HOUSING PLAN ELEMENT AND FAIR SHARE PLAN TOWNSHIP OF MANALAPAN MONMOUTH COUNTY, NEW JERSEY

Downant

Prepared By:

RICHARD S. CRAMER, JR., P.P, AA.C. NJ PROFESSIONAL PLANNER LICENSE 0220



Eleven Tindall Road Middletown, New Jersey 07748

February 10, 1995

The original of this document has been signed and sealed in accordance with New Jersey Law.

MANALAPAN TOWNSHIP PLANNING BOARD

RESOLUTION ADOPTING HOUSING ELEMENT AND FAIR SHARE PLAN

WHEREAS, the Planning Board of the Township of Manalapan has undertaken a revision of the Housing Element of its Master Plan and of its Fair Share Plan; and

WHEREAS, the Planning Board retained Richard S. Cramer, Jr., P.P., A.I.C.P., of Townplan Associates to prepare a proposed Housing Element and Fair Share Plan; and

WHEREAS, the Planning Board held a public hearing on the Housing Element and Fair Share Plan on February 23, 1995, after complying with the notice requirements of N.J.S.A. 40:55D-13.

NOW, THEREFORE, BE IT RESOLVED by the Planning Board of the Township of Manalapan that it hereby approves and adopts the Housing Element and Fair Share Plan as prepared by Richard S. Cramer, Jr., P.P., A.I.C.P. of Townplan Associates dated February 10, 1995.

BE IT FURTHER RESOLVED that a copy of this Resolution, with a copy of the Housing Element and Fair Share Plan attached, shall be provided to the Monmouth County Planning Board by personal service or by certified mail by the Administrative Officer of the Planning Board on or before March 25, 1995.

BE IT FURTHER RESOLVED that a copy of this Resolution be forwarded to the Township Clerk, Township Engineer, Township Planning Consultant, Township Zoning Officer, Township Administrator and Township Attorney.

This Resolution was offered by seconded by the following vote:		, and adopted on roll call by			
	YES	NO	ABSTAIN	ABSENT	INELIGIBLE
Benkov (alt.1) Klafter (alt.2) Hogan Shapiro Benjamin Maas Morelli Woisenberg Hanlon	(XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	() () () () ()	() () () () ()		() () () ()

I hereby certify that the foregoing Resolution was adopted by the Planning Board of the Township of Manalapan at its meeting of February 23, 1995.

Gray Pytlik

Brew Shapiro, Secretary

HOUSING PLAN ELEMENT AND FAIR SHARE PLAN TOWNSHIP OF MANALAPAN MONMOUTH COUNTY, NEW JERSEY

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ADOPTED: FEBRUARY 23, 1995

MANALAPAN HOUSING PLAN ELEMENT AND FAIR SHARE PLAN

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STATEMENT OF HOUSING POLICY

Manalapan Township encourages the development of a variety of housing types suitable to the needs of existing and future residents. Housing development shall be compatible with existing residential neighborhoods, with environmental constraints, with the availability of infrastructure, and with the need to maintain adequate levels of service for public facilities. The Township will satisfy its constitutional obligation to create realistic opportunities for its fair share of the region's low and moderate income housing need.

Housing development will be directed to the suburban and corridor areas of the Township as presented in the Master Plan land use plan element. Housing development within rural areas will be restricted to single family residential uses at rural densities.

HOUSING PLAN ELEMENT AND FAIR SHARE PLAN TOWNSHIP OF MANALAPAN

INTRODUCTION

The New Jersey Constitution requires that Manalapan Township plan and zone to provide a realistic opportunity for a fair share of the region's need for low and moderate income housing. The Council on Affordable Housing (COAH) is the state agency responsible for identifying housing regions and estimating low and moderate income housing need. COAH has identified Monmouth, Ocean and Mercer Counties as the East Central Housing Region.

In 1984, to resolve litigation and prior to issuance of COAH housing need estimates, Manalapan entered into a consent order for partial judgement of its low and moderate income housing obligation under the Mt. Laurel II decision. A consent order for final judgement was entered in 1986. The final order established the Township fair share at 900 units of low and moderate income housing. To meet its obligation, the Township agreed to the development of two consent districts (the Villages at Manalapan Brook and Knob Hill) and to the rehabilitation of 150 dwelling units. The consent order provided for the following:

- 1. 436 lower income units to be produced within the Villages at Manalapan Brook Consent District.
- 2. 100 lower income units to be produced within the Knob Hill Consent District.
- 3. 100 lower income units to be rehabilitated by the Township, utilizing a \$1,000,000.00 developer contribution.
- 4. 150 units to be produced through other Township efforts.
- 5. 114 units to be deferred until after 1992.

Under the consent order, Manalapan Township enjoyed a period of repose from further litigation over its Mount Laurel obligation for a six year period ending in 1992.

In 1992, the Township filed a motion with the court to extend the judgement of repose and the court referred this request to COAH for its recommendation. COAH recommended extending Manalapan's period of repose to March 1995 by adopting in March 1994 a resolution granting interim substantive certification. A condition of COAH's recommendation was that the Township adopt a housing element and fair share plan addressing the Township housing need, as calculated by COAH, for the period 1993 to 1999, and submit the plan to COAH. This housing element and fair share plan has been prepared in fulfillment of that requirement. The Township, however, continues to enjoy repose based upon a court order issued in August 1994. The repose is extended up to and including a period of ninety (90) days after completion of the matters entitled Pozycki et. al v. Planning Board and Western Monmouth Utilities Authority v. Pozycki. The Township may move within the ninety (90) day period for an additional extension of repose.

This housing plan element and fair share housing plan for Manalapan Township is based upon the matching contents of a housing element specified pursuant to N.J.S.A. 52:27D-310 and upon the revised New Jersey Council on Affordable Housing substantive rules (N.J.A.C. 5:93 et seq.) which became effective June 6, 1994.

INVENTORY OF THE HOUSING STOCK

The housing stock characteristics in Manalapan Township include the number and type of housing units, occupancy/household characteristics, age (the year the structure was built), condition of units, purchase or rental value of units, units affordable to low and moderate

income housing and rate of construction. Table 1, "Housing characteristics - 1989 Township of Manalapan" lists these characteristics.

Number and Type of Housing Units

Manalapan Township had a total of 9,029 housing units according to the 1990 Census. This is an increase of 3,155 units since the 1980 Census which reported a total of 5,874 units. 539 units were listed as vacant in 1990.

According to the 1990 Census of Housing, 87.8 percent of the housing units in Manalapan Township were owner occupied. With respect to rental housing, 6.2 percent of the Township housing units were renter occupied.

Occupancy/Household Characteristics

According to the 1990 Census, Manalapan Township had a total of 8,490 households. Of this total, 80 were listed as seasonal, recreational or occasional use households. Of the total number of households 7,188 were single family households (84.7 percent) and 1,302 (15.3 percent) were non-family households. Householders 65 years of age or older accounted for 911 of the households in Manalapan Township.

Age of Housing

The Township housing stock is relatively new. Only 4.2 percent, or 378 of the 9,029 housing units in existence in March 1990, was built prior to 1939. Between 1940 and 1949, a total of 129 units were constructed which accounts for 1.4 percent of the current housing stock. Between 1950 and 1959, 280 housing units or 3.1 percent of the total housing stock was

TABLE 1 HOUSING CHARACTERISTICS – 1989 TOWNSHIP OF MANALAPAN

	Number	Percent of Total
_		
I. HOUSING UNITS		
Number of units	9,029	N/A
Occupied Housing Units	8,490	N/A
Number of units (1979)	5874	N/A
Vacant Housing Units	539	N/A
Homeowner vacancy rate	3.9%	N/A
Rental vacancy rate	2.8%	N/A
II. OCCUPANCY/HOUSEHOLD		
CHARACTERISTICS		
Number of Households	8,490	N/A
Persons Per Household	3.13	N/A
Family Household	7,188	84.7%
Non-Family Household	1,302	15.3%
Householders 65 +	911	N/A
Seasonal, Recreational or Occasional Use	80	N/A
Owner Occupied	7,926	84.7%
Renter Occupied	564	6.6%
III. YEAR STRUCTURE BUILT	\mathbf{r}	
1989 to March 1990	476	5.3%
1985 to 1988	1,382	15.3%
1980 to 1988	1,662	18.4%
1970 to 1979	2,598	28.8%
1960 to 1969	2,124	23.5%
1950 to 1959	280	3.1%
1940 to 1949	129	1.4%
1939 or earlier	378	4.2%
TOTAL	9,029	100.00%
IV. CONDITION OF UNI	TS	
Lacking complete plumbing facilities	12	N/A
Lacking complete kitchen facilities	7	N/A
•		

TABLE 1 (Continued) HOUSING CHARACTERISTICS – 1989 TOWNSHIP OF MANALAPAN

	Number	Percent of Total
V. HOME VALUE - (Owner Occupied Units)	•	
\$300,000 and up	1,081	17.2%
\$200,000 - \$299,999	2,799	44.5%
\$150,000 - \$199,000	1,492	23.7%
\$100,000 - \$149,000	710	11.3%
\$50,000 - \$99,999	183	2.9%
\$0 - \$50,000	26	0.4%
TOTAL	6,291	100.0%
Median Value	\$220,300	
VI. RENTAL VALUE - (Rental Occupied Units)		
\$1,000 & +	64	15.2%
\$750 - \$999	76	18.1%
\$500 - \$749	153	36.4%
\$250 - \$499	103	24.5%
Less than \$250	24	5.7%
TOTAL	420	100.0%
Median Rent	\$644	

SOURCE: U.S Bureau of Census 1990 COMPILED BY: TOWNPLAN ASSOCIATES constructed. Between 1960 and 1969, 2,124 or 23.5 percent of the housing stock was constructed. Between 1970 and 1979, 2,598 housing units or 28.8 percent of the total. Between 1980 and March 1990, 3,520 housing units were constructed or 38.9 percent of the total.

Condition of Units

The housing stock in Manalapan Township had a small number of substandard units according to the 1990 Census. The 1990 Census indicates that Manalapan had 7 units lacking complete kitchen facilities, and 12 units lacking complete plumbing facilities. The Council on Affordable Housing methodology estimates an indigenous housing need of 65 substandard permanent housing units occupied by low and moderate income households within the Township. Indigenous need is the number of deficient housing units based on multiple deficient characteristics and capped by the regional average percent deterioration.

Purchase or Rental Value

The 1990 median value of specified owner occupied housing units in Manalapan Township was \$220,300. Of the total 6,291 reporting owner occupied units 2,799 units or 44.5 percent had a value between \$200,000 and \$299,999. The 1990 median gross monthly rent was \$644 for Manalapan Township housing units. Of the 420 renter occupied units, 153 units or 36.4 percent had a value between \$500 and \$749.

Affordability to Low and Moderate Income Households

Rental and owner occupied housing which was affordable to low and moderate income households was calculated using the 1994 COAH regulations, 1990 Census information and assumptions of the residents spending capability for housing. The 1994 COAH regulations

defined the East Central Housing Region as Monmouth, Ocean and Mercer Counties. Prior to this the East Central Region only included Monmouth and Ocean Counties. Based on 1990 Census data, the average household income for the East Central Housing Region was \$49,862. This was calculated by multiplying the mean household income by the number of households for each county in the region and dividing that total by the total number of household in the region.

Moderate income households are defined by COAH as households earning between 50 percent and 80 percent of the median household income level in the region. This was calculated for the region as between \$24,931 and \$39,890 for a household size of 4 persons. Low income households are defined by COAH as households earning 50 percent or less of the median household income level in the region. This was calculated as less than \$24,931.

Rental housing which was affordable to low and moderate income households in 1990 can be extrapolated from the 1990 Census data assuming renter households spend a maximum of 30 percent of their income for rent based on COAH regulations. Approximately 200 units or 48 percent of the renter occupied units in Manalapan Township were affordable to low income households in the East Central Housing Region and, approximately 350 units or 83 percent of the renter occupied units in Manalapan Township were affordable to moderate income households in the East Central Housing Region.

Owner occupied housing which was affordable to low and moderate income households in 1990 can be extrapolated from the 1990 Census data based on several assumptions. The first is that households in owner occupied housing spend a maximum of 28 percent of their income for a mortgage based on COAH regulations. The second assumption is a 10 percent down payment and a 30 year amortorized mortgage at a 7 percent interest rate plus a general tax rate of 3.523 per \$100 of value. Based on these assumptions, approximately 80 units or 1.3 percent of the owner occupied units in Manalapan Township were affordable to low income households in the

East Central Housing Region. Based on the same assumptions approximately 350 units or 5.6 percent of the owner occupied units in Manalapan Township were affordable to moderate income households in the East Central Housing Region.

Rate of Construction

Table 2, "Residential Construction and Demolition Permits - Township Of Manalapan", indicates the year the structure was constructed based on building permits since 1980.

A comparison of building and demolition permits from 1980 through 1992 indicates a total of 3,966 building permits were authorized and 75 demolition permits were authorized for a net gain of 3,891 units. The peak construction year for this time period was 1985 when 497 building permits were authorized. In the same year, 2 demolition permits were authorized resulting in a net gain of 495 units. Another peak year included 1989 when there was a net gain of 334 units. However since then the number of construction permits has remained nearly steady with an average of approximately 250 dwelling units permitted each year.

PROJECTIONS OF HOUSING STOCK 1994-2000

The total number of year-round housing units in Manalapan Township increased 53.7 percent between 1980 and 1990, from 5,874 units in 1980 to 9,029 units in 1990. The highest annual number of residential construction permits issued since 1980 was 429 in 1980, the lowest number was 97 in 1992 (see Table 2). Projections based upon historical growth trends using 4, 8, and 12 year data indicate continued growth in the Township housing stock. The projected yearly increase in the Manalapan Township housing stock ranges from 271 to 307 new units per year (See Table 3, "Housing Stock Projections").

TABLE 2
RESIDENTIAL CONSTRUCTION AND DEMOLITION PERMITS
TOWNSHIP OF MANALAPAN

	Construction	Demoilition	Net
Year	Permits	Permits	Change
1980	429	7	422
1981	169	8	161
1982	97	11	86.
1983	419	4	415
1984	341	5	336
1985	497	2	495
1986	388	8	380
1987	213	6	207
1988	301	12	289
1989	340	6	334
1990	273	3	270
1991	241	3	238
1992	258	0	258
TOTAL	3,966	75	3,891

SOURCE: New Jersey Department of Labor, Building Permit Summaries. COMPILED BY: TOWNPLAN ASSOCIATES.

