

**HOUSING ELEMENT AND FAIR SHARE PLAN  
FOR THE FOURTH ROUND: 2025- 2035**

**PREPARED FOR**

**THE BOROUGH OF CARLSTADT  
IN THE COUNTY OF BERGEN  
STATE OF NEW JERSEY**

June 13, 2025

Adopted by the Planning Board: June 30, 2025



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N.B. The original of this document was signed and sealed as per N.J.A.C. 13:41-1.3.b

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## 1.0 INTRODUCTION

### 1.1. Background

New Jersey affordable housing law began in 1975 when the Supreme Court decided *So. Burl. Cty. N.A.A.C.P. v. Tp. of Mt. Laurel*, 67 N.J. 151 (1975), commonly referred to as “Mount Laurel I.”, In Mount Laurel I, the Supreme Court ruled that the State Constitution required each “developing” municipality, through its land use regulations, to “make realistically possible the opportunity for an appropriate variety and choice of housing for all categories of people who may desire to live there”, including those of low and moderate income. Thus, the Supreme Court prohibited municipalities from using their zoning powers to prevent the development of affordable housing for low- and moderate-income households.

In 1983, displeased with progress of municipalities to zone for affordable housing in response to “Mount Laurel I”, the Supreme Court decided “to put some steel” into the doctrine. Specifically, it decided *So. Burlington Ct. N.A.A.C.P. v. Mount Laurel Tp.*, 92 N.J. 158 (1983), commonly referred to as “Mount Laurel II”. To facilitate the actual construction of affordable housing, the Court fashioned a judicial remedy, now commonly referred to as a “Builder’s Remedy”. That remedy created an incentive for developers to sue towns that had not complied with the doctrine and to force them to comply.

Mount Laurel II precipitated a flood of builder’s remedy suits creating pressure for a legislative solution to the Mount Laurel doctrine. Judge Serpentelli, one of three judges assigned to implement Mount Laurel II, decided the AMG case wherein he provided a fairly simple formula to enable any developer to easily determine a municipality’s fair share. This formula greatly simplified the process for developers to prove that a municipality was non-compliant and facilitated their ability to secure a builder’s remedy. The AMG decision dramatically increased the pressure for a legislative solution as developers sued municipalities across the state and stripped them of their home rule powers.

The pressure for a legislative solution culminated in the enactment of the Fair Housing Act (FHA) in 1985, roughly a year after Judge Serpentelli issued the AMG decision. The FHA created COAH, and conferred primary jurisdiction on COAH to administer the FHA and implement the affordable housing policies of our State. In January 1986, the Supreme Court decided *Hills Dev. Co. v. Bernards Twp.*, 103 N.J. 1 (1986), commonly referred to as “Mount Laurel III”, wherein the Court declared the FHA to be constitutional and directed trial judges to follow the decisions of COAH “wherever possible”.

The FHA, as enacted in 1985, gave municipalities six years of protection from when COAH certified their affordable housing plans. Consequently, the FHA directed COAH to promulgate regulations from “time to time” so that at any given time, there would be a body of regulations which any municipality could use to determine and satisfy its obligations. To implement the FHA, COAH adopted regulations for each housing cycle. It adopted regulations for Round One in 1986; for Round Two in 1994; and for Round Three in 2004. The Appellate Division invalidated the first version of COAH’s Round 3 regulations in 2007 and COAH adopted new Round 3 regulations in 2008. In 2010, the Appellate Division invalidated the second iteration of



COAH's Round 3 regulations and, in 2013, the Supreme Court affirmed the Appellate Division's decision. The Supreme Court gave COAH five months to adopt valid regulations for Round 3 and then extended that deadline multiple times. After COAH failed to adopt Round 3 regulations a third time, the Supreme Court was out of patience. It decided *In the Matter of the Adoption of N.J.A.C. 5:96 and 5:97 by the New Jersey Council on Affordable Housing*, 221 N.J. 1 (2015), commonly referred to as "Mount Laurel IV". In Mount Laurel IV, the Supreme Court declared COAH to be "moribund" and turned over the task of implementing the Mount Laurel doctrine back to the trial courts. This time, instead of having three specialized judges preside over Mount Laurel cases, the Supreme Court assigned the task to 15 judges throughout the State.

On March 20, 2024, this all changed once again when Governor Murphy signed, P.L. 2024, C.2, into law, which substantially amended the FHA and created an entirely new affordable housing regulatory plan approval process (hereinafter "FHA II"). FHA II provided that a municipality could secure immunity by adopting a resolution to commit to a present need and Round 4 prospective need by January 31, 2025 and by filing a declaratory judgment action within 48 hours of adoption of the resolution. FHA II provided that a municipality could maintain that immunity if it filed an adopted Housing Element and Fair Share Plan by June 30, 2025. FHA II introduced a comprehensive structure for municipalities to meet their obligations, with key provisions including, but not limited to, the following:

