



**MASTER PLAN AMENDMENT
TO THE
LAND USE HOUSING ELEMENT
AND
FAIR SHARE PLAN**

**WASHINGTON TOWNSHIP
WARREN COUNTY, NEW JERSEY**

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**MASTER PLAN AMENDMENT
HOUSING ELEMENT AND FAIR SHARE PLAN**

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MASTER PLAN AMENDMENT HOUSING ELEMENT

INTRODUCTION

Historical account of Washington 's progress in providing affordable housing is as follows:

May 1, 1991	Washington is granted Substantive Certification for Round One
December 1, 1999	Washington is granted Substantive Certification for Round Two
December 6, 2000	Washington was granted extended Substantive Certification

To more completely address the link between municipal growth and the resulting increased need for affordable housing, COAH has re-released its 3rd Round Fair Share Goals. The previous two rounds only addressed present and prospective housing needs, based on a calculated regional residential growth. In the 3rd Round, individual municipalities have more control over their future development because each township is responsible for calculating its own Fair Share number based upon a rehabilitation requirement, outstanding obligations, and, most significantly, projected growth based upon residential population and employment growth. If a municipality experiences no growth, no additional housing, besides rehabilitations and previously unfulfilled housing requirements, would be necessary. The revised COAH rules state that the addition of affordable units into the housing stock will not impose a tax burden on the community.

The 3rd Round COAH affordable housing requirements can be met by new construction of LMI housing, housing rehabilitation, rendering units more affordable and several other methods. By using a combination of the strategies enumerated in the regulations, Washington will tailor its affordable housing to comply with its goals and needs.

Washington Township, located in the heart of Warren County, will comply with its Fair Share Requirement under COAH's 3rd Round regulations. The Township has never RCA'd out any units to other municipalities. Confirmed by COAH, the Township has 59 units as its Round 3 obligation.

Compliance with COAH Housing Obligation

At the time of the extended certification of Road Two (12/06/00), the second round needs was set at 77 units. The units constructed were as follows:

New Construction	41 Units (includes bonus
Rehabilitation	26 Units
Alternative Living (Bedrooms)	10 Units

The total units needed were 77 units. According to COAH's Appendix F, no additional rehabilitations are required.

COAH Round Three requirements were determined to be 59 affordable units.

The Township intends to explore the option to spend funds acquired from the developer fees to produce affordable housing and other required activities. The developer fee allows a municipality to charge developers for new construction so that the Township can address its affordable housing needs. Previous COAH Fair Share rounds enabled municipalities to charge 1% of the equalized assessed (EAV) value of a non-residential building on a square foot basis and .5% of the EAV of a residential unit. Current COAH rules allow the Township to levee a 1.5% EAV developer fee on residential development and a 2.5% EAV developer fee on non-residential development (currently under freeze). Washington Township currently collects 1% EAV for residential construction. The funds collected under developer fees can only be spent on affordable housing and infrastructure improvements pertaining to affordable housing. Washington Township requests to have authorization to increase the residential development fee to 1 ½% in accordance with these new rules.

HOUSING ELEMENT

In accordance with N.J.A.C. 5:94-2.2, as a pre-condition for COAH approval, a municipality must adopt a Housing Element in its municipal Master Plan before it can secure COAH approval. A Housing Element explains the basis upon which Washington Township shall be able to meet its cumulative housing obligation. The Housing Element shall focus on the basic underpinnings to support a COAH Fair Share housing obligation. As required, this Housing Element contains:

- I. An Inventory of Washington Township's Housing Stock
- II. Demographic Characteristics
- III. Existing and Probable Employment Characteristics
- IV. Present and Prospective Fair Share
- V. A Projection of Future Housing Stock
- VI. Consideration of Lands
- VII. Fair Share Plan

The following supporting documents are necessary components of the Housing Element, pursuant to N.J.A.C. 5:94-2.2 for submission of an application for Substantive Certification:

1. Projection of Probable Future Residential Construction, including Certificates of Occupancy issued since 1/04, construction and demolition permits issued in the past thirteen years, projected for the fifteen years period through 2018 and approvals of applications for development.
2. Projection of Probable Future Non-Residential Construction, including Certificates of Occupancy issued since 1/04, construction and demolition permits issued and projected, approvals of applications for development broken down by use group, and demolitions, certificates of occupancy as projected for the fifteen year period through 2018.
3. Analysis of Necessary Zoning Changes to Accommodate Projections, including the existing and planned infrastructure, the anticipated demand for the types of uses permitted by zoning based on present and anticipated future demographic characteristics of the municipality, anticipated land use patterns, municipal economic development policies and constraints on development including state and federal regulations and land ownership patterns, presence of incompatible land uses, or sites needing remediation, and existing or planned measures to address these constraints.
4. The Metropolitan Planning Organization (MPO) Growth Projection numbers to 2035.
5. Data to be used as evidence of the Growth Share number was calculated, specifically to Washington 's case, in order to achieve greater accuracy specific to Washington Township.

6. A copy of the most recently adopted municipal Master Plan will be submitted to COAH with the application for Substantive Certification.
7. A copy of the most recently adopted municipal zoning ordinance will be submitted to COAH with the application for Substantive Certification.
8. A general description of sites slated for affordable housing, including the acreage, owner, block and lot, current zoning, surrounding land uses, and street access. This information is located within this Housing Element and Fair Share Plan.
9. The most current tax map will be forwarded to COAH as part of the application for Substantive Certification.
10. Any other documentation deemed necessary.

I. INVENTORY OF WASHINGTON HOUSING STOCK

A. Age

Thirty-eight percent of Washington Township's housing was constructed after 1980, with the largest increase in housing units occurring during the 1980's. One of the factors in determining a township's rehabilitation requirement lies in the amount of houses constructed before 1940 because these older houses often need rehabilitation. However, since less than sixteen percent of the Township's housing stock was constructed before 1930, a lower number of necessary rehabilitations seem appropriate as compared to communities with a greater percentage of older housing stock.

Table 1
Age of Housing Units

Dates of Construction	Structures	Percent of Total 2000
1999 to March 2000	45	2.1
1995 to 1998	116	5.3
1990 to 1994	197	9.1
1980 to 1989	469	21.6
1970 to 1979	259	11.9
1960 to 1969	238	10.9
1940 to 1959	511	23.5
1930 or earlier	339	15.6
2000 TOTAL STRUCTURES:	2174	100*

Source: 2000 U.S. Census of population and Housing

B. Condition

The vast majority of Washington Township's dwellings are in good condition, containing plumbing, kitchen, fuel, sewer, and water facilities. In addition, most homes contain less than 1.01 persons per room, indicating that very few units are considered overcrowded. Units that contain more than 1.01 persons per room or lack necessary facilities are considered deficient. Deficient units occupied by low and moderate income households are subject to the rehabilitation requirement. As noted previously, COAH has determined that Washington Township's 3rd round growth share rehabilitation requirement is 59 units.

Table 2

Occupants per Room

Occupied Housing Units	Number	Percent
1.00 or less	2,099	100.0
1.01 to 1.50	0	0
1.51 or more	0	0
Total Occupied Housing Units	2,099	100%

Source: 2000 U.S. Census of Population and Housing

Table 3

Plumbing Facilities

	Number	Percent
Complete Plumbing Facilities	Not Provided	0
Lacking Complete Plumbing Facilities	Not Provided	0

Source: 2000 U.S. Census of Population and Housing

Table 4

Selected Characteristics

	Number	Percent
Complete Kitchen Facilities	0	0
Lacking Complete Kitchen Facilities	0	0
No Telephone Service	0	0

Source: 2000 U.S. Census of Population and Housing

Table 5

Heating Fuel

Type of Fuel	Number	Percent
Utility Gas	809	38.5
Bottled, Tank, or LP Gas	115	5.5
Electricity	146	7.0
Fuel Oil, Kerosene, ect.	965	46.0
Coal or Coke	23	1.1
Wood	34	1.6
Solar Energy	0	0
Other Fuel	7	0.3
No Fuel Used	0	0
Total Units:	2,099	100%

Source: 2000 U.S. Census of Population and Housing

C. Purchase and Rental Value

Based on 2000 census data the median Owner-Occupied Housing Unit value in Washington Township (Table 6) was \$185,400. However, due to the sharp rise in housing values since the 2000 U.S. Census, the current average assessment of a housing unit in Washington is \$333,253 according to the 2008 data that the Washington Tax Assessor provided.

