Housing Element & Fair Share Plan

Township of Clinton Hunterdon County, New Jersey

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HOUSING ELEMENT & FAIR SHARE PLAN

TOWNSHIP OF CLINTON HUNTERDON COUNTY, NEW JERSEY

PREPARED FOR:

CLINTON TOWNSHIP PLANNING BOARD

BA# 4134.08

The original document was appropriately signed and sealed on June 19, 2025 in accordance with Chapter 41 of Title 13 of the State Board of Professional Planners.

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EXECUTIVE SUMMARY

Clinton Township's 2025 Housing Element and Fair Share Plan ("HE&FSP") of the Master Plan has been prepared to address the manner in which the Township will fulfill its Fourth Round affordable housing obligations in accordance with P.L. 2024, c.2. commonly referred to as the "Fair Housing Act 2" or "2024 Fair Housing Act Amendments". As detailed herein, the Township's Fourth Round and Prior Round affordable housing obligations are derived from several sources. These sources include the regulatory provisions of the Council on Affordable Housing ("COAH"), prior settlement agreements with Fair Share Housing Center ("FSHC") for the Third Round, Prior Court-approved Judgments of Compliance and Repose, and the recent legislation establishing a new Fourth Round Process and associated housing obligation and Fair Share Plan mechanisms also take into consideration conformance with the Highlands Regional Master Plan ("RMP") as amended and Highlands Council guidance for developing new affordable housing in the Highlands Region.

The Township's affordable housing obligations are summarized as follows:

Round	Obligation	RDP	Unmet Need
Present Need (Rehabilitation) Obligation	0 units	N/A	N/A
First & Second Round Obligation (1987-1999)	335 units	_	-
Third Round Obligation (1999 – 2025)	337 units	_	-
Fourth Round Obligation (2025 – 2035)	150 units ⁽¹⁾	22 units	128 units

TABLE 1 – CLINTON TOWNSHIP AFFORDABLE HOUSING OBLIGATIONS SUMMARY

(1) Clinton Township's DCA calculated Fourth Round Prospective Need Obligation of 174 units was modified through a mediation agreement between Clinton Township and FSHC.

The Township has adopted several HE&FSPs to address its affordable housing obligations through the first three rounds of the published affordable housing obligations. These are described herein. In accordance with the FHA-2, all new ordinances and ordinance amendments identified herein must be adopted no later than March 31, 2025.

First & Second Round Obligation

In 1987, COAH adopted a "fair share" methodology to determine municipal housing need numbers for the First Round that was utilized again in 1994 for the Second Round resulting in a combined obligation of 335 units for Clinton Township for the period 1987-1999. The Township received substantive certification of its First Round Housing Plan from COAH on February 3, 1993 and of its Second Round Plan on March 7, 2001. The Township addressed its combined First and Second Round obligation of 335 units in its entirety through the plan components summarized in Table 2, all of which are rental units except as otherwise indicated.

	Block/		Bonus Credit	Bonus	Total	
Plan Mechanism	Lot	# Units	Multiplier	Credits	Credits	Status
Prior Cycle Credits (Pre-1986)						
Credits Without Controls	-	13	-	-	13	Complete
RCA with New Brunswick	-	108	-	-	108	Complete
Inclusionary & Group Home Rentals					<u>55</u>	
Village Green at Annandale	49/25	4	-	-	4	Complete
The Mews (Senior Housing)	47/3	35	x 1.33 ⁽¹⁾	3 (3)	38	Complete
CRC Longview Group Home	10/1, 9.01	4	x 2 ⁽²⁾	4	8	Pending
142-144 West Main Street	60/3, 4	3	x 2 ⁽²⁾	2	5	Complete
100% Affordable Rentals						
Willows at Annandale	60.03/26	66	x 2 ⁽²⁾	66	132	Complete
<u>100% Affordable – Municipally Sponsored Rentals</u>					<u>27</u>	
Annandale Village, LLC	53/3	1	-	-	1	Approved ⁽⁴⁾
Clinton Woods	82/4.04	26	-	-	26	Complete
Total	-	260	-	75 ⁽³⁾	335	-

TABLE 2 – CLINTON TOWNSHIP FIRST & SECOND ROUND PLAN MECHANISMS

(1) Senior restricted bonus credits per Third Round Rules.

(2) Rental bonus credits per Third Round Rules.

(3) Bonus credits are capped at 25% of the total obligation.

(4) Site plan approved by Planning Board.

Third Round Obligation

On December 12, 2017, Clinton Township entered into its original Settlement Agreement ("Initial Agreement") with FSHC establishing its Third Round affordable housing obligation of 337 units. This Settlement Agreement was subsequently amended on February 7, 2018 ("Amended Agreement"), June 15, 2020 ("Second Amendment to the Agreement") and May 2, 2021 ("Third Amendment to the Agreement") to facilitate modifications to the Township's Third Round Fair Share Plan, specifically to replace certain plan mechanisms with others deemed to be more realistic as such opportunities became available. The Township's Third Round Settlement Agreements with FSHC and amendments are attached to hereto in the Appendix.

The Clinton Township Planning Board adopted its original Third Round HE&FSP on May 7, 2018 in accordance with the December 12, 2017 Settlement Agreement with FSHC. The Board adopted several amendments to the HE&FSP on June 7, 2021 and March 6, 2023 to reflect the several amendments to the Settlement Agreement. The Township was first granted a Final Judgment of Compliance (Third Round "JOR") for it's Third Round HE&FSP on January 9, 2019 and on December 10, 2021 for the Third Amendment to the Agreement. In addition, the Township received a Consent Order dated October 12, 2023 authoring modification of the Willows at Spruce Run project to a 96-unit 100% affordable development to be constructed in phases. The Township satisfied the entirety of its 337-unit Third Round Obligation with a combination of plan mechanisms including several inclusionary developments and municipally sponsored 100% affordable rental developments as summarized in Table 3, all of which are rental units except as otherwise indicated.

It is noted that the status of two of the Township's Third Round plan mechanisms are indicated as durational adjustments as they have been determined to be realistic opportunities for inclusionary development but lack the necessary water and/or sewer capacity to support the development. In accordance with N.J.A.C. 5:93-4.3, the lack of sewer and water capacity shall constitute a durational adjustment of the municipal housing obligation. The Township has prioritized these sites in coordination with the applicable utilities to ensure that they will be first in line to receive such capacities when available and are otherwise developable.

			Bonus			
	Block/		Credit	Bonus	Total	
Plan Mechanism	Lot	# Units	Multiplier	Credits	Credits	Status
Inclusionary Development					<u>139</u>	
Headley Farm Estate	46/33, 33.01	104	-	-	104	Durational Adjustment ⁽³⁾
108 Alton Place	79.07/1	28	-	-	28	Durational Adjustment ⁽³⁾
Grayrock Road (AH-10 Zone)	77.01/2, 3, 4	7	-	-	7	Approved ⁽²⁾
100% Affordable Municipally Sponsored Rentals						
Clinton Woods	82/4.04	58	x 2 ⁽¹⁾	58	116	Complete
Willows at Spruce Run (Family Units)	70/6, 6.01	80	-	-	80	Under construction
Willows at Spruce Run (Special Needs Units)	70/6, 6.01	2	-	-	2	Under construction
Total	_	279	-	58	337	-

TABLE 3 – CLINTON TOWNSHIP THIRD ROUND PLAN MECHANISMS

(1) Rental bonus credits per Third Round Rules.

(2) 3 of the 7 total units are in the Greyrock Crossing, LLC application approved by Planning Board in 2024. The remaining 4 units to be constructed on Lot 3 are pending as durational adjustment.

(3) "Durational Adjustment" means a deferral of the municipal low and moderate-income housing obligation based on the lack of infrastructure pursuant to N.J.S.A. 52:27D-307(c)(2) and NJ.A.C. 5:93-4.

Fourth Round Obligation

In accordance with the methodology prescribed in the FHA-2, the DCA calculated for Clinton Township a Fourth Round Prospective Need Obligation of 174 units and Present Need (Rehabilitation) Obligation of 0 units. The Act makes clear that the DCA's Fourth Round municipal housing need calculations are advisory and non-binding, and require municipalities to determine their respective affordable housing obligations utilizing the same methodology. Upon inspection of the DCA's land capacity factor analysis mapping made public in November 2024, the Township concluded that modification of the DCA calculated Prospective Need Obligation of 174 units was warranted based on the latest up to date data and local information. The Township adopted Resolution No. 2025-36 on January 22, 2025 to modify its Prospective Need Obligation to 109 units based on its more current local data and information as applied to the methodology prescribed in the FHA-2. The Township subsequently filed Resolution No. 2025-36 with the Affordable Housing Dispute Resolution Program on January 23, 2025 indicating same in accordance with the requirements of N.J.S.A. 52:27D-301, *et seq.* and the timeframes set forth in Administrative Office of the Courts ("AOC") Directive #14-24.

For the purposes of establishing its Fourth Round affordable housing obligation, and while the Township disputed FSHC's objections that the Township's Fourth Round Prospective Need should be more than 109 units, Clinton Township entered into a Mediation Agreement with FSHC executed March 27, 2025 modifying the Township's Fourth Round Prospective Need Obligation to 150 units and confirming its Present Need Obligation of 0 Units. The Program issued an Order dated March 28, 2025 that officially set the Township's Fourth Round affordable housing obligation in accordance with the FSHC Mediation Agreement.

The Township's Resolution 2025-36 noted that the Township reserves the right to seek an adjustment of its Fourth Round Prospective Need Obligation available under the FHA-2 and compliance mechanisms adopted by COAH. Specifically, Clinton Township as a municipality in the Highlands Region that is fully conforming with the Highlands Regional Master Plan ("RMP") is entitled to conduct a Highlands Vacant Land Analysis ("HVLA") to adjust its Fourth Round Prospective Need Obligation. Accordingly, the Township conducted a detailed HVLA through the Highlands Build-Out Portal application pursuant to the FHA-2, COAH's compliance mechanisms and Highlands Municipal Build-Out Update. The Township's HVLA analyzed private and publicly owned vacant parcels (Property Classes 1 and 15C), farm qualified properties (Property Class 3B) and recent development and approvals, among other considerations, resulting in a Fourth Round Realistic Development Potential ("RDP") of 22 units and Unmet Need (difference between Prospective Need Obligation and RDP) of 128 units.

In addition to the RDP calculation, the FHA-2 includes language which requires municipalities seeking a vacant land adjustment to satisfy at least 25% of the Fourth Round RDP obligation through redevelopment. Specifically, amended Section 1 of P.L.1995, c.231 (C.52:27D-310.1) of FHA-2 states:

Any municipality that receives an adjustment of its prospective need obligations for the fourth round or subsequent rounds based on a lack of vacant land shall as part of the process of adopting and implementing its housing element and fair share plan identify sufficient parcels likely to redevelop during the current round of obligations to address at least 25 percent of the prospective need obligation that has been adjusted, and adopt realistic zoning that allows for such adjusted obligation, or demonstrate why the municipality is unable to do so.

Clinton Township interprets this requirement to mean 25% of the Township's Fourth Round Unmet Need of 128 units resulting in a redevelopment obligation of 32 units (128 units * 25%).

Clinton Township will address the entirety of its combined 22-unit Fourth Round RDP and 32-unit redevelopment obligation totaling 54 units with several plan mechanisms, including inclusionary development and 100% affordable municipally sponsored rental development as summarized in the table below, all of which are rental units except as otherwise indicated.

TABLE 4 – CLINTON TOWNSHIP PLAN MECHANISMS TO ADDRESS COMBINED FOURTH ROUND RDP & REDEVELOPMENT OBLIGATION

			Bonus			
	Block/		Credit	Bonus	Total	
Plan Mechanism	Lot	# Units	Multiplier	Credits	Credits	Status
Inclusionary Development						
9 Main St./Village Green	49/25	2	x 0.5	1	3	To be rezoned
100% Affordable Municipally Sponsored Rentals						
Willows at Spruce Run (Special Needs)	70/6, 6.01	8	x 2	8	16	Under
Willows at Spruce Run (Family)	70/6, 6.01	6	-	0	6	construction
3 Grayrock Road	74/19	25	x 2	4 (1)	29	Under
						construction
						To be rezoned
Total		41	-	13 ⁽¹⁾	54	-

(1) Bonus credits are capped at a maximum of 25% of the Fourth Round Obligation.

The Township's 2025 HE&FSP addressing its Fourth Round affordable housing obligations is divided into the following sections:

Section 1: Introduction

The first section of the 2025 HE&FSP provides an introduction to affordable housing. It summarizes 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.

Section 2: Housing Element

Section 2 contains the Housing Element for Clinton Township. It offers a community overview of the Township, as well as background information regarding its population, housing, and employment characteristics. It also provides projections of the Township's housing stock and employment.