- The abolishment of COAH and reassigning affordable housing oversight to a new entity known as the Affordable Housing Dispute Resolution Program (the Program), which consists of seven retired Mount Laurel judges and their Special Adjudicators, previously known as Court Masters. FHA II provided that if the Program judges, with the assistance of Adjudicators, could not resolve dispute amicably, a vicinage area judge would decide the matter.
- FHA II also required the Department of Community Affairs (DCA) to take over the monitoring of affordable units in every municipality in the state, and to draft and release a non-binding report calculating Fourth Round municipal Present and Prospective Need obligation for every municipality in the state. The DCA released its report on October 18, 2024.
- FHA II also ordered the New Jersey Housing and Mortgage Finance Agency (NJHMFA) to adopt new Uniform Housing Affordability Controls, commonly referred to as the "UHAC" regulations.
- FHA II required 13% of the Fourth Round affordable units to be designated as very low-income units (30% of median income), half of which must be available to families with children.
- FHA II required 25% of affordable units to be rental housing units, half of which must be available to families with children.
- FHA II required 50% of the municipality's prospective need (exclusive of any bonus credits) to be available to families with children.
- FHA II required no more than 10% of the municipality's fair share obligation to be counted towards transitional housing.
- FHA II required no more than 30% of affordable housing units to be age-restricted (excluding bonus credits).

- FHA II required 40-year deed restrictions for new rental units, and 30-year deed restrictions for for-sale units.
- FHA II required any municipality that secures a vacant land adjustment (VLA) to provide realistic zoning through redevelopment for “at least 25 percent of the prospective need obligation that has been adjusted” or demonstrate why it is unable to do so..

The law also includes significant changes to the use of bonus credits which are now allocated based on the following:

- Special Needs/Permanent Supportive Housing: 1 bonus credit per 1 credit
- Housing created in partnership with a non-profit housing developer: ½ bonus credit per 1 credit
- Housing located within half a mile radius of public transit stations (or one mile in Garden State Growth Zones): ½ bonus credit per 1 credit
- Age-restricted housing: ½ bonus credit per 1 credit
- Family housing with at least 3 bedrooms, above the minimum number required by the bedroom distribution requirement determined pursuant to the Uniform Housing Affordability Controls: ½ bonus credit per 1 credit
- Redevelopment of sites previously used for retail, office, or commercial space: ½ bonus credit per 1 credit
- Extending affordability controls on existing low- or moderate-income rental units, with municipal financial support: ½ bonus credit per 1 credit
- For 100% affordable projects, municipalities that contribute land or at least 3% of the project’s cost to a fully affordable development: 1 bonus credit per 1 credit
- Very low-income housing for families beyond the required 13%: ½ bonus credit per 1 credit
- Converting market-rate housing to affordable units, provided the municipality secures an agreement with the property owner or owns the property: 1 bonus credit per 1 credit

Limitation to the bonus credits:

- Municipalities are prohibited from using more than one type of Bonus Credit for any unit.
- No more than 25% of a Municipality’s Prospective Need obligation can be satisfied through bonus credits
- Bonus credit for age-restricted is limited only to a maximum of 10% of the total age-restricted units

On December 13,2024, the Administrative Office of the Courts issued Administrative Directive #14-24 which established guidelines implementing the Program pursuant to section 5 of P.L.2024, c.2 (N.J.S.A. 52:27D-313.2).

## **1.2. Municipal Overview**

The Borough of Carlstadt is situated in southern Bergen County and is bounded to the south by the Hackensack River, to the west and south by the Borough of East Rutherford, to the west by



the Borough of Wallington, and to the east and north by the Boroughs of Wood-Ridge, Moonachie and Little Ferry, and the Township of South Hackensack. Carlstadt encompasses an area of 4.2 square miles, of which 3.6 square miles are under the jurisdiction of the New Jersey Sports and Exposition Authority (NJSEA). As of the 2020 Decennial Census, the Borough had a total population of 6,372.

### **1.3. Required Contents of Housing Element**

The Municipal Land Use Law (N.J.S.A. 40:55D-1, et seq.) provides that a municipal Master Plan can include a housing element as the foundation for the municipal zoning ordinance. While the Housing Element is not identified under the Municipal Land Use Law as a required element of the master plan, it is nonetheless a required element of Carlstadt Borough's Master Plan inasmuch as the Borough has an adopted zoning ordinance. Pursuant to N.J.S.A. 40:55D-62(a), a governing body may not adopt or amend a zoning ordinance, until and unless, the planning board would have adopted a land use plan element and housing plan element of the master plan.

FHA II provides that a housing element must be designed to provide access to affordable housing to meet present and prospective housing needs, with particular attention to low- and moderate-income housing. As per the FHA at N.J.S.A. 52:27D-310, the housing element must contain as follows:

- a. An inventory of the municipality's housing stock by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low and moderate income households and substandard housing capable of being rehabilitated, and in conducting this inventory the municipality shall have access, on a confidential basis for the sole purpose of conducting the inventory, to all necessary property tax assessment records and information in the assessor's office, including but not limited to the property record cards;
- b. A projection of the municipality's housing stock, including the probable future construction of low- and moderate-income housing, for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;
- c. An analysis of the municipality's demographic characteristics, including but not necessarily limited to, household size, income level and age;
- d. An analysis of the existing and probable future employment characteristics of the municipality;
- e. A determination of the municipality's present and prospective fair share for low- and moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low- and moderate-income housing, as established pursuant to section 3 of P.L.2024, c.2 (C.52:27D-304.1); and
- f. A consideration of the lands that are most appropriate for construction of low- and moderate-income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low- and moderate-income housing, including a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing.
- g. An analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission,



adopted pursuant to paragraph (1) of subsection f. of section 1 of P.L. 2021, c. 273 (C.52:27D-329.20);

