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June 20, 2025

Via e-courts

Honorable Gregg A. Padovano, J.S.C.
Affordable Housing Dispute Resolution Program
Richard J. Hughes Justice Complex
25 Market Street, P.O. Box 37
Trenton, New Jersey 08625

**RE: In the matter of the Application of The Township of Washington, a
Municipal Corporation of the State of New Jersey
Docket No.: BER-L-000669-25**

Dear Judge Padovano:

Enclosed please find the Housing Element and Fair Share Plan of the Township of Washington, Bergen County, New Jersey dated June 7, 2025 (the "HEFSP") and adopted by the Planning Board on June 18, 2025. Also enclosed is the Planning Board of the Township of Washington Resolution dated June 18, 2025.

Thank you for your attention to this matter.

Respectfully Submitted,
HUNTINGTON BAILEY, L.L.P.

Siobhan Spillane Bailey
Siobhan Spillane Bailey

SSB/srm
Enclosures

**RESOLUTION OF THE PLANNING BOARD OF THE
TOWNSHIP OF WASHINGTON, COUNTY OF BERGEN, NEW JERSEY
ADOPTING A FOURTH ROUND HOUSING ELEMENT
AND FAIR SHARE PLAN**

RESOLUTION #PB-25-10

WHEREAS, the Township of Washington (hereinafter the “Township ” or “Township of Washington”) has a demonstrated history of voluntary compliance as evidenced by its Third Round record; and

WHEREAS, pursuant to In re N.J.A.C. 5:96 and 5:97, 221 N.J. 1 (2015) (Mount Laurel IV), the Township filed a Declaratory Judgment Complaint in Superior Court, Law Division seeking, among other things, a judicial declaration that its Third Round Housing Element and Fair Share Plan, to be amended as necessary, satisfied its “fair share” of the regional need for low and moderate income housing pursuant to the “Mount Laurel doctrine;” and

WHEREAS, that culminated in a Court-approved Third Round Housing Element and Fair Share Plan and a Judgment of Compliance and Repose, which precludes all Mount Laurel lawsuits, including builder’s remedy lawsuits, until July 1, 2025; and

WHEREAS, the Township continues to actively implement its Court-approved Third Round Housing Element and Fair Share Plan; and

WHEREAS, on March 20, 2024, Governor Murphy signed into law P.L. 2024, c.2, which amended the 1985 New Jersey Fair Housing Act (hereinafter the “Amended FHA”); and

WHEREAS, the Township adopted a resolution on January 27, 2025, committing to a present need obligation of zero units and Round 4 prospective need obligation of 184 unit and thereafter filing a declaratory judgment action within 48 hours of the adoption of the Resolution; and

WHEREAS, in accordance with the Amended FHA and the Administrative Office of the Court’s Directive No. 14-24, the Township filed a timely Fourth Round Declaratory Judgment complaint (“DJ Complaint”) with the Affordable Housing Dispute Resolution Program (“the Program”), along with its binding resolution, on January 28, 2025; and

WHEREAS, the filing of the DJ Complaint gave the Township automatic, continued immunity from all exclusionary zoning lawsuits, including builder’s remedy lawsuits, which is still in full force and effect; and

WHEREAS, the Township received zero objections from the New Jersey Builders Association to its Present and Prospective Need numbers by February 28, 2025; and

WHEREAS, the Township ultimately secured a determination that its Present Need obligation is zero and its Round 4 Prospective Need is 184; and

WHEREAS, now that the Township has its Fourth Round Obligations, the Amended FHA requires the municipality to adopt and endorse a Fourth Round Housing Element and Fair Share Plan by June 30, 2025; and

WHEREAS, in accordance with the Amended FHA, the Township's affordable housing planner drafted a Fourth Round Housing Element and Fair Share Plan; and

WHEREAS, upon notice duly provided pursuant to N.J.S.A. 40:55D-13, the Planning Board held a public hearing on the Fourth Round Housing Element and Fair Share Plan on June 18, 2025; and

WHEREAS, the Planning Board determined that the attached Fourth Round Housing Element and Fair Share Plan is consistent with the goals and objectives of the Township's current Master Plan, and that adoption and implementation of the Fourth Round Housing Element and Fair Share Plan is in the public interest and protects public health and safety and promotes the general welfare.

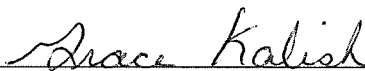
NOW, THEREFORE, BE IT RESOLVED by the Planning Board of the Township of Washington, County of Bergen, State of New Jersey, that the Planning Board hereby adopts the Fourth Round Housing Element and Fair Share Plan attached hereto as **Exhibit A**.



Bill Carroll, Vice Chairman of the Planning Board

CERTIFICATION

I certify that the foregoing Resolution was duly adopted by the Planning Board of Township of Washington at a regular meeting held on June 18, 2025.



Grace Kalish, Planning Board Secretary

<u>BOARD</u>	<u>MOTION</u>	<u>SECOND</u>	<u>AYES</u>	<u>NAYES</u>	<u>ABSTAIN</u>	<u>ABSENT</u>	<u>RECUSE</u>
Carroll			X				
Murphy	X		X				
Toole			X				
Toro						X	
Polito			X				
Wojno-Oranski		X	X				
Ullman			X				
Calamari			X				
Sabino			X				

2025 Housing Element & Fair Share Plan

PREPARED FOR:

Township of Washington Planning Board

BA: 4172.07

JUNE 7, 2025

ADOPTED: JUNE 18, 2025





Community Planning
Land Development and Design
Landscape Architecture

B U R G I S
A S S O C I A T E S , I N C .

Principals:

Joseph H. Burgis PP, AICP
Edward Snieckus, Jr. PP, LLA, ASLA
David Novak PP, AICP

2025 Housing Element and Fair Share Plan

Township of Washington
Bergen County, New Jersey

Prepared for the Township of Washington
Planning Board

BA#: 4172.07

The original document was appropriately signed and sealed on June 18, 2025 in accordance with
Chapter 41 of Title 13 of the State Board of Professional Planners

Joseph H. Burgis, AICP, PP
Professional Planner #2450

Members of the Township of Washington Planning Board

Leonard Sabino, Chairman
Bill Carroll, Vice Chairman
Peter Calamari, Mayor
Michael Ullman, Council Representative
Brian Murphy
V.Wojno-Oranski
Michael Polito
Said Toro
George O'Toole

Planning Board Secretary

Grace Kalish

Planning Board Attorney

Louis J. Lamatina, Esq.

Planning Board Engineer

Paul Azzolina, PE

Planning Board Planning Consultant

Joseph H. Burgis PP, AICP
Burgis Associates, Inc.

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Executive Summary

This 2025 Township of Washington, Bergen County, New Jersey Housing Element and Fair Share Plan (HE&FSP) of the Master Plan is designed to address the manner in which the Township will fulfill its 4th Round affordable housing obligations. These obligations and the way in which they are addressed are derived from a variety of sources including regulatory provisions of the Council on Affordable Housing (COAH), a prior settlement agreement with Fair Share Housing Center (FSHC), and the recent legislation on the 4th Round of the affordable housing issue and associated calculations by the Department of Community Affairs (DCA).

These obligations are summarized as follows:

Table 1: Affordable Housing Obligation Summary

Category	Obligation (units)
1 st & 2 nd Round Obligation (1987-1999)	85 reduced to 11 unit RDP thru a VLA*
Third Round Obligation (1999-2025)	433 reduced to a 24 unit RDP thru a VLA*
Fourth Round Obligation (2025-2035)	184 reduced to an 8 unit RDP thru a VLA*
Present Need (Rehabilitation) Obligation	0

* RDP = Realistic Development Potential; VLA = Vacant Land Adjustment

1st and 2nd Round Obligation

The Township was assigned a 1st and 2nd Round Obligation of 85 units. Based upon a vacant land adjustment (VLA) approved by COAH as part of its Second Round Substantive Certification, the Township's realistic development potential (RDP) was established at 11 units. This RDP was fully satisfied through the components identified in Table 2. The table indicates the Township addressed this 11 unit obligation through two developments containing a total of 11 affordable units, a monetary contribution of \$325,000 to the Township's Affordable Housing Trust Fund, and the adoption of a mandatory set-aside ordinance.

The 1st & 2nd Round Unmet Need was 74 units (i.e. the difference between the 1st & 2nd Round Obligation of 85 units and its RDP of 11 units).

Third Round Obligation

Pursuant to a Settlement Agreement signed with FSHC, the Township had a 3rd Round obligation of 433 units, which was reduced through a VLA and associated RDP analysis to 24 units (and a total Unmet Need of 409 units). According to their 3rd Round Plan, they addressed this obligations through 4 credits from the Calvin St Group Home, 3 credits from a Ridgewood Blvd Group Home, an RCA with Bayonne (11 units), and 6 rental bonus credits.

Table 2: 1987-1999 Affordable Housing Components

Component	Affordable Units	Status
VFW 639 Jefferson St Habitat for Humanity	4 Sr Sales units	Completed
Franklin Ct 283 Van Emburgh	7 family rentals	Under Construction
Viviano Tract 463 Van Emburgh	\$325,000 payment in lieu of constructing AH units on-site	Payment Completed

Table 3: Overlay Parcel for Unmet Need

Address	Block	Lot	Acreage	Density (du/ac)
Stone Mills Gardens Ridgewood Ave.			1.5	8.0 du/ac= 12 du incl 2-3 AH du
YMHA Site, Pascack Rd			7.0	15 du/ac = 105 du incl 16-21 AH du

Fourth Round Obligation

The Township has a 4th Round affordable housing obligation of 184 units that has been reduced to 11 units through a VLA and RDP analysis. The Township intends to address this number as summarized in the accompanying table. As noted, while the RDP is for 8 units, a total of 21 affordable units are contemplated from these two sites. Thus the Township is also able to provide 13 additional units to satisfy a portion of the community's unmet need.

Table 4: 2025-2035 4th Round Affordable Housing Components

Component	Affordable Units	Status
660 Pascack Road	28 du, of which 6 are to be AH units	Proposed for 4 th Round
370 Pascack Rd	72 units of which 15 are to be AH du.	Proposed for 4 th Round

Structure of the Report

This 2025 HE&FSP is divided into the following sections:

❖ Section 1: Introduction

The first section of the 2025 HE&FSP introduces what constitutes affordable housing, offers an overview of the history of affordable housing in the state, and explains the role of a housing element and fair share plan as a component of the municipal master plan.

❖ Section 2: Housing Element

Section 2 contains the Housing Element for the Township. It offers an overview of its community, with information regarding the Township's population, housing, and employment characteristics. It also provides a projection of the Township's housing stock and its employment projections through the 4th Round period.

❖ Section 3: Fair Share Obligation

Next, Section 3 provides an overview of the Township's fair share obligation. It includes a brief history of the methodologies utilized to calculate affordable housing obligations throughout the state.

❖ Section 4: Fair Share Plan

Finally, Section 4 details the manner in which the Township has addressed its prior obligations and how it will address its Fourth Round prospective need obligations.

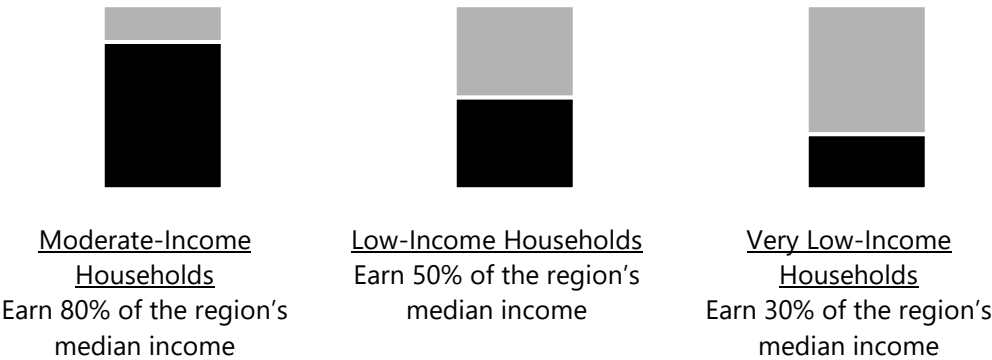
Section 1: Introduction

The following section introduces what constitutes affordable housing. It identifies what affordable housing is, offers an overview of the history of affordable housing in the state, and explains the role of a housing element and fair share plan.

What is Affordable Housing?

Affordable housing is income-restricted housing that is available for sale or for rent. As a general proposition, affordable housing is restricted to very-low, low-, and moderate-income households (noted below), although there are exceptions, such as specific types of special-needs housing. These categories are derived from the state's median regional income limits (which for the current year are noted in the table below).

New Jersey is delineated into six different affordable housing regions. The Township of Washington is located in Region 1 which includes Bergen, Hudson, Passaic, and Sussex Counties.



Regional income limitations are typically updated every year, with different categories established for varying household sizes. The table below identifies the 2024 regional income limits by household size for Region 1. As shown, a three-person family with a total household income of no greater than \$86,697 could qualify for affordable housing in the Township's region.

Table 5: 2024 Affordable Housing Region 1 Income Limits by Household Size

Income Level	2 Person	3 Person	4 Person	5 Person
Median	\$96,329	\$108,371	\$120,412	\$130,045
Moderate	\$77,064	\$86,697	\$96,329	\$104,036
Low	\$48,165	\$54,185	\$60,206	\$65,022
Very-Low	\$28,899	\$32,511	\$37,568	\$39,013

One of the most common forms of affordable housing is inclusionary development, in which a certain percentage of units within a multifamily development are reserved for affordable housing. Nevertheless, affordable housing can be found in a variety of other forms, including but not limited to one hundred percent affordable housing developments, deed-restricted accessory apartments, assisted living facilities, alternative arrangements such as supportive housing or group homes, and age restricted housing.

What is the History of Affordable Housing in New Jersey?



The history of affordable housing in New Jersey can be traced back to 1975, when the Supreme Court first decided in *So. Burlington Cty. NAACP v. Township of Mount Laurel* (known as Mount Laurel I) that every developing municipality in New Jersey had an affirmative obligation to provide for its fair share of affordable housing. In a subsequent decision in 1983 (Mount Laurel II), the Court acknowledged that the vast majority of municipalities had ignored their constitutional obligation to provide affordable housing.

The Court thus refined the obligation to establish that every municipality had an obligation, although those within the growth area of the State Development and Redevelopment Plan (SDRP) had a greater obligation. The Court also called for the state legislature to enact legislation that would save municipalities from the burden of having the courts determine their affordable housing needs. The result of this was the adoption of the Fair Housing Act in 1985 as well as the creation of the COAH, which became the state agency responsible for overseeing the manner in which New Jersey's municipalities address their low and moderate income housing needs.

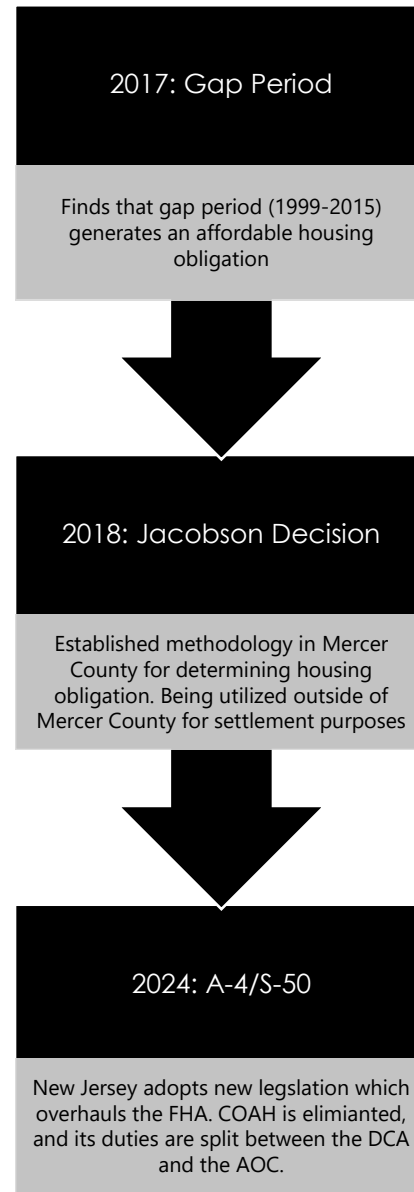
COAH proceeded to adopt regulations for the First Round obligation, which covered the years 1987 to 1993. It also established the Second Round housing-need numbers that cumulatively covered the years 1987 through 1999. Under both the First and Second Rounds, COAH utilized what is commonly referred to as the "fair share" methodology. COAH utilized a different methodology, known as "growth share," beginning with its efforts to prepare Third Round housing-need numbers. The Third Round substantive and procedural rules were first adopted in 2004.

These regulations were challenged and in January 2007, the Appellate Division invalidated various aspects of these rules and remanded considerable portions of the rules to COAH with the directive to adopt revised regulations.

In May 2008, COAH adopted revised Third Round regulations which were published and became effective on June 2, 2008. Coincident to this adoption, COAH proposed amendments to the rules they had just adopted, which subsequently went into effect in October 2008. These 2008 rules and regulations were subsequently challenged, and in an October 2010 decision the Appellate Division invalidated the Growth Share methodology, and also indicated that COAH should adopt regulations pursuant to the Fair Share methodology utilized in Rounds One and Two. The Supreme Court affirmed this decision in September 2013, which invalidated much of the third iteration of the Third Round regulations and sustained the invalidation of growth share. As a result, the Court directed COAH to adopt new regulations pursuant to the methodology utilized in Rounds One and Two.

Deadlocked with a 3-3 vote, COAH failed to adopt newly revised Third Round regulations in October 2014. The Fair Share Housing Center, who was a party in both the 2010 and 2013 cases, responded by filing a motion in aid of litigants' rights with the New Jersey Supreme Court. The Court heard the motion in January 2015 and issued its ruling on March 20, 2015. The Court ruled that COAH was effectively dysfunctional and consequently returned jurisdiction of affordable housing issues back to the trial courts where it had originally been prior to the creation of COAH in 1985.

This 2015 Court decision created a process in which municipalities may file a declaratory judgment action seeking a declaration that their HE&FSP is constitutionally compliant and receive temporary immunity from affordable housing builders' remedy lawsuits while preparing a new or revised HE&FSP to ensure their plan continues to affirmatively address their local housing need as may be adjusted by new housing-need numbers promulgated by the court or COAH.



The Supreme Court subsequently ruled on January 18, 2017 that municipalities are also responsible for obligations accruing during the so-called “gap period,” the period of time between 1999 and 2015 when COAH was not able to adopt 3rd Round regulations that would be affirmed by the courts. However, the Court stated that the gap obligation should be calculated as a never-before calculated component of Present Need, which would serve to capture Gap Period households that were presently in need of affordable housing as of the date of the Present Need calculation (i.e. that were still income eligible, were not captured as part of traditional present need, were still living in New Jersey and otherwise represented a Present affordable housing need).

On March 20, 2024, the State of New Jersey adopted a package of affordable housing bills which overhauled the Fair Housing Act. This legislation ultimately eliminated COAH and split its duties and functions between the Department of Community Affairs (DCA) and the Administrative Office of the Courts (AOC).

The DCA was designated by the legislation as the entity responsible for calculating the state’s regional needs as well as each municipality’s present and prospective fair share obligations pursuant to the Jacobson Decision. However, the legislation makes clear that these numbers are advisory and that each municipality must set its own obligation number utilizing the same methodology. Meanwhile, the Affordable Housing Dispute Resolution Program (the “Program”) within the AOC was directed to handle any disputes regarding affordable housing obligations and plans as part of the first step in the new process.

What is a Housing Element and Fair Share Plan (HE&FSP)?

A HE&FSP serves as the blueprint for how a municipality will address its fair share of affordable housing. It is designed to help a community broaden the accessibility of affordable housing.

While technically a discretionary component of a municipal master plan, a HE&FSP is nevertheless an effectively obligatory plan element. As established by NJSA 40:55D-62.a of the MLUL, a municipality must have an adopted HE&FSP to enact its zoning ordinance. Thus, from a public policy perspective, a HE&FSP is an essential

community document that also ensures it has the right to zone. Moreover, without a HE&FSP, a municipality may be susceptible to a builder’s remedy lawsuit in which a developer could file suit to have a specific piece of property rezoned to permit

The **Municipal Land Use Law (MLUL)** is the enabling legislation for municipal land use and development, planning, and zoning for the State of New Jersey.

housing at higher densities than a municipality would otherwise allow, provided a certain percentage of units are reserved as affordable.

The FHA, adopted in 1985 and amended multiple times since then, establishes the required components of a HE&FSP. These are summarized as follows:

1. 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.
2. A projection of the local housing stock, including 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.
3. An analysis of the municipality's demographic characteristics, including but not necessarily limited to, household size, income level and age.
4. An analysis of the existing and probable future employment characteristics of the municipality.
5. 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.
6. A consideration of the lands that are most appropriate for construction of low- and moderate-income housing and 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.
7. 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.
8. For a municipality located within the jurisdiction of the Highlands Water Protection and Planning Council, 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.
9. 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.