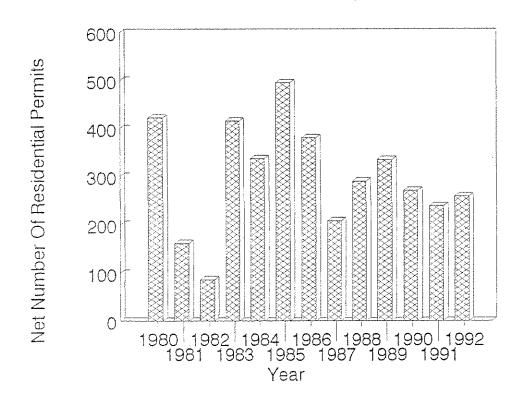


TABLE 3
HOUSING STOCK PROJECTIONS
MANALAPAN TOWNSHIP

TRENDS

	1	LECTION	
YEAR	1980-1992	1984-1992	1988 - 1992
1986	7,953	7,953	7,953
1987	8,136	8,136	8,136
1988	8,425	8,425	8,425
1989	8,759	8,759	8,759
1990	9,029	9,029	9,029
1991	9,267	9,267	9,267
1992	9,525	9,525	9,525
1993	9,832	9,819	9,796
1994	10,139	10,113	10,067
1995	10,447	10,407	10,337
1996	10,754	10,701	10,608
1997	11,061	10,995	10,879
1998	11,368	11,289	11,150
1999	11,676	11,584	11,421
2000	11,983	11,878	11,691
		,	, .

REGRESSION TRENDS	PROJECTED MEAN YEARLY CHANGE		
1984-1992	294		
1988-1992	271		
1980-1992	307		

SOURCES: Trends based upon New Jersey Department of Labor. Division of Planning & Research,

"Residential Building Permits Historical Summary 1970 - 1979"

& "Residential Building Permits: Yearly Summaries 1980 - 1988"

COMPILED BY: TOWNPLAN ASSOCIATES

There are 24 projects which have been approved for development within the Township totaling 4,215 new units (See Table 3.1). Based upon approved construction and past building trends, future housing production will range from 200 to 400 units per year. Actual housing construction is dependent on a variety of factors over which the Township has little control including financing, marketing and builder timing.

DEMOGRAPHIC CHARACTERISTICS

Table 4, "Demographic Characteristics - 1989 Township of Manalapan" presents total population by age and income level by household.

Population

The Township had a total of 26,716 persons in 1989. A total of 1,955 were classified as preschool age 0-4 years or 7.3 percent. School age children age 5-19 years accounted for 6,509 persons or 24.4 percent of the total. Working age 20-64 years accounted for 14,819 persons or 55.5 percent of the Township population. Seniors aged 65 and older accounted for 3,433 persons or 12.8 percent of the Township population.

Income Level

Per Capita Income within the Township in 1989 was \$20,944 while the median household income was \$58,028. A total of 1,586 households reported income of less than \$25,000, or 18.7 percent of the households. A total of 732 households reported income between \$25,000 and \$34,999 or 8.6 percent of the households. A total of 1,164 households reported income between \$35,000 and \$49,999. The largest number of households, a total of 2,277, reported income between \$50,000 and \$74,999 or 26.9 percent. A total of 1,347 households reported income of \$75,000 - \$99,999 and 1,372 households reported income of \$100,000 or more.

TABLE 3.1 APPROVED RESIDENTIAL CONSTRUCTION TOWNSHIP OF MANALAPAN

APP.#	NAME	STATUS	# LOTS OR UNITS
88-20	American Planned Community — Wickatunk Road	Final	26
93-3	Hidden Valley Estates - Pension Road	Final	26
93-1	Nicholas Farms - Pease & Pine Brook Road	Final	22
90-4	My Ben — Taylors Mills Road	Final	7
87-10	Pine Hill Estates - Pease Road	Final	48
88-15	Mount Avenue Homes/My Ben — Pension Road (Oak Ridge) (Townhouses & Duplex)	Final	12
89-7	Hennessey - Union Hill Road	Final	6
85-32	Hawkins Woods - Clayton Lane	Final	19
91-1	Northwoods - Union Hill Road	Final	62
87-1	Conco - Union Hill Road	Final	24
87-28	Belaire Estates - Taylors Mills Road	Final	9
`-42	Sunnywoods - Craig Road	Final	11.
υδ-19	Country View Estates - Symmes Road	Preliminary	19
	Knob Hill - Route 33	Final	883
	The Villages - Route 33 & Woodward Road	Preliminary	2680
89-13*	Woods Edge II - Oakland Mills Road	Final	11
88-10*	Woodhollow II - Smithburg Road	Final	42
88-9*	Sabatini/MCM/Turtle Hollow - Kinney Road	Final	43
92-9	Leeann Estates — Craig	Final	32
92-2*	CKR/Battleground Estates - Millhurst Road	Preliminary	14
91-2*	Ron Dana – Gravel Hill	Preliminary	10
91-3*	8012 Realty - Gravel Hill Road	Preliminary	23
94-1	Heritage Hills/Mollica — Gordons Corner Road		26
83-21	Tracy Station Woods	Preliminary	140
		Total	4215

TABLE 4
DEMOGRAPHIC CHARACTERISTICS – 1990
TOWNSHIP OF MANALAPAN

	Number	Percent of Total
POPULATION AGE		
Preschool $(0 - 4 \text{ Yrs.})$	1,955	7.3%
School Age (5 - 49 Yrs.)	6,509	24.4%
Working Age (20 - 64 Yrs.)	14,819	55.5%
Seniors 65 +	3,433	12.8%
Total	26,716	100.0%

SOURCE: U.S. Bureau of Census as compiled by Monmouth County Demographic & Economic Profile Vol. 1
COMPILED BY: TOWNPLAN ASSOCIATES

INCOME LEVEL (HOUSEHOLDS)

Less than \$5,000	153	1.8%
\$5,000 - \$9,999	359	4.2%
\$10,000 - \$14,999	421	5.0%
\$15,000 - \$24,999	653	7.7%
\$25,000 - \$34,999	732	8.6%
\$35,000 - \$49,999	1164	13.7%
\$50,000 - \$74,999	2,277	26,9%
\$75,000 - \$99,999	1,347	15.9%
\$100,000 - \$149,999	975	11.5%
\$150,000 or more	397	4.7%
Total	8,478	100.00%

Median household income = \$58,028 Per capita income = \$20,944

SOURCE: U.S Bureau of Census 1990 Summary Tape File 3A.
COMPILED BY: TOWNPLAN ASSOCIATES

EXISTING AND FUTURE EMPLOYMENT CHARACTERISTICS

Characteristics of the Manalapan Township labor force are presented in Table 5, "Employment Characteristics - 1990 Manalapan Township." In 1990, the Census recorded that 38.6 percent of the 12,156 jobs held by residents of Manalapan Township were classified as managerial, 37.5 percent as administrative, technical or sales, 7.0 percent as service, 1.2 percent as farming, forestry, fishing, 8.8 percent as production/craft/repair, and the remaining 6.9 percent as operator/fabricator/laborer.

Employment projections prepared by the Monmouth County Planning Board show an increase of 3,032 jobs in Manalapan Township between 1988 and 2010 (Table 6, "Employment Projections - 1990 Township of Manalapan").

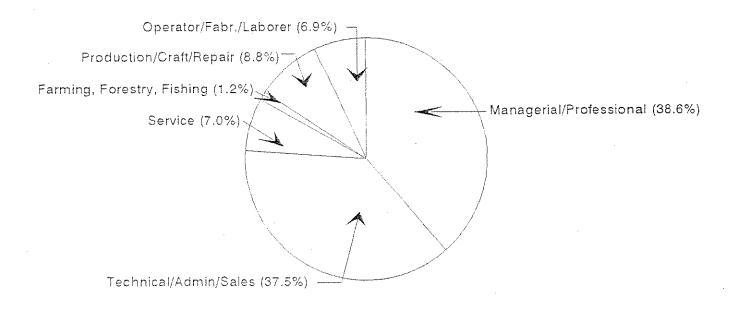
STATUS OF SITES ADDRESSING THE 1987 - 1993 OBLIGATION

For the period 1987 to 1993, Manalapan Township had a fair share housing obligation of 445 low and moderate income housing units as calculated by the New Jersey Council on Affordable Housing and presented in the report entitled "Municipal Present, Prospective, and Pre-Credited Need" dated May 21, 1986. For that period, the Township developed a plan pursuant to a judicial consent order for final judgement entered in 1986 that provided 900 low and moderate income units.

TABLE 5 EMPLOYMENT CHARACTERISTICS – 1990 TOWNSHIP OF MANALAPAN

Occupation	Number	Percent of Total
	4.601	20.60
Managerial/Professional	4,691	38.6%
Technical/Admin/Sales	4,561	37.5%
Service	849	7.0%
Farming, Forestry, Fishing	143	1.2%
Production/Craft/Repair	1,071	8.8%
Operator/Fabr./Laborer	841	6.9%
TOTAL	12,156	100.0%

SOURCE: U.S Bureau of Census as compiled in Demographic and Economic Profile Volume II. COMPILED BY: TOWNPLAN-ASSOCIATES



1988	5,771
(Projected) 2010	8,803

SOURCE: Monmouth County, At - Place Employment Monmouth County Municipalities, June 1990 COMPILED BY: TOWNPLAN ASSOCIATES

TABLE 6 EMPLOYMENT PROJECTIONS TOWNSHIP OF MANALAPAN

1988	5,771
(Projected) 2010	8,803

SOURCE: Monmouth County: At -- Place Employment Monmouth County Municipalities, June 1990 COMPILED BY: TOWNPLAN ASSOCIATES

TABLE 7 STATUS OF MOUNT LAUREL DEVELOPMENT TOWNSHIP OF MANALAPAN

Development	Area (Acres)	Total Dwelling Units	Inclusionary Units	Status
The Villages	539	2,680	536	General Development Plan approved 12/26/85
				Preliminary approval of Phase I granted 5/15/89
Knob Hill	265	883	100	General Development Plan approved 12/85
				Final approval granted 4/11/91 Amended final approved granted 9/3/94
ewis Street	1	2	2	Final approval granted 12/10/92
Samaritan Center	23	80	80	Inclusionary zoning in place and CDBG funding committed
				Township land committed
				Awaiting subdivision application
Tracy Station Woods	14	140	28	Preliminary approval granted
Rehabilitation			3	Three units rehabilitated under the Monmouth County CDBG Program
TOTAL	ON ACCESSAGE ACTION OF PARTY OF THE ACTION O	ACCC ALATTA SATINA SARAH ESSATT SATITIVA SERVIN ALTITUT STITLER SATITIVA STITLER STITLER STITLER STITLER STITLER	749	AND THE RESIDENCE AND AND AND THE RESIDENCE OF THE PARTY

The status of the sites addressing the 1987 to 1993 obligation are presented on Table 7 and are summarized below:

• Knob Hill and the Villages. The Villages will contain 436 inclusionary units and provide 100 rehabilitations. It has received general development plan approval for the whole tract and preliminary approval for Phase I. Knob Hill will contain 100 inclusionary units and has received general development plan approval and final approval.

The Township granted final approval on April 25, 1991 to the off-tract infrastructure improvements needed to support the inclusionary development at Knob Hill and the Villages. In addition, on January 11, 1989, the Township amended its zoning ordinance to permit construction of the off-tract water storage tank and transmission facilities necessary to support those developments. Final site plan and subdivision approval to construct the water storage tank was granted on April 26, 1990. The Township granted a use variance and site plan approval on August 7, 1986 for the construction of a water plant to draw surface water from the Matchaponix Brook to supply the Mount Laurel developments at Knob Hill and the Villages. The water plant has been constructed, a certificate of occupancy has been issued by the Township, and the plant is operating. The Western Monmouth Utilities Authority (WMUA) has completed the expansion of the Pine Brook Treatment Plan to accommodate the wastewater flow from Knob Hill and the Villages.

• Samaritan Center. Lands owned by the Township have been committed to the use by a non-profit housing developer, the Samaritan Center, Inc., and the Township has supported the developer's application for funding. The property was zoned

R-5 for inclusionary development on August 3, 1989. The units to be constructed will be subject to affordability controls. The zone will yield 80 affordable units. In addition to the Township donation of land, the infrastructure costs to this development (storm drainage, sanitary sewer and water) will be funded by Monmouth County Community Development Programs.

An alternative development scenario is being reviewed by the Township for the Samaritan Center. This alternative will yield 86 affordable units and 17 market rate units.

- Lewis Street. The Township granted final subdivision approval to two single-family lots on Lewis Street in the R-20 zone. These lots are restricted to low and moderate income housing. The approval was granted on December 20, 1992.
- Tracy Station Woods. The Township gave preliminary site plan approval to 80 townhouse and 60 garden apartment units in 1984. Twenty eight units will be set aside for lower income. Prior to the final approval of the application, the applicant is required to submit a plan indicating how the dwelling costs would be geared to meet low income housing needs. Submission for final approval has not yet been made.
- Housing Rehabilitation. The Township participates in the Monmouth County
 Community Development Housing Rehabilitation Program. Since 1984, at least
 three low and moderate income housing units have been rehabilitated under this
 program in Manalapan according to the Monmouth County Community

Development Office. In accordance with the final consent order for their development, the Villages will generate \$1,000,000.00 for the Township rehabilitation program.

FAIR SHARE FOR LOW AND MODERATE INCOME HOUSING 1987 - 1999

The Township fair share for low and moderate income housing through 1999 is comprised of three major components: indigenous need, reallocated present need, and prospective need. Indigenous need consists of deficient housing units occupied by low and moderate income households within the Township. Reallocated present need is the portion of the housing region's total number of deficient housing units occupied by low and moderate income households that have been redistributed to designated areas. Prospective need is a projection of low and moderate income housing needs based on development and growth which is likely to occur in the housing region.

The total need is modified by credits or reductions for past housing production or approvals of inclusionary development. The pre-credit and pre-reduction need numbers are calculated by a formula established by COAH (see Table 8). After housing credits and reductions are calculated, Manalapan Township exceeds its fair share obligation (see Table 9). The Township has accomplished this by earning a reduction of 646 units for unbuilt housing on sites that the Township has zoned or approved for low and moderate dwellings; by rehabilitating three units, by securing a rehabilitation contribution for 100 units, by earning credits and rental bonus credits that total 92 alternative units. In all, the Township plan provides 76 units more than called for by the COAH formula. The Township reserves the right to further identify credits that it may qualify for and to make appropriate adjustments to this plan.

DESIGNATION OF AFFORDABLE HOUSING SITES 1987 TO 1999

Manalapan Township will maintain the Villages, Knob Hill, Tracy Station Woods, the Samaritan Center and Lewis Street as locations for affordable housing production. These sites present a realistic opportunity for 646 units of low and moderate income housing. Each site is suitable, approvable and developable and the Township has made every effort to encourage their development for affordable housing.

TABLE 8 PRECREDITED LOW AND MODERATE INCOME HOUSING NEED 1987 – 1999 TOWNSHIP OF MANALAPAN

Indigenous Need		65
Reallocated Present Need		42
Present Need (1993)		107
Prospective Need (1993 – 199	99) +	463
Total Need		570
Prior Cycle Prospective Need	+	241
Demos Filter Conver. Rehab.	+ 	14 50 3 6
Precredited Need	Medicas caro as coloras con	765

SOURCE: Council on Affordable Housing.

