Fourth Round Housing Element and Fair Share Plan

Township of Hopewell Cumberland County, New Jersey



Adopted May 21, 2025 Endorsed June 12, 2025



Housing Element and Fair Share Plan

Planning Board Township of Hopewell Cumberland County, New Jersey

Adopted May 21, 2025 Endorsed by the Township Committee June 12, 2025

Prepared by

M. Slang

Brian M. Slaugh, PP, AICP New Jersey Professional Planner License 3743 With the assistance of Isabel Rodriguez, PP, AICP New Jersey Professional Planner License 6554

CLARKE CATON HINTZ, PC 100 Barrack Street Trenton, New Jersey 08608 (609) 883-8383

A signed and sealed original is on file with the Township Clerk

Township Committee

Robin Freitag, Mayor Tom Tedesco, Vice Mayor David Miller, Committee Member Jeff Shimp, Committee Member Kelsey Bayzick, Committee Member

John Hitchner, Township Administrator Rosa Brambila, Township Clerk Matthew Ritter, Esq., Township Solicitor Steve J. Nardelli, PE, Township Engineer Jeffrey R. Surenian, Esq., Affordable Housing Counsel

Township Planning Board

Al Caggiano, Jr., Chair Paul Earnest, Vice Chair Tom Tedesco, Committee Member Jeff Shimp, Committee Member Ken Strait, Board Member - Liaison Env. Commission Lee Hepner, Board Member Diane Crispin, Board Member Betty Lewis, Board Member Judy Zirkle, Board Member Jamie Gaunt, Alternate Kyle Johnson, Alternate

David Elwell, Zoning Officer Justin White, Esq., Planning Board Solicitor Steve J. Nardelli, PE, Planning Board Engineer

Table of Contents

Introduction1
Brief History and Regional Location2
New Jersey Affordable Housing Judicial and Legislative Background
COAH's First and Second Rounds (1987-1999)4
COAH's Third Round and Related Judicial and Legislative Activity, (1999-2025)5
Third Round Judicial Activity5
Third Round Legislative Activity
The Fourth Round (2025-2035)7
Affordable Housing History of Hopewell Township8
Housing Element and Fair Share Plan Requirements8
Affordability Requirements12
Table 1. Sample 2024 Income Limits for Region 6
Table 2. Illustrative 2024 Maximum Affordable Gross Rents for Region 6
Table 3. Illustrative 2024 Maximum Affordable Sales Prices for Region 6
Housing Conditions
Table 4. Housing Units in Structure and Tenure of Occupant, 2023
Table 5. Housing Units by Age, 202314
Table 6. Number of Rooms per Housing Unit, 2023
Table 7. Number of Bedrooms per Housing Unit, 2023
Table 8. Value of Owner-Occupied Housing Units, 2013 and 2023
Table 9. Gross Rent by Housing Unit in Hopewell and Cumberland County, 202316
Table 10. Housing Affordability, 202317
Table 11. Indicators of Housing Deficiency, 2023
Population Characteristics
Table 12. Population Change, Hopewell and Cumberland County, 1950 to 2023 18
Table 13. Age of Population, 2013 to 202319
Household Characteristics
Table 14. Household Size of Occupied Units, Hopewell, 2023
Table 15. Household Composition, 2023
Table 16. Unit Size vs. Household Size, 2023
Income Characteristics22
Table 17. Household Income, Hopewell and Cumberland County, 2023

Table 18. Individual and Family Poverty Rates, 202323
Employment Characteristics23
Table 19. Employed Residents by Industry Sector, 2023
Table 20. Employed Residents by Occupation, 202324
Table 21. Change in Employment Since 201225
Table 22. Covered Employment Estimates in Hopewell and Cumberland County
Table 23. Top Ten Commuting Destinations for Hopewell Residents, 2022
Population Projections
Table 24. Population and Employment Estimates and Projections, 2020 to 206027
Table 25. Residential C.O.'s, Building Permits, and Demolition Permits Issued, 2013-2023 27
Consideration of Land for Affordable Housing28
Map 1. Hopewell Township Environmental Constraints
Map 2. Hopewell Township Farmland and Open Space
Hopewell Township's Affordable Housing Obligation
Affordable Housing Obligations
Table 26. Hopewell's Affordable Housing Obligations for the Fourth and Prior Rounds
Present Need Obligation
Prior Round Obligation
Hopewell Township's Means of Addressing its Affordable Housing Obligations
Map 3. Bridgeton City Water Distribution 40
Map 4. Hopewell Township Water and Sewer Service Areas
Map 5. Hopewell Township Existing Sewer System
Parameters for the Siting of Affordable Housing in Hopewell43
Satisfaction of the Prior Round Obligation44
Table 27. Hopewell Prior Round Formulas44
Table 28. Summary of Credits/Bonuses Addressing Prior Round Obligation
Satisfaction of the Third Round Obligation46
Table 29. Hopewell Third Round Formulas
Table 30. Summary of Credits/Bonuses Addressing Third Round Obligation47
Satisfaction of the Fourth Round Obligation
Table 31. Hopewell Fourth Round Formulas48
Table 32. Summary of Credits/Bonuses Addressing Fourth Round Obligation
Durational Adjustment Summation

Very Low-Income Units	
Table 33. Very Low-Income Obligation	
Table 34. Fourth Round Very Low-Income Formulas	
Income and Bedroom Distribution	50
Multigenerational Family Housing Continuity	
Cost Generation	
Monitoring	
Administration and Affirmative Marketing	
Development Fee Ordinance	
Spending Plan	
Conclusion	54

APPENDICES

Appendix A – Declaratory Judgment of the Township's Fourth Round Obligation and Binding Resolution
Appendix B – Order Confirming Hopewell's Fourth Round Obligations
Appendix C – Rehabilitation Documentation
Appendix D – Hopewell Place Crediting Documentation
Appendix E – Caring, Inc. 1 Oak Drive Group Home License and Survey
Appendix F – Devereux 198 Roadstown Road Group Home License and Survey
Appendix G – Affordable Housing Ordinance and Development Fee Ordinance
Appendix H – Draft Inclusionary Overlay District
Appendix I – Resolution Appointing Municipal Housing Liaison
Appendix J – Preliminary Fourth Round Affirmative Marketing Plan
Appendix K – Fourth Round Spending Plan



Hopewell Township Housing Element and Fair Share Plan

INTRODUCTION

The Housing Element and Fair Share Plan for Hopewell Township, Cumberland County, addresses its constitutional obligation to provide for affordable housing under the mandate of the *Mount Laurel Doctrine* established by the New Jersey Supreme Court beginning in 1975 and addressed legislatively in the New Jersey Fair Housing Act of 1985.¹ Together, the Housing Element and Fair Share Plan constitute the affordable housing plan for the Township of Hopewell. The Housing Element is a component of the Township's Master Plan for development and redevelopment, and the Fair Share Plan constitutes the means and documents designed to implement the Housing Element. Together, the two components are called the "housing plan" in this document.

The proposed Fourth Round HEFSP was prepared in accordance with <u>N.J.S.A</u>. 40:55D-28(b)(3) of the Municipal Land Use Law ("MLUL") and the mandatory requirements of a Housing Element under the recently amended New Jersey Fair Housing Act (P.L. 2024, c.2), relevant regulations of the New Jersey Council On Affordable Housing ("COAH"), and the Administrative Office of the Courts Directive #14-24. The Fourth Round Housing Element and Fair Share Plan also delineates the actions taken, and to be taken, by the Township to satisfy its affordable housing responsibilities under applicable laws. This Fourth Round Housing Element and Fair Share Plan will be submitted to the Affordable Housing Dispute Resolution Program and subsequently to Superior Court for a determination as to its compliance with the requirements.

There are four components to a municipality's affordable housing obligation: (1) the Present Need or Rehabilitation share, (2) the Prior Round obligation or the recalculated First and Second Round obligation, (3) the Third Round obligation which covers both the Gap Present Need (1999-2015) and Future Need for the period covering July 1, 2015 through June 30, 2025, and (4) the Fourth Round Prospective Need obligation for the period covering July 1, 2025 through June 30, 2035.

As determined in the Third Round and codified in the amended Fair Housing Act ("FHA"), Hopewell's obligations thus far consist of the following:

- Rehabilitation Share of o units;
- Prior Round obligation of 114; and
- A Third Round obligation of 95 units.

As noted, a municipality's Fourth Round affordable housing obligation has two components: (I) Present Need (Rehabilitation Share); and (2) Prospective Need. Pursuant to the amended FHA, the New Jersey Department of Community Affairs ("DCA") calculated these obligations on an advisory basis for all municipalities. Municipalities were able to either elect to accept

¹ - <u>N.J.S.A</u>. 52:27D-301 <u>et seq</u>.

the DCA's calculated obligations or to perform their own calculations based on the revised law. However, Hopewell Township decided to accept the DCA's numbers and its Township Committee adopted Resolution #2025-35 (Appendix A) on January 23, 2023, accepting a Fourth Round Present Need of 31 units and a Prospective Need of 67 units, bonuses and credits.

In sum, Hopewell's fair share is 307, consisting of a rehab component or present need of 31 and new construction component of 276 derived from adding together the prospective need obligations from Rounds 1 through 4.

Regarding the Present Need, Hopewell Township will continue its participation in the DCA's Small Cities Grant program for the rehabilitation of owner-occupied sub-standard dwellings and will expand its program to offer assistance to landlords for their rental units.

Hopewell Township will address its Prior Round, Third Round, and Fourth Round obligations through the following mechanisms: an existing 92-unit 100% affordable senior rental units, a total of nine bedrooms from two completed alternate living facilities, rental bonuses and a durational adjustment due to a lack of utility infrastructure.

BRIEF HISTORY AND REGIONAL LOCATION

Located in the northwestern corner of Cumberland County, Hopewell Township was founded in 1748 and incorporated in 1798, making it one of the original Townships in the state. At that time, Hopewell Township also included what would become the Third Ward of the City of Bridgeton. In 1848 this area became its own municipality known as Cohansey Township which was later annexed as part of the City of Bridgeton.

The Township, which has an area of approximately 31.2 square miles, borders Greenwich Township, Stow Creek Township, and Shiloh Borough to the west, Alloway Township in Salem County to the northwest, Upper Deerfield Township to the northeast, Bridgeton City to the east, and Fairfield Township to the south. The Cohansey River runs along the eastern and southern border of the Township, and many of its tributaries traverse through the Township to the east to its main branch.

At the time of its inception, the Township was sparsely populated and historically was in the Tenth of the divisions of New Jersey in the colonial era. The Township consisted of scattered farmsteads, primarily, and was still the home of groups of Lenni Lenape. The Township's development centered around agricultural activities, with early settlements in areas such as Roadstown, Bowentown, and Old Cohansey. Hopewell's 350 years of development can be viewed today as an area of modest suburban expansion of Bridgeton but which has otherwise maintained its rural, farming characteristics. Agriculture remains the predominant land use within the Township, with approximately 61 percent of its land in active agricultural use. Greater recognition of its location in a fragile ecosystem of the Delaware Bay Estuary and the Cohansey River watersheds has taken hold and much of this land has been restricted through state laws and regulations.