Table 6

Owner-Occupied Housing Unit Values

Specified owner-occupied units	1746	100.0
Value	Number	Percent
Less than \$50,000	7	0.4
\$50,000-\$99,999	99	5.7
\$100,000-\$149,999	401	23.0
\$150,000-\$199,999	483	27.7
\$200,000- \$299,999	618	35.4
\$300,000-\$499,999	138	7.9
\$500,000-\$999,999	0	0
\$1,000,000 or more	0	0
Median (dollars)	185,400	N/A
Total Owner-Occupied Units:	1746	100.1%

Source: 2000 U.S. Census of Population and Housing

Total equals 100.1% due to rounding.

Term "Value" is taken directly from the 2000 census data.

Table 7

Contract Rental Values

Census 2000	Number	Percent
Specified renter-occupied units	194	100.0
GROSS RENT		
Less than \$200.	0	0
\$200-\$299	0	0
\$300-\$499	0	0
\$500-\$749	62	32.0
\$750-\$999	89	45.9
\$1,000-\$1,499	36	18.6
\$1,500 or more	0	0
No cash rent	7	3.6
Median (dollars)	822	N/A
GROSS RENT AS PERCENTAGE OF HOUSEHOLD INCOME IN 1999		
Less than 15 percent	52	26.8
15 to 19 percent	56	28.9
20 to 24 percent	20	10.3
25 to 29 percent	21	10.8
30 to 34 percent	9	4.6
35 percent or more	29	14.9
Not computed	7	3.6

Source: 2000 U.S. Census Bureau

The 1990 U.S. Census states the median rent was \$650.00 for a total 192 rental units.

D. Occupancy Characteristics and Types

There are 2,174 housing units in Washington Township. Approximately 96.7% of Washington Township's housing units are occupied, indicating a tight housing market.

Table 8

Tenure and Vacancy

Household Population	Number	Percent
Population in occupied housing units	6,185	100.0
Owner-Occupied housing units	5,606	90.6
Renter Occupied housing units	579	9.4
Per occupied housing unit	2.95	N/A
Per owner-occupied housing unit	2.99	N/A
Per renter-occupied housing unit	2.61	N/A
Total Housing Units:	2,174	100%

Source: 2000 U.S. Census of Population and Housing

E. Units Affordable to Low/Moderate Income Households

This chart shows the income limits used to classify households as low or moderate income in Region Two. Region Two is comprised of Essex, Morris, Union and Warren. It is among the highest median income of all New Jersey regions. Consequently, the upper limits of low and moderate income classification are also the highest in the state. The income limits for 2003 were significantly lower than prior 2008 levels. (See Table 10 for 2008 levels).

Table 9

2003 Low and Moderate Regional Income Limits for Region 2

	Median	Moderate	Low
(1.5) 1 persons	\$59,250	\$47,400	\$29,625
(3) 3 persons	\$71,100	\$56,880	\$35,550
(4.5) 4 persons	\$82,150	\$65,728	\$41,080

Source: COAH 2003 Region 2 Income Limits

Table 10

2008 Regional Income Limits for Region 2

Household Size	Median	Moderate	Low	Very Low
(1.5) person	\$62,826	\$50,263	\$31,414	\$18,848
(3) 3 persons	\$75,394	\$50,315	\$37,697	\$22,618
(4.5) 4 persons	\$87,122	\$69,697	\$43,561	\$26,137

Source: COAH 2008 Region 2 Income Limits

F. Number of Homes Available to Low and Moderate Income Households

The following methodology has been used in determining the sales price for affordable housing in Washington; the current stock of housing within the Township was assessed for its affordability. The maximum price that a LMI household can currently afford is determined by using the 2008 COAH income data because other municipalities (non-Highlands) used this data for their petitions.

Spending thirty percent of the gross household income on housing is the limit defined by COAH for housing costs. The resulting number is divided by twelve to yield a maximum monthly housing amount to be spent on housing. As defined by the formula, the following is a breakdown of expenses, which includes conservatively:

- Principal and interest (7% fixed rate for 30 years)
- Homeowners insurance (for contents of home) (\$40/ month)
- Mortgage insurance (\$7.80 per \$1000 of mortgage-annual rate)
- Property taxes (including municipal, county, school and open space) (\$1.72 per 100 estimated annual value)
- Unit maintenance expenses
- Association dues (\$100 monthly)

These estimates assume a down payment of 5%.

**COUNCIL ON AFFORDABLE HOUSING (COAH)
2008 REGIONAL INCOME LIMITS**

	1 Person	*1.5 Person	2 Person	*3 Person	4 Person	*4.5 Person	5 Person	6 Person	7 Person	8 Person	Max. Increase** <i>Reims/Sales</i>	Regional Asset Limit***
Region 1												
<i>Median</i>	\$53,950	\$57,804	\$61,658	\$69,365	\$77,072	\$80,155	\$83,238	\$89,404	\$95,569	\$101,735		
<i>Moderate</i>	\$43,160	\$46,243	\$49,326	\$55,492	\$61,658	\$64,124	\$66,590	\$71,523	\$76,455	\$81,388	3.00%	\$149,034
<i>Low</i>	\$26,975	\$28,902	\$30,829	\$34,682	\$38,536	\$40,077	\$41,619	\$44,702	\$47,785	\$50,868		
<i>Very Low</i>	\$16,185	\$17,341	\$18,497	\$20,809	\$23,122	\$24,046	\$24,971	\$26,871	\$28,671	\$30,521		
Region 2												
<i>Median</i>	\$58,640	\$62,828	\$67,017	\$75,394	\$83,771	\$87,122	\$90,473	\$97,174	\$103,876	\$110,578		
<i>Moderate</i>	\$46,912	\$50,263	\$53,613	\$60,315	\$67,017	\$69,697	\$72,378	\$77,739	\$83,101	\$88,462	3.00%	\$160,715
<i>Low</i>	\$29,320	\$31,414	\$33,508	\$37,697	\$41,886	\$43,561	\$45,236	\$48,587	\$51,938	\$55,289		
<i>Very Low</i>	\$17,592	\$18,848	\$20,105	\$22,618	\$25,131	\$26,137	\$27,142	\$29,152	\$31,163	\$33,173		
Region 3												
<i>Median</i>	\$67,690	\$72,525	\$77,360	\$87,030	\$96,700	\$100,568	\$104,436	\$112,172	\$119,908	\$127,644		
<i>Moderate</i>	\$54,152	\$58,020	\$61,888	\$69,624	\$77,360	\$80,454	\$83,549	\$89,738	\$95,926	\$102,115	3.00%	\$184,132
<i>Low</i>	\$33,845	\$36,263	\$38,680	\$43,515	\$48,350	\$50,284	\$52,218	\$55,086	\$59,954	\$63,822		
<i>Very Low</i>	\$20,307	\$21,758	\$23,208	\$26,109	\$29,010	\$30,170	\$31,331	\$33,652	\$35,972	\$38,293		
Region 4												
<i>Median</i>	\$59,196	\$63,425	\$67,653	\$76,109	\$84,566	\$87,949	\$91,331	\$98,097	\$104,862	\$111,627		
<i>Moderate</i>	\$47,357	\$50,740	\$54,122	\$60,888	\$67,653	\$70,359	\$73,065	\$78,477	\$83,889	\$89,302	3.00%	\$159,071
<i>Low</i>	\$29,598	\$31,712	\$33,826	\$38,055	\$42,283	\$43,974	\$45,666	\$49,048	\$52,431	\$55,814		
<i>Very Low</i>	\$17,759	\$19,027	\$20,296	\$22,833	\$25,370	\$26,385	\$27,399	\$29,429	\$31,459	\$33,488		
Region 5												
<i>Median</i>	\$52,010	\$55,725	\$59,440	\$66,870	\$74,300	\$77,272	\$80,244	\$86,188	\$92,132	\$98,076		
<i>Moderate</i>	\$41,608	\$44,580	\$47,552	\$53,496	\$59,440	\$61,818	\$64,195	\$68,950	\$73,706	\$78,461	3.00%	\$137,699
<i>Low</i>	\$26,005	\$27,863	\$29,720	\$33,435	\$37,150	\$38,636	\$40,122	\$43,094	\$46,066	\$49,038		
<i>Very Low</i>	\$15,603	\$16,718	\$17,832	\$20,061	\$22,290	\$23,182	\$24,073	\$25,856	\$27,640	\$29,423		
Region 6												
<i>Median</i>	\$45,355	\$48,595	\$51,834	\$58,314	\$64,793	\$67,385	\$69,976	\$75,160	\$80,343	\$85,527		
<i>Moderate</i>	\$36,284	\$38,876	\$41,468	\$46,651	\$51,834	\$53,908	\$55,981	\$60,128	\$64,275	\$68,421	3.00%	\$121,348
<i>Low</i>	\$22,678	\$24,297	\$25,917	\$29,157	\$32,397	\$33,692	\$34,988	\$37,580	\$40,172	\$42,763		
<i>Very Low</i>	\$13,607	\$14,578	\$15,550	\$17,494	\$19,438	\$20,215	\$20,993	\$22,548	\$24,103	\$25,658		