- h. For a municipality located within the jurisdiction of the Highlands Water Protection and Planning Council, established pursuant to section 4 of P.L. 2004, c. 120 (C.13:20-4), an analysis of compliance of the housing element with the Highlands Regional Master Plan of lands in the Highlands Preservation Area, and lands in the Highlands Planning Area for Highlands-conforming municipalities. This analysis shall include consideration of the municipality's most recent Highlands Municipal Build Out Report, consideration of opportunities for redevelopment of existing developed lands into inclusionary or 100 percent affordable housing, or both, and opportunities for 100 percent affordable housing in both the Highlands Planning Area and Highlands Preservation Area that are consistent with the Highlands regional master plan; and
- i. An analysis of consistency with the State Development and Redevelopment Plan, including water, wastewater, stormwater, and multi-modal transportation based on guidance and technical assistance from the State Planning Commission.

#### **1.4. Consistency with the State Development and Redevelopment Plan**

With respect to the State Development and Redevelopment Plan (SDRP), the area outside the jurisdiction of NJSEA is classified as Metropolitan Planning Area (PA1). Communities of this classification are characterized by mature settlement patterns, a scarcity of vacant land, and the need to rehabilitate housing to keep pace with changing market standards. As PA1 classified communities form a part of a metropolitan mass where community boundaries tend to blur, functional issues affecting one community typically affect the next community, making necessary multi-jurisdictional/regional approaches for resolution of such issues. For areas so classified, the SDRP anticipates that redevelopment will be the principal generator of future growth.

## **2.0 HOUSING ELEMENT**

### **2.1 Housing Stock: Occupancy & Physical Characteristics**

#### **2.1.1 Occupancy and Housing Unit Type**

According to the 2020 US Census, Carlstadt Borough had 2,563 dwelling units, about 95% of which are occupied and about 5% are vacant. Of those occupied units, about 54.5% are owner-occupied and 45.5% are renter-occupied.<sup>1</sup> While the number of housing units has increased 2.7%, between 2010 and 2020 Census, the occupancy ration has remained relatively consistent.<sup>2</sup>

The 2023 5-year American Community Survey (ACS) provides that about 55% of the Borough's housing stock consists of detached and attached single-family homes. Additionally, about 33% of units are two- unit properties and about 11% are properties with 3 or more units.<sup>3</sup>

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<sup>1</sup> U.S. Census Bureau, 2020 Census Demographic and Housing Characteristics File (DHC), Table DPI, Profile of General Population and Housing Characteristics

<sup>2</sup> U.S. Census Bureau, 2010 Census, Table H3, Occupancy Status

**Table 1: Units in Structure<sup>3</sup>**

<b>Unit Type</b>	<b>Units</b>	<b>%</b>
1, Detached	1,320	48.3%
1, Attached	199	7.3%
2 units	904	33.1%
3 or 4 units	248	9.1%
5 to 9 units	62	2.3%
10 to 19 units	0	0.0%
20 or more	0	0.0%
Mobile Home	0	0.0%
Other	0	0.0%
<b>Total</b>	<b>2,733</b>	<b>±100%</b>

### 2.1.2 Housing Units by Age

About 82% of the Borough's housing inventory were built before 1975 or earlier (at least 50 years ago). While only 10% were built between 1980 and 1999. A significant decline in housing development since 2000 with only about 4% of the housing stock in the Borough have been built in the last 25 years.

**Table 2: Year Structure Built<sup>3</sup>**

<b>Year Built</b>	<b>Total Units</b>	<b>Percentage</b>
1939 or earlier	816	29.9%
1940 to 1959	966	35.4%
1960 to 1979	578	21.2%
1980 to 1999	272	9.9%
2000 to 2009	44	1.6%
2010 to 2019	33	1.2%
2020 and later	24	0.9%
<b>Total</b>	<b>2,733</b>	<b>100%</b>

### 2.1.3 Substandard Housing Conditions

P.L. 2024, C.2 requires that with respect to this calculation a methodology should be used that is “similar to the methodology used to determine third round municipal present need”. Third Round municipal present need calculations used three factors to calculate present need: the number of housing units lacking complete kitchen facilities, the number of units lacking complete plumbing facilities, and the number of overcrowded units. DCA issued Affordable Housing Obligations for 2025-2035 (Fourth Round), indicating that the Borough has 0-unit rehabilitation obligation.

<sup>3</sup> U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates, Selected Housing Characteristics, Table DP04

## 2.2 Housing Stock: Value and Affordability

### 2.2.1 Value of Owner-Occupied Units

According to the 2023 ACS (5-year estimate), the median value of owner-occupied housing units in the Borough is \$523,800. In 2010, the median value of owner-occupied homes was \$421,700<sup>4</sup>, indicating that by 2023, there had been a 24% increase. Approximately 54% of owner-occupied units fall within the \$500,000 to \$999,999 value range. This represents a 26% increase over that indicated in the same value range in 2010.