Adopted May 21, 2025

Hopewell is mainly located within the Rural Planning Area (PA-4) as designated by the State Development and Redevelopment Plan ("SDRP"). Though the State Plan is currently undergoing revisions, this designation is expected to continue. Portions of Hopewell next to Bridgeton are within the Metropolitan and Suburban Planning Areas (PA-1 and PA-2), while the southern boundary and portions of the eastern boundary are within the Environmentally Sensitive Planning Area (PA-5). In addition, the southern portion of the Township is subject to the state's Coastal Area Facility Review Act ("CAFRA") regulations. The Township consists of modest levels of suburban residential development dispersed between significant areas of agricultural production. Additional residential and commercial development is concentrated within the Township's Sewer Service Area to the east, near the border with Bridgeton and Upper Deerfield Township. Hopewell Place – the 92-unit 100% affordable senior rental development – is located within this area, south of Route 49 along Old Stage Coach Road.

In 1992, the Cumberland County Agriculture Development Board (CADB) preserved its first farm – a 187-acre farm located in Hopewell Township. According to the 2022 Cumberland County Farmland Preservation Plan, Hopewell Township ranks #1 in the amount of preserved farmland in Cumberland County, with 69 preserved farms covering 5,636 acres (25.4%) of all preserved farmland in the County as of November 2022.² To date, a total of 70 farms have been preserved in the Township, totaling 5,672 acres.³

The Township's population from the 2020 U.S. Census was 4,391, a decrease of 180, or 3.9% from the 2010 Census count of 4,571. This trend is similar to that of the County, which experienced a population decrease of 1.8% from 2010 to 2020. Additional demographic characteristics are found in the tables beginning on page 10. The tables are based on estimates from the American Community Survey⁴.

NEW JERSEY AFFORDABLE HOUSING JUDICIAL AND LEGISLATIVE BACKGROUND

In the 1975, in a case commonly referred to as <u>Mount Laurel I</u>⁵, the New Jersey Supreme Court ruled that developing municipalities have a constitutional obligation to provide a realistic opportunity for their fair share of the regional need for low and moderate income housing. In 1983, in a case commonly referred to as <u>Mount Laurel II</u>,⁶ the New Jersey Supreme Court eliminated the "developing municipality" standard and replaced it by imposing municipalities with "growth area" to create realistic opportunity for their fair share of affordable housing. "Growth area" is a designation in the State Development Guide Plan (SDGP), which has been superseded by the State Development and Redevelopment Plan (SDRP). <u>Mount Laurel II</u> also

² - Farmland Preservation Plan for the County of Cumberland, <u>https://www.nj.gov/agriculture/sadc/home/genpub/comprehensiveplans.html</u>, November 2022.

^{3 -} State Agriculture Development Committee, <u>https://www.state.nj.us/agriculture/sadc/farmpreserve/</u>, accessed April 25, 2025.

^{4 -} The American Community Survey replaced the long-form census as the source for much of the housing data necessary to complete this section. The census is a one-time count of the population while the ACS is an estimate taken over five years through sampling. For this reason, data in the ACS is subject to a larger margin of error than the U.S. Decennial Census.

^{5 -} Southern Burlington County NAACP v. Township of Mount Laurel, 67 N.J. 151 (1975)

⁶⁻ Southern Burlington County NAACP v. Township of Mount Laurel, 92 N.J. 158 (1983)

introduced a "builder's remedy" if a municipality was not providing of its fair share of affordable housing. A builder's remedy may permit a developer that is successful in litigation the right to develop what is typically a higher density multi-family project on land not zoned to permit such use, so long as a "substantial" percentage of the proposed units would be reserved for low- and moderate-income households. Mount Laurel II also created the "Judgment of Repose", which is an order of the Court declaring that the municipality is constitutionally compliant. A Judgment of Repose insulates a municipality from attack by any developer or non-profit that might claim the municipality is exclusionary.

In 1985, in response to the flood of builder's remedies precipitated by <u>Mount Laurel II</u> and a trial court decision establishing a methodology by which any developer could easily determine the fair share of any municipality, the New Jersey Legislature enacted the Fair Housing Act ("FHA").⁷ The FHA created the Council on Affordable Housing ("COAH") as an administrative body responsible for oversight of municipalities' affordable housing efforts, rather than having oversight go through the courts. The Legislature charged COAH with promulgating regulations (i) to establish housing regions; (ii) to estimate low- and moderate-income housing needs; (iii) to set criteria and guidelines for municipalities to use in determining and addressing their fair share obligations, and (iv) to create a process for the review and approval of municipal housing elements and fair share plans.

COAH's First and Second Rounds (1987-1999)

COAH created the criteria and regulations for municipalities to address their affordable housing obligations. COAH originally established a methodology for determining municipal affordable housing obligations for the six-year period between 1987 and 1993,⁸ which period became known as the First Round. This methodology established an existing need to address substandard housing that was being occupied by low- and moderate-income households (variously known as "present need" or "rehabilitation share"), and calculated future demand, to be satisfied typically, but not exclusively, with new construction ("prospective need" or "fair share").

The First Round methodology was superseded in 1994 by COAH's Second Round regulations.⁹ The 1994 regulations recalculated a portion of the 1987-1993 affordable housing obligations for each municipality and computed the additional municipal affordable housing need from 1993 to 1999 using 1990 census data. These regulations identified a municipality's cumulative obligations for the First and Second Rounds. Under regulations adopted for the Third Round, a municipality's obligation to provide affordable housing for the First and Second Rounds is referred to cumulatively as the Prior Round obligation.

Clarke Caton Hintz

^{7 - &}lt;u>N.J.S.A</u>. 52:27D-301 <u>et seq</u>.

⁸ - <u>N.J.A.C</u>. 5:92-1 <u>et seq</u>.

^{9 - &}lt;u>N.J.A.C</u>. 5:93-1.1 <u>et seq</u>.

Adopted May 21, 2025

COAH's Third Round and Related Judicial and Legislative Activity, (1999-2025)

The FHA had originally required housing rounds to be for a six-year period for the First and Second Rounds. In 2001, the time period increased to a 10-year period consistent with the Municipal Land Use Law ("MLUL"). In order to utilize 2000 census data, which hadn't yet been released, COAH delayed the start of the Third Round from 1999 to 2004, with the Third Round time period initially ending in 2014. In December 2004, COAH's first version of the Third Round rules¹⁰ became effective, and the 15-year Third Round *time period* (1999 – 2014) was condensed into an affordable housing *delivery period* from January 1, 2004, through January 1, 2014.

The 2004 Third Round rules marked a significant departure from the methods utilized in COAH's Prior Round. Previously, COAH assigned an affordable housing obligation as an absolute number to each municipality. These Third Round rules implemented a "growth share" approach that linked the production of affordable housing to residential and non-residential development in a municipality.

On January 25, 2007, a New Jersey Appellate Court decision¹¹ invalidated key elements of the first version of the Third Round rules, including the growth share approach, and the Court ordered COAH to propose and adopt amendments to its rules. COAH issued revised rules effective on June 2, 2008 (as well as a further rule revision effective on October 20, 2008), which largely retained the growth share approach.

Just as various parties had challenged COAH's initial Third Round regulations, parties challenged COAH's 2008 revised Third Round rules. On October 8, 2010, the Appellate Division issued its decision on the challenges.¹² The Appellate Division upheld the COAH Prior Round regulations that assigned rehabilitation and Prior Round numbers to each municipality. However, the Court invalidated the regulations by which the agency assigned housing obligations in the Third Round, again ruling that COAH could not allocate obligations through a growth share formula. Instead, the Appellate Division directed COAH to use methods similar to those used in the First and Second Rounds.

Third Round Judicial Activity

After various challenges were filed, on September 26, 2013, the New Jersey Supreme Court upheld the Appellate Court decision¹³ and ordered COAH to prepare the necessary rules. COAH failed to adopt new rules, and more challenges ensued.

On March 10, 2015, the New Jersey Supreme Court issued a ruling on Fair Share Housing Center's ("FSHC's") Motion in Aid of Litigant's Rights, which became known as <u>Mount Laurel</u>

¹⁰ - <u>N.J.A.C</u>. 5:94-1 and 5:95-1

¹¹ - <u>In re Adoption of N.J.A.C. 5:94 and 5:95</u>, 390 N.J. Super. 1 (2007)

¹² - <u>In re Adoption of N.J.A.C. 5:96 and 5:97, 4</u>16 N.J. Super. 462 (2010)

¹³- In re Adoption of N.J.A.C. 5:96 and 5:97 by New Jersey Council On Affordable Housing. 215 N.J. 578 (2013)

<u>IV</u>.¹⁴ In this decision, the Court declared COAH "moribund" and then transferred responsibility for reviewing and approving housing elements and fair share plans from COAH to designated <u>Mount Laurel</u> trial judges. In the wake of Mount Laurel IV, municipalities could apply to the Courts, instead of COAH, if they wished to be protected from exclusionary zoning lawsuits. The <u>Mount Laurel</u> trial judges, with the assistance of a Court-appointed Special Adjudicator, were tasked with reviewing municipal plans much in the same manner as COAH had done previously. When a Court determined an affordable housing plan to satisfy a municipality's affordable housing obligations, it entered a Judgment of Compliance and Repose, the court equivalent of COAH's substantive certification.

While the New Jersey Supreme Court's decision set a process in motion for towns to address their Third Round obligation, the decision did not assign those obligations. Instead, that was to be done by the trial courts. One judge issued an opinion that established a fair share methodology for certain towns in Mercer County. <u>In re Mun. of Princeton</u>, 480 <u>N.J. Super.</u> 70 (Law Div. 2018). However, most towns ultimately entered into settlement agreements to set their fair share obligations. The Court stated that municipalities should rely on COAH's Second Round rules (<u>N.J.A.C.</u> 5:93) and those components of COAH's 2008 regulations that were specifically upheld, as well as the FHA, in their preparation of Third Round housing elements and fair share plans.

On January 17, 2017, the New Jersey Supreme Court rendered a decision¹⁵ that found that the period between 1999 and 2015, now known as the "gap period," when no valid affordable housing regulations were in force, generated an affordable housing obligation. This obligation required an expanded definition of the municipal Present Need obligation to include the unaddressed housing needs of low- and moderate-income households that had formed during the gap period. This meant that the municipal affordable housing obligation would now comprise four components: Present Need (rehabilitation), Prior Round (1987-1999, new construction), Gap Need (1999-2015, new construction), and Prospective Need (Third Round, 2015 to 2025, new construction).

