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Community Planning
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HOUSING ELEMENT AND FAIR SHARE PLAN

**BOROUGH OF BLOOMINGDALE
PASSAIC COUNTY, NEW JERSEY**

PREPARED FOR:

**BOROUGH OF BLOOMINGDALE PLANNING BOARD
BA# 2235.02**

**May 20, 2010
ADOPTED June 1, 2010**


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PASSAIC COUNTY, NEW JERSEY**


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The original document was appropriately signed and sealed on June 1st, 2010 in accordance with Chapter 41 of Title 13 of the State Board of Professional Planners.



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INTRODUCTION

In 1975 the New Jersey Supreme Court decided in So. Burlington Cty. NAACP v. Township of Mount Laurel that every developing municipality in New Jersey had an affirmative obligation to provide for its fair share of affordable housing. In a subsequent decision in 1983, the Court acknowledged that the vast majority of municipalities in the State had ignored their constitutional obligation, and called for the State Legislature to enact legislation that would save municipalities from the burden of having the courts determine their affordable housing needs. The result was the establishment of the New Jersey Council on Affordable Housing (COAH), the state agency responsible for overseeing the manner in which the state's municipalities address their low and moderate income housing needs.

The Borough of Bloomingdale has prepared a number of Housing Elements and Fair Share Plan over the years to address its affordable housing need. The Borough previously received certification from COAH for the first round on July 25, 1988, and for the second round on December 6, 1995. Certification expired on July 27, 2005. Since this time, Bloomingdale has been before the Court and has entered into two judgments granting builder's remedies. The details of these judgments are provided in the body of this document.

COAH has prepared a number of estimates of housing-need over the years. For Bloomingdale, these have included the following:

1. COAH initially adopted a "fair share" methodology to determine the State's low and moderate income housing needs in 1986, and adopted combined first and second round housing-need numbers in 1994.
2. In December 2004, COAH adopted new substantive (N.J.A.C. 5:94) and procedural (N.J.A.C. 5:95) rules for the period beginning December 20, 2004.
3. As a result of an Appellate Division ruling, new substantive and procedural rules were adopted on June 2, 2008 (now NJAC 5:97 and NJAC 5:96, respectively). Additionally, the Legislature adopted A-500 which affected COAH's regulations. The new third round rules implemented a new "growth share" approach to affordable housing and thus represent a significant departure from the Council's first and second round rules in that the new rules link the production of affordable housing with actual development and projected growth within the community. There are three components to the third round methodology. They include: 1) the rehabilitation share; 2) any remaining prior round obligation for the period 1987-1999; and 3) the growth share. Growth share is generated by projections of residential and non-residential growth for the period covering January 1, 2004 to January 1, 2018. The new substantive rules state that for every four market-rate residential units projected to be constructed, the municipality shall be obligated to provide one unit that is affordable to households of low or moderate income. In addition, each municipality is obligated to provide one affordable unit for every 16 newly created jobs.

The Appellate Division ruling also re-adjusted the Borough's first and second round housing-need numbers back to pre-2004 levels. That is, COAH's re-adjusted 'new construction' obligation for Bloomingdale went back to 168 units and the 'rehabilitation' share was set at 16 units. These numbers, combined with COAH's June 2008 estimated growth share component for the Borough of 76 units, indicates that Bloomingdale has a 260 unit total third round affordable housing obligation. (For the third round COAH estimates that by 2018 the Borough will have an additional 300 dwellings, which translates to 60 units of affordable housing, and 259 additional jobs, which translates to an additional 16 units of affordable housing.)

There is another aspect to the Borough's affordable housing saga that merits attention. At the same time all of the above was occurring, and subsequent to the Appellate Division ruling, the Highlands Council on July 17, 2008 adopted the Highlands Regional Master Plan (RMP). The RMP provides the basis to determine the capacity of the Highlands Region to accommodate appropriate economic growth while ensuring the sustainability of the resources in the Region. Because Bloomingdale is located within the Highlands Region, it participated in the 2009 Plan Conformance Grant Program intended to assist municipalities in bringing their planning programs into conformance with the RMP. As a result of this process, the Borough elected to petition the Highlands Council for RMP Plan Conformance on December 8, 2009 for both the Preservation Area and Planning Area portions of the community. This enables the Borough to rely upon the results of the Highlands Municipal Build-Out Report to determine Bloomingdale's growth share housing need, which they projected to be 7.4 affordable housing units. This becomes the new growth share number for the Borough of Bloomingdale.

This document is designed to address the Borough's housing obligation, inclusive of a determination of the third round obligation and the plan to achieve this obligation. It has been prepared pursuant to the provisions of the Municipal Land Use Law (MLUL) and the applicable regulations of COAH and the Highlands Council as they pertain to the provision of affordable housing within the community for the period 1987 through 2018.

This document is organized into three sections.

1. The first part, the Housing Element, contains background data on the Borough's housing characteristics and population as required by COAH and the Municipal Land Use Law (MLUL), and a discussion of the relationship of the Highlands Element to the RMP as required by the Highlands Council.
2. The second section calculates the Borough's fair share obligation for the provision of affordable housing in accordance with the procedures identified in COAH's third round rules and the Highlands Council's instructions.
3. The third section contains the Borough's Fair Share Plan for meeting its affordable housing obligation.

SECTION I
HOUSING ELEMENT

1. COMMUNITY OVERVIEW

The Borough of Bloomingdale is located in northern half of Passaic County. It adjoins six municipalities including West Milford, Ringwood, Wanaque and Pompton Lakes, all in Passaic County, and Riverdale and Butler in Morris County. The Borough is located at the foothills of the New Jersey Highlands, which are part of a broad mountainous ridge extending from New England to Virginia.

Access to Bloomingdale is provided by a number of county and regional highways. Paterson-Hamburg Turnpike (Route 694) is the principal roadway in Bloomingdale, extending in an east-west direction through the southernmost portion of the community. Union Avenue (Route 511) and Macopin Road (Route 693) are secondary roadways also providing access into the community. The roads both generally run in a north-south direction. Paterson-Hamburg Turnpike and Union Avenue both connect with Interstate 287 just outside of Bloomingdale. State Highway 23, located just to the south of Bloomingdale in Butler also provides access to the community.

Comprising 5,884 acres (9.1 square miles), the bulk of development in the community is dedicated to residential uses, primarily single-family homes. Approximately two-thirds of the northern portion of Bloomingdale is within the NJ Highlands Preservation Area and is characterized by open space. The primary business area historically has been along Paterson-Hamburg Turnpike.

2. INVENTORY OF MUNICIPAL HOUSING STOCK

This section of the housing element provides an inventory of the community's housing stock, as required by the Municipal Land Use Law. It details housing characteristics such as age, condition, purchase/rental value, and occupancy. It also details the number of affordable units available to low- and moderate-income households and the number of substandard housing units capable of being rehabilitated.

- a. Number of Dwelling Units. As shown in the table below, the Borough saw the addition of 24 dwelling units in the 1990's.

Table 1
Dwelling Units: 1990-2000
Bloomingdale, New Jersey

Year	Total Units
1990	2,916
2000	2,940

Source: U.S. Census

Table 2 provides additional detail regarding the tenure and occupancy of the Borough's housing stock. As shown below, 72 percent of the Borough's housing stock in 2000 was owner-occupied. Most of the remaining occupied units were renter-occupied. There were 93 vacant units in 2000.

Table 2
Housing Characteristics: 1990 and 2000
Bloomingtondale, New Jersey

Category	1990		2000	
	No. Units	Percent	No. Units	Percent
Owner-Occupied Units	2,018	69	2,127	72
Renter-Occupied Units	729	25	720	25
Vacant Units	169	6	93	3
Total Units	2,916	100	2,940	100

Source: U.S. Census, 1990 and 2000

- b. Housing Characteristics. The following tables provide information on the characteristics of the Borough's housing stock, including data on the number of units in the structure and the number of bedrooms. The majority of the units are single family detached units. Approximately half of the units are three bedroom structures.