*These columns are for calculating the pricing for one, two and three bedroom sale and rental units as per N.J.A.C. 5:80-26.6(b) and N.J.A.C. 5:80-26.12(a).

**This column is used for calculating the pricing for resale and rent increases for units as per N.J.A.C. 5:94-7.2(b)2. Affordable prices and rents may be raised a maximum of 3.0 percent, based on the U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index (CPI), United States, All Urban Consumers Housing. However, low income tax credit developments may increase based on the low income tax credit regulations.

***The Regional Asset Limit is used in determining an applicant's eligibility for affordable housing pursuant to N.J.A.C. 5:80-26.16(b)3.

(Moderate income is between 80 and 50 percent of the median income. Low income is 50 percent or less of median income. Very low income is 30 percent or less of median income.)

Table 11

Home Purchase (Sale) Price for Affordability

Household Size	Income Level	Purchase (Sales Price of Dwelling)*	No. of Bedrooms
(1.5) 1 person	Moderate	\$147,000.	1
(1.5) 1 person	Low	\$92,000.	1
(1.5) 1 person	Very Low	\$55,000.	1
(3) 3 persons	Moderate	\$176,500.	2
(3) 3 persons	Low	\$110,200.	2
(3) 3 persons	Very Low	\$66,200.	2
(4.5) 4 persons	Moderate	\$203,400.	3
(4.5) 4 persons	Low	\$124,400.	3
(4.5) 4 persons	Very Low	\$76,500.	3

*The average of all sales in the grouping of household size must not exceed 35% of the median income level for low and 50% of the median income for moderate. To be eligible for moderate income units, a household income must be between 50% and 80% of the median income for the region. Washington, this is \$72,812 or less for a family of four. To be eligible for low income units, a household income must be below 50% of the median income for the region. For Washington, this would be \$45,507 or less for a family of four. A price for a 3-bedroom for-sale unit at 70% of median income for the region is \$220,536.

Table 11.1

Rental Limits for Affordability

Median Income 1.5 person \$62,826
Median Income 3 person \$75,394
Median Income 4.5 person \$87,122

Very Low Income (30% Median)

Size	Gross Rent	Utility Allowance	Net Rents
1 Bedroom	\$471	\$100	\$371
2 Bedroom	\$565	\$125	\$440
3 Bedroom	\$653	\$151	\$502

Low Income (35% Median)

Size	Gross Rent	Utility Allowance	Net Rents
1 Bedroom	\$548	\$100	\$448
2 Bedroom	\$660	\$125	\$535
3 Bedroom	\$762	\$151	\$611

Low Income (46% Median)

Size	Gross Rent	Utility Allowance	Net Rents
1 Bedroom	\$722	\$100	\$662
2 Bedroom	\$861	\$125	\$736
3 Bedroom	\$1001	\$151	\$850

Moderate Income (60% Median)

Size	Gross Rent	Utility Allowance	Net Rents
1 Bedroom	\$942	\$100	\$842
2 Bedroom	\$1131	\$125	\$1006
3 Bedroom	\$1,306	\$151	\$1156

Source: 2008 Regional Income Limits

The maximum average rent must be affordable to households earning 52 percent of the median income. At least 10 percent of all low-and moderate-income units shall be affordable to households earning no more than 35 percent of median income. In addition, the maximum rent price cannot exceed 60 percent of the median income to be considered affordable. Rent, including utilities, may not exceed thirty percent of the gross monthly income. Eligibility requirements noted above remain applicable.

Note: One bedroom housing is affordable to a 1.5 person household
 Two bedroom housing is affordable to a 3 person household
 Three bedroom housing is affordable to a 4.5 person household

F. Substandard Homes Capable of Being Rehabilitated

Based on Washington Township’s relatively new housing stock, as well as the small proportion of substandard units, COAH has determined Washington Township’s rehabilitation requirement to be zero units.

II. DEMOGRAPHIC CHARACTERISTICS

A. Population

Washington Township’s population growth rate during the early and mid 1990’s is not expected to continue at the same pace into the 21st century. Current projections indicate that the Township’s population will continue to rise in the next twenty years, but at a significantly lower rate than previously observed, due to an increasing scarcity of developable land which is not encumbered by Highlands and sewer restrictions.

Table 12

Population Projections

Year	Population
1980	4,243
1990	5,367
2000	6,185
2007	6,865
2018	8,444*

* Projections based upon Final Warren County Planning Board Report 3/05
Source: 1980, 1990, & 2000 U.S. Census of Population and Housing

B. Household Size and Type

Washington Township experienced a gradual residential expansion and a consequential increase in population. Washington Township’s increase in population is expected to slow down in part due to the lack of infrastructure, sewers, public water, no major transportation facilities, i.e., highways and railroads, and the area of the Township in the Highlands Preservation Area.

Table 13

Household and Population Projections

Year	Number of Households	Population	Persons Per Household
1980	----	4,243	----
1990	1,820	5,367	2.95
2000	2,099	6,248	2.95
2010	2,570	6,818	2.87
2020	2,584	7,388	2.86

Source: 1980, 1990, & 2000 U.S. Census and NJTPA (MPO Number)

Table 14

Household Type and Relationship

Relationship		
Total Population	6,248	100.0
In households	6,185	99.0
Householder	2,099	33.6
Spouse	1,527	24.4
Child	2,192	35.1
Own child under 18	1,765	28.2
Other relatives	212	3.4
Under 18 years	60	1.0
Non-relatives	155	2.5
Unmarried partner	76	1.2
In Group Quarters	63	1.0
Institutionalized population	35	0.6
Noninstitutionalized population	28	0.4

Source: 2000 U.S. Census of Population and Housing

Table 15

Type of Housing Units by Structure

	Number	Percent
Total Housing Units	2,174	100.00
Units in Structure		
1 unit, detached	1,973	90.8
1 unit, attached	103	4.7
2 units	55	2.5
3 or 4 units	-	-
5 to 9 units	-	-
10 to 19 units	-	-
20 or more units	7	0.3
Mobile Home	36	1.7
Boat, RV, Van, etc.	-	-

Source: 2000 U.S. Census of Population and Housing

C. Income Level

Table 16

Washington Township Household Income

	2000	2000
Household Income	Number	Percent
Less than \$10,000	60	2.9%
\$10,000-\$14,999	13	0.6%
\$15,000-\$24,999	108	5.1%
\$25,000-\$34,999	142	6.8%
\$35,000-\$49,999	192	9.1%
\$50,000-\$74,999	476	22.7%
\$75,000-\$99,999	499	23.8%
\$100,000-\$149,999	393	18.7%
\$150,000-\$199,999	139	6.06%
200,000 or more	77	3.7%