Section 2: Housing Element

The following section provides the housing element for the Township of Washington. It offers an overview of its community, as well as back information regarding its population, housing, and employment characteristics. It also provides a projection of the Township's housing stock and its employment projections.

Information Regarding Data Sources

The information contained in Section 2.2 entitled "Population Demographics," Section 2.3 entitled "Inventory of Housing Stock," Section 2.4 entitled "Employment Demographics," and Section 2.5 entitled "Housing & Employment Projections" was obtained from a variety of publicly available data sources. These are summarized below:

- | | |
|---|---|
| <p>1. United States Decennial Census</p> <p>The US Census is described in Article I, Section 2 of the Constitution of the United States, which calls for an enumeration of the people every ten years for the apportionment of seats in the House of Representatives. Since the time of the first Census conducted in 1790, it has become the leading source of data about the nation's people and economy. Please note that all incomes reported in the Census are adjusted for inflation.</p> | <p>4. New Jersey Department of Community Affairs (DCA)</p> <p>The New Jersey Department of Community Affairs is a governmental agency of the State of New Jersey. Its function is to provide administrative guidance, financial support, and technical assistance to local governments, community development organizations, businesses, and individuals to improve the quality of life in New Jersey.</p> |
| <p>2. American Community Survey (ACS)</p> <p>The American Community Survey is a nationwide ongoing survey conducted by the US Census Bureau. The ACS gathers information previously contained only in the long form version of the decennial census, such as age, ancestry, educational attainment, income, language proficiency, migration, disability, employment, and housing characteristics. It relies upon random sampling to provide ongoing, monthly data collection. Please note that all incomes reported in the ACS are adjusted for inflation.</p> | <p>5. New Jersey Department of Labor and Workforce Development</p> <p>The New Jersey Department of Labor and Workforce Development is a governmental agency of the State of New Jersey. One of its roles is to collect labor market information regarding employment and wages throughout the state.</p> |
| <p>3. New Jersey Department of Health</p> <p>The New Jersey Department of Health is a governmental agency of the State of New Jersey. The department contains the Office of Vital Statistics and Registry, which gathers data regarding births, deaths, marriages, domestic partnerships, and civil unions.</p> | |

2.1: Community Overview

The Township of Washington is located in the northern portion of Bergen County along the Garden State Parkway. The Township borders the Bergen County municipalities of Hillsdale to the north, Westwood to the east, Emerson to the southeast, Paramus to the south, Ho-Ho-Kus to the west, and Saddle River to the northwest.

The Township is essentially a fully developed community with very little vacant land remaining for development.

The total parcel acreage of the Township is 1570.69 acres, excluding roadways and streets. The majority of the Township is primarily characterized by residential development. In fact, 73% of the municipality's total land area consists of residential uses. Single-family residential accounts for the bulk of this majority, accounting for 67.4% percent of the Township's total parcel area. Multi-family residential developments comprise nearly 5% percent of the Township's total area. Additionally, there is a singular Age-Restricted Housing Facility and one Assisted Living Facility.

Land uses under the Public/Semi-Public classification comprise the second largest land use category in the Township 20% percent of the Township's total land area. Commercial land uses comprise the third largest land use category and account for approximately 2.8% percent of the Township's total land use area. The Township also contains 68.7 acres of other land uses, with vacant making up 40 acres and Water 28.7 acres of the total of the Township's size.

Table 6: Existing Land Uses

Source: ArcGIS Calculations

Land Use		Acres	% of Total Acres	Parcels	% of Total Parcels
Residential	Single-family	1058.0	67.36%	2945	94.54%
	Age-Restricted Housing	6.0	0.38%	1	0.03%
	Multifamily	77.3	4.92%	5	0.16%
	Assisted Living Facilities	5.0	0.32%	1	0.03%
Commercial	Commercial	15.2	0.97%	16	0.51%
	Shopping Center	10.9	0.70%	4	0.13%
	Eating and Drinking Establishments	4.2	0.27%	2	0.06%
	Farm	13.5	0.86%	1	0.03%
Public/Semi-Public	Municipal (Public) Property	95.6	6.09%	66	2.12%
	School (Public/Private) Property	82.6	5.26%	4	0.13%
	House-of-worship & Charity	133.7	8.51%	14	0.45%
Other	Vacant	40	2.55%	54	1.73%
	Water	28.7	1.83%	2	0.06%

..

Map 1: Community Overview



2.2: Demographic and Population Data

Analyzing demographic and population data is a necessary and integral step in planning for the future needs and demands of a community. This section outlines the demographic changes experienced by the Township over the past several decades and provides projections with respect to anticipated changes to community demographics.

The analysis of demographic information is from the 2010 Decennial Census as well as American Community Survey (ACS) 5-year estimates. The ACS data consists of estimates based upon data averages across a five-year span, otherwise known as "period" estimates. They are not actual counts, rather they are representative of data collected over a period of time and thus may not be directly comparable to decennial census figures. For example, 2023 ACS includes data collected annually from 2019 through 2023. The following provides assessments of population size, rate of growth, age characteristics, as well as household size and income levels. Each of these items is described below. This information is vital for the Township to carefully plan for the current and future needs of its residents and the community.

Population Changes

The following table indicates the changes in local population going back to 1950. It highlights how the Township experienced significant increases in population during the 1950s and 60s and then declined from 1970 through to 2000. There was a slight increase between 2000 and 2020.

Table 7: Population Growth, 1950-2023

Year	Population	Population Change	Percent Change
1950	1,208	- -	- -
1960	6,654	5446	450.8%
1970	10,577	3923	59.0%
1980	9,550	-1027	-9.7%
1990	9,245	-305	-3.2%
2000	8,938	-307	-3.3%
2010	9,102	164	1.8%
2020	9,285	183	2.0%
2023	9,276	-9	-0.1%

Source: U.S. Census; 2010 & 2023 American Community Survey 5-Year Estimates

Age Characteristics

As shown in the table below, the Township's age characteristics show an increase in median age from 44.8 years in 2010 to 46.0 according to the 2023 ACS 5-year estimate data. The largest age cohort in

2023 represented 15% of the population (65-54 age group). The same cohort was again the largest in 2010 at 16%. The age groups showing declines between the 2010 census and the 2023 ACS data appear to be ages between 5 and 24 as well as the 45-54 and 65-74 age groups.

Table 8: Age Characteristics, 2010-2023

Age Group	2010*		2023*	
	Pop	%	Pop	%
Under 5	433	4.8%	453	5%
5 to 9	624	6.9%	580	6%
10 to 14	599	6.6%	516	6%
15 to 19	555	6.2%	550	6%
20 to 24	509	5.6%	467	5%
25 to 34	629	7.0%	693	7%
35 to 44	1,180	13.1%	1,220	13%
45 to 54	1,442	16.0%	1,368	15%
55 to 59	614	6.8%	659	7%
60 to 64	663	7.4%	670	7%
65 to 74	1025	11.4%	921	10%
75 to 84	583	6.5%	980	11%
85 +	160	1.8%	199	2%
Total	9,016	100.0%	9,276	100.0%
Median Age	44.8		46	

Sources: 2010 & 2023 American Community Survey 5-Year Estimates.

Household Tenure and Occupancy

The data shown on the following table indicates that the breakdown between the share of owner-occupied and renter-occupied units has remained largely the same since 2010 with the majority of units being owner-occupied. Housing vacancies have also remained similar with only a slight decrease from 1.6% in 2010 to 1.4% in 2023.

Table 9: Owner-Occupied and Renter-Occupied Units, 2010-2023

	2010		2023	
Category	# of Units	%	# of Units	%
Owner Occupied	3,036	93.6%	3,130	93.1%
Renter Occupied	156	4.8%	187	5.6%
Vacant Units	51	1.6%	46	1.4%
Total	3,243	100.0%	3,363	100.0%

Source: 2010 & 2023 American Community Survey 5-Year Estimates

Average Household Size

Census data shown below indicates the Township's average household size has hovered around 2.8 since 2000. This is similar to Bergen County's average household size which remained somewhat steady at 2.66 over the same time period. The total population and the number of households both increased from 2010 to 2023.

Table 10: Average Household Sizes, 2010-2023

Year	Total Population	Number of Households	Average Household Size
2000	8,938	3,219	2.79
2010	9,016	3,192	2.82
2023	9,276	3,317	2.80

Source: U.S. Census; 2010 & 2023 American Community Survey 5-Year Estimates

Household Income

Data from ACS indicates median household income increased 44% from 2010 to 2023.

Table 11: Household Incomes, 2010-2023

Income Category	2010		2023	
	Number	%	Number	%
less than \$10,000	66	2.1%	36	1.1%
\$10,000 to \$14,999	15	0.5%	0	0.0%
\$15,000 to \$24,999	183	5.7%	37	1.1%
\$25,000 to \$34,999	100	3.1%	61	1.8%
\$35,000 to \$49,999	279	8.7%	132	4.0%
\$50,000 to \$74,999	369	11.6%	330	9.9%
\$75,000 to \$99,999	354	11.1%	205	6.2%
\$100,000 to \$149,999	756	23.7%	622	18.8%
\$150,000 to \$199,000	538	16.9%	536	16.2%
\$200,000 or more	532	16.7%	1,358	40.9%
Total Households	3,192	100.0%	3,317	100.0%
Median Income (Household)	\$117,394		\$168,922	

Source: 2010 & 2023 American Community Survey 5-Year Estimates

2.3: Inventory of Housing Stock

This section of the analysis provides an inventory of the Township's housing stock. The inventory details housing characteristics such as age, condition, purchase/rental value and occupancy. It also details the number of affordable units available to low- and moderate-income households and the number of substandard housing units capable of being rehabilitated. As previously noted, the latest information from the American Community Survey consists of five-year estimates by the Census Bureau, not actual counts and may not be directly comparable to census figures.

Number of Housing Units

As illustrated in the table below, the overall number of housing units within the Township has continued to increase from the 1990s through 2023. Understandably, the slowest percentage increase in numbers was between 2000 and 2010 during the Great Recession.

Table 12: Housing Units, 1980-2023

Year	Housing Units	Numerical Change	% Change
1990	3,190	-	-
2000	3,245	55	2%
2010	3,243	-2	0%
2023	3,363	120	4%

Source: US Census Bureau, 2023 ACS Five-Year Estimate

Units in Structure for Occupied Units

Information regarding the number of dwelling units in housing structures provides insights into the types of housing which exist throughout the Township. The following table offers insights into the unit-composition of the Township's structures since 2010.

The Township's housing stock has historically been comprised of single-family detached and attached dwellings. The 2023 ACS estimate data provided in the table below shows a total of 2,950 single-family detached dwellings which amounts to 87.7 percent of all housing units in the Township. This percentage is slightly higher in 2010 when single-family dwellings accounted for approximately 88.3 percent.

Table 13: Units in Structure, 2010-2023

Units in Structure	2010		2023	
	No.	%	No.	%
Single Family, Detached	2,863	88.3%	2,950	87.7%
Single Family, Attached	234	7.2%	280	8.3%
2	21	0.6%	83	2.5%
3 or 4	11	0.3%	0	0.0%
5 to 9	21	0.6%	10	0.3%
10 to 19	9	0.3%	0	0.0%
20 +	84	2.6%	40	1.2%
Mobile Home	0	0.0%	0	0.0%
Other	0	0.0%	0	0.0%

Source: 2010 & 2023 American Community Survey 5-Year Estimates

Purchase and Rental Value of Housing Units

The following two tables identify purchase values and rental values for the specified owner-occupied and renter-occupied units in the Township.

The purchase values of the Township's owner-occupied housing stock have typically exceeded those of the State of New Jersey and have been somewhat commensurate to those of Bergen County. Over the past thirteen years, the median value of the Township's owner-occupied housing stock is estimated to have increased approximately 14%, from \$560,900 in 2010 to \$640,600 in 2023. This represents a much lower percentage increase than that of the County (23%) and the State (19.78%). Over the past thirteen years, the median gross rent increased similar to both the County and the State.

Table 14: Value of Owner-Occupied Units, 2010-2023

Value Range	2010		2023	
	Number	Percent	Number	Percent
Less than \$50,000	24	0.8%	16	0.5%
\$50,000 to \$99,999	11	0.4%	4	0.1%
\$100,000 to \$149,999	0	0.0%	0	0.0%
\$150,000 to \$199,999	13	0.4%	11	0.4%
\$200,000 to \$299,999	69	2.3%	14	0.4%
\$300,000 to \$499,999	1051	34.6%	500	16.0%
\$500,000 to \$999,999	1744	57.4%	2484	79.4%
\$1,000,000 or More	124	4.1%	101	3.2%
Total	3036	100.0%	3130	100.0%
Median Value	\$560,900		\$640,600	
Bergen County Median Value	\$482,300		\$593,200	

Source: 2010 and 2023 American Community Survey Five-Year Estimates

Table 15: Specified Renter Occupied Housing Units by Rent, 2010-2023

Gross Rent	2010		2023	
	Number	Percent	Number	Percent
Less than \$500	0	0%	0	0.0%
\$500 to \$999	11	17%	13	7.3%
\$1,000 to \$1,499	10	15%	25	14.0%
\$1,500 to \$1,999	44	68%	22	12.4%
\$2,000 to \$2,499			63	35.4%
\$2,500 to \$2,999			27	15.2%
\$3,000 or more			28	15.7%
53XNo Cash Rent	91	X	9	X
Total Occupied Units paying Rent	65	100.0%	178	100.0%
Township Median Gross Rent	\$2,000+		\$2,230	

Source: US Census Bureau; 2010 and 2023 American Community Survey Five-Year Estimates.

Deficient Housing Units

Neither the Census nor the ACS classify housing units as deficient. However, the Fair Housing Act defines a “deficient housing unit” as housing which is over fifty years old and overcrowded; lacks complete plumbing, or lacks complete kitchen facilities.

Accordingly, the following tables are intended to provide insights into the extent to which the Township has deficient housing units. The table below examines the extent to which there is overcrowding in the Township’s housing stock. Overcrowding is typically associated with housing units with more than one occupant per room. As shown, the estimated number of occupied housing units considered to be overcrowded is negligible.

Table 16: Occupants Per Room (2023)

Occupants Per Room	2010		2023	
	Number	Percent	Number	Percent
1.00 or less	3,183	99.7%	3,300	99.5%
1.01 to 1.50	9	0.3%	17	0.5%
1.51 or more	0	0.0%	0	0.0%
Total	3,192	100%	3,317	100.0%

Source: 2023 American Community Survey Five-Year Estimates.

The table below identifies housing units with complete plumbing and kitchen facilities. As shown, all occupied units in the Township were identified as having complete plumbing and kitchen facilities.

Table 17: Plumbing and Kitchen Facilities (2023)

Facilities	2010		2023	
	Number	Percent	Number	Percent
<u>Kitchen:</u> Complete Facilities	3,317	100.0%	3,317	100.0%
Lacking Complete Facilities	0	0%	0	0.0%
<u>Plumbing:</u> Complete Facilities	3,317	100.0%	3,317	100.0%
Lacking Complete Facilities	0	0%	0	0.0%
<u>Heating Equipment:</u> Standard Heating Facilities	3,181	99.7%	3,317	100.0%
Other Means, No Fuel Used	11	0.3%	0	0.0%

Source: 2023 American Community Survey Five-Year Estimates.

2.4: Housing and Employment Projection

The following section identifies the extent to which redevelopment housing and economic development has occurred in the community, which can assist in the determination of future residential and employment projections.

Recent Residential Development Activity

One way of examining the stability of a community's housing stock is by comparing the number of residential building permits issued for new construction as well as demolition permits issued every year. Since 2014, the Township has annually issued an average of 4.9 building permits over the past decade and an average of 3.3 demolition permits over the same time frame. This results in an average net growth of 1.6 permits annually. This is reflective of the Township's established development pattern.

Table 18: Residential Building Permits and Demolition Permits

Year Issued	Building Permits				Demos	Net Growth
	1 & 2 Family	Multifamily	Mixed Use	Total		
2014	1	0	0	1	0	1
2015	2	0	0	2	1	1
2016	10	0	0	10	8	2
2017	11	0	0	11	11	0
2018	6	0	0	6	4	2
2019	3	0	0	3	4	-1
2020	5	0	0	5	2	3
2021	3	0	0	3	1	2
2022	2	0	0	2	1	1
2023	6	0	0	6	1	5
Total	49	0	0	49	33	16

Source: Department of Community Affairs

Covered Employment

The table below provides data on the Township's covered employment trends between 2014 and 2023, as reported by the New Jersey Department of Labor and Workforce Development. "Covered employment" refers to any employment covered under the Unemployment and Temporary Disability Benefits Law. Generally, nearly all employment in the state is considered "covered employment."

Similarly, employment levels have typically decreased from 2018 to 2021, wherein employment in the Township decreased by a reported 24% due to excessive job loss during the COVID Pandemic. Since that time, employment in the Township has slightly increased. As of 2023, the Township's reported covered employment was 1,253 individuals.

Table 19: Average Covered Employment (2014 to 2023)

Year	Number of Jobs	Change in Number of Jobs	Percent Change (%)
2014	1,370	-	-
2015	1,324	-46	-3.5%
2016	1,264	-60	-4.7%
2017	1,269	5	0.4%
2018	1,295	26	2.0%
2019	1,323	28	2.1%
2020	1,067	-256	-24.0%
2021	1,174	107	9.1%
2022	1,176	2	0.2%
2023	1,253	77	6.1%

Source: Department of Labor and Workforce Development

Section 3: Fair Share Obligation

The following section provides an overview of the Township's fair share obligation. It includes a brief overview of the methodology utilized to calculate affordable housing obligations throughout the state.

3.1: Summary of Fair Share Obligation

On March 20, 2024, the State of New Jersey adopted a package of affordable housing bills which overhauled the Fair Housing Act. The FHA now designates DCA as the entity responsible for calculating the state's regional needs. Specifically, NJSA 52:27D-304.2 establishes the methodology to be utilized by DCA to determine the state's regional prospective needs of low- and moderate-income housing for the ten-year period spanning from July 1, 2025 to June 30, 2035. In summary, the projected household change for this period is estimated by establishing the household change experienced in each region between the most recent federal decennial census and the second-most recent decennial census. This household change, if positive, is then divided by 2.5 to estimate the number of low- and moderate-income homes needed to address low- and moderate-income household change in the region for the next ten years. This methodology resulted in a statewide prospective need of 84,698 low- and moderate-income units.

DCA is also the entity responsible for calculating each municipality's present and prospective fair share obligations. However, the FHA makes clear that these calculations are advisory and that each municipality must set its own obligation number utilizing the same methodology.

On January 23, 2025, the Township of Washington adopted Resolution #049-2025 (see Appendix) which accepted DCA's present and prospective fair share obligation calculations for the Township. These obligations are summarized below. That same resolution also noted that the Township reserves the right to conduct a vacant land adjustment (VLA) to determine its realistic development potential (RDP). This is discussed in greater detail in the next subsection.

Table 20: Summary of Fair Share Obligation

Affordable Obligation	Units
Present (Rehabilitation Need) Obligation	0
Fourth Round Obligation (2025-2035)	184 units reduced to 8 unit RDP through a VLA

3.2: Realistic Development Potential (RDP)

The Township is a fully developed community and is therefore entitled to adjust its obligation in accordance with a procedure set forth in the FHA. Specifically, NJSA 52:27D-310.1 permits municipalities to perform an RDP analysis by seeking a vacant land adjustment (VLA).

An RDP analysis is intended to determine which sites in a municipality are most likely to develop for low- and moderate-income housing. Municipalities may present documentation that eliminates a site or part of a site from its inventory of vacant land. Such eliminating factors include: lands dedicated for public uses other than housing since 1997; park lands or open space; vacant contiguous parcels in private ownership of a size which would accommodate fewer than five housing units; historic and architecturally important sites listed on the State Register of Historic Places or the National Register of Historic Places; preserved architectural lands; sites designated for active recreation; and environmentally sensitive lands.

A VLA was undertaken, resulting in a determination that the Township had an 11 unit RDP. This analysis is in the accompanying table.

