



Engineering
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2025 Housing Element & Fair Share Plan

Township of Franklin, Hunterdon County

May 19, 2025

Prepared for:

Township of Franklin

Prepared by:

A blue ink signature of Darlene A. Green, written in a cursive style.

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Township of Franklin

Hunterdon County, New Jersey

Adopted by the Planning Board: June 12, 2025

Endorsed by the Township Committee: June 12, 2025

Prepared by:



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The original of this report was signed and sealed in accordance with NJSA 45:14A-12.

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I. Introduction

According to the Fair Housing Act, a Housing Plan Element shall be designed to meet the municipality's fair share of its region's present and prospective housing needs, with particular attention to low- and moderate-income housing.

Affordable housing in New Jersey has a long, convoluted history dating back to 1975, when the New Jersey Supreme Court ruled that each municipality within the State has a constitutional obligation to provide a realistic opportunity for the construction of their fair share of affordable housing. This landmark decision is commonly referred to as Mount Laurel I, as the defendant was the Township of Mount Laurel. In 1983, the New Jersey Supreme Court upheld its Mount Laurel I decision and created builder's remedy as a means of enforcement (known as Mount Laurel II). In response to the court decisions, the Fair Housing Act (FHA) was adopted in 1985, which provided an administrative process for municipal compliance. The FHA also created the Council on Affordable Housing (COAH), which was responsible for promulgating municipal obligations, adopting regulations, and administering the compliance process. The first round of affordable housing spanned from 1987 to 1993. This was followed by the second round from 1993 to 1999.

The third round of affordable housing commenced in 1999, but COAH failed to establish new affordable housing obligations. Several lawsuits were filed between 2008 and 2015 regarding the obligation. Ultimately, on March 10, 2015, the Supreme Court ruled that COAH failed to act and as a result, the Courts assumed jurisdiction over the Fair Housing Act. The decision and accompanying Order ("March 2015 Order") divided municipalities into one of three categories – those that achieved Third Round Substantive Certification, those that filed or petitioned COAH and those that had never participated in the COAH process.

The transitional process created by the Supreme Court tracked the Fair Housing Act procedures for compliance. In this regard, the process permitted municipalities to file a Declaratory Judgment Action during a 30-day window between June 8 and July 8, 2015 that sought an adjudication as to their fair share. This would enable the municipality to comply voluntarily with its constitutional obligation to provide a realistic opportunity for the construction of its fair share of the regions' low- and moderate-income households.

On January 18, 2017, the Supreme Court ruled that municipalities are responsible for obligations accruing during the so-called "gap period," the period between 1999 and 2015. However, the Court stated that the gap obligation should be calculated as a never-before calculated component of Present Need (also referred to as Rehabilitation Obligation), which would serve to capture Gap Period households that were presently in need of affordable housing as of the date of the Present Need calculation (i.e. that were still income eligible, were not captured as part of traditional present need, were still living in New Jersey and otherwise represented a Present affordable housing need).

Between 2015 and 2024 towns that elected to voluntarily comply with their constitutional obligation participated in mediation sessions, reached settlement agreements, adopted Housing Element and Fair Share Reports, and most towns concluded the process with a judgment of repose and compliance. As a result of COAH's inability to function, the third round period spanned from 1999 to 2025.

Then, on March 20, 2024, Governor Murphy signed legislation that dramatically modified the State's affordable housing regulations. The 75-page bill, known as A4, abolished COAH, modified the

process of affordable housing compliance, amended bonus credits, and, among other changes, set forth several important deadlines. P.L. 2024, c.2 (“Amended FHA”) charged the Department of Community Affairs (“DCA”) with the preparation of fourth round obligations and set forth aggressive timelines for compliance. In October of 2024, DCA published a report on its calculations of regional need and municipal present (Rehabilitation Obligation) and prospective (Fourth Round Obligation) fair share obligations. The Report is entitled “Affordable Housing Obligation of 2025-2035 (Fourth Round) Methodology and Background”. The DCA calculated Franklin’s present need obligation as 0 and its prospective need obligation as 52. Municipalities were required to adopt a binding resolution outlining their present and prospective fair share obligations by January 31, 2025. On January 28, 2025, the Township Committee adopted Resolution No. 2025-17 accepting the DCA’s calculations of the Township’s present and prospective obligations, subject to any vacant land and/or durational adjustment. The Township of Franklin also filed a Complaint for Declaratory Relief on January 29, 2025, as part of the compliance certification process outlined in the Director of the Administrative Office of the Courts Directive #14-24.

During the 30-day challenge window, no challenge was received and on March 1, 2025, pursuant to the Amended FHA, the Township’s Rehabilitation and Fourth Round Obligations were established by default.

This is the Township of Franklin’s Housing Element and Fair Share Plan (“HEFSP”) for the period between 2025 and 2035, known as the Fourth Round. Franklin seeks to voluntarily comply with its constitutional obligation to provide a realistic opportunity for affordable housing. This HEFSP is prepared utilizing the Prior Round Rules¹, Third Round Rules² (as applicable), and the amendments implemented in P.L. 2024, c.2. Each municipality in the State has a four-part obligation:

1. Rehabilitation Obligation
2. Prior (First and Second Round) Obligations (1987-1999)
3. Third Round Obligation (1999 – 2025)
4. Fourth Round Obligation (2025-2035)

Affordable Housing History

A summary of Franklin’s historic affordable housing timeline is included below:

- **December 7, 1987** | COAH granted Franklin First Round Substantive Certification.
- **March 3, 1997** | Franklin petitioned COAH for Second Round Substantive Certification.
- **July 11, 2000** | COAH issued a Compliance Report recommending Franklin be granted conditional substantive certification.
- **August 2, 2000** | COAH granted Franklin Second Round Substantive Certification via Resolution #158-99.
- **December 30, 2008** | Franklin petitioned COAH for Third Round Substantive Certification.
- **January 27, 2009** | COAH deemed Franklin’s petition complete.

¹ NJAC 5:91 (Procedural) and NJAC 5:93 (Substantive) Rules. They can be found at:

[New Jersey Department of Community Affairs | Second Round Regulations](#)

² NJAC 5:97 (Substantive) Rules, which can be found at: <https://nj.gov/dca/dlps/hss/thirdroundregs.shtml>

- **March 15, 2009** | Public comment period ended with no objections.
- **July 8, 2015** | Franklin filed a Declaratory Judgment Action seeking to comply with its constitutional mandate to provide affordable housing in accordance with the March 10, 2015 New Jersey Supreme Court Order.
- **October 12, 2017** | Franklin executed a Settlement Agreement with Fair Share Housing Center (“FSHC”).
- **August 2, 2018** | Franklin executed an Amended Settlement Agreement with FSHC (see Appendix A).
- **March 13, 2019** | Final Judgment of Compliance and Repose issued by Judge Miller (see Appendix B).
- **January 28, 2025** | Resolution No. 2025-17 establishing the Township’s present and prospective affordable housing obligations for the fourth round and authorizing the filing of a declaratory judgment seeking certification of compliance adopted by the Township Committee (see Appendix C).
- **January 29, 2025** | Complaint for Declaratory Judgment Pursuant to Directive #14-24 filed (see Appendix D).
- **March 27, 2025** | Order Fixing Municipal Obligations for “Present Need” and “Prospective Need” for the Fourth Round Housing Cycle entered by Judge Mennen (see Appendix E).

Municipal Summary

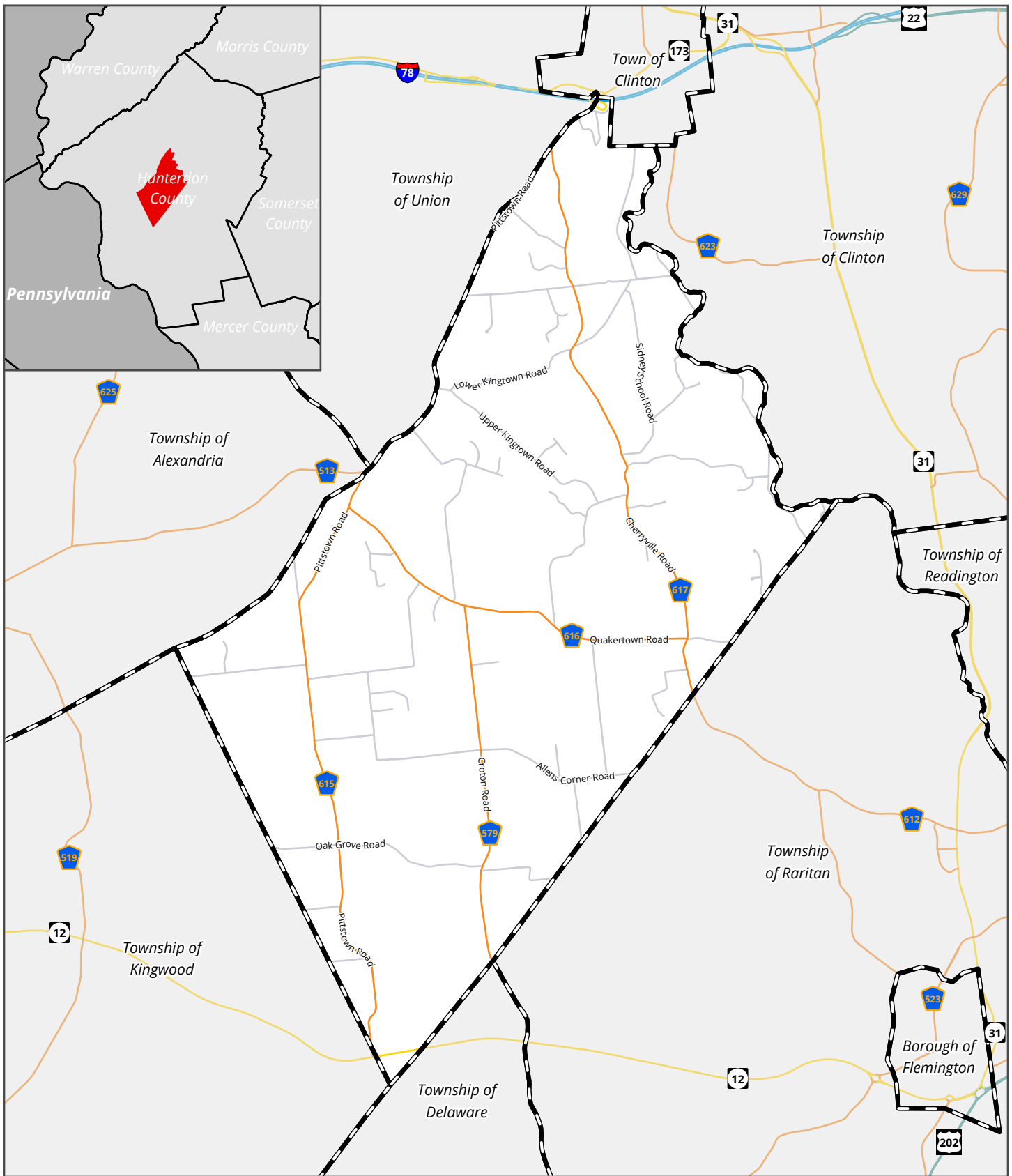
The Township of Franklin is located in Hunterdon County and encompasses nearly 23 square miles. Franklin is a primarily rural community comprised of many small villages, single-family homes, and acres of farmland. The northern point of the Township, which is just south of Exit 15 on Route 78, contains the majority of Franklin’s non-residential uses, including a Walmart, Shop Rite, two strip malls, a Hampton Inn, and a variety of other uses. The Township does not have access to any passenger rail or bus service provided by NJTransit. The Township of Franklin is surrounded by the Town of Clinton, Clinton Township, Raritan Township, Delaware Township, Kingwood Township, Alexandria Township, and Union Township (refer to the map on page 4).

According to the Census, between 2010 and 2020, Franklin’s population increased by just 2.3% (72 residents) from 3,915 to 3,267 residents.³ It should be noted that the 2022 American Community Survey (“ACS”), which is the most recent Survey available from the US Census Bureau, estimates Franklin’s population at 3,248 residents, which is 19 less residents than reported in the 2020 Census.⁴ Looking into the future, the North Jersey Transportation Planning Authority (“NJTPA”) projects that the Township will grow to 3,599 residents by the year 2050.⁵

³ Information sourced from <https://data.census.gov/>, accessed November 6, 2024.

⁴ Ibid.

⁵ Information sourced from NJTPA Plan 2050, Appendix E, “Demographic Forecasts”, <https://www.njtpa.org/plan2050>, accessed November 6, 2024.



REGIONAL LOCATION
TOWNSHIP OF FRANKLIN
 HUNTERDON COUNTY, NEW JERSEY

0 0.6 1.2
 1 inch = 1.2 miles



This map was developed using GIS digital data from NJDEP, NJDOT, and NJGIN, but this secondary product has not been verified and is not state-authorized.

May 5, 2025
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Affordable Housing Obligation

The Township of Franklin has agreed to a Rehabilitation Obligation of zero units. The Township's Prior Round Obligation, as confirmed by the Amended FSHC Settlement Agreement (see Appendix A) is 36. Franklin agreed to a 75-unit Third Round Obligation. However, pursuant to the Township's Settlement Agreement with FSHC, Franklin received a Durational Adjustment of 17 units for the Prior Round and 75 units for the Third Round due to a lack of sufficient water and sewer capacity. Finally, the Township's Fourth Round Obligation is 52 (see Appendix D). However, the Township still lacks water and sewer and will be seeking a durational adjustment as detailed in Chapter XI.

The chart below illustrates the Township's four-part obligation.

Affordable Housing Obligation

	Rehabilitation	Prior Round 1987 - 1999	Third Round 1999 - 2025	Fourth Round 2025 - 2035
Obligation	0	36	75	52
Durational Adjustment	-	13	75	52
Remaining Obligation That Must Be Satisfied	-	23	0	0

Township Goal

It is the overall goal of the HEFSP, in combination with the Land Use Plan, to provide the planning context in which access to low- and moderate-income housing can be provided in accordance with the requirements of the Amended Fair Housing Act and the laws of the State of New Jersey within the portion of the Township that has sewer and water service or is immediately adjacent to said service areas. Outside of the sewer and water service areas the only suitable affordable housing mechanisms are accessory apartments and supportive/special needs housing units as both types of housing can be built on land with a well and septic.