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 First, Second and Third Round obligations, how it will address its Fourth Round Prospective Need Obligation, and how same is consistent with the FHA, applicable COAH and UHAC regulations, State planning initiatives and Highlands Regional Master Plan ("RMP").

Section 1: Introduction

The following section provides an overview of affordable housing in New Jersey, the role of a housing element and fair share plan and the Township's previous compliance efforts.

1.1 DEFINING AFFORDABLE HOUSING

Affordable housing is income-restricted housing available for sale or rent at varying income thresholds generally characterized as very-low (30%), low (50%) and moderate-income (80%) households in relation to the respective housing region's median income. New Jersey is divided into six housing regions. Clinton Township is located in Region 3 which includes Hunterdon, Middlesex and Somerset Counties.

The State's regional income limits are updated annually with different categories based on household income levels and size. Table 5 provides a sample of the 2025 regional income limits for Region 3. For example, a four-person household with a maximum income of \$122,720 could qualify for affordable housing in Clinton Township. The complete 2025 NJHMFA income table is provided in the Appendix.

Income Level	2 Person	3 Person	4 Person	5 Person
Median (100%)	\$122,800	\$138,100	\$153,400	\$165,700
Moderate (80%)	\$98,240	\$110,480	\$122,720	\$132,560
Low (50%)	\$61,400	\$69,050	\$76,700	\$82,850
Very-Low (30%)	\$36,840	\$41,430	\$46,020	\$49,710

TABLE 5 – 2025 REGION 3 INCOME LIMITS

Source: NJHMFA UHAC 2025 Affordable Housing Regional Income Limits by Household Size effective May 16, 2025.

Affordable housing exists in several forms including 100% affordable developments, deed-restricted accessory apartments, special needs/supportive housing or group homes, assisted living facilities, age-restricted housing and inclusionary development in which a certain percentage of the housing units are reserved for affordable housing while the remaining units are market rate.

1.2 HISTORY OF AFFORDABLE HOUSING IN NEW JERSEY

Municipal affordable housing requirements in New Jersey began in 1975 when the New Jersey Supreme Court rendered its <u>'Mount Laurel</u> I' decision which established that every developing municipality in the State has a constitutional obligation to provide a realistic opportunity for the creation of affordable housing. The Mount Laurel I decision was followed by a series of New Jersey Supreme Court decisions known as the 'Mount Laurel Doctrine' and State legislation which provided further clarity regarding municipal housing need calculations, compliance requirements and administrative review. Most recently, in March 2024, the State Legislature adopted amendments to the Fair Housing Act originally enacted in 1985 to create a new Fourth Round municipal compliance program for the period 2025 to 2035.

- <u>Mount Laurel I</u>. In 1975, the New Jersey Supreme Court in its <u>So. Burlington Cty. NAACP v. Township of Mount Laurel</u> decision, commonly referred to as <u>'Mount Laurel I'</u>, determined that every developing municipality in New Jersey has a constitutional obligation to provide a realistic opportunity for the construction its fair share of affordable housing. A 'realistic opportunity' means that municipalities cannot have exclusionary zoning that prohibits the development of affordable housing. Municipalities initially disregarded this obligation given the decision's general lack of guidance including regulatory standards, housing need numbers and an agency to administer such a program.
- <u>Mount Laurel II</u>. The New Jersey Supreme Court's 1983 decision known as <u>'Mount Laurel II'</u> clarified that all municipalities, whether developing or not, have a constitutional obligation to provide for their fair share of affordable housing. The Mount Laurel II decision called upon the State Legislature to enact legislation that would shift the responsibility of the courts from having to administer the affordable housing process and determine municipal housing need numbers. The decision also introduced the concept of the 'builder's remedy' suit whereby developers could challenge municipal zoning to develop affordable housing where municipalities did not otherwise meet their fair share obligation.
- <u>Fair Housing Act</u>. The State Legislature responded to the <u>Mount Laurel II</u> decision by passing the Fair Housing Act in 1985 which established the framework for an administrative affordable housing process and creation of the Council on Affordable Housing (COAH), the agency intended to implement the process. COAH would be responsible for assigning municipal fair share housing obligations, reviewing municipal affordable housing plans and issuing substantive certification for compliant plans. A town in receipt of substantive certification would be immune from builder's remedy suits.
- <u>Mounter Laurel III</u>. The New Jersey Supreme Court affirmed the validity of the Fair Housing Act in its 1986 <u>'Mount Laurel III'</u> decision.
- <u>First Round</u>. The First Round of affordable housing governed by COAH covered the period 1987 to 1993 with municipal affordable housing obligations based on a "fair share" methodology.
- <u>Second Round</u>. The Second Round of affordable housing spanned from 1993 to 1999 which also utilized a "fair share" methodology to assign municipal affordable housing need numbers.

- Third Round. While the First and Second Rounds utilized a 'fair share' methodology, COAH utilized a new 'growth share' methodology in preparing the Third Round substantive and procedural rules and affordable housing need numbers first adopted in 2004, 5 years after the expiration of the Second Round, intending to cover the period from 1999 to 2014. However, these rules were challenged and ultimately invalidated by the Appellate Division in 2007 which directed to adopt revised rules. COAH adopted its second iteration of the Third Round rules in 2008 that were also challenged and again invalidated by the Appellate Division in 2010 which directed COAH to revert back to the original 'fair share' methodology. This decision was affirmed by the New Jersey Supreme Court in 2013. COAH published its third iteration of Third Round rules in 2014 but failed to adopt the regulations in a deadlocked 3-3 vote.
- Mount Laurel IV. In the New Jersey Supreme Court's 2015 'Mount Laurel IV' decision, the Court decided that COAH had become dysfunctional and returned jurisdiction of municipal affordable housing administration to the trial courts as had been the arrangement prior to the creation of COAH in 1985. The decision included procedures for municipal participation but did not provide housing need numbers leaving municipalities to determine their affordable housing obligations. Several sets of housing need numbers were prepared by various entities which, in most cases, led to individual municipal settlement agreements with Fair Share Housing Center and intervening developers. Municipalities receiving substantive certification of their Third Round plans from the courts received immunity until the end of the Third Round in July 2025.
- <u>Gap Period Decision</u>. On January 18, 2017, the New Jersey Supreme Court ruled that municipalities are responsible for affordable housing obligations that accrued during the "gap-period" between 1999 and 2015 when prior iterations of the Third Round rules were being litigated.
- Eair Housing Act Amendments (A-4/S-50). On March 20, 2024, Governor Murphy signed the A4/S50 Bill into law, which significantly amended the FHA for the 4th Round and beyond (FHA-2"). The amendments to the FHA eliminated COAH, kept superior oversight of the trial courts to ultimately approve municipal HE&FSPs, and created a new entity to act as an intermediary in resolving disputes and reviewing municipal plans known as the Affordable Housing Dispute Resolution Program, commonly referred to as "the Program," which consists of seven retired Mount Laurel Judges who have the discretion to hire "Special Adjudicators," which were formerly called Court Special Master in previous rounds. FHA-2 also involved the Department of Community Affairs ("DCA") and the Administrative Office of the Courts ("AOC") in the process.

The DCA was designated by the FHA-2 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 methodology set forth in the unpublished Jacobson Decision. However, the FHA-2 makes it clear that these numbers are advisory and non-binding, and that each municipality must set its own obligation number utilizing the same methodology. The Program was tasked to handle any disputes regarding affordable housing obligations and plans, and issuing recommendations to the Superior Court judges, as the Courts were kept in the process to ultimately issue a Compliance Certification formally approving a municipality's HE&FSP, which would continue immunity from all exclusionary zoning lawsuits until July 30, 2035.

1.3 HOUSING ELEMENT AND FAIR SHARE PLAN REQUIREMENTS

The Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.) stipulates that municipalities must adopt a master plan containing at least a land use plan element and housing plan element in order to lawfully adopt and enforce a zoning ordinance. The HE&FSP serves as the blueprint for how a municipality will satisfy its fair share of affordable housing. Municipalities without an approved HE&FSP are susceptible to a builder's remedy (exclusionary zoning) lawsuit whereby a prospective developer can file suit to circumvent the municipality's zoning ordinance and rezone specific property to permit housing development at higher densities and intensities than a municipality would otherwise allow for the provision of a certain percentage of units reserved as affordable.

C.52:27D-310, Essential components of municipality's housing element, of the 2024 Fair Housing Act Amendments sets forth the required HE&FSP components as follows:

- a. An inventory of the municipality's housing stock by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low- and moderate-income households and substandard housing capable of being rehabilitated, and in conducting this inventory the municipality shall have access, on a confidential basis for the sole purpose of conducting the inventory, to all necessary property tax assessment records and information in the assessor's office, including but not limited to the property record cards;
- b. A projection of the municipality's housing stock, including the probable future construction of low- and moderate-income housing, for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;
- c. An analysis of the municipality's demographic characteristics, including but not necessarily limited to, household size, income level and age;
- d. An analysis of the existing and probable future employment characteristics of the municipality;
- e. A determination of the municipality's present and prospective fair share for low- and moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low- and moderate-income housing, as established pursuant to section 3 of P.L.2024, c.2 (C.52:27D-304.1);
- f. A consideration of the lands that are most appropriate for construction of low- and moderate-income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low- and moderateincome housing, including a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing;
- g. An analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of section 1 of P.L.2021, c.273 (C.52:27D-329.20);

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

Section 2: Housing Element

This section provides the Housing Element portion of Clinton Township's Fourth Round HE&FSP including an overview of the Township's existing land use pattern and information pertaining to population, housing and employment characteristics and projections.

2.1 COMMUNITY OVERVIEW

Clinton Township comprises a land area of approximately 21,693 acres located in northwest Hunterdon County. The 8 municipalities adjacent to Clinton Township include Tewksbury, Union, Readington, Raritan and Franklin Townships, Town of Clinton and Boroughs of Lebanon and High Bridge. The Township is located at the crossroads of Interstate Route 78, State Route 31 and U.S. Route 22 with additional regional access via County Routes 623, 629, 639 and 641. Public transportation options include a bus park and ride located at the intersection of Center Street and Route 31 and NJ Transits Raritan Velly Line accessed via Annandale Station.

The Township is characterized by rolling hills and its agricultural heritage with substantial areas devoted to permanent open space and farmland. The majority of residential development in the Township has occurred west of Route 31 and north of Route 78 which consists of single-family homes, townhouses and multifamily development. Commercial uses are generally concentrated along Routes 31 and 22 with commercial nodes located along Beaver Avenue and Center Street. Spruce Run and Round Valley Reservoirs both located in Clinton Township provides drinking water to approximately 2.5 million people in the State while much of the local housing stock is served by wells underscoring the significance of water and land conservation in the vicinity of these regional resources. The Township is also impacted by the South Branch of the Raritan River, Beaver Brook and associated tributaries, many of which are classified as Category One streams warranting the highest levels of protection in New Jersey. The accompanying Existing Land Use Map depicts the distribution of land uses and major water resources throughout the Township.

The Township is located in the New Jersey Highlands region with 97% (21,054 acres) of its land area located in the Highlands Planning Area and 3% (639 acres) located in the Preservation Area along the Township's northern boundary. In December 2009, the Clinton Township Mayor and Council adopted Resolutions Nos. 144-09 and 145-09 (appendices A-1 and A-2) petitioning the Highlands Council for plan conformance for its lands located in both the Highlands Preservation and Planning Areas. The Highlands Council approved the Township's petition for plan conformance on June 18, 2015. Clinton Township is now fully conforming with the Highlands Regional Master Plan ("RMP") having received Highlands Council approval for Highlands Modules 1, 2 and 3 and adoption of the Township's Highlands Land Use Ordinance, the first iteration of which was adopted in January 2021 and latest in December 2024 via Ordinance No. 1205-2024 to implement recent Highlands RMP amendments, including a mandatory affordable housing set-aside of 20% for all residential development of five units or more.



2.2 INVENTORY OF MUNICIPAL HOUSING STOCK

This section of the Housing Element provides an inventory of the Township's housing stock as required by the Fair Housing Act as amended in 2024. The inventory details such housing characteristics as age, condition, purchase/rental value, and occupancy of the Township's existing housing stock. It also details the number of affordable housing units available to low-and-moderate income households and the number of substandard housing units capable of being rehabilitated.

It is noted that there may be inconsistencies in some of the data presented herein derived from the various data sources which include estimates that in some cases clearly exhibit margins of error. However, this information from the U.S. Decennial Census and American Community Survey Estimates prepared by the U.S. Census Bureau is considered among the most reliable and current data available and as such, is utilized in this document to illustrate trends and projections impacting the Township's housing stock.

