

FOURTH ROUND HOUSING ELEMENT AND FAIR SHARE PLAN

Millstone Township
Monmouth County, New Jersey

June 12, 2025

Adopted by the Planning Board on June 24, 2025

Prepared By:



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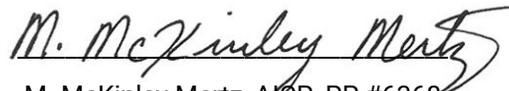
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EXECUTIVE SUMMARY

The following Fourth Round Housing Element and Fair Share Plan has been prepared for the Township of Millstone in Monmouth County in accordance with the Fair Housing Act as most recently amended (P.L.2024, c.2).

Millstone Township is a 37-square-mile community located in the central part of New Jersey in the County of Monmouth. The Township is surrounded by Monroe and East Windsor to the north, Manalapan to the east, Freehold and Jackson to the south, and Roosevelt and Upper Freehold to the west. Millstone was originally named for the Millstone River, which extends through the Township. Primary roadways that travel through the Township include Interstate 195 and State Route 33.

The Township can be characterized as a rural municipality with significant environmental constraints. According to the State Development and Redevelopment Plan (SDRP), the Township is located predominantly in Planning Area 4B Rural Environmentally Sensitive land. The only other planning area present in Millstone is parkland.

According to the 2020 Census, Millstone Township's population was 10,376, which presents a slight decrease of 1.8% from 2010. The Township's median age was 45.6, representing a 7% increase from the median age of 42.6 in 2010. Millstone's average household size in 2020 was 2.93, which was slightly higher than that at the County level (2.55 persons).

The housing stock of the Township is predominantly single-family detached dwelling units. Approximately 85% of the housing stock was built in the last 50 years with nearly 58% having been constructed since 1990. According to the guidelines originally established by COAH, the Township is located in Housing Region 4, a region that consists of Mercer, Monmouth, and Ocean Counties. Based on the 2025 Regional Income Limits (released by the Housing Mortgage and Finance Agency on May 16, 2025), the median income in Region 4 for a four-person household is \$134,600, the moderate-income is \$107,680, the low-income is \$67,300, and the very-low-income level is \$40,380.

Affordable housing obligations in New Jersey are divided into "housing rounds," as will be discussed in detail later in this Plan. Each municipality in New Jersey has a constitutional obligation to provide their fair share of the calculated regional need for affordable housing within the respective housing round subject to various possible adjustments. Each municipality has a Present Need and a Prospective Need. The Present Need is also known as the rehab obligation. It represents an estimate of the number of substandard units occupied by low- and moderate-income households as of July 1, 2025. The Prospective Need is a new construction obligation. It includes the sum of the prior round prospective need for Rounds 1 and 2, the prospective need for Round 3 and the prospective need for Round 4. In this regard, the housings rounds are as follows: Prior Round (1987-1999), Third Round (1999-2025), and Fourth Round (2025-2035).

The Township of Millstone has participated in all previous housing rounds. In the Third Round, the Township entered into a Settlement Agreement with Fair Share Housing Center to establish Millstone's Third Round affordable housing obligation. The subsequent compliance efforts were approved by the Court when it entered a Judgement of Compliance and Repose, dated April 28, 2020, formally approving the Township's Housing Element and Fair Share Plan through Round 3 (hereinafter "JOR").

The Township has a fair share of 417 consisting of a rehab number of 7 and a new construction number of 410 which is based on the prospective need from Round 1 through Round 4.

The Township satisfied its new construction obligations for Rounds 1 through 3 as explained below and as evidenced by the JOR entered on April 26, 2020.

The Township has a Fourth Round obligation as follows:

Rehabilitation Share: 7 units

Prospective Need: 98 units

This Plan will summarize how the Township satisfied its prospective need obligations for Rounds 1 through 3. It will also detail how it is satisfying its 7-unit rehab obligation and its 98 new construction obligation as a result of the assignment of a Round 4 prospective need of 98.

INTRODUCTION

In the case of Southern Burlington County NAACP v. the Township of Mount Laurel 67 N.J. 151 (1975), (commonly known as Mount Laurel I), the New Jersey Supreme Court ruled that developing municipalities have a constitutional obligation to create a realistic opportunity for their fair share of low and moderate income housing. Thus was born what is commonly known as the Mount Laurel doctrine.

In Southern Burlington County NAACP v. Township of Mount Laurel, 92 N.J. 158, 456 A.2d 390 (1983), decided on January 20, 1983 (commonly known as Mount Laurel II), the Supreme Court responded to the weak response of municipalities to its ruling in Mount Laurel I. It sought to reinforce the doctrine by making it easier for developers to secure a builder's remedy. A builder's remedy is a court ordered rezoning of the property that is the subject of the suit typically at higher densities with a requirement that a percentage of the units be affordable. The builder's remedy created an incentive to developers to sue non-compliant municipalities and force them to comply. Mount Laurel II also created the Judgment of Repose to incentivize municipalities to comply. A Judgment of Repose protected municipalities from anyone who would sue it and claim entitlement to a builder's remedy or other relief based upon the claim that the municipality was noncompliant.

In the wake of Mount Laurel II, developers sued municipalities seeking builder's remedies. The wave of builder's remedy lawsuits created the impetus for legislation to protect municipalities from builder's

remedies. A decision by Judge Serpentelli, one of three judges appointed by Chief Justice Wilentz to implement Mount Laurel II, increased the need for a legislative cure. More specifically, in 1984, Judge Serpentelli issued the AMG decision which established a formula for any developer to determine the fair share obligation of any municipality.

The pressure of builder's remedy suits, combined with the ease in determining the fair share of any municipality through the AMG formula, culminated in the enactment of the New Jersey Fair Housing Act in 1985. The Fair Housing Act (FHA) is found at N.J.S.A. 52:270-301, et seq. The FHA established the Council on Affordable Housing (COAH) as an administrative alternative to builder's remedy lawsuits and the concomitant jurisdiction of the courts. COAH was given the responsibility of dividing the state into housing regions, determining regional and municipal fair share affordable housing obligations, and adopting regulations that would establish the guidelines and approaches that municipalities may use in addressing their affordable housing need.

In 2008, the Legislature amended the FHA to add requirements for very low-income housing. Very low-income households are those in which the gross household income is 30% or less than the region's median household income. Low-income households are those with incomes no greater than 50% of the region's median household income. Moderate-income households are those with incomes no greater than 80% and no less than 50% of the region's median household income. Each is adjusted for household size and is in relation to the median gross income of the housing region in which the municipality is located.

FIRST AND SECOND ROUNDS

The First and Second Rounds under COAH are collectively referred to as the "Prior Round." The Prior Round obligation is the cumulative 1987-1999 fair share obligation. The First Round consists of the six-year period between 1987 and 1993 for which COAH first established a formula for determining municipal affordable housing obligations (N.J.A.C. 5:92-1 *et seq.*). Then in 1994, COAH established amended regulations (N.J.A.C. 5:93-1.1 *et seq.*) and produced additional municipal affordable housing obligations for the years 1993 to 1999. This second round of obligations is known as the Second Round. When COAH adopted regulations for Round 2, it made the Round 1 and 2 obligations cumulative for both periods.

THIRD ROUND

Housing rounds were originally established by the Fair Housing Act as six-year periods, but in 2001 the Legislature extended the rounds to 10-year periods. This should have meant that the Third Round ran from 1999 to 2009. However, COAH didn't establish new rules for the Third Round until the end of 2004 (N.J.A.C. 5:94-1 and 95-1 *et seq.*). The Third Round time period was therefore extended to 2014. The Third Round rules established a new method for calculating a municipality's affordable housing obligation, known as "growth share." This method required municipalities to project future residential and non-residential development and then derive their obligation from that growth.

After the New Jersey Appellate Court invalidated several components of the Third Round rules, COAH adopted revised rules in 2008. The Third Round was once again extended to 2018 to provide municipalities with the time to apply the amended rules and establish mechanisms to meet their obligations. The revised third round rules, like the initial third round rules established the obligations based on a growth share approach.

On October 8, 2010, in response to numerous legal challenges to the second iteration of COAH's third round regulations, the Appellate Division ruled that COAH could not allocate obligations through a "growth share" formula and directed COAH to use similar methods to those used in the First and Second Rounds. In this regard, in the first and second rounds, COAH determined the housing region for each municipality, the need for housing in each region and the subject municipality's fair share of the regional need.

COAH proposed third round regulations a third time in 2014 using a formula similar to the ones it had used in the first and second rounds. However, when COAH had a meeting to consider adopting these rules on October 20, 2014, it deadlocked and then failed to make any efforts to break the deadlock.

On March 10, 2015, the New Jersey Supreme Court decided In re Adoption of N.J.A.C. 5:96 & 5:97 by the N.J. Council on Affordable Housing, 221 N.J. 1 (2015) (Mount Laurel IV), wherein it responded to COAH's failure to adopt defensible rules for Round 3. This decision changed the landscape by which municipalities are required to comply with their constitutional obligation to provide their fair share of affordable housing.

The Supreme Court held that since COAH was no longer functioning, trial courts were to resume their role of evaluating municipal compliance with Mount Laurel obligations. The decision also established a transitional process for municipalities to seek temporary immunity and ultimately a Judgment of Compliance and Repose ("JOR") from a court, which was the "judicial equivalent" of Substantive Certification from COAH.

On January 18, 2017, the Supreme Court decided In Re Declaratory Judgment Actions Filed by Various Municipalities, County of Ocean, Pursuant To The Supreme Court's Decision In In re Adoption of N.J.A.C. 5:96, 221 N.J. 1 (2015) ("Mount Laurel IV"), which held that need having accrued during the Gap Period (1999-2015) had to be addressed and was part of the Present Need. The Supreme Court held that there is an obligation with respect to that period for households that came into existence during that gap period that are eligible for affordable housing, that are presently (as of 2015) in need of affordable housing, and that are not already counted in the traditional present need.

As the methodology and obligations from the Gap and Prospective Need had not been fully adjudicated at that time, various trial judges issued opinions on the appropriate methodology and 354 municipalities reportedly settled with Fair Share Housing Center wherein they negotiated the obligations for Round 3.

Municipal obligations were therefore broken down in Round Three Housing Element and Fair Share Plans as Present Need/Rehabilitation, Prior Round (1987-1999), and Third Round and Gap Period (1999-2015). Municipalities that received their Final Judgement of Compliance and Repose had immunity from builders' remedy lawsuits through the end of the Third Round, June 30, 2025.

FOURTH ROUND

On March 18, 2024, the affordable housing legislation known jointly as Senate Bill S50 and Assembly Bill A4 passed both houses of the legislature. Governor Murphy signed the bill (P.L.2024, c.2) into law on March 20, 2024, establishing a new methodology for determining municipalities' affordable housing obligations for the Fourth Round and beyond. The new legislation, which comprehensively amends the FHA, overhauled the process that municipalities undertake to establish and plan for their constitutionally mandated affordable housing obligation. Most notably, this legislation formally abolished COAH while transferring its functions to the New Jersey Department of Community Affairs (DCA) and Housing Mortgage and Finance Agency (HMFA). As a result, the legislation codified the method for calculating regional and municipal affordable housing needs and returned most of the process from the Courts to state administrative departments.

The amended FHA called on the DCA to issue a non-binding report on the new Present Need Obligation (commonly referred to as the rehab obligation) and the Prospective Need for Round 4 and subsequent rounds. The amended FHA required the DCA to base its analysis of the obligations for each municipality on the standards set forth in the amended FHA. Accordingly, on October 18, 2024, the DCA released a report outlining its calculations of low- and moderate-income obligations for each of the State's municipalities based upon the standards in the amended FHA. The amended FHA gave municipalities until January 31, 2025, to review the obligation reported by the DCA and perform their own analysis of their obligation based on the methodology in the legislation. If any municipality wished to commit to an obligation different from the one reported by the DCA, the amended FHA required the municipality to adopt a resolution by January 31, 2025 committing to the number that it contended was the appropriate obligation. If a municipality wished to commit to the numbers that the DCA reported, the amended FHA required the municipality to adopt a resolution committing to the DCA numbers.

The amended FHA required any municipality that wished to participate in the new process that the Act created to file a declaratory relief action within 48 hours of adopting the resolution committing to the numbers the municipality deemed appropriate.

The amended FHA gave any interested party who wished to oppose the numbers to which any municipality committed to file an Answer by February 28, 2025 which included a particularized objection to the numbers to which the municipality committed.

The amended FHA gave “the Affordable Housing Dispute Resolution Program” until March 31, 2025 to try to resolve any disputes over the fair share numbers to which a municipality committed. The program is a new entity created by the amended FHA. It is staffed with seven current or retired judges and the judges have the authority to use adjudicators to assist it in mediating disputes over the obligations of municipalities in the first instance and over the plans municipalities filed to satisfy their obligations in the second instance.

The amended FHA gives municipalities until June 30, 2025 to file a Housing Element and Fair Share Plan and related documents showing how the municipality will comply with its obligations. The Fourth Round Plans will follow the same general format as they have with certain updates to their requirements dealing with various types of housing and the bonus credit calculation system. Notably, HEFSPs are required to be consistent with the State Development and Redevelopment Plan (SDRP), which has yet to be adopted. (A draft SDRP was released in late 2024). As part of the HEFSP, municipalities shall include an assessment of the degree to which the municipality has met its fair share obligation from the prior rounds of affordable housing (i.e. First, Second, and Third Rounds).

MILLSTONE TOWNSHIP'S HISTORY OF AFFORDABLE HOUSING

Millstone Township has a long history of voluntary compliance. The Township secured First Round certification on December 7, 1987. Millstone participated in the Second Round and petitioned COAH for substantive certification on March 20, 1995. The Township secured certification of its Housing Element and Fair Share Plan for Rounds 1 and 2 on October 1, 2003 (Appendix A).

Millstone continued to seek substantive certification from COAH in Round 3, adopting a Round 3 Housing Element and Fair Share Plan in December 2008 (“2008 Plan”). The Township petitioned COAH for substantive certification on December 30, 2008 of a Round 3 plan. COAH deemed Millstone’s petition complete on March 27, 2009. The Township, however, did not receive substantive certification for the Third Round as various Third Round regulations were invalidated by the Appellate Division on October 10, 2010.

When the Supreme Court created a new procedure in 2015 for municipalities to secure approval of their Housing Element and Fair Share Plans in Mount Laurel IV, Millstone took advantage of the new procedure. The Township filed a Declaratory Judgment action on July 2, 2015. The Township secured an Order protecting the Township from all exclusionary zoning lawsuits while it pursued approval of its new Third Round Housing Element and Fair Share Plan, prepared under the direction of the Court and the Court appointed “Special Master,” Michael P. Bolan, PP, AICP.

Due to the uncertainty at the time of the appropriate manner by which to calculate municipal obligations throughout New Jersey during the 2015-2025 Third Round period, the Township and the Fair Share Housing Center (“FSHC”) agreed that a settlement was in the best interest of the Township and its residents. Under the supervision of the Court Master, the Township and its professionals entered into negotiations with

representatives of FSHC to settle the Township's Declaratory Judgment action and seek Court-approval for an accepted fair share obligation for the Township.

The Township also entered into negotiations with Showplace Farms, LLC regarding their property at Block 23 Lot 8 on the Township's Official Tax Map. The Township executed a settlement agreement with FSHC and Showplace Farms, LLC on September 5, 2019 (Appendix B). A Fairness Hearing was held on October 22, 2019 and in an Order dated November 12, 2019 (Appendix C) the Court approved the settlement agreement, and determined it to be "fair, reasonable, and adequately protects the interests of very low, low-, and moderate-income households." A Third Round Housing Element and Fair Share Plan (HEFSP) was prepared in accordance with the Court-approved settlement agreement and adopted by the Planning Board on January 29, 2020.