Third Round Legislative Activity

During the Third Round, the New Jersey Legislature amended the FHA in several ways. On July 17, 2008, P.L. 2008, c. 46, (referred to as the "Roberts Bill" or "A500") was enacted, amending the FHA in these key directions:

- It established a statewide 2.5% nonresidential development fee instead of requiring nonresidential developers to provide affordable housing;
- It eliminated new regional contribution agreements ("RCAs") as a compliance technique available to municipalities; previously a municipality could fund the transfer up to 50% of its fair share to so called "receiving" municipalities;

¹⁴ - <u>In re Adoption of N.J.A.C. 5:96 & 5:97</u>, 221 N.J. 1 (2015)

¹⁵ - <u>In Re Declaratory Judgment Actions Filed by Various Municipalities</u>, 227 N.J. 508 (2017)

- It added a requirement that 13% of all affordable housing units be restricted to very lowincome households, which it defined as households earning 30% or less of median income; and
- It added a requirement that municipalities had to commit to spend development fees within four years of the date of collection. This was later addressed in a Superior Court decision which found the four-year period begins at the time the Court has granted a Judgement of Compliance and Repose ("JOR").¹⁶

In July 2020, the State amended the FHA again to require, beginning in November 2020, that all affordable units that are subject to affirmative marketing requirements also be listed on the state's Affordable Housing Resource Center website.¹⁷ All affordable housing affirmative marketing plans are now required to include listing on the State Affordable Housing Resource Center website.

The Fourth Round (2025-2035)

The amendments to the FHA passed on March 20, 2024 (P.L. 2024 c.2) set forth the requirements in the law under which municipalities must address their affordable housing obligations in the Fourth Round and all subsequent rounds. The FHA Amendment in many ways represents a significant change from the means by which housing plans were previously devised. Highlights of the changes are as follows:

- Formally abolishes COAH;
- As noted in the introduction, required DCA to promulgate municipal obligations using the methodology set forth in the Act. These obligations are advisory, not binding;
- Established a timeline within which municipalities need to adopt and submit binding resolutions stipulating to their Fourth Round fair share obligations, in order for them to retain their immunity from exclusionary-zoning lawsuits;
- Required the New Jersey Housing and Mortgage Finance Agency ("HMFA") and DCA to update rules and standards governing affordable housing production, trust funds, and affordable housing administration;
- Established a Court-based Affordable Housing Dispute Resolution Program ("Program") that will be responsible for challenges to municipalities' affordable housing obligation determinations and compliance efforts;
- Established a longer control period 40 years, rather than 30 years for new affordable rental units;

¹⁶ - <u>In the Matter of the Adoption of the Monroe Township Housing Element and Fair Share Plan, and</u> <u>Implementing Ordinances</u>, 442 N.J. Super. 565 (2015)

¹⁷- <u>https://www.nj.gov/njhrc/</u>

- Changed the criteria for affordable housing bonuses, making various additional categories of affordable housing eligible for bonuses;
- Established a timeline within which municipalities need to take various steps toward adoption of a Housing Element and Fair Share Plan, in order for them to retain their immunity from exclusionary-zoning lawsuits;
- Established new reporting and monitoring procedures and deadlines for both affordable units and affordable housing trust funds, and assigns oversight for reporting and monitoring to DCA.

In addition, with the establishment of this new body with the court system, on December 18, 2024, the Administrative Office of the Courts issued Administrative Directive #14-24, which established procedures for implementation of the Program and for municipalities to file their Fourth Round Declaratory Judgment ("DJ") filings. As detailed under section covering requirements of an HEFSP, the Administrative Directive also set requirements for what must be included in a compliant Fourth Round HEFSP, though it created some conflicts with the FHA as amended in 2024.

This plan has been prepared to meet the requirements of the FHA as most recently amended, as well as the 2024 Administrative Directive and all applicable regulations.

AFFORDABLE HOUSING HISTORY OF HOPEWELL TOWNSHIP

Pursuant to the COAH Status and Information in the DCA website¹⁸, Hopewell Township did not participate in the NJ Fair Housing Act administrative process to address the Prior Round or the Third Round affordable housing obligation. The Township made an attempt to address its complete obligation under <u>N.J.A.C.</u> 5:95 and 5:95 until these rules were substantially invalidated in an Appellate Court Decision¹⁹. This decision ordered COAH to revise and repropose those rules. It was also about this time that the overall plan to address the Township's obligation through an advanced Transfer Development Rights ("TDR") Program that would also enhance its efforts to preserve farmland fell apart when expected funding from the state failed to materialize.

HOUSING ELEMENT AND FAIR SHARE PLAN REQUIREMENTS

In accordance with the Municipal Land Use Law (<u>N.J.S.A.</u> 40:55D-1 *et seq.*), a municipal master plan must include a housing plan element as the foundation for the municipal zoning ordinance (see <u>N.J.S.A.</u> 40:55D-28b(3)). Pursuant to the FHA (<u>N.J.S.A.</u> 52:27D-301 *et seq.*), a municipality's housing element must be designed to provide access to affordable housing to meet present and prospective housing needs, with particular attention to low- and moderate-

¹⁸ - DCA, <u>https://www.nj.gov/dca/dlps/hss/COAH.shtml</u>, accessed April 29, 2025.

¹⁹ - In Re Adoption of N.J.A.C. 5:94 and 5:95 by New Jersey Council on Affordable Housing, 390 N.J. Super. 1 (App. Div.) certif. denied, 192 N.J. 72.

income housing. Specifically, <u>N.J.S.A.</u> 52:27D-310 requires that the housing element contain at least the following:

- a. An inventory of the municipality's housing stock by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low- and moderate-income households and substandard housing capable of being rehabilitated;
- b. A projection of the municipality's housing stock, including the probable future construction of low- and moderate-income housing, for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development, and probable residential development of lands;
- c. An analysis of the municipality's demographic characteristics, including, but not necessarily limited to, household size, income level, and age;
- d. An analysis of the existing and probable future employment_characteristics of the municipality;
- e. A determination of the municipality's present and prospective fair share_of lowand moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share of low- and moderate-income housing, as established pursuant to section 3 of P.L. 2024, c.2 (C.52:27D-304.1);
- f. A consideration of the lands most appropriate for construction of low- and moderate-income housing_and of the existing structures most appropriate for conversion to, or rehabilitation for, low- and moderate-income housing, including a consideration of lands of developers who have expressed a commitment to provide low and moderate income housing;
- g. An analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of 23 section 1 of P.L.2021, c.273 (C.<u>52:27D</u>-329.20); and
- h. For a municipality located within the jurisdiction of the Highlands Water Protection and Planning Council, established pursuant to section 4 of P.L.2004, c.120 (C.<u>13:20-4</u>), an analysis of compliance of the housing element with the Highlands Regional Master Plan_of lands in the Highlands Preservation Area, and lands in the Highlands Planning Area for Highlands-conforming municipalities. This analysis shall include consideration of the municipality's most recent Highlands Municipal Build Out Report, consideration of opportunities for redevelopment of existing developed lands into inclusionary or 100 percent affordable housing, or both, and opportunities for 100 percent affordable housing

in both the Highlands Planning Area and Highlands Preservation Area that are consistent with the Highlands regional master plan; and

i. An analysis of consistency with the State Development and Redevelopment Plan, including water, wastewater, stormwater, and multi-modal transportation based on guidance and technical assistance from the State Planning Commission.

In addition to FHA requirements, this Fourth Round HEFSP has been prepared in compliance with the following requirements set forth by Administrative Directive #14-24, issued by the Administrative Office of the Courts on December 13, 2024:

- 1. One of the requirements for a final HEFSP is the inclusion of detailed site suitability analyses, based on the best available data, for each of the un-built inclusionary or 100 percent affordable housing sites in the plan as well as an identification of each of the sites that were proposed for such development and rejected, along with the reasons for such rejection.
- 2. The concept plan for the development of each of the selected sites should be overlaid on the most up to date environmental constraints map for that site as part of its analysis. When the detailed analyses are completed, the municipality can see what changes will be needed (either to the selected sites or to their zoning) to ensure that all of the units required by the settlement agreement will actually be produced. If it becomes apparent that one (or more) of the sites in the plan does not have the capacity to accommodate all of the development proposed for it, the burden will be on the municipality either to adjust its zoning regulations (height, setbacks, etc.) so that the site will be able to yield the number of units and affordable units anticipated by the settlement agreement or to find other mechanisms or other sites as needed to address the likelihood of a shortfall.
- 3. The final HEFSP must fully document the creditworthiness of all of the existing affordable housing units in its HEFSP and to demonstrate that it has followed all of the applicable requirements for extending expiring controls, including confirmation that all of the units on which the controls have been extended are code-compliant or have been rehabilitated to code-compliance, and that all extended controls cover a full 30-year period beginning with the end of the original control period. Documentation as to the start dates and lengths of affordability controls applicable to these units and applicable Affordable Housing Agreements and/or deed restrictions is also required. Additionally, the income and bedroom distributions and continued creditworthiness of all other existing affordable units in the HEFSP must be provided.
- 4. The HEFSP must include an analysis of how the HEFSP complies with or will comply with all of the terms of the executed settlement agreement. Once the HEFSP has been prepared, it must be reviewed by Fair Share Housing Center and the Program's Special Adjudicator for compliance with the terms of the executed

settlement agreement, the FHA and Uniform Housing Affordability Controls ("UHAC") regulations. The HEFSP must be adopted by the Planning Board and the implementation components of the HEFSP must be adopted by the governing body.

The HEFSP is supposed to include (in an Appendix) all adopted ordinances and resolutions needed to implement the HEFSP²⁰, including:

- 1. All zoning amendments (or redevelopment plans, if applicable).
- 2. An Affordable Housing Ordinance that includes, among other required regulations, its applicability to 100 percent affordable and tax credit projects, the monitoring and any reporting requirements set forth in the settlement agreement, requirements regarding very low income housing and very low income affordability consistent with the FHA and the settlement agreement, provisions for calculating annual increases in income levels and sales prices and rent levels, and a clarification regarding the minimum length of the affordability controls (at least 30 years, until the municipality takes action to release the controls).
- 3. The adoption of the mandatory set aside ordinance, if any, and the repeal of the existing growth share provisions of the code.
- 4. An executed and updated Development Fee Ordinance that reflects the court's jurisdiction.
- 5. An Affirmative Marketing Plan adopted by resolution that contains specific directive to be followed by the Agent in affirmatively marketing affordable housing units, with an updated COAH form appended to the Affirmative Marketing Plan, and with both documents specifically reflecting the direct notification requirements set forth in the settlement agreement.
- 6. An updated and adopted Spending Plan indicating how the municipality intends to allocate development fees and other funds, and detailing (in mini manuals) how the municipality proposes to expend funds for affordability assistance, especially those funds earmarked for very low income affordability assistance.
- 7. A resolution of intent to fund any shortfall in the costs of the municipality's municipally sponsored affordable housing developments as well as its rehabilitation program, including by bonding if necessary.
- 8. Copies of the resolution(s) and/or contract(s) appointing one or more Agent(s) and of the adopted ordinance creating the position of, and resolution appointing, the Municipal Affordable Housing Liaison.