COMPILED BY: TOWNPLAN ASSOCIATES

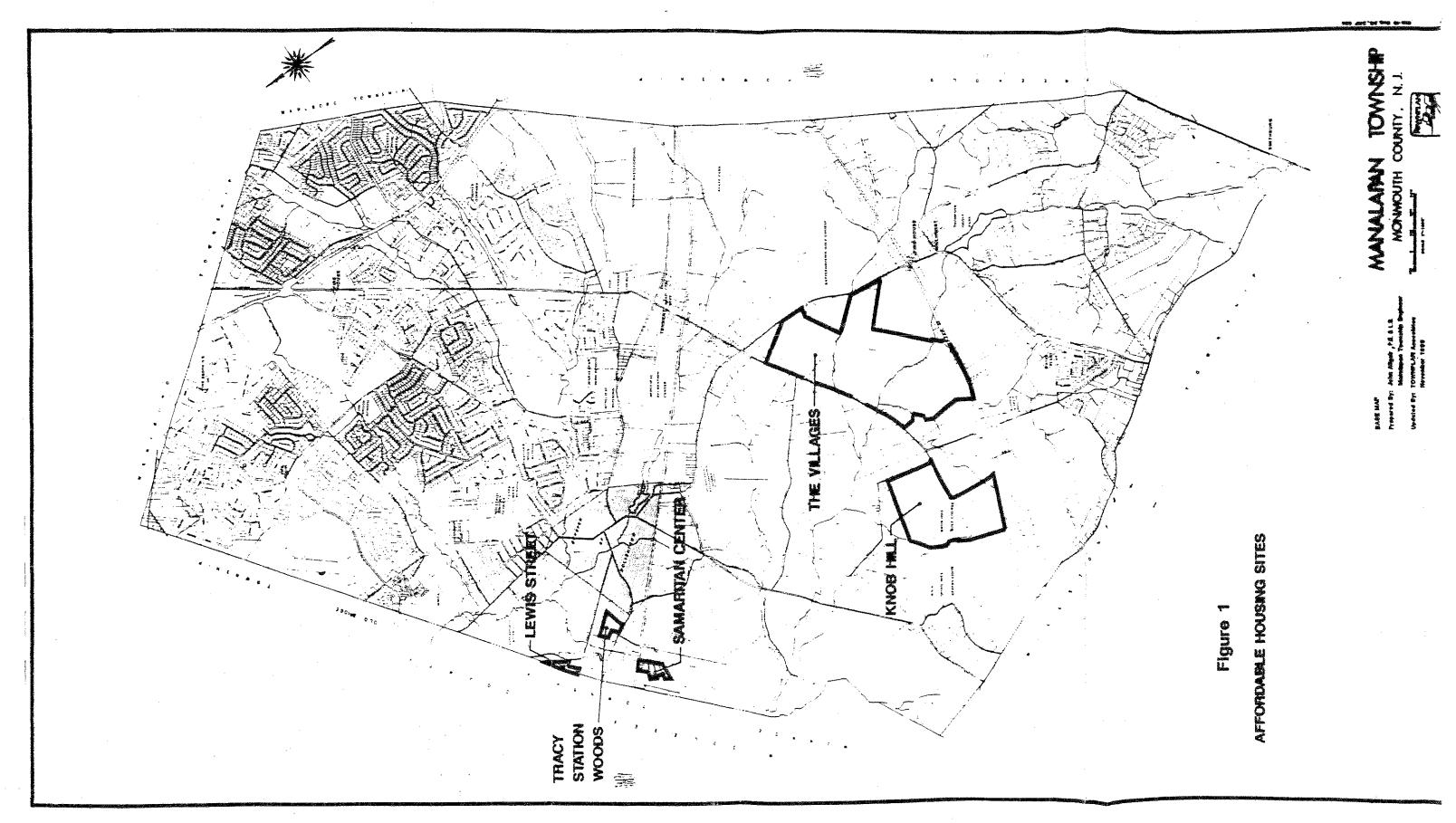
The location of each of these sites in the Township is shown on Figure 1. Current zoning is shown on Figure 2 and existing land use around the site is shown on Figure 3. Descriptions of the developments including density, site constraints, surrounding land use, and infrastructure availability are provided on Tables 10, 11, 12, 13, and 14. Maps of the development sites are provided on Figures 4, 5, 6, 7 and 8.

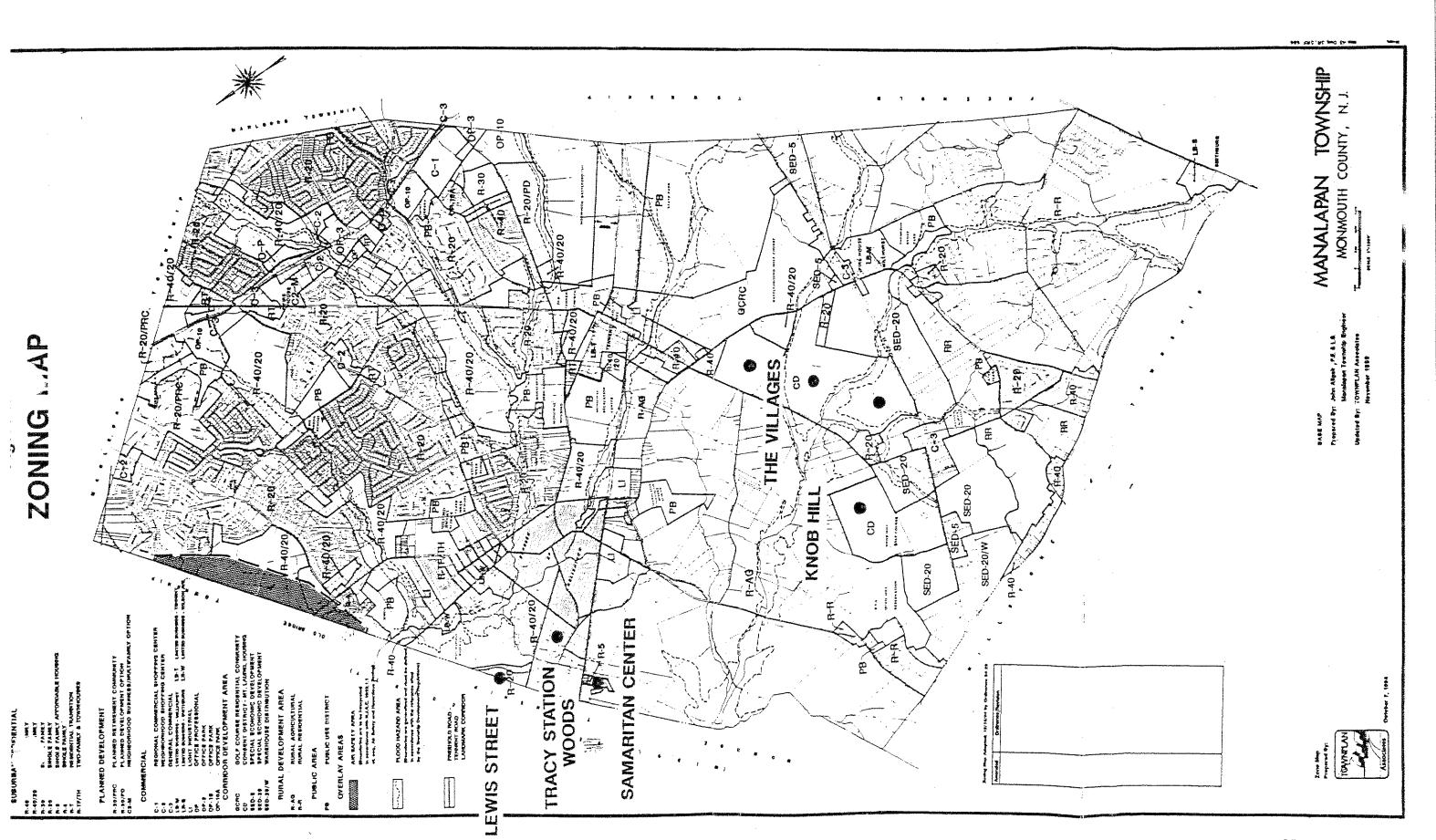
HOUSING REHABILITATION COMPONENT

By the terms of the consent order for final judgement of the Mount Laurel II litigation, the Villages will contribute \$1,000,000.00 for low income housing rehabilitation. The money is earmarked by the judgement for use in Manalapan Township. To the extent that rehabilitation is not feasible within the Township, then Manalapan shall enter into a regional contribution agreement whereby the unused balance shall be used to rehabilitate lower income units in another municipality. The terms of the contribution agreement, when added to the three rehabilitations completed by the County Community Development Program, provides 103 units against the Township housing obligation.

ALTERNATIVE LIVING ARRANGEMENTS

Alternative living arrangements are structures in which households live in distinct bedrooms yet share kitchen and plumbing facilities, central heat, and common areas. Class A, B, C, D, and E boarding homes regulated by the New Jersey Department of Community Affairs; residential health care facilities regulated by the New Jersey Department of Health; group homes for the developmentally disabled and mentally ill regulated by the New Jersey Department of Human Services; and congregate care facilities are examples of alternative living arrangements.





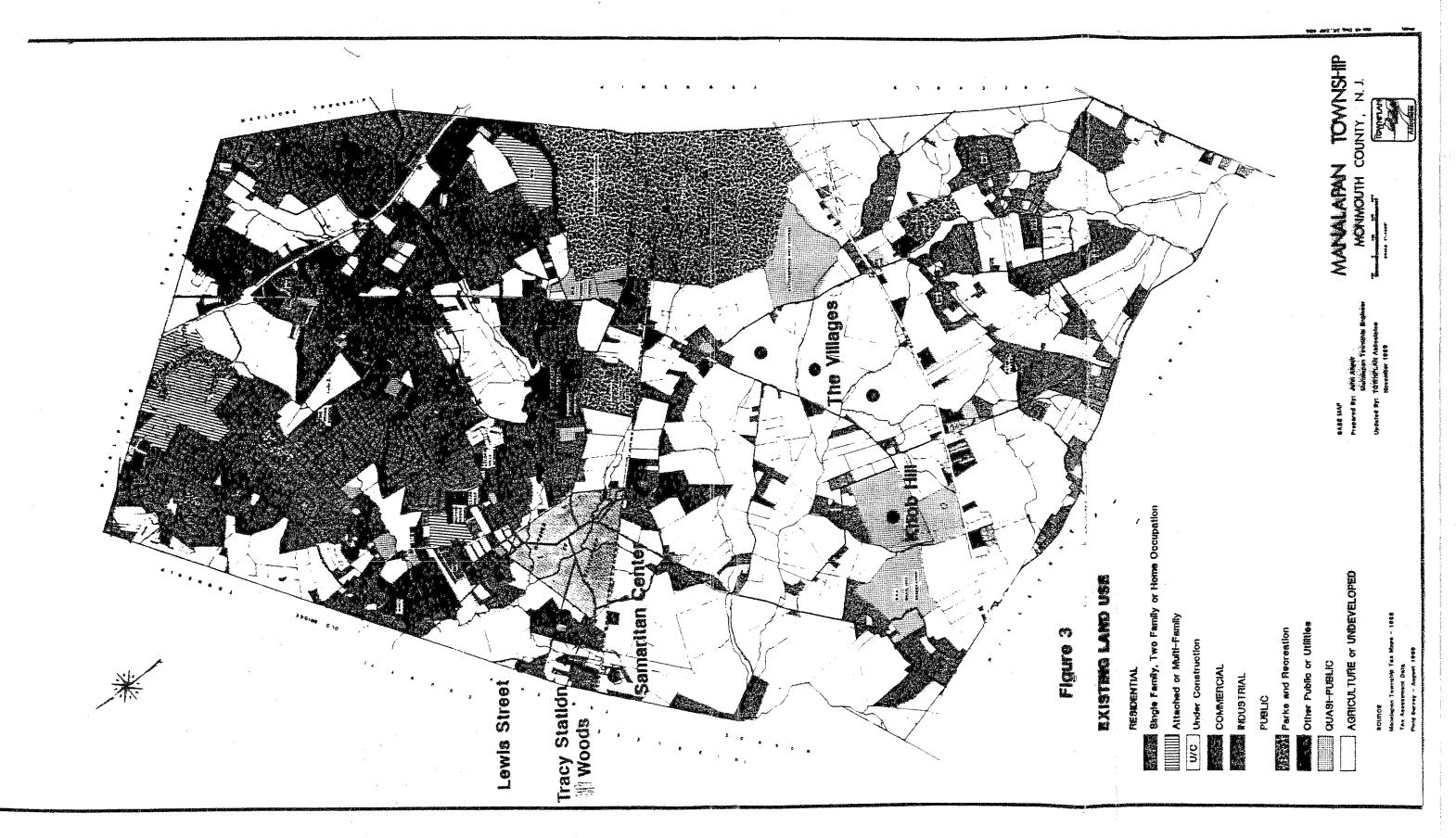


TABLE 9 LOW AND MODERATE INCOME HOUSING CREDITS AND REDUCTIONS MANALAPAN TOWNSHIP: 1987 – 1999

t.		PRECREDITED NEED (COAH Municipal Number Summary, Oct 11, 1993)		e de constante de la constante	Total 765	
ι.		PRECREDITED NEED (COAH Municipal Number Summary, Oct 11, 1993)		<u>. </u>	/03	
11.		REHABILITATION COMPONENT				
Α	١.	Rehab. (Credits)	_	3	762	
В	3.	Rehab. Units (Developers Contribution)		100	662	
•••						
111.		CREDITS – Units Created Between 4/1/80 & 12/15/86 (N.J.A.C 5:93–3.2) Credits With Affordability Controls – Units Created Between 4/1/80 &	I	0	662	
A		Date Of Initial Petition.		Ui	002	
В	3.	Credits Without Affordability Controls – Units Created Between 4/1/80				
_	•	& 12/15/86.*		0	662	
IV.		CREDITS – Alternative Living Arrangements (N.J.A.C 5:93-5.8)				
A		Residential Health Care Units		27	635	
В		Group Homes		19	616	
C		Boarding Homes		0	616	
D.	•	Congregate Care		<u> </u>	010	
V.		CREDITS - Units Created After 12/15/86 (N.J.A.C 5:93-3.3)				
Α.	١.	RCA Units		0	616	
В	3.	Units Constructed By Municipality	-	0	616	
С),	Units Built As A Result Of Zoning By Municipality		0	616	
VI.		REDUCTIONS – Units Approved In Fair Share Plan (1987–1993)			646	
A B		RCA Units Funded But Not Built Units Constructed By Municipality	=	0	616	
C		Units Zoned or Approved By Municipality But Not Built	_	646	-30	
Ü	•	(Knob Hill, the Villages, Tracy Station Woods,	L			
		Samaritan Center and Lewis Street)				
VII.		RETROACTIVE RENTAL BONUSES				
A		Senior Citizen Rental Units (N.J.A.C 5:93-5.13(d))		46	<u>-30</u>	
В	٥.	Rental Units (N.J.A.C 5:93-5.13(d))	<u> </u>	40	<u>-76</u>	
	// / 		···			
VIII.		CALCULATED NEED 1993 - 1999			-76	

Manalapan Township has at least five structures that were established as alternative living arrangements after April 1, 1980 which should be credited against its low and moderate income housing obligation. The Township is continuing to review its records for additional group homes that may qualify for credits and the Township reserves the right to modify its plan based upon any additional credits to which it may be entitled. Alternative living units and residential health care facilities qualify as rental units and each bedroom is entitled to receive two units of credits. The credits which have been identified to date are:

Pine Brook Care Residential Wing, Block 14, Lot 68, Pension Road. The
residential wing of this health care facility contains 27 bedrooms that were
completed and first occupied in 1992. The bedrooms are occupied by Medicaid
and SSI patients.