1. <u>Number of Dwelling Units</u>. The Township experienced its most significant growth from 1990 to 2000 for the period depicted with modest growth occurring between 2000 and 2020. The decrease in housing units shown from 2000 to 2023 represents an error in the American Community Survey Estimate during which the number of housing units in the Township remained stable. These figures do not include the 84-unit, 100% affordable Clinton Woods development located on the Marookian site at Block 82 Lot 4.04 which began leasing units in 2023. The Township's housing stock is anticipated to increase by over 700 hundred units in the next decade from the several housing developments included in the Township's Third and Fourth Round Fair Share Plan's summarized in Section 4.

Year	Total Dwelling Units	Numerical Change	Percentage Change
1990	3,514	-	-
2000	4,234	720	17.0%
2010	4,516	282	6.7%
2020	4,888	372	8.2%
2023	4,807	(81)	(1.7%)

TABLE 6 - DWELLING UNITS (1990-2023) CLINTON TOWNSHIP, NEW JERSEY

Source: U.S. Decennial Census 1990 - 2020; 2023 American Community Survey 5-Year Estimates.

2. Occupancy Status. The Township's housing stock experienced a decrease in ownership from 2010 to 2020 but has since increased again. The recent increase in ownership is due in part to the recent boom in home sales since the COVID-19 Pandemic, the height of which began in March 2020 and led to an influx of home and land purchases in rural and suburban areas. The relative rate of homeownership in the Township is anticipated to decrease somewhat over the next decade due to the several residential developments included in the Township's Third and Fourth Round Fair Share Plans which include several hundred rental units and some for sale units.

	2000		2000 2010		20	20	2023		
Category	Units	Percent	Units	Percent	Units	Percent	Units	Percent	
Owner-Occupied	3,748	88.5%	3,922	86.8%	4,024	82.3%	4,273	88.9%	
Renter-Occupied	381	9.0%	500	11.1%	634	13.0%	469	9.8%	
Vacant	105	2.5%	94	2.1%	230	4.7%	65	1.4%	
Total Units	4,234	100.0%	4,516	100.0%	4,888	100.0%	4,807	100.0%	

TABLE 7 - HOUSING UNITS BY TENURE AND OCCUPANCY STATUS (2000-2023)CLINTON TOWNSHIP, NEW JERSEY

Source: U.S. Decennial Census 2000 - 2020; 2023 American Community Survey 5-Year Estimates.

3. <u>Housing Characteristics</u>. Tables 8 and 9 quantify the types of units that comprise the Township's housing stock and the bedroom distribution among units. It is noted that the number of 1-unit attached (townhouses) shown for the year 2000 appears to be an inaccurate estimation. Between 2010 and 2023, the number of townhouses in the Township increased by at least 150 units resulting from the Willows at Annandale (66 units) and Clinton Woods (84 units) projects. The number of townhouse and multifamily units is expected to further increase from the several residential developments included in the Township's Third and Fourth Round Fair Share Plans.

TABLE 8 - UNITS IN STRUCTURES (2000-2023)CLINTON TOWNSHIP, NEW JERSEY

Units in	20	00	20	10	202	0 ⁽¹⁾	20	23
Structure	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1-unit, detached	3,347	79.1%	3,321	73.5%	3,414	78.6%	3,659	76.1%
1-unit, attached	430	10.2%	557	12.3%	304	7.0%	621	12.9%
2 units	74	1.7%	89	2.0%	76	1.7%	71	1.5%
3 or 4 units	117	2.8%	161	3.6%	93	2.1%	89	1.9%
5 to 9 units	131	3.1%	198	4.4%	248	5.7%	157	3.3%
10 to 19 units	111	2.6%	105	2.3%	180	4.1%	170	3.5%
20 or more units	8	0.2%	85	1.9%	30	0.7%	40	0.8%
Mobile home	16	0.4%	0	0.0%	0	0.0%	0	0.0%
Boat, RV, van, etc.	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	4,234	100.0%	4,516	100.0%	4,345	100.0%	4,807	100.0%

Source: U.S. Decennial Census 1990 - 2000; 201 & 2023 American Community Survey 5-Year Estimates. (1) Based upon ACS data and as such, differs from data in Tables 1 and 2. The bedroom distribution of units in the Township has remained relatively stable with apparent decreases in the number of 1-bedroom units and increase in the number of 4-bedroom units. The residential developments included in the Township's Fair Share Plan will increase the numbers of 1 and 2-bedroom units.

	2000		2000 2010		10	202	0 ⁽¹⁾	2023	
Bedrooms	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
0	0	0.0%	0	0.0%	13	0.3%	0	0.0%	
1	354	8.4%	389	8.6%	251	5.8%	243	5.1%	
2	613	14.5%	681	15.1%	553	12.7%	767	16.0%	
3	1,171	27.7%	1,106	24.5%	1,133	26.1%	1,258	26.2%	
4	1,783	42.1%	1,990	44.1%	2,012	46.3%	2,229	46.4%	
5 or More	313	7.4%	350	7.8%	383	8.8%	310	6.4%	
Total	4,234	100.0%	4,516	100.0%	4,345	100.0%	4,807	100.0%	

TABLE 9 - NUMBER OF BEDROOMS IN HOUSING UNITS (2000-2023)CLINTON TOWNSHIP, NEW JERSEY

Source: U.S. Decennial Census 1990 – 2000; 2010 - 2023 American Community Survey 5-Year Estimates. (1) Based upon ACS data and as such, differs from data in Tables 1 and 2.

4. <u>Housing Age</u>. As shown in Table 10, 49.3% of the Township's housing stock was constructed between 1980 and 2000. Only 9.0% of housing units were constructed after 2000 indicating that approximately 91% of all housing units are 25 years or older. Not factored in this data is the 84-unit 100% affordable Clinton Woods development on the Marookian site which began leasing in 2023 and was fully occupied in 2024. The slowdown in housing starts since 2000 is likely attributable to several factors including the lack of available public sewer and water in Clinton Township and Highlands regulations.

Year Built	Units	Percent
2020 or later	0	0.0%
2010 or 2019	86	1.8%
2000 to 2009	346	7.2%
1990 to 1999	1,138	23.7%
1980 to 1989	1,231	25.6%
1970 to 1979	726	15.1%
1960 to 1969	495	10.3%
1950 to 1959	271	5.6%
1940 to 1949	67	1.4%
1939 or earlier	447	9.3%
Total	4,807	100.0%

TABLE 10 - YEAR STRUCTURE BUILTCLINTON TOWNSHIP, NEW JERSEY

Source: 2023 American Community Survey 5-Year Estimates.

5. <u>Housing Conditions</u>. Overcrowding is defined as housing units with more than one occupant per room. As shown in Table 11, since at least 2000, the Township has had very few housing units (less than 1%) considered to be overcrowded.

TABLE 11 - OCCUPANTS PER ROOM (2000-2023) CLINTON TOWNSHIP, NEW JERSEY

Occupants	20	00	20	10	20	20	20	23
Per Room	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1.00 or less	4,121	99.8%	4,416	99.9%	4,140	99.0%	4,742	100.0%
1.01 to 1.50	8	0.2%	6	0.1%	28	0.7%	0	0.0%
1.51 or more	0	0.0%	0	100.0%	13	0.3%	0	0.0%
Total	4,129	100.0%	4,422	100.0%	4,181	100.0%	4,742	100.0%

Source: U.S. Decennial Census 1990 - 2000; 2010 - 2023 American Community Survey 5-Year Estimates.

6. <u>Housing Facilities.</u> It is estimated that all of the housing units in Clinton Township contain complete kitchen and plumbing facilities. Approximately 98.5% of housing units utilize standard heating equipment. This information reveals that few housing units in Clinton Township are characterized as deficient with respect to these indices.

TABLE 12 - KITCHEN, PLUMBING & HEATING FACILITIES FOR OCCUPIED DWELLING UNITS (2000-2023) CLINTON TOWNSHIP, NEW JERSEY

	2000		20	2010		20	2023	
Facilities	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Kitchen:								
With Complete Facilities	4,122	99.8%	4,422	100.0%	4,181	100.0%	4,742	100.0%
Lacking Complete Facilities	7	0.2%	0	0.0%	0	0.0%	0	0.0%
Plumbing:								
With Complete Facilities	4,113	99.6%	4,408	99.7%	4,181	100.0%	4,742	100.0%
Lacking Complete Facilities	16	0.4%	14	0.3%	0	0.0%	0	0.0%
Heating Equipment:								
Standard Heating Facilities	4,088	99.0%	4,370	98.8%	4,065	97.2%	4,673	98.5%
Other Means, No Fuel Used	41	1.0%	52	1.2%	116	2.8%	69	1.5%

Source: U.S. Decennial Census 1990 - 2000; 2010 - 2023 American Community Survey 5-Year Estimates.

7. <u>Purchase and Rental Values</u>. For several decades, the Township experienced median gross rents higher than Hunterdon County. In 2023, the Township's median gross rent was estimated at \$2,401 more than 40% higher than that of the County's median gross rent of \$1,707. The Township's median gross rent increased an estimated 75% since 2010.

	20	2000		10	20	20	2023		
Rent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
Less than \$200	7	1.9%	-	-	-	-	-	-	
\$200 to \$299	0	0.0%	-	-	-	-	-	-	
\$300 to \$499	7	1.9%	-	-	38(3)	9.2% ⁽³⁾	O ⁽³⁾	0.0%(3)	
\$500 to \$999	148	40.9%	70 ⁽²⁾	14.0% ⁽²⁾	0	0.0%	22	4.7%	
\$1,000 to \$1,499	116	32.0%	230	36.0%	70	17.0%	28	6.0%	
\$1,500 to \$1,999	84(1)	23.2% ⁽¹⁾	155 ⁽¹⁾	31.0% ⁽¹⁾	145	35.2%	105	22.4%	
\$2,000 to \$2,499	-	-	-	-	65	15.8%	58	12.4%	
\$2,500 to \$2,999	-	-	-	-	37	9.0%	68	14.5%	
\$3,000 or more	-	-	-	-	15	3.6%	122	26.0%	
No Cash Rent	0	0.0%	45	9.0%	41	10.0%	66	14.1%	
Total	362	100.0%	500	100.0%	412	100.0%	469	100.0%	
Median Gross Rent	\$1,602		\$1,3	\$1,367		\$1,764		\$2,401	
Hunterdon County Median Gross Rent	\$8	67	\$1,	154	\$1,4	443	\$1,7	707	

TABLE 13 - GROSS RENT OF SPECIFIED RENTER-OCCUPIED HOUSING UNITS (1990-2023) CLINTON TOWNSHIP, NEW JERSEY

Source: U.S. Decennial Census 1990 - 2000; 2010 - 2023 American Community Survey 5-Year Estimates.

(1) Denotes rents of \$2,000 or more per revised Census categorization.

(2) Denotes rents of less than \$500 per revised Census categorization.

(3) Denotes rents of less than \$300 per revised Census categorization.

Since 2000, the value of owner-occupied housing units in Clinton Township has increased approximately 62% while the median value of owner-occupied housing units in Hunterdon County more than doubled based on Census data. 91% of the Township's owner-occupied housing units were valued over \$300,000 with about 60% valued at \$500,000 or more.

	20	00	20	2010		20	20	23	
Value Range	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
Less than \$50,000	0	0.0%	7	0.2%	15	0.4%	83	1.9%	
\$50,000 to \$99,999	36	1.1%	7	0.2%	0	0.0%	19	0.4%	
\$100,000 to \$149,999	182	5.4%	16	0.4%	20	0.5%	0	0.0%	
\$150,000 to \$199,999	312	9.2%	118	3.0%	152	4.0%	79	1.8%	
\$200,000 to \$299,999	1,385	40.7%	438	11.2%	262	7.0%	203	4.8%	
\$300,000 to \$499,999	1,347	39.6%	1,380	35.2%	1,853	49.2%	1,343	31.4%	
\$500,000 to \$999,999	122	3.6%	1,828	46.6%	1,435	38.1%	2,430	56.9%	
\$1,000,000 or More	16	0.5%	128	3.3%	32	0.8%	116	2.7%	
Total	3,400	100.0%	3,922	100.0%	3,769	100.0%	4,273	100.0%	
Median Value	\$283,900		\$499	\$499,400		\$455,600		\$458,800	
Hunterdon County Median Value	\$245,000		\$446,700		\$418,700		\$498,800		

TABLE 14 - VALUE OF SPECIFIED OWNER-OCCUPIED HOUSING UNITS (2000-2023) CLINTON TOWNSHIP, NEW JERSEY

Source: U.S. Decennial Census 2000; 2010 – 2023 American Community Survey 5-Year Estimates.