Table 3
Units in Structure: 1990 and 2000
Bloomingtondale, New Jersey

Units in Structure	1990		2000	
	Number	Percent	Number	Percent
One Unit Detached	2,096	72	2,180	74
One Unit Attached	75	3	111	4
2 Units	221	8	172	6
3 to 4 Units	120	4	42	1
5 to 9 Units	130	4	136	5
10 or More	249	9	291	10
Other	25	<1	8	<1
Total	2,916	100	2,940	100

Source: U.S. Census, 1990 and 2000

Table 4
Number of Bedrooms in Housing Units: 1990 and 2000
Bloomingtondale, New Jersey

Bedrooms	1990		2000	
	Number	Percent	Number	Percent
None	0	0	32	1
One	437	15	432	15
Two	794	27	605	21
Three	1,137	39	1,360	46
Four	470	16	462	16
Five or More	78	3	49	1
Total	2,916	100	2,940	100

Source: U.S. Census, 1990 and 2000

- c. Housing Age. Approximately half of the Borough's housing units were constructed between 1950 and 1970.

Table 5
Year Structure Built
Bloomingtondale, New Jersey

Year Units Built	Units	Percent
1999 to March 2000	19	1
1990 to 1998	81	3
1980 to 1989	218	7
1970 to 1979	422	14
1960 to 1969	723	25
1950 to 1959	651	22
1940 to 1949	334	11
1939 or earlier	492	17
Total	2,940	100

Source: U.S. Census, 2000

- d. Housing Conditions. An inventory of the Borough's housing conditions is represented in the following tables. Table 6 identifies the extent of overcrowding in the Borough, represented by housing units with more than 1 occupant per room. In 2000, approximately two percent of the Borough's occupied housing units were overcrowded according to this standard.

Table 6
Occupants Per Room: 2000
Bloomingtondale, New Jersey

Occupants Per Room	Number	Percent
0.50 or less	1,955	69
0.51 to 1.00	826	29
1.01 to 1.50	51	2
1.51 to 2.00	0	0
2.01 or more	15	<1
Total	2,847	100

Source: U.S. Census, 2000

Table 7 presents additional characteristics of housing conditions, including the presence of complete plumbing and kitchen facilities and the type of heating equipment used.

Table 7
Equipment and Plumbing Facilities: 1990 and 2000
Bloomingtondale, New Jersey

Facilities	1990		2000	
	Number	Percent	Number	Percent
Kitchen:				
Lacking Complete Facilities	12	<1	7	<1
With Complete Facilities	2,904	99	2,933	99
Plumbing:				
Lacking Complete Facilities	0	0	0	0
With Complete Facilities	2,916	100	2,940	100
Heating Equipment:				
Standard Heating Facilities	2,731	99	2,847	100
Other Means, No Fuel Used	16	<1	0	0

Source: U.S. Census, 1990 and 2000

- e. Purchase and Rental Values. The Borough has seen a rise in purchase and rental housing prices between 1990 and 2000, as shown in the following tables. This reflects regional increases in housing prices. As shown below, the median gross rent for the Borough's rental housing stock rose 17 percent between 1990 and 2000, from \$771 to \$899.

Table 8
Gross Rent of Specified Renter-Occupied Housing Units: 1990 and 2000
Bloomingtondale, New Jersey

Value Range	1990		2000	
	Units	%	Units	%
Less than \$300	6	1	10	1
\$300 to \$399	17	2	8	1
\$400 to \$499	27	4	0	0
\$500 to \$599	82	11	0	0
\$600 to \$699	67	9	43	6
\$700 to \$749	138	19	39	6
\$750 to \$999	286	39	402	57
\$1,000 or more	99	14	188	27
No Cash Rent	7	1	17	2
Total	729	100	707	100
Median Rent	\$771		\$899	

Source: U.S. Census, 1990 and 2000

The median value of owner-occupied housing units rose at a much lower rate of 1.5 percent between 1990 and 2000, from \$174,600 to \$177,000. As shown below, in 2000, 12 percent of the Borough's specified housing units were valued over \$250,000.

Table 9
Value of Specified Owner-Occupied Housing Units: 1990 and 2000
Bloomington, New Jersey

Value Range	1990		2000	
	Units	%	Units	%
Less than \$50,000	11	1	0	0
\$50,000 to \$99,999	44	2	30	1
\$100,000 to \$149,999	328	18	382	19
\$150,000 to \$199,999	956	54	1,090	53
\$200,000 to \$249,999	298	17	319	15
\$250,000 to \$299,999	125	7	121	6
\$300,000 to \$399,999	10	1	77	4
\$400,000 to \$499,999	0	0	8	0
\$500,000 or more	9	1	36	2
Total	1,781	100	2,063	100
Median Value	\$174,600		\$177,000	

Source: U.S. Census, 1990 and 2000

- f. Number of Units Affordable to Low- and Moderate-Income Households. Based on the most current COAH regional income limits, the median household income for a three-person household in COAH Region 1, Bloomington's housing region comprising Passaic, Hudson, Passaic and Sussex Counties, is \$72,536. A three-person moderate-income household, established at no more than 80 percent of the median income, would have an income not exceeding \$58,029.

An affordable sales price for a three person moderate income household earning 80 percent of the median income, is estimated at approximately \$113,000. This estimate is based on the UHAC affordability controls outlined in N.J.A.C. 5:80-26.1. Approximately 20 percent of the Borough's housing units were valued at less than \$150,000 in 2000, according to the Census data above. Approximately 1 percent was valued at less than \$100,000.

For renter occupied housing, an affordable monthly rent for a three person household is estimated at \$1,088. Approximately 71 percent of the Borough's renter-occupied housing units in 2000 had a gross rent below \$1,000.

- g. Substandard Housing Capable of being Rehabilitated. COAH assigned Bloomington a rehabilitation share of 16 units which represents deficient housing units occupied by low- and moderate-income households which are not likely to experience "spontaneous rehabilitation." This item is further explained in the Fair Share Plan section of this document.

3. POPULATION ANALYSIS

The MLUL requires that a Housing Element provide data on the Borough's population, including population size, age and income characteristics.

- a. Population Size. As seen in the table below, the Borough's population has experienced an overall decline since 1970. The population has decreased by 343 persons.

Table 10
Rate of Population Growth: 1970-2007
Bloomingtondale, New Jersey

Year	Population	Population Change	Percent Change
1970	7,797	--	--
1980	7,867	70	<1.0
1990	7,530	-337	-4.0
2000	7,610	80	1.0
2008*	7,454	-156	-2.0

* NJ Department of Labor and Workforce Development (LWD) estimate
Sources: 2003 Passaic County Data Book; NJ Department of LWD, U.S. Census.

Data on births and deaths is shown in the following table. As shown, the Borough experienced a natural increase of 400 persons from 1996 to 2005.

Table 11
Number of Births and Deaths: 1996-2005
Bloomingtondale, New Jersey

Year	Births	Deaths	Difference
1996	102	60	42
1997	118	52	66
1998	114	63	51
1999	98	77	21
2000	125	74	51
2001	101	60	41
2002	109	63	46
2003	91	71	20
2004	106	73	33
2005	103	74	29
Total	1,067	667	400

Source: NJ Department of Health, Center for Health Statistics

- b. Age Characteristics. The Borough's age characteristics are represented in the table below. The data suggests that recent high school and college graduates are not staying within the community.

Table 12
Age Characteristics: 1990 and 2000
Bloomingtondale, New Jersey

Age Group	1990		2000	
	Total	Percent	Total	Percent
Under 5	522	7	487	6
5-14	862	11	970	13
15-24	1,094	15	711	9
25-34	1,514	20	1,221	16
35-44	1,143	15	1,461	19
45-54	964	13	1,058	14
55-64	722	10	813	11
65-74	427	6	479	6
75-84	234	3	272	4
85+	48	1	138	2
Total	7,530	100	7,610	100

Source: U.S. Census, 1990 and 2000

- c. Average Household Size. The average household size for the Borough has been decreasing in recent years. This is consistent with trends at the state and national levels.

Table 13
Average Household Size: 1980-2000
Bloomingtondale, New Jersey

Year	Total Population	Number of Households	Household Size
1980	7,867	2,591	3.04
1990	7,530	2,747	2.74
2000	7,610	2,847	2.63

Source: U.S. Census.

- d. Household Income. The Borough's median household income increased from 1990 to 2000. The county's rate of increase was 31 percent, while the Borough increased at a rate of 38 percent.