Total Units 27
Credits Claimed 54

Alexandria Drive Group Home, Block 1815, Lot 1, 1 Alexandria Drive. This
group home contains six (6) bedrooms and is operated by the Association for
Retarded Citizens. It was first occupied in April 1985.

Total Units 6
Credits Claimed 12

• Church Lane Group Home, Block 19, Lot 15A, 30 Church Lane. This group home contains six (6) bedrooms and is operated by the Association for Retarded Citizens. It was first occupied in August 1987.

	Total Units Credits Claimed	6 12
*	Knox Lane Group Home, Block 1702, Lot 20, 15 Knox Lane. This bedroom group home is operated by the Developmental Services of Ne It was first occupied in September 1991.	
	Total Units Credits Claimed	4
•	Sandpiper Drive Group Home, Block 1403, Lot 4, 25 Sandpiper Dri three (3) bedroom group home is operated by Cerebral Palsy. It occupied in June 1992.	
	Total Units Credits Claimed	3 6

CREDITS FOR UNITS CREATED WITHOUT AFFORDABILITY CONTROLS

The Township may claim credit against its housing obligation for standard units constructed since April 1, 1980 that are currently occupied by a low and moderate income household but which are not subject to affordability controls. During the 1980's, a substantial number of small lot single-family dwellings and attached housing units were constructed within Manalapan Township. Some of these units may be eligible for credits under this category if they are in sound condition and occupied by a low or moderate income household. No credits under this category have been claimed by the Township in this plan. However, the Township reserves the right to obtain additional data or documentation to quantify credits under this category and to make revisions to its housing element and fair share plan based upon such credits.

TABLE 10, KNOB HILL DEVELOPMENT INFORMATION

Site Khod Hill
Block 72 Lot(s) 5.01, 5.03, 1.04 and 21
Area 264.18 acres (Acres)
Current Zoning CD - Consent District for Mt. Laurel Housing
Proposed Zoning CD - Consent District for Mt. Laurel Housing
Surrounding Land Use Farmland, Vacant Land, Power Line
Access N.J. State Highway 33, Daum Road
Environmental Constraints
Steep Slopes
Wetlands 19 Acres
Floodplain 2 Acres
Buildable Area 245 Acres (Acres)
Gross Density 3.72 Unit/Acre
Patio Home - 5.7 Units/Acre; Townhouses - 7.3 Units/Acres Net Density 9.10 Units/Acre Condominium Apartments - 16.7 Units/Acre
Low Income Units -0-
Moderate Income Units 100 Condominium Apartments
Total Dwelling Units 890 186 Patio Homes; 249 Townhouses 478 Condominium Apartments
Sewer line availability, capacity, location, and size The site is within the Western Monmouth
Utilities Authority Service Area. Wastewater will be treated at the Pine Brook Treatment Plant.
The proposed method for serving the area is to extend a 24" gravity interceptor on Station Road
south to Millhurst Road. A force main will then be constructed from Millhurst Road to
Woodward Road to a pump station on Daum Road to serve Knob Hill.
Water line availability, capacity, location, and size Water will be supplied by the Matchaponix
Water Supply Company. A 16" main will be extended down Main Street from Church Lane to
Woodward Road to Daum Road. The system will be connected to a 2,000,000 gallon storage
tank off-tract to be located off Iron Ore Road. A pump station will be provided by the
Township.
Age Restriction(s) None

TABLE 11. THE VILLAGES DEVELOPMENT INFORMATION Site The Villages Block 66 Lot(s) 5, 5-a, 5-b, 5-c, 7, 9, 13, 13-g, 14 Area 535.61 (Acres) Current Zoning CD - Consent District for Mt. Laurel Housing Proposed Zoning CD - Consent District for Mt. Laurel Housing Surrounding Land Use Farmland, Vacant Land Access NJ State Hwy 33, Monmouth County Route 527 (Millhurst Rd.), and Woodward Road. Environmental Constraints Steep Slopes ----Wetlands 93.56 Acres Floodplain 70,00 Acres Buildable Area 409.05 (Acres) Gross Density 5.53/Acre Low Density: 4.36/Acre Net Density 8.72/Acre - Medium Density: 8.70/Acre & High Density: 14.80/Acre Low Income Units 168 Moderate Income Units 268 Total Dwelling Units 2.680 Sewer line availability, capacity, location, and size The site is within the sewer service area of the Western Monmouth Utilities Authority. Wastewater will be treated at the Pine Brook Treatment Plant. The proposed method for serving the area is to extend a 24" gravity interceptor on Station Road south to Millhurst Road. A force main will then be constructed from Millhurst Road to a pump station on Woodward Road to serving the Villages. Water line availability, capacity, location, and size Water will be supplied by the Matchaponix Water Supply Company. A 16" main will be extended down Main Street from Church Lane to Woodward Road to serve the site. The system will be connected to a 2,000,000 gallon storage tank off-tract to be located off Iron Ore Road. Age Restriction(s) None

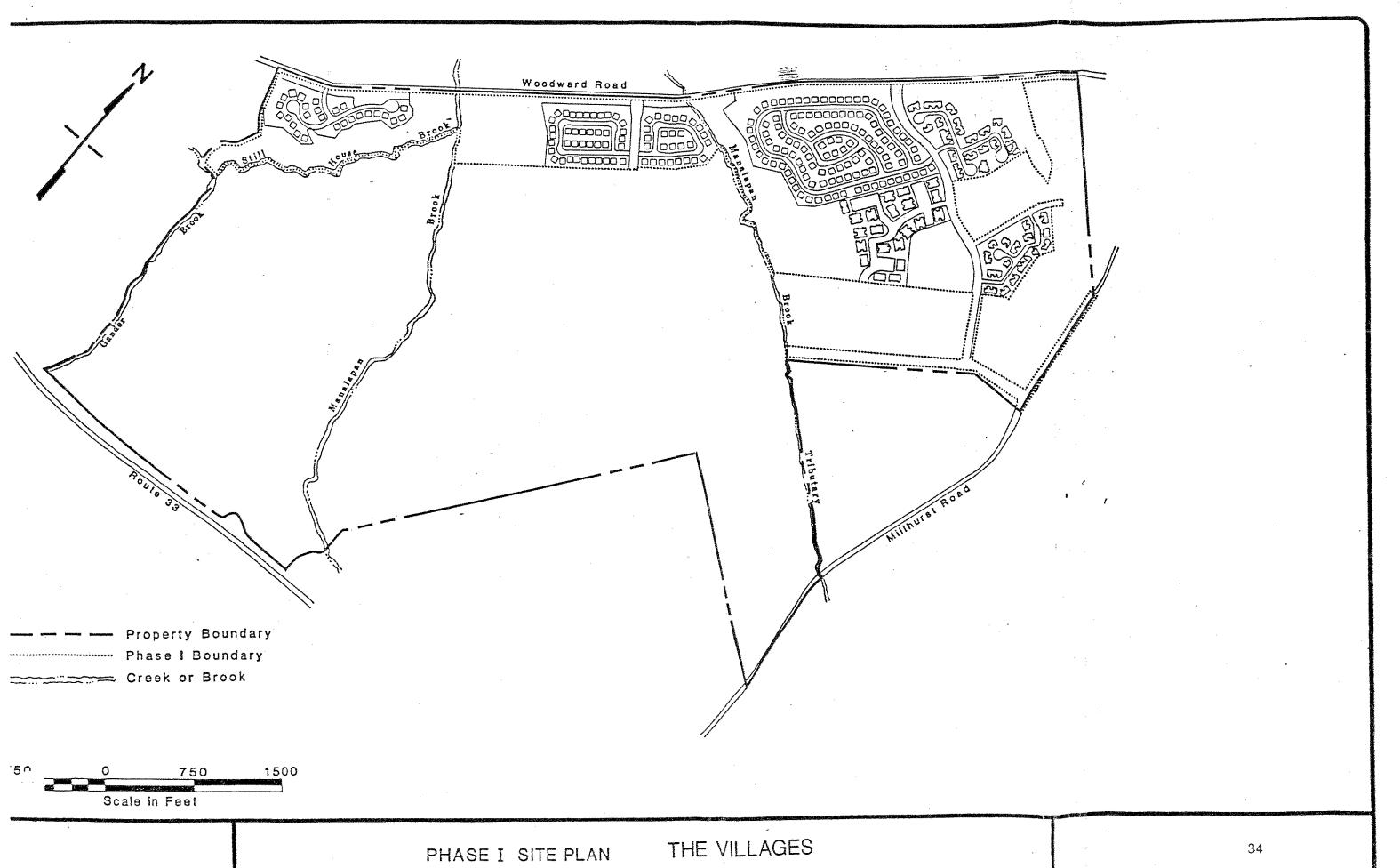


TABLE 12, THE SAMARITAN CENTER DEVELOPMENT INFORMATION				
Site Samaritan Center				
Block/Lot(s) 52/1, 2: 54/1: 55/1, 2: 56/1, 2, 3; 57/1, 2: 58/1, 2, 3, 4, 5, 6, 7, 8				
Area 14.12 (Acres)				
Current Zoning R-5 - Single Family Affordable Housing				
Proposed Zoning R-5 - Single Family Affordable Housing				
Surrounding Land Use Vacant, Power Line, Commercial				
Access Tracy Station Road to Pergolaville Road				
Environmental Constraints				
Steep Slopes None				
Wetlands 2.11 Acres				
Floodplain None				
Buildable Area 12.01 (Acres)				
Gross Density 5.67 Units/Acre				
Net Density 6.76 Units/Acre				
Low Income Units 40				
Moderate Income Units 40				
Total Dwelling Units 80				
Sewer line availability, capacity, location, and size NJDEP approved expansion of the Wastewater				
Management Plan Sewer Service Area on December 8, 1994 to include this site. Wastewater				
will be treated at the Pine Brook Treatment Plant of the Western Monmouth Utilities Authority. An				
existing 8" gravity sewer will be extended on Tracy Station Road from the intersection of Tracy Station				
Road & Mount Vernon Road to a 3" force main that will be extended along Pergolaville Road to the site.				
Water line availability, capacity, location, and size A water line 12" in diameter or greater will be				
extended from Herbert Drive to Tracy Station Road, to Pergolaville Road. The site is within the				
Manalapan Township franchise area. The source of the water will be the Matchaponix Water Supply Co.				
Age Restriction(s) None				

TABLE 12.1, THE SAMARITAN CENTER DEVELOPMENT INFORMATION - ALTERNATIVE DEVELOPMENT

SiteSamaritan Center				
Block/Lot(s) 52/1, 2: 54/1; 55/1, 2: 56/1, 2, 3: 57/1, 2: 58/1, 2, 3, 4, 5, 6, 7, 8				
Area 14.12 (Acres)				
Current Zoning R-5 - Single Family Affordable Housing				
Proposed Zoning R-5 - Single Family Affordable Housing				
Surrounding Land Use Vacant, Power Line, Commercial				
Access Tracy Station Road to Pergolaville Road				
Environmental Constraints				
Steep Slopes None				
Wetlands 2.11 Acres				
Floodplain None				
Buildable Aréa 12.01 (Acres)				
Gross Density 7.30 Units/Acre				
Net Density 8.58 Units/Acre				
Low Income Units 43				
Moderate Income Units 43				
Total Dwelling Units 103 86 Lower Incomes 17 Market Rate				
Sewer line availability, capacity, location, and size NJDEP approved expansion of the Wastewater				
Management Plan Sewer Service Area on December 8, 1994 to include this site. Wastewater				
will be treated at the Pine Brook Treatment Plant of the Western Monmouth Utilities Authority. An				
existing 8" gravity sewer will be extended on Tracy Station Road from the intersection of Tracy Station				
Road & Mount Vernon Road to a 3" force main that will be extended along Pergolaville Road to the site.				
Water line availability, capacity, location, and size A water line 12" in diameter or greater will be				
extended from Herbert Drive to Tracy Station Road, to Pergolaville Road. The site is within the				
Manalapan Township franchise area. The source of the water will be the Matchaponix Water Supply Co.				
Age Restriction(s) None				

TABLE 12, THE SAMARITAN CENTER DEVELOPMENT INFORMATION				
Site Samaritan Center				
Block/Lot(s) 52/1, 2; 54/1; 55/1, 2; 56/1, 2, 3; 57/1, 2; 58/1, 2, 3, 4, 5, 6, 7, 8				
Area 14.12 (Acres)				
Current Zoning R-5 - Single Family Affordable Housing				
Proposed Zoning R-5 - Single Family Affordable Housing				
Surrounding Land Use Vacant. Power Line. Commercial				
Access Tracy Station Road to Pergolaville Road				
Environmental Constraints				
Steep Slopes None				
Wetlands 2.11 Acres				
Floodplain None				
Buildable Area 12.01 (Acres)				
Gross Density 5.67 Units/Acre				
Net Density 6.76 Units/Acre				
Low Income Units 40				
Moderate Income Units 40				
Total Dwelling Units80				
Sewer line availability, capacity, location, and size NJDEP approved expansion of the Wastewater				
Management Plan Sewer Service Area on December 8, 1994 to include this site. Wastewater				
will be treated at the Pine Brook Treatment Plant of the Western Monmouth Utilities Authority. An				
existing 8" gravity sewer will be extended on Tracy Station Road from the intersection of Tracy Station				
Road & Mount Vernon Road to a 3" force main that will be extended along Pergolaville Road to the site.				
Water line availability, capacity, location, and size A water line 12" in diameter or greater will be				
extended from Herbert Drive to Tracy Station Road, to Pergolaville Road. The site is within the				
Manalapan Township franchise area. The source of the water will be the Matchaponix Water Supply Co.				
Age Restriction(s) None				

