.....	69
Income Distribution.....	87
Affordable Housing Administration & Affirmative Marketing.....	90
Affordable Housing Trust Fund.....	91
Cost Generation.....	92
Monitoring/Status Reports.....	93
Summary.....	94

APPENDICES TO THE HOUSING ELEMENT & FAIR SHARE PLAN

- | | |
|--|--------------------------------------|
| 1. 2019 Settlement Agreement | 6. Allies Inc. – 55 Junco Court |
| 2. 2019 Court Order Approving Settlement Agreement | 7. Allies Inc. – 62 Junco Court |
| 3. Planning Board Adoption Resolution | 8. Allies Inc. – 203 Milkweed Court |
| 4. Governing Body Endorsement Resolution | 9. Allies Inc. – 246 Nuthatch Court |
| 5. Rehabilitation Program | 10. Allies Inc. – 296 Kingbird Court |
| | 11. Allies Inc. – 347 Phoebe Court |



12. Allies Inc. Agreement
13. ARC – 185 Milkweed Court
14. ARC – 211 Nuthatch Court
15. ARC – 271 & 285 Kingbird Court
16. ARC – 371 Burdock Court
17. ARC – 399 Ferncrest Court
18. ARC – 401 Ferncrest Court
19. ARC – 405 Ferncrest Court
20. ARC – 5 Owl Court
21. Anderson House
22. BCUW/Madeline Housing Partners, LLC
23. Calio House
24. Community Options
25. Credits without Controls
26. Dobozyński Farm Apartment
27. ECHO
28. Extensions of Controls
29. Fox Hollow
30. Habitat for Humanity
31. Hartman
32. Hionis
33. Lake Cushetunk Woods
34. Market-to-Affordable – General Township-wide Program
35. Market-to-Affordable – Harriet's Mobile Home Park
36. Mirota – Existing Units
37. Mirota - Expansion
38. Nelson Street
39. Readington Commons
40. Regional Contribution Agreement – Bound Brook
41. Regional Contribution Agreement - Carteret
42. Regional Contribution Agreement - Manville
43. SAR
44. Three Bridges - Diaz
45. Three Bridges – Inclusionary Overlay
46. Van Doren
47. Whitehouse Village (Prior Round)
48. Winfield-Cushetunk Manor
49. 2008 COAH Substantive Certification
50. Spending Plan
51. Affordable Housing Ordinance
52. Municipal Housing Liaison & Administrative Agent Documentation
53. Affirmative Marketing Plan
54. Affordability Assistance Program Manuals



EXECUTIVE SUMMARY

This Amended Third Round Housing Element and Fair Share Plan ("HE/FSP") has been prepared for the Township of Readington ("Township" or "Readington"), Hunterdon County in accordance with the New Jersey Fair Housing Act ("FHA") at N.J.S.A. 52:27D-310, and the rules of the New Jersey Council on Affordable Housing ("COAH") at N.J.A.C. 5:93 et seq. This Plan is an amendment to the prior Third Round HE/FSP that was adopted by the Planning Board and endorsed by the Township Committee in December 2008. This amended Plan will serve as the foundation for the Township's submission to the Honorable Thomas C. Miller, P.J.Civ. for a Third Round Judgment of Compliance and Repose to July 2025.

There are three (3) components to a municipality's affordable housing obligation: the Rehabilitation Share, the Prior Round obligation, and the Third Round obligation. As will be discussed in detail in this Plan, Readington has entered into a Settlement Agreement with Fair Share Housing Center ("FSHC") to establish the Township's Third Round affordable housing obligations. The Township's Settlement Agreement with FSHC and the Township's preliminary compliance efforts were approved by Judge Miller at a Fairness Hearing held on October 3, 2019 as reflected in a Court Order dated October 15, 2019. The Settlement Agreement identifies a 95-unit rehabilitation, or present need, obligation, a 394-unit Prior Round obligation, and a 1,045-unit Third Round "gap" + prospective need obligation (1999-2025).

Readington's Affordable Housing Obligation:

- Rehabilitation Share: 95 units
- Prior Round Obligation: 394 units
- Third Round Obligation: 1,045 units

The Township intends to satisfy its 95-unit Rehabilitation obligation through participation in Hunterdon County's rehabilitation program and establishing a Township-administered Rental Rehabilitation Program. The Township has fully satisfied the 394-unit Prior Round obligation with regional contribution agreements ("RCA"), family units both for sale and rental, senior rental units, and group homes, as well as additional rental bonus credits.

As preliminarily approved by the Superior Court, the Township has received a durational adjustment related to the Third Round obligation. The Township has sufficient sewer to realistically provide 783 credits of their 1,045 obligation (the "Non-Deferred Portion"). These Non-Deferred credits shall be addressed via residual regional contribution agreement credits, extension of controls, group homes, market-to-affordable programs, municipally-sponsored projects, and inclusionary zoning. The remaining 262 credits of Third Round obligation, the "Deferred Portion", will be addressed by the Township through a 100% affordable housing project and inclusionary zoning that may be prioritized and developed for affordable housing as new sewer and/or water capacity becomes available.



AFFORDABLE HOUSING JUDICIAL & LEGISLATIVE BACKGROUND

Providing an opportunity for the construction of affordable housing within developing municipalities was found to be a constitutional obligation by the New Jersey Supreme Court in its landmark 1975 decision now referred to as Mount Laurel I. The Court found that developing municipalities have a constitutional obligation to provide a realistic opportunity for the construction of low- and moderate-income housing.¹ In its 1983 Mount Laurel II decision, the Supreme Court extended the obligation to all municipalities. Subject to a number of limitations, Mount Laurel II also gave developers, under appropriate circumstances, the opportunity to secure a “builder’s remedy” in the event of a successful lawsuit.² A builder’s remedy conveys to a developer, through the Courts, the right to develop what is, typically, a multi-family project on land that was not zoned to permit such a use or at densities desired by the developer at the time of the suit and where a “substantial” percentage of the units are reserved for low- and moderate-income households.

In 1985, the Legislature enacted the Fair Housing Act (“FHA”)³ in response to Mount Laurel II. The FHA created the Council on Affordable Housing (“COAH”) as an administrative alternative to municipal compliance in a court proceeding. The Legislature conferred “primary jurisdiction” on the agency and charged COAH with promulgating regulations: (i), to establish housing regions; (ii), to estimate low- and moderate-income housing needs on a state and regional level; (iii), to set criteria and guidelines for municipalities to determine and address their fair share numbers, and (iv), to create a process for the review and approval of appropriate housing elements and fair share plans. As of 2015, COAH has been declared a moribund agency, which has forced the New Jersey Supreme Court to reactivate a judicial process in the review and approval of affordable housing plans. This document is being created to submit to the judicial process for determining affordable housing allocations and responses and, ultimately, to receive a Third Round Judgment of Compliance and Repose for a 10-year period.

COAH’s First and Second Rounds

COAH created the criteria and guidelines for municipalities to address their respective affordable housing obligation⁴, or number of affordable dwellings. Following guidelines established by the U.S. Department of Housing and Urban Development (“HUD”), COAH

¹ Southern Burlington NAACP v. Twp. of Mt. Laurel, 67 NJ 151 (1975)

² Southern Burlington NAACP v. Twp. of Mt. Laurel, 92 NJ 158 (1983)

³ N.J.S.A. 52:27D-301

⁴ Also called a municipality’s “fair share” of affordable housing.



defined affordable housing as dwellings that could be occupied by households making 80% or less of the regional household income – typically from 38-41% of the total population. COAH originally established a formula for determining municipal affordable housing obligations for the six-year period between 1987 and 1993 (*N.J.A.C. 5:92-1 et seq.*), which became known as the “First Round.” The First Round rules established an existing need where sub-standard housing was being occupied by low- and moderate-income households (variously known as “present need” or “Rehabilitation Share”) and future demand to be satisfied with new construction (“prospective need” or “fair share”).

The First Round formula was superseded by COAH regulations in 1994 (*N.J.A.C. 5:93-1.1 et seq.*). The 1994 regulations recalculated a portion of the 1987-1993 affordable housing obligations for each municipality and computed the additional municipal affordable housing need from 1993 to 1999 using 1990 U.S. Census data. The regulations COAH adopted in 1994 are known as “the Second Round” or 12-year cumulative obligation. In the Third Round, the new construction component from any earlier rounds is called either the prior obligation or “Prior Round.”

COAH’s Third Round

On December 20, 2004, COAH’s first version of the Third Round rules became effective some five years after the end of Second Round in 1999 (*N.J.A.C. 5:94-1 and 5:95-1*). The FHA had originally required housing rounds to be for a six-year period, but in 2001, this was amended to extend that time period to 10-year intervals. Therefore, the Third Round should have been from 1999 through 2009. However, because of the delay, the Third Round was extended by five (5) years to 2014 and condensed into an affordable housing delivery period of 10 years from January 1, 2004 through January 1, 2014. In other words, 15 years of affordable housing activity was to take place in 10 years.

The Third Round rules marked a significant departure from the methods utilized in COAH’s Prior Rounds. Previously, COAH assigned an affordable housing obligation that included the new construction number for each municipality. These Third Round rules implemented a “growth share” approach that linked the production of affordable housing to future residential and non-residential development within a municipality. Each municipality was required to project the amount of residential and non-residential growth that would occur during the period 2004 through 2014. Municipalities were then required to provide the opportunity of one (1) affordable unit for every eight (8) market-rate housing units developed and one (1) affordable unit for every 25 jobs created. Jobs were not counted directly, but rather by using non-residential building floor area as a substitute for employment. The Township prepared a housing plan based on these rules as will be discussed below.

This set of rules changed, however, when the New Jersey Appellate Court invalidated key elements of the first version of the Third Round rules on January 25, 2007. The Court ordered COAH to propose and adopt amendments to its rules within six months to address the

deficiencies identified by the Court. COAH missed this deadline, but eventually issued revised rules effective June 2, 2008 (as well as a further rule revision effective on October 20, 2008). It provided residential development and job projections for the Third Round. The Third Round was expanded again from 2014 out to 2018. COAH retained the growth share approach, but revised its ratios to require one (1) affordable housing unit for every four (4) market-rate housing units developed and one (1) affordable housing unit for every 16 jobs created.

Just as various parties challenged COAH's initial Third Round "growth share" regulations, parties challenged COAH's 2008 revised Third Round "growth share" rules. The Appellate Court issued a decision on October 8, 2010 deciding those challenges (see below).

Fair Housing Act Amendments and the New Jersey Economic Stimulus Act

On July 17, 2008, Governor Corzine signed P.L. 2008, c. 46, which amended the FHA in a number of ways.⁵ Key provisions of the legislation included the following:

- Establishing a mandatory statewide 2.5% nonresidential development fee instead of requiring nonresidential developers to provide affordable housing.
- Eliminating regional contribution agreements ("RCA's") as a means available to municipalities to transfer up to 50% of their required affordable housing to a "receiving" municipality.
- Adding a requirement that 13% of all affordable housing units be restricted to very low-income households (earning 30% or less of median income).
- Adding a requirement that municipalities had to commit to spend development fees within four years of the date of collection after its enactment or initially by July 17, 2012.⁶

On July 27, 2009, Governor Corzine signed the "NJ Economic Stimulus Act of 2009",⁷ which instituted a moratorium on the collection of nonresidential affordable housing development fees through July 2010. This moratorium was later extended until July 1, 2013 (P.L. 2011, c. 122). Since the moratorium has now expired, municipalities are obligated to collect the fee of

⁵ Also known as the "Roberts Bill" after former New Jersey Assembly Speaker Joseph Roberts who sponsored the bill.

⁶ This initial deadline was subsequently revised by an Appellate Court decision that extended the deadline until four (4) years after the Superior Court approves the municipal housing plan including the spending plan.

⁷ P.L. 2009, c.90.



2.5% of the equalized assessed value of a nonresidential development. Municipalities were always permitted to impose and collect residential affordable housing development fees approved by COAH following a 1990 New Jersey Supreme Court decision.⁸

Appellate Court's 2010 Decision

On October 8, 2010, the Appellate Division issued a decision on the legal challenges to the second iteration of COAH regulations⁹. The Appellate Division affirmed the COAH regulations that assigned rehabilitation and Prior Round numbers to each municipality, but invalidated the regulations by which the agency allocated affordable housing obligations in the Third Round. Specifically, the Appellate Division ruled that COAH could not allocate obligations through a "growth share" formula and directed COAH to use similar methods to those previously used in the First and Second Rounds. Other highlights of the Appellate Court's decision include:

- To be credited, municipally-sponsored or 100% affordable housing sites must show site control, site suitability, and a proposed source of funding.
- COAH's rules did not provide sufficient incentive for the private construction of inclusionary developments (market-rate and affordable units). Clearly defined percentages supported by economic data must be provided. The Court noted that a 20% affordable housing set-aside was typical.
- The Court invalidated Prior Round rental bonuses for developments that were not built within a reasonable time-frame.
- Bonuses for smart growth and redevelopment activities were upheld; however, the Court invalidated Third Round compliance bonuses.

The Court upheld its prior ruling on COAH's formula that did not reallocate present need obligation from Urban Aid eligible municipalities to other municipalities in the region. The Court also questioned whether or not Urban Aid municipalities should be assigned an allocation for future growth.

⁸ Holmdel Builders Assn. v. Tp. of Holmdel, 121 N.J. 550, 583 A.2d 277 (1990).

⁹ In the Matter of the Adoption of N.J.A.C. 5:96 and 5:97 by the New Jersey Council on Affordable Housing.

Judicial Activity from 2011 to 2014

COAH sought a stay from the New Jersey Supreme Court regarding the March 8, 2011 deadline the Appellate Division had imposed in its October 2010 decision for the agency to issue new Third Round housing numbers. The Supreme Court granted COAH's application for a stay on January 18, 2011 and on March 31, 2011, the Court granted petitions and cross-petitions to all of the various challenges to the Appellate Division's 2010 decision. However, the Supreme Court did not hear oral argument on the various petitions and cross petitions until November 14, 2012.

The New Jersey Supreme Court decided on the appeal by the executive branch of the Appellate Court's decision of March 8, 2012 that disallowed the dissolution of COAH under Governor Christie's Reorganization Plan No. 001-2011. The Supreme Court upheld the lower court's ruling, finding that the governor did not have the power to unilaterally reorganize COAH out of existence. The judges found that such an action requires the passage of new legislation.

On September 26, 2013 the New Jersey Supreme Court upheld the Appellate Court decision in In re Adoption of N.J.A.C. 5:96 and 5:97 by New Jersey Council On Affordable Housing, 215 N.J. 578 (2013), and ordered COAH to prepare the necessary rule revisions. Subsequent delays in COAH's rule preparation and ensuing litigation led to the New Jersey Supreme Court, on March 14, 2014, setting forth a schedule for adoption. COAH approved draft Third Round rules on April 30, 2014. Although ordered by the New Jersey Supreme Court to adopt revised new rules on or before October 22, 2014, COAH deadlocked at its October 20 meeting and failed to adopt the draft rules. An initial motion to table the rule adoption for 60 days to consider amendments also deadlocked and thus also failed.

March 2015 New Jersey Supreme Court Decision

The failure of COAH to adopt new regulations in October/November 2014 as ordered by the New Jersey Supreme Court led one of the litigants – FSHC – to file a Motion In Aid of Litigants' Rights to compel the government to produce constitutional affordable housing regulations. The New Jersey Supreme Court heard oral arguments on the motion on January 6, 2015. Two months later, on March 10, 2015, the Supreme Court issued its ruling, entitled, In re Adoption of N.J.A.C. 5:96 & 5:97 by N.J. Council on Affordable Housing, now known as Mount Laurel IV.

The 2015 decision provides a new direction for the means by which New Jersey municipalities are to comply with the constitutional requirement to provide their fair share of affordable housing. The Court transferred responsibility to review and approve Housing Elements and Fair Share Plans (e.g., Housing Plans) from COAH to designated Mount Laurel trial judges. The implication of this is that municipalities could no longer wait for COAH to adopt Third Round rules before preparing new Housing Plans and municipalities must now apply to Court, instead of COAH, if they wish to be protected from exclusionary zoning lawsuits. These trial



judges review municipal plans much in the same manner as COAH previously did. Those towns whose plans are approved by the Court will receive a Judgment of Compliance and Repose, the judicial-equivalent of COAH's substantive certification.

The decision established a 90-day transitional period and then a 30-day filing period when municipalities could petition the Superior Court in a Declaratory Judgment action seeking confirmation that their means of addressing affordable housing meets constitutional muster. Municipalities were also permitted to file motions for temporary immunity from builder's remedy lawsuits. Readington filed its Declaratory Judgment action with the Superior Court on July 2, 2015.

The New Jersey Supreme Court indicated in its ruling that Housing Plans are to be drawn up using similar rules as to those in place during the Second Round as well as Third Round housing compliance mechanisms that the justices found constitutional, such as smart growth and redevelopment bonuses and extensions of controls. This document has been drafted using the Supreme Court's direction in its decision.

January 2017 New Jersey Supreme Court Decision

On January 17, 2017, the New Jersey Supreme Court issued its decision In Re Declaratory Judgment Actions Filed By Various Municipalities, County Of Ocean, Pursuant To The Supreme Court's Decision In In Re Adoption of N.J.A.C. 5:96, 221 N.J. 1(2015). The Supreme Court found that the "gap period," defined as the period between the end of the Second Round in 1999 and 2015, generates an affordable housing obligation. This decision requires an expanded definition of the municipal present need obligation to include low- and moderate-income households formed during the gap period that are entitled to their delayed opportunity to seek affordable housing. Present need, or the Rehabilitation Share, has historically been an estimate of low- and moderate-income households living in substandard housing at the beginning of an affordable housing round. Although some parties argued the gap obligation should be calculated as part of the prospective need, or new construction obligation, the Supreme Court found that such a position is not supported by the Fair Housing Act, which defines prospective need as a projection of new low and moderate income households formed during a future housing cycle.

Accordingly, the municipal affordable housing obligation is now composed of the following four parts: present need (Rehabilitation Share); Prior Round (1987 to 1999, new construction); "gap" present need (1999 to 2015, third round new construction); and prospective need (Third Round, 2015 to 2025, new construction).

March 2018 New Jersey Superior Court Decision

In a March 8, 2018 ruling on two Mercer County municipalities' affordable housing obligations, Superior Court Assignment Judge Mary Jacobson tackled directly the absence of a



statewide set of guidelines for calculating a municipality's fair share obligation. Her decision laid out a methodology, spelled out in detail along with her reasons for preferring proposed given methodology for each individual component of the complicated multi-step calculation utilized to calculate the need. In the end, the Judge ruled in favor of the municipal expert on several key steps in calculating the need and in favor of the housing advocate's experts in others, which resulted in a statewide number which was in between the competing experts' respective calculations. Incorporating estimates of households and wealth, projections of job and population growth, and calculations of acreage available for development, Jacobson's methodology could be used as a template statewide for determining the need for new affordable housing development.



AFFORDABILITY REQUIREMENTS

Affordable housing is defined under New Jersey's Fair Housing Act as a dwelling, either for sale or rent, that is within the financial means of households of low- or moderate-income, as is measured within each housing region. Readington Township is in COAH's Region 3, which includes Somerset, Hunterdon and Middlesex counties. Moderate-income households are those with annual incomes greater than 50%, but less than 80% of the regional median income. Low-income households are those with annual incomes that are 50% or less than the regional median income. Very low-income households are a subset of "low-income" households and are defined as those with incomes 30% or less than the regional median income.

The Uniform Housing Affordability Controls (hereinafter "UHAC") at *N.J.A.C. 5:80-26.3(d)* and (e) requires that the maximum rent for a qualified unit be affordable to households with incomes 60% or less than the median income for the region. The average rent must be affordable to households with incomes no greater than 52% of the median income. The maximum sale prices for affordable units must be affordable to households with incomes 70% or less than the median income. The average sale price must be affordable to a household with an income of 55% or less than the median income.

The regional median income has historically been defined by COAH using the federal income limits established by HUD on an annual basis. In the spring of each year, HUD releases updated regional income limits, which COAH reallocated to its regions. It is from these income limits that the rents and sale prices for affordable units are derived. However, COAH has not published updated income limits or rent increases since 2014. As a result, the Township will calculate and set updated income limits annually pursuant to the Court's October 15, 2019 Order granting Readington the ability to adopt such limits set forth in the Township's Settlement Agreement with FSHC.

To update income limits, the Township will rely on the methodology set forth and approved by the Superior Court that establishes the criteria to follow to annually update income limits. The criteria adhere to COAH's Prior Round methodologies, the key aspects of which are outlined below and are to be utilized by Readington pursuant to the Settlement Agreement.

Income limits for all units that are part of the Township's Housing Element and Fair Share Plan, excluding those which income limits are already established through a federal program, shall be updated by the Township as HUD publishes median incomes and income limits as follows:

- Regional income limits shall be established for the region that the Township is located within (i.e. Region 3) based on the median income by household size, which shall be

Income Categories

Moderate = 50% to 80% regional median income

Low = 50% regional median income or less

Very Low = 30% regional median income or less



established by a regional weighted average of the uncapped Section 8 income limits published by HUD. To compute this regional income limit, the HUD determination of median county income for a family of four is multiplied by the estimated households within the county according to the most recent decennial Census. The resulting product for each county within the housing region is summed. The sum is divided by the estimated total households from the most recent decennial Census in the Township's housing region. This quotient represents the regional weighted average of median income for a household of four.

- The income limit for a moderate-income unit for a household of four shall be 80% of the regional weighted average median income for a family of four. The income limit for a low income unit for a household of four shall be 50% of the HUD determination of the regional weighted average median income for a family of four. The income limit for a very low-income unit for a household of four shall be 30% of the regional weighted average median income for a family of four. These income limits shall be adjusted by household size based on multipliers used by HUD to adjust median income by household size. In no event shall the income limits be less than those for the previous year.
- The Regional Asset Limit used in determining an applicant's eligibility for affordable housing pursuant to *N.J.A.C. 5:80-26.16(b)3* shall be calculated by the Township annually by taking the percentage increase of the income limits calculated pursuant to the methodology outlined above over the previous year's income limits, and applying the same percentage increase to the Regional Asset Limit from the prior year. In no event shall the Regional Asset Limit be less than that for the previous year.

For 2019, the Affordable Housing Professionals of New Jersey ("AHPNJ") and FSHC have jointly developed updated income limits for all housing regions in New Jersey, which were calculated using the methodology outlined above. As approved by the Court, these income limits for Region 3 will be utilized for Readington. See Table 1 for 2019 income limits for Region 3.

TABLE 1. 2019 INCOME LIMITS FOR REGION 3

Household Income Levels	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5-Person Household
Moderate	\$66,248	\$75,712	\$85,176	\$94,640	\$102,211
Low	\$41,405	\$47,320	\$53,235	\$59,150	\$63,882
Very Low	\$24,843	\$28,392	\$31,941	\$35,490	\$38,329

Source: AHPNJ 2019 Affordable Housing Regional Income Limits by Household Size; May 2019



The Township will further rely on this process to establish sale prices and rents of affordable housing units throughout the Third Round. The Administrative Agent shall establish these prices and rents pursuant to procedures set forth in UHAC and by utilizing the regional income limits established through the procedures outlined above. Readington will specifically adhere to the following:

- The resale prices of owner-occupied low- and moderate-income units may increase annually based on the percentage increase in the regional median income limit for each housing region. In no event shall the maximum resale price established by the Administrative Agent be lower than the last recorded purchase price.
- The rent levels of very low-, low-, and moderate-income units may be increased annually based on the percentage increase in the Housing Consumer Price Index for the Northeast Urban Area, upon its publication for the prior calendar year. This increase shall not exceed 9% in any one year. Rents for units constructed pursuant to low-income housing tax credit regulations shall be indexed pursuant to the regulations governing low income housing tax credits.

Tables 2 and 3 provide illustrative sale prices and gross rents for 2019. The sample rents and sale prices are illustrative and are gross figures, which do not account for the specified utility allowances for rental units or for specific mortgage rates, taxes, etc. for sales units.

TABLE 2. ILLUSTRATIVE 2019 AFFORDABLE GROSS RENTS FOR REGION 3

Household Income Levels (% of Median Income)	1-Bedroom Unit Rent	2-Bedroom Unit Rent	3-Bedroom Unit Rent
Moderate	\$1,331	\$1,597	\$1,845
Low	\$1,109	\$1,331	\$1,538
Very Low	\$665	\$799	\$923

Source: AHPNJ 2019 Affordable Housing Regional Income Limits by Household Size, May 2019

TABLE 3. ILLUSTRATIVE 2019 AFFORDABLE SALES PRICES FOR REGION 3

Household Income Levels (% of Median Income)	1 Bedroom Unit Price	2 Bedroom Unit Price	3 Bedroom Unit Price
Moderate	\$179,607	\$215,528	\$249,055
Low	\$149,672	\$179,607	\$207,546
Very Low	\$89,803	\$107,764	\$124,527

Source: AHPNJ 2019 Affordable Housing Regional Income Limits by Household Size, May 2019



HOUSING ELEMENT & FAIR SHARE PLAN REQUIREMENTS

In accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-1, et seq.), a municipal Master Plan must include a housing element as the foundation for the municipal zoning ordinance (see N.J.S.A. 40:55D-28(b)(3) and -62). Pursuant to the FHA (N.J.S.A. 52:27D-301 et seq.), a municipality's housing element must be designed to provide access to affordable housing to meet present and prospective housing needs, with particular attention to low- and moderate-income housing. Specifically, N.J.S.A. 52:27D-310 requires that the Housing Plan element contain at least the following:

- An inventory of the municipality's housing stock by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low- and moderate-income households and substandard housing capable of being rehabilitated;
- A projection of the municipality's housing stock, including the probable future construction of low and moderate income housing, for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development, and probable residential development trends;
- An analysis of the municipality's demographic characteristics, including, but not necessarily limited to, household size, income level, and age;
- An analysis of the existing and probable future employment characteristics of the municipality;
- A determination of the municipality's present and prospective fair share of low- and moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share of low- and moderate-income housing; and
- A consideration of the lands most appropriate for construction of low and moderate income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low- and moderate-income housing, including a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing.