²⁰ - This is a contradiction of the amended FHA, however, which requires draft ordinances.

9. A resolution from the Planning Board adopting the HEFSP, and, if a final Judgment is sought before all of the implementing ordinances and resolutions can be adopted, a resolution of the governing body endorsing the HEFSP.

AFFORDABILITY REQUIREMENTS

Affordable housing is defined under New Jersey's FHA as a dwelling, either for-sale or rent that is within the financial means of households of low or moderate income as income is measured within each housing region. Hopewell is in COAH's Region 6, which includes Atlantic, Cape May, Cumberland, and Salem Counties. These housing regions were established as part of the First Round rules. Moderate-income households are those with incomes exceeding 50% up to 80% of the regional median income. Low-income households are those with annual incomes 50% or less than regional median income. In 2008 the New Jersey Legislature created an additional sub-category of low income – very low-income – which has been defined as households with incomes 30% or less of the regional median income.

Through the UHAC regulations, which are administrative rules issued by HMFA in <u>N.J.A.C.</u> 5:80-26.1 <u>et seq</u>., the maximum rent for a qualified unit is required to be affordable to households that earn no more than 60% of the median income for the region. This is to account for the typical wage earner who over time gains more income and whose household then has a higher income compared to the regional median.

The average rent is required to be affordable to households earning no more than 52% of the median income. The maximum sale prices for affordable units is required to be affordable to households that earn no more than 70% of the median income and the average sale price affordable to a household that earns no more than 55% of the median income.

The regional median income is now defined in the amended FHA and continues to utilize the U. S. Department of Housing and Urban Development ("HUD") income limits on a regional basis. In the spring of each year HUD releases updated income limits which COAH used to reformulate slightly to match the housing regions. When COAH no longer was functioning, this job was taken over by the Affordable Housing Professionals of New Jersey, an association made up of persons who administer affordable housing programs for governments. This role by the AHPNJ was recognized by numerous judges in affordable housing cases and the organization's charts were specifically included in orders adjudicating settlements. The amended FHA now places this responsibility with DCA. It is from these income limits that the rents and sale prices for affordable units are derived. See Table 1 for 2024 income limits for Region 4 and Tables 2 and 3 for illustrative sale prices are illustrative and are gross figures which do not account for the specified utility allowance for rentals.

See Table 1 for 2024 income limits for Region 6.

Adopted May 21, 2025

Household Income Levels	1 Person Household	2 Person Household	3 Person Household	4 Person Household	5 Person Household	6 Person Household
Median	\$68,852	\$78,688	\$88,524	\$98,360	\$106,228	\$114,097
Moderate	\$55,081	\$62,950	\$70,819	\$78,688	\$84,983	\$91,278
Low	\$34,426	\$39,344	\$44,262	\$49,180	\$53,114	\$57,049
Very Low	\$20,655	\$23,606	\$26,557	\$29,508	\$31,868	\$34,229

Table 1. Sample 2024 Income Limits for Region 6

Source: 2024 Affordable Housing Regional Income Limits by Household Size, prepared by Affordable Housing Professionals of New Jersey (AHPNJ), April 2024.

Household Income Levels (% of Median Income)	1 Bedroom Unit Rent	2 Bedroom Unit Rent	3 Bedroom Unit Rent
Moderate (60%)	\$1,107	\$1,328	\$1,534
Low (50%)	\$922	\$1,107	\$1,279
Very Low (30%)	\$553	\$664	\$767

Source: Affordable Housing Professionals of New Jersey Affordable Housing General Rent Calculator, April 2024.

Household Income Levels (% of Median Income)	1 Bedroom Unit Price	2 Bedroom Unit Price	3 Bedroom Unit Price
Moderate (70%)	\$96,015	\$123,080	\$148,341
Low (50%)	\$57,351	\$76,683	\$94,726
Very Low (30%)	\$18,687	\$30,286	\$41,112

Source: Affordable Housing Professionals of New Jersey Affordable Housing General Sales Price Calculator, April 2024.

HOUSING CONDITIONS

The 2019-2023 American Community Survey ("ACS") estimates that Hopewell Township has approximately 1,779 housing units, with 172, or 9.7%, vacant. The Township's housing stock consists predominantly of single-family detached units (84.0%), but also contains some multi-family units (12.2%). The share of single-family detached units in the Township is higher than for Cumberland County (67.0%) and that of the state (52.7%). In addition, rental units comprise approximately 17.1% of total units, compared with 33.3% for the county and 33.4% for the state. See Table 4, <u>Housing Units and Tenure of Occupant</u>, for these details.

Adopted May 21, 2025

Number of Units	Owner Occupied	Percent of Total	Renter Occupied	Percent of Total	Vacant	Percent of Total	Total Occupied	Total Units	Percent of Total
1, Detached	1,298	73.0%	88	4.9%	109	6.1%	1,386	1,495	84.0%
1, Attached	7	0.4%	0	0.0%	0	0.0%	7	7	0.4%
2	0	0.0%	107	6.0%	0	0.0%	107	107	6.0%
3 or 4	0	0.0%	0	0.0%	0	0.0%	0	0	0.0%
5 to 9	0	0.0%	0	0.0%	0	0.0%	0	0	0.0%
10 or more	0	0.0%	85	4.8%	26	1.5%	85	111	6.2%
Other	0	0.0%	22	1.2%	37	2.1%	22	59	3.3%
Total	1,305	73.4%	302	17.0%	172	9.7%	1,607	1,779	100.0%

Table 4. Housing Units in Structure and Tenure of Occupant, 2023

Source: 2019-2023 American Community Survey 5-Year Estimate (B25032, DP04)

Table 5, <u>Occupied Housing Units by Year Built</u>, illustrates the age of the Township's housing stock. Slightly more than one-third (36.2%) of the Township's housing stock was built prior to 1960. The Township's housing stock grew the most rapidly from 1960 to 1999, when more than half (53.7%) of units were constructed, with the rate of housing construction declining in subsequent decades.

Year Built	Total Units	Percent	Owner	Renter
2020 or later	0	0.0%	0	0
2010 to 2019	33	2.1%	33	0
2000 to 2009	130	8.1%	130	0
1980 to 1999	432	26.9%	385	47
1960 to 1979	431	26.8%	354	77
1940 to 1959	435	27.1%	280	155
1939 or earlier	146	9.1%	123	23
Totals	1,607	100.0%	1,305	302
Median Year Built	1969		1974	1958

Table 5. Housing Units by Age, 2023

Source: 2019-2023 American Community Survey 5-Year Estimate (Tables DP04, B25036, B25037)

Table 6, <u>Number of Rooms per Housing Unit</u>, shows that, of the housing stock in Hopewell Township, 67.0% of units have between four and six rooms, 18.9% of homes have seven or eight rooms, and 9.0% have nine or more rooms. The data from this table indicate that the housing stock in Hopewell is, on average, large in size as more than half (54.9%) of housing in the Township contains six or more rooms. Further information on bedroom count details is found in Table 7, <u>Number of Bedrooms per Housing Unit</u>.

Rooms	Number of Units	Percent of Total
1	22	1.2%
2	15	0.8%
3	54	3.0%
4	270	15.2%
5	441	24.8%
6	481	27.0%
7	136	7.6%
8	200	11.2%
9+	160	9.0%
Total	1,779	100.0%
Median	5.7 Rooms	

Table 6. Number of Rooms per Housing Unit, 2023

Source: 2019-2023 American Community Survey 5-Year Estimate (Table DPo4)

Table 7. Number of Bedrooms per Housing Unit, 2023

Bedrooms	Number of Units	Percent of Total
Efficiency	22	1.2%
1	84	4.7%
2	337	18.9%
3	1,093	61.4%
4	200	11.2%
5+	43	2.4%
Total	1,779	100.0%

Source: 2019-2023 American Community Survey 5-Year Estimate (Table DP04)

Table 8, <u>Value of Owner-Occupied Housing Units</u>, shows that the median home value in Hopewell increased approximately 31.1% between 2013 and 2023. Similarly, Cumberland County saw an increase (21.7%) in median home values over the same period. The Township also had higher median values than the county in both 2013 (\$188,600 vs. \$168,900) and 2023 (\$247,200 vs. \$205,600). Although the overall number of owner-occupied units decreased from 2013 to 2023, the number of housing units valued between \$300,000 and \$499,999 more than doubled (160.2%).

Based on the 2024 Illustrative Sales Prices for Affordable Housing, approximately 61 (4.7%) of owner-occupied housing units in Hopewell Township may be affordable to very low-income households. Meanwhile, approximately 137 (10.5%) units (depending on the number of rooms in the unit) may be affordable to low- and moderate-income households. In total, 198 owner-occupied units in the Township, or 15.2%, may be affordable to very low-, low- and moderate-income households.

Adopted May 21, 2025

Housing Unit Value	2013 Units	Percent	2023 Units	Percent
Less than \$50,000	62	4.5%	61	4.7%
\$50,000 to \$99,999	118	8.5%	0	0.0%
\$100,000 to \$149,999	152	10.9%	137	10.5%
\$150,000 to \$199,999	481	34.6%	193	14.8%
\$200,000 to \$299,999	421	30.3%	577	44.2%
\$300,000 to \$499,999	118	8.5%	307	23.5%
\$500,000 to \$999,999	29	2.1%	30	2.3%
\$1,000,000 or more	10	0.7%	0	0.0%
Total	1,391	100.0%	1,305	100.0%
Median Value	\$188	,600	\$247,200	

Table 8. Value of Owner-Occupied Housing Units, 2013 and 2023

Sources: 2009-2013 and 2019-2023 American Community Survey 5-Year Estimate (Table DP04)

Rents in Hopewell Township are generally similar to those in Cumberland County, with 65.9% of units in Hopewell renting for less than \$1,500 per month, and 67.2% of units in Cumberland County renting for that price. The median rent in Hopewell in 2022 was \$1,295, compared to \$1,254 across Cumberland County.