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8. <u>Number of Units Affordable to Low- and Moderate-Income Households</u>. Clinton Township is placed in housing Region 3, which is comprised of Hunterdon, Middlesex and Somerset Counties. Based on the New Jersey Housing and Mortgage and Finance Agency's May 16, 2025 update of its UHAC 2025 Affordable Housing Regional Income Limits by Household Size, the median household income for a four-person household in Region 3 is \$153,400. A four-person moderate-income household earning 80% of the region's median income would have an income not to exceed \$122,720.

An affordable sales price for a four-bedroom moderate-income household earning 80% of the median income is estimated at \$415,000. In 2023, the percentage of housing units in Clinton Township valued at less than \$500,000 was estimated to be 40.4%.

For renter-occupied housing, an affordable monthly rent for a four-person moderate-income household is estimated at approximately \$3,068. According to the most recent Census data, approximately 10.7% of the Township's rental units have a gross rent less than \$1,500. However, it is noted that the 100% affordable Willows at Annandale and Clinton Woods sites have a combined total of 150 affordable rental units. At a minimum, the Willows at Spruce Run 100% affordable development which received final site plan approval in 2024 will add another 96 affordable rental units to the Township's housing stock within the next several years.

9. <u>Substandard Housing Capable of Being Rehabilitated</u>. The DCA's October 18, 2024 of "Affordable Housing Obligations for 2025-2035 (Fourth Round) Methodology and Background" calculated Present Need obligations representing the number of units in a municipality that are in need of rehabilitation and are not likely to experience 'spontaneous rehabilitation'. This DCA report assigned Clinton Township a Fourth Round Present Need or Rehabilitation Obligation of 0 units.

2.3 **PROJECTION OF MUNICIPAL HOUSING STOCK**

The FHA-2 regulations require the HE&FSP to include a projection of the community's housing stock, including the probably future construction of low and moderate-income housing for the ten-year round, which for the Fourth Round is from 2025 to 2035. This projection shall be based upon an assessment of data which minimally must include the number of residential construction permits issued, approvals of applications for residential development, and probable residential development of lands. Each of these items are identified and outlined below.

1. <u>Housing Units Constructed</u>. Table 15 illustrates the number of residential building permits issued for new construction between 2004 and 2023 according to the DCA's New Jersey Construction Reporter. During this period, a total of 379 building permits were issued for new construction, 157 of which were for multifamily development. 47% of the Township's residential growth during this period occurred between 2004 and 2006 while the subsequent increase in multifamily housing was due to several developments included in the Township's Fair Share Plan to address its affordable housing obligations.

Year Issued	Single and Two-Family	Multifamily	Total
2004	93	0	93
2005	72	0	72
2006	12	0	12
2007	9	0	9
2008	8	0	8
2009	3	0	3
2010	3	0	3
2011	0	0	0
2012	1	0	1
2013	2	0	2
2014	3	0	3
2015	3	0	3
2016	0	35	35
2017	2	0	2
2018	1	0	1
2019	2	54	56
2020	3	0	3
2021	4	0	4
2022	0	68	68
2023	1	0	1
Total	222	157	379

TABLE 15 - NUMBER OF BUILDING PERMITS ISSUED (2004-2023) CLINTON TOWNSHIP, NEW JERSEY

Source: New Jersey Construction Reporter.

2. <u>Probable Residential Development of Lands</u>. Based on the Township's Third and Fourth Round Fair Share Plan mechanisms identified herein, it is anticipated that approximately 750 new housing units will be constructed in the Township within the next decade. This includes the 96-unit 100% affordable Willows at Spruce Run project which received final site plan approval in 2024. It is unlikely that any significant housing development will occur beyond the sites identified in this plan due to the lack of developable vacant land, lack of sewer and water availability and impact of Highlands regulations in both the Preservation and Planning Areas.

2.4 **POPULATION ANALYSIS**

The MLUL requires that a Housing Element provides data on the municipality's population, including population size, age and income characteristics.

1. <u>Population Size</u>. As indicated in Table 16, Clinton Township experienced significant population increase from 1960 to 2000 but stabilized thereafter. It is noted that the following period coincided with the 2008 Financial Crisis and corresponding housing market crash as well as the Township's inclusion in the Highlands Region created in 2008. The Township became fully conforming with the Highlands Regional Master Plan ("RMP") in 2016. These factors have somewhat limited housing growth and associated population growth in Clinton Township since 2000. However, it is noted that two 100% affordable rental developments totaling 150 units have been occupied since 2024 (66 units began leasing in 2023 with several hundred more units included in the Township's Third and Fourth Round Fair Share Plans that will result in further increases to the Township's population within the next decade. According to the 2023 American Community Survey, Clinton Township had an estimated population of 13,347 residents representing an increase of 3% since 2000.

Year	Total Population	Numerical Change	Percentage Change
1960	3,770	-	-
1970	5,119	1,349	35.8%
1980	7,345	2,226	43.5%
1990	10,816	3,471	43.3%
2000	12,957	2,141	19.8%
2010	13,478	521	4.0%
2020	13,505	27	0.2%
2023	13,347	(158)	(1.2%)

TABLE 16 - POPULATION GROWTHCLINTON TOWNSHIP, NEW JERSEY

Source: U.S. Decennial Census 1960 - 2020; 2023 American Community Survey 5-Year Estimates.

2. <u>Age Characteristics</u>. The Township's age characteristics are outlined in the table below. As shown, the Township's median age increased from 36.4 years old in 2000 to 43.5 years old in 2023. In 2023, approximately 35% of the Township's population consisted of school-aged children between the ages of 5 and 19. Roughly 18% of the population was 65 and over where in 2000 this age cohort represented 7% of the population.

	2000		20	10	20	20	2023		
Age	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
Under 5 years	852	6.6%	584	4.3%	587	4.3%	717	5.4%	
5 to 19 years	2,818	21.7%	2,975	22.1%	2,323	17.2%	2,338	17.5%	
20 to 24 years	1,166	9.0%	1,298	9.6%	1,451	10.7%	990	7.4%	
25 to 34 years	1,372	10.6%	1,032	7.7%	1,380	10.2%	1,349	10.1%	
35 to 44 years	2,363	18.2%	1,704	12.6%	1,303	9.6%	1,528	11.4%	
45 to 54 years	2,226	17.2%	2,647	19.6%	1,889	14.0%	1,648	12.3%	
55 to 64 years	1,209	9.3%	1,801	13.4%	2,362	17.5%	2,354	17.6%	
65 to 74 years	570	4.4%	863	6.4%	1,375	10.2%	1,324	9.9%	
75 to 84 years	261	2.0%	430	3.2%	658	4.9%	773	5.8%	
85 years +	120	0.9%	144	1.1%	219	1.6%	326	2.4%	
Total	12,9	957		178	13,5	13,505		13,347	
Median Age	36	5.4	40.9		43.1		43.5		

TABLE 17 - AGE CHARACTERISTICS (2000-2023)CLINTON TOWNSHIP, NEW JERSEY

Source: U.S. Decennial Census 2000 - 2010; 2020 - 2022 American Community 5-Year Estimates.

3. <u>Average Household Size</u>. From 1980 to 2023, the average household size in Clinton Township has decreased from 3.12 persons per household to 2.59. This is likely due to a reduction in the number of children per household since 2000 which is indicated by the sharp drop off in average household size of 3.14 in 2000 to 2.68 in 2010 which has reduced further since.

TABLE 18 - AVERAGE HOUSEHOLD SIZE (1990-2023) CLINTON TOWNSHIP, NEW JERSEY

Yea	Average Household r Size
1990	3.12
2000	3.14
2010	2.68
2020	2.56
2023	2.59

Source: U.S. Decennial Census 1990 - 2000; 2010 – 2023 American Community Survey 5-Year Estimates.

4. <u>Household Income</u>. The Township's household income distribution from 1999 (2000 U.S. Decennial Census) to 2023 is shown in Table 19. As indicated, the Township's median income increased 59.2% since 1999. The Township's median income has remained above that of Hunterdon County since at least 1999. Roughly 71% of Township households had incomes of \$100,000 or more in 2023.

Income	1999		20	10	20	20	20	23
Category	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than \$10,000	53	1.3%	54	1.2%	171	4.1%	138	2.9%
\$10,000 to \$14,999	37	0.9%	36	0.8%	25	0.6%	47	1.0%
\$15,000 to \$24,999	117	2.8%	208	4.7%	50	1.2%	47	1.0%
\$25,000 to \$34,999	112	2.7%	222	5.0%	155	3.7%	100	2.1%
\$35,000 to \$49,999	252	6.1%	341	7.7%	92	2.2%	270	5.7%
\$50,000 to \$74,999	793	19.2%	580	13.1%	431	10.3%	337	7.1%
\$75,000 to \$99,999	781	18.9%	452	10.2%	447	10.7%	375	7.9%
\$100,000 to \$149,999	983	23.8%	916	20.7%	748	17.9%	1,010	21.3%
\$150,000 to \$199,999	577	14.0%	1,743	39.4%	560	13.4%	555	11.7%
\$200,000 or more	421	10.2%	-	-	1,501	35.9%	1,864	39.3%
Total	4,126	100.0%	4,422	100.0%	4,181	100.0%	4,742	100.0%
Median Household Income	\$96,570		\$120,565		\$145,824		\$153,771	
Hunterdon County Median Income	\$79,888		\$100,980		\$117,858		\$139,453	

TABLE 19 - HOUSEHOLD INCOME DISTRIBUTION (1999-2023) CLINTON TOWNSHIP, NEW JERSEY

Source: U.S. Decennial Census 2000; 2010 – 2023 American Community Survey 5-Year Estimates.

5. <u>Housing cost-burden</u>. Households that pay more than thirty percent (30%) of their income for housing are considered to be cost-burdened, and may have difficulty affording basic necessities such as food, clothing, transportation, and medical care. The 2023 ACS estimates that approximately 46.3% of renter-occupied and 25.8% of owner-occupied housing units have housing costs of at least 30% of their incomes.

TABLE 20 - HOUSING COST AS PERCENTAGE OF INCOME (2023)CLINTON TOWNSHIP, NEW JERSEY

Percentage of	Owner-o	ccupied ⁽¹⁾	Renter-occupied			
Income	Number	Percent	Number Percent			
Less than 15.0%	-		47	10.0%		
15.0% to 19.9%	1,986 ⁽²⁾	48.1% ⁽²⁾	80	17.1%		
20.0% to 24.9%	746	18.1%	92	19.6%		
25.0% to 29.9%	334	8.1%	33	7.0%		
30.0% to 34.9%	336	8.1%	33	7.0%		
35.0% or more	689	16.7%	87	18.6%		
Not computed	40	1.0%	97	20.7%		
Total Occupied Units	4,131	100.0%	469	100.0%		

Sources: 2023 American Community Survey 5-Year Estimate

(Note: Does not include households with zero or negative income)

(1) Includes owner-occupied units with and without mortgages.

(2) Denotes percentage of income of less than 20.0%.

2.5 EMPLOYMENT ANALYSIS

The MLUL requires that the housing element include data on employment characteristics in the community. The following is noted with respect to employment status and related information.

1. <u>Employment Status</u>. Table 21 summaries the employment status of Township residents age 16 and over. Historically, approximately 60% of the Township's working age population was in the civilian labor force. In 2000, there was a decrease in participation in the civilian labor force to 54% which may be attributable to the COVID-19 Pandemic and/or anomalies in the data. There was also an increase in the percentage of the Township's population age 65 and over from 7.3% to 18.1% since 2000. In the same period, the Township's unemployment rate increased from 2.1% to 4.0% in 2023,

Employment 2000		00	20	2010		2020		2023	
Status	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
In labor force	6,170	62.6%	6,207	58.3%	5,908	53.9%	6,578	59.2%	
Civilian labor force	6,170	62.6%	6,201	58.2%	5,898	53.8%	6,578	59.2%	
Employed	5,958	60.1%	5,847	54.9%	5,502	50.2%	6,136	55.2%	
Unemployed	212	2.1%	354	3.3%	396	3.6%	442	4.0%	
Armed Forces	0	0.0%	6	0.1%	10	0.1%	0	0.0%	
Not in labor force	3,740	37.7%	4,443	41.7%	5,055	46.1%	4,528	40.8%	
Total Population 16 and Over	9,910		10,650		10,963		11,106		

TABLE 21 - EMPLOYMENT STATUS- POPULATION 16 & OVER (2000-2023) CLINTON TOWNSHIP, NEW JERSEY

Source: U.S. Decennial Census 2000; 2010 – 2023 American Community Survey 5-Year Estimates.

