



2025

Fourth Round Housing Element and Fair Share Plan

May 30, 2025

ADOPTED: JUNE 12, 2025
ENDORSED: JUNE 12, 2025

Township of Ocean, Monmouth County, New Jersey

Prepared by:

Clarke Caton Hintz | 100 BARRACK STREET | TRENTON, N.J. | 08608

**TOWNSHIP OF OCEAN PLANNING BOARD
COUNTY OF MONMOUTH
STATE OF NEW JERSEY**

RESOLUTION NO. PB-6-12-2025

**RESOLUTION APPROVING AND ADOPTING A HOUSING ELEMENT
AND FAIR SHARE PLAN TO SATISFY THE TOWNSHIP'S FOURTH
ROUND AFFORDABLE HOUSING OBLIGATION**

WHEREAS, on March 20, 2024, Governor Murphy signed into law P.L.2024, c.2, establishing a new framework for determining and enforcing municipal affordable housing obligations under the New Jersey Supreme Court's Mount Laurel doctrine and the New Jersey Fair Housing Act (the "FHA") (N.J.S.A. 52:27D-301, *et al.*); and

WHEREAS, pursuant to N.J.S.A. 52:27D-304.1(f)(1)(b), each municipality was to adopt a binding resolution no later than January 31, 2025, determining and setting forth its present and prospective fair share obligations for the "Fourth Round" of affordable housing obligations ("Fourth Round"); and

WHEREAS, the Mayor and Council of the Township of Ocean ("Township") adopted Resolution No. 25-023 on January 27, 2025, identifying its present need obligation as 51 units and prospective need obligation as 166 affordable units for the Fourth Round.

WHEREAS, in accordance with the FHA and Administrative Directive #14-24, issued by the Administrative Office of the Courts on December 13, 2024 ("Directive #14-24"), the Township filed a Complaint for Declaratory Judgment with the Superior Court of New Jersey, Law Division, Monmouth County, entitled In the Matter of the Application of the Township of Ocean, County of Monmouth, State of New Jersey, Docket No. MON-L-393-25 on January 29, 2025 (the "DJ Action"), identifying its present and prospective fair share obligations for the Fourth Round as set forth above, and committing to adopting and submitting a Fourth Round Housing Element and Fair Share Plan ("HEFSP") as required by the FHA; and

WHEREAS, no parties challenged the Township's present and prospective need obligations; and

WHEREAS, on April 1, 2025, the Honorable Linda Grasso Jones, J.S.C., issued an Order setting the Township's present need obligation at 51 units and the prospective need obligation at 166 affordable units and further authorized the Township to proceed with preparation and adoption of a proposed HEFSP to satisfy the Township's affordable housing obligation; and

WHEREAS, pursuant to N.J.S.A. 52:27D-304.1(f)(2)(a) and Directive #14-24, each municipality must adopt and file as part of its DJ Action a HEFSP, with associated resolutions and

proposed drafts of the appropriate zoning and other ordinances, necessary to implement its HEFSP, no later than June 30, 2025; and

WHEREAS, the Township's Affordable Housing Planner, Clarke Caton Hintz, prepared a proposed HEFSP, entitled "2025 Fourth Round Housing Element & Fair Share Plan" dated May 30, 2025 (the "Fourth Round HEFSP"); and

WHEREAS, pursuant to N.J.S.A. 40:55D-28, the Township of Ocean Planning Board ("Board"), may prepare and adopt or amend a master plan or component parts thereof, after a public hearing, to guide the use of lands within the municipality in a manner which protects health and safety and promotes the general welfare; and

WHEREAS, upon notice duly provided pursuant to N.J.S.A. 40:55D-13, the Board held a public hearing on the proposed Fourth Round HEFSP on June 12, 2025, during which the proposed Fourth Round HEFSP was presented to the Board and public, and opportunity for comments and questions was provided; and

WHEREAS, with the conclusion of the public hearing, the Board finds and hereby determines that the proposed Fourth Round HEFSP is consistent with the goals and objectives of the Master Plan of the Township, will guide the use of lands in the municipality in a manner which protects public health and safety and promotes the general welfare in accordance with N.J.S.A. 40:55D-28, and is designed to achieve the goal of access to affordable housing to meet present and prospective housing needs in accordance with N.J.S.A. 52:27D-310; and

WHEREAS, by the adoption of this Resolution, the Board memorializes its adoption of the proposed Fourth Round HEFSP as the Housing Element and Fair Share Plan components of the Township of Ocean Master Plan, in accordance with N.J.S.A. 40:55D-28, the FHA and Directive #14-24.

NOW, THEREFORE, BE IT RESOLVED by the Township of Ocean Planning Board that the plan entitled "2025 Fourth Round Housing Element & Fair Share Plan", prepared by Clarke Caton Hintz, dated May 30, 2025 (the "Fourth Round HEFSP"), is hereby approved and adopted as the 2025 Housing Element and Fair Share Plan components of the Township of Ocean Master Plan.

BE IT FURTHER RESOLVED that the Board Secretary is hereby authorized and directed to transmit a certified, electronic copy of the 2025 HEFSP and this resolution to the Township's affordable housing counsel for further disposition

BE IT FURTHER RESOLVED the Board Secretary is hereby authorized and directed to provide a copy of the adopted Fourth Round HEFSP and a certified copy of this Resolution to the Monmouth County Planning Board and New Jersey Office of Planning Advocacy, in accordance with the requirements of N.J.S.A. 40:55D-13.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

The foregoing was Moved by: Valente

Seconded by: Ades


And on Role Call, the following vote was recorded:

Affirmative: Chairman DiFiglia, Vice Chairman Palutis, Valente, Ades, Menell, Mamiye,
Goslin, Bercouicz

Negative: None

Abstentions: None

The foregoing is a true copy of a Resolution adopted by the Planning Board of the Township of Ocean during its meeting on June 12, 2025.



NICOLE ACRI
SECRETARY TO THE PLANNING BOARD

RESOLUTION ENDORSING THE 2025 HOUSING ELEMENT AND FAIR SHARE PLAN

WHEREAS, on March 20, 2024, Governor Murphy signed into law P.L.2024, c.2, establishing a new framework for determining and enforcing municipal affordable housing obligations under the New Jersey Supreme Court's Mount Laurel doctrine and the New Jersey Fair Housing Act (the "FHA") (N.J.S.A. 52:27D-301, *et al.*); and

WHEREAS, among other things, the Act abolished the Council on Affordable Housing (hereinafter, "COAH"), and replaced it with seven retired, on recall judges designated as the Program and authorized the Director of the Administrative Office of the Courts, (hereinafter, respectively, "Director" and "AOC") to create a framework to process applications for affordable housing compliance certification; and

WHEREAS, pursuant to N.J.S.A. 52:27D-304.1(f)(1)(b), each municipality was to adopt a binding resolution no later than January 31, 2025, determining and setting forth its present and prospective fair share obligations for the "Fourth Round" of affordable housing obligations ("Fourth Round"); and

WHEREAS, the Mayor and Council of the Township of Ocean ("Township") adopted Resolution No. 25-023 on January 27, 2025, identifying its present need obligation as 51 units and prospective need obligation as 166 affordable units for the Fourth Round; and

WHEREAS, in accordance with the FHA and Administrative Directive #14-24, issued by the Administrative Office of the Courts on December 13, 2024 ("Directive #14-24"), the Township filed a Complaint for Declaratory Judgment with the Superior Court of New Jersey, Law Division, Monmouth County, entitled In the Matter of the Application of the Township of Ocean, County of Monmouth, State of New Jersey, Docket No. MON-L-393-25 on January 29, 2025 (the "DJ Action"), identifying its present and prospective fair share obligations for the Fourth Round as set forth above, and committing to adopting and submitting a Fourth Round Housing Element and Fair Share Plan ("HEFSP") as required by the FHA; and

WHEREAS, no parties challenged the Township's present and prospective need obligations; and

WHEREAS, on April 1, 2025, the Honorable Linda Grasso Jones, J.S.C., issued an Order setting the Township's present need obligation at 51 units and the prospective need obligation at 166 affordable units and further authorized the Township to proceed with preparation and adoption of a proposed HEFSP to satisfy the Township's affordable housing obligation; and

WHEREAS, pursuant to N.J.S.A. 52:27D-304.1(f)(2)(a) and Directive #14-24, each municipality must adopt and file as part of its DJ Action a HEFSP, with associated resolutions and proposed drafts of the appropriate zoning and other ordinances, necessary to implement its HEFSP, no later than June 30, 2025; and

WHEREAS, the Township of Ocean Planning Board ("Board") adopted the HEFSP, entitled "2025 Fourth Round Housing Element & Fair Share Plan" prepared by the Township's affordable housing planner, Clarke Caton Hintz, dated May 30, 2025 (the "Fourth Round HEFSP"), as an amendment to the Township's Master Plan on June 12, 2025; and

WHEREAS, the Governing Body desires to endorse the Fourth Round HEFSP adopted by the Board on June 12, 2025.

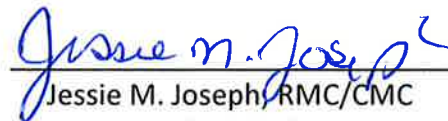
NOW, THEREFORE, BE IT RESOLVED by the Governing Body of the Township of Ocean, Monmouth County as follows:

1. The Governing Body does hereby endorse the Fourth Round HEFSP adopted by the Township of Ocean Planning Board on June 12, 2025.
2. The Governing Body does hereby authorize the filing of this Resolution endorsing the Fourth Round HEFSP adopted by the Board on eCourts for review by the Program.
3. The Mayor and Clerk, together with other appropriate officers and employees of the Township of Ocean, are hereby authorized to take all steps necessary to effectuate the purposes of this Resolution.
4. This Resolution shall take effect immediately.

Record of Vote	Deputy Mayor Fisher	Councilman Acerra	Councilwoman Kaplan	Councilman Weinstein	Mayor Napolitani
Motion to Approve		X			
Motion to Second				X	
Approved	X	X		X	X
Opposed					
Not Voting/Recuse					
Absent/Excused			X		

CERTIFICATION

*I hereby certify that this is a true copy of a resolution passed by the Township of Ocean Governing Body at their meeting held on **June 12, 2025**.*


 Jessie M. Joseph, RMC/CMC
 Township Clerk



Fourth Round Housing Element and Fair Share Plan

Ocean Township, Monmouth County, New Jersey

Adopted by the Planning Board on June 12, 2025

Endorsed by the Township Council on June 12, 2025

Prepared for Ocean Township by

Clarke Caton Hintz:

Mary Beth Lonergan, PP, AICP

New Jersey Professional Planner License 4288

Elaine R. Clisham, PP, AICP

New Jersey Professional Planner License 6507

A signed and sealed version is available at the municipal building



TOWNSHIP COUNCIL

Hon. John P. Napolitani Sr., *Mayor*

David Fisher, D.C., *Deputy Mayor*

Robert V. Acerra Sr., *Councilman*

Gitta D. Kaplan, *Councilwoman*

Jeffrey Weinstein, *Councilman*

David G. Brown II, *Township Manager,*
Director of Community Development

Jessie M. Joseph, RMC CMC CMR,
Township Clerk

Kevin N. Starkey, Esq., *Township Attorney*

Colleen Mayer, *Planning Administrator*

James W. Higgins, PP, *Township Planner*

Gregory Blash, PE PP CME CPWM,
Township Engineer

PLANNING BOARD

Edward DiFiglia, Class IV, *Chair*

Michael Palutis, Class IV, *Vice-Chair*

Jemal Beale, Class I

Julia Valente, Class II

Gitta D. Kaplan, *Councilwoman*, Class III

Jack Ades, Class IV

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Robert Goslin, Class IV

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David Bodnovich, *1st Alternate*

Jack Mamiye, *2nd Alternate*

Nicole Acri, *Board Secretary*

Colleen Mayer, *Planning Administrator*

Marc A. Leckstein, Esq., *Board Attorney*

Bennett Matlack, PE, *Board Engineer*

James W. Higgins, PP, *Board Planner*



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APPENDICES TO THE HOUSING ELEMENT AND FAIR SHARE PLAN

- A. Third Round: FSHC Settlement Agreement, Fairness Order, Judgment of Repose
- B. Fourth Round Resolution, DJ Filing, Court Order
- C. Utility Capacity To Serve Documentation
- D. Updated Fourth Round Vacant Land Analysis
- E. Monmouth County Home Improvement Program Operating Manual
- F. Primrose Place Documentation
- G. Wayside Point Documentation
- H. Group Home Documentation
- I. Heritage Village at Ocean Documentation
- J. Heritage Village at Oakhurst Documentation
- K. Cindy Lane Documentation
- L. Roosevelt Properties Documentation
- M. Ocean Glades Environmental Contamination Report
- N. Affordable Housing Alliance Documentation
- O. Unmet Need Inclusionary Overlay Ordinances
- P. Seaview Square Environmental Contamination Report
- Q. 280 Norwood Avenue Documentation
- R. 44 Monmouth Road Documentation



- S. Herbert Avenue Documentation
- T. Affordable Housing Ordinance, Mandatory Set-Aside Ordinance, Development Fee Ordinance
- U. Spending Plan, Resolution of Intent To Fund
- V. Affirmative Marketing Plan
- W. Municipal Housing Liaison, Administrative Agent Documentation



EXECUTIVE SUMMARY

This Fourth Round Housing Element and Fair Share Plan (“HEFSP”) has been prepared for the Township of Ocean, of Monmouth County, in accordance with the New Jersey Fair Housing Act (“FHA”) at N.J.S.A. 52:27D-310 as amended by P.L. 2024 c.2, the Administrative Directive #14-24, and the rules of the New Jersey Council on Affordable Housing (“COAH”) contained at N.J.A.C. 5:93 et seq. This plan is an update to the Township’s Third Round HEFSP, adopted by the Planning Board on December 16, 2019, and endorsed by the Township Council on January 30, 2020. This cumulative Fourth Round HEFSP will serve as the foundation for the Township’s submission to the Superior Court of New Jersey and the Affordable Housing Dispute Resolution Program (“Program”).

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

Prior Round/Third Round

On June 25, 2019, the Superior Court approved the Township’s Settlement Agreement with Fair Share Housing Center (“FSHC”), which set the Township’s Prior Round Prospective Need as previously established by COAH and established the Township’s Third Round “Gap”/Prospective Need as follows:

- Prior Round Prospective Need: 873
- Third Round Prospective Need: 518

The 2019 Third Round Settlement Agreement with Fair Share Housing Center (“FSHC”) reflected a combined Prior Round and Third Round vacant land adjustment (“VLA”), which reduced the combined Prior Round and Third Round obligation of 1,391 to a combined realistic development potential (“RDP”) of 280 and a combined Unmet Need of 1,111 (1,391 – 280). The Township’s Third Round HEFSP was approved by the Superior Court in a final Judgment of Compliance and Repose (“JOR”), issued on May 4, 2020.

Since that time, one of the sites listed on the VLA as generating a 43-unit RDP has been determined to have environmental contamination that cannot be remediated to a residential standard, thus rendering it undevelopable. This reduces the Township’s combined RDP from 280 to 237 (280 – 43), and increases the combined Unmet Need accordingly from 1,111 to 1,154 (1,111 + 43). For this reason the Township has negotiated a revised Third Round RDP compliance plan with FSHC.

The Township has satisfied its revised combined Prior Round and Third Round RDP with completed and proposed inclusionary developments, completed alternative living arrangements, and 100% affordable municipally sponsored construction.

The Township continues to address its Unmet Need of 1,154 through modification to an existing inclusionary overlay zone and establishment of one new inclusionary overlay zone, by its existing affordable housing development fee ordinance, and by establishing a mandatory Township-wide inclusionary set-aside requirement for all new multi-family housing developments of five units or more.

Fourth Round

On April 1, 2025, the Superior Court affirmed the Township’s action on January 27, 2025, whereby the Township Council adopted Resolution #25-023, which accepted the determination promulgated by the New



Jersey Department of Community Affairs (“DCA”) of the Township’s Fourth Round Present Need/Rehabilitation Obligation and Prospective Need as follows:

- Fourth Round Rehabilitation Share 51
- Fourth Round Prospective Need: 166

To address its Fourth Round Rehabilitation obligation, the Township will continue participation in the Monmouth County Housing Improvement Program, and in addition will contract with the Township Administrative Agent to establish and administer a municipally sponsored Rehabilitation program available to owners of rental properties occupied by income-eligible tenants.

The Township has updated its Prior Round/Third Round VLA as part of this Fourth Round HEFSP. The Township’s Fourth Round Prospective Need of 166 has been reduced to a Fourth Round RDP of 27 and a Fourth Round Unmet Need of 139. The cumulative Unmet Need, including the Prior Round/Third Round and Fourth Round, is 1,293 (1,154 + 139).

