



2025

Fourth Round Housing Plan Element and Fair Share Plan

May 20, 2025

Adopted June 4, 2025

Endorsed _____

City of Lambertville, Hunterdon County, New Jersey

Prepared by:

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Prepared for City of Lambertville by

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APPENDICES TO THE HOUSING ELEMENT AND FAIR SHARE PLAN

- A. Amended Settlement Agreement, Judgment of Repose
- B. Fourth Round Resolution, Declaratory Judgment Filing, Order Establishing Obligation
- C. Rehabilitation Manual
- D. Updated Vacant Land Analysis
- E. Habitat for Humanity Memorandum of Understanding
- F. SpokeWorks Documentation
- G. Water and Sewer Capacity To Serve
- H. Lilly Street Deed Restriction
- I. Affordable Housing Ordinance, Mandatory Set-Aside Ordinance,
Development Fee Ordinance
- J. Affirmative Marketing Plan
- K. Municipal Housing Liaison, Administrative Agent
- L. Spending Plan



EXECUTIVE SUMMARY

This Fourth Round Housing Element and Fair Share Plan (HEFSP) has been prepared for the City of Lambertville, of Hunterdon County, in accordance with the New Jersey Fair Housing Act (FHA) at N.J.S.A. 52:27D-310 as amended by P.L. 2024 c.2, the Administrative Directive #14-24, and the rules of the New Jersey Council on Affordable Housing (COAH) contained at N.J.A.C. 5:93 et seq. This plan is an update to the City's Amended Third Round HEFSP adopted by the Planning Board on March 4, 2020, and endorsed by the City Council on June 10, 2020. This cumulative Fourth Round HEFSP will serve as the foundation for the City's submission to the Superior Court of New Jersey and the Affordable Housing Dispute Resolution Program (Program).

There are four components to a municipality's affordable housing obligation: the Fourth Round Present Need or Rehabilitation Share, the Prior Round obligation, the Third Round obligation, and the Fourth Round Prospective Need obligation.

Prior Round/Third Round

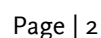
On June 20, 2020, the Superior Court approved the City's Settlement Agreement with Fair Share Housing Center (FSHC), which set the City's Prior Round Prospective Need as previously established by COAH and established the City's Third Round "Gap"/Prospective Need as follows:

- Prior Round Prospective Need: 0
- Third Round Prospective Need: 137

The 2018 Settlement Agreement reflected a Third Round vacant land adjustment (VLA), which reduced the Third Round obligation of 137 to a Third Round realistic development potential (RDP) of 88 and an Unmet Need of 49. The City and FSHC executed an amended Settlement Agreement in 2020, which amended the compliance mechanisms the City agreed to implement to satisfy its Third Round RDP, but did not change the City's overall obligations. The City's Third Round HEFSP was approved by the Superior Court in a conditional Judgment of Compliance and Repose, issued on June 23, 2020.

The City has satisfied its Third Round RDP with 11 of 18 special-needs bedrooms at the Little Haven Rest Home; four affordable for-sale units developed by Habitat for Humanity; 22 of 37 available credits from the Heritage Village 100% affordable age-restricted development; one existing affordable accessory apartment; 28 proposed family affordable rental units from the Lambertville High School redevelopment area; and 22 Third Round rental bonuses, the maximum permitted.

The City has partially satisfied its Third Round Unmet Need with 12 additional age-restricted affordable rental units from Heritage Village; seven special-needs bedrooms from the Little Haven Rest Home; one City-owned special-needs rental unit; and one affordable accessory apartment, leaving an unfulfilled Third Round Unmet Need of 28. In addition, the City has adopted inclusionary overlay zoning on three tracts, has adopted a City-wide mandatory affordable housing set-aside ordinance, and has adopted a redevelopment plan for the site where its police station is currently housed that requires provision of five affordable family rental units.





NEW JERSEY AFFORDABLE HOUSING JUDICIAL AND LEGISLATIVE BACKGROUND

In the 1975 Mount Laurel¹ decision, the New Jersey Supreme Court ruled that developing municipalities have a constitutional obligation to provide diversity and choice in the housing types permitted in the municipality, including housing for low- and moderate-income households. In its 1983 Mount Laurel II decision,² the New Jersey Supreme Court extended to all municipalities with any “growth area” as designated in the State Development Guide Plan (now superseded by the State Development and Redevelopment Plan, or SDRP) the obligation to provide their “fair share” of a calculated regional need for affordable units. Mount Laurel II also introduced a “builder’s remedy” if a municipality was not providing its fair share of affordable housing. A builder’s remedy may permit a developer that is successful in litigation the right to develop what is typically a higher density multi-family project on land not zoned to permit such use, so long as a “substantial” percentage of the proposed units would be reserved for low- and moderate-income households.

In 1985, in response to Mount Laurel II, the New Jersey Legislature enacted the Fair Housing Act (“FHA”).³ The FHA created the Council on Affordable Housing (“COAH”) as an administrative body responsible for oversight of municipalities’ affordable housing efforts, rather than having oversight go through the courts. The Legislature charged COAH with promulgating regulations (i) to establish housing regions; (ii) to estimate low- and moderate-income housing needs; (iii) to set criteria and guidelines for municipalities to use in determining and addressing their fair share obligations, and (iv) to create a process for the review and approval of municipal housing elements and fair share plans.

COAH’s First and Second Rounds, 1986-1999

COAH created the criteria and regulations for municipalities to address their affordable housing obligations. COAH originally established a methodology for determining municipal affordable housing obligations for the six-year period between 1987 and 1993,⁴ which period became known as the First Round. This methodology established an existing need to address substandard housing that was being occupied by low- and moderate-income households (variously known as “present need” or “rehabilitation share”), and calculated future demand, to be satisfied typically, but not exclusively, with new construction (“prospective need” or “fair share”).

The First Round methodology was superseded in 1994 by COAH’s Second Round regulations.⁵ The 1994 regulations recalculated a portion of the 1987-1993 affordable housing obligations for each municipality and computed the additional municipal affordable housing need from 1993 to 1999 using 1990 census data. These regulations identified a municipality’s cumulative obligations for the First and Second Rounds. Under regulations adopted for the Third Round, a municipality’s obligation to provide affordable housing for the First and Second Rounds is referred to cumulatively as the Prior Round obligation.

¹ Southern Burlington County NAACP v. Township of Mount Laurel, 67 N.J. 151 (1975)

² Southern Burlington County NAACP v. Township of Mount Laurel, 92 N.J. 158 (1983)

³ N.J.S.A. 52:27D-301 et seq.

⁴ N.J.A.C. 5:92-1 et seq.

⁵ N.J.A.C. 5:93-1.1 et seq.



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

The FHA had originally required housing rounds to be for a six-year period for the First and Second Rounds. In 2001, the time period increased to a 10-year period consistent with the Municipal Land Use Law ("MLUL"). In order to utilize 2000 census data, which hadn't yet been released, COAH delayed the start of the Third Round from 1999 to 2004, with the Third Round time period initially ending in 2014. In December 2004, COAH's first version of the Third Round rules⁶ became effective, and the 15-year Third Round *time period* (1999 – 2014) was condensed into an affordable housing *delivery period* from January 1, 2004, through January 1, 2014.

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

On January 25, 2007, a New Jersey Appellate Court decision⁷ invalidated key elements of the first version of the Third Round rules, including the growth share approach, and the Court ordered COAH to propose and adopt amendments to its rules. COAH issued revised rules effective on June 2, 2008 (as well as a further rule revision effective on October 20, 2008), which largely retained the growth share approach.

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

Third Round Judicial Activity

After various challenges were filed, on September 26, 2013, the New Jersey Supreme Court upheld the Appellate Court decision⁹ and ordered COAH to prepare the necessary rules. COAH failed to adopt new rules, and more challenges ensued.

On March 10, 2015, the New Jersey Supreme Court issued a ruling on Fair Share Housing Center's ("FSHC's") Motion in Aid of Litigant's Rights, which became known as Mount Laurel IV.¹⁰ In this decision, the Court transferred responsibility for reviewing and approving housing elements and fair share plans from COAH to designated Mount Laurel trial judges, declaring COAH "moribund." Municipalities were now to apply to the Courts, instead of COAH, if they wished to be protected from exclusionary zoning lawsuits. The Mount Laurel trial judges, with the assistance of a Court-appointed Special Adjudicator, were tasked with reviewing municipal plans much in the same manner as COAH

⁶ N.J.A.C. 5:94-1 and 5:95-1

⁷ In re Adoption of N.J.A.C. 5:94 and 5:95, 390 N.J. Super. 1 (2007)

⁸ In re Adoption of N.J.A.C. 5:96 and 5:97, 416 N.J. Super. 462 (2010)

⁹ In re Adoption of N.J.A.C. 5:96 and 5:97 by New Jersey Council On Affordable Housing, 215 N.J. 578 (2013)

¹⁰ In re Adoption of N.J.A.C. 5:96 & 5:97, 221 NJ 1 (2015)



had done previously. Those towns whose plans were approved by the Court received a Judgment of Compliance and Repose, the court equivalent of COAH's substantive certification.

While the New Jersey Supreme Court's decision set a process in motion for towns to address their Third Round obligation, the decision did not assign those obligations. Instead, that was to be done by the trial courts, although ultimately most towns entered into settlement agreements to set their fair share obligations. The Court stated that municipalities should rely on COAH's Second Round rules (N.J.A.C. 5:93) and those components of COAH's 2008 regulations that were specifically upheld, as well as the FHA, in their preparation of Third Round housing elements and fair share plans.

On January 17, 2017, the New Jersey Supreme Court rendered a decision¹¹ that found that the period between 1999 and 2015, now known as the "gap period," when no valid affordable housing regulations were in force, generated an affordable housing obligation. This obligation required an expanded definition of the municipal Present Need obligation to include the unaddressed housing needs of low- and moderate-income households that had formed during the gap period. This meant that the Third Round municipal affordable housing obligation would now comprise four components: Present Need (rehabilitation), Prior Round (1987-1999, new construction), Third Round Gap Need (1999-2015, new construction), and Third Round Prospective Need (Third Round, 2015 to 2025, new construction).

Third Round Legislative Activity

In addition, the New Jersey Legislature has amended the FHA several times in recent years.