TABLE 12.1, THE SAMARITAN CENTER DEVELOPMENT INFORMATION - ALTERNATIVE DEVELOPMENT

Site Samaritan Center				
Block/Lot(s) 52/1, 2; 54/1; 55/1, 2; 56/1, 2, 3; 57/1, 2; 58/1, 2, 3, 4, 5, 6, 7, 8				
Area 14.12 (Acres)				
Current Zoning R-5 - Single Family Affordable Housing				
Proposed Zoning R-5 - Single Family Affordable Housing				
Surrounding Land Use Vacant, Power Line, Commercial				
Access Tracy Station Road to Pergolaville Road				
Environmental Constraints				
Steep Slopes None				
Wetlands 2.11 Acres				
Floodplain None				
Buildable Aréa 12.01 (Acres)				
Gross Density7.30 Units/Acre				
Net Density8.58 Units/Acre				
Low Income Units 43				
Moderate Income Units 43				
Total Dwelling Units 103 86 Lower Incomes 17 Market Rate				
Sewer line availability, capacity, location, and size NJDEP approved expansion of the Wastewater				
Management Plan Sewer Service Area on December 8, 1994 to include this site. Wastewater				
will be treated at the Pine Brook Treatment Plant of the Western Monmouth Utilities Authority. An				
existing 8" gravity sewer will be extended on Tracy Station Road from the intersection of Tracy Station				
Road & Mount Vernon Road to a 3" force main that will be extended along Pergolaville Road to the site.				
Water line availability, capacity, location, and size A water line 12" in diameter or greater will be				
extended from Herbert Drive to Tracy Station Road, to Pergolaville Road. The site is within the				
Manalapan Township franchise area. The source of the water will be the Matchaponix Water Supply Co.				
Age Restriction(s) None				