HOUSING ELEMENT

Township of Franklin

II. Content of Housing Element

The Amended Fair Housing Act requires that “the housing element be designed to achieve the goal of access to affordable housing to meet present and prospective housing needs, with particular attention to low and moderate income housing”. As per the Municipal Land Use Law (“MLUL”), specifically NJSA 52:27D-310, a housing element must contain at least the following items:

- 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 conducting this 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 moderate-income housing, including a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing;
- g. An analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of section 1 of P.L.2021, c.273 (C.52D-329.20);
- h. For a municipality located within the jurisdiction of the Highlands Water Protection and Planning Council, established pursuant to section 4 of P.L.2004, C.120 (C.13-20-4), an analysis of compliance of the housing element with the Highlands Regional Master Plan of lands in the Highlands Preservation Area, and lands in the Highlands Planning Area for Highlands-conforming municipalities. This analysis shall include consideration of the municipality's most recent Highlands Municipal Build Out Report, consideration of opportunities for redevelopment of existing developed lands into inclusionary or 100 percent affordable

housing, or both, and opportunities for 100 percent affordable housing in both the Highlands Planning Area and Highlands Preservation Area that are consistent with the Highlands regional master plan; and

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

Chapters III. through IX. address a. through i. above except for the determination of the Township's affordable housing obligation and the Highlands Council. Franklin's four-part obligation is discussed in Chapter XI. Additionally, Franklin is not within the jurisdiction of the Highlands Council and as a result, subsection h. is not applicable.

III. Franklin's Population Demographics

The Township of Franklin has seen steady growth since 1940 when the population was just 1,211 residents. By 1960, the population grew by 566 to 1,777 residents, with a majority of those (522 residents or 41.6%) coming to Franklin during the 1950s. The Township's population saw another modest increase during the 1960s of 377 residents or an increase of 21.2%. There was less population growth during the 1970s with only 140 new residents in Franklin, but substantial growth in the 1980s with 557 new residents. Since 1990, the Township's population has seen modest growth, which has slowed in recent decades with an increase of only 72 residents between the 2010 and 2020 Census. As of the 2022 ACS, the Township had an estimated population of 3,248 residents.

Population Growth

Year	Population	Change	Percent
1940	1,211	-	-
1950	1,255	44	3.6%
1960	1,777	522	41.6%
1970	2,154	377	21.2%
1980	2,294	140	6.5%
1990	2,851	557	24.3%
2000	2,990	139	4.9%
2010	3,195	205	6.9%
2020	3,267	72	2.3%

Source: NJ Population Trends 1790 to 2000

<https://www.nj.gov/labor/labormarketinformation/assets/PDFs/census/2kpub/njsdcp3.pdf>; 2010 & 2020 Census Table P1

The NJTPA Plan 2050 projects that the Township's population will grow to 3,599 residents by 2050 from their baseline 2015 population of 3,246. This represents an increase of 353 residents, or an average increase of approximately ten residents annually over 35 years. It should be noted that the 2020 Decennial Census reported Franklin's population to be 3,267. Utilizing this population, the Township would need to gain 332 residents over the next 30 years, which translates to approximately 11 residents annually. The 2050 projected population seems ambitious based on the historic building trends within the Township.

Population Projection

Year	Population	Change	Percent
2015	3,246	---	---
2020	3,267	21	0.6%
2050	3,599	332	10.2%

Source: NJTPA Plan 2050, Appendix E, Historical Population Trends in Bergen County 1900-2020

<https://www.njtpa.org/NJTPA/media/Documents/Planning/Plans-Guidance/Planning%20for%202050/draft%20final/E-2050-Demographic-Forecasts.pdf>

Age Distribution of Population

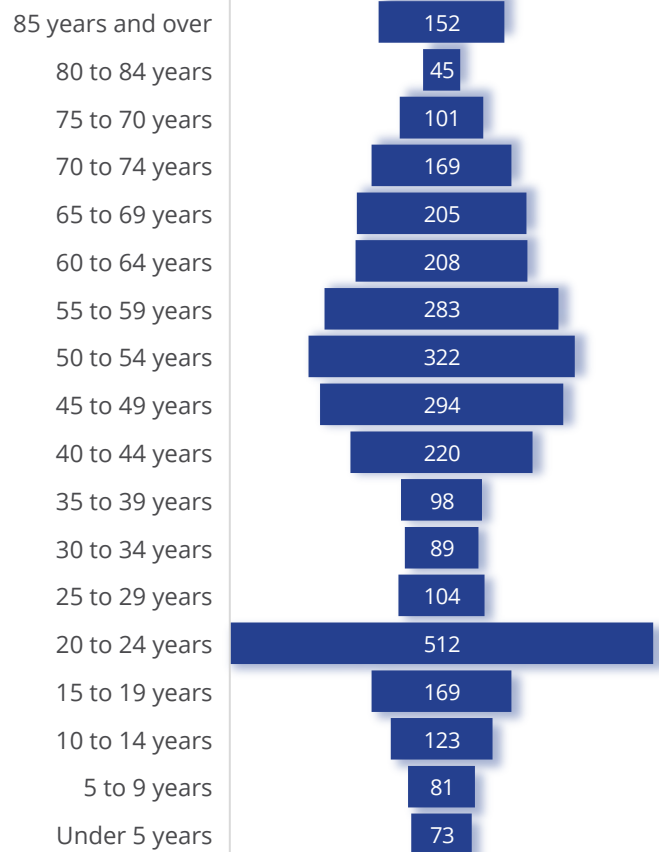
The 2022 ACS estimated 20.7% of Franklin's population was 65 years or older, while only 13.7% of the population was 19 years or younger. Interestingly, the largest age cohort was estimated to be those aged 20 to 24 years, which comprised 15.8% (512 residents) of the Township's population. The next three highest age cohorts are middle-aged residents with 322 residents aged 50 to 54 years (9.9%), 294 residents aged 45 to 49 years (9.1%), and 283 residents aged 55 to 59 years (8.7%). This ties into the estimated median age of Franklin at 49.1 years. See the table and chart below for further details.

Population by Age Cohort

Age	Total	Percent
Under 5 years	73	2.2%
5 to 9 years	81	2.5%
10 to 14 years	123	3.8%
15 to 19 years	169	5.2%
20 to 24 years	512	15.8%
25 to 29 years	104	3.2%
30 to 34 years	89	2.7%
35 to 39 years	98	3.0%
40 to 44 years	220	6.8%
45 to 49 years	294	9.1%
50 to 54 years	322	9.9%
55 to 59 years	283	8.7%
60 to 64 years	208	6.4%
65 to 69 years	205	6.3%
70 to 74 years	169	5.2%
75 to 79 years	101	3.1%
80 to 84 years	45	1.4%
85 years and over	152	4.7%
Total	3,248	100%

Source: 2022 ACS Table S0101

Population by Age Cohort



Household Size & Type

According to the 2022 ACS, Franklin had 1,185 households. A majority were married-couple families, which comprised over 62% of all households. Of those, 202 had children under 18 years old. Female householders with no spouse present comprised 19.1% of all households, while male householders with no spouse present comprised 13.6%. Of all householders with no spouse present, 237 (20% of all households) were living alone. Only female households with no spouse present had children under the age of 18. See the table on the following page for complete details.

Household Type

Type	Number	Percent
Married-couple family	739	62.4%
<i>with children under 18</i>	202	17.0%
Cohabiting couple	59	5.0%
<i>with children under 18</i>	22	1.9%
Male householder, no spouse	161	13.6%
<i>with children under 18</i>	0	0.0%
<i>living alone</i>	121	10.2%
Female householder, no spouse	226	19.1%
<i>with children under 18</i>	45	3.8%
<i>living alone</i>	116	9.8%
Total	1,185	100%

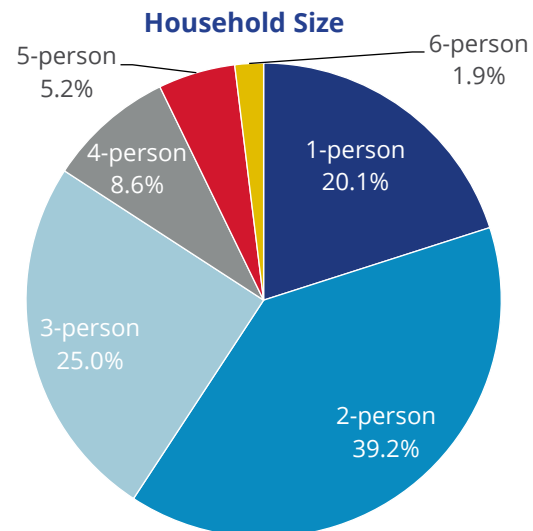
Source: 2022 ACS Table DP02

The ACS also provides information on household size. Two-person households, which comprised 39.1% of Franklin's households, were estimated to be the most common household size in 2022. Second-most common were three-person households, representing nearly a quarter of all households. Finally, one-person households comprised 20% of the 1,185 households in Franklin. It should be noted that 7.4%, or 88 households, contained five or more people, including three households with seven or more people. The table and pie chart below graphically illustrate the household size composition in Franklin. Additionally, the 2022 ACS estimated the average household size at 2.68 persons, which is slightly less than reported in the 2010 Census (2.8 persons).

Household Size

Size	Total	Percent
1-person	237	20.0%
2-person	463	39.1%
3-person	295	24.9%
4-person	102	8.6%
5-person	62	5.2%
6-person	23	1.9%
7+ person	3	0.3%
Total	1,185	100%

Source: 2022 ACS Table B11016



Income & Poverty Status

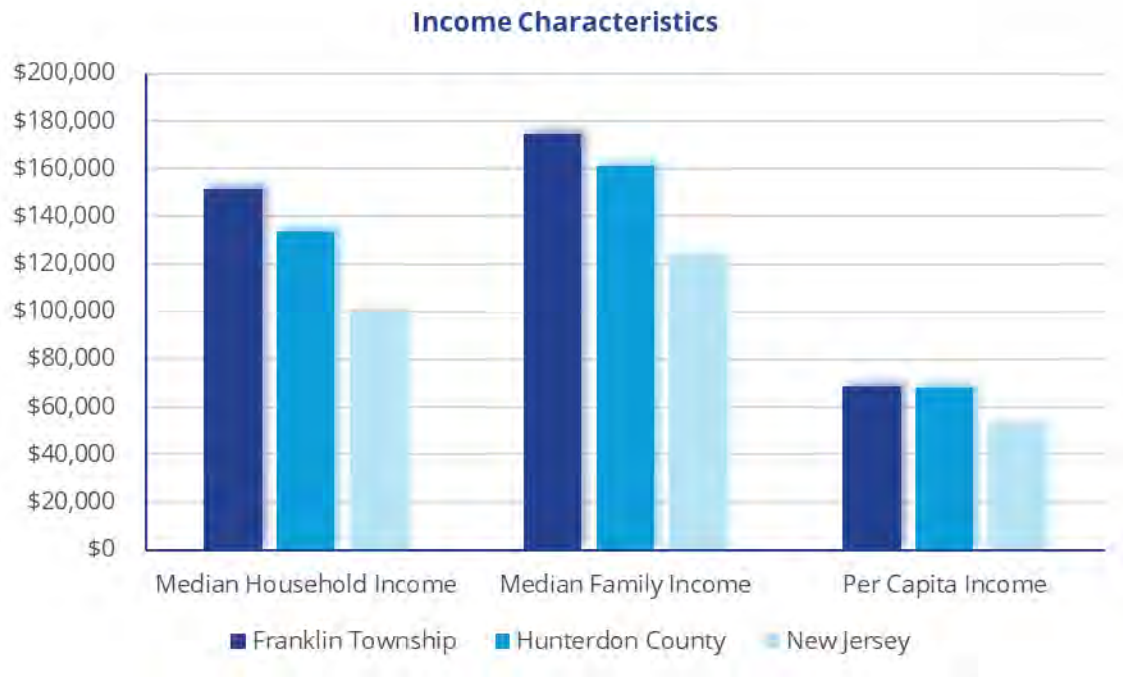
The 2022 ACS estimated the median household income for the Township of Franklin to be \$151,563, which is \$18,000+ higher than Hunterdon County's and \$50,500+ more than the State's. Similarly, the median family income for Franklin was estimated at \$174,773, which is \$13,000+ greater than the County's and \$50,800+ more than the State's. Finally, the Township's per capita income was

estimated at \$68,427, which is just \$315 more than the County's \$68,112 per capita income, but \$15,000+ more than State's. Based on this data, residents of Franklin fare financially better than residents of Hunterdon County and New Jersey. This is reflected in the poverty rates of individuals and families estimated in the 2022 ACS. Franklin's poverty rate for individuals was estimated at 1.8%, which is half of the County's rate and a fifth of the State's rate. Similarly, the Township's poverty rate for families was estimated at 1.2%, which is just under 1% less than the County's and nearly six times less than the State's. The table and bar chart below provide a comparison between income and poverty characteristics.

Income and Poverty Characteristics

Income Type	Franklin Township	Hunterdon County	New Jersey
Median Household Income	\$151,563	\$133,534	\$101,050
Median Family Income	\$174,773	\$161,440	\$123,892
Per Capita Income	\$68,427	\$68,112	\$53,118
Poverty Status (Percent of People)	1.8%	3.7%	9.8%
Poverty Status (Percent of Families)	1.2%	2.1%	7.0%

Source: 2022 ACS Table DP03



According to the 2022 ACS, over 36% of households in Franklin (432) earn over \$200,000 annually. Households earning \$150,000 to \$199,999 comprised 15% of households (178). In total, over 65% or 771 households in Franklin had an annual income of \$100,000 or more. Only 63.4% of households in Hunterdon County and only 50.4% of households in New Jersey earned \$100,000 or more according to the 2022 ACS. It should be noted that 12.3% of households in Franklin earned less than

\$50,000. See the table below for additional details, which also compares the income ranges with Hunterdon County and New Jersey.

Household Income

Income Range	Franklin Township		Hunterdon County		New Jersey	
	Total	Percent	Total	Percent	Total	Percent
Less than \$10,000	18	1.5%	1,043	2.1%	140,262	4.0%
\$10,000 to \$14,999	0	0.0%	418	0.8%	99,362	2.9%
\$15,000 to \$24,999	5	0.4%	1,649	3.3%	175,402	5.0%
\$25,000 to \$34,999	58	4.9%	1,704	3.4%	184,753	5.3%
\$35,000 to \$49,999	65	5.5%	3,115	6.3%	276,601	8.0%
\$50,000 to \$74,999	140	11.8%	5,350	10.8%	448,192	12.9%
\$75,000 to \$99,999	128	10.8%	4,895	9.9%	397,939	11.4%
\$100,000 to \$149,999	161	13.6%	9,542	19.2%	627,526	18.0%
\$150,000 to \$199,999	178	15.0%	7,332	14.8%	407,723	11.7%
\$200,000 or more	432	36.5%	14,628	29.4%	720,595	20.7%
Total	1,185	100%	49,676	100%	3,478,355	100%

Source: 2022 ACS Table DP03

IV. Franklin's Housing Demographics

Housing Type

The 2022 ACS estimated the Township's housing stock at 1,262 units. Single-family detached dwellings comprised a vast majority of the housing stock with 1,190 units or 94.3% of all dwellings. There were only ten single-family attached dwellings (e.g. townhomes) in the Township's housing stock, while two-family dwellings (often referred to as duplexes) comprised 3.6% or 45 units. The Township also had ten three- or four-unit residential structures, also known as triplexes and quadruplexes, and seven mobile homes. See the table below for details. Of the estimated 1,262 units in 2022, 11 or 0.87% of the housing stock was affordable at one point in time.