On July 17, 2008, P.L. 2008 c. 46 (referred to as the Roberts Bill or A500) was enacted, which amended the FHA in a number of ways. Key provisions included the following:

- It established a statewide 2.5% non-residential development fee instead of requiring non-residential developers to provide affordable housing;
- It eliminated new regional contribution agreements ("RCAs") as a compliance technique available to municipalities; previously a municipality could fund the transfer up to 50% of its fair share to so called "receiving" municipalities;
- It added a requirement that 13% of all affordable housing units be restricted to very low-income households, which it defined as households earning 30% or less of median income; and
- It added a requirement that municipalities had to commit to spend development fees within four years of the date of collection. This was later addressed in a Superior Court decision which found the four-year period begins at the time the Court approves the municipal spending plan.¹²

In July 2020, the State amended the FHA again to require, beginning in November 2020, that all affordable units that are subject to affirmative marketing requirements also be listed on the state's Affordable Housing Resource Center website.¹³ All affordable housing affirmative marketing plans are now required to include listing on the State Affordable Housing Resource Center website.

¹¹ In Re Declaratory Judgment Actions Filed by Various Municipalities, 227 N.J. 508 (2017)

¹² In the Matter of the Adoption of the Monroe Township Housing Element and Fair Share Plan, and Implementing Ordinances (2015)

¹³ <https://www.nj.gov/njhrc/>



The Fourth Round, 2025-2035

On March 20, 2024, the FHA was amended again (as were other statutes). This amendment, P.L. 2024 c.2:

- Formally abolishes COAH;
- Requires the state Department of Community Affairs (DCA) to promulgate municipal obligations using an adjusted methodology. These obligations are to be considered advisory, not binding;
- Establishes a timeline within which municipalities need to adopt and submit binding resolutions stipulating to their Fourth Round fair share obligations, in order for them to retain their immunity from exclusionary-zoning lawsuits;
- Requires the New Jersey Housing and Mortgage Finance Agency (HMFA) and DCA to update rules and standards governing affordable housing production, trust funds, and affordable housing administration;
- Establishes a Court-based Affordable Housing Dispute Resolution Program (Program) that will be responsible for challenges to municipalities' affordable housing obligation determinations and compliance efforts;
- Establishes a longer control period – 40 years, rather than 30 years – for new affordable rental units;
- Changes the criteria for affordable housing bonuses, making various additional categories of affordable housing eligible for bonuses;
- Establishes a timeline within which municipalities need to take various steps toward adoption of a Housing Element and Fair Share Plan, in order for them to retain their immunity from exclusionary-zoning lawsuits;
- Establishes new reporting and monitoring procedures and deadlines for both affordable units and affordable housing trust funds, and assigns oversight for reporting and monitoring to DCA.

In December 2024, the Administrative Office of the Courts issued Administrative Directive #14-24, establishing procedures for implementation of the Program and for municipalities to file their Fourth Round Declaratory Judgment (DJ) filings, etc. As detailed under the section covering requirements of an HEFSP, the Administrative Directive also set requirements for what must be included in a compliant Fourth Round HEFSP.

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



LAMBERTVILLE'S AFFORDABLE HOUSING HISTORY

The City's initial Housing Element and Fair Share Plan was approved by the City's Planning Board on January 18, 1989. As of 1989, the City did not have a mandated need for affordable housing based on COAH regulations. However, the City had in place through 1986 a housing rehabilitation assistance program for lower income households. Funds were provided through the Federal Community Development Block Grant program. Approximately 150 housing units were rehabilitated through various funding cycles. Rehabilitation efforts were targeted for code deficiencies and major system repairs, including roofing, plumbing, electric, bathroom facilities and insulation.

The City of Lambertville Planning Board adopted an updated Housing Plan Element and Fair Share Plan on February 27, 1995. The City initially filed its Housing Element on March 3, 1995, and received substantive certification from COAH on September 6, 1995, which was extended by COAH on July 10, 2001. Lambertville's pre-credited need was 21 units, all rehabilitation.

On February 9, 2005, Lambertville received another extension of substantive certification from COAH. The City submitted a petition under the Third Round Rules on December 20, 2005. COAH did not take any formal action on the City's plans.

Municipalities that had not received substantive certification under the initial Third Round rules and wished to continue with the COAH process (as Lambertville did) were required, by December 31, 2008, to re-petition COAH for substantive certification under its revised 2008 rules at N.J.A.C. 5:97. The City prepared an Amended Third Round plan and revised Third Round Spending Plan consistent with COAH's revised Third Round rules. This amended plan was adopted by the Planning Board on December 3, 2008, and endorsed by the Governing Body on December 29, 2008. On December 31, 2008, the City again petitioned COAH for Third Round certification. Objections were received by COAH, mediation never ensued, and COAH took no action on the City's 2008 Third Round Plan, nor did it approve the City's proposed Spending Plan, prior to the Appellate Court decision on October 8, 2010, invalidating COAH's Third Round growth share methodology, or prior to the issuance of the Supreme Court decision in September 2013, which invalidated the Amended Third Round regulations.

Since the City petitioned COAH for Third Round certification in 2005 and again in 2008, and its petition for certification was pending at the time of the invalidation of the Third Round rules in October 2010, the City was considered to be a "participating" municipality before COAH.

To comply with the March 10, 2015, Mount Laurel IV decision, Lambertville petitioned to the Superior Court on July 8, 2015, for a declaratory judgment and temporary immunity from exclusionary zoning lawsuits. FSHC is an interested party in its declaratory judgment, and in 2018, the City entered into successful negotiations with FSHC to determine its fair share obligation and preliminarily how that obligation would be satisfied. These negotiations resulted in a Settlement Agreement between the City and FSHC that was executed by the City on May 22, 2018. The Court issued an Order on October 11, 2018, stating that the Settlement Agreement was fair to the interests of low- and moderate-income households. The Court also preliminarily found that the manner in which the City proposed to satisfy the obligation was reasonable, subject to several conditions. In 2020, the City and FSHC agreed to present an amended Settlement Agreement to the Court to review (see Appendix A), that was duly approved by the Court, and that replaced the City's prior Settlement Agreement in its entirety.



The City prepared an amended Third Round Housing Element and Fair Share Plan that conformed to the terms of the 2020 amended Settlement Agreement, which was approved by the Court in a conditional Judgment of Repose (JOR), subject to the fulfilment of several conditions, on June 23, 2020 (Appendix A). The JOR affords the City continued immunity and protection from any Mount Laurel builder's remedy actions through July 1, 2025. The City continues to work toward satisfaction of the final outstanding condition enumerated in the JOR, and its immunity remains in effect.

On January 16, 2025, Lambertville adopted a resolution (Appendix B) declaring a Fourth Round Present Need of 0 units and a Fourth Round Prospective Need of 39 units, based on calculations performed by DCA. On January 17, 2025, the City subsequently filed its Fourth Round DJ action with the Program/Superior Court (included in Appendix B), pursuant to the requirements of the amended FHA and the Administrative Directive #14-24. In early 2025, the City established its Affordable Housing Advisory Committee (AHAC), comprising residents, City and elected officials, whose mission is to identify, on an ongoing basis, opportunities to create affordable housing in the City.



AFFORDABILITY REQUIREMENTS

Affordable housing is defined under the amended FHA as a dwelling, either for sale or rent, that is within the financial means of households of very low, low, or moderate income as income is measured within each housing region. Lambertville is in Region 3, which includes the Counties of Hunterdon, Somerset, and Middlesex. Moderate-income households are those earning more than 50% but less than 80% of the regional median income. Low-income households are those with annual incomes that are between 30% and 50% of the regional median income. Very low-income households are those with annual incomes of 30% or less of the regional median income.

Through the Uniform Housing Affordability Controls (UHAC) found at N.J.A.C. 5:80-26.1 et seq., the maximum rent for a qualified unit must be affordable to households that earn no more than 60% of the median income for the region. The average rent must be affordable to households earning no more than 52% of the median income. The maximum sale prices for affordable units must be affordable to households that earn no more than 70% of the median income. The average sale price must be affordable to a household that earns no more than 55% of the median income.

The regional median income is now defined in the amended FHA and continues to utilize HUD income limits on a regional basis. In the spring of each year HUD releases updated income limits, which COAH would reallocate to its regions. Pursuant to P.L. 2024 c.2, the New Jersey Housing and Mortgage Finance Agency (HMFA) was assigned responsibility for calculating and publishing annual income limits. In May of 2025, HMFA enacted new income limits for 2025, which are shown for Housing Region 3 in Table 1, below.

TABLE 1. 2025 INCOME LIMITS FOR REGION 3					
Household Income Levels	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5-Person Household
Median	\$107,400	\$122,800	\$138,100	\$153,400	\$165,700
Moderate	\$85,920	\$98,240	\$110,480	\$122,720	\$132,560
Low	\$53,700	\$61,400	\$69,050	\$76,700	\$82,850
Very Low	\$32,220	\$36,840	\$41,430	\$46,020	\$49,710
<i>Source: New Jersey Housing and Mortgage Finance Agency</i>					

Tables 2 and 3 provide illustrative maximum sale prices and gross rents for 2024. These are gross figures, for illustration only. They do not account for permitted utility allowances for rental units and may not be reflective of current mortgage rates, taxes, homeowners' association fees, etc. for sales units.

TABLE 2. ILLUSTRATIVE 2024 AFFORDABLE GROSS RENTS FOR REGION 3			
Household Income Levels (% of Median Income)	1-Bedroom Unit Rent	2-Bedroom Unit Rent	3-Bedroom Unit Rent
Moderate (60%)	\$1,645	\$1,974	\$2,281
Low (50%)	\$1,371	\$1,645	\$1,901
Very Low (30%)	\$822	\$987	\$1,140
<i>Source: 2024 Affordable Housing Unit Rental Rate Calculations for Pricing Newly Constructed Units prepared by Affordable Housing Professionals of New Jersey.</i>			



TABLE 3. ILLUSTRATIVE 2024 AFFORDABLE SALES PRICES FOR REGION 3			
Household Income Levels (% of Median Income)	1 Bedroom Unit Price	2 Bedroom Unit Price	3 Bedroom Unit Price
Moderate (70%)	\$199,647	\$241,938	\$281,410
Low (50%)	\$139,232	\$169,440	\$197,634
Very Low (30%)	\$78,816	\$96,941	\$113,857
Source: 2024 Affordable Housing Unit Sales Price Calculations for Pricing Newly Constructed Units prepared by Affordable Housing Professionals of New Jersey.			