Table 14
Household Income: 1989 and 1999
Bloomingtondale, New Jersey

Income Category	1989		1999	
	Total	Percent	Total	Percent
Less than \$10,000	159	6	43	2
\$10,000 to \$14,999	127	5	63	2
\$15,000 to \$24,999	243	9	121	4
\$25,000 to \$34,999	360	13	256	9
\$35,000 to \$49,999	496	18	452	16
\$50,000 to \$74,999	784	29	734	26
\$75,000 to \$99,999	364	13	554	19
\$100,000 to \$149,999	135	5	425	15
\$150,000 or more	52	2	194	7
Total	2,720	100	2,842	100
Median Household	\$49,306		\$67,885	
Passaic County	\$37,596		49,210	

Source: U.S. Census, 1990 and 2000

4. EMPLOYMENT ANALYSIS

The MLUL requires that a housing plan include data on employment levels in the community. The following tables present information on the Borough's employment characteristics.

- a. Covered Employment. The following table provides information on private sector covered employment within the Borough.

Table 15
Covered Employment Trends (Private Sector): Selected Years
Bloomingtondale, New Jersey

Year	Number of Jobs
1997	1,008
1998	954
1999	895
2003	1,036
2004	1,099
2005	1,029
2006	1,017
2007	1,023
2008	1,049

³rd Quarter (September) numbers shown.
Source: NJ Department of LWD

- b. Employment Characteristics of Employed Residents. The following two tables detail information on the employment characteristics of employed Bloomingtondale residents. Table 16 details occupation characteristics, while Table 17 details industry characteristics.

Table 16
Employed Residents Age 16 & Over, By Occupation: 2000
Bloomingtondale, New Jersey

Occupation	2000	
	Number	Percent
Management, professional, and related occupations	1,649	37
Service occupations	589	13
Sales and office occupations	1,243	28
Farming, fishing, and forestry occupations	0	0
Construction, extraction, and maintenance occupations	325	7
Production, transportation, and material moving occupations	599	14
Total	4,405	100

Source: U.S. Census, 2000

Table 17
Employed Residents Age 16 & Over, By Industry: 2000
Bloomingtondale, New Jersey

Industry	2000	
	Number	Percent
Agriculture, forestry, fishing and hunting, and mining	0	0
Construction	296	7
Manufacturing	686	16
Wholesale trade	326	7
Retail trade	605	14
Transportation and warehousing, and utilities	251	6
Information	213	5
Finance, insurance, real estate, and rental and leasing	194	4
Professional, scientific, management, administrative, and waste management services	437	10
Educational, health and social services	845	19
Arts, entertainment, recreation, accommodation and food services	209	5
Other services (except public administration)	207	5
Public administration	136	3
Total	4,405	100

Source: U.S. Census, 2000

5. HOUSING AND EMPLOYMENT PROJECTIONS

The Fair Share Obligation section of this document will include housing and projections pursuant to COAH and the Highlands Council's rules for establishing the "growth share" component of the fair share obligation. This section will also identify historical and projected growth trends.

6. RELATIONSHIP TO REGIONAL MASTER PLAN (RMP)

The overriding policy of the Housing Element is to ensure provision of a variety of housing opportunities sufficient to address the needs of the community and the region, including the need for affordable housing, while at the same time respecting the density limits of the Highlands Element Land Use Plan, the resource constraints applicable to the Highlands Area, and the numerous other policies, goals and objectives set forth by the Borough Master Plan.

In furtherance of the Borough's efforts to ensure sound planning, this Plan incorporates the following goals and objectives with respect to future housing in the Highlands Area:

1. To the extent feasible, the zone plan will guide anticipated new residential development into compact, center-based projects incorporating a mix of housing types.
2. To provide a realistic opportunity for the provision of the municipal share of the region's present and prospective needs for housing for low- and moderate-income families.
3. To the maximum extent feasible, to incorporate affordable housing units into any new residential construction that occurs within the Highlands Area including any mixed use, redevelopment, and/or adaptive reuse projects.
4. To preserve and monitor existing stocks of affordable housing.
5. To reduce long term housing costs through:
 - a. The implementation of green building and energy efficient technology in the rehabilitation, redevelopment and development of housing. Recent innovations in building practices and development regulations reflect significant energy efficiency measures, and therefore cost reductions, through building materials, energy efficient appliances, water conservation measures, innovative and alternative technologies that support conservation practices, and common sense practices such as recycling and re-use.
 - b. The promotion of the use of sustainable site design, efficient water management, energy efficient technologies, green building materials and equipment, and retrofitting for efficiencies.
 - c. Maximizing the efficient use of existing infrastructure, through such means as redevelopment, infill and adaptive reuse.
6. To use a smart growth approach to achieving housing needs:

- a. Use land more efficiently to engender economically vibrant communities, complete with jobs, houses, shopping, recreation, entertainment and multiple modes of transportation.
- b. Support a diverse mix of housing that offers a wide range of choice in terms of value, type and location. In addition, seek quality housing design that provides adequate light, air, and open space.
- c. Target housing to areas with existing higher densities and without environmental constraints, within walking distance of schools, employment, services, transit and community facilities with sufficient capacity to support them.

SECTION II
FAIR SHARE OBLIGATION

A. INTRODUCTION

The methodology for determining the Borough's third-round affordable housing obligation changed significantly from the prior round regulations. Under COAH's third-round rules, a municipality's third-round affordable housing obligation is a function of three components:

- Rehabilitation Share
- Remaining Prior Round Obligation
- Growth Share

The growth share component represents the most significant change from the prior round, as it requires that each municipality determine its own affordable housing obligation based on the amount of residential and non-residential growth anticipated over the third-round period from 2004 to 2018. Each of the three components is combined to determine the municipality's total affordable housing obligation. More detail on each component is provided below.

1. Rehabilitation Share: The rehabilitation share component of the affordable housing obligation is based on the municipality's existing housing deficiencies and includes existing housing units as of April 1, 2000 that are both deficient and occupied by households of low or moderate income. A municipality's Total Rehabilitation Share is equal to the sum of its overcrowded and dilapidated units, multiplied by its regional Low-/Moderate-Income Deterioration Share, minus its Rehabilitation Share Credit. The rehabilitation share essentially replaces what was known as indigenous need in the previous rounds. As detailed herein, COAH has assigned a new rehabilitation share of 16 units to Bloomingdale.
2. Prior Round Obligation: The Prior Round Obligation is the total Fair Share Obligation for the period 1987 to 1999. As noted in Appendix C, COAH is adopting municipalities' unadjusted 1987 to 1999 obligations, first published in 1993. Accordingly, Bloomingdale's Prior Round Obligation is 168 units.
3. Growth Share: The growth share portion of a municipality's fair share obligation is based on the projected residential and employment growth in the municipality over the period between 2004 and 2018. Growth share is defined as:

“The affordable housing obligation generated in each municipality by both residential and non-residential development from 2004 through 2018 and represented by a ratio of one affordable housing unit for every four market-rate housing units constructed plus one affordable housing unit for every 16 newly created jobs as measured by new or expanded non-residential construction within the municipality.”

Each individual municipality's actual growth between 2004 and 2018 generates an affordable housing obligation. For residential development, one affordable housing unit obligation is generated for every four market rate residential units

constructed in the municipality. For non-residential development, a one unit of affordable housing obligation is generated for each 16 jobs created in the community. Job creation estimates are based on the amount of new non-residential square footage developed within the community.

The following section contains development projections and a determination of the growth share assessment for the third-round obligation.

B. CALCULATION OF AFFORDABLE HOUSING OBLIGATION

The calculation of the Borough’s affordable housing obligation is detailed below.

1. Rehabilitation Share. According to Appendix B of COAH’s third round substantive rules, the Borough has a rehabilitation share of 16 units.
2. Remaining Prior Round Obligation. Appendix C indicates a prior round new construction obligation of 168 units for Bloomingdale.