Based on 2024 Illustrative Rents for Affordable Housing, approximately 92 units, or 30.5%, may be affordable to very low-income renters, and 199 units, or 65.9%, may be affordable to low-income renters, depending on the number of bedrooms being rented. Meanwhile, approximately 107 units (35.4% of rental units) may be affordable to moderate-income renters, exclusive of those units affordable to lower-income groups. In total, approximately 199 rental units, or 65.9% of all renter-occupied housing units, may be affordable to very low-, low- and moderate-income households. See Table 9, <u>Gross Rent by Housing Unit in Hopewell and Cumberland County.</u>

Gross Rent	Units in Hopewell	Percent of Total	Units in Cumberland County	Percent of Total
Less than \$500	13	4.3%	2,060	11.2%
\$500 to \$999	79	26.2%	3,166	17.2%
\$1,000 to \$1,499	107	35.4%	7,115	38.7%
\$1,500 to \$1,999	-	0.0%	4,021	21.9%
\$2,000 to \$2,499	38	12.6%	829	4.5%
\$2,500 to \$2,999	-	0.0%	312	1.7%

 Table 9. Gross Rent by Housing Unit in Hopewell and Cumberland County, 2023

	Units in	Percent of	Units in Cumberland	Percent of
Gross Rent	Hopewell	Total	County	Total
\$3,000 or more	-	0.0%	105	0.6%
No cash rent	65	-	767	-
Total	302	100.0%	18,375	100.0%
Median Rent	\$1,295		\$1,254	

Sources: Table B25063 Gross Rent; Table B25064 Median Gross Rent (Dollars), ACS 2019-2023

Housing is generally considered to be affordable if the costs of rents, mortgages, and other essential costs consume 28% or less of an owner-household's income or 30% or less of a renter-household's income. (Homeowner rates are lower to account for the additional home maintenance costs associated with ownership.)

Monthly Housing Costs as Percent of Income	Owner- Occupied	% of Total	Renter	% of Total	All Occupied	% of Total
Less than 20 Percent	749	48.9%	16	1.0%	765	49.9%
20 to 29 Percent	159	10.4%	63	4.1%	222	14.5%
30 Percent or More	397	25.9%	149	9.7%	546	35.6%
Zero/Negative Income	0	0.0%	9	0.6%	9	0.6%
No Cash Rent	0	0.0%	65	4.2%	65	4.2%
Total*	1,305	85.1%	228	14.9%	1,533	100.0%

Table 10. Housing Affordability, 2023

*Units with no mortgage, no cash rent, or no positive income are excluded. *Source:* Table S2503 Financial Characteristics, ACS 2017-2022.

In 2023, no housing units were thought to lack adequate plumbing and kitchen facilities, and no housing units were estimated to have more than one occupant per room. There were 1,402 units that were 50+ years old.

Table 11. Indicators of Housing Deficiency, 2023

Indicator	Incomplete	Incomplete	Crowded or Overcrowded,
	Plumbing	Kitchen	and Built Pre-1950
Number of Units	0	0	0

Source: 2019-2023 American Community Survey 5-Year Estimate (B25050)

POPULATION CHARACTERISTICS

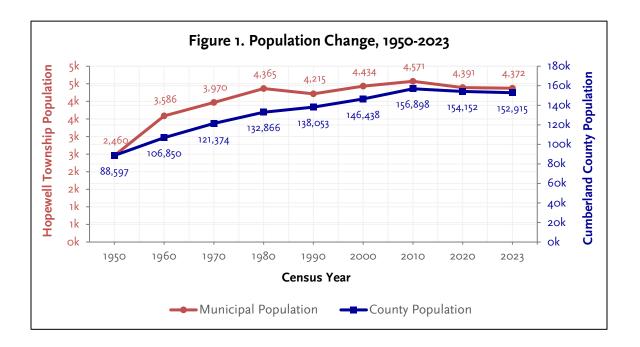
Between 1950 and 2023, the population of Hopewell saw its biggest increase from 1950 to 1960, where the population grew by 45.8%. Similarly, Cumberland County saw its biggest

increase during the same period, with a population increase of 20.6%. Both the Township and the County experienced a steady increase in subsequent years up to 2010, with the exception of Hopewell's 3.4% population decline in 1990. From 2010 to 2020, Hopewell and Cumberland County experienced a population decline of 3.9% and 1.8%. This downward trend continued from 2020 to 2023, where both the Township and County experienced population declines. See Table 12 and Figure 1, <u>Population Change</u>.

Year	Hopewell	Change since Last Census (%)	Cumberland County	Change Since Last Census (%)
1950	2,460	-	88,597	-
1960	3,586	45.8%	106,850	20.6%
1970	3,970	10.7%	121,374	13.6%
1980	4,365	9.9%	132,866	9.5%
1990	4,215	-3.4%	138,053	3.9%
2000	4,434	5.2%	146,438	6.1%
2010	4,571	3.1%	156,898	7.1%
2020	4,391	-3.9%	154,152	-1.8%
2023	4,372	-0.4%	152,915	-0.8%

 Table 12. Population Change, Hopewell and Cumberland County, 1950 to 2023

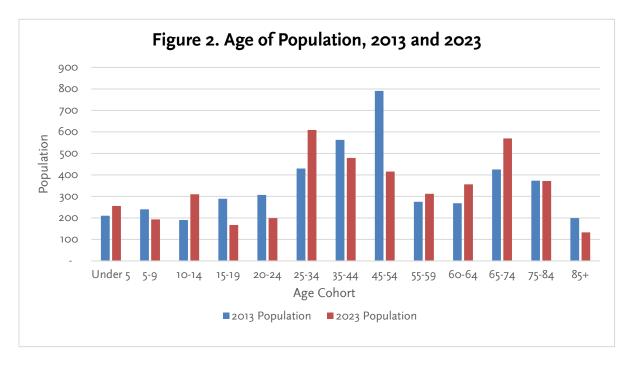
Source: U.S. Decennial Censuses 1950-2020; 2019-2023 American Community Survey 5-Year Estimate (B01003)



Between 2013 and 2023, there was a large decrease in the number of Hopewell residents between the ages 35 and 54 (62.3%). The largest growth was in the age 10-14 cohort, whose population grew 63.2% between 2013 and 2023. The second largest growth was residents approaching or at retirement age – *i.e.*, residents between ages 60 and 74 (67.0%). However, there were substantial decreases in the younger cohort, with residents between 15 and 24 years representing the largest decline (77.4%). The combination of these changes brought the median age slightly down from 45.8 to 44.4 years from 2013 to 2023. See Table 13 and Figure 2, <u>Age of Population</u>, for additional detail.

Age in Years	2013	Percent of Total	2023	Percent of Total	Cohort Change
Under 5	210	4.6%	256	5.9%	21.9%
5-9	240	5.3%	193	4.4%	-19.6%
10-14	190	4.2%	310	7.1%	63.2%
15-19	289	6.3%	167	3.8%	-42.2%
20-24	307	6.7%	199	4.6%	-35.2%
25-34	430	9.4%	609	13.9%	41.6%
35-44	563	12.3%	479	11.0%	-14.9%
45-54	791	17.3%	416	9.5%	-47.4%
55-59	275	6.0%	312	7.1%	13.5%
60-64	268	5.9%	356	8.1%	32.8%
65-74	425	9.3%	570	13.0%	34.1%
75-84	373	8.2%	372	8.5%	-0.3%
85+	199	4.4%	133	3.0%	-33.2%
Total	4,560	100.0%	4,372	100.0%	-4.1%
Median Age	45	5.8	44	ŀ.4	

Table 13. Age of Population, 2013 to 2023



Source: 2019-2023 American Community Survey 5-Year Estimate (DPo5)

There do not appear to be obvious reasons for such divergent changes in age cohorts, such as the closing of a school, of the closing or opening of employment centers either in Hopewell or the region.

HOUSEHOLD CHARACTERISTICS

A household is defined by the U.S. Census Bureau as those people who occupy a single room or group of rooms constituting a housing unit, who may or may not be related. Hopewell Township's households primarily consist of smaller households, with 63.7% one or two person households in 2013 and nearly 70% one or two person households in 2023. This is higher than Cumberland County's share of one or two person households in 2013 (56.2%) and nearly 60% in 2023. This general trend is also reflected in the average household size, where the Township and County's average household size in 2013 (2.63 vs. 2.86) decreased in 2023 (2.57 vs 2.68). See Table 14, <u>Household Size of Occupied Units</u>.

Household Size	2013		2023	
(Persons per Household)	Units	Percent	Units	Percent
1 Person	357	21.9%	487	30.3%
2 Persons	680	41.7%	622	38.7%
3 Persons	264	16.2%	89	5.5%
4+ Persons	328	20.1%	409	25.5%
Total	1,629	100.0%	1,607	100.0%
Average Household Size (persons)	2.63		2.57	

Table 14. Household Size of Occupied Units, Hopewell, 2023

Sources: Table S1101 and Table S2501, U.S. Census Bureau 2009-2013 and 2019-2023 American Community Survey Five-Year Estimates

As a subset of households, a family is identified as a group of people including a householder and one or more people related by blood, marriage or adoption, all living in the same household. In 2023, there were an estimated 1,607 households in Hopewell Township. Approximately 54.7% of the households are married couples, with or without children. Approximately 36.0% of the Township's households are non-family households, which include individuals living alone. See Table 15, <u>Household Composition</u>.

Household Type	Number of Households	Percent
Family households	1,028	64.0%
Married-couple family	879	54.7%
With Children	216	13.4%
With No Children	663	41.3%
Male householder, no spouse present	69	4.3%
Female householder, no spouse present	80	5.0%
Nonfamily households	579	36.0%
Householder living alone	487	30.3%
Total Households	1,607	100.0%

Table 15. Household Composition, 2023

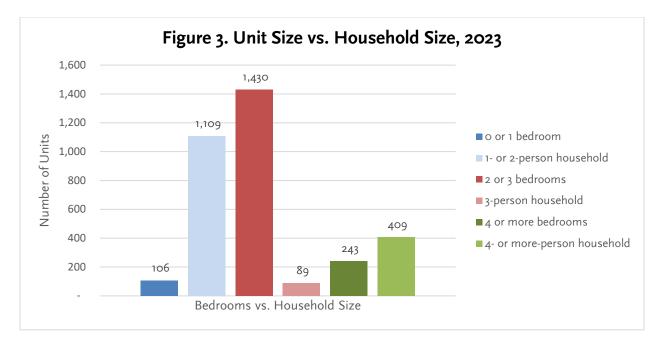
Source: 2019-2023 American Community Survey 5-Year Estimate (S2501 and DP05)

When the number of bedrooms in a unit (from Table 7 above) is considered vs. the size of households in Hopewell, there appears to be a mismatch: There are significantly more smaller households (three people or fewer; 74.5% of all households) than there are smaller units (one or two bedrooms; 24.9% of all units). This comparative shortage of smaller homes may be forcing some empty nesters and young adults without children to consider other locations

when seeking smaller-sized housing, or to occupy housing that is larger than their needs. Table 16 and Figure 3, <u>Unit Size vs. Household Size</u> provide more detail.

Unit Size	Number of Units	Percent of Total Units	Household Size	Number of Households	Percent of Total Households
o or 1 bedroom	106	6.0%	1 Person	487	30.3%
2 bedrooms	337	18.9%	2 Persons	622	38.7%
3 bedrooms	1,093	61.4%	3 Persons	89	5.5%
4 or more bedrooms	243	13.7%	4+ Persons	409	25.5%
Total	1,779	100.0%	Total	1,607	100.0%

Sources: Table DP04, S1101 and S2501, U.S. Census Bureau 2019-2023 American Community Survey Five-Year Estimates



INCOME CHARACTERISTICS

Households and families in Hopewell have, on average, higher incomes than households in Cumberland County overall. Median income in 2023 in Hopewell was \$87,083 for households and \$122,361 for families; comparable figures for the county were \$64,499 for households and \$76,482 for families. Table 17, <u>Household Income</u>, further illustrates these findings. The Township's poverty rates for individuals and families (4.9% and 6.1%, respectively) are less

than the individual and family poverty rates for the county (11.8% and 15.5%, respectively). See Table 18, <u>Individual and Family Poverty Rates</u>, for the comparison.