HOUSING ELEMENT AND FAIR SHARE PLAN REQUIREMENTS

In accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-1, et seq.), a municipal Master Plan must include a Housing Plan Element as the foundation for the municipal zoning ordinance (see N.J.S.A. 40:55D-28b(3) and -62). Pursuant to the FHA (N.J.S.A. 52:27D-301 et seq.), a municipality's Housing Plan Element must be designed to provide access to affordable housing to meet present and prospective housing needs, with particular attention to low- and moderate-income housing. Specifically, N.J.S.A. 52:27D-310 requires that the Housing Plan Element contain at least the following:

- 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;
- 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 trends;
- An **analysis of the municipality's demographic characteristics**, including, but not necessarily limited to, household size, income level, and age;
- An **analysis of the existing and probable future employment characteristics** of the municipality;
- A **determination of the municipality's present and prospective fair share of low- and moderate-income housing** and its capacity to accommodate its present and prospective housing needs, including its fair share of low- and moderate-income housing as established pursuant to section 3 of P.L. 2024, c.2 (C.52:27D-304.1);
- A **consideration of the lands most appropriate for construction of low and moderate income housing** and of the existing structures most appropriate for conversion to, or rehabilitation for, low- and moderate-income housing, including a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing;
- **An analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity** as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of 23 section 1 of P.L.2021, c.273 (C.52:27D-329.20); and
- **An analysis of consistency with the State Development and Redevelopment Plan**, including water, wastewater, stormwater, and multi-modal transportation based on guidance and technical assistance from the State Planning Commission.

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

- I. One of the requirements for a final HEFSP is the inclusion of **detailed site suitability analyses**, based on the best available data, for each of the unbuilt inclusionary or 100% affordable housing sites in the plan as well as an identification of each of the sites that were proposed for such development and rejected, along with the reasons for such rejection.



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

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

1. All **zoning amendments** (or **redevelopment plans, if applicable**).
2. An **Affordable Housing Ordinance** that includes, among other required regulations, its applicability to 100 percent affordable and tax credit projects, the monitoring and any reporting requirements set forth in the settlement agreement, requirements regarding very low income housing and very low income affordability consistent with the FHA and the settlement agreement, provisions for calculating annual increases in income levels and sales prices and rent levels, and a clarification regarding the minimum length of the affordability controls (at least 30 years, until the municipality takes action to release the controls).
3. The adoption of the **mandatory set aside ordinance**, if any, and the repeal of the existing growth share provisions of the code.
4. An executed and updated **Development Fee Ordinance** that reflects the court's jurisdiction.
5. An **Affirmative Marketing Plan** adopted by resolution that contains specific directive to be followed by the Administrative Agent in affirmatively marketing affordable housing units, with an updated COAH form appended to the Affirmative Marketing Plan, and with both



documents specifically reflecting the direct notification requirements set forth in the settlement agreement.

6. An updated and adopted **Spending Plan** indicating how the municipality intends to allocate development fees and other funds, and detailing (in mini manuals) how the municipality proposes to expend funds for affordability assistance, especially those funds earmarked for very low income affordability assistance.
7. A **resolution of intent to fund any shortfall** in the costs of the municipality's municipally sponsored affordable housing developments as well as its rehabilitation program, including by bonding if necessary.
8. Copies of the **resolution(s) and/or contract(s) appointing one or more Administrative Agent(s)** and of the adopted ordinance creating the position of, and resolution appointing, the **Municipal Affordable Housing Liaison**.
9. A **resolution from the Planning Board adopting the HEFSP**, and, if a final Judgment is sought before all of the implementing ordinances and resolutions can be adopted, a **resolution of the governing body** endorsing the HEFSP.

Consistent with N.J.A.C. 5:93-5.5, any municipally sponsored 100% affordable housing development will be required to be shovel-ready within two years of the deadlines set forth in the settlement agreement:

1. The municipality will be required to submit the identity of the project sponsor, a detailed pro forma of project costs, and documentation of available funding to the municipality and/or project sponsor, including any pending applications for funding, and a commitment to provide a stable alternative source, in the form of a resolution of intent to fund shortfall, including by bonding, if necessary, in the event that a pending application for outside funding has not yet been not approved.
2. Additionally, a construction schedule or timetable must be submitted setting forth each step in the development process, including preparation and approval of a site plan, applications for state and federal permits, selection of a contractor, and start of construction, such that construction can begin within two (2) years of the deadline set forth in the settlement agreement.

This Fourth Round Housing Plan Element has been prepared to satisfy all of the above requirements.



HOUSING, DEMOGRAPHIC AND EMPLOYMENT ANALYSIS

Housing Characteristics

The 2019-2023 American Community Survey (ACS)¹⁴ indicates that Lambertville has approximately 2,338 housing units, of which 123, or 5.3%, are vacant. The City's housing stock predominantly consists of single-family attached units (49.9%) and single-family detached units (21.3%). As would be expected from a more urban environment, the City's percentage of single-family attached units is significantly higher than that of the State (10.0%) and Hunterdon County (12.2%). The renter population represents approximately 23.4% of all occupied units in Lambertville (with 76.6% owner-occupied), which is two-thirds higher than the renter population in the County (13.9%) but one-third less than the renter population in the State as a whole (36.3%). For reference, the rental rate nationally is 32.4% of all occupied units. See Table 4, Housing Units by Number of Units in Structure, for a more detailed profile of Lambertville's housing units in 2023.

TABLE 4. HOUSING UNITS BY NUMBER OF UNITS IN STRUCTURE, 2023							
Number of Units	Owner-occupied	Percent	Rental	Percent	Vacant	Percent	Total
1, Detached	499	29.4%	0	0.0%	0	0%	499
1, Attached	975	57.5%	68	13.1%	123	100%	1,166
2	66	3.9%	95	18.3%	0	0%	161
3 or 4	73	4.3%	127	24.5%	0	0%	200
5 to 9	17	1.0%	120	23.2%	0	0%	137
10 to 19	0	0.0%	42	8.1%	0	0%	42
20 or more	41	2.4%	66	12.7%	0	0%	107
Mobile Home	0	0.0%	0	0.0%	0	0%	0
Other	26	1.5%	0	0.0%	0	0%	26
Total	1,697	100%	518	100%	123	100%	2,338

Source: Tables B25032 and DP04, 2019-2023 American Community Survey Five-Year Estimate

Table 5, Housing Units by Year Built, illustrates the age of the City's housing stock. Over half (53.6%) of Lambertville's housing stock was constructed prior to 1949, and almost all of those units were constructed before 1939. The median year homes were built in the City (1939) is significantly older than both the State's median (1969) and the County's (1979).

TABLE 5. HOUSING UNITS BY YEAR BUILT, 2023					
Year Built	Total Units	Percent	Owner	Renter	Vacant
2020 or later	0	0.0%	0	0	0
2010 to 2019	42	1.8%	42	0	0
2000 to 2009	277	11.8%	111	166	0

¹⁴ The American Community Survey replaced census long form as the source for much of the housing data necessary to complete this section. The census is a one-time count of the population, while the ACS is an estimate taken over five years through sampling. Thus data in the ACS is subject to a margin of error.



TABLE 5. HOUSING UNITS BY YEAR BUILT, 2023					
Year Built	Total Units	Percent	Owner	Renter	Vacant
1990 to 1999	422	18.0%	422	0	0
1980 to 1989	83	3.6%	68	15	0
1970 to 1979	99	4.2%	77	22	0
1960 to 1969	113	4.8%	93	20	0
1950 to 1959	48	2.1%	48	0	0
1940 to 1949	38	1.6%	12	26	0
1939 or earlier	1,216	52.0%	824	269	123
Totals	2,338	100%	1,697	518	123
Median Year Built:	1939-		1953	1944	
Source: Tables B25036, B25037, DP04, 2019-2023 American Community Survey Five-Year Estimate An “-” following a median estimate means the median falls in the lowest interval of an open-ended distribution.					

Table 6, Housing Units by Number of Rooms, shows 13.2% of housing units have between one and three rooms; 53.7% have between four and six rooms; and 33.2% have seven or more rooms. The data from this and other tables indicate that the housing stock in Lambertville is, on average, moderate to large in size.

TABLE 6. HOUSING UNITS BY NUMBER OF ROOMS, 2023		
Rooms	Number of Units	Percent
1	90	3.8%
2	95	4.1%
3	124	5.3%
4	402	17.2%
5	328	14.0%
6	525	22.5%
7	462	19.8%
8	112	4.8%
9+	200	8.6%
Total	2,338	100%
Median Rooms	5.7	
Source: Table DP04, 2019-2023 American Community Survey Five-Year Estimate		

The largest concentration of housing units in Lambertville (41.1%) contains three bedrooms and just over half (50.8%) of all units have three or more bedrooms. For the State, the largest concentration of housing units has also been three bedrooms (31.8%), but the largest concentration in the County is four bedrooms, at 34.1%. See Table 7, Number of Bedrooms per Housing Unit, for more detail.



TABLE 7. NUMBER OF BEDROOMS PER HOUSING UNIT, 2023		
Bedrooms	Number of Units	Percent
Efficiency	133	5.7%
1	351	15.0%
2	665	28.4%
3	962	41.1%
4	218	9.3%
5+	9	0.4%
Total	2,338	100%
<i>Source: Table DPo4, 2019-2023 American Community Survey Five-Year Estimate</i>		

Table 8, Housing Values, shows that the median value of owner-occupied housing units in Lambertville increased by 52.4% between 2013 and 2023, from \$350,500 to \$534,100. Perhaps a reflection of the pandemic-driven suburban real estate market, in 2013 more than 50% of units in Lambertville were valued at less than \$500,000; by 2023, more than 50% of units were valued at \$500,000 or more. Hunterdon County saw essentially the same percent growth in owner-occupied home values during the same time period (52.5%) as did Lambertville. Lambertville had a higher median housing value in both 2013 (\$350,500 vs. \$327,100) and 2023 (\$534,100 vs. \$498,800) than did the County as a whole.

Based on the median income information provided in Table 17, below, and the estimated value of owner-occupied homes in 2023 as provided in Table 8, and using the guideline that monthly ownership costs should total no more than 28% of a household's gross income, approximately 100 housing units, or 5.9% of owner-occupied units, in Lambertville may be affordable to moderate-income, low-income, or very low-income households. Of that total, 26 may be affordable to low-income households (at 50% or less of median income). Those 26 may be affordable to very low-income households, at 30% of median income.



TABLE 8. OWNER-OCCUPIED HOUSING VALUES, 2023 and 2013				
Housing Unit Value	2023 Units	Percent	2013 Units	Percent
Less than \$50,000	26	1.5%	28	2.4%
\$50,000 to \$99,999	0	0.0%	14	1.2%
\$100,000 to \$149,999	0	0.0%	8	0.7%
\$150,000 to \$199,999	0	0.0%	81	6.9%
\$200,000 to \$299,999	74	4.4%	269	22.8%
\$300,000 to \$499,999	650	38.3%	540	45.8%
\$500,000 to \$999,999	840	49.5%	221	18.7%
\$1,000,000 or more	107	6.3%	18	1.5%
Total	1,697	100%	1,179	100%
Median	\$534,100		\$350,500	
Sources: Table DP04, 2009-2013 and 2019-2023 American Community Survey Five-Year Estimates				

The median rent in Lambertville in 2023 was \$1,507, compared to \$1,707 across Hunterdon County. Based on the median income information in Table 17, below, and the gross rents from Table 9, and using the guideline that rental housing should cost no more than 30% of a household's gross income, approximately 429 rental units, or 83% of all rental units, may be affordable to moderate-income, low-income, or very low-income renters. Of that total, 239 rental units, or 46.1%, may be affordable to low-income renters, and approximately 89 units, or 17.1%, may be affordable to very low-income households. See Table 9, Comparison of Lambertville and Hunterdon County, Gross Rent.