A Final Compliance Hearing was conducted on April 7, 2020 and a Judgement of Compliance and Repose (JOR) was entered on April 28, 2020 (Appendix C). The Township obtained from the Court an affirmative declaration of compliance regarding all aspects of its affordable housing obligation.

Subsequent to the Township receiving a JOR for its Round 3 Plan in 2020, the Affordable Housing Alliance, Inc. (AHA), who is the owner and operator of several 100% affordable developments within Millstone, requested changes to the Court-approved settlement agreement and the approved HEFSP. The requested changes were in relation to the proposed 100% affordable development, known as "CKV" and located at 27 Burnt Tavern Road, to increase the unit count from 49 units to 66 units. Inclusion of the increased density in a HEFSP qualified the development for additional funding opportunities. An amended HEFSP was adopted by the Planning Board on June 14, 2023, followed by an amended settlement agreement with FSHC, which was executed on July 7, 2023. In an Order dated July 31, 2023, the Court approved the amended settlement agreement and HEFSP (Appendix D).

As New Jersey enters the Fourth Round of affordable housing, Millstone Township continues to take proactive steps to satisfy its affordable housing obligation. On January 15, 2025, in accordance with the requirements established by the amended FHA and described above, the Township adopted Resolution #2025-91 (Appendix E) establishing its Fourth Round Present and Prospective Need obligations of 7 and 98, respectively. These numbers are identical to those calculated by the DCA in their October 18, 2024 report.

Subsequently, in accordance with the standards established by the amended FHA and described above, the Township filed a Complaint (Docket No. MON-L-000189-25) seeking the entry of a declaratory judgment (Appendix E) to (1) secure the jurisdiction of the Dispute Resolution Program, (2) have the Dispute Resolution Program and the Court approve the Township's Present and Prospective affordable housing obligations as set forth in Resolution 2025-91, (3) have the Dispute Resolution Program and the Court approve the HEFSP, to be adopted by the Planning Board and endorsed by the Township Committee and

issue a conditional or unconditional "Compliance Certification" or similar declaration, (4) have the Dispute Resolution Program and the Court confirm Millstone's immunity from all exclusionary zoning litigation, including builder's remedy lawsuits, for the duration of the Fourth Round, and (5) have the Dispute Resolution Program and the Court take such other actions and grant such other relief as may be appropriate to ensure that the Township receives and obtains all protections as afforded to it for compliance, including without limitation, all immunities and presumptions of validity necessary to satisfy its affordable housing obligations.

On April 1, 2025, the Court issued an order fixing the Township's Present Need obligation at 7 units and the Prospective Need at 98 units (Appendix F). Given the very tight timeframe the Fair Housing Act and Directive 14-24 requires, on April 9, 2025 the Township filed a motion to extend the time to file the Housing Element and Fair Share Plan. On May 1, 2025, the Court issued an order denying the request for a time extension. This Fourth Round HEFSP, therefore, has been completed and will be submitted the Program prior to the June 30, 2025 deadline. The Plan sets forth mechanisms to address the Township's affordable housing obligations and has been prepared in accordance with the Fair Housing Act as most recently amended (P.L.2024, c.2).

PLANNING FOR AFFORDABLE HOUSING

Pursuant to both the FHA (N.J.S.A. 52:27D-310, et seq.) and the Municipal Land Use Law (MLUL) (N.J.S.A. 40:55D-28), municipalities in New Jersey are required to include a housing element in their master plans. The principal purpose of the housing element is to describe the specific, intended methods that a municipality plans to use in order to address its fair share of the need for low- and moderate-income housing. Further, the housing element is meant to demonstrate the existing zoning or planned zoning changes that will allow for the provision of adequate capacity to accommodate household and employment growth projections, to achieve the goal of access to affordable housing for present and future populations. The statutorily required contents of the housing element are:

- a. An inventory of the municipality's housing stock by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low and moderate-income households and substandard housing capable of being rehabilitated;
- b. A projection of the municipality's housing stock, including the probable future construction of low- and moderate-income housing, for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;
- c. An analysis of the municipality's demographic characteristics, including but not necessarily limited to, household size, income level and age;

-
- d. An analysis of the existing and probable future employment characteristics of the municipality;
 - e. A determination of the municipality's present and prospective fair share 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.52:27D-329.20);
 - h. For a municipality located within the jurisdiction of the Highlands Water Protection and Planning Council, established pursuant to section 4 of 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.

PART 1: HOUSING ELEMENT**DEMOGRAPHIC CHARACTERISTICS****Population**

Table 1 below depicts the population trends experienced in Millstone Township, Monmouth County, and the State of New Jersey in the 93-year period between 1930 and 2023. Over the 93-year period for which population data was reviewed, the Township has grown by 625.1%. Proportionally speaking, the Township's most significant period of growth occurred in the decade between 1990 and 2000 when the Township saw a 77% increase in its population. During this time the Township was seeing an influx of subdivisions as larger farms were redeveloping as residential.

Since the mid-2000s, Millstone has seen peaks in its population in association with the development of more affordable housing units. The Township is on track to have over 180 units of affordable housing within its boundaries.

The County and State have both experienced growth over the last 93 years with significant increases during the 1950s. While population growth has been steady during this time period in Monmouth County and the State of New Jersey as a whole, the Township's overall growth (625.1%) has proportionally exceeded that of the County (337.2%) and State (129.3%).

Year	Millstone Township			Monmouth County			New Jersey		
	Population	Change		Population	Change		Population	Change	
		Number	Percent		Number	Percent		Number	Percent
1930	1,428	-	-	147,209	-	-	4,041,334	-	-
1940	1,466	38	2.7%	161,238	14,029	9.5%	4,160,165	118,831	2.9%
1950	2,100	634	43.2%	225,327	64,089	39.7%	4,835,329	675,164	16.2%
1960	2,550	450	21.4%	334,401	109,074	48.4%	6,066,782	1,231,453	25.5%
1970	2,535	-15	-0.6%	461,849	127,448	38.1%	7,171,112	1,104,330	18.2%
1980	3,926	1,391	54.9%	503,173	41,324	8.9%	7,365,011	193,899	2.7%
1990	5,069	1,143	29.1%	553,124	49,951	9.9%	7,730,188	365,177	5.0%
2000	8,970	3,901	77.0%	615,301	62,177	11.2%	8,414,350	684,162	8.9%
2010	10,566	1,596	17.8%	630,380	15,079	2.5%	8,791,894	377,544	4.5%
2020	10,376	-190	-1.8%	643,615	13,235	2.1%	9,288,994	497,100	5.7%
2023	10,354	-22	-0.2%	643,615	0	0.0%	9,267,014	-21,980	-0.2%
Total Change	-	8,926	625.1%	-	496,406	337.2%	-	5,225,680	129.3%

Source: 1930-2020 U.S. Decennial Census; 2017-2022 American Community Survey 5-Year Estimates

Population Composition by Age

The median age of the residents in Millstone Township in 2020 was 45.6 years, which shows a 7% increase from the 2010 median age of 42.6 years. Analysis of age group characteristics provides insight into the actual changes in population. This comparison is helpful in determining the impact these changes have on housing needs, community facilities, and services for the municipality. As detailed in Table 2 below, the entire composition of Millstone Township experienced notable shifts in the years between 2010 and 2020. The most significant shift occurred in the population aged 55 and over, which collectively saw a 1,305-person (123%) increase. Simultaneously, the Township experienced significant decreases in its population under 14 years old (-35.8% combined) and between the ages 35 to 54 (-61.7% combined). This data suggests that a larger portion of the Township's residents are transitioning into the senior citizen age range, which will require the Township to consider planning tools and approaches that encourage aging-in-place.

Population	2010		2020		Change (2010 to 2020)	
	Number	Percent	Number	Percent	Number	Percent
Under 5 years	449	4.2%	431	4.2%	-18	-4.0%
5 to 14	1,865	17.7%	1,272	12.3%	-593	-31.8%
15 to 24	1,464	13.9%	1,585	15.3%	121	8.3%
25 to 34	569	5.4%	802	7.7%	233	40.9%
35 to 44	1,418	13.4%	1,034	10.0%	-384	-27.1%
45 to 54	2,496	23.6%	1,633	15.7%	-863	-34.6%
55 to 64	1,454	13.8%	2,060	19.9%	606	41.7%
65 and over	860	8.1%	1,559	15.0%	699	81.3%
Total population	10,566	100.00%	10,376	100.00%	-190	-1.8%
Median Age	42.6		45.6		3	7.0%

Source: U.S. Decennial Census, 2010 and 2020

Monmouth County experienced population fluctuation as well. The County also saw the greatest increase of roughly 47.5% in its population aged 55 and over. The County experienced rather significant decreases in its population aged 14 and below (27.5%) as well as those aged 35 to 54 (32.2%), directly mirroring shifting age trends occurring in the Township. This data is displayed in Table 3 below.

Table 3: Population by Age, 2010 to 2020 Monmouth County						
Population	2010		2020		Change (2010 to 2020)	
	Number	Percent	Number	Percent	Number	Percent
Under 5 years	34,755	5.5%	29,562	4.6%	-5,193	-14.9%
5 to 14	86,679	13.8%	75,723	11.8%	-10,956	-12.6%
15 to 24	78,319	12.4%	79,817	12.4%	1,498	1.9%
25 to 34	64,860	10.3%	72,466	11.3%	7,606	11.7%
35 to 44	86,499	13.7%	75,549	11.7%	-10,950	-12.7%
45 to 54	110,979	17.6%	89,310	13.9%	-21,669	-19.5%
55 to 64	81,688	13.0%	102,374	15.9%	20,686	25.3%
65 and over	86,691	13.8%	105,932	16.5%	19,241	22.2%
Total population	630,380	100.0%	643,615	100.0%	13,235	2.1%
Median Age	41.3		43.5		2.2	5.3%

Source: U.S. Decennial Census, 2010 and 2020

Households

A household is defined as one or more persons, either related or not, living together in a housing unit. In 2020 there was a total of 3,324 households in Millstone Township. The majority of households comprised two to four people with two-person households as the most common household size at both the Township (30.3%) and County (31.1%) levels. The average household size of the Township in 2020 was 2.93, which was slightly higher than that of the County's average of 2.55.

Table 4: Household Size of Occupied Housing Units, 2020 Millstone Township and Monmouth County				
	Millstone Township		Monmouth County	
	Number	Percent	Number	Percent
1-person household	367	11.0%	63,104	25.8%
2-person household	1,008	30.3%	76,177	31.1%
3-person household	690	20.8%	40,092	16.4%
4-person household	747	22.5%	39,421	16.1%
5-person household	325	9.8%	17,126	7.0%
6-person household	127	3.8%	5,795	2.4%
7-or-more-person household	60	1.8%	2,915	1.2%
Total Households	3,324	100.0%	244,630	100.0%
Average Household Size	2.93		2.55	

Source: US Decennial Census, 2020

According to the American Community Survey, family households are defined as two or more persons living in the same household, related by birth, marriage, or adoption. As shown in Table 5, most (85.1%) of all households in the Township in 2020 were categorized as family households. Approximately 28.7% of the married-couple families within the Township had children under the age of 18.

In providing more detail on American households, the American Community includes the sub-groups of non-traditional households, including "Other Family" and "Non-Family" households. "Other Family"

households accounted for 10.2% of all households, broken down into 3.4% female householders with no spouse or partner present and 6.8% male householders with no spouse or partner present. “Non-Family” households are defined as those that consist of a householder living alone or sharing the home exclusively with people to whom he/she is not related. Non-family households comprised approximately 13.8% of all households in the Township.

Table 5: Household Size and Type, 2023		
Millstone Township		
	Total	Percent
Total Households	3,576	100.0%
Family Households	3,043	85.1%
Married couple family	2,678	74.9%
With children	1,028	28.7%
Without children	1,650	46.1%
Other Family	365	10.2%
Male householder, no spouse	243	6.8%
With children	102	2.9%
Without children	141	3.9%
Female householder, no spouse	122	3.4%
With children	30	0.8%
Without children	92	2.6%
Nonfamily household	492	13.8%
Male householder	197	5.5%
Living alone	163	4.6%
Not living alone	34	1.0%
With children	0	0.0%
Female householder	295	8.2%
Living alone	205	5.7%
Not living alone	90	2.5%
With children	0	0.0%

Source: 2023 American Community Survey 5-Year Estimates

Income

As measured in 2023, Millstone Township had a higher median household income compared to Monmouth County and the State of New Jersey. The median income in Millstone Township was \$199,747, in Monmouth County it was \$122,727, and at the State level is was \$101,050. This data is outlined in Table 6 below. The Township anticipates this condition to shift in the coming years as more affordable housing units come online within Millstone. Specifically, as more developers take advantage of the Round 3 zoning provision that permits municipally sponsored affordable housing in all zones in the Township.

Table 6: Per Capita and Household Income, 2023 Millstone Township, Monmouth County, and New Jersey		
	Per Capita Income	Median Household Income
Millstone Township	\$83,942	\$199,747
Monmouth County	\$65,545	\$122,727
New Jersey	\$53,118	\$101,050

Source: 2023 American Community Survey 5-Year Estimates

The following data in Table 7 identifies the household income for both Millstone and Monmouth County. The majority of households in both the Township and County were earning \$50,000 or greater in 2023.

Table 7: Household Income, 2023 Millstone Township and Monmouth County				
	Millstone Township		Monmouth County	
	Number¹	Percent	Number¹	Percent
Less than \$10,000	134	3.8%	8,256	3.3%
\$10,000 to \$14,999	39	1.1%	5,254	2.1%
\$15,000 to \$24,999	35	1.0%	10,758	4.3%
\$25,000 to \$34,999	60	1.7%	10,758	4.3%
\$35,000 to \$49,999	120	3.4%	17,514	7.0%
\$50,000 to \$74,999	278	7.9%	25,270	10.1%
\$75,000 to \$99,999	172	4.9%	25,520	10.2%
\$100,000 to \$149,999	534	15.2%	44,034	17.6%
\$150,000 to \$199,999	394	11.2%	34,027	13.6%
\$200,000 or more	1,747	49.7%	69,304	27.7%
Total Households	3,516	100.0%	250,195	100.0%
Median Household Income	\$199,747		\$122,727	

Source: 2023 American Community Survey 5-Year Estimates

¹Due to rounding as the data provided from the ACS is a percentage, the number in each row does not add up with the "total" row.

Poverty Status

Of the 10,354 people in Millstone Township for which poverty status was determined, 300 (2.9%) individuals lived in poverty in 2023; this was lower than the County’s poverty rate of 6.4%. Of Millstone Township’s population that fell below the poverty level, 96.7% were between the 18 and 64 and only 3.3% were under the age of 18. While the County had a similar poverty rate of those aged 18 to 64, the County’s had a much higher rate for children under 18 (23.2%). This data is presented in Table 8 below.

Table 8: Poverty Status, 2023 Millstone Township and Monmouth County						
	Millstone Township			Monmouth County		
	Number	% of Total Persons	% of Persons in Poverty	Number	% of Total Persons	% of Persons in Poverty
Total persons	10,354	100.0%	-	637,240	100.0%	-
Total persons below poverty level	300	2.9%	100.0%	40,958	6.4%	100.0%
Under 18	10	0.1%	3.3%	9,487	1.5%	23.2%
18 to 64	169	1.6%	56.3%	23,232	3.6%	56.7%
65 and over	121	1.2%	40.3%	8,239	1.3%	20.1%

Source: 2023 American Community Survey 5-Year Estimates

Household Costs

Tables 9 and 10 below show the expenditures for housing as a percentage of household income for those who own and rent in Millstone Township and Monmouth County. In 2023 the vast majority of Township residents lived in homes they owned, which was the same at the County level as well. .