The Township will address its Fourth Round RDP of 27 as well as the 20 remaining from the Third Round RDP with seven approved affordable units and a proposed 67-unit 100% affordable family rental development, as well as six Fourth Round bonuses, for a total of 60 Fourth Round credits. The 33 surplus credits (60-27 RDP) will be used to address any future “changed circumstances.”

The Township’s combined Unmet Need will continue to be addressed by a new inclusionary overlay zone as well as existing inclusionary overlay zones, by its existing affordable housing development fee ordinance, and by its mandatory Township-wide inclusionary set-aside requirement for all new multi-family housing developments of five units or more, which will be amended to require a 20% set-aside regardless of whether the units are for sale or for rent.



INTRODUCTION

Ocean Township, a primarily residential community with a population of 27,792 as of 2023, and a land area of approximately 11 square miles, is located in the central eastern part of Monmouth County. The Township adjoins Eatontown Borough and West Long Branch Borough to the north; Long Branch City, Deal Borough, Allenhurst Borough, Loch Arbour Village, and Interlaken Borough to the east; Asbury Park City and Neptune Township to the south; and Tinton Falls Borough to the west.

The Township constitutes approximately 2.3 percent of the land in Monmouth County. Ocean Township is approximately 25 miles from New York City and located within the Metropolitan Planning Area (PA 1) category as designated by The State Development and Redevelopment Plan (“SDRP”) of New Jersey. It is easily accessible from much of the region; New Jersey Route 18 and Route 35 run through the Township, and the Garden State Parkway is located just to its west. The Township is also served by NJ Transit bus routes 832 and 837, which provide access to Asbury Park, Red Bank, Long Branch, and connections to other regional destinations.

Ocean Township’s 2023 Master Plan portrays a community that has developed as a primarily residential municipality with significant regional commercial facilities. The Master Plan anticipates that most future development in the Township “will involve infill development of smaller vacant parcels and redevelopment of older and obsolete commercial sites.”¹

¹ Ocean Township Master Plan, September 18, 2023.



AFFORDABLE HOUSING IN NEW JERSEY: JUDICIAL AND LEGISLATIVE BACKGROUND

In the 1975 Mount Laurel² decision, the New Jersey Supreme Court ruled that developing municipalities have a constitutional obligation to provide diversity and choice in the housing types permitted in the municipality, including housing for low- and moderate-income households. In its 1983 Mount Laurel II decision,³ the New Jersey Supreme Court extended to all municipalities with any “growth area” as designated in the State Development Guide Plan (now superseded by the State Development and Redevelopment Plan, or SDRP) the obligation to provide their “fair share” of a calculated regional need for affordable units. Mount Laurel II also introduced a “builder’s remedy” if a municipality was not providing its fair share of affordable housing. A builder’s remedy may permit a developer that is successful in litigation the right to develop what is typically a higher density multi-family project on land not zoned to permit such use, so long as a “substantial” percentage of the proposed units would be reserved for low- and moderate-income households.

In 1985, in response to Mount Laurel II, the New Jersey Legislature enacted the Fair Housing Act.⁴ The FHA created the Council on Affordable Housing as an administrative body responsible for oversight of municipalities’ affordable housing efforts, rather than having oversight go through the courts. The Legislature charged COAH with promulgating regulations (i) to establish housing regions; (ii) to estimate low- and moderate-income housing needs; (iii) to set criteria and guidelines for municipalities to use in determining and addressing their fair share obligations, and (iv) to create a process for the review and approval of municipal housing elements and fair share plans.

COAH’s First and Second Rounds, 1986-1999

COAH created the criteria and regulations for municipalities to address their affordable housing obligations. COAH originally established a methodology for determining municipal affordable housing obligations for the six-year period between 1987 and 1993,⁵ which period became known as the First Round. This methodology established an existing need to address substandard housing that was being occupied by low- and moderate-income households (variously known as “present need” or “rehabilitation share”), and calculated future demand, to be satisfied typically, but not exclusively, with new construction (“prospective need” or “fair share”).

The First Round methodology was superseded in 1994 by COAH’s Second Round regulations.⁶ The 1994 regulations recalculated a portion of the 1987-1993 affordable housing obligations for each municipality and computed the additional municipal affordable housing need from 1993 to 1999 using 1990 census data. These regulations identified a municipality’s cumulative obligations for the First and Second Rounds. Under regulations adopted for the Third Round, a municipality’s obligation to provide affordable housing for the First and Second Rounds is referred to cumulatively as the Prior Round obligation.

² Southern Burlington County NAACP v. Township of Mount Laurel, 67 N.J. 151 (1975)

³ Southern Burlington County NAACP v. Township of Mount Laurel, 92 N.J. 158 (1983)

⁴ N.J.S.A. 52:27D-301 *et seq.*

⁵ N.J.A.C. 5:92-1 *et seq.*

⁶ N.J.A.C. 5:93-1.1 *et seq.*

Fourth Round Housing Element and Fair Share Plan

OCEAN TOWNSHIP, MONMOUTH COUNTY, N.J.



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

The FHA had originally required housing rounds to be for a six-year period for the First and Second Rounds. In 2001, the time period increased to a 10-year period consistent with the Municipal Land Use Law ("MLUL"). In order to utilize 2000 census data, which hadn't yet been released, COAH delayed the start of the Third Round from 1999 to 2004, with the Third Round time period initially ending in 2014. In December 2004, COAH's first version of the Third Round rules⁷ became effective, and the 15-year Third Round *time period* (1999 – 2014) was condensed into an affordable housing *delivery period* from January 1, 2004, through January 1, 2014.

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

On January 25, 2007, a New Jersey Appellate Court decision⁸ invalidated key elements of the first version of the Third Round rules, including the growth share approach, and the Court ordered COAH to propose and adopt amendments to its rules. COAH issued revised rules effective on June 2, 2008 (as well as a further rule revision effective on October 20, 2008), which largely retained the growth share approach.

Just as various parties had challenged COAH's initial Third Round regulations, parties challenged COAH's 2008 revised Third Round rules. On October 8, 2010, the Appellate Division issued its decision on the challenges.⁹ The Appellate Division upheld the COAH Prior Round regulations that assigned rehabilitation and Prior Round numbers to each municipality, but invalidated the regulations by which the agency assigned housing obligations in the Third Round, again ruling that COAH could not allocate obligations through a growth share formula. Instead, the Appellate Division directed COAH to use methods similar to those used in the First and Second Rounds.

Third Round Judicial Activity

After various challenges were filed, on September 26, 2013, the New Jersey Supreme Court upheld the Appellate Court decision¹⁰ and ordered COAH to prepare the necessary rules. COAH failed to adopt new rules, and more challenges ensued.

On March 10, 2015, the New Jersey Supreme Court issued a ruling on FSHC's Motion in Aid of Litigant's Rights, which became known as Mount Laurel IV.¹¹ In this decision, the Court transferred responsibility for reviewing and approving housing elements and fair share plans from COAH to designated Mount Laurel trial judges, declaring COAH "moribund." Municipalities were now to apply to the Courts, instead of COAH, if they wished to be protected from exclusionary zoning lawsuits. The Mount Laurel trial judges, with the assistance of a Court-appointed Special Adjudicator, were tasked with reviewing municipal plans much in the same manner as COAH had done previously. Those towns whose plans were approved by the

⁷ N.J.A.C. 5:94-1 and 5:95-1

⁸ In re Adoption of N.J.A.C. 5:94 and 5:95, 390 N.J. Super. 1 (2007)

⁹ In re Adoption of N.J.A.C. 5:96 and 5:97, 416 N.J. Super. 462 (2010)

¹⁰ In re Adoption of N.J.A.C. 5:96 and 5:97 by New Jersey Council On Affordable Housing, 215 N.J. 578 (2013)

¹¹ In re Adoption of N.J.A.C. 5:96 & 5:97, 221 NJ 1 (2015)



Court received a Judgment of Compliance and Repose, the court equivalent of COAH's substantive certification.

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

On January 17, 2017, the New Jersey Supreme Court rendered a decision¹² that found that the period between 1999 and 2015, now known as the "gap period," when no valid affordable housing regulations were in force, generated an affordable housing obligation. This obligation required an expanded definition of the municipal Present Need obligation to include the unaddressed housing needs of low- and moderate-income households that had formed during the gap period. This meant that the Third Round municipal affordable housing obligation would now comprise four components: Present Need (rehabilitation), Prior Round (1987-1999, new construction), Third Round Gap Need (1999-2015, new construction), and Third Round Prospective Need (Third Round, 2015 to 2025, new construction).

Third Round Legislative Activity

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

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

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

In July 2020, the State amended the FHA again to require, beginning in November 2020, that all affordable units that are subject to affirmative marketing requirements also be listed on the state's Affordable Housing Resource Center website.¹⁴ All affordable housing affirmative marketing plans are now required to include listing on the State Affordable Housing Resource Center website.

¹² In Re Declaratory Judgment Actions Filed by Various Municipalities, 227 N.J. 508 (2017)

¹³ In the Matter of the Adoption of the Monroe Township Housing Element and Fair Share Plan, and Implementing Ordinances (2015)

¹⁴ <https://www.nj.gov/njhrc/>

Fourth Round Housing Element and Fair Share Plan



The Fourth Round, 2025-2035

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

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

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

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



AFFORDABILITY REQUIREMENTS

Affordable housing is defined under New Jersey's FHA as a dwelling, either for sale or rent, that is within the financial means of households of low- or moderate-income, as is measured within each housing region. Ocean Township is in Region 4, which includes Mercer, Monmouth, and Ocean counties. Moderate-income households are those earning between 50% and 80% of the regional median income. Low-income households are those with annual incomes that are between 30% and 50% of the regional median income. Very low-income households must also be accounted for. These households, which are a subset of low-income households, are defined as households earning less than 30% of the regional median income.

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

The regional median income is now defined in the amended FHA and continues to utilize HUD income limits on a regional basis. In the spring of each year HUD releases updated income limits, which will be reallocated to the six housing regions. It is from these income limits that the rents and sale prices for affordable units are derived. Pursuant to P.L. 2024 c.2, the New Jersey Housing and Mortgage Finance Agency ("HMFA") was assigned responsibility for calculating and publishing annual income limits. In May of 2025, HMFA enacted new income limits for 2025, which are shown for Housing Region 4 in Table 1, below.

TABLE 1. 2025 INCOME LIMITS FOR REGION 4					
Household Income Levels	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5-Person Household
Moderate	\$75,440	\$86,160	\$96,960	\$107,680	\$116,320
Low	\$47,150	\$53,850	\$60,600	\$67,300	\$72,700
Very Low	\$28,290	\$32,310	\$36,360	\$40,380	\$43,620
Source: New Jersey Housing and Mortgage Finance Agency					

Tables 2 and 3 show illustrative sale prices and gross rents from 2024 (the latest figures available). These rents and sale prices are illustrative and are gross figures, which do not account for the specified utility allowances for rental units or for specific mortgage rates, taxes, HOA fees, etc. for sales units.

TABLE 2. ILLUSTRATIVE 2024 AFFORDABLE GROSS RENTS FOR REGION 4			
Household Income Levels (% of Median Income)	1-Bedroom Unit Rent	2-Bedroom Unit Rent	3-Bedroom Unit Rent
Moderate (60%)	\$1,463	\$1,756	\$2,029
Low (50%)	\$1,219	\$1,463	\$1,691
Very Low (30%)	\$732	\$878	\$1,014
Source: Affordable Housing Professionals of NJ Affordable Housing Regional Income Limits and Sales Calculator			

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TABLE 3. ILLUSTRATIVE 2024 AFFORDABLE SALES PRICES FOR OCEAN TOWNSHIP			
Household Income Levels (% of Median Income)	1 Bedroom Unit Price	2 Bedroom Unit Price	3 Bedroom Unit Price
Moderate (70%)	\$172,867	\$213,273	\$250,986
Low (50%)	\$115,143	\$144,005	\$170,942
Very Low (30%)	\$57,419	\$74,736	\$90,899
Source: Affordable Housing Professionals of NJ Affordable Housing Regional Income Limits and Sales Calculator			



HOUSING ELEMENT AND FAIR SHARE PLAN REQUIREMENTS

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

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

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

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

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

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

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



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

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

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

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



HOUSING, DEMOGRAPHIC AND EMPLOYMENT ANALYSIS

HOUSING CHARACTERISTICS

The 2019-2023 American Community Survey (“ACS”)¹⁵ indicates that Ocean Township has approximately 11,828 housing units. Of those, 931, or 7.9%, are vacant, almost all of them single-family homes. The Township’s housing stock consists predominantly of single-family detached units (62.3%), 93% of which are owner-occupied. The Township’s percentage of single-family detached units is higher than that of the state (52.7%) and slightly lower than that of Monmouth County (66.1%). The percentage of housing units in Ocean Township that are in multi-family buildings of three or more units (29.5%) is higher than that of the county (20.5%) and of the state (27.8%). Renter-occupied units comprise approximately 37.7% of all occupied units, which is more than 50% higher than the county’s percentage of renter-occupied housing (24.6%) and slightly higher than the state’s (36.3%). See Table 4, Housing Units by Number of Units in Structure.

Units in Structure	Total Units	% Total	Owner Occupied	% Owner Occupied	Rentals	Vacant
1, detached	7,364	62.3%	6,115	90.6%	463	786
1, attached	806	6.8%	512	7.6%	252	42
2	134	1.1%	4	0.1%	130	0
3 or 4	447	3.8%	6	0.1%	434	7
5 to 9	609	5.1%	18	0.3%	591	0
10 to 19	1,417	12.0%	0	0.0%	1,360	57
20 or more	1,012	8.6%	98	1.5%	914	0
Mobile home	39	0.3%	0	0.0%	0	39
Boat, RV, van, etc.	0	0.0%	0	0.0%	0	0
Total	11,828	100%	6,753	57.1% of Total Units	4,144	931

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

Table 5, Housing Units by Year Built, illustrates the decades during which the Township’s housing units were built. Approximately 45.3% of Ocean Township’s housing stock was built prior to 1970. The median year homes in the Township were built, 1973, makes the Township’s homes slightly older than those in the county overall (median year built = 1975) but newer than those in the state overall (median year built = 1969).

¹⁵ The American Community Survey replaced the long-form Census as the source for much of the housing data necessary to complete this section. The Census is a one-time count of the population while this ACS is an estimate taken over five years through sampling. As such, data in the ACS is subject to a margin of error.



TABLE 5. OCEAN TOWNSHIP HOUSING UNITS BY YEAR BUILT, 2023				
Year Built	Total Units	Percent	Owner	Renter
2020 or later	87	0.8%	50	37
2010 to 2019	428	3.9%	236	192
2000 to 2009	1,120	10.3%	856	264
1990 to 1999	1,109	10.2%	809	300
1980 to 1989	1,338	12.3%	778	560
1970 to 1979	1,872	17.2%	800	1,072
1960 to 1969	2,100	19.2%	1,092	1,008
1950 to 1959	1,538	14.1%	1,076	462
1940 to 1949	497	4.6%	425	72
1939 or earlier	808	7.4%	631	177
Totals	10,897	100.0%	6,753	4,144
Median Year built:	1973		1972	1973
<i>Source: 2019-2023 American Community Survey 5-Year Estimate (B25036, B25037)</i>				

Table 6, Housing Units by Number of Bedrooms, 2023 shows that housing in Ocean Township skews larger; more than half (58%) of the Township's housing units have three or more bedrooms, similar to the percentage in the state overall (57.4%) but lower than the percentage in Monmouth County overall (64.7%).

TABLE 6. OCEAN TOWNSHIP HOUSING UNITS BY NUMBER OF BEDROOMS, 2023		
Bedrooms	Number of Units	Percentage of Total
Efficiency	33	0.3%
1	2,412	20.4%
2	2,514	21.3%
3	3,233	27.3%
4	2,352	19.8%
5+	1,284	10.9%
Total	11,828	100.0%
<i>Source: 2019-2023 American Community Survey 5-Year Estimate (DP04)</i>		

Table 7, Housing Values, shows that the median housing value in Ocean Township increased 60.9% between 2013 and 2023. Monmouth County experienced slightly lower value increases during this time (45.3%). Ocean Township had a slightly higher median home value compared to the county in 2013 (\$391,100 vs. \$389,900) and a higher median home value in 2023 (\$629,100 vs. \$566,500).

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TABLE 7. OCEAN TOWNSHIP HOUSING VALUES, 2013 AND 2023				
Housing Unit Value	2013 Units	Percent	2023 Units	Percent
Less than \$50,000	104	1.5%	42	0.6%
\$50,000-\$99,999	19	0.3%	54	0.8%
\$100,000-\$149,999	5	0.1%	0	0.0%
\$150,000-\$199,999	34	0.5%	0	0.0%
\$200,000-\$299,999	889	12.9%	48	0.7%
\$300,000-\$499,999	4,136	60.0%	1,744	25.8%
\$500,000-\$999,999	1,551	22.5%	4,056	60.1%
\$1,000,000 or more	151	2.2%	809	12.0%
Total	6,889	100.0%	6,753	100.0%
Median	\$391,100		\$629,100	
Sources: 2009-2013, 2019-2023 American Community Survey 5-Year Estimate (DP04, B25075)				

The median rent in Ocean Township in 2023 was \$1,440, compared to \$1,771 across Monmouth County. See Table 8, Ocean Township and Monmouth County, Gross Rent, 2023.