*See the section titled
"Housing, Demographic,
and Employment
Analysis."*

*See the section titled
"Readington's Affordable
Housing Plan" for
information on the
Township's fair share of
low- and moderate-
income housing.*

*See the section titled
"Consideration of Lands
Appropriate for
Affordable Housing" for
this information.*



READINGTON'S AFFORDABLE HOUSING HISTORY

Readington Township officials and its citizenry have devoted much attention to affordable housing planning over the past 40 years. In 1978, Readington implemented zoning for "least cost housing" on two (2) substantial tracts permitting multi-family housing which responded to the Mount Laurel I decision in 1975. The tracts were approved and developed in the early 1980's as Whitehouse Village (290 units) in Whitehouse Station and Hunter's Crossing (418 units) near Three Bridges.

Readington Township prepared a first round (1987-1993) Housing Element/Fair Share Plan (HE/FSP) addressing a 265-unit affordable housing obligation (183 new construction/82 rehabilitation) and received first round substantive certification from COAH on June 26, 1989. Subsequently, the Township prepared a second round HE/FSP to address its cumulative (1987-1999) affordable housing obligation of 475 units (394 new construction/81 rehabilitation) and received second round certification from COAH on May 7, 1997. As the Township's second round substantive certification was valid for six years and COAH had just adopted its third round (1987-2014) regulations, the Township filed a motion for an extension of their second round substantive certification pursuant to N.J.A.C. 5:95-15.2 and received an extension of its second round substantive certification from COAH on February 4, 2003, amended second round certification from COAH on April 2, 2003 and another second round certification from COAH on May 11, 2005. An additional amendment to the second round certification was approved by COAH on November 9, 2005.

On November 28, 2005, the Township adopted its initial third round Housing Element/Fair Share Plan to address the third round Affordable Housing Obligation. The Township initially petitioned COAH on December 13, 2005. COAH did not act on the 2005 plan before the Appellate Division's 2007 decision invalidated the first version of COAH's third round rules. The Township adopted a 2008 HE/FSP to address COAH's revised regulations and COAH granted substantive certification of the Township's 2008 HE/FSP on October 14, 2009 (COAH Resolution #04-09).

Pursuant to the NJ Supreme Court's March 10, 2015 decision, Readington Township was deemed to be a 'certified' municipality. The Township was one of only approximately 60 towns that received third round substantive certification. A certified municipality is a town that received third round substantive certification from COAH that allows courts to be more inclined to grant applications for immunity from exclusionary zoning actions during the court review process. On July 2, 2015, the Township filed its Declaratory Judgment action with the Superior Court and on October 23, 2015, the Honorable Thomas C. Miller, P.J.Cv., extended the Township's immunity protections which the court granted a number of times including through the present time and appointed Frank Banisch, PP, AICP as Special Master.



The Township entered into successful negotiations with FSHC, an interested party in its declaratory judgment, to identify its fair share obligation and preliminarily determine how that obligation would be satisfied. The negotiations resulted in a Settlement Agreement between the Township and FSHC that was executed by the Township on July 19, 2019 (see Appendix 1). The Court issued an Order on October 15, 2019 stating that the Settlement Agreement was fair to the interests of low- and moderate-income households (see Appendix 2). The Court also preliminarily found that the manner in which the Settlement Agreement satisfied the obligation was reasonable, subject to several conditions. This 2020 Housing Element and Fair Share Plan incorporates and implements the terms of the 2019 Settlement Agreement between the Township and FSHC and will serve as the foundation for the Township's application for a Judgment of Compliance and Repeal by the Court.

Notwithstanding, this Housing Plan satisfies the obligation somewhat differently from how it was anticipated to be satisfied in the Settlement Agreement in order to address the conditions in the Order addressing Fairness and to account for new sites and information that arose during the time of the Housing Plan's preparation.



HOUSING, DEMOGRAPHIC & EMPLOYMENT ANALYSIS

Housing Characteristics

The 2013-2017 American Community Survey (ACS)¹⁰ indicates that Readington has approximately 6,465 housing units, of which 186, or 2.8%, are vacant. The Township's housing stock predominantly consists of single-family detached units (78.2%) and single-family attached units (8.7%). The Township's percentage of single-family detached units is higher than that of the State (53.6%) and approximately 3% higher than that of Hunterdon County (75.5%). The renter population represents approximately 9.2% of all occupied units in Readington (with 87.7% owner-occupied), which is 7.1% less than the renter population in the County (16.3%) and 26.6% less than the renter population in the State as a whole (35.8%). See Table 4, Housing Units by Number of Units in Structure, for a detailed explanation of the housing units in 2017.

TABLE 4. HOUSING UNITS BY NUMBER OF UNITS IN STRUCTURE, 2017

Number of Units	Owner-occupied	Percent	Rental	Percent	Vacant	Percent	Total
1, Detached	4,667	72.1%	245	3.7%	145	2.2%	5,057
1, Attached	503	7.7%	63	0.9%	0	-	566
2	35	0.5%	104	1.6%	0	-	139
3 or 4	70	1.0%	45	0.6%	50	0.7%	165
5 to 9	285	4.4%	40	0.6%	0	-	325
10 or more	99	1.5%	99	1.5%	0	-	198
Other	15	0.2%	0	-	0	-	15
Total	5,674	87.7%	596	9.2%	186	2.8%	6,465

Source: 2013-2017 American Community Survey 5-Year Estimate.

Table 5, Housing Units by Year Built, illustrates the age of the Township's housing stock. Only 8.0% of Readington's housing stock was constructed prior to 1939. The majority of the Township's housing stock was constructed between 1960 and 1999 (72.3%).

¹⁰ The American Community Survey replaced the long-form Census as the source for much of the housing data necessary to complete this section. The Census is a one-time count of the population while this ACS is an estimate taken over five years through sampling. As such, data in the ACS is subject to a margin of error.

Year Built	Total Units	Percent	Owner	Renter	Vacant
2014 or later	40	0.6%	40	0	0
2010 to 2013	39	0.6%	39	0	0
2000 to 2009	411	6.4%	314	17	80
1980 to 1999	3,112	48.1%	2,664	348	100
1960 to 1979	1,559	24.1%	1,464	95	0
1940 to 1959	789	12.3%	722	52	15
1939 or earlier	515	8.0%	431	84	0
Totals	6,465	100%	5,674	596	186

Source: 2013-2017 American Community Survey 5-Year Estimate.

Table 6, Housing Units by Number of Rooms, shows 2.0% of housing units have between one (1) and three (3) rooms; 34.2% have between four (4) and six (6) rooms; and 63.8% have seven (7) or more rooms. The data from this and other tables indicate that the housing stock in Readington is, on average, moderate to large in size. In addition, the largest concentration of housing units in Readington (40.1%) contains four (4) bedrooms and 78.2% of all units have three (3) or more bedrooms. For both the County and the State, the largest concentration of housing units has three (3) and four (4) bedrooms (67.4% and 51.9%, respectively). See Table 7, Number of Bedrooms per Housing Unit, for more detail.

Rooms	Number of Units	Percent
1	35	0.5%
2	8	0.1%
3	89	1.4%
4	482	7.5%
5	920	14.2%
6	805	12.5%
7	817	12.6%
8	1,226	19.0%
9+	2,083	32.2%
Total	6,465	100%
Median Rooms	7.6	

Source: 2013-2017 American Community Survey 5-Year Estimate.



TABLE 7. NUMBER OF BEDROOMS PER HOUSING UNIT, 2017

Bedrooms	Number of Units	Percent
Efficiency	35	0.5%
1	303	4.7%
2	1,074	16.6%
3	2,009	31.1%
4	2,592	40.1%
5+	452	7.0%
Total	6,465	100%

Source: 2013-2017 American Community Survey 5-Year Estimate.

Table 8, Housing Values, shows that the median value of owner-occupied housing units in Readington decreased by 9.7% between 2010 and 2017 from \$491,900 to \$444,000. Hunterdon County saw a slightly higher percent decline in owner-occupied home values during this same period time (11.8%). Readington had higher median housing values both in 2010 (\$491,900 vs. \$446,700) and 2017 (\$444,000 vs. \$393,800) than the County as a whole.

Based on the 2019 illustrative sales prices provided in Table 3 and the estimated value of owner-occupied homes in 2017 as provided in Table 8, approximately 244 housing units, or 4.3% of owner-occupied units, in Readington may be affordable to very low-income households (depending on the number of bedrooms in the unit). Approximately 309 housing units, or 5.4%, (exclusive of units that may be affordable to very low-income households) may be affordable to low-income households, and approximately 395 units (7.0%) may be affordable to moderate-income households (excluding those units affordable to low- or very low income-households). In total, 948 owner-occupied units, or 16.7% of owner-occupied units in the Township, may be affordable to low- or moderate-income households.

TABLE 8. OWNER-OCCUPIED HOUSING VALUES, 2010 & 2017

Housing Unit Value	2010 Units	Percent	2017 Units	Percent
Less than \$50,000	35	0.6%	116	2.0%
\$50,000 to \$99,999	128	2.3%	9	0.2%
\$100,000 to \$149,999	67	1.2%	119	2.1%
\$150,000 to \$199,999	99	1.8%	309	5.4%
\$200,000 to \$299,999	437	7.9%	395	7.0%
\$300,000 to \$499,999	2,090	37.8%	2,580	45.5%
\$500,000 to \$999,999	2,515	45.5%	1,992	35.1%
\$1,000,000 or more	157	2.8%	154	2.7%
Total	5,528	100%	5,674	100%
Median	\$491,900		\$444,000	

Source: 2006-2010 & 2013-2017 American Community Survey 5-Year Estimates.

The median rent in Readington in 2017 was \$1,679, compared to \$1,388 across Hunterdon County. Based on the 2019 illustrative rents provided in Table 2, approximately 52 renter-occupied units, or 10.4%, may be affordable to very low-income renters, depending on the number of bedrooms being rented. Similarly, approximately 157 rental units (exclusive of units that may be affordable to very low-income households), or 31.3%, may be affordable to low-income renters and approximately 117 rental units (excluding units that may be affordable to low-income households), or 23.3%, may be affordable to moderate-income renters. In total, approximately 326 rental units, or 65.0% of all renter-occupied housing units, may be affordable to low- or moderate-income households depending on the number of bedrooms being rented. See Table 9, Comparison of Readington and Hunterdon County, Gross Rent.

Gross Rent	Readington Township		Hunterdon County	
	Units	Percent	Units	Percent
Less than \$500	0	0.0%	279	3.9%
\$500 to \$999	52	10.4%	938	13.0%
\$1,000 to \$1,499	157	31.3%	3,096	43.0%
\$1,500 to \$1,999	117	23.3%	1,768	24.6%
\$2,000 to \$2,499	89	17.7%	819	11.4%
\$2,500 to \$2,999	70	13.9%	210	2.9%
\$3,000 or more	17	3.4%	83	1.2%
No Rent Paid	94	-	444	-
Total	502	100%	7,193	100%
Median Rent	\$1,679		1,388	

Source: 2013-2017 American Community Survey 5-Year Estimate.

Housing is generally considered to be affordable if rents, mortgages, and other essential costs consume 28% or less of an owner-household's income or 30% or less of a renter-household's income. This percentage is lower for homeowners to account for the additional home maintenance costs associated with ownership. In Readington, 27.5% of all households in occupied units are expending more than 30% of their incomes on housing costs. The percent of renter-occupied households expending more than 30% of their incomes on housing (38.3%) is higher than the percent of owner-occupied households (26.4%). Over one-third of renters are spending over 30% of income on housing, which suggests that some of Readington's existing rental housing may be unaffordable to the population. Although it was estimated that 65.0% of rental housing units in Readington may be affordable to very-low-, low- or moderate-income households, this analysis was based on rents affordable to a moderate-income household occupying a three-bedroom unit. Therefore, it appears that Readington's renter population is likely composed of smaller households that occupy smaller units.



TABLE 10. HOUSING AFFORDABILITY, 2017

Monthly Housing Costs as Percent of Income	Owner- Occupied	Percent	Renter Occupied	Percent	All Occupied	Percent
Less than 20 Percent	2,763	44.0%	172	2.7%	2,929	46.7%
20 to 29 Percent	1,388	22.1%	108	1.7%	1,496	23.8%
30 Percent or More	1,497	23.8%	228	3.6%	1,725	27.5%
Total	5,674	90.4%	596	9.5%	6,270	100%

Source: 2013-2017 American Community Survey 5-Year Estimate.

In 2017, there were an estimated 26 units that had incomplete kitchen facilities and 26 units with incomplete plumbing facilities. There were also no overcrowded housing units (defined as more than one (1) occupant per room) built before 1950. It should be noted that overcrowding is often associated with substandard housing due to overuse of facilities and is often occupied by lower-income households who share space to save on housing costs. Historically, the conditions mentioned in this paragraph have been indicators of housing deficiency, which are used to determine the number of units requiring rehabilitation.

TABLE 11. INDICATORS OF HOUSING DEFICIENCY, 2017

Indicator	Incomplete Plumbing	Incomplete Kitchen
Number of Units	26	26

Source: 2013-2017 American Community Survey 5-Year Estimate.

General Population Characteristics

The population of Readington decreased 1.6% from 2010 to 2017, which opposes the 2.7% population increase seen in the Township between 2000 and 2010. The Township's rate of population decline between 2010 and 2017 is about three quarters the rate faced by the County (2.1%). The County's decline rate opposes the growth rate of 5.3% during the previous decade. See Table 12, Population Growth.

TABLE 12. POPULATION GROWTH, 2000 – 2017

	2000	2010	Percent Change	2017	Percent Total Change
Readington Township	15,803	16,235	2.7%	15,962	1.0%
Hunterdon County	121,989	128,458	5.3%	125,717	3.0%

Sources: 2000 US Census; 2006-2010 and 2013-2017 American Community Survey 5-Year Estimates.

Between 2010 and 2017, there were large changes in most of Readington's age cohorts, especially in the senior population. The highest rate of growth was in the age 65 to 74 cohort,

which grew 57.1% between 2010 and 2017. There was an, approximately, 46.1% decrease in the age 5 to 9 cohort and an 23.1% decrease in the 35 to 44 age cohort. The growth in older age cohorts contributed to Readington's increase in the median age from 44.0 to 48.1 years. See Table 13, Age Distribution, for additional detail.

Age Group	2010	Percent	2017	Percent	Percent Change
Under 5	809	5.0%	858	5.4%	6.0%
5-9	1,334	8.2%	719	4.5%	-46.1%
10-14	1,097	6.8%	890	5.6%	-18.8%
15-19	1,048	6.5%	1,002	6.3%	-4.3%
20-24	613	3.8%	867	5.4%	41.4%
25-34	1,201	7.4%	1,093	6.8%	-8.9%
35-44	2,411	14.9%	1,852	11.6%	-23.1%
45-54	2,957	18.2%	2,940	18.4%	-0.5%
55-59	1,635	10.1%	1,408	8.8%	-13.8%
60-64	1,024	6.3%	1,282	8.0%	25.1%
65-74	1,186	7.3%	1,864	11.7%	57.1%
75-84	664	4.1%	959	6.0%	44.4%
85+	256	1.6%	228	1.4%	-10.9%
Total	16,235	100%	15,962	100%	1.6%
Median Age	44.0		48.1		8.3%

Source: 2013-2017 American Community Survey 5-Year Estimate.

Household Characteristics

A household is defined by the U.S. Census Bureau as those persons who occupy a single room or group of rooms constituting a housing unit; however, these persons may or may not be related. As a subset of households, a family is identified as a group of persons including a householder and one (1) or more persons related by blood, marriage or adoption, all living in the same household. In 2017, there were 6,270 occupied households in the Township, with an average of 2.42 persons per household. Approximately 67.8% of the households are composed of married couples with or without children. Approximately 26.1% of the Township's households are non-family households, which include individuals living alone. See Table 14, Household Composition.



TABLE 14. HOUSEHOLD COMPOSITION, 2017

Household Type	Households	Percent
Family households	4,633	73.9%
Married-couple family	4,254	67.8%
Male householder, no spouse present	53	6.0%
Female householder, no spouse present	326	5.2%
With Children Under 18	1,980	31.6%
Nonfamily households	1,637	26.1%
Householder living alone	1,398	22.3%
Total Households	6,270	100%

Source: 2013-2017 American Community Survey 5-Year Estimate.

Income Characteristics

In 2017, the median income in Readington was \$133,320 for households and \$159,462 for families. Comparable figures for the County were \$110,969 for households and \$136,895 for families. Table 15, Household Income by Income Brackets, further illustrates these findings by noting the number of households in each of the income brackets. The Township's poverty rate for individuals (2.3%) is less than that of the County (4.5%) as well as the Township's poverty rate for families (1.0%) is below than the County's rate (2.7%). See Table 16, Individual and Family Poverty Rates, for the comparison.

TABLE 15. HOUSEHOLD INCOME BY INCOME BRACKETS, 2017

	Households	Percent
Less than \$5,000	66	1.1%
\$5,000-\$9,999	61	1.0%
\$10,000-\$14,999	96	1.5%
\$15,000-\$19,999	56	0.9%
\$20,000-\$24,999	142	2.3%
\$25,000-\$34,999	186	3.0%
\$35,000-\$49,000	358	5.7%
\$50,000-\$74,999	931	14.8%
\$75,000-\$99,999	584	9.3%
\$100,000-\$149,999	1,019	16.3%
\$150,000 +	2,771	44.2%
Total	6,270	100%
Median Income	\$133,320	

Source: 2013-2017 American Community Survey 5-Year Estimate.

TABLE 16. INDIVIDUAL AND FAMILY POVERTY RATES, 2017

Location	Individuals	Families
Readington Township	2.3%	1.0%
Hunterdon County	4.5%	2.7%

Source: 2013-2017 American Community Survey 5-Year Estimate.

Employment Characteristics

Table 17, *Distribution of Employment by Industry*, shows the distribution of employment by industry for employed Readington residents. The four industries representing the largest concentrations of employed residents in Readington in 2017 were Educational, Health, and Social Services with 20.2% of employed residents; Professional, Scientific, and Management, and Administrative and Waste Management Services with 14.0%; Financing, Insurance, Real Estate, Renting and Leasing with 13.3%; and Manufacturing with 11.2%.

TABLE 17. DISTRIBUTION OF EMPLOYMENT BY INDUSTRY, READINGTON RESIDENTS, 2017

Sector Jobs	Number	Percent
Agriculture, Forestry, Fishing and Hunting, and Mining	122	1.4%
Construction	430	4.9%
Manufacturing	971	11.2%
Wholesale Trade	283	3.3%
Retail Trade	918	10.6%
Transportation, Warehousing, and Utilities	265	3.0%
Information	410	4.7%
Financing, Insurance, Real Estate, Renting, and Leasing	1,160	13.3%
Professional, Scientific, Management, Administrative, and Waste Management Services	1,218	14.0%
Educational, Health and Social Services	1,756	20.2%
Arts, Entertainment, Recreation, Accommodation and Food Services	454	5.2%
Other	363	4.2%
Public Administration	340	3.9%
Total	8,690	100%

Source: 2013-2017 American Community Survey 5-Year Estimate.



Table 18, Employment by Occupation, identifies the occupations of employed residents of Readington. While Readington Township residents work in a variety of industries, 55.4% of employed residents work in Management, Business, Science, and Arts occupations and 22.2% are employed in Sales and Office occupations.

**TABLE 18. EMPLOYMENT BY OCCUPATION,
 READINGTON TOWNSHIP, 2017**

Sector Jobs	Number	Percent
Management, Business, Science, Arts	4,812	55.4%
Service	978	11.3%
Sales and Office	1,925	22.2%
Natural Resources, Construction, Maintenance	544	6.3%
Production, Transportation, Material Moving	431	5.0%
Total	8,690	100%

Source: 2013-2017 American Community Survey 5-Year Estimate.

Since 2010, the size of Readington's labor force has slightly increased. The Township was impacted by the most recent recession resulting in unemployment rates above 7% from 2011. The unemployment rate fell to 6.6% in 2016 and 4.9% in 2017. Table 16, Change in Employment, illustrates these trends.

TABLE 19. CHANGE IN EMPLOYMENT, 2010 – 2017

Year	Labor Force	Employment	Unemployment	Unemployment Rate
2010	8,916	8,382	534	6.0%
2011	8,860	8,153	707	8.0%
2012	9,044	8,295	749	8.3%
2013	9,179	8,418	761	8.3%
2014	9,289	8,510	779	8.4%
2015	9,226	8,483	743	8.1%
2016	8,928	8,340	588	6.6%
2017	9,133	8,690	443	4.9%

Source: 2006-2010, 2007-2011, 2008-2012, 2009-2013, 2010-2014, 2011-2015, 2012-2016, 2013-2017 American Community Survey 5-Year Estimates.

The number of jobs in Readington is lower than the number of working age residents in the Township. The New Jersey Department of Labor tracks covered employment throughout the State. Covered employment data includes only those jobs for which unemployment compensation is paid. By definition, it does not cover the self-employed, unpaid family

workers, most part-time or temporary employees, and certain agricultural and in-home domestic workers. See Table 20, Covered Employment Estimates, for additional detail.

TABLE 20. COVERED EMPLOYMENT ESTIMATES		
Year	Readington Township	Hunterdon County
2017	7,663	37,011
<i>Source: U.S. Census Bureau, Center for Economic Studies, OnTheMap Application, 2017 Home Area Profile Analysis. http://onthemap.ces.census.gov</i>		

The retail trade industry section and manufacturing industry section represented the largest concentration of jobs in Readington, with 522 and 488 jobs, respectively. Table 21, Covered Employment by Sector, provides additional employment information.

TABLE 21. COVERED EMPLOYMENT BY SECTOR, 2018							
	Employment					Wages	
	March	June	Sept.	Dec.	Average	Annual	Weekly
Private Sector Total	5,968	6,377	6,220	6,156	6,206	\$90,260	\$1,736
Agriculture	69	92	95	107	88	\$30,422	\$585
Construction	-	-	-	-	-	-	-
Manufacturing	476	473	489	512	488	\$71,066	\$1,367
Wholesale Trade	302	308	304	294	303	\$72,186	\$1,388
Retail Trade	534	489	488	518	522	\$37,581	\$723
Transportation/Warehousing	-	-	-	-	-	-	-
Information	-	-	-	-	-	-	-
Finance/Insurance	-	-	-	-	-	-	-
Real Estate	49	51	53	79	59	\$70,404	\$1,354
Professional/Technical	381	398	378	382	391	\$70,708	\$1,360
Management	-	-	-	-	-	-	-
Admin/Waste Remediation	128	168	176	165	157	\$47,157	\$907
Education	-	-	-	-	-	-	-
Health/Social	193	217	191	197	197	\$30,744	\$591
Arts/Entertainment	-	-	-	-	-	-	-
Accommodations/Food	337	413	384	330	365	\$21,017	\$404
Other Services	426	520	420	449	455	\$21,237	\$408
Unclassified	13	20	22	21	18	\$47,314	\$910
Federal Government Total	22	23	23	19	22	\$50,881	\$978
Local Government Total	456	461	424	459	432	\$61,538	\$1,183
Local Government Education Total	363	369	336	368	337	\$58,332	\$1,122



TABLE 21. COVERED EMPLOYMENT BY SECTOR, 2018

	Employment				Average	Wages	
	March	June	Sept.	Dec.		Annual	Weekly
Total Covered Employment	6,809	7,230	7,003	7,002	6,997	-	-

Source: New Jersey Department of Labor, Division of Planning and Research, Office of Demographic and Economic Analysis, NJ Covered Employment Trends 2018.

As Table 22, Journey to Work, below shows, 80.0% of Readington’s employed residents drive to work alone, compared to 80.6% for Hunterdon County and 71.4% for New Jersey as a whole. As compared to Hunterdon County, a lower percentage of Readington residents take public transit to work.

TABLE 22. JOURNEY TO WORK, 2017

Mode	Readington Township	Hunterdon County	New Jersey
Drive Alone	6,804	52,248	3,074,062
Carpool	478	3,539	344,646
Transit	341	1,691	493,428
Walk	41	1,175	128,622
Other	23	485	78,727
Work at Home	811	5,617	181,388
Total	8,498	64,755	4,300,873

Source: 2013-2017 American Community Survey 5-Year Estimate.

Approximately 20.0% of households in Readington have one (1) vehicle and 3.4% have no vehicle. Some one-car households likely comprise the nearly 22.3% of Township residents who live alone. For one-car households with more than one (1) adult and households with no car, the lack of available vehicles in a suburban context such as Readington is typically an indicator of lower income households and makes it difficult for residents to reach jobs and community and commercial services. See Table 23, Available Vehicles by Household.

TABLE 23. AVAILABLE VEHICLES BY HOUSEHOLD, 2017

Vehicles	Count	Percent
None	215	3.4%
One	1,253	20.0%
Two	2,779	44.3%
Three +	2,023	32.3%
Total	6,270	100%

Source: 2013-2017 American Community Survey 5-Year Estimate.

The most common commuting destination for Township residents is New York City (3.1%), followed by residents commuting to New Brunswick (1.8%). As shown in Table 24, Top Ten Commuting Destinations for Readington Residents below, the majority of top employment destinations for residents each consist of less than 2.0% of the Township's working population. Additionally, the majority of residents, 84.7%, commute to dispersed locations.

TABLE 24. TOP TEN COMMUTING DESTINATIONS FOR READINGTON RESIDENTS, 2017		
Destination	Jobs	Percent
New York City, NY	233	3.1%
New Brunswick	139	1.8%
Flemington	122	1.6%
Raritan	122	1.6%
Newark	106	1.4%
Franklin Center	102	1.3%
Somerville	89	1.2%
Finderne	87	1.1%
South Plainfield	84	1.1%
Jersey City	75	1.0%
All Other Locations	6,429	84.7%
All Places	7,588	100%

Source: U.S. Census Bureau, Center for Economic Studies, OnTheMap Application, 2017 Home Area Profile Analysis, <http://onthemap.ces.census.gov>

Population Projections

The New Jersey Transportation Authority (NJTPA), the Metropolitan Planning Organization (MPO) that contains Readington as well as the remainder of Hunterdon County, published population and employment projections for the year 2045. The NJTPA projects that the Township's population and employment will increase by 12.6% and 25.1%, respectively, from 2015 to 2045. As Table 25, Population, Household and Employment Projections shows, these rates are higher than for the County as a whole.