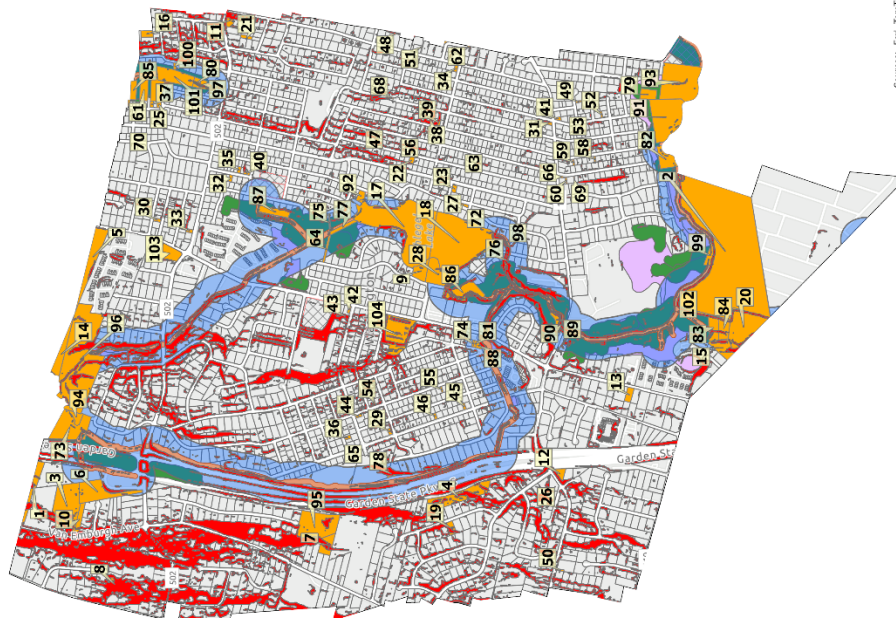
Table 21: Vacant Land Adjustment

ID #	Block	Lot	Address	Developable Area (ac)	Comments
1	1102	10	870 VAN EMBURGH AVE	1.26	The 1.49-acre lot has a developable acreage of 1.26 acres. This equals 1.51 RDP units based on a density of 6 du/ac.
2	3602	2	PASCACK RD, OFF	25.69	Cemetery
3	1102	1.04	783 VAN EMBURGH AVE.	4.38	Already Counted Last Round.
4	1404	3	ROADWAY RT OF WAY	3.85	15C (NJDOT OWNED)
5	2101	3	3 PASCACK RD	3.13	Lot was subdivided and no longer exists.
6	1102	9	WASHINGTON AVE.	2.16	Already Counted Last Round.
7	1305	1.05	VAN EMBURGH AVE	1.22	Municipally owned.
8	1101.01	5.01	70 GORGA PL	0.93	No longer exists.
9	3304	23	WOODFIELD RD	0.74	Shore for Lake.
10	1102	2	781 VAN EMBURGH AVE	0.69	Too small and steep slopes.
11	4213	4	654 MOUNTAIN AVE	0.54	Steep slopes.
12	2503.03	5	E GLEN AVE	0.54	Too small.
13	3501	14.02	64 PASCACK RD.	0.49	Too small.
14	2101	7	PASCACK RD	0.46	
15	3601	5	PASCACK RD	0.45	C1 Streams and steep slopes.
16	4103	14	11 BOULEVARD S.	0.44	Too small.
17	3311	1	WOODFIELD RD	0.41	Lake.
18	3410	1	WOODFIELD RD	0.41	Lake.
19	1404.01	1	106 DOUGLAS DR	0.37	Steep Slopes.
20	3601	8	PASCACK RD	0.31	Too small due to environmental conditions.
21	4213	14.01	MOUNTAIN AVE.	0.20	Lot is isolated and surrounded by residential properties.
22	4304	43	388 BEECH ST	0.19	Changed to Class 2.

ID #	Block	Lot	Address	Developable Area (ac)	Comments
23	4404	23	COLONIAL BLVD	0.17	Municipally owned.
24	3113	13	BIRCH ST	0.17	Municipally owned.
25	3113	6	BIRCH AVE	0.15	Municipally owned.
26	2504	9.01	ROBERTS CT	0.14	Municipally owned.
27	4401	1	S CHESTNUT ST	0.14	Municipally owned.
28	3407	24	WOODFIELD RD	0.14	Shore for Lake.
29	2312	1	433 RIDGEWOOD BLVD NO	0.13	Too small
30	3102	9	662 JEFFERSON AVE	0.13	Too small.
31	4419	1	254 CALVIN ST	0.13	No longer exists.
32	3206	41	MONROE AVE	0.12	Municipally owned.
33	3104	58	WASHINGTON AVE	0.12	Municipally owned.
34	4318	31	MOUNTAIN AVE	0.11	Municipally owned.
35	3209	11	MONROE AVE	0.11	Too small.
36	2311	13	989 ADAMS PL	0.11	No longer exists.
37	3113	11	BEECH ST	0.11	Municipally owned.
38	4310	8	385 WALNUT ST	0.11	Too small, steep slopes.
39	4310	3	WALNUT ST	0.11	Municipally owned.
40	3209	7	CROSS ST & MONROE	0.10	Lot is too small.
41	4423	9	RIDGEWOOD RD	0.10	Municipally owned.
42	2326	73	PASCACK RD	0.10	Municipally owned.
43	2326	69	RIDGEWOOD BLVD E	0.09	Municipally owned.
44	2314	26	RIDGEWOOD BLVD E	0.09	Municipally owned.
45	2406	5	RIDGEWOOD BLVD N	0.09	Municipally owned.
46	2406	28	RIDGEWOOD BLVD N	0.09	Municipally owned.
47	4305	5	BEECH ST	0.08	Municipally owned.
48	4321	6	LAFAYETTE AVE REAR	0.07	Too small and steep slopes.
49	4513	16	PROSPECT AVE	0.06	Municipally owned.
50	2501	3.02	998 E GLEN AVE	0.06	Too small.
51	4322	3.01	MOUNTAIN AVE	0.06	Too narrow and small.
52	4514	4	CALVIN ST	0.06	Building on property, too small.
53	4420	49	CALVIN ST	0.06	Too small, steep slopes.
54	2321	5	HOOVER AVE	0.06	Municipally owned.
55	2409	98	HOOVER AVE	0.06	Building on property, too small.
56	4306	15	BEECH ST	0.06	Municipally owned.
57	3111	17	BEECH ST	0.06	Too small and wetlands.
58	4506	58	WALNUT ST	0.05	Municipally owned.
59	4414	45	184 WALNUT ST	0.05	Too small.
60	4411	31	FERN ST	0.05	Too small.
61	3112	1	COTTAGE PL	0.05	Too small due to environmental conditions.
62	4322.01	7.07	CHAPPY CT	0.05	Too small.
63	4409	8	BEECH ST	0.05	Lot is too small.

ID #	Block	Lot	Address	Developable Area (ac)	Comments
64	3202.01	3.01	RIGHT OF WAY	0.04	Municipally owned.
65	2303	6	RIDGEWOOD BLVD NO	0.04	Too small.
66	4411	36	RIDGEWOOD RD	0.04	Municipally owned.
67	4322	7.08	3 CHAPPY CT	0.04	Too small.
68	4311	2.01	HICKORY ST	0.04	Municipally owned.
69	4502	26	198 FERN ST	0.04	Too small.
70	3106	2.01	CHESTNUT ST	0.02	Municipally owned.
71	1401	3	VAN EMBURGH AVE	0.01	Too small.
72	3407	63.01	SUSSEX RD	0.01	C1 Stream.
73	1103	1	SPICE DR	0.00	Municipally owned.
74	2417	6	HUDSON AVE	0.00	Municipally owned.
75	3305	6.01	CLEVELAND AVE	0.00	Municipally owned.
76	3402	10.01	WOODFIELD RD	0.00	C1 Streams, steep slopes, and wetlands.
77	3304	53	WOODFIELD RD	0.00	Too small
78	2401	1.01	RIDGEWOOD BLVD E	0.00	Too small
79	4519	6	COSMAN ST	0.00	Wetlands, and 100 Year floodplain.
80	4102.01	1.04	HICKORY ST	0.00	Too small
81	2417	4	HUDSON AVE	0.00	Too small.
82	4505.01	1	WALNUT ST	0.00	C1 Streams, 100 Year Floodplain, and wetlands.
83	3601	6	PASCACK RD	0.00	Too small due to environmental conditions.
84	3601	7	PASCACK RD	0.00	Too small due to environmental conditions.
85	3111	1	HERING PL	0.00	Municipally owned.
86	3402	17	WOODFIELD RD	0.00	Too small due to environmental conditions.
87	3205	5	CLINTON AVE	0.00	C1 Stream, 100 Year floodplain, and steep slopes.
88	2417	1	HUDSON AVE	0.00	Municipally owned.
89	3404	11	RIDGEWOOD RD	0.00	Municipally owned.
90	3406	4	RIDGEWOOD RD	0.00	Too small
91	4505	1	5 WALNUT ST	0.00	Too small due to environmental conditions.
92	3305	12	CHESTNUT ST	X	Open Space
93	4523	1	BROOK AVE	X	Open Space
94	1103	6	SPICE DR	X	Open Space
95	1305	2	VAN EMBURGH AVE	X	Open Space
96	2101	2	PASCACK RD	X	Open Space
97	4102.01	1.03	664 HICKORY ST	X	Lot is too small, has a stream running through it.
98	3407	6.01	WOODFIELD RD	X	Steep slopes, and C1 streams.
99	3602	3	PASCACK RD, OFF	X	Municipally owned.
100	4102.01	5.08	HICKORY ST	X	Municipally owned.
101	4102.01	1	BIRCH AVE	X	Municipally owned.
102	3601	9	PASCACK RD, OFF	X	Cemetery.
103	-	-	660 Pascack Rd	2.41	The 2.41 acre lot equates to 2.57 RDP units based on a density of 6 du/ac.
104	-	-	370 Pascack Rd	3.60	The 5.16 acre lot equates to 4.32 RDP units, based on a density of 6du/ac.

Map 3: Vacant Land Adjustment



Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, (c) OpenStreetMap contributors, and the GIS User Community, Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, (c) OpenStreetMap contributors, and the GIS User Community, Sources: Esri, TomTom, Garmin, (c) OpenStreetMap contributors, and the GIS User Community

Section 4: Fair Share Plan

The following Fair Share Plan outlines the components and mechanisms the Township will utilize to address its affordable housing obligations. These obligations are summarized as follows:

Table 22: Affordable Housing Obligation Summary

Category	Obligation (units)
1 st & 2 nd Round Obligation (1987-1999)	256 reduced to 11 unit RDP thru a VLA*
Third Round Obligation (1999-2025)	85 reduced to a 24 unit RDP thru a VLA*
Fourth Round Obligation (2025-2035)	184 reduced to an 8 unit RDP thru a VLA*
Present Need (Rehabilitation) Obligation	0

* RDP = Realistic Development Potential. VLA = Vacant Land Adjustment

4.1: Prior (3rd) Round Obligation

The new legislation initially requires comment on how the 3rd Round plan components have affirmatively addressed that round's affordable housing obligation. The Township was assigned a 3rd Round Obligation of 85 units. Based upon a vacant land adjustment approved by COAH as part of its 3rd Round Substantive Certification, the Township's RDP was established at 24 units. This 3rd Round RDP was fully satisfied through the components identified in the accompanying **Error! Reference source not found.**²³. The location of these developments are identified on an accompanying map.

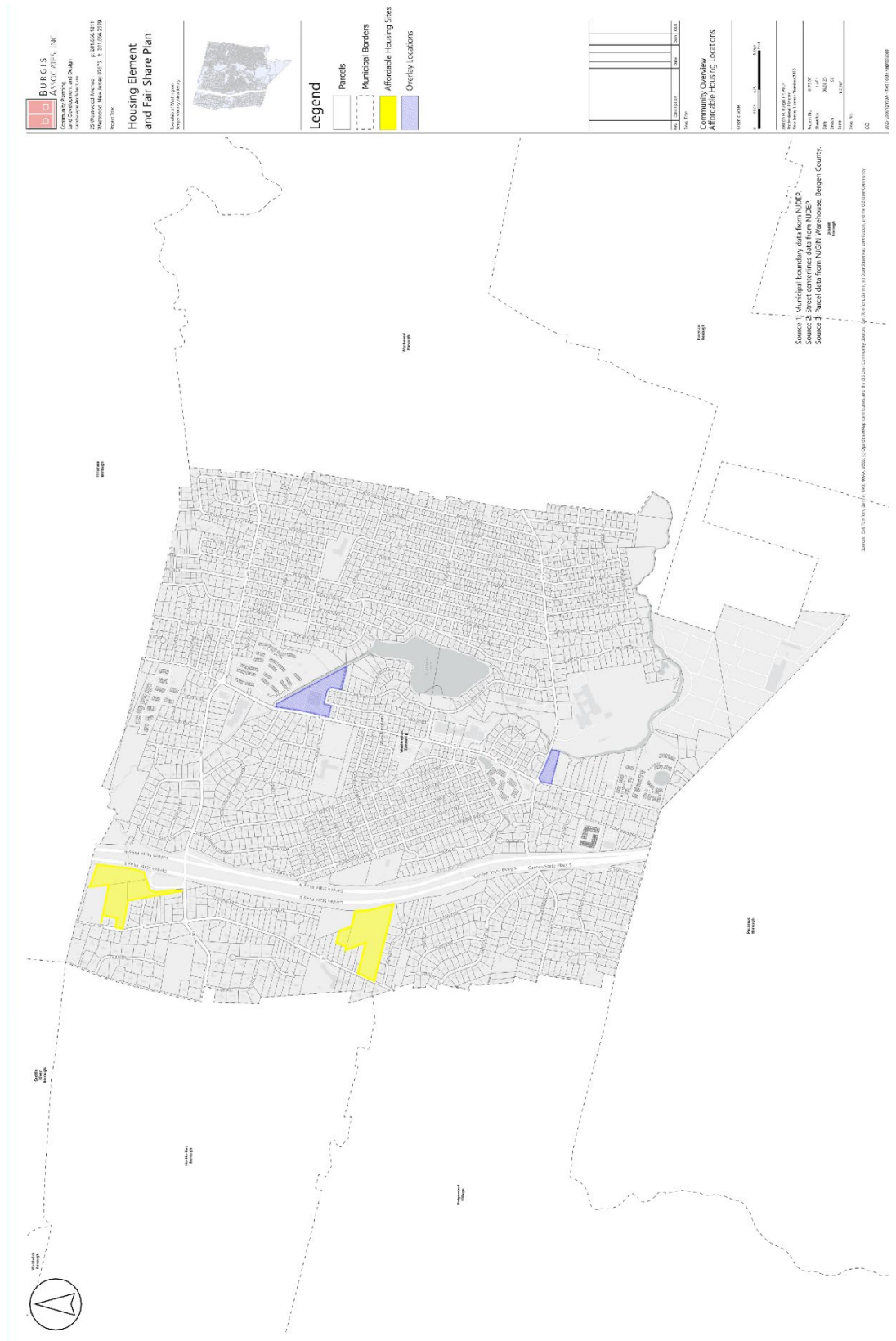
Table 23: 1999-2025 Affordable Housing Components

Component	Affordable Units	Status
VFW 639 Jefferson St Habitat for Humanity	4 Sr Sales units	Completed
Franklin Ct 283 Van Emburgh Ave	7 family rentals	Under Construction
Viviano Tract 463 Van Emburgh Ave	#325,000 payment in lieu of constructing AH units on-site	Payment Completed

Table 24: Overlay Parcel for Unmet Need

Address	Acreage	Density (du/ac)	Status
Stone Mills Gardens Ridgewood Ave.	1.5	8.0 du/ac= 12 du incl 2-3 AH du.	Site continues to be occupied as a garden center
YMHA Site, Pascack Rd	7.0	15 du/ac = 105 du incl 16-21 AH du.	Site continues to be occupied as a Betheny Church community center

Map 4: Third Round Components



The legislation requires that in addressing prior round obligations, the municipality shall “demonstrate how any sites that were not built in the prior rounds continue to present a realistic opportunity, which may include proposing changes to the zoning on the site to make its development more likely, and which may also include the dedication of municipal affordable housing trust fund dollars or other monetary or in-kind resources.”

Accordingly, the following is noted with respect to the unbuilt Overlay Zone component from the Third Round. This site, located at 605 Pascack Road, was the location of a YMHA, which subsequently became a Church community center. While it continues as a non-affordable housing site, the site continues to present a realistic opportunity for the production of affordable housing. Specifically, the site remains:

1. Approvable. The Township has already approved an overlay zoning district for the site permitting inclusionary multifamily development.
2. Available. There are no known title issues which would prohibit the development of this site.
3. Developable. The site is located in a water and sewer service area
4. Suitable. The site is located in close proximity to the Township’s downtown, commercial shopping, other nearby multifamily development, and bus service including nearby stops.

4.2: Fourth Round Obligation

The Township has a 4th Round affordable housing obligation of 184 units that has been reduced to 8 units through a VLA and RDP analysis. The Township intends to address this number as summarized in the accompanying table.

Table 25: 2025-2035 4th Round Affordable Housing Components

Component	Affordable Units	Status
660 Pascack Road	28 du, of which 6 are to be AH units	Proposed for 4 th Round
370 Pascack Rd	72 units of which 15 are to be AH du.	Proposed for 4 th Round

As noted in the table above, the 4th Round HE&FSP can accommodate the Township's 8 unit RDP through the designation of two sites on Pascack Road. The Plan calls for these two sites to contain, in total, 21 affordable housing units, thereby addressing the 8 unit RDP plus 13 units to be associated with the Township's unmet need. These sites and the plans for their development are described below.

1. 660 Pascack Road. This site is located at the northwest corner of Pascack Road and Washington Ave. The site occupies an area of 2.14 acres and is somewhat rectangular in shape. Its dimensions include 506 feet of frontage on Pascack Road and a depth that varies from 104 feet along its southerly dimension to 193 feet along its northerly lot line. The property has 126 feet of frontage on Washington Ave.

The site is generally characterized by a level and flat topography. Elevations range from 84 feet in the southeast portion of the site to 98 feet in the northeast corner of the property. This represents an overall slope of less than 3 percent, although a more moderate slope does exist in the northwesterly portion of the site. No environmental constraints are evident on-site.

The property is located in an area containing a variety of uses, including townhouse development to the north, commercial and residential development to the east and south, and single-family development to the west.

This plan calls for the site to be developed with 28 multi-family units. The 20 percent set-aside will result in the provision of 6 affordable units on-site. An illustration indicating how the site could be developed is depicted on the accompanying Concept Plan. The following table indicates the anticipated

zoning regulations that will be the basis for the ordinance to implement this plan. These provisions will be adjusted as necessary following discussions with the developer of the property.

Table 26: Draft Zoning Regulations Applicable to 660 Pascack Road

Requirement	Proposed Zone
Minimum lot area	2.0 acres
Minimum lot frontage	100 feet
Maximum density	13.5 du/ac
Minimum building setbacks to:	
Front yard (all street frontages)	60 feet
Side Yard (North Lot Line)	100 feet
All Other Lot Lines	50 feet
Maximum building height	2.5 stories/35 feet
Maximum building coverage	20%
Maximum impervious coverage	55%
Minimum Landscape Buffer to Lot Lines	15 feet along street lines 30 feet along other lot lines
Minimum parking setbacks to:	
Front yard	15 feet
All Other Lot Lines	30 feet
Minimum Parking Requirements	Per RSIS

The accompanying Concept Plan depicts the manner in which this site is contemplated for development.

Map 5: Concept Plan for 28 Unit Development at 660 Pascack Road



2. 370 Pascack Road. This lot is located on the westerly side of Pascack Road south of Crest Place. The property occupies an area of 5.16 acres and is somewhat irregular in shape, although its developable area is rectangular. Its dimensions include approximately 325 feet of frontage on Pascack Road and a depth that varies from slightly more than 300 feet to approximately 500 feet. The site is presently occupied by a bank building.

The site's development potential is within the roughly first 300 feet of the site off of Pascack Road, with the rearmost portion of the site constrained.

The site is surrounded by a variety of uses. To the north and east are single-family dwellings, to the south and southwest are commercial uses and the Township Municipal Complex. Single-family dwellings are also west of the site.

The developer has prepared a concept plan depicting 74 townhouse units on the property in six buildings. Preliminary discussions suggested widening the proposed buffer along the north side of the property near Pascack Road to provide greater physical separation between adjoining single-family dwellings and on-site activity, and the developer has filed a revised plan to reflect a larger buffer, which is shown on an accompanying exhibit. A preliminary set of ordinance standards has been prepared (see Table 27), although these ordinance provisions may be refined as the Township reviews the concept plan with the developer, but the accompanying zoning table will be considered as the basis for the final ordinance that is to be adopted.

Table 27: Draft Zoning Regulations Applicable to 370 Pascack Road

Requirement	Proposed Zone
Minimum lot area	5.0 acres
Minimum lot frontage, Pascack Rd	300 feet
Maximum density	14.0 units per acre
Minimum building setbacks:	
Front yard	65 feet
Rear yard	50 feet
Side yard	30 feet
Minimum Distance Between Buildings	25 feet
Minimum Landscape Buffer to Lot Lines	20 feet
Maximum building height	3 stories/35 feet
Maximum building coverage	20%
Maximum impervious coverage	50%
Minimum parking requirements:	Per RSIS

The accompanying maps depict the applicant's intention for development of the site.

Map 6: Location Aerial for 370 Pascack Road



Map 7: Concept Plan for 370 Pascack Road



4.4: Present Need Obligation

The Township was assigned a Present Need (Rehabilitation) Obligation of zero units. Nevertheless, the Township will continue to participate in the Bergen County Housing Improvement Program.

4.6: Consistency with State Planning Initiatives

A HE&FSP must include, above and beyond that which was noted in previous sections of this report:

- ❖ 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, and;
- ❖ 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.

Accordingly, the following subsection analyzes the consistency of this HE&FSP to the above referenced state planning initiatives.