**Table 3: Value of Owner-Occupied Units<sup>3</sup>**

Value	Number of Units	Percent
Less than \$149,999	77	4.8%
\$150,000 to \$299,999	63	3.9%
\$300,000 to \$499,999	599	37.2%
\$500,000 to \$999,999	871	54.1%
\$1,000,000 or more	0	0.0%
<b>Total Owner - Occupied</b>	<b>1,610</b>	<b>100%</b>
<b>Median Value</b>	<b>\$523,800</b>	

### 2.2.2 Rental Units

In 2010, the median value rent was \$1,156. In 2023, the median rent for occupied units in Carlstadt had increased to \$1,503, representing an approximately 30% increase. 76% have a rental value of between \$1,000 and \$1,999, 13% have a monthly rental value of less than \$999, and 11% have a rental value over \$2,000.<sup>3</sup> In 2010, units with rents at or above \$1,500 represented about 16% of units, while by 2023 that had increased to approximately 50%.

**Table 4: Gross Rent<sup>3</sup>**

Value Range	# of Units	%
Less than \$500	0	0.0%
\$500 to \$999	132	12.8%
\$1,000 to \$1,499	380	36.9%
\$1,500 to \$1,999	401	39.0%
\$2,000 to \$2,499	74	7.2%
\$2,500 to \$2,999	42	4.1%
\$3,000 or more	0	0.0%
<b>Total Occupied Rental Units</b>	<b>1,029</b>	<b>100%</b>
<b>Median Rent</b>	<b>\$1,503</b>	

<sup>4</sup> U.S. Census Bureau, 2006-2010 American Community Survey, Table DP04, Selected Housing Characteristics.



## 2.3 Demographics

### 2.3.1 Population and Age

While the Borough's population was steadily increased since 1940, there have been some wild fluctuations. During the 20-year period, between 1950 and 1970, Carlstadt's population grew 20%. During the next 20-year period, 1970 to 1990, the population decreased by about 18%. Since 1990 the population has again steadily increased, with growth rate of approximately 14.5%.

**Table 5: Population Change by Decade <sup>5</sup>**

Year	Population	% Change
1940	5,644	--
1950	5,591	-0.9%
1960	6,042	8.1%
1970	6,724	11.3%
1980	6,166	-8.3%
1990	5,510	-10.6%
2000	5,917	7.4%
2010 <sup>6</sup>	6,127	3.5%
2020 <sup>1</sup>	6,372	4.0%

According to the US Census Bureau, in 2000 the median age was 35.3<sup>7</sup>, in 2010 it was 40.5<sup>8</sup>, and in 2020 it was 41.9<sup>1</sup>. This rise, according to the U.S. Census Bureau, is largely due to an aging baby boomer population (those born between 1946 and 1964) and is evident within the Borough.<sup>9</sup> The percent of population that is 65 and over increased from 15% to 18% between 2000 and 2020. We also saw a 5% increase in the population aged 45 to 64.

**Table 6: 2020 Population by Age<sup>1</sup>**

Age	Total	Percentage
Under 5 years	303	4.8%
5 to 9 years	285	4.5%
10 to 14 years	359	5.6%
15 to 19 years	366	5.7%
20 to 24 years	384	6.0%
25 to 29 years	426	6.7%
30 to 34 years	489	7.7%

<sup>5</sup> For Year 1940 to 2000, NJSDC 2000 Census Publication, New Jersey Population Trends: 1790 to 2000, Table 6. New Jersey Resident Population by Municipality: 1940 - 2000, page 36, <https://www.nj.gov/labor/labormarketinformation/assets/PDFs/census/2kpub/njsdcp3.pdf>

<sup>6</sup> U.S. Census Bureau, Census 2010 Summary File 1, Table P1

<sup>7</sup> U.S. Census Bureau, 2000 Census, Median Age by Sex, Table P013.

<sup>8</sup> U.S. Census Bureau, 2010 Census, Median Age by Sex, Table P13.

<sup>9</sup> U.S. Older Population Grew From 2010 to 2020 at Fastest Rate Since 1880 to 1890, May 25, 2023

Zoe Caplan, U.S. Census Bureau,

<https://www.census.gov/library/stories/2023/05/2020-census-united-states-older-population-grew.html>

Age	Total	Percentage
35 to 39 years	403	6.3%
40 to 44 years	454	7.1%
45 to 49 years	422	6.6%
50 to 54 years	476	7.5%
55 to 59 years	480	7.5%
60 to 64 years	405	6.4%
65 to 69 years	389	6.1%
70 to 74 years	267	4.2%
75 to 79 years	186	2.9%
80 to 84 years	143	2.2%
85 years and over	135	2.1%
<b>Total</b>	<b>6,372</b>	<b>100%</b>
<b>Median Age</b>	<b>41.9years</b>	

### 2.3.2 Household Size

Understanding household size can help to determine demand for different housing units and provide insight on demographic shifts over time. In 2010, the average household size was 2.60 and the average family size was 3.31. While the Borough's population is growing, in 2023 the average size for both households and families had decreased to 2.40 and 3.26, respectively.

**Table 7: Average Household & Family Size**

	2010 <sup>10</sup>	2023 <sup>11</sup>
Average Household Size	2.60	2.40
Average Family Size	3.31	3.26

While 2-person households make up about 33% of all households, 1-person and 4-person households each comprise about 18% of owner-occupied units. In renter occupied units, 2-person households make up 32%, while 1-person households represent about 30%.

**Table 8: Tenure by Household Size <sup>12</sup>**

	Total Units	%
<b>Total Occupied Units</b>	<b>2,429</b>	
<b>Owner occupied:</b>	<b>1,324</b>	<b>54.5%</b>
1-person household	243	18.4%
2-person household	438	33.1%
3-person household	252	19.1%
4-person household	242	18.3%
5-person household	90	6.8%
6-person household	36	2.7%

<sup>10</sup> U.S. Census Bureau, 2006-2010 American Community Survey, Table S1101, Households and Families.

