

Plans, Master Plans and Amendments

Report to the Board February 11th through March 9th 2016

Municipality	Township of Montville
Document	Housing Plan Element and Fair Share Plan
Public Hearing	March 10, 2016
Summary	Housing Element and Fair Share Plan prepared in response to the NJ Supreme Court 2015 decision

- Montville Township adopted a Third Round Housing Element and Fair Share Plan in May 27, 2010, in coordination with an extension granted due to their participation in the Highlands Plan Conformance Process. The Township filed its petition, which was deemed complete in July of 2010; however, substantive certification was never received. This original plan was based on growth share analysis, subsequently invalidated by the Court.
- In this new draft Plan, Montville notes that the obligation requirements to be determined by the court are in a state of flux and subsequently compares the obligations as calculated by the Fair Share Housing Center (Kinsey Report) and by Econsult Solutions, the consultant hired by Montville as part consortium of municipalities to determine fair share obligations. Combining prior round, present and prospective need, the Kinsey Report identified an obligation of 1,272 affordable housing units. The Econsult calculated a corresponding 405 unit total obligation. These calculations are as follows:

	Econsult	<u>Kinsey</u>
○ Present Need / rehabilitation obligation	17	11
○ Prior Round obligation for 1987 – 1999	261	261
○ Prospective Need obligation*		
▪ 1999 – 2025	-----	1000
▪ 2015 – 2015	127	-----

*Note: The data for the two analysis covers differing time periods

- Montville is using the Econsult figures in development of this new Plan as the Econsult figures reflect the fact that Montville is heavily constrained by environmentally sensitive features and contains minimal developable land, a factor “not apparently acknowledged” in the Kinsey Report.
- Concerning its Prior Round obligation of 261 units, Montville identifies 405 affordable housing units constructed in various inclusionary developments. A total of 196 of these will be applied to the prior round obligation, along with 65 rental bonus credits to meet this 261 units Prior Round need.
- Concerning its Prospective Need of 127 units, the Township proposes to address this obligation via surplus credits from the Prior Round, as well as rental bonus credits permitted in accordance with COAH’s Second Round rules. The Plan notes that a 116 surplus unit/credit will remain after meeting the current Prospective Need obligation which may be applied to future obligations or toward any upward adjustment of the Third Round obligation as decided by the Court.
- Concerning its 17 unit Present Need/Rehabilitation obligation, the Township plans to participate in the Morris County Rehabilitation Program to address this obligation and utilize funds obtained from its Affordable Housing Trust Fund and certain development interests. As there is insufficient funding to address this need at present, the Township intends to adopt a development fee ordinance in accordance with COAH regulations. The Township also intends to adopt an ordinance which permits developers of projects containing five or more new dwelling lots/units to contribute a payment in lieu of constructing affordable housing units on site.

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Municipality	Township of Hanover
Document	Housing Plan Element and Fair Share Plan
Public Hearing	March 15, 2016
Summary	Housing Element and Fair Share Plan prepared in response to the NJ Supreme Court 2015 decision

- Hanover Township adopted a Third Round Housing Element and Fair Share Plan in September, 2010, filed its petition in October 2010, which was subsequently deemed complete in December of 2010. This Plan was based on the growth share methodology, which was subsequently invalidated by the courts.
- In its new Plan, Hanover notes that the obligation requirements to be determined by the Court are in a state of flux and subsequently compares the obligations as calculated by the Fair Share Housing Center (Kinsey Report) and by Econsult Solutions, the consultant hired by Hanover as part consortium of municipalities to determine fair share obligations. Combining prior round, present and prospective need, the Kinsey Report identified an obligation of 1,380 affordable housing units. Econsult calculated a corresponding 537 unit total obligation. These calculations are as follows:

	Econsult	<u>Kinsey</u>
○ Present Need or rehabilitation obligation	28	24
○ Prior Round obligation for 1987 – 1999	356	356
○ Prospective Need obligation*		
▪ 1999 – 2025	-----	1000
▪ 2015 – 2015	153	-----

*Note: The data for the two analysis covers differing time periods

- As the Township is part of the municipal consortium that retained Econsult to develop its affordable housing obligations, the Township will rely on their determination of need.
- Concerning its Prior Round obligation of 356 units, Hanover identifies 358 affordable housing units constructed in various inclusionary developments, special need housing projects and rental bonus credits.
- Concerning its Prospective Need of 153 units, the Township proposes to address this obligation through a combination of existing inclusionary developments, a 100% affordable housing site, special needs / supportive housing and rental bonus credits, totaling 168 units/credits, leaving a 15 unit credit for application against future obligations.
- The Township intends to satisfy its 28 unit Present Need/Rehabilitation obligation through participation in the Morris County Rehabilitation Program and with funding from Hanover's Affordable Housing Trust Fund.