Multigenerational Family Housing Continuity Commission

The Multigenerational Family Housing Continuity Commission was established by the State of New Jersey in 2021. As noted in NJSA 52:27D-329.20, one of the primary duties of the Commission is to “prepare and adopt recommendations on how State government, local government, community organizations, private entities, and community members may most effectively advance the goal of enabling senior citizens to reside at the homes of their extended families, thereby preserving and enhancing multigenerational family continuity, through the modification of State and local laws and policies in the areas of housing, land use planning, parking and streetscape planning, and other relevant areas.”

As of the date of this HE&FSP, the Multigenerational Family Housing Continuity Commission has not yet adopted any recommendations.

State Development and Redevelopment Plan

As established by NJSA 52:18A-200(f), the purpose of the State Development and Redevelopment Plan (SDRP) is to “coordinate planning activities and establish Statewide planning objectives in the following areas: land use, housing, economic development, transportation, natural resource conservation, agriculture and farmland retention, recreation, urban and suburban redevelopment, historic preservation, public facilities and services, and intergovernmental coordination.”

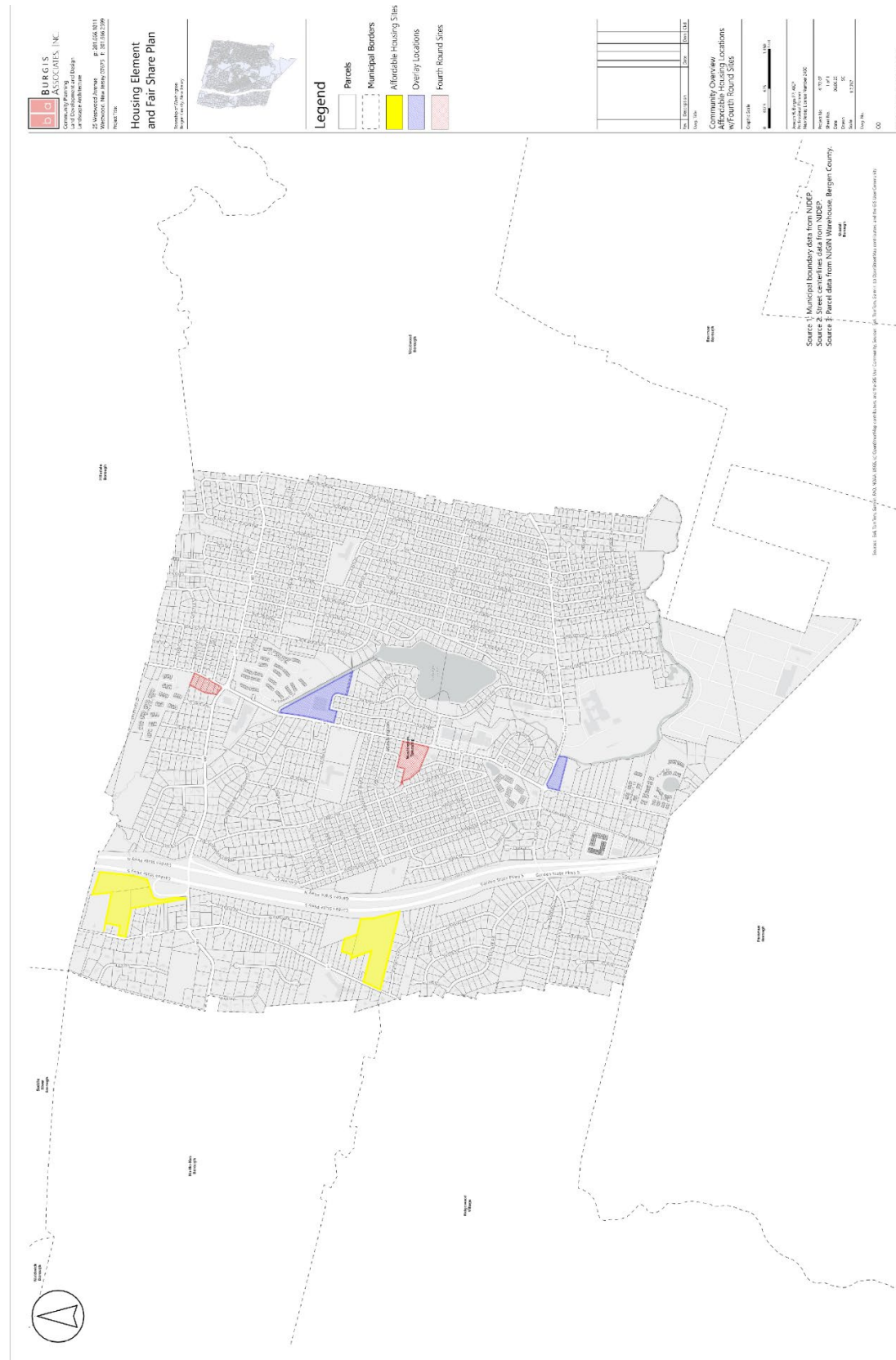
As such, the SDRP establishes a number of goals and strategies related to a number of different topics, including economic redevelopment. One such goal is to revitalize existing urban centers by directing growth and development to those areas. Specifically, the SDRP seeks to revitalize the State's cities and towns by protecting, preserving, and developing the valuable human and economic assets in cities, town, and other urban areas.

As indicated by the SDRP's Policy Map, the entirety of the Township is located in the PA-1 Metropolitan Planning Area, wherein development and redevelopment is intended to be directed. The intent of this Planning Area is to:

- ❖ Provide for much of the state's future redevelopment.
- ❖ Revitalize cities and towns.
- ❖ Promote growth in compact forms.
- ❖ Stabilize older suburbs.
- ❖ Redesign areas of sprawl; and
- ❖ Protect the character of existing stable communities.

Accordingly, this HE&FSP is consistent with the intents of the PA-1. Specifically, it is designed to encourage redevelopment and growth in a compact form, while also protecting the character of the existing community.

Map 8: Third and Fourth Round Components Map



Appendices

- A-1: Township of Washington Affirmative Marketing Plan
- A-2: Township of Washington Affordable Housing Ordinance
- A-3: Township of Washington Development Fee Ordinance
- A-4: Township of Washington Mandatory Set Aside Ordinance
- A-5: Township of Washington Spending Plan

Appendix

A-1: Township of Washington Affirmative Marketing Plan

AFFIRMATIVE MARKETING PLAN FOR THE TOWNSHIP OF WASHINGTON

Purpose

In accordance with the Fair Housing Act and the New Jersey Uniform Housing Affordability Controls (N.J.A.C. 5:80-26.1, *et seq.*), the Township of Washington is required to adopt an Affirmative Marketing Plan to ensure that all affordable housing units created within the Township of Washington are affirmatively marketed to low- and moderate-income households, particularly those living and/or working within Housing Region 1, the Housing Region encompassing the Township of Washington, as well as those within the counties of Bergen, Hudson, Passaic and Sussex.

Affirmative Marketing Plan

- A. All affordable housing units in the Township of Washington shall be marketed in accordance with the provisions herein unless otherwise provided by law or regulation of the State of New Jersey.

- B. This Affirmative Marketing Plan shall apply to all developments that contain or will contain low- and moderate-income units, including those that are part of the Township's prior round Fair Share Plan and its current Fair Share Plan, and those that may be constructed in future developments, including those in:
 - a. **Franklin Court:**
 - i. **Address of Development:** 783 Van Emburgh Avenue
 - ii. **Block(s) and Lot(s):** Block 1102, Lots 1.04, 2 and 11 and part of 9
 - iii. **Number of Affordable Units:** 7 Units
 - iv. **Number of Affordable Rental Units:** 7 Units
 - v. **Number of Affordable For-Sale Units:** 0 Units
 - vi. **Price Range of Affordable Rental Units:** TBD
 - vii. **Price Range of Affordable For-Sale Units:** N/A
 - viii. **State and Federal Funding Sources:** None
 - ix. **Age-Restricted or Non-Age Restricted:** Non-Age-Restricted
 - x. **Approximate Starting Date of Advertising:** 2022

- xi. **Approximate Starting Date of Occupancy:** 2022
 - xii. **Managing/Sales Agent's Name, Address and Phone Number:** TBD
 - xiii. **Application Fees:** TBD
 - b. **VFW Site:**
 - i. **Address of Development:** 639 Jefferson Street, Washington Township, NJ 07676
 - ii. **Block(s) and Lot(s):** Block 3103, Lot 25
 - iii. **Number of Affordable Units:** 4 Units
 - iv. **Number of Affordable Rental Units:** 0 Units
 - v. **Number of Affordable For-Sale Units:** 4 Units
 - vi. **Price Range of Affordable Rental Units:** N/A
 - vii. **Price Range of Affordable For-Sale Units:** \$189,990 (all units)
 - viii. **State and Federal Funding Sources:** HOME Grant (\$400,000)
 - ix. **Age-Restricted or Non-Age Restricted:** 2 Units Age-Restricted; 2 Units Non-Age Restricted with Veteran's Preference
 - x. **Approximate Starting Date of Advertising:** September 23, 2017
 - xi. **Approximate Starting Date of Occupancy:** October 30, 2019
 - xii. **Managing/Sales Agent's Name, Address and Phone Number:** Habitat for Humanity of Bergen County (121 Carver Avenue, Westwood, NJ 07675; 201-457-1020)
 - xiii. **Application Fees:** None
 - c. Any and all other units in affordable housing developments that are not yet anticipated by the Fair Share Plan.
- C. The Affirmative Marketing Plan shall be implemented by an Administrative Agent designated by and/or under contract to the Township of Washington. All of the costs of advertising and affirmatively marketing affordable housing units shall be borne by the developer/seller/owner of the affordable unit(s).

- D. In implementing the Affirmative Marketing Plan, the Administrative Agent, acting on behalf of the Township of Washington, shall undertake all of the following strategies:
1. Publication of one advertisement in a newspaper of general circulation within Housing Region 1, consisting of Bergen, Hudson, Passaic and Sussex Counties.
 2. Broadcast of one advertisement by a radio or television station broadcasting throughout the housing region.
 3. Listing on the New Jersey Housing Resource Center website (viz., <https://www.njhrc.gov>)
 4. At least one additional regional marketing strategy using one of the other sources listed below.
- E. The Affirmative Marketing Plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to housing units which are being marketed by a developer or sponsor of affordable housing. The Affirmative Marketing Plan is also intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs all marketing activities toward the Housing Region in which the municipality is located and covers the entire period of the deed restriction for each restricted housing unit. The Township of Washington is located in Housing Region 1, consisting of Bergen, Hudson, Passaic and Sussex Counties.
- F. The Affirmative Marketing Plan is a continuing program intended to be followed throughout the entire period of restrictions and shall meet the following requirements:
1. All newspaper articles, announcements and requests for applications for low- and moderate-income units shall appear in at least one major circulation daily newspaper of regional circulation (throughout all of Region 1), or through a series of daily newspapers that reaches all of Region 1 residents. This may include but is not limited to the Star Ledger and the Bergen Record.
 2. For new developments, the primary marketing shall take the form of at least one press release and a paid display advertisement in the above newspaper(s) once a week for four consecutive weeks. Additional advertising and publicity shall be on an "as needed" basis. The developer/owner shall disseminate all public service announcements and pay for display advertisements. The developer/owner shall provide proof of publication to the Administrative Agent. All press releases and advertisements shall be approved in advance by the Administrative Agent.
 3. All advertisements and listings shall include:

- a. Street address(es) of the units;
 - b. Directions to the units;
 - c. Range of prices for the units;
 - d. Numbers of bedrooms in units (bedroom mix);
 - e. Maximum income permitted to qualify for the units;
 - f. Location of applications;
 - g. Business hours when interested households may obtain an application;
 - h. Application fees, if any;
 - i. Number of units currently available;
 - j. Anticipated dates of availability.
 - k. Link to a fillable or downloadable application form; and,
 - l. Information on how to request a paper application form.
 4. Newspaper articles, announcements and information on where to request applications for low- and moderate-income housing shall also appear at least once a week for four consecutive weeks in at least three locally oriented weekly newspapers within the Region, one of which shall be circulated primarily within Bergen County and the other two of which shall be circulated primarily outside of Bergen County but within the Housing Region.
 5. The following regional cable television stations or regional radio stations shall be used during the first month of advertising. The developer must provide satisfactory proof of public dissemination:
 - a. WKXW (101.5 FM) (109 Walters Ave., Ewing, NJ 08638)
 - b. WOR (710 AM) (32 Avenue of the Americas, New York, NY 10013)
 - c. WCBS (880 AM) (345 Hudson St 11th Floor, New York, NY 10014)
 - d. Cablevision (12-20 River Rd, Fair Lawn, NJ 07410)
- G. Applications, brochure(s), sign(s) and/or poster(s) used as part of the affirmative marketing program shall be available/posted in the following locations:

1. Washington Township Municipal Building
2. Township of Washington Public Library
3. Washington Township Web Site
4. Developer's Sales/Rental Offices
5. Bergen County Administration Building
6. Bergen County Board of Social Services
7. Hudson County Administration Building
8. Passaic County Administration Building
9. Sussex County Administration Building
10. Bergen County Cooperative Library System (all branches)
11. PALS Plus Library Cooperative (all branches)
12. Sussex County Library (all branches)

Applications shall be mailed by the Administrative Agent and Municipal Housing Liaison to prospective applicants upon request. Also, applications shall be available at the developer's sales/rental office and shall be mailed to prospective applicants upon request.

- H. The Administrative Agent shall develop, maintain and update a list of community contact persons and/or organizations in Bergen, Hudson, Passaic and Sussex Counties that will aid in the affirmative marketing program with particular emphasis on contacts that will reach out to groups that are least likely to apply for housing within the Region, including major regional employers.

1. Quarterly informational flyers and applications shall be sent to each of the following agencies for publication in their journals and for circulation among their members:
 - a. Eastern Bergen County Board of Realtors (411 Route 17 South, 5th Floor; Hasbrouck Heights, NJ 07604)
 - b. Passaic County Board of Realtors (204 Berdan Ave., Wayne, NJ, 07470)
 - c. Sussex County Association of Realtors (351 Sparta Avenue, Suite 101A Sparta, NJ 07871)

- d. Liberty Board of Realtors (110A Meadowlands Pkwy #103, Secaucus, NJ 07094)
 2. Quarterly informational circulars and applications shall be sent to the administrators of each of the following agencies within the counties of Bergen, Hudson, Passaic and Sussex:

Welfare or Social Service Board (via the Director)
 Rental Assistance Office (local office of DCA)
 Office on Aging
 Housing Authority (municipal or county)
 Community Action Agencies
 Community Development Departments
 3. Quarterly informational circulars and applications shall be sent to the chief personnel administrators of major employers within the Region that are included on the list of community contact person(s) and/or organizations(s) in Bergen, Hudson, Passaic and Sussex Counties that shall be developed, maintained and updated by the Administrative Agent.
 4. Quarterly informational circulars and applications shall be sent to the offices of the: Fair Share Housing Center (510 Park Blvd., Cherry Hill, NJ); Latino Action Network (PO Box 943, Freehold, NJ); NAACP NJ State Conference (15 W Front St, Trenton, NJ); NAACP Warren/Sussex Branch Unit (PO Box 229, Washington, NJ 07882); NAACP Bergen Branch Unit (PO Box 1136, Englewood, NJ 07631); NAACP Passaic Branch Unit (PO Box 1600, Passaic, NJ 07055); NAACP Bayonne Branch Unit (PO Box 1017, Bayonne, NJ 07002), NAACP Hoboken Branch Unit (PO Box 1219, Hoboken, NJ 07030), and NAACP Paterson Branch Unit (PO Box AQ, Paterson, NJ 07509).
- I. The following is a listing of community contact person(s) and/or organizations in Bergen, Hudson, Passaic and Sussex Counties that will be notified of the availability of low-and moderate-income units for the purposes of aiding in the affirmative marketing program and providing guidance and counseling services to prospective occupants of low- and moderate-income units:
1. American Red Cross of Northern New Jersey, 209 Fairfield Road, Fairfield, NJ 07004
 2. ARC of Bergen & Passaic, 223 Moore Street, Hackensack, NJ 07601
 3. Bergen County Board of Social Services, 218 Route 17 North, 17 Park Office Center - Building A, Rochelle Park, NJ 07662
 4. Bergen County Housing Authority, One Bergen County Plaza - 2nd Floor, Hackensack, NJ 07601

5. Bergen County YWCA, 112 Oak Street, Ridgewood, NJ 07450
6. Community Food Bank of NJ, 321 Evans Terminal Road, Hillside, NJ 07205
7. Easter Seal Society of New Jersey, 25 Kennedy Blvd., Suite 600, East Brunswick, New Jersey 08816
8. Fair Share Housing Center, 510 Park Blvd., Cherry Hill, NJ 08002
9. Hackensack Housing Authority, 65 First Street, Hackensack, NJ 07601
10. Hudson County Department of Family Services, 257 Cornelison Ave, Jersey City, NJ 07302
11. Jewish Federation of Northern New Jersey, 50 Eisenhower Drive, Paramus, NJ 07652
12. Latino Action Network, PO Box 943, Freehold, NJ 07728
13. Legal Services of Northwest Jersey, 18 Church Street, Suite 120, Newton, NJ 07860
14. NAACP Bayonne Branch Unit, PO Box 1017, Bayonne, NJ 07002
15. NAACP Bergen Branch Unit; PO Box 1136, Englewood, NJ 07631
16. NAACP Hoboken Branch Unit, PO Box 1219, Hoboken, NJ 07030
17. NAACP NJ State Conference, 15 W Front St, Trenton, NJ 08608
18. NAACP Passaic Branch Unit; PO Box 1600, Passaic, NJ 07055
19. NAACP Paterson Branch Unit, PO Box AQ, Paterson, NJ 07509
20. NAACP Warren/Sussex Branch Unit, PO Box 229, Washington, NJ 07882
21. Newton Housing Authority 32 Liberty St Newton, NJ 07860
22. Northeast New Jersey Legal Services, Bergen County Office, 190 Moore Street, Suite 100, Hackensack, NJ 07601
23. Northwest New Jersey Community Action Program, Inc. (NORWESCAP), 350 Marshall Street, Phillipsburg, NJ 08865
24. Passaic County Board of Social Services, 80 Hamilton Street, Paterson, NJ 07505

25. Passaic County Public Housing Agency, 100 Hamilton Plaza, Suite 510, Paterson, NJ 07505
26. Sussex County Division of Social Services, 83 Spring Street, Suite 203, Newton, NJ 07860
27. The Housing Partnership, 2 East Blackwell Street, Dover, NJ 07801
28. The Salvation Army New Jersey Divisional Headquarters, 4 Gary Road, P.O. Box 3170, Union, NJ 07083
29. Volunteers of America-Greater New York, 340 West 85th Street, New York, NY 10024
30. Washington Township Administrative Agent, 350 Hudson Avenue, Washington, NJ 07676
31. Washington Township Affordable Housing Liaison, 350 Hudson Avenue, Washington, NJ 07676

J. A random selection method to select occupants of low- and moderate-income housing will be used by the Administrative Agent, in conformance with N.J.A.C. 5:80-26.16(l), and wherein income-qualified households will be assigned an identification number and invited to attend a public drawing of said identification numbers to be held by the Administrative Agent. At this public drawing, which shall be publicly advertised and videotaped for documentation purposes, the Administrative Agent will use a mechanical lottery machine (i.e., a device to randomly select balls labeled with the aforementioned assigned identification numbers) to randomly select identification numbers. All identification numbers will be selected, and the order in which they are selected will establish the order of priority for access to an individual affordable unit/type of affordable unit within an affordable housing development. The household with the highest order of priority will be given a specified amount of time in accordance with this affirmative marketing plan in order to finalize the purchase or rental of the specific unit/type of unit for which it has been selected; when such time has expired, access to the unit/type of unit shall then be provided to the next highest priority household for the same amount of time. Access will be provided to the next highest priority household until one of the income-qualified households has finalized the purchase or rental of the specific unit/type of unit. Notification of such access will be made via certified mailing to the income-qualified household. This random selection process shall provide a regional preference for all households that live and/or work in Housing Region 1 comprised of Bergen, Hudson, Passaic and Sussex Counties.