Table 9: Selected Monthly Owner Costs as a Percentage of Household Income, 2023 Millstone Township and Monmouth County				
	Millstone Township		Monmouth County	
	Number	Percent	Number	Percent
Total Owner-Occupied Housing Units	3,257	100.0%	188,578	100.0%
Less than 20.0%	1,751	53.8%	93,167	49.4%
20.0 to 24.9%	488	15.0%	25,780	13.7%
25.0 to 29.9%	123	3.8%	16,946	9.0%
30.0 to 34.9%	96	2.9%	10,722	5.7%
35.0% or more	786	24.1%	40,650	21.6%
Not computed	13	0.4%	1,313	0.7%

Source: 2023 American Community Survey 5-Year Estimates

Table 10: Gross Rent as a Percentage of Household Income, 2023 Millstone Township and Monmouth County				
	Millstone Township		Monmouth County	
	Number	Percent	Number	Percent
Total Renter-Occupied Housing Units	259	100.00%	61,617	100.00%
Less than 10.0%	0	0.0%	2,113	3.4%
10.0 to 14.9%	31	12.0%	4,993	8.1%
15.0 to 19.9%	45	17.4%	6,970	11.3%
20.0 to 24.9%	126	48.6%	6,927	11.2%
25.0 to 29.9%	19	7.3%	6,419	10.4%
30.0 to 34.9%	0	0.0%	4,751	7.7%
35.0 to 39.9%	0	0.0%	3,057	5.0%
40.0 to 49.9%	13	5.0%	6,163	10.0%
50.0% or more	10	3.9%	16,805	27.3%
Not computed	15	5.8%	3,419	5.5%

Source: 2023 American Community Survey 5-Year Estimates

EXISTING HOUSING CONDITIONS

Housing Unit Data

Millstone Township’s housing stock is largely comprised of structures built prior to the year 2000. In 2020, Millstone Township had a total of 3,606 housing units, roughly 90.3% of which were owner-occupied, 7.2% were renter-occupied, and 2.5% were vacant. The Township experienced significant housing construction for four straight decades, between the 1970s and early 2000s, during which approximately 82.4% of the Township’s housing structures were constructed. The rate of construction has been slowing since 2010 with only 2.9% of the housing stock constructed during this time period. The median year of construction for the housing stock in Millstone Township is 1992. This data is outlined in Tables 11 and 12 below.

Table 11: Housing Data, 2023 Millstone Township			
	Number	% of Total Housing Units	% of Occupied Housing Units
Total Housing Units	3,606	100.0%	-
Occupied Housing Units	3,516	97.5%	100.0%
Owner Occupied	3,257	90.3%	92.6%
Renter Occupied	259	7.2%	7.4%
Vacant Housing Units	90	2.5%	-

Source: 2023 American Community Survey 5-Year Estimates

Table 12: Year Structure Built, 2023 Millstone Township		
	Number	Percent
Total Housing Units	3,606	100.00%
Built 1939 or earlier	131	3.6%
Built 1940 to 1949	0	0.0%
Built 1950 to 1959	178	4.9%
Built 1960 to 1969	189	5.2%
Built 1970 to 1979	576	16.0%
Built 1980 to 1989	418	11.6%
Built 1990 to 1999	1400	38.8%
Built 2000 to 2009	579	16.1%
Built 2010 to 2013	105	2.9%
Built 2014 or later	0	0.0%
Median Year Structure Built	1992	

Source: 2023 American Community Survey 5-Year Estimates

According to the 2023 American Community Survey, Millstone Township has a high occupancy rate, with very few of their housing units vacant. Of Millstone's 3,606 housing units, 3,516 (97.5%) were occupied and only 90 (2.5%) were vacant. The majority of all vacant units (91.1%) could be attributed to the "For Sale Only" and "Sold, not occupied" categories, with "For Rent/Rented Not Occupied" making up another 8.9%. This data is represented in Table 13 below.

Table 13: Housing Occupancy, 2020 Millstone Township			
	Total	% of Total Housing Units	% of Vacant Housing Units
Total Housing Units	3,606	100.0%	-
Occupied	3,516	97.5%	-
Vacant Housing Units	90	2.5%	100.0%
For Rent/Rented Not Occupied	8	0.2%	8.9%
For Sale Only	26	0.7%	28.9%
Sold, not occupied	56	1.6%	62.2%
For Seasonal, Recreational or Occasional Use	0	0.0%	0.0%
For migrant workers	0	0.0%	0.0%
Other Vacant	0	0.0%	0.0%

Source: 2023 American Community Survey 5-Year Estimates

Housing Type and Size

Single-family detached housing represents nearly the entire Township in terms of housing type, representing 99.4% of the Township’s units in accordance with the 2023 American Community Survey. The median number of rooms within housing structures in the Township was 9.0, with approximately 90% of housing units having a minimum of 6 rooms and less than 2% of housing units having 2 or less rooms.

Table 14: Housing Type and Size, 2023 Millstone Township		
Units in Structure	Total	Percent
1, detached	3,584	99.4%
1, attached	13	0.4%
2	0	0.0%
3 or 4	0	0.0%
5 to 9	0	0.0%
10 to 19	9	0.2%
20 or more	0	0.0%
Mobile home	0	0.0%
Boat, RV, van, etc.	0	0.0%
Total Housing Units	3,606	100.00%
Rooms	Total	Percent
1 room	0	0.0%
2 rooms	42	1.2%
3 rooms	9	0.2%
4 rooms	67	1.9%
5 rooms	88	2.4%
6 rooms	377	10.5%
7 rooms	413	11.5%
8 rooms	697	19.3%
9 or more rooms	1913	53.1%
Total Housing Units	3,606	100.00%
Median number of rooms	9.0	

Source: 2023 American Community Survey 5-Year Estimates

Housing Growth and Projections

In terms of residential growth, the issuance of building permits serves as one of the indicators that help to determine housing needs in a given municipality. Table 15 below illustrates the number of building permits that were issued over the 10-year period between January 2014 through November 2024, when the Township issued building permits authorizing the development of 104 housing units. The vast majority of the permits issued were for single- and two-family homes (91 units), while only 2 permits were issued for mixed-use structures and 11 were issued for multifamily structures. Further, throughout the same 10-year

period, Millstone issued permits authorizing the demolition of 32 units. If the demolition rate were to remain relatively constant over the next approximately 13-year period, an additional 32 residential units could be expected to be demolished between January 2023 and the end of 2035, resulting in a projected net increase of 72 units.

Table 15: Housing Units Authorized by Building Permits, 2014-2024				
Millstone Township				
Year	1 & 2 Family	Multi Family	Mixed-Use	Total
2014	5	10	0	15
2015	11	0	1	12
2016	18	0	0	18
2017	8	0	0	8
2018	7	1	0	8
2019	13	0	1	14
2020	7	0	0	7
2021	11	0	0	11
2022	4	0	0	4
2023	7	0	0	7
2024	0	0	0	0
Total 2014-2024	91	11	2	104
10-Year Average				10.4
10-Year Permit Projection (2025-2035)				104

Source: State of New Jersey Department of Community Affairs Building Permits: Yearly Summary Data

Table 16: Housing Units Demolished by Building Permits, 2014-2024				
Millstone Township				
Year	1 & 2 Family	Multi Family	Mixed-Use	Total
2014	7	0	0	7
2015	4	0	0	4
2016	2	0	0	2
2017	2	0	0	2
2018	5	0	0	5
2019	3	0	0	3
2020	7	0	0	7
2021	0	0	0	0
2022	1	0	0	1
2023	1	0	0	1
2024	0	0	0	0
Total 2014-2024	32	0	0	32
10-Year Average				3.2
10-Year Demolition Projection (2025-2035)				32

Source: State of New Jersey Department of Community Affairs Building Permits: Yearly Summary Data

Housing Values and Contract Rents

According to the 2023 American Community Survey, both the Township and the County exhibited owner-occupied housing values predominantly greater than \$300,000. This data is outlined in Table 17 below.

Table 17: Value for Owner-Occupied Housing Units, 2023 Millstone Township and Monmouth County				
	Millstone Township		Monmouth County	
	Number	Percent	Number	Percent
Total	3,257	100.0%	188,578	100.0%
Less than \$50,000	57	1.8%	3,202	1.7%
\$50,000 to \$99,999	34	1.0%	2,703	1.4%
\$100,000 to \$149,999	0	0.0%	1,760	0.9%
\$150,000 to \$199,999	22	0.7%	2,797	1.5%
\$200,000 to \$299,999	55	1.7%	12,780	6.8%
\$300,000 to \$499,999	579	17.8%	55,119	29.2%
\$500,000 to \$999,999	2,100	64.5%	88,909	47.1%
\$1,00,000 and greater	410	12.6%	21,308	11.3%
Median Value	\$660,000		\$566,500	

Source: 2023 American Community Survey 5-Year Estimates

As shown in Table 18 below, it is estimated that 2,113 (64.9%) of owner-occupied units in the Town were financed by a primary mortgage, contract to purchase, or similar debt. Of those units, 69.9% did not have any additional lines of credit associated with the unit, while 26.7% were associated with a home equity loan, 2.9% were associated with a home equity loan without a primary mortgage, and 0.5% were associated with just a second mortgage. There were similar rates for owner-occupied housing units with a mortgage at the County level; more specifically, 64.4 % of such units had a primary mortgage. Of those units in the County tied to a primary mortgage, 82.1% did not have any additional lines of credit associated with the unit, while 12.3% were associated with a home equity loan, 1.3% were associated with a second mortgage, 0.2% were associated with both a second mortgage and a home equity loan, and 2.6% were associated with a home equity loan without a primary mortgage.\

**Table 18: Mortgage Status, 2023
Millstone Township and Monmouth County**

	Millstone Township			Monmouth County		
	Number	% of Total Units	% of Mortgage Units	Number	% of Total Units	% of Mortgage Units
Total Owner-Occupied Units	3,257	100.00%	-	188,578	100.00%	-
Housing units with a mortgage, contract to purchase, or similar debt:	2,113	64.9%	100.00%	121,452	64.4%	100.00%
Housing units with no second mortgage and no home equity loan	1,476	45.3%	69.9%	99,688	52.9%	82.1%
Housing units with multiple mortgages:	575	17.7%	27.2%	16,780	8.9%	13.8%
Mortgage with both second mortgage and home equity loan	0	0.0%	0.0%	224	0.1%	0.2%
Mortgage, with only home equity loan	564	17.3%	26.7%	14,973	7.9%	12.3%
Mortgage, with only second mortgage	11	0.3%	0.5%	1,583	0.8%	1.3%
Home equity loan without a primary mortgage	62	1.9%	2.9%	4,984	2.6%	4.1%
Housing units without a mortgage	1,144	35.1%	-	67,126	35.6%	-

Source: 2023 American Community Survey 5-Year Estimates

As shown in Table 19 below, the median contract rent in Millstone Township in 2023 was \$1,762, which was roughly \$150 higher than the County median rent of \$1,612. Within the Township. The highest percentage of renters paid between \$1,500 to \$1,999 for monthly rent (73.7%), followed by \$3,000 or more (12.0%). At the County level nearly half (52.9%) of renters paid between \$1,000 to \$1,999 for monthly rent, and there was a significantly lower occurrence of renters paying \$3,000 or more for rent (5.3%). This data suggests that rent in the Township slightly less affordable as it is throughout the County as a whole.

**Table 19: Contract Rent, 2023
Millstone Township and Monmouth County**

	Millstone Township		Monmouth County	
	Number	Percent	Number	Percent
Total Renter-Occupied Units	259	100.0%	61,617	100.0%
Less than \$500	9	3.5%	4,738	7.7%
\$500 to \$999	0	0.0%	4,636	7.5%
\$1,000 to \$1,499	13	5.0%	16,689	27.1%
\$1,500 to \$1,999	191	73.7%	15,907	25.8%
\$2,000 to \$2,499	0	0.0%	9,176	14.9%
\$2,500 to \$2,999	0	0.0%	4,835	7.8%
\$3,000 or More	31	12.0%	3,242	5.3%
No Rent Paid	15	5.8%	2,394	3.9%
Median Contract Rent	\$1,762		\$1,612	

Source: 2023 American Community Survey 5-Year Estimates

Housing Conditions

Table 20 below details the conditions of the Township’s housing stock in 2023. Overcrowding and age, plumbing, and kitchen facilities are used to determine housing deficiency. In 2023, most (85%) of the Townships’ housing stock relied on utility gas for heating, followed by fuel oil and kerosene (8%). A total of 54 (1.5%) occupied housing units experienced overcrowding (more than one person per room). Throughout the Township, there were no occupied housing units that lacked complete plumbing or kitchen facilities, and only 32 (0.9%) units lacked telephone service.

Table 20: Housing Conditions, 2023 Millstone Township		
	Number	Percent
House Heating Fuel-Occupied Housing Units		
Total	3,516	100.0%
Utility gas	2,987	85.0%
Bottled, tank, or LP gas	83	2.4%
Electricity	130	3.7%
Fuel oil, kerosene, etc.	280	8.0%
Coal or coke	0	0.0%
Wood	13	0.4%
Solar energy	13	0.4%
Other fuel	10	0.3%
No fuel used	0	0.0%
Occupants per Room – Occupied Housing Units		
Total	3,516	100.0%
1.00 or Less	3,462	98.5%
1.01 to 1.50	12	0.3%
1.51 or More	42	1.2%
Facilities – Total Units		
Total	3,606	100.0%
Lacking complete plumbing facilities	0	0.0%
Lacking complete kitchen facilities	0	0.0%
Telephone Service – Occupied Housing Units		
Total	3,516	100.0%
No Service	32	0.9%

Source: 2023 American Community Survey 5-Year Estimates

EMPLOYMENT DATA

Tables 21, 22, and 23 below detail the changes in employment between the years 2010 and 2023 in Millstone Township, Monmouth County, and New Jersey, respectively. Throughout this thirteen-year period, the Township saw an overall 4.6% decrease in its unemployment rate; although the Township experienced a 4.4% spike in unemployment between 2019 and 2020 due to the COVID-19 pandemic, it has rebounded to a considerably lower unemployment rate in recent years. This overall trend is mirrored at both the County and State level as well, although in comparison the Township has consistently exhibited a lower unemployment rate throughout this time period. In 2023, the Township’s unemployment rate was 3.3%, which was 0.5% lower than the County (3.8%) and 1.1% lower than the State (4.4%).