Source: 2000 Census of Population and Housing

Table 16.1

CLASS OF WORKER	Number	Percent
Private wage and salary workers	2,497	80.0
Government workers	475	15.2
Self-employed workers in own not incorporated business	142	4.5
Unpaid family workers	9	0.3
INCOME IN 1999		
Households	2,099	100.0
Less than \$10,000	60	2.9
\$10,000 to \$14,999	13	0.6
\$15,000 to \$24,999	108	5.1
\$25,000 to \$34,999	142	6.8
\$35,000 to \$49,999	192	9.1
\$50,000 to \$74,999	476	22.7
\$75,000 to \$99,999	499	23.8
\$100,000 to \$149,999	393	18.7
\$150,000 to \$199,999	139	6.6
\$200,000 or more	77	3.7
Median household income (dollars)	77,458	(X)
With earnings	1,888	89.9
Mean earnings (dollars)	83,987	(X)
With Social Security income	497	23.7
Mean Social Security income (dollars)	12,221	(X)
With Supplemental Security income	56	2.7
Mean Supplemental Security income	5,809	(X)
With public assistance income	36	1.7
Mean public assistance income (dollars)	10,039	(X)
With retirement income	356	17.0
Mean retirement income (dollars)	16,140	(X)
Families	1,720	100.0
Less than \$10,000	39	2.3
\$10,000 to \$14,999	13	0.8
\$15,000 to \$24,999	39	2.3
\$25,000 to \$34,999	82	4.8
\$35,000 to \$49,999	162	9.4
\$50,000 to \$74,999	357	20.8
\$75,000 to \$99,999	454	26.4
\$100,000 to \$149,999	367	21.3
\$150,000 to \$199,999	139	8.1
\$200,000 or more	68	4.0
Median household income (dollars)	84,348	(X)
Per capita income (dollars)	29,141	(X)
Median earnings (dollars)		
Male full-time, year-round workers	54,321	(X)
Female full-time, year-round workers	35,056	(X)

(X) Denotes data not provided.

Source: 2000 Census of Population and Housing

Table 17

Washington Township Household Income Levels

	1990	2000
Total Number of Households	1,820	2,174
Mean Income	\$79,270	\$83,987
Median Income	\$52,890	\$77,458

Source: 1980, 1990, & 2000 U.S. Census of Population and Housing

D. Age

Table 18

Census 2000 Demographic Profile Highlights

	Number	Percentage
Total Population	6,248	
Male	3,053	48.9
Female	3,195	51.1
Median Age (years)	37.6	
Under 5 Years	435	7.0
18 years and over	4,373	70.0
65 years and over	609	9.7

Source: 2000 U.S. Census of Population

E. Marital Status

Table 19

Marital Status

Population 15 years and over	4732	100.0
Never Married	1031	21.7
Now Married, except separated	3225	68.2
Separated	22	0.5
Widowed	213	4.5
Female	157	3.3
Divorced	241	5.1
Female	138	2.9

Source: 2000 U.S. Census

III. EXISTING AND PROBABLE FUTURE EMPLOYMENT CHARACTERISTICS

Table 20

Employment Projections

	CUPR projections*	NJTPA projections**
2000	6,248*	3,123
2004	6,476	3,295
2010	6,818	3,553
2018	7,274	3,897
2020	7,388	3,983
2035	8,240	4,640

**Projections based upon Warren County Planning Board*

***Projections based upon NJTPA Approved Employment Forecasts (MPO Number)*

Table 21

Occupation of Employed Persons 16 Years and Over

Description	Number	Percent
Employed civilian population 16 years and over	3123	100.0
Occupation		
Management, professional and related occupations	1168	37.4
Service occupations	396	12.7
Sales and office occupations	949	30.4
Farming, fishing and forestry occupations	15	0.5
Construction, extraction, and maintenance occupations	375	12.0
Production, transportation, and material moving occupations	220	7.0
Industry		
Agriculture, forestry, fishing and hunting, and mining	35	1.1
Construction	270	8.6
Manufacturing	523	16.7
Wholesale trade	130	4.2
Retail trade	311	10.0
Transportation and warehousing, and utilities	100	3.2
Information	159	5.1
Finance, insurance, real estate, and rental and leasing	216	6.9
Professional, scientific, management, administrative, and waste management services	260	8.3
Educational, health and social services	686	22.0
Arts, entertainment, recreation, accommodation and food services	162	5.2
Other services (except public administration)	109	3.5
Public administration	162	5.2

Source 2000 U.S. Census

The classifications for occupations in the 2000 U.S. Census differ slightly from those in the previous two censuses. Construction, extraction, maintenance, production, transportation, and material moving occupations have all been grouped under the category Operators, Fabricators, and Laborers.

IV. PRESENT AND PROSPECTIVE FAIR SHARE

A Vacant Land Analysis was not conducted. Washington Township relies on COAH data which states that 59 affordable units are needed through the year 2018.

V. PROJECTION OF HOUSING STOCK

Based on the 3rd Round COAH requirements, Washington Township has developed a workable strategy to meet its obligation. The Township has not allocated funds from its Developer Fee Trust Fund for this compliance since it has not yet received COAH approval to use these funds.

A. Construction Permits Issued

The following tables have been provided as a historical summary and prospective view of development activity

2004- 2018 Housing Change
297

Based on amendments to NJAC 5:97 proposed on June 16, 2008

Table R-2
Certificates of Occupancy and Demolitions

YEAR	'97	'98	'99	'00	'01	'02	'03	'04	'05	'06	'07	'08	TOTAL
CO's Issued*	22	9	14	12	17	55	56	83	60	23	11	8	370
Demolitions*	0	0	0	0	0	0	0	0	2	3	2	7	14

* Actual for all years.

B. Approvals of Development Applications

Table R-3
Anticipated Developments and Number of Residential Units
by the Year that CO's are Anticipated to be Issued

YEAR	'09*	'10	'11	'12	'13	'14	'15	'16	'17	'18	Total
Approved Development Applications	2	6	7	5	10	11	8	5	6	6	66

*Actual

Table R-4
Actual and Projected Miscellaneous Residential
Demolition Permits from 2004 and 2007 and projection through 2018

YEAR	'04*	'05*	'06*	'07*	'08*	'09	'10	'11	'12	'13	'14	'15	'16	'17	'18	Total
Demolitions	0	2	3	2	0	1	1	1	2	1	0	2	1	1	2	19

*Actual

Table R-5
Total Net Residential Growth (Sum of Actual and Projected Growth)

YEAR	04-07*	'08*	'09*	'10	'11	'12	'13	'14	'15	'16	'17	'18	TOTAL
Total CO's Issued (from Table R2 and R3)	177	8	2	6	7	5	10	11	28	5	6	6	271

* Actual

Table R-6
Second Round Affordable and Market-Rate Units in
Inclusionary Developments to be Excluded from Growth Projection
by the Year that CO's are Anticipated to be Issued

'04	'05	'06	'07	'08	'09	'10	'11	'12	'13	'14	'15	'16	'17	'18
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

****Table R-7**
Net Residential Growth Projections After Subtracting
Affordable and Inclusionary Market-Rate Units

YEAR	'04*	'05*	'06*	'07*	'08*	'09*	'10	'11	'12	'13	'14	'15	'16	'17	'18	Total
Net Residential Growth (Table R2 and R-5)	83	60	23	11	8	2	6	7	5	10	11	28	5	6	6	271
Second Round Inclusionary Units (Table R-3)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Final Net Growth	83	60	23	11	8	2	6	7	5	10	11	28	5	6	6	271