The following table presents the manner in which the Borough will address its prior round obligation. The Borough has entered judgments granting builder’s remedies, which provide for the construction of two inclusionary developments. Both of these projects have received final site plan approval. The Borough is also seeking approval for an existing assisted living facility,

**Table 18: Prior Round Plan Components and Status
Bloomingdale, New Jersey**

Plan Component	# Affordable Units	Units Applied to Prior Round Obligation	Status
<u>Inclusionary Development</u> Meer Tract Union Avenue (BLC One)	126 72 units 27 rental units 27 rental bonus	126 72 units 27 rental units 27 rental bonus	Prelim & Final Approval (Judgments of Compliance) Prelim & Final Approval (Judgments of Compliance)
<u>Assisted Living</u> The Health Center at Bloomingdale	60 60	42 32 rental units 10 rental bonus 18 excess	Completed
<u>Supportive and Special Needs Housing</u> Center for Humanistic Change	5 5	None 5 Excess	Completed
<u>Affordable Housing Zoning</u>	**	**	Ordinance adopted
Total	191	168	

** B1-A Zone, applied to 86 parcels, permits affordable residential units over commercial uses. A copy of the ordinance creating this zone is provided in the Appendix.

As shown above, the Borough has 168 credits to meet its prior round obligation.

3. Growth Share. The growth share component of the Borough’s affordable housing obligation is calculated based on the projected amount of residential and non-residential growth anticipated between 2004 and 2018. Under the third round regulations, this projected growth is provided by COAH under NJAC 5:97 Appendix F. However, municipalities within the Highlands Region that are conforming to the Highlands Regional Master Plan (RMP) for both the Preservation and Planning Areas are subject to adjusted growth projections. These RMP Adjusted Growth Projections are based on an analysis of actual growth from 2004 to 2008 and the results of the Highlands Municipal Build-Out Report, as outlined below and as presented in Workbook D in the appendix of this document.

Once the analysis is complete, this growth is translated into an affordable housing obligation, based on a standard of one affordable unit among five units that are projected and one affordable unit for every 16 jobs that are projected to be created.

a. RMP Adjusted Projections of Residential Growth.

- i. Actual Residential Growth. First, actual residential growth in the municipality is presented for the period between January 1, 2004 and December 31, 2008. This growth is evidenced solely by certificates of occupancy (COs). For purposes of calculating residential growth, demolitions cannot be factored into the projection. As shown, actual growth between 2004 and 2008 in Bloomingdale totaled 13 units.

**Table 19: Actual Growth in Residential Development
Analysis of Certificates of Occupancy, 2004-2008
Bloomingdale, New Jersey**

	2004	2005	2006	2007	2008	Total
COs Issued	4	3	1	4	1	13

Source: NJ DCA, The NJ Construction Reporter: <http://www.state.nj.us/dca/codes/cr/conrep.shtml>

- ii. Projected Residential Growth. In this step, residential growth between 2009 and 2018 is projected based on the results of the Highlands Municipal Build-Out Report for Bloomingdale. This report, released by the Highlands Council in September 2009, provides estimates of the capacity for growth in the entire municipality based on potential developable lands and existing municipal conditions, including water availability, septic system yield, and water and sewer utility capacity.

The following table presents the results of the Highlands Municipal Build-Out Report for Bloomingdale. As shown, the Highlands Council projects that Bloomingdale’s potential for new residential development is 24 units.

**Table 20: Highlands Municipal Build-Out Results
Projected Residential Development
Bloomingdale, New Jersey**

	Preservation Area	Planning Area	Totals
Residential Units – Sewered	0	6	6
Septic System Yield	4	14	18
Total Residential Units	4	20	24

Source: Bloomingdale Borough Municipal Build-Out Report, July 2009

iii. Total Residential Growth. Actual residential growth between 2004 and 2008 is then added back to the projected residential growth based on the results of the Highlands Municipal Build-Out Report. As shown in the table below, this results in a total residential growth for the 2004-2018 period of 37 units.

**Table 21: Total Residential Growth, 2004-2018
Bloomingdale, New Jersey**

2004-2008 Actual Growth	+	Projected Growth Per Highlands Build-Out	=	Total Residential Growth
13		24		37

- iv. Determining the Residential Growth Share Obligation. The municipality shall have an obligation of one affordable housing unit among five residential units projected to be constructed. Accordingly, the Borough’s residential growth share obligation is 7.4 units.
- b. RMP Adjusted Projections of Non-Residential Growth.
- i. Actual Non-Residential Growth. The following table presents actual non-residential growth in the municipality for the period between January 1, 2004 and December 31, 2008. Non-residential growth is indicated by certificates of occupancy and demolition permits issued. The table presents this information based on the total square footage by type of non-residential development (i.e. office, retail, etc.), which is then translated into employment growth, based on the multipliers provided in Appendix D of COAH’s substantive rules. As shown, actual growth between 2004 and 2008 in Bloomingdale totaled 25 jobs.

**Table 22: Actual Growth in Non-Residential Development
Analysis of Certificates of Occupancy and Demolition Permits, 2004-2008
Bloomington, New Jersey**

	2004		2005		2006		2007		2008		Total Jobs
	SF	Jobs	SF	Jobs	SF	Jobs	SF	Jobs	SF	Jobs	
Certificates of Occupancy											
Office	1,136	3.2	960	2.7	0	0	9,336	26.1	0	0	32
Subtotal Jobs	3.2		2.7		0		26.1		0		32
Demolition Permits											
Storage	0	0	0	0	0	0	0	0	7,058	-7.1	-7.1
Subtotal Demos	0		0		0		0		-7.1		-7.1
Total Jobs	3.2		2.7		0		26.1		-7.1		24.9

Source: NJ DCA, The NJ Construction Reporter: <http://www.state.nj.us/dca/codes/cr/conrep.shtml>.

- ii. Projected Non-Residential Growth. In this step, non-residential growth between 2009 and 2018 is projected based on the results of the Highlands Municipal Build-Out Report for Bloomington. As already noted, this report provides estimates of the capacity for growth in the entire municipality based on potential developable lands and existing municipal conditions, including water availability, septic system yield, and water and sewer utility capacity.

The following table presents the results of the Highlands Municipal Build-Out Report for Bloomington. As shown, the Highlands Council projects that Bloomington has no potential for new non-residential development.

**Table 23: Highlands Municipal Build-Out Results
Projected Non-Residential Development
Bloomington, New Jersey**

	Preservation Area	Planning Area	Totals
Non-Residential Jobs – Sewered	0	0	0

Source: Bloomington Borough Municipal Build-Out Report, July 2009

- iii. Total Non-Residential Growth. Actual non-residential growth between 2004 and 2008 is then added back to the projected non-residential growth based on the results of the Highlands Municipal Build-Out Report. As shown in the table below, this results in a total non-residential growth for the 2004-2018 period of 25 jobs.

**Table 24: Total Non-Residential Growth, 2004-2018
Bloomingdale, New Jersey**

2004-2008 Actual Growth	+	Projected Growth Per Highlands Build-Out	=	Total Non- Residential Growth
25		0		25

iv. Determining the Non-Residential Growth Share Obligation. After calculating the total non-residential growth above, the municipality shall have an obligation of one affordable housing unit for every 16 jobs projected. For the purpose of calculating the growth share obligation, the municipality shall divide the resulting total jobs by 16. The projected non-residential growth share obligation shall not go below zero.

Applying the standard of one affordable housing unit for every 16 jobs created to the total non-residential growth of 25 jobs results in a non-residential growth share obligation of 1.56 affordable housing units.

c. Total Growth Share Obligation: Residential and Non-Residential. The complete growth share obligation, consisting of the residential growth share and non-residential growth share, is shown in the table below. As indicated, Bloomingdale has a total growth share obligation of 9 units.

**Table 25: Total Growth Share Obligation
Bloomingdale, New Jersey**

	Total
Residential Growth Share	7.4
Non-Residential Growth Share	1.56
Total Growth Share Obligation	9

4. Total Fair Share Obligation. As indicated previously, the total fair share obligation is the sum of the rehabilitation share, remaining prior round obligation, and the growth share. As shown below, Bloomingdale has a total fair share obligation of 63 units.

**Table 26: Total Fair Share Obligation
Bloomingdale, New Jersey**

Component	Obligation
Rehabilitation Share	16
Remaining Prior Round Obligation	0
Growth Share	9
Total Fair Share Obligation	25

SECTION III
FAIR SHARE PLAN

A. PLAN SUMMARY

This section of the plan details the projects, mechanisms and funding sources which will be used to meet the Borough's affordable housing obligation. It is broken down into three subsections: (1) rehabilitation share, (2) remaining prior round obligation and (3) growth share obligation.