Table 21: Employment and Residential Labor Force, 2010 to 2023 Millstone Township				
Year	Labor Force	Employment	Unemployment	Unemployment Rate
2010	5,629	5,186	442	7.9%
2011	5,542	5,117	425	7.7%
2012	5,827	5,412	415	7.1%
2013	5,796	5,408	388	6.7%
2014	5,775	5,471	304	5.3%
2015	5,794	5,540	254	4.4%
2016	5,842	5,631	211	3.6%
2017	6,039	5,844	206	3.4%
2018	6,081	5,893	188	3.4%
2019	6,145	6,000	145	2.4%
2020	5,975	5,569	406	6.8%
2021	6,098	5,817	281	4.6%
2022	6,264	6,069	195	3.1%
2023	6,344	6,137	207	3.3%

Source: NJ Dept. of Labor & Workforce Development Labor Force Estimates, Municipal Historical Annual Data, 2010-2023

Table 22: Employment and Residential Labor Force, 2010 to 2023				
Monmouth County				
Year	Labor Force	Employment	Unemployment	Unemployment Rate
2010	329,800	300,400	29,300	8.9
2011	329,000	300,700	28,300	8.6
2012	330,100	301,100	29,000	8.8
2013	326,800	301,600	25,100	7.7
2014	325,700	306,000	19,700	6.1
2015	326,400	309,700	16,700	5.1
2016	327,600	313,200	14,500	4.4
2017	336,200	322,600	13,600	4.0
2018	337,100	325,300	11,900	3.5
2019	342,000	331,700	10,300	3.0
2020	336,900	308,000	28,900	8.6
2021	340,500	321,700	18,800	5.5
2022	347,680	335,679	12,001	3.5
2023	352,981	339,416	13,565	3.8

Source: NJ Dept. of Labor & Workforce Development Labor Force Estimates, County Historical Annual Data, 2010-2023

Table 23: Employment and Residential Labor Force, 2010 to 2023				
New Jersey				
Year	Labor Force	Employment	Unemployment	Unemployment Rate
2010	4,559,778	4,118,982	440,796	9.7
2011	4,561,786	4,134,708	427,078	9.4
2012	4,576,286	4,147,221	429,065	9.4
2013	4,528,019	4,147,661	380,358	8.4
2014	4,493,894	4,191,318	302,576	6.7
2015	4,494,606	4,237,876	256,730	5.7
2016	4,492,821	4,271,201	221,620	4.9
2017	4,614,953	4,406,151	208,802	4.5
2018	4,604,787	4,420,713	184,074	4.0
2019	4,687,390	4,525,044	162,346	3.5
2020	4,638,386	4,200,980	437,406	9.4
2021	4,648,814	4,337,793	311,021	6.7
2022	4,736,213	4,552,563	183,650	3.9
2023	4,829,671	4,615,722	213,949	4.4

Source: NJ Dept. of Labor & Workforce Development Labor Force Estimates, State Historical Annual Data, 2010-2023

Employment Status

It is estimated that nearly two-thirds (66%) of Millstone Township’s population over the age of 16 was in the labor force in 2020, which was slightly lower than the County’s rate of 66.7%. Of the Township’s labor force, 99.6% of workers were civilians and a vast majority (97.4%) were employed. At the County level, 99.9% of workers were civilians and 94.6% of the labor force was employed, indicating that the Township and County exhibited similar trends. This data is shown in Table 24 below.

Table 24: Employment, 2023 Millstone Township and Monmouth County						
	Millstone Township			Monmouth County		
	Number	% of 16+ Population	% of Labor Force	Number	% of 16+ Population	% of Labor Force
Population 16 years and over	8,898	100.0%	-	526,352	100.0%	-
In labor force	5,873	66.0%	100.0%	349,815	66.5%	100.0%
Civilian Labor Force	5,849	65.7%	99.6%	349,355	66.4%	99.9%
Employed	5,719	64.3%	97.4%	331,018	62.9%	94.6%
Unemployed	130	1.5%	2.2%	18,337	3.5%	5.2%
Armed Forces	24	0.3%	0.4%	460	0.1%	0.1%
Not in labor force	3,025	34.0%	-	176,537	33.5%	-

Source: 2023 American Community Survey 5-Year Estimates

Class of Worker and Occupation

According to the 2023 American Community Survey Estimates, most workers (77.9%) living in Millstone Township were a part of the private wage and salary worker group. This group includes people who work for wages, salary, commission, and tips for a private for-profit employer or a private not-for-profit, tax-exempt or charitable organization. The next largest category was state government workers (8.3%), followed by those who were local government workers (5.6%). This data is outlined in Table 25 below.

Table 25: Class of Worker, 2023 Millstone Township		
	Number	Percent
Employed Civilian Population 16 Years and Over	5,719	100.0%
Private Wage and Salary Worker	4,454	77.9%
Local Government Worker	322	5.6%
State Government Worker	475	8.3%
Federal Government Worker	122	2.1%
Self-Employed Worker or Unpaid Family Worker	97	1.7%

Source: 2023 American Community Survey 5-Year Estimates

The occupational breakdown shown in Table 26 below includes only private wage and salary workers. Township residents who worked within the private wage field were concentrated heavily in Management, Business, Science, and Arts occupations as well as Sales and Office occupations. Collectively, the two fields accounted for just under 78% of the entire resident workforce over the age of 16.

Table 26: Resident Employment by Occupation, 2023 Millstone Township		
	Number	Percent
Employed Civilian Population 16 Years and Over	5,719	100.0%
Management, business, science and arts occupations	3,245	56.7%
Service occupations	470	8.2%
Sales and office occupations	1,214	21.2%
Natural resources, construction and maintenance occupations	502	8.8%
Production Transportation and material moving occupations	288	5.0%

Source: 2023 American Community Survey 5-Year Estimates

As portrayed in Table 27, the industry that employed the greatest number of Millstone Township residents in 2023 was the Professional, Scientific, and Management, and Administrative and Waste Management Services sector, which accounted for 21% of the Township’s resident workforce. The second most common industry during this time was the Educational Services, and Health Care and Social Assistance sector, which accounted for 18% of the Township’s resident workforce.

Table 27: Employment by Industry, 2023 Millstone Township		
Industry	Number	Percent
Employed Civilian Population 16 Years and Over	5,719	100.00%
Agriculture, forestry, fishing and hunting, mining	54	0.9%
Construction	475	8.3%
Manufacturing	426	7.4%
Wholesale Trade	322	5.6%
Retail Trade	725	12.7%
Transportation and Warehousing, and Utilities	140	2.4%
Information	164	2.9%
Finance and insurance, and real estate and rental and leasing	552	9.7%
Professional, scientific, and management, and administrative and waste management services	1,201	21.0%
Educational services, and health care and social assistance	1,032	18.0%
Arts, entertainment, and recreation, and accommodation and food services	192	3.4%
Other Services, except public administration	161	2.8%
Public administration	275	4.8%

Source: 2023 American Community Survey 5-Year Estimates

Commuting to Work

In 2023, it is estimated that over two-thirds (70.1%) of the employed population that did not work from home commuted over 30 minutes to their place of work. A vast majority (72.1%) of the Township’s working population drove alone as their primary means of travel to work. Roughly 10.2% of workers carpooled, utilized public transportation, a taxicab, motorcycle, bike, or other means of transportation, or walked to commute to work, while the remaining 17.7% of the population worked from home. This data is outlined in Tables 28 and 29 below.

Table 28: Travel Time to Work, 2023 Millstone Township		
	Number	Percent
Workers who did not work at home	4,558	100.0%
Less than 5 minutes	126	2.8%
5 to 9 minutes	143	3.1%
10 to 14 minutes	208	4.6%
15 to 19 minutes	177	3.9%
20 to 24 minutes	440	9.7%
25 to 29 minutes	267	5.9%
30 to 34 minutes	499	10.9%
35 to 39 minutes	378	8.3%
40 to 44 minutes	754	16.5%
45 to 59 minutes	729	16.0%
60 to 89 minutes	638	14.0%
90 or more minutes	199	4.4%
Mean Travel Time to Work (minutes)	39	

Source: 2023 American Community Survey 5-Year Estimates

Table 29: Means of Travel to Work, 2023 Millstone Township		
	Number	Percent
Workers 16 years and over	5,538	100.0%
Car, truck, van - Drove Alone	3,994	72.1%
Car, truck, van - Carpooled	278	5.0%
Public Transportation	75	1.4%
Walked	41	0.7%
Taxicab, Motorcycle, Bike, or Other	170	3.1%
Worked at home	980	17.7%

Source: 2023 American Community Survey 5-Year Estimates

Covered Employment

There is currently very limited information available on actual job opportunities within municipalities. The Department of Labor and Workforce Development collects information on covered employment, which is employment and wage data for private employees covered by unemployment insurance. The following table provides a snapshot of private employers located within Millstone Township. The first table reflects the number of jobs covered by private employment insurance from 2013 through 2023.

According to data from the New Jersey Department of Labor and Workforce Development, the highest number of jobs covered in Millstone between 2013 and 2023 was in 2023 when 2,673 jobs were covered by unemployment insurance. Private employment has seen fluctuations in Millstone since 2013, with its largest loss occurring between 2019 and 2020 (-9.3%), and largest gain occurring between 2018 and 2019 (16.9%). Millstone Township experienced a gain of 137 jobs in 2023, representing an increase of 5.4% from 2022.

Table 30: Private Wage Covered Employment 2013 - 2023			
Millstone Township			
Year	Number of Jobs	# Change	% Change
2013	1,710	-	-
2014	1,841	131	7.7%
2015	1,927	86	4.7%
2016	2,011	84	4.4%
2017	1,959	-52	-2.6%
2018	1,938	-21	-1.1%
2019	2,266	328	16.9%
2020	2,056	-210	-9.3%
2021	2,276	220	10.7%
2022	2,536	260	11.4%
2023	2,673	137	5.4%

Source: NJ Dept. of Labor & Workforce Development Labor Force Estimates 2013-2023

In-Township Establishments and Employees by Industry: 2022

Table 31 below depicts the average annual number of establishments and employees by industry sector that exist within the Township, as reported in the Quarterly Census of Employment and Wages (QCEW) published by the New Jersey Department of Labor and Workforce Development (NJDLWD). The QCEW provides a quarterly accounting of employment, establishments, and wages throughout the State of New Jersey, and accounts for over 95% of available jobs in the state. The annual municipal reports group data according to the North American Industry Classification System (NAICS). The QCEW considers an establishment to be a single economic unit, which is located at one physical location and engaged in one type of economic activity. The NJDLWD specifies that establishments differ from firms or companies in the sense that the latter can have multiple establishments.

In 2023, the Township had an annual average of 329 establishments employing an average of 2,673 people in the private sector. The Construction sector was the Town's predominant private sector in establishments and those employed, with 73 establishments and 950 people employed. The Other Services was the Township's next predominant private sector in those employed, with 20 establishments and 263 people employed.

Table 31: Average Number of Establishments and Employees by Industry, 2023 Millstone Township			
Industry ID and Description		2023 Average¹	
		Units	Employment
11	Agriculture	.	.
23	Construction	73	950
31	Manufacturing	11	78
42	Wholesale Trade	21	156
44	Retail Trade	24	123
48	Transp/Warehousing	8	51
51	Information	.	.
52	Finance/Insurance	10	108
53	Real Estate	9	20
54	Professional/Technical	20	150
55	Management	.	.
56	Admin/Waste Remediation	34	210
61	Education	4	40
62	Health/Social	24	144
71	Arts/Entertainment	11	141
72	Accommodations/Food	14	128
81	Other Services	20	263
99	Unclassifieds	7	9
	Private Sector Totals	329	2,673
61	Local Government Education	2	245
	Local Government Totals		
	State Government Totals		

Source: NJ Dept. of Labor & Workforce Development Labor Force, Quarterly Census of Employment and Wages (QCEW), Municipal Report by Sector (NAICS Based), 2023

¹ Data has been suppressed (-) for industries with few units or where one employer is a significant percentage of employment or wages of the industry.

Probable Future Employment Opportunities

The North Jersey Transportation Planning Authority (NJTPA) completes regional forecasts for the New York/New Jersey metropolitan area every four years for population, households, and employment. The most recent report was released in 2025, documenting projections between 2020 and 2050. The 2025 report predicts that the Township’s households (0.2%), and employment (0.3%) will see steady annualized growth through 2050, while its population will not see a change. It is estimated that the population will see an overall 1.0% increase, while households will increase by 8.4% and employment will increase by 9.9%.

Table 32: Population and Employment Projections, 2015 to 2050					
Millstone Township					
Category	2015	2050 (Projected)	Annualized Percent Change	Overall Projected Change	
				Number	Percent
Population	10,601	10,711	0.00%	110	1.0%
Households	3,319	3,597	0.20%	278	8.4%
Employment	1,749	1,923	0.30%	174	9.9%

Source: NJTPA Municipal Forecasts, dated 2/10//2025

PART 2: FAIR SHARE PLAN

INTRODUCTION

The following Fair Share Plan (“Plan”) details Millstone’s Prior Round (1987-1999), Third Round (1999-2025), and Fourth Round (2025-2035) Prospective Need obligations, as well as the Township’s Fourth Round Present Need. This Plan proposes mechanisms by which the Township can realistically provide opportunities for affordable housing for those moderate-, low-, and very low- income households.

Millstone Township’s affordable housing obligations are as follows:

Prior Round Obligation	81
Third Round Obligation	231
Fourth Round Prospective Need	98
Fourth Round Present Need / Rehabilitation Obligation	7

The sections below will summarize how the Township satisfied its obligations through Round 3. After that, the Plan will summarize the Township’s obligations for Round 4 and how it is addressing those responsibilities.

REVIEW OF PREVIOUS ROUND COMPLIANCE

As previously noted, Millstone filed a declaratory relief action pursuant to Mount Laurel IV in July of 2015. In that lawsuit, the Township entered into an agreement with FSHC; adopted/endorsed a Housing Element and Fair Share Plan to comply with its agreement and satisfy its responsibilities through Round 3. The Court entered a Judgment of Compliance and Repose formally approving the Township’s obligations through Round 3. As a result, the section below regarding previous round compliance largely summarizes what the Township and its Planning Board did in the GHEFSP the Court approved.

When the Legislature amended the FHA last March, it required an assessment of the degree to which the municipality has met its fair share obligation from the previous rounds in addition to how the municipality would address its additional responsibilities for Round 4. If a previous round obligation remains unfulfilled, or a municipality never received an approval from the court or COAH for any previous round, the municipality shall address such unfulfilled previous round obligation in its Housing Element and Fair Share Plan.

In addressing previous round obligations, the municipality shall retain any sites that, in furtherance of the previous round obligation, are the subject of a contractual agreement with a developer, or for which the developer has filed a complete application seeking subdivision or site plan approval prior to the date by which the Housing Element and Fair Share Plan are required to be submitted, and shall demonstrate how any sites that were not built in the previous rounds continue to present a realistic opportunity.

Prior Round Compliance 1987-1999

The Township had a Prior Round obligation of 81 units. Per the Court-approved Third Round settlement agreement and the Township’s Third Round JOR, Millstone has met their Prior Round obligation through the following mechanisms:

Millstone Township Prior Round Compliance Mechanisms		
Prior Round Obligation: 81	Units	Rental Bonus Credit
Red Valley Road Group Home Block 35, Lot 20.01; 67 Red Valley Road	3	-
Millstone Canwright House Group Home Block 57, Lot 16.01; 25 Burnt Tavern Road	9	9
Indian Path Inclusionary Development Block 20.01, Lots 11 through 16	6	6
Novad House Block 57.01, Lot 2.01; 6 Novad Court	1	1
RCA with Asbury Park	46	-
<i>Sub-Totals</i>	65	16
Prior Round Total	81	

Red Valley Road Group Home

Block 35, Lot 20.01; 67 Red Valley Road

The Red Valley Road Group Home received its first Certificate of Occupancy in 1986 and qualifies for credits under Prior Cycle credits. The facility, which operates as a Licensed Group Home under the Division of Developmental Disabilities, was originally constructed with three (3) bedrooms and expanded in 2018 with the construction of two (2) additional bedrooms. The facility is in operation in accordance with applicable covenants and restrictions.

The Township received three (3) credits from the Red Valley Group Home toward its Prior Round obligation. All associated deeds and documentation can be found in the appendix of the Township’s Court-approved Third Round Housing Element and Fair Share Plan, adopted June 14, 2023.

Millstone Canwright House Group Home

Block 57, Lot 16.01; 25 Burnt Tavern Road

The Millstone Canwright House Group Home received a Certificate of Occupancy on April 4, 2006 for a maximum occupancy of 12 units, although the site is currently in operation with 11 units. The property is subject to a number of restrictions. The first being a 50-year lease, beginning January 3, 2003, between the Township of Millstone and the Monmouth Housing Alliance (now the Affordable Housing Alliance) for use by the Monmouth Housing Alliance as a property for low- and moderate-income residents. The second restriction is a Deed of Easement and Restrictive Covenant and Extended Low and Moderate Income Occupancy for a period of 30 years, beginning July 1, 2005. The third restriction is a Declaration of Covenants and Restrictions from the Monmouth Housing Alliance to the NJ Department of Community

Affairs restricting the rental of the housing units to low- and moderate-income households for a period of 30 years beginning July 1, 2005.