*Actual

** Includes Inclusionary Market Rate Units or Associated Affordable Units and credits for the affordable housing units

Table R-8
Affordable Housing Unit Growth Projections

	'04	'05	'06	'07	'08	'09	'10	'11	'12	'13	'14	'15	'16	'17	'18	Total
Table R-2 and Table R-5 Total	83	60	25	11	8	2	6	7	5	10	11	28	5	6	6	271
Divided by Five	16	12	5	2	2	1	1	2	1	2	2	6	1	1	1	54

Table NR-1
MPO Non-Residential Growth Projection

2018 Employment Allocated	-	2004 Employment	=	Employment Change
3,684		3,212	=	472

Based on Amendments to NJAC 5:97 proposed on June 16, 2008

Table NR-2
Use Group Conversion to Jobs

Use Group	Description	Square Feet Generating One Affordable Unit	Jobs Per 1,000 Square Feet
B	Office buildings. Places where business transactions of all kinds occur, Includes banks, corporate offices, government offices, professional offices, car showrooms and out patient clinics	5,714	2.8
M	Mercantile uses. Buildings used to display and sell products. Includes retail stores, strip malls, shops and gas stations.	9,412	1.7
F	Factories where people make, process, or assemble products. Includes automobile manufacturers, electric power plants, foundries, and incinerators. F use group includes F1 and F2.	13,333	1.2
S	Storage uses. Includes warehouses, parking garages, lumberyards, and aircraft hangers but excludes parking garages. S group includes S1 and S2.	16,000	1.0
H	High Hazard manufacturing, processing, generation and storage uses. H group includes H1, H2, H3, H4 and H5.	10,000	1.6
A1	Assembly uses including theaters, concert halls and TV studios.	10,000	1.6
A2	Assembly uses including casinos, night clubs, restaurants and tavern	5,000	3.2
A3	Assembly uses including libraries, lecture halls, arcades, galleries, bowling alleys, funeral parlors, gymnasiums and museums but excluding houses of worship-covered fields and higher education uses.	10,000	1.6
A4	Assembly uses including arenas, skating rinks and pools	4,706	3.4
A5	Assembly uses including amusement park structures and stadiums	6,154	2.6
I	Institutional uses such as hospitals, nursing homes, assisted living facilities and jails. I group include I1, I2, I3 and I4.	6,154	2.6
R1	Hotels and motels	9,412	1.7

In the case of mixed –use development, the jobs calculation will be assigned in proportion to the square footage of each use in the mixed use development.

Table NR-3

"B" USE GROUP: Actual Developments
by Year that CO's Were Issued (2.8) jobs per 1,000 square feet)

	<i>'04 - '18</i>	<i>Total Sq. Ft.</i>	<i>Jobs</i>
TOTAL NEW DEVELOPMENT	5	50,365	141
TOTAL DEMOLITIONS (9,300 s.f.demolition was done in 2007)	7	-10,000	28.0
TOTAL		40,365	113

"M" USE GROUP: Actual Developments
by Year that CO's Were Issued (1.7) jobs per 1,000 square feet)

	<i>'04 -18</i>	<i>Total Sq. Ft.</i>	<i>Jobs</i>
TOTAL NEW DEVELOPMENT	10	182,735	310.6
TOTAL DEMOLITIONS	0	-0	-0
TOTAL		182,735	311

"F" USE GROUP: Actual Developments
by Year that CO's Were Issued (1.2) jobs per 1,000 square feet)

	<i>'04-'18</i>	<i>Total Sq. Ft.</i>	<i>Jobs</i>
TOTAL NEW DEVELOPMENT	3	10,800	13
TOTAL DEMOLITIONS	0	-0	-0
TOTAL		0	13

"S" USE GROUP: Actual Developments
by Year that CO's Were Issued (1.0) jobs per 1,000 square feet)

	<i>'04-'18</i>	<i>Total Sq. Ft.</i>	<i>Jobs</i>
TOTAL NEW DEVELOPMENT	10	34,521	34.5
TOTAL DEMOLITIONS	0	-0	-0
TOTAL		34,521	35

"H" USE GROUP: Actual Developments
by Year that CO's Were Issued (1.6) jobs per 1,000 square feet)

	<i>'04-'18</i>	<i>Total Sq. Ft.</i>	<i>Jobs</i>
TOTAL NEW DEVELOPMENT	0	0	0
TOTAL DEMOLITIONS	0	-0	-0
TOTAL		0	0

"A1" USE GROUP: Actual Developments
by Year that CO's Were Issued (1.6) jobs per 1,000 square feet)

	<i>'04-'18</i>	<i>Total Sq. Ft.</i>	<i>Jobs</i>
TOTAL NEW DEVELOPMENT	0	0	0
TOTAL DEMOLITIONS	0	-0	-0
TOTAL		0	0

"A2" USE GROUP: Actual Developments
by Year that CO's Were Issued (3.2) jobs per 1,000 square feet)

	<i>'04-'18</i>	<i>Total Sq. Ft.</i>	<i>Jobs</i>
TOTAL NEW DEVELOPMENT	0	0	0
TOTAL DEMOLITIONS	0	-0	-0
TOTAL		0	0

"A3" USE GROUP: Actual Developments
by Year that CO's Were Issued (1.6) jobs per 1,000 square feet)

	<i>'04-'18</i>	<i>Total Sq. Ft.</i>	<i>Jobs</i>
TOTAL NEW DEVELOPMENT	1	0	0
TOTAL DEMOLITIONS	0	-0	-0
TOTAL		0	0

"A4" USE GROUP: Actual Developments
by Year that CO's Were Issued (3.4) jobs per 1,000 square feet)

	<i>'04-'18</i>	<i>Total Sq. Ft.</i>	<i>Jobs</i>
TOTAL NEW DEVELOPMENT	0	0	0
TOTAL DEMOLITIONS	0	-0	-0
TOTAL		0	0

"A5" USE GROUP: Actual Developments
by Year that CO's Were Issued (2.8) jobs per 1,000 square feet)

	<i>'04-'18</i>	<i>Total Sq. Ft.</i>	<i>Jobs</i>
TOTAL NEW DEVELOPMENT	0	0	0
TOTAL DEMOLITIONS	0	-0	-0
TOTAL		0	0

"I" USE GROUP: Actual Developments
by Year that CO's Were Issued (2.6) jobs per 1,000 square feet)

	<i>'04-'18</i>	<i>Total Sq. Ft.</i>	<i>Jobs</i>
TOTAL NEW DEVELOPMENT	2	7,000	18
TOTAL DEMOLITIONS	0	-0	-0
TOTAL		7,000	18

"R1" USE GROUP: Actual Developments
by Year that CO's Were Issued (1.7) jobs per 1,000 square feet)

	<i>'04-'18</i>	<i>Total Sq. Ft.</i>	<i>Jobs</i>
TOTAL NEW DEVELOPMENT	0	10,000	17.0
TOTAL DEMOLITIONS	0	-0	-0
TOTAL		10,000	17.0

Table NR-4

"S" USE GROUP: Actual Developments
by Year that CO's Were Issued (1.0) jobs per 1,000 square feet)
THIS TABLE WAS EMBODIED IN TABLE NR-3

Table NR-5

"B" USE GROUP: Developments and Anticipated Developments
by Year that CO's are Anticipated to be Issued
(2.8 jobs per 1,000 square feet)
THIS TABLE WAS EMBODIED IN TABLE NR-3

Table NR-6

"M" USE GROUP: Developments and Anticipated Developments
by Year that CO's are Anticipated to be
Issued (1.7) job per 1,000 square feet)
THIS TABLE WAS EMBODIED IN TABLE NR-3

Table NR-7

"A2- A4" USE GROUP: Developments and Anticipated Developments
by the Year that CO's are Anticipated to be issued
1.6 to 3.4 jobs per 1,000 square feet
THIS TABLE WAS EMBODIED IN TABLE NR-3

Table NR-8

Net Projected Employment Growth
THIS TABLE WAS EMBODIED IN TABLE NR-3

Table NR-9

Total Net Non-Residential (Employment) Growth (Sum of Actual and Projected Growth)
1/1/2004 through 12/31/2018
THIS TABLE WAS EMBODIED IN TABLE NR-3

Table NR-10
 Affordable Housing Unit Obligation Generated by Non-Residential Development
 1/1/2004 through 12/31/2018

Information Extracted from Table NR-3

Use Group	Jobs
B	113
M	311
F	13
S	35
H	0
A1	0
A2	0
A3	0
A4	0
A5	0
I	18
R1	17
TOTAL	507
Divided by 16	
Job Obligation	32

Table 22

**Total Projected Affordable Housing Obligation Generated
 by Residential and Non-Residential Development (2004-2018)
 Based on COAH methodology**

<i>Components of Calculating Fair Share Number</i>	<i>Number</i>
Rehabilitation Share	0
Remaining Prior Round Obligation (1987-1999)	0
Growth Share (2004-2018)	
Residential Growth	54
Non-residential growth	32
TOTAL Township Fair Share Obligation	86
COAH Growth Share	59

The data above has been summarized again and differentiated into grouping data into documented data of 2004 through 2008 and projected from 2009 through 2018.