1. Rehabilitation Share. COAH has assigned the Borough a rehabilitation share of 16 units. The Borough's proposal for addressing its rehabilitation obligation is set forth later in this section.
2. Remaining Prior Round Obligation. As detailed in the previous section of this plan, the Borough has satisfied its 168 unit remaining prior round obligation.
3. Growth Share Obligation. As detailed in the previous section of this plan, Bloomingdale's growth share obligation is 9 units. The rules governing the growth share obligation relate to Bloomingdale as follows:
 - a. Rental Component. COAH regulations stipulate in NJAC 5:97-3.10(b)3 that at least 25 percent of a municipality's growth share obligation must be addressed with rental housing. Therefore, the Borough is obligated to provide 2 affordable rental units. Per NJAC 5:97-3.4(b), a minimum of 50 percent of these affordable rental units (equal to 1 unit) shall be family housing.
 - b. Age-Restricted Units. COAH regulations stipulate in NJAC 5:97-3.10(c)2 that up to 25 percent of a municipality's growth share obligation may be addressed with age-restricted housing. Therefore, the Borough may provide two age-restricted units for its growth share obligation.
 - c. Bonus Caps. COAH regulations stipulate in NJAC 5:97-3.20(b) that the total number of bonuses for the growth share obligation granted in a fair share plan shall not exceed 25 percent of the projected growth share obligation. Therefore, the Borough may be granted up to 2 bonus credits. It is noted that, per NJAC 5:97-3.6(a), a municipality may only receive rental bonus credits for units in excess of its growth share rental obligation.

B. PLAN COMPONENTS

1. Rehabilitation Program. The Borough's rehabilitation share is 16 units. Municipalities are required to set aside sufficient funds to address half of their rehabilitation obligation at the time of certification of their plan. A minimum of \$10,000 per unit is required. In Bloomingdale's case, this means that \$80,000 must be set aside for this purpose. The Borough will utilize its development fee monies for this purpose and will appropriate funds or authorize the issuance of debt if necessary to address any shortfalls in funding, in accordance with COAH regulations.

2. Growth Share Obligation Plan Components. The Borough has a 9 unit growth share obligation. This obligation will be addressed as follows:
- a. Assisted Living: The Borough is seeking credit for an assisted living facility containing 60 units (120 beds). This facility is known as The Health Center at Bloomingdale, located at 255 Union Avenue. The project has already been built. Forty-two units from this project are being applied to the Prior Round obligation. Due the caps on credits noted above, the Borough can only seek credit for two of the excess units from the Prior Round. Therefore, 16 units are in excess of the Third Round Obligation.
 - b. Supportive/Special Needs Housing: The Borough is seeking credit for the units in the Center for Humanistic Change project, which is located at 17 Grove Street. This facility provides community residential services for adults with developmental disabilities. Since the Borough can only provide up to 50% of its obligation with supportive, or special needs housing, the Borough seeks credit for two of these units. Therefore, three units are in excess of the Third Round Obligation.
 - c. Affordable Housing Zoning: The Borough has rezoned 86 parcels into a new B-1-A Commercial Zone which amount to 71 acres of land, to permit residential development above commercial uses. These residential units must provide affordable housing. It is anticipated that this zone will provide the minimum five family units the Borough needs to satisfy its growth share obligation. Assuming these units are rental, the zoning would provide 2 bonus credits and an excess of units, which could be applied to any future obligation.

C. CONCLUSION

The table below provides a summary of how this obligation will be met within the Borough.

**Table 27: Summary of Plan Components
Bloomingdale, New Jersey**

Plan Component	Number of Credits
Assisted Living (Health Center)	2 (+ 16 excess)
Alternative Living (Ctr for Humanistic Change)	2 (+ 3 excess)
Affordable Housing Zoning	5 (+ 2 rental bonus)
Total	9 (+21 excess)

APPENDICES

1. COAH Service List
2. COAH Workbook D
3. Draft Development Fee Ordinance
4. Draft Governing Body Resolution Requesting Approval of Development Fee Ordinance Spending Plan
5. Draft Spending Plan
6. Draft Resolution Requesting Approval of the Spending Plan
7. Draft Affordable Housing Ordinance
8. Ordinance to Provide for the Appointment of a Municipal Housing Liaison
9. Draft Resolution Appointing a Municipal Housing Liaison
10. Ordinance Creating the B-1-A Commercial Zone



**MUNICIPALITY, COUNTY
SERVICE LIST**

N.J.A.C. 5:96-3.7



A municipality that petitions the Council on Affordable Housing (COAH) for substantive certification or is otherwise participating in COAH's substantive certification process must include an updated service list in order for COAH to review its submittal. At the time it files or petitions for substantive certification a municipality must provide COAH with a Service List which includes the following information (Please print clearly):

1. Current names and addresses of owners of sites included in previously certified or court settled plans that were zoned for low- and moderate-income housing and/or were to pay a negotiated fee(s). Owners of sites that have been completely developed may be excluded;

PROJECT NAME	<u>BLC One, LLC</u>	BLOCK	<u>57</u>
		LOT	<u>43</u>
PROPERTY OWNER	<u>BLC, One, LLC</u>	TITLE	_____
EMAIL	_____	PHONE NO.	_____
ADDRESS	<u>1114 Wynwood Avenue</u>	FAX NO.	_____
	<u>Cherry Hill, NJ 08002</u>		

PROJECT NAME	<u>Bloomington Joint Venture</u>	BLOCK	<u>59 (L1.04) 60</u>
		LOT	<u>9.02, 16.01, 16.02, 21.02, 21.03, 45, 46, 47, 48.02, 60.01, 60.02</u>
PROPERTY OWNER	<u>Meer Ventures Inc</u>	TITLE	_____
EMAIL	_____	PHONE NO.	_____
ADDRESS	<u>241 Truman Drive</u>	FAX NO.	_____
	<u>Cresskill, NJ 07626</u>		

PROJECT NAME	_____	BLOCK	_____
		LOT	_____
PROPERTY OWNER	_____	TITLE	_____
EMAIL	_____	PHONE NO.	_____
ADDRESS	_____	FAX NO.	_____

PROJECT NAME	_____	BLOCK	_____
		LOT	_____
PROPERTY	_____	TITLE	_____

Summary of Adjusted Growth Share Projection Based On Land Capacity
(Introduction to Workbook D)

Municipality Code: 1601

Municipality Name: Bloomingdale Borough

[Muni Code Lookup](#)

This workbook is to be used for determining the projected Municipal Growth Share Obligation by comparing growth projected by COAH with actual growth based on certificates of occupancy that have been issued from 2004 through 2008 and the RMP build-out analysis conducted under Module 2 of the Highlands RMP conformance process. Data must be entered via the "tabs" found at the bottom of this spreadsheet which may also be accessed through the highlighted links found throughout the spreadsheet. This workbook consists of five worksheets that, when combined on this introduction page, provide a tool that allows the user to enter exclusions permitted by N.J.A.C. 5:97-2.4 to determine the projected Growth Share Obligation. COAH-generated Growth Projections included in Appendix F(2) of the revised Third Round Rules, Highlands Council build-out figures based on Mod 2 Reports and actual growth based on COs as published by the DCA Division of Codes and Standards in The Construction Reporter are imported automatically upon entry of the Municipal Code.

[Click Here to enter COAH and Highlands Council data](#)

Municipalities seeking to request a revision to the COAH-generated growth projections based on opting in to the Highlands RMP may do so by providing this comparative analysis of COAH and RMP build-out projections. After completing this analysis, the growth projections may be revised based on the Highlands RMP build-out analysis. Actual growth must first be determined using the Actual Growth worksheet. The RMP adjustment applies only to RMP capacity limitations that are applied to growth projected from 2009 through 2018.