	Readington Township			Hunterdon County		
	2015	2045	% Change	2015	2045	% Change
Population	15,461	17,419	12.6%	127,964	135,431	5.8%
Employment	8,101	10,140	25.1%	55,827	62,147	11.3%

Sources: NJTPA Regional Transportation Plan. Forecasts adopted 11/13/2017

The FHA requires that Housing Plans include a 10-year projection of new housing units based on the number of building permits, development applications approved, and probable developments, as well as other indicators deemed appropriate (N.J.S.A. 52:27D-310.b). Annual building permit issuance for residential new construction in Readington during the years 2000 through 2018 averaged approximately 32.7 units.

Readington may see about 275 new dwellings by the year 2025. Factors such as the business cycle and rate of residential unit absorption may result in a lower or higher actual number. Table 26, Housing Projections, provides an estimate of anticipated residential growth based on the extrapolation of prior housing activity into the future and the proposed inclusionary developments in this Plan.

Year	Building Permits Issued	Demolitions	Net New Dwellings
2000	58	3	55
2001	99	4	95
2002	28	1	27
2003	13	3	10
2004	29	6	23
2005	26	10	16
2006	17	18	-1
2007	41	17	24
2008	17	7	10
2009	5	7	-2
2010	17	3	14
2011	13	2	11
2012	39	1	38
2013	10	2	8
2014	59	3	56
2015	54	4	50

TABLE 26. HOUSING PROJECTIONS			
Year	Building Permits Issued	Demolitions	Net New Dwellings
2016	28	2	26
2017	31	7	24
2018	38	3	35
Total	622	103	519
Average	32.7	5.4	27.3
Ten Year Projection	327	54	273

Source: NJDCA Construction Reporter, Building Permits, Yearly Summary Data, and Housing Units Authorized by Building Permits for New Construction



CONSIDERATION OF LANDS APPROPRIATE FOR AFFORDABLE HOUSING

As part of this Plan, Readington Township has considered land that is in the vicinity of public sewer and water infrastructure and is appropriate for the construction of very-low-, low- and moderate-income housing. Although, Readington has known contaminated sites and many environmental constraints, including wetlands, floodplains and steep slopes, neither these environmentally sensitive lands nor contaminated sites will preclude the Township from addressing its affordable housing obligation. Available land appropriate for affordable housing is further subject to the limited additional firm water and sewer capacity approved by the New Jersey Department of Environmental Protection (“NJDEP”) and by the Township’s fiscal capabilities to address excess demand beyond the existing capacity of utility infrastructure. As noted above, the Township’s request for a durational adjustment of its Third Round obligation was approved by Judge Miller in a Court Order dated October 15, 2019 (see Appendix 2).

Consistent with smart growth planning principles, the Township has elected to concentrate the majority of the affordable housing in proximity to one of its primary transportation corridors, Route 22, and the Villages of Whitehouse Station and Three Bridges. These areas of the Township provide the greatest number of employment opportunities, services and access to mass transit, including the New Jersey Transit Raritan Valley line and the County’s LINK bus service.

The Township has analyzed whether additional inclusionary zoning or 100% affordable housing sites would serve the Township in the Third Round and has included several sites in the HE/FSP. Several developers offered to provide affordable housing on their properties. However, the properties did not have adequate sewer and water allocation and were located in areas outside of the areas targeted for affordable housing.

The Township believes that the sites and mechanisms proposed in this document represent the best and most appropriate options for affordable housing development. These mechanisms entirely satisfy the Township’s affordable housing obligation as established through the Court-approved Settlement Agreement with FSHC.



FAIR SHARE PLAN

READINGTON'S AFFORDABLE HOUSING OBLIGATION

In its March 10, 2015 decision, the New Jersey Supreme Court directed that the methods of determining municipal allocation were to be similar to those utilized in the First and Second Round rules; specifically, the present and prospective statewide and affordable housing need. Present need is defined in the Second Round rules as the sum of the “indigenous need” and the “reallocated present need.” However, this was modified by the Court in that the reallocated present need was no longer to be assigned to municipalities in the region. Indigenous need is sub-standard housing occupied by low- and moderate-income households. This is now more commonly called the “Rehabilitation Share.” The reallocated present need that is no longer required to be distributed is the technique where excess indigenous need in a municipality was reassigned to other municipalities where their need was lower than the regional average. COAH’s elimination of the reallocated present need was first upheld by the Appellate Court on October 8, 2010.¹¹

As previously indicated, Readington Township and FSHC have entered into a Settlement Agreement to establish the Township’s Rehabilitation Share, Prior Round obligation, and Third Round obligation, which was approved by the Superior Court at a Fairness Hearing on October 3, 2019 and reflected in a Court Order dated October 15, 2019. The Court-approved obligation is a 95-unit rehabilitation, or present need, obligation, a 394-unit Prior Round obligation, and a 1,045-unit Third Round “gap” and prospective need obligation.

While the structure of the Township’s affordable housing obligation as determined by the Settlement Agreement reflects three (3) main components, in accordance with the New Jersey Supreme Court’s January 2017 decision, the Township’s 1,045-unit Third Round obligation includes both the Gap present need obligation and the Third Round prospective need obligation.

¹¹ 6 A. 3d 445, 416 NJ Super. 462, Appellate Div. (2010)



Rehabilitation Obligation

The rehabilitation obligation can be defined as an estimate of the number of deteriorated housing units existing in Readington Township that are occupied by low- and moderate-income households. The Settlement Agreement with FSHC establishes Readington's rehabilitation obligation as 95 units. The basis for this obligation is FSHC's May 2016 calculations, which used the most recent decennial census year, 2010, as the point in time in determining the number of deteriorated housing units. However, the Settlement Agreement does indicate the Township may complete an Exterior Structure Survey, in accordance with the field inspection and documentation procedures set forth in N.J.A.C. 5:93-2.2(b), no later than 30 days prior to the date of the final compliance hearing. The survey will be reviewed by the Special Master and Court and if the Court deems appropriate the Township's rehabilitation obligation may be adjusted based on the survey at the final compliance hearing.

Rehabilitation Obligation:.....	95
Prior Round Obligation:.....	394
Third Round Obligation:.....	1,045

Prior Round Obligation

The Prior Round obligation can be defined as the cumulative 1987 through 1999 new construction affordable housing obligation. This time period corresponds to the First and Second Rounds of affordable housing. The Settlement Agreement with FSHC, establishes Readington's Prior Round obligation as 394 units. The May 2016 calculations adhere to the Prior Round obligations, as calculated in 1993-1994, and published by COAH in 2008.

Third Round Obligation

The future demand for affordable housing includes the portion of the Third Round (1999-2015) that has already passed, as well as a 10-year projection into the future (2015-2025). The 10-year period is derived from the Fair Housing Act that, when amended in 2001, set the projection for this length of time (N.J.S.A. 52:27D-310). As established by the Township's 2019 Settlement Agreement with FSHC, Readington's Third Round obligation (1999-2025) is 1,045 units.

Although the Settlement Agreement established a Third Round obligation of 1,045 units, the Township received Court approval of its request for a durational adjustment of this obligation as a result of limited additional firm water and sewer capacity approved by NJDEP. The durational adjustment is only applied to Readington's Third Round obligation, allowing the Township to reserve water and sewer capacity to fully address the balance of its Prior Round obligation and a portion of their Third Round obligation. The durational adjustment is pursuant to N.J.A.C. 5:93-4.3(c), which states "*The lack of adequate capacity, in and of itself, shall constitute a durational adjustment of the municipal housing obligation. The requirement to address the municipal housing obligation shall be deferred until adequate water and/or sewer are made available*".



Further, the Township reserves the right to demonstrate through a fiscal analysis as described in N.J.A.C. 5:93-4.3(d), that the cost of providing additional water and sewer (above and beyond the commitment to address the full Prior Round obligation) to sites identified to address the Third round obligation is cost prohibitive to the Township, thus limiting the Township's "fiscal responsibility of providing water and/or sewer" to these sites.¹²

¹² Pursuant to the Settlement Agreement with FSHC, "The Parties recognize that at the time of this Agreement there is not a plan in place to expand the total capacity of the Readington-Lebanon Sewerage Authority (RLSA) beyond the total capacity in place today which would enable the creation of a realistic opportunity for the Township's entire fair share pursuant to this Agreement, as reflected in Exhibit A. At such time as the Township is able to work with the Readington-Lebanon Sewerage Authority to expand capacity of its treatment plant the Township reserves the right to seek relief from the court on notice to an opportunity to be heard by FSHC and all other interested parties pursuant to N.J.A.C. 5:93-4.5, N.J.A.C. 5:93-15.1 and/or other applicable law to reserve or set aside a portion of future sewer expansion for purposes other than affordable housing, including public purposes and for non-residential purposes FSHC reserves the right to take any position it wishes on any such application by the Township including the applicability of any particular regulation and also including, but not limited to a) whether or not future expansion should prioritize Hionis and Mirota even in the event of a granted waiver and b) whether or not, and the degree to which, a granted waiver precludes the waiver contained in Paragraph 15 of this agreement pursuant to N.J.A.C. 5:93-4.3(c)4." (Item 17)



READINGTON'S AFFORDABLE HOUSING PLAN

Satisfaction of the Rehabilitation Obligation

As stated, Readington's rehabilitation obligation is 95 units. Pursuant to the Settlement Agreement,

"no later than 30 days prior to the date of the final compliance hearing in this matter, Readington Township may conduct a housing survey of existing dwelling units to determine whether the municipal housing stock includes the 95 Present Need units identified for the Third Round. The housing survey will be conducted in accordance with the field inspection and documentation procedures set forth in N.J.A.C. 5:93-2.2(b). The survey will be reviewed by the Special Master and Court and if the Court deems appropriate the rehabilitation obligation may be adjusted based on the survey at the final compliance hearing." (Item 7)

The Township completed an Exterior Structure Survey, pursuant to N.J.A.C. 5:93-2.2(b), that identified 21 units in need of rehabilitation (a copy is included in the Appendices). As such, the Township has adjusted its rehabilitation obligation to 21 units.

In order to address the obligation, the Township will utilize Hunterdon County's Home Improvement Loan Program and Community Development Block Grant Program and will utilize the County as the administrative agent of the program. Additionally, the Township will operate a supplementary rehabilitation program in order to expand the reach of the program and to also ensure it is available to renter-occupied households. The Township's in-house affordable housing coordinator will administer the Township Rehabilitation Program in conformance with N.J.A.C. 5:93-5.2.

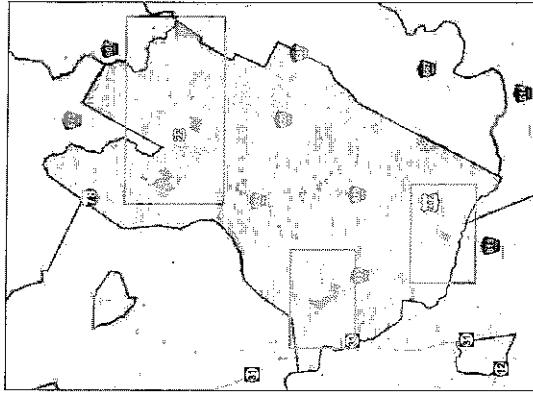
All rehabilitated units will comply with the definition of a substandard unit in N.J.A.C. 5:93-5.2(b), which states, "a unit with health and safety code violations that require the repair or replacement of a major system." Major systems include weatherization, roofing, plumbing, heating electricity, sanitary plumbing, lead paint abatement and/or load bearing structural systems. All rehabilitated units shall meet the applicable construction code. Additionally, all rehabilitated units shall be occupied by low- or moderate-income households and subject to 10-year affordability controls, which shall be placed on the property in the form of a lien or deed restriction.

All rehabilitations shall have an average hard cost of \$10,000 and administration shall not exceed \$2,000. The maximum allocation of hard costs per unit is \$210,000. The Township-administered program will be funded through a bond ordinance.

Affordable Housing Compliance Plan Map

LOCATION:
Readington Township, Huron County, NJ

DATE:
March 2020



KEY MAP

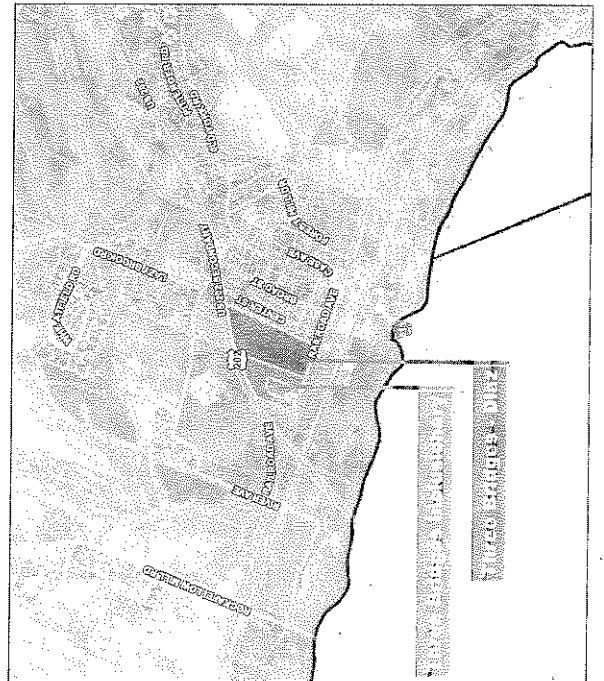
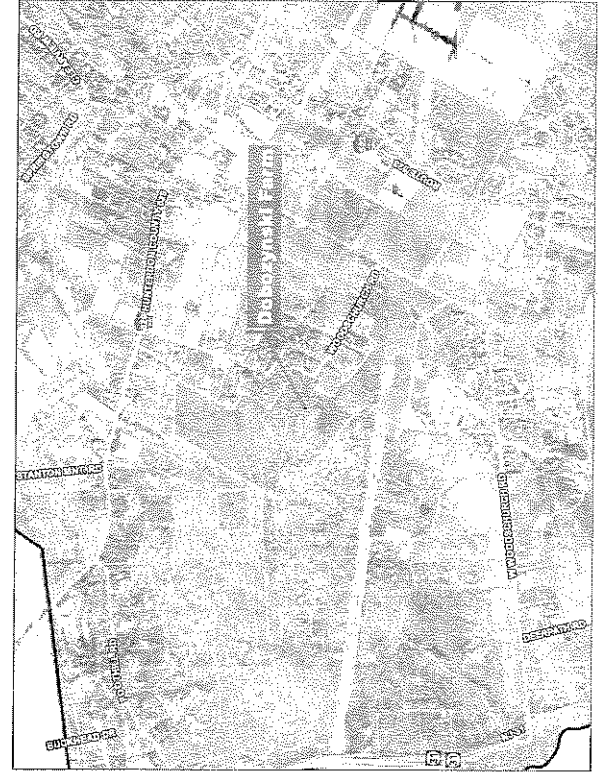
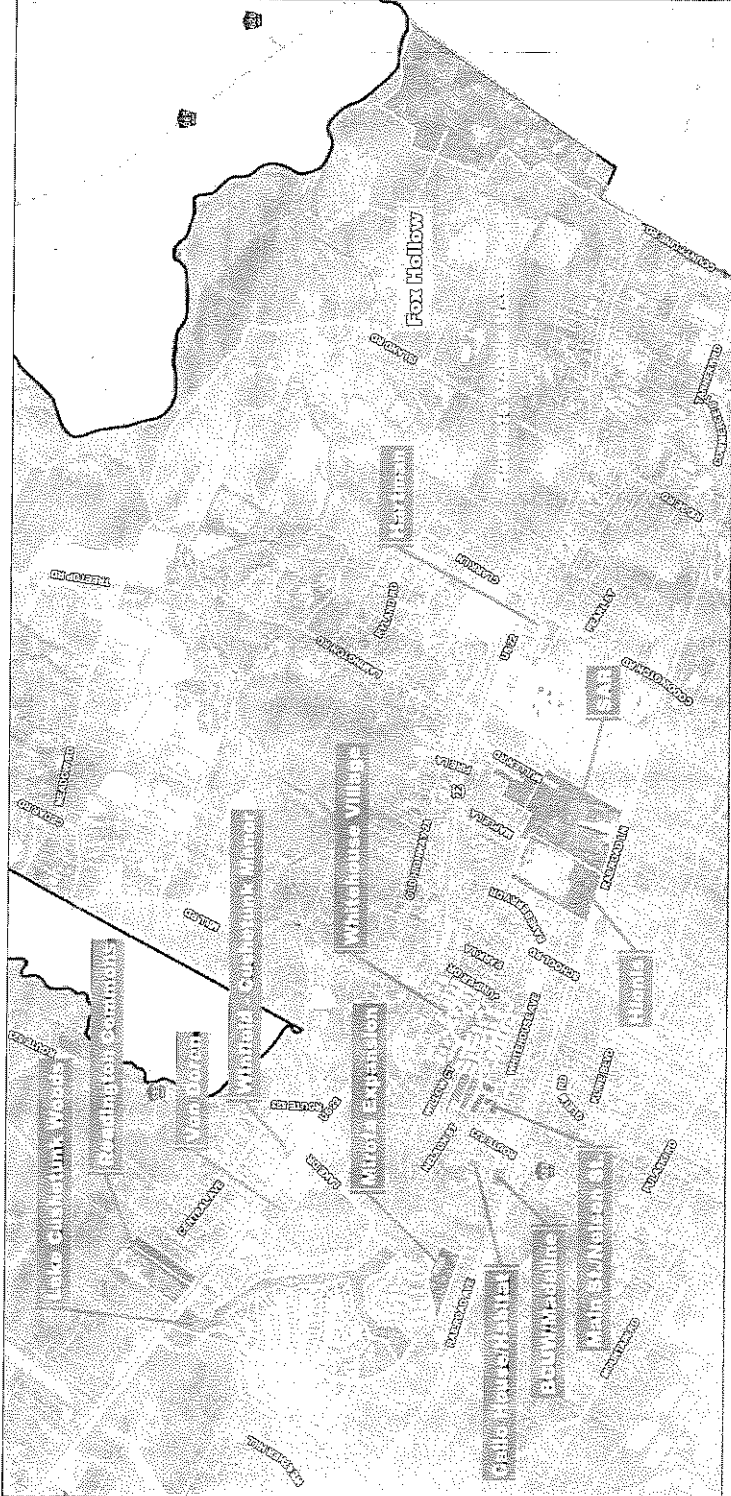
Legend

Affordable Housing Sites

- Inclusionary Sites - Family
- Inclusionary Sites - Senior
- Municipally-Sponsored
- Market-to-Affordable
- Inclusionary Overlay



Clarke-Caton Hintz
Architecture
Planning
Landscape Architecture





Satisfaction of the Prior Round Obligation

As confirmed in the Settlement Agreement, Readington's Prior Round obligation (1987-1999) is 394 units. COAH permits new construction credits and bonuses addressing a First or Second Round affordable housing obligation to be used to address the Prior Round obligation.

In addition to satisfying the total obligation, the Township must also adhere to a minimum rental obligation and maximum number of age-restricted units.

As demonstrated in the Summary Tables at the end of this section, the Township has satisfied its Prior Round obligation with regional contribution agreements, credits without controls, family for-sale and rental projects, senior rental units, and group home facilities.

REGIONAL CONTRIBUTION AGREEMENT

COAH's Third Round rules permit credit for a Prior Round RCA where funds were previously transferred. Readington Township entered into, and COAH previously approved, RCAs with three municipalities: Carteret Township - 116 units; Bound Brook Borough - 57 units; and Manville Borough - 15 units. On November 9, 2005, COAH approved a Second Round Plan amendment that increased the Readington Township/Bound Brook Borough RCA from 55 to 57 total units. The Township has completed all RCA payments to all three receiving municipalities. These RCA units will contribute 164 credits (out of 188 RCA total credits) toward the prior round obligation. Additionally, 28 of the units transferred to Carteret are rental units and thus satisfy a portion of the rental obligation. Pursuant to N.J.A.C. 5:97-3.5(a), transferred rental units are not eligible for rental bonus credits.

Prior Round Rental Obligation = 99 units

0.25 (Prior Round - Prior Cycle
credits)
= 0.25 (394 - 0)
= 98.5, round up

Prior Rental Credits:

A rental unit available to the general public receives one (1) rental bonus;

An age-restricted unit receives a 0.33 rental bonus, but no more than 50% of the rental obligation shall receive a bonus for age-restricted units; and

No rental bonus is granted in excess of the rental obligation.

Prior Round Maximum Age-Restricted = 98 units

0.25 (Prior Round - Prior Cycle
credits)
= 0.25 (394 - 0)
= 98.5, round down

Regional Contribution Agreement

The transfer of up to 50% of a municipality's fair share obligation to another municipality within its housing region by means of a contractual agreement into which two municipalities voluntarily enter.

CREDITS WITHOUT CONTROLS

The Township is requesting 32 units of credit against its prior round obligation under the so-called "credits without controls". Under this regulation, credits for units constructed between April 1, 1980 and December 15, 1986 are acceptable if they meet the following criteria:

1. The date of construction of the unit is within the time period specified and is confirmed by a certificate of occupancy.
2. The unit must be certified to be in sound condition as the result of an exterior inspection.
3. The unit is currently occupied by a low- and moderate-income household. Household income is to be certified by the head of household on a form adopted by COAH. Such form shall be reviewed by the Court Master and not made a public record.
4. If the unit is a for-sale unit, the unit shall have a market value that is affordable to a moderate-income household at the time the municipality files its petition. Pricing shall be determined pursuant to the requirements of N.J.A.C. 5:97-9 and the Uniform Housing Affordability Controls at N.J.A.C. 5:80-26.1, also using the petition date to the Court for pricing variables. The market value of each such unit is no greater than a sales price determined by averaging the reported actual sale prices of three comparable housing units from the municipality that can be documented as being arms-length, closed sales transactions and which occurred within one year of the date of filing of the petition.

Prior Cycle Credits

A one-for-one credit for low- and moderate-income housing units constructed between April 1, 1980 and December 15, 1986, before the beginning of the First Round (1987-1993).

Construction Date

The Township is seeking credits without controls for existing dwelling units within the Hunter's Crossing neighborhood. As was previously indicated, in 1978, Readington implemented zoning for "least cost housing" on two (2) substantial tracts permitting multi-family housing which responded to the Mount Laurel I decision in 1975. The tracts were approved and developed in the early 1980's as Whitehouse Village (290 units) in Whitehouse Station and Hunter's Crossing (418 units) near Three Bridges. In accordance with construction records from the Township approximately 234 units that were occupied between April 1, 1980 and December 15, 1986. While the Township does not have certificates of occupancy for the applicable units, the Township provided their methodology in determining when the units were occupied to verify that the units are eligible to meet the construction date requirements.



The Township indicated that the certificate of occupancy dates had not been noted in the property records by whomever worked there at that time. However, the Township was able to access the original sales and assessment dates between 1985 and 1989. The sales and assessment information were cross referenced to determine if the names were the same on both records during the applicable time period. The likely certificate of occupancy date was based on the original assessment date.

Income Analysis

The Township based its income verification survey on a questionnaire initially approved by COAH and as modified by the Court Master to insure appropriate information would be gathered for the occupant of the dwelling unit. A draft cover letter and “frequently asked questions” (“FAQ”) sheet was also included with the survey.

The Township mailed the income verification form to 209 households in December 2017, October 2018, and December 2019. Sixty-one (61) unique surveys were returned to the Court Master. The final number of respondent households to be income qualified has been determined to be 32 by the Court Master based on the information provided (household size and 2017 income category).

Affordability Analysis

The Township provided a list of dwelling units that have sold over the past three years in Whitehouse Village and Hunter’s Crossing. The information provided in that list indicates that the average sales price for at least three comparable units is within the maximum sales price allowed by COAH.

Sound Condition

The Township Construction Official will perform an exterior inspection on the units that have been income qualified by the Master to ensure the unit is in sound condition.

100% AFFORDABLE HOUSING PROJECTS

ECHO

Readington Township purchased four Elder Cottage Housing Opportunity (“ECHO”) housing units between 1994 and 1996 and located them on lots through the Township. ECHO units are permitted as conditional uses in the Rural Residential (RR) and Village Residential (VR) zoning districts. The ordinance permits small,

100% Affordable Development

A development in which all units are affordable to low- and moderate-income households.



modular, self-contained units to be installed as accessory uses to pre-existing dwellings subject to certain bulk and design requirements. The ECHO units are restricted to senior citizen and/or disabled residents who are related to the occupants of the principal dwelling. When the ECHO units are vacated they are removed from the property for the use elsewhere when the need arises.

Rents of the ECHO units were based on Section 8 income guidelines and consistent with COAH rules. While the ECHO unit are no longer in use, the Township received specific authorization from COAH to utilize the Housing Trust Fund for the acquisition of the ECHO units and for credit toward the prior round obligation.

Calio House

Calio House is an existing one-family affordable rental dwelling unit located at 17 James Street (Block 21.12, Lot 25) in Whitehouse Station. The Township purchased and rehabilitated the house in 1992 and placed 20-year affordability controls on the unit in 1996. Because the affordable rental unit satisfies a portion of the rental obligation, it is eligible for a rental bonus credit for a total of two (2) credits toward the prior round obligation. This development was previously approved by COAH in 2009 when the Township received substantive certification for its 2008 HE/FSP.

Nelson Street/Main Street (Willows at Whitehouse Station)

Readington Township will address a portion of its prior round obligation through the municipally sponsored and 100% affordable development of 72 affordable family rental units on a 7.45-acre parcel located in Whitehouse Station. The site is in close proximity (less than $\frac{1}{4}$ mile) to the New Jersey Transit Whitehouse Station train station. This site (Block 32, Lot 12 and Block 34, Lots 8, 10, and 11) is located on the east side of Main Street and the north side of Whitehouse Avenue with access to both existing streets.

The developer received Final Site Plan and Subdivision approval on July 9, 2018 to construct six multi-family apartment buildings containing a total of 72 affordable family rental units. The subdivision approval permitted Lots 8, 10 and 11 and a vacated portion of Nelson Street to be consolidated and the creation of two new lots from the consolidated lot. The multi-family affordable housing units will be located on Lot 1 which is 2.75 acres and the remainder lot will be dedicated to the Township for open space conservation.