TABLE 8. OCEAN TOWNSHIP AND MONMOUTH COUNTY GROSS RENT, 2023				
Gross Rent	Ocean Township		Monmouth County	
	Units	Percent	Units	Percent
Less than \$500	113	2.7%	4,045	6.6%
\$500 to \$999	39	1.0%	3,453	5.7%
\$1,000 to \$1,499	2,251	54.3%	13,711	22.5%
\$1,500 to \$1,999	677	16.3%	15,499	25.4%
\$2,000 to \$2,499	317	7.7%	10,920	17.9%
\$2,500 to \$2,999	241	5.8%	6,150	10.1%
\$3,000 or more	407	9.8%	5,445	8.9%
No cash rent	99	2.4%	1,771	2.9%
Total	4,144	100.0%	60,994	100.0%
Median Rent	\$1,440		\$1,771	
Source: 2019-2023 American Community Survey 5-Year Estimate (DP04, B25063)				

Housing is generally considered to be affordable if the costs of rents, mortgages, and other essential costs consume 28% or less of a homeowner household's income or 30% or less of a renter household's income. (Homeowner rates are lower to account for the additional home maintenance costs associated with ownership.) In Ocean Township, 22.8% of homeowner households and 55.7% of renter households (an average of 38.9% of all households in the Township) pay 30% or more of their monthly income toward housing costs. See Table 9, Housing Affordability.



TABLE 9. OCEAN TOWNSHIP HOUSING AFFORDABILITY, 2023						
Monthly Housing Cost as % of Income	Owner-Occupied*	% of Total	Renter	% of Total	All Occupied	% of Total
Less than 20 Percent	1,672	40.2%	1,071	26.8%	2,743	33.7%
20 to 29 Percent	1,537	37.0%	699	17.5%	2,236	27.4%
30 Percent or More	947	22.8%	2,221	55.7%	3,168	38.9%
Total	4,156	100.0%	3,991	100.0%	8,147	100.0%
Source: 2019-2023 American Community Survey 5-Year Estimate (DP04)						
* Includes only households with a mortgage						

The 2023 American Community Survey found that there were 20 units that had incomplete kitchen facilities, 20 units that had incomplete plumbing facilities, and 0 units that were 50+ years old. Historically the conditions mentioned in this paragraph have been indicators of housing deficiency.

TABLE 10: OCEAN TOWNSHIP INDICATORS OF HOUSING DEFICIENCY, 2023			
Indicator	Incomplete Plumbing	Incomplete Kitchen	Crowded or Overcrowded, and Built Pre-1950
Number of Units	20*	20*	0*
Source: 2019-2023 American Community Survey 5-Year Estimate (DP04, B25050)			
*The margin of error for this information exceeds the estimated counts. As such, the estimates may be unreliable			

POPULATION CHARACTERISTICS

The Township has seen its population grow by 2.6% since the 2000 census, while New Jersey's population grew by 9.4% and Monmouth County's by 4.6% during the same period. See Table 11, Population Growth.

TABLE 11. OCEAN TOWNSHIP POPULATION GROWTH, 2000 - 2020						
	2000	2010	'00 - '10 Change	2020	'10 - '20 Change	'00 - '20 Change
Ocean Township	26,959	27,291	1.2%	27,672	1.4%	2.6%
Monmouth County	615,301	630,380	2.5%	643,615	2.1%	4.6%
New Jersey	8,414,350	8,791,894	4.3%	9,288,994	5.4%	9.4%
Sources: 2000, 2010, and 2020 US Census						

Ocean Township has seen its 5- to 24-year-old population shrink by 8.9%, though its population of children under age 5 grew 27.7%. The Township saw particular growth (45%) in the number of adults between 65 and 74. This helps account for the slight increase in the median age of Township residents, from 42.2 to 42.5. The rise in the number of children under 5 and the 13.1% increase in adults aged 25-34, indicates a growth in the number of young families in Ocean Township. See Table 12, Ocean Township Age Distribution, 2013 and 2023.

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TABLE 12. OCEAN TOWNSHIP AGE DISTRIBUTION, 2013 – 2023					
Age Group	2013	Percent	2023	Percent	Percent Change
Under 5	1,633	6.0%	2,086	7.5%	27.7%
5-14	3,542	13.0%	3,257	11.7%	-8.0%
15-24	3,094	11.3%	2,789	10.0%	-9.9%
25-34	2,989	11.0%	3,382	12.2%	13.1%
35-44	3,316	12.2%	3,234	11.6%	-2.5%
45-54	4,352	16.0%	3,252	11.7%	25.3%
55-64	3,865	14.2%	3,834	13.8%	-8.0%
65-74	2,422	8.9%	3,511	12.6%	45.0%
75+	2,059	7.5%	2,447	8.8%	18.8%
Total	27,272	100%	27,792	100%	1.9%
Median Age:	42.2		42.5		0.7%
Source: 2009-2013, 2019-2023 American Community Survey 5-Year Estimate (DP05)					

HOUSEHOLD CHARACTERISTICS

The U.S. Census Bureau defines a household as those people who occupy a single room or group of rooms constituting a housing unit; however, these individuals may or may not be related. Table 13, Household Size, shows that the distribution of households by size in the Township has remained relatively constant between 2013 and 2023.

TABLE 13. HOUSEHOLD SIZE, 2013 and 2023				
Household Size	2013		2023	
	Households	Percent	Households	Percent
1 Person	2,780	26.0%	2,873	26.3%
2 People	3,658	34.2%	3,542	32.5%
3 People	1,732	16.2%	1,871	17.2%
4 or More People	2,524	23.6%	2,611	24.0%
Total Households	10,694	100%	10,897	100%
<i>Sources: Table S2501, 2009-2013 and 2019-2023 American Community Survey Five-Year Estimates</i>				

As a subset of households, a family is identified as a group of people including a householder and one or more people related by blood, marriage or adoption, all living in the same household. In 2023, there were 10,897 households in the Township, of which 7,558 were family households, with an average of 2.55 people per household and an average of 3.06 people per family household. Approximately 55.2% of the households are married couples with or without children. Approximately 30.6% of the Township's households are non-family households, which include individuals living alone. See Table 14, Household Composition, 2023.



TABLE 14. HOUSEHOLD COMPOSITION, 2023		
Household Type	Number of Households	Percent
Family households	7,558	69.4%
Married-couple family	6,015	55.2%
With Children	2,350	21.6%
Male householder, no spouse present	613	5.6%
With Own Children Under 18	268	2.5%
Female householder, no spouse present	930	8.5%
With Own Children Under 18	550	5.0%
Nonfamily households	3,339	30.6%
Householder living alone	2,872	26.4%
Total Households	10,897	100%
Source: Table DP02, U.S. Census Bureau, 2019-2023 American Community Survey Five-Year Estimates		

When the number of bedrooms in a unit (from Table 6, above) is considered vs. the size of households in Ocean Township (from Table 13, above), there may be some mismatch: There are over twice as many one- and two-person households (58.9% of all households) than there are efficiency or one-bedroom units (26.4% of all units). This comparative shortage of smaller homes may be leading some empty nesters and young adults without children to consider other locations when seeking smaller-sized housing, or to occupy housing that is larger than their needs, and perhaps more costly than their means. Table 15, Unit Size vs. Household Size, 2023, provides more detail.

TABLE 15. OCEAN TOWNSHIP UNIT SIZE vs. HOUSEHOLD SIZE, 2023					
Unit Size	Number of Units	Percent of Total Units	Household Size	Number of Households	Percent of Total Households
0 or 1 Bedroom	2,445	20.7%	1 Person	2,873	26.4%
2 Bedrooms	2,514	21.3%	2 People	3,542	32.5%
3 Bedrooms	3,233	27.3%	3 People	1,871	17.2%
4+ Bedrooms	3,636	30.7%	4+ Persons	2,611	24.0%
Total	11,828	100%	Total	10,897	100%

INCOME CHARACTERISTICS

Households in Ocean Township have slightly lower incomes on average than those in Monmouth County overall. Median household income in 2023 in Ocean Township was \$112,586, compared to \$122,727 for the county overall. Table 16, Household Income by Income Brackets, 2023, shows the number of households in each of the income categories.

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TABLE 16. OCEAN TOWNSHIP HOUSEHOLD INCOME BY INCOME BRACKETS, 2023		
	Households	Percent
Less than \$10,000	230	2.1%
\$10,000-\$14,999	290	2.7%
\$15,000-\$24,999	402	3.7%
\$25,000-\$34,999	426	3.9%
\$35,000-\$49,000	1,244	11.4%
\$50,000-\$74,999	1,127	10.3%
\$75,000-\$99,999	1,239	11.4%
\$100,000-\$149,999	1,812	16.6%
\$150,000-\$199,999	1,374	12.6%
\$200,000 +	2,753	25.3%
Total	10,897	100.0%
Median Income:	\$112,586	
Source: 20019-2023 American Community Survey 5-Year Estimate (DP03)		

The Township's poverty rates for individuals and families (6.7% and 4.0%, respectively) are similar to the county's individual and family rates (6.4% and 4.1%, respectively), although lower than the state's rates (9.8% and 7.0%, respectively). See Table 17, Individual and Family Poverty Rates, 2023, for the comparison.

TABLE 17. INDIVIDUAL AND FAMILY POVERTY RATES, 2023		
Location	Individuals	Families
Ocean Township	6.7%	4.0%
Monmouth County	6.4%	4.1%
New Jersey	9.8%	7.0%
<i>Source: 2019-2023 American Community Survey 5-Year Estimate (DP03)</i>		

EMPLOYMENT CHARACTERISTICS

Table 18, Covered Employment by Sector, shows the distribution of jobs in Ocean Township by sector. The four industries that offer the largest employment opportunities in the Township were the retail trade industry at 23.4%; the health and social services industry at 17.6%; and educational services at 14.6%.

TABLE 18. COVERED EMPLOYMENT BY SECTOR, 2022		
	Count	Percent
Private Sector Category		
Agriculture	1	0.0%
Mining/Quarrying	1	0.0%
Utilities	19	0.2%
Construction	505	4.6%



TABLE 18. COVERED EMPLOYMENT BY SECTOR, 2022		
	Count	Percent
Manufacturing	301	2.8%
Wholesale Trade	264	2.4%
Retail Trade	2,557	23.4%
Transportation/Warehousing	128	1.2%
Information	27	0.2%
Finance/Insurance	558	5.1%
Real Estate	147	1.3%
Professional/Technical	586	5.4%
Management of Enterprises	4	0.0%
Admin/Waste Remediation	422	3.9%
Education	1,587	14.6%
Health/Social Services	1,922	17.6%
Arts/Entertainment	336	3.1%
Accommodation/Food	772	7.1%
Other Services	499	4.6%
Private Sector Total	10,637	97.5%
Public Administration	270	2.5%
Total Covered Employment	10,907	100%
<i>Source: OnTheMap, Center for Economic Studies, U.S. Census Bureau, 2022.</i>		

Jobs-Housing Ratio

A municipality's jobs-housing ratio is a rough indicator of the degree to which the municipality has been able to generate sufficient housing to accommodate its workers. A ratio of between 0.75 and 1.5 is generally considered to indicate a healthy balance between the number of jobs a municipality can offer its residents and the municipality's ability to house all its workers who wish to live there.¹⁶ The ability to house workers locally enables them to spend less time commuting, reduces traffic congestion, and reduces the greenhouse gas emissions associated with commuting by automobile.

Based on Tables 4 and 18 above, Ocean Township has a jobs-housing ratio of 0.92, within the range considered healthy.

POPULATION PROJECTIONS

The North Jersey Transportation Authority ("NJTPA"), the Metropolitan Planning Organization that includes Ocean Township as well as the remainder of Monmouth County, published population and employment projections for the year 2050. The NJTPA projects that the Township's population and employment will increase by 5.5% and 10.9%, respectively, from 2015 to 2050. As Table 19, Population and Employment Projections, 2015 to 2050, shows, the Township's projected population and employment growth rates are slightly lower than those of the county (6.5% and 11.8%, respectively).

¹⁶ <https://enviroatlas.epa.gov/enviroatlas/datafactsheets/pdf/supplemental/employmenthousingratio.pdf>

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TABLE 19. POPULATION AND EMPLOYMENT PROJECTIONS, 2015 to 2050						
	Ocean Township			Monmouth County		
	2015	2050	% Change	2015	2050	% Change
Population	27,184	28,683	5.5%	629,185	669,624	6.4%
Employment	10,133	11,240	10.9%	262,372	293,290	11.8%
<i>Sources: NJTPA. Forecasts adopted September 2021</i>						

The FHA requires that housing plans include a 10-year projection of new housing units based on the number of building permits, demolition permits, development applications approved, and probable developments, as well as other indicators deemed appropriate (N.J.S.A. 52:27D-310.b). Building permit issuance for new residential construction in Ocean Township during the years 2014 through 2023 averaged approximately 61.2 units per year, and residential demolition permits averaged 9.5 per year, for an average net new residential construction rate of 51.7 units per year.

If this rate were to remain constant, Ocean Township would see approximately 517 new dwellings by July 1, 2033. Factors such as economic cycles, zoning, environmental constraints, and physical obstacles to development may result in a lower or higher actual number. Table 20, Housing Projections, provides an estimate of anticipated residential growth based on the extrapolation into the future of prior housing activity and planned new development.

TABLE 20. HOUSING PROJECTIONS TO 2025			
Year	Building Permits	Demolitions	Net New Dwellings
2014	22	5	17
2015	113	14	99
2016	25	2	23
2017	71	3	68
2018	94	3	91
2019	74	10	64
2020	95	16	79
2021	17	12	5
2022	18	14	4
2023	83	16	67
Total	612	95	517
10-Year Average	61.2	9.5	51.7
10-Year Projection (2024-2033)	612	95	517
<i>Source: NJDCA Construction Reporter, Building Permits, Yearly Summary Data, Residential Demolition Permits and Housing Units Authorized by Building Permit for New Construction.</i>			



OCEAN TOWNSHIP AFFORDABLE HOUSING HISTORY

The Township of Ocean prepared a housing element as part of its overall Master Plan in 1990. In 2009, Ocean Township adopted a resolution formally committing to comply with its Mount Laurel obligations (Resolution 09-173) and the Township filed a Motion for Temporary Immunity. A 2010 Consent Order set forth by the Honorable Paul A. Kapalko determined that Ocean Township's affordable housing obligation would be limited to the municipality's Present Need and First and Second Round (Prior Round) fair share obligation. COAH's Prior Round obligation for Ocean Township was 873, per N.J.A.C. 5:93. As the Township has limited vacant, developable land, the municipality conducted a VLA in April 2011. This analysis, involving the review of 850 sites deemed to be either vacant or municipally/publicly owned, calculated a Prior Round RDP of 216 with a Prior Round Unmet Need of 657.

On June 27, 2011, the Township adopted its HEFSP to address its Prior Round affordable housing obligation as determined by Judge Kapalko. The Township proposed to satisfy its 216 Prior Round RDP through existing affordable family rental units at Primrose Place; existing group home bedrooms; the proposed addition of new affordable units at an existing age-restricted affordable rental housing complex called Poplar Village, built in 1971; the reconstruction of the balance of the 40-year-old age-restricted affordable rentals at Poplar Village; inclusionary zoning on the Roosevelt and Wayside Point (formerly known as BVB) sites; a market-to-affordable rental program; and, if needed, a 100% affordable housing development at 777 West Park Avenue. On July 28, 2011, the Township submitted the plan to the New Jersey Superior Court.

On September 1, 2011, Frank Banisch III, PP, AICP, the court-appointed Special Adjudicator (formerly referred to as Special Master), issued a report recommending that the Township modify its April 2011 RDP calculation of 216 to an RDP of 240, resulting in a 633 Prior Round Unmet Need. Subsequently, the Township took substantial actions to address the revised Adjudicator-approved 240 Prior Round RDP and the Township's Unmet Need.

On July 6, 2015, the Township filed its Third Round Declaratory Judgment action with the Superior Court, listing in plan summary filings with the Court in October and December of 2015 its efforts to address its RDP. As a result of mediation through the Superior Court, in January 2019, the Township and FSHC negotiated and executed a Settlement Agreement (see Appendix A). The Township's agreement with FSHC established the Township's three-part Third Round fair share obligation, including a Present Need obligation of 57, the previously determined Prior Round obligation of 873, and a Third Round "Gap" and Prospective Need obligation of 518. The combined Prior Round and Third Round obligations were reduced via an updated VLA to a combined Prior Round and Third Round RDP of 280 and a combined Prior Round and Third Round Unmet Need of 1,111. The Settlement Agreement set forth the Township's preliminary compliance mechanisms to address its RDP and Unmet Need. This plan includes updated information to conform to the terms of the Third Round Settlement Agreement.