TABLE 9. CITY OF LAMBERTVILLE AND HUNTERDON COUNTY GROSS RENT, 2023				
Gross Rent	City of Lambertville		Hunterdon County	
	Units	Percent	Units	Percent
Less than \$500	55	10.6%	343	4.9%
\$500 to \$999	43	8.3%	343	4.9%
\$1,000 to \$1,499	159	30.7%	1,922	27.4%
\$1,500 to \$1,999	150	29.0%	2,152	30.7%
\$2,000 to \$2,499	26	5.0%	1,230	17.6%
\$2,500 to \$2,999	15	2.9%	533	7.6%
\$3,000 or more	70	13.5%	479	6.8%
No cash rent	0	0.0%	650	4.9%
Total	518	100%	7,002	100%
Median Rent	\$1,507		\$1,707	
Source: Table DP04, 2019-2023 American Community Survey Five-Year Estimate				



Housing is generally considered to be affordable if rents, mortgages, and other essential costs consume 28% or less of an owner-household's income or 30% or less of a renter-household's income. The percentage is lower for homeowners to account for the additional fees, such as homeowners' association dues, and maintenance costs associated with ownership. As Table 10 shows, in Lambertville, 34.1% of all households in occupied units are spending more than 30% of their incomes on housing costs. The percentage of renter-occupied households spending more than 30% of their incomes on housing (47.1%) is higher than the percent of owner-occupied households (28.6%). The fact that almost half of renters in Lambertville are spending more than 30% of income on housing suggests that Lambertville may have a shortage of rental housing compared to demand.

TABLE 10. HOUSING AFFORDABILITY, 2023						
Monthly Housing Costs as Percent of Income	Owner- Occupied*	Percent	Renter	Percent	All Occupied**	Percent
Less than 20 Percent	688	55.8%	0	0.0%	688	39.3%
20 to 29 Percent	192	15.6%	274	52.9%	466	26.6%
30 Percent or More	353	28.6%	244	47.1%	597	34.1%
Total	1,233	100%	518	100%	1,751	100%
Source: Table DP04, 2019-2023 American Community Survey Five-Year Estimate						
* Owner-occupied with a mortgage						
** Information not computed for all units.						

In 2023, there were an estimated 26 homes in Lambertville that had incomplete kitchen facilities and 26 homes with incomplete plumbing facilities. (It should be noted that these are not necessarily the same units.) There were no overcrowded housing units (defined as more than one occupant per room) built before 1950. Overcrowding is often associated with substandard housing due to overuse of facilities and overcrowded housing is often occupied by lower-income households who share space to save on housing costs. Historically, the conditions mentioned in this paragraph have been indicators of housing deficiency, which are used to determine the number of units requiring rehabilitation. As will be discussed below, the City has a Fourth Round Rehabilitation obligation of 0 units.

TABLE 11. INDICATORS OF HOUSING DEFICIENCY, 2023			
Indicator	Incomplete Plumbing	Incomplete Kitchen	Crowded or Overcrowded, and Built Pre-1950
Number of Units	26	26	0
Sources: Tables B25050, DP04, 2019-2023 American Community Survey Five-Year Estimates			

Population Characteristics

The population of Lambertville grew 6.0% from 2010 to 2020, a greater rate than the 1.0% growth between 2000 and 2010. The City's rate of population growth between 2010 and 2020 is much higher than the growth rate of the County (0.5%). The County's growth rate in the last decade has decreased from its 5.2% growth rate during the previous decade. See Table 12, Population Growth.



TABLE 12. POPULATION GROWTH, 2000 – 2020					
	2000	2010	Percent Change	2020	Percent Change
City of Lambertville	3,868	3,906	1.0%	4,139	6.0%
Hunterdon County	121,989	128,349	5.2%	128,947	0.5%
<i>Sources: Table DP01, 2000, 2010, and 2020 U.S. Census</i>					

Between 2010 and 2020, there were significant changes in many of Lambertville's age cohorts, especially in the cohorts aged 45 and up. The highest rate of growth was in the 65-74 age cohort, which almost doubled during the decade. While the percentage of very young children (under 5 years old) declined by almost 20%, the percentage of children between 5 and 14 increased by approximately the same percentage. The growth in the number of older residents contributed to Lambertville's increase in the median age from 47.3 to 51.3. See Table 13, [Age Distribution](#), for additional detail.

TABLE 13. AGE DISTRIBUTION, 2010 and 2020					
Age Group	2010	Percent	2020	Percent	Percent Change
Under 5	177	4.5%	142	3.4%	-19.8%
5-14	265	6.8%	319	7.8%	20.4%
15-24	323	8.3%	308	7.4%	-4.6%
25-34	514	13.2%	488	11.8%	-5.0%
35-44	537	13.8%	503	12.2%	-6.3%
45-54	692	17.7%	525	12.7%	-24.1%
55-64	720	18.4%	824	19.9%	14.4%
65-74	364	9.3%	692	16.7%	90.1%
75+	314	8.0%	338	8.2%	7.6%
Total	3,906	100%	4,139	100%	6.0%
Median Age	47.3		51.3		
Sources: Table DP01, 2010 and 2020 U.S. Census					

Household Characteristics

A household is defined by the U.S. Census Bureau as those individuals who occupy a single room or group of rooms constituting a housing unit. These individuals may or may not be related. In Lambertville, the 2019-2023 ACS estimates that there were 2,715 households. Close to 90% of households comprise one or two people; only 12.8% of households are larger. This is a significant increase in smaller households from the 2009-2013 ACS, which estimated that not quite three-quarters of households comprised one or two people. See Table 14, [Household Size](#), for more detail.



TABLE 14. HOUSEHOLD SIZE, 2013 and 2023				
Household Size	2013		2023	
	Households	Percent	Households	Percent
1 Person	726	39.0%	862	38.9%
2 People	637	34.2%	1,069	48.3%
3 People	225	12.1%	140	6.3%
4 or More People	274	14.7%	144	6.5%
Total Households	1,862	100%	2,215	100%
Sources: Table S2501, 2009-2013 and 2019-2023 American Community Survey Five-Year Estimates				

As a subset of households, a family is identified as a group of individuals including a householder and one or more people related by blood, marriage or adoption, all living in the same household. In 2023, there were an estimated 2,215 households in the City, with an average of 1.86 people per household and an average of 2.55 people per family. Approximately 36.3% of the households are married couples with or without children. Approximately 57.6% of the City's households are non-family households, which include individuals living alone. See Table 15, Household Composition.

TABLE 15. HOUSEHOLD COMPOSITION, 2023		
Household Type	Households	Percent
Family households	940	42.4%
Married-couple family	805	36.3%
With Own Children Under 18	193	8.7%
Male householder, no spouse present	18	0.1%
With Own Children Under 18	0	0.0%
Female householder, no spouse present	117	5.3%
With Own Children Under 18	63	2.8%
Nonfamily households	1,275	57.6%
Householder living alone	862	38.9%
Total Households	2,215	100%
Source: Table S1101, 2019-2023 American Community Survey Five-Year Estimates		

When the number of bedrooms in a unit (from Table 7, above) is considered vs. the size of households in Lambertville (from Table 14, above), there appears to be a mismatch: There are many more smaller households (three people or fewer; 93.5% of all households) than there are smaller units (one or two bedrooms; 49.1% of all units). This comparative shortage of smaller homes may be leading some empty nesters and young adults without children to consider other locations when seeking smaller-sized housing, or to occupy housing that is larger than their needs, and perhaps more costly than their means. While it is difficult to construct new smaller units in a fully built-out municipality like Lambertville, the City may wish to develop a program via which owners of older, larger homes have the opportunity, should they wish, to subdivide them into smaller apartments, as some older homes



in the City have already been reconfigured. Table 16, Unit Size vs. Household Size, provides more detail.

TABLE 16. UNIT SIZE vs. HOUSEHOLD SIZE, 2023					
Unit Size	Number of Units	Percent of Total Units	Household Size	Number of Households	Percent of Total Households
Efficiency	133	5.7%	1 Person	862	38.9%
1 Bedroom	351	15.0%	2 People	1,069	48.3%
2 Bedrooms	665	28.4%	3 People	140	6.3%
Total	1,149	49.1%		2,071	93.5%

Income Characteristics

In 2023, the median income in Lambertville was \$106,236 for households and \$159,457 for families. Comparable figures for the County were \$139,453 for households and \$166,462 for families. Table 17, Household Income by Income Brackets, further illustrates these findings.

TABLE 17. HOUSEHOLD INCOME BY INCOME BRACKET, 2023		
	Households	Percent
Less than \$10,000	26	1.2%
\$10,000-\$14,999	45	2.0%
\$15,000-\$24,999	75	3.4%
\$25,000-\$34,999	91	4.1%
\$35,000-\$49,000	190	8.6%
\$50,000-\$74,999	376	17.0%
\$75,000-\$99,999	183	8.3%
\$100,000-\$149,999	319	14.4%
\$150,000-\$199,999	269	12.1%
\$200,000 +	641	28.9%
Total	2,215	100%
Median Income	\$106,236	
<i>Source: Table DP03, 2019-2023 American Community Survey Five-Year Estimate</i>		

The City's poverty rate for individuals (2.6%) is lower than that of the County overall (3.8%) and its poverty rate for families (0.0%) is also lower than the County's rate (2.3%). See Table 18, Individual and Family Poverty Rates, for the comparison.



TABLE 18. INDIVIDUAL AND FAMILY POVERTY RATES, 2023		
Location	Individuals	Families
City of Lambertville	2.6%	0.0%
Hunterdon County	3.8%	2.3%
Source: Table DP03, 2019-2023 American Community Survey Five-Year Estimate		

Employment Characteristics

The U.S. Census Bureau's Center for Economic Studies tracks what is known as "covered employment" for various geographic areas. Covered employment data includes only those jobs for which unemployment compensation is paid. It does not cover the self-employed, unpaid family workers, most part-time or temporary employees, and certain agricultural and in-home domestic workers. In Lambertville, the accommodations/food sector, professional/technical sector and retail trade sector represented the largest concentration of jobs in Lambertville, with 364, 220, and 129 jobs, respectively. See Table 19, Covered Employment By Sector, for additional detail. Note the most recent available estimates are for 2022.