Housing Units in Structure

Structure	Number of Units	Percent
1-unit, detached	1,190	94.3%
1-unit, attached	10	0.8%
2 units	45	3.6%
3 or 4 units	10	0.8%
5 to 9 units	0	0.0%
10 to 19 units	0	0.0%
20 or more units	0	0.0%
Mobile Home	7	0.6%
Other (boat, RV, van, etc.)	0	0.0%
Total	1,262	100%

Source: 2022 ACS Table DP04

Occupancy Status

Of the 1,262 residential units, 1,185 units, or 93.9% of the housing stock, was occupied. This includes 1,021 owner-occupied units and 164 rental units. The 77 vacant units include properties rented but not occupied (36 units), sold but not occupied (20), and "other" vacant units (21 units). See the table on the following page for details.

Occupancy Status

Status	Units	Percent
Occupied Total	1,185	93.9%
Owner Occupied	1,021	86.2%
Renter Occupied	164	13.8%
Vacant Total	77	6.1%
For rent	0	0.0%
Rented, not occupied	36	46.8%
For Sale	0	0.0%
Sold, not occupied	20	26.0%
Seasonal	0	0.0%
For migrant workers	0	0.0%
Other	21	27.3%
Total	1,262	100%

Source: 2022 ACS Tables DP04 & B25004

The 2022 ACS estimated the average household size in Franklin was 2.68 persons, while the average family size was 3.08 persons. Comparing tenure, the average owner-occupied household was 2.81, while the average renter-occupied household was 1.91 persons.

Value & Rent of Housing Stock

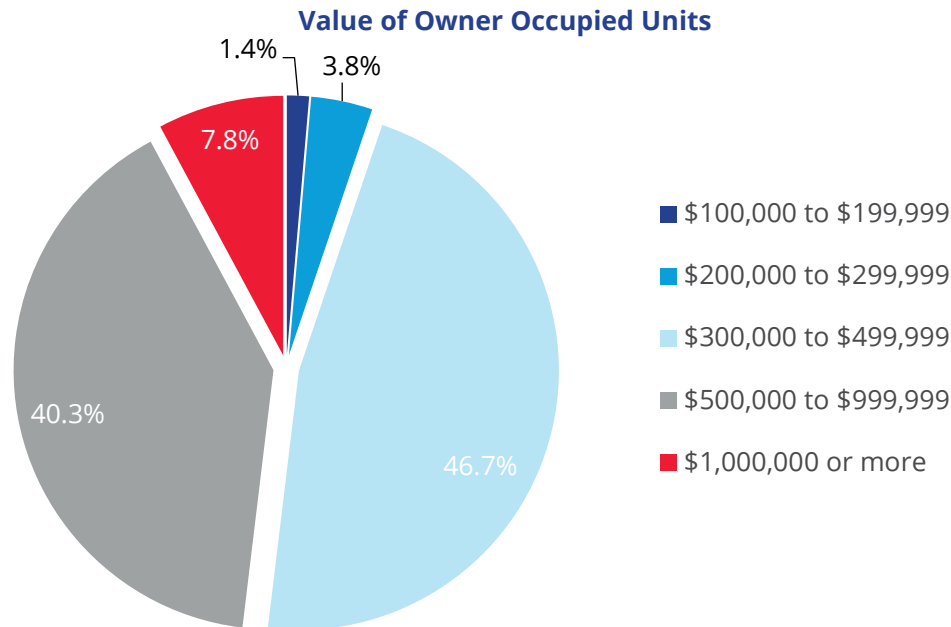
The 2022 ACS provided estimates for owner-occupied housing units in Franklin. According to the data, most homes in the Township are worth more than \$500,000 (48.1%). This includes 80 homes (7.8%) worth over \$1 million. On the opposite end of the spectrum, only 5.2% of homes are valued at less than \$300,000. The median home value estimated in the 2022 ACS was \$489,800. See the table below and the chart on the following page.

Value of Owner Occupied Units

Value	Number of Units	Percent
Less than \$99,999	0	0.0%
\$100,000 to \$199,999	14	1.4%
\$200,000 to \$299,999	39	3.8%
\$300,000 to \$499,999	477	46.7%
\$500,000 to \$999,999	411	40.3%
\$1,000,000 or more	80	7.8%
Total	1,021	100%

Median Value \$489,800

Source: 2022 ACS Table DP04

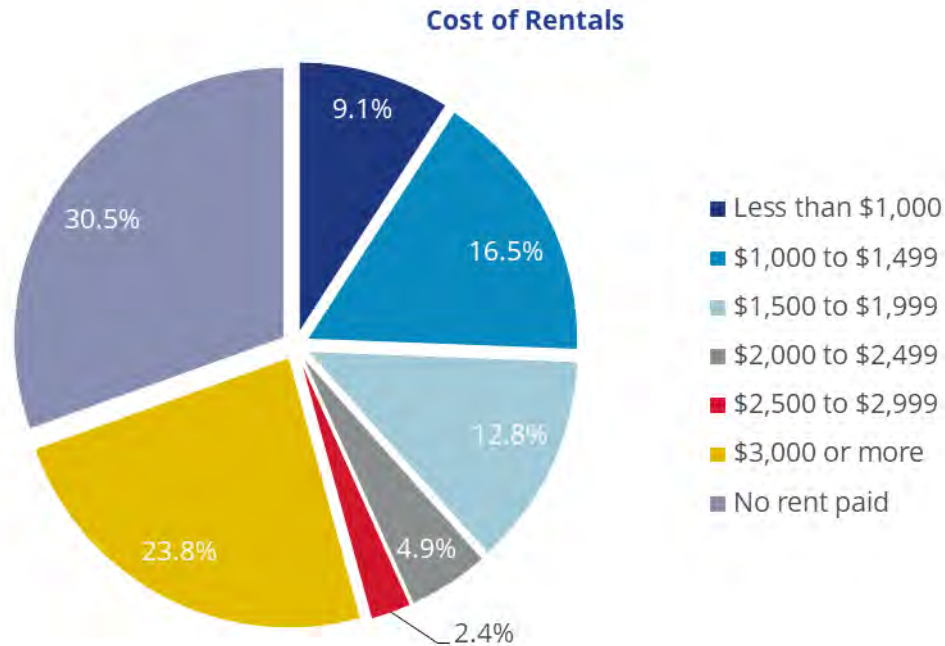


The median rent in the Township was estimated at \$1,857 per the 2022 ACS. Looking at the rent range for the Township's 164 rental units, most are noted to have no rent (50 units). Second-most are units renting for \$3,000 or more (39 units), followed by units renting between \$1,000 and \$1,500 (27 units) per month. Units with no rent could be attributed to rental apartments located on agricultural properties where workers are provided with housing. See the table below and chart on the following page for more information.

Cost of Rentals

Cost	Number of Units	Percent
Less than \$1,000	15	9.1%
\$1,000 to \$1,499	27	16.5%
\$1,500 to \$1,999	21	12.8%
\$2,000 to \$2,499	8	4.9%
\$2,500 to \$2,999	4	2.4%
\$3,000 or more	39	23.8%
No rent paid	50	30.5%
Total	164	100%
Median (in dollars)		\$1,857

Source: 2022 ACS Table DP04



Condition and Age of Housing Stock

The Census does not classify housing units as standard or substandard, but it can provide an estimate of the substandard housing units that are occupied by low- and moderate-income households. However, most of the Census indicators available at the municipal level indicate a sound housing stock within Franklin. According to the 2022 ACS, no units lack complete plumbing facilities, kitchen facilities, or lack adequate heat with no heating fuel (oil, wood, gas, etc.) used.

Condition of Housing Stock

Condition	Number of Units	Percent
Lack of complete plumbing	0	0.0%
Lack of complete kitchen	0	0.0%
Lack of telephone service	9	0.8%
Lack of adequate heat	0	0.0%
Total Housing Stock	1,185	100.0%

Source: 2022 ACS Table DP04

Housing with 1.01 or more persons per room (excluding bathrooms and kitchens) is an index of overcrowding as defined by the U.S. Department of Housing and Urban Development.⁶ According to the to the 2022 ACS, none of the Township's 1,185 occupied housing units contained 1.01 or more persons per room, indicating there are no overcrowded units in Franklin.

⁶ <https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/overpayment-payment-and-overcrowding#:~:text=The%20U.S.%20Census%20defines%20an,room%20are%20considered%20severely%20overcrowded.> Accessed April 3, 2025.

Occupants Per Room

Occupants	Number of Units	Percent
1.00 or less	1,185	100.0%
1.01 to 1.50	0	0.0%
1.51 or more	0	0.0%
Total	1,185	100%

Source: 2022 ACS Table DP04

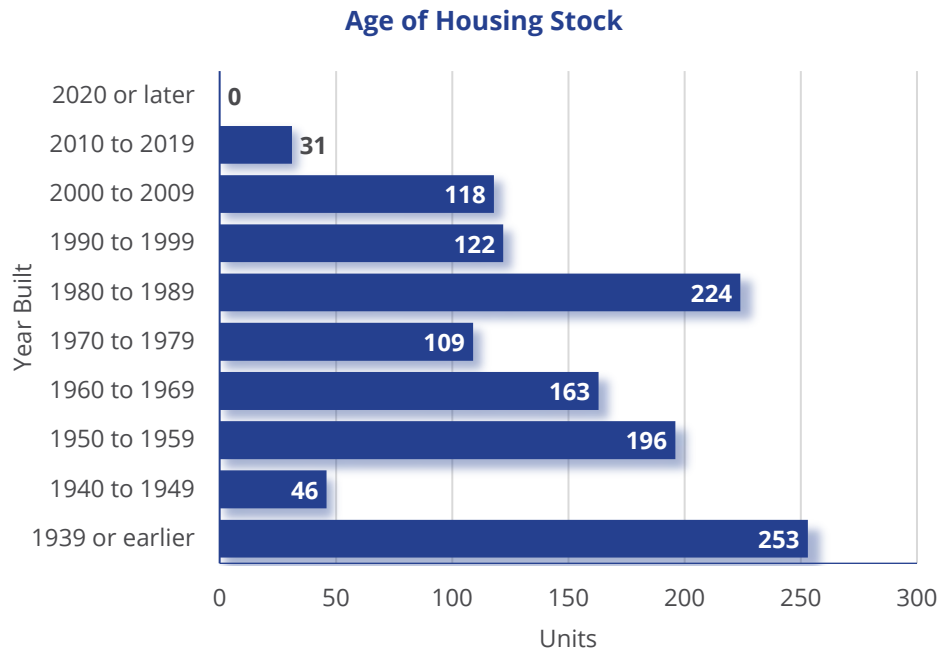
The table below and bar graph on page 19 provide the 2022 ACS estimates for the age of housing units in Franklin. An estimated 767 units, or 60.9%, of the Township's housing stock was constructed prior to 1980. Most of these units were constructed in 1939 or earlier (20%). Since 1980, nearly 500 housing units were constructed, nearly half of which were built in the 1980s. Residential construction has slowed in recent decades, with only 31 units constructed during the 2010s. See the table below and chart on the following page for more details. The Township's Rehabilitation Obligation is zero, reflecting the good condition of these older homes.

It should be noted that the "2020 or later" line item may be inaccurate. The New Jersey Department of Community Affairs' ("DCA"), Division of Codes and Standards website provides data on building permits, certificates of occupancy, and demolition permits for both residential and non-residential development. We have reviewed the data from the State for 2020 through 2024 and nine certificates of occupancy have been issued for new residential units since the beginning of 2020.

Age of Housing Stock

Year Built	Number of Units	Percent
1939 or earlier	253	20.0%
1940 to 1949	46	3.6%
1950 to 1959	196	15.5%
1960 to 1969	163	12.9%
1970 to 1979	109	8.6%
1980 to 1989	224	17.7%
1990 to 1999	122	9.7%
2000 to 2009	118	9.4%
2010 to 2019	31	2.5%
2020 or later	0	0.0%
Total	1,262	100%

Source: 2022 ACS Table DP04



V. Franklin's Employment Demographics

The 2022 ACS estimated that Franklin had 2,048 residents over the age of 16 in the workforce. Of those, 1,998 (97.6%) were employed, which translates to a 2.4% unemployment rate. A majority of workers were private wage and salary worker (67.6%). However, 21.3% were workers employed by the government and 8.6% were self-employed. See the table below for details.

Class of Workers		
Class	Workers	Percent
Private wage and salary workers	1,384	67.6%
Government workers	437	21.3%
Self-employed workers	177	8.6%
Unpaid family workers	0	0.0%
Total employed residents	1,998	97.6%
Total unemployed residents	50	2.4%
Total residents in workforce	2,048	100%

Source: 2022 ACS Table DP03

Occupational Characteristics

The 2022 ACS estimated 841 workers were employed management, business, science, and arts fields, which represents 42.1% of the Township's employed residents. Sales and office workers totaled 29.1% of employed residents, while 13.3% were employed in service positions. See the table below for details.

Occupation of Employed Population		
Occupation	Workers	Percent
Management, business, science, & arts	841	42.1%
Service	266	13.3%
Sales & office	581	29.1%
Natural resources, construction, & maintenance	241	12.1%
Production, transportation, & material moving	69	3.5%
Total	1,998	100%

Source: 2022 ACS Table DP03

Employment Projections

NJTPA's Plan 2050 estimates that the number of available jobs in Franklin will increase from 1,469 reported in 2015 to 1,605 in 2050. This represents an increase of 136 jobs, or an average annual increase of four jobs.

Employment Projection

Year	Jobs	Change	Percent
2015	1,469	---	---
2050	1,605	136	9.3%

Source: NJTPA Plan 2050, Appendix E

In-Place Employment By Industry

New Jersey's Department of Labor and Workforce Development ("NJDLWD") is the entity that reports on employment and wages within the State of New Jersey through the Quarterly Census of Employment and Wages ("QCEW"). The latest Municipal Report was completed in 2022. According to the data, there were 449 private sector jobs within Franklin, which were provided by an average of 96 employers. It should be noted that the Municipal Report redacted data from multiple private-sector industries for not meeting publication standards (agriculture, retail trade, transportation/warehousing, real estate, etc.). The "Private Sector Total" row in the table on the following page provides the totals for the reported data only. However, the 2022 QCEW document reported that the Township had an average of 811 private-sector jobs provided by 137 employers, including the redacted data. It should be noted that, the QCEW data reflects employment within Franklin, regardless of where the employee lives.