Table 22.1
Residential and Non-Residential Growth
2004 through 2007
(Table information taken from R-5 and NR-3)

Development Type	CO's Issued (No Demos)	Non-Residential Net Jobs Created
Residential	177	-----
Non-Residential	-----	92

Table 22.2
Affordable Unit Requirement
Residential and Non-Residential Growth
2004 through 2007

Development Type	Residential CO's Issued	Non-Residential Net Jobs Created	COAH Calculation	Affordable Units Req'd.
Residential	177	-----	divide by 5	35
Non-Residential	-----	92	divide by 16	6
Total				41

Table 22.3
Residential and Non-Residential Growth
2008 through 2018
(Table information taken from R-5 and NR-3)

Development Type	CO's Issued (No Demos)	Non-Residential Net Jobs Created
Residential	271	----
Non-Residential	----	507

Table 22.4
Affordable Unit Requirement
Residential and Non-Residential Growth
2008 through 2018

Development Type	Residential CO's Issued	Non-Residential Net Jobs Created	COAH Calculation	Affordable Units Req'd.
Residential	94	----	divide by 5	19
Non-Residential	----	415	Divide by 16	26
Total				45

Table 22.5
Total Affordable Unit Requirement
Residential and Non-Residential Growth
2004 through 2018

Development Type	Units from Requirement 2004-2007	Units from Requirement 2008-2018	Affordable Units Req'd.
Residential	35	19	54
Non-Residential	6	26	32
Total	41	45	86

VI. CONSIDERATION OF LANDS

Consideration of additional lands is not applicable because all affordable units are either existing units (and having affordability controls extended) or lands that have already received Board approvals for development (Compliance period).

VII. FAIR SHARE PLAN

HISTORICAL CONTEXT

Washington Township, a Highlands community having Preservation and Planning areas within its borders, has been a long-term participant in the COAH program. The following is the history of its participation:

- Certification for Round 1 was granted by COAH on May 1, 1991.
- Certification for Round 2 was granted by COAH on December 1, 1999.
- Certification for Extended Substantive Certification was granted by COAH on December 6, 2000.

Fair Share Plan for Round 2

To satisfy its Round 2 obligation of 78 units, including rehabilitations which were subsequently not included for credit, Washington Township accomplished the requirement with:

- New Construction 32 units plus 9 rental bonus credits
- Rehabilitations of 26 units
- Alternative Living units (bedrooms) of 10 units

The current COAH data show an obligation of zero rehabilitations and an obligation of 59 units.

MEETING OUR 3RD ROUND OBLIGATION

Planning for the Future

According to N.J.A.C. 5:94-4.2, a Fair Share Plan describes a township's plan of how to meet its entire affordable housing obligation (1987-2018). It must include the topics of:

- A. Accounting of Developer Fees and Expenditures
- B. Description of Projects
- C. Shortfall of Funding
- D. Assurance of Proportional Allocation

Washington Township has a total COAH obligation of 59 units based on published COAH numbers. According to 5:97-3.3, at least 50% of the total obligation shall be affordable to low income families. These units can be for low income occupancy including for-sale or rental units; the overall rental obligation is 25% of the total; at least 13% of the units must be reserved for very low income persons. There is a maximum of 25% which that can be devoted to age-restricted units. Table III below demonstrates that Washington Township exceeds its obligation and provides excess units, including dwellings, compliance, and bonus credits.

A. Accounting of Developer Fees and Expenditures

Revenue from developer fees supplies Washington Township with funding for its affordable housing program. The Developer fees have been collected in Washington pursuant to N.J.A.C. 5:94-6.6&7. The Township currently collects 1% of the equalized assessed value of a home and 2.5% of the equalized assessed value of a non-residential building (unless limitations for collection are applicable by state regulations). Although building permits, and therefore developer fees, have sharply declined in recent years, the higher development fee rate will modestly supplement the funds derived from a dwindling number of applicants, although these funds are not viewed as adequately to support the COAH program. Reported as of February 19, 2010, Washington Township collected a total of \$167,628.26 and has not used any monies from this Developer Fee Trust account. Although the township does not yet have an approved Development Fee Spending Plan, the township recognizes that at least 30% will be set aside to render units more affordable, pursuant with COAH regulations. In constructing a Development Fee Spending Plan, there are several additional components which will be considered. As a parenthetical remark, if the final approach to estimating COAH obligations rests partially on the non-residential stock of the township, Washington will ask for an analysis of vacant buildings which have been occupied over the course of years. By their existence, there may be the assumption that the buildings generate jobs when, in fact, vacant buildings do not generate employment opportunities.

Going forward, Washington Township will consider various scenarios to advance its affordable housing program. These options will be considered, specific approval will be sought from COAH. At this time not all options are being employed for the third round:

- 1. A Housing Rehabilitation Program (not eligible for credit), but advances program
- 2. Market to Affordable Program
- 3. New Construction
- 4. Rendering Units More Affordable (not eligible for credit), but advances program
- 5. Supportive Needs Housing
- 6. Inclusionary Zoning
- 7. Extension of Expiring Controls

1. A Housing Rehabilitation Program-Not needed for Round 3 Substantive Certification, but reserved for possible future consideration.

Pursuant to N.J.A.C. 5:94-4.3, the average capital costs of the rehabilitation units must now be at least \$10,000.00 per unit. According to N.J.A.C. 5:94-3.2, a township may only receive affordable housing credit for its rehabilitation share, but not for rehabilitation units exceeding a township's required share.

2. Market to Affordable Program – Not needed for Round 3 Substantive Certification, but reserved for possible future consideration:

a. A market to affordable program includes units purchased or subsidized through a written agreement with the property owner and sold or rented to low- and moderate income households. Subject to the provisions of (b)3 below, market to affordable programs may be designed to produce only low-income units, only moderate-income units or both low-and moderate-income units.

b. The following provisions apply to market to affordable programs:

- i. At the time they are offered for sale or rental, eligible units may be new, pre-owned or vacant.
- ii. The units shall be certified to be in sound condition as a result of an inspection performed by a licensed building inspector.
- iii. Washington may provide a minimum of \$25,000 per unit to subsidize each moderate-income unit and/or \$30,000 per unit to subsidize the each low-income unit, with additional subsidy depending on the market prices or rents in the township.
- iv. The regulations state that no more than 10 for-sale and 10 rental units, may be used to satisfy the fair share obligation. In addition, the regulations outlined in COAH workshops indicate that it is "limited to 10 units a 10% of the fair share until viability of the program is documented."

c. Market to affordable units must comply with N.J.A.C. 5:97-9 and UHAC with the following exceptions:

- i. Bedroom distribution (N.J.A.C. 5:80-26.3(b) and (c)); however, the ordinance must not restrict the number of bedrooms per unit;
- ii. Low/moderate income split (N.J.A.C. 5:80-26.3(a)); subject to the provisions of (a) above, units in a market to affordable program shall be exempt from the requirement that at least 50 percent of the units created shall be affordable to households earning 50 percent or less of regional median income. In programs limited only to moderate-income households, an equivalent number of housing units for low-income households shall be addressed through other mechanisms in the Fair Share Plan; and
- iii. Affordability average (N.J.A.C. 5:80-26.3(d) and (e)); however:
 - (a) The maximum rent for a moderate-income unit shall be affordable to households earning no more than 60 percent of median income and the maximum rent for a low-income unit shall be affordable to households earning no more than 44 percent of median income; and
 - (b) The maximum sales price for a moderate-income unit shall be affordable to households earning no more than 70 percent of median income and the maximum sales price for a

low-income unit shall be affordable to households earning no more than 40 percent of median income.