K. The Administrative Agent shall administer the Affirmative Marketing Plan. The Administrative Agent has the responsibility to income-qualify low- and moderate-income households; to place income-eligible households in low- and moderate-income units upon

initial occupancy; to provide for the initial occupancy of low- and moderate-income units with income-qualified households; to continue to qualify households for re-occupancy of units as they become vacant during the period of affordability controls; to assist with outreach to low- and moderate-income households; and to enforce the terms of the deed restriction and mortgage loan as per N.J.A.C. 5:80-26.1, *et seq.*

- L. The Administrative Agent shall provide or direct qualified low- and moderate-income applicants to counseling services on subjects such as budgeting, credit issues, mortgage qualifications, rental lease requirements and landlord/tenant law and shall develop, maintain and update a list of entities and lenders willing and able to perform such services.
- M. All developers/owners of low- and moderate-income housing units shall be required to undertake and pay the costs of the marketing of the affordable units in their respective developments, subject to the direction and supervision of the Administrative Agent.
- N. The implementation of the Affirmative Marketing Plan for a development that includes affordable housing shall commence at least 120 days before the issuance of either a temporary or permanent certificate of occupancy. The implementation of the Affirmative Marketing Plan shall continue until all low-income housing units are initially occupied and for as long as affordable units exist that remain deed restricted and for which the occupancy or re-occupancy of units continues to be necessary.
- O. The Administrative Agent shall provide the Municipal Housing Liaison with the information required to comply with monitoring and reporting requirements pursuant to N.J.A.C. 5:80-26.1, *et seq.*

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Appendix

A-2: Township of Washington Affordable Housing Ordinance

TOWNSHIP OF WASHINGTON
BERGEN COUNTY, NEW JERSEY

ORDINANCE No. 17-13

AN ORDINANCE OF THE TOWNSHIP OF WASHINGTON, COUNTY OF BERGEN AND STATE OF NEW JERSEY, AMENDING CHAPTER 239 OF THE TOWNSHIP CODE, ENTITLED "LAND DEVELOPMENT", CHAPTER 238 OF THE TOWNSHIP CODE ENTITLED, "HOUSING TRUST FUND", AND ARTICLE XVII OF CHAPTER 5 OF THE TOWNSHIP CODE, "ENTITLED MUNICIPAL HOUSING LIAISON", TO ADDRESS THE REQUIREMENTS OF THE NEW JERSEY FAIR HOUSING ACT AND THE NEW JERSEY UNIFORM HOUSING AFFORDABILITY CONTROLS AS THEY PERTAIN TO COMPLIANCE WITH MUNICIPAL AFFORDABLE HOUSING OBLIGATIONS

WHEREAS, the Washington Township Planning Board adopted the Washington Township Housing Plan Element and Fair Share Plan on July 26, 2017; and

WHEREAS, the Washington Township Council endorsed the Washington Township Housing Plan Element and Fair Share Plan on August 7, 2017; and

WHEREAS, it has become necessary to adopt this new Affordable Housing Ordinance to implement and incorporate the Township's newly adopted and endorsed Housing Element and Fair Share Plan which addresses the requirements of N.J.A.C. 5:93-1, et seq., as amended and supplemented, N.J.A.C. 5:80-26.1 et seq., as amended and supplemented, and the New Jersey Fair Housing Act of 1985; and

WHEREAS, this Ordinance is intended to provide assurances that low- and moderate-income units ("affordable units") are created with controls on affordability over time and that low- and moderate-income households shall occupy those units and whereas this ordinance sets forth the administrative mechanisms necessary to implement the Township's revised Fair Share Plan.

BE IT ORDAINED, by the Township Council of the Township of Washington in the County of Bergen and State of New Jersey as follows:

SECTION 1. Chapter 238 of the Township of Washington Code entitled "Housing Trust Fund" is hereby deleted in its entirety.

SECTION 2. Chapters 5-96, 5-97 and 5-98 of the Township of Washington Code entitled “Municipal Housing Liaison” are hereby deleted in their entirety and replaced with the following new Chapter 5-96:

§5-96. Purpose. There is hereby established the position of Municipal Housing Liaison for the Township of Washington. The purpose of this position is to create the administrative mechanism responsible for administering the Township of Washington's affordable housing program. The powers and duties of the Municipal Housing Liaison shall be as described in Chapter 239-113.

SECTION 3. Chapter 239 of the Township of Washington Code is hereby amended to establish Article XXI, entitled “Affordable Housing”, as follows:

§239-110. Purpose and Applicability

A. Purpose. The purpose of these provisions is to provide a realistic opportunity for the construction of Washington Township's constitutional obligation to provide for its fair share of affordable housing for households with low- and moderate-incomes, as directed by the Superior Court of New Jersey and is consistent with N.J.A.C. 5:93-1 et seq., as amended and supplemented by N.J.A.C. 5:80-26.1 et seq. and N.J.S.A. 52:27D-301 et seq.

B. Applicability. The provisions of this Ordinance shall apply:

- (1) To all affordable housing developments and affordable housing units that currently exist within the Township of Washington;
- (2) To all affordable housing developments and affordable housing units that are proposed to be created pursuant to the Township of Washington's Housing Element and Fair Share Plan;
- (3) To all other affordable housing developments and housing units that are created pursuant to actions by the Township of Washington, its Planning Board, or its Zoning Board of Adjustment.

§239-111 Definitions. The following terms, when used in this Ordinance, shall have the following meanings:

“Act” means the Fair Housing Act of 1985, P.L. 1985, c. 222 (N.J.S.A. 52:27D-301 et seq.)

“Adaptable” means constructed in compliance with the technical design standards of the Barrier Free Subcode, N.J.A.C. 5:23-7.

“Administrative agent” means the entity designated by the Township to administer affordable units in accordance with this Ordinance, N.J.A.C. 5:93, and UHAC (N.J.A.C. 5:80-26).

“Affirmative marketing” means a regional marketing strategy designed to attract buyers and/or renters of affordable units pursuant to N.J.A.C. 5:80-26.15.

“Affordability average” means the average percentage of median income at which new restricted units in an affordable housing development are affordable to low- and moderate-income households.

“Affordable” means, a sales price or rent level that is within the means of a low- or moderate-income household as defined within N.J.A.C. 5:93-7.4, and, in the case of an ownership unit, that the sales price for the unit conforms to the standards set forth in N.J.A.C. 5:80-26.6, as may be amended and supplemented, and, in the case of a rental unit, that the rent for the unit conforms to the standards set forth in N.J.A.C. 5:80-26.12, as may be amended and supplemented.

“Affordable housing development” means any residential development that consists of dwelling units that are affordable to persons and families of low or moderate income within the meaning of the "Fair Housing Act," P.L.1985, c.222 (C.52:27D-301et al.) and is included in or approved pursuant to the Housing Element and Fair Share Plan, or otherwise addresses the Township’s fair share obligation. This includes, but is not limited to, an inclusionary development, a municipal construction project or a 100 percent affordable housing development.

“Affordable housing program(s)” means any mechanism in a municipal Fair Share Plan prepared or implemented to address a municipality’s fair share obligation.

“Affordable unit” means a housing unit proposed or created pursuant to the Act and approved for crediting by COAH, its successor entity, or the Court and/or funded through an affordable housing trust fund.

“Agency” means the New Jersey Housing and Mortgage Finance Agency established by P.L. 1983, c. 530 (N.J.S.A. 55:14K-1 et seq.).

“Age-restricted unit” means a housing unit designed to meet the needs of, and exclusively for, the residents of an age-restricted segment of the population such that: 1) all the residents of the development wherein the unit is situated

are 62 years of age or older; or 2) at least 80 percent of the units are occupied by one person who is 55 years of age or older; or 3) the development has been designated by the Secretary of the U.S. Department of Housing and Urban Development as “housing for older persons” as defined in Section 807(b)(2) of the Fair Housing Act, 42 U.S.C. § 3607.

“Alternative living arrangement” means a structure in which households live in distinct bedrooms, yet share kitchen and plumbing facilities, central heat and common areas. Alternative living arrangements include, but are not limited to: transitional facilities for the homeless; Class A, B, C, D and E boarding homes as regulated by the DCA; residential health care facilities as regulated by the New Jersey Department of Health; group homes for the developmentally disabled and mentally ill as licensed and/or regulated by the New Jersey Department of Human Services; and congregate living arrangements.

“Assisted living residence” means a facility that is licensed by the New Jersey Department of Health and Senior Services to provide apartment-style housing and congregate dining and to assure that assisted living services are available when needed for four or more adult persons unrelated to the proprietor and that offers units containing, at a minimum, one unfurnished room, a private bathroom, a kitchenette and a lockable door on the unit entrance.

“Certified household” means a household that has been certified by an Administrative Agent as a low-income household or moderate-income household.

“COAH” means the Council on Affordable Housing, as established by the New Jersey Fair Housing Act (N.J.S.A. 52:27D-301 et seq.) or its successor entity.

“DCA” means the State of New Jersey Department of Community Affairs.

“Deficient housing unit” means a housing unit with health and safety code violations that requires the repair or replacement of a major system. A major system includes weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement and/or load bearing structural systems.

“Developer” means any person, partnership, association, company or corporation that is the legal or beneficial owner or owners of a lot or any land included in a proposed development including the holder of an option to contract to purchase, or other person having an enforceable proprietary interest in such land.

“Development” means the division of a parcel of land into two or more parcels, the construction, reconstruction, conversion, structural alteration, relocation, or enlargement of any use or change in the use of any building or other structure, or of any mining, excavation or landfill, and any use or change in the use of any building or other structure, or land or extension of use of land, for which permission may be required pursuant to N.J.S.A. 40:55D-1 et seq.

“Development fee” means money paid by a developer for the improvement of property as permitted in N.J.A.C. 5:97-8.3.

“Equalized assessed value” means the assessed value of a property divided by the current average ratio of assessed to true value for the municipality in which the property is situated.

“Inclusionary development” means a development containing both affordable units and market rate units. This term includes, but is not limited to: new construction, the conversion of a non-residential structure to residential use and the creation of new affordable units through the gut rehabilitation or reconstruction of a vacant residential structure.

“Low-income household” means a household with a total gross annual household income equal to 50 percent or less of the median household income.

“Low-income unit” means a restricted unit that is affordable to a low-income household.

“Major system” means the primary structural, mechanical, plumbing, electrical, fire protection, or occupant service components of a building which include but are not limited to, weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement and load bearing structural systems.

“Market-rate units” means housing not restricted to low- and moderate-income households that may sell or rent at any price.

“Median income” means the median income by household size for the applicable housing region, as adopted annually by COAH or a successor entity approved by the Court.

“Moderate-income household” means a household with a total gross annual household income in excess of 50 percent but less than 80 percent of the median household income.

“Moderate-income unit” means a restricted unit that is affordable to a moderate-income household.

“Multifamily Residential Development” means a residential development that is located in buildings that contain five (5) or more dwelling units, including, but not limited to, dwelling units that are located one over another, garden apartments, townhouse developments, multistory apartment or condominium buildings, and mixed-use developments containing a combination of non-residential and residential uses.

“Non-exempt sale” means any sale or transfer of ownership other than 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.

“Random selection process” means a process by which currently income-eligible households are selected for placement in affordable housing units such that no preference is given to one applicant over another except for purposes of matching household income and size with an appropriately priced and sized affordable unit (e.g., by lottery).

“Regional asset limit” means the maximum housing value in each housing region affordable to a four-person household with an income at 80 percent of the regional median as defined by duly adopted Regional Income Limits published annually by COAH or a successor entity.

“Rehabilitation” means the repair, renovation, alteration or reconstruction of any building or structure, pursuant to the Rehabilitation Subcode, N.J.A.C. 5:23-6.

“Rent” means the gross monthly cost of a rental unit to the tenant, including the rent paid to the landlord, as well as an allowance for tenant-paid utilities computed in accordance with allowances published by DCA for its Section 8 program. In assisted living residences, rent does not include charges for food and services.

“Restricted unit” means a dwelling unit, whether a rental unit or an ownership unit, that is subject to the affordability controls of N.J.A.C. 5:80-26.1, as amended and supplemented, but does not include a market-rate unit financed under the Agency’s Urban Home Ownership Recovery program (UHORP) or Market Oriented Neighborhood Investment program (MONI).

“UHAC” means the Uniform Housing Affordability Controls set forth in N.J.A.C. 5:80-26.1 et seq.

“Very low-income household” means a household with a total gross annual household income equal to 30 percent or less of the median household income for the applicable housing region.

“Very low-income unit” means a restricted unit that is affordable to a very low-income household.

“Weatherization” means building insulation (for attic, exterior walls and crawl space), siding to improve energy efficiency, replacement storm windows, replacement storm doors, replacement windows and replacement doors, and is considered a major system for purposes of a rehabilitation program.

239-112 Certificates of Occupancy. Certificates of occupancy for developments which include affordable housing units shall be subject to the following additional provisions:

- A. Phasing Schedule for Inclusionary Development. Affordable housing units shall be built, occupied and receive certificates of occupancy in accordance with the following schedule:

Maximum Market-Rate Completed	Percentage of Units	Minimum Percentage of Low- and Moderate-Income Units Completed
25		0
25+1		10
50		50
75		75
90		100

- 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 be issued unless there is a written determination by the Administrative Agent that the unit is to be controlled by a deed restriction and mortgage lien as adopted by COAH or its successor entity.

- C. A certificate of reoccupancy 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 Administrative Agent that the unit is to be controlled by the deed restriction and mortgage lien required by COAH or its successor entity.

- D. The certificate of reoccupancy shall not be required where there is a written determination by the Administrative Agent that controls are allowed to expire or that the repayment option is being exercised pursuant to N.J.A.C. 5:92-12.3.

239-113 Administration

A. Municipal Housing Liaison

1. Washington Township shall appoint a specific municipal employee to serve as a Municipal Housing Liaison responsible for administering the affordable housing program, including affordability controls, the Affirmative Marketing Plan, monitoring and reporting, and, where applicable, supervising any contracted Administrative Agent. Washington Township shall adopt an Ordinance creating the position of Municipal Housing Liaison and shall adopt a Resolution appointing said Municipal Housing Liaison. The Municipal Housing Liaison shall be appointed by the governing body and may be a full or part time municipal employee. The Municipal Housing Liaison shall be approved by COAH, its successor entity, or the Court and shall be duly qualified through a training program sponsored by Affordable Housing Professionals of New Jersey before assuming the duties of Municipal Housing Liaison.
2. The Municipal Housing Liaison shall be responsible for oversight and administration of the affordable housing program for Washington Township, including the following responsibilities which may not be contracted out to the Administrative Agent:
 - (a) Serving as Washington Township's primary point of contact for all inquiries from the State, affordable housing providers, Administrative Agents and interested households;
 - (b) Monitoring the status of all restricted units in Washington Township's Fair Share Plan;
 - (c) Compiling, verifying and submitting annual monitoring reports as may be required by COAH, its successor entity, or the Court;

- (d) Coordinating meetings with affordable housing providers and Administrative Agents, as needed; and,
 - (e) Attending continuing education opportunities on affordability controls, compliance monitoring and affirmative marketing at least annually and more often as needed.
3. Subject to the approval of COAH, its successor entity, or the Court, Washington Township shall designate one or more Administrative Agent(s) to administer newly constructed affordable units in accordance with the UHAC. An Operating Manual for each affordable housing program shall be provided by the Administrative Agent(s) to be adopted by resolution of the governing body and subject to approval of COAH, its successor entity, or the Court. The Operating Manual(s) shall be available for public inspection in the office of the Township Clerk, in the office of the Municipal Housing Liaison, and in the office(s) of the Administrative Agent(s). The Municipal Housing Liaison shall supervise the contracting Administrative Agent(s).

B. Administrative Agent

1. The Administrative Agent shall be an independent entity serving under contract and reporting to the municipality. The fees of the Administrative Agent shall be paid by the owners of the affordable units for which the services of the Administrative Agent are required. The Administrative Agent shall perform the duties and responsibilities of an Administrative Agent as set forth in the UHAC, including those set forth in Sections 5:80-26.14, 16 and 18 thereof, which includes:

(a) Affirmative Marketing:

- (i) Conducting an outreach process to affirmatively market affordable housing units in accordance with the Affirmative Marketing Plan of Washington Township and the provisions of N.J.A.C. 5:80-26.15; and,
- (ii) Providing counseling or contracting to provide counseling services to low- and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.

(b) Household Certification:

- (i) Soliciting, scheduling, conducting and following up on interviews with interested households;
- (ii) Conducting interviews and obtaining sufficient documentation of gross income and assets upon which to base a determination of income eligibility for a low- or moderate-income unit;
- (iii) Providing written notification to each applicant as to the determination of eligibility or non-eligibility;
- (iv) Requiring that all certified applicants for restricted units execute a certificate substantially in the form, as applicable, of either the ownership or rental certificates set forth in Appendices J and K of N.J.A.C. 5:80-26.1 et seq.;
- (v) Creating and maintaining a referral list of eligible applicant households living in the housing region and eligible applicant households with members working in the housing region where the units are located; and,
- (vi) Employing a random selection process as provided in the Affirmative Marketing Plan of Washington Township when referring households for certification to affordable units.

(c) Affordability Controls:

- (i) Furnishing to attorneys or closing agents forms of deed restrictions and mortgages for recording at the time of conveyance of title of each restricted unit;
- (ii) Creating and maintaining a file on each restricted unit for its control period, including the recorded deed with restrictions, recorded mortgage and note, as appropriate;
- (iii) Ensuring that the removal of the deed restrictions and cancellation of the mortgage note are effectuated and properly filed with the Bergen County Register of Deeds or Bergen County Clerk's office after the termination of the affordability controls for each restricted unit;
- (iv) Communicating with lenders regarding foreclosures; and,
- (v) Ensuring the issuance of Continuing Certificates of Occupancy or certifications pursuant to N.J.A.C. 5:80-26.10.

(d) Resales and Rerentals:

- (i) Instituting and maintaining an effective means of communicating information between owners and the Administrative Agent regarding the availability of restricted units for resale or rental; and,
- (ii) Instituting and maintaining an effective means of communicating information to low- and moderate-income households regarding the availability of restricted units for resale or rental.

(e) Processing Requests from Unit Owners:

- (i) Reviewing and approving requests for determination from owners of restricted units who wish to take out home equity loans or refinance during the term of their ownership that the amount of indebtedness to be incurred will not violate the terms of this Ordinance;
- (ii) Reviewing and approving requests to increase sales prices from owners of restricted units who wish to make capital improvements to the units that would affect the selling price, such authorizations to be limited to those improvements resulting in additional bedrooms or bathrooms and the depreciated cost of central air conditioning systems;
- (iii) Notifying the municipality of an owner's intent to sell a restricted unit; and,
- (iv) Making determinations on requests by owners of restricted units for hardship waivers.

(f) Enforcement:

- (i) Securing annually from the municipality a list of all affordable housing units for which tax bills are mailed to absentee owners, and notifying all such owners that they must either move back to their unit or sell it;
- (ii) Securing from all developers and sponsors of restricted units, at the earliest point of contact in the processing of the project or development, written acknowledgement of the requirement that no restricted unit can be offered, or in any other way

committed, to any person, other than a household duly certified to the unit by the Administrative Agent;

- (iii) The posting annually in all rental properties, including two-family homes, of a notice as to the maximum permitted rent together with the telephone number of the Administrative Agent where complaints of excess rent or other charges can be made;
- (iv) Sending annual mailings to all owners of affordable dwelling units, reminding them of the notices and requirements outlined in N.J.A.C. 5:80-26.18(d)4;
- (v) Establishing a program for diverting unlawful rent payments to the municipality's Affordable Housing Trust Fund; and,
- (vi) Creating and publishing a written operating manual for each affordable housing program administered by the Administrative Agent, to be approved by the Township Council and COAH, its successor entity, or the Court, setting forth procedures for administering the affordability controls.

(g) Additional Responsibilities:

- (i) The Administrative Agent shall have the authority to take all actions necessary and appropriate to carry out its responsibilities hereunder;
- (ii) The Administrative Agent shall prepare monitoring reports for submission to the Municipal Housing Liaison in time to meet any monitoring requirements and deadlines imposed by COAH, its successor entity, or the Court; and,
- (iii) The Administrative Agent shall attend continuing education sessions on affordability controls, compliance monitoring, and affirmative marketing at least annually and more often as needed.

C. Affirmative Marketing Requirements

- (1) Washington Township shall adopt by resolution an Affirmative Marketing Plan, subject to approval of COAH, its successor entity, or the Court, that is compliant with N.J.A.C. 5:80-26.15, as may be amended and supplemented.

- (2) The Affirmative Marketing Plan is a regional marketing strategy designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to housing units that are being marketed by a developer, sponsor or owner of affordable housing. The Affirmative Marketing Plan is intended to target those potentially eligible persons who are least likely to apply for affordable units in that region. It is a continuing program that directs marketing activities toward Housing Region 1 and is required to be followed throughout the period of restriction.
- (3) The Affirmative Marketing Plan shall provide a regional preference for all households that live and/or work in Housing Region 1, comprised of Bergen, Hudson, Passaic and Sussex counties.
- (4) The municipality has the ultimate responsibility for adopting the Affirmative Marketing Plan and for the proper administration of the Affirmative Marketing Program, including initial sales and rentals and resales and re-rentals. The Administrative Agent designated by the Township shall implement the Affirmative Marketing Plan to assure the affirmative marketing of all affordable units.
- (5) In implementing the Affirmative Marketing Plan, the Administrative Agent shall provide a list of counseling services to low- and moderate-income applicants on subjects such as budgeting, credit issues, mortgage qualification, rental lease requirements, and landlord/tenant law.
- (6) The Affirmative Marketing Plan shall describe the media to be used in advertising and publicizing the availability of housing. In implementing the Affirmative Marketing Plan, the Administrative Agent shall consider the use of language translations where appropriate.
- (7) The affirmative marketing process for available affordable units shall begin at least four months (i.e., 120 days) prior to the expected date of occupancy.
- (8) Applications for affordable housing shall be available in several locations, including, at a minimum, the county administration building and the county library for each county within the housing region; the Washington Township Municipal Building and the

Washington Public Library; and the developer's rental office. Applications shall be mailed to prospective applicants upon request.