Readington Township donated the site to the affordable housing provider, Whitehouse Urban Renewal Associates, LLC (The Ingerman Group). The Township executed an affordable housing agreement with Whitehouse Urban Renewal Associates, LLC, an experienced affordable housing provider, on November 7, 2016 to construct 72 units and to own and



administer the affordable family rental housing on the site, of which at least nine units will be designated for very-low income households. Whitehouse Urban Renewal Associates, LLC was successful in obtaining 9% tax credit financing from HMFA in the 2017 funding cycle. The project is, approximately, 60% constructed. The Township shall attribute 30- of the total 72- units towards their Prior Round obligation. Additionally, the 100% affordable housing development is eligible for upfront prior round rental bonuses.

INCLUSIONARY DEVELOPMENT

Whitehouse Village

Whitehouse Village (Block 34, Lot 36) is a completed inclusionary development with 290 family for-sale units. Affordability controls were placed on 14 for-sale units between June 1987 and August 1989 with certificates of occupancy issued between June 1987 and July 1989. Whitehouse Village provides seven (7) low- and seven (7) moderate-income units. This development was previously approved by COAH in 2009 when the Township received substantive certification for its 2008 HE/FSP.

Inclusionary Development

A development containing low- and moderate-income units among market rate units. Affordable housing set-asides are typically 15% or 20%.

Inclusionary development may also be a non-residential development (i.e. a shopping center) with affordable units built-in.

Winfield-Cushetunk Manor

The Readington Township Zoning Board of Adjustment approved a mixed-use development in May 2009 on Block 8, Lot 3 composed of commercial uses on the first floor and 12 affordable family rental apartments on the second floor. The 2.51-acre property is located at the northeast quadrant of the Route 22 and Haver Place intersection and is bounded by commercial and office uses. The affordable units were developed in accordance with UHAC rules including, but not limited to, bedroom distribution and affordability controls of at least 30 years and are administered by the Township's in-house affordable housing coordinator. Certificates of occupancy were issued in March 2011. The income mix for the units is two (2) very-low income units, four (4) low-income units and six (6) moderate-income units. This development was previously approved by COAH in 2009 when the Township received substantive certification for its 2008 HE/FSP.

Hartman

The Readington Township Zoning Board of Adjustment approved a mixed-use development in July 2010 on Block 36, Lots 47 and 48 composed of commercial uses on the first floor and 15 affordable family rental dwelling units, both above the commercial uses (apartments) and



townhouses in a stand-alone building. To date, all but three of the affordable family rental dwelling units have been constructed and are occupied.

The affordable units were and are being developed in accordance with UHAC rules including, but not limited to, bedroom distribution and affordability controls of at least 30 years and are administered by the Township's in-house affordable housing coordinator. The site is located in Planning Area 2 which is the preferred location of affordable housing. The income mix for the units is two (2) very-low income units, seven (7) low-income units and six (6) moderate-income units.

ALTERNATIVE LIVING ARRANGEMENTS

Anderson House

The Anderson House, located on Route 523 (Block 42, Lot 8.02) is a transitional recovery facility for women with alcohol and controlled substance addictions. The facility is licensed and regulated by the NJDCA as a Class C Boarding Home and as such, the facility meets the definition of alternate living arrangement as defined at N.J.A.C. 5:93-5.8. The Township provided financial assistance to facilitate an expansion of the facility in 1997 and as a result the Anderson House agreed to a 30-year affordability deed restriction for six (6) of the seven (7) bedrooms within the facility which are reserved for very low income individuals. Anderson House is responsible for affirmatively market the facility. The Anderson House project was previously approved by COAH in 2009 when the Township received substantive certification for its 2008 HE/FSP.

ARC

ARC is an experienced provider of alternative living arrangements within Hunterdon County and across the State. ARC currently operates a total of six group home facilities for a total of 14 bedrooms which equate to 14 eligible affordable housing units/credits (credit is by the bedroom). While the group homes are predominantly two-bedroom units, two group homes contain three bedrooms. Affordability controls started in December 2000. Each of the group homes is currently licensed by NJ Department of Human Services, Division of Developmental

Alternative Living Arrangement / Supportive & Special Needs Housing

A structure in which households live in distinct bedrooms, but share kitchen and plumbing facilities, central heat and common areas.

They may be restricted to special needs groups, such as persons with developmental disabilities, veterans and their families, and victims of domestic abuse.

COAH's regulations at N.J.A.C. 5:93-5.8 provides alternative living arrangements with credit by the bedroom.

Also, alternative living arrangements may receive credit for 10-year controls/existence per N.J.A.C. 5:93-5.8.



Disabilities ('DDD') and is not age-restricted. The group homes provide four (4) very low, eight (8) low and two (2) moderate income units. The existing group homes are located at the following addresses:

- 211 Nuthatch Court (Block 95, Lot 12.211)
- 371 Burdock Court (Block 95, Lot 12.371)
- 271 Kingbird Court (Block 95, Lot 12.271)
- 285 Kingbird Court (Block 95, Lot 12.285)
- 405 Ferncrest Court (Block 95, Lot 12.405)
- 185 Milkweed Court (Block 95, Lot 12.185)

The ARC group homes were previously approved by COAH in 2009 when the Township received substantive certification for its 2008 HE/FSP.

Allies, Inc.

Allies, Inc. is an experienced provider of alternative living arrangements within Hunterdon County and across the State. Allies currently operates a total of six group home facilities in the Township, totaling 13 COAH eligible units (credit per bedroom). While most of the group homes are two bedroom units, there is one three-bedroom unit. Affordability controls started between October 2001 and September 2010. Each of these facilities is currently licensed by the NJ Department of Human Services, Division of Developmental Disabilities (DDD) and is not age-restricted. These group homes will contribute 13 credits as well as 13 rental bonuses. The following group homes provide 13 very-low income creditable units:

- 347 Pheobe Court (Block 95, Lot 12.347)
- 55 Junco Court (Block 95, Lot 12.055)
- 246 Nuthatch Court (Block 95, Lot 12.246)
- 203 Milkweed Court (Block 95, Lot 12.203)
- 62 Junco Court (Block 95, Lot 12.062)
- 296 Kingbird Court (Block 95, Lot 12.296)

The Allies group homes were previously approved by COAH in 2009 when the Township received substantive certification for its 2008 HE/FSP.

Prior Round Summary

The Township has met its 394-unit Prior Round obligation with regional contribution agreements, family and senior rentals, family sale units, and alternative living arrangements.



SATISFACTION OF THE THIRD ROUND OBLIGATION

Pursuant to the Settlement Agreement, Readington's Third Round obligation (1999-2025) is 1,045 units. Additionally, as previously stated, the Township has received a durational adjustment to their Third Round obligation. This durational adjustment reduces the original Third Round obligation into a 783-unit non-deferred Third Round obligation which the Township has the current capacity to achieve. The 783-unit non-deferred Third Round obligation is composed of 587 credits, not including the "durational adjustment sites", plus 196 of the total 262 qualifying bonus credits. As stipulated within the Settlement Agreement, the Township agrees that if and when the "durational adjustment sites" become realistic and are developed, the Township may claim additional bonus credits that would otherwise be eligible from the non-deferred compliance mechanisms.

In addition to satisfying the total obligation, the Township must also adhere to a minimum rental obligation, minimum family rental obligation, a maximum number of age-restricted units, a minimum very low-income requirement, and a minimum number of family very-low income units.

As demonstrated in the Summary Tables at the end of this section, the Township has satisfied its Third Round obligation with Prior Round residual credits, extension of controls, alternative living arrangements, market-to-affordable program, municipally-sponsored housing, inclusionary zoning, and durational adjustment sites.

Third Round Rental Bonus Credits

- A rental unit available to the general public receives one rental bonus;
- An age-restricted unit receives a 0.33 rental bonus, but no more than 50% of the rental obligation shall receive a bonus for age-restricted units; and
- No rental bonus is granted in excess of the rental obligation.

Third Round Rental Obligation = 262 units

$$0.25 \text{ (Third Round obligation)}$$

$$= .25 (1,045) = 261.25, \text{ round up}$$

Third Round Family Rental Obligation = 131 units

$$0.5 \text{ (Third Round rental obligation)}$$

$$= .5 (262) = 131$$

Third Round Maximum Age-Restricted = 261 units

$$0.25 \text{ (Third Round obligation)}$$

$$= .25 (1,045) = 261.25, \text{ round down}$$

Third Round Minimum Very Low Income = 80 units

$$0.13 \text{ (units approved and created after 7/17/2008)}$$

$$= .13(608)$$

$$= 79.04, \text{ round up}$$

Third Round Minimum Low Income (includes very-low income) = 392 units

$$0.50 \text{ (Third Round obligation - bonuses)}$$

$$= .50(1,045 - 262) = 392$$

Third Round Minimum Family units = 392 units

$$0.50 \text{ (Third Round obligation - bonuses)}$$

$$= .50(1,045 - 262) = 391.5$$



NON-DEFERRED THIRD ROUND OBLIGATION

The Township will apply the following credits and reductions to this portion of its Third Round obligation from sites that already have been developed and/or have been approved and have adequate water and sewer (or centralized on-site alternative wastewater treatment) capacity existing or anticipated in the near future to proceed with development.

PRIOR ROUND RESIDUAL CREDITS (1987-1999)

Regional Contribution Agreement Residual Credits (24 of 188)

As previously discussed, the Township transferred payments for a total of 188 RCA credits to Carteret Township, Bound Brook Borough, and Manville Borough. The Township used 164 RCA credits towards the prior round and will use twenty-four (24) credits towards the third round obligation.

Lake Cushetunk Woods

Lake Cushetunk Woods is an inclusionary development previously constructed with 84 family affordable for-sale units. Appropriate affordability controls were placed on the units between June 1995 and February 1996 with certificates of occupancy issued between June and October 1995. Regarding the unit breakdown in relation to low/moderate income splits, Lake Cushetunk Woods provides 44 low-income units and 40 moderate-income units. This development was previously approved by COAH in the 2008 Plan.

Mirota (LSM)

Stephen R. Mirota Senior Citizen Residence (Mirota) is an existing 100% affordable senior rental building consisting of 60 units that was funded through a variety of funding sources, including a partial mortgage (\$2.5 million) from New Jersey Housing Mortgage Finance Agency (NJHMFA), \$400,000 from the Township Affordable Housing Trust Fund, \$715,000 from New Jersey Department of Community Affairs ("NJDCA") and the remaining amount from private equity sources. Mirota was completed in August 1998 and is owned and administered by Lutheran Social Ministries of New Jersey, Inc. ("LSMNJ"). Mirota is located within the Lake Cushetunk Woods neighborhood (Block 21.05, Lot 2). This project was previously approved by COAH in 2009 when the Township received substantive certification for its 2008 HE/FSP.



EXTENSION OF CONTROLS PROGRAM

Whitehouse Village

Whitehouse Village (Block 34, Lot 36) is a completed inclusionary development with 290 family for-sale units. Affordability controls were placed on 14 for-sale units between June 1987 and August 1989 with certificates of occupancy issued between June 1987 and July 1989.

Readington Township initiated a program to extend the affordability controls on 10 existing units in Whitehouse Village, which are COAH-approved family-sale units. The Township has completed the extension of affordability controls on 13 units. The affordability controls on the units provide extensions through 2047. The 13 units with extended controls are comprised of 7 low-income units and 6 moderate-income units.

Extension of Expiring Controls

Low and moderate income units whose affordability controls will expire during the current round are eligible for another credit in a subsequent round if the controls are extended for a minimum of 30 years.

The program meets the requirements of N.J.A.C. 5:97-6.14, including but not limited to:

- The affordable units were completed after 1986;
- The original affordability controls will expire during the third round;
- A written commitment from the owner to extend controls is provided;
- A proforma is prepared (if rehabilitation work is necessary);
- A deed restriction for the extended control period is prepared; and
- The municipal building inspector shall either issue a continuing certificate of occupancy for the unit or certify that the unit meets all the code standards.

ALTERNATIVE LIVING ARRANGEMENTS

ARC

ARC is an experienced provider of supportive and special needs housing within Hunterdon County and across the State. ARC is the current owner of a dwelling unit located at 399 Ferncrest Court (Block 95, Lot 12.399), 401 Ferncrest Court (Block 95, Lot 12.401), and 5 Owl Court (Block 95, Lot 12.005) within the Hunter's Crossing neighborhood. Each two-bedroom group home is currently licensed by NJ Department of Human Services, Division of Developmental Disabilities ('DDD') and is not age-restricted. The Township will place a minimum 30-year affordable housing deed restriction on each unit as indicated in the executed Memorandum of Understanding. The group homes will provide a total of six (6) very-low income bedroom units. The Township intends to adopt a bond ordinance to provide \$140,000 towards the purchase and renovation of two of these group homes. The Township will dedicate



\$70,000 from the Affordable Housing Trust Fund towards the purchase and renovation of the third group home.

Bergen County United Way/Madeline Housing Partners, LLC

Bergen County United Way ("BCUW")/Madeline Housing Partners, LLC is another experienced provider and manager of supportive and special needs housing and will partner with the Township to provide group home and facilities on Township owned property (Block 22, Lot 66). The Township has executed an agreement with BCUW/Madeline confirming the provider's commitment to provide affordable units in the form of group homes for a minimum total of 43 affordable units, of which 20 units will be affordable senior rental units and 13 units will be affordable supportive and special needs units containing 23 bedrooms. The group homes will be developed in accordance with N.J.A.C. 5:93-5.5 no later than two years from the final judgment in this matter. BCUW/Madeline Housing Partners, LLC will place a 50-year deed restriction on all 43 units. At least six (6) units will be affordable to very-low income households, at least 16 units will be affordable to low-income households, and 21 units may be affordable to moderate-income households. The Township is eligible for 43 credits and 23 special needs rental bonus credits for a total of 66 credits towards its Third Round obligation.

**Alternative Living Arrangement /
Supportive & Special Needs
Housing**

A structure in which individuals or households live in distinct bedrooms, but share kitchen and plumbing facilities, central heat and common areas.

They may be restricted to special needs groups, such as persons with developmental disabilities, veterans and their families, and victims of domestic abuse.

COAH's regulations at N.J.A.C. 5:93-5.8 provides alternative living arrangements with credit by the bedroom.

Also, alternative living arrangements may receive credit for 10-year controls/existence per N.J.A.C. 5:93-5.8.

The Township has already adopted a Bond Ordinance #12-2017 to fund \$462,500 towards this project for the construction of the units. The Township will have to adopt an additional bond ordinance in the amount of \$8,925 to subsidize the closing costs and carrying costs of the project.

**Community Options**

Community Options is an experience provider and manager of supportive and special needs housing. The Township has entered into an agreement with Community Options to provide funding up to \$160,000 for a four-bedroom supportive and special needs home. The Township has already funded the project through Bond Ordinance #10-2018. Community Options is acquiring property within the Township for purposes of renovating, creating, and operating a group home for low- and moderate-income qualified individuals with developmental disabilities. The group home will have 50-year affordability controls.

Proposed Group Homes

The remaining 20 group home bedrooms (aside from the ARC, BCUW/Madeline, and Community Options units specifically referenced in previous sections) will be realized with either ARC, BCUW/Madeline, Community Options, and/or another experienced provider of supportive and special needs housing. In order to be eligible for bonus credits, by the final compliance hearing, the Township is required to provide signed agreement(s) with the experienced provider(s) to provide at least 10 additional group home bedrooms that are eligible for bonus credits in accordance with N.J.A.C. 5:93.

The Township has entered into an agreement with Allies, Inc. to provide an additional 17 group home bedrooms that will all be deed restricted as very-low income units for at least thirty (30) years (see Appendix 12). The Township intends to dedicate up to \$595,000 from the Affordable Housing Trust Fund for the purchase and renovation of 17 supportive and special needs bedrooms. The Township will deliver a minimum of five additional group home beds by July 1, 2023.

MARKET TO AFFORDABLE

On July 2, 2018, the Township adopted a bond ordinance (Ordinance # 10-2018) for \$800,000 to be used towards the Township's market to affordable programs and Group Homes. The Township has committed \$160,000 from this bond towards a Community Option group home. The remaining funds will be utilized for the Township's market-to-affordable programs. The Township will bond for any shortfall in funding for this program.

General Township-Wide Program

Readington proposes to address 25 units of their third round obligation through a Township-wide Market-to-Affordable program to be administered by the Township in accordance with COAH's regulations. The Township will purchase 25 existing market-rate housing units in the

Market-to-Affordable

This program entails conversion of existing market-rate units to deed restricted low or moderate income units.



Township, which, in turn, will be rented or sold to income-eligible households at a low- or moderate-income rent or price.

The units will meet COAH's regulations at N.J.A.C. 5:93 and the relevant UHAC standards defined in N.J.A.C. 5:80-26.1 et seq., with the exception that the UHAC requirement for 10% very low-income units at 35% of the regional median income is replaced by the statutory requirement per N.J.S.A. 52:27D-329.1 of 13% very low-income units at 30% of the regional median income to the extent a very-low income unit is created.

- Each unit will be certified to be in sound condition by the Township's licensed building inspector prior to occupancy as an affordable unit.
- The Township will purchase the market-rate units utilizing a variety of funding sources and will provide a minimum subsidy of:

Number of Bedrooms	Minimum Low-Income Subsidy	Minimum Moderate-Income Subsidy
1 bedroom	\$71,780	\$45,000
2 bedroom	\$79,000	\$50,000

The Township anticipates the total cost of the general market to affordable program be \$1,593,000 to \$1,756,000. The Township has approved a bond ordinance to fund the program and will bond for additional funding as necessary.

- The units will be restricted by minimum 30-year affordability controls.
- The units will be exempt from the bedroom distribution requirements of COAH's rules.

Harriet's Mobile Home Park

Readington Township proposes to address the remaining 22 units of their Market-to-Affordable third round obligation through an executed Memorandum of Understanding, dated June 27, 2018 with the owner of Harriet's Mobile Home Park. The owner of Harriet's has agreed in principle to deed-restrict between 22 and 24 mobile home pad sites and future units for moderate income households for at least 50 years. Harriet's Mobile Home Park is located at 3605 Route 22 (Block 38, Lots 85 and 86) and contain 22-24 market rate mobile home units. The Township has agreed to fund the extension of public sewer service to the property in exchange for the affordability controls that will be placed on 22-24 mobile home pad sites and future units installed, purchased or rented. The Township has already approved a bond ordinance to fund this project in the amount of \$350,000.



The site is located in Planning Area 2, which is a preferred location for affordable housing. There are no wetlands, Category 1 streams, steep slopes, flood hazard areas, contaminated sites or historic structures listed on the State or Natural Historic Registers on the site.

Future certificates of occupancy will be issued for the mobile home sites and units and will address the requirement that the units be certified to be in sound condition.

The Township's Administrative Agent will affirmatively market five (5) low-income and 17 moderate-income affordable family units, income qualify applicants and maintain at least 50-year affordability controls in accordance with COAH rules at N.J.A.C. 5:93-9.2 and UHAC per N.J.A.C. 5:80-26.1 to address the requirements have been set forth in the Township's Fair Share Ordinance. The maximum sales price of the moderate-income unit shall be affordable to a household earning no more than 70% of median income.

MUNICIPALLY SPONSORED

Nelson Street/Main Street (Willows at Whitehouse)

As previously discussed in the Prior Round section of this Plan, the Nelson Street site consists of a 7.45-acre parcel in Whitehouse Station. The property is located on the east side of Main Street and the North side of Whitehouse Avenue with access to both existing streets. Whitehouse Urban

100% Affordable Development

A development in which all units are affordable to low- and moderate-income households.

Renewal Associates, LLC, (The Ingerman Group) an experienced affordable housing provider, has begun construction on a 72-unit affordable family rental housing development at the Nelson Street site. The Township shall attribute the remaining 42-units not contributing to the Prior Round as credits toward their Third Round obligation. The 100% affordable housing development is eligible for up-front third round rental bonuses.

Habitat for Humanity – James Street

The Township is working with Habitat for Humanity to construct a duplex (two units) and rehabilitate an existing historic home (one unit) on a Township-owned parcel (Block 21.12, Lot 25). The property is located on James Street in Whitehouse Station. The Township will donate the land to Habitat for Humanity in 2020. The three for-sale family units on this site will be constructed within two (2) years of granting of the Judgment of Repose and Compliance.

Dobozynski Farm Apartment

The Township purchased the Dobozynski Farm with a grant and loan from the NJ Green Acres program in April 1995. The farm contained 3 vacant apartments which were included in the



Township's 1996 Housing Element as affordable rental units. Due to restrictions from the Department of Environmental Protection pertaining to re-use of Green Acres property the Township is only able to rent one unit (a two-bedroom unit) as affordable housing.

The Township, utilizing funding from the Affordable Housing Trust Fund, made improvements to the two-bedroom unit in 1996. A deed restriction has been filed which restricts occupancy to low and moderate income households and establishes affordable rent standards. The Township subsequently marketed and rented the unit in accordance with N.J.A.C. 5:93-11. The Township collects \$670 per month in rent for this two-bedroom unit.

While the other two units must be deleted, Readington retains one apartment at the Dobozyński Farm in its Housing Element and Fair Share Plan to count as one very-low income unit.

Three Bridges – Diaz

Readington Township will address a portion of its third round obligation through the municipally-sponsored and 100% affordable development of at least 80 affordable family rental units on Block 81, Lot 1, which has access to Route 202. The site is in close proximity (less than ½ mile) to a regional bus stop (Hunterdon County LINK). This site is located on the south side of Route 202 and consists of approximately 20 acres of land. The Three Bridges site is currently owned by the Township of Readington and will be donated to the affordable housing provider. The Township intends to select an experienced affordable housing provider to construct a minimum of 80 units to own and administer to the affordable family rental housing on the site, of which at least eleven (11) units will be designated for very low income households. The selected experienced affordable housing provider will pursue 9% tax credit financing from HMFA.

COAH's Second Round rules at N.J.A.C. 5:93-1.3 and N.J.A.C. 5:93-5.5 for "Municipally-Sponsored and 100 Percent Affordable Programs" are addressed as follows:

- ✓ Site Control – The Township owns the property and will donate the site to the selected experienced affordable housing provider in accordance with the developer's agreement between the parties.
- ✓ Suitable Site– The site is suitable as defined in COAH's regulations at N.J.A.C. 5:93-1.3 which indicates that a suitable site is one in which it is adjacent to compatible uses, has access to appropriate streets and is consistent with environmental policies in N.J.A.C. 5:93-4.
 - *The site is adjacent to compatible land uses and has access to appropriate streets.*
The site is bounded by single family dwelling units to the east and vacant or



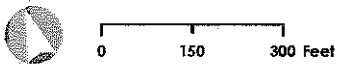
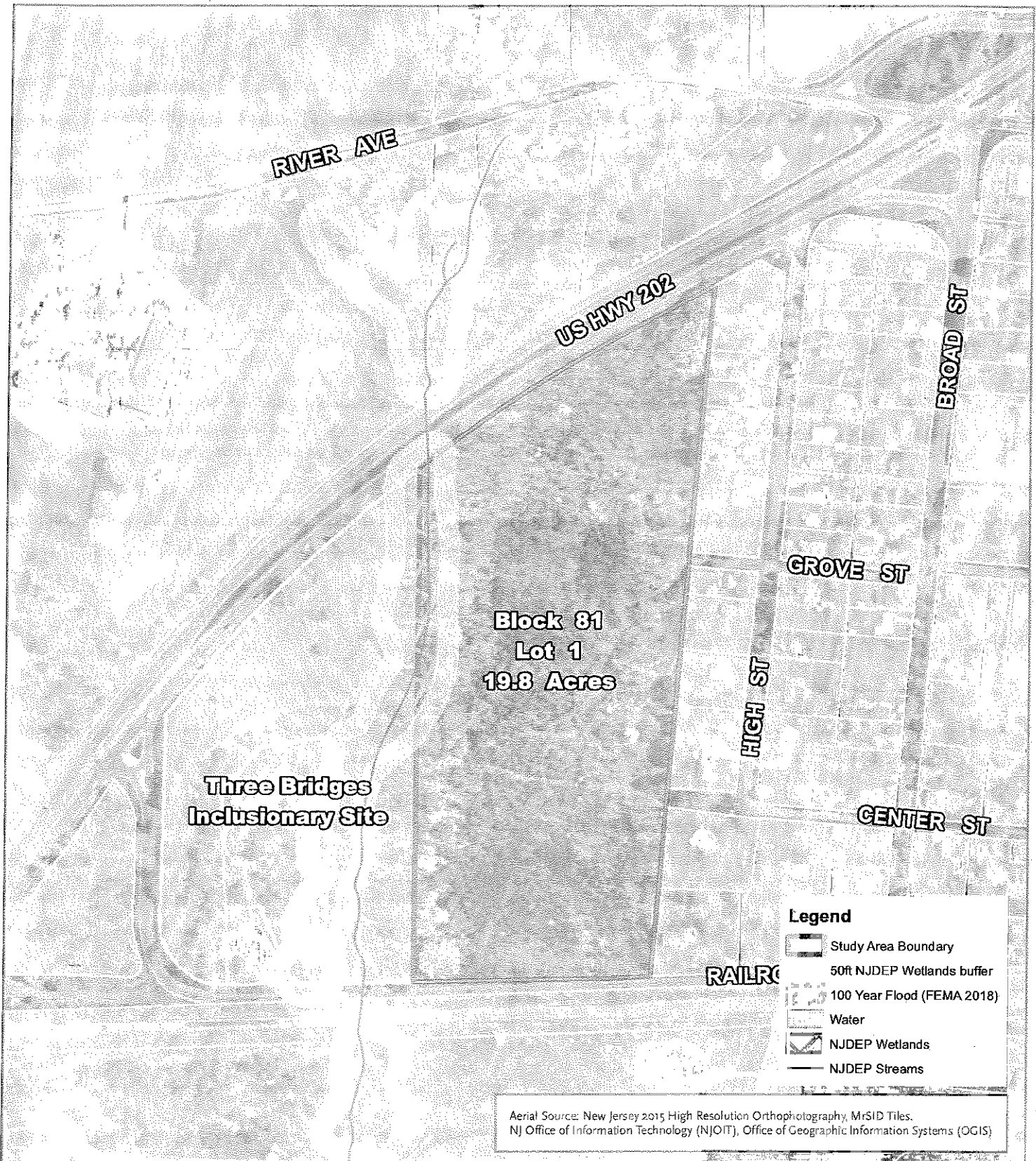
agricultural parcels adjacent to the remaining parcel boundaries. The site will have frontage and direct vehicular access to Route 202 and Grove Street.