[Click Here to Enter Actual Growth to Date](#)

[Click Here to Enter Permitted Exclusions](#)

[Click Here to View Detailed Results from Analysis](#)

Summary Of Worksheet Comparison

	COAH Projected Growth Share	Growth Share Based on Highlands RMP
Residential Growth	300	37
Residential Exclusions	533	533
Net Residential Growth	-233	-496
Residential Growth Share	0.00	0.00
Non-Residential Growth	259	25
Non-Residential Exclusions	0	0
Net Non- Residential Growth	259	25
Non-Residential Growth Share	16.19	1.56
Total Growth Share	16	2

The Highlands RMP analysis results in a revision to the COAH-generated growth projection. Bloomingdale Borough may file this Workbook and use a Residential Growth Share of 0 plus a Non-residential Growth Share of 1.56 for a total Highlands Adjusted Growth Share Obligation of 2 affordable units

Growth Projection Adjustment - Actual Growth

Actual Growth 01/01/04 to 12/31/08

Municipality Name: Bloomingdale Borough

Residential COs Issued

As Published by D C S	13
Per Municipal Records (if different)	13

Qualified Residential Demolitions

Note: To qualify as an offsetting residential demolition, the unit must be the primary residence of the household for which the demolition permit has been issued, it had to be occupied by that owner for at least one year prior to the issuance of the demolition permit, it has to continue to be occupied by that household after the re-build and there can be no change in use associated with the property. (See N.J.A.C. 5:97-2.5(a)1.v.) A Certification Form must be completed and submitted for each qualifying demolition.

Get Demolition Certification Form

Non-residential CO's by Use Group	<u>Get Demolition Certification Form</u>		Square Feet Lost Demolition Permits Issued)	Jobs Per 1,000 SF	Total Jobs
	Square Feet Added (COs Issued) As Published by D C S	Square Feet Added (COs Issued) per Municipal Records (if different)			
B	11,432	11,432		2.8	32.01
M	0	0		1.7	0.00
F	0	0		1.2	0.00
S	0	0	7,058	1.0	-7.06
H	0	0		1.6	0.00
A1	0	0		1.6	0.00
A2	0	0		3.2	0.00
A3	0	0		1.6	0.00
A4	0	0		3.4	0.00
A5	0	0		2.6	0.00
E	0	0		0.0	0.00
I	0	0		2.6	0.00
R1	0	0		1.7	0.00
Total	11,432	11,432	7,058		24.95

Return to Main Page (Workbook D Intro)

Proceed to COAH Data and RMP Module 2 Build-out Data

Proceed to Exclusions Tab

Affordable and Market-Rate Units Excluded from Growth

Municipality Name: Bloomingdale Borough

Prior Round Affordable Units NOT included in Inclusionary Developments Built Post 1/1/04

Development Type	Number of COs Issued and/or Projected
Supportive/Special Needs Housing	
Accessory Apartments	
Municipally Sponsored and 100% Affordable	
Assisted Living	
Other	
Total	0

Market and Affordable Units in Prior Round Inclusionary Development Built post 1/1/04
N.J.A.C. 5:97-2.4(a)

(Enter Y for yes in Rental column if affordable units are rentals)

Development Name	Rentals? (Y/N)	Total Units	Market Units	Affordable Units	Market Units Excluded
DR Horton	N	360	288	72	288
BLC One	Y	174	148	26	147
		0			0
		0			0
		0			0
Total		534	436	98	435

Jobs and Affordable Units Built as a result of post 1/1/04 Non-Residential Development
N.J.A.C. 5:97-2.4(b)

Development Name	Affordable Units Provided	Permitted Jobs Exclusion
		0
		0
		0
		0
Total	0	0

- [Return to Main Page \(Workbook D Intro\)](#)
- [Return to COAH Data and RMP Module 2 Build-out Data](#)
- [Return to Actual Growth](#)
- [View Detailed Results from Analysis](#)

COAH Growth Projections and Highlands Buildout Data

Must be used in all submissions

Municipality Name: Bloomingdale Borough

The COAH columns have automatically been populated with growth projections from Appendix F(2) found at the back of N.J.A.C. 5:97-1 et seq. The Highlands RMP Build-out columns have automatically been populated with residential and non-residential build-out figures from the municipal build-out results with resource and utility constraints found in Table 4 of the RMP Module 2 report. Always check with the Highlands Council for updates. If figures have been updated, enter updated build-out results. Use the Tabs at the bottom of this page or the links within the page to toggle to the exclusions worksheet of this workbook. After entering all relevant exclusions, toggle back to the introduction page to view the growth share obligation that has been calculated based on each approach.

COAH Projections

From Appendix F(2) found at the back of N.J.A.C. 5:97-1 et seq.
Allocating Growth To Municipalities

Residential	Non-Residential
300	259

Highlands RMP Buildout Analysis

From Module 2
Table 4 – Municipal Build-Out Results With Resource and Utility Constraints
Updated as of October 2, 2009

	Preservation Area	Planning Area	Totals
Residential units – Sewered	0	6	6
Septic System Yield	4	14	18
Total Residential Units	4	20	24
Non-Residential Jobs – Sewered	0	0	0

Note: Always check with the Highlands Council for updated municipal Build-out numbers. Enter build-out figures in the appropriate boxes only if revised figures have been provided by the Highlands Council.

[Click Here to link to current Mod 2 Build-Out Reports](#)

[Proceed to Enter Prior Round Exclusions](#)
[Retrun to Enter Actual Growth](#)
[Return to Main Page \(Workbook D Intro\)](#)

Comparative Analysis Detail For Bloomingdale Borough

The following chart applies the exclusions permitted pursuant to N.J.A.C 5:97-2.4 to both the COAH growth projections and the projected growth that results from the Highlands RMP build-out analysis plus actual growth for the period January 1, 2004 through December 31, 2008.

	COAH		Highlands	
	Residential	Non-Residential	Residential	Non-Residential
Projected Growth From COAH Appendix F(2)	300	259		
Residential Exclusions per 5:97-2.4(a) from "Exclusions" tab COs for prior round affordable units built or projected to be built				
Inclusionary Development	98		98	
Supportive/Special Needs Housing	0		0	
Accessory Apartments Municipally Sponsored or 100% Affordable	0		0	
Assisted Living	0		0	
Other	0		0	
Market Units in Prior Round Inclusionary development built post 1/1/04	435		435	
Subtract the following Non-Residential Exclusions per 5:97-2.4(b) from "Exclusions" tab				
Affordable units	0	0	0	0
Associated Jobs				
Net Growth Projection	-233	259	-496	25
Projected Growth Share (Residential divided by 5 and jobs divided by 16)	0.00	16.19	0.00	1.56
Total Projected Growth Share Obligation		16 Affordable Units		2 Affordable Units

[Return to Main Page \(Workbook D Intro\)](#)
[Return to COAH Data and RMP Module 2 Build-out Data](#)
[Return to Actual Growth](#)
[Return to Exclusions](#)

DRAFT DEVELOPMENT FEE ORDINANCE

1. Purpose

- a) In Holmdel Builder's Association V. Holmdel Township, 121 N.J. 550 (1990), the New Jersey Supreme Court determined that mandatory development fees are authorized by the Fair Housing Act of 1985 (the Act), N.J.S.A. 52:27d-301 et seq., and the State Constitution, subject to the Council on Affordable Housing's (COAH's) adoption of rules.
- b) Pursuant to P.L.2008, c.46 section 8 (C. 52:27D-329.2) and the Statewide Non-Residential Development Fee Act (C. 40:55D-8.1 through 8.7), COAH is authorized to adopt and promulgate regulations necessary for the establishment, implementation, review, monitoring and enforcement of municipal affordable housing trust funds and corresponding spending plans. Municipalities that are under the jurisdiction of the Council or court of competent jurisdiction and have a COAH-approved spending plan may retain fees collected from non-residential development.
- c) This ordinance establishes standards for the collection, maintenance, and expenditure of development fees pursuant to COAH's regulations and in accordance P.L.2008, c.46, Sections 8 and 32-38. Fees collected pursuant to this ordinance shall be used for the sole purpose of providing low- and moderate-income housing. This ordinance shall be interpreted within the framework of COAH's rules on development fees, codified at N.J.A.C. 5:97-8.

2. Basic requirements

- a) This ordinance shall not be effective until approved by COAH pursuant to *N.J.A.C. 5:96-5.1*.
- b) The Borough of Bloomingdale shall not spend development fees until COAH has approved a plan for spending such fees in conformance with *N.J.A.C. 5:97-8.10* and *N.J.A.C. 5:96-5.3*.

3. Definitions

- a) The following terms, as used in this ordinance, shall have the following meanings:
 - i. **"Affordable housing development"** means a development included in the Housing Element and Fair Share Plan, and includes, but is not limited to, an inclusionary development, a municipal construction project or a 100 percent affordable development.