The Township received nine (9) credits from the Millstone Canwright House Group Home toward its Prior Round obligation. All associated deeds and documentation can be found in the appendix of the Township's Court-approved Third Round Housing Element and Fair Share Plan, adopted June 14, 2023.

Indian Path Inclusionary Development

Block 20.01, Lots 11 through 16; Moccasin Court

The Indian Path Apartments were part of a subdivision approved by the Millstone Planning Board in 1988 that created 86 market rate for-sale family units and six (6) affordable for-sale family units. A 20-year deed restriction on the affordability controls for the six affordable units was established in a Declaration of Restrictive Covenants, dated March 19, 1990. The 20-year control period began shortly thereafter at the issuance of the Certificate of Occupancy for each unit. The restriction period ended on June 11, 2009. A Release of Affordability Controls was dated September 10, 2010, releasing the six (6) units from their deed restrictions.

The Township received six (6) credits from the Indian Path Apartments towards its Prior Round obligation. All associated deeds and documentation can be found in the appendix of the Township's Court-approved Third Round Housing Element and Fair Share Plan, adopted June 14, 2023.

Novad House

Block 57.01, Lot 2.01; 6 Novad Court

The Novad House property is owned by Millstone Township but operated and administered by the Affordable Housing Alliance pursuant to a 50-year lease executed with the Township on January 6, 2003. The property received a Certificate of Occupancy on March 28, 2003 for a single rental unit, and its deed restriction began on June 26, 2003.

The Township received one (1) unit of credit from the Novad House toward its Prior Round Obligation. All associated deeds and documentation can be found in the appendix of the Township's Court-approved Third Round Housing Element and Fair Share Plan, adopted June 14, 2023. See further discussion of the status of this site under the Third Round discussion of 6 Novad Court.

Regional Contribution Agreement with Asbury Park

In the Prior Round, municipalities could enter into Regional Contribution Agreements (RCA) with another municipality in the same housing region. The program allowed one municipality ("sending" municipality) to pay a fee to another municipality ("receiving" municipality), which would agree to provide affordable housing units that fulfilled up to half of the sending municipality's COAH obligation. When the legislature amended the Fair Housing Act (FHA) in July 2008, it removed the RCA program as a permitted option for municipal compliance with the FHA.

The Township of Millstone entered into an RCA with the City of Asbury Park on September 20, 2000. As part of this agreement, Millstone was able to transfer 46 units of its low- and moderate-income housing obligation to Asbury Park with the agreement to pay \$20,000 per unit of housing transferred. Asbury Park was able to rehabilitate up to 46 units of housing. The Township received 46 credits for the RCA.

The Township received credit for 46 units of credit from the RCA program, applied to its Prior Round obligation. All associated documentation can be found in the appendix of the Township's Court-approved Third Round Housing Element and Fair Share Plan, adopted June 14, 2023.

Third Round Compliance

The Township had a Third Round obligation of 231 units. Per the Court-approved Third Round settlement agreement and the Township's Third Round JOR, Millstone has met their Third Round obligation through the following mechanisms:

Third Round Obligation: <u>231</u>	Total AH Units	Rental Bonus Credit
Millstone Road Group Home (3 carried over from Prior) Block 51, Lot 8.06; 417 Millstone Road	5	-
Red Valley Road Group Home Expansion Block 35, Lot 20.01; 67 Red Valley Road	2	-
Indian Path Apartments Inclusionary Expansion Block 20.01, Lots 11 through 16	2	-
Millstone Canwright House (carry over) Block 57, Lot 16.01; 25 Burnt Tavern Road	2	-
Group Home I Block 57, Lot 16.02; 31 Burnt Tavern Road	6	-
Group Home II Block 57.01, Lot 20.02; 8 Novad Court	6	-
Allen House I Block 35, Lot 13.03; 477 Stagecoach Road	10	-
Allen House II Block 35, Lot 15; 471 Stagecoach Road	10	-
Burnt Tavern Apartments Block 57, Lot 14.03; 17 Burnt Tavern Road	4	4
6 Novad Court Block 57.01, Lot 20.01; 6 Novad	2	-
CKV – Block 57, Lot 16.03; 27 Burn Tavern Road	66	10
Baldachino (Hexa) Block 19, Lot 11; 711 Perrineville Road	48	44
Affordable Accessory Apartment Overlay	10	-
<i>Sub-Totals</i>	173	58
Third Round Total	231	

Millstone Road Group Home – Constructed**Block 51, Lot 8.06; 417 Millstone Road**

The Millstone Road Group Home is a Licensed Group Home under the Division of Developmental Disabilities that has been in operation since 1984, qualifying as Prior Cycle credits. The property is owned by Everas Community Services, Inc., and was acquired by deed from CPC Behavioral Healthcare, Inc., dated October 14, 2015. Originally constructed with three (3) very-low-income bedrooms, the facility expanded in 2018, constructing two (2) additional bedrooms. The facility is in operation in accordance with the applicable covenants and restrictions. The development was originally attributed to the Prior Round but because there were excess credits attributed to that round, all five (5) credits were carried forward to the Third Round.

The Township was approved to apply all five (5) units toward its Third Round obligation. All associated documentation can be found in the appendix of the Township's Court-approved Third Round Housing Element and Fair Share Plan, adopted June 14, 2023.

Red Valley Road Group Home - Constructed**Block 35, Lot 20.01; 67 Red Valley Road**

The Township received credit toward its Third Round obligation for the two (2) additional units that were constructed at the Red Valley Road Group Home in 2018. All associated deeds and documentation can be found in the appendix of the Township's Court-approved Third Round Housing Element and Fair Share Plan, adopted June 14, 2023.

Indian Path Inclusionary Development - Constructed**Block 20.01, Lots 11 through 16; Moccasin Court**

On September 9, 2019, the owner of two of the original six units executed a Deed to Extend Expiring Affordable Housing Restrictions for 30 years. One of such units is a rental unit and the other is a for sale unit. The Township received credit toward its Third Round obligation for the two units with extended controls. All associated deeds and documentation can be found in the appendix of the Township's most recent Court-approved Third Round Housing Element and Fair Share Plan, adopted June 14, 2023.

Millstone Canwright House Group Home - Constructed**Block 57, Lot 16.01; 25 Burnt Tavern Road**

The Township received credit toward its Third Round obligation for the remaining two (2) units from the Millstone Canwright House Group Home. All associated deeds and documentation can be found in the appendix of the Township's Court-approved Third Round Housing Element and Fair Share Plan, adopted June 14, 2023.

Group Home I - Constructed**Block 57, Lot 16.02; 31 Burnt Tavern Road**

Group Home I is located at 31 Burnt Tavern Road in the southwesterly portion of the Township. The property is designated as Lot 16.02 of Block 57 of the Township's Official Tax Map, within the BP Business Park Zone. The development includes six (6) bedrooms and is deed restricted for a period of 30 years (2013 to 2043). The property was originally acquired by Millstone Township in 2003 and subsequently conveyed to the AHA in 2008, at the same time that the Township conveyed the property now being used for the Millstone Canwright House (Block 57, Lot 16.01). The facility is operating under the terms of the original 50-year lease agreement between the AHA and the Township, which includes a use restriction. The facility is in operation in accordance with the applicable covenants and restrictions.

The Township applied all six (6) credits from Group Home I toward its Third Round obligation. All associated deeds and documentation can be found in the appendix of the Township's Court-approved Third Round Housing Element and Fair Share Plan, adopted June 14, 2023.

Group Home II - Constructed**Block 57.01, Lot 20.02; 8 Novad Court**

Group Home II is located at 8 Novad Court in the southwesterly portion of the Township. The property is designated as Lot 20.02 of Block 57.01 of the Township's Official Tax Map, within the BP Business Park Zone. Group Home II is a six-bedroom group home facility for very-low-income individuals. The property was acquired by Millstone Township and subsequently conveyed to the AHA in 2013. A 30-year deed restriction is in place, running from 2013 through 2043.

The Township applied all six (6) credits from Group Home II toward its Third Round obligation. All associated deeds and documentation can be found in the appendix of the Township's Court-approved Third Round Housing Element and Fair Share Plan, adopted June 14, 2023.

Allen House I - Constructed**Block 35, Lot 13.03; 477 Stagecoach Road**

The Allen House I property is a 4.4-acre parcel located at 477 Stagecoach Road in the central portion of the Township. The property is designated as Block 35, Lot 13.03 of the Township's Official Tax Map, located within NC Neighborhood Commercial Zone, and contains 10 age-restricted affordable rental units. The property was acquired by Millstone Township in 2006 and subsequently transferred to the Allen House Inc. in 2014. The development is a 100% affordable development that was constructed in cooperation with the AHA.

Five (5) of the units are occupied by very-low-income households and five (5) units are occupied by low-income households. The deed associated with this property restricts the use of the property to age-restricted affordable residences. The property is also subject to a HUD Capital Advance Program Use Agreement, dated September 14, 2014, requiring the property to be operated only as rental housing for very-low-income elderly or disabled persons for a period of 40 years.

The Township applied all 10 credits toward its Third Round obligation. All associated deeds and documentation can be found in the appendix of the Township's Court-approved Third Round Housing Element and Fair Share Plan, adopted June 14, 2023.

Allen House II – Under Construction**Block 35, Lot 15; 471 Stagecoach Road**

Allen House II is located on a 2.6-acre lot at 471 Stagecoach Road adjacent to Allen House I. The property is designated as Block 35, Lot 15 on the Township's Official Tax Map within the NC Neighborhood Commercial Zone. The development broke ground in May 2024 and is expected to have its final Certificate of Occupancy by the end of summer 2025. Allen House II will consist of 10 age-restricted affordable rental units consisting of five (5) low-income and five (5) moderate-income units. The property was acquired by

Millstone Township in 2016 and will be developed in cooperation with Allen House Inc. and the AHA. As of the writing of this plan, the AHA has begun marketing the units to qualified households.

The Township applied all 10 credits toward its Third Round obligation. All associated deeds and documentation can be found in the appendix of the Township's Court-approved Third Round Housing Element and Fair Share Plan, adopted June 14, 2023.

Burnt Tavern Apartments - Constructed

Block 57, Lot 14.03; 17 Burnt Tavern Road

The Burnt Tavern Apartments is a 3.44-acre parcel located at 17 Burnt Tavern Road in the southwesterly portion of the Township and is developed with four (4) affordable family rental units. The property is designated as Block 57, Lot 14.03 of the Township's Official Tax Map, within the NC Neighborhood Commercial Zone. The property was acquired by the Township in 2008 and was transferred to the AHA in 2018. The project received site plan approval from the Millstone Township Planning Board on July 12, 2017. Construction of the Burnt Tavern Apartments was completed in the fall of 2020. The project is funded by National Stabilization Trust Funds (NSTF) awarded by the NJ Department of Community Affairs (DCA). The property contains a deed restriction, restricting the use for affordable housing for a period of 30 years.

The Township received credit for all four (4) units of the Burnt Tavern Apartments plus 4 credits of bonus credit, applied toward its Third Round obligation. All associated deeds and documentation can be found in the appendix of the Township's Court-approved Third Round Housing Element and Fair Share Plan, adopted June 14, 2023.

6 Novad Court – Under Construction

Block 57.01, Lot 20.01; 6 Novad

6 Novad Court is located on Block 57.01, Lot 20.01 on the Township's Official Tax Map. The property is the same site that is identified as "Novad Court" in the Township's Prior Round compliance mechanisms. After the previous tenant passed away, the site was vacated, and on October 12, 2022, the property received approval from the Township Planning Board to construct three (3) affordable family rental units on the site, replacing the one-unit Prior Round development. One of the new units was applied to the Prior Round to replace the demolished unit. The property is owned by Millstone Township but will be operated and administered by AHA pursuant to a long-term lease with the Township. The site is currently under construction with completion anticipated in mid-summer 2025.

The Township applied the remaining two (2) units towards its Third Round obligation. The original deed for 6 Novad was filed incorrectly identifying the development as age-restricted. A corrective deed has been filed confirming the development is not age-restricted. The corrective deed can be found in Appendix G of this Plan. All other associated documentation can be found in the appendix of the Township's Court-approved Third Round Housing Element and Fair Share Plan, adopted June 14, 2023.

CKV – Approvals Secured**Block 57, Lot 16.03; 27 Burn Tavern Road**

The CKV property is a 13.8-acre parcel located at 27 Burnt Tavern Road in the southwesterly portion of the Township. The site is proposed to be developed with 66 affordable rental units and one (1) unit that will be occupied by a superintendent for the project.¹ The property is designated as Lot 16.03 in Block 57 of the Township's Official Tax Map, within the BP Business Park Zone. A 30-year deed restriction will be placed on the 66 affordable units once construction is completed. The property is currently owned by the Township but will be deeded over to the AHA by summer 2025.

The development received site plan approval from the Millstone Township Planning Board on July 10, 2024. The AHA has been vigorously processing applications for agency approvals for water, wastewater, stormwater management, and funding. Approvals already secured include NJDEP NJPDES, water use, and freshwater approvals.

The Township received credit for the 66 units from CKV plus 10 bonus credits, applied towards its Third Round obligation. Documentation for the CKV project can be found in Appendix H of this Plan.

Baldacino (Hexa) – Approvals Secured**Block 19, Lot 11; 711 Perrineville Road**

The inclusionary development, known by the applicant's name of "Hexa," is proposed to be constructed on a 36.39-acre lot located on Perrineville Road in the northeasterly portion of the Township. The property is designated as Lot 19 in Block 11 of the Township's Official Tax Map, formerly within the RU-P Rural Preservation Zone. On April 24, 2018, the property owner, Gerald Baldacino expressed interest in developing the property with an inclusionary housing development to assist the Township in satisfying their Third Round affordable housing obligation. The property was rezoned to the Rural Multi-Family Zone to accommodate the required density of development for this project. The development received preliminary major site plan approval for 122 market-rate units and 48 affordable rental family units on January 11, 2023. The affordable units will be provided as six (6) very low-, 18 low-, and 24 moderate-income units.

Since the January 2023 preliminary site plan approval, the applicant has been in the process of seeking outside agency approvals, including the NJ DEP, Monmouth County, and the Delaware and Raritan Canal Commission (DRCC). As of the writing of this Plan, the applicant has received final approvals from relevant agencies sufficient for the Board to grant Final Site Plan approval, which was granted at a special hearing of the Planning Board on May 13, 2025. This Plan notes that the environmental issues present on the site resulted in the need for permits and approvals of multiple outside agencies, which in turn substantially delayed the process in receiving Final Site Plan approval.

¹ It is noted that the concept plan attached in Appendix Q identifies 67 units as one of the units will be reserved for a superintendent and will not be affordable.

The applicant received credit for the 48 units that will be produced by the Hexa development, as well as 44 rental bonus credits, applied towards its Third Round obligation. Pursuant to the settlement agreement, a 30-year deed restriction will be filed for all affordable units once construction nears completion. Documentation for the Hexa development can be found in Appendix I of this Plan.