Household Income	Hopewell	Percent	Cumberland	Percent
Less than \$10,000	41	2.6%	3,042	5.7%
\$10,000-\$14,999	48	3.0%	2,629	4.9%
\$15,000-\$24,999	71	4.4%	4,612	8.6%
\$25,000-\$34,999	240	14.9%	4,405	8.3%
\$35,000-\$49,999	86	5.4%	5,942	11.1%
\$50,000-\$74,999	198	12.3%	9,421	17.7%
\$75,000-\$99,999	172	10.7%	6,545	12.3%
\$100,000-\$149,999	351	21.8%	8,829	16.6%
\$150,000-\$199,999	221	13.8%	4,009	7.5%
\$200,000+	179	11.1%	3,907	7.3%
Total	1,607	100.0%	53,341	100.0%
Median Income	\$87	\$87,083		499

Table 17. Household Income, Hopewell and Cumberland County, 2023

Sources: Table DP04, S1101 and S2501, U.S. Census Bureau 2019-2023 American Community Survey Five-Year Estimates

Table 18. Individual and Family Poverty Rates, 2023

Government	Families	Individuals
Township of Hopewell	4.9%	6.1%
Cumberland County	11.8%	15.5%

Source: Tables S1702 and DP03, Poverty Status in Past 12 Months, ACS 2019-2023.

EMPLOYMENT CHARACTERISTICS

Table 19, <u>Employed Residents by Industry Sector</u>, shows the distribution of employment by industry for employed Hopewell Township residents. The four industries that employ the largest segments of the population were the education, health and social services industry at 28.6%; manufacturing at 14.1%; retail trade at 12.1%; and public administration at 9.6%.

Adopted May 21, 2025

Industry	Number	Percent
Agriculture, Forestry, Fishing and Hunting, and Mining	81	3.6%
Construction	140	6.2%
Manufacturing	315	14.1%
Wholesale Trade	105	4.7%
Retail Trade	272	12.1%
Transportation, Warehousing, and Utilities	49	2.2%
Information	-	0.0%
Financing, Insurance, Real Estate, Renting, and Leasing	143	6.4%
Professional, Scientific, Management, Administrative, and Waste Management Services	84	3.7%
Educational, Health and Social Services	640	28.6%
Arts, Entertainment, Recreation, Accommodation and Food Services	92	4.1%
Other	105	4.7%
Public Administration	215	9.6%
Total	2,241	100.0%

Table 19. Employed Residents by Industry Sector, 2023

Source: Table DPO3 Selected Economic Characteristics, ACS 2019-2023

Table 20, <u>Employed Residents by Occupation</u>, identifies the occupations of employed residents of Hopewell. While Township residents work in a variety of industries, 43.5% of employed residents work in management, business, science, and arts and 25.0% are employed in sales and office occupations.

Occupation	Number	Percent
Management, Business, Science, Arts	974	43.5%
Service	289	12.9%
Sales and Office	560	25.0%
Natural Resources, Construction, Maintenance	177	7.9%
Production, Transportation, Material Moving	241	10.8%
Total	2,241	100.0%

Table 20. Employed Residents by Occupation, 2023

Source: Table DPO3 Selected Economic Characteristics, ACS 2019-2023

The size of Hopewell's labor force has fluctuated between 2012 and 2023, with the highest number of employed residents in 2014. Contrastingly, the highest unemployment rate in the Township was also in 2014 (9.8%), which effectively means that year had the highest level of persons in the work force. The unemployment rate has steadily decreased until 2022. The

Township's unemployment rate rose from 2.6% in 2022 back up to 4.0% in 2023. Table 21, <u>Change in Employment</u>, illustrates these trends.

				Unemployment
Year	Labor Force	Employed	Unemployed	Rate
2012	2,444	2,242	202	8.3%
2013	2,373	2,159	214	9.0%
2014	2,430	2,191	239	9.8%
2015	2,341	2,179	162	6.9%
2016	2,247	2,103	144	6.4%
2017	2,304	2,144	160	6.9%
2018	2,262	2,137	125	5.5%
2019	2,251	2,162	89	4.0%
2020	2,131	2,033	98	4.6%
2021	2,127	2,059	68	3.2%
2022	2,220	2,163	57	2.6%
2023	2,334	2,241	93	4.0%

 Table 21. Change in Employment Since 2012

Source: Table DPO3 Selected Economic Characteristics, ACS 2019-2023

In contrast to Table 21, which indicates an estimate of the number of persons employed who are Hopewell residents, Table 22, <u>Covered Employment Estimates in Hopewell and Cumberland County</u>, is intended to show how many jobs are available in the municipality – at least those jobs that are "covered" by unemployment insurance. It does not include the self-employed, unpaid family workers, most part-time or temporary employees, or certain agricultural and in-home domestic workers. In 2012, the number of working-age residents in Hopewell was 99.8% higher than the number of jobs available in the Township. By 2022, that number decreased to 78.2%, as the number of working-age residents decreased and the number of jobs within Hopewell Township increased 1.9%. See Table 22, <u>Covered Employment Estimates in Hopewell and Cumberland County</u>, for additional detail.

Year	Hopewell	Cumberland County	Hopewell as % of Cumberland County
2012	1,223	55,115	2.2%
2022	1,246	57,823	2.2%

Source: U.S. Census Bureau, Center for Economic Studies, On The Map Application, 2022 Work Area Profile Analysis, <u>http://onthemap.ces.census.gov</u>

The most common commuting destination of employed residents of Hopewell is to neighboring Bridgerton City (14.1%), followed by workers commuting to neighboring Vineland City (12.7%). As shown in Table 23, <u>Top Ten Commuting Destinations for Hopewell</u> <u>Residents</u> below, the majority of top employment destinations for residents are within Cumberland County.

Destination	Jobs	Percent
Bridgeton City (Cumberland, NJ)	300	14.1%
Vineland City (Cumberland, NJ)	270	12.7%
Hopewell Township (Cumberland, NJ)	235	11.0%
Upper Deerfield Township (Cumberland, NJ)	99	4.6%
Millville City (Cumberland, NJ)	80	3.7%
Trenton City (Mercer, NJ)	54	2.5%
Harrison Township (Gloucester, NJ)	37	1.7%
Deerfield Township (Cumberland, NJ)	29	1.4%
Fairfield Township (Cumberland, NJ)	29	1.4%
Pittsgrove Township (Salem, NJ)	25	1.2%
All Other Locations	976	45.7%
Total	2,134	100.0%

 Table 23. Top Ten Commuting Destinations for Hopewell Residents, 2022

Source: U.S. Census Bureau, Center for Economic Studies, On The Map Application, 2022 Work Destination Analysis, http://onthemap.ces.census.gov

POPULATION PROJECTIONS

The South Jersey Transportation Planning Organization (SJTPO), the Metropolitan Planning Organization area that includes Hopewell Township as well as the remainder of Cumberland County, published population and employment projections for the year 2060. SJTPO projects that the Township's population will decrease by 9.1%, a higher decrease than the county's projected population decrease of 7.8%. SJTPO also projects the number of jobs available in the Township will increase by 11.8%, a lower rate than the county's projected 13.6%, between 2020 and 2060. Table 24, <u>Population and Employment Estimates and Projections</u>, provides more information.

POPULATION					
Hopewell Population 2020	Township 2060	Percent Change 2020-2060	Cumberland County 2020	Cumberland County 2060	Percent Change 2020-2060
4,391	4,000	-9.1%	154,200	142,200	-7.8%
EMPLOYMEN	ſ				
Hopewell Employment 2020	Township 2060	Percent Change 2020-2060	Cumberland County 2020	Cumberland County 2060	Percent Change 2020-2060
1,700	1,900	11.8%	73,400	83,400	13.6%

Table 24. Population and Employment Estimates and Projections, 2020 to 2060

Source: South Jersey Transportation Planning Organization, <u>Population and Household Projections 2020-2060</u> and <u>Employment Projections 2020-2060</u>.

The Fair Housing Act requires that housing plans include a 10-year projection of new housing units based on the number of certificates of occupancy, development applications approved, probable developments, as well as other indicators deemed appropriate (*N.J.S.A.* 52:27D-310.b). Annual certificate of occupancy issuance for residential construction in Hopewell Township during the years 2013 through 2023 averaged approximately 1.5 units. Additionally, an average 1.0 demolition permits have been issued from 2013 to 2023. As a result, the average net new units per year is 0.5 in Hopewell. Based on trends, and with an anticipated 49-unit development expected in the next two years, Hopewell Township could expect to gain approximately 54 units by the year 2033. See Table 25, <u>Residential C.O.'s, Building Permits, and Demolition Permits Issued</u>.

Year	Building Permits	Certificates of Occupancy Issued	Demolition Permits Issued	Net New Housing Units
2013	0	0	3	-3
2014	1	0	1	-1
2015	3	2	1	1
2016	1	1	1	0
2017	1	1	0	1
2018	0	0	2	-2
2019	2	0	1	-1
2020	1	2	1	1
2021	4	2	1	1
2022	2	3	0	3
2023	12	6	0	6

Year	Building Permits	Certificates of Occupancy Issued	Demolition Permits Issued	Net New Housing Units
Total	27	17	11	6
Annual Average	2.5	1.5	1.0	0.5
10-Year Projection				5; 54 with 49- unit project

Source: NJDCA <u>Construction Reporter</u>, Building Permits and Demolition Permits Yearly Summary data, and Housing Units Authorized by Certificates of Occupancy for New Construction.

Based on Table 25, the trend is for an additional 54 more net new housing units in the Fourth Round unless an enterprising person or entity can solve the water supply problem.

CONSIDERATION OF LAND FOR AFFORDABLE HOUSING

Land available for the construction of affordable housing in Hopewell Township is limited by environmental constraints, such as the presence of wetlands. Available land appropriate for affordable housing is further subject to the limited additional firm water and sewer capacity approved by the New Jersey Department of Environmental Protection ("NJDEP"). Land appropriate for the higher density required to develop inclusionary housing can only be found within the designated Sewer Service Area ("SSA") of the municipality. This density is a minimum of six units per acre utilizing <u>N.J.A.C.</u> 5:93-5.6(c)2. A lengthy discussion on this issue is found under the overall heading of addressing the Fourth Round Prospective Need, in the section, Lack of Infrastructure and Realistic Development Potential starting on page 36. In addition, there is no public water infrastructure in Hopewell, which makes the development of dwellings on lots less than three-quarters of an acre difficult and expensive, is also discussed in this section. As of this date, no developers have expressed interest, let alone a commitment to providing affordable housing, for at least the past two decades.