- ii. **“COAH”** or the **“Council”** means the New Jersey Council on Affordable Housing established under the Act which has primary jurisdiction for the administration of housing obligations in accordance with sound regional planning consideration in the State.
- iii. **“Development fee”** means money paid by a developer for the improvement of property as permitted in *N.J.A.C. 5:97-8.3*.
- iv. **“Developer”** means the legal or beneficial owner or owners of a lot or of any land proposed to be included in a proposed development, including the holder of an option or contract to purchase, or other person having an enforceable proprietary interest in such land.
- v. **“Equalized assessed value”** means the assessed value of a property divided by the current average ratio of assessed to true value for the municipality in which the property is situated, as determined in accordance with sections 1, 5, and 6 of P.L.1973, c.123 (C.54:1-35a through C.54:1-35c).
- vi. **“Green building strategies”** means those strategies that minimize the impact of development on the environment, and enhance the health, safety and well-being of residents by producing durable, low-maintenance, resource-efficient housing while making optimum use of existing infrastructure and community services.

4. Residential Development fees

- a) Imposed fees
 - i. Within the Borough of Bloomingdale district(s), residential developers, except for developers of the types of development specifically exempted below, shall pay a fee of *[insert number - maximum of one and a half percent]* percent of the equalized assessed value for residential development provided no increased density is permitted.
 - ii. When an increase in residential density pursuant to N.J.S.A. 40:55D-70d(5) (known as a “d” variance) has been permitted, developers may be required to pay a development fee of *[insert specific number – maximum of six percent]* percent of the equalized assessed value for each additional unit that may be realized. However, if the zoning on a site has changed during the two-year period preceding the filing of such a variance application, the base density for the purposes of calculating the bonus development fee shall be the highest density permitted by right during the two-year period preceding the filing of the variance application.

Example: If an approval allows four units to be constructed on a site that was zoned for two units, the fees could equal one and a half percent of the

equalized assessed value on the first two units; and the specified higher percentage up to six percent of the equalized assessed value for the two additional units, provided zoning on the site has not changed during the two-year period preceding the filing of such a variance application.

b) Eligible exactions, ineligible exactions and exemptions for residential development

- i. Affordable housing developments, developments where the developer is providing for the construction of affordable units elsewhere in the municipality, and developments where the developer has made a payment in lieu of on-site construction of affordable units shall be exempt from development fees.
- ii. Developments that have received preliminary or final site plan approval prior to the adoption of a municipal development fee ordinance shall be exempt from development fees, unless the developer seeks a substantial change in the approval. Where a site plan approval does not apply, a zoning and/or building permit shall be synonymous with preliminary or final site plan approval for this purpose. The fee percentage shall be vested on the date that the building permit is issued.
- iii. Owner-occupied residential structures demolished and replaced as a result of a fire, flood, or natural disaster shall be exempt from paying a development fee.
- iv. *[optional]* Development fees shall be imposed and collected when an existing structure undergoes a change to a more intense use, is demolished and replaced, or is expanded, if the expansion is not otherwise exempt from the development fee requirement. The development fee shall be calculated on the increase in the equalized assessed value of the improved structure.
- v. *[optional]* Developers of *[specific types of residential development, for example developments with one or two owner-occupied dwelling units, green buildings etc.]* shall be *[select only one of the following: exempt from paying a development fee, or subject to a reduced fee of X percent]*.
- vi. *[optional]* Within the *[name of zoning district(s) or area(s), e.g. TOD District, Revenue Allocation District, Historic District, etc.]*, residential developers shall be exempt from paying a development fee.

5. Non-residential Development fees

a) Imposed fees

- i. Within all zoning districts, non-residential developers, except for developers of the types of development specifically exempted, shall pay a fee equal to two and one-half (2.5) percent of the equalized assessed value of the land and improvements, for all new non-residential construction on an unimproved lot or lots.
 - ii. Non-residential developers, except for developers of the types of development specifically exempted, shall also pay a fee equal to two and one-half (2.5) percent of the increase in equalized assessed value resulting from any additions to existing structures to be used for non-residential purposes.
 - iii. Development fees shall be imposed and collected when an existing structure is demolished and replaced. The development fee of two and a half percent (2.5%) shall be calculated on the difference between the equalized assessed value of the pre-existing land and improvement and the equalized assessed value of the newly improved structure, i.e. land and improvement, at the time final certificate of occupancy is issued. If the calculation required under this section results in a negative number, the non-residential development fee shall be zero.
- b) Eligible exactions, ineligible exactions and exemptions for non-residential development
 - i. The non-residential portion of a mixed-use inclusionary or market rate development shall be subject to the two and a half (2.5) percent development fee, unless otherwise exempted below.
 - ii. The 2.5 percent fee shall not apply to an increase in equalized assessed value resulting from alterations, change in use within existing footprint, reconstruction, renovations and repairs.
 - iii. Non-residential developments shall be exempt from the payment of non-residential development fees in accordance with the exemptions required pursuant to P.L.2008, c.46, as specified in the Form N-RDF "State of New Jersey Non-Residential Development Certification/Exemption" Form. Any exemption claimed by a developer shall be substantiated by that developer.
 - iv. A developer of a non-residential development exempted from the non-residential development fee pursuant to P.L.2008, c.46 shall be subject to it at such time the basis for the exemption no longer applies, and shall make the payment of the non-residential development fee, in that event, within three years after that event or after the issuance of the final certificate of occupancy of the non-residential development, whichever is later.
 - v. If a property which was exempted from the collection of a non-residential development fee thereafter ceases to be exempt from property taxation, the owner of the property shall remit the fees required pursuant to this section

within 45 days of the termination of the property tax exemption. Unpaid non-residential development fees under these circumstances may be enforceable by the Borough of Bloomingdale as a lien against the real property of the owner.

6. Collection procedures

- a) Upon the granting of a preliminary, final or other applicable approval, for a development, the applicable approving authority shall direct its staff to notify the construction official [**OR** *insert title of designated municipal official*] responsible for the issuance of a building permit.
- b) For non-residential developments only, the developer shall also be provided with a copy of Form N-RDF “State of New Jersey Non-Residential Development Certification/Exemption” to be completed as per the instructions provided. The developer of a non-residential development shall complete Form N-RDF as per the instructions provided. The construction official shall verify the information submitted by the non-residential developer as per the instructions provided in the Form N-RDF. The Tax assessor shall verify exemptions and prepare estimated and final assessments as per the instructions provided in Form N-RDF.
- c) The construction official responsible for the issuance of a building permit shall notify the local tax assessor of the issuance of the first building permit for a development which is subject to a development fee.
- d) Within 90 days of receipt of that notice, the municipal tax assessor, based on the plans filed, shall provide an estimate of the equalized assessed value of the development.
- e) The construction official responsible for the issuance of a final certificate of occupancy notifies the local assessor of any and all requests for the scheduling of a final inspection on property which is subject to a development fee.
- f) Within 10 business days of a request for the scheduling of a final inspection, the municipal assessor shall confirm or modify the previously estimated equalized assessed value of the improvements of the development; calculate the development fee; and thereafter notify the developer of the amount of the fee.
- g) Should the Borough of Bloomingdale fail to determine or notify the developer of the amount of the development fee within 10 business days of the request for final inspection, the developer may estimate the amount due and pay that estimated amount consistent with the dispute process set forth in subsection b. of section 37 of P.L.2008, c.46 (C.40:55D-8.6).

h) *[select one of the following paragraphs:]*

The developer shall pay 100 percent of the calculated development fee amount prior to the municipal issuance of a final certificate of occupancy for the subject property.

OR

Fifty percent of the development fee shall be collected at the time of issuance of the building permit. The remaining portion shall be collected at the issuance of the certificate of occupancy. The developer shall be responsible for paying the difference between the fee calculated at building permit and that determined at issuance of certificate of occupancy.

i) Appeal of development fees

1) A developer may challenge residential development fees imposed by filing a challenge with the County Board of Taxation. Pending a review and determination by the Board, collected fees shall be placed in an interest bearing escrow account by the Borough of Bloomingdale. Appeals from a determination of the Board may be made to the tax court in accordance with the provisions of the State Tax Uniform Procedure Law, R.S.54:48-1 et seq., within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

2) A developer may challenge non-residential development fees imposed by filing a challenge with the Director of the Division of Taxation. Pending a review and determination by the Director, which shall be made within 45 days of receipt of the challenge, collected fees shall be placed in an interest bearing escrow account by the Borough of Bloomingdale. Appeals from a determination of the Director may be made to the tax court in accordance with the provisions of the State Tax Uniform Procedure Law, R.S.54:48-1 et seq., within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

7. Affordable Housing trust fund

a) *[select one of the following paragraphs:]*

There is hereby created a separate, interest-bearing housing trust fund to be maintained by the *[chief financial officer or insert municipal employee title]* for the purpose of depositing development fees collected from residential and non-residential developers and proceeds from the sale of units with extinguished controls.