<sup>11</sup> U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates, Table S1101, Households and Families

<sup>12</sup> U.S. Census Bureau 2020, Demographic and Housing Characteristics, Tenure by Household Size, Table H12

7-or-more-person household	23	1.7%
<b>Renter occupied:</b>	<b>1,105</b>	<b>45.5%</b>
1-person household	327	29.6%
2-person household	357	32.3%
3-person household	180	16.3%
4-person household	138	12.5%
5-person household	61	5.5%
6-person household	26	2.4%
7-or-more-person household	16	1.4%

### 2.3.3 Household and Family Income

In 2010, median income was \$62,255 for households and \$71,506<sup>13</sup> for families. By 2023, this had risen to \$94,854 and \$114,802, respectively.<sup>14</sup> This represents a 49% increase in the median income for households and about a 60% increase for families .

**Table 9: Household Income<sup>14</sup>**

	<b>Households</b>	<b>Families</b>
Less than \$10,000	7.2%	9.1%
\$10,000 to \$14,999	2.3%	3.8%
\$15,000 to \$24,999	3.4%	0.0%
\$25,000 to \$34,999	4.4%	0.0%
\$35,000 to \$49,999	5.3%	4.6%
\$50,000 to \$74,999	16.3%	9.9%
\$75,000 to \$99,999	12.5%	11.9%
\$100,000 to \$149,999	20.3%	23.8%
\$150,000 to \$199,999	6.9%	7.1%
\$200,000 or more	2.1%	29.9%
<b>Median Income</b>	<b>\$94,854</b>	<b>\$114,802</b>

According to the 2024 Affordable Housing Regional Income Limits by Household Size, which was prepared by Affordable Housing Professionals of New Jersey (AHPNJ), the median income for 1 person for Region 1 (Bergen, Hudson, Passaic and Sussex Counties) is \$84,288. This income level is set on a regional scale and is used to determine moderate, low, and very low-income levels. In Region 1 of New Jersey, which includes Carlstadt, the moderate household income limit for one person is \$67,431, the low-income is \$42,144, and the very low-income is \$25,286.<sup>15</sup>

<sup>13</sup> U.S. Census Bureau, 2006-2010 American Community Survey 5-Year Estimates, Table S1901, Income in the Past 12 Months (in 2023 Inflation-Adjusted Dollars)

<sup>14</sup> U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates, Table S1901, Income in the Past 12 Months (in 2023 Inflation-Adjusted Dollars)

<sup>15</sup> Affordable Housing Professionals of New Jersey (AHPNJ), 2024 Affordable Housing Regional Income Limits by Household Size, April 12 2024, [https://ahpnj.org/member\\_docs/Income\\_Limits\\_2024\\_FINAL.pdf](https://ahpnj.org/member_docs/Income_Limits_2024_FINAL.pdf)



## 2.4 Employment and Population

### 2.4.1 Employment Status

About 69% of the Borough's over 16 years old population is in the labor force, with 4% being unemployed.<sup>16</sup>

**Table 10: Employment Status**<sup>16</sup>

	Number	%
<b>Population 16+ years and over</b>	<b>5,507</b>	<b>100%</b>
Civilian Labor Force	3,802	69.0%
Employed	3,595	94.6%
Unemployed	207	3.8%
Armed Forces	0	0.0%
Not in labor force	1,705	31.0%
Unemployment Rate (of Civilian Labor Force)	-	5.4%

### 2.4.2 Employment by Industry

About 24% of those employed civilians work in the “Educational Services, Health Care and Social Assistance Services” industry, about 18% work in “Retail trade” and about 13% work in transportation and warehousing, and utilities”.<sup>16</sup>

**Table 11: Employment by Industry**<sup>16</sup>

Industry	Number	Percent
Agriculture, forestry, fishing and hunting, and mining	0	0.0%
Construction	173	4.8%
Manufacturing	159	4.4%
Wholesale trade	154	4.3%
Retail trade	640	17.8%
Transportation and warehousing, and utilities	468	13.0%
Information	100	2.8%
Finance and insurance, and real estate and rental and leasing	214	6.0%
Professional, scientific, and management, and administrative and waste management services	316	8.8%
Educational services, health care and social assistance	877	24.4%
Arts, entertainment, and recreation, and accommodation and food services	148	4.1%
Other services, except public administration	177	4.9%
Public administration	169	4.7%
<b>Civilian employed population 16 years and over</b>	<b>3,595</b>	<b>100%</b>

<sup>16</sup> U.S. Census Bureau, 2019-2023 American Community Survey 5-Year Estimates, Table DP03, Selected Economic Characteristics.

### 2.4.3 Population and Employment Projections

The North Jersey Transportation Planning Authority (NJTPA) is the federally authorized Metropolitan Planning Organization (MPO) for the 13-county northern New Jersey region, which includes Bergen County. NJTPA projects that the region's employment, between 2015 to 2045, will increase 14% (3 million to 3.4 million jobs). NJTPA projects that Bergen County will have the second largest share of employment in the region. NJTPA also projects that much of the growth by 2045 will be concentrated in the urban core and older suburbs vs. outlying areas which will seem to be favorable to communities such as Carlstadt.