- d. The following minimum documentation is required for this program:
- i. The units will be inspected for compliance with the requirements for safe, sanitary and secure premises according to the requirements of the UCC building code.
 - ii. A demonstration that there are sufficient market-rate units within the municipality.
 - iii. An estimate, based on (d)2 above, of the amount required to subsidize typical for sale and/or rental units, including any anticipated rehabilitation costs.
 - iv. Documentation demonstrating the source(s) of funding;
 - v. Demonstration that the funding source is sufficient to meet the needs of the program.
 - vi. An operating manual that includes a description of the program procedures and administration in accordance with UHAC will be submitted to COAH;
 - vii. An affirmative marketing plan in accordance with UHAC will be submitted to COAH;
 - viii. Designation of an experienced administrative agent, including a statement of his or her qualifications, in accordance with N.J.A.C. 5:96-18 will be submitted to COAH;

3. New Construction – 100% municipal construction projects-Not needed for Round 3 Substantive Certification, but reserved for possible future consideration.

Washington does not require additional units, but would like authority to use this method should the need arise and an opportunity present itself.

4. Rendering Units More Affordable-Not needed for Round 3 Substantive Certification, but reserved for possible future consideration.

Pursuant to COAH regulations (N.J.A.C. 5:93-8.15) at least thirty percent of the total affordable developer fee budget must be spent rendering units more affordable. The following are different ways of achieving this goal:

- a. subsidies
- b. municipal purchase and/or municipal land for affordable housing construction
- c. income eligible assistance
- d. write-down/buy-down & Lease-Purchase/Mortgage program
- e. down payment assistance
- f. condominium maintenance fee assistance

a. Subsidy

The Township may include plans to award a cash subsidy to reduce the cost of necessary construction elements to the residents of an affordable unit. Necessary construction elements include, but are not limited to windows, attic insulation, and thermostats. For receive this cash subsidy, the applicant would be required to meet certain criteria, such as:

- The home must be in the affordable housing program
- The unit must have at least one system below code

- The capital costs of rehabilitation must be between \$1,000 and \$10,000
- The applicant must be a resident of a low or moderate income house
- The maximum subsidy will be \$6,000.00.
- The applicant may get the subsidy once in a lifetime

b. Municipal purchase and/or existing municipal land for affordable housing construction

Washington Township could use the Development Fee Spending Plan funds to purchase vacant sites for the creation of low and very low family rental and group homes. The Township may also consider working with a non-profit organization for a group home created special-needs adults.

c. Income-Eligible Assistance

Washington Township could consider providing once-in-a-lifetime assistance to a low or moderate income property holder to prevent foreclosure. The subsidy requirements be:

- The property must be classified as affordable in compliance with COAH requirements.
- The maximum assistance would be \$2,000.00
- The circumstances which have made the owner unable to pay the taxes are unforeseen and temporary.

d. Write-Down/Buy-Down & Lease-Purchase/Mortgage

This promising strategy would allow people of low and moderate income to own a market-rate housing unit with a grant or loan from the Township paid by the developer. Loans could be granted at one percent interest. The units would require a deed restriction of thirty years, each receiving a minimum subsidy of \$25,000.00, pursuant to N.J.A.C. 5:94-4.10. COAH permits a maximum of ten units from this program in fulfilling its Fair Share Number.

e. Down Payment Assistance

Washington Township may consider offering a low-interest loan down payment assistance program for its growth share developments, group homes, and age-restricted housing. The following criteria must be fulfilled in order to receive the assistance:

- The maximum loan would be \$5,000.00
- The purchaser must execute a second mortgage if the loan is approved
- The loan must be paid back to the Township when the unit is sold or thirty years after the execution of the second mortgage, whichever comes first
- The purchaser must maintain a homeowner's insurance policy, with Washington Township included as named insured.

f. Condominium Special Assessment Maintenance Fee

Should Washington Township pursue this option in its Development Fee Spending Plan, it is recommended that applicants meet the following requirements:

- Only low and moderate income households would be eligible for the program
- The applicant would receive assistance if the unit's expenses exceed 40% of the household gross income
- The maximum loan or subsidy would be \$5,000.00
- applicant must execute a second mortgage if the loan is granted
- The loan must be repaid at the time of the sale of the unit or 30 years after the second mortgage is executed.
- The interest rate of the loan will be the rate at which the Township has most recently borrowed money for a capital project
- The purchaser must maintain a homeowner's insurance policy, including Washington Township, as the named insured.

- The maximum combination of Condominium maintenance, down payment costs, and closing costs should not exceed \$5,000.00 or the appreciation to which the owner of the household unit would be entitled.

5. Supportive and Special Needs Housing

Supportive and special needs housing includes, but is not limited to: residential health care facilities as regulated by the New Jersey Department of Health and Senior Services or DCA; group homes for the developmentally disabled and mentally ill as licensed and/or regulated by the New Jersey Department of Human Services; permanent supportive housing; and supportive shared living housing. Long term health care facilities including nursing homes, and Class A, B, C, D, and E boarding homes do not qualify as supportive and special needs housing.

a. The following provisions should apply to any supportive and special needs housing:

- i. The unit of credit for group homes, (residential health care facilities) and shared living housing should be the bedroom.
- ii. The unit of credit for permanent supportive housing should be the unit.
- iii. Supportive and special needs housing that is age-restricted should be included with the maximum number of units that may be age-restricted pursuant to N.J.A.C. 5:97-3.8.
- iv. All bedrooms and/or units should be affordable to low-income households.
- v. Units should serve populations 18 and over.
- vi. All sites for supportive and special needs housing should meet the site suitability criteria set forth in N.J.A.C. 5:97-3.13.
- vii. The municipality or developer/sponsor should have control or the ability to control the site(s).

b. The units shall comply with N.J.A.C. 5:97-9 and UHAC with the following exceptions:

- Affirmative marketing (N.J.A.C. 5:80-26.15); however, group homes, permanent supportive housing and supportive shared living housing should be affirmatively marketed to individuals with special needs in accordance with a plan approved by the Council's Executive Director;
- Affordability average bedroom distribution should per (N.J.A.C. 5:80-26.3); and
- Occupancy standards (N.J.A.C. 5:80-26.4(c)) should be limited to one person per bedroom for residential health care facilities, group homes, and supportive shared living housing.

c. The following minimum documentation, as detailed further in a checklist provided by the Council, should be submitted by the municipality upon application for substantive certification or at the time that COAH accepts the plan.

- Information regarding the supportive and/or special needs housing should be placed on forms provided by the Council of Affordable Housing;
- A description of the site, including the street location, block and lot, and acreage;
- A demonstration of the suitability of the site;
- A demonstration that the municipality or provider has control or has the ability to control the site(s); control may be in the form of outright ownership, a contract to purchase or an option on the property;
- An executed agreement, including a schedule for the construction of the

- supportive and/or special needs housing, with the provider, sponsor or developer;
- A pro forma for the supportive and/or special needs housing;
- Documentation demonstrating the source(s) of funding; and
- A municipal resolution appropriating funds or a resolution of intent to bond in the event of a shortfall of funds.

d. The following documentation shall be submitted after acceptance by COAH of this program and prior to marketing the completed units:

- An affirmative marketing plan in accordance with (c)1 above; and
- If applicable, proof that the supportive and/or special needs housing is regulated by the New Jersey Department of Health and Senior Services, the New Jersey Department of Human Services or another State agency in accordance with the requirements of this section.