- (9) The costs of advertising and affirmative marketing of the affordable units shall be the responsibility of the developer, sponsor or owner.

D. Occupancy Standards

- (1) In referring certified households to specific restricted units, the Administrative Agent shall, to the extent feasible and without causing an undue delay in the occupancy of a unit, strive to:
 - (a) Provide an occupant for each bedroom;
 - (b) Provide children of different sexes with separate bedrooms;
 - (c) Provide separate bedrooms for parents and children; and,
 - (d) Prevent more than two persons from occupying a single bedroom.

E. Control Periods for Restricted Ownership Units and Enforcement Mechanisms

- (1) Control periods for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.5, as may be amended and supplemented, and each restricted ownership unit shall remain subject to the requirements of this Ordinance for a period of at least thirty (30) years, until Washington Township takes action to release the unit from such requirements; prior to such action, a restricted ownership unit must remain subject to the requirements of N.J.A.C. 5:80-26.1, as may be amended and supplemented.
- (2) The affordability control period for a restricted ownership unit shall commence on the date the initial certified household takes title to the unit.
- (3) Prior to the issuance of the initial certificate of occupancy for a restricted ownership unit and upon each successive sale during the period of restricted ownership, the Administrative Agent shall determine the restricted price for the unit and shall also determine the non-restricted, fair market value of the unit based on either an appraisal or the unit's equalized assessed value without the restrictions in place.

- (4) At the time of the initial sale of the unit, the initial purchaser shall execute and deliver to the Administrative Agent a recapture note obligating the purchaser (as well as the purchaser's heirs, successors and assigns) to repay, upon the first non-exempt sale after the unit's release from the restrictions set forth in this Ordinance, an amount equal to the difference between the unit's non-restricted fair market value and its restricted price, and the recapture note shall be secured by a recapture lien evidenced by a duly recorded mortgage on the unit.
- (5) The affordability controls set forth in this Ordinance shall remain in effect despite the entry and enforcement of any judgment of foreclosure with respect to restricted ownership units.
- (6) A restricted ownership unit shall be required to obtain a Continuing Certificate of Occupancy or a certified statement from the Construction Official stating that the unit meets all Code standards upon the first transfer of title following the removal of the restrictions provided under N.J.A.C. 5:80-26.5(a), as may be amended and supplemented.

F. Price Restrictions for Restricted Ownership Units, Homeowner Association Fees and Resale Prices

- (1) Price restrictions for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.1, as may be amended and supplemented, including:
 - (a) The initial purchase price for a restricted ownership unit shall be approved by the Administrative Agent;
 - (b) The Administrative Agent shall approve all resale prices, in writing and in advance of the resale, to assure compliance with the foregoing standards;
 - (c) The master deeds of inclusionary developments shall provide no distinction between the condominium or homeowner association fees and special assessments paid by low- and moderate-income purchasers and those paid by market purchasers; and,
 - (d) The owners of restricted ownership units may apply to the Administrative Agent to increase the maximum sales price for the unit on the basis of anticipated capital improvements. Eligible

capital improvements shall be those that render the unit suitable for a larger household or the addition of a bathroom.

G. Buyer Income Eligibility

- (1) Buyer income eligibility for restricted ownership units shall be in accordance with N.J.A.C. 5:80-26.1, as may be amended and supplemented, such that low-income ownership units shall be reserved for households with a gross household income less than or equal to 50 percent of median income and moderate-income ownership units shall be reserved for households with a gross household income less than 80 percent of median income.
- (2) Notwithstanding the foregoing, however, the Administrative Agent may, upon approval by the Township Council, and subject to the approval of COAH, its successor entity or the court, permit moderate-income purchasers to buy low-income units in housing markets if the Administrative Agent determines that there is an insufficient number of eligible low-income purchasers to permit prompt occupancy of the units. All such low-income units to be sold to moderate-income households shall retain the required pricing and pricing restrictions for low-income units.
- (3) A certified household that purchases a restricted ownership unit must occupy it as the certified household's principal residence and shall not lease the unit; provided, however, that the Administrative Agent may permit the owner of a restricted ownership unit, upon application and a showing of hardship, to lease the restricted unit to another certified household for a period not to exceed one year.
- (4) The Administrative Agent shall certify a household as eligible for a restricted ownership unit when the household is a low-income household or a moderate-income household, as applicable to the unit, and the estimated monthly housing cost for the particular unit (including principal, interest, taxes, homeowner and private mortgage insurance and condominium or homeowner association fees, as applicable) does not exceed 33 percent of the household's eligible monthly income.

H. Limitations on Indebtedness Secured by Ownership Unit, Subordination

- (1) Prior to incurring any indebtedness to be secured by a restricted ownership unit, the owner shall apply to the Administrative Agent for a determination in writing that the proposed indebtedness complies with the provisions of this Section, and the Administrative Agent shall

issue such determination prior to the owner incurring such indebtedness.

- (2) With the exception of First Purchase Money Mortgages, neither an owner nor a lender shall at any time cause or permit the total indebtedness secured by a restricted ownership unit to exceed 95 percent of the maximum allowable resale price of the unit, as such price is determined by the Administrative Agent in accordance with N.J.A.C.5:80-26.6(b).

I. Capital Improvements to Ownership Units

- (1) The owners of restricted ownership units may apply to the Administrative Agent to increase the maximum sales price for the unit on the basis of capital improvements made since the purchase of the unit. Eligible capital improvements shall be those that render the unit suitable for a larger household or that add an additional bathroom. In no event shall the maximum sales price of an improved housing unit exceed the limits of affordability for the larger household.
- (2) Upon the resale of a restricted ownership unit, all items of property that are permanently affixed to the unit or were included when the unit was initially restricted (e.g., refrigerator, range, washer, dryer, dishwasher, wall-to-wall carpeting) shall be included in the maximum allowable resale price. Other items may be sold to the purchaser at a reasonable price that has been approved by the Administrative Agent at the time of the signing of the agreement to purchase. The purchase of central air conditioning installed subsequent to the initial sale of the unit and not included in the base price may be made a condition of the unit resale provided the price, which shall be subject to 10-year, straight-line depreciation, has been approved by the Administrative Agent. Unless otherwise approved by the Administrative Agent, the purchase of any property other than central air conditioning shall not be made a condition of the unit resale. The owner and the purchaser must personally certify at the time of closing that no unapproved transfer of funds for the purpose of selling and receiving property has taken place at the time of or as a condition of resale.

J. Control Periods for Restricted Rental Units

- (1) Control periods for restricted rental units shall be in accordance with N.J.A.C. 5:80-26.11, as may be amended and supplemented, and each restricted rental unit shall remain subject to the requirements of

this Ordinance for a period of at least thirty (30) years, until Washington Township takes action to release the unit from such requirements. Prior to such action, a restricted rental unit must remain subject to the requirements of N.J.A.C. 5:80-26.1, as may be amended and supplemented.

- (2) Deeds of all real property that include restricted rental units shall contain deed restriction language. The deed restriction shall have priority over all mortgages on the property, and the deed restriction shall be filed by the developer or seller with the records office of Bergen County. A copy of the filed document shall be provided to the Administrative Agent within 30 days of the receipt of a Certificate of Occupancy.
- (3) A restricted rental unit shall remain subject to the affordability controls of this Ordinance despite the occurrence of any of the following events:
 - (a) Sublease or assignment of the lease of the unit;
 - (b) Sale or other voluntary transfer of the ownership of the unit; or,
 - (c) The entry and enforcement of any judgment of foreclosure on the property containing the unit.

K. Rent Restrictions for Rental Units, Leases

- (1) A written lease shall be required for all restricted rental units and tenants shall be responsible for security deposits and the full amount of the rent as stated on the lease. A copy of the current lease for each restricted rental unit shall be provided to the Administrative Agent.
- (2) No additional fees or charges shall be added to the approved rent (except, in the case of units in an assisted living residence, to cover the customary charges for food and services) without the express written approval of the Administrative Agent.
- (3) Application fees (including the charge for any credit check) shall not exceed five percent of the monthly rent of the applicable restricted unit and shall be payable to the Administrative Agent to be applied to the costs of administering the controls applicable to the unit as set forth in this Ordinance.

- (4) No rent control ordinance or other pricing restriction shall be applicable to either the market-rate units or the affordable units in any development in which at least 15 percent of the total number of dwelling units are restricted rental units in compliance with this Ordinance.

L. Tenant Income Eligibility

- (1) Tenant income eligibility shall be in accordance with N.J.A.C. 5:80-26.13, as may be amended and supplemented, and shall be determined, as follows:

- (a) Very low-income rental units shall be reserved for households with a gross household income less than or equal to 30 percent of median income;
- (b) Low-income rental units shall be reserved for households with a gross household income less than or equal to 50 percent of median income; and,
- (c) Moderate-income rental units shall be reserved for households with a gross household income less than 80 percent of median income.

- (2) The Administrative Agent shall certify a household as eligible for a restricted rental unit when the household is a very low-income household, low-income household or a moderate-income household, as applicable to the unit, and the rent proposed for the unit does not exceed 35 percent (40 percent for age-restricted units) of the household's eligible monthly income as determined pursuant to N.J.A.C. 5:80-26.16, as may be amended and supplemented; provided, however, that this limit may be exceeded if one or more of the following circumstances exists:

- (a) The household currently pays more than 35 percent (40 percent for households eligible for age-restricted units) of its gross household income for rent, and the proposed rent will reduce its housing costs;
- (b) The household has consistently paid more than 35 percent (40 percent for households eligible for age-restricted units) of eligible monthly income for rent in the past and has proven its ability to pay;

- (c) The household is currently in substandard or overcrowded living conditions;
 - (d) The household documents the existence of assets with which the household proposes to supplement the rent payments; or,
 - (e) The household documents reliable anticipated third-party assistance from an outside source such as a family member in a form acceptable to the Administrative Agent and the owner of the unit.
- (3) The applicant shall file documentation sufficient to establish the existence of the circumstances enumerated in this subsection with the Administrative Agent, who shall counsel the household on budgeting.

M. Maximum Rents and Sales Prices:

- (1) In establishing rents and sales prices of affordable housing units, the Administrative Agent shall follow the procedures set forth in UHAC, utilizing the regional income limits established by COAH or a successor entity.
- (2) The maximum rent for restricted rental units within each affordable development shall be affordable to households earning no more than 60 percent of median income, and the average rent for restricted rental units shall be affordable to households earning no more than 52 percent of median income.
- (3) The developers and/or municipal sponsors of restricted rental units shall establish at least one rent for each bedroom type for both low-income and moderate-income units, provided that at least 10 percent of all low- and moderate-income rental units shall be affordable to very low-income households, earning 30 percent or less of the regional median household income.
- (4) The maximum sales price of restricted ownership units within each affordable development shall be affordable to households earning no more than 70 percent of median income, and each affordable development must achieve an affordability average of 55 percent for restricted ownership units; in achieving this affordability average, moderate-income ownership units must be available for at least three different sales prices for each bedroom type, and low-income

- ownership units must be available for at least two different sales prices for each bedroom type.
- (5) In determining the initial sales prices and rent levels for compliance with the affordability average requirements for restricted units other than assisted living facilities and age-restricted developments, the following standards shall be used:
- (a) A studio shall be affordable to a one-person household;
 - (b) A one-bedroom unit shall be affordable to a one and one-half person household;
 - (c) A two-bedroom unit shall be affordable to a three-person household;
 - (d) A three-bedroom unit shall be affordable to a four and one-half person household; and
 - (e) A four-bedroom unit shall be affordable to a six-person household.
- (6) In determining the initial sales prices and rents for compliance with the affordability average requirements for restricted units in assisted living facilities and age-restricted developments, the following standards shall be used:
- (a) A studio shall be affordable to a one-person household;
 - (b) A one-bedroom unit shall be affordable to a one and one-half person household; and
 - (c) A two-bedroom unit shall be affordable to a two-person household or to two one-person households.
- (7) The initial purchase price for all restricted ownership units shall be calculated so that the monthly carrying cost of the unit, including principal and interest (based on a mortgage loan equal to 95 percent of the purchase price and the Federal Reserve H.15 rate of interest), taxes, homeowner and private mortgage insurance and condominium or homeowner association fees do not exceed 28 percent of the eligible monthly income of the appropriate size household as determined under N.J.A.C. 5:80-26.4, as may be amended and supplemented; provided, however, that the price shall be subject to the affordability

average requirement of N.J.A.C. 5:80-26.3, as may be amended and supplemented.

- (8) The initial rent for a restricted rental unit shall be calculated so as not to exceed 30 percent of the eligible monthly income of the appropriate size household, including an allowance for tenant paid utilities, as determined under N.J.A.C. 5:80-26.4, as may be amended and supplemented; provided, however, that the rent shall be subject to the affordability average requirement of N.J.A.C. 5:80-26.3, as may be amended and supplemented.
- (9) The price of owner-occupied low- and moderate-income units may increase annually based on the percentage increase in the regional median income limit for each housing region. In no event shall the maximum resale price established by the Administrative Agent be lower than the last recorded purchase price.
- (10) The rent of low- and moderate-income units may be increased annually based on the permitted percentage increase in the Housing Consumer Price Index for the United States. This increase shall not exceed nine percent in any one year. Rents for units constructed pursuant to low- income housing tax credit regulations shall be indexed pursuant to the regulations governing low-income housing tax credits.

239-114 Requirements for affordable housing. Developments which include affordable housing units shall be subject to the following provisions:

- A. 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.
- B. 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 equal to or more than 50 percent but less than 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.

- C. In accordance with N.J.S.A. 52:27D-329.1 (P.L. 2008, C. 46) at least 13 percent of the affordable units provided within the Township shall be reserved for very low income households, i.e., households earning 30 percent or less of the median income, and of that amount at least 50 percent shall be reserved for very low income families (i.e., non-age restricted and not reserved for special needs populations). For developments with eight (8) or more affordable housing units on site, at least 13 percent of all low- and moderate-income units shall be affordable to households earning no more than 30 percent of median income. A minimum of 50 percent of these units shall be reserved for very low income families.
- D. Age restriction. The sales and rentals of not more than 25 percent of the affordable housing units constructed within the Township may be age restricted to senior citizens as defined by and in accordance with the Federal Fair Housing Act and as regulated by N.J.A.C. 5:92-14, provided that no more than 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 Council. 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 resident; and to the foregoing extent, the requirement of integration of the affordable units with conventional units is modified.
- E. Low/Moderate Split and Bedroom Distribution of Affordable Housing Units:
- (1) The fair share obligation shall be divided equally between low- and moderate-income units, except that where there is an odd number of affordable housing units, the extra unit shall be a low-income unit.
 - (2) In each affordable development, at least 50 percent of the restricted units within each bedroom distribution shall be low-income units.
 - (3) Affordable developments that are not age-restricted shall be structured in conjunction with realistic market demands such that:
 - (a) The combined number of efficiency and one-bedroom units is no greater than 20 percent of the total low- and moderate-income units;

- (b) At least 30 percent of all low- and moderate-income units are two bedroom units;
- (c) At least 20 percent of all low- and moderate-income units are three bedroom units; and
- (d) The remainder, if any, may be allocated at the discretion of the developer.

(4) Affordable developments that are age-restricted shall be structured such that the number of bedrooms shall equal the number of age-restricted low- and moderate-income units within the inclusionary development. The standard may be met by having all one-bedroom units or by having a two-bedroom unit for each efficiency unit.

F. Location and design. Low- and moderate-income housing shall be designed in accordance with the following provisions:

- (1) 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.
- (2) 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.
- (3) 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 current COAH regulations or Court requirements for 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.
- (4) In inclusionary developments, to the extent possible, low- and moderate-income units shall be integrated with the market units.

G. Utilities

- (1) Affordable units shall utilize the same type of heating source as market units within an inclusionary development.

- (2) Tenant-paid utilities included in the utility allowance shall be set forth in the lease and shall be consistent with the utility allowance approved by the DCA for its Section 8 program.

H. Accessibility Requirements

- (1) The first floor of all restricted townhouse dwelling units and all restricted units in all other multistory buildings shall be subject to the technical design standards of the Barrier Free Subcode, N.J.A.C. 5:23-7 and the following:
- (a) All restricted townhouse dwelling units and all restricted units in other multistory buildings in which a restricted dwelling unit is attached to at least one other dwelling unit shall have the following features:
 - (i) An adaptable toilet and bathing facility on the first floor; and,
 - (ii) An adaptable kitchen on the first floor; and,
 - (iii) An interior accessible route of travel on the first floor; and,
 - (iv) An adaptable room that can be used as a bedroom, with a door or the casing for the installation of a door, on the first floor; and,
 - (v) If not all of the foregoing requirements in this paragraph can be satisfied, then an interior accessible route of travel must be provided between stories within an individual unit, but if all of the foregoing requirements in this paragraph have been satisfied, then an interior accessible route of travel shall not be required between stories within an individual unit; and,
 - (vi) An accessible entranceway as set forth at P.L. 2005, c. 350 (N.J.S.A. 52:27D-311a et seq.) and the Barrier Free Subcode, N.J.A.C. 5:23-7, or evidence that Washington Township has collected funds from the developer sufficient to make 10 percent of the adaptable entrances in the development accessible:
 - [a] Where a unit has been constructed with an adaptable entrance, upon the request of a disabled person who is

purchasing or will reside in the dwelling unit, an accessible entrance shall be installed.

[b] To this end, the builder of restricted units shall deposit funds within the Washington Township Affordable Housing Trust Fund sufficient to install accessible entrances in 10 percent of the affordable units that have been constructed with adaptable entrances.

[c] The funds deposited under the terms of this paragraph shall be used by Washington Township for the sole purpose of making the adaptable entrance of an affordable unit accessible when requested to do so by a person with a disability who occupies or intends to occupy the unit and requests an accessible entrance.

[d] The developer of the restricted units shall submit a design plan and cost estimate to the Construction Official of Washington Township for the conversion of adaptable to accessible entrances.

[e] Once the Construction Official has determined that the design plan to convert the unit entrances from adaptable to accessible meet the requirements of the Barrier Free Subcode, N.J.A.C. 5:23-7, and that the cost estimate of such conversion is reasonable, payment shall be made to the Washington Township Affordable Housing Trust Fund.

(vii) Full compliance with the foregoing provisions shall not be required where an entity can demonstrate that it is "site impracticable" to meet the requirements. Determinations of site impracticability shall be in compliance with the Barrier Free Subcode, N.J.A.C. 5:23-7.

239-115 Alternative Living Arrangements

A. The administration of an alternative living arrangement shall be in compliance with N.J.A.C. 5:93-5.8 and the UHAC, with the following exceptions:

- (1) Affirmative marketing (N.J.A.C. 5:80-26.15), provided, however, that the units or bedrooms may be affirmatively marketed by the provider in accordance with an alternative plan approved by COAH, its successor entity, or the Court;
 - (2) Affordability average and bedroom distribution (N.J.A.C. 5:80-26.3).
 - (3) With the exception of units established with capital funding through a 20-year operating contract with the Department of Human Services, Division of Developmental Disabilities, alternative living arrangements shall have at least 30 year controls on affordability in accordance with the UHAC, unless an alternative commitment is approved by COAH, its successor entity, or the Court.
- B. The service provider for the alternative living arrangement shall act as the Administrative Agent for the purposes of administering the affirmative marketing and affordability requirements for the alternative living arrangement.