According to NJTPA's published population and employment projections, the Borough was projected to have a population of 6,833<sup>17</sup> by 2045, representing a 10% increase from the 2015 population indicated in the NJTPA Regional Transportation Plan (RTP) and about a 7% increase from the 2020 Census (6,372 population). As for employment, the Borough is projected to have an increase of about 5% between 2015 and 2045.<sup>18</sup>

## 2.5 Housing Stock Projection

### 2.5.1 Residential Building and Demolition Permits by Year

The FHA II requires that Housing Plans include a projection of new housing units based on the number of building permits, development applications approved, and probable developments, as well as other indicators deemed appropriate. Building permit issuance in Carlstadt, from 2013 through 2023, averaged about 5 units, while annual demolition permit issuance averaged 2 units.

**Table 12: Residential Permits by Year**

<b>Year</b>	<b>Building Permits Issued For New Construction <sup>19</sup></b>	<b>Housing Demolition Permits Issued <sup>20</sup></b>
2013	3	5
2014	1	2
2015	2	1
2016	11	0
2017	4	1
2018	6	12
2019	11	1
2020	11	0
2021	1	3
2022	1	0
2023	3	2
<b>Total</b>	<b>54</b>	<b>27</b>
<b>Average</b>	<b>4.9</b>	<b>2.45</b>

<sup>17</sup> New Jersey Transportation Planning Authority (NJTPA), Appendix A-2045 Demographic Projections.

<sup>18</sup> New Jersey Transportation Planning Authority (NJTPA), Plan 2045: Connecting North Jersey, NJTPA Regional Transportation Plan, November 2017.

<sup>19</sup> New Jersey Department of Community Affairs (NJDCa), Building Permits: Yearly Summary Data

<sup>20</sup> New Jersey Department of Community Affairs (NJDCa), Building Permits, Demolition Permits

<b>Year</b>	<b>Building Permits Issued For New Construction <sup>19</sup></b>	<b>Housing Demolition Permits Issued <sup>20</sup></b>
<b>5-Year Projection</b>	<b>24.5</b>	<b>12.3</b>
<b>10-Year Projection</b>	<b>49</b>	<b>24.5</b>



### 3.0 FAIR SHARE PLAN

This Fair Share Plan sets forth Carlstadt's affordable housing obligations and explains how the Borough is satisfying its obligation.

The Borough's fair share is 1,189, consisting of Present Need Obligation (Rehabilitation Obligation) is 0 units; a Prior Round Obligation (1987-1999) of 228 units; a Third Round Obligation (1999-2025) of 475 units; and a Fourth Round Obligation (2025-2035) of 486 units.

Another way to construe this 1,189 obligation is that the new construction obligation can be broken down into 703 for Rounds 1 through 3 and 486 for Round 4. The Borough has applied the standards set forth in N.J.A.C. 5:93-4.2, and as amended by P.L. 2024, C.2, to determine its entitlement to a vacant land adjustment (see appendix).

While the Borough had previously sought an RDP of 94 under the Third Round, understanding that the Tomu development is now not likely to move forward, as supported by the First Amendment between *East Rutherford and Fair Share Housing Center*, it has been determined that the unit required at 404 Hackensack Street (Block 63, Lot 17) was not produced (contrary to the approving resolution), and the previously proposed 100% affordable project at the former Lincoln site (Block 55 Lot 9) is also no longer moving forward (parcel has since been converted to a community garden), the Borough presents a revised RDP

To elaborate on the vacant land adjustment analysis (see appendix), in accordance with N.J.A.C. 5:93-4.2, we first created an inventory of vacant or underutilized parcels. Initially, an exhaustive analysis of all vacant properties was conducted utilizing 2024 MOD-IV tax data from the New Jersey Geographic Information Network. This data was reviewed for completeness and accuracy with respect to property class codes and, where necessary, updated based on local information and/or current aerial images. Next, the Borough removed environmentally sensitive lands including wetlands, flood hazard areas, active recreation; and conservation, parklands and open space lands.

While the Borough assigned a density of 9 units an acre (based on the typical 5,000 sf. lot) all resulting vacant parcels were either too small to generate an affordable housing obligation or were in fact no longer vacant. Furthermore, the Borough can remove parcels which were deemed to have special circumstances which might otherwise preclude the sites inclusion, including vacant lands surrounded by industrial uses, areas without access, areas with access only through wetlands, areas with known contamination, sites containing utilities (i.e., pump stations, stormwater management facilities, etc.), open space areas within developed sites (lands owned by an HOA, etc.), etc. In other words, all sites that did not qualify as available, approvable, developable and suitable were removed.

The resulting mapping indicated that the Borough had only 12 vacant parcels, and as a result of that analysis, the Borough determined that it is entitled to adjust its cumulative 1,189 prospective need to 9, leaving the Borough with a realistic development potential (RDP) of 9 and an unmet need of 1,180.

### 3.1 Present Need

#### 3.1.1 As Determined and Addressed

The Borough accepts as its Rehabilitation Obligation the **0 units** as promulgated by the Department of Community Affairs (DCA) as the present need.

### 3.2 Municipal Obligation

#### 3.2.1 Numeric Obligation as Recognized

As referenced above, the Borough has a Prior Round Obligation of 288 units, a Third Round Obligation of 475, and a Fourth Round Obligation of 486 units, resulting in a total obligation of 1,189 units. The Borough is also entitled to adjust that obligation to 9, leaving an unmet need of 1,180.