Because the Hexa inclusionary development is not constructed as of the date of this Plan, the below provides an updated site suitability analysis, based on the best and most up-to-date data, to confirm the project remains viable. The site meets the suitability criteria as follows:

- *Available:* The owner of the property has agreed to dedicate the site to the Township for development as an affordable housing unit. The site has no easements or title issues preventing its development.
- *Suitable:* The site is located near other residential properties and neighborhoods and has direct access onto Perrineville Road.
- *Developable:* While wetlands exist toward the rear of the site, the development proposal is able to accomplish the density without disturbing the wetland area or buffers. An on-site package treatment plant has been proposed, and the applicant has secured necessary approvals from the NJDEP and the Delaware Raritan Canal Commission.
- *Approvable:* This site received Preliminary Major Site Plan approval from the Township Planning Board in January 2023, and recently secured Final Major Site Plan approval on May 13, 2025.

FOURTH ROUND OBLIGATION

The amended FHA called on the DCA to issue a non-binding report on the new Present Need Obligation (commonly referred to as the rehabilitation obligation) and the Prospective Need for Round 4 and subsequent rounds. The amended FHA requires the DCA to base its analysis of the obligations for each municipality based upon the standards set forth in the amended FHA.

On October 18, 2024, the New Jersey Department of Community Affairs (“DCA”) released a report outlining the Fourth Round (2025-2035) Fair Share methodology and its calculations of present need and prospective need low- and moderate-income obligations for each of the State’s municipalities. The obligations were calculated in alignment with the formulas and criteria found in P.L.2024, c.2. The DCA calculated a Present Need obligation for the Township of 7 units, and a Prospective Need obligation of 98 units.

The amended Fair Housing Act affirms that the DCA report is not binding on any municipality and that “a municipality shall determine its present and prospective fair share obligation for affordable housing in accordance with the formulas established in sections 6 and 7 of P.L.2024, c.2...by resolution...”

On January 21, 2025 the Township Committee adopted a binding resolution (Resolution 25-62, see Appendix E) committing to the numbers reported by the DCA: Present Need (also known as its

Rehabilitation Obligation) of 7 and Round 4 Prospective Need obligations of 98. The Township then filed a Complaint (Docket No. MON-L-000189-25) seeking the right to secure approval of a Housing Element and Fair Share Plan based on these numbers (Appendix E).

[Addressing Present Need / Rehabilitation Obligation](#)

The Township intends to address its 7-unit Fourth Round Rehabilitation Obligation through its continued partnership with the Affordable Housing Alliance. On January 2, 2020, the Township entered into an agreement with the AHA to manage a Township-wide rehabilitation program. The AHA began affirmatively marketing the program in Spring 2020 and has continued to manage the program ever since.

Since AHA began running the rehabilitation program, six (6) units have been fully rehabilitated. Another two projects are about to begin and a third project has an approved applicant and the AHA gone out to bid on a contractor. Therefore, it is evident that the Township's proposed plans for a rehabilitation program for seven units in the future are well-founded.

[Addressing the Prospective Need](#)

The amended Fair Housing Act establishes a number of standards applicable for a municipality to comply with its obligations for Round 4 and beyond. Those standards are summarized below.

[Age-Restricted Housing](#)

A municipality may not satisfy more than 30% of the affordable units, exclusive of bonus credits, to address its prospective need affordable housing through the creation of age-restricted housing.

[Special Needs Housing](#)

The Amended Fair Housing Act incentivizes the provision of special needs housing by offering one bonus for each bedroom in a special needs facility.

[Transitional Housing](#)

Transitional housing units, which will be affordable for persons of low- and moderate-income, were not previously categorized by the Fair Housing Act as a standalone housing type. The amended legislation includes such transitional housing units as a new category which may be included in the HEFSP and credited towards the fulfillment of a municipality's fair share obligations. This is limited to a maximum of 10% of the municipality's obligations, however.

[Veterans Housing](#)

Up to 50% of the affordable units in any particular project may be prioritized for low- and moderate-income veterans.

[Families with Children](#)

A minimum of 50% of a municipality's actual affordable housing units, exclusive of bonus credits, must be made available to families with children.

Rental Units

A minimum of 25% of a municipality's actual affordable housing units, exclusive of bonus credits, shall be satisfied through rental units. At least half of that number shall be available to families with children.

Very-Low Income Requirement

At least 13% of the housing units made available for occupancy by low-income and moderate-income houses shall be reserved for low-income households earning 30% or less of the median income pursuant to the Fair Share Housing Act, N.J.S.A. 52:27D-301, et seq. Half of the very low-income units will be made available to families with children.

Low/Moderate Income Split

At least 50% of the units addressing the Township's obligation shall be affordable to very-low income and low-income households, and the remaining may be affordable to moderate-income households.

Affordability Controls

Newly created rental units shall remain affordable to low-and moderate-income households for a period of not less than 40 years, 30 years for for-sale units, and 30 years for housing units for which affordability controls are extended for a new term of affordability, provided that the minimum extension term may be limited to no less than 20 years as long as the original and extended terms, in combination, total at least 60 years.

Affirmative Marketing

The affordable units shall be affirmatively marketed in accordance with UHAC and applicable law, to include the community and regional organizations identified in the agreement as well as the posting of all affordable units on the New Jersey Housing Resource Center website in accordance with applicable law.

Uniform Housing Affordability Controls (UHAC)

All affordable units created through the provisions of this Plan shall be developed in conformance with the Uniform Housing Affordability Controls (UHAC) pursuant to N.J.A.C. 5:80-26.1 et seq. as amended.

Unit Adaptability

All new construction units shall be adaptable in conformance with P.L.2005, c.250/N.J.S.A. 52:27D-311a and -311b and all other applicable laws.

Bonus Credits

Bonus credits shall not exceed 25% of a municipality’s prospective need obligation, nor shall a municipality receive more than one type of bonus credit for any one unit. Bonus credits may be granted on the following schedule:

Unit Type	Unit Credit	Bonus Credit
Each unit of low- or moderate-income housing for individuals with special needs or permanent supportive housing, as those terms are defined in section 2 of P.L. 2004, c.70 (C.34:1B-21.24).	1	1
Each low- or moderate-income ownership unit created in partnership sponsorship with a non-profit housing developer.	1	0.5
Each unit of low- or moderate-income housing located within a one-half mile radius, or one-mile radius for projects located in a Garden State Growth Zone, as defined in section 2 of P.L.2011, c.149 (C.34:1B-243), surrounding a New Jersey Transit Corporation, Port Authority Transit Corporation, or Port Authority Trans-Hudson Corporation rail, bus, or ferry station, including all light rail stations. ¹	1	0.5
A unit of age-restricted housing, provided that a bonus credit for age-restricted housing shall not be applied to more than 10 percent of the units of age-restricted housing constructed in compliance with the Uniform Housing Affordability Controls promulgated by the New Jersey Housing and Mortgage Finance Agency in a municipality that count towards the municipality’s affordable housing obligation for any single 10-year round of affordable housing obligations.	1	0.5
A unit of low- or moderate-income housing constructed on land that is or was previously developed and utilized for retail, office, or commercial space.	1	0.5
Each existing low- or moderate-income rental housing unit for which affordability controls are extended for a new term of affordability, in compliance with the Uniform Housing Affordability Controls promulgated by the New Jersey Housing and Mortgage Finance Agency, and the municipality contributes funding towards the costs necessary for this preservation.	1	0.5
Each unit of low- or moderate-income housing in a 100 percent affordable housing project for which the municipality contributes toward the costs of the project. ²	1	1
Each unit of very low-income housing for families above the 13 percent of units required to be reserved for very low-income housing pursuant to section 7 of P.L.2008, c.46 (C.52:27D-329.1).	1	0.5
Each unit of low- or moderate-income housing created by transforming an existing rental or ownership unit from a market rate unit to an affordable housing unit. ³	1	1

¹ The distance from the bus, rail, or ferry station to a housing unit shall be measured from the closest point on the outer perimeter of the station, including any associated park-and-ride lot, to the closest point of the housing project property.

² This contribution may consist of: (a) real property donations that enable siting and construction of the project or (b) contributions from the municipal affordable housing trust fund in support of the project, if the contribution consists of no less than three percent of the project cost.

³ A municipality may only rely on this bonus credit as part of its fair share plan and housing element if the municipality demonstrates that a commitment to follow through with this market to affordable agreement has been made and: (a) this agreement has been signed by the property owner; or (b) the municipality has obtained ownership of the property.

The Township proposes to meet its entire Fourth Round Prospective Need obligation of 98 units as efficiently as possible, which is why the plan does not rely on traditional inclusionary zoning and instead relies on 100 percent affordable projects. The history of affordable housing has recognized that there are many different avenues to satisfy a municipal obligation, and the Township is applying a strategy to utilize 100% affordable developments because of its particular characteristics, making it the best mechanism to pursue. The remainder of this plan goes into further detail regarding this position.

The Township seeks to address its 98-unit Prospective Need obligation through 3 projects: (1) Shu Lee; (2) Allen House; and (3) 329 Red Valley Road. A more detailed explanation of these projects follows.

Shu Lee – Proposed 100% Affordable Family

The project known as “Shu Lee” was a component of previous Millstone housing plans. However, given the anticipated timelines for various 100% projects within the Township, it was determined in the June 14, 2023 Housing Element and Fair Share Plan that the Shu Lee project would be pushed to the Township’s Fourth Round Plan.

The Shu Lee property is a 7.3-acre parcel at 14 Novad Court in the southwesterly portion of the Township. The property is designated as Lot 21.02 in Block 57.01 on the Township’s Official Tax Map, within the R-130 Residential Zone. Because the developers of the site, the Affordable Housing Alliance, intend to seek out funding from the State’s Affordable Housing Trust Fund, as indicated below, the site is proposed to be developed with 25 affordable family rental apartments. It is noted that the current allocation of the State’s Trust Fund will support developments of 25 units or less. The development is expected to provide 4 very-low-, 9 low-, and 12 moderate-income units with a deed restriction for a minimum of 40 years.

The property has been under Township ownership since 2010. As was discussed in the Township’s Third Round HEFSP, the property will ultimately be transferred to the AHA, who will be responsible for monitoring construction.

AHA intends to utilize HUD 202 funding, Federal Home Loan Bank (FHLB), National Stabilization Trust Funds (NSTF), the New Jersey Affordable Housing Trust Fund administered by the DCA, and/or State “HOME” funds or LIHTCs to fund the project. The AHA will additionally seek, and the Township has agreed to, \$1.5 million from the Township’s Affordable Housing Trust Fund to support the development of the on-site treatment plant. AHA has prepared a pro forma, and a concept site plan has been prepared by the Township Engineer, Leon S. Avakian, Inc.

The AHA has a proven track record within Millstone for successfully developing 100% affordable developments. As of the writing of this Plan, the Affordable Housing Alliance has successfully developed and now manages 38 affordable units and two group homes (with a total of 12 bedrooms) within Millstone. These developments, which are discussed earlier in this Plan, include the Millstone Canwright House, Novad House, Allen House I, Allen House II, the Burnt Tavern Apartments, Group Home I, and Group Home

II. An additional 66 units within the CKV site are about to begin construction, which will bring the total number of affordable units constructed and managed by the AHA to 104 plus 12 group home bedrooms.

The Township will apply all 25 units plus 24 bonus credits² (for a total of 49 credits) towards its Fourth Round obligation. Documentation associated with the Shu Lee property can be found in Appendix J of this Plan.

The site meets the suitability criteria as follows:

- *Available:* The property is Township-owned with no encumbrances precluding low- and moderate-income development. The deed restriction will be recorded to reflect 25 apartment units and will be 100% available for low- and moderate-income tenants for a minimum affordability restriction term of 40 years.
- *Suitable:* The property is surrounded by residential uses and is close in proximity to commercial uses, including shopping areas, convenience stores, and restaurants. The development will have access to an existing right-of-way, Novad Court.
- *Developable:* Water and sewer service will be provided by on-site well and wastewater treatment. The property is within Flood Hazard Area X, an area of minimal flooding. As shown in the map on the following page, the property is encumbered by wetlands and transition area on its northeasterly portion. However, as shown on the concept plan provided in Appendix J, the proposed development will be outside of the wetland and buffer areas.
- *Approvable:* Pursuant to Ordinance No. 15-8, municipally sponsored affordable housing is permitted in all zones in the Township. The project will require subdivision and site plan approval by the Planning Board. Approval by the Monmouth County Soil Conservation District will also be required. It is anticipated the necessary approvals will be granted.

² The Township will apply bonus credits under the following category: "Each unit of low- or moderate-income housing in a 100 percent affordable housing project for which the municipality contributes toward the costs of the project" as the Township will be contributing land and funding for the project.



Allen House III - 453 Stagecoach Road – Proposed 100% Affordable Age-Restricted

453 Stagecoach Road (Block 51 Lot 1 on the Township's tax maps) is an approximate 1.1-acre property located in the NC Neighborhood Commercial Zoning District. The property is currently for-sale, and the Township has authorized the use of affordable housing trust funds to purchase the site and dedicate it to the production of affordable housing.

Once acquired, the Township intends to deed the site over to the Affordable Housing Alliance so that they can construct the third phase of the Allen House developments. The Township is in active discussion with the AHA regarding this development. As discussed under the Shu Lee development, the AHA has an established history of successfully acquiring funding, and then designing, developing, and managing 100% affordable developments within Millstone.

As previously discussed in this Plan, the developments known as Allen House I and Allen House II are located less than half a mile away on Stagecoach Road and each contain 10 age-restricted affordable units that were developed and are now managed by the AHA. Proposed Allen House III will also contain 10 age-restricted affordable units. The AHA has indicated they are open and interested in developing 453 Stagecoach Road in a similar manner to Allen House I and II. If for any reason, discussions with the AHA regarding the development of this site do not proceed, the Township will issue a Request for Proposal to seek another qualified developer.

The site is suitable for the development of affordable housing:

- *Available:* The property will be Township-owned with no encumbrances precluding low- and moderate-income development. The deed restriction will be recorded to reflect 10 age-restricted affordable units and will be 100% available for low- and moderate-income tenants for a minimum affordability restriction term of 40 years.
- *Suitable:* The property is surrounded by residential uses and is close in proximity to the municipal building as well as the other Allen House developments, consisting of age-restricted development. The site has direct access onto Stagecoach Road.
- *Developable:* Water and sewer service will be provided by on-site well and septic.
- *Approvable:* Pursuant to Ordinance No. 15-8, municipally sponsored affordable housing is permitted in all zones in the Township. The project will require site plan approval by the Planning Board. Approval by the Monmouth County Soil Conservation District will also be required. It is anticipated the necessary approvals will be granted.



29 Red Valley Road – Proposed 100% Affordable Family

As part of Millstone's efforts to address its Fourth Round obligation, the Township previously entered into negotiations with the owner of several contiguous properties along Olde Noah Hunt Road: Block 57.01 Lots 25, 26, 26.01 and 31 to construct 40 affordable units in addition to market rate housing. As late as mid-May, the Township and team working with the property owner were moving forward cooperatively with this development. That team was far into the process of preparing the necessary documents, including a concept plan and proposed proforma.

At this time (mid-May 2025), the developer determined that the subject property was considerably more constrained than previously believed. Of the +/- 170 acres, it was discovered that only +/- 14 acres were dry and outside of required transition areas. The 14 acres would not provide sufficient land for the proposed affordable and market rate units. The Township had made every effort to move this proposed development forward and support the creation of affordable housing on this site. The last-minute determination that the property was far more constrained than initially assumed left the Township in a position of having to make up for the affordable units it was counting on from this site in very short order.

Millstone Township responded immediately, proactively and aggressively to cure the problem that belatedly arose. The Township began looking for other sites that could reasonably accommodate the 40 affordable units. After reviewing several properties that were for sale within the Township, the Township settled on a property located at 29 Red Valley Road (Block 53 Lot 3.05) and determined that this site, located adjacent to a park, was the best site to locate the 40 affordable units.