- *The site can be developed in accordance with R.S.I.S.* Development of the site will be consistent with the Residential Site Improvement Standards, N.J.A.C. 5:21-1 et seq.
 - *The site is located in a “Smart Growth Planning Area”.* The 2001 Adopted State Plan Map and the 2004 Preliminary State Plan Map designates the property as the Suburban Planning Area (PA 2). The intention of the Suburban Planning Area is to provide for much of the State’s future development in a compact form and is the preferred location for affordable housing development.
 - *The development is not within the jurisdiction of a Regional Planning Agency or CAFRA.* The site is located outside of the Pinelands, CAFRA, Highlands, or Meadowlands.
 - *The site will comply with all applicable environmental regulations.* Although there are wetlands, wetland transition areas and riparian zones on the property as shown on the aerial map, these environmental constraints will not preclude the proposed affordable housing development. There are no floodplains, steep slopes, Category One streams on the property.
 - *The site will not impact any historic or architecturally important sites and districts.* There are no historic or architecturally important sites or buildings on the property or in the immediate vicinity that will impact the development of the affordable housing.
- ✓ Developable Site – In accordance with N.J.A.C. 5:93-1.3, a developable site has access to appropriate sewer and water infrastructure and is consistent with the area-wide water quality management plan. The Township anticipates submitting a Wastewater Quality Management Plan Amendment application to the NJDEP to amend the sewer service area to include this site on March 16, 2020.
- ✓ Approvable Site – Pursuant to N.J.A.C. 5:93-1.3, an approvable site may be developed for low and moderate income housing in a manner consistent with the rules or regulations of all agencies with jurisdiction over the site. While the site is currently located in the Agricultural Residential (AR) zoning district, the Township will rezone the parcel to permit low and moderate income housing.
- ✓ Administrative Entity – The Township will enter into an agreement with the selected experienced affordable housing provider to own and operate the affordable units pursuant to COAH’s regulations. For the proposed Third Round affordable units,



the selected experienced affordable housing provider will affirmatively market the units, income qualify applicants, place 30-year affordability control deed restrictions on the units and provide long-term administration of the units in accordance with COAH's rules at *N.J.A.C. 5:93 et seq.* and UHAC per *N.J.A.C. 5:80-26.1*, or any successor regulation, with the exception that in lieu of 10 percent affordable units in rental projects being required to be at 35 percent of median income, 13 percent of affordable units in such projects shall be required to be at 30 percent of median income.

- ✓ Low/Moderate Income Split – At least half of all the affordable units developed at the site will be affordable to low income households (13% of all affordable units will be very low income) and an odd number of affordable units will always be split in favor of the low income unit per UHAC at *N.J.A.C. 5:80-26.1*.
- ✓ Affirmative Marketing – The selected experienced affordable housing provider will affirmatively market the units in accordance with UHAC per *N.J.A.C. 5:80-26.1*.
- ✓ Controls on Affordability – The Township's agreement will require a minimum 30-year affordability control deed restrictions on the units in accordance with *N.J.A.C. 5:93 et seq.* and *N.J.A.C. 5:80-26.1*.
- ✓ Bedroom Distribution – The units will be required to be developed in accordance with *N.J.A.C. 5:93-7.3(b)*.
- ✓ Funding – A pro forma statement for the affordable family rental complex will be provided upon selection of the experienced affordable housing provider. The Township anticipates the selected experienced affordable housing provider will apply for potential funding from sources including but not limited to LIHTC, DCA Balanced Housing funds, Hunterdon County HOME funds, Federal Home Loan Bank funds, and/or HMFA bond financing. The Township will adopt a resolution of intent to bond for any shortfall in funding the Municipally Sponsored Affordable Housing Construction Program.
- ✓ Construction Schedule – A construction schedule for the affordable family rental complex will be provided upon selection of the experienced affordable housing provider. The selected experienced affordable housing provider will be responsible for monitoring the construction and overall development activity.



HOUSING ELEMENT AND FAIR SHARE PLAN

Clarke Caton Hintz
 Architecture
 Planning
 Landscape Architecture

Three Bridges Diaz Site

Block 81 Lot 1

LOCATION:
 Readington Township, Hunterdon County, NJ

DATE:
 March 2020



INCLUSIONARY SITES

SAR

The SAR site is 44-acres in area and is composed of three lots (Block 36, Lots 5, 5.02, and 5.04). The proposal to develop the site includes 192 family rental units of which 48 family affordable units will be deed restricted for low and moderate income households including seven (7) very-low income family affordable units. The development will also include a community building, pool, playground and park area.

Fronting approximately 900 feet on Mullen Road and 120 feet on Maple Lane and located in the rezoned Village Residential Affordable Housing – 1 (VRAH-1) zoning district, the site currently contains an abandoned defunct industrial facility with several dilapidated structures located in the southern half of the parcel. The remaining land area is undeveloped woodland containing wetlands, stream and associated buffers. The site is bounded by a single-family detached dwelling units to the northwest, east, and south with farmland to the west. The site is located approximately ½ mile from Route 22 with primary access via Mullen Road. The concept plan for this development contemplates a new alternate access road being developed for access to Route 22 which will eliminate any access to Mullen Road or Maple Road. The Township has agreed to provide the alternate access conditioned upon NJ Department of Environmental Protection (“NJDEP”) and NJ Department of Transportation (“NJDOT”) approval.

The Township entered into a settlement agreement with SAR, on July 11, 2018 for an inclusionary development. The VRAH-1 zoning for the site was adopted by the Township on April 1, 2019, amended July 1, 2019, to permit the inclusionary development.

The affordable units will be developed and occupied in accordance with UHAC rules, N.J.A.C. 5:80-26.1 et seq., including but not limited to bedroom distribution and affordability controls of at least 30 years, with the exception of the very-low income requirement such that 13% of the units will be reserved for households at 30% of the regional median income instead of the UHAC requirement of 10% of the units reserved for households at 35% of the regional median income. Additionally, the affordable units will comply with N.J.A.C. 5:97-3.14, accessible and adaptable affordable units. The units will be administered by the Township affordable housing administrator.

Inclusionary Development

A development containing low- and moderate-income units among market rate units. Affordable housing set-asides are typically 15% or 20%.

Inclusionary development may also be a non-residential development (i.e. a shopping center) with affordable units built-in.

As stated in N.J.A.C. 5:93-5, affordable housing sites shall be available, approvable, developable, and suitable, as defined in N.J.A.C. 5:93-1.3, for the production of low and moderate income housing. As stated below, the SAR site meets these criteria:

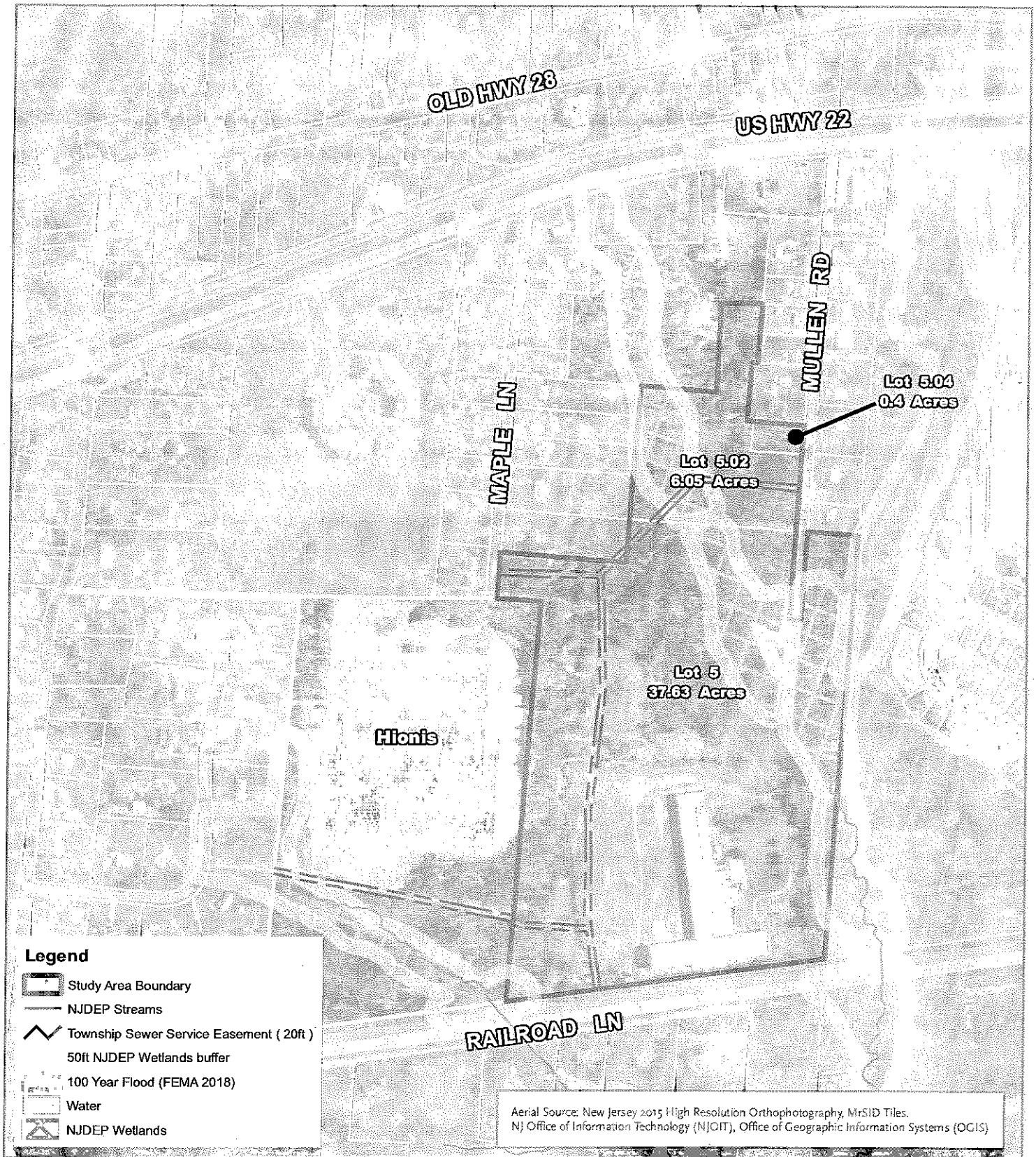
- ✓ Site Control – The developer has represented that the site has clear title and no legal encumbrances which would preclude its development for inclusionary affordable family rental housing.
- ✓ Suitable Site– The site is suitable as defined in COAH’s regulations at N.J.A.C. 5:93-1.3 which indicates that a suitable site is one in which it is adjacent to compatible uses, has access to appropriate streets and is consistent with environmental policies in N.J.A.C. 5:93-4.
 - *The site is adjacent to compatible land uses and has access to appropriate streets.* The site has approximately 900 feet of frontage along Mullen Road and 120 feet on Maple Lane. However, the Township has agreed to provide an alternate access road to Route 22 conditioned upon NJDEP and NJDOT approval which will eliminate any access to Mullen Road and Maple Lane. As indicated the site is adjacent to agriculture and single family residential uses.
 - *Adequate sewer and water capacity is available.* Pursuant to the Settlement Agreement, the Township will support an application by the developer to amend the sewer service area for this site.
 - *The site can be developed in accordance with R.S.I.S.* Development of the site will be consistent with the Residential Site Improvement Standards, N.J.A.C. 5:21-1 et seq.
 - *The site is located in a “Smart Growth Planning Area”.* The 2001 Adopted State Plan Map and the 2004 Preliminary State Plan Map designates the property as the Suburban Planning Area (PA 2), the preferred location for affordable housing development. The intention of the Suburban Planning Area is to provide for much of the State’s future development in a compact form.
 - *The development is not within the jurisdiction of a Regional Planning Agency or CAFRA.* The site is located outside of the Pinelands, CAFRA, Highlands, or Meadowlands.
 - *The site will comply with all applicable environmental regulations.* Although there are wetlands, wetland transition areas, a stream (Chambers Brook tributary), riparian zones, and steep slopes on the property as shown on the aerial map, these environmental constraints will not preclude the proposed affordable



housing development. There are no Category One streams or contaminated sites located on the property or immediate vicinity.








- *The site will not impact any historic or architecturally important sites and districts.* There are no historic or architecturally important sites or buildings on the property or in the immediate vicinity that will impact the development of the proposed affordable housing.
- ✓ Developable Site – In accordance with *N.J.A.C. 5:93-1.3*, a developable site has access to appropriate sewer and water infrastructure and is consistent with the areawide water quality management plan. Pursuant to the Settlement Agreement, the Township will support an application by the developer to amend the sewer service area for this site.
- ✓ Approvable Site – Pursuant to *N.J.A.C. 5:93-1.3*, an approvable site may be developed for low and moderate income housing in a manner consistent with the rules or regulations of all agencies with jurisdiction over the site. To Township adopted the Village Residential Affordable Housing – 1 (VRAH-1) zoning district for this site to permit the expansion of low- and moderate-income housing.
- ✓ Administrative Entity – The developer will be required to hire an experienced affordable housing administrative agent to administer the units in accordance with UHAC (exception noted below) including affirmative marketing, at least 30-year controls on affordability and bedroom distribution.
- ✓ Low/Moderate Income Split – At least half of all the affordable units developed at the site will be affordable to low income households (13% of all affordable units will be very low income) and an odd number of affordable units will always be split in favor of the low income unit per UHAC at *N.J.A.C. 5:80-26.1*.
- ✓ Affirmative Marketing – The developer’s administrative agent will affirmatively market the units in accordance with UHAC per *N.J.A.C. 5:80-26.1*.
- ✓ Controls on Affordability – The Township’s agreement requires a minimum 30-year affordability control deed restrictions on the units in accordance with *N.J.A.C. 5:93 et seq.* and *N.J.A.C. 5:80-26.1*.
- ✓ Bedroom Distribution – The units will be required to be developed in accordance with *N.J.A.C. 5:93-7.3(b)*.

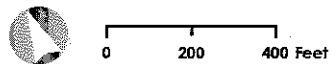
This project will contribute 96 credits, (48 very-low, low- and moderate-income family rental units and 48 rental bonus credits) toward the third round obligation and will also be used to meet the family obligation and the rental obligation, including the family rental obligation and seven very low income units.



Aerial Source: New Jersey 2015 High Resolution Orthophotography, MrSID Tiles.
 NJ Office of Information Technology (NJ/OIT), Office of Geographic Information Systems (OGIS)

Legend

-  Study Area Boundary
-  NJDEP Streams
-  Township Sewer Service Easement (20ft)
-  50ft NJDEP Wetlands buffer
-  100 Year Flood (FEMA 2018)
-  Water
-  NJDEP Wetlands



HOUSING ELEMENT AND FAIR SHARE PLAN

SAR Site

Block 36 Lots 5, 5.02, & 5.04

LOCATION:
 Readington Township, Hunterdon County, NJ

DATE:
 March 2020

- Clarke Caton Hintz 
- Architecture
 - Planning
 - Landscape Architecture

CONCEPT PLAN
 TAX MAP LOT 5, 02, & 04 BLOCK 36
 TOWNSHIP OF READINGTON
 HUNTERDON COUNTY NEW JERSEY



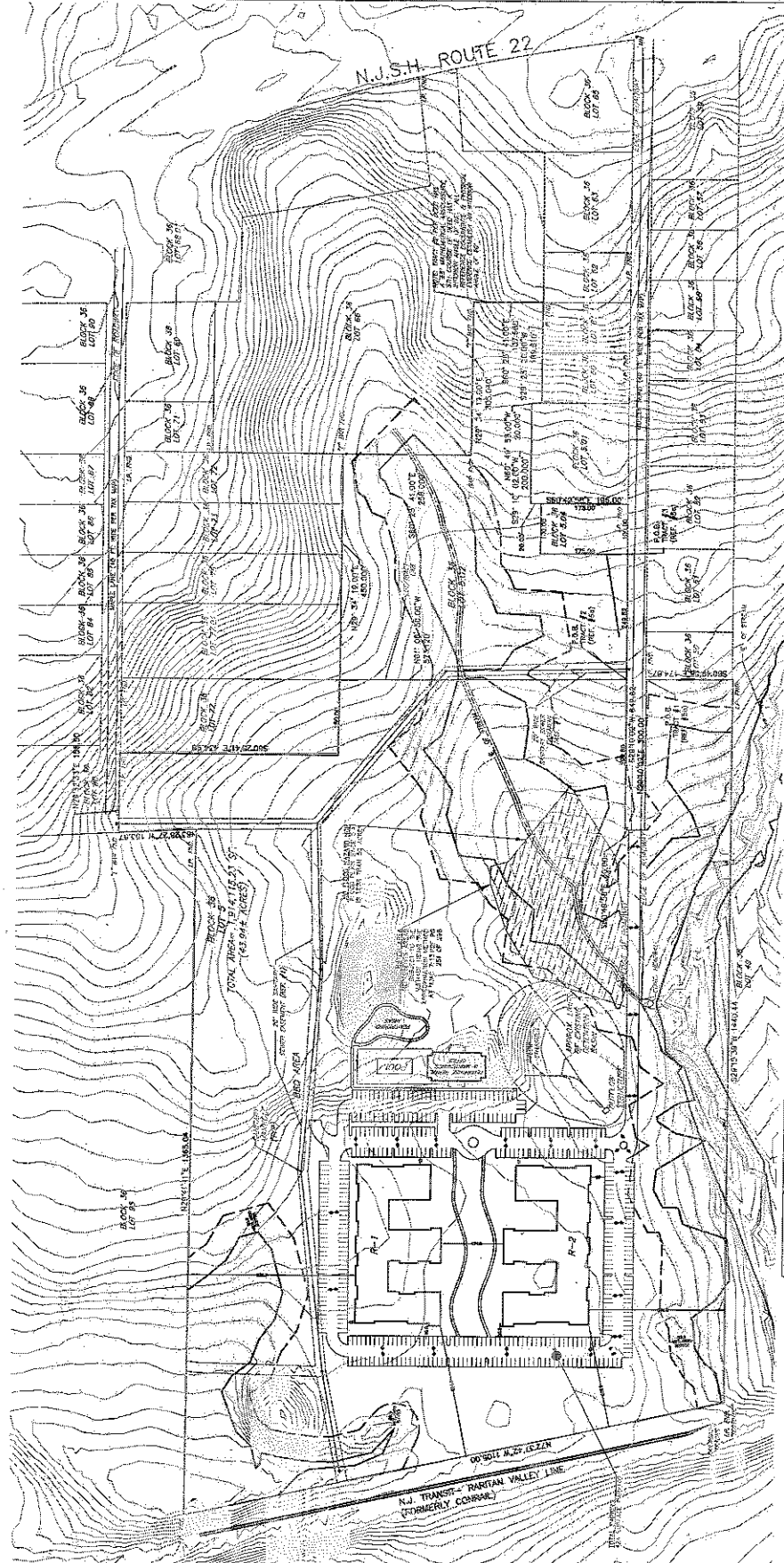
WASTON V. MADDER, P.E.
 N.J. PROFESSIONAL LAND SURVEYORS INC. - REGISTERED PROFESSIONAL LAND SURVEYORS
 1000 ROUTE 22, SUITE 200
 READINGTON, NJ 07866
 TEL: 908.881.1111
 FAX: 908.881.1112
 WWW.WVMADDER.COM

PROJECT NO. 2014-001
 DATE: 08/15/14

NO. 1000
 DATE: 08/15/14
 COUNTY: HUNTERDON
 TOWNSHIP: READINGTON
 BLOCK: 36
 LOT: 5, 02, & 04

CONCEPT PLAN 2
 BLOCK 36 LOT 5,
 02 & 04
 TOWNSHIP OF READINGTON
 HUNTERDON COUNTY, NJ

1 of 1

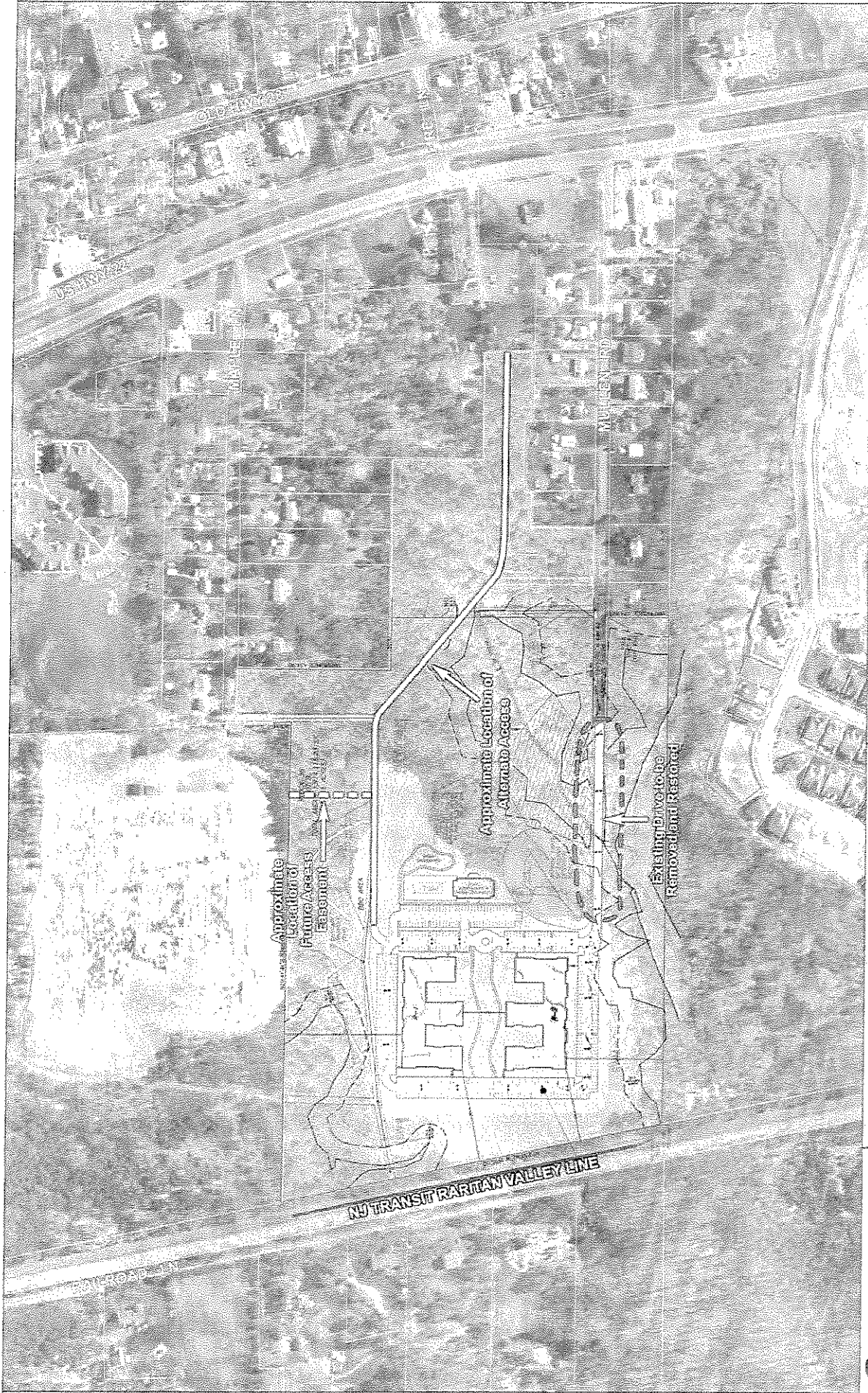


GRAPHIC SCALE

ZONING TABLE

REQUIREMENT	REQUIREMENT	PROPOSED
MIN. TRACT SIZE	N/C	N/C
MAX. BUILDING HEIGHT	45' 3 STORIES	45' 3 STORIES
MAX. DENSITY	50/100	50/100
MAX. # UNITS	102	102
MAX. BUILDING COVERAGE	15%	6%
MAX. OVERHANGS COVERAGE	30%	18%
MAX. BUILDING SETBACK FROM TRACT	150'	200.6'
MIN. SETBACK BETWEEN BUILDINGS	115'	124'
MIN. SETBACK FROM ADJACENT	50'	50'
MIN. BUILDING SETBACK FROM STREET	10'	10'
MIN. OPEN SPACE (RESTRICTED)	25%	43.0%
MIN. OPEN SPACE (UNRESTRICTED)		76.4%

- LEGEND**
- EXISTING CONTIGUOUS MAPS
 - EXISTING CONTIGUOUS MAPS
 - BOUNDARY LINE
 - PROPERTY BOUNDARY
 - STREET LINE
 - PAVED PATH
 - WETLANDS
 - 50' SETBACK
 - PRIVACY
 - 10' SIDE FLOOD
 - ROAD

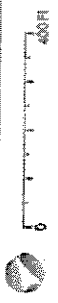


Site Plan for Phase 1, Prepared by the State of NJ, 1/18/18

VRAH-1 - VILLAGE RESIDENTIAL AFFORDABLE HOUSING 1

Conceptual Site Plan with Alternate Access

DATE: 1/18/18
 PROJECT: VRAH-1 - Village Residential Affordable Housing 1
 COUNTY: MIDDLEBURY, NJ



Other Critical Utility
 Proposed Access Easement

Prepared by:
 State of New Jersey
 Department of Transportation



Readington Commons

The Readington Commons site is 17.12 acres in area and is comprised of two lots (Block 4, Lots 51 and 52). The proposal to develop the site includes 254 family rental units of which 64 family affordable units will be deed-restricted for low- and moderate-income households including nine very-low income family affordable units. The development will also include a community room, pool, playground, and dog run.

Fronting approximately 600 feet along Route 22 westbound and located in the Multi-Family Affordable Housing-1 (MFAH-1) zoning district, the site currently contains three office buildings and the remnants of four pad sites for future office buildings that were not constructed. The parcel also includes driveways and parking areas to support the existing office complex and site improvements, including stormwater utilities, plantings and lighting. The site is bounded by a single-family detached dwelling units to the east, office use to the north, commercial across Route 22 to the south and the South Branch of the Rockaway Creek tributary to the west. An existing bus shelter is located at the southern property boundary adjacent to Route 22, which receives service from The LINK, a regional bus service.