#### 3.2.2 Formulas Having Applicability for Award of Credit

**Rental Obligation (N.J.A.C. 5:93-5.15(a)):** For a municipality receiving a vacant land adjustment (VLA) pursuant to N.J.A.C. 5:93-4.2, the rental obligation shall equal 25% of the RDP. Thus, the Borough has a rental obligation of **3 units** ( $9 \text{ units} \times 25\% = 2.25$ ). Pursuant to P.L. 2024, C. 2, half of the rental obligation must be available to families with children. Thus the Borough has an obligation of rental housing for families with children of **2 units** ( $3 \text{ units} \times 50\% = 1.5$ ).

**Total Units for Families with Children (P.L. 2024, C. 2):** A municipality must provide 50% of its obligation available to families with children. Thus, the Borough has an obligation to provide **5 units** for families with children ( $9 \text{ units} \times 50\% = 4.5$ ).

**Age Restricted Housing Limitation or Age Restricted Cap (P.L. 2024, C. 2):** Up to 30% of units, exclusive of bonus credits, towards municipality's prospective affordable housing obligation may be satisfied through age-restricted housing. Thus, the Borough may be permitted to utilize **2 units** of its obligation towards age-restricted housing ( $8 \text{ units} \times 30\% = 2.4$ ).

**Rental Unit Bonus Credits and Limitation (P.L. 2024, C. 2):** Municipal Contribution: A municipality may receive one bonus credit for each unit of low- or moderate-income housing in a 100% affordable housing project for which the municipality contributes land or at least 3% of the project's total cost. The Borough is contributing a portion of the land and purchasing the remaining land as related to Block 18, Lot 2, 3 and 4, and thus can claim 2 bonus credits.

#### 3.2.3 Satisfaction of the Realistic Development Potential (RDP) - 9 Units

Carlstadt is able to satisfy the RDP with **9 credits** from a combination of inclusionary projects, a singular 100% senior project, and associated bonus credits.



<b>Carlstadt's 9-unit RDP Compliance Mechanisms</b>	<b>Credits</b>	<b>Bonuses</b>	<b>Total</b>
<b><i>Inclusionary Family Rental - Approved</i></b>			
575 Hoboken Rd.	2		2
585 Hoboken Rd.	1		1
491 Broad St.	1		1
400 Hackensack St.	2		2
Block 18, Lots 2, 3, and 4	2	2	4
<b><i>Totals</i></b>	<b>8</b>	<b>2</b>	<b>10</b>

### 3.2.4 Projects Addressing the Obligation

Below are brief descriptions of the five (5) crediting mechanisms to satisfy Borough's RDP, followed by a summary of them in table form.

#### **575 Hoboken Road (Block 25, Lot 13)**

This constructed and inclusionary project received planning board approval on September 22, 2012, allowing for the renovation of an existing one-story industrial building which includes the addition of another habitable floor and the creation of 10 residential units with a 20% set-aside (2 units) for affordable housing. Of these two units, a 3-bedroom unit will be available to a low-income household and a 2-bedroom unit will be available for a moderate-income household. Construction has been completed, a deed restriction recorded, and a certificate of occupancy issued.

Credits:	2
<u>Bonus Credits:</u>	<u>0</u>
<b>Total Credits:</b>	<b>2</b>

#### **585 Hoboken Road (Block 25, Lot 12)**

In 2014, the previous application for the site sought approvals for a 4-story multi-family structure containing 5 units, one of which would be affordable. However, that application was denied by the planning board. In early 2017, the Mt. Laurel Implementation Monitor, who has the power to review and approve applications for residential development in Carlstadt, authorized the board to proceed with a decision on a subsequent application for the site. On March 27, 2017, an inclusionary family rental project received planning board approval for the construction of 5 residential units with a 20% set-aside (1 unit) for affordable housing. At the time, the site was occupied by a 2-story residential building which has since been demolished. Construction has been completed, a deed restriction recorded, and certificate of occupancy issued.

Credits:	1
<u>Bonus Credits:</u>	<u>0</u>
<b>Total Credits:</b>	<b>1</b>



**491 Broad Street (Block 59, Lot 14)**

The original building on this site, which has since been renovated, was previously used as a restaurant, bar and lounge. On January 19, 2015, the original application to permit the construction of 10 townhomes on the site was denied by the Zoning Board of Adjustment on the basis that the building was of a historic nature. A reconsideration hearing on February 25 of that year heard a revised application to permit the construction of an 8-unit building, one of which would be a 2-bedroom affordable housing unit. That application was also denied by the Zoning Board. However, on March 23, 2015, the Mount Laurel Implementation Monitor, whose appointment was pursuant to the final judgment in the TOMU litigation, directed the Zoning Board to approve the application. The Board approved the application, which was subsequently amended (most recently) on February 8, 2017. Although renovations of the building are complete, it is currently unoccupied and awaiting the filing of deed restrictions and the issuance of a CO.

Credits:	1
<u>Bonus Credits:</u>	<u>0</u>
<b>Total Credits:</b>	<b>1</b>

**400 Hackensack Street (Block 63, Lot 16)**

This constructed, occupied family rental inclusionary property contains 6 residential units with 2 units set aside for affordable housing. The property contains deed restrictions for 1 low-income household and a very low-income household.