Millstone does not yet have control of the site since the Olde Noah Hunt Road site fell through in May and the Township had to evaluate the best site to locate affordable housing thereafter. However, the site at 29 Red Valley is for sale, and the Township is in the process of trying to acquire the site. In the interest of fiscal responsibility and prudent stewardship of taxpayer funds as well as the use of trust fund money to advance the interests of low- and moderate-income households, the Township has commissioned an appraisal of the site. However, after initial conversations with the seller, the seller has indicated a sale price beyond what is perceived to be the market value. Accordingly, the Township will initiate condemnation proceedings in the event that the site cannot be acquired amicably.

Although Millstone will not be able to acquire the site prior to June 30, 2025 because of the last-minute loss of the property on Olde Noah Hunt Road and the time to complete the condemnation process, the Township is nevertheless moving ahead as aggressively and diligently as possible to acquire this site. Millstone has already hired appraisers, who are working to appraise the site, and the Township will offer the property owner fair market value for the site. Should the Township and property owner not be able to come to an agreement regarding the fair market value, the Township will initiate condemnation proceedings to acquire the property for use as affordable housing.

Millstone Township respectfully submits that while it has taken significant and good faith steps toward meeting the requirements set forth under N.J.A.C. 5:93-5.5, the unforeseen environmental constraints affecting the Olde Noah Hunt Road site have impacted the Township's ability address all the criteria in N.J.A.C. 5:93-5.5 by the regulatory deadline of June 30, 2025. Nevertheless, the Township remains fully committed to fulfilling all outstanding obligations and achieving compliance as expeditiously as possible.

Pursuant to N.J.A.C. 5:93-5.5, municipalities seeking to include a site in their Housing Element and Fair Share Plan must demonstrate realistic opportunity through municipal control, site suitability, and economic feasibility, supported by items such as a concept plan and pro forma. Millstone Township is actively pursuing municipal control over the subject property, including ordering an appraisal and preparing for condemnation, if necessary.

Based on its experience with other projects, the Township anticipates that the site will be redeveloped in a manner that enables it to leverage a range of available funding opportunities. One potential approach under consideration involves dividing the development into three smaller developments: a 24-unit family rental development that would be able to seek funding from the New Jersey Affordable Housing Trust Fund and the Federal Home Loan Bank, an 11-unit family rental development that would qualify for HOME Production Funds, followed by a 5 or 6-unit veterans development that could utilize the National Housing Trust Fund.

Despite the temporary setbacks, the Township affirms its commitment to advancing this affordable housing initiative in a timely and transparent manner. The target is to commence construction within two years of approval of this Housing Element and Fair Share Plan in accordance with applicable standards. To that end, Millstone is already in communication with the Affordable Housing Alliance to develop this site with the 40 affordable units. As has been previously discussed at length, the AHA has a consistent record of performance in building affordable housing within Millstone. If discussions with the AHA are unsuccessful for any reason, the Township will issue a request for proposal to solicit a qualified affordable housing developer to move forward with the development of the subject property. If forced into condemnation, and the condemnation taking cannot be resolved in a timely manner, and the Township is unable to negotiate an agreement with a developer to construct 40 affordable units, the Township is prepared to issue an RFP on a parallel track with the condemnation process to expedite the production of affordable housing.

The site meets the applicable criteria for an affordable housing development:

- *Available:* The property will be Township-owned with no encumbrances precluding low- and moderate-income development. The deed restriction will be recorded to reflect 10 age-restricted affordable units and will be 100% available for low- and moderate-income tenants for a minimum affordability restriction term of 40 years.

-
- *Suitable:* The property is in close proximity to compatible uses, including parkland and other residential neighborhoods. The site has direct access onto Red Valley Road.
 - *Developable:* Water and sewer service will be provided by on-site well and septic.
 - *Approvable:* Pursuant to Ordinance No. 15-8, municipally sponsored affordable housing is permitted in all zones in the Township. The project will require site plan approval by the Planning Board. Approval by the Monmouth County Soil Conservation District will also be required. It is anticipated the necessary approvals will be granted.



Affordable Housing Ordinances

Affordable Housing Ordinance

An Affordable Housing Ordinance was adopted by the Township on March 18, 2020 (Ordinance No. 20-03), establishing the criteria for implementing affordable housing units in conformance with the Uniform Housing Affordability Controls (UHAC). While this Plan acknowledges that an amendment to the UHAC was released on an emergency basis in December 2024, those rules are set to expire in December 2025. It is also the understanding that the Housing Mortgage and Finance Agency (HMFA), the entity currently responsible for the UHAC regulations, is in the process of establishing further amendments to those rules. Because of the uncertainty with the UHAC regulations, the Township will refrain from adopting an updated ordinance until such rules are finalized, acknowledging that the December 2024 UHAC rules adopted under emergency measures are the current governing regulations. Should there be any discrepancy between the Township’s adopted ordinance and the current UHAC regulations, the current UHAC regulations shall govern.

Development Fee Ordinance

A Development Fee Ordinance was adopted within the same ordinance as the Affordable Housing Ordinance – adopted via Ordinance No. 20-03 on March 28, 2020. In response to the 2024 amendment to the Fair Housing Act and any subsequent changes to the substantive rules, Millstone will amend its development fee ordinance if necessary to ensure it meets current standards.

In the interim, the Statewide Nonresidential Development Fee Act imposes an obligation on developers to pay 2.5 percent of the equalized assessed value of nonresidential development (subject to limited exceptions) to municipalities seeking a compliance certification as is the case with Millstone as demonstrated by its filing a of a declaratory judgment action in January.

Fourth Round Summary

Millstone Township Fourth Round Compliance		
Round Four Obligation: 98	Units	Bonus Credit
Shu Lee – Family Rental Block 57.01 Lot 21.02; 14 Novad Court	25	24
Allen House III – Senior Rental Block 51 Lot 1; 453 Stagecoach Road	10	-
29 Red Valley Road – Family Rental Block 53 Lot 3.05	40	-
<i>Sub-Totals</i>	75	24
Prior Round Total		99

USE OF SURPLUS CREDITS

Any surplus credits generated would be applied to any future obligation that the Township may have.

STATE PLAN CONFORMANCE

In accordance with the amended Fair Housing Act, Housing Elements and Fair Share Plans shall provide 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.

Sites that are located in the Metropolitan Planning Area 1 or Suburban Planning Area 2 of the SDRP, or are located in an existing sewer service area, are the preferred location for municipalities to address their fair share obligation.

New Jersey adopted its last SDPR in 2001. A draft amendment to the SDRP was prepared in 2011 but ultimately never adopted. The Office of Planning Advocacy released a new draft SDRP on December 4, 2024. The State is currently going through the Plan conformance process.

Millstone Township contains a significant amount of environmentally sensitive land. The New Jersey State Development and Redevelopment Plan identifies the majority of the Township as Planning Area 4B Rural Environmentally Sensitive land. The only other planning area present in Millstone is parkland. This has not changed since the 2001 SDRP. There are currently no State Plan Centers in Millstone.

The adopted 2001 SDRP identifies the following intents of the Rural Environmentally Sensitive Planning Area:

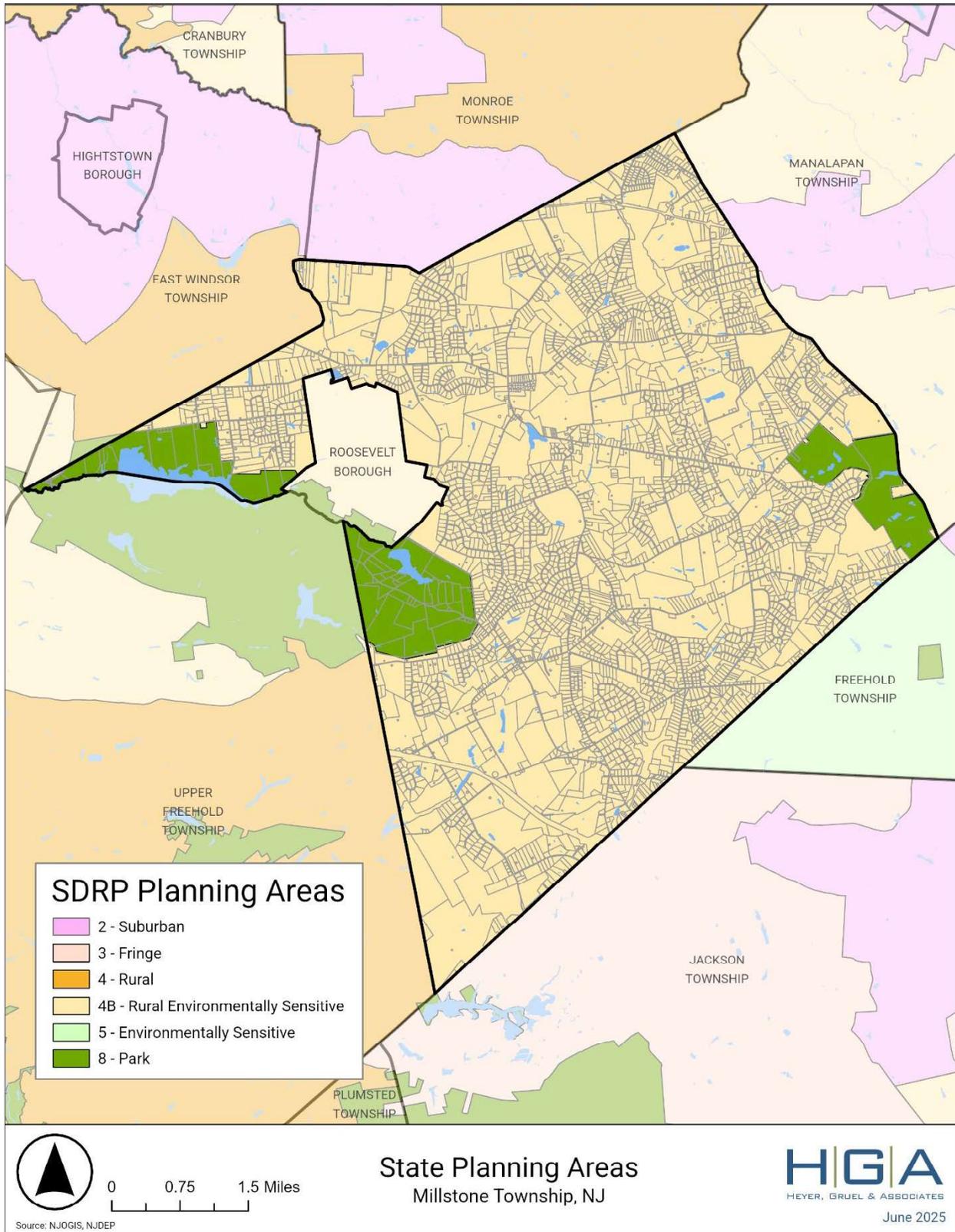
- Maintain the Environs as large contiguous areas of farmland and other lands.
- Revitalize cities and towns.
- Accommodate growth in Centers.
- Promote a viable agricultural industry.
- Protect the character of existing, stable communities.
- Confine programmed sewers and public water services to Centers.

The policy objectives for the Rural Environmentally Sensitive Planning Area are those of the Environmentally Sensitive Planning Area (PA5). Relative objectives include:

- **Land Use:** Protect natural systems and environmentally sensitive features by guiding development and redevelopment into Centers and establishing Center Boundaries and buffers and greenbelts around these boundaries. Maintain open space networks, critical habitat and large contiguous tracts of land in the Environs by a variety of land use techniques. Development and redevelopment should use creative land use and design techniques to ensure that it does not exceed the capacity of natural and infrastructure systems and protects areas where public investments in open space preservation have been made. Development and redevelopment in the Environs should maintain and enhance the natural resources and character of the area.

-
- **Housing:** Provide for a full range of housing choices primarily in Centers at appropriate densities to accommodate projected growth. Ensure that housing in general—and in particular affordable, senior citizen, special needs and family housing—is developed with access to a range of commercial, cultural, educational, recreational, health and transportation services and facilities. Focus multi-family and higher-density, single-family housing in Centers. Any housing in the Environs should be planned and located to maintain or enhance the cultural and scenic qualities and with minimum impacts on environmental resources.

The proposed mechanisms to meet the Township's Fourth Round Obligation are consistent with the goals and objectives of the State Plan. Millstone is highly constrained by sensitive environmental features and lacks any public sewer or water within its boundaries. Therefore, the proposals to complete 100% affordable units and capitalize on bonus credit opportunities are appropriate as they ensure limited disturbance and help to focus development in appropriate locations.



MULTIGENERATIONAL FAMILY HOUSING CONTINUITY COMMISSION

A previous amendment to the Fair Housing Act requires “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).” As of the date of this Housing Plan there have been no recommendations by the Multigenerational Family Housing Continuity Commission in which to provide an analysis.

SPENDING PLAN

A Spending Plan has been prepared in accordance with the provisions of the amended Fair Housing Act. A municipality may not spend or commit to spend any affordable housing development fees, including Statewide non-residential fees collected and deposited into the municipal affordable housing trust fund, without first obtaining the approval of the expenditure as part of its compliance certification. It is expected the Spending Plan will be adopted by the Township Committee at their June 25th meeting, and that such Spending Plan will be submitted as part of the Township’s compliance package to the Program. It is expected that the Spending Plan will be adopted at the Township Committee’s June 2025 meeting.

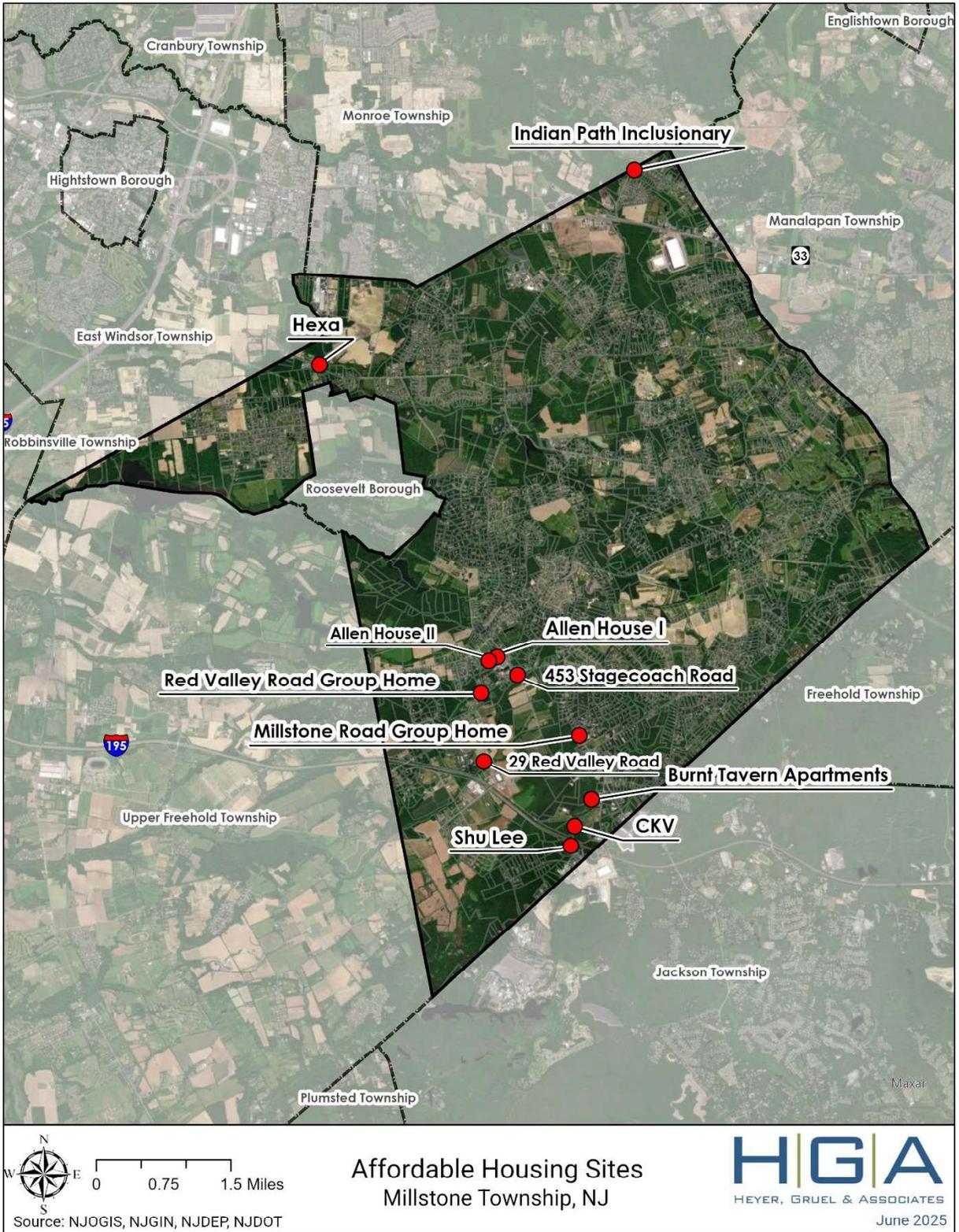
CONSIDERATION OF LANDS OFFERED FOR INCLUSIONARY DEVELOPMENT

The Township considered all the proposals for affordable housing that it received. Ultimately, the Township elected to pursue 100% projects that would allow the Township to plan for the provision of affordable housing, take the community’s significant environmental constraints into consideration, and provide the project developers with the flexibility to capitalize on various sources of funding.