The Township entered into a settlement agreement with Readington Commons, on July 2, 2018 for an inclusionary development. The MFAH-1 zoning for the site was adopted by the Township on March 4, 2019 to permit the inclusionary development. The Planning Board approved the project at its February 10, 2020 meeting.

The affordable units will be developed and occupied in accordance with UHAC rules, *N.J.A.C. 5:80-26.1 et seq.*, including but not limited to bedroom distribution and affordability controls of at least 30 years, with the exception of the very-low income requirement such that 13% of the units will be reserved for households at 30% of the regional median income instead of the UHAC requirement of 10% of the units reserved for households at 35% of the regional median income. Additionally, the affordable units will comply with *N.J.A.C. 5:97-3.14*, accessible and adaptable affordable units. The units will be administered by the Township affordable housing administrator.

As stated in *N.J.A.C. 5:93-5*, affordable housing sites shall be available, approvable, developable, and suitable, as defined in *N.J.A.C. 5:93-1.3*, for the production of low and moderate income housing. As stated below, the Readington Commons site meets these criteria:

- ✓ Site Control – The developer has represented that the site has clear title and no legal encumbrances which would preclude its development for inclusionary affordable family rental housing.
- ✓ Suitable Site – The site is suitable as defined in COAH's regulations at *N.J.A.C. 5:93-1.3* which indicates that a suitable site is one in which it is adjacent to compatible



uses, has access to appropriate streets and is consistent with environmental policies in N.J.A.C. 5:93-4.

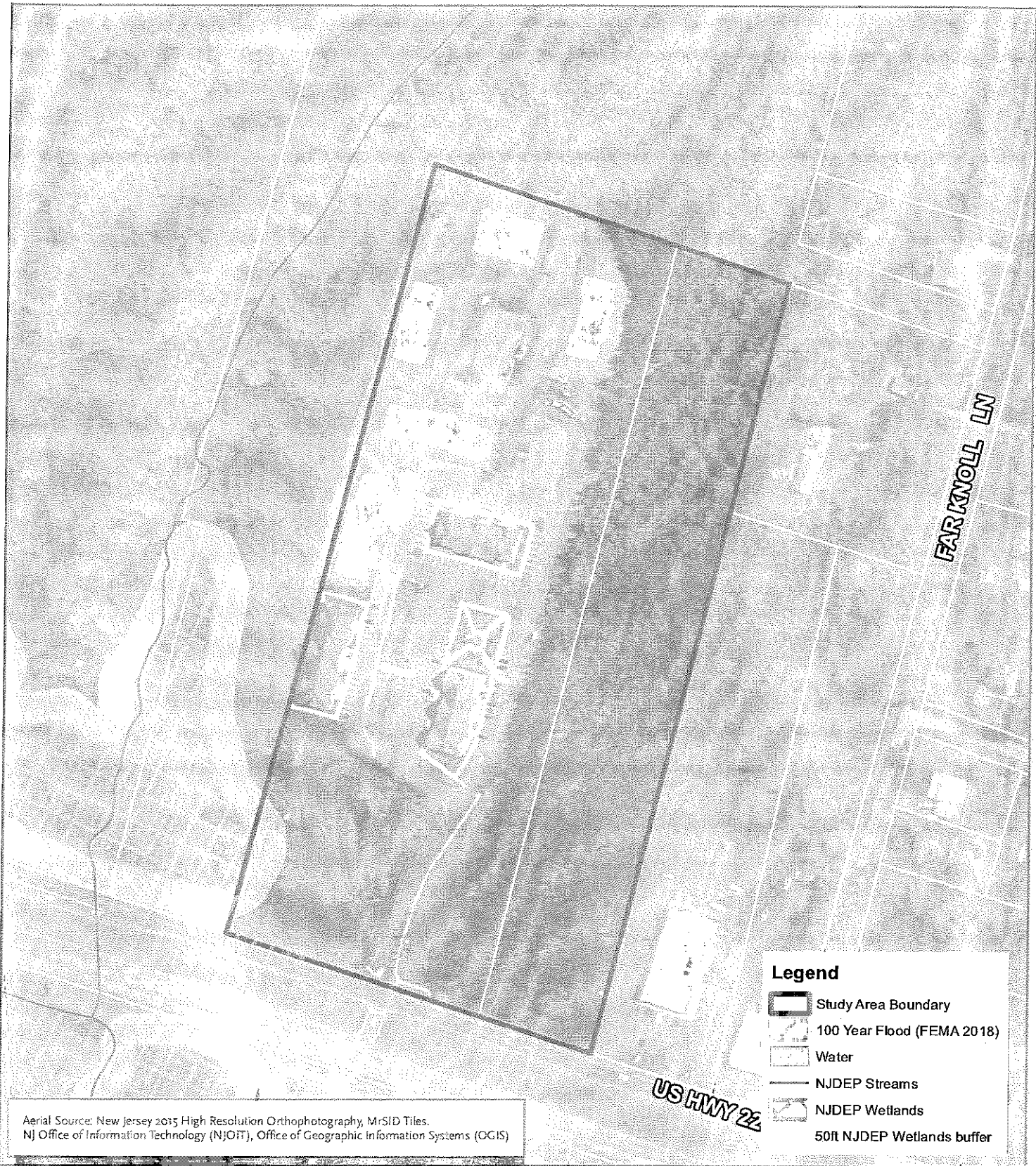
- *The site is adjacent to compatible land uses and has access to appropriate streets.* The site has approximately 600 feet of frontage along Route 22. As indicated the site is adjacent to single family residences, office and commercial uses.
 - *The site can be developed in accordance with R.S.I.S.* Development of the site will be consistent with the Residential Site Improvement Standards, N.J.A.C. 5:21-1 et seq.
 - *The site is located in a "Smart Growth Planning Area".* The 2001 Adopted State Plan Map and the 2004 Preliminary State Plan Map designates the property as the Suburban Planning Area (PA 2), the preferred location for affordable housing development. The intention of the Suburban Planning Area is to provide for much of the State's future development in a compact form.
 - *The development is not within the jurisdiction of a Regional Planning Agency or CAFRA.* The site is located outside of the Pinelands, CAFRA, Highlands, or Meadowlands.
 - *The site will comply with all applicable environmental regulations.* Although there are wetlands, riparian zones and stream corridors on the property as shown on the aerial map, these environmental constraints will not preclude the proposed affordable housing development. While there is a 300 feet stream buffer associated with the nearby Category I stream (South Branch of Rockaway Creek tributary), the developer is proposing to utilize the existing pad sites for the office building and disturbed area previously approved by the Township and NJDEP for the inclusionary development. There are no steep slopes or contaminated sites located on the property or immediate vicinity.
 - *The site will not impact any historic or architecturally important sites and districts.* There are no historic or architecturally important sites or buildings on the property or in the immediate vicinity that will impact the development of the proposed affordable housing.
- ✓ Developable Site – In accordance with N.J.A.C. 5:93-1.3, a developable site has access to appropriate sewer and water infrastructure and is consistent with the areawide water quality management plan. Pursuant to the Settlement Agreement, the Township will support an application to amend the sewer service area for this site.
- ✓ Approvable Site – Pursuant to N.J.A.C. 5:93-1.3, an approvable site may be developed for low and moderate income housing in a manner consistent with the rules or



regulations of all agencies with jurisdiction over the site. The MFAH-1 zoning for the site was adopted by the Township on March 4, 2019 to permit the inclusionary development. The Planning Board approved the project at its February 10, 2020 meeting.

- ✓ Administrative Entity – The developer will be required to hire an experienced affordable housing administrative agent to administer the units in accordance with UHAC (exception noted below) including affirmative marketing, at least 30-year controls on affordability and bedroom distribution.
- ✓ Low/Moderate Income Split – At least half of all the affordable units developed at the site will be affordable to low income households (13% of all affordable units will be very low income) and an odd number of affordable units will always be split in favor of the low income unit per UHAC at *N.J.A.C. 5:80-26.1*.
- ✓ Affirmative Marketing – The developer's administrative agent will affirmatively market the units in accordance with UHAC per *N.J.A.C. 5:80-26.1*.
- ✓ Controls on Affordability – The Township's agreement requires a minimum 30-year affordability control deed restrictions on the units in accordance with *N.J.A.C. 5:93 et seq.* and *N.J.A.C. 5:80-26.1*.
- ✓ Bedroom Distribution – The units will be required to be developed in accordance with *N.J.A.C. 5:93-7.3(b)*.

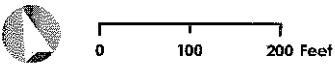
This project will contribute 128 credits (nine very-low, 23 low- and 32 moderate-income family rental units and 64 rental bonus credits) toward the third round obligation and will also be used to meet the family obligation and the rental obligation, including the family rental obligation and nine very low income units.



Aerial Source: New Jersey 2015 High Resolution Orthophotography, MrSID Tiles.
 NJ Office of Information Technology (NJGIT), Office of Geographic Information Systems (OGIS)

Legend

- Study Area Boundary
- 100 Year Flood (FEMA 2018)
- Water
- NJDEP Streams
- NJDEP Wetlands
- 50ft NJDEP Wetlands buffer



HOUSING ELEMENT AND FAIR SHARE PLAN

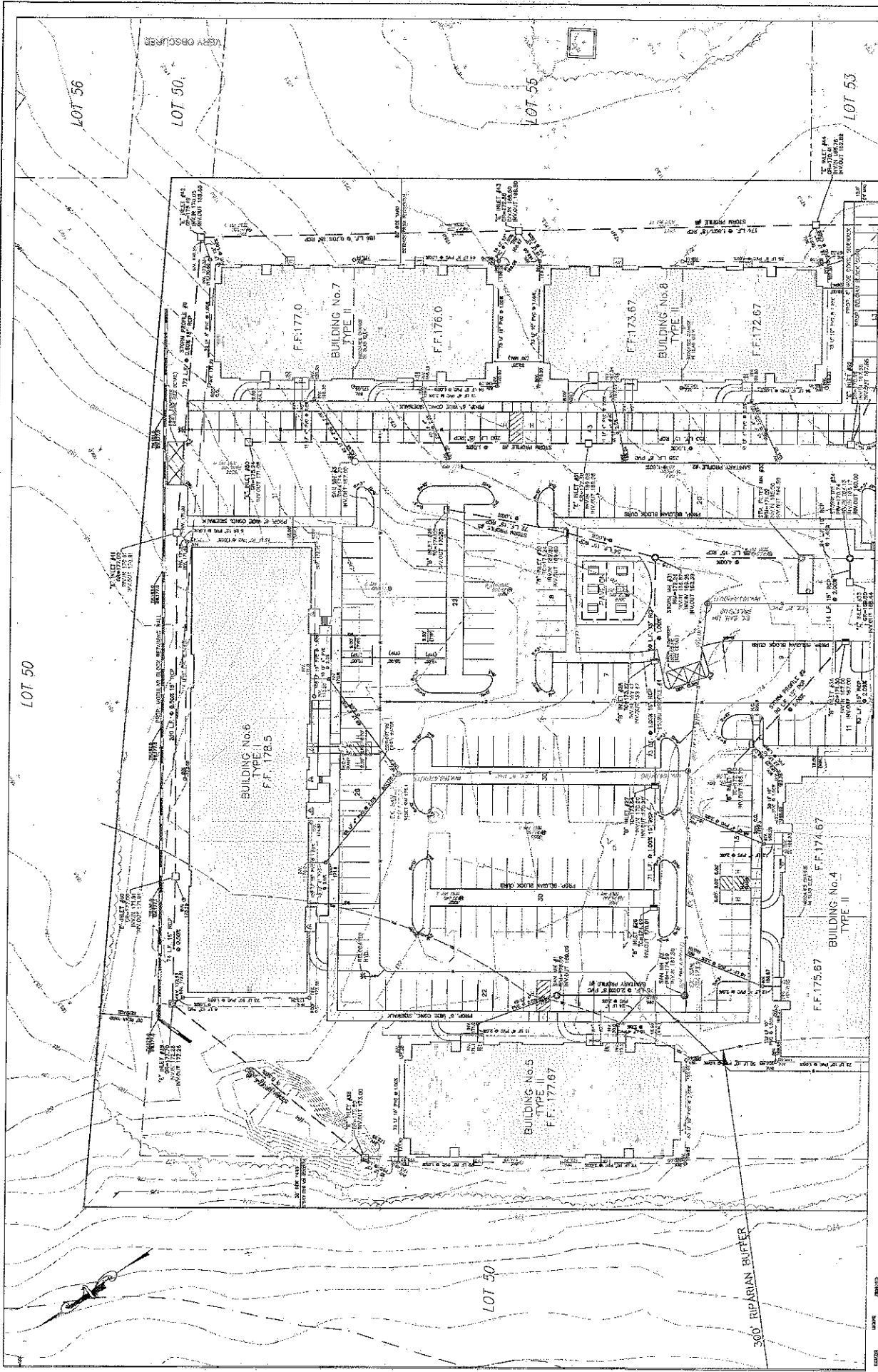
Readington Commons

Block 4 Lots 51 and 52

LOCATION:
 Readington Township, Hunterdon County, NJ

DATE:
 March 2020

Clarke Caton Hintz ● ● ●
 Architecture
 Planning
 Landscape Architecture



PRELIMINARY SITE PLAN HUNTERDON HEIGHTS AT READINGTON LOTS 51 & 52, BLOCK 4 CHESTER, FLOUDESAS, ISKOWSKY PARTNERSHIP LLC CHESTER COUNTY, PA	
DATE: 08/11/2011 DRAWN BY: J. P. ... CHECKED BY: ... PROJECT NO.: ... SHEET NO.: ...	SCALE: 1" = 40'-0" PROJECT NO.: ... SHEET NO.: ...
MLP MICHAEL PUCCI ARCHITECTURE 1000 ... PHILADELPHIA, PA	

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Fox Hollow

The Fox Hollow site is 101 acres and consists of one lot (Block 15, Lot 28). The proposal to develop the site includes 240 senior rental units of which 48 units will be deed-restricted for low- and moderate-income households including seven (7) very-low income family affordable units.

The site is adjacent to Block 5.11, Lot 2 which is located in Branchburg Township. The combined parcels make up the Fox Hollow Golf Club which currently contains an 18-hole golf course, clubhouse and other maintenance buildings. The proposed development will be situated on the eastern half of Block 15, Lot 28 and portions of the golf course will remain but in a different configuration.

The site is bounded by a single-family detached dwellings and the golf course to the north and east, multi-family uses to the south along Route 22 and vacant wooded preserved land to the west. The Lamington River is situated on the northeastern property line with tributaries to the river running along the northern and eastern property line. State open waters (ponds) are situated along the eastern property boundary as well. Although the site has minimal frontage on Route 22 (less than 10 feet), the proposed development will gain access from an access drive proposed for an approved townhouse development in Branchburg Township located immediately south of the site on the adjacent parcel.

The parcel is currently zoned Agricultural Residential (AR). Revised zoning for the site will be created to permit the inclusionary zoning. Public sanitary sewer and water will be provided through Branchburg Township by the Somerset-Raritan Valley Sewerage Authority ("SRVSA") pursuant to a stipulation of settlement between Branchburg Township and Fox Hollow Enterprises, Inc. dated April 21, 1980.

The affordable units will be developed and occupied in accordance with UHAC rules, *N.J.A.C.* 5:80-26.1 et seq., including but not limited to bedroom distribution and affordability controls of at least 30 years, with the exception of the very-low income requirement such that 13% of the units will be reserved for households at 30% of the regional median income instead of the UHAC requirement of 10% of the units reserved for households at 35% of the regional median income. Additionally, the affordable units will comply with *N.J.A.C.* 5:97-3.14, accessible and adaptable affordable units. The units will be administered by the Township affordable housing administrator.

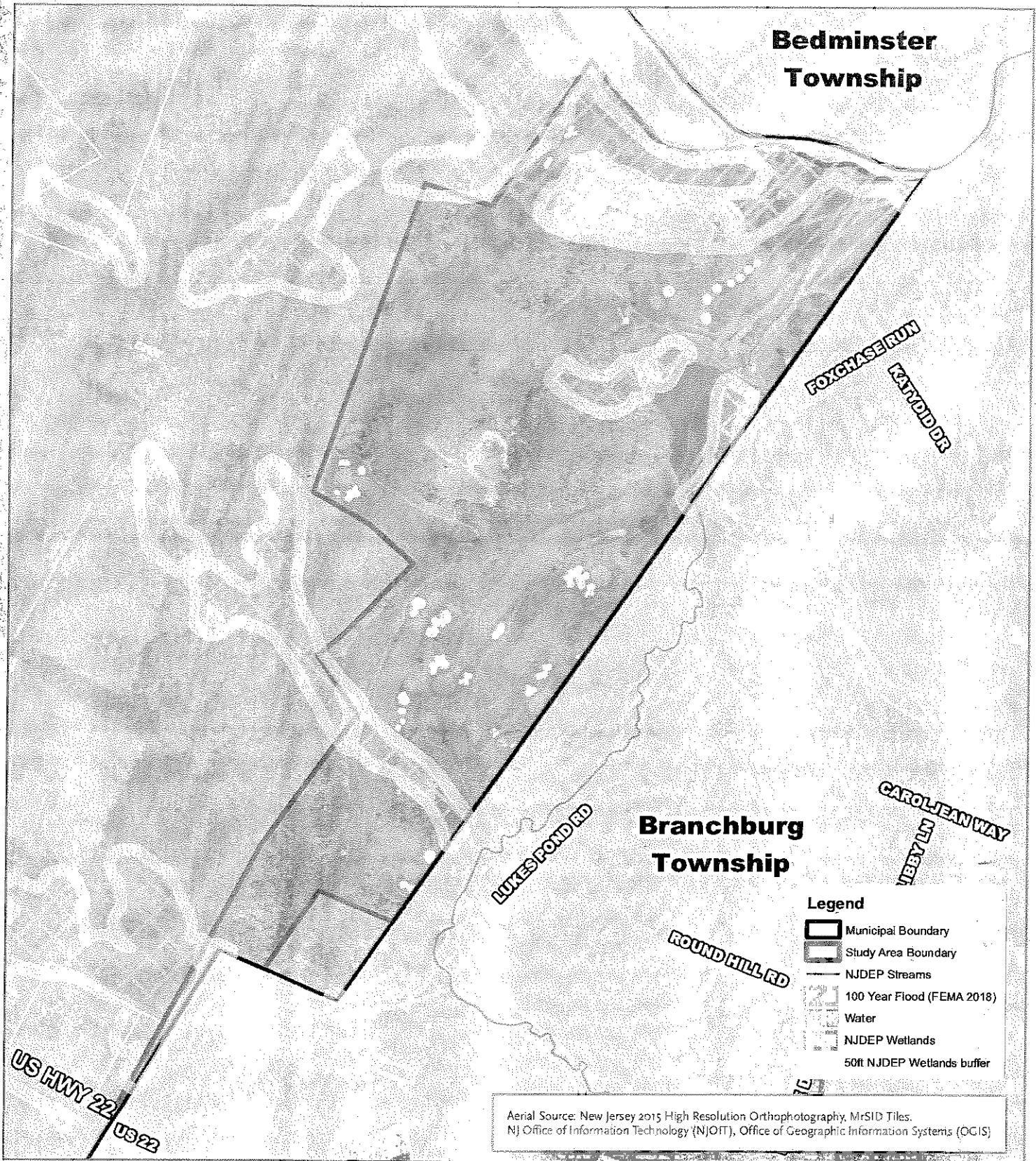
As stated in *N.J.A.C.* 5:93-5, affordable housing sites shall be available, approvable, developable, and suitable, as defined in *N.J.A.C.* 5:93-1.3, for the production of low- and moderate-income housing. As stated below, the Fox Hollow site meets these criteria:



- ✓ Site Control – The developer has represented that the site has clear title and no legal encumbrances which would preclude its development for inclusionary affordable family rental housing.
- ✓ Suitable Site– The site is suitable as defined in COAH’s regulations at N.J.A.C. 5:93-1.3 which indicates that a suitable site is one in which it is adjacent to compatible uses, has access to appropriate streets and is consistent with environmental policies in N.J.A.C. 5:93-4.
 - *The site is adjacent to compatible land uses and has access to appropriate streets.* Although the site has minimal frontage on Route 22 (less than 10 feet), the proposed development will gain access from an existing driveway accessing Route 22 proposed for an approved townhouse development in Branchburg Township located immediately south of the site on the adjacent parcel. An access easement agreement will be executed. As indicated the site is adjacent to single family residences, commercial uses and vacant wooded parcels.
 - *The site can be developed in accordance with R.S.I.S.* Development of the site will be consistent with the Residential Site Improvement Standards, N.J.A.C. 5:21-1 et seq.
 - *The site is located in a “Smart Growth Planning Area”.* The 2001 Adopted State Plan Map and the 2004 Preliminary State Plan Map designates the property as the Suburban Planning Area (PA 2), the preferred location for affordable housing development. The intention of the Suburban Planning Area is to provide for much of the State’s future development in a compact form.
 - *The development is not within the jurisdiction of a Regional Planning Agency or CAFRA.* The site is located outside of the Pinelands, CAFRA, Highlands, or Meadowlands.
 - *The site will comply with all applicable environmental regulations.* Although there are wetlands, Category 1 streams (Lamington River and Fox Hollow), floodplains and riparian zones on the property as shown on the aerial map, these environmental constraints will not preclude the proposed affordable housing development on the property as shown on the aerial map. There are no contaminated sites located on the property or immediate vicinity.
 - *The site will not impact any historic or architecturally important sites and districts.* There are no historic or architecturally important sites or buildings on the property or in the immediate vicinity that will impact the development of the proposed affordable housing.

- ✓ Developable Site – In accordance with *N.J.A.C. 5:93-1.3*, a developable site has access to appropriate sewer and water infrastructure and is consistent with the areawide water quality management plan. Public sanitary sewer and water will be provided through Branchburg Township by the Somerset-Raritan Valley Sewerage Authority (“SRVSA”) pursuant to a stipulation of settlement between Branchburg Township and Fox Hollow Enterprises, Inc. dated April 21, 1980. Pursuant to the Settlement Agreement, the Township will support an application to amend the sewer service area for this site.
- ✓ Approvable Site – Pursuant to *N.J.A.C. 5:93-1.3*, an approvable site may be developed for low and moderate income housing in a manner consistent with the rules or regulations of all agencies with jurisdiction over the site. The parcel is currently zoned Agricultural Residential (AR). Revised zoning for the site will be created to permit the inclusionary zoning.
- ✓ Administrative Entity – The developer will be required to hire an experienced affordable housing administrative agent to administer the units in accordance with UHAC (exception noted below) including affirmative marketing, at least 30-year controls on affordability and bedroom distribution.
- ✓ Low/Moderate Income Split – At least half of all the affordable units developed at the site will be affordable to low income households (13% of all affordable units will be very low income) and an odd number of affordable units will always be split in favor of the low income unit per UHAC at *N.J.A.C. 5:80-26.1*.
- ✓ Affirmative Marketing – The developer’s administrative agent will affirmatively market the units in accordance with UHAC per *N.J.A.C. 5:80-26.1*.
- ✓ Controls on Affordability – The Township’s agreement requires a minimum 30-year affordability control deed restrictions on the units in accordance with *N.J.A.C. 5:93 et seq.* and *N.J.A.C. 5:80-26.1*.
- ✓ Bedroom Distribution – The units will be required to be developed in accordance with *N.J.A.C. 5:93-7.3(b)*.

This project will contribute 48 credits toward the third round obligation and will also be used to meet the senior obligation and the rental obligation, including the seven very-low income units.