239-116 Enforcement of Affordable Housing Regulations

- A. Upon the occurrence of a breach of any of the regulations governing the affordable unit by an Owner, Developer or Tenant, the municipality shall have all remedies provided at law or equity, including but not limited to foreclosure, tenant eviction, a requirement for household recertification, acceleration of all sums due under a mortgage, recuperation of any funds from a sale in violation of the regulations, injunctive relief to prevent further violation of the regulations, entry on the premises, and specific performance.
- B. After providing written notice of a violation to an Owner, Developer or Tenant of a low- or moderate-income unit and advising the Owner, Developer or Tenant of the penalties for such violations, the municipality may take the following action(s) against the Owner, Developer or Tenant for any violation that remains uncured for a period of 60 days after service of the written notice:
 - (1) The municipality may file a court action pursuant to N.J.S.A. 2A:58-11 alleging a violation, or violations of the regulations governing the affordable housing unit. If the Owner, Developer or Tenant is adjudged by the Court to have violated any provision of the regulations governing affordable housing units the Owner, Developer or Tenant shall be subject to one or more of the following penalties, at the discretion of the Court:

- (a) A fine of not more than \$500.00 per day or imprisonment for a period not to exceed 90 days, or both, provided that each and every day that the violation continues or exists shall be considered a separate and specific violation of these provisions and not a continuation of the initial offense;
 - (b) In the case of an Owner who has rented a low- or moderate-income unit in violation of the regulations governing affordable housing units, payment into the Washington Township Affordable Housing Trust Fund of the gross amount of rent illegally collected;
 - (c) In the case of an Owner who has rented a low- or moderate-income unit in violation of the regulations governing affordable housing units, payment of an innocent tenant's reasonable relocation costs, as determined by the Court.
- (2) The municipality may file a court action in the Superior Court seeking a judgment that would result in the termination of the Owner's equity or other interest in the unit, in the nature of a mortgage foreclosure. Any such judgment shall be enforceable as if the same were a judgment of default of the First Purchase Money Mortgage and shall constitute a lien against the low- or moderate-income unit.
- (a) The judgment shall be enforceable, at the option of the municipality, by means of an execution sale by the Sheriff, at which time the low- and moderate-income unit of the violating Owner shall be sold at a sale price which is not less than the amount necessary to fully satisfy and pay off any First Purchase Money Mortgage and prior liens and the costs of the enforcement proceedings incurred by the municipality, including attorney's fees. The violating Owner shall have his right to possession terminated as well as his title conveyed pursuant to the Sheriff's sale.
 - (b) The proceeds of the Sheriff's sale shall first be applied to satisfy the First Purchase Money Mortgage lien and any prior liens upon the low- and moderate-income unit. The excess, if any, shall be applied to reimburse the municipality for any and all costs and expenses incurred in connection with either the court action resulting in the judgment of violation or the Sheriff's sale. In the event that the proceeds from the Sheriff's sale are insufficient to reimburse the municipality in full as aforesaid,

the violating Owner shall be personally responsible for the full extent of such deficiency, in addition to any and all costs incurred by the municipality in connection with collecting such deficiency. In the event that a surplus remains after satisfying all of the above, such surplus, if any, shall be placed in escrow by the municipality for the Owner and shall be held in such escrow for a maximum period of two (2) years or until such earlier time as the Owner shall make a claim with the municipality for such. Failure of the Owner to claim such balance within the two-year period shall automatically result in a forfeiture of such balance to the municipality. Any interest accrued or earned on such balance while being held in escrow shall belong to and shall be paid to the municipality, whether such balance shall be paid to the Owner or forfeited to the municipality.

- (c) Foreclosure by the municipality due to violation of the regulations governing affordable housing units shall not extinguish the restrictions of the regulations governing affordable housing units as the same apply to the low- and moderate-income unit. Title shall be conveyed to the purchaser at the Sheriff's sale, subject to the restrictions and provisions of the regulations governing the affordable housing unit. The Owner determined to be in violation of the provisions of this plan and from whom title and possession were taken by means of the Sheriff's sale shall not be entitled to any right of redemption.
- (d) If there are no bidders at the Sheriff's sale, or if insufficient amounts are bid to satisfy the First Purchase Money Mortgage and any prior liens, the municipality may acquire title to the low- and moderate-income unit by satisfying the First Purchase Money Mortgage and any prior liens and crediting the violating owner with an amount equal to the difference between the First Purchase Money Mortgage and any prior liens and costs of the enforcement proceedings, including legal fees and the maximum resale price for which the low- and moderate-income unit could have been sold under the terms of the regulations governing affordable housing units. This excess shall be treated in the same manner as the excess which would have been realized from an actual sale as previously described.
- (e) Failure of the low- and moderate-income unit to be either sold at the Sheriff's sale or acquired by the municipality shall

obligate the Owner to accept an offer to purchase from any qualified purchaser which may be referred to the Owner by the municipality, with such offer to purchase being equal to the maximum resale price of the low- and moderate-income unit as permitted by the regulations governing affordable housing units.

- (f) The Owner shall remain fully obligated, responsible and liable for complying with the terms and restrictions of governing affordable housing units until such time as title is conveyed from the Owner.

239-117 Appeals

A. Appeals from all decisions of an Administrative Agent appointed pursuant to this Ordinance shall be filed in writing with the Court or with COAH or its successor entity, as may be applicable under law.


SECTION 4. This Ordinance shall be subject to review and recommendation by the Township of Washington Planning Board in accordance with N.J.S.A. 40:55D-26 and notice requirements of N.J.S.A. 40:55D-62.1.

SECTION 5. All ordinances or parts thereof that are inconsistent with the provisions of this Ordinance are hereby repealed to the extent of their inconsistencies.

SECTION 6. The various parts, sections, and clauses of this Ordinance are hereby declared to be severable. If any part, sentence, paragraph, section, or clause is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of the ordinance shall not be affected thereby.


SECTION 7. This Ordinance shall take effect immediately upon its final passage and publication as required by law and filing with the Bergen County Planning Board.

ATTEST:


Susan Witkowski,
Township Clerk

APPROVED:

TOWNSHIP COUNCIL OF THE
TOWNSHIP OF WASHINGTON



Robert Bruno,
Council President

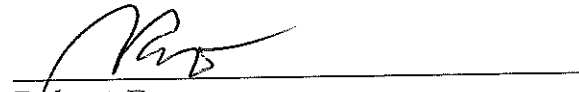
First Reading of Township Ordinance No. 17-13

Introduction Date: August 7, 2017

MOTION		SECOND		COUNCIL	AYES	NAYES	ABSTAIN	ABSENT
Bruno		Bruno		Bruno	X			
Calamari		Calamari		Calamari	X			
Cascio		Cascio		Cascio	X			
Sears		Sears	X	Sears	X			
Ullman	X	Ullman		Ullman	X			

ATTEST:

APPROVED:
TOWNSHIP COUNCIL OF THE
TOWNSHIP OF WASHINGTON

 Susan Witkowski,
 Township Clerk


 Robert Bruno,
 Council President

Second Reading of Township Ordinance No. 17-13

Adoption Date: September 11, 2017

MOTION		SECOND		COUNCIL	AYES	NAYES	ABSTAIN	ABSENT
Bruno		Bruno		Bruno	X			
Calamari		Calamari		Calamari	X			
Cascio		Cascio		Cascio	X			
Sears		Sears	X	Sears	X			
Ullman	X	Ullman		Ullman	X			

Appendix

A-3: Township of Washington Development Fee Ordinance

TOWNSHIP OF WASHINGTON
BERGEN COUNTY, NEW JERSEY

ORDINANCE No. 17-15

AN ORDINANCE OF THE TOWNSHIP OF WASHINGTON, COUNTY OF BERGEN, AND STATE OF NEW JERSEY, AMENDING AND SUPPLEMENTING CHAPTER 239A OF THE TOWNSHIP CODE, ENTITLED "DEVELOPMENT FEES" TO UPDATE PROVISIONS ASSOCIATED WITH AFFORDABLE HOUSING DEVELOPMENT FEES

WHEREAS, in *Holmdel Builder's Association v. Holmdel Township*, 121 N.J. 550 (1990), the New Jersey Supreme Court determined that mandatory development fees are authorized by the Fair Housing Act of 1985 (the Act), N.J.S.A. 52:27D-301 et seq., and the State Constitution, subject to the Council on Affordable Housing's (COAH's) adoption of rules; and

WHEREAS, pursuant to PL 2008, c.46, Section 8 (C. 52:27D-329.2) and the Statewide Non-Residential Development Fee Act (C. 40:55D-8.1 through 8.7), COAH is authorized to adopt and promulgate regulations necessary for the establishment, implementation, review, monitoring and enforcement of municipal affordable housing trust funds and corresponding spending plans, and municipalities that are under the jurisdiction of a court of competent jurisdiction and have an approved spending plan may retain fees collected from non-residential development; and

WHEREAS, pursuant to the March 10, 2015 Order of the New Jersey Supreme Court in In re Adoption of N.J.A.C. 5:96 & 5:97 by N.J. Council on Affordable Housing, 221 N.J. 1 (2015) (*Mount Laurel IV*), the Court transferred all COAH's functions, powers, and duties to the Courts, and thus, any and all references to COAH shall mean the Courts or successor agency to COAH if such entity is established by statute; and

WHEREAS, this ordinance establishes standards for the collection, maintenance, and expenditure of development fees pursuant to the Court's regulations and in accordance PL 2008, c.46, Sections 8 and 32 through 38.

NOW, THEREFORE, BE IT ORDAINED, by the Mayor and Council of the Township of Washington in the County of Bergen and State of New Jersey as follows:

SECTION 1. Chapter 239A, Development Fees relating to Mount Laurel housing, is hereby deleted in its entirety and replaced with the following new Chapter 239A:

§239A. Affordable Housing Development Fees

A-1 Purpose. In *Holmdel Builder's Association V. Holmdel Township*, 121 NJ 550 (1990), the New Jersey Supreme Court determined that mandatory development fees are authorized by the Fair Housing Act of 1985 (the Act), N.J.S.A. 52:27d-301 et seq., and the State Constitution, subject to the Council on Affordable Housing's (COAH's) adoption of rules.

A. Pursuant to PL 2008, c.46, Section 8 (C. 52:27D-329.2) and the Statewide Non-Residential Development Fee Act (C. 40:55D-8.1 through 8.7), the Council on Affordable Housing (COAH) is authorized to adopt and promulgate regulations necessary for the establishment, implementation, review, monitoring and enforcement of municipal affordable housing trust funds and corresponding spending plans. Municipalities that are under the jurisdiction of a court of competent jurisdiction and have an approved spending plan may retain fees collected from non-residential development.

B. Pursuant to the March 10, 2015 Supreme Court Order in *In re Adoption of N.J.A.C. 5:96 & 5:97 by N.J. Council on Affordable Housing*, 221 N.J. 1 (2015) (*Mount Laurel IV*), the Court transferred all COAH's functions, powers, and duties to the Courts. Any and all references to COAH shall mean the Courts or successor agency to COAH if such entity is established by statute.

C. This ordinance establishes standards for the collection, maintenance, and expenditure of development fees pursuant to the Court's regulations and in accordance PL 2008, c.46, sections 8 and 32 through 38.

A-2 Basic Requirements

A. This Ordinance shall not become effective until approved by the Court pursuant to N.J.A.C. 5:96-5.1.

B. The Township of Washington shall not spend development fees until the Court has approved a plan for spending such fees in conformance with N.J.A.C. 5:97-8.10 and N.J.A.C. 5:96-5.3.

C. This Ordinance shall be interpreted within the framework of COAH's last adopted rules on development fees, codified at N.J.A.C. 5:97-8, as same may be interpreted and applied by the Court.

A-3 Definitions

A. The following terms, as used in this ordinance, shall have the following meanings:

“Affordable housing development” means any residential development that consists of dwelling units that are affordable to persons and families of low or moderate income within the meaning of the “Fair Housing Act,” P.L.1985, c.222 (C.52:27D-301et al.) and is included in or approved pursuant to the Housing Element and Fair Share Plan, or otherwise addresses the Township’s fair share obligation. This includes, but is not limited to, an inclusionary development, a municipal construction project or a 100 percent affordable housing development.

“COAH” or the “Council” means the New Jersey Council on Affordable Housing established under the Fair Housing Act or the Courts or successor agency to COAH if such entity is established by statute.

“Development fee” means money paid by a developer for the improvement of property as permitted in Holmdel Builder’s Association v. Holmdel Township. 121 NJ 550 (1990) and in N.J.A.C. 5:93-8.

“Developer” means the legal or beneficial owner or owners of a lot or of any land proposed to be included in a proposed development, including the holder of an option or contract to purchase, or other person having an enforceable proprietary interest in such land.

“Equalized assessed value” means the assessed value of a property divided by the current average ratio of assessed to true value for the municipality in which the property is situated, as determined in accordance with sections 1, 5, and 6 of P.L.1973, c.123 (C.54:1-35a through C.54:1-35c).

“Green building strategies” means those strategies that minimize the impact of development on the environment, and enhance the health, safety and well-being of residents by producing durable, low-maintenance, resource-efficient housing while making optimum use of existing infrastructure and community services.

A-4 Imposition of Affordable Housing Development Fees

A. Residential Development

- (1) Within all the Township zoning districts, residential developers, except for developers of the types of development specifically exempted below, shall pay a fee of one and one-half percent (1.5%) of the equalized assessed value for residential development, provided that no increased density is permitted.
- (2) Where an increase in density is permitted through a variance granted pursuant to N.J.S.A. 40:55D-70d(5) or a rezoning, redevelopment plan, or redevelopment plan amendment that is adopted after the effective date of this ordinance, developers shall be required to pay a development fee of six percent (6.0%) of the equalized assessed value for each additional unit that may be realized, except that this provision shall not be applicable to a development that will include a set-aside of affordable housing units. However, if the zoning on a site has changed during the two-year period preceding the filing of such a variance application, the base density for the purposes of calculating the bonus development fee shall be the highest density permitted by right during the two-year period preceding the filing of the variance application.

B. Nonresidential Development

- (1) Within all zoning districts, non-residential developers, except for developers of the types of development specifically exempted below, shall pay a fee equal to two and one-half percent (2.5%) of the equalized assessed value of the land and improvements for all new non-residential construction on an unimproved lot or lots, provided that no increase in floor area is permitted.
- (2) Non-residential developers, except for developers of the types of development specifically exempted below, shall pay a fee equal to two and one-half percent (2.5%) of the increase in total equalized assessed value resulting from any additions to existing structures to be used for non-residential purposes.
- (3) Development fees shall be imposed and collected when an existing structure is demolished and replaced. The development fee of two and one-half percent (2.5%) shall be calculated on the difference between the equalized assessed value of the preexisting land and improvements and the

equalized assessed value of the newly improved structure, i.e. land and improvements, at the time the final certificate of occupancy is issued. If the calculation required under this section results in a negative number, the non-residential development fee shall be zero.

- (4) Developers that convert any portion of an existing residential structure to a nonresidential use shall pay a development fee of two and one-half percent (2.5%). The development fee shall be calculated based on the increase in the equalized assessed value of the converted structure.

A-5 Eligible Exactions, Ineligible Exactions and Exemptions

A. Residential Development

- (1) Developers of low- and moderate-income housing shall be exempt from paying development fees, including developments where the developer is providing affordable units elsewhere in the Township or is making a payment in lieu of construction of on-site affordable housing units and further provided that the minimum number of affordable units required for the development is completed in accordance with this chapter. A payment-in-lieu-of-construction or development fee payment shall only be used to fund affordable housing activities within the Township in accordance with N.J.A.C. 5:97 or as approved by COAH or the Court.
- (2) Developments that have received preliminary or final site plan approval prior to the adoption of a municipal development fee ordinance shall be exempt from development fees, unless the developer seeks a substantial change in the approval. Where a site plan approval does not apply, a zoning and/or building permit shall be synonymous with preliminary or final site plan approval for this purpose. The applicable development fee percentage shall be vested on the date that the building permit is issued.
- (3) Owner-occupied residential structures demolished and replaced as a result of a fire, flood, or natural disaster shall be exempt from paying a development fee.
- (4) Development fees shall be imposed and collected when an existing non-owner occupied residential structure is demolished and replaced. The development fee shall be

calculated on the increase in the equalized assessed value of the improved structure.

- (5) Development fees shall be imposed and collected when an existing structure undergoes a change to a more intense use, which requires the issuance of a Certificate of Occupancy (for example, when a single-family home is converted to a two-family home or a single-family home is converted to an apartment building). The development fee shall be calculated on the increase in the equalized assessed value of the improved structure.
- (6) Development fees shall be imposed and collected when a Certificate of Occupancy is issued for a new residential unit on a newly created lot that is the result of a subdivision. The development fee shall be calculated on the equalized assessed value of the land and improvements.
- (7) Additions to existing homes and improvements such as decks, patios and like shall be exempt from the payment of a development fee.

B. Nonresidential Development

- (1) The non-residential portion of a mixed-use inclusionary or market rate development shall be subject to the two and one-half percent (2.5%) development fee, unless otherwise exempted below.
- (2) The two and one-half percent (2.5%) development fee shall not apply to an increase in equalized assessed value resulting from alterations, change in use within the existing building footprint, reconstruction, renovations and repairs.
- (3) Non-residential developments shall be exempt from the payment of non-residential development fees in accordance with the exemptions required pursuant to P.L.2008, c.46, as specified in the Form N-RDF "State of New Jersey Non-Residential Development Certification/ Exemption" Form. Any exemption claimed by a developer shall be substantiated by that developer.
- (4) A developer of a non-residential development exempted from the non-residential development fee pursuant to P.L.2008, c.46 shall be subject to the development fee at such time as the basis for the exemption no longer applies, and shall

make the payment of the non-residential development fee, in that event, within three years after that event or after the issuance of the final certificate of occupancy for the non-residential development, whichever is later.

- (5) If a property that was exempted from the collection of a non-residential development fee thereafter ceases to be exempt from property taxation, the owner of the property shall remit the fees required pursuant to this section within 45 days of the termination of the property tax exemption. Unpaid nonresidential development fees under these circumstances may be enforceable by the Township of Washington as a lien against the real property of the owner.
- (6) Developers that have received final approval prior to the adoption of a municipal development fee ordinance shall be exempt from paying a development fee, unless the developer seeks a substantial change in the approval.
- (7) Exempted from these provisions shall be approvals for the following classes of development:
 - (a) Utility facilities
 - (b) Educational, cultural and outdoor recreational facilities
 - (c) Quasi-public uses, including clubs, lodges and similar uses
 - (d) Public uses
 - (e) Hospital uses

A-6 Collection of Fees

- A. Upon the granting of a preliminary, final or other applicable approval, for a development, the applicable approving authority shall direct its staff to notify the construction official responsible for the issuance of a building permit.
- B. For non-residential developments only, the developer shall also be provided with a copy of Form N-RDF "State of New Jersey Non-Residential Development Certification/Exemption" to be completed as per the instructions provided. The developer of a non-residential development shall complete Form N-RDF as per the instructions provided. The construction official shall verify

the information submitted by the non-residential developer as per the instructions provided in the Form N-RDF. The Tax assessor shall verify exemptions and prepare estimated and final assessments as per the instructions provided in Form N-RDF.

- C. The construction official responsible for the issuance of a building permit shall notify the local tax assessor of the issuance of the first building permit for a development which is subject to a development fee.
- D. Within 90 days of receipt of that notice, the municipal tax assessor, based on the plans filed, shall provide an estimate of the equalized assessed value of the development.
- E. The construction official responsible for the issuance of a final certificate of occupancy shall notify the local assessor of any and all requests for the scheduling of a final inspection on property which is subject to a development fee.
- F. Within 10 business days of a request for the scheduling of a final inspection, the municipal assessor shall confirm or modify the previously estimated equalized assessed value of the improvements associated with the development; calculate the development fee; and thereafter notify the developer of the amount of the fee.
- G. Should the Township of Washington fail to determine or notify the developer of the amount of the development fee within 10 business days of the request for final inspection, the developer may estimate the amount due and pay that estimated amount consistent with the dispute process set forth in subsection b. of section 37 of P.L.2008, c.46 (C.40:55D-8.6).
- H. Fifty percent (50%) of the development fee shall be collected at the time of issuance of the building permit. The remaining portion shall be collected at the issuance of the certificate of occupancy. The developer shall be responsible for paying the difference between the fee calculated at building permit and that determined at issuance of certificate of occupancy.
- I. Appeal of development fees:
 - (1) A developer may challenge residential development fees imposed by filing a challenge with the County Board of Taxation. Pending a review and determination by the Board,

collected fees shall be placed in an interest bearing escrow account by the Township of Washington. Appeals from a determination of the Board may be made to the tax court in accordance with the provisions of the State Tax Uniform Procedure Law, R.S.54:48-1 et seq. within 90 days after the date of such determination. Interest earned on amounts escrowed shall be credited to the prevailing party.

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

A-7 Affordable Housing Trust Fund

- A. There is hereby created a separate, interest-bearing housing trust fund to be maintained by the chief financial officer of the Township for the purpose of depositing development fees collected from residential and non-residential developers and proceeds from the sale of units with extinguished controls.
- B. The following additional funds, if collected by the Township, shall be deposited in the Affordable Housing Trust Fund and shall at all times be identifiable by source and amount:
- (1) payments in lieu of construction of affordable units, shall be separately identifiable from other payments as a sub-account within the Affordable Housing Trust Fund;
 - (2) developer contributed funds to make ten percent (10%) of the adaptable entrances in a townhouse or other multistory attached development accessible;
 - (3) rental income from municipally operated units;
 - (4) repayments from affordable housing program loans;
 - (5) recapture funds;
 - (6) proceeds from the sale of affordable units; and,

(7) any other funds collected in connection with the Township of Washington's affordable housing program.

C. Within seven days from the opening of the trust fund account, the Township of Washington shall provide the Court with written authorization, in the form of a three-party escrow agreement between the municipality, the bank, and the Court to permit the Court to direct the disbursement of the funds as provided for in N.J.A.C. 5:97-8.13(b).

D. All interest accrued in the housing trust fund shall only be used to fund eligible affordable housing activities approved by the Court.

A-8 Use of Funds

A. The expenditure of all funds shall conform to a spending plan approved by the Court. Funds deposited in the housing trust fund may be used for any activity approved by the Court to address the Township of Washington's fair share obligation and may be set up as a grant or revolving loan program. Such activities include, but are not limited to: preservation or purchase of housing for the purpose of maintaining or implementing affordability controls; rehabilitation; new construction of affordable housing units and related costs; accessory apartment, market to affordable, or regional housing partnership programs; conversion of existing non-residential buildings to create new affordable units; green building strategies designed to be cost-saving and in accordance with accepted national or state standards; purchase of land for affordable housing; improvement of land to be used for affordable housing; extensions or improvements of roads and infrastructure to affordable housing sites; financial assistance designed to increase affordability; administration necessary for implementation of the Housing Element and Fair Share Plan; or, any other activity as permitted pursuant to N.J.A.C. 5:97-8.7 through 8.9 and specified in the approved spending plan.