2. <u>Employment Characteristics of Employed Residents</u>. The following two tables detail information on the employment characteristics of employed residents of Clinton Township. Since 2000, roughly 60% of Township employees worked in management, business, science or the arts while the second largest cohort working in sales and office roles accounted for approximately 22%. The distribution of employees in the five Census categories shown has remained relatively stable since 2000

TABLE 22 - EMPLOYED RESIDENTS AGED 16 AND OVER BY OCCUPATION (2000-2023)CLINTON TOWNSHIP, NEW JERSEY

	2000		20	2010		2020		23
Occupation	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Management, Business, Science & Arts	3,542	59.4%	3,519	60.2%	3,357	61.0%	3,664	59.7%
Service	411	6.9%	417	7.1%	394	7.2%	427	7.0%
Sales & Office	1,339	22.5%	1,246	21.3%	1,176	21.4%	1,388	22.6%
Natural Resources, Construction & Maintenance	296	5.0%	315	5.4%	226	4.1%	345	5.6%
Production, Transportation & Material Moving	370	6.2%	350	6.0%	349	6.3%	312	5.1%
Total	5,958	100.0%	5,847	100.0%	5,502	100.0%	6,136	100.0%

Source: U.S. Decennial Census 2000; 2010 - 2023 American Community Survey 5-Year Estimates.

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In 2023, the categories representing the largest groups of employed Township residents were educational, health and social services at 19.5%, manufacturing at 16.6% and finance, insurance, real estate and rental and leasing at 12.9%. The employment category experiencing the most significant increase from 2000 to 2023 was finance, insurance, real estate and rental and leasing accounting for 8.5% of employed residents in 2000 and 12.9% of employed residents in 2023. The largest decrease was in information related professions which accounted for 7.1% of employed residents in 2000 and 4.5% in 2023.

	20	00	20	10	20	23
Industry	Number	Percent	Number	Percent	Number	Percent
Agriculture, forestry, fishing, hunting and mining	16	0.3%	15	0.3%	18	0.3%
Construction	321	5.4%	323	5.5%	335	5.5%
Manufacturing	1,102	18.5%	908	15.5%	1,020	16.6%
Wholesale trade	210	3.5%	227	3.9%	147	2.4%
Retail trade	495	8.3%	489	8.4%	643	10.5%
Transportation and warehousing, and utilities	210	3.5%	197	3.4%	264	4.3%
Information	421	7.1%	236	4.0%	278	4.5%
Finance, insurance, real estate and rental and leasing	508	8.5%	673	11.5%	793	12.9%
Professional, scientific, management, administrative and waste management services	942	15.8%	1,091	18.7%	804	13.1%
Educational, health and social services	1,121	18.8%	1,023	17.5%	1,199	19.5%
Arts, entertainment, recreation, accommodation and food services	248	4.2%	336	5.7%	274	4.5%
Other services	239	4.0%	151	2.6%	239	3.9%
Public administration	125	2.1%	178	3.0%	122	2.0%
Total	5,958	100.0%	5,847	100.0%	6,136	100.0%

TABLE 23 - EMPLOYED RESIDENTS AGE 16 AND OVER, BY INDUSTRY (2000-2023) CLINTON TOWNSHIP, NEW JERSEY

Source: U.S. Decennial Census 2000; 2010 & 2023 American Community Survey 5-Year Estimates.

2.6 HOUSING AND EMPLOYMENT PROJECTIONS

The following section provides estimated housing and employment projections in the Township based on trends from the data presented herein.

1. <u>Probable Future Employment and Regional or Community Factors Impacting Upon Future Municipal Employment</u>. As indicated in Table 24, employment in Clinton Township has decreased by 17.1% from 2014 to 2023. This is the result of several corporate entities having relocated out of the Township in that period. Given the limited availability of developable land, opportunities to develop new nonresidential development that would substantially increase the number of jobs in the Township is limited. The State Development and Redevelopment Plan states that new housing and affordable housing should occur where there are employment opportunities and job growth where Clinton Township has experienced a significant decline in employment opportunities.

Year	Number of Jobs	Change in Number of Jobs	Percent Change	
2014	3,902	-	-	
2015	3,874	(28)	(0.7%)	
2016	3,757	(117)	(3.0%)	
2017	3,595	(162)	(4.3%)	
2018	3,763	168	4.7%	
2019	3,953	190	5.0%	
2020	3,502	(451)	(11.4%)	
2021	3,349	(15)	(4.4%)	
2022	3,248	(101)	(3.0%)	
2023	3,236	(12)	(0.4%)	

TABLE 24 - COVERED EMPLOYMENT TRENDS (2014-2023)CLINTON TOWNSHIP, NEW JERSEY

Sources: Department of Labor and Workforce Development.

2. <u>Projection of the Municipality's Housing Stock</u>. As indicated below, Clinton Township had a net housing increase of 125 units over the last 10-year period based the number of building permits issued for new residential construction and number of demolition permits issued. It is noted that within this period, at least 122 of the 141 (86.5%) building permits issued for new residential construction were for multifamily development. The Township's existing 100% affordable Willows at Annandale site (66 units) and Clinton Woods site (84 units) alone created 150 new affordable housing units within the last decade which do not appear to be accurately reflected in the State's permit data.

Year Issued	One & Two Family	Multifamily	Mixed- Use	Total	Demos	Net Growth
2014	3	0	0	3	3	0
2015	3	0	0	3	2	1
2016	0	0	0	0	0	0
2017	2	0	0	2	1	1
2018	1	0	0	1	1	0
2019	2	54	0	56	3	53
2020	3	0	0	3	1	2
2021	4	0	0	4	2	2
2022	0	68	0	68	2	66
2023	1	0	0	1	1	0
Total	19	122	0	141	16	125

TABLE 25 - ANALYSIS OF RESIDENTIAL CERTIFICATES OF OCCUPANCY AND DEMOLITION PERMITS (2000-2023) CLINTON TOWNSHIP, NEW JERSEY

Source: New Jersey Department of Community Affairs Construction Reporter.

3. Probable Future Construction of Housing Affordable to Low and Moderate-Income Households (2015-2025). New housing construction in the Township will be focused at the sites identified in Section 4, Fair Share Plan, of this document. These developments are summarized in the table below. As shown, the Township's housing stock is anticipated to increase by roughly 682 units of which 258 units (37.8%) are designated for low and moderate-income households over the next decade. This estimate represents an increase of 14.2% to the Township's housing stock as of 2023 and does not include additional units that may be created elsewhere, including single-family detached dwellings where permitted.

TABLE 26 – ANTICIPATED RESIDENTIAL DEVELOPMENT (2025 – 2035)CLINTON TOWNSHIP, NEW JERSEY

Site	Block/Lot	Total # Units	# AH Units	Status
Willows at Spruce Run	70/6, 6.01	96	96	Under Construction
Headley Farm Estate	46/33, 33.01	400	104	Pending Site Plan Application
108 Alton Place	79.07/1	140	28	Durational Adjustment ⁽¹⁾
3 Grayrock Road 100%	74/19	25	25	To Be Rezoned as Fourth Round
Affordable Development				Plan Mechanism
Greyrock Crossing	77.01/2, 4	18	3	Final Site Plan Approval Granted
Annandale Village, LLC	53/3	12	2	Final Site Plan Approval Granted
Total		682	258	-

(1) "Durational Adjustment" means a deferral of the municipal low and moderate-income housing obligation based on the lack of infrastructure pursuant to N.J.S.A. 52:27D-307(c)(2) and NJ.A.C. 5:93-4.

Section 3: Fair Share Obligation

The following section provides an overview of the Township's Fourth Round 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, Governor Murphy signed Bill A4/S50 Bill into law, thereby significantly amending the Fair Housing Act ("FHA-2") originally adopted in 1985. The amended FHA commonly referred to as the Fair Housing Act-2 ("FHA-2") eliminated COAH and created the new Affordable Housing Dispute Resolution Program ("The Program") consisting of seven retired Mount Laurel judges to review municipal compliance plans and resolve disagreements between municipalities and objectors. The legislation also tasked the DCA with calculating municipal Present and Prospective Need obligations, and the Administrative Office of the Courts (AOC) with creating rules related to the required procedures for the Program and the Courts to function together in accordance with the FHA-2. The FHA-2 also established a new methodology for calculating municipal affordable housing-need numbers, municipal compliance requirements and administrative review process through the Program for the 4th and subsequent rounds. These rounds span a period of 10 years each whereas the First and Second Rounds administered by COAH covered 6-year periods. The 3rd Round extending from 1999 to 2025 (26 years) was an anomaly due to extensive litigation and COAH becoming dysfunctional to such a degree that the Court ruled it could no longer administer the State's affordable housing process and returned it to the trial courts.

The FHA-2 designates DCA as the entity responsible for calculating the State's regional affordable housing needs. Specifically, N.J.S.A. 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 of the State's six regions 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. According to the DCA, this methodology resulted in a statewide prospective need of 84,698 low- and moderate-income units.

In addition, DCA was tasked with calculating individual municipal present need (rehabilitation) and prospective need obligations. However, the FHA-2 states that these DCA calculations are advisory and non-binding, and that each municipality is responsible for determining its own obligation utilizing the same methodology. Clinton Township conducted a review of the DCA calculations and based on more current local information as it relates to the land capacity factor data and mapping, determined the Township's Fourth Round Prospective Need Obligation should be modified from 174 units to 109 units.

On January 22, 2024, Clinton Township adopted a binding resolution (see Appendix) accepting DCA's calculated Present Need of 0 and modified Prospective Need Obligation of 109 units thereby establishing the Township's Fourth Round affordable housing obligations. The Township's Prospective Need Obligation of 109 units was challenged in February 2025 by FSHC and the New Jersey Builders' Association ("NJBA"). Ultimately, following a Court settlement conference, the Township entered into a Mediation Agreement with FSHC executed March 27, 2025 setting the Township's Fourth Round Present Need Obligation at 0 units and Prospective Need Obligation at 150 units, which was also accepted by NJBA. The Township's Fourth Round obligation was confirmed by Judge Miller in his Order dated March 28, 2025.

In addition, the Township's Resolution No. 2025-36 noted that the Township reserves the right to adjust its Prospective Need Obligation by taking any adjustments that may be available under the Amended FHA. ,One such adjustment is through a Highlands Vacant Land Analysis which is required by N.J.S.A. 52:27D-310.h. This analysis results in a Realistic Development Potential ("RDP") of 22 units and Unmet Need of 128 units.

TABLE 27 – CLINTON TOWNSHIP SUMMARY OF FOURTH ROUND OBLIGATION

Affordable Obligation	# Units		
 Present Need (Rehabilitation)	0		
 Prospective Need	150 ⁽¹⁾		

(1) 2025 Mediation Agreement with FSHC modified the Township's DCA calculated Fourth Round Prospective Need of 174 units.

3.2 REALISTIC DEVELOPMENT POTENTIAL (RDP)

Clinton Township is among the 88 municipalities in New Jersey located in the Highlands Region. As of 2016, the Township fully conforms with the Highlands Regional Master Plan ("RMP") in both the Highlands Preservation and Planning Areas and is therefore required to conduct a Highlands Vacant Land Analysis ("HVLA") to adjust its Fourth Round Prospective Need Obligation as required by N.J.S.A. 52:27D-310.h and in accordance with the procedures set forth in the Highlands RMP.

For the first time in the New Jersey's administration of municipal affordable housing requirements, the FHA-2 specifically recognized the importance of the Highlands Regional Master Plan in governing the responsible development of affordable housing in the Highlands Region. Specifically, N.J.S.A. 52:27D-310.h, as amended by the FHA-2 enacted in March 2024, requires conforming municipalities to include in their HE&FSP a "consideration of the most recent Highlands Municipal Build-Out report." Furthermore, with respect to the computation of adjustments to the municipal prospective need for municipalities in the Highlands Region, the FHA-2 excludes as vacant "environmentally sensitive lands where development is prohibited by any State or federal agency, including but not limited, the Highlands Water Protection and Planning Council, established pursuant to section 4 of P.L. 2004, c. 120 for lands in the Highlands Preservation Area and lands in the Highlands Planning Area for Highlands-conforming municipalities."

On April 18, 2024 in response to the Fair Housing Act amendments, the Highlands Council adopted an amendment to the RMP which provides standards based on the RMP and FHA-2 establishing appropriate locations for affordable housing development based on the goals, objectives and policies of the RMP. Affordable housing development in Highlands conforming municipalities must be consistent with the RMP Land Use Capability Zone (LUCZ) designations while providing protection of individual environmental resources.

To guide municipalities in developing plans to address their affordable housing obligations, the Highlands Council issued a Highlands Municipal Build-Out Update (see Appendix) issued on November 1, 2024 which specifies the procedures and criteria for conducting a municipal build-out analysis to calculate the municipality's realistic development potential ("RDP"). The guidelines apply environmental and regulatory constraints to develop a dataset that identifies parcels that can support the development of five units or more and have a net developable area of 0.83 acres or greater. This is consistent with the vacant land analysis criteria set forth in the FHA-2 and N.J.A.C. 5:93-4.2. In addition, the dataset from the Highlands Build-Out analysis provides information as to whether parcels have access to water and sewer infrastructure.