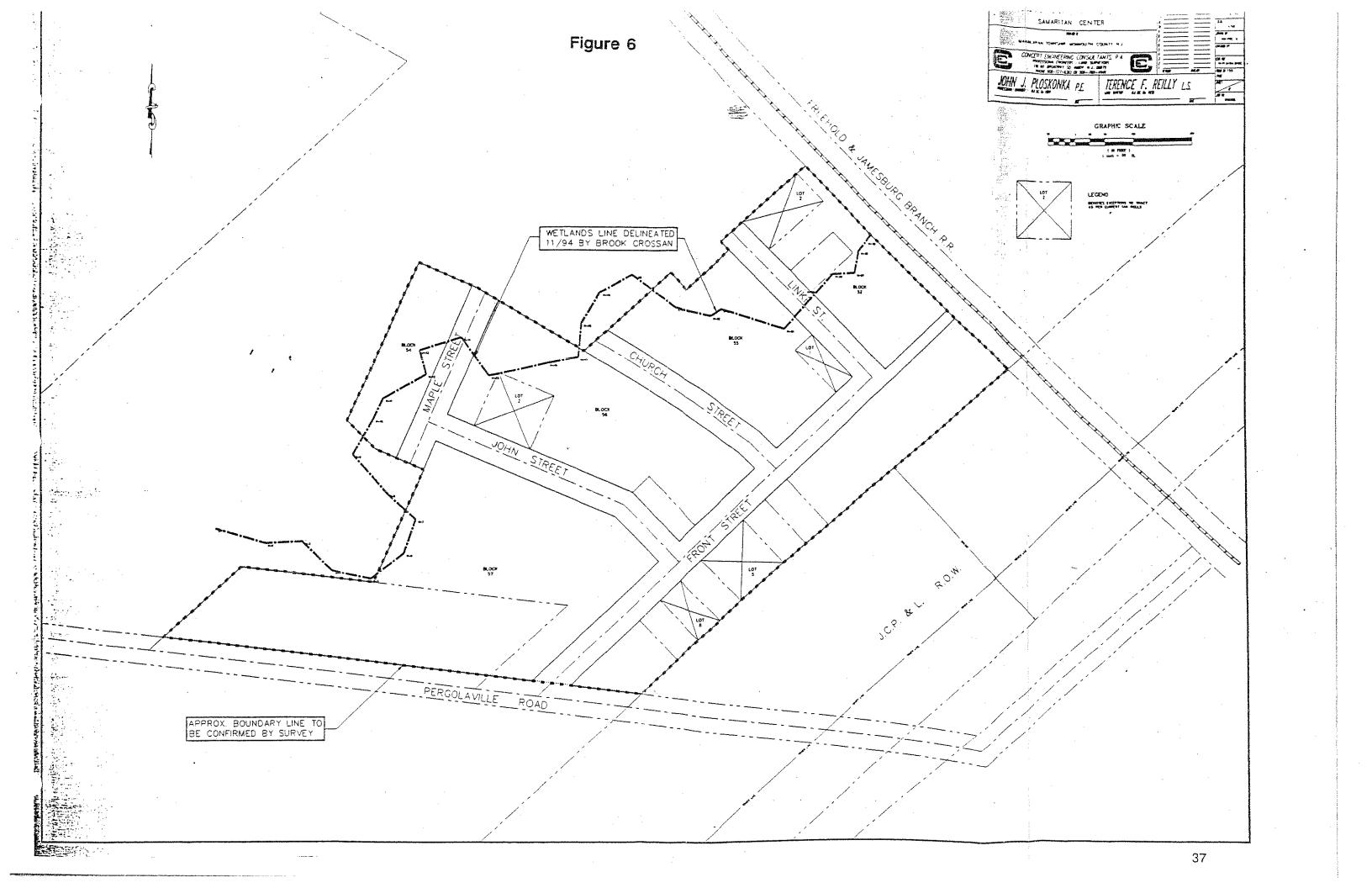


TABLE 13, LEWIS STREET DEVELOPMENT INFORMATION

SiteLewis Street	
Block 48 Lot(s) 8.01, 11	
Area 1.0 Acre (Ac	res
Current Zoning R-20 - Single Family	
Proposed Zoning R-20 - Single Family	
Surrounding Land Use Single Family, Vacant	
Access Wood Avenue (County Route 522) to Lewis Street	
Environmental Constraints	
Steep Slopes None	
WetlandsNone	
Floodplain None	
Buildable Area 1 (Acr	es)
Gross Density 2/Acre	
Net Density 2/Acre	
Low Income Units	,,
Moderate Income Units 2	
Total Dwelling Units 2	
Sewer line availability, capacity, location, and size Septic systems proposed	
	~~~~
Water line availability, capacity, location, and size Water supplied by individual wells on-s	ite
Age Restriction(s) None	

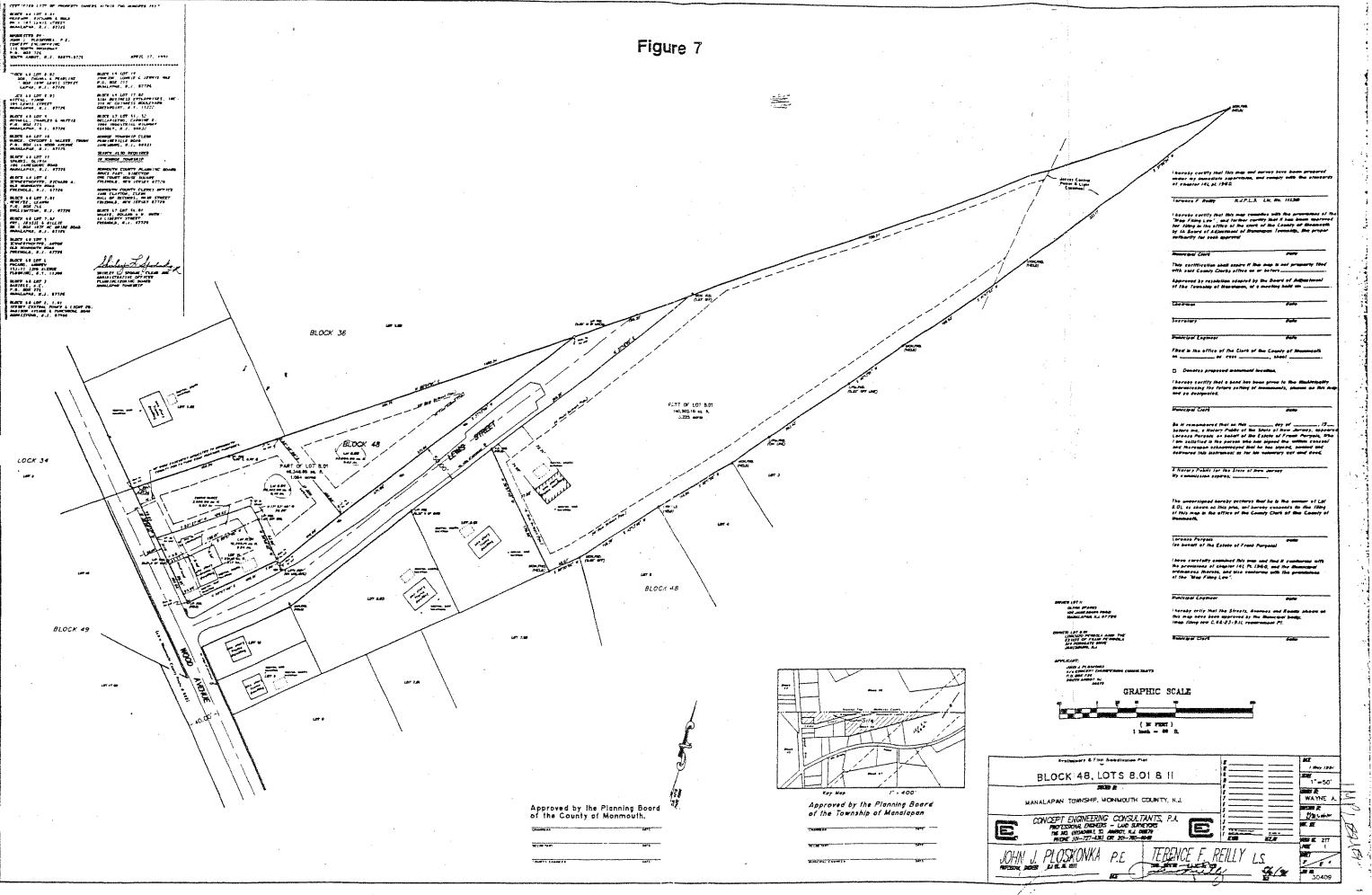
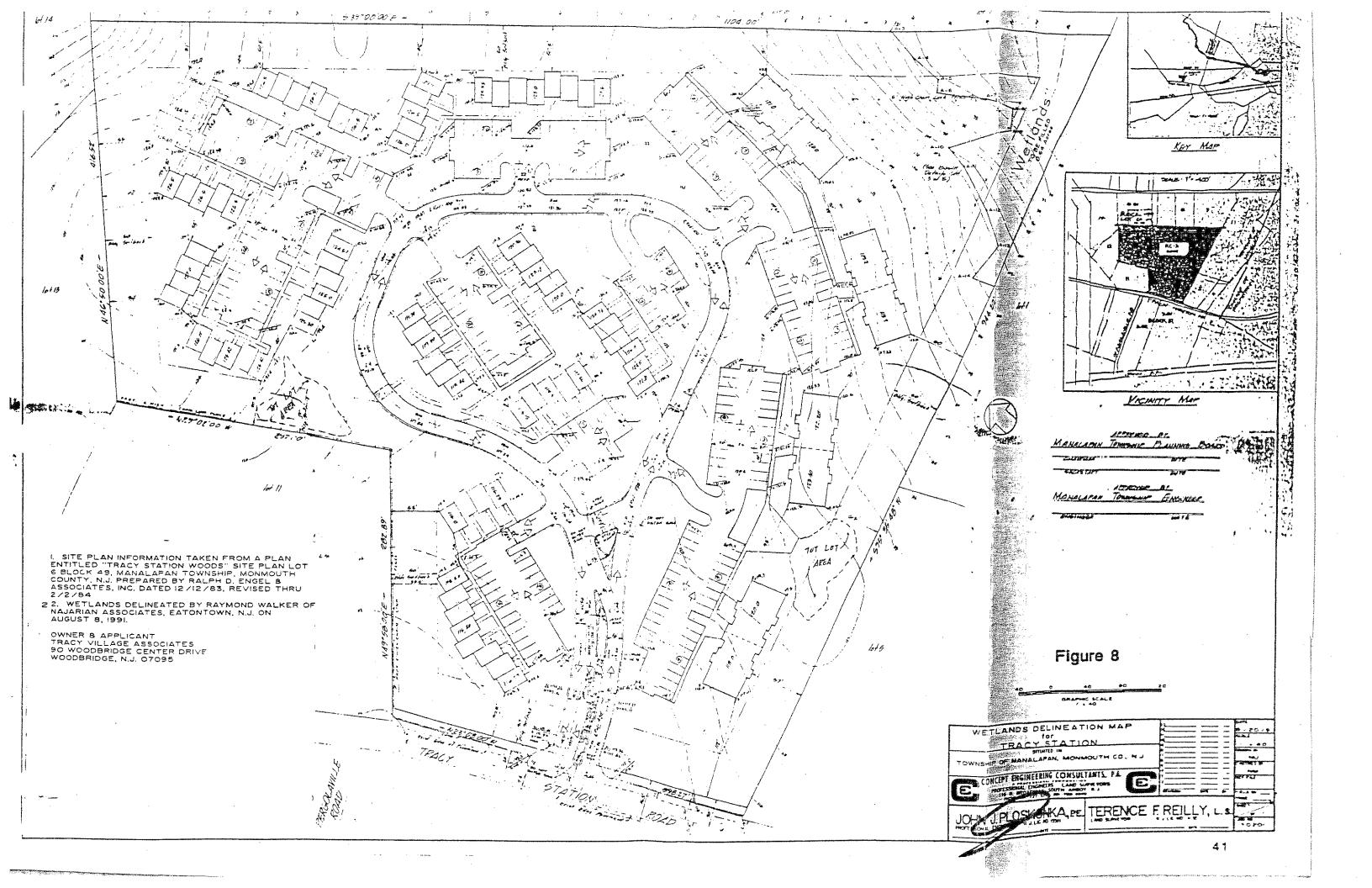


TABLE 14, TRACY STATION WOODS DEVELOPMENT INFORMATION



CONFORMITY WITH THE NEW JERSEY STATE DEVELOPMENT AND REDEVELOPMENT PLAN

The New Jersey State Planning Commission adopted the State Development/Redevelopment Plan in June 1992. An Executive Order of the Governor issued in 1994 directs all State agencies to utilize the State Plan as a coordinating document for the overall development of the State of New Jersey. The State Plan contains numerous general policies, as well as detailed mapping of policy areas. The plan is intended to be utilized to coordinate and guide State infrastructure investments, and to help administer the Mount Laurel doctrine for low and moderate income housing. The Township of Manalapan cooperated with the Monmouth County Planning Board during the cross acceptance process for the State Plan. The State Plan map identifies northern Manalapan and the Route 33 Corridor as a Suburban Planning Area (PA-2). This designation is consistent with the Township and the County recommendations. The suburban planning area is expected to accommodate most of the future growth and development.

All of the sites of the new construction component of this housing element, except the Samaritan Center, are located in PA-2. The Samaritan Center is located adjacent to PA-2 in PA-3 which is the Fringe Planning Area (see Figure 9). All sites are compatible with the State Plan.

FAIR SHARE PLAN

The fair share plan is that plan or proposal in a form that may readily be converted into an ordinance by which the Township will satisfy its obligation to create a realistic opportunity to meet its share of the regional low and moderate income housing needs. The fair share plan of the Township includes the following components:

- Continuation of the existing zoning of the Villages and the Knob Hill development as the CD-Consent District for affordable housing.
- Continuation of the R-5 Single-family Affordable Housing District on the Samaritan Center tract.

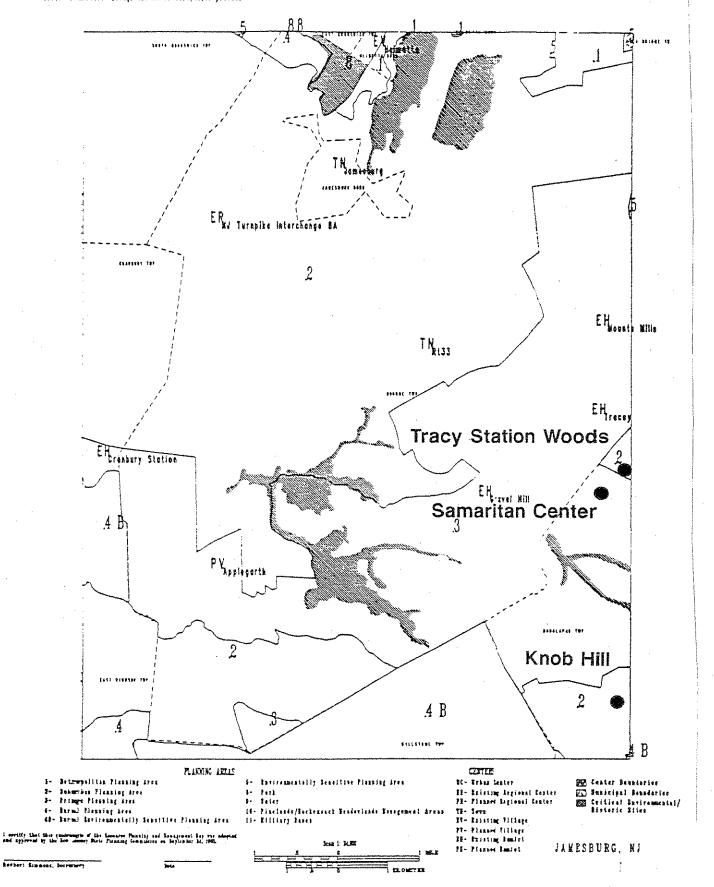
RESOURCE PLANNING AND MANAGEMENT MAP (RPMM) of the first New Jersey State Development and Redevelopment Plan

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Plan It is a prophic representation of decisioning literalistics and descriptions entirely and decision properties.

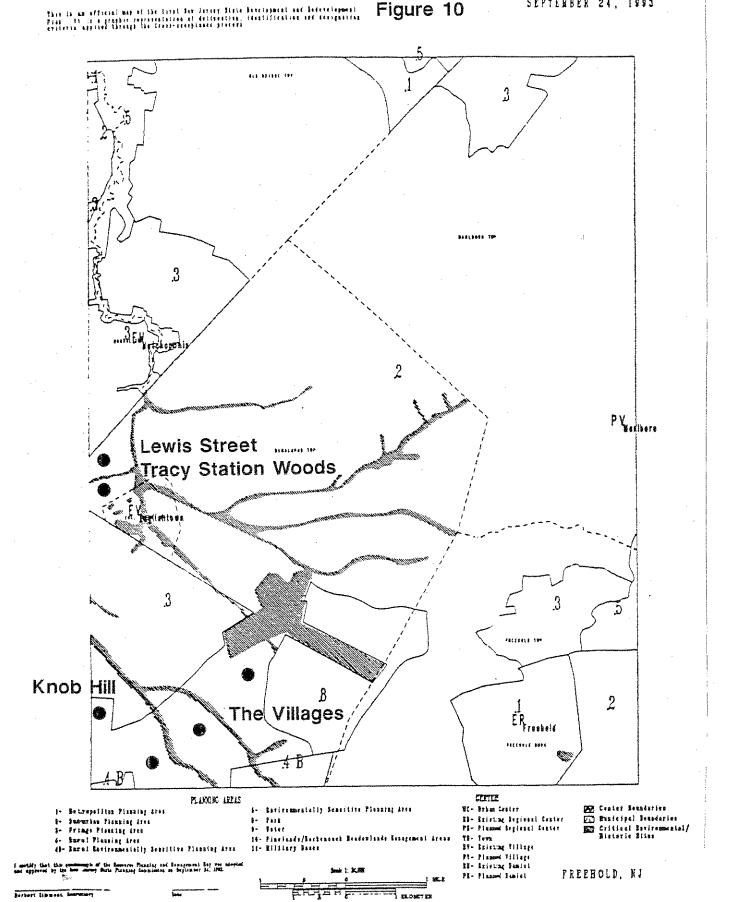
NEW JERSEY
STATE PLANNING COMMISSION
SEPTEMBER 24, 1993

Figure 9



HET JERSEY STATE PLANNING COMMISSION SEPTEMBER 24, 1993

Figure 10



- Zoning of the Tracy Station Woods development tract as a Multi-family Affordable Housing District consistent with the approved site plan.
- Adoption of Affordable Housing Regulations as provided in Appendix A of this plan to administer the affordable housing program of the Township.
- Adoption of an Affordable Housing Development Fee ordinance as provided in Appendix B of this plan which will provide revenue for the sole purpose of providing low and moderate income housing.

SUMMARY

Manalapan Township has provided a realistic opportunity to provide for its fair share of the region's low and moderate income housing need to the year 1999. The Township obligation is 765 dwelling units. The Township has earned credits for producing or planning to produce 841 dwelling units, inclusive of rehabilitations, bonus credits, and reductions for units planned but not built (see Table 9). Reductions or credits have been earned by the approvals granted and/or zoning for the Villages, Knob Hill, Tracy Station Woods, Lewis Street, and the Samaritan Center. Credits have also been earned through housing rehabilitation and through alternative living arrangements provided within the Township. Credits, reductions, rental bonuses and planned rehabilitations total 841 units, 76 units more than the Township fair share obligation for the period 1987 to 1999.

APPENDIX A, TOWNSHIP AFFORDABLE HOUSING REGULATIONS

TOWNSHIP OF MANALAPAN

AFFORDABLE HOUSING REGULATIONS

- 1. SHORT TITLE. This Article shall be known and may be cited as: Affordable Housing Regulations Article of the Township of Manalapan Municipal Land Use Ordinance.
- 2. INTENT AND PURPOSE. It is the intent and purpose of this Article to implement the Housing Plan Element and Fair Share Plan in accordance with affordable housing regulations established and, from time to time, amended by the New Jersey Council on Affordable Housing in accordance with the Fair Housing Law, N.J.S.A. 52:27d-301, and New Jersey Council on Affordable Housing Procedural and Substantive Regulations contained in N.J.A.C. 5:91, 5:92 and 5:93 et seq.
- 3. **DEFINITIONS.** The following words and terms, when used in this Article, shall have the meanings established in N.J.A.C. 5:93-1.3, Definitions, unless the context clearly indicates otherwise.
- "Affordable" means a sales price or rent within the means of a low or moderate income households as defined in N.J.A.C. 5:93-7.4.
- "COAH" means the New Jersey Council on Affordable Housing.

4. AFFORDABLE HOUSING REQUIREMENTS.

- 4-1. PURPOSE. The purpose of these provisions is to provide a realistic opportunity for the construction of affordable housing for households with low and moderate incomes as required by the New Jersey Supreme Court in Southern Burlington County N.A.A.C.P. v. Township of Mount Laurel, 92 N.J. 158 (1983) (Mount Laurel II) and the Fair Housing Law (N.J.S.A. 52:27d-301).
- 4-2. DESIGNATION OF ADMINISTRATIVE AUTHORITY. For the purposes of administering these affordable housing provisions, the Mayor, or person designated by the Mayor, shall be the responsible agent of the municipality for the purpose of monitoring the occupancy, resale and rental restrictions of low and moderate income housing units and shall be referred to as the Authority.
- **4-3**. **DEVELOPMENT APPROVALS.** All development approvals shall provide for affordable housing opportunities.
 - a. Applicability and Exemptions. These requirements shall apply to approvals granted by the Planning Board or Zoning Board of Adjustment as follows:

- 1. All approvals of use variances, site plans, or subdivisions, including extensions and substantial revisions shall be made subject to mandatory provision of affordable housing except for classes of uses contained in a.2 below. A substantial revision to a development approval shall, for the purposes of these affordable housing regulations, be any revision which increases or decreases the number of residential units or amount of non-residential floor space by more than fifteen percent (15%).
- 2. Exempted from these provisions shall be approvals for the following classes of development which do not constitute a portion of the state or housing region's tax ratable wealth:
 - (a). Utility facilities;
 - (b). Educational, cultural and outdoor recreational facilities;
 - (c). Quasi-public uses including churches, clubs, lodges and similar uses;
 - (d). Public uses; and
 - (e). Hospital uses.
- 3. All final approvals not included in a.1, or a.2 above shall provide for the payment of any Affordable Housing Development Fee.
- **b.** Mandatory Provision of Affordable Housing. All development, other than exempted development, shall provide for affordable housing through actual construction, through an Affordable Housing Development Fee or a combination of both.
 - 1. Any proposed development for five (5) or more new residential units occurring as a result of an increase in density from a use variance, change in zoning or conditional use for residential development shall provide that a percentage of the total units constructed shall be affordable to low and moderate income households in accordance with the approved Fair Share Plan of the Township. If the proposed development of five (5) or more residential lots is not included in the Fair Share Plan the following percentages shall be applied:

Multi-Family Housing:

Sales:

20 percent

Rentals:

15 percent

Single Family Housing:

4 dwelling units or greater: 15 percent

Less than 4 units:

10 percent for 3 or less units per acre plus 0.50 percent for each additional 0.10 of a unit between three units and four units per acre. (Example: a density of 3.5 dwelling units/acre would require 12.5 percent as follows: 3.5 - 3.0 = 0.5

0.5 - 0.1

x = 0.5 = 2.5%10% + 2.5% = 12.5%

Where two or more affordable units are to be provided not less than fifty (50) percent of the affordable units constructed shall be affordable to low income households.

- 2. Any proposed development for five (5) or more new residential lots occurring as a result of an increase in density from a use variance, change in zoning or conditional residential development shall provide for the construction of a number of residential units for low and moderate income households equal in number to not less than the percentage provided for in accordance with the approved Fair Share Plan. Where two or more affordable housing units are to be provided, not less than fifty (50) percent of the total units constructed shall be affordable to low income households.
- 3. Affordable housing units may be constructed on a site which is not contiguous and may be incorporated with other development subject to other zoning requirements.
- 4. In lieu of actual construction, an Affordable Housing Development Fee may be paid where approved by the Township Committee pursuant to inclusion in the Township's adopted Fair Share Plan as approved by COAH or the courts.
- c. Requirements for Affordable Housing. Developments which include affordable housing units shall be subject to the following provisions.
 - 1. Low Income Housing. Low income housing shall be affordable, according to Federal Department of Housing and Urban Development or other recognized standards for home ownership and rental costs, and occupied or reserved for occupancy by households with a gross household income equal to 50 percent or less of the median gross household income for households of the same size within the housing region in which the housing is located, and subject to affordability controls.

- 2. Moderate Income Housing. Moderate income housing shall be affordable, according to Federal Department of Housing and Urban Development or other recognized standards for home ownership and rental costs, and occupied or reserved for occupancy by households with a gross household income in excess of fifty (50) percent but less than eighty (80) percent of the median gross household income for households of the same size within the housing region in which the housing is located, and subject to affordability controls.
- 3. Age Restriction. The sales and rentals of not more than twenty-five (25) percent of the affordable housing units constructed within the Township may be age restricted to "senior citizens" age sixty-two (62) or older as defined by and in accordance with the Federal Fair Housing Act and N.J.A.C. 5:93-5.1 and as regulated by N.J.A.C. 5:93-5.12, provided that no more than twenty-five (25) percent of the total affordable housing units constructed within the Township shall be age restricted. A request to age restrict housing units may only be granted after the Planning Board or Board of Adjustment has received the consent of the Township Committee. In designing its project, the applicant may propose constructing the senior citizen restricted affordable units in the same building or buildings in order to maximize the potential of preserving a more tranquil lifestyle for the senior citizen residents; and to the foregoing extent, the requirement of integration of the affordable units with conventional units is modified.
- 4. Bedroom Distribution. The following bedroom distribution shall apply to the total number of affordable units in each development providing affordable housing units:
 - (a). The combination of efficiency and one (1) bedroom units is at least ten (10) percent and no greater than twenty (20) percent of the total low and moderate income units.
 - (b). At least thirty (30) percent of all low and moderate income units are two (2) bedroom units; and
 - (c). At least twenty (20) percent of all low and moderate income units are three (3) bedroom units.
 - (d). In the event the Rules of the Council on Affordable Housing shall provide for a bedroom mix different than the foregoing, the requirements of COAH shall control and the foregoing shall be deemed modified for all projects which have not received final site plan or subdivision approval.

- 5. Location and Design. Low and moderate income inclusionary housing shall be designed in accordance with the following provisions:
 - (a). The low and moderate income housing units shall be sited on the tract in locations at least as accessible to common open space and community facilities as market-priced dwelling units. Rental units may be concentrated for ownership and management unit reasons.
 - (b). The exterior design of the low and moderate income housing units shall be harmonious in scale, texture, and materials with the market-priced units on the tract.
- 6. Deed Restrictions. Developers of housing units for low and moderate income households shall enter into a written agreement, binding on all successors-in-interest, in accordance with N.J.A.C. 5:93-9.3 et. seq., Resale/Rental Control, at the time of sale, resale, rental or re-rental regardless of the availability of Federal, State, County or Township subsidy programs.
- 7. Low and moderate income units shall utilize the same heating source as market units within inclusionary developments.
- **4-4. CERTIFICATES OF OCCUPANCY.** Certificates of occupancy for developments which include affordable housing units shall be subject to the following additional provisions.
 - a. Phasing of Affordable Units. Affordable housing units shall be built, occupied and receive Certificates of Occupancy in accordance with the following schedule.

OF LOW AND MODERATE INCOME UNITS COMPLETED	PERCENTAGE OF MARKET HOUSING UNITS COMPLETED
0	25
10	25 + 1 unit
50	50
75	75
100	90

- b. No initial occupancy of a low or moderate income housing sales unit shall be permitted prior to issuance of a certificate of occupancy and no certificate of occupancy for initial occupancy of a low or moderate income housing sales unit shall issue unless there is a written determination by the Authority that the unit is to be controlled by a deed restriction and mortgage lien as adopted by COAH.
- c. A certificate of re-occupancy for any occupancy of a low or moderate income housing sales unit resulting from a resale shall be required, and the Township shall not issue such certificate unless there is a written determination by the Authority that the unit is to be controlled by the deed restriction and mortgage lien required by the COAH.
- d. The certificate of re-occupancy shall not be required where there is a written determination by the Authority that controls are allowed to expire or in that the repayment option is being exercised pursuant to N.J.A.C. 5:93-9.4.
- 4-5. RESALE/RE-RENTAL CONTROLS. A developer of an affordable inclusionary housing development shall incorporate deed restrictions on all dwelling units sold as units affordable to low and moderate income households pursuant to N.J.A.C. 5:93-9.2, Council on Affordable Housing Substantive Rules. Affordability controls shall remain in force for twenty (20) years in accordance with N.J.A.C. 5:93-9.2, shall run with the land and shall place limitations upon the resale/re-rental of affordable units in accordance with N.J.A.C. 5:93-9.4 through 5:93-9.16 and by means of any deed restrictions and/or lien documents promulgated by the Council on Affordable Housing.
 - a. Exempt sales. Sales exempted from resale/re-rental controls shall include: the transfer of ownership between husband and wife; the transfer of ownership between former spouses ordered as a result of a judicial decree of divorce or judicial separation, but not including sales to third parties; the transfer of ownership between family members as a result of inheritance; the transfer of ownership through an executor's deed to a Class A beneficiary; and the transfer of ownership by court order.
 - b. Deed restrictions, notice of sale. All deed restrictions governing Iow and moderate income housing units shall require the owner to notify the Authority and COAH by certified mail of any intent to sell the unit at least ninety (90) days prior to entering into an agreement for the first non-exempt sale after controls have been in effect on the housing unit for the period specified in N.J.A.C. 5:93-9.2.
 - c. Deed Restrictions, Sales Options. The deed restrictions governing the deeds of low and moderate income housing units shall include an option permitting purchase of the affordable housing unit at the maximum allowable restricted sales price at the time of the first non-exempt sale after controls on affordability have

been in effect on the unit for the period specified in N.J.A.C. 5:93-9.2. The option to buy shall be first available to Manalapan Township, then the New Jersey Department of Community Affairs, Housing and Mortgage Finance Agency, or a qualified non-profit agency as determined by COAH.

- **d. Options.** Rights shall be held and exercised in accordance with the following provisions.