B. Funds shall not be expended to reimburse the Township of Washington for past affordable housing activities.

C. At least thirty percent (30%) of all development fees collected and interest earned shall be used to provide affordability assistance to low- and moderate-income households in affordable units included in the municipal Fair Share Plan. One-third (1/3) of the affordability assistance portion of development fees collected shall

be used to provide affordability assistance to those households earning thirty percent (30%) or less of median income by region.

- (1) Affordability assistance programs may include down payment assistance, security deposit assistance, low interest loans, rental assistance, assistance with homeowner's association or condominium fees and special assessments, and assistance with emergency repairs.
 - (2) Affordability assistance to households earning 30 percent or less of median income may include buying down the cost of low or moderate income units in the municipal Fair Share Plan to make them affordable to households earning 30 percent or less of median income.
 - (3) Payments in lieu of constructing affordable units on site and funds from the sale of units with extinguished controls shall be exempt from the affordability assistance requirement.
- D. The Township of Washington may contract with a private or public entity to administer any part of its Housing Element and Fair Share Plan, including the requirement for affordability assistance, in accordance with N.J.A.C. 5:96-18.
- E. No more than twenty percent (20%) of all revenues collected from development fees, may be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to develop or implement a new construction program, a Housing Element and Fair Share Plan, and/or an affirmative marketing program. In the case of a rehabilitation program, no more than twenty percent (20%) of the revenues collected from development fees shall be expended for such administrative expenses. Administrative funds may be used for income qualification of households, monitoring the turnover of sale and rental units, and compliance with the Court's monitoring requirements. Legal or other fees related to litigation opposing affordable housing sites or objecting to the Council's regulations and/or action are not eligible uses of the affordable housing trust fund.

A-9 Monitoring

- A. The Township of Washington shall complete and return to the New Jersey Department of Community Affairs (NJDCA), Local Government Services, all monitoring forms required in connection with the collection of development fees from residential and non-

residential developers, payments in lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, barrier free escrow funds, rental income, repayments from affordable housing program loans, and any other funds collected in connection with its housing program, as well as in connection with the expenditure of revenues and implementation of the plan approved by the Court.

- B. All monitoring reports shall be completed on forms designed by the NJDCA or successor entity for that purpose.

A-10 Ongoing Collection of Fees

- A. The ability for the Township of Washington to impose, collect and expend development fees shall expire with the end of the repose period covered by its judgment of compliance unless the Township of Washington has filed an adopted Housing Element and Fair Share Plan with the Court or with a designated administrative entity of the State of New Jersey, has petitioned for a judgment of compliance or substantive certification, and has received approval of its development fee ordinance by the entity that will be reviewing the Housing Element and Fair Share Plan.
- B. If the Township of Washington fails to renew its ability to impose and collect development fees prior to the expiration of its judgment of compliance, it may be subject to forfeiture of any or all funds remaining within its municipal trust fund. Any funds so forfeited shall be deposited into the "New Jersey Affordable Housing Trust Fund" established pursuant to section 20 of P.L.1985, c.222 (C.52:27D-320). The Township of Washington shall not impose a development fee on a development that receives preliminary or final site plan approval after the expiration of its judgment of compliance, nor shall the Township of Washington retroactively impose a development fee on such a development. The Township of Washington shall not expend any development fees after the expiration of its judgment of compliance.

SECTION 2. This Ordinance shall be subject to review and recommendation by the Township of Washington Planning Board in accordance with N.J.S.A. 40:55D-26 and notice requirements of N.J.S.A. 40:55D-62.1.

SECTION 3. All ordinances or parts thereof that are inconsistent with the provisions of this Ordinance are hereby repealed to the extent of their inconsistencies.


SECTION 4. The various parts, sections, and clauses of this Ordinance are hereby declared to be severable. If any part, sentence, paragraph, section, or clause is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of the ordinance shall not be affected thereby.


SECTION 5. This Ordinance shall take effect immediately upon its final passage and publication as required by law and filing with the Bergen County Planning Board.

ATTEST:

APPROVED:

TOWNSHIP COUNCIL OF THE
TOWNSHIP OF WASHINGTON


Susan Witkowski,
Township Clerk


Robert Bruno,
Council President


First Reading of Township Ordinance No. 17-15


Introduction Date: August 7, 2017

MOTION		SECOND		COUNCIL	AYES	NAYES	ABSTAIN	ABSENT
Bruno		Bruno		Bruno	X			
Calamari		Calamari		Calamari	X			
Cascio	X	Cascio		Cascio	X			
Sears		Sears		Sears	X			
Ullman		Ullman	X	Ullman	X			

ATTEST:

APPROVED:
TOWNSHIP COUNCIL OF THE
TOWNSHIP OF WASHINGTON


Susan Witkowski,
Township Clerk


Robert Bruno,
Council President

Second Reading of Township Ordinance No. 17-15

Adoption Date: September 11, 2017

MOTION		SECOND		COUNCIL	AYES	NAYES	ABSTAIN	ABSENT
Bruno	X	Bruno		Bruno	X			
Calamari		Calamari	X	Calamari	X			
Cascio		Cascio		Cascio	X			
Sears		Sears		Sears	X			
Ullman		Ullman		Ullman	X			

Appendix

A-4: Township of Washington Mandatory Set Aside Ordinance

TOWNSHIP OF WASHINGTON
BERGEN COUNTY, NEW JERSEY

ORDINANCE No. 17-14

AN ORDINANCE OF THE TOWNSHIP OF WASHINGTON, COUNTY OF BERGEN, AND STATE OF NEW JERSEY, AMENDING CHAPTER 239, ENTITLED "LAND DEVELOPMENT" TO IMPOSE A MANDATORY AFFORDABLE HOUSING SET-ASIDE REQUIREMENT ON NEW MULTI-FAMILY RESIDENTIAL DEVELOPMENT

WHEREAS, the Washington Township Planning Board adopted the Washington Township Housing Element and Fair Share Plan on July 26, 2017; and

WHEREAS, the Township Council of the Township of Washington endorsed the Washington Township Housing Element and Fair Share Plan on August 7, 2017; and

WHEREAS, pursuant to Township's settlement with the Fair Share Housing Center, the Washington Township Housing Plan Element and Fair Share Plan requires the Township of Washington to adopt a mandatory affordable housing set aside requirement for all new multi-family residential developments of five (5) or more units that become permissible through either a use variance, a density variance increasing the permissible density of the site, a rezoning permitting multi-family residential housing where none permitted or new or amended redevelopment plan.

NOW, THEREFORE, BE IT ORDAINED by the Township of Washington, County of Bergen, State of New Jersey as follows:

Section 1. Chapter 239, of the Township Code is hereby amended to add a new Section in Article XXII, Mandatory Affordable Housing Set-aside, as follows:

§239-120 Mandatory Affordable Housing Set-Aside.

A. Purpose

Unless otherwise required by existing zoning or an adopted redevelopment plan, all new multi-family residential developments of five (5) or more units that become permissible through either a use variance, a density variance increasing the permissible density at the site, a rezoning permitting multi-family residential housing where not previously permitted, or a new or revised redevelopment plan shall be required to provide an affordable housing set-aside as follows:

- (1) Required affordable housing units shall be equal to 20% of the number of housing units proposed in the application for units offered for sale.
- (2) Required affordable housing units shall be equal to 15% of the number of housing units proposed in the application for units offered for rent.

B. Affordable housing units may be provided on-site or off-site within the Township and are subject to the provisions of the Township's Affordable Housing Ordinance.

SECTION 2. This Ordinance shall be subject to review and recommendation by the Township of Washington Planning Board in accordance with N.J.S.A. 40:55D-26 and notice requirements of N.J.S.A. 40:55D-62.1.

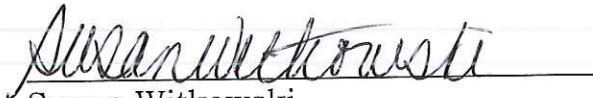
SECTION 3. All ordinances or parts thereof that are inconsistent with the provisions of this Ordinance are hereby repealed to the extent of their inconsistencies.


SECTION 4. The various parts, sections, and clauses of this Ordinance are hereby declared to be severable. If any part, sentence, paragraph, section, or clause is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of the ordinance shall not be affected thereby.

SECTION 5. This Ordinance shall take effect immediately upon its final passage and publication as required by law and filing with the Bergen County Planning Board.

ATTEST:

APPROVED:
TOWNSHIP COUNCIL OF THE
TOWNSHIP OF WASHINGTON


Susan Witkowski,
Township Clerk


Robert Bruno,
Council President

First Reading of Township Ordinance No. 17-14


Introduction Date: August 7, 2017

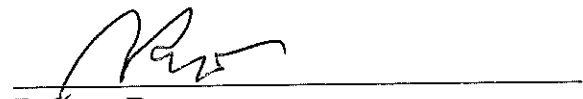
MOTION		SECOND		COUNCIL	AYES	NAYES	ABSTAIN	ABSENT
Bruno		Bruno		Bruno	X			
Calamari	X	Calamari		Calamari	X			
Cascio		Cascio		Cascio	X			
Sears		Sears		Sears	X			
Ullman		Ullman	X	Ullman	X			

ATTEST:

APPROVED:

TOWNSHIP COUNCIL OF THE
TOWNSHIP OF WASHINGTON


 Susan Witkowski,
 Township Clerk


 Robert Bruno,
 Council President

Second Reading of Township Ordinance No. 17-14

Adoption Date: September 11, 2017

MOTION		SECOND		COUNCIL	AYES	NAYES	ABSTAIN	ABSENT
Bruno		Bruno		Bruno	X			
Calamari		Calamari		Calamari	X			
Cascio	X	Cascio		Cascio	X			
Sears		Sears		Sears	X			
Ullman		Ullman	X	Ullman	X			

Appendix

A-5: Township of Washington Spending Plan

June 6, 2025
Township of Washington
Affordable Housing Trust Fund Spending Plan

INTRODUCTION

The Township of Washington (hereinafter the “Township”), Bergen County, has prepared a Housing Element and Fair Share Plan that addresses its regional fair share of the affordable housing need in accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.), the Amended Fair Housing Act (FHA-2) (N.J.S.A. 52:27D-301) and the proposed new Fair Housing Act Rules promulgated by the New Jersey Department of Community Affairs (DCA) (N.J.A.C. 5:99). The Township of Washington Affordable Housing Trust Fund was established in 2002.

As of May 1, 2025, the Township of Washington has a balance of \$302,936¹ in its Affordable Housing Trust fund. All development fees, payments in lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, and interest generated by the fees are deposited in a separate interest-bearing affordable housing trust fund account for the purposes of affordable housing. These funds shall be spent in accordance with N.J.A.C. 5:99 as described in the sections that follow.

1. REVENUES FOR CERTIFICATION PERIOD

It is anticipated that during the period of July 1, 2025 through June 30, 2035, which encompasses the period that the Township will have a Fourth Round Judgment of Compliance and Repose (hereinafter “Fourth Round JOR”), the Township will add an additional \$484,000 to its Affordable Housing Trust Fund. This is detailed below.

- (a) Development fees: Based on development fee collection trends in the Township of Washington since 2021, the Township anticipates that approximately \$420,000 in development fees will be generated between July 1, 2025 through June 30, 2035. This figure assumes that, on average, the Township will collect approximately \$42,000 in development fees per year throughout the Fourth Round.
- (b) Payment in lieu (PIL): While the Township of Washington does not currently anticipate the contribution of any payments in lieu toward the municipal Affordable Housing Trust Fund during the Fourth Round, if any such payments should be made to the Township during the Fourth Round, such payments will be deposited into the Township’s Affordable Housing Trust Fund.

¹ All figures rounded to the nearest dollar.

- (c) Other Funds: The Township of Washington does not currently anticipate the contribution of any other funds toward the municipal Affordable Housing Trust Fund during the Fourth Round. That said, if any such funds are collected during the Fourth Round, said funds will be deposited in the Township's Affordable Housing Trust Fund.
- (d) Projected interest: It is estimated that the Township of Washington will collect approximately \$64,000 in interest between July 1, 2025 through June 30, 2035. This figure assumes that, on average, the Township will collect approximately \$6,400 in interest per year throughout the Fourth Round.

SOURCE OF FUNDS	PROJECTED REVENUES – AFFORDABLE HOUSING TRUST FUND JULY 1, 2025 THROUGH JUNE 30, 2035											
	7/1/25 to 12/31/25	2026	2027	2028	2029	2030	2031	2032	2033	2034	1/1/35 to 6/30/35	Total
(a) Development Fees	\$21,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$42,000	\$21,000	\$420,000
(b) Payments in Lieu of Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(c) Other Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(d) Interest	\$3,200	\$6,400	\$6,400	\$6,400	\$6,400	\$6,400	\$6,400	\$6,400	\$6,400	\$6,400	\$3,200	\$64,000
Total	\$24,200	\$48,400	\$48,400	\$48,400	\$48,400	\$48,400	\$48,400	\$48,400	\$48,400	\$48,400	\$24,200	\$484,000

In sum, the Township of Washington projects a total of \$484,000 in revenue to be collected between July 1, 2025 and June 30, 2035. This projected amount, when added to Washington's current trust fund balance of \$302,936, results in a total anticipated trust fund balance of \$786,936 available to fund and administer the Township's affordable housing plan. All interest earned on the account shall be used only for the purposes of affordable housing.

2. ADMINISTRATIVE MECHANISM TO COLLECT AND DISTRIBUTE FUNDS

The following procedural sequence for the collection and distribution of development fee revenues shall be followed by the Township:

- (a) Collection of development fee revenues: Collection of development fee revenues shall be consistent with Washington's Development Fee Ordinance (DFO) for both residential and non-residential developments in accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.), the Amended Fair Housing Act (FHA-2) (N.J.S.A. 52:27D-301) and the proposed new Fair Housing Act Rules promulgated by the New Jersey Department of Community Affairs (DCA) (N.J.A.C. 5:99).
- (b) Distribution of development fee revenues: The Planning Board adopts and forwards a resolution to the Governing Body recommending the expenditure of development fee revenues as set forth in this Spending Plan. The Governing Body reviews the request for consistency with the Spending Plan and adopts the recommendation by resolution. The release of funds requires adoption of the Governing Body's resolution in accordance with the Spending Plan. Once a request is approved by resolution, the Chief Financial Officer (CFO) releases the requested revenue from the Township's Affordable Housing Trust Fund for the specific use approved in the Governing Body's resolution.

3. DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS

- (a) Rehabilitation. As set forth in the Township's Fourth Round Housing Element & Fair Share Plan, Washington has a Present Need (rehabilitation) obligation for Round Four of 0 units. As such, the Township is not obligated to establish a rehabilitation program or allocate funds from its affordable housing trust fund for such purposes.
- (b) Affordability Assistance. Pursuant to N.J.A.C. 5:99-2.5, the Township is required to set aside a portion of all development fees collected and interest earned for the purpose of providing affordability assistance to very low-, low- and moderate-income households in affordable units included in the Township's Fourth Round Housing Element and Fair Share Plan. Affordability assistance means the use of funds to render housing units more affordable to very low-, low- and moderate-income households and includes, but is not limited to, down payment assistance, security deposit assistance, low interest loans, rental assistance, assistance with homeowner's association or condominium fees and special assessments, common maintenance expenses, and assistance with emergency repairs and rehabilitation to bring deed-restricted units up to code, pursuant to N.J.A.C. 5:99-2.5. This may also include offering a subsidy to developers of inclusionary or one hundred percent (100%) affordable

housing developments or buying down the cost of low- or moderate-income units in the Township's fair share plan to make them affordable to very low-income households, including special needs and supportive housing opportunities. The Township will set aside \$130,000 from the Affordable Housing Trust Fund for this purpose through June 30, 2035.

- (c) Administrative Expenses. Per N.J.A.C. 5:99-2.4(a), no more than twenty percent (20%) of all affordable housing trust funds, exclusive of those collected prior to July 17, 2008 to fund an RCA, shall be expended on administration. The Township of Washington projects that a maximum of \$157,022 will be available from the affordable housing trust fund to be used for administrative purposes through June 30, 2035. Projected administrative expenditures, subject to the twenty percent (20%) cap, include payment for the salaries and benefits for municipal employees and consultant fees related to costs as set forth at N.J.A.C. 5:99-2.4(b), (c) and (d).

Actual development fees + interest through 5/1/25		\$218,392
Payments in lieu of construction & other deposits through 5/1/25	+	\$360,000
Projected development fees + interest 7/1/25 through 6/30/35	+	\$484,000
Less RCA expenditures through 7/17/08	-	\$275,000
Total	=	\$787,392
20 percent requirement	x 0.20 =	\$157,478
Less administrative expenditures through 5/1/25		\$456
PROJECTED MAXIMUM Available for Administrative Expenses 7/1/25 through 6/30/35	=	\$157,022

- (e) Other Emergent Housing Opportunities. The Township will reserve the remaining trust fund balance, projected at \$499,914, for other emergent opportunities to create affordable housing that may arise during the Fourth Round. The Township shall seek approval for any emergent affordable housing opportunities not included in the Township's fair share plan in accordance with N.J.A.C. 5:99-4.1.

4. EXPENDITURE SCHEDULE

The Township of Washington intends to use affordable housing trust fund revenues for affordability assistance, administration, and any emergent affordable housing opportunities that may arise during the Fourth Round. Where applicable, the funding schedule below parallels the implementation schedule set forth in the Housing Element and Fair Share Plan and is summarized as follows.

PROJECTS/ PROGRAMS	PROJECTED EXPENDITURES – AFFORDABLE HOUSING TRUST FUND JULY 1, 2025 THROUGH JUNE 30, 2035											
	7/1/25 to 12/31/25	2026	2027	2028	2029	2030	2031	2032	2033	2034	1/1/35 to 6/30/35	Total
Affordability Assistance	\$6,500	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$13,000	\$6,500	\$130,000
Administration	\$30,000	\$30,000	\$5,000	\$5,000	\$5,000	\$7,022	\$5,000	\$5,000	\$5,000	\$30,000	\$30,000	\$157,022
Other Emergent Opportunities	\$24,914	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$25,000	\$499,914
Total	\$61,414	\$93,000	\$68,000	\$68,000	\$68,000	\$70,022	\$68,000	\$68,000	\$68,000	\$93,000	\$61,500	\$786,936

5. EXCESS OR SHORTFALL OF FUNDS

In the event of any expected or unexpected shortfall of funds necessary to implement the Fair Share Plan, the Township of Washington will handle the shortfall of funds through an alternative funding source to be identified by the Township and/or by adopting a resolution with an intent to bond. In the event of excess funds, any remaining funds above the amount necessary to satisfy the municipal affordable housing obligation will be dedicated toward additional affordability assistance, additional administration (up to the 20% cap), and/or any other emergent affordable housing opportunities that may arise during the Fourth Round.

6. BARRIER FREE ESCROW

Collection and distribution of barrier free funds shall be consistent with the Township's Affordable Housing Ordinance and in accordance with applicable regulations. A process describing the collection and distribution procedures for barrier free escrow is detailed within the Township's Affordable Housing Ordinance.

SUMMARY

The Township of Washington intends to spend Affordable Housing Trust Fund revenues pursuant to N.J.A.C. 5:99 and consistent with the housing programs outlined in the Township's Housing Element and Fair Share Plan.

The Township of Washington has a balance of \$302,936 as of May 1, 2025 and anticipates an additional \$484,000 in revenues through June 30, 2035 for a total of \$786,936. During the period of the Township's Fourth Round JOR through June 30, 2035, the Township agrees to fund \$130,000 towards affordability assistance, \$157,022 towards administrative expenses, and \$499,914 towards other emergent affordable housing opportunities that may arise during the Fourth Round, totaling \$786,936 in anticipated expenditures.

Any shortfall of funds will be offset by an alternative funding source to be identified by the Township and/or, the Township of Washington will bond to provide the necessary funding. The Township will dedicate any excess funds or balance toward additional affordability assistance, additional administration (up to the 20% cap) and/or any other emergent affordable housing opportunities that may arise during the Fourth Round.

SPENDING PLAN SUMMARY		
Balance as of May 1, 2025		\$302,936
PROJECTED REVENUE THROUGH 6/30/35		
Development fees	+	\$420,000
Payments in lieu of construction	+	\$0
Other funds	+	\$0
Interest	+	\$64,000
SUBTOTAL REVENUE	=	\$484,000
TOTAL REVENUE	=	\$786,936
EXPENDITURES		
Affordability Assistance	-	\$130,000
Administration	-	\$157,022
Other Emergent Opportunities	-	\$499,914
TOTAL PROJECTED EXPENDITURES	=	\$786,936
REMAINING BALANCE	=	\$0