Based on the 2022 QCEW data provided, the professional/technical industry had the largest number of employees and third-largest number of employers with an average of 100 jobs (22.3%) provided by 16 employers (16.7%). The construction industry had an average of 98 jobs (second-highest) provided by 23 employers (highest). There was an average of 95 jobs in the administration/waste remediation industry, which had the second-most number of employers (22). In the public sector, the 2022 QCEW Municipal Report indicated that there were two federal government employers, which had an average of nine jobs and four local government employers, which had an average of 170 jobs. This included two local government education employers providing an average of 141 jobs. See the table on the following page for data on each industry sector.

Private and Public Sector Employment (2022)

Industry	Establishments		Employees		Annual Wages
	Total	Percent	Total	Percent	
Agriculture	-	-	-	-	-
Construction	23	24.0%	98	21.8%	\$61,581
Manufacturing	5	5.2%	55	12.2%	\$20,591
Wholesale Trade	5	5.2%	20	4.5%	\$202,676
Retail Trade	-	-	-	-	-
Transportation/Warehousing	-	-	-	-	-
Finance/Insurance	3	3.1%	6	1.3%	\$70,188
Real Estate	-	-	-	-	-
Professional/Technical	16	16.7%	100	22.3%	\$52,092
Admin/Waste Remediation	22	22.9%	95	21.2%	\$42,749
Education	-	-	-	-	-
Health/Social	-	-	-	-	-
Arts/Entertainment	-	-	-	-	-
Accommodations/Food	5	5.2%	33	7.3%	\$38,067
Other Services	11	11.5%	35	7.8%	\$38,441
Unclassifieds	6	6.3%	7	1.6%	\$36,259
Private Sector Total	96	100%	449	100%	\$50,952
Federal Government	2	33.3%	9	5.0%	\$61,018
Local Government	4	66.7%	170	95.0%	\$65,874
Local Government Education	2	33.3%	141	78.8%	\$69,904
Public Sector Total	6	100%	179	100%	\$65,599

Source: The table values above are sourced from the NJDLWD's QCEW 2022 Municipal Report. It is noted that this Report has redacted multiple private sector industries for not meeting the publication standard. Therefore, the Private Sector Totals row has been calculated by this office using the published numbers.

Travel Time to Work

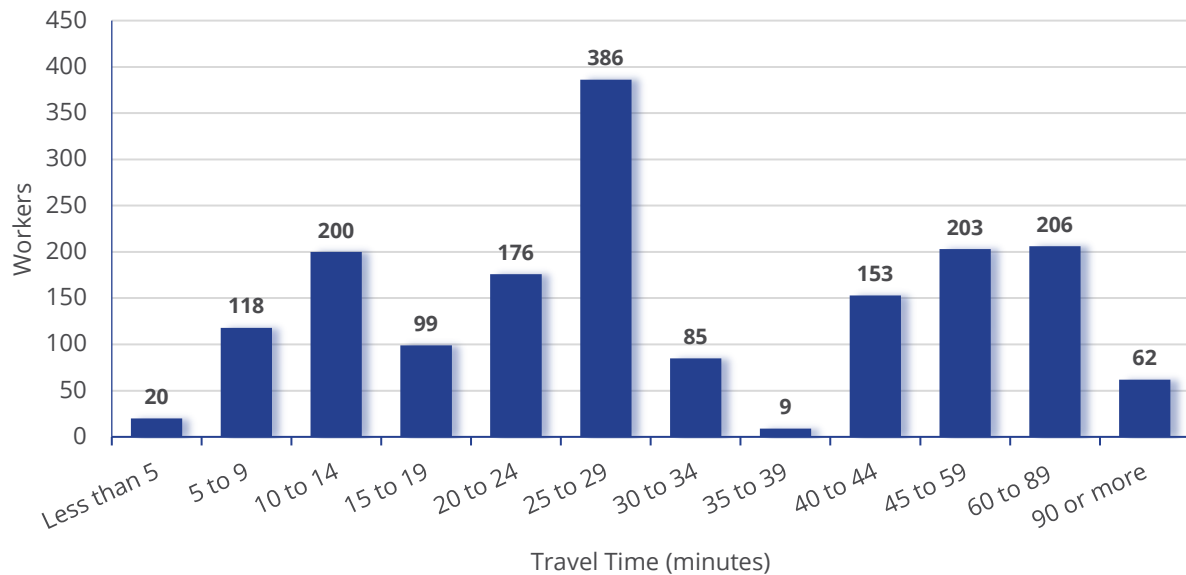
The 2022 ACS collected data regarding employed resident's commute time. The most common commute time was between 25 and 29 minutes, which was made by 386 workers. Commutes of 60 to 89 minutes were second highest with 206 residents making the hour plus commute. The third-most common commute, which was made by 203 residents, was between 45 and 59 minutes. It should be noted that 268 employed residents (15.6%) commuted more than one hour to work. However, the mean travel time was estimated at 32.8 minutes reflecting the varying commute times of Township residents. It should also be noted that 247 workers, or 12.4% of all the Township's employed residents, reported they worked from home. See the table and chart on the following page for additional details.

Commute Time

Travel Time (minutes)	Workers	Percent
Less than 5	20	1.2%
5 to 9	118	6.9%
10 to 14	200	11.6%
15 to 19	99	5.8%
20 to 24	176	10.3%
25 to 29	386	22.5%
30 to 34	85	5.0%
35 to 39	9	0.5%
40 to 44	153	8.9%
45 to 59	203	11.8%
60 to 89	206	12.0%
90 or more	62	3.6%
Total	1,717	100.0%

Source: 2022 ACS Table B08303

Commute Time



VI. Projection of Housing Stock

As per the MLUL, specifically NJSA 52:27D-310, a housing element must contain 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.

The DCA Division of Codes and Standards' website provides data on building permits, certificates of occupancy ("CO"), and demolition permits for both residential and non-residential development through the New Jersey Construction Reporter. This database contains permit and CO information that is submitted by municipal construction officials across the State each month. The Construction Reporter has information dating back to 2000, which can be used to show the Township's historic development trends. However, data from 2013 and onward was reviewed to determine more recent trends.

As shown in the table below, residential COs vary from year to year. In the past 12 years, there have generally been one or two certificates issued each year, totaling 28 COs. However, there were five certificates issued in 2015, four certificates issued in 2016, and three certificates issued in 2017. During the same period, a total of five demolition permits were issued. Therefore, there was a net development of 23 residential units in the Township over the 12-year period.

Historic Trend of Residential Certificates of Occupancy & Demolition Permits (2013-2023)

	'13	'14	'15	'16	'17	'18	'19	'20	'21	'22	'23	'24	Total
COs Issued	1	2	5	4	3	2	2	2	4	1	1	1	28
Demolitions	0	1	1	1	0	2	0	0	0	0	0	0	5
Net Development	1	1	4	3	3	0	2	2	4	1	2		23

Source: NJDCA, Construction Reporter - Housing Units Certified and Demolition Permits, Yearly Data

Projecting into the future, the Township presently has five single-family homes that have been approved, with permits issued and the homes are under construction. Each of the five homes are anticipated to obtain their CO by the end of 2025. Projected development was based on historic development patterns as shown in the table above. The Township anticipates issuing 113 new COs between now and the end of the Fourth Round in 2035. The majority of the anticipated COs come from the expected development on Lots 2 and 3 of Block 5, which is discussed in greater detail on page 42.

Projection of Residential Development

	'25	'26	'27	'28	'29	'30	'31	'32	'33	'34	'35	Total
Projected Development	0	2	3	1	2	2	1	3	2	1	2	19
Approved Development												
65 Hogback Road	1											1
464 Pittstown Road	1											1
468 Pittstown Road	1											1
472 Pittstown Road	1											1
502 Cherryville Road	1											1
Future Projects												
Ingerman (Block 5, Lots 2 & 3)						91						91
Total	5	2	3	1	2	93	1	3	2	1	2	115

Of the 115 new residences projected to be built between now and 2035, 18 are anticipated to be reserved for low- and moderate-income households, which would be entirely sourced from the development of the Ingerman property assuming a 20% affordable housing set-aside. See the table below for further details.

Projection of Affordable Units

	'25	'26	'27	'28	'29	'30	'31	'32	'33	'34	'35	Total
Approved Development												0
Future Projects												
Ingerman (Block 5, Lots 2 & 3)						18						18
Net Development	0	0	0	0	0	18	0	0	0	0	0	18

VII. Capacity for Fair Share

This chapter of the HEFSP provides the following information, as required by the rules:

- The Township's capacity to accommodate its housing needs.
- A consideration of the lands that are most appropriate for construction of low- and moderate-income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low- and moderate-income housing.
- Lands of developers who have expressed a commitment to provide low- and moderate-income housing.
- The location and capacities of existing and proposed water and sewer lines and facilities relevant to the proposed affordable housing sites.

Land Capacity

Franklin's capacity to accommodate its present and prospective affordable housing need is determined by three components - available land, water capacity and sewer capacity. Note that land development is limited by wetlands, flood plains, easements (conservation, sewer, water, etc.), parcel size and municipal regulations. In total, 12,001.88 acres of Franklin Township, or 80.92% of the Township's 14,830.87 acres, are encumbered by at least one environmentally sensitive area. Environmental constraints within Franklin include:

- Waterbodies – 142.45 acres (0.96% of the Township's area), which includes 66.52 acres of the Cakepoulin Creek, South Branch of the Raritan River, and a tributary of the Wickecheoke Creek.
- 300-foot Category 1 ("C1") stream buffer – 2,841.11 acres (19.16% of the Township's area)
- 150-foot Riparian Buffer – 394.64 acres (2.66% of the Township's area)
- 50-foot Riparian Buffer – 101.88 acres (0.69% of the Township's area)
- Wetlands – 1,480.49 acres (9.98% of the Township's area)
- 150-foot Wetlands Buffer (excluding wetlands area) – 3,973.55 acres (26.79% of the Township's area)
- 50-foot Wetlands Buffer (excluding wetlands area) – 101.05 acres (0.68% of the Township's area)
- FEMA Special Flood Hazard Area – 739.09 acres, including 641.74 acres within Zone A and 97.35 acres within Zone AE (38.2 acres within the Floodway)
- Slopes greater than 15% - 1,421.11 acres (9.58% of the Township's area)
- State Threatened species habitat (Landscape Rank 3) – 3,661.04 acres (24.69% of the Township's area)
- State Endangered species habitat (Landscape Rank 4) – 4,552.08 acres (30.69% of the Township's area)

- Federal Listed species habitat (Landscape Rank 5) – 1,195.41 acres (8.06% of the Township's area)
- Confirmed Vernal Pool Habitat – 355.02 acres (2.39% of the Township's area)
- Potential Vernal Pool Habitat – 1,273.6 acres (8.59% of the Township's area)

See the maps on pages 28 and 29 for the location of the environmental features identified above.

In addition to the delineated environmental constraints, Franklin has 8,915.524 acres of farmland assessed property. That translates to 60.11% of the Township's land area. Within that total, 2,676.80 acres are preserved farmland. Therefore, 18.04% of Franklin is preserved and cannot be used for development.

The majority of the 22.9 square mile Township is zoned AR-7.0 Agricultural Residential with a minimum seven-acre lot size. This is due to the fact that these areas rely on wells and septic systems. Franklin has analyzed the community to determine appropriate locations for affordable housing and concluded that the land capacity to carry high density multi-family housing is limited to areas currently served by public water and sewer or areas immediately adjacent to said service areas.

In the overwhelming majority of the Township where there is no public water and/or sewer, the only appropriate affordable housing mechanisms are accessory apartments and supportive/special needs housing.

Utility Capacity

The Town of Clinton Water and Sewer Authority ("CWSA") serves the Town of Clinton and portions of Clinton, Franklin and Union Townships. Lebanon Borough receives water from the utility and the Borough of High Bridge and various State Institutions are served by the sewer utility.

CWSA provides water and sewer treatment to a select few properties within Franklin Township. The following properties are served by water and/or sewer:

- Block 5, Lot 1 – water and sewer service
- Block 5, Lot 20 – water and sewer service
- Block 5, Lot 25 – sewer service only⁷

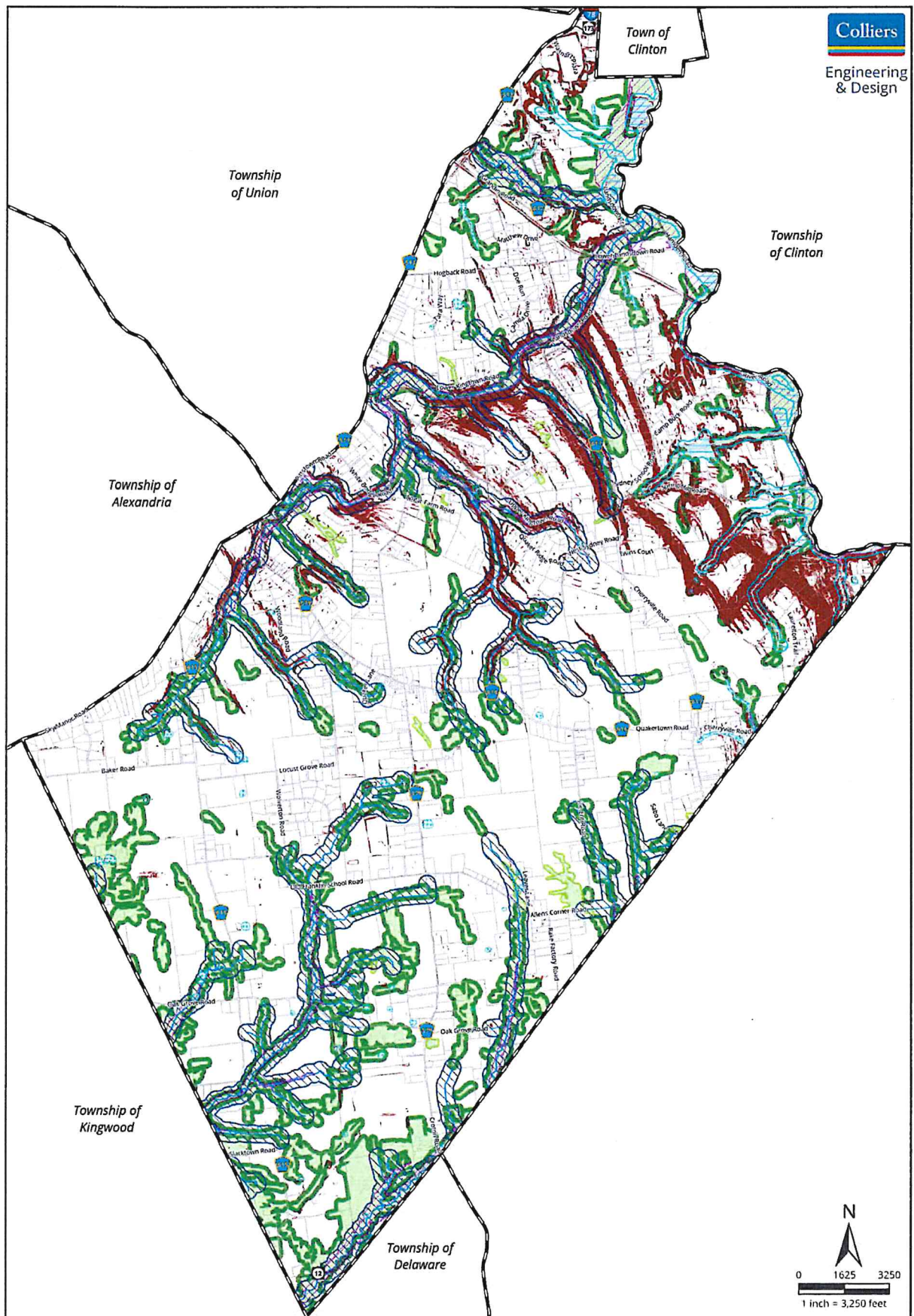
An email from Richard D. Phelan, Town of Clinton Business Administrator (see Appendix F) provided data on the sewer allocation for Franklin's three sewered lots:

- Block 5, Lot 1 – Hampton Inn/Cracker Barrel is allocated 20,000 gallons per day ("GPD")
- Block 5, Lot 20 – Walmart/Shoprite Complex is allocated 12,000 GPD
- Block 5, Lot 25 – South Ridge Church is allocated 6,000 GPD⁸

Water is handled on a first-come, first-served basis. Reservations are permitted by the CWSA. According to the 2019 End of Third Quarter Report of water availability, dated October 3, 2019, prepared by Suburban Consulting Engineers, Inc., the Town of Clinton Water Department ("Department") had 21,217 GPD of water capacity. However, the 2024 End of Third Quarter Report

⁷ Email from Richard D. Phelan, Town of Clinton Business Administrator, October 23, 2024.