 - 1. Upon receipt of notice, the option to buy the unit at the maximum allowable restricted sales price shall be available for ninety (90) days. The Authority shall first notify Manalapan Township, then the New Jersey Department of Community Affairs, Housing and Mortgage Finance Agency, and COAH that the unit is for sale. If Manalapan Township exercises this option, it may enter into a contract of sale. If Manalapan Township fails to exercise this option within ninety (90) days, the first of the other entities giving notice to the Seller of its intent to purchase during the ninety day period shall be entitled to purchase the unit. If the option to purchase the unit at the maximum allowable restricted sales price is not exercised by a written offer to purchase the housing unit within ninety (90) days of receipt of the intent to sell, the owner may proceed to sell the housing unit (pursuant to N.J.A.C. 5-93-9.8). If the owner does not sell the unit within one year of the date of the delivery of notice of intent to sell, the option to buy the unit shall be restored and the owner shall be required to submit a new notice of intent to sell at least ninety (90) days prior to any future proposed date of sale.
 - 2. Any option to buy a housing unit at the maximum allowable restricted sales price shall be exercised by certified mail and shall be deemed exercised upon mailing.
 - 3. An eligible seller of a low or moderate income unit which has been controlled for the period established in N.J.A.C. 5:93-9.2, and who has provided notice of an intent to sell may proceed with the sale if no eligible entity as outlined in N.J.A.C. 5:93-9.4(c) and 9.7 exercises its option to purchase within ninety (90) days. Subject to N.J.A.C. 5:93-9.9, the seller may elect the Affordable Resale Option or the Repayment Option.
 - a. Affordable Resale Option. The seller may sell to a qualified low and moderate income household at the maximum allowable restricted sales price in accordance with existing COAH regulations, providing the unit is regulated by the deed restriction and lien adopted by COAH for a period of up to twenty (20) years.

- b. Repayment Option. Provided that the municipality has not suspended the repayment option, the seller may sell to any purchaser at market price, providing that 95 percent of the price differential is paid to the Authority, as an instrument of Manalapan Township, at closing. Such sale shall be approved by the Authority.
- 4. Municipal Option Manalapan Township may elect to purchase a low or moderate income unit provided for in N.J.A.C. 5:93-9.4, and may:
 - a. Convey or rent the housing unit to a low or moderate income household purchaser or tenant at a price or rent not to exceed the maximum allowable restricted sales price or rental provided the unit is controlled by a deed restriction in accordance with Technical Appendix E of N.J.A.C. 5:93-1 et seq. or an alternative approved by COAH; or;
 - **b.** Convey the unit at fair market value subject to the provisions of the following subsection.
 - c. Upon purchase, Manalapan Township may maintain the unit as an affordable housing unit or convey it at fair market value in accordance with the following:
 - (1). Notify COAH of any proposed sale and sales price ninety (90) days before closing;
 - (2). Notify COAH of the price differential as defined in COAH regulations;
 - (3). Deposit the price differential in the Manalapan Township Affordable Housing Trust Fund and;
- 5. State Option When the Department of Community Affairs or Housing and Mortgage Finance Agency elects to purchase a low or moderate income unit pursuant to N.J.A.C. 5:93-9.4, it may:
 - a. Convey or rent the housing unit to a low or moderate income household purchaser or tenant at a price or rent not to exceed the allowable restricted sales price or rental; or
 - **b.** Convey the unit at fair market value and utilize the price differential to subsidize the construction, rehabilitation or maintenance of low and moderate income housing within the housing region.

- 6. Non-profit Option Non-profit agencies may apply to COAH at any time for the right to purchase low or moderate income housing units subsequent to the period of controls on affordability provided the unit remains controlled by a deed restriction in accordance with Technical Appendix E in N.J.A.C. 5:93-1 et seq., or an alternative approved by COAH. Non-profit agencies that have been designated by COAH shall be eligible to purchase low or moderate income housing units pursuant to N.J.A.C. 5:93-9.4 for the sole purpose of conveying or renting the housing unit to a low or moderate income household purchaser or tenant at a price or rent not to exceed the allowable restricted sales price or rental. Low income housing units shall be made available to low income household purchasers or tenants and the housing unit shall be regulated by the deed restriction and lien adopted by COAH. The terms and length of the controls on affordability shall be the same as those required by N.J.A.C. 5:93-9.2.
- **4-6. ADMINISTRATION.** The affordable housing regulations shall be administered in accordance with the following provisions.
 - a. Determination of affordable price/rent. The affordability of a low or moderate income unit shall be a function of the rent or sales price which shall be established so as to ensure that occupants do not pay a sum for shelter costs greater than approximately thirty (30) percent of gross annual income for rental units or approximately twenty-eight (28) percent of gross annual income for sales units in accordance with Council on Affordable Housing regulations as follows:
 - 1. Shelter costs for rental units shall include gross rent, excluding utilities.
 - 2. Shelter costs for sales units shall include principal, interest, taxes, condominium fees and insurance;
 - 3. Sales costs of a unit shall be based on a presumed ten (10) percent down payment;
 - 4. Rental and sales costs shall be fixed for a unit depending on bedroom number calculated on the following basis as to household size:
 - (a). Efficiency Units One (1) person,
 - (b). One Bedroom One-half (1/2) of all one (1) bedroom units shall be affordable to one (1) person households; one-half (1/2) of all one bedroom units shall be affordable to (2) two person households.

- (c). Two Bedrooms One-half (1/2) of all two (2) bedroom units shall be affordable to (2) two person households; and one-half (1/2) of all two (2) bedroom units shall be affordable to three (3) person households.
- (d). Three Bedrooms One-half (1/2) of all three (3) bedroom units shall be affordable to four (4) person households and one-half (1/2) of all three (3) bedroom units shall be affordable to five (5) person households.
- 5. In the case of owner occupied housing rehabilitation assistance, affordability shall be based on unit occupancy by a low or moderate income household:
- b. Pricing Distribution Of Housing Units. The maximum average rent and price of low and moderate income housing units shall be, affordable to households earning 57.5 percent of median income as contained in N.J.A.C. 5:93-7.4, establishing rents and prices of units.
- c. Affordability For Sales Units. Moderate income sales units are available for at least (3) three different prices and low income sales units are available for at least two (2) different prices.
- d. Determination Of Sales Values. Values of sales units shall be determined in accordance with the following provisions.
 - 1. Fair market value. Fair market value shall be established on the basis of the unrestricted price of a low or moderate income housing unit if sold at a current real estate market rate.
 - 2. Maximum allowable restricted sales price. The maximum allowable restricted sales price shall be determined in accordance with COAH regulations at the date of a proposed contract of sale.
 - 3. Price differential. Price differential shall be established as the difference between the maximum allowable restricted sales price and the fair market value, as determined at the date of a proposed contract of sale, after deducting reasonable real estate broker fees.
- e. Approval Required To Exercise Repayment Option. If the sale will be to a qualified low and moderate income household, the Authority shall certify the income qualifications of the purchaser and shall ensure the housing unit is regulated by the restrictive covenant and lien required by COAH.

- 1. The Authority shall examine any contract of sale containing a repayment option to determine if the proposed sales price bears a reasonable relationship to the housing unit's fair market value. In making this determination, the Authority may rely on comparable sales data or an appraisal. The Authority shall not approve any contract of sale where there is a determination that the sales price does not bear a reasonable relationship to fair market value. The Authority shall make a determination within twenty (20) days of receipt of the contract of sale and shall calculate the repayment option payment.
- 2. The Authority shall adopt an appeal procedure by which a seller may submit written documentation requesting the Authority to:
 - (a). Recompute the repayment obligation if the seller believes an error has been made; or
 - (b). Reconsider a determination that a sales price does not bear a reasonable relationship to fair market value. A repayment obligation determination made as a result of an owner's appeal shall be a final administrative determination of the Authority.
- 3. The repayment shall occur at the date of closing and transfer of title for the first non-exempt transaction after the expiration of controls on affordability.
- 4. Repayment proceeds shall be deposited in the Manalapan Township Affordable Housing Trust Fund. Money deposited in the Manalapan Township Affordable Housing Trust Fund trust account from such sale may not be expended until Manalapan Township submits and COAH approves a repayment housing plan. COAH may approve the repayment housing plan if it determines that it provides a realistic opportunity for the creation, rehabilitation or maintenance of low and moderate income housing.
- d. Township Rejection of Repayment Option. Manalapan Township shall have the right to determine that the most desirable means of promoting an adequate supply of low and moderate income housing is to prohibit the exercise of the repayment option and maintain controls on lower income housing units sold within the Township beyond the period required by N.J.A.C. 5:93-9.2. Such determination shall be made by resolution of the Township Committee and shall be effective upon filing with COAH and the Authority. The resolution shall specify the time period for which the repayment option shall not be applicable. During such period, no seller in Manalapan Township may utilize the repayment option permitted by N.J.A.C. 5:93-9.8. If the Township exercises the rejection of repayment option outlined above, it shall:

- 1. Provide public notice in a newspaper of general circulation; and
- 2. Notify the Authority and COAH of the Township Committee's action. The Authority shall ensure that the deed restriction on all affected housing units reflects the extended period of controls.
- f. Continued Application of Options to Create, Rehabilitate or Maintain Low and Moderate Income Housing Units. When a housing unit has been maintained as a low or moderate income unit after controls have been in effect for the period specified in N.J.A.C. 5:93-9.2, the deed restriction governing the housing units shall allow the Township, the State, non-profit agencies and sellers of low and moderate income housing units to again exercise all the same options as provided in this Article.
- g. Affirmative Marketing Plan. Manalapan Township shall provide for the marketing of all low and moderate income housing units developed pursuant to the provisions of this Ordinance in accordance with the provisions of an affirmative marketing plan as described below:
 - **1.Information.** The Affirmative marketing Plan shall include the information provided in N.J.A.C. 5:93-11.1 (b).
 - 2. Marketing program. The advertising program shall be designed to reach all segments of the eligible population within the housing region. It shall be used in advertising and publicizing the availability of housing in accordance with the marketing program requirements of N.J.A.C. 5:93-11.3.
 - (a). The marketing process for low and moderate income units shall begin at least four (4) months prior to expected occupancy.
 - (b). In implementing the marketing program, there shall be at least one paid advertisement in a newspaper of general circulation within the housing region during the first week of the marketing program.
 - (c). Applications for low and moderate income housing shall be available in several locations, including, at a minimum, the municipal administrative building(s), the municipal library and at the developer's sales office. Applications shall be mailed to prospective applicants upon request.

(d). If the cost of advertising low and moderate income units are to be a developer's responsibility, the requirement shall be a condition of the Township Planning Board's approval.

3. Marketing for initial sales and/or rent up; composition of marketing pool

- (a). Households that apply for low and moderate income housing shall be screened for preliminary income eligibility by comparing their total income to the low and moderate income limits adopted by COAH. Applicants shall be notified as to their eligibility status.
- (b). Having screened applicants for preliminary income eligibility, the Authority may analyze the income and household sizes of applicants to determine which applicants have the assets and/or income necessary to purchase or rent each available low or moderate income unit.
- (c). The Authority shall interview each applicant and utilize the procedures outlined in N.J.A.C. 5:93-9.1 to: verify the applicant's income and household size; determine the applicant's asset availability; and review the applicant's credit history. Applicants shall be required to submit income verification for each household member eighteen (18) years or older. This process shall be utilized in establishing the final certified applicant group.
- (d). The process described in (a) through (c) above may begin no sooner than one month after the advertising program outlined in N.J.A.C 5:93-11.3 begins. Households shall be selected to proceed through the process described in (a) through (c) above through a method of random selection. Households shall be certified for low and moderate income units using the procedures outlined in N.J.A.C. 5:93-9.1. The process described in (a) through (c) shall be continued until all the low and moderate income units are occupied.

4. Continuing marketing activities.

(a). The types of activities to be undertaken after the completion of initial occupancy of sales and rental units in order to fill vacancies resulting from normal turnover shall include:

- (1) Ensuring a sufficient supply of income eligible applicants by continuing to implement the marketing plan throughout the housing region, as outlined in N.J.A.C 5:93-11.3. At a minimum, the municipality shall maintain a current pool of at least five (5) income eligible applicants for each low and moderate income unit.
- (2) Contacting each income eligible applicant annually to request updated information regarding income and family size.
- (b). As units become available, the Authority shall select eligible applicants for the units, as described in N.J.A.C. 5:93-11.4 (b) through (d) until the units are occupied by low and moderate income households.

5. Monitoring and reporting requirements.

- (a). The Township shall collect information on each applicant for low and moderate income housing on forms approved by COAH. Such report shall include:
 - (1) Monitoring forms approved by COAH.
 - (2) An evaluation of the income and demographic characteristics of each applicant of low and moderate income housing, as well as the occupants of the units; and
 - (3) An evaluation of nay necessary adjustments in the affirmative marketing program as a result of the evaluation in (a) above.
- (b). The Township shall evaluate the results of their affirmative marketing activities and file a report with COAH by August 30 of each year.
- (c). COAH shall review and assess the effectiveness of the Township affirmative marketing program. If it is deemed that the affirmative marketing program is not effective, the Township shall be required to amend the program.

- h. General Provisions Concerning New Construction of Sales Units. In developing its Housing Plan Element, COAH requires that Manalapan Township shall adopt measures to assure that low and moderate income housing units remain affordable to low and moderate income households for a period of not less than twenty years. The Authority shall do so by requiring all conveyances of low and moderate income housing units subject to this Ordinance to contain the restrictive covenant and mortgage lien adopted by COAH.
- i. General Provisions Concerning Enforcement Through Certificates of Occupancy or Re-occupancy of Sales Units.
 - (1). The Authority shall issue written determinations for the purpose of issuing certificates of occupancy for initial occupancy or certificates of re-occupancy for low or moderate income housing sales units where the Authority finds that the unit is to be controlled by a deed restriction and mortgage lien as adopted by COAH. The Authority shall make such determination within ten (10) days of receipt of a proposed deed restriction and mortgage lien. Amendments to the deed restriction and lien shall be permitted only if they have been approved by COAH. A request for an amendment to the deed restriction and lien may be made by the Authority, the Township or a developer.
 - (2). The Authority shall not permit the initial occupancy of a low or moderate income sales unit prior to issuance of Certificate of Occupancy in accordance with (1) above.