The Township conducted its Fourth Round HVLA through the Highlands Council's Highlands Build-Out Portal application pursuant to the requirements set forth in the FHA-2, COAH regulations and Highlands Municipal Build-Out Update. An RDP analysis requires an identification of vacant sites and underutilized sites in a municipality. Municipalities are required to consider all privately and municipally owned vacant parcels, as well as underutilized sites such as driving ranges, farms in State Development and Redevelopment ("SDRP") Planning Areas 1 and 2, nurseries, golf courses not owned by their members, and non-conforming uses.

Municipalities are also permitted to eliminate a site or a portion of a site based on a variety of factors, including: lands dedicated for public uses other than housing since 1997; parklands 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.

The Township's HVLA analyzed private and publicly owned vacant parcels (Property Classes 1 and 15C), farm qualified properties (Property Class 3B) and recent development and approvals, among other considerations, resulting in a Fourth Round Realistic Development Potential ("RDP") of 22 units and Unmet Need (difference between Prospective Need Obligation and RDP) of 128 units.

1. Fourth Round RDP

The Township's Fourth Round HVLA identified 9 parcels which qualify as contributing to the Township's RDP as summarized below and depicted on the accompanying HVLA Map.

Site ID	Block	Lot	Land Area (Ac)	Constrained Area (Ac)	Developable Area (Ac)	Highlands LUCZ	Sewer	Total Units ⁽¹⁾	RDP
1	4	20	53.16	15.47	37.69	ECZ: 21.03;	No	5.5	1.1
						CZ: 32.13			
2	4	22	52.49	31.33	21.16	CZ	No	5.2	1.0
3	13	1	51.35	34.09	17.27	CZ	No	5.1	1.0
4	13	38	182.08	63.63	118.45	CZ	No	18.2	3.6
5	30	17	242.73	77.91	164.82	CZ	No	24.3	4.9
6	59	4	2.69	1.57	1.12	ECZ	Yes	6.7	1.3
7	68	24	1.67	0.06	1.61	ECZ	Yes	9.7	1.9
8	74	19 (2)	1.44	0.13	1.31	ECZ	Yes	25.0	5.0
9	82	54	91.79	59.58	32.20	CZ	No	9.2	1.8
	Total		679.4	283.77	395.63	-	-	109	22

TABLE 28 – SUMMARY OF 4TH ROUND RDP SITES

(1) Presumptive densities of 6 du/ac where there is sewer; 9 ac/du in EZC without sewer & 10/ ac/du in CZ.

(2) Formerly Block 74 Lots 18, 19 and a portion of Lot 16 that have been consolidated as the result of an approved subdivision and are included in the Fair Share Plan as a 25-unit 100% affordable development.

CZ: Conservation Zone; ECZ: Existing Community Zone.




Section 4: Fair Share Plan

This Fair Share Plan component of the 2025 HE&FSP addresses the manner in which the Township will address its affordable housing obligations through 2035, in a manner that affirmatively addresses affordable housing need while at the same time addressing planning concerns, maintaining the overall character of the community and demonstrating conformance with the Highlands Regional Master Plan. These affordable housing obligations are as follows:

Category	Obligation	Unmet Need
1 st & 2 nd Round Obligation (1987-1999)	335 units	0 units
3rd Round Obligation (1999-2025)	337 units	0 units
4th Round Obligation (2025-2035)	150 units adjusted to 22-unit RDP through a HVLA*	128 units ⁽¹⁾
Present Need (Rehabilitation) Obligation	0 units	N/A

TABLE 29 – CLINTON TOWNSHIP AFFORDABLE HOUSING OBLIGATIONS SUMMARY
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* RDP = Realistic Development Potential. HVLA = Highlands Vacant Land Adjustment. (1) Inclusive of 32-unit redevelopment obligation.

4.1 GENERAL PROVISIONS

The following are maximum and minimum requirements which the Township's Fair Share Plan must comply with:

- 1. <u>4th Round Bonuses</u>. 4th Round bonuses will be applied in accordance with <u>N.J.A.C.</u> 52:27d-311.k.
- 2. <u>Very-Low Income and Low-Income Units</u>. At least 50 percent of the units addressing the 4th Round Prospective Need obligation shall be affordable to very low-income and low-income households with the remainder affordable to moderate-income households. A minimum of 13 percent of the affordable units will be made available to very low-income households, defined as households earning 30 percent or less of the regional median income by household size.
- 3. <u>Rental Component</u>. At least 25 percent of the Round's Prospective Need obligation shall be met through rental units, including at least half of the rental units available to families.
- 4. <u>Families</u>. At least half of the actual units created to address the Round's Prospective Need obligation must be available to families.
- 5. <u>Age-Restricted Cap</u>. No more than 30 percent of all units developed or planned to meet the Round's Prospective Need obligation shall be met with age-restricted units.

4.2 PLAN COMPONENTS

Clinton Township's various plan mechanisms to address its affordable housing obligations are summarized below. The Plan Components Map at the end of this section illustrates the locations of all of the plan components identified herein.

All sites included in the Township's Fair Share Plan must meet the site suitability criteria set forth in N.J.A.C. 5:93-1.3 listed below. This analysis includes a review of the Township's several undeveloped plan mechanisms as it relates to the statutory site suitability criteria.

- Approvable Site: A site that may be developed for low and moderate-income housing in a manner consistent with the rules or regulations of all agencies with jurisdiction over the site. A site may be approvable although not currently zoned for low and moderate-income housing.
- <u>Available Site:</u> A site with clear title, free of encumbrances which preclude development for low and moderate-income housing.
- **Developable Site:** A site that has access to appropriate water and sewer infrastructure, and is consistent with the applicable areawide water quality management plan (including the wastewater management plan) or is included in an amendment to the areawide water quality management plan submitted to and under review by DEP.
- <u>Suitable Site:</u> A site that is adjacent to compatible land uses, has access to appropriate streets and is consistent with the environmental policies delineated in N.J.A.C. 5:93-4.

The Township's various affordable housing sites were selected based on a comprehensive range of factors including proximity to public and regional transportation, location within developed areas, surrounding development patterns and conformance with the Highlands RMP. In addition, the sites are located within or adjacent to existing water and sewer utilities allowing for future connectivity as may be required to accommodate the developments. Ultimately, the Township's 2025 HE&FSP continues to provide a realistic opportunity to satisfy the Township's constitutional affordable housing obligation for the Fourth Round in a manner that conforms with the Highlands RMP.

1. Present Need (Rehabilitation) Obligation

The DCA assigned Clinton Township a Present Need obligation of 0 units which the Township accepted on January 22, 2025 in its Resolution No. 2025-36.

2. Prior (First, Second & Third) Round Obligations

The Township's Court-approved 2018 Settlement Agreement with FSHC as amended establishes the Township's combined First and Second Round Obligation of 337 units and Third Round Prospective Need of 335 units. The Township utilized several plan mechanisms to satisfy the entirety of both of those obligations, including prior cycle credits, regional contribution agreement ("RCA") with New Brunswick, inclusionary rental development, 100% affordable rental development and senior housing as summarized in the following two tables, all of which are rental units except as otherwise indicated. Inclusionary developments consist of a mix of market-rate and affordable units typically with a minimum 20% affordable housing set-aside as required in the Highlands Region. For example, an inclusionary development of 100 units with a 20% affordable housing set-aside would consist of 80 market-rate units and 20 affordable units.

It is noted that the status of two of the Township's Third Round plan mechanisms are indicated as durational adjustments as they have been determined to be realistic opportunities for inclusionary development but lack the necessary water and/or sewer capacity to support the development. In accordance with N.J.A.C. 5:93-4.3, the lack of sewer and water capacity shall constitute a durational adjustment of the municipal housing obligation. The Township has prioritized these sites in coordination with the applicable utilities that they will be first in line to receive capacities when available and are otherwise developable.

	Block/		Bonus Credit	Bonus	Total	
Plan Mechanism	Lot	# Units	Multiplier	Credits	Credits	Status
Prior Cycle Credits (Pre-1986)						
Credits Without Controls	-	13	-	-	13	Complete
RCA with New Brunswick	-	108	-	-	108	Complete
Inclusionary & Group Home Rentals					<u>55</u>	
Village Green at Annandale	49/25	4	-	-	4	Complete
The Mews (Senior Housing)	47/3	35	x 1.33 ⁽¹⁾	3	38	Complete
CRC Longview Group Home	10/1, 9.01	4	x 2 ⁽²⁾	4	8	Pending Site Plan App.
142-144 West Main Street	66/3, 4	3	x 2 ⁽²⁾	2	5	Complete
Annandale Village, LLC	53/3	1	-	-	1	Approved
<u>100% Affordable Rentals</u>						
Willows at Annandale	60.03/26	66	x 2 ⁽²⁾	66	132	Complete
<u>100% Affordable – Municipally Sponsored Rentals</u>						
Clinton Woods (84 Total Units)	82/4.04	26	-	-	26	Complete
Total	-	260	-	75	335	-

TABLE 30 – FIRST & SECOND ROUND PLAN MECHANISMS

Senior restricted bonus credits per Third Round Rules.
Rental bonus credits per Third Round Rules.

			Bonus			
	Block/		Credit	Bonus	Total	
Plan Mechanism	Lot	# Units	Multiplier	Credits	Credits	Status
Inclusionary Development					<u>139</u>	
Headley Farm Estate	46/33, 33.01	104	-	-	104	Durational Adjustment ⁽³⁾
108 Alton Place	79.07/1	28	-	-	28	Durational Adjustment ⁽³⁾
Grayrock Road (AH-10 Zone)	77.01/2, 3, 4	7	-	-	7	Approved ⁽²⁾
100% Affordable Municipally Sponsored Rentals						
Clinton Woods (84 Total Units)	82/4.04	58	x 2 ⁽¹⁾	58	116	Complete
Willows at Spruce Run (Family Units)	70/6, 6.01	80	-	-	80	Under construction
Willows at Spruce Run (Special Needs Units)	70/6, 6.01	2	-	-	2	Under construction
Total	-	279	-	58	337	-

TABLE 31-THIRD ROUND PLAN MECHANISMS

(1) Rental bonus credits per Third Round Rules.

(2) 3 of the 7 total units are in the Greyrock Crossing, LLC application approved by Planning Board. The remaining 4 units to be constructed on Lot 3 are durational adjustment.

(3) "Durational Adjustment" means a deferral of the municipal low and moderate-income housing obligation based on the lack of infrastructure pursuant to N.J.S.A. 52:27D-307(c)(2) and NJ.A.C. 5:93-4.

3. Fourth Round Obligation

The Township' will satisfy the entirety of its Fourth Round RDP of 22 units and Redevelopment Obligation of 32 units totaling 54 units with several plan mechanisms, including inclusionary and 100% affordable developments as summarized below, all of which are rental units except as otherwise indicated.

TABLE 32 – PLAN MECHANISMS TO ADDRESS COMBINED FOURTH ROUND RDP & REDEVELOPMENT OBLIGATION

			Bonus			
	Block/		Credit	Bonus	Total	
Plan Mechanism	Lot	# Units	Multiplier	Credits	Credits	Status
Inclusionary Development						
9 Main St./Village Green	49/25	2	1 x 0.5	1	3	To be rezoned
100% Affordable Municipally Sponsored Rentals						
Willows at Spruce Run (Special Needs)	70/6, 6.01	8	x 2	8	16	Under Construction
Willows at Spruce Run (Family)	70/6, 6.01	6	x 2	4 (1)	10	Under Construction
3 Grayrock Road	74/19	25	-	-	25	To be rezoned
Total	_	41	_	13 ⁽¹⁾	54	-

(1) Bonus credits capped at a maximum of 25% of the total obligation.

4.3 DEVELOPMENT SITES & PLAN MECHANISMS

The Township's affordable housing sites and plan mechanisms identified in Section 4.2 are discussed in this section. The Plan Components Map below illustrates the locations of the sites identified herein.