⁸ Ibid.

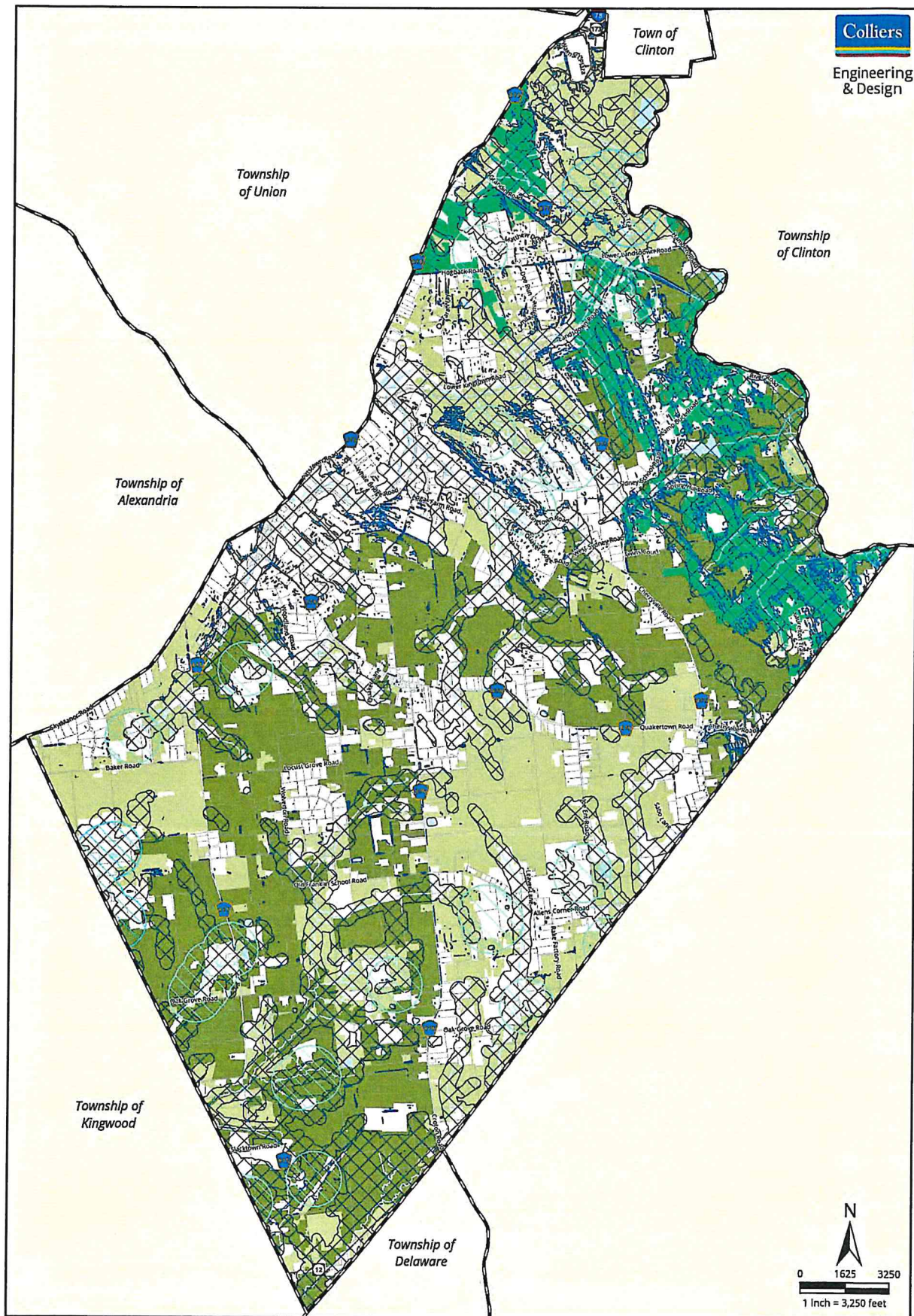


ENVIRONMENTAL CONSTRAINTS
TOWNSHIP OF FRANKLIN
 HUNTERDON COUNTY, NEW JERSEY

April 22, 2025
 FKT103A

Legend

- | | |
|-------------------------|--------------------------------|
| Municipal Boundary | 50-ft Riparian Buffer |
| Parcels | Wetlands |
| Category 1 (C1) Streams | 50-ft Wetlands Buffer |
| Non-C1 Streams | 150-ft Wetlands Buffer |
| Waterbodies | FEMA Special Flood Hazard Area |
| 300-ft C1 Stream Buffer | Slopes greater than 15% |
| 150-ft Riparian Buffer | |



NJDEP THREATENED & ENDANGERED SPECIES

TOWNSHIP OF FRANKLIN
HUNTERDON COUNTY, NEW JERSEY

Legend

- Municipal Boundary
- Parcels
- Environmental Constraints
- Category 1 (C1) Streams
- Waterbodies

Landscape Rank

- Rank 3 - State Threatened
- Rank 4 - State Endangered
- Rank 5 - Federal Listed

Vernal Pool Habitats

- Confirmed Vernal Habitat Area
- Potential Vernal Habitat Area

April 22, 2025
FKT103A

of water availability, dated October 23, 2024, also prepared by Suburban Consulting Engineers, Inc., indicated the Department's water availability was only 6,018 GPD (see Appendix G). This includes the 8,885 GPD approved by the Department for use on the Ingerman site. This finite amount is for five communities. The quarterly reports can be accessed here: <https://www.clintonnj.gov/public-works/water-sewer/pages/forms-documents>.

Ingerman has been working since 2023 to obtain water and sewer capacity for their proposed inclusionary development. On July 10, 2024, the Town of Clinton adopted Resolution #101-24 approving a water capacity reservation of 8,885 gallons per day ("GPD") for the Ingerman site located on Lots 2 and 3 of Block 5 (see Appendix H). Ingerman is currently negotiating with a private land owner to secure their reserved sewer capacity and transfer said capacity to Franklin Township. Note that the Ingerman site will still have to obtain NJDEP approval to amend the water and sewer service areas if they are able to obtain capacity for both water and sewer.

As shown by the evidence above, the Township has inadequate water and sewer capacity needed to provide for inclusionary housing. Due to the limited utility capacities and confined service areas, Franklin is requesting a Durational Adjustment for the Fourth Round.

Appropriate Locations for Affordable Housing

Land that is most appropriate for the construction of low- and moderate-income housing includes the following:

1. Cracker Barrel/Hampton Inn (Block 5, Lot 1)
2. Walmart/Shoprite (Block 5, Lot 20)
3. Township Land aka Ingerman (Block 5, Lots 2 and 3)

These sites are discussed in greater detail in Chapter XII.

Beyond the sewer and water service area, the only mechanisms that are appropriate include accessory apartments and supportive/special needs housing.

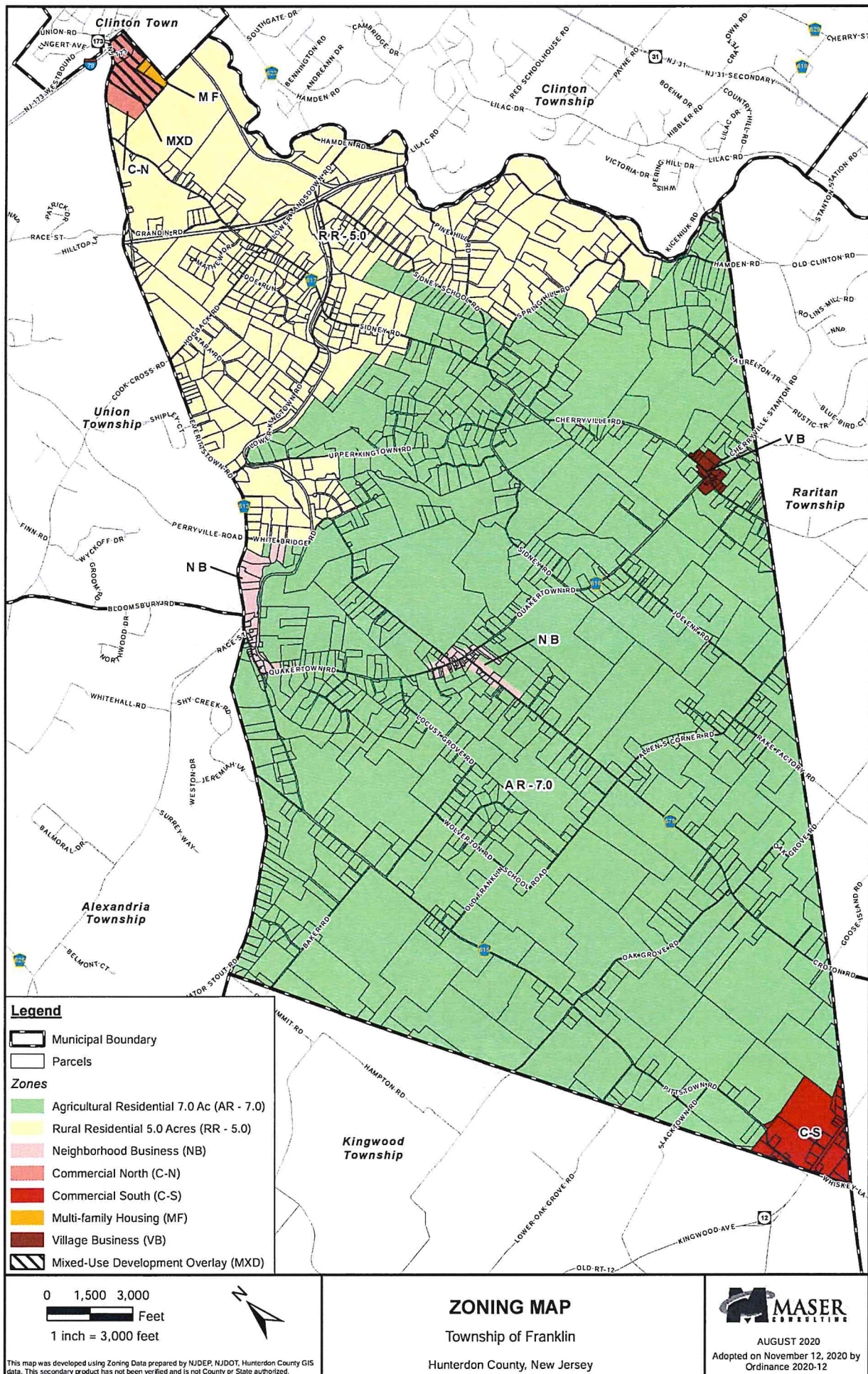
Existing structures appropriate for conversion to affordable housing include ranch-style homes, which may be cost effective to buy and convert to an alternative living arrangement. As for structures suitable for rehabilitation, according to the Township's Rehabilitation Obligation, 0 homes within the Township are in need of a major system repair (e.g., roof, electric, plumbing, etc.).

Potential Affordable Housing Developers

As of May 5, 2025, only one developer has expressed continued interest in construction of affordable housing within the Township. On May 17, 2023, Franklin and MBI Development of Delaware, LLC, commonly known as "Ingerman", executed a Memorandum of Understanding to develop the Township-owned property known as Lots 2 and 3 of Block 5. Ingerman originally proposed to develop the site as an inclusionary, age-restricted residential development with a maximum of 120 units. However, due to the finite water availability, Ingerman was only able to secure public water for 91 units. This is reflected in a July 10, 2024 Resolution (see Appendix H) from the Town of Clinton for 8,885 GPD serving a 91-unit inclusionary residential development with a leasing center.

Anticipated Development Patterns

Anticipated land use patterns within the Township of Franklin will most likely follow the established zoning map. A majority of the Township is located within the two residential zones, the Agricultural Residential 7.0 Acre (AR-7.0) Zone and the Rural Residential 5.0 Acres (RR-5.0) Zone. The Township has one multi-family zone, which is located at the north end of the Township. Additionally, there are four non-residential zones in Franklin, two commercial zones, known as Commercial North (C-N) and Commercial South (C-S), a Neighborhood Business (NB) Zone, and a Village Business (VB) Zone. A portion of the C-N Zone is also within the Mixed-Use Development (MXD) Overlay Zone. See the Zoning Map on page 32 for details.



VIII. Multigenerational Family Continuity Evaluation

P.L. 2024, c.2 amended various aspects of the Fair Housing Act. These amendments modified the mandatory components of a municipality's housing element. NJSA 52:27D-310g. has been added, which states "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)"

P.L. 2021, c.273 took effect on November 8, 2021. The law established the Multigenerational Family Housing Continuity Commission, which consists of a body of nine members. The duties of the Commission include the preparation and adoption of 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. The Law requires the Commission to report annually to the Governor on its activities, findings, and recommendations, if any, for State and local government. The DCA is required to provide staff services as may be needed for the Commission to carry out its responsibilities, including assembly of necessary information and statistics, and preparation of draft reports, analyses, and recommendations.