The courts have recognized that “[a] municipality need not satisfy its responsibility by zoning for the construction of four marketplace units for every one lower price unit to be built” and have looked for other ways to comply without such inefficiencies. Millstone’s plan is illustrative of efforts to meet an obligation without relying on the provision of inclusionary development, which proves difficult in a community like Millstone that lacks public water or sewer infrastructure. Millstone has demonstrated success with constructing 100% affordable developments to address most of its Prospective Need obligations, as has been made clear through the review in this Plan of the previous mechanisms.

SUMMARY OF ROUND FOUR COMPLIANCE

Millstone Township Summary of Round Four Compliance		
Fourth Round Obligation: 98	Units	Bonus Credit
Shu Lee – Family Rental Block 57.01 Lot 21.02; 14 Novad Court	25	24
Allen House III – Senior Rental Block 51 Lot 1; 453 Stagecoach Road	10	-
29 Red Valley Road – Family Rental Block 53 Lot 3.05	40	-
<i>Sub-Totals</i>	75	24
Fourth Round Total		99



Appendix A

2003 COAH Compliance Report and Resolution Granting
Substantive Certification

COAH Compliance Report
Millstone Township, Monmouth County
Region #4
 Prepared By
 Angela Y. Goode
 September 24, 2003

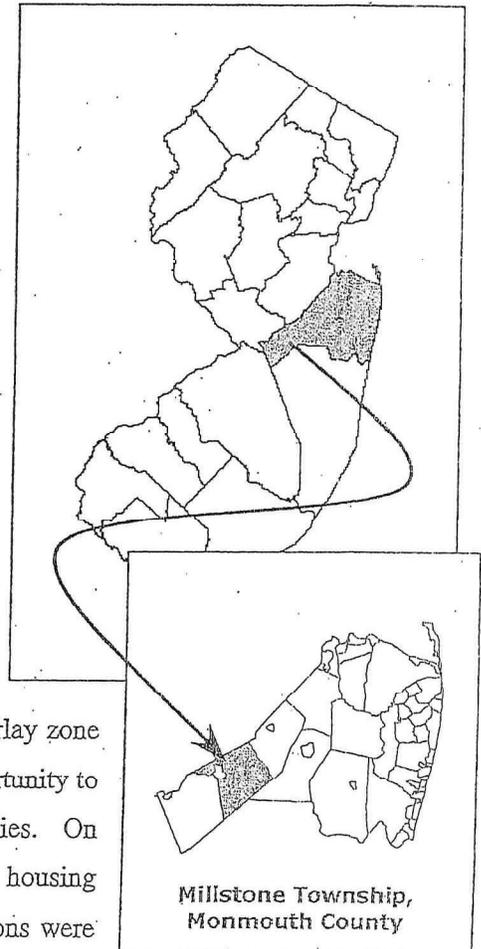
I. INTRODUCTION

On May 23, 2003 Millstone Township petitioned the Council on Affordable Housing (COAH) for substantive certification of its housing element and fair share plan to address its second-round affordable housing obligation of 99 units, which consists of an 81-unit new construction obligation and an 18-unit rehabilitation obligation. Millstone published notice of its petition in The Asbury Park Press on March 27, 2003. During the 45-day objection period, which ended May 12, 2003, COAH received no objections to the plan.

II. BACKGROUND

Millstone Township received first-round substantive certification of its housing element and fair share plan from COAH on March 20, 1995. Millstone's certified first-round plan addressed the township's 11-unit affordable housing obligation. The township adopted a housing element and fair share plan addressing its second-round obligation on November 30, 1994 and petitioned COAH for substantive certification on March 5, 1995. There were no objections to the housing element and fair share plan. COAH staff issued a report Requesting Additional Information on May 13, 1998.

On May 17, 2000 the township adopted an amended housing element and fair share plan and repeteditioned for substantive certification on June 1, 2000. COAH did not receive any objections during the subsequent 45-day objection period, which ended on July 7, 2000. The May 2000 plan requested a durational adjustment and proposed an overlay zone to address unmet need. Subsequently, the township discovered an opportunity to develop two rental properties and took steps to acquire those properties. On March 23, 2003, Millstone Township adopted a revised amended housing element and fair share plan and again repeteditioned COAH. No objections were received during the 45-day objection period, which ended on May 12, 2003. It is this plan, which is the subject of this compliance report.



III. HOUSING AND DEMOGRAPHIC ANALYSIS

Millstone Township is located in the western portion of Monmouth County. The township is bounded on the West by East Windsor, Mercer County, and the Monmouth County municipalities of Roosevelt Borough and Upper Freehold Township; on the South by Jackson Township, Ocean County; Freehold and Manalapan Townships of Monmouth County on the East; and by Monroe Township, Middlesex County on the North.

According to the 1990 census, the township's 5,069 residents were housed in 1,574 year-round housing units. As of 1989, median income in the township was \$56,655. Approximately eighty seven percent of occupied housing units were owner occupied. Nearly 58% of the housing stock was constructed after 1970. Median household value was \$252,400 and median monthly rent was \$517.

Millstone's plan states that of the township's 1,210 owner-occupied units, 1.5 percent were affordable to low income households of the region and 3.4 percent to moderate income households. Ninety percent of the 90 renter occupied units were affordable to low-income households with sixty-two percent being affordable to moderate income households.

A review of Millstone's housing element indicates that sufficient information was submitted regarding housing stock, demographic characteristics, employment characteristics and population trends to satisfy the requirements of N.J.A.C. 5:93-5.1(b)(1) through (4).

IV. PLANNING AREAS

The majority of land (90%) in Millstone Township is categorized as Planning Area 4a (PA 4) as defined by the New Jersey State Development and Redevelopment Plan (SDRP). A scant six acres are identified as Planning Area 3 with the remainder of land being classified as parklands. COAH rules require that units eligible for credits in Planning Area 4 be in centers designated by the State Planning Commission (SPC), unless the units are in a non-inclusionary development, such as an alternative living arrangement, accessory apartments or RCAs.

V. CREDITS AND REDUCTIONS

Millstone Township has requested thirteen credits and six rental bonuses for housing units previously rehabilitated or constructed. Millstone requests credit for three units that were rehabilitated under the Monmouth County Community Development Program (MCCDP). However, at the writing of this report, sufficient information had not been submitted for the three units with regard to COAH requirements

Millstone Township, Monmouth County
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regarding owner eligibility, major systems repair, code compliance, deed restrictions, and average unit expenditures. [0 rehabilitation credits]

Millstone is eligible to receive six prior cycle credits for alternative living arrangements constructed between April 1, 1980 and December 14, 1986. The Red Valley Road group home and Millstone Road group homes are licensed by the Division of Developmental Disabilities (DDD). The Red Valley Road group home received its certificate of occupancy in 1986. The Millstone Road group home was first occupied in 1984. The operator of the homes extracts its clientele from the DDD waiting list, which by its eligibility standards, is made up of entirely low-income persons.

[6 prior cycle credits]

In addition, Millstone seeks credit for six units constructed as part of the inclusionary Indian Path development. The six family rental units were constructed as relocation housing for six households that were living in substandard housing on the project site prior to development. These units are administered by the Housing Affordability Service (HAS). HAS confirms that the units are affirmatively marketed, occupied by low income eligible households, have the appropriate deed restrictions in place, and are rented at rates affordable as per COAH regulations. The units received a certificate of occupancy in 1992. N.J.A.C. 5:93-5.15(d) allows municipalities to receive one full bonus credit for each complying affordable rental unit that is not age restricted. As such, these units are also eligible for 6 rental bonus credits.

[6 new construction + 6 rental bonus credits]

VI. RENTAL COMPONENT FORMULA

N.J.A.C. 5:93-5.15(a) requires that every municipality has an obligation to provide a realistic opportunity for the creation of rental units. In Millstone, the rental obligation is calculated pursuant to the following formula:

$$\begin{aligned}
 &.25 (\text{precredited need} - \text{prior cycle credits} - \text{the 20 percent cap} - \text{the 1,000-unit limit} \\
 &\quad - \text{the rehabilitation component}) \\
 &.25 (99 - 6 - 0 - 0 - 18) = .25 (75) = 19
 \end{aligned}$$

Millstone has a rental obligation of 19 units. Rental units that are not age restricted may be eligible for one-for-one bonus credits pursuant to N.J.A.C. 5:93-5.15(d)

VII. AGE-RESTRICTED UNITS FORMULA

Millstone Township may age-restrict 25 percent of its obligation pursuant to N.J.A.C. 5:93-6.1(b)1 and the following formula:

.25 (precredited need – prior cycle credits – rehabilitation credits –
the impact of 20 percent cap – the impact of 1,000 unit limitation) – first round age-restricted
units.

.25 (99 – 6 – 0 – 0 – 0) – 0 = 23 units

Millstone Township may age-restrict up to 23 units in its plan. Rental units that are age-restricted may be eligible for a one and one-third bonus pursuant to N.J.A.C. 5:93-5.15(d)2.

The township has not proposed any age-restricted units in this plan.

VIII. REGIONAL CONTRIBUTION AGREEMENT (RCA) FORMULA

Pursuant to N.J.A.C. 5:93-6.1, Millstone may transfer up to 50 percent of its affordable housing obligation in the form of an RCA according to the following formula:

.50 (precredited need – prior cycle credits – rehabilitation credits– the impact of the 20 percent
cap – the impact of the 1,000 unit limitation) – any units transferred as a result of a previously approved
RCA.

.50 (99 – 6 – 0 – 0 – 0) – 0 = .50 (93) = 46 units.

Millstone may transfer up to 46 units as part of an RCA.

IX. HOUSING ELEMENT AND FAIR SHARE PLAN

Millstone Township's second round affordable housing obligation consists of 99 units, which includes an 81-unit new construction obligation and an 18-unit rehabilitation obligation. This obligation is reduced by one rehabilitation credit, six prior cycle credits, six new construction credits, and six rental bonuses as described by section V of this report. Millstone's remaining affordable housing obligation consists of 17 rehabilitation units and 16 new construction units. The Township's housing element and fair share plan addresses this obligation as follows:

A. Rehabilitation Program

Millstone's 18-unit rehabilitation component will be addressed through a 18-unit rehabilitation program to be administered by Monmouth County Community Development Program (MCCDP). MCCDP

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operates an ongoing rehabilitation program for several townships in Monmouth County. The County program staff is experienced in ensuring that the rehabilitated units meet the requirements of N.J.A.C. 5:93-3.4. The township provided a copy of their ongoing contract with MCCDP. Affordability controls in the form of a deed restriction will be six years on owner-occupied units and 10 years on rental units. Millstone must continue to provide \$10,000 per unit and expend an average of \$8,000 per rehabilitation on hard costs. The township submitted a resolution of intent to bond, dated March 5, 2003, to cover any funding shortfall in this program. Millstone must adhere to the following minimum funding schedule pursuant to N.J.A.C. 5:93-5.2:

<u>Year</u>	<u>Units</u>	<u>Amount</u>
2004	6	\$ 60,000
2005	3	\$ 30,000
2006	3	\$ 30,000
2007	3	\$ 30,000
2008	3	\$ 30,000
Total	18	\$180,000

[18-unit rehabilitation program]

B. New Construction Program

Millstone proposes addressing its remaining 66-unit new construction obligation through an alternative living arrangement, single-family rental property, rental bonuses, and a 46-unit RCA.

1. Alternative Living Arrangement

Millstone proposes a nine-bedroom group home in its plan. It will be located at 25 Burnt Tavern Road (Block 57, Lots 16.01) and will be renovated and managed by the Monmouth County Housing Alliance (MCHA). MCHA is an experienced non-profit organization that develops and manages affordable housing. The township owns the property and has entered into a 50-year lease with MCHA dated January 6, 2003. The property will be operated as a Class A boarding home. Additionally, Millstone will attach a 30-year deed restriction to the property. As such, and in accordance with N.J.A.C. 5:93 - 5:15(d), the project will be eligible for 9 rental bonus credits. [9 credits + 9 rental bonus credits]

2. Single Family Rental

Millstone will also utilize the services of MCHA to administer a single-family rental property in the township. The township has entered into a 50-year lease with MCHA and will attach a 30-year deed restriction to the property. The home will be rented to a low-income family. The property is eligible for one credit and, pursuant to N.J.A.C. 5:93 - 5.15(d), one rental bonus credit. [1 unit + 1 rental bonus credit]

C. Regional Contribution Agreement (RCA)

COAH approved a regional contribution agreement between Millstone and the City of Asbury Park on April 4, 2001. The agreement transfers 46 units of affordable housing to the city to fund its scattered site rehabilitation program. The contract calls for a transfer of \$20,000 per unit, for a total contribution of \$920,000. Payments are being phased over a five-year period with \$200,000 in the first year and \$180,000 in each of the four subsequent years. [46 unit RCA]

Summary: 1987-1999 Affordable Housing Obligation and Proposed Fair Share Plan

<i>Cumulative Obligation</i>	99 units
New Construction	81 units
Rehabilitation	18 units
<i>Credits</i>	
Prior Cycle	6 units
Completed Units	6 units (Indian Path)
Rental Bonuses	6 units
<i>Remaining Obligation</i>	
New Construction	63 units
Rehabilitation	18 units
<i>Fair Share Plan</i>	
New Construction	
Alternative Living Arrangement - MCHA	9 rental units
Rental - MCHA	1 rental unit
Rental bonuses - MCHA	10 rental bonuses
RCA	46 units
Rehabilitation	
Ongoing Rehabilitation Program	18 rehabilitation units
Fair Share Plan Total	84 new construction units, rental bonuses, and RCAs 18 rehabilitation units

The Millstone plan produces a new construction surplus of three units.

X. DEVELOPMENT FEE ORDINANCE

On May 5, 1993, Millstone Township received approval from COAH to adopt a development fee ordinance to collect development fees for affordable housing purposes. Millstone has submitted a development fee spending plan that is reviewed in a separate report. The township must submit a draft escrow agreement within 45 days of substantive certification. As of December 31, 2001, the township reports a total of \$713,504.52 in its development fee account.