In a report dated April 1, 2019, Special Adjudicator Banisch recommended that the Township's Third Round Settlement Agreement with FSHC be approved. The 2019 Ocean Township/FSHC Settlement Agreement was approved by the Honorable Linda Grasso Jones, J.S.C., at a Fairness Hearing on April 5, 2019, as reflected in an order dated June 25, 2019. The Court's approval established the Township's Third Round fair share and provided preliminary approval of the Township's compliance efforts.

Fourth Round Housing Element and Fair Share Plan



The Township proposed to satisfy its 280 combined Prior Round and Third Round RDP through existing affordable family rental units at Primrose Place; existing group home bedrooms; units from the existing Heritage Village at Oakhurst (formerly 777 W. Park Avenue) 100% affordable age-restricted development; the Cindy Lane Apartments 100% affordable family rental development; and inclusionary zoning on Roosevelt and Wayside Point (formerly known as BVB), as well as proposed inclusionary development on the Ocean Glades site. The Township's Third Round HEFSP was approved by the Court in a final JOR entered May 4, 2020. (See Appendix A.)

In addition to the Township's formal efforts to address its fair share affordable housing obligations noted above, Ocean Township also has a long history of providing a multitude of multi-family, garden apartment residential opportunities for low- and moderate-income households to live in the community, attend schools, and participate in all aspects of community life. In addition to the affordable housing units in the Township with formal affordability controls, there are a significant number of unrestricted but modestly priced rental apartments in the Township. As set forth in the Township's 2011 adopted HEFSP and as noted herein, the rents at the vast majority of its existing apartment units were affordable or would reasonably be considered affordable according to a 2009 study conducted by the Township (see attached map of garden apartment complexes).

In 2009, the Township did an inventory of the garden apartments in the municipality and documented the rents charged, based on information either gleaned from speaking with staff/managers at each apartment complex or gathered from the apartment complex's website. The Township compared the rents at those complexes with COAH's permitted rents in 2009.

As described in the "Affordability Requirements" section above, COAH defines moderate-income households as households with gross incomes less than 80% of the regional median income; however, COAH set the maximum allowed rents lower, to be affordable to a household earning no more than 60% of the regional median income. COAH defined rent as "affordable" if it equals 30% or less of a household's income. Table 21. Maximum Affordable Rents, 2009 and 2024, shows 2009 and 2024 maximum illustrative net rents at 60% of regional median income and a reasonable net rent based on income levels at 80% of the regional median income.

TABLE 21. MAXIMUM AFFORDABLE RENTS, 2009 AND 2024				
Unit Size	Maximum COAH Rent at 60% of Median Income		Maximum Rent at 80% of Median Income	
	2009	2024	2009	2024
1 bedroom	\$893	\$1,463	\$1,223	\$1,945
2 bedrooms	\$1,066	\$1,756	\$1,463	\$2,335
3 bedrooms	\$1,266	\$2,029	\$1,684	\$2,698
Source: Council on Affordable Housing 2009, Affordable Housing Professionals of New Jersey 2024				

Existing Affordable Apartments (Restricted and not Restricted)

LOCATION:
Ocean Township, Monmouth County, NJ

DATE:
November 2019

Legend

Restricted and not Restricted Sites

Aerial Source:
New Jersey 2015 High Resolution Orthophotography, MADRS(2011), MSID Tiles
Publisher: NJ Office of Information Technology (NJ.OIT)
Office of Geographic Information Systems (OGIS)
Publication Date: 2/24/2016

Wetlands Source:
Wetlands (from Land Use/Land Cover 2012 Update), Edition 2/17/2015
Publisher: NJ Department of Environmental Protection (NJDEP)
Division of Information Technology (DOIT)
Bureau of Geographic Information System (BGIS)

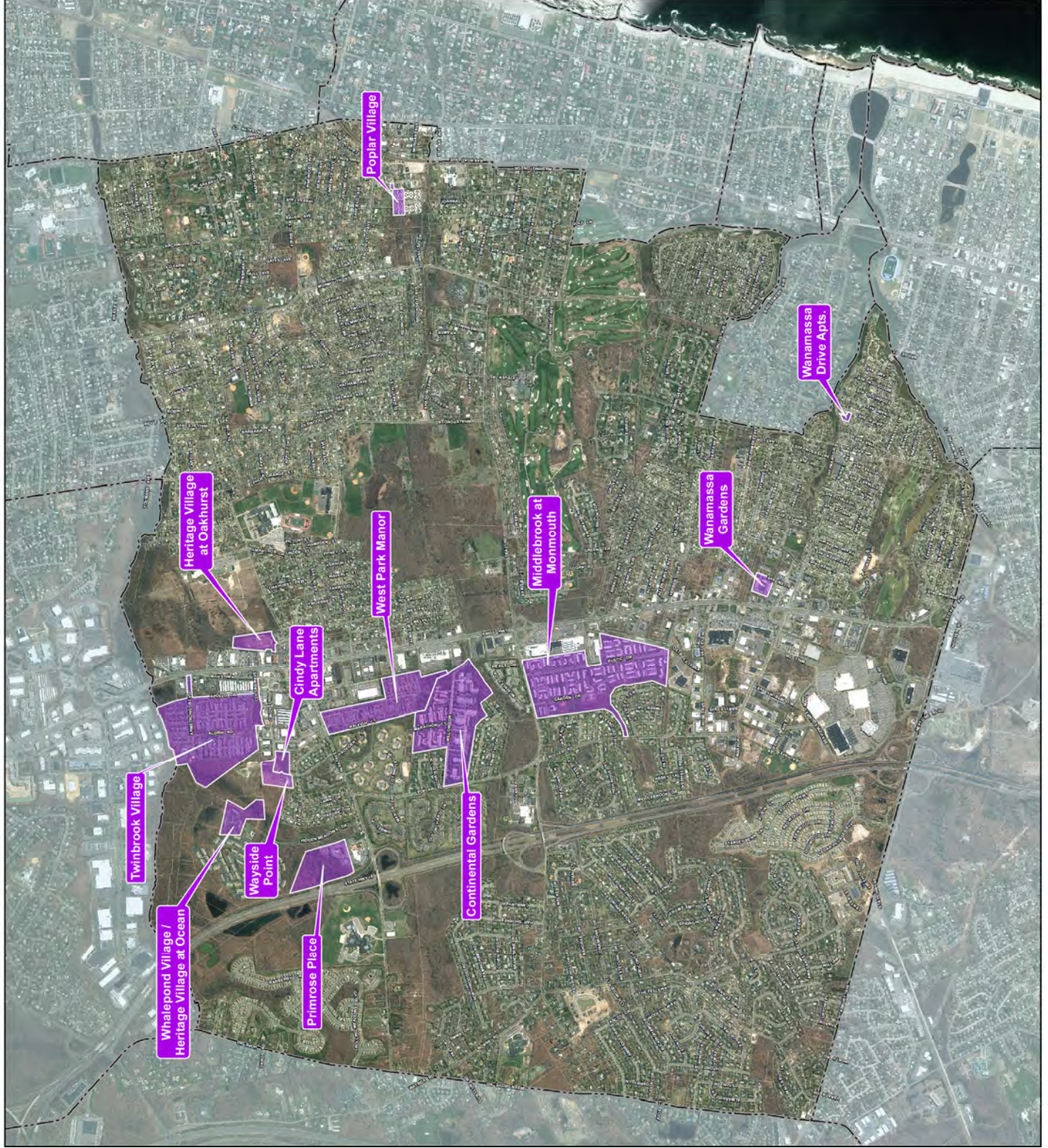
Special Flood Hazard Area Source:
Title: National Flood Hazard Layer (NFHL)
Organization Name: Federal Emergency Management Agency
Date: 2015-08-10
Date Type: Publication Date
Edition: Version 1.1.1.0

Steep Slope Source:
Steep Slopes (from NJDEP 2010 Flood Resolution LIDAR (Light Detection and Ranging) Derived Digital Elevation Model (DEM), Non-Hydro-Flattened)
Originator: New Jersey Department of Environmental Protection
Publication Date: 10/1/2012



0 0.75 Miles

Clarke Caton Hintz
Architecture
Planning
Landscape Architecture





The apartment complexes surveyed, totaling 3,155 units (including name, unit totals, number of bedrooms, and range of rents in 2009 and 2025 where available), are listed in Table 22, below, along with 151 new affordable units that have come online since 2009:

TABLE 22. PUBLISHED RENTS AT OCEAN TOWNSHIP APARTMENT COMPLEXES, 2009 and 2025

Name	Number and Type of Units	Rent Range, 2009	Rent Range, 2025
Twinbrook Village	880 units, 1 and 2 BR	\$795 to \$1,175	\$1,775 to \$2,150
Middlebrook at Monmouth	916 units, 1 and 2 BR	\$850 to \$1,150	\$1,675 to \$2,015
Continental Gardens	602 units, 1 and 2 BR	\$790 to \$1,245	\$1,395 to \$2,220
West Park Manor	344 units, 1 and 2 BR	\$945 to \$1,300	\$2,124 to \$2,474
Heritage Village at Ocean (was Whalepond Village)	96 units, 1 BR	Income-restricted rents from \$799	Income-restricted rent \$1,361
Poplar Village	93 units, eff. and 1 BR	Income-restricted rents from \$669 to \$1,000	Income-restricted rents from \$821 to \$1,059
Wanamassa Gardens	66 units, 1 and 2 BR	\$975 to \$1,300	
Wanamassa Drive Apartments	14 units; no other information provided		
Primrose Place	144 units: 125 market-rate units all 2 BR; 19 affordable units, 1, 2 and 3 BR	Market-rate rents from \$1,850 to \$2,225; Income-restricted rents from \$368 to \$1,192	Market-rate rents from \$2,640 to \$3,125; Income-restricted rents from \$422 to \$1,323
Heritage Village at Oakhurst	93 units, 1 and 2 BR		Income-restricted rents from \$611 to \$1,393
Cindy Lane Apartments	47 units, 1 BR, 2 BR and 3 BR		Income-restricted rents from \$227 to \$948
Wayside Point	11 units, 1 BR, 2 BR and 3 BR		Income-restricted rents from \$374 to \$1,286

From the survey and current rent information it is clear that in both 2009 and 2025, most of the multi-family and garden apartment units in the Township of Ocean were and are either restricted affordable units or can reasonably be deemed to be affordable units based on the rents charged.

To put the affordability of the Township's existing garden apartments into more perspective, in 2011 the Township reviewed the number of students in the Township, and specifically the number who resided in the garden apartments, who were eligible for free or reduced-cost lunch pursuant to the federal school lunch program. The federal income eligibility guidelines for the free and reduced-cost lunch program are a percentage of the federal poverty guidelines, and for the 2010-2011 school year in New Jersey, these equated to a maximum annual income for a family of four of \$28,665 for free lunch and \$40,793 for reduced-cost lunch. By comparison, in 2009 COAH deemed a family of four with an annual income of up to \$44,125 to be eligible as a low-income household, and a family of four with an annual income of up to \$70,599 to be eligible as a moderate-income household. Thus a student eligible for free or reduced-cost lunch was by definition part of a household that COAH defined as low- or moderate-income.



For 2024, a four-person household earning \$57,720 or less is eligible for reduced-price school lunches, and a four-person household earning \$40,560 or less is eligible for free school lunches. The 2025 income limits promulgated by HMFA deem a family of four making \$40,380 in Monmouth County to be at 30% of regional median income, and a family of four making \$67,300 to be at 50% of regional median income. Thus, a student eligible for free or reduced-cost lunch in 2024 was also by definition part of a household considered low-income.

In March 2011, the Township of Ocean School District, which serves grades K – 12, had a total enrollment of 4,022 students, of whom 826 students, or 20.5%, were eligible for free or reduced-cost lunch. In 2017, according to the New Jersey Department of Education, the district had an enrollment of 3,519, of which 697, or 19.8%, were eligible for free or reduced-cost lunch. Of those students in 2011, the Township found that 485, or almost 60%, resided in the five largest garden apartment complexes (Continental, Middlebrook at Monmouth, Twinbrook, West Park Manor and Wanamassa Gardens).

This is further indication that even before COAH was established, both the restricted and the unrestricted garden apartments in the Township have served the region's low- and moderate-income households well. It is also further confirmation that the Township has not utilized its zoning powers to exclude low- and moderate-income households from the community.

Availability of Existing and Planned Infrastructure

According to New Jersey American Water, which provides public water service to the Township, there is sufficient capacity to provide water to all the inclusionary developments (market-rate and affordable units) proposed to address the Township's Third Round RDP of 237, the proposed 100% affordable development that will satisfy the Township's Fourth Round RDP of 27, and all of its Unmet Need compliance mechanisms. It notes that mains of various dimensions are located near the boundaries of all proposed development sites. According to the Township of Ocean Sewerage Authority, the Township has sufficient sewer treatment capacity to handle the increased volume from all its compliance mechanisms; however, it recommends further study to determine whether the collection system has the necessary capacity, and it indicates that some infrastructure improvements for some of the Unmet Need compliance mechanisms may be necessary. (See Appendix C for the letters of capacity to serve.)

Anticipated Land Use Patterns

Anticipated land use patterns in Ocean Township will continue to favor a variety of housing types, and will range from single-family infill development in residential neighborhoods to upper-story apartments with an affordable housing set-aside in Ocean Township's neighborhood commercial districts (the C-1 District, including Norwood Avenue).

Constraints on Development

The Township is located entirely within the Metropolitan Planning Area, PA 1, and not within the jurisdiction of the Meadowlands, Highlands, or Pinelands planning areas. A small corner of the Township, specifically, the section of Norwood Avenue covered by an inclusionary zone that was included as an Unmet Need compliance mechanism in the Township's Third Round plan, is within the CAFRA boundary. However, the Township does not anticipate that CAFRA requirements would preclude any anticipated

Fourth Round Housing Element and Fair Share Plan

OCEAN TOWNSHIP, MONMOUTH COUNTY, N.J.



future inclusionary Unmet Need development. There are no known federal regulations that would hinder the development projected as part of the Township's Fourth Round HEFSP.

There are no Category 1 waterways or associated buffers in the Township. The CAFRA boundary, the wetlands areas designated by the New Jersey Department of Environmental Protection ("DEP"), and the FEMA 100-year flood plains present in the Township do not limit the development proposed to address its RDP.

The only significant open, developable lands in Ocean Township are two golf courses; most other new development will require the redevelopment of existing structures.

Consideration of Lands Appropriate for Affordable Housing

As part of this housing element, the Township has considered land that is appropriate for the construction of low- and moderate-income housing and considered all lands of developers who have expressed a commitment to provide low- and moderate-income housing. Consistent with smart growth planning principles, the Township has chosen to intersperse affordable housing throughout the existing residential neighborhoods in the Township and in proximity to transportation corridors.

The Township believes that the developments described in this document represent the best options for affordable housing development within the Township. The Township's affordable inclusionary housing sites and 100% affordable housing sites all provide opportunities for very low-, low- and moderate-income households to be a part of the community and have access to local schools, public transportation, parks and services.

Multi-Generational Family Housing Continuity

The FHA requires an HEFSP to provide an analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family housing continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of 23 section 1 of P.L.2021, c.273 (C.52:27D-329.20). As of May 2025, no recommendations have been issued by the Commission.

Consistency with State Development and Redevelopment Plan

The entirety of Ocean Township is located in the Metropolitan Planning Area (PA-1) as established by the SDRP. The State Plan's intent for the Metropolitan Planning Area is to:

- Provide for much of the state's future growth in compact development and redevelopment;
- Revitalize cities, towns and neighborhoods, and in particular overburdened neighborhoods;
- Address existing legacy issues such as air pollution, urban heat islands, lead contamination, Brownfields, urban highways, and combined sewer systems;
- Prevent displacement and gentrification;
- Promote growth that occurs in centers, other appropriate areas that are pedestrian friendly, and in compact transit-oriented forms;
- Rebalance urbanization with natural systems;



- Promote increased biodiversity and habitat restoration;
- Stabilize and enhance older inner ring suburbs;
- Redesign and revitalize auto oriented areas;
- Protect and enhance the character of existing stable communities

Ocean Township is a developed community with access to regional NJ Transit bus service to Asbury Park, Brookdale College and Long Branch rail service to New York. All affordable housing sites satisfying the Township's obligations have public water, sewer, and stormwater management facilities, where required.



OCEAN TOWNSHIP'S AFFORDABLE HOUSING OBLIGATION

A municipality's Fourth Round affordable housing obligation has four components: Fourth Round Present Need (Rehabilitation share), Prior Round Prospective Need, Third Round "Gap"/Prospective Need, and Fourth Round Prospective Need. For Ocean Township, these four components were determined as follows.