1. Prior (First, Second and Third) Rounds Plan Mechanisms

- A. <u>Credits Without Controls.</u> In accordance with N.J.A.C. 5:93-3.2, Clinton Township initiated the Credits without Controls process in May 1999. The Township collected 200 surveys of which, 80 were submitted to COAH for review. Through its review, COAH found 28 of those units to represent income-eligible households, which all were from the Beaver Brook (Block 79.02) and Oak Knoll (Block 82.13) developments. COAH calculated the affordability factors of these developments and granted the Township eligibility for 13 credits without controls units. COAH's approval of these credits is included in the appendix of this document.
- B. <u>Regional Contribution Agreement (RCA).</u> The Township entered into a regional contribution agreement (RCA) with the City of New Brunswick to transfer funds for the development of 108 affordable housing units for the same number of credits. On August 26, 2002, the Township made its final payment toward this agreement having paid a total of \$2,265,000 to the City of New Brunswick in accordance with the RCA. The Roberts Bill, P.L. 2008, c. 46, eliminated the use of regional contribution agreements in satisfying affordable housing obligations precluding the Township from entering into any additional RCA's.
- C. <u>CRC Longview Group Home (Block 10 Lots 1 & 9.01).</u> The 4 proposed group home bedrooms at Longview were a condition of approval in the Planning Board's Resolution No. 2009-17 approving CRC's preliminary subdivision application for the creation of 15 lots. The condition stipulates that CRC is required to fund the purchase by a qualified non-profit of 4 qualified group home bedrooms for persons with developmental disabilities. CRC submitted an active application to the Planning Board which is scheduled for a public hearing in July 2025. The developer will be required to confirm the required provision of affordable housing to be provide shortly after Board approval, if approved.
- D. <u>142-144 West Main Street (Block 66 Lots 3 & 4)</u>. This West Main Street gut rehabilitation project was included in the Township's Second Round Plan accounting for 3-units as previously certified by COAH. In 1995, a certificate of occupancy was issued to the Hunterdon County Housing Corporation (HCHC) for the rehabilitation of 3 affordable units on the 3-acre property.

E. <u>Village Green at Annandale (Block 49 Lot 25).</u> Village Green at Annandale is a mixed-use development that had been approved with the inclusion of three units of affordable housing. In February 2015, amendments to the plan were approved increasing the number of affordable units to four. The site is now developed and occupied. As noted in the section outlining the Fourth Round Fair Share Plan Mechanisms, the Township will rezone this site to facilitate the creation of an additional 9 units, 2 of which will be designated for low and moderate-income households.



F. <u>The Mews Senior Housing (Block 47 Lot 3)</u>. The Mews is an existing inclusionary development consisting of 35 senior-restricted low- and moderate-income rental housing units. The 43-acres property received approval for the development of 221 units in 2001 which are now developed and occupied. The Township applied 38 senior-restricted housing units and bonuses, or a maximum of 25%, toward its Prior Round obligation of 335 units.



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G. <u>Willows at Annandale (Block 60.03 Lot 26)</u>. The property formerly known as the Beaver Brook Homestead is a 10.65-acre parcel located in Annandale Village. The Clinton Township Mayor and Council designated the site an "area in need of redevelopment" by Resolution No. 131-15, dated December 9, 2015. A redevelopment plan was subsequently prepared for the site, adopted by Ordinance No. 1080-16, dated January 27, 2016, establishing a new AH-4 Affordable Housing District. In August 2017, the developer, Ingerman, received an award for New Jersey Housing Mortgage and Finance Agency's competitive 9% financing. The site is now developed and occupied as of 2019.

The development consists of 66 100% affordable multifamily units allocated as one-, two- and threebedroom units in accordance with COAH requirements. These units include a hybrid of flats and townhouses designed with architectural features consistent with the historic main house. In addition, the development features a central community green space, preservation of the northerly area of the site with environmentally sensitive areas and restoration of the historic main house for use as a community center.

The site is located within a developed area of the community adjacent to the Annandale Historic District within walking distance to the Annandale Train Station. While the northerly portion of the site is impacted by environmental constraints, the southerly portion of the site where the site is developed is generally unconstrained. The site is located in close proximity to highway Routes 78, 31 and 22 providing convenient regional access.



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H. <u>Annandale Village (Block 53 Lot 3)</u>. The Township's Annandale Village site formerly known as the "Old Municipal Building" or "Fox/seals" site is located in the heart of the Annandale historic district within walking distance to the Annandale Train Station. The approximately 1-acre flag-shaped parcel is developed with a large structure and associated paved areas deemed to have some historic significance given the building's original use as a general store, and later the Township's municipal offices, fire department, post office and other miscellaneous uses.

The Township adopted a Redevelopment Plan for mixed-use development of the site after which the selected developer received final site plan approval in 2020 to improve the existing historic building with a commercial space on the first floor and two apartments above, one of which will be affordable, and develop a second multifamily building consisting of 10 units fronting Center Street. The southern portion of the property was subdivided and will become a public surface parking lot for the surrounding neighborhood. The Township anticipates that construction on the site will begin shortly.



I. <u>Clinton Woods (Marookian Site) (Block 82 Lot 4.04).</u> The Clinton Woods site is an 84-unit 100% affordable multifamily development located on Route 31 S at Block 82 Lot 4.04. The property is a 6-acre flag lot that was subdivided from the larger Marookian tract to satisfy a portion of the Township's Third Round affordable housing obligation. The site is now developed and occupied.



J. <u>Headley Farm Estate (Block 46 Lots 33 & 33.01).</u> CRC Communities at Headley Farms Estates, Inc. ("CRC") seeks to construct an inclusionary housing development on the property identified as Block 46, Lots 33 and 33.01 on the official tax map of the Township (the "Property"). The Project includes 400 total units, including a 26% set aside that will yield 104 low- and moderate-affordable units (the "Project") on the 155-acre tract. The development is contemplated around the existing road network and within the cleared areas of the site. While the periphery of the site has environmental constraints, the proposed development is generally away from those features within the developable 79.96 acres. Access to the site will be provided via East Main Street and Petticoat Lane with regional access via Routes 22, 78 and 31 in close proximity.

The Project is included in the Township's Third Round Affording Housing and Fair Share Plan pursuant to a Settlement Agreement with Fair Share Housing Center approved by a Judgment of Compliance and Repose entered by the Superior Court of New Jersey. Because there was not enough water and sewer capacity available to accommodate the Project, the Property is included in the Township's Plan subject to a durational adjustment for water and sewer availability. In addition, the New Jersey Highlands Water Protection and Planning Council approved the Township's petition to create a Highlands Center which includes the site and parcels to the south to allow for the proposed density of 5 units per acre based on the developable 79.96 acres and required site improvements. The site was rezoned in the AH-8 Affordable Housing District by Ordinance No. 1121-18 adopted November 7, 2018 to facilitate the contemplated 400-unit inclusionary development of the site.

Pursuant to the Settlement Agreement, the Project has priority over all other inclusionary development sites in the Township because it offers both the highest percentage set-aside for affordable housing and the most units of affordable housing of any project.

The Court approved the Township's request for a durational adjustment in including the Headley site in its Fair Share Plan based on Clinton's affordable housing obligation and lack of available water and sewer capacity. Given the large affordable housing set-aside resulting in 104 affordable units within a single inclusionary development, the Township prioritizes this site above other inclusionary sites for the allocation of sewer and water capacity when it becomes available. The developer may alternatively choose to install a package sewer plant and private water system or new public well to meet the needs of the development, which the Township agrees to support. In either scenario, the developer is responsible for the purchase and/or production of required sewer and water capacities. The Township agrees to amend the sewer service area to include the Headley Farm Estate site. One of the advantages of this site is its adjacency to the utilities in Annandale Village allowing for relatively easy connectivity if so necessary.

The Project continues to present a realistic opportunity for the development of affordable housing in accordance with applicable law. As detailed herein, CRC has made substantial progress in advancing the Project and is actively working with regulators in order to secure the necessary approvals for the Project. As CRC is continually working to advance the Project, CRC will provide updates to the Township regarding the status of the Project.

Water Quality Management Plan Amendment

The Project will be served by an on-site treatment and disposal system. Because the Project site is not currently in a sewer service area, the Project requires a Water Quality Management Plan (WQMP) amendment for the permitting of this system. This application for WQMP amendment was filed with the New Jersey Department of Environmental Protection (NJDEP) in December 2022. CRC has responded to all NJDEP comments on the WQMP amendment to date and the application remains pending.

In connection with the pending WQMP amendment, CRC has also engaged in extensive coordination with the Highlands Council regarding its consistency review of the WQMP amendment with the Regional Master Plan. In January 2023, the Highlands Council advised that its consistency certification would be subject to the adoption by Clinton Township of an ordinance establishing the Annandale Highlands Council approval of its Petition for Center Designation and established the Annadale Highlands Center.

The Highlands Council also required the submission and approval of a Site-Specific Water Deficit Mitigation Plan demonstrating the water conservation and mitigation measures for the Project. CRC engaged a consultant, One Water Consulting, LLC ("One Water"), to prepare the Site-Specific Water Deficit Mitigation Plan for the Project. CRC submitted the Site-Specific Water Deficit Mitigation Plan prepared by One Water to the NJDEP and Highlands Council in January 2025.

More recently, the Highlands Council required the submission of additional information from the Town of Clinton (the "Town") regarding water capacity for the Project and the submission of a completed and adopted municipal-wide Water Use and Conservation Management Plan ("WUCMP") for the Township. We understand that the Township is in the process of preparing its WUCMP and CRC is actively working with both the Town and the Township to provide the necessary information to the Highlands.

Upon Highlands Council issuance of the consistency certification, NJDEP may proceed with its review of the WQMP amendment.

Status of Other NJDEP Approvals

CRC has also worked diligently to obtain other NJDEP approvals.

- CRC applied for a new Letter of Interpretation (LOI) from the NJDEP. The NJDEP has signed off on the Wetland Delineation Plan and CRC is awaiting the signed plan and issuance of the LOI. The NJDEP recently advised that it misplaced CRC's initial submission which required CRC to resubmit and has delayed issuance of the LOI.
- CRC also submitted for and obtained NJDEP Flood Hazard Area Verification Approval dated December 14, 2023 for the Project.

Water Availability

With respect to water, the Town has been unable to provide sufficient capacity to serve the Project. To date, CRC has secured 52,595 gpd from the Town to serve the Project and is confident that it will be able to secure the remaining water for the Project. CRC is actively pursuing additional water as it becomes available from the Town and will seek alternative sources of water, as necessary.

As discussed herein, if sufficient water is not available to serve the Project, CRC intends to pursue a phased approach to the Project to enable it to move forward with that portion of the Project that can be served by existing water reservations.

On-Site Treatment and Disposal Facility

As noted, the Project will be served by an on-site treatment and disposal system. If the Project is phased based on water availability, the on-site treatment and disposal facility will be designed to utilize multiple treatment trains that will work in parallel to process the wastewater. In wastewater treatment, a "treatment train" refers to a sequence of interconnected treatment processes or technologies designed to effectively remove pollutants from wastewater. In a phased development, each treatment train will be designed to accommodate varying levels of wastewater production from different phases of the development. Although there will be some components of the facility that will be designed and constructed for full buildout, the treatment trains can be constructed/put into service as subsequent phases of the Project are approved and constructed. Such a phased approach allows for the efficient and cost-effective expansion of infrastructure as the Project is built out. Similarly, the treated water recharge areas will be designed to be constructed in phases.

If sufficient water for the Project is available, the treatment train approach will not be needed for the on-site treatment and disposal facility, which will be constructed in its entirety.

Ongoing Hydrogeological Investigation

CRC is also actively engaged in the due diligence and hydrogeological investigation necessary to advance the Project.

To that end, CRC engaged a consultant, Dwyer Geosciences, Inc. ("Dwyer Geosciences") to undertake the necessary investigation for the design of the Project's wastewater and stormwater management facilities, which in turn impacts CRC's ability to develop a complete and cost-effective site layout for the Project. This investigation takes significant time and is ongoing.

- As part of this investigation, test pits were completed during the first week of January of 2024. Based on the results of this testing, Dwyer Geosciences recommended the installation of monitoring wells so that a water source would be available for infiltration testing.
- Drilling of test borings and the installation of five monitoring wells were completed during the last week of June and first week of July of 2024. This was followed by a multiple-well aquifer test during the first week of July of 2024.
- Based on the results of the aquifer test, Dwyer Geosciences determined that additional groundwater elevation information was needed to calibrate the ground-water mounding analysis and more accurately account for interactions with the Project's stormwater basins.
- On or about November 15, 2024, water levels were obtained from the five monitoring wells as well as from older wells located on the Property in connection with prior geotechnical investigations.
- Based on these levels, Dwyer Geosciences determined that additional investigation of the aquifer hydraulic boundary conditions at the far southeast corner of the Property, where several fault zones are mapped by the New Jersey Geological Survey, was needed.
- An additional monitoring well was installed in this area in February of 2025.
- The additional information was used to calibrate a numerical ground-water flow model for the site to confirm wastewater discharge capacity for the project.

Based on the extensive hydrogeologic evaluation performed for the Project, Dwyer Geosciences has confirmed the feasibility of the subsurface discharge for the Project. This analysis will be supplemented in connection with the New Jersey Pollutant Discharge Elimination System ("NJPDES") discharge permit and Treatment Works Approval ("TWA") applications to be made to the NJDEP. Once CRC receives initial approval of the WQMP amendment, it will submit its NJPDES discharge permit application and prepare its TWA application while the NJPDES discharge permit application is under review.