TABLE 19. COVERED EMPLOYMENT BY SECTOR, 2022		
	Count	Percent
Private Sector Category		
Agriculture	3	0.3%
Utilities	2	0.2%
Construction	39	3.4%
Manufacturing	21	1.8%
Wholesale Trade	10	0.9%
Retail Trade	129	11.2%
Transportation/Warehousing	3	0.3%
Information	9	0.8%
Finance/Insurance	25	2.2%
Real Estate	3	0.3%
Professional/Technical	220	19.1%
Admin/Waste Remediation	62	5.4%
Education	2	0.2%
Health/Social	113	9.8%
Arts/Entertainment	31	2.7%
Accommodation/Food	364	31.7%
Other Services	66	5.7%
Private Sector Total	1,102	95.8%
Public Administration	48	4.2%
Total Covered Employment	1,150	100%
Source: OnTheMap, Center for Economic Studies, U.S. Census Bureau, 2022.		



Jobs-Housing Ratio

A municipality's jobs-housing ratio is a rough indicator of the degree to which the municipality has been able to generate sufficient housing to accommodate its workers. A ratio of between 0.75 and 1.5 is generally considered to indicate a healthy balance between the number of jobs in a municipality and the municipality's ability to house all its workers who wish to live there.¹⁵ The ability to house workers locally enables them to spend less time commuting, reduces traffic congestion, and reduces the greenhouse gas emissions associated with commuting by automobile.

Based on Tables 4 and 19 above, Lambertville has a jobs-housing ratio of 0.49. This is an indicator that the majority of Lambertville residents in the workforce must commute out of the City for work. Data from the Center for Economic Studies confirms this: 1,899 Lambertville residents travel outside the City for work, while only 972 people who work in Lambertville commute from elsewhere. However, this number represents 84.5% of the 1,150 workers who are employed in Lambertville, so it may be worthwhile for the City to understand better whether there are unmet housing needs among this group that might, if addressed, help reduce any unwanted commuter traffic.

Population and Housing Projections

The North Jersey Transportation Authority (NJTPA), the Metropolitan Planning Organization (MPO), whose planning area includes Lambertville as well as the remainder of Hunterdon County, published population and employment projections for the year 2050. The NJTPA projects that the City's population and employment will increase by 1.5% and 1.3%, respectively, from 2015 to 2050. As Table 20, Population and Employment Projections shows, these rates are less than for the County as a whole. It should be noted that these forecasts and allocations were completed in the summer of 2020, before the full demographic and economic effects of the COVID-19 pandemic could be assessed accurately. As seen above, actual population numbers are higher, and employment numbers are lower, than these projections.

TABLE 20. POPULATION AND EMPLOYMENT PROJECTIONS, 2015 – 2050						
	City of Lambertville			Hunterdon County		
	2015	2050	% Change	2015	2050	% Change
Population	3,850	3,908	1.5%	126,250	132,858	5.2%
Employment	1,415	1,433	1.3%	53,115	56,243	5.9%
<i>Source: NJTPA. Forecasts adopted August 2020</i>						

The FHA requires that housing plans include a 10-year projection of new housing units based on the number of building permits, development applications approved, and probable developments, as well as other indicators deemed appropriate (N.J.S.A. 52:27D-310.b). Annual building permit issuance for residential new construction in Lambertville during the years 2014 through 2023 averaged 4.2 units per year. Almost one-third (28.6%) of the building permits issued during this period were issued in

¹⁵ <https://enviroatlas.epa.gov/enviroatlas/datafactsheets/pdf/supplemental/employmenthousingratio.pdf>



2022. Outside of 2022, the City issued an average of just 3.3 building permits per year in the past 10 years.

Factors such as economic cycles, zoning, environmental constraints, and physical obstacles to development may result in the construction of more or fewer units. Table 21, Housing Projections, provides an estimate of anticipated residential growth based on the extrapolation of prior housing activity into the future, before accounting for any anticipated units from the City's Third Round or Fourth Round compliance plans.

TABLE 21. HOUSING PROJECTIONS TO 2033			
Year	Building Permits Issued	Demolition Permits Issued	Net New Units
2014	2	1	1
2015	4	0	4
2016	3	1	2
2017	4	1	3
2018	4	3	1
2019	4	1	3
2020	0	0	0
2021	3	3	0
2022	12	0	12
2023	4	0	4
Total 2014 to 2023	40	10	30
10-Year Average	4.0	1.0	3.0
10-Year Projection (2024-2033)			30
Source: NJDCA Construction Reporter			

Development Trends and Projections

In the past 10 years, infill development has been the primary source of new housing units in the City, a trend the City expects to continue. However, in addition to infill development, with anticipated inclusionary development to satisfy the City's Third Round RDP obligation, and additional redevelopment of already-developed sites anticipated during the next 10 years, The City could issue building permits for as many as 150 new units by 2035.

Capacity for Growth

The City has the infrastructure capacity to meet household and employment growth projections. Customary or ordinary improvements to the existing infrastructure, including but not limited to roads, public wastewater and public water, will be completed as necessary.



Public water is provided by Veolia Water from a 40-million-gallon reservoir, Reservoir #2, and from the Delaware and Raritan Canal. The raw water flows by gravity from the reservoir to the company's 1-million-gallon-per-day Hill Treatment Plant. Finished water is stored in a 50,000-gallon clear well at this location. Veolia has approximately 15 miles of distribution mains ranging in size from 1 inch to 12 inches in diameter. The company also has three storage tanks with a combined capacity of nearly a million gallons.

The Lambertville Municipal Utilities Authority (LMUA) owns and operates a sewage collection system and pumping stations in the City. Located in the southwesternmost part of Lambertville, the LMUA is a local government agency serving Lambertville and Stockton Borough, as well as New Hope and a portion of Solebury, Pennsylvania. The City anticipates that projected housing and employment growth will be adequately served with public sewer capacity provided by the LMUA.

Consideration of Lands Appropriate for Affordable Housing

Pursuant to the FHA at N.J.S.A. 52:27D-310.f, a municipal housing element must include “a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing.”

Lambertville is a fully built-out city, with very little available vacant land for new housing construction. Affordable housing regulations at N.J.A.C. 5:93-4.2 permit a municipality with insufficient land to satisfy its entire new construction obligation to seek a Vacant Land Adjustment, which lowers the municipal new construction obligation to a number the municipality can reasonably deliver. For its Third Round Housing Element and Fair Share Plan, the City conducted a Vacant Land Analysis, an exercise that examines all vacant land in the City to determine whether it could support inclusionary residential development at a sufficient density to provide 20% of new units as affordable. Although the City's Third Round Vacant Land Analysis determined that the City would be able to deliver 41 affordable units during the Third Round, known as the City's Realistic Development Potential, or RDP, the City, through negotiation with Fair Share Housing Center, agreed to a voluntary increase in its RDP to 88 units, allowing it to claim rental bonuses and more age-restricted units than a 41-unit RDP would permit.

For the Fourth Round, the City re-examined its Third Round Vacant Land Analysis to determine whether any lots had become vacant since the analysis was done. Although one lot of sufficient size did become vacant, it is entirely constrained by steep slopes and a required 300-foot buffer from a Category 1 stream, rendering it unavailable for the development of affordable housing. Several other lots also became vacant, either through demolition or subdivision, but none large enough to accommodate inclusionary development. Thus, there is no newly vacant land in the City that would contribute to a Fourth Round RDP.

Supporting this finding is the fact that the entire City is in Planning Area 4 of the State Development and Redevelopment Plan, a planning area that encourages only limited growth, and that aims to balance growth with preservation. In addition, the City's Fourth Round Land Capacity Factor, and indicator of how much of the region's vacant and developable land is located within the municipality, was calculated by the NJDCA to be 0.0%.



Lands Likely To Redevelop

The City's AHAC examined all parcels of land in the City that it considered had any likelihood of redeveloping in the next 10 years, and from that examination identified seven sites that may redevelop within the next 10 years. One such site is included in this plan toward satisfaction of Fourth Round RDP. Should any of the other identified properties redevelop before the end of the Fourth Round, the City reserves the right to amend this plan to include any affordable units produced.

Lands Not Included in Plan

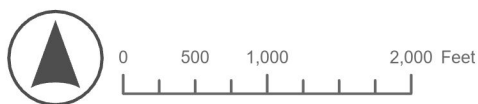
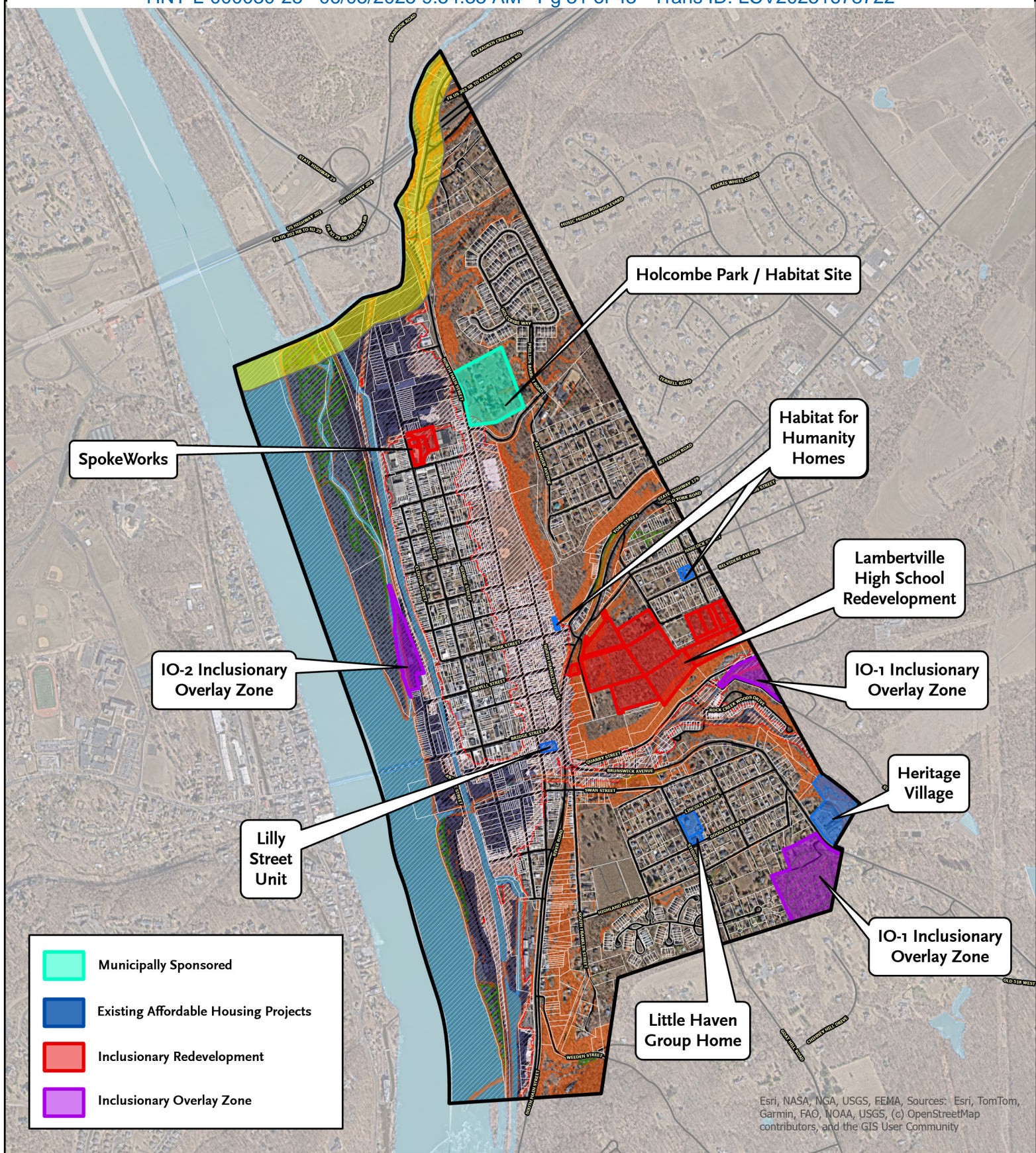
295 North Main Street: This multi-family property. At Block 1004, lot 3, was heavily damaged during Hurricane Ida and has been declared an area in need of redevelopment. The contract purchaser has approached the City about redeveloping the property with an inclusionary multi-family project. The property is almost entirely within the FEMA 100-year floodplain, and the purchaser has not yet demonstrated that the property can be redeveloped in such a way as to ensure safe egress in an emergency. Thus, this plan does not include any potential affordable units from this property, although if at any time during the Fourth Round the property does get redeveloped, the City reserves the right to amend this plan to include any affordable units produced.