In 2019, the Court approved the Third Round FSHC settlement agreement, which included the Township's cumulative Prior Round Prospective Need (previously established by COAH), and which set the Third Round Gap/Prospective Need (as negotiated with FSHC), which was then adjusted pursuant to an updated 2017 Prior Round/Third Round VLA.

In January 2025, the Township filed its Fourth Round DJ action, which included Township Council Resolution #25-023, adopted January 29, 2025, accepting the DCA calculation of its Fourth Round Present Need/Rehabilitation Share and Prospective Need, which will also be adjusted per the updated 2025 Fourth Round VLA. In an April 2025 Order, the Court affirmed the Township's acceptance of DCA's Fourth Round obligations. The entire four-component Fourth Round fair share obligation is as follows:

- Fourth Round Present Need/Rehab Share: 51
- Prior Round Prospective Need: 873
- Third Round "Gap"/ Prospective Need: 518
- Fourth Round Prospective Need: 166

Rehabilitation Obligation

The amended FHA defines *present need* as "the number of substandard existing deficient housing units currently occupied by low- and moderate-income (LMI) households" and *deficient housing unit* as "housing that (1) is over fifty years old and overcrowded, (2) lacks complete plumbing, or (3) lacks complete kitchen facilities." The Township's Fourth Round Present Need of 51 was calculated by DCA according to its October 2024 methodology report. The Township accepted DCA's determination of its Fourth Round Present Need obligation by resolution as submitted to the Superior Court/Program with its Fourth Round DJ filing.

Prior Round Prospective Need Obligation

The Prior Round Prospective Need obligation is the cumulative prospective need obligation for the First and Second Rounds (1987 to 1999). The Township's 873 Prior Round Need was calculated by COAH as set forth in the Appendices to COAH's Substantive Rules at N.J.A.C. 5:93-1.

Third Round "Gap" and Prospective Need Obligation

As established by the Township's 2019 FSHC Settlement Agreement, Ocean's Third Round obligation (1999-2025) was set at 518 units. The Township's combined Prior Round and Third Round VLA resulted in a combined Prior Round and Third Round RDP of 280, later adjusted to 237, and an Unmet Need of 1,111, later adjusted to 1,154.

Fourth Round Prospective Need Obligation

The FHA, as amended by P.L. 2024, c.2, defines *prospective need* as "a projection of housing needs based on development and growth which is reasonably likely to occur in a region or municipality, as the case may be, as a result of actual determination of public and private entities." The Township's Fourth Round Prospective



Need of 166 was calculated by DCA according to the methodology described in the October 2024 report titled *Affordable Housing Obligations for 2025-2035 (Fourth Round) Methodology and Background*. The Township accepted DCA's determination of its Fourth Round Prospective Need of 166 by resolution, which was filed with the Superior Court/Program as part of its Fourth Round DJ action, and established by Court order entered April 1, 2025 (Appendix B).

Because of a lack of developable land in the Township, it has prepared an updated 2025 VLA (Appendix D), as part of this Fourth Round HEFSP. The updated Fourth Round VLA determined, pursuant to the 2002 NJ Supreme Court decision in the Cherry Hill Twp./Garden State Racetrack VLA matter, whether there were any "changed circumstances" from when the Township performed its earlier 2018 Third Round analysis. The Township has identified three parcels totaling 4.9 acres that are large enough to support an inclusionary development. At a gross density of six units per acre and an affordable housing set-aside of 20%, these parcels generated a Fourth Round RDP of 5.88. In addition, three parcels have approved or proposed projects that include a total of 106 residential units. At a mandatory affordable housing set-aside of 20%, these projects generate a Fourth Round RDP of 21.2, which, when added to the 5.88 RDP for the newly vacant parcels, create a combined total RDP of 27.08. Thus the Township's Fourth Round RDP is 27, and its Unmet Need is 139. When the unfulfilled Third Round Unmet Need is added to this number, the Township's total Unmet Need is 1,293.



OCEAN TOWNSHIP'S AFFORDABLE HOUSING PLAN

Satisfaction of the Rehabilitation Obligation

The Township proposes to address its 51-unit Rehabilitation share through participation in the Monmouth County Housing Improvement Program, which utilizes federal Community Development Block Grant funds. (See Appendix E for the county's Housing Improvement Program operating manual.) Because that program is only available for owner-occupied units, the Township will also establish a municipally sponsored rehabilitation program, available also to renters, and in its Spending Plan will dedicate funds from its municipal Affordable Housing Trust Fund toward the program.

Ocean Township's rehabilitation programs have adhered and will adhere to the regulations in N.J.A.C. 5:93-5.2. Specifically, all rehabilitated units will comply with the definition of a substandard housing unit in N.J.A.C. 5:93-1.3, which defines it as "a housing unit with health and safety code violations that require the repair or replacement of a major system." Major systems include weatherization, roofing, plumbing, heating, electricity, sanitary plumbing, lead paint abatement and/or load-bearing structural systems. All rehabilitated units will meet the applicable construction code. Additionally, all rehabilitated units will be occupied by low- or moderate-income households and upon completion of the rehabilitation, 10-year affordability controls will be placed on the property in the form of a lien or deed restriction.

Satisfaction of the 237 Combined Prior Round and Third Round (1987-2025) RDP

Pursuant to the Township's December 10, 2018, VLA, and through the Township's Third Round settlement with FSHC, the Township's Prior Round and Third Round (1987-2025) combined obligation of 1,391 units was adjusted to an RDP of 280 units and Unmet Need of 1,111 units. Since that time, the Township has determined that one site in the Township's VLA that was found to generate an RDP of 43, and on which an inclusionary development was proposed that would generate 43 affordable units, is constrained by environmental contamination and is not available for residential development. Therefore, with FSHC's preliminary approval, the Township had reduced its combined RDP to 237 and increased its combined Unmet Need to 1,154.

In addition to satisfying the RDP and proposing mechanisms to assist in addressing Unmet Need, the Township must also adhere to a minimum rental obligation, a minimum family rental obligation, a maximum number of age-restricted units, a minimum very low-income requirement, and a minimum number of family very low-income units.

As summarized in Table 23, Summary of Combined Prior Round and Third Round Revised 237 RDP Compliance, the Township has addressed its 237 RDP with completed, approved and proposed affordable family, special-needs, and senior units. The majority of the affordable units will be rentals, and a portion of one development (Roosevelt) may be for-sale affordable units. Pursuant to N.J.A.C. 5:93-5.15(d), rental bonuses for family affordable rental units are allocated on a one-for-one basis, meaning that for every affordable rental unit built or with a firm commitment, two credits are calculated up to a rental bonus cap of 25% of the Prior Round/Third Round RDP, which, in the case of Ocean Township means a rental bonus cap of 60.

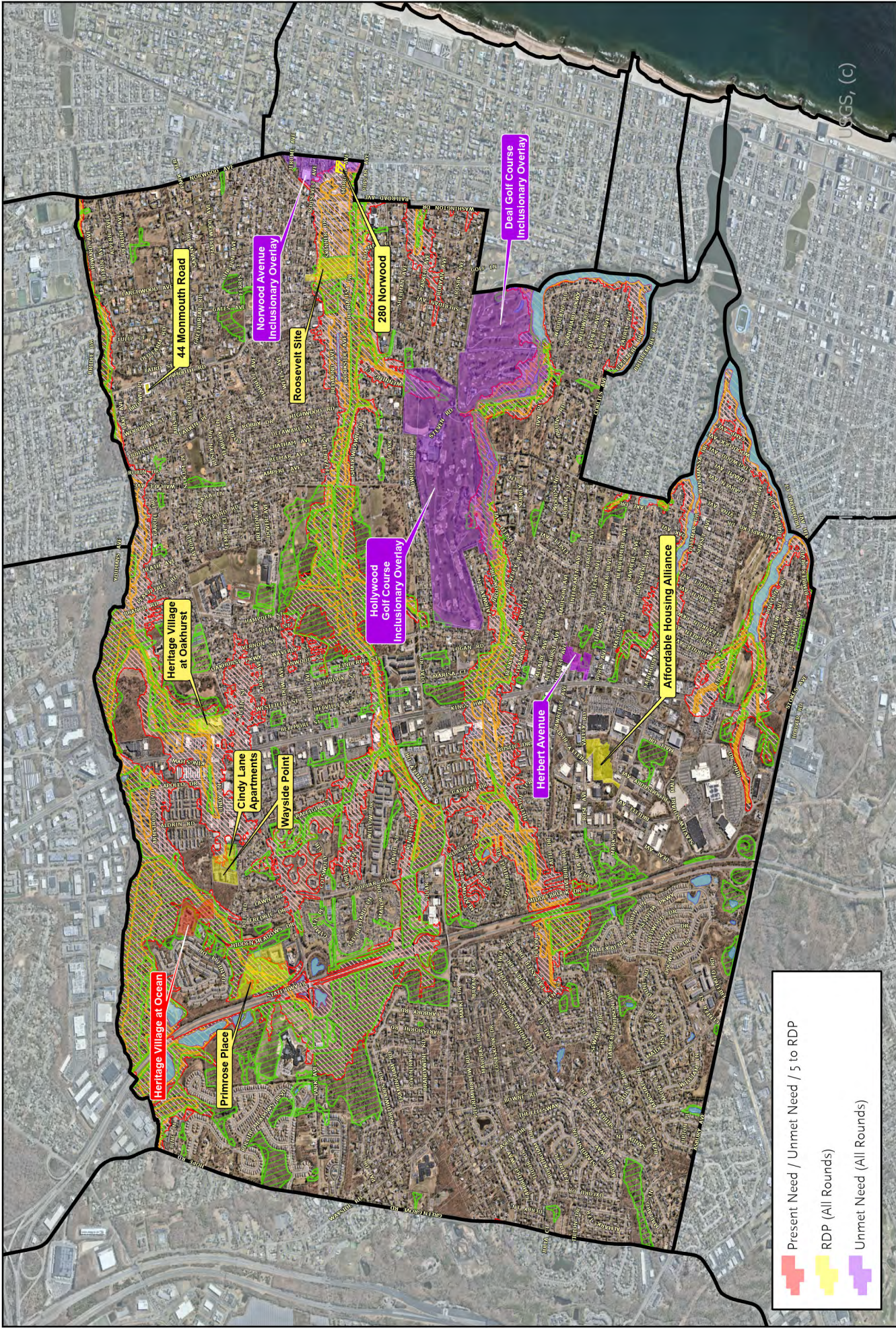


**TABLE 23. OCEAN TOWNSHIP SUMMARY OF COMBINED PRIOR ROUND AND
THIRD ROUND REVISED 237-RDP COMPLIANCE PLAN**

Compliance Mechanism	Type	Total Credits	Bonuses	Total
Primrose Place – completed	Inclusionary family affordable rental	19	19	38
Beacon Specialized Living (formerly Enable, Inc.) – completed	Special needs	4	0	4
SERV, Inc. – completed	Special needs	5	0	5
Heritage Village at Ocean (Whalepond Village) – completed (5 of 95; extension of controls)	Special needs	5	0	5
Heritage Village at Oakhurst (777 W. Park) – completed (59 of 92)	Affordable senior rental (59) and special needs (5)	59; cap 5	0	64
Cindy Lane Apartments – completed	100% affordable family rental	47	41; cap	88
Wayside Point (formerly BVB) – completed	Inclusionary family affordable rental	11	0	11
Roosevelt Properties site – approved (2 on-site/3 off-site)	Inclusionary family affordable sale/rental	2	0	2
Ocean Glades site – removed as contaminated (-43 units)	Inclusionary family affordable rental	0	0	0
Affordable Housing Alliance – 20 of 67; proposed; includes 3 off-site (2 low/1 very low) from Roosevelt Properties	100% affordable family rental	20	0	20
Total		177	60	237

Fourth Round Housing Element and Fair Share Plan

OCEAN TOWNSHIP, MONMOUTH COUNTY, N.J.



■ Present Need / Unmet Need / 5 to RDP
■ RDP (All Rounds)
■ Unmet Need (All Rounds)



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 Landscape Architecture

- ▨ Wetlands
- ▨ Inland Flood Hazard Area
- ▨ 100 Year Flood
- ▨ Waterbodies

AFFORDABLE HOUSING SITES: RDP SITES AND UNMET NEED SITES

Ocean Township

LOCATION:
 Ocean Township, Monmouth County, NJ

DATE:
 May 2025

- Aerial Imagery
Nearmap (June 20, 2024)
- Wetlands/Forest
NJDEP (2020)
- Steep Slopes
NJOGIS (2019)
- Streams/Waterbodies
NJDEP (2015)
- 100-Yr Flood/Flood Hazard
FEMA (2024)

EGS, (C)



INCLUSIONARY DEVELOPMENT – COMPLETED

Primrose Place

There are 19 completed affordable family rental units at Primrose Place, Block 1.02, Lot 72, at 20 Hidden Meadows Drive. In 2001, Fieldstone Associates, Inc. received Planning Board approval to construct 124 total senior market-rate rental housing units. In 2009, Fieldstone received approval from the Township to remove the age restriction for the entire complex, provided it constructed an addition to accommodate an affordable housing set-aside for the development.

The affordable units received certificates of occupancy (“COs”) in 2011, and has affordability controls of at least 30 years. The developer sold the property in 2017 to an entity known as Primrose Estates, LLC, which has contracted with the Township’s Administrative Agent, Community Grants, Planning and Housing, LLC. (CGP&H), for ongoing affirmative marketing and administration of the affordable family rental units.

The developer’s agreement required four one-bedroom units, 11 two-bedroom units and four three-bedroom units. This bedroom distribution addresses UHAC at N.J.A.C. 5:80-26.3(b) for the two- and three-bedroom requirements, although only three one-bedroom units should have been permitted instead of four (3.8 was rounded to 4.0). Although this project does not comply strictly with UHAC, the Township overall satisfies UHAC’s requirements for family bedroom distribution, as can be seen in Table 25. The Township claimed 19 family rental affordable housing credits and 19 rental bonuses from this property. (See Appendix F for the recorded deed restriction.)

Wayside Point (formerly BVB site)

In 2009 the owner of an approximately 5.9 acre site (Block 1.02, lots 52.01, 53.01 and 54.01) brought Mount Laurel litigation against the Township in a matter entitled BVB II Associates v. Township of Ocean and the Planning Board of Ocean, Docket No. MON-L-4316-09. With the guidance of the Court-appointed Special Adjudicator, in October 2015 the Township and BVB II Associates reached a settlement agreement, which received approval from the Court in an Order dated January 25, 2016, after a fairness hearing on December 4, 2015.

Pursuant to the Court-approved BVB settlement agreement, the Township rezoned the site to allow for the construction of 72 housing units, 11 of which are affordable family rental units (a 15% affordable housing set-aside). The development received its COs in November 2019, and has affordability controls of at least 30 years. The developer has retained CGP&H, the Township’s experienced affordable housing Administrative Agent, to affirmatively market and administer the affordable units. (See Appendix G for the recorded deed restriction.)

ALTERNATIVE LIVING ARRANGEMENTS – COMPLETED

Beacon Specialized Living (formerly Enable, Inc.)

Beacon Specialized Living, formerly called Enable, Inc., is an experienced provider of supportive and special needs housing in New Jersey and operates a four-bedroom group home at 604 W. Park Avenue (Block 33.08, Lot 2). The group home received a CO on January 6, 2000, and was licensed on August 29, 2000. Beacon received capital funding from the Division of Developmental Disabilities (“DDD”). The state’s required Capital Application Funding Unit agreement letter established a 20-year renewable operating

Fourth Round Housing Element and Fair Share Plan

OCEAN TOWNSHIP, MONMOUTH COUNTY, N.J.



contract. COAH's policies have historically honored the 20-year renewable DDD funding agreement as addressing the appropriate affordability controls. The four bedrooms in the group home are eligible for credit (credit is provided by the bedroom for group homes per N.J.A.C. 5:93-5.8(b)). (See Appendix H for crediting documentation, including the group home survey, DDD funding agreement, and the most recent available license.)

SERV, Inc.

SERV, Inc. is an experienced provider of supportive and special needs housing in New Jersey and operates a five-bedroom group home at 21 Hillside Terrace (Block 182, Lot 20). The group home was initially established by Developmental Services of New Jersey, Inc. and opened on February 18, 2002. Developmental Services received a license for the facility on March 1, 1999. At the request of DDD, SERV took over the group home in 2009, and that year received almost \$345,000 in funding from DDD, which required a Capital Application Funding Unit agreement letter establishing a 20-year renewable operating contract. (See Appendix H for crediting documentation, including the group home survey, DDD funding agreement, and current license.)