According to NJDEP's 2020 Land Use Land Cover ("LULC") data, approximately 12% of Hopewell's total acreage is constrained by wetlands, and a few areas adjacent to such wetlands are constrained by steep slopes. A major river and significant stream flow through the Hopewell Township – the Cohansey River to the east and south that empties into Delaware Bay and Barrett Run that flows east and enters the Cohansey north of Bridgeton. Additionally, several tributaries from the Cohansey River traverse through the Township to the west, a few of which are Category One (C-I) streams to the north. Map I, <u>Environmental Constraints</u>, on following page 29, depicts environmentally sensitive lands.

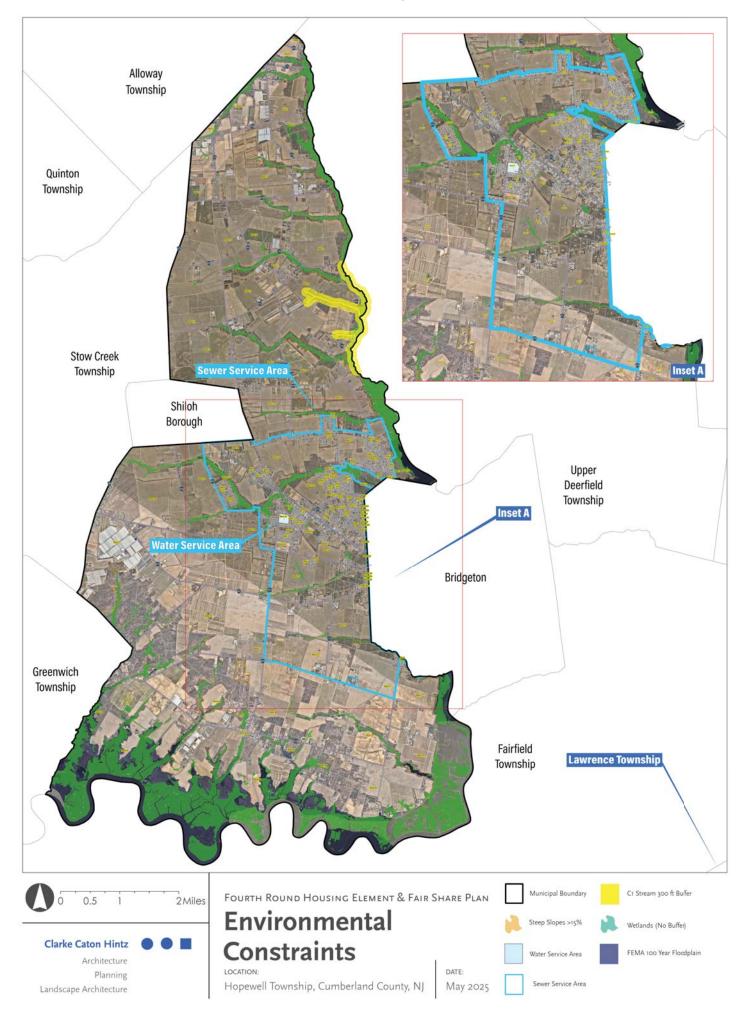
Only about 10% of the Township's land is currently classified as developed or urbanized. As previously discussed, agriculture remains a predominant land us in the Township, with over 12,000 acres (nearly 61%) of the land in active agricultural use, approximately 47% (5,672 acres²¹) of which is preserved farmland (see Map 2, <u>Farmland and Open Space)</u>. Hopewell

²¹ - State Agriculture Development Committee, <u>https://www.state.nj.us/agriculture/sadc/farmpreserve/</u>, accessed April 25,2025.

Adopted May 21, 2025

has the largest absolute amount of land that is preserved farmland in Cumberland County. Any substantial development in this area would be inconsistent with the State Development and Redevelopment Plan since these lands are on Planning Areas 4 and 5 which are not intended for growth.

CUM-L-000064-25 05/22/2025 4:19:32 PM Pg 36 of 46 Trans ID: LCV20251573246



CUM-L-000064-25 05/22/2025 4:19:32 PM Pg 37 of 46 Trans ID: LCV20251573246



Adopted May 21, 2025

Fair Share Plan

HOPEWELL TOWNSHIP'S AFFORDABLE HOUSING OBLIGATION

This part of the Housing Element and Fair Share Plan describes how Hopewell intends to meet the affordable housing obligations that have been allocated to it in the Fourth Round. As noted previously, the obligations are two-fold: a Present Need obligation and a Prospective Need obligation. Present Need has also been called the "Rehabilitation Share" and Prospective Need has been called "Future Need" and in a portion of the Third Round even "Gap Present Need". The Present Need obligation is reset with each round of affordable housing obligation based on census data. The number of deficient housing units is statistically determined based on certain parameters to estimate those that are occupied by low- and moderate-income households.

The Prospective Need obligation is cumulative in that it includes the obligations from all prior rounds (First, Second and Third) as well as the Fourth Round that this housing plan primarily addresses. The concept behind Prospective Need is that there is an anticipated growth in the population in each housing region in New Jersey in between 2025 and 2035 which will be composed of persons in households and each of those households will require housing. A certain percentage of those households have incomes that meet the definition of low or moderate incomes. Definitionally, it is 40% of households, though statistically it tends to be slightly higher and typically is found by demographers to be between 41% and 42% of all households. The amended Fair Housing Act set a formula as to the number of households which has been calculated by various of individuals and organizations. All agree that the formula establishes a Statewide obligation of 84,698 of which Region 6's share is 1,889. The formula established by the Amended FHA requires an allocation of this regional share to all of the municipalities in the region, which consists of Salem, Cumberland, Atlantic and Cape May Counties.

The amended FHA directed the DCA to create a methodology for allocating the Prospective Need obligation for the Fourth Round. Unlike COAH's allocation of such numbers, the law made DCA's acceptance of the obligations by a municipality voluntary. The Township Committee decided to accept the DCA obligations of 31 Units of Present Need and 67 Units of Prospective Need and adopted Resolution 2025-35, making a binding declaration as to these numbers and authorizing its filing of a declaratory judgment action in accordance with the amended FHA. The resolution is attached as Appendix A, adopted on January 23, 2025. Special Counsel, Jeffrey Surenian, Esq., filed it with Superior Court on January 24, 2025 in accordance with the law requiring such filing within 48 hours of the resolution's adoption. The Township has been assigned docket number CUM-L-64-25 for Fourth Round Declaratory Judgment actions under which this document will also be filed once adopted.

Persons or entities who wished to dispute the present need number and the round 4 prospective need number to which the Township committed had until February 28, 2025 to file "particularized" objections as to why the amended FHA did not authorize the numbers to which the municipality committed. In any event, no objections were filed. Consequently, the Township is entitled to the obligations to which it committed by default. On April 28, 2025, the Hon. Robert Malenstein, P.J.Ch., the designated <u>Mount Laurel</u> Judge for the Gloucester/Salem/Cumberland Counties Vicinage, issued an Order confirming these numbers and authorizing the municipality to proceed with this document. The Order is attached as Appendix B.

Affordable Housing Obligations

Hopewell's affordable housing obligations are spelled out in Table 26, Hopewell's Affordable Housing Obligations for the Fourth and Prior Rounds.

Affordable Housing Component	Number
Present Need	31
Prospective Need	
Prior Round Obligation ⁽¹⁾	114
Third Round Obligation ⁽²⁾	95
Fourth Round Obligation	67
Total Obligation	307

Table 26. Hopewell's Affordable Housing Obligations for the Fourth and Prior Rounds

⁽¹⁾ – This is the combined First and Second Rounds and called a 'round' because in the Second Round, the First Round numbers were recalculated.

⁽²⁾ - This includes both the Gap Present Need and Third Round Prospective Need.

An explanation of these components follows below:

Present Need Obligation

The Fair Housing Act, as amended by P.L. 2024, c.2, defines *present need* as "the number of substandard existing deficient housing units currently occupied by low- and moderate-income (LMI) households" and *deficient housing unit* as "housing that (I) is over fifty years old and overcrowded, (2) lacks complete plumbing, or (3) lacks complete kitchen facilities." This was calculated by DCA according to the methodology described in their report titled, <u>Affordable Housing Obligations for 2025-2035</u> (Fourth Round) Methodology and Background released in October 2024. Although census figures show Hopewell Township as having no housing units that currently meet the census definition of substandard, DCA nonetheless calculated a Present Need obligation of 31 units.

Prior Round Obligation

The Prior Round obligation can be defined as the cumulative 1987 through 1999 new construction affordable housing obligation. This time period corresponds to the First and Second Rounds of affordable housing. Calculation of the Prior Round obligation follows the New Jersey Supreme Court's 2013 decision affirming the validity of the Prior Round obligation. Hopewell Township's Prior Round obligation is 114 units.

Third Round Obligation

The Third Round obligation includes the "gap" portion of the Third Round (1999-2015) when no valid affordable housing regulations were in force and the Third Round Prospective Need (2015-2025) which included the 10 year period into the future starting in July 2015. In 2001, COAH adopted a new rule which extended the rounds from 6 to 10 years.

The Third Round Prospective Need and Gap Need numbers for Mercer County were determined in a Court decision entitled, <u>In re Mun. of Princeton, 480 N.J. Super. 70</u> (Law Div. 2018). Judge Mary C. Jacobson, A.J.S.C., wrote the opinion and the methodology she established is commonly referred to as the "Jacobson Methodology." This methodology for calculating Fair Share Need was binding on participating Mercer County municipalities in the Third Round and through the amended FHA, the rest of the state. The Jacobson Methodology determined a Third Round obligation for Hopewell of 95 units/credits.

Fourth Round Obligation

The New Jersey Fair Housing Act defines Prospective Need as "a projection of housing needs based on development and growth which is reasonably likely to occur in a region or municipality, as the case may be, as a result of actual determination of public and private entities." As calculated by DCA in their methodology paper, Hopewell Township's Prospective Need obligation is 67 units/credits. One can see by the projections that the amended FHA requires, "the development and growth reasonably likely to occur" does not remotely support a prospective need of 67 affordable housing units on a projection of a total of 54 housing units.

HOPEWELL TOWNSHIP'S MEANS OF ADDRESSING ITS AFFORDABLE HOUSING OBLIGATIONS

Present Need or Rehabilitation Share

<u>N.J.A.C.</u> 5:93-5.2(b) identifies the purpose of a rehabilitation program as the renovation of deficient housing units occupied by low- and moderate-income households. Deficient housing units are those "with health and safety code violations that require the repair or replacement of a major system," including "weatherization, a roof, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems) and/or a load-bearing structural system."