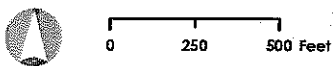


**Bedminster
Township**

**Branchburg
Township**

- Legend**
- Municipal Boundary
 - Study Area Boundary
 - NJDEP Streams
 - 100 Year Flood (FEMA 2018)
 - Water
 - NJDEP Wetlands
 - 50ft NJDEP Wetlands buffer

Aerial Source: New Jersey 2015 High Resolution Orthophotography, MrSID Tiles.
 NJ Office of Information Technology (NJ OIT), Office of Geographic Information Systems (OGIS)



HOUSING ELEMENT AND FAIR SHARE PLAN

Clarke Caton Hintz

Architecture
 Planning
 Landscape Architecture

Fox Hollow

Block 15 Lot 28

LOCATION:
 Readington Township, Hunterdon County, NJ

DATE:
 March 2020

PROGRESS PRINT
DATE: 08/27/79
11:51 AM



GLADSTONE DESIGN, Inc.
Professional Engineer
1415 Highway 70
Glenwood, N.C. 27535
Phone: (919) 681-1234

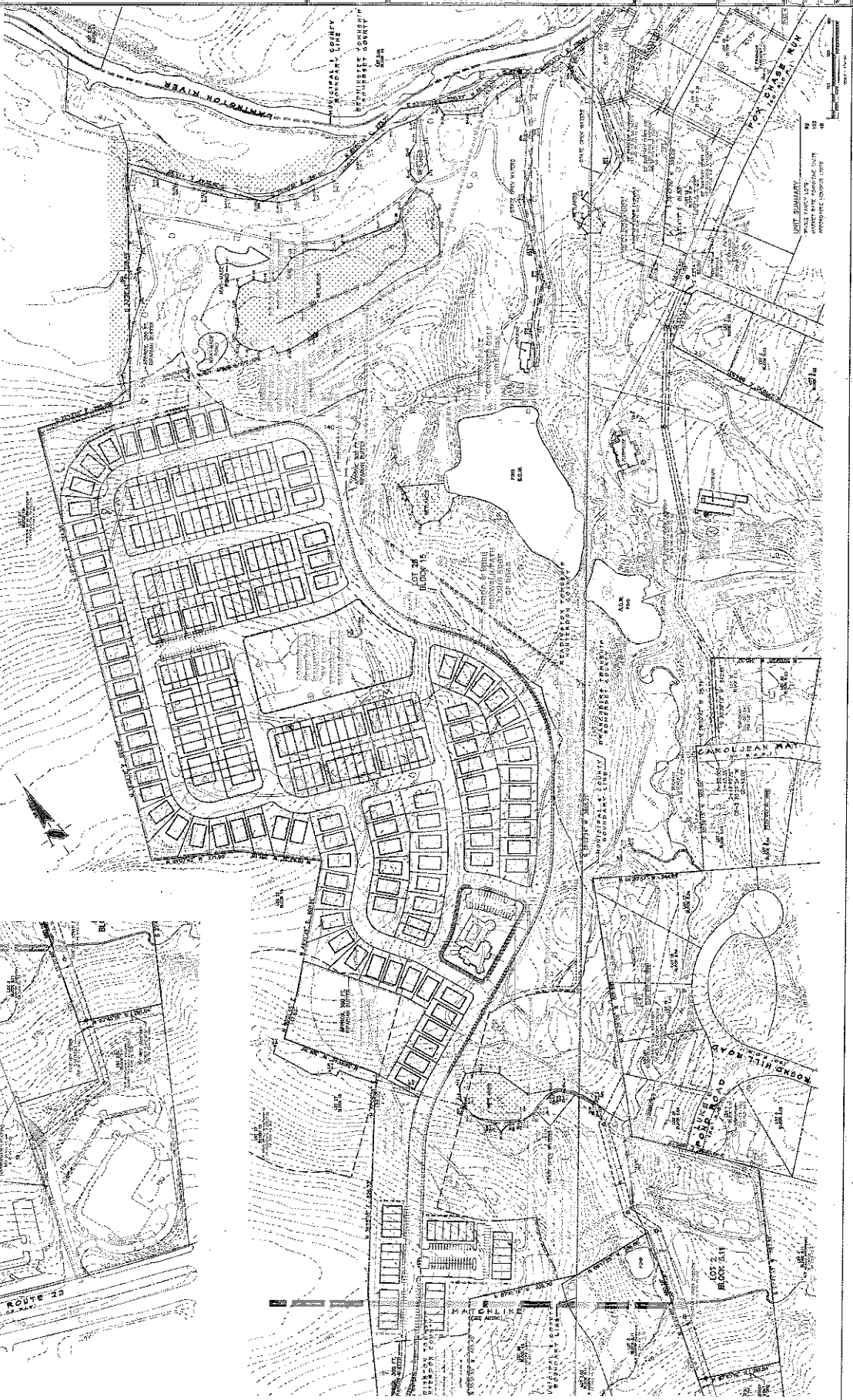
FOR CONCEPT PURPOSES ONLY

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DURATIONAL ADJUSTMENT SITES

The durational adjustment sites identified herein would achieve the entire new construction obligation if the Township had sufficient sewer and water to achieve that obligation.

MUNICIPALLY SPONSORED

Mirota Expansion (LSM)

The Township is working with Lutheran Social Ministries (“LSM”) to expand the existing Mirota age-restricted rental complex to provide an additional 80 age-restricted rental units. This Township-owned site (99-year lease with LSM) received credit in the prior round and has 60 age-restricted affordable rental units existing in one building. The property at 200 Van Horne Road (Block 21.05, Lot 2) is 7.47-acres. The property size and configuration offers ample area to provide a separate building to accommodate the additional 80 units. The site is in close proximity (less than ½ mile) to the New Jersey Whitehouse Train Station and is located on the south side of Van Horne Road.

100% Affordable Development

A development in which all units are affordable to low- and moderate-income households.

The Township intends to select an experienced affordable housing provider to construct a minimum of 80 units and to own and administer the affordable age-restricted rental housing on the site, of which at least 11 units will be designated for very-low income households. It is anticipated that the selected affordable housing provider will pursue 9% tax credit financing from HMFA.

COAH’s Second Round rules at N.J.A.C. 5:93-1.3 and N.J.A.C. 5:93:5.5 for “Municipally Sponsored and 100 Percent Affordable Programs” are addressed as follows:

- ✓ Site Control – The Township owns the property and will continue to honor the long-term lease with LSM and the selected affordable housing provider for the proposed expansion in accordance with the developer’s agreement between the parties.
- ✓ Suitable Site – The site is suitable as defined in COAH’s regulations at N.J.A.C. 5:93-1.3 which indicates that a suitable site is one in which it is adjacent to compatible uses, has access to appropriate streets and is consistent with environmental policies in N.J.A.C. 5:93-4.
 - *The site is adjacent to compatible land uses and has access to appropriate streets. The site is located in the Planned Neighborhood Development (PND 1) and is surrounded by residential uses. Access to the expansion will be from the existing driveway connecting to Van Horne Road.*



- *The site can be developed in accordance with R.S.I.S.* Development of the site will be consistent with the Residential Site Improvement Standards, N.J.A.C. 5:21-1 et seq.
 - *The site is located in a “Smart Growth Planning Area”.* The 2001 Adopted State Plan Map and the 2004 Preliminary State Plan Map designates the property as the Suburban Planning Area (PA 2). The intention of the Suburban Planning Area is to provide for much of the State’s future development in a compact form and is the preferred location for affordable housing development.
 - *The development is not within the jurisdiction of a Regional Planning Agency or CAFRA.* The site is located outside of the Pinelands, CAFRA, Highlands, or Meadowlands.
 - *The site will comply with all applicable environmental regulations.* Although there are wetland transition areas on the property as shown on the aerial map, these environmental constraints will not preclude the proposed affordable housing development on the property as shown on the aerial map. There are no wetlands, floodplains, Category One streams, steep slopes or contaminated sites located on the property or in the immediate vicinity that will be impacted by the development.
 - *The site will not impact any historic or architecturally important sites and districts.* There are no historic or architecturally important sites or buildings on the property or in the immediate vicinity that will impact the development of the affordable housing.
- ✓ Developable Site – In accordance with N.J.A.C. 5:93-1.3, a developable site has access to appropriate sewer and water infrastructure and is consistent with the areawide water quality management plan. The site is located in New Jersey American Water’s public water service area and is within the approved sewer service area. The Township has a plan to capture sufficient capacity during compliance and pursuant to its Agreement with FSHC which will render the site developable.
- ✓ Approvable Site – Pursuant to N.J.A.C. 5:93-1.3, an approvable site may be developed for low and moderate income housing in a manner consistent with the rules or regulations of all agencies with jurisdiction over the site. While the site is currently located in the Planned Neighborhood Development (PND) zoning district, the Township will rezone the parcel to permit the expansion of low- and moderate-income housing.
- ✓ Administrative Entity – The Township will enter into an agreement with the selected affordable housing provider to own and operate the affordable units pursuant to



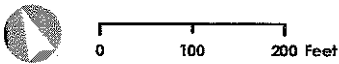
COAH's regulations. For the proposed Third Round affordable units, the selected affordable housing provider will affirmatively market the units, income qualify applicants, place 45-year affordability control deed restrictions on the units and provide long-term administration of the units in accordance with COAH's rules at N.J.A.C. 5:93 et seq. and UHAC per N.J.A.C. 5:80-26.1, or any successor regulation, with the exception that in lieu of 10 percent affordable units in rental projects being required to be at 35 percent of median income, 13 percent of affordable units in such projects shall be required to be at 30 percent of median income.

- ✓ Low/Moderate Income Split – At least half of all the affordable units developed at the site will be affordable to low income households (13% of all affordable units will be very low income) and an odd number of affordable units will always be split in favor of the low income unit per UHAC at N.J.A.C. 5:80-26.1.
- ✓ Affirmative Marketing – The selected affordable housing provider will affirmatively market the units in accordance with UHAC per N.J.A.C. 5:80-26.1.
- ✓ Controls on Affordability – The Township's agreement will require a minimum 30-year affordability control deed restrictions on the units in accordance with N.J.A.C. 5:93 et seq. and N.J.A.C. 5:80-26.1.
- ✓ Bedroom Distribution – The units will be required to be developed in accordance with N.J.A.C. 5:93-7.3(b).
- ✓ Funding – A pro forma statement for the affordable family rental complex will be provided upon selection of the experienced affordable housing provider. The Township anticipates the selected experienced affordable housing provider will apply for potential funding from sources including but not limited to LIHTC, DCA Balanced Housing funds, Hunterdon County HOME funds, Federal Home Loan Bank funds, and/or HMFA bond financing. The Township will adopt a resolution of intent to bond for any shortfall in funding the Municipally Sponsored Affordable Housing Construction Program.
- ✓ Construction Schedule – A construction schedule for the affordable family rental complex will be provided upon selection of the experienced affordable housing provider. The selected experienced affordable housing provider will be responsible for monitoring the construction and overall development activity.



Aerial Source: New Jersey 2015 High Resolution Orthophotography, MrSID Tiles.
 NJ Office of Information Technology (NJ/OIT), Office of Geographic Information Systems (OGIS)

- Legend**
- Study Area Boundary
 - NJDEP Streams
 - 100 Year Flood (FEMA 2018)
 - Water
 - NJDEP Wetlands
 - 50ft NJDEP Wetlands buffer



HOUSING ELEMENT AND FAIR SHARE PLAN

Mirola Senior Housing

Block 21.05 Lot 2

LOCATION:
 Readington Township, Hunterdon County, NJ

DATE:
 March 2020

Clarke Caton Hintz ● ● ■
 Architecture
 Planning
 Landscape Architecture



INCLUSIONARY OVERLAY SITES

Van Doren

The Van Doren site (Block 21.13, Lots 8, 12, and 14) is a vacant property located in the Special Resource Residential (SRR) zoning district. The Township proposes to rezone the site, in order to permit multi-family housing at a density of at least six dwelling units per acre with an affordable housing set-aside equaling 20% of the total number of for-sale units and 15% of the total rental units. Based on the site's unconstrained acreage, the potential number of dwelling units from applying the overlay zoning would result in 270 total units, of which 41 would be affordable. Utilization of the higher density multi-family zoning regulations is contingent upon the availability of adequate public sewer capacity.

Inclusionary Development

A development containing low- and moderate-income units among market rate units. Affordable housing set-asides are typically 15% or 20%.

Inclusionary development may also be a non-residential development (i.e. a shopping center) with affordable units built-in.

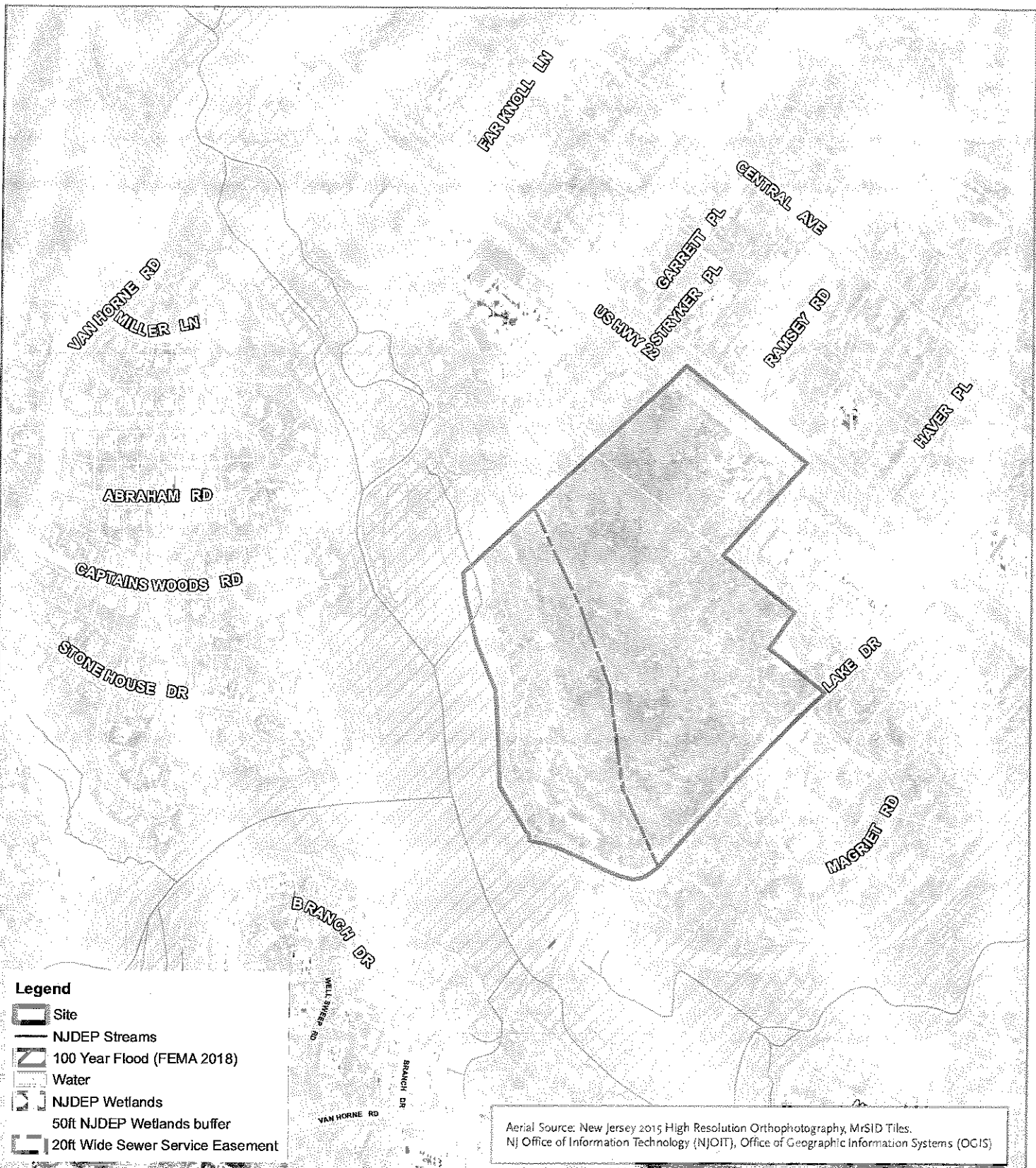
As stated in N.J.A.C. 5:93-5, affordable housing sites shall be available, approvable, developable, and suitable, as defined in N.J.A.C. 5:93-1.3, for the production of low and moderate income housing. As stated below, the Van Doren site meets these criteria:

- ✓ Site Control – The site has a clear title and no legal encumbrances which would preclude its development as an affordable housing project. The site is owned by Van Doren, Inc.
- ✓ Suitable Site– The site is suitable as defined in COAH's regulations at N.J.A.C. 5:93-1.3 which indicates that a suitable site is one in which it is adjacent to compatible uses, has access to appropriate streets and is consistent with environmental policies in N.J.A.C. 5:93-4.
 - *The site is adjacent to compatible land uses and has access to appropriate streets.* The site has approximately 800 feet of frontage on Route 22, as well as additional frontage along Lake Drive. The site is adjacent to single family residences, commercial uses and vacant wooded parcels.
 - *The site can be developed in accordance with R.S.I.S.* Development of the site will be consistent with the Residential Site Improvement Standards, N.J.A.C. 5:21-1 et seq.

- *The site is located in a "Smart Growth Planning Area".* The 2001 Adopted State Plan Map and the 2004 Preliminary State Plan Map designates the property as the Suburban Planning Area (PA 2), the preferred location for affordable housing development. The intention of the Suburban Planning Area is to provide for much of the State's future development in a compact form.
 - *The development is not within the jurisdiction of a Regional Planning Agency or CAFRA.* The site is located outside of the Pinelands, CAFRA, Highlands, or Meadowlands.
 - *The site will comply with all applicable environmental regulations.* Although there are wetlands, rivers, streams, floodplains, riparian zones and steep slopes on the property, these environmental constraints will not preclude the proposed affordable housing development.
 - *The site will not impact any historic or architecturally important sites and districts.* There are no historic or architecturally important sites or buildings on the property or in the immediate vicinity that will impact the development of the proposed affordable housing.
- ✓ Developable Site – In accordance with *N.J.A.C. 5:93-1.3*, a developable site has access to appropriate sewer and water infrastructure and is consistent with the areawide water quality management plan. As this inclusionary overlay zone will be contributing towards the Third Round obligation as a Durational Adjustment site, the site will only be developed/developable pending the appropriate extension and capacity of the Township's water and sewer systems.
 - ✓ Approvable Site – Pursuant to *N.J.A.C. 5:93-1.3*, an approvable site may be developed for low and moderate income housing in a manner consistent with the rules or regulations of all agencies with jurisdiction over the site. The Township proposes to rezone the site, in order to permit multi-family housing at a density of at least six dwelling units per acre with an affordable housing set-aside equaling 20% of the total number of for-sale units and 15% of the total rental units.
 - ✓ Administrative Entity – The developer will be required to hire an experienced affordable housing administrative agent to administer the units in accordance with UHAC (exception noted below) including affirmative marketing, at least 30-year controls on affordability and bedroom distribution.
 - ✓ Low/Moderate Income Split – At least half of all the affordable units developed at the site will be affordable to low income households (13% of all affordable units will be very low income) and an odd number of affordable units will always be split in favor of the low income unit per UHAC at *N.J.A.C. 5:80-26.1*.



- ✓ Affirmative Marketing – The developer’s administrative agent will affirmatively market the units in accordance with UHAC per N.J.A.C. 5:80-26.1.
- ✓ Controls on Affordability – The Township’s agreement will require a minimum 30-year affordability control deed restrictions on the units in accordance with N.J.A.C. 5:93 et seq. and N.J.A.C. 5:80-26.1.
- ✓ Bedroom Distribution – The units will be required to be developed in accordance with N.J.A.C. 5:93-7.3(b).



Aerial Source: New Jersey 2015 High Resolution Orthophotography, MrSID Tiles.
 NJ Office of Information Technology (NJGIT), Office of Geographic Information Systems (OGIS)

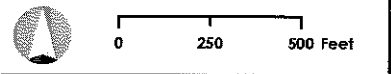
HOUSING ELEMENT AND FAIR SHARE PLAN

"Van Doren" Site

Block 21.13 Lots 12, 13 & 14

LOCATION:
 Readington Township, Hunterdon County, NJ

DATE:
 March 2020



Clarke Caton Hintz

- Architecture
- Planning
- Landscape Architecture



Hionis

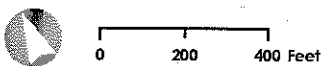
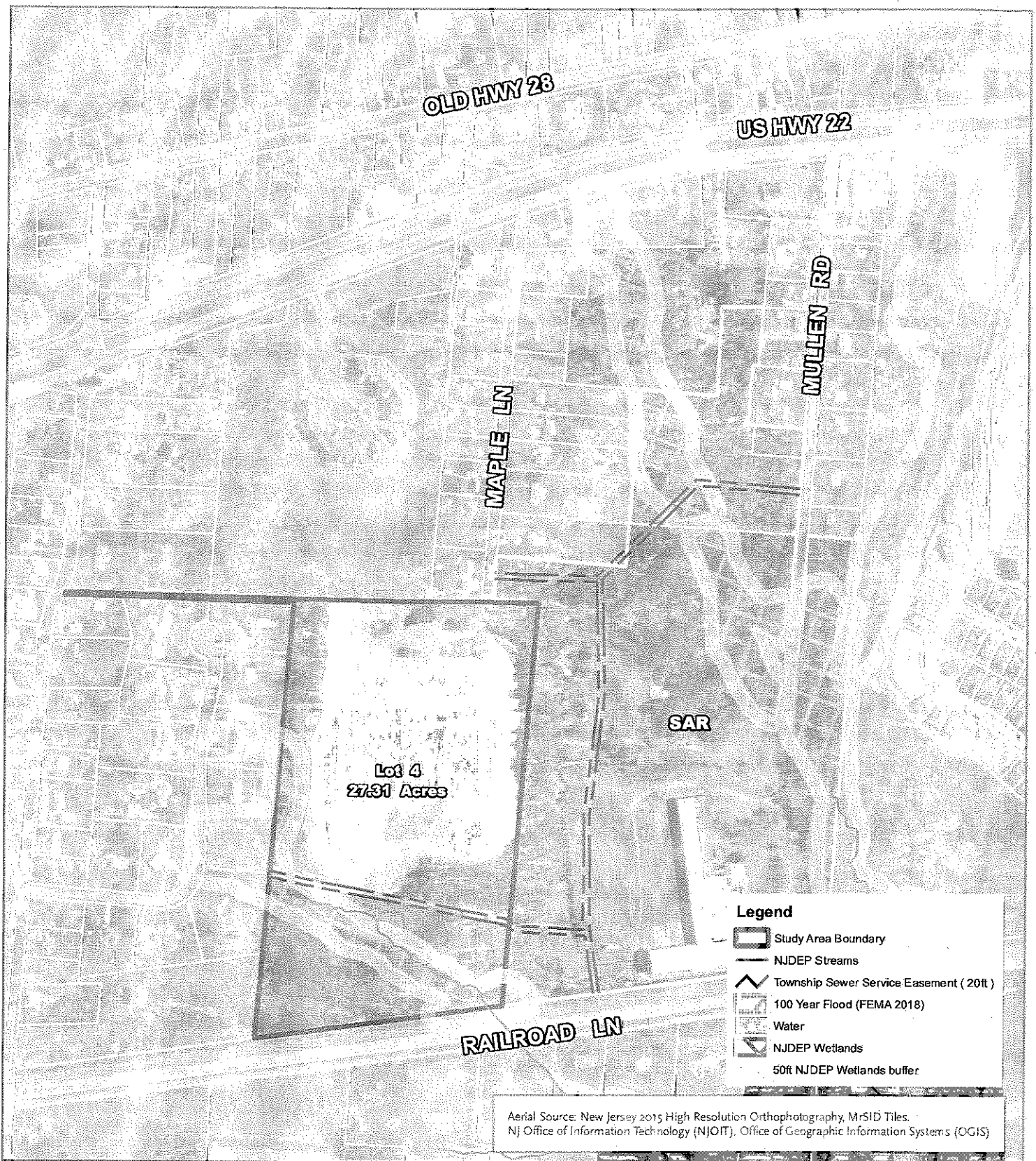
The Hionis site (Block 36, Lot 4) is located on Route 22. The Township proposes to rezone the site to permit up to 165 total residential units, of which 20% (33 units, assuming the total 165 units are developed) shall be affordable to very-low, low-, and moderate-income households. The development shall include a minimum of 33 family units. The affordable family units shall comply with UHAC and the FHA's very-low income requirements. If 33 affordable dwelling units are generated, then five of the units shall be very-low income, 12 units shall be affordable to low-income households, and no more than 16 units shall be permitted for moderate-income family rentals.

As stated in N.J.A.C. 5:93-5, affordable housing sites shall be available, approvable, developable, and suitable, as defined in N.J.A.C. 5:93-1.3, for the production of low and moderate income housing. As stated below, the Hionis site meets these criteria:

- ✓ Site Control – The site has a clear title and no legal encumbrances which would preclude its development as an affordable housing project. The site is owned by Hionis Farms, LLC.
- ✓ Suitable Site– The site is suitable as defined in COAH's regulations at N.J.A.C. 5:93-1.3 which indicates that a suitable site is one in which it is adjacent to compatible uses, has access to appropriate streets and is consistent with environmental policies in N.J.A.C. 5:93-4.
 - *The site is adjacent to compatible land uses and has access to appropriate streets.* The site has minimal frontage on School Road (about 12 feet), in addition to about 35 feet on Maple Lane. The site is adjacent to single family residences, railway, and vacant wooded parcels. The Township has agreed to provide a new collector road conditioned upon NJDEP and NJDOT approval which will serve to avoid additional impacts to Maple Lane.
 - *Adequate sewer and water capacity is available.*
 - *The site can be developed in accordance with R.S.I.S.* Development of the site will be consistent with the Residential Site Improvement Standards, N.J.A.C. 5:21-1 et seq.
 - *The site is located in a "Smart Growth Planning Area".* The 2001 Adopted State Plan Map and the 2004 Preliminary State Plan Map designates the property as the Suburban Planning Area (PA 2), the preferred location for affordable housing development. The intention of the Suburban Planning Area is to provide for much of the State's future development in a compact form.
 - *The development is not within the jurisdiction of a Regional Planning Agency or CAFRA.* The site is located outside of the Pinelands, CAFRA, Highlands, or Meadowlands.



- *The site will comply with all applicable environmental regulations.* Although there are wetlands, wetland transition areas and riparian zones on the property, these environmental constraints will not preclude the proposed affordable housing development.
 - *The site will not impact any historic or architecturally important sites and districts.* There are no historic or architecturally important sites or buildings on the property or in the immediate vicinity that will impact the development of the proposed affordable housing.
- ✓ **Developable Site** – In accordance with N.J.A.C. 5:93-1.3, a developable site has access to appropriate sewer and water infrastructure and is consistent with the areawide water quality management plan. As this inclusionary overlay zone will be contributing towards the Third Round obligation as a Durational Adjustment site, the site will only be developed/developable pending the appropriate extension and capacity of the Township's water and sewer systems.
 - ✓ **Approvable Site** – Pursuant to N.J.A.C. 5:93-1.3, an approvable site may be developed for low and moderate income housing in a manner consistent with the rules or regulations of all agencies with jurisdiction over the site. The Township proposes to rezone the site to permit up to 165 total residential units, of which 20% (33 units, assuming the total 165 units are developed) shall be affordable to very-low, low-, and moderate-income households.
 - ✓ **Administrative Entity** – The developer will be required to hire an experienced affordable housing administrative agent to administer the units in accordance with UHAC (exception noted below) including affirmative marketing, at least 30-year controls on affordability and bedroom distribution.
 - ✓ **Low/Moderate Income Split** – At least half of all the affordable units developed at the site will be affordable to low income households (13% of all affordable units will be very low income) and an odd number of affordable units will always be split in favor of the low income unit per UHAC at N.J.A.C. 5:80-26.1.
 - ✓ **Affirmative Marketing** – The developer's administrative agent will affirmatively market the units in accordance with UHAC per N.J.A.C. 5:80-26.1.
 - ✓ **Controls on Affordability** – The Township's agreement will require a minimum 30-year affordability control deed restrictions on the units in accordance with N.J.A.C. 5:93 et seq. and N.J.A.C. 5:80-26.1.
 - ✓ **Bedroom Distribution** – The units will be required to be developed in accordance with N.J.A.C. 5:93-7.3(b).