EXTENSION OF CONTROLS

Heritage Village at Ocean (formerly Whalepond Village)

Heritage Village at Ocean (Block 1.02, Lot 21.02) is an existing 96-unit affordable rental complex that includes 90 age-restricted affordable units, five special-needs units and a superintendent's unit. The complex was purchased by the Township in 1994 and transferred in 2013 to Community Investment Strategies ("CIS"), an experienced affordable housing developer, in order to preserve affordability controls on the units. New 30-year affordability controls were imposed on all of the affordable units in 2013, and in 2015 all of the units were extensively rehabilitated. To satisfy its 57-unit Third Round Rehabilitation share, the Township claimed credit for 57 of the 90 age-restricted affordable units at Heritage Village at Ocean, and applied the remaining 33 credits to its combined Prior Round and Third Round Unmet Need. In accordance with N.J.A.C. 5:97-6.14, the Township applied five credits from the extension of controls on the five special-needs units towards its combined Prior Round and Third Round RDP. (See Appendix I for the deed restriction and financing agreements.)

MUNICIPALLY SPONSORED 100% AFFORDABLE HOUSING – COMPLETED

Heritage Village at Oakhurst (formerly 777 W. Park)

The 777 W. Park Avenue site (Block 3, Lots 16.03 and 16.04), now known as Heritage Village at Oakhurst, is located off West Park Avenue and consists of approximately 6.85 acres. The Township bonded for \$1.3 million to purchase the site in June 2003, and later transferred it to CIS. In May 2013 the Township signed an agreement with CIS to develop and administer a 100% affordable senior rental housing complex. The Township also provided a low-interest loan of \$300,000 to help cover construction costs. The project contains 92 affordable units, of which 87 are senior affordable rentals and five are very low-income special needs units. As noted in the Township's 2018 VLA inventory attached to the Township's 2019 Settlement Agreement with FSHC, 62 of the 92 total units are replacement housing units that were reassigned from Poplar Village after that property flooded during Hurricane Irene and the damaged units were demolished. The project received a 4% tax credit award and received approximately \$11 million in CDBG-Disaster



Recovery funds. Of the Township's originally bonded amount, \$500,000 is considered affordability assistance, at \$100,000 each, for the five very low-income units.

The building contains 82 one-bedroom units and 10 2-bedroom units. The units received COs in 2016, and have 45-year affordability controls. The Township is subject to a cap on senior affordable units, and so is claiming only 59 credits from the total 87 senior affordable units at Heritage Village at Oakhurst, and will carry forward the balance of 28 senior rental credits toward its combined Prior Round and Third Round Unmet Need (see Appendix J for the financing documents).

Cindy Lane Apartments

In September 2015, the Township amended the existing zoning district to allow a 100% affordable housing use on this municipally owned site (Block 1.02, Lot 51.11). In October 2015, the Township approved a developer's agreement with Affordable Housing Alliance ("AHA"), an experienced nonprofit affordable housing developer, to develop, market, and administer the site with 47 family affordable rental units and one superintendent's unit. The development received tax credits and HMFA/CDBG funding of more than \$12 million, and has affordability controls of at least 30 years through a filed affordable housing deed restriction. The project received final COs in December 2019. There are six very low-income units, 18 low-income units and 23 moderate-income units, distributed across nine one-bedroom units, 27 two-bedroom units and 12 three-bedroom units. The project is eligible for 41 rental bonuses, the maximum permitted. (See Appendix K for crediting documentation.)

INCLUSIONARY DEVELOPMENTS – APPROVED

Roosevelt Properties site (approved)

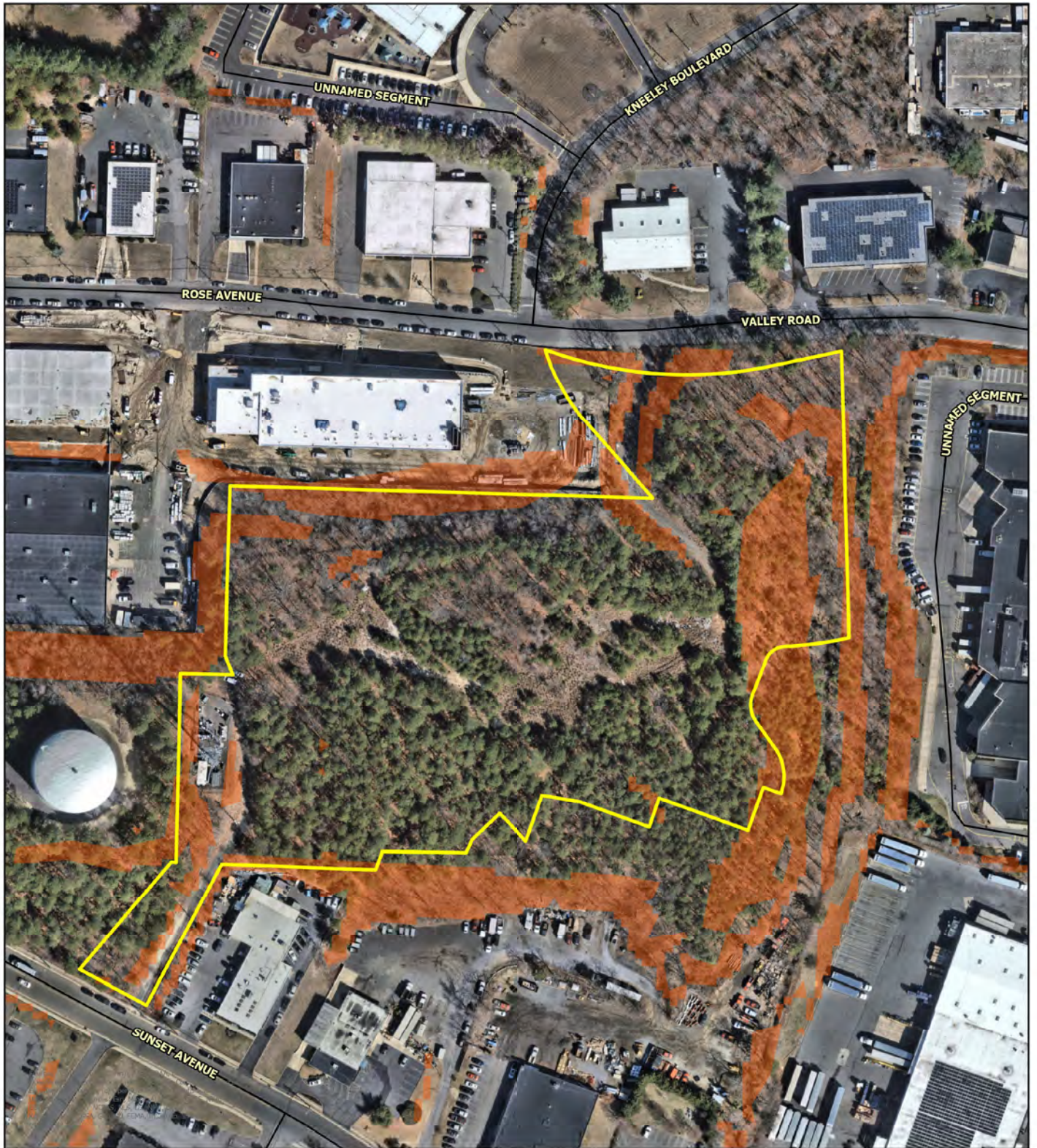
In 2009, the owner of a site of approximately 10.75 acres (Block 22/lots 11, 12, and 22) brought Mount Laurel litigation against the Township in a matter entitled Roosevelt Properties, LLC v. Township of Ocean, Docket No. MON-L-5930-09. The parties executed a settlement agreement in April 2020, and the Township rezoned the property to a multi-family zoning district in order to accommodate a 22-unit development, including 17 market-rate units and five affordable units. Via the settlement agreement, the Township agreed that Roosevelt could construct 20 market-rate units and two affordable units on-site, both moderate-income family units either for rent or for sale, and, in lieu of constructing the remaining three affordable units, comprising two low-income units and one very low-income unit, Roosevelt agreed to pay a total of \$475,000 into the Township's affordable housing trust fund, payable on a per-unit basis as each of the 20 market-rate unit receives its CO.

A significant portion of the site is within the 100-year flood hazard area; therefore, subject to the standards set forth in the rezoning ordinance, the affordable units may be constructed only on the portion of the Roosevelt site outside of the Flood Hazard Area delineated by the NJDEP.

The inclusionary development received Planning Board approval in October 2021. (See Appendix L for a copy of the settlement agreement and the Planning Board resolution of approval.)

Fourth Round Housing Element and Fair Share Plan

OCEAN TOWNSHIP, MONMOUTH COUNTY, N.J.



Clarke Caton Hintz
Architecture
Planning
Landscape Architecture

Affordable Housing Alliance 100% Affordable Family Rentals

LOCATION:
Ocean Township, Monmouth County, NJ

DATE:
May 2025

- Lot Border
 - Parcels
 - Steep Slopes >15%
- Source: NJDEP
MapScale: 1:10,000
Steep Slopes
NJDEP (2015)
Borough/MapScale
NJDEP (2015)
NJDEP (2015)
NJDEP (2015)
NJDEP (2015)
NJDEP (2015)



thrive
design

756 Haddon Avenue
Collingswood, NJ 08108
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Affordable Family Housing
Ocean Township, NJ
DATE: 5/14/23 DRAWN: SS
PBA 252024
SP1 Concept Site Plan



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Building Typology: 3-story Walk-Up
Sim. To Cindy Lane



Ocean Glades site (removed)

As part of its Settlement Agreement with FSHC, the Township agreed to designate Block 1.02, Lot 33.01, otherwise known as the Ocean Glades property, as an area in need of redevelopment, for a proposed inclusionary development of up to 218 total units to produce up to 46 affordable family rental units (including the three off-site affordable units from the Roosevelt site). However, investigation of environmental contamination at the site has confirmed that it cannot be remediated to a residential standard (see Appendix M for documentation). Therefore, this site is being removed from the Township's compliance plan and the Township's Prior Round and Third Round RDP is being reduced by the 43-unit obligation this site originally generated, from 280 to 237.

This reduction in RDP also lowers the maximum number of age-restricted units the Township can claim toward satisfaction of the RDP, from 70 to 59, and lowers the maximum number of permitted rental bonuses, from 70 to 60. To make up the resulting shortfall, the Township is proposing a 100% affordable family development on a different site that would yield 67 affordable units, of which 20 are being claimed toward the Township's combined Prior Round and Third Round RDP.

100% AFFORDABLE MUNICIPALLY SPONSORED DEVELOPMENT

Affordable Housing Alliance (proposed)

The Affordable Housing Alliance ("AHA"), an experienced developer of 100% affordable developments in New Jersey, has approached the Township about developing multiple Township-owned lots – Block 184, lots 2, 3, 7, 8, 9.02, and 12; Block 185, lot 1; Block 186, lots 3, 3.01, and 4.01; and Block 188, lots 1.01 and 2.01, totaling approximately 10.1 acres, situated across from the intersection where Kneeleigh Boulevard meets Valley Road and spanning to Sunset Avenue – with a 67-unit 100% affordable family rental complex. The Township will enter into an affordable housing agreement with AHA for this 100% affordable family rental development. Once the agreement is finalized and executed by both parties, it will be uploaded as part of the Township's Fourth Round filings to the Court and Program.

AHA anticipates applying in 2026 for 9% tax credits to finance the development, with start of construction anticipated by spring 2027. The Township will initially clear, grade, level, and provide retaining walls where necessary. The Township will convey the land to AHA and will have made a contribution of at least \$2 million from its affordable housing trust fund for the 100% affordable development, including to subsidize the creation of nine very low-income units. Five of the very low-income units, including two two-bedroom units and two three-bedroom units, will be reserved for families at risk of homelessness. Because these five units are reserved for families, the Township will claim all 67 units as family units. The Township intends to claim 20 of the 67 affordable family rental units toward Prior Round/Third Round RDP compliance, and will claim the remainder toward satisfaction of its Fourth Round RDP. The income-bedroom breakdown in Tables 25 and Table 28 indicate which units are being claimed for each round.

As upheld by the amended FHA, COAH's rules at N.J.A.C. 5:93-1.3 and N.J.A.C. 5:93:5.5 for Municipally Sponsored and 100 Percent Affordable Programs are addressed as follows:

- Site Control – The Township owns all the lots, and will convey them to AHA for the 100% affordable family rental housing development. Neither the Township nor AHA are aware of any title encumbrances that would preclude the contemplated development.



- Suitable Site – The site is suitable as defined in COAH’s regulations at N.J.A.C. 5:93-1.3, which indicates that a suitable site is one in which it is adjacent to compatible uses, has access to appropriate streets, and is consistent with environmental policies in N.J.A.C. 5:93-4.
 - *The site is adjacent to compatible land uses and has access to appropriate streets.* The site has frontage to the north on Valley Road, immediately to the west of Valley Road’s intersection with Route 35, and access from Sunset Avenue to the south. The lots are currently zoned Light Industrial, and have clean light industrial uses to the south and west, including a soft-drink bottling plant, a locally owned light manufacturing facility that produces residential construction materials, a locally owned residential remodeling company, and the offices of an environmental engineering firm. Across Valley Road to the north are an additional clean manufacturing facility and a restaurant supply firm. None of the industrial facilities engage in any heavy manufacturing or hazardous chemical processing, and all offer employment opportunities within easy walking distance of the proposed development. To the southwest is a water tank belonging to New Jersey American Water. To the east is the Ocean Plaza shopping center, which includes a Wegman’s grocery store, a Staples, a SteinMart, a gym, a bank, and several restaurants, as well as professional offices and personal services establishments. Ocean Plaza is accessible by car from Valley Road, Sunset Avenue and Route 35. There is currently sidewalk access to the shopping center via Sunset Avenue, to which AHA will connect the sidewalks within the development, and AHA will provide pedestrian access from the development to the Valley Road side of the shopping center. The sidewalk connections may require assistance from the Township. Within a half-mile of the site are larger retail establishments including Costco, Target, and the Seaview Square Mall, as well as additional medical and personal service establishments, and several restaurants. NJ Transit Bus Route 832, which runs between Red Bank and Asbury Park, stops at the corner of Valley Road and Route 35, less than a quarter-mile from the site, and Bus Route 837, which runs between Long Branch and Seaview Square Mall, stops along Sunset Avenue to the south of the site. The Allenhurst train station, which is served by NJ Transit’s North Jersey Coast line, is approximately two miles away, and the Asbury Park train station is approximately three miles away.
 - *The site can be developed in accordance with R.S.I.S.* Development of the site will be consistent with the Residential Site Improvement Standards, N.J.A.C. 5:21-1 et seq.
 - *The site is located in a Smart Growth Planning Area.* All of Ocean Township is located in Planning Area 1 (PA1), the Metropolitan Planning Area of the State Development and Redevelopment Plan. The Metropolitan Planning Area is where infrastructure and amenities already exist, and where growth will come primarily from redevelopment. It is a preferred location for development of affordable housing.
 - *The development is not within the jurisdiction of a Regional Planning Agency or CAFRA.* The site is located outside of the Pinelands, CAFRA, Highlands, or Meadowlands.
 - *The site will comply with all applicable environmental regulations.* There are no wetlands, floodplains, or Category One streams on the property. There are some steep slopes on the lots, but there is sufficient unencumbered land to accommodate the proposed development.

Fourth Round Housing Element and Fair Share Plan

OCEAN TOWNSHIP, MONMOUTH COUNTY, N.J.



- *The site will not affect any historic or architecturally important sites and districts.* There are no historic or architecturally important sites or buildings on the property or in the immediate vicinity that will affect the development of the affordable housing.
- **Developable Site** – In accordance with N.J.A.C. 5:93-1.3, a developable site has access to appropriate sewer and water infrastructure and is consistent with the area-wide water quality management plan. The site is within the Township’s sewer service area, and is served by the Municipality’s water purveyor. The Township Engineer is providing the water/sewer capacity info and info on lines along Valley and/or Sunset, which may be found in Appendix N.
- **Approvable Site** – Pursuant to N.J.A.C. 5:93-1.3, an approvable site may be developed for low- and moderate-income housing in a manner consistent with the rules or regulations of all agencies with jurisdiction over the site. Although the lots are currently zoned I-1, Light Industrial, the Township intends to use the redevelopment process to add residential as a permitted use, as well as to assist AHA in applying for tax credits.
- **Affirmative Marketing, Administration** – AHA, which is experienced in affirmatively marketing and administering affordable units in New Jersey, will administer the affordable units pursuant to COAH’s regulations. AHA will affirmatively market the units, income-qualify applicants, place affordability controls of at least 45 years on the units (per tax credits) and provide long-term administration of the units in accordance with N.J.A.C. 5:93 et seq. and UHAC per N.J.A.C. 5:80-26.1.
- **Low/Moderate Income Split and Bedroom Distribution** – At least half of all the affordable units developed at the site will be affordable to low-income households (13% of all affordable units will be very low-income) and an odd number of affordable units will always be split in favor of the low-income unit per UHAC at N.J.A.C. 5:80-26.1. No more than 20% of units may be one-bedroom units, and at least 25% must be three-bedroom units, per HMFA tax credit scoring requirements. Table 25 below shows AHA’s proposed income-bedroom distribution for the 67 units.
- **Funding** – AHA intends to apply in 2026 for 9% tax credits to finance the project, along with Township-donated land and a contribution of at least \$2 million from the Township’s affordable housing trust fund. Should AHA’s applications for third-party funding not be successful, the Township will provide funding through bonding or any other means in order to fund the project. AHA has provided a pro forma for the project, which may be found in Appendix N.
- **Construction Schedule** – AHA has provided a construction schedule (also in Appendix N) showing that construction will begin by spring of 2027. AHA, an experienced developer of affordable housing in New Jersey, will be responsible for monitoring the construction and overall development activity.