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Report to the Board February 11th through March 9th 2016

Municipality	Borough of Netcong
Document	Housing Element and Fair Share Plan
Public Hearing	March 28, 2016
Summary	Housing Element and Fair Share Plan prepared in response to the NJ Supreme Court 2015 decision

- Netcong adopted a Third Round Housing Element and Fair Share Plan on December 22, 2008 and COAH granted the municipality substantive certification on October 14, 2009. In October 2010, the Appellate Division invalidated substantial portions of the then current Third Round Rules, most substantially, the growth share methodology.
- This new Plan was developed in response to the March 2015 Supreme Court decision authorizing the Courts to hear and decide actions addressing compliance with Mount Laurel obligations
- The Borough notes that there are varying estimates concerning their Third Round obligation, including those of Dr. Robert Burchell (issued by COAH in 2014), Dr. David Kinsey and Econsult Solutions. Acknowledging that the Court has yet to determine an appropriate Third Round obligation, the Borough identified the estimated need for each obligation component as shown below: calculations are as follows:

	Burchell	Kinsey	Econsult
○ Prospective Need obligation for 2015 – 2025	4	29	9
○ Prior Round obligation	n/a	n/a	n/a
○ Present Need / rehabilitation obligation	20	19	20

- Concerning its Prior Round obligation, Netcong’s new Plan notes that “The Supreme Court in the 2015 Case preserved Prior Round obligations established in N.J.A.C 5:93 and that Netcong’s Prior Round obligation is 0.” No other information regarding this specific obligation were given.
- Concerning its Present Need/ Rehabilitation obligation, the Borough intends to provide up to 20 units through a combination of participation in the Morris County Community Development Block Grant Rehabilitation Program (17 units) and surplus credits (3) obtained in connection with the Station Area Redevelopment.
- Prospective Need has been identified as ranging from 4 to 29 units. The Borough intends to exceed these estimated requirements by producing 65 units for application to its Prospective Need. This will be accomplished through units developed in connection with the Station Area and Stoll/Allen Street Redevelopment Areas (46), the Old Pocketbook Redevelopment Area (7 units) and the Quirk Redevelopment Area (12 units). The Borough notes that it is not claiming any bonus credits in connection with these projects at this time but reserves the right to do so if needed to comply with future Fair Share obligation.

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Municipality	Town of Morristown
Document	Housing Element and Fair Share Plan
Public Hearing	March 10, 2016
Summary	Housing Element and Fair Share Plan prepared in response to the NJ Supreme Court 2015 decision

- Morristown developed a Third Round Housing Element and Fair Share Plan in September 2011, but substantive certification was not granted by COAH. The new Plan is intended to conform to the guidance provided by the NJ Supreme Court in the March 9, 2015 decisions.
- Morristown contracted with Econsult Solutions to calculate the components of need for this iteration of the Third Round obligation. The calculations prepared by Econsult were then modified by Morristown to reflect a prior round adjustment from COAH not identified by Econsult, and other local adjustments, reducing the total obligation from 454 units to 373 units.

	<u>Econsult</u>	<u>Morristown FSP</u>
○ Prior Round obligation for 1987 – 1999	227 (unadjusted)	144 units
○ Prospective Need obligation for 2015 – 2015	87	101 units
○ Present Need / rehabilitation obligation	140	128 units
- Concerning its identified Prior Round obligation of 144 units, Morristown identifies 144 completed affordable housing units created through a combination of 100% affordable projects, inclusionary zoning, market to affordable units and special needs/senior projects.
- Concerning the Prospective Need of 101 units, Morristown has identified various completed and proposed projects capable of generating 93 affordable units with an additional 31 credits for a total of 124 units/credits. These units and credits are generated by a combination of redevelopment, 100% affordable and inclusionary zoning projects.
- Morristown intends to meet the Present Need obligation of 128 units through creation of a rehabilitation program to administer funds for repair of deficient units in Morristown. Morristown intends to budget \$776,718 for rehabilitation over the next 10 years, addressing 77 deficient units. The remainder of the Present Need obligation will be addressed through rehabilitations conducted by the Morristown Housing Authority, which administers 470 units of affordable and public housing and Morristown.