The State of New Jersey's website was reviewed on April 22, 2025. A search of the website revealed no webpage for the Multigenerational Family Housing Continuity Commission. As DCA is required to provide staff and research for the Commission, DCA's website was reviewed on April 22, 2025. DCA's website is silent regarding the Commission, its annual required reports, studies, and/or recommendations. Without recommendations from the Commission, Franklin is unable to conduct an analysis of its ordinances and other local factors. Despite the absence of recommendations, it should be noted that there is nothing in Franklin's zoning ordinance that prohibits senior citizens from residing at the home of their extended families.

IX. State Development & Redevelopment Plan Consistency

P.L. 2024, c.2 amended the Fair Housing Act to include a new requirement for housing elements. NJSA 52:27D-310i. reads "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."

The Draft State Development and Redevelopment Plan was approved by the State Planning Commission ("SPC") on December 4, 2024 and was released on December 6, 2024. The Office of Planning Advocacy ("OPA") conducted public hearings in each of New Jersey's 21 Counties between February 12, 2025 and April 16, 2025. Municipalities are tasked with completing Cross-Acceptance Response Template forms to determine a municipality's consistency with the Draft State Plan. The OPA anticipates collecting all Cross-Acceptance Response Template forms in the Summer of 2025. During this time, the OPA is accepting comments on the Draft Plan. The OPA anticipates releasing a Final Draft Plan and hold six additional public hearings in the Summer/Fall of 2025. The expected adoption of the Final Plan by the SPC is anticipated to be in the Winter of 2025.

As the document is a draft, we cannot opine on consistency until the final version is adopted. Franklin has not received guidance concerning water, wastewater, stormwater, or multi-modal transportation from the State Planning Commission. Furthermore, Franklin submitted comments on April 1, 2025 to the State regarding the Draft State Plan. The Township also supplied comments on the Draft State Plan to Hunterdon County via the Cross-Acceptance Response Template. These comments, if accepted, would modify the goals and policies.

FAIR SHARE PLAN

Township of Franklin

X. Fair Share Plan

Fair Share Plan is defined by the Amended Fair Housing Act as “the plan or proposal that is in a form which may readily be adopted, with accompanying ordinances and resolutions, pursuant to subsection f. of section 3 of P.L.2024, c.2 (C.52:27D-304.1), by which a municipality proposes to satisfy its obligation to create a realistic opportunity to meet its fair share of low- and moderate-income housing needs of its region and which details the affirmative measures the municipality proposes to undertake to achieve its fair share of low- and moderate-income housing, as provided in the municipal housing element, and addresses the development regulations necessary to implement the housing element, including, but not limited to, inclusionary requirements and development fees, and the elimination of unnecessary housing cost-generating features from the municipal land use ordinances and regulations.”

The remaining chapters of this report comprise the Fair Share Plan.

Content of Fair Share Plan

The Fair Share Plan contains the following information:

- Outline of the four-part affordable obligation;
- Explanation of existing credits intended to satisfy the obligation;
- Description of mechanisms that will be used to meet any outstanding obligation; and
- An implementation schedule that sets forth a detailed timetable for units to be provided.

In adopting its housing element, a municipality may provide for its fair share of low- and moderate-income housing by means of any technique or combination of techniques that provide a realistic opportunity for the provision of the fair share. As per NJAC 5:93, these potential techniques include but are not limited to:

- Rehabilitation of existing substandard housing units;
- ECHO units (as a Rehabilitation credit);
- Municipally-sponsored and 100% affordable developments;
- Zoning for inclusionary development;
- Alternative living arrangements;
- Accessory apartment program;
- Purchase of existing homes;
- Write-down/buy-down programs; and
- Assisted living residences.

Regional Income Limits

Dwelling units are affordable to low- and moderate-income households if the maximum sales price or rental cost is within their ability to pay such costs, based on a specific formula. The State historically provided income limits based upon the median gross household income of the affordable housing region in which the household is located. A moderate-income household is one with a gross household income equal to or more than 50%, but less than 80%, of the median gross regional household income. A low-income household is one with a gross household income equal to 50% or less of the median gross regional household income. Very-low-income households are

those with a gross household income equal to 30% or less of the median gross household income. Franklin is located in Region 3, which contains Hunterdon, Middlesex, and Somerset Counties.

Using the Affordable Housing Professionals of New Jersey's latest chart on the regional income limits for Housing Region 3 in 2024, a four-person moderate income household is capped at \$116,960. Two-person moderate income households are capped at \$93,568, while two-person households could make up to \$58,480 to be considered a low-income household. The table below provides the median, moderate, low, and very-low-income limits for one-, two-, three-, and four-person households in Region 3.

2024 Regional Income Limits

Income	Household Size			
	1 Person	2 Person	3 Person	4 Person
Median	\$102,340	\$116,960	\$131,580	\$146,200
Moderate	\$81,872	\$93,568	\$105,264	\$116,960
Low	\$51,170	\$58,480	\$65,790	\$73,100
Very-Low	\$30,702	\$35,088	\$39,474	\$43,860

Source: https://ahpnj.org/member_docs/Income_Limits_2024_FINAL.pdf

Affordable Requirements

The four components that must be addressed by this plan are contained in the table below.

Affordable Housing Obligation

	Rehabilitation	Prior Round 1987 - 1999	Third Round 1999 - 2025	Fourth Round 2025 - 2035
Obligation	0	36	75	52
Durational Adjustment	-	13	75	52
Remaining Obligation That Must Be Satisfied	-	23	0	0

As discussed in Chapter XI., Franklin has conducted a Durational Adjustment and, consistent with the information provided during the Third Round, the overwhelming majority of Franklin remains outside of a sewer and water service area. The three lots with public utilities have finite capacity.

XI. Franklin's Affordable Housing Obligation

This chapter outlines the four-part affordable housing obligation Franklin has been assigned.

Four-Part Obligation

Rehabilitation

As indicated in the March 27, 2025 Order Fixing Municipal Obligations for "Present Need" and "Prospective Need" for the Fourth Round Cycle, the Township's Rehabilitation Obligation is 0.

Prior Round (1987-1999)

The Township of Franklin has a Prior Round Obligation ("PRO") of 36 units. This obligation was established by COAH during the Prior Round compliance period.

There are minimum and maximum requirements regarding the development of rentals, age-restricted and Regional Contribution Agreement ("RCA") units for the PRO. Page 4 of the July 11, 2000 COAH Compliance Report indicates that Franklin must follow the formulas in NJAC 5:93-5.15(a) since the Township did not receive a vacant land adjustment to determine the rental unit requirement. The formula to determine the maximum number of rentals is as follows:

$$= 25\% (\text{precredited need} - \text{rehabilitation component})$$

$$= 25\% (53 - 16) = 9.25$$

As per the Compliance Report, Franklin must provide at least **9 rental units**. It should be noted that the maximum number of rental bonuses is the same as the rental requirement.

Page 4 of the Compliance Report states Franklin must follow the formula in NJAC 5:93-6.1 for age-restricted units. The formula is as follows:

$$= 25\% (\text{precredited need} - \text{rehabilitation component} - \text{prior cycle credits} - \text{transferred or proposed RCA's})$$

$$= 25\% (53 - 16 - 0 - 12) = 6.25$$

As per the Compliance Report, Franklin can provide no more than **6 age-restricted units**.

Pursuant to NJAC 5:93-6.1(a), the Township may transfer part of its obligation according to the following formula:

$$= 50\% (\text{precredited need} - \text{prior cycle credits} - \text{rehabilitation credits}) - \text{previous RCA agreements}$$

$$= 50\% (53 - 0 - 11) - 0 = 21$$

As per the Compliance Report, Franklin may transfer no more than **21 units** through an RCA.

Third Round (1999-2025)

The 2018 Amended FSHC Settlement Agreement indicates Franklin's TRO is 75. Due to a lack of water and sewer, the entire TRO was durationally adjusted. As the obligation was adjusted to 0, no formulas are necessary.

Fourth Round (2025-2035)

As indicated in the March 27, 2025 Order Fixing Municipal Obligations for "Present Need" and "Prospective Need" for the Fourth Round Cycle, the Township's Fourth Round Obligation is 52.

The Amended FHA modified the micro-requirement formulas for the FRO, which are as follows:

- Minimum 50% of the actual affordable units (exclusive of any bonus credits) available to families
- Minimum 25% of the actual affordable units (exclusive of any bonus credits) as rental units
- Half of the above as family rental units
- Maximum 30% of the affordable units exclusive of any bonus credits) as age-restricted housing
- Maximum 25% of the obligation as bonus credits

Durational Adjustment

Pursuant to NJAC 5:93-4.3, municipalities that do not have sufficient capacity for water or sewer facilities to support inclusionary development are entitled to a Durational Adjustment. The lack of adequate capacity, in and of itself, **shall** constitute a durational adjustment of the municipal housing obligation. The following evidence supports the Township's request for a Durational Adjustment:

- A vast majority of the Township is served by well and septic systems. The few properties within the water and sewer service are served by the Town of Clinton Water and Sewer Authority ("CWSA"). The CWSA serves the Town of Clinton and portions of Clinton, Franklin and Union Townships. Lebanon Borough receives water from the utility and the Borough of High Bridge and various State Institutions are served by the sewer utility.
- The following properties are served by water and/or sewer:
 - Block 5, Lot 1 – water and sewer service
 - Block 5, Lot 20 – water and sewer service
 - Block 5, Lot 25 – sewer service only⁹
- An email from Richard D. Phelan, Town of Clinton Business Administrator (see Appendix F) provided data on the sewer allocation for Franklin's three sewer lots:
 - Block 5, Lot 1 – Hampton Inn/Cracker Barrel is allocated 20,000 GPD
 - Block 5, Lot 20 – Walmart/Shoprite Complex is allocated 12,000 GPD
 - Block 5, Lot 25 – South Ridge Church is allocated 6,000 GPD¹⁰
- Water is handled on a first-come, first-served basis. Reservations are permitted by the CWSA.

⁹ Email from Richard D. Phelan, Town of Clinton Business Administrator, October 23, 2024.

¹⁰ Ibid.

- On October 23, 2024, Suburban Consulting Engineers reported that, as of that date, 6,018 GPD of water was available. Future water system reservation applicants are cautioned that the water availability described therein does not represent a guarantee of allocation of water. This includes the 8,885 GPD approved by the Department for use on the Ingerman site. This finite amount is for five communities. The quarterly reports can be accessed here: <https://www.clintonnj.gov/public-works/water-sewer/pages/forms-documents>.

As shown by the evidence above, the Township has 1) a lack of public sewer and water services and 2) the three sites within the service area have finite capacity. Both of these items are necessary to construct inclusionary housing. Due to the limited utility capacities and confined service areas, Franklin is requesting a Durational Adjustment. Specifically, the Township is seeking approval for a Durational Adjustment of 52 units for the Fourth Round.

XII. Mechanisms & Credits

This chapter provides the existing and proposed mechanisms and credits for each of the four affordable housing obligations.

Existing Mechanisms & Credits

Franklin has a total of 23 existing credits from an RCA and an Accessory Apartment Program.

Rehabilitation Mechanisms & Credits

The Township does not have any existing Rehabilitation credits.

Prior Round Mechanisms & Credits

There are two existing mechanisms, both of which were included in the 2018 Amended FSHC Settlement Agreement and approved via the 2019 Final Judgment of Compliance and Repose.

RCA to Lambertville

In 2000, COAH approved a 12-unit RCA between the Township of Franklin and the City of Lambertville. Franklin agreed to pay \$20,000 per unit, \$240,000 in total, to rehabilitate 12 units in Lambertville. This RCA was part of the Township's 2000 Second Round Substantive Certification from COAH.

Based on this information, this RCA is eligible to receive **12 credits**.

Accessory Apartment Program

This Township-sponsored program subsidized the creation of 11 accessory apartments. Each apartment received \$10,000 for the temporary conversion and had ten-year affordability controls. The units were created in the 1990s. The following list contains the location of the units and their income levels.

- 442 Pittstown Road – Moderate
- 10 Baptist Town Road – Low
- Quaker Lane, PO Box 420 – Moderate
- 59 Kingstown Road – Moderate
- 178 White Bridge Road – Moderate
- 260 Quakertown Road – Moderate
- 91 Stanton Station Road – Moderate
- 1003 Croton Road – Low
- 248 Quakertown Road – Low
- 1 Springhill Road – Moderate
- 289 White Bridge Road – Low

This program was part of the Township's 2000 Second Round Substantive Certification from COAH. Based on this information, the Township's Accessory Apartment Program is eligible to receive **11 credits**.

Third Round Mechanisms & Credits

The Township does not have any existing Third Round credits.

Fourth Round Mechanisms & Credits

The Township does not have any existing Fourth Round credits.

Summary of Existing Mechanisms & Credits

Franklin has a total of 23 credits that can be applied to PRO. See the table below for details.

Existing Mechanisms & Credits

Mechanism	Credit Type	Tenure	Age-Restricted	Credit	Bonus	Total
<i>Prior Round Credits</i>						
RCA to Lambertville	RCA	-	-	12	0	12
Accessory Apartment Program	Accessory Apartment	Rental	No	11	0	11
Total				23	0	23

Proposed Mechanisms & Credits

The following sections describe the mechanisms proposed for each affordable housing obligation.

Rehabilitation Mechanisms & Credits

Franklin has a 0-unit Rehabilitation Obligation; therefore, no mechanisms are proposed.

Prior Round Mechanisms & Credits

Pursuant to the 2018 Amended FSHC Settlement Agreement, the remaining 13-unit PRO was durationally adjusted due to a lack of water and sewer. The 13 units were added to the TRO of 75 units for a total of 88 units durationally adjusted until adequate water and/or sewer are available. As a result, no mechanisms were included in the 2018 Amended FSHC Settlement Agreement. As described in Chapter XI., the sewer and water service areas remain the same and the available water has decreased since the Third Round HEFSP was adopted. These units remain durationally adjusted.

Third Round Mechanisms & Credits

As noted above, the 2018 Amended FSHC Settlement Agreement recognized the lack of water and sewer within the Township and durationally adjusted the entire 75-unit TRO. However, the Township agreed to enact two mechanisms to enable inclusionary development if and when additional water and/or sewer treatment capacity becomes available.