Compliance With Third Round RDP Required Maximums and Minimums

As noted above, the reduction in the Township’s RDP also lowers the maximum number of senior units the Township can claim toward satisfaction of its Prior Round/Third Round RDP, from 70 to 59, and lowers the maximum number of permitted rental bonuses, from 70 to 60. Table 24 shows how Ocean Township is satisfying the required maximum senior units, minimum rental obligation, minimum family unit



obligation, minimum very low-income obligation, minimum family rental obligation, and maximum rental bonuses specified in the 2019 Third Round Settlement Agreement, as amended to reflect the lower RDP.

TABLE 24. OCEAN TOWNSHIP SATISFACTION OF REQUIRED MINIMUMS AND MAXIMUMS BASED ON 237-UNIT THIRD ROUND RDP	
Requirement	Provided
Maximum senior = 59	59
Minimum rental = 60	At least 165
Minimum family = 89	At least 170
Minimum family rental = 30	At least 97
Maximum rental bonus = 60	60

Compliance With Bedroom Distribution Requirements

UHAC at N.J.A.C. 5:80-26.3(b) requires that, for family affordable units, the following maximums and minimums apply:

- No more than 20% may be one-bedroom units;
- At least 30% must be two-bedroom units;
- At least 20% must be three-bedroom units.

As shown in Table 25, based on 99 total family units; the Township satisfies these requirements with:

- 19 one-bedroom units (19.1% of all family units);
- 55 two-bedroom units (55.6% of all family units);
- 25 three-bedroom units (25.3% of all family units).

Table 25 also demonstrates that, while the Township is meeting its requirement for very low-income units, it is not currently providing enough low-income units (affordable to households making 50% or less of regional median income by household size) to comply with the income distribution requirements in N.J.A.C. 5:93-7.2, which requires half of all affordable units to be affordable to low-income households, including the 13% that are affordable to very low-income households. To address the shortage of low-income units, the Township has modified the existing inclusionary affordable zone for its C-1 District to require that a minimum of 53% of any affordable units generated there be affordable to low-income households, including 13% to be affordable to very low-income households; and it has required as part of the inclusionary overlay zoning for the two golf courses that a minimum of 53% of any affordable units generated at those sites be affordable to low-income households, including 13% of all affordable units being affordable to very low-income households. In so doing, as Table 25 shows, the Township anticipates it will be able to generate sufficient low-income units to comply with Third Round requirements.

Fourth Round Housing Element and Fair Share Plan

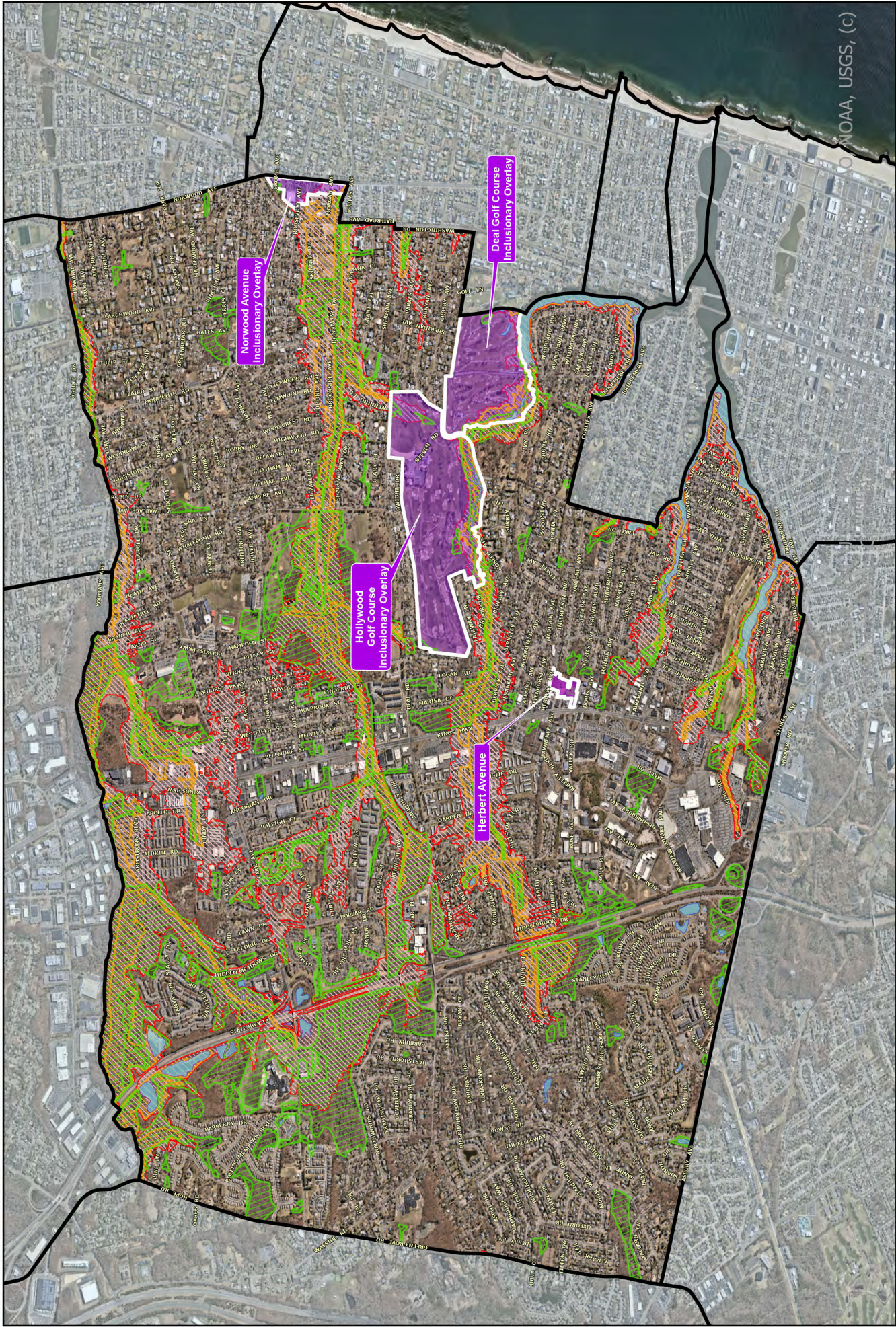
OCEAN TOWNSHIP, MONMOUTH COUNTY, N.J.



TABLE 25. OCEAN TOWNSHIP COMBINED PRIOR ROUND AND THIRD ROUND RDP INCOME AND BEDROOM DISTRIBUTION COMPLIANCE				
Compliance Mechanism	Very Low-Inc	Low-Income	Moderate-Income	Total Units
Inclusionary Family Rental				
Primrose Pl – complete				19
1-bedroom	1	1	2	4
2-bedroom	1	4	5	10
3-bedroom		3	2	5
Wayside Pt – complete				11
1-bedroom	1		1	2
2-bedroom	1	2	3	6
3-bedroom		2	1	3
Roosevelt Prop – appr.; 2 on-, 3 off-site				2
1-bedroom				
2-bedroom			1	1
3-bedroom			1	1
Group Homes				
Beacon – completed	4			4
SERV, Inc. – completed	5			5
100% Affordable Family Rentals				
Cindy Ln Apts – compl				47
1-bedroom	1	4	4	9
2-bedroom	3	10	13	26
3-bedroom	2	4	6	12
AHA– Prop; includes 3 Roosevelt off-site units				20
1-bedroom	1	1	2	4
2-bedroom	1	5	6	12
3-bedroom	1	1	2	4
Extension of Controls				
Heritage Vill at Ocean	5			5
Affordable Senior Rentals				
Heritage at Oakhurst – compl; (59 senior, 5 SN)	5	5	54	64
Total RDP	31	43	103	177
Unmet Need Inclusionary Overlay Zones Potential Affordable Units				
Norwood Avenue	6	17	19	42
Golf Courses	58	176	207	441
Total	95	236	329	660

Fourth Round Housing Element and Fair Share Plan

OCEAN TOWNSHIP, MONMOUTH COUNTY, N.J.



AFFORDABLE HOUSING SITES: UNMET NEED

Ocean Township

LOCATION:
Ocean Township, Monmouth County, NJ

DATE:
May 2025

Aerial Imagery
Nearmap (June 20, 2024)

Wetlands/Forest
NJDEP (2020)

Steep Slopes
NJOGIS (2019)

Floodplain
FEMA (2024)

Streams/Waterbodies
NJDEP (2015)



Clarke Caton Hintz
Architecture
Planning
Landscape Architecture

Unmet Need (All Rounds)
Wetlands
Inland Flood Hazard Area
100 Year Flood
Waterbodies



Mechanisms To Address the Combined Prior and Third Round Unmet Need (1,154 units)

COAH's rules at N.J.A.C. 5:93-4.2(h) state that in addressing Unmet Need, COAH "may require at least any combination of the following in an effort to address the housing obligation:

- Zoning amendments that permit apartments or accessory apartments;
- Overlay zoning requiring inclusionary development or the imposition of a development fee consistent with N.J.A.C. 5:93-8. In approving an overlay zone, COAH or the Superior Court may allow the existing use to continue and expand as a conforming use, but provide that where the prior use on the site is changed, the site shall produce low- and moderate-income housing or a development fee; or
- Zoning amendments that impose a development fee consistent with N.J.A.C. 5:93-8."

These rules do not require Unmet Need mechanisms to generate a specified number of units equal to the Unmet Need number. Rather, the mechanisms must provide a potential opportunity that affordable housing can be created through private development (i.e., via inclusionary overlay zones) or publicly facilitated projects (i.e., via a development fee ordinance). Ocean Township is addressing its combined Prior Round and Third Round Unmet Need through prior surplus age-restricted units; an amendment to an existing inclusionary overlay ordinance to increase the required affordable housing set-aside in the zone and to require at least 53% of units created to be low-income units and a maximum of 47% to be moderate-income units; by adopting an inclusionary overlay ordinance for two golf courses in the Township; by updating its development fee ordinance, which will be discussed below; and updating its Affordable Housing Ordinance to require any development or redevelopment of multi-family housing in the Township at a minimum density of six dwelling units per acre that results in five or more housing units to include a 20% affordable housing set-aside. All of the overlay zones will have a requirement for 53% low-income units and 47% moderate-income units. Each of these mechanisms is discussed below.

The Township had also originally adopted an inclusionary overlay ordinance for Seaview Square Mall, also to address its Unmet Need. However, due to "changed circumstances" that came to light regarding EPA's/DEP prior requirements for the site, the site has not been and is not now permitted to be reclaimed to residential standards and thus is not suitable for inclusionary overlay zoning. The inclusionary overlay zoning will be rescinded.

Heritage Village at Ocean (formerly Whalepond Village)

COAH regulations cap the number of senior affordable credits the Township may apply to its Prior Round and Third Round RDP. Thus, the Township will utilize the balance of 33 senior affordable rental credits (95 total affordable rentals – 57 senior credits towards Rehabilitation share – 5 special-needs units towards RDP = 33 credits) to help address its Unmet Need.

Heritage Village at Oakhurst (formerly 777 W. Park)

The Township also has additional affordable senior credits from Heritage Village at Oakhurst to apply to its Prior Round and Third Round combined Unmet Need. Out of the 87 total affordable senior units at the site (there are also five special-needs units), the Township utilized the maximum allowable 59 senior affordable credits to help meet its Prior Round and Third Round RDP, and will utilize a portion of the balance of 28 senior affordable rental credits to help address its Unmet Need.



Norwood Avenue Inclusionary Mixed Use Zoning

In 2016 the Township adopted an inclusionary zoning ordinance (Ordinance No. 2282) for its C-1 (neighborhood commercial) zone. The inclusionary ordinance permits residential as a conditional use at a density of 18 units per acre above first-floor commercial uses. It requires a 20% affordable housing set-aside if the affordable units are for-sale units and a 15% affordable housing set-aside if the affordable units are rental units. It also requires that the affordable units be in accordance with the requirements of UHAC at N.J.A.C. 5:80-26.1 et seq., the requirements of the Township's affordable housing ordinance, and the very low-income requirements of the amended FHA at N.J.S.A. 52:27D-329.1. To address the Township's 2019 Third Round Court-approved Settlement Agreement with FSHC, the Township has amended this ordinance to require the affordable housing set-aside to be 20% of all units regardless of whether they are for rent or for sale, and to add a requirement that, 53% of the affordable units developed must be available to low-income households, including 13% to very low-income households, and 47% may be available to moderate-income households. In so doing, the Township will create a realistic potential for inclusionary residential development in the zone, and in particular on the 14.36 acres covered by Block 13, lots 14-16, 17-01, 18-01, 19, and 20 and Block 22, lots 76-85, 85-01, and 87-89, which front the west side of Norwood Avenue between the NJ Transit right of way and the Township border at Poplar Brook, and Block 22, lot 90, which is adjacent to Block 22, lot 87 and fronts West Morgan Avenue.

These lots on Norwood Avenue and West Morgan Avenue are within CAFRA boundaries, but the Township does not envision that CAFRA requirements preclude the anticipated future inclusionary Unmet Need development.

Ordinance 2282 and the amendment to the Township's Neighborhood Commercial Inclusionary Mixed Use Zoning Ordinance may be found in Appendix O.

Seaview Square Inclusionary Mixed Use Overlay Zoning

As noted above, the Township has confirmed that Seaview Square Mall cannot be remediated to residential standards. Thus the property is no longer suitable for residential development, and the adopted overlay ordinance for the site will be rescinded. (The environmental report may be found in Appendix P.)

Golf Course Inclusionary Overlay Zoning

The Township has adopted an inclusionary overlay zoning ordinance on the 96.15-acre Deal Golf Course (Block 59, Lot 1 and Block 60, Lot 1) and the 180.47-acre Hollywood Golf Course (Block 40, lots 1, 2, 34, 82, 83, 84, 88, and 111). The inclusionary ordinance permits townhouses at a density of eight units per acre and requires a 20% affordable housing set-aside. Of the affordable units, 53% must be available to low-income households, including 13% to very low-income households, and 47% may be available to moderate-income households.

The Golf Course Inclusionary Overlay Zoning Ordinance may be found in Appendix O.

Fourth Round Housing Element and Fair Share Plan



Mandatory Affordable Housing Set-Aside

The Settlement Agreement required the Township to adopt a mandatory affordable housing set-aside ordinance, which it did in 2020, and which is discussed below as part of the discussion of administration of affordable units.

Mechanisms To Address the Fourth Round RDP (27 units)

The Township proposes to satisfy its Fourth Round RDP of 27 via the following compliance mechanisms, which generate a surplus of 39 credits, which the Township will use to address any future “changed circumstances:”

TABLE 26. OCEAN TOWNSHIP SUMMARY OF FOURTH ROUND 27-RDP COMPLIANCE PLAN				
Compliance Mechanism	Type	Total Credits	Bonuses and Type	Total
Heritage Village at Oakhurst	100% affordable senior rental	6		6
280 Norwood Avenue – approved	Inclusionary family affordable for-sale	5		5
44 Monmouth Road -- approved	Inclusionary family affordable rental	2		2
Affordable Housing Alliance – 47 of 67; proposed	100% affordable family rental	47	6; cap Land donation	53
Total		60	6	66
Surplus above RDP (60-27)				39

The status of each Fourth Round RDP compliance mechanism is discussed below.

Heritage Village at Oakhurst - completed

The Township has additional affordable senior credits from Heritage Village at Oakhurst to apply to its Fourth Round RDP. Out of the 87 total affordable senior units at the site (there are also five special-needs units), the Township utilized the maximum allowable 59 senior affordable credits to help meet its Prior Round and Third Round RDP, and will utilize the maximum allowable six senior affordable credits to help meet its Fourth Round RDP. The affordable senior units and have 45-year affordability controls.