Consistency with the State Development and Redevelopment Plan

The 2024 amendment to the FHA added a requirement that a municipality's Housing Plan Element include an analysis of consistency with the State Development and Redevelopment Plan (SDRP), including water, wastewater, stormwater, and multi-modal transportation, based on guidance and technical assistance from the State Planning Commission. The City's Fourth Round Plan is consistent with the SDRP, in that it recommends the City focus its housing efforts on assisting those who commute into the City to work, and on generating more smaller units to accommodate younger households without children and empty-nester households. The lack of available land in the City for new construction, and the fact that the entire City is located within the Rural/Environmentally Sensitive Planning Area (PA4B), necessarily means that all of the affordable units proposed toward Fourth Round compliance are contemplated as redevelopment initiatives in already-built areas with existing access to public water and sewer.

Consistency with Recommendations of Multigenerational Family Housing Continuity Commission

The FHA requires an HEFSP to provide 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, established pursuant to paragraph (1) of subsection f. of 23 section 1 of P.L.2021, c.273 (C.52:27D-329.20). As of April 2025, no recommendations have been issued by the Commission.



Clarke Caton Hintz

Architecture

Planning

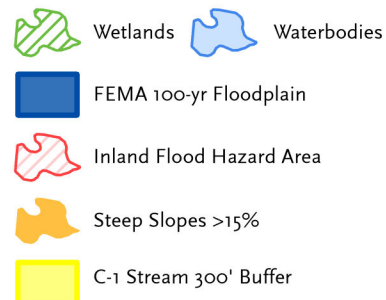
Landscape Architecture

Housing Element and Fair Share Plan

Affordable Housing Locations

LOCATION:
Lambertville City, Hunterdon County, NJ

DATE:
May 2025





FAIR SHARE PLAN

LAMBERTVILLE'S AFFORDABLE HOUSING OBLIGATION

As noted above, there are four components to a municipality's affordable housing obligation: the Fourth Round Present Need obligation, also known as the Rehabilitation Share (the terms "Present Need" and "Rehabilitation Share" are used interchangeably), the Prior Round obligation, the Third Round obligation, which includes both the "Gap" Present Need obligation (1999-2015) and the Third Round Prospective Need obligation (2015-2025), and the Fourth Round Prospective Need obligation. Present Need resets with each round of affordable housing based on census data on the number of deficient housing units existing at the beginning of that round that potentially are occupied by low- and moderate-income households. The obligations in the Prior Round, Third Round, and Fourth Round are also known as "Prospective Need," which refers to the provisions of new affordable housing necessary to address the demand based on regional population growth.

Rehabilitation Obligation

The Rehabilitation obligation is an estimate of the number of deteriorated housing units existing in the City of Lambertville that are occupied by low- and moderate-income households. DCA's advisory obligations set Lambertville's Fourth Round Rehabilitation obligation at 0.

Prior Round Obligation

The Prior Round obligation is the cumulative 1987 through 1999 new construction affordable housing obligation. This time period corresponds to the First and Second Rounds of affordable housing. FSHC's May 2016 calculations, as well as the City's Settlement Agreement with FSHC, establish Lambertville's Prior Round obligation as 0 units. The May 2016 calculations adhere to the Prior Round obligations as calculated in 1993-1994 and published by COAH in 2008.

Third Round Obligation

The Third Round obligation includes the portion of the Third Round (1999- 2015) that had already passed in 2015 when the Court issued its Mount Laurel IV decision, as well as a 10-year projection from that point (2015-2025). The 10-year period is derived from the FHA, which, when amended in 2001, set the projection for this length of time (N.J.S.A. 52:27D-310). As established by the City's 2018 Settlement Agreement with FSHC, Lambertville's Third Round obligation (1999-2025) was 137 units.

Fourth Round Obligation

The amended FHA defines Prospective Need as "a projection of housing needs based on development and growth which is reasonably likely to occur in a region or municipality." The City's Fourth Round Prospective Need of 39 units was calculated by DCA according to the methodology described in its October 2024 report and agreed to by the City in its Fourth Round DJ filing.



LAMBERTVILLE'S AFFORDABLE HOUSING PLAN

Satisfaction of the Rehabilitation Obligation

While Lambertville has a Fourth Round Rehabilitation obligation of 0, it will continue to operate a municipal rehabilitation program, funded by a 2014 Small Cities Housing Rehabilitation Grant under the New Jersey Community Development Block Grant Program in the amount of \$250,000, for low- and moderate-income households, including both owner-occupied and rental housing where the landlord lives on premises. The City's Rehabilitation Program operating manual may be found in Appendix C.

N.J.A.C. 5:93-1.3, defines a dwelling needing rehabilitation as "... a housing unit with health and safety code violations that require the repair or replacement of a major system." Major systems include weatherization, exterior cladding, window and door replacement, roofing, plumbing (water supply and sanitary), heating, electricity, lead paint abatement and load-bearing structural systems.

Lambertville's rehabilitation program adheres to the regulations in N.J.A.C. 5:93-3.4. All rehabilitated units will meet the applicable Uniform Construction Code requirements. Additionally, upon completion of the rehabilitation, affordability controls will be placed on the property in the form of a lien or deed restriction. Rehabilitated units claimed for credit will have a minimum average hard cost of \$10,000 expended on eligible repairs.

Satisfaction of the Prior Round Obligation

The City does not have a Prior Round obligation.

Satisfaction of the Third Round Obligation

As previously indicated, the City's Third Round obligation, established through the Court-approved Settlement Agreement, was 137 units. As a result of limited vacant and developable land in the municipality, the Court approved an adjustment of this Third Round obligation. Pursuant to a Vacant Land Analysis conducted in accordance with N.J.A.C. 5:93-4.2, the City has a Third Round Realistic Development Potential, or "Computed RDP," of 41 units. However, pursuant to the Settlement Agreement with FSHC, the City agreed to a Third Round Realistic Development Potential, or "Agreed RDP," of 88 units and a Third Round Unmet Need of 49 units. Unmet Need is the difference between the RDP and the Third Round obligation.

Vacant Land Analysis

As Lambertville lacks sufficient vacant developable land to address the entirety of its Third Round obligation, the extant rules permit an adjustment to be made based on an analysis of all vacant, developable land in the City including all land held by the municipality. A vacant land analysis was conducted by using the Second Round rules at N.J.A.C. 5:93-4.2, Lack of Land, to include or exclude sites from the RDP. Of the land examined, four development tracts in the sanitary sewer service area and two parcels outside of the service area were identified as generating an RDP. These sites have been accepted by FSHC and approved by the Court. A copy of the Vacant Land Analysis, updated for the Fourth Round as discussed below, is provided in Appendix D.



Third Round Realistic Development Potential

Pursuant to the Settlement Agreement, Lambertville's Third Round RDP was 88 units.

In satisfying the total RDP obligation, the City must adhere to a minimum rental obligation, minimum family rental obligation, a maximum number of age-restricted units, a minimum number of very low-income units, and a minimum number of family very low-income units.

As demonstrated in Table 22, below, the City has satisfied its Third Round RDP obligation with existing prior cycle credits, a completed 100% affordable age-restricted housing development, a completed accessory apartment, a proposed inclusionary housing redevelopment, and rental bonus credits. All crediting documents for these units were provided as part of Third Round compliance, and were approved by the Court.

TABLE 22. SUMMARY OF THIRD ROUND 88-UNIT RDP COMPLIANCE				
Compliance Mechanism	Type	Credits	Bonuses	Total
Little Haven Group Home – completed (11 of 18; Prior Cycle)	Special needs	11		11
Habitat for Humanity – completed	Family affordable for-sale	4		4
Munice accessory apartment – completed	Family affordable rental	1		1
Heritage Village – completed (22 of 37)	Age-restricted affordable rental	22		22
Lambertville High School Redevelopment Area – proposed	Family affordable rental	28	22	50
Total		66	22	88

PRIOR CYCLE CREDITS

Affordable units constructed between April 1, 1980, and December 15, 1986, are considered Prior Cycle credits under COAH's regulations and are credited on a one-for-one basis in accordance with COAH's rules at N.J.A.C. 5:93-3.1, as well as pursuant to the FHA.

Little Haven Group Home

Mr. and Mrs. Pak manage and own a group home for the developmentally disabled at Block 1064, Lots 1 and 1.01, licensed by the State of New Jersey Department of Human Services (NJ DHS) since 1984. This group home has 18 bedrooms across three buildings. The group home is licensed for 32 residents, all of whom qualify as low-income residents. The City received credit for 11 of the 18 units towards its Third Round RDP. The remaining seven units were credited toward the City's Third Round Unmet Need.