<u>Next Steps</u>

CRC previously submitted an application for preliminary site plan approval to the Clinton Township Planning Board for the Project. CRC anticipates moving forward with a preliminary site plan application for the Project this summer. If sufficient water is not available to serve the Project, CRC will pursue a phased approach to the Project to enable it to move forward with that portion of the Project that can be served by existing water reservations.

CRC will move forward with an application for final site plan approval for the Project upon receipt of NJDEP's approval of the WQMP amendment.



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K. <u>108 Alton Place (Block 79.07 Lot 1).</u> 108 Alton Place is a rectangular 16.17-acre site located in the westerly area of the Township in close proximity to Routes 31, 22 and 78. Access to the site may be provided via Alton Place and/or St. Ledger Way. A riparian buffer impacts the northerly portion of the site while the remaining 13.73 acres of the site are unconstrained.

The development proposal features a 140-unit inclusionary development with a 20% affordable housing set-aside yielding 28 affordable units. This translates to a density of approximately 10 units per acre within the developable 13.73 acres of the site, including a mix of townhouse and multifamily units consistent with the surrounding development pattern generally comprised of townhouses developed at similar densities. All of the affordable units will be included as apartments.

The site was rezoned within the AH-6 Affordable Housing District by the adoption of Ordinance 1120-18 on September 12, 2018. The Court approved the Township's request for a durational adjustment in including the Alton Place site in its Fair Share Plan given the lack of available water and sewer capacity and the site's location within existing water and sewer service areas.



L. <u>Grayrock Road (AH-10 Zone) (Block 77.01 Lots 2, 3 & 4).</u> The AH-10 Zone encompasses 3 parcels with frontage on Grayrock Road, Center Street and Old Highway 22. The site serves as a transitional area between the VR Village Residential Zone to the west and HC Highway Commercial Zone to the east. Lots 2 and 4 received site plan approval from the Planning Board in 2024 for the development of a three-story, 18-unit multifamily building that includes 3 affordable housing units.



M. <u>Willows at Spruce Run 100% Affordable Development (Block 70 Lots 6 & 6.01).</u> Willows at Spruce Run is a 96-unit 100% affordable development, including 10 special needs bedrooms, at Block 70 Lots 6 and 6.01. The site is roughly 12 acres in area fronting Route 31 N where the rear half of the site is impacted by steep slopes and other environmental constraints. The site received final site plan approval from the Planning Board in 2024 and is currently under construction. A portion of the special needs units are surplus credits that are applied to the Township's Fourth Round affordable housing obligation.



2. Fourth Round Plan Mechanisms

- A. <u>9 Main Street/Village Green (Block 49 Lot 25).</u> The Village Green site is a 1.93-acre corner lot with frontages on Main Street and East Street immediately south of the Annandale Train Station developed with a mix of commercial spaces and apartments. There are four existing affordable units which satisfy a portion of the Township's Third Round affordable housing obligation as previously discussed. The Township will rezone the property to accommodate the conversion of all but one of the existing commercial spaces and one storage space into 9 new residential apartment units, including two low and moderate-income units to satisfy a portion of the Township's Fourth Round affordable housing obligation. The existing site conditions are not expected to change significantly given most of the proposed improvements will occur in the interior of the existing structures.
- B. <u>Willows at Spruce Run (block 70 Lots 6 & 6.01).</u> As indicated above, the Willows at Spruce Run is a 96unit 100% affordable development currently under construction. The development generates surplus units including 8 of the 10 special needs units and 2 family units plus 12 bonus credits for a total of 26 credits applied to the Township's Fourth Round affordable housing obligation.
- C. <u>3 Grayrock Road 100% Affordable Development (Block 74 Lot 19).</u> The Township will rezone Block 74 Lot 19 to facilitate the construction of a 25-unit 100% affordable multifamily development. This 1.44acre parcel has frontages on Grayrock Road, Center Street and Fairview Avenue. The property received prior site plan approval for medical office use, the construction of which began nearly a decade ago but stalled shortly thereafter due to market conditions. The site has since remained vacant with some retaining walls, stormwater management and other site improvements installed. This development will be consistent with the AH-10 located on the east side of Grayrock Road.

4.4 DEVELOPMENTS NOT INCLUDED

The Township's Fourth Round Fair Share Plan addresses the entirety of its various affordable housing obligations with a variety of mechanisms that conform with the Highlands RMP. In accordance with the FHA-2 and pertinent COAH regulations, the Township is entitled to select development sites and plan mechanisms deemed most appropriate for the community in satisfying its affordable housing obligations. The Township received several development proposals not included in its Fair Share Plan as summarized below.

1. <u>Exxon.</u> Exxon proposed an inclusionary development on Block 30 Lot 30 as identified in Township tax records currently developed and occupied as a research and development facility. The development proposal which has ranged between 255 units and 750 residential units in addition to maintaining the existing R&D facility and potentially adding other uses is unrealistic for several reasons. The portion of the site where residential development is proposed is located in the Highlands Conservation Environmentally Constrained Sub-Zone (CECSZ) into which the extension of utilities is prohibited and where the development of affordable housing is discouraged pursuant to the Highlands RMP and Affordable Housing Implementation Guidelines.

The proposal has not accurately reflected the actual development constraints impacting the property including Highlands land use capability zone designations and environmental features and associated buffers that greatly limit the potential development footprint of any prospective development of the site in addition to the R&D facility to remain. Exxon is entitled to initiate a Highlands Redevelopment process directly through the Highlands Council to develop an area equivalent to an additional 30% of the site's existing contiguous impervious coverage. However, to date, the developer has not pursued this opportunity.

The site only has permits for on-site industrial water and wastewater utilities. At present, it is unclear whether the site can obtain NJDEP permitting for on-site residential water and wastewater utilities given the presence of C-1 streams and associated buffers impacting the site. In addition, the Applicant has not specified how much water and sewer capacity will be required for the proposed nonresidential uses of the site leaving to question the amount of remaining capacities available for residential development. Furthermore, it remains unclear how the proposed development can occur in the area of the existing spray field that supports the nonresidential use which may or may not be able to be converted into a new on-site wastewater treatment system that discharges wastewater into the ground. Therefore, the Applicant has yet to demonstrate the feasibility of developing any of the various iterations of residential development on the site. If some iteration of residential development on this site is included in the Township's Fourth Round Plan, the site would be a durational adjustment site for the reasons stated above.

Finally, the developer has not submitted a comprehensive plan for the site demonstrating that the various undefined mix of uses can be supported in consideration of the above. It is unclear that residential development can safely occur adjacent to the existing industrial use to remain, which again is undefined. The site is also not proximate to public transportation and is not served by public sewer or water which are significant considerations in the Township's affordable housing site selection criteria.

- 2. <u>Beaver Brook Country Club.</u> Beaver Brook Country Club proposed an inclusionary development on the designated golf course open space areas of the Country Club property identified as Block 79.01 Lot 4, Block 79.02 and Block 79.10 Lot 10 in Township tax records. Based on a title search of the subject parcels and prior site approvals, the prospective developer does not have the right to develop these areas of the site with housing. In addition, the developer has not secured water or sewer capacity to serve the development and would therefore be a durational adjustment site if included in the Township's Fourth Round Plan.
- 3. <u>Hionis.</u> Representatives of property listed as Block 4 Lots 20, 22 and 23 in Township tax records proposed an inclusionary development of the site. However, the site does not have enough sewer and water capacity sufficient to accommodate the proposed 500 to 700 units on the property. In addition, the proposal does not take into consideration the appliable Highlands regulations and environmental constraints impacting the property that significantly limit the developable area and prohibit the extension of utilities.
- 4. <u>Solar Field.</u> The owner of Block 47 Lots 18 and 19 had proposed multifamily development of the approximately 3-acre site currently developed with a solar array. However, the conceptual development of the site was deemed unrealistic and infeasible as the developer could not demonstrate a clear path to obtaining the necessary water and sewer capacity to support the development.

4.5 CREDITING DOCUMENTATION AND ONGOING COMPLIANCE

Clinton Township commits to adhering to the State's Fourth Round compliance requirements. In addition, all crediting documentation submitted to and approved by the Court as part of the Township's Third Round Housing Element and Fair Share Plan remains on file with and accessible from the Court.

4.6 CONSISTENCY WITH STATE PLANNING INITIATIVES & OTHER PLANS

As noted in Section 1 of this plan, a HE&FSP must also include:

- 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 as well as consistency with the Highlands Regional Master Plan. For municipalities in the Highlands Region, the FHA-2 requires 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 P.L. 2024, CHAPTER 2 32 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.

1. <u>Highlands Regional Master Plan ("RMP")</u>

On April 18, 2024, the Highlands Council adopted the Highlands Affordable Housing RMP Amendment. This Amendment provides standards based on the RMP and FHA-2 regarding suitable locations for affordable housing based on the Highlands RMP goals, objectives and policies. The Highlands Council subsequently published its Highlands Affordable Housing Implementation Guidelines dated October 2024 to assist municipalities in evaluating Highlands RMP conformance when reviewing proposals for residential development.

The following are Highlands RMP goals and objectives that relate to the development of affordable housing in the Highlands Region:

- Compliance mechanisms that limit development should be favored over those that promote more development.
- Inclusionary developments provide density bonuses for developers to support the imposition of a set aside. Although municipalities have the right to rely on "inclusionary" developments to satisfy their Highlands Municipal Affordable Housing Guidelines affordable housing obligations, reliance on this technique is discouraged to limit the impact on the scarce resources of the region. Reliance on 100% affordable projects and other techniques that place less stress on infrastructure are encouraged to reduce impact on the ecosystem and water resources.
- Regarding the design of affordable housing projects, energy usage can increase the cost of housing, as can dependence on cars. Incorporation of green building standards as outlined by the EPA should be part of any housing project. Solar readiness should be considered in design as on-site solar generating facilities can assist in offsetting electricity costs and the proper orientation of buildings can provide energy savings. Finally, planning for future electric vehicle (EV) charging is of particular importance for multi-family and apartment style housing where it is typically more difficult for occupants to install their own chargers than at a single-family home.
- Affordable housing site criteria:
 - (1) Sites should be proximate to public transportation options such as bus and/or train service. A site qualifies as being "proximate" to transit if it is within a half mile of an existing or proposed transit stop and that it is a walkable route (i.e. accessible by sidewalks). Sites within ½ mile of a transit stop may be eligible for one unit of credit and one-half bonus credit for each unit of low-or moderate-income housing located within a one-half mile radius surrounding a New Jersey Transit rail or bus station.
 - (2) Sites should be accessible to schools.
 - (3) Sites should be accessible to employment, using the walkable/transit criteria above.
 - (4) Sites should be proximate to shopping areas, using the criteria above.

- (5) Sites should be served by public water and public sanitary sewer.
- (6) Sites should be close to recreational opportunities.
- (7) Sites should avoid regulated environmental resources of the Highlands Region as set forth in the Highlands Act and/or the regulations of the New Jersey Department of Environmental Protection including but not limited to: special environmental zones; Highlands open water buffers; prime/municipally important groundwater recharge areas; vernal pool buffers; significant natural areas, areas of severe steep slopes (20%+).
- (8) Sites that necessitate significant extension of water and sewer service should be avoided. Said another way, in accordance with the mission of the Highlands Act, municipalities should be extremely judicious in extending sewer and water service and thereby encouraging the development the Legislature enacted the Highlands Act to suppress.
- (9) Sites should comply with the most recent Flood Hazard Area rules.
- (10) Sites should not be located in close proximity to industrial or other uses with the potential for health and safety impacts.

2. State Development and Redevelopment Plan (SDRP)

The State Development and Redevelopment Plan was adopted in 2001 prior to the State Legislature's adoption of the New Jersey Highlands Water Protection and Planning Act in 2004 and subsequent Highlands Council's adoption of the Highlands Regional Master Plan in 2008. The Highlands RMP governs the development of Highlands-conforming municipalities apart from the SDRP. The FHA-2 in prescribing the methodology to calculate a municipality's land capacity factor recognizes the Highlands Preservation and Planning Areas, Highlands Land Use Capability Zones (LUCZ) and whether sites are within a designated sewer service area as criteria for determining the municipality's land capacity factor. Furthermore, the FHA-2 exempts all lands within the Highlands Preservation Area and not in the Highlands Existing Community Zone (ECZ) or Highlands Center from generating an affordable housing obligation as such locations are contrary to the goals, policies and objectives of the Highlands RMP.

3. Multigenerational Family Housing Continuity Commission

The Multigenerational Family Housing Continuity Commission was established by the State of New Jersey in 2021. As noted in <u>N.J.S.A.</u> 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.

Appendix