280 Norwood Avenue (Block 22, lots 85 and 85.01) – approved

This property had previously been developed with a single-story commercial building and associated parking, and the building has been demolished. In December 2023 Haddad Management received preliminary and final site plan approval to construct a three-story, mixed-use commercial-residential building on this property, including 8,141 square feet of retail space and common area on the first floor and 28 total apartments on the upper levels. Because this property is in the Norwood Avenue C-1 Inclusionary Overlay Zone, five of the apartments will be deed-restricted as affordable family for-sale units and the

Fourth Round Housing Element and Fair Share Plan

OCEAN TOWNSHIP, MONMOUTH COUNTY, N.J.



developer will make a fractional payment in lieu of construction into the Township's affordable housing trust fund. The developer will be required to execute a separate deed restriction for each unit imposing for-sale affordability controls of at least 30 years from the date of first transfer of title, and to retain the services of the Township's administrative agent or an administrative agent acceptable to the Township to affirmatively market and administer the units.

The five affordable units will include one low-income one-bedroom unit; one very low-income two-bedroom unit, one low-income two-bedroom unit, one moderate-income two-bedroom unit, and one moderate-income three-bedroom unit.

The Planning Board resolution of approval may be found in Appendix Q.

44 Monmouth Road (Block 7, lot 51) – approved

In April 2024 Memo Investments received preliminary and final site plan approval from the Township Zoning Board of Adjustment to construct a three-story building with 11 residential units on this property. A D-1 use variance had previously been granted, triggering the Township's mandatory affordable housing set-aside requirements. Of the 11 units, two will be deed-restricted as affordable – a moderate-income two-bedroom unit and a low-income three-bedroom unit – and the developer will be required to execute a deed restriction imposing affordability controls per UHAC, and to retain the services of the Township's administrative agent or an administrative agent acceptable to the Township to affirmatively market and administer the units. The resolution of approval may be found in Appendix R.

Affordable Housing Alliance – proposed

Please see discussion of this site as part of Prior Round/Third Round RDP compliance. The Township is claiming the remaining 47 affordable family rental units from the AHA 100% affordable family rental site toward satisfaction of its Fourth Round RDP. Because the Township is donating the land for this project to AHA, per the amended FHA at P.L. 2024 c.2, it is claiming six bonuses, the maximum permitted, in addition to the 47 unit credits.

Compliance With Fourth Round RDP Required Maximums and Minimums

Table 27 shows how Ocean Township is satisfying the required maximum senior units, minimum rental obligation, minimum family unit obligation, minimum very low-income obligation, minimum family rental obligation, and maximum bonuses specified in the amended FHA:

TABLE 27. OCEAN TOWNSHIP SATISFACTION OF REQUIRED MINIMUMS AND MAXIMUMS BASED ON 27-UNIT FOURTH ROUND RDP	
Requirement	Provided
Maximum senior = 6 (30% of units = .3 x 21, round down)	6
Minimum rental = 7 (25% of obligation = .25 x 27, round up)	49
Minimum family = 11 (50% of all units = .5 x 21, round up)	54
Minimum family rental = 4 (50% of rental obligation)	47
Maximum bonus = 6 (25% of obligation, round down)	6

Fourth Round Housing Element and Fair Share Plan

OCEAN TOWNSHIP, MONMOUTH COUNTY, N.J.



Compliance With Bedroom Distribution Requirements

UHAC at N.J.A.C. 5:80-26.3(b) requires that, for family affordable units, the following maximums and minimums apply:

- No more than 20% may be one-bedroom units;
- At least 30% must be two-bedroom units;
- At least 20% must be three-bedroom units.

As shown in Table 28, based on 54 total family units, the Township satisfies these requirements with:

- 9 one-bedroom units (16.7% of all family units);
- 30 two-bedroom units (55.6% of all family units);
- 15 three-bedroom units (27.8% of all family units).

TABLE 28. OCEAN TOWNSHIP FOURTH ROUND INCOME AND BEDROOM DISTRIBUTION COMPLIANCE				
Compliance Mechanism	Very Low-Income	Low-Income	Moderate-Income	Total Units
Inclusionary Family Rental				
280 Norwood Avenue				5
1-bedroom		1		1
2-bedroom	1	1	1	3
3-bedroom			1	1
44 Monmouth Road				2
1-bedroom				n/a
2-bedroom			1	1
3-bedroom		1		1
100% Affordable Family Rentals				
AHA – Proposed				47
1-bedroom	2	3	3	8
2-bedroom	2	10	14	26
3-bedroom	2	5	6	13
Total	7	21	26	54

Compliance With Overall RDP Very Low-Income Requirements

Table 29 shows how the Township satisfies its requirement that 13% of all units approved and created or proposed since July 7, 2008, regardless of the round in which they are claimed for credit, be affordable to very low-income households earning 30% or less of area median income by household size:



TABLE 29. OCEAN TOWNSHIP SATISFACTION OF VERY LOW-INCOME REQUIREMENT			
Mechanism	Total Units Generating VLI Obligation	Very Low-Income Units Required	Very Low-Income Units Provided
Primrose Place	19	2.47	2
Cindy Lane	47	6.11	6
Wayside Point	11	1.43	2
Heritage Village at Oakhurst	92	11.96	5
Group Homes	0	0	9
Roosevelt	2	0.26	0
Affordable Housing Alliance	67	8.71	9
Norwood Avenue	5	0.65	1
44 Monmouth Road	2	0.26	
Total	245	31.85, round up to 32	34
Total Family VLI Units		16	20
Total Fourth Round VLI Units Available to Families With Children (54 x .13 x .5)		3.51, round up to 4	7

Additionally, P.L. 2024 c.2 requires that at least half of the required Fourth Round very low-income units be available for “families with children”. The Township satisfies this requirement by providing four very low-income units from the Affordable Housing Alliance project that have two or three bedrooms.

Mechanisms To Address the Fourth Round Unmet Need

As a result of the Township’s Fourth Round VLA update (Appendix D), the Township has a Fourth Round Unmet Need of 139. Pursuant to the amended FHA, the Township must identify land that is likely to redevelop during the Fourth Round to address at least 25% “of the obligation that has been adjusted, and adopt realistic zoning that allows for such adjusted obligation,” or demonstrate why it is unable to do so.

There are different interpretations among land use planners and attorneys as to which portion of a municipality’s Fourth Round obligation is the target of this requirement. For purposes of this plan, Ocean Township intends to address 25% of its Fourth Round Unmet Need in order to comply with this requirement, but the Township reserves the right to formally address any other interpretations as the Court may determine.

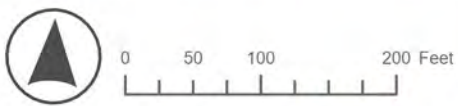
To address its Fourth Round Unmet Need of 139, including the 35-unit overlay zoning requirement (25% of 139 = 35), the Township will adopt inclusionary overlay zoning on several lots on the south side of Herbert Avenue to enable inclusionary residential redevelopment, which will create an opportunity for the development of up to 10 affordable units. To address the approximately 25 additional units of the overlay zoning requirement, the Township will rely on the inclusionary overlay zoning on Norwood Avenue and the inclusionary overlay zoning on the significant acreage of the two golf courses, and will amend its mandatory affordable housing set-aside ordinance as discussed below.

Fourth Round Housing Element and Fair Share Plan

OCEAN TOWNSHIP, MONMOUTH COUNTY, N.J.



Total			
		Gross Acreage: 5.66	
		Net Acreage: 5.12	
Block	Lot	Gross Acreage	Net Acreage
207	9	0.1	0.1
207	10	0.1	0.1
207	11	0.12	0.12
208	1	0.43	0.43
208	2	0.8	0.8
209	9	1.08	1
209	10	1.42	0.97
209	16	1.61	1.6



Clarke Caton Hintz

Architecture

Planning

Landscape Architecture

Block 207, Lots 9-11; Block 208, Lots 1-2:
and Block 209, Lots 9, 10, and 16
Herbert Avenue
Unmet Need

LOCATION:

Ocean Township, Monmouth County, NJ

DATE:

May 2025

Lot Border

Parcels

Wetlands

Steep Slopes >15%

Aerial Imagery
Nearmap (June 20, 2024)
Steep Slopes
NJOGIS (2019)
Streams/Waterbodies
NJDEP (2015)
Wetlands/Forest
NJDEP (2020)
100-Yr Flood/Flood Hazard
FEMA (2024)

***Herbert Avenue – proposed***

The Township has been approached by the owner of several lots on the south side of Herbert Avenue east of Route 35, on which the owner proposes to construct an inclusionary residential development. The site, which includes Block 207, lots 9, 10, and 11, Block 208, lots 1 and 2, and Block 209, lots 9, 10, and 16, total approximately 5.66 gross acres, and cross three paper streets that the owner is asking the Township to vacate. The site has approximately 400 feet of frontage on Herbert Avenue, and approximately 100 feet of frontage on Route 35. Block 209, lot 9 is currently occupied by a commercial building and associated parking, and Block 208, lot 1 is currently occupied by a single-family residence, but the remainder of the tract, and the land to the east of the tract, is vacant and wooded and there are areas of wetlands.

Some of the lots are zoned C-3, General Commercial, and the remainder are zoned O-1/40, Office Research. Residential dwellings are not a permitted use in either district. The owner is asking for all the lots to be rezoned to facilitate the proposed inclusionary development, thus triggering the Township's mandatory affordable housing set-aside requirements. The Township will adopt an inclusionary overlay zone for the tract that allows for residential development at a density of up to 10 units/acre, with a 20% affordable housing setaside thus potentially permitting up to 50 total units, requiring 10 to be affordable. A draft of the overlay ordinance may be found in Appendix S.



AFFORDABLE HOUSING ADMINISTRATION

Affordable Housing Ordinance, Mandatory Affordable Housing Set-Aside

In January 2020, Ocean Township amended its Affordable Housing Ordinance in accordance with COAH's substantive rules and UHAC, and to address terms of the Court-approved 2019 Third Round FSHC agreement (Appendix T). Once DCA and HMFA finalize their rule proposals (anticipated after June 30, 2025), the Township will prepare an updated Affordable Housing Ordinance in accordance with court-upheld COAH's rules, DCA's proposed new regulations at N.J.A.C. 5:99, and UHAC's new 2025 regulations that are anticipated to be released shortly, as well as to address any terms of the court-approved Third Round FSHC agreement, if relevant. The Affordable Housing Ordinance will govern the establishment of affordable units in the Township as well as regulating the occupancy of such units. It will cover the phasing of affordable units, the low/moderate income split, including that 13% of all units approved and constructed since 2008 be affordable to very low-income households earning no more than 30% of median income, bedroom distribution, occupancy standards, affordability controls, establishing rents and sales prices, affirmative marketing, income qualification, etc.

The Township's Affordable Housing Ordinance (§21-9B.1.a.7 of the Township Code) establishes a Township-wide mandatory set-aside that applies to any multi-family or single-family attached development created through any municipal rezoning, or Zoning Board action, use or density variance, redevelopment plan, or rehabilitation plan that provide for densities at or above six units per acre. The required set-aside for for-sale units is 20%, and the required set-aside for rental units is 15%. As specified by the ordinance, the mandatory set-aside does not give any developer the right to any such rezoning, variance or other relief, or establish any obligation on the part of Ocean Township to grant such rezoning, variance or other relief.

When the Township amends its Affordable Housing Ordinance, it will amend the mandatory set-aside provisions to require the set-aside to be 20% whether the units are for sale or for rent.

Development Fee Ordinance

A development fee ordinance may be used to address unmet need in municipalities receiving a vacant land adjustment. A development fee ordinance establishes a fee to be paid by developers of market-rate residential and/or non-residential construction. All fees collected are deposited into an Affordable Housing Trust Fund, the balance of which may only be spent on eligible affordable housing related costs.

The Township's development fee ordinance was first adopted in May 2011, and amended in January 2020. The ordinance permits collection of residential development fees equal to 1.5% of the equalized assessed value of new residential construction and additions in all zoning districts, and mandatory non-residential development fees equal to 2.5% of the equalized assessed value of new non-residential construction and additions in all zoning districts, unless exempted. An additional provision in the ordinance permits the Township to impose a development fee of 6% on additional units that may result from a site where a "d(5)" density variance is granted by the Zoning Board of Adjustment.

In 2024 the Township amended its Development Fee Ordinance to require fees to be paid when a residence is torn down and replaced, when any new single-family dwelling is constructed, or when a residence is expanded. The amended ordinance may be found in Appendix T.



Spending Plan

The Township has prepared a Fourth Round Spending Plan (Appendix U), which discusses anticipated revenues, collection of revenues, and the use of revenues, in accordance with N.J.A.C. 5:93-5.1(c). All collected revenues are placed in the Township's Affordable Housing Trust Fund and will be dispensed for the use of affordable housing activities as indicated in the Fourth Round Spending Plan. Once DCA and HMFA finalize their rule proposals (anticipated after June 30, 2025), the Township will prepare an updated spending plan in accordance with DCA's proposed new regulations at N.J.A.C. 5:99, UHAC's new 2025 regulations that are anticipated to be released shortly, any remaining relevant COAH rules not superseded by either the proposed 2025 DCA regulations or the upcoming 2025 revised UHAC rules as well as to address any terms of the court-approved Third Round FSHC agreement.

The Township may, in the future, seek to amend its Spending Plan and obtain Court approval to use its affordable housing trust funds for the following additional permitted affordable housing activities, including new, emergent affordable housing activities, subject to applicable limitations and minimum expenditures:

- New construction;
- Purchase of land for low- and moderate-income housing;
- Improvement of land to be used for low- and moderate-income housing;
- Extensions and/or improvements of roads and infrastructure to low- and moderate-income housing sites;
- Assistance designed to render units to be more affordable.

At least 30% of development fees and interest collected must be used to provide affordability assistance to low- and moderate-income households in affordable units included in a municipal Fair Share Plan and for the creation of very low-income units. Additionally, no more than 20% of trust fund revenues collected each year may be expended on administration, including, but not limited to, salaries and benefits for municipal employees or consultant fees necessary to develop or implement a rehabilitation program, a new construction program, an HEFSP, and/or an affirmative marketing program.

The adoption of the Township's Fourth Round Spending Plan will constitute a "commitment" for expenditure per the FHA at N.J.S.A. 52:27D-329.2, with a four-year time period for expenditure that will start with the entry of the Superior Court's Fourth Round Judgment of Compliance and Repose and/or Compliance Certification.

Affirmative Marketing Plan

Ocean Township currently has a Court-approved Affirmative Marketing Plan (Appendix V). Once DCA and HMFA finalize their rule proposals (not anticipated before June 30, 2025), the Township will prepare an updated Affirmative Marketing Plan in accordance with DCA's proposed new regulations at N.J.A.C. 5:99, UHAC's new 2025 regulations that are anticipated to be released shortly, any remaining relevant COAH rules not superseded by either the proposed 2025 DCA regulations or the upcoming 2025 revised UHAC rules, as well as to address any terms of the court-approved Third Round FSHC agreement. The Township will adopt an Affirmative Marketing Plan for all affordable housing sites.

Fourth Round Housing Element and Fair Share Plan

OCEAN TOWNSHIP, MONMOUTH COUNTY, N.J.



The Township's current Affirmative Marketing Plan is designed to attract buyers and/or renters of all majority and minority groups, regardless of race, creed, color, national origin, ancestry, marital or familial status, gender, affectional or sexual orientation, disability, age or number of children to the affordable units located in the Township. Additionally, the Affirmative Marketing Plan is intended to target those potentially eligible individuals who are least likely to apply for affordable units and who reside in the Township's housing region, Region 4, consisting of Mercer, Monmouth, and Ocean counties.

The Affirmative Marketing Plan lays out the random-selection and income qualification procedure of the administrative agent, which is consistent with COAH's rules and N.J.A.C. 5:80-26.1. All newly created affordable units will comply with the minimum 30-year or 40-year (for rentals) affordability control required by UHAC, N.J.A.C. 5:80-26.1 et seq. This plan must be adhered to by all private, nonprofit or municipal developers of affordable housing units and must cover the period of deed restriction or affordability controls on each affordable unit.

As required by the Court-approved Third Round FSHC agreement, the Township's Affirmative Marketing Plan lists FSHC, the New Jersey State Conference of the NAACP, the Latino Action Network, STEPS, Ocean, Inc., the Greater Red Bank, Greater Long Branch, Greater Freehold, Bayshore, Asbury Park/Neptune, and Trenton branches of the NAACP, and the Supportive Housing Association among the list of community and regional organizations. The Township will, as part of its regional affirmative marketing strategies during its implementation of this plan, provide notice to those organizations of all available affordable housing units. The Township will also require any other entities, including developers or individuals or companies retained to do affirmative marketing, to comply with this requirement. Finally, in accordance with the July 2020 amendment to the FHA, the Township will include in its Affirmative Marketing Plan the requirement that all units subject to affirmative marketing requirements be listed on the state Housing Resource Center website.¹⁷

Municipal Housing Liaison, Administrative Agent

The Township has appointed by municipal resolution (Appendix W) the Director of Community Development to the position of the Municipal Housing Liaison. The Township utilizes a