6. Inclusionary and Growth Share Zoning-Applied to Round 3 Substantive Certification.

Washington Township has zoned for inclusionary development as an affordability component in the following residential zones:

R-10, R-20, R-40, Mountain Residential, Planned Village Development, Valley Residential and conversions. Article III, Section 3-14 through 3-18 requires construction or in-lieu contributions for development of a prescribed number of lots in a major subdivision. This ordinance is provided as an attachment in this report. It is recommended that the ordinance be amended to trigger this provision as a 20% set-aside.

7. Extension of Expiring Controls-Applied to Round 3 Substantive Certification.

a. Washington has addressed a portion of its growth share obligation through the extension of affordability controls. Typically, the process would be in accordance with N.J.A.C. 5:97-9 and UHAC, however, the deed has been reviewed by the Township attorney and the extension of controls is already embodied in the deed for this project. Therefore, the requirements of the statute are provided for informational purposes only. Site-specific requirements, will be addressed, however:

- i. The unit meets the criteria for prior-cycle or post-1986 credits set forth in N.J.A.C. 5:97-4.2 or 4.3;
 - ii. The affordability controls for the unit are scheduled to expire during the 1999 through the December 2018 period;
- Washington shall obtain a continuing certificate of occupancy or a certified statement from the municipal building inspector stating that the restricted unit meets all code standards; and
 - If a unit requires repair and/or rehabilitation work in order to receive a continuing certificate of occupancy or certified statement from the municipal building inspector, Washington shall fund and complete the work. Washington may utilize its affordable housing trust fund to purchase the unit and/or complete the necessary repair and/or rehabilitation work upon approval of the Development Fee Spending Plan by COAH.

b. The following minimum documentation is submitted, as applicable:

- Information regarding the development and specific units;
- A written commitment to extend controls from the owner, or evidence that the controls have been extended in accordance with UHAC;
- The filed deed restriction for the extended control period is furnished for Round 3;
- A pro-forma for any proposed acquisition and/or rehabilitation costs is not applicable;
- Documentation demonstrating the source(s) of funding is not applicable; and
- A municipal resolution appropriating funds is not applicable

c. The following minimum documentation will be submitted with the application for Substantive Certification:

- An operating manual that includes a description of the program procedures and administration in accordance with UHAC;
- An affirmative marketing plan in accordance with UHAC; and
- Designation of an experienced administrative agent, including a statement of his or her qualifications, in accordance with N.J.A.C. 5:96-18.

Bedroom Mix

The bedroom mix for affordability will be in accordance with COAH regulations as follows:

- 1 Bedroom at a maximum of 20%
- 2 Bedrooms at a minimum of 30%
- 3 Bedrooms at a minimum of 20%
- 4 Bedrooms is combined with the 3 bedroom component

B. Description of Projects

Washington Township’s obligation to provide affordable housing will be met by a variety of means in order to accommodate growth through 2018. Washington has planned for its obligation in a single program, targeting its credits for existing and approved dwellings. In order to meet its obligation for development, Washington Township must, and will, provide for units devoted to very low income households.

Based on the data provided in this report, the obligation is shown to be managed through five principal projects which offer diversified housing types and income mix.

Table I
 Total Income Mix Obligation (Actual)
 Period of 2004 through December, 2018
 Obligation for this period is 59 per COAH numbers

Income Mix based on COAH Requirements	Affordable Housing Requirement
Min. 25% of total are for Rentals	15
Min. 50% of total is for Low Income	30 (includes V/L)
Min 13% of total is for Very-Low Income	8
Max. 25% of total for Senior Housing	15
Minimum 50% of total for Families	30

Table II
 Total Income Mix Obligation (Provided)
 Period 2004 through December 2018

Income Mix based on COAH Requirements	2008- 20018 Affordable Housing Requirement	Compliant
Min. 25% of total are for Rentals	52	Yes
Min. 50% of total is Low Income	34 (includes V/L)	Yes
Min 13% of total is Very-Low Income	8	Yes
Max. 25% of total for Senior Housing	6	Yes
Minimum 50% for Families	39	Yes

Washington Township has provided a realistic potential for achieving compliance with COAH regulations. The following listing demonstrates compliance. Without question, through time, other opportunities may be revealed and will also be considered. Obviously annual monitoring on a regular basis may produce the need to adjust slightly these priorities. The “Identification of Affordable Units” portion of the Plan reflects a specific policy regarding projects identified in meeting Washington’s fair share obligation.

Table III
 Implementation – Identification of Affordable Units

Description	Units	Block	Lot	Mod- erate	Low	Very Low	Sale	Age- Restr.	Rental	*Bonus ** Compliance Credits
Fairway Mews	32	28	1-32	16	16				32	
Habitat For Humanity	1	90	3		1		1			
Regency/Hawk Pointe	6	65 65.01	2,4 1	3	3			6	6	*6
Regency/Hawk Pointe	4	65 65.01	2,4 1			4			4	*4
ARC	4	4	14.01			4			4	
Humanistic Change	6	48	38		6				6	
Rental Bonus Regency/Hawk Pointe										*10
Total	53			19	26	8	1	6	52	20

*Compliance Credits (not assigned as bonus credits) for this development have been applied since they were approved during a specified timeframe between December 20, 2004 and June 2, 2008. Therefore, a total of 53+20=73 (units and credits) are provided for Round 3 Compliance.

Table IV
Implementation – Address and Acreage of Affordable Units

Description	Address	Acreage	Zone
Fairway Mews	1 thru 32 Bense Court	4.38 acres	R-40
Habitat For Humanity	1209 Butlers Park Road	0.75 acres	R-10
Regency at Hawk Pointe	Hawk Pointe Boulevard	317.9 acres	PVD
Regency at Hawk Pointe	Hawk Pointe Boulevard	317.9 acres	PVD
ARC	356 Jonestown Road	2.77 acres	R-40
Humanistic Change	20 Birchwood Avenue	0.75 acres	R-10

Extension of Affordability Controls. The Fairway Mews project is one where the Township has determined that it will extend the controls on affordability. The Township attorney has concluded that ordinance adoption is not needed due to the deed language which gives the municipality the authority to extend the controls at its option. The Township has determined that it will extend the controls through the period of Round 3. This project is served by public sewers.

ARC is an eligible project for Round 3. This group home has four bedrooms. It is not age-restricted.

Center for Humanistic Change is an eligible project for Round 3. This group home has six bedrooms. It is not age-restricted.

New Construction. Habitat for Humanity recently constructed an affordable dwelling with the cooperation of Washington Township. The township transferred title to Habitat for Humanity so that the low-income dwelling could be constructed. This dwelling 4- bedroom dwelling has been constructed, sold, and is currently occupied.

Inclusionary Zoning. Regency at Hawk Pointe is a residential community within the Hawk Pointe complex, located off Route 31. Located in the PVD zone and part of the inclusionary zoning, the affordable units in the project were approved on December 20, 2006. Compliance credits for this development have been applied since they were approved during a specified timeframe between December 20, 2004 and June 2, 2008. The project will consist of 6 age-restricted, 2-bedroom dwellings and one 4-bedroom group home.

C. Shortfall of Funding

In compliance with N.J.A.C. 5:94-4.2, Washington Township must submit to COAH a municipal resolution that appropriates funds for affordable housing from a general reserve should there be an unexpected shortfall of funds from the developer fees. The facts in this request for Substantive Certification indicate that Washington Township is not likely to suffer a shortfall of funds in meeting its 3rd Round Housing requirement. Should such an instance occur, however, the Township will bond to meet the expenses necessary to meet its affordable housing obligation.

D. Assurance of Proportional Allocation

The allocations noted in the Fair Share Plan will be used to satisfy the type of credit to be used. The timeframe for allocation and crediting will be based on annual reports of certificates of occupancy. With the inclusionary zoning ordinance in place, the Township may further exceed the units estimated to be required during the Round 3 period. If this occurs, the course of action would be to retain excess credits for application in Round 4.