Because Census data suggests that the reason behind the number of Present Need units that has been assigned to Hopewell is from overcrowding, rather than substandard aspects of its

housing units, the Township reserves the right to carry out a structural conditions survey pursuant to <u>N.J.A.C</u>. 5:93-5.2(a) to determine if its rehabilitation program will provide the corrective means of addressing its Present Need. Should such a structural conditions survey determine a lower number for its Present Need, the Township will conduct its programs until this lower number is reached.

The Township has participated in the Small Cities Grant program over several decades. The Small Cities Grant program is money that is passed through from the U.S. Department of Housing and Urban Development for the rehabilitation of owner-occupied houses for incomequalified households. The program will continue for the Fourth Round, assuming that funding will still be forthcoming from the federal government. Hopewell's program functions as a combination of forgivable loan and deferred loan. If the recipient lives in the property for at least six years, at the end of that time period, half of the cost of the loan is converted to a grant and is not required to be repaid. The other half of the cost is a no interest loan that is repaid upon the sale of the property. This program is offered by a number of other municipalities in Region 6 and has been accepted by the Courts as an eligible means to address a portion of the Present Need Obligation.

In the Fourth Round, the municipality is permitted to gain credit for any units rehabilitated to code that addresses any of the systems noted above and costs on average a minimum of \$10,000 in hard costs, provided the completion date of the work was April 1, 2020 or later. To date, the Township completed a rehabilitation of four eligible housing units occupied by low- and moderate-income households, and the total hard costs of the rehabilitations were \$56,767 to address major systems such as roof replacement, window, electric, plumbing, and HVAC, at an average of \$14,192 per unit, which address COAH's regulations at <u>N.J.A.C</u> 5:93-5.2 which require at least \$10,000 to be expanded on average for major system repair/replacement. Documentation of the units rehabilitated is provided in Appendix C.

Affordable housing rules indicate that rehabilitation programs need to address both owneroccupied and renter-occupied dwellings. Consequently, the Township will sign a separate agreement with its rehabilitation consultant, Bauer Associations, to establish a rehabilitation program for renter-occupied units to provide assistance to landlords within 90 days of a judgment of repose. This will require resources from the affordable housing trust fund as they become available. A sample operating manual for a similar program may be found in Appendix C.

The rehabilitation program will adhere to the regulations in <u>N.J.A.C.</u> 5:93-3.4 as detailed below. The criteria to be met are paraphrased in *italics* along with the Township's responses:

Rehabbed to code. The standard for evaluating rehabilitation activity is the Uniform Construction Code (<u>N.J.A.C.</u> 5:28), Rehabilitation Subcode (<u>N.J.A.C.</u> 5:23-6) and BOCA Property Maintenance Code in effect at the time of evaluation. The rehabilitation activity will renovate one or more major building systems in accordance with the rules and will not include luxury improvements, the purchase of appliances except as permitted by the amended FHA, or improvements that are strictly cosmetic.

- *Occupied by eligible households at time of rehabilitation*. Units will be occupied by income-eligible households and will be so certified by the agent before any contract for work is executed by the Township.
- Appropriate affordability controls were enacted. The length of affordability controls will be at least 10 years for renter-occupied dwellings or in the alternative, a perpetual lien against the property that is repaid to the issuing agency at the time of the first sale of the property following the completion of the rehabilitation work, with such funds deposited into the Township's affordable housing trust fund.
- *Administration*. The municipality anticipates that the Township's agent will operate the program. No changes are expected in how applications from income-eligible households are advertised and processed during the Fourth Round. The program will continue until the Township's Present Need obligation is met, at which point it will conclude.
- Submission of the program's rehabilitation manual. The rehabilitation manual will include length of controls, income qualification criteria, financing terms, amount of money available, eligible repairs, program marketing, staff responsibilities, and application intake procedures. A sample rehabilitation manual is attached as Appendix C.

As noted, the program is intended to continue until the municipality's 31-unit obligation is satisfied. All credits through the county and municipal program will be recorded in the AHMS monitoring system.

Lack of Infrastructure and Realistic Development Potential

The Fair Housing Act at *N.J.S.A.* 52:27D-307(c)(2)g, and COAH's Second Round rules at <u>N.J.A.C.</u> 5:93-4.3, permit a municipality to seek to have all or part of its affordable housing obligation deferred if it can demonstrate a lack of appropriate water or sewer infrastructure to serve the new housing units that would be required. This is known as a durational adjustment from the statute at -4.3(c), "The lack of adequate capacity, in and of itself, shall constitute a durational adjustment of the municipal housing obligation. The requirement to address the municipal housing obligation shall be deferred until adequate water and/or sewer are made available."

The Township is able to address portion of its cumulative Prospective Need obligations of 276 units credits through 98 credits obtained through existing compliance mechanisms. The Township is therefore seeking a durational adjustment for the remaining 182 units of its cumulative Prospective Need obligation for the First through Fourth Rounds as a result of the lack of public sewer and water infrastructure to serve new development.

Hopewell Township has no public community water system (setting aside a handful of houses connected to the Bridgeton system). Public community water systems are those that serve at least 15 service connections used by year-round residents or regularly serves at least 25-year

Adopted May 21, 2025

round residents (see N.J.A.C. 7:10-1.3). At Hopewell's average household size of 2.57 persons, a development of 6 housing units would cross the threshold of requiring it to be served by a public community water system, which is the same legally as being served, for example, by New Jersey American Water Company, which has about 594,000 residential customer hookups. The treatment and licensed operator requirements for such a system would be a significant cost for any small scale operation and helps explain why, except for the 92-unit Hopewell Place affordable senior living apartments, no other place in the Township has a public community water system. If such a development were to be pursued and achieved, a significant cost would be borne by the homeowners or landlords of such a development that would be spread among relatively few households. A separate water company would need to be established for it to be an ongoing organization accepted by the Bureau of Safe Drinking Water and the company would need to demonstrate both managerial and technical expertise. As a practical matter, new public community water systems are not created in New Jersey; the regulations in N.J.A.C. 7:10, when not focused on the standard and regulations governing the larger systems, provide the necessary steps for the 5 housing units and less types of systems in rural and other non-public systems. In fact NJDEP regulation, in N.J.A.C. 7:19, Water Supply Allocations Permits, has an entire subchapter devoted to the takeover of small water companies due to their abandonment or inability to address the requirements for treatment of, for example, volatile organic compounds, in ground and surface water. Consequently, in Hopewell, residential development has been served by individual wells that fall under this threshold.

In <u>N.J.A.C</u>. 7:9D-2.7(b), wells for Category I types (e.g., potable water) are required to be separated from septic disposal fields by at least 100 feet. In other words, if a dwelling also is utilizing an on-site wastewater disposal system, or their neighbor is, the well must be separated by this distance. Once lots with a single dwelling are smaller than about three-quarters of an acre (approximately 150' x 200'), maintaining adequate separation in a development of such houses becomes increasingly difficult to design, because soil conditions in relatively small horizontal distances can affect effluent disposal and soil treatment. In Hopewell, with unconsolidated sands and gravels interspersed with clay lenses, this can create difficulties in siting of these facilities even on larger lots. Thus, inclusionary densities of six units to the acre require the provision of both public water and sanitary sewer systems.

The City of Bridgeton does have a public community water system serving its municipality (see Map 3, <u>Water Distribution Map</u> for the City's water distribution). Where it was necessary to create a looped system (which is desirable to maintain even pressure in a water system) by running water mains in streets in Hopewell, the City was granted permission to do so on Manor Lane and short stretches of Woodcrest and Westwood Avenues and Hopewell Road. The City has expressed no interest in expanding its franchise area outside of the City. It should be noted that it has a sanitary sewer conveyance system, also, but it does not operate its own treatment works facility or own and operate such a system outside of its borders; that role is undertaken by the CCUA. Upper Deerfield Township operates its own water utility, and its genesis was the strong encouragement by NJDEP to take over a failing small water company that was originally established to supply the Seabrook Farms frozen food plant with potable water. Logically, until there is a means to expand the City's water infrastructure or the CCUA

Clarke Caton Hintz

decides to also become a water utility, a durational adjustment appears to be the sole option of developing a compliant housing plan for Hopewell.

Sanitary Sewer Limitations

Based on NJDEP's Statewide Sewer Services Areas data, approximately 17% of Hopewell Township's land area is within the sewer service area, but the area where there are actual interceptors in the ground is quite limited (see Map 4, <u>Water and Sewer Service Areas</u>, p. 41, and Map 5, <u>Existing Sewer System</u>, p. 42).

The Cumberland County Utilities Authority ("CCUA") provides sanitary sewage conveyance from this part of the Township to its plant next to the Cohansey River where it is treated and discharged to the water body. Hopewell Township began receiving wastewater treatment in 1986 from the CCUA Wastewater Treatment Plant as well as the Cumberland Manor rehabilitation center (now known as Preferred Care at Cumberland).²² Service was expanded starting in 1995 to include residential areas adjacent to Bridgeton. The sewage plant has an average capacity of 7 million gallons of sewage per day (mgd) and is presently treating around half that amount of 3.5 mgd. Hopewell's allocation of this treatment capacity is limited to an average of 0.3 mgd and is currently using between 0.15 and 0.167 mgd. Using NJDEP regulations at N.J.A.C. 7:14A-23.3, the typical dwelling unit for planning purposes uses 300 gallons per day (gpd) of treatment capacity, or allocation. That translates into an additional 433 to 500 housing units that could be connected to the CCUA sanitary conveyance system under the present sewer agreement. The range of affordable units that represents is from 67 to 100. Since this is insufficient to address its durational adjustment, the Township will agree to negotiate with the CCUA to revise its agreement and seek an additional allocation sufficient to address its durational adjustment number of 182 units/credits should the water supply issue be solved and sufficient units be constructed to require an additional allocation.

In accordance with COAH's Second Round Rules, the Township will endorse all applications to the NJDEP or its agent to provide additional water and/or sewer capacity and it will permit development of low- and moderate-income housing where the NJDEP or its designated agent approves a proposal to provide infrastructure to a site for such development. Should a residential developer approach the Township with a proposal for development for which the developer is willing to assume the cost of providing sanitary sewer and public water service and reserve at least 20 percent of the units in its project to low and moderate income households, the Township will support an application for water supply/ and or sanitary sewer amendments to facilitate the proposal and shall otherwise comply with <u>N.J.A.C.</u> 5:93-4.3.

The Township, however, reserves the right to seek a waiver from the durational requirements under <u>N.J.A.C.</u> 5:93-4.5 for hardship or use of the entire resource in addressing the municipal obligation.

²² <u>https://ccuanj.gov/about/</u>, accessed May 2, 2025.

Adopted May 21, 2025

As this analysis concludes, the Township currently has a lack of public sanitary sewer and water capacity to create a realistic opportunity for the development of affordable units. With a total of 98 credits towards its cumulative Prospective Need obligation of 276 units and bonuses, Hopewell Township is seeking durational adjustment Court approval for its remaining cumulative Prospective Need obligation of 182 units.