100% AFFORDABLE HOUSING PROJECTS

Habitat for Humanity

Habitat for Humanity has constructed eight single-family homes in the City. Four of the Habitat for Humanity Homes were constructed as part of an RCA Agreement with Holland Township, Hunterdon County, and Holland Township received the credit for them. The City of Lambertville received credit for the other four units, at 32 and 34 Belvidere Avenue (Block 1088, lots 20 and 19), and 82 and 84 York Street (Block 1002, lots 61 and 62). All four units are three-bedroom, low-income affordable for-sale units. The units are administered through Raritan Valley Habitat for Humanity and the income levels are certified by Triad Associates, the City's Administrative Agent.

Heritage Village

Heritage Village, formerly High Point at Lambertville, at Block 1059, Lot 33 on Brunswick Avenue (C.R. 518) on Cottage Hill, was developed by Community Investment Strategies, Inc. (CIS). The development consists of 86 age-restricted affordable units and one superintendent's unit. The project includes 79 one-bedroom units and seven two-bedroom units.

Lambertville requested a waiver to N.J.A.C. 5:93-5.14(a) to age-restrict more low- and moderate-income units than permitted. On April 2, 2003, COAH granted a waiver of N.J.A.C. 5:93-6.1(b)3, pursuant to N.J.A.C. 5:93-5.14(c), which limits the number of age-restricted units a receiving municipality may create with RCA funding. Funding was provided by regional contribution agreements (RCA) from Lebanon Township (10 units approved by COAH on March 5, 2003), Raritan Township (20 units with an executed Memorandum of Understanding), Alexandria Township (15 units approved by COAH on August 3, 2000), and Union Township (four units approved by COAH on December 6, 2000) for a total of 49 units at \$1,130,000.00. The 49 units that received RCA funds are not eligible to be credited towards Lambertville's present or future obligations. However, 22 of the 37 units that didn't receive RCA funds have been credited towards satisfaction Lambertville's Third Round RDP, including 20 low-income one-bedroom units and two low-income two-bedroom units. An additional 12 units, including seven two-bedroom moderate-income units and five one-bedroom moderate-income units, have been credited toward the City's Third Round Unmet Need, and the three remaining one-bedroom moderate-income units are credited to the City's Fourth Round Unmet Need.

The waiver requested was necessary to provide gap financing for the project. Heritage Village received its Certificate of Occupancy on October 13, 2005. All 86 units have a 30-year affordability control. CIS administers the Heritage Village units.

ACCESSORY APARTMENT

Munice Accessory Apartment

Per Resolution No. 2-2010, dated December 2, 2010, John Munice received Zoning Board of Adjustment approval to construct a 628-square-foot studio accessory apartment. The unit is located at 118 North Union Street #3 (Block 1019, Lot 9). The unit was deed-restricted and administered as a moderate-income unit for 10 years, and affordability controls have now expired.



INCLUSIONARY DEVELOPMENT

Lambertville High School Redevelopment

The Lambertville High School site, Block 1073, Lots 1, 3, 5, 6, 7, 8, 9, 10, 11, 32, 33 and 22.01; Block 1090, Lots 4 and 5; and, Block 1091, Lots 1 and 1.01, has been rezoned via the adoption of a Non-Condemnation Redevelopment Plan in accordance with the Local Redevelopment and Housing Law, N.J.S.A. 40A:12A-1 et seq. (LRHL) and the Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq. (MLUL) for an inclusionary development that will result in a total of 139 units, consisting of 67 market-rate townhouse units, 44 market-rate apartments, and 28 affordable family rental apartment units, a 20% affordable housing set-aside with the following income-bedroom distribution:

TABLE 23. LAMBERTVILLE HIGH SCHOOL INCOME-BEDROOM DISTRIBUTION					
	Very Low-Income	Low-Income	Moderate-Income	Total	Percent of Total
1-Bedroom	1	2	2	5	17.9%
2-Bedroom	2	6	9	17	60.7%
3-Bedroom	1	2	3	6	21.4%
Total	4	10	14	28	
Percent of Total	14.3%	35.7%	50.0%		

As stated in N.J.A.C. 5:93-5, affordable housing sites must be available, approvable, developable, and suitable, as defined in N.J.A.C. 5:93-1.3, for the production of very low-, low- and moderate-income housing. The Lambertville High School Redevelopment site meets these criteria, as follows:

- Site Availability – Upon execution of a Redeveloper’s Agreement, the City will lift an existing one-acre deed restriction affecting the site and will vacate the unimproved roadways within the tract area.
- Site Suitability – The area contains vacant, partially wooded land, the foundations of the former Lambertville High School, demolition debris, one single-family dwelling, and paper streets. The area is bounded by State Highway Route 179 and single-family detached dwellings within the Connaught Hill Commons area to the north, vacant wooded land and the West Amwell municipal boundary to the east, single-family detached dwellings, steep slopes, vacant wooded land, the Lambertville Public Works facility, and Quarry Road to the south, and non-residential uses and state Highway Route 179 to the west.

Although portions of the approximately 24.14-acre area are constrained by steep slopes, approximately 14 acres of land are not constrained. No wetlands or flood hazard areas are present. The site is located within the Delaware and Raritan Canal Commission (DRCC) Review Zone B and any development proposal will require a Certificate of Approval from the DRCC.

The City has also recently become aware of the presence of per- and polyfluoroalkyl substances, commonly known as PFAS,¹⁶ in several residential drinking water wells in the vicinity of the High School site. PFAS in drinking water supplies is a concern because studies have shown that exposure to these chemicals, which break down very slowly over time, may be linked to harmful

¹⁶ <https://www.epa.gov/pfas/pfas-explained>



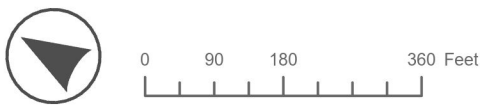
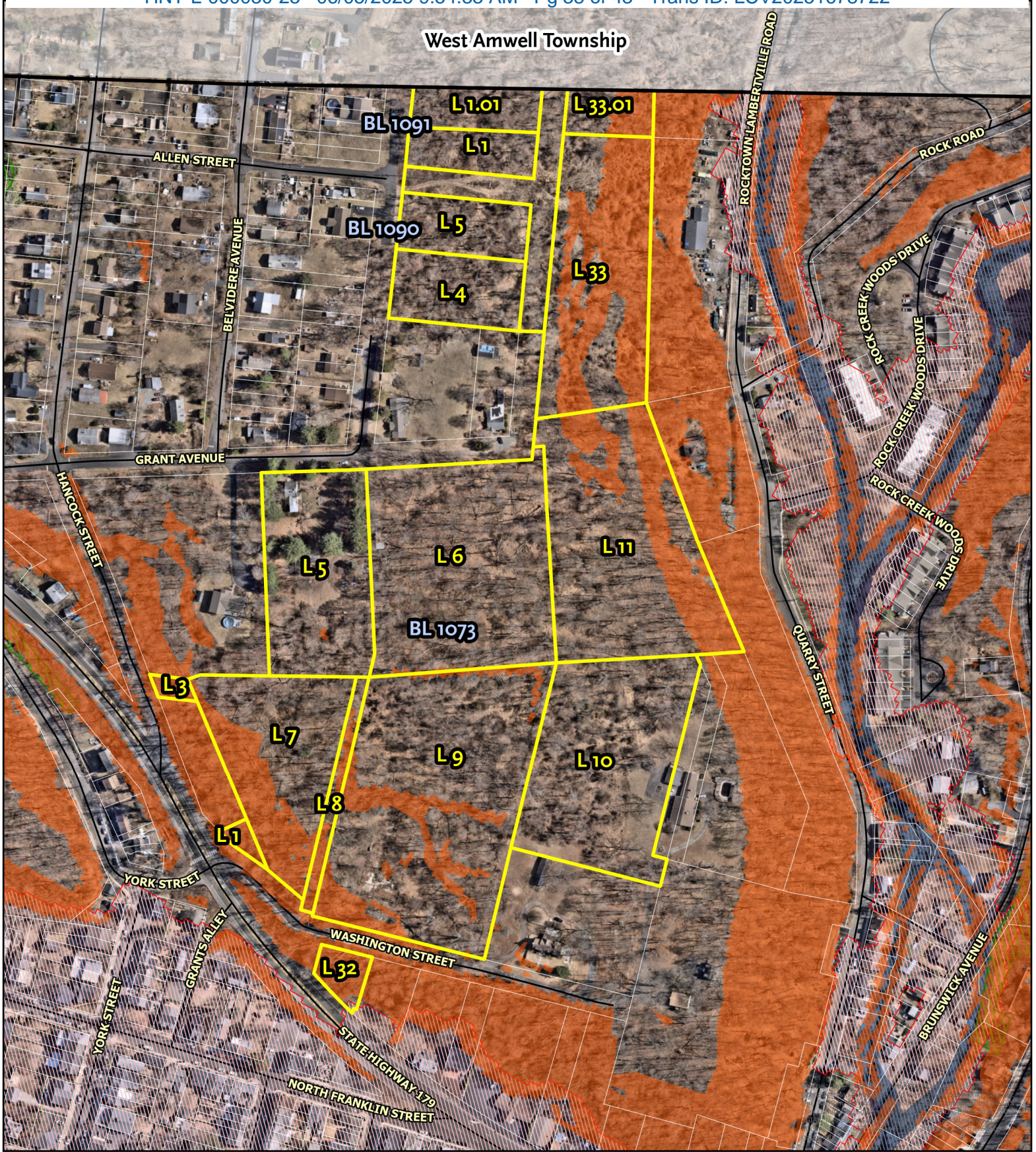
health effects. It is not clear whether the High School site is the source of the contamination, and the NJDEP is currently conducting a source investigation. Thus, it is not yet known the degree to which this recently discovered concern may affect the proposed density on the site.

The entire City of Lambertville is located within the Rural/Environmentally Sensitive Planning Area (PA4B) or within the State Park planning area. While Lambertville is not a designated center within the State Development and Redevelopment Plan, its more densely populated downtown area, the presence of three state highways (Route 202, Route 29, and Route 179) and County Route 518 within its boundary, and compact Central Business District are all characteristics of a localized center.

The site is entirely within the Lambertville Municipal Utilities Authority (LMUA)'s sewer service area identified in the Upper Delaware Water Quality Management Plan pursuant to a July 11, 2017, amendment. The site is entirely within Veolia Water N.J.'s Lambertville purveyor area. Pursuant to an October 9, 2018, letter from the LMUA and an October 20, 2018, letter from Veolia Water, there is adequate sewer and water service capacity to accommodate the full 139-unit development, which would need customary approvals from NJDEP and other external authorities. The site can be developed consistent with Residential Site Improvement Standards (RSIS) and all other state regulations, such as those of the NJDEP.