OR

Upon approval by COAH and by the Division of Local Government Services, the Borough of Bloomingdale shall invest development fee revenue and proceeds from the sale of units with extinguished controls into the State of New Jersey Cash Management Fund, provided that the funds in the Cash Management account that comprise the deposits and income attributable to such deposits shall at all times be identifiable.

- b) The following additional funds shall be deposited in the Affordable Housing Trust Fund and shall at all times be identifiable by source and amount:
 - 1. payments in lieu of on-site construction of affordable units;
 - 2. developer contributed funds to make ten percent (10%) of the adaptable entrances in a townhouse or other multistory attached development accessible;
 - 3. rental income from municipally operated units;
 - 4. repayments from affordable housing program loans;
 - 5. recapture funds;
 - 6. proceeds from the sale of affordable units; and
 - 7. any other funds collected in connection with the Borough of Bloomingdale's affordable housing program.

- c) Within seven days from the opening of the trust fund account, the Borough of Bloomingdale shall provide COAH with written authorization, in the form of a three-party escrow agreement between the municipality, [*select one: the bank or the bank linked to the Cash Management Fund*], and COAH to permit COAH to direct the disbursement of the funds as provided for in N.J.A.C. 5:97-8.13(b).

- d) All interest accrued in the housing trust fund shall only be used on eligible affordable housing activities approved by COAH.

8 Use of funds

- a) The expenditure of all funds shall conform to a spending plan approved by COAH. Funds deposited in the housing trust fund may be used for any activity approved by COAH to address the Borough of Bloomingdale's fair share obligation and may be set up as a grant or revolving loan program. Such activities include, but are not limited to: preservation or purchase of housing for the purpose of maintaining or implementing affordability controls, rehabilitation, new construction of affordable housing units and related costs, accessory apartment, market to affordable, or regional housing partnership programs, conversion of existing non-residential buildings to create new affordable units, green building strategies designed to be cost saving and in accordance with accepted national or state standards, purchase of land for affordable housing, improvement of land to be used for affordable housing, extensions or improvements of roads and infrastructure to affordable housing sites, financial assistance designed to increase

affordability, administration necessary for implementation of the Housing Element and Fair Share Plan, or any other activity as permitted pursuant to N.J.A.C. 5:97-8.7 through 8.9 and specified in the approved spending plan.

- b) Funds shall not be expended to reimburse the Borough of Bloomingdale for past housing activities.
- c) At least 30 percent of all development fees collected and interest earned shall be used to provide affordability assistance to low- and moderate-income households in affordable units included in the municipal Fair Share Plan. One-third of the affordability assistance portion of development fees collected shall be used to provide affordability assistance to those households earning 30 percent or less of median income by region.
 - i. Affordability assistance programs may include down payment assistance, security deposit assistance, low interest loans, rental assistance, assistance with homeowners association or condominium fees and special assessments, and assistance with emergency repairs.
 - ii. Affordability assistance to households earning 30 percent or less of median income may include buying down the cost of low or moderate income units in the municipal Fair Share Plan to make them affordable to households earning 30 percent or less of median income.
 - iii. Payments in lieu of constructing affordable units on site and funds from the sale of units with extinguished controls shall be exempt from the affordability assistance requirement.
- d) The Borough of Bloomingdale may contract with a private or public entity to administer any part of its Housing Element and Fair Share Plan, including the requirement for affordability assistance, in accordance with N.J.A.C. 5:96-18.
- e) No more than 20 percent of all revenues collected from development fees, may be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to develop or implement a new construction program, a Housing Element and Fair Share Plan, and/or an affirmative marketing program. In the case of a rehabilitation program, no more than 20 percent of the revenues collected from development fees shall be expended for such administrative expenses. Administrative funds may be used for income qualification of households, monitoring the turnover of sale and rental units, and compliance with COAH's monitoring requirements. Legal or other fees related to litigation opposing affordable housing sites or objecting to the Council's regulations and/or action are not eligible uses of the affordable housing trust fund.

9. Monitoring

- a) The Borough of Bloomingdale shall complete and return to COAH all monitoring forms included in monitoring requirements related to the collection of development fees from residential and non-residential developers, payments in lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, barrier free escrow funds, rental income, repayments from affordable housing program loans, and any other funds collected in connection with the Borough of Bloomingdale's housing program, as well as to the expenditure of revenues and implementation of the plan [*select appropriate one: certified by COAH or approved by the court*]. All monitoring reports shall be completed on forms designed by COAH.

10. Ongoing collection of fees

- a) The ability for the Borough of Bloomingdale to impose, collect and expend development fees shall expire with its [*select appropriate one: substantive certification or judgment of compliance*] unless the Borough of Bloomingdale has filed an adopted Housing Element and Fair Share Plan with COAH, has petitioned for substantive certification, and has received COAH's approval of its development fee ordinance. If the Borough of Bloomingdale fails to renew its ability to impose and collect development fees prior to the expiration of [*pick one: substantive certification or judgment of compliance*], it may be subject to forfeiture of any or all funds remaining within its municipal trust fund. Any funds so forfeited shall be deposited into the "New Jersey Affordable Housing Trust Fund" established pursuant to section 20 of P.L.1985, c.222 (C.52:27D-320). The Borough of Bloomingdale shall not impose a residential development fee on a development that receives preliminary or final site plan approval after the expiration of its substantive certification or judgment of compliance, nor shall the Borough of Bloomingdale retroactively impose a development fee on such a development. The Borough of Bloomingdale shall not expend development fees after the expiration of its substantive certification or judgment of compliance.

DRAFT Governing Body Resolution Requesting Review and Approval of Development Fee Ordinance

WHEREAS, the Governing Body of the Borough of Bloomingdale, Passaic County, petitioned the Council on Affordable Housing (COAH) for substantive certification on *[insert date]*; and

WHEREAS, P.L.2008, c.46 section 8 (C. 52:27D-329.2) and the Statewide Non-Residential Development Fee Act (C. 40:55D-8.1 through 8.7), permits municipalities that are under the jurisdiction of COAH or of a court of competent jurisdiction and that have a COAH-approved spending plan to impose and retain fees on residential and non-residential development; and

WHEREAS, subject to P.L.2008, c.46 section 8 (C. 52:27D-329.2) and the Statewide Non-Residential Development Fee Act (C. 40:55D-8.1 through 8.7), N.J.A.C. 5:97-8.3 permits a municipality to prepare and submit a development fee ordinance for review and approval by the Council on Affordable Housing (COAH) that is accompanied by and includes the following:

1. A description of the types of developments that will be subject to fees per N.J.A.C. 5:97-8.3(c) and (d);
2. A description of the types of developments that are exempted per N.J.A.C. 5:97-8.3(e);
3. A description of the amount and nature of the fees imposed per N.J.A.C. 5:97-8.3(c) and (d);
4. A description of collection procedures per N.J.A.C. 5:97-8.3(f);
5. A description of development fee appeals per N.J.A.C. 5:97-8.3(g); and
6. A provision authorizing COAH to direct trust funds in case of non-compliance per N.J.A.C. 5:97-8.3(h).

WHEREAS, the Borough of Bloomingdale has prepared a draft development fee ordinance that establishes standards for the collection, maintenance, and expenditure of development fees consistent with COAH's regulations at N.J.A.C. 5:97-8 and in accordance with P.L.2008, c.46, Sections 8 (C. 52:27D-329.2) and 32-38 (C. 40:55D-8.1 through 8.7).

NOW THEREFORE BE IT RESOLVED that the Governing Body of the Borough of Bloomingdale, Passaic County, requests that COAH review and approve the Borough of Bloomingdale's development fee ordinance.

Jane McCarthy
Municipal Clerk