HOUSING ELEMENT AND FAIR SHARE PLAN

Hionis Site

Block 36 Lot 4

LOCATION:
 Readington Township, Hunterdon County, NJ

DATE:
 March 2020

Clarke Caton Hintz ● ● ■
 Architecture
 Planning
 Landscape Architecture

Three Bridges

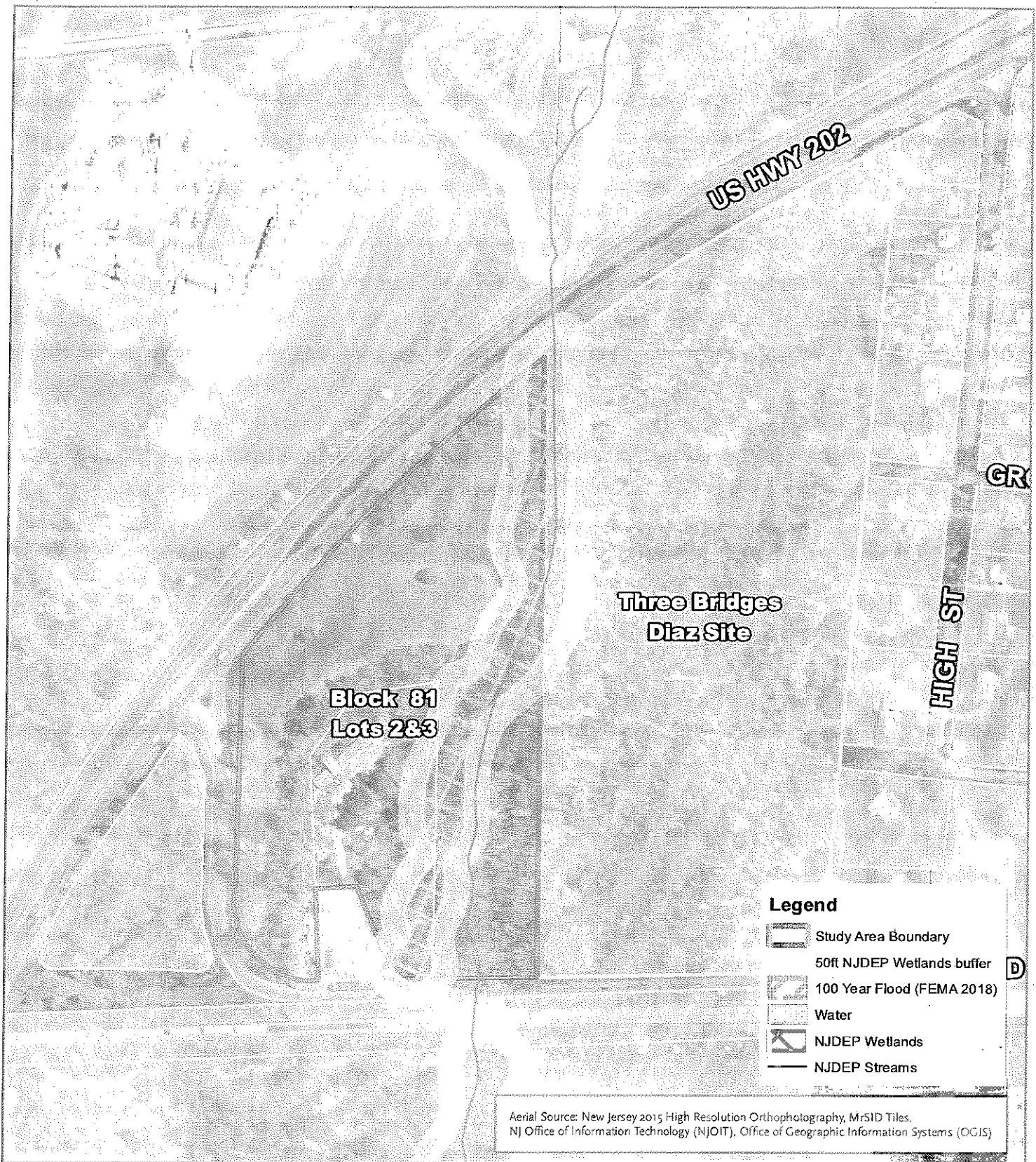
The Three Bridges site (Block 8I, Lots 2 and 3) is a vacant 11.7-acre property located in the Special Resource Residential (SRR) zoning district. The Township proposes to rezone the site to permit multi-family housing at a density of 14.4 dwelling units per acre with an affordable housing set-aside equaling 25% of the total number of dwelling units. Based on the site's acreage, the potential number of dwelling units from applying the overlay zoning would result in 168 total dwelling units, 42 of which would be affordable. Utilization of the higher density multi-family zone regulations is contingent upon the availability of adequate public sewer capacity.

As stated in *N.J.A.C. 5:93-5*, affordable housing sites shall be available, approvable, developable, and suitable, as defined in *N.J.A.C. 5:93-1.3*, for the production of low and moderate income housing. As stated below, the Three Bridges site meets these criteria:

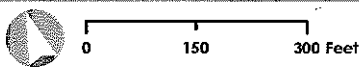
- ✓ Site Control – The site has a clear title and no legal encumbrances which would preclude its development as an affordable housing project. Block 8I, Lot 2 is owned by Flemington Associates and Block 8I, Lot 3 is owned by A.D. Cunningham III and M.M. Farrell.
- ✓ Suitable Site– The site is suitable as defined in COAH's regulations at *N.J.A.C. 5:93-1.3* which indicates that a suitable site is one in which it is adjacent to compatible uses, has access to appropriate streets and is consistent with environmental policies in *N.J.A.C. 5:93-4*.
 - *The site is adjacent to compatible land uses and has access to appropriate streets.* The site has frontage along both Railroad Avenue and Route 202. The site is adjacent to single family residences, agricultural uses and vacant wooded parcels.
 - *The site can be developed in accordance with R.S.I.S.* Development of the site will be consistent with the Residential Site Improvement Standards, *N.J.A.C. 5:21-1 et seq.*
 - *The site is located in a "Smart Growth Planning Area".* The 2001 Adopted State Plan Map and the 2004 Preliminary State Plan Map designates the property as the Fringe Planning Area (PA 3). The intention of the Fringe Planning Area is to accommodate growth and redevelopment while providing a buffer between Suburban Planning Areas and Rural and Environmentally Sensitive Areas.
 - *The development is not within the jurisdiction of a Regional Planning Agency or CAFRA.* The site is located outside of the Pinelands, CAFRA, Highlands, or Meadowlands.



- *The site will comply with all applicable environmental regulations.* Although there are wetlands, an un-named tributary of the South Branch Raritan River, floodplains, riparian zones and steep slopes on the property, these environmental constraints will not preclude the proposed affordable housing development.
 - *The site will not impact any historic or architecturally important sites and districts.* There are no historic or architecturally important sites or buildings on the property or in the immediate vicinity that will impact the development of the proposed affordable housing.
- ✓ Developable Site – In accordance with *N.J.A.C. 5:93-1.3*, a developable site has access to appropriate sewer and water infrastructure and is consistent with the areawide water quality management plan. As this inclusionary overlay zone will be contributing towards the Third Round obligation as a Durational Adjustment site, the site will only be developed/developable pending the appropriate extension and capacity of the Township's water and sewer systems.
 - ✓ Approvable Site – Pursuant to *N.J.A.C. 5:93-1.3*, an approvable site may be developed for low and moderate income housing in a manner consistent with the rules or regulations of all agencies with jurisdiction over the site. The Township proposes to rezone the site to permit multi-family housing at a density of 14.4 dwelling units per acre with an affordable housing set-aside equaling 25% of the total number of dwelling units.
 - ✓ Administrative Entity – The developer will be required to hire an experienced affordable housing administrative agent to administer the units in accordance with UHAC (exception noted below) including affirmative marketing, at least 30-year controls on affordability and bedroom distribution.
 - ✓ Low/Moderate Income Split – At least half of all the affordable units developed at the site will be affordable to low income households (13% of all affordable units will be very low income) and an odd number of affordable units will always be split in favor of the low income unit per UHAC at *N.J.A.C. 5:80-26.1*.
 - ✓ Affirmative Marketing – The developer's administrative agent will affirmatively market the units in accordance with UHAC per *N.J.A.C. 5:80-26.1*.
 - ✓ Controls on Affordability – The Township's agreement will require a minimum 30-year affordability control deed restrictions on the units in accordance with *N.J.A.C. 5:93 et seq.* and *N.J.A.C. 5:80-26.1*.
 - ✓ Bedroom Distribution – The units will be required to be developed in accordance with *N.J.A.C. 5:93-7.3(b)*.



Aerial Source: New Jersey 2015 High Resolution Orthophotography, MrSID Tiles, NJ Office of Information Technology (NJGIT), Office of Geographic Information Systems (OGIS)



HOUSING ELEMENT AND FAIR SHARE PLAN

Three Bridges Inclusionary Site

Block 81 Lots 2 and 3

LOCATION:
Readington Township, Hunterdon County, NJ

DATE:
March 2020

Clarke Caton Hintz 
 Architecture
 Planning
 Landscape Architecture

SATISFACTION OF THE PRIOR ROUND & THIRD ROUND OBLIGATIONS

Program	Prior Round: 394 units			Third Round: 1,045 units		
	Total Units	Units	Bonus Credits	Total Units	Units	Bonus Credits
<u>Regional Contribution Agreements</u>						
RCA Credits	188	164		24		24
<u>Prior Cycle Credits</u>						
Credits Without Controls	32	32				
100% Affordable						
ECHO						
Callio House	X	X				
Nelson Street	X	X				
Mirota (LSM)	X	X				
Habitat for Humanity – James Street	X	X				
Dobzynski Farm Apartment	X	X				
BCUW/Madeline Partnership (Senior Rental)	X	X				
BCUW/Madeline Partnership (Special Needs)	X	X				
Three Bridges – Diaz	X	X				
<u>Inclusionary Zoning</u>						

Program	SATISFACTION OF THE PRIOR ROUND & THIRD ROUND OBLIGATIONS									
	Prior Round: 394 units					Third Round: 1,045 units				
	Rental	Senior	Family	Total Units	Units	Bonus Credits	Total Credits	Units	Bonus Credits	Total Credits
Whitehouse Village			X	14	14		14			
Winfield-Cushetunk Manor	X		X	12	12	12	24			
Hartman	X		X	15	15	15	30			
Lake Cushetunk Woods	X		X	84	84		84	84		84
SAR	X		X	48	48		48	48		96
Readington Commons	X		X	64	64		64	64		128
Fox Hollow	X	X		48	48		48	48		48
Alternative Living Arrangements										
Anderson House	X			6	6	6	12			
ARC	X			14	14	14	28	6	6	12
Allies	X			13	13	13	26	17	10	27
Community Options	X			4	4		4	4	4	8
Proposed	X			1	1		1	1		1
<u>Extensions of Controls Program</u>										
Whitehouse Village			X	13	13		13	13		13

SATISFACTION OF THE PRIOR ROUND & THIRD ROUND OBLIGATIONS

Program	Prior Round: 394 units			Third Round: 1,045 units		
	Units	Bonus Credits	Total Credits	Units	Bonus Credits	Total Credits
<u>Market to Affordable Program</u>						
General Township Wide Program		X	25	25		25
Harriets Mobile Home Park		X	22	22		22
<u>Durational Adjustment Sites</u>						
Mirota Expansion (LSM)	X	X	80	80		80
Van Doren – Inclusionary Overlay	X		41	41		41
Hlonis – Inclusionary Overlay	X	X	33	33		33
Three Bridges – Inclusionary Overlay	X		42	42		42
Surplus Prior Round Credits						
Total			1,086	305	91	396
				781	262	1,045

PRIOR ROUND CREDIT SUMMARY		
	Required	Provided
Prior Round Total Credits	394	396
Prior Round Total Units		305
Prior Round Rental	99 (min.)	123*
Prior Round Senior	98 (max.)	4
Prior Round Surplus Credits		2

* includes 28 rental RCA units completed in Carteret

THIRD ROUND CREDIT SUMMARY		
	Required	Provided
Third Round Total Credits	1,045	1,045
Third Round Total Units		781
Third Round Rental	262 (min.)	635
Third Round Family Rental	131 (min.)	434
Third Round Senior	261 (max.)	208
Third Round Family	392 (min.)	559
Third Round Very-Low Income	80 (min.)	126
Third Round Low Income	392 (min.)	464



INCOME DISTRIBUTION

Affordable units addressing the prior round or third round obligation and which are subject to UHAC shall be composed of a minimum of 50% low income units; the remaining units may be moderate income.

One exception to UHAC, pursuant to the 2008 amendments to the FHA, P.L. 2008, c. 46 (codified as *N.J.S.A. 52:27D-329.1*), municipalities must provide very low-income units equal to 13% of all affordable units approved and constructed after July 17, 2008 at 30% of the regional median income instead of the UHAC standard of 10% at 35% of the regional median income.

Low Income Units

Excluding RCA units and credits without controls, the Township is seeking credit for 866 units to satisfy the prior round and third round obligations. Of these, 462 units, or 53.3%, are low income units; the remaining 404 units, or 46.7%, are moderate income units.

Program	SATISFACTION OF INCOME DISTRIBUTION					
	Rental	Senior	Family	Very Low	Low	Moderate
Regional Contribution Agreements						
RCA Credits				N/A	N/A	N/a
Prior Cycle Credits						
Credits without controls			X	N/A	N/A	N/A
100% Affordable Housing						
ECHO	X	X			3	1
Calio House	X		X			1
Nelson Street	X		X	10	26	36
Mirota (LSM)		X	X		30	30
Habitat for Humanity – James Street			X		1	2
Dobozynski Farm Apartment	X		X	1		
BCUW/Madeline Partnership (Senior Rental)	X	X		3	7	10
BCUW/Madeline Partnership (Special Needs)	X			3	9	11
Three Bridges - Diaz	X		X	11	29	40

SATISFACTION OF INCOME DISTRIBUTION						
Program				Income Level		
	Rental	Senior	Family	Very Low	Low	Moderate
Inclusionary Zoning						
Whitehouse Village			X		7	7
Hartman	X		X	2	7	6
Winfield-Cushetunk Manor	X		X	2	4	6
Lake Cushetunk Woods					44	40
SAR	X		X	7	17	24
Readington Commons	X		X	9	23	32
Fox Hollow		X		7	17	24
Group Homes						
Anderson House	X			6		
ARC	X			10	8	2
Allies, Inc.	X			30		
Community Options	X			4		
Proposed	X			1		
Market-to-Affordable Program						
General Township-wide Program					13	12
Harriet's Mobile Home Park			X		5	17
Extensions of Controls						
Whitehouse Village					7	6
Durational Adjustment Sites						
Mirota Expansion	X	X		11	29	40
Van Doren			X	6	15	20
Hionis			X	5	12	16
Three Bridges			X	6	15	21
Total				134	328	404



Very Low Income Units

The Township has 608 affordable units proposed, approved, and constructed on or after July 17, 2008. As such, the very low-income obligation is 80 units (.13 x 608), including the following:

VERY-LOW INCOME OBLIGATION CALCULATION	
Project	Affordable Units
Hartman	15
Winfield-Cushetunk Manor	12
Nelson Street	72
Habitat for Humanity	2
BCUW/Madeline Partnership	43
ARC (399 Ferncrest, 401 Ferncrest & 5 Owl Court)	6
Community Options	4
Allies Proposed Group Homes	17
Proposed Group Homes	1
Three Bridges - Diaz	80
SAR	48
Readington Commons	64
Fox Hollow	48
Mirota Expansion (LSM)	80
Van Doren	41
Hionis	33
Three Bridges – Inclusionary Overlay	42
Total	608
13%	79.04

As illustrated in the Income Distribution table, the Township far exceeds its very low-income obligation. Additionally, 59 of the Township's very low-income units are family units in that they are not restricted to special needs or age-restricted households.



AFFORDABLE HOUSING ADMINISTRATION & AFFIRMATIVE MARKETING

Readington Township has prepared an Affordable Housing Ordinance in accordance with COAH's substantive rules and UHAC. The Affordable Housing Ordinance includes the required Township-wide mandatory set-aside ordinances and will govern the establishment of affordable units in the Township as well as regulating the occupancy of such units. The Township's Affordable Housing Ordinance covers the phasing of affordable units, the low/moderate income split, very-low income units, bedroom distribution, occupancy standards, affordability controls, establishing rents and prices, affirmative marketing, income qualification, etc. One exception to UHAC, pursuant to the 2008 amendments to the FHA, P.L. 2008, c. 46 (codified as *N.J.S.A. 52:27D-329.i*), municipalities must provide very low-income units equal to 13% of all affordable units approved and constructed after July 1, 2008 at 30% of the regional median income instead of the UHAC standard of 10% at 35% of the regional median income.

In addition, the Township's Affirmative Marketing Plan will address the Settlement Agreement provisions to add more community groups for direct notification of affordable housing unit availability. The additional community groups include:

- Fair Share Housing Center;
- New Jersey State Conference of the NAACP;
- New Brunswick branch of the NAACP;
- Plainfield Area branch of the NAACP;
- Perth Amboy branch of the NAACP;
- Metuchen/Edison branch of the NAACP;
- Latino Action Network;
- NORWESCAP;
- Supportive Housing Association; and
- Central Jersey Housing Resource Center.

Affirmative Marketing

The Affirmative Marketing Plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups...to housing units which are being marketed by a developer or sponsor of affordable housing. It is a continuing program and covers the period of deed restriction.

The Township has established the position of the Municipal Housing Liaison and has appoints a staff member to the position each year. However, the Township relies on outside experienced affordable housing organizations to conduct the administration and affirmative marketing of its affordable housing sites. The affirmative marketing plans are designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to the affordable units located in the Township. Additionally, the affirmative marketing plan is intended to target those potentially eligible persons who are least likely to apply for affordable units and who reside in the Township's housing region, Region 3, consisting of Hunterdon, Middlesex, and Somerset counties.



The affirmative marketing plan includes regulations for qualification of income eligibility, price and rent restrictions, bedroom distribution, affordability control periods, and unit marketing in accordance to N.J.A.C. 5:80-26.1 et seq. All newly created affordable units will comply with at least 30-year affordability control required by UHAC, N.J.A.C. 5:80-26.5 and 5:80-26.11. This plan must be adhered to by all private, non-profit, and municipal developers of affordable housing units and must cover the period of deed restriction or affordability controls on each affordable unit.

AFFORDABLE HOUSING TRUST FUND

Readington Township has collected development fees since November 4, 1992, when COAH approved the Township's first development fee ordinance. The ordinance has been amended multiple times since then. The updated ordinance permits collection of residential development fees equal to 1.5% of the equalized assessed value of new residential construction and additions, and mandatory nonresidential development fees equal to 2.5% of the equalized assessed value of new nonresidential construction and additions. The Township will update its development fee ordinance again as part of this Housing Element and Fair Share Plan to eliminate references to COAH's invalidated third round regulations, instead citing COAH's second round regulations and to provide references to the Superior Court's jurisdiction instead of COAH's.

A new spending plan has been prepared consistent with this Plan. The Spending Plan, which discusses anticipated revenues, collection of revenues, and the use of revenues, was prepared in accordance with COAH's applicable substantive rules. All collected revenues will be placed in the Township's Affordable Housing Trust fund and will be dispensed for the use of eligible affordable housing activities including, but not limited to:

- Rehabilitation program;
- New construction of affordable housing units and related development costs;
- Extensions or improvements of roads and infrastructure directly serving affordable housing development sites;
- Acquisition and/or improvement of land to be used for affordable housing;
- Purchase of affordable housing units for the purpose of maintaining or implementing affordability controls,
- Maintenance and repair of affordable housing units;
- Repayment of municipal bonds issued to finance low- and moderate-income housing activity;

Eligible Trust Fund Expenditures

"A municipality may use revenues collected from the development fees for any activity approved by the Council (now the Court) for addressing the municipal fair share...Municipalities are encouraged to use development fee revenues to attract other funds..."



- Affordability assistance;
- Administrative expenses; and
- Any other activity as specified in the approved spending plan.

The Township is required to fund eligible programs in its Court-approved Housing Element and Fair Share Plan, as well as provide statutorily required affordability assistance.

At least 30% of collected development fees, excluding expenditures made through June 2, 2008, when affordability assistance became a statutory requirement in the Fair Housing Act, shall be used to provide affordability assistance to very-low, low- and moderate-income households in affordable units included in a municipal Fair Share Plan. At least one-third (1/3) of the affordability assistance must be expended on very-low income units. Additionally, no more than 20% of the revenues collected from development fees each year, shall be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to prepare or implement a rehabilitation program, a new construction program, a housing element and fair share plan, and/or an affirmative marketing program.

COST GENERATION

Readington Township's Land Development Ordinance has been reviewed to eliminate unnecessary cost generating standards; it provides for expediting the review of development applications containing affordable housing. Such expedition may consist of, but is not limited to, scheduling of pre-application conferences and special monthly public hearings. Furthermore, development applications containing affordable housing shall be reviewed for consistency with the Land Development Ordinance, Residential Site Improvement Standards (*N.J.A.C. 5:21-1 et seq.*), the Municipal Land Use Law (*N.J.S.A. 40:55D-40.1 through 40.7*), and the mandate of the FHA regarding unnecessary cost generating features. Readington Township shall comply with COAH's requirements for unnecessary cost generating requirements, *N.J.A.C. 5:93-10.1(a)*, procedures for development applications containing affordable housing, *N.J.A.C. 5:93-10.1(b)*, and requirements for special studies and escrow accounts where an application contains affordable housing, *N.J.A.C. 5:93-10.3*.



MONITORING/STATUS REPORTS

On the first anniversary of the execution of the FSHC agreement which is July 19, 2020, and every anniversary thereafter through the end of the agreement, the Township agrees to provide annual reporting of trust fund activity to the New Jersey Department of Community Affairs ("NJDCOA"), COAH, or NJ Local Government Services ("NJLGS"), or other entity designated by the State of New Jersey, with a copy provided to FSHC and posted on the municipal website, using forms developed for this purpose by the NJDCOA, COAH, or LGS.

The reporting shall include an accounting of all housing trust fund activity, including the source and amount of funds collected and the amount and purpose for which any funds have been expended.

In addition, on the first anniversary of the execution of the FSHC agreement dated July 19, 2019, and every anniversary thereafter through the end of the agreement, the Township agrees to provide annual reporting of the status of all affordable housing activity within the municipality through posting on the municipal website with a copy of such posting provided to FSHC, using forms previously developed for this purpose by COAH or any other forms endorsed by the Special Master and FSHC.

The Fair Housing Act includes two provisions regarding action to be taken by the Township during the ten-year period of protection acknowledged by the Settlement Agreement. The Township agrees to comply with those provisions as follows:

- a. For the midpoint realistic opportunity review due on July 1, 2020, as required pursuant to N.J.S.A. 52:27D-313, the Township will post on its municipal website, with a copy provided to FSHC, a status report as to its implementation of its Plan and an analysis of whether any unbuilt sites or unfulfilled mechanisms continue to present a realistic opportunity. Such posting shall invite any interested party to submit comments to the municipality, with a copy to FSHC, regarding whether any sites no longer present a realistic opportunity and should be replaced. Any interested party may by motion request a hearing before the court regarding these issues.
- b. For the review of very-low income housing requirements required by N.J.S.A. 52:27D-329.1 within 30 days of the third anniversary of the FSHC agreement dated July 15, 2019, and every third year thereafter, the Township will post on its municipal website, with a copy provided to FSHC, a status report as to its satisfaction of its very-low income requirements, including the family very-low income requirements. Such posting shall invite any interested party to submit comments to the municipality and FSHC on the issue of whether the municipality has complied with its very low income housing obligation under the terms of the settlement with FSHC.



SUMMARY

The Township of Readington has a Third Round Rehabilitation obligation of 95 units. In order to satisfy their Rehabilitation obligation, the Township shall continue their participation in Hunterdon County's Home Improvement Loan Program as well as initial a Township-administered Rental Rehabilitation Program. Pursuant to the 2019 Settlement Agreement with Fair Share Housing Center, the Township has addressed its 394-unit Prior Round obligation with RCA agreements with three municipalities, thirty credits without controls, family for-sale and rental units, senior rental units, group homes provided and administered by three prominent agencies, and Prior Round rental bonuses. Readington will address its Third Round obligation with the remaining RCA credits, an extension of controls program, group home facilities, market-to-affordable units, municipally sponsored projects both proposed and approved, inclusionary developments, and Third Round rental bonuses.

The Township has entirely satisfied its Prior Round obligation. These Prior Round compliance mechanisms include 164 credits of the total 188 RCA credits; 32 credits without controls; 14 for-sale family units at Whitehouse Village; Calio House (one unit), Winfield-Cushetunk Manor (12 units), Hartman (15 units), and Nelson Street (30 units) family rental developments; and group homes provided by Anderson House (six bedroom units), ARC (14 bedroom units), and Allies, Inc. (13 bedroom units). Additionally, the Township is eligible for Prior Round rental bonuses pursuant to *N.J.A.C. 5:93-5.15(d)* totaling 91 credits. Through these mechanisms, the Township of Readington has addressed their 394-unit Prior Round obligation.

The Township's Third Round obligation will be addressed through Prior Round residual credits from the remaining 24 RCA credits, 84 units at Lake Cushetunk Woods, and 60 senior rental units at Mirota (LSM); extension of controls for 13 units in Whitehouse Village; 48 credits for proposed group homes; market-to-affordable programs both Township-wide (25 units) and at Harriets Mobile Home Park (22 units); municipally sponsored developments at Habitat for Humanity – James St. (three units), Dobozyński Farm Apartment (1 unit), BCUW/Madeline Partnership Site (43 units), Three Bridges – Diaz (80 units), and the remaining credits at Nelson St. (42 units); inclusionary development at SAR (48 units), Readington Commons (64 units), and Fox Hollow (48 units), and durational adjustment sites at Mirota (LSM) (80 units), Van Doren (41 units), Hionis (33 units), and Three Bridges (42 units). The Township has adopted inclusionary zoning provisions for the SAR and Readington Commons sites and is in the process of adopting inclusionary zoning provisions for the Fox Hollow site, which is estimated to yield 48 affordable units. The Township also has agreements with ARC, BCUW and Madeline Corporation, and Community Options, Inc. to acquire and renovate existing dwellings into alternative living arrangements.