Credits:	2
<u>Bonus Credits:</u>	<u>0</u>
<b>Total Credits:</b>	<b>2</b>

**Block 18, Lot 2, 3, and 4 (447 Garden St. and 632, 634 Division St.)**

On July 17, 2024, Borough Council designated Block 18, Lots 2, 3, and 4 as an area in need of redevelopment. Lot 2 is 0.437 acres and owned by the Borough, while Lots 3 and 4 are privately owned and are 0.188, acres collectively. Collectively, the total site acreage is .625 acres and is occupied by only a 15,265 square foot warehouse currently utilized to store equipment by the Department of Public Works. While the development of the site will require a rezoning, the site is serviced by both sewer and water and is in proximity to various uses types that would be beneficial to a 100% affordable project, including commercial.

- Site Control – The Borough controls Lot 2 and intends to purchase Lots 3 and 4. Once an agreement has been finalized between the Borough and a developer, the Borough will support the site’s development, with the understanding that financial assistance from the Borough’s Affordable Housing Trust Fund may be required.
- Administrative Entity – An experienced affordable housing administrative entity acceptable to the Borough who will administer 40-year affordability controls and affirmative marketing will be engaged. The administrative entity will income qualify

- applicants and will provide long-term administration of the units in accordance with COAH's rules at N.J.A.C. 5:93-9.2 and 5:93-11.1 and UHAC per N.J.A.C. 5:80-26.1.
- Bedroom Distribution will follow UHAC regulations
- Funding – The developer of the project will seek LIHTC funding via HMFA
- Construction Schedule – Once funding is secured, a construction schedule will follow.
- Very Low/ Low/ Moderate Income Split – All affordable units will be split 50/50 between low- and moderate-income households, and the odd number split in favor of the low-income unit (N.J.A.C. 5:93-2.20). Additionally, at least 13% of all affordable units shall be affordable to very low-income households. Therefore, 2 units will be affordable to very low-income households at 30% or less of the regional median income, 6 affordable to low-income households, and 8 may be affordable to moderate-income households.
- Rental Bonus – This project is eligible for rental bonuses as a 100% affordable project where the municipality is providing at least 3% of the total project cost.

Credits:	2
<u>Bonus Credits:</u>	<u>2</u>
<b>Total Credits:</b>	<b>4</b>

### **3.2.5 Unmet Need - 1180 Units**

As referenced above, the Borough has an RDP of 9 and an unmet need (1,180 units). The Borough intends to apply the 1 surplus unit and the 14 creditable units, due to the age restricted cap cannot be applied towards satisfying the RDP, towards the unmet need. In addition to surplus credits, the Borough presents the following mechanisms towards addressing the Unmet Need:

#### **Mandatory set-aside for new multifamily development**

The Borough will establish a mandatory set-aside ordinance that requires all residential development (containing five or more units), including approvals of use or density variances, site plans or subdivisions; redevelopment projects subject to a redevelopment plan adopted by the Borough Council that governs the development and redevelopment of designated areas in need of rehabilitation or areas in need of redevelopment in the Borough; and, substantial revisions to previously approved developments, to have a 20% set-aside for affordable units, regardless of whether they are for-sale or rental. All affordable units shall be restricted, regulated, and administered consistent with the Borough affordable housing regulations, the Uniform Housing Affordability Controls and the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301 et seq.).

#### **Existing Overlay Zoning**

The Borough had previously established overlay zoning over its Residential, Mixed Use, and Light Industrial districts and over properties fronting on Hoboken Road. These zoning districts are the AHO-1 overlay, which is located on all properties in the Residential and Mixed-Use districts; the AHO-2 overlay, which is located on all properties in the Light Industrial district; and the AHO-1A overlay, which is all properties fronting on Hoboken Road between



Washington Street and Garden Street. Currently, the overlay zones have densities of 25, 35, and 34 units an acre, respectively.

### **Proposed Redevelopment Overlay Zoning**

The Borough recognizes that Fourth Round requirements require that the municipality identify parcels likely to redevelop and to provide realistic zoning sufficient to accommodate the construction of 25% of the adjusted number. Considering that the entire Borough is largely already under overlay zoning, the only area remaining that might redevelop is along the Route 17 corridor. While the Borough does not believe the east side of Route 17 could accommodate housing (long narrow lots, adjacent to industrial uses), the west side could support infill.

The Borough will accommodate mixed use development on those commercially zoned properties on the west side of Route 17 via an additional redevelopment overlay zone that permits residential as an accessory use. While this will help to address the redevelopment stipulation as indicated in the Fourth Round rules, the Borough will seek a waiver as to the intensity of that zone and to the extent necessary to accommodate the 25% of the obligation as adjusted. The reason for such a waiver request is, as indicated above, that nearly the entirety of the Borough is already in an affordable housing overlay zone.



## **4.0 APPENDIX**

**Appendix A - 2025 Vacant Land Inventory and Map**

**Appendix B - Affordable Housing Sites Map**

**Appendix C - Draft Spending Plan**

**Appendix D - 100% Affordable Site Map**

**Appendix E - 400 Hackensack Deed**

**Appendix F - 575 Hoboken Deed**

**Appendix G - 585 Hoboken Deed**

**Appendix H - 491 Broad Resolution**

## **Appendix A - 2025 Vacant Land Inventory and Map**