 - (3). The Authority shall issue written determinations for the purpose of issuing certificates of re-occupancy for low or moderate income housing sales units where the authority finds that the unit is to be controlled by a deed restriction and mortgage lien as adopted by COAH. Purchasers of low and moderate income housing sales units shall execute the deed restriction and mortgage lien prior to issuance of a certificate of occupancy regardless of whether the sellers had executed the deed restriction and mortgage lien adopted by COAH upon acquisition of the property. The Authority shall make such determination within ten (10) days of receipt of a proposed deed restriction and mortgage lien.
 - (3). The Authority shall issue written determinations for the purpose of issuing certificates of re-occupancy for low or moderate income housing sales units where the authority finds that the unit is to sold and controls are allowed to expire or in which the repayment option is being exercised pursuant to N.J.A.C. 5:93-9.4.

- (4). The mortgage lien and the deed restriction shall be filed with the Clerk of Ocean County. The lien and deed restriction shall be adopted by COAH unless amendments have been approved by COAH.
- (5). The deed restriction, including the repayment clause, and the mortgage lien shall have priority over all mortgages on the property except for a first mortgage placed on the property by the mortgagee prior to the expiration of resale controls.

APPENDIX B, TOWNSHIP AFFORDABLE HOUSING DEVELOPMENT FEE REGULATIONS

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TOWNSHIP OF MANALAPAN

COUNTY OF MONMOUTH

AN ORDINANCE AMENDING AND SUPPLEMENTING CHAPTER 130 "LAND USE AND DEVELOPMENT OF THE REVISED GENERAL CODES OF THE TOWNSHIP OF MANALAPAN BY ADDING A NEW SECTION, 130-83 "AFFORDABLE HOUSING DEVELOPMENT FEES"

BE IT ORDAINED by the Township Committee of the Township of Manalapan, County of Monmouth and State of New Jersey that Chapter 130 "Land Use and Development" be and is hereby amended and supplemented by adding a new section 130-83 "Affordable Housing Development Fees" as follows:

I

Article XIII, Section 130-83 AFFORDABLE HOUSING DEVELOPMENT FEES.

(1) In Holmdel Builder's Ass'n. 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, N.J.S.A. 52:27D-301 et. seq. and the State Constitution subject to Council on Affordable Housing ("COAH") developing rules. The purpose of this ordinance is to establish standards for the collection, maintenance and expenditure of development fees pursuant to COAH's rules. 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.

- (b) The Township Committee finds and declares that the creation and preservation of affordable housing in the Township serves the public interest. Maintaining and improving a stock of sound affordable housing requires affirmative steps by local government working cooperatively with public bodies at all levels and with the private sector. The purpose of this section is to create in the Township of Manalapan a trust fund from payment of development fees to assist in the marshaling of public and private monies dedicated to affordable housing projects and programs.
- Ordinance is to provide revenues with which to fund Regional Contribution Agreements, and/or to construct housing for low and moderate income families in order for the Township of Manalapan to meet its responsibility for providing affordable housing pursuant to Mount Laurel II and the "Fair Housing Act".
- B. <u>Definitions</u>. In addition to the words defined in Section 13-52, the following words shall have the following meanings:
- (1) "Affordable Housing" means any housing unit with an acquisition price or rent level not exceeding the maximum resale or rent level for low and moderate income housing as set forth in N.J.A.C. 5:92-1.2.
- (2) "Council" or "COAH" means the New Jersey Council on Affordable Housing established under the Fair Housing Act of 1985.
- (3) "Development fees" mean money paid by an individual, person, partnership, association, company or corporation for the improvement of property as permitted in COAH rules and regulations.

- (4) "Equalized assessed value" means the value of a property determined by the Township Tax Assessor through a process designed to ensure that all property in the Township is assessed at the same assessment ratio or ratios required by law. Estimates at the time of building permit may be obtained by the Tax Assessor utilizing estimates for construction cost. Final equalized assessed value will be determined at project completion by the Tax Assessor.
- (5) "Substantive Certification" means a determination by the Council approving a municipality's housing element and fair share plan in accordance with the provisions of the Act and the rules and criteria as set forth herein. A grant of substantive certification shall be valid for a period of six years in accordance with the terms and conditions contained herein.
- (6) "Judgement of repose" means a judgement issued by the Superior Court approving a municipality's plan to satisfy its fair share obligation.

C. Development Fee Schedule.

1. Residential Development.

- a. Residential development fees shall be one-half of one (0.5%) percent of the equalized assessed value for residential development provided no increased density is permitted.
- b. Where any proposed development results in an increased density from a use variance, change in zoning, or conditional use for residential development, the residential fee shall be six (6%) percent of the equalized assessed value of each additional unit.
- c. The Township may collect fees exceeding those permitted in this section provided the Township enters into agreements with developers that offer a financial incentive for paying higher fees. The financial incentive may be in the form of a tax rebatement. No agreement may provide for a voluntary

development fee without also providing for a comparable off-setting incentive. All agreements are subject to Council approval.

2. Non-residential Development.

- a. Non-residential development fees shall be one (1%) percent of the equalized assessed value for non-residential development.
- The Township may collect fees exceeding those permitted in this section provided they enter into agreements with developers that offer a financial incentive for paying higher fees. Such agreements may include, but are not limited to, a tax abatement, increased commercial/industrial square footage, increased commercial/industrial lot coverage and/or increased commercial/industrial impervious coverage in return for increased development fee. The development fee negotiated must relationship additional reasonable to the bear commercial/industrial consideration to be received. All agreements are subject to approval by the Council.

D. Eliqible Exactions, Ineliqible Exactions and Exemptions.

- (1) Development fees may be collected when an existing structure is expanded or undergoes a more intense use. The development fee that may be collected shall be calculated on the increase in the equalized assessed value of the improved structure.
- (2) The Township shall not reduce densities from pre-existing levels and then require developers to pay development fees in exchange for an increased density.

- approval prior to the imposition of a development fee shall be exempt from development fees unless the developer seeks a substantial change in the approval; for example, a substantial alteration in site layout, development density or types of uses within the development.
- (4) The Township exempts the following types of development from the imposition of development fees:
- a. Non-profit organizations which have received tax exempt status pursuant to Section 501(c)(3) of the Internal Revenue Code, providing current evidence of that status is submitted to the Township Administrator, together with a certification that services of the organization are provided at reduced rates to those who establish an inability to pay existing charges.
 - b. Federal, State, county and local governments.
- c. Public utilities under the jurisdiction of the New Jersey Board of Public Utilities to the extent that the construction for which approval is sought is of a facility which shall house equipment only and not to be occupied by any employees.
- d. Person or entity constructing an inclusionary residential development.
- e. Person or entity seeking a construction permit for a unit which when it received subdivision or site plan approval was part of an application for less than 3 residential units.

- f. Person or entity seeking a construction permit for a structure which shall be ancillary to and used in connection with a farm.
- g. Person or entity seeking a construction permit to add to or remodel a residential structure provided the equalized assessed value of he improvement is less than the equalized assessed value of the original structure and further provided that no new dwelling units are created.

E. Collection of Development Fees.

(1) The Township shall collect fifty (50%) percent of the fee on any specific development prior to and as a condition of the issuance of the building permit therefor. The remaining portion shall be collected prior to and as a condition of the issuance of the Certificate of Occupancy. Once the final equalized assessed value of a particular development has been determined by the Tax Assessor, and such final equalized assessed value is greater than the estimated equalized assessed value, the developer shall, within ten (10) business days from receipt of notification from the Township, pay to the Township the difference between development fees required to be paid by the developer once such final equalized assessed value has been determined and estimated development fees actually paid by the developer. In the event that the estimated equalized assessed value proves to have been too high, the Township shall promptly refund the difference between the estimated development fees actually paid by the developer and the development fees required to be paid by the

developer once such final equalized assessed value has been determined.

(2) None of the above permits or certificates shall be issued until receipt of the development fee has been certified by the appropriate municipal officer.

F. Housing Trust Fund.

All development fees shall be deposited with the Chief Financial Officer of the Township in a separate designated interest-bearing housing trust fund. The development fees placed in the housing trust fund shall be deemed "dedicated revenues" as such term is defined in N.J.S.A. 40A:4-36. In establishing the housing trust fund, the Township shall provide whatever express written authorization that may be required by the bank utilized by the Township in order to permit the Council to direct the disbursement of development fees pursuant to subsection J of this Chapter. No money shall be expended from the housing trust fund unless the expenditure conforms to a spending plan approved by the Council.

G. Use of Funds.

(1) The Township shall use revenues collected from development fees for any activity approved by the Council for addressing the Township's fair share obligation. Such activities include, but are not limited to, rehabilitation, new construction, regional contribution agreements, purchase of land for low and moderate income housing, improvement of land to be used for low and moderate income housing, extension and/or improvements of roads and

infrastructure to low and moderate income housing sites, assistance designed to render units to be more affordable and administration of the implementation of the housing element. The expenditures of all money shall conform to a spending plan approved by the Council.

- (2) Funds shall not be expended to reimburse the Township for housing activities that preceded the judgment of repose.
- (3) At least thirty (30%) percent of the revenues collected from development fees shall be devoted to render units more affordable. Examples of such activities include, but are not limited to, down payment assistance, low interest loans, and rental assistance. This requirement may be waived in whole or in part when the Township demonstrates to the Council the ability to address the requirement of affordability assistance from another source.
- (4) No more than twenty (20%) percent of the revenues collected from development fees shall be expended on administration costs necessary to develop, revise or implement the housing element, including, but not limited to, salaries and benefits for Township employees or consultant fees necessary to develop or implement a rehabilitation program, a new construction program, a regional contribution agreement, a housing element, and an affirmative marking program. Administrative funds may be used for income qualification of households, monitoring the turnover of sale and rental units, and compliance with the Council's monitoring requirements. Development fees shall not be used to defray the costs of existing staff, except that the Council may consider

permitting fees to defray the cost of staff whose sole responsibility is to implement the housing element.

H. Monitoring.

The Township shall complete and return to the Council all monitoring forms related to the collection of development fees, expenditures of revenues, and implementation of the spending plan (discussed in subsection I below) certified by the Council. Quarterly financial reports and annual program implementation and auditing reports shall be completed by the Township on forms designed by the Council.

I. Spending Plans.

The Township shall submit to the Council a spending plan for the development fees collected by it prior to the expiration of its judgment of repose period. Plans to spend development fees shall consist of the following information:

- (1) a projection of revenues anticipated from imposing fees on development, based on historic activity;
- (2) a description of the administrative mechanism that the Township will use to collect and distribute revenues;
- (3) a description of the anticipated use of all development fees;
- (4) a schedule for the creation or rehabilitation of housing units;
- (5) in the event the Township envisions being responsible for public sector or non-profit construction of housing, a pro-forma

statement of the anticipated costs and revenues associated with the development; and

(6) the manner through which the Township will address any expected or unexpected shortfall if the anticipated revenues from development fees are not sufficient to implement the plan.

J. Penalties.

- (1) In the event that any of the conditions set forth in subsection (2) below occur, the Council shall be authorized, on behalf of the Township, to direct the manner in which all development fees collected pursuant to this Ordinance shall be expended. Should any such condition occur, such revenues shall immediately become available for expenditure at the direction of the Council upon the Township Clerk's receipt of written notification from the Council that such a condition has occurred. In furtherance of the foregoing, the Township shall, in establishing a bank account pursuant to subsection F of this Chapter, ensure that the Township has provided whatever express written authorization which may be required by the bank to permit the Council to direct disbursement of such revenues from the account following the delivery to the bank of the aforementioned written notification provided by the Council to the Township Clerk.
- (2) Occurrence of the following may result in the Council taking an action pursuant to subsection (1) above:
- (a) failure to submit a spending plan pursuant to subsection I above within the time limits imposed by the Council;

- (b) failure to meet deadlines for information required by the Council in its review of this Ordinance, the Township's housing element, or spending plan;
- (c) failure to address the Council's conditions for approval of a plan to spend development fees within the deadlines imposed by the Council;
- (d) failure to address the Council's conditions for future substantive certification within the deadlines imposed by the Council;
- (e) failure to submit accurate monitoring reports within the time limits imposed by the Council;
- (f) failure to implement the spending plan for development fees within the time limits imposed by the Council, or within reasonable extensions granted by the Council;
- (g) expenditure of development fees on activities not permitted by the Council;
 - (h) revocation of the Township's judgment of repose; or
- (i) other good cause demonstrating that the revenues are not being used for the intended purpose.

K. Expiration of Ordinance.

This Ordinance shall expire if:

- (1) COAH dismisses or denies the Township's petition for substantive certification;
- (2) COAH revokes substantive certification or its certification of this Ordinance;
 - (3) Revocation of Township's Judgment of Repose.

(4) Judgment of repose expires prior to the Township filing an adopted housing element with the Council, petitioning for substantive certification or receiving the Council's approval of this Ordinance.

II

SEVERABILITY.

If any section, subsection, clause or phrase o this ordinance is held to be unconstitutional or invalid for any reason, such decision shall not affect the remaining portions of this ordinance.

III

REPEAL.

All ordinances or parts of ordinances inconsistent with this ordinance are hereby repealed to the extent of such inconsistency.

IV

EFFECTIVE DATE.

This ordinance shall take effect upon due publication according to law and filing with the Monmouth County Planning Board.

NOTICE

The ordinance published herewith was introduced at a meeting of the Township Committee of the Township of Manalapan held on

at the Town Hall, Manalapan, New Jersey, and will be further considered for final passage after a public hearing thereon at a meeting of at 8:00 p.m. or as soon thereafter as the matter will be reached, or at any meeting to which that meeting may be adjourned, at which time any and all

persons who may be interested therein will be given an opportunity to be heard.

ROSEANN WEEDEN TOWNSHIP CLERK