Block 5, Lots 2 & 3

This site is located to the south of the Hampton Inn hotel and Cracker Barrel restaurant and to the east of the Walmart Plaza shopping center (see the map on page 44). Lots 2 and 3 of Block 5 are commonly known as 8 and 10 Frontage Road and encompass roughly 10.89 acres. Both sites are owned by the Township. The parcels are not currently served by water or sewer infrastructure and accordingly to the Township are not located within the service areas. It should be noted that

NJGeoWeb illustrates both lots in the sewer service area and Lot 2 in the water service area. It is unclear if this mapping is accurate.

This site was included in the Township's HEFSP for the Third Round as a proposed mechanism to permit inclusionary residential development through rezoning. On December 13, 2018, the Township Committee adopted Ordinance 2018-18, which rezoned Lots 2 and 3 in Block 5 from the Commercial-North Zone to the Multi-family Housing (MF) Zone. The MF Zone permits inclusionary residential development in the form of townhomes and multi-family dwellings at a density of eight units per acre. A 15% affordable housing set-aside is required if the affordable housing units are rentals, while a 20% set-aside is required for affordable housing units are for sale.

Section 220-10F. provides the bulk standards for the MF Zone. The Ordinance does note that all developments within the Zone are required to be provided with public water and sewer. This language is reflected in the 2018 FSHC Settlement Agreement which states "the Township will rezone/overlay zone the following sites for inclusionary development, respectively, conditioned on the future availability of sufficient public water and public sewer service to accommodate such development".

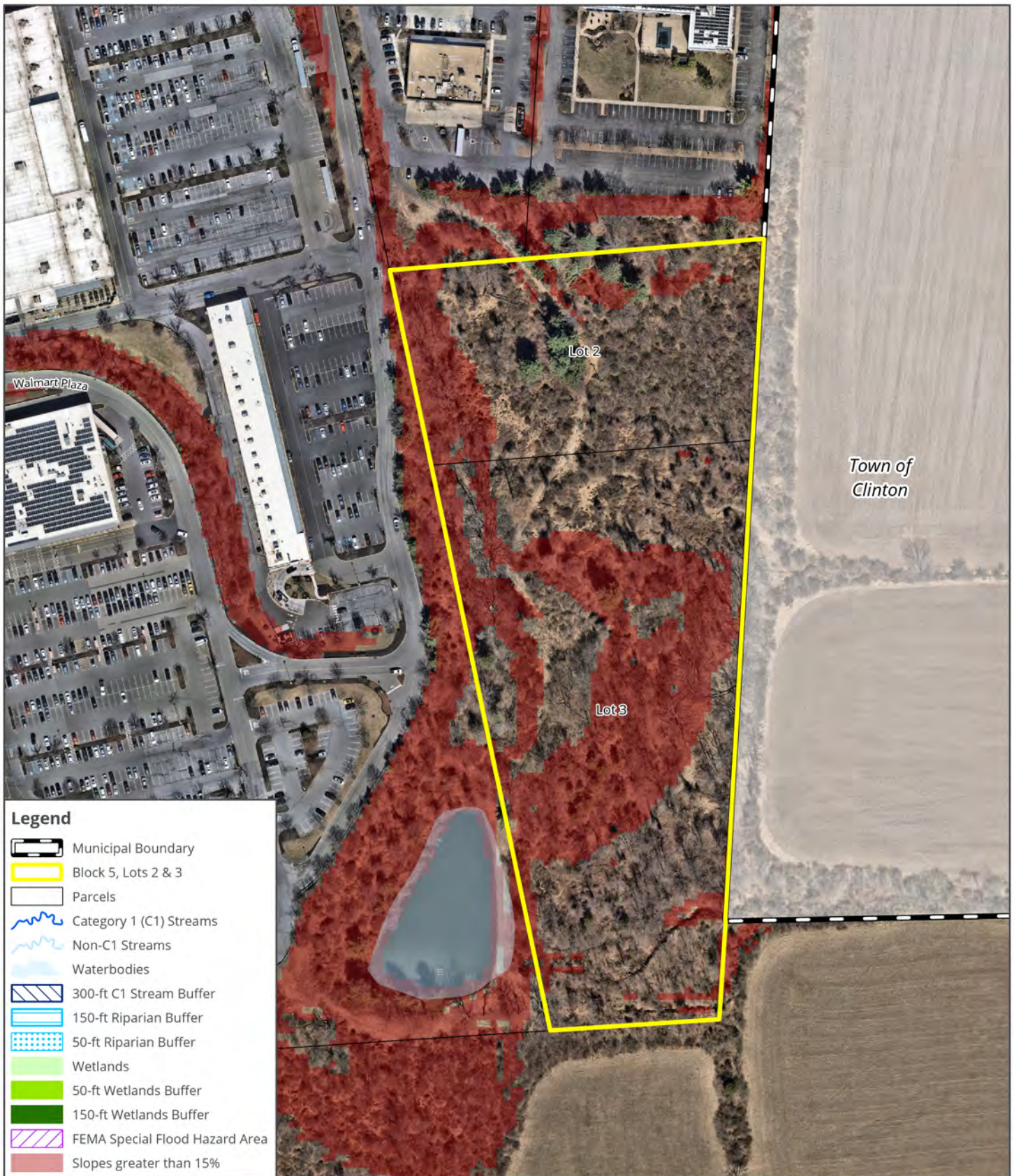
The Township issued a Request for Proposals ("RFP") two times in 2019. In response to the first RFP, two proposals were received. RPM proposed a 100% affordable development with 87 affordable units. The project relied on 9% tax credits. Conifer Realty submitted a proposal for 80 units of affordable housing, also relying on 9% tax credits. The Township rejected both proposals as the site was envisioned as an inclusionary development and Franklin was not willing to be the financial back stop in case either project failed to secure 9% tax credits. Furthermore, communities are not required to satisfy their obligations through 100% affordable projects.

The second set of proposals received in 2019 arrived in October. RPM submitted the same proposal for 87 affordable units relying on 9% tax credits. Conifer Realty submitted again, but this time for 80 age-restricted affordable units. The project still relied on 9% tax credits. Once again, the Township rejected both proposals for the same reasons as noted above.

In September of 2022, the Township issued an RFP for the purchase and development of the Township-owned properties (Block 5, Lots 2 and 3). The Township received three proposals in response to the RFP and awarded the contract to purchase and develop the site to MBI Development of Delaware, LLC, commonly referred to as "Ingerman" via Resolution #2023-29 on March 23, 2023 (Appendix I). Ingerman's response to RFP proposed to develop the site as a 120-unit inclusionary age-restricted development with a 20% affordable housing set-aside (24 units assuming full build out). This equates to a density of 11.02 units per acre, which is greater than the current maximum permitted density of the MF Zone. The project is to be financed with a construction loan for 70% of the project's costs and private (non-tax credit) equity for 30% of the project's costs.

The following timeline was included in the response:

- Architectural and engineering plans – 10/2025
- Township, land use, and water/sewer approvals – 11/2025
- Closing on financing – 1/2025
- Construction – 1/2025-6/2026
- Permanent financing – 10/2026
- Occupancy – 3/2028



ENVIRONMENTAL CONSTRAINTS

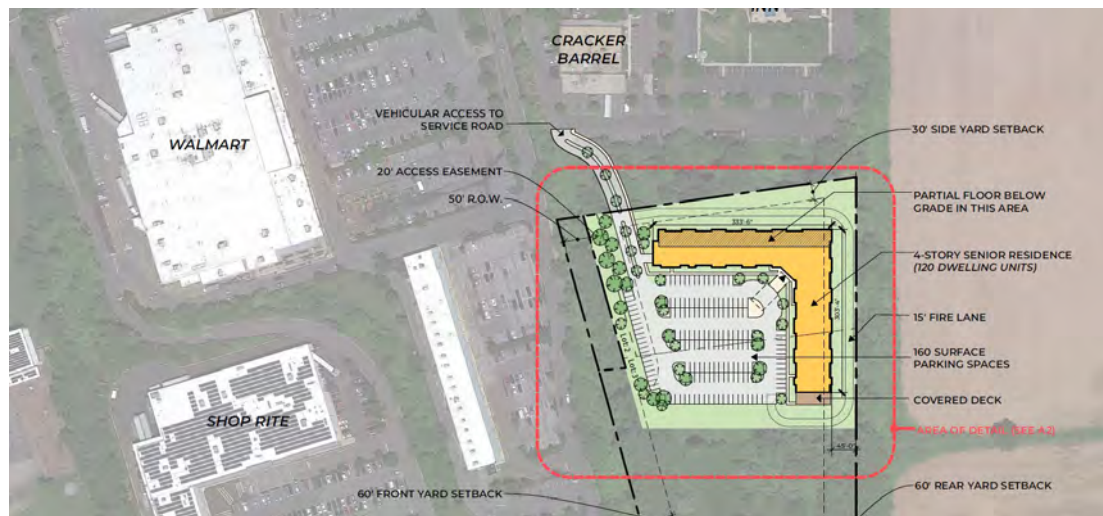
BLOCK 5, LOTS 2 & 3

TOWNSHIP OF FRANKLIN

HUNTERDON COUNTY, NEW JERSEY

This map was developed using GIS digital data from FEMA, NJDEP, NJDOT, NJGIN, but this secondary product has not been verified and is not state-authorized. Aerial image sourced from NearMap, dated March 18, 2025.

The concept plan illustrated one building in the northern quadrant of the site, a deck overlooking the wooded views to the south, 160 parking spaces, portico over the main entrance, on-site amenities, and landscaping. See the image below for the submitted concept plan.



Subsequently, the Township and Ingerman executed a Memorandum of Understanding ("MOU") on May 17, 2023 to develop the site as an inclusionary, age-restricted residential development as detailed in Ingerman's proposal (see Appendix J for a copy of the MOU). The Township is obligated to support all applications for water and sewer, make minor amendments to the zoning ordinance to enable the concept plan, and adopt a PILOT if the site qualified as an area in need of redevelopment.

The MOU outlines Ingerman's responsibilities as, but not limited to, securing water and sewer and all other necessary pre-development activities. The document also clearly states that the Township will not contribute any funding, whether from the Affordable Housing Trust fund or municipal budget, towards the construction of the development.

Since the 2023 MOU, Ingerman has undertaken substantial efforts to secure water and sewer capacity. Regarding sewer it has attempted to secure capacity from another community (which sends its sewer to Town of Clinton) who appears to have surplus sewer capacity. Ingerman has had numerous discussions with said community regarding the purchase of surplus sewer capacity, but said community has not responded with any certainty. Ingerman is now negotiating with a private property owner who owns sewer capacity within the Town of Clinton system. It is anticipated that Ingerman will have a contract or letter of intent or other legal document securing said capacity by the summer and/or fall of 2025.¹¹

On July 10, 2024, Ingerman secured a water capacity of 8,885 GPD from the Town of Clinton for the development of a 91-unit inclusionary residential development with a leasing office (see Appendix G and H). As documented in the Durational Adjustment section of this HEFSP, the Town of Clinton has finite water remaining. The lynchpin securing water is that Ingerman has modified its proposal to an age-restricted development consisting of all one-bedroom units. If Ingerman proposed a 91-unit multi-family development (which would consist of one-, two-, and three-bedroom units) it would increase the necessary water to approximately 14,160 GPD and the water reservation request would

¹¹ Phone call with Geoff Long of Ingerman on May 2, 2025.

have been denied. To fit within an allocation of 8,885 GPD an inclusionary multi-family development would be limited to approximately 58 units (assuming the market-rate units are a mixture of one- and two-bedroom units and the affordable units meet UHAC). A total unit count of 58 would render the project infeasible.

If sewer capacity is ultimately secured by the developer, the sewer and/or water service area will need to be amended to include the site if the site is not already included in said service areas.

The site will meet the income distribution of a minimum of 13% very-low-income; minimum of 37% low-income, and a maximum of 50% moderate-income. As an age-restricted development, the site has modified bedroom requirements and will comply with the UHAC rules in effect at the time of the board application. Lastly, as a Third-Round site, approved by the Court during the Third Round, the development will be subject to a minimum 30-year deed restriction.

Geoff Long of Ingerman provided the below updated development schedule to the Township Planner on May 6, 2025:

- Agreement for private sewer allocation – 5/2025
- Township, NJDEP, water and sewer approvals – 3/2026
- Architectural and engineering plans – 10/2025
- Site plan – 4/2026
- Purchase of property, closing on financing – 5/2026
- Construction – 5/2026 – 9/2027
- Occupancy – 7/2027 – 3/2028
- Permanent financing – 6/2028

The affordable housing rules require municipalities to designate sites that are available, suitable, developable and approvable, as defined in NJAC 5:93-1. These terms are defined below:

- Approvable site means 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.
- Available site means a site with clear title, free of encumbrances which preclude development for low- and moderate-income housing.
- Developable site means 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.
- Suitable site means 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.

Lots 2 and 3 of Block 5 meet the four prongs of the rules as follows:

- Approvable site – The Township Committee rezoned the two properties on December 13, 2018 via Ordinance 2018-18 from the Commercial-North Zone to the Multi-family Housing Zone. The MF Zone permits inclusionary residential development at a maximum density of eight units per acre with a 15% affordable housing set-aside if the units are rentals and a

20% affordable housing set-aside if the units are for sale. The Township recognizes that if water and sewer capacity are secured, the minimum density will need to be increased to accommodate a total of 91 units.

- Available site – The two lots are currently owned by the Township. However, the Township issued an RFP for the purchase and development of the site in 2022. Ingerman was awarded the contract in 2023. Subsequently, the Township and Ingerman executed an MOU to develop the site as an inclusionary age-restricted residential development. The Township is unaware of and title issues or encumbrances.
- Developable site – As previously discussed, the site does not have sewer or water service. However, the site is adjacent to the sewer and water service areas. As detailed in the MOU, Ingerman is required to obtain water and sewer capacity, while the Township will support all applications for water and sewer. In the summer of 2024, Ingerman secured 8,885 GPD of water capacity from the Town of Clinton for the development of a 91-unit age-restricted inclusionary residential development. Additionally, Ingerman is working with a private property owner to secure sewer capacity.
- Suitable site – Lots 2 and 3 are adjacent to commercial development to the north and west and preserved lands to the east and south. An access easement is present on the adjacent commercial property, which connects the site to Frontage Road and ultimately Pittstown Road (County Route 513). The site contains 3.78 acres of steep slopes according to NJDEP mapping.