- Administrative Entity – The selected redeveloper will be required to retain an experienced administrative agent to administer the affordable units in accordance with UHAC (except to adhere to the statutory very low-income requirements noted below).
- Very Low/Low/Moderate-Income Split – As set forth above, income distribution will follow UHAC, except for the statutory requirement for 13% of the affordable units to be affordable to very low-income households at 30% of the regional median income.
- Affirmative Marketing – The redeveloper's administrative agent will affirmatively market the units in accordance with UHAC, the City's 2020 Settlement Agreement with FSHC, the 2020 amendment to the FHA that requires all affordable units to be listed on the state Housing Resource Center website.
- Controls on Affordability – The City's redeveloper's agreement will require a minimum 30-year affordability control deed restriction on the units in accordance with N.J.A.C. 5:93 and N.J.A.C. 5:80-26.1.
- Bedroom Distribution – As set forth above, the units will be required to be developed in accordance with N.J.A.C. 5:93-7.3(b).

In 2022, K. Hovnanian approached the City with a proposal to redevelop the High School site with a total of 200 units, including up to 160 market-rate for-sale townhomes and 40 affordable family rental apartments. The City drafted an amended redevelopment plan, but ultimately did not adopt it.



Clarke Caton Hintz

Architecture

Planning

Landscape Architecture



Environmental Constraints Lambertville High School Redevelopment

LOCATION:
Lambertville City, Hunterdon County, NJ

DATE:
May 2025

 Lot Border

 Inland Flood Hazard Area

 Steep Slopes >15%

 FEMA 100-yr Floodplain



Third Round Formula Obligations

As part of satisfying its 88-unit Third Round RDP, the City must also satisfy the following requirements, summarized in Table 24:

TABLE 24. THIRD ROUND RDP CREDIT SUMMARY		
	Required	Provided
Third Round RDP Total Credits	88	88
Third Round RDP Total Units		66
Third Round RDP Rental	22 (min.)	62
Third Round RDP Family Rental	11 (min.)	29
Third Round RDP Age-Restricted	22 (max.)	22
Third Round RDP Family	33 (min.)	34
Third Round RDP Very-Low Income	5 (min.)	5
Third Round RDP Family Very-Low Income	3 (min.)	3

- **No more than 25% of the obligation, or a maximum of 22 units, may be age-restricted units.** The City is claiming 22 age-restricted units from the Heritage Village development, the maximum permitted.
- **At least 25% of the obligation, or at least 22 units, must be provided as rental units.** The City meets this requirement with 11 special-needs bedrooms from the Little Haven Rest Home, 22 age-restricted rental units from Heritage Village; 1 rental accessory apartment; and 28 proposed family rental units from the proposed Lambertville High School redevelopment.
- **At least half of the rental obligation, or at least 11 units, must be provided as family rental units.** The City meets this requirement with 28 family rentals from the proposed Lambertville High School redevelopment.
- **At least half of all units provided, or at least 33 units, must be low-income units.** The City meets this requirement with 51 low-income units, from the Little Haven Rest Home (11 bedrooms), Habitat for Humanity (4 units), Heritage Village (22 units), and the proposed redevelopment of the Lambertville High School site (14 of 28 units).

Third Round Unmet Need

As previously indicated, The City's Unmet Need is the difference between its 88-unit RDP and its 137-unit Third Round obligation, or 49 units. Lambertville provides the following compliance mechanisms as partial satisfaction of its Unmet Need:

TABLE 25. SATISFACTION OF 49-UNIT THIRD ROUND UNMET NEED				
Compliance Mechanism	Type	Credits	Bonuses	Total
Little Haven Group Home – completed (7 of 18; Prior Cycle)	Special needs	7		7
Heritage Village – completed (12 of 37; cap; 3 to Fourth Round)	Age-restricted affordable rental	12		12
Lilly Street apartment – completed	Special needs	1		1



TABLE 25. SATISFACTION OF 49-UNIT THIRD ROUND UNMET NEED				
Compliance Mechanism	Type	Credits	Bonuses	Total
Accessory apartment program – 1 completed, 4 proposed	Family affordable rental	5		5
Habitat for Humanity – proposed	Family affordable for-sale	6		6
IO-1 Inclusionary overlay zone	TBD	TBD		TBD
IO-2 Inclusionary overlay zone	TBD	TBD		TBD
City-wide mandatory inclusionary ordinance	TBD	TBD		TBD
Total		31+		31+

PRIOR CYCLE CREDITS

Little Haven Group Home

Please see the discussion of this property under Third Round RDP. The City received credit for seven of the 18 low-income units towards its Third Round Unmet Need.

INCLUSIONARY DEVELOPMENT

Police Station Lot Redevelopment

Pursuant to the terms of the City's Amended Settlement Agreement, the Police Station lot, Block 1003, Lot 3, had been rezoned via the adoption of a Non-Condemnation Redevelopment Plan in accordance with the LRHL and the MLUL, for an inclusionary development that would have resulted in a total of 23 family rental apartment units, including five affordable family rental apartment units. However, as the City pursued this potential redevelopment, it became clear that the lack of an appropriate site to which the City's police operations could relocate, combined with the significant cost of constructing a new police facility, rendered the potential redevelopment of the existing police station site unrealistic. The City has pursued several alternatives as mechanisms to replace the five proposed units the police station site redevelopment would have produced and, as is discussed below, has executed a Memorandum of Understanding with Raritan Valley Habitat for Humanity that will result in Habitat's development of six family affordable for-sale units. The City will secure FSHC's approval for this substitution.

100% AFFORDABLE HOUSING

Heritage Village

Please see the discussion of this property under Third Round RDP. The City received 12 credits towards satisfying its Third Round Unmet Need. Of those 12, five are moderate-income one-bedroom units and seven are moderate-income two-bedroom units.



Lilly Street Apartment

The Lilly Street Apartment is located at 6 Lilly Street, in the same building as Lambertville's public library (Block 1074, Lot 2). Until 2010, the City rented the unit to Easter Seals and Easter Seals placed a disabled tenant in the unit. Subsequently, the unit has been administered by the City's Director of General Assistance. The unit is a very low-income, one-bedroom, special-needs unit.

Habitat for Humanity – proposed

As is discussed above, these six proposed family affordable for-sale units are intended to replace the proposed redevelopment of the City's Police Station lot, which would have resulted in an inclusionary development yielding five affordable family rentals. The City has negotiated and signed a Memorandum of Understanding with Habitat (Appendix E), and is in the process of securing FSHC's approval to replace the five proposed Police Station units with these six units.

The development is proposed for a portion of a City-owned parcel known as the Holcombe Park, Block 1002, Lot 41. The entire property is 7.731 acres. Of that, 5.669 acres are encumbered by a New Jersey Green Acres open space easement, permanently dedicating that portion of the tract as public open space. The remaining developable area, identified as an exception area, not subject to Green Acres open space restrictions, contains 2.062 acres. The parcel is to be subdivided, and the six proposed units would be constructed on a portion of the exception area. Vehicular access to the homes will be provided via public right-of-way containing a road.

As stated in N.J.A.C. 5:93-5, affordable housing sites must be available, approvable, developable, and suitable, as defined in N.J.A.C. 5:93-1.3, for the production of very low-, low- and moderate-income housing. As stated below, the Holcombe Park site meets these criteria.

- **Site Availability** – The City owns the Holcombe Park property, and will subdivide and convey to Habitat the portion designated for construction of the affordable units.
- **Site Suitability** – The portion of the site intended for the Habitat units contains a vacant log cabin, which will be removed, and a small barn near the log cabin may also be removed, pending final site plans. The subdivided lot will be bounded to the north and east by residential uses, to the south by open space, and to the west by the existing Fisherman's Mark food pantry facility. The site will be accessed by a dedicated City road using the existing entrance on North Main Street and continuing up the site on what is now a gravel drive. The City is currently working with the state Department of Transportation on a major access application.

The site is located within the DRCC Review Zone B and will also require a Certificate of Approval from the DRCC.

The lot is currently zoned R-L, which permits single-family detached residential development. The City is in the process of adopting a redevelopment designation for the entire portion of the parcel excluded from Green Acres restrictions, that will enable the development of six affordable for-sale units.

The entire City of Lambertville is located within the Rural/Environmentally Sensitive Planning Area (PA4B) or within the State Park planning area. While Lambertville is not a designated center within the State Development and Redevelopment Plan, its more densely populated downtown area, the presence of three state highways (Route 202, Route 29, and Route 179) and County Route



518 within its boundary, and compact Central Business District are all characteristics of a localized center.

A review of NJDEP's NJ-GeoWeb mapping indicates the site is not on the Known Contaminated Sites list, does not contain a Deed Notice, nor a groundwater contamination area (CKE or CEA). The portion of the site where the units are proposed is within the Lambertville Municipal Utilities Authority (LMUA)'s sewer service area identified in the Upper Delaware Water Quality Management Plan. Pursuant to a February 18, 2020, letter from the LMUA, there is adequate sewer capacity to accommodate the full 23-unit development (see Appendix G). The site is entirely within Veolia Water N.J.'s Lambertville purveyor area, which would need customary approvals from NJDEP and other external authorities. The site can be developed consistent with Residential Site Improvement Standards (RSIS) and all other state regulations.

- Accessibility – All affordable units will comply with the Barrier Free Subcode at N.J.A.C. 5:23-7.
- Administrative Entity – Habitat will administer the initial sale of the units to income-qualified households according to its procedures. Subsequent resales will be handled by the City's administrative agent, who will be required to administer the affordable units in accordance with UHAC (except to adhere to statutory very-low income requirements noted below), including affirmative marketing and at least 30-year controls on affordability.
- Very Low/Low/Moderate-Income Split – Income distribution will follow UHAC, except for the statutory requirement for 13% of the affordable units to be affordable to very low-income households at 30% of the regional median income. Habitat will attempt to designate one of the six affordable units as a very low-income unit.
- Controls on Affordability – The City's agreement with Habitat will require a minimum 30-year affordability control deed restriction on the units in accordance with N.J.A.C. 5:93 et seq. and N.J.A.C. 5:80-26.1.
- Bedroom Distribution – The units will be required to be developed in accordance with N.J.A.C. 5:93-7.3(b).



0 50 100 200 Feet

Clarke Caton Hintz

Architecture

Planning

Landscape Architecture



Environmental Constraints

Block 1002 Lot 41

Holcombe Park / Habitat Site

LOCATION:

Lambertville City, Hunterdon County, NJ

DATE:

May 2025

 Lot Border

 Inland Flood Hazard Area

 Steep Slopes >15%

 FEMA 100-yr Floodplain