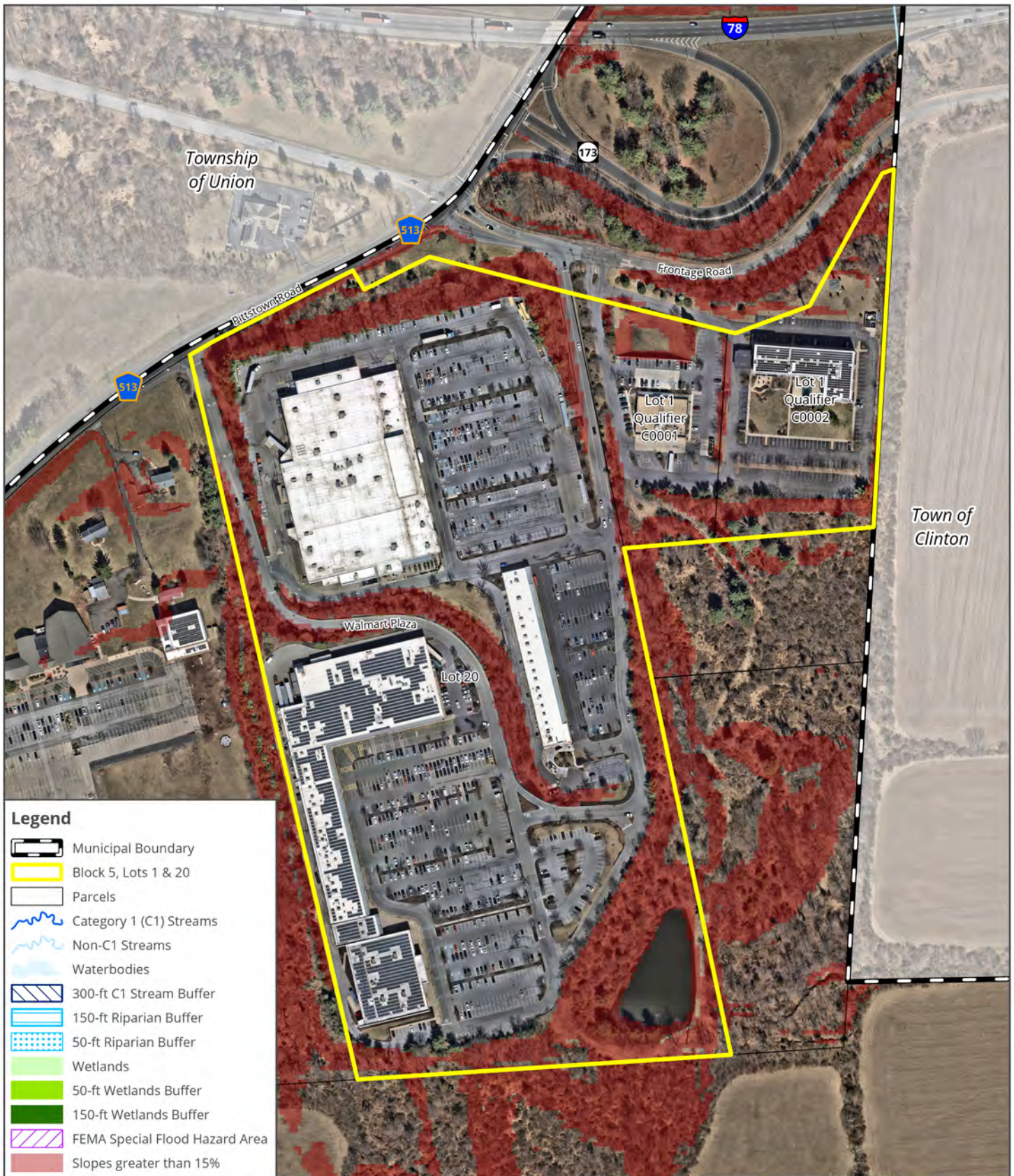
Based on the above, Block 5, Lots 2 and 3 have the potential to yield 18.2 affordable age-restricted rental units and therefore, would be eligible for **18 credits** pursuant to NJAC 5:93-5.6 (inclusionary development) if sewer capacity is secured.

Block 5, Lots 1 & 20

Lot 1 is developed with a stand-alone Cracker Barrel restaurant and a Hampton Inn hotel. This site is accessed via a driveway on Frontage Road. Lot 20 is developed with multiple commercial buildings and is commonly known as “Walmart Plaza”. Businesses on this site include Walmart, ShopRite, TJ Maxx, and many smaller retail, service and restaurant spaces. The site is accessible by two entrances, one on Pittstown Road (County Route 513) and one on Frontage Road. (See the map on page 48.) These properties contain roughly 44 acres and both properties are served by public water and sewer.

As part of the Township’s HEFSP for the Third Round, Franklin proposed to create a new overlay zone for Block 5, Lots 1 and 20 that would permit a mixture of uses including multi-family residential. On December 13, 2018, the Township Committee adopted Ordinance 2018-19, which established the Mixed-use Development (MXD) Overlay Zone over Lots 1 & 20 of Block 5. The MXD Overlay Zone permits inclusionary multi-family development at a maximum density of 16 units per acre on the second and third floors of buildings only. Adequate water and sewer service capacity must be available to support the residential units. A 20% affordable housing set-aside is required for affordable units that are for sale, while a 15% set-aside is required for rental units.

The mechanism will meet the income distribution of 13% very-low-income; 37% low-income, and 50% moderate-income. The bedroom distribution will comply with the UHAC rules in effect at the



ENVIRONMENTAL CONSTRAINTS

BLOCK 5, LOTS 1 & 20

TOWNSHIP OF FRANKLIN

HUNTERDON COUNTY, NEW JERSEY

0 150 300
1 inch = 300 feet



Colliers
Engineering
& Design

This map was developed using GIS digital data from FEMA, NJDEP, NJDOT, NJGIN, but this secondary product has not been verified and is not state-authorized. Aerial image sourced from NearMap, dated March 18, 2025.

April 22, 2025
FKT103A

time of the board application. Lastly, as a Third-Round site, approved by the Court during the Third Round, any redevelopment will be subject to a minimum 30-year deed restriction.

Since Franklin is a Durational Adjustment community, it seeks to increase the set-aside within the Overlay Zone to 20% regardless of tenure. The draft Ordinance increasing said set-aside can be found in Appendix K.

The Walmart Plaza site meets the four prongs of the rules as follows:

- **Approvable site** – The sites are approvable as they have already been approved for existing commercial development. In 2018, the Township Committee created the MXD Overlay Zone over the site, which permits inclusionary multi-family development on the second and third floors of buildings at a maximum density of 16 units per acre. A 15% affordable housing set-aside is required if the units are rentals, and a 20% affordable housing set-aside is required if the units are for sale. However, as noted above, the Township seeks to increase the set-aside to 20% regardless of tenure. Any future mixed-use development will likely redevelop over existing impervious surfaces.
- **Available site** – Lots 1 and 20 are not currently listed for sale, but nothing prevents a private transaction between a willing buyer and seller. There is also nothing to preclude the currently property owner from redeveloping the site to mixed-use. The Township is not aware of any title issues or encumbrances (outside of utility and roadway easements) on the properties.
- **Developable site** – The sites are developed, located in utility service areas, and have certain water and sewer capacity. Any future residential development would need to obtain sufficient water and sewer capacity to support the new residential development as housing has a higher water demand than commercial spaces.
- **Suitable site** – The site is adjacent to a bank and Interstate 78 to the north, Block 5, Lots 2 and 3 to the east, farmland to the south, and a church to the west. The site has access to Pittstown Road (County Route 513) and Frontage Road. The site contains 8.46 acres of steep slopes. However, the existing impervious surfaces where future development is likely to occur, are not encumbered by and steep slopes.

Based on the above information the existing MXD Overlay Zone, Block 5, Lots 1 and 20 has the potential to yield affordable units pursuant to NJAC 5:93-5.6 (inclusionary development).

Fourth Round Mechanisms & Credits

As discussed in Chapter XI. above, the Township is requesting a Durational Adjustment for the 52-unit FRO. Only the far northern corner of the Township has access to existing water and sewer infrastructure and is within the water and sewer service areas. As described earlier, there is finite remaining water and sewer capacity. Franklin proposes one innovative mechanism that does not rely on public water and sewer, fits within the scale and character of Franklin, and can be incentivized with the use of the Township's Affordable Housing Trust Fund.

Supportive / Special Needs Housing

Franklin proposes to utilize funds from the Township's Affordable Housing Trust Fund to encourage group homes, supportive housing units, and/or other special needs facilities to locate in the Township. Group homes are permitted as-of-right in all residential zones and can generate four to six credits in a single-family home. Additionally, unlike multi-family residential uses, group homes can be served by a well and septic system.

These types of uses can be weaved into the existing developed fabric of the community and house some of the State's most vulnerable citizens. It is envisioned that Franklin would provide a certain amount of trust fund money per credit worthy bed and/or unit. The homes would be required to be deed restricted for a minimum of 40 years unless their funding source provides for an alternative time period.

This mechanism meets the four prongs of the rules as follows:

- Approvable site – A majority of the Township is zoned for single-family residential uses, which includes the AR-7.0 and RR-5.0 Zones. NJSA 40:55D-66.1 permits community residences for persons with developmental disabilities in all residential districts of a municipality as-of-right. Franklin will utilize funds from the Affordable Housing Trust Fund to incentivize group homes, supportive housing, and/or special needs units to locate in the Township.
- Available site – No specific property has been identified for a special needs / supportive housing facility. However, nothing prevents a private transaction between a willing buyer and seller for a property in the AR-7.0 or RR-5.0 Zones.
- Developable site – Any future development of a special needs / supportive housing facility would be serviced by an on-site well and septic system.
- Suitable site – Special needs / supportive housing units typically resemble single-family dwellings with a bedroom for each individual residing in the home and shared kitchen and living spaces. Therefore, any future facility would be compatible with the existing residential character of the AR-7.0 and RR-5.0 Zones.

Based on the information above, special needs / supportive housing developed in the Township would be eligible for crediting pursuant to NJAC 5:93-5.8 (alternative living arrangements).

Summary of Proposed Mechanisms & Credits

Franklin proposes three mechanisms towards its various obligations. See the table on the following page for details.

Proposed Mechanisms & Credits

Mechanism	Credit Type	Tenure	Age-Restricted	Credit	Bonus	Total
<i>Third Round Credits</i>						
Block 5, Lots 2 & 3	Inclusionary	Rental	Yes	18	TBD	TBD
Block 5, Lots 1 & 20	Inclusionary	TBD	TBD	TBD	TBD	TBD
Total				18	TBD	TBD
<i>Fourth Round Credits</i>						
Supportive / Special Needs Housing	Alternative Living Arrangement	Rental	TBD	TBD	TBD	TBD
Total				TBD	TBD	TBD

Summary of Mechanisms & Credits

The table below provides a summary of the mechanisms, credits, and bonuses this HEFSP proposes.

Existing & Proposed Credits

Mechanism	Credit Type	Credit	Bonus	Total
<i>Prior Round Credits</i>				
RCA to Lambertville	RCA	12	0	12
Accessory Apartment Program	Accessory Apartment	11	0	11
Total		23	0	23
<i>Third Round Credits</i>				
Block 5, Lots 2 & 3*	Inclusionary	18	TBD	TBD
Block 5, Lots 1 & 20*	Inclusionary	TBD	TBD	TBD
Total		18	TBD	TBD
<i>Fourth Round Credits</i>				
Supportive Housing / Special Needs Housing*	Alternative Living Arrangement	TBD	TBD	TBD
Total		TBD	TBD	TBD

*Proposed Mechanisms

XIII. Implementation Schedule

The chart below provides an anticipated implementation schedule for the mechanisms that are proposed within the Township of Franklin.

Implementation Schedule											
Mechanism	'25	'26	'27	'28	'29	'30	'31	'32	'33	'34	'35
Block 5, Lots 2 & 3											
Secure Sewer											
NJDEP, Water and Sewer Approvals											
Application Review											
Construction											
Occupancy											
Block 5, Lots 1 & 20											
Application Review											
Construction											
Occupancy											
Supportive Housing / Special Needs Housing											
Advertise Program											
Application Review											
Construction											
Occupancy											

XIV. Implementing Documents

The deadlines prescribed in the Amended FHA failed to realize the multitude of moving parts in the world of affordable housing. On December 20, 2024, the Housing and Mortgage Finance Agency ("HMFA") adopted "amendments" to the Uniform Housing Affordability Controls ("UHAC"). These special adopted rules are hardly amendments as there are widespread and dramatic changes throughout the 192-page document. Furthermore, these rules are only effective until December 19, 2025, or such earlier date at which time the HMFA amends, adopts, or readopts the rules pursuant to the New Jersey Administrative Procedure Act.

Then, on March 17, 2025, the State issued proposed rules (NJAC 5:99), which are open for public comment until May 16, 2025. These rules concern the municipal ordinance requirements for development fees; monitoring requirements; regulations regarding municipal housing liaison and administrative agents, etc.

The two above documents impact several of the standard implementing documents that typically accompany a HEFSP. As municipal affordable housing trust funds are a precious and finite resource, the following documents will be drafted once permanent UHAC regulations and NJAC 5:99 rules are adopted:

1. Affordable Housing Ordinance
2. Development Fee Ordinance
3. Affirmative Marketing Plan
4. Operating Manuals
5. Affordability Assistance Mini-Manuals

There is no harm in postponing the drafting of these documents as municipalities have an obligation to create a realistic opportunity for their fair share of affordable housing which ends in 2035. Furthermore, the Amended FHA does not require the adoption of implementing ordinances and resolutions until March 15, 2026. Prior to that date, the 5:99 rules will be adopted and HMFA will have addressed the interim UHAC rules.

A copy of the Affirmative Marketing Plan approved as part of the 2019 Final Judgment of Compliance and Repose can be found in Appendix L.

A copy of the Township's current Development Fee Ordinance can be found in Chapter 176 Affordable Housing, Article V Affordable Housing Development Fees (<https://ecode360.com/37582106>). Franklin's current Affordable Housing Ordinance can be found in Chapter 176 Affordable Housing (<https://ecode360.com/10074992#10074992>).

XV. Appendix

- A. 2018 Amended FSHC Settlement Agreement
- B. 2019 Final Judgment of Compliance and Repose
- C. Resolution No. 2025-17 Establishing Fourth Round Obligations
- D. 2025 Complaint for Declaratory Relief
- E. March 27, 2025 Order Fixing Municipal Obligations for “Present Need” and “Prospective Need” for the Fourth Round Housing Cycle
- F. Richard D. Phelan Water and Sewer Email
- G. May 14, 2024 Suburban Request for Water Reservation and October 23, 2024 Suburban Letter of Water Availability
- H. Town of Clinton Resolution #101-24
- I. Resolution #2023-29 Awarding Contract for Purchase and Development
- J. May 17, 2023 Memorandum of Understanding
- K. Draft Zoning Ordinance
- L. Court Approved Third Round Affirmative Marketing Plan
- M. Draft 2025 Spending Plan
- N. Municipal Housing Liaison Resolution
- O. Planning Board Resolution Adopting HEFSP
- P. Township Committee Resolution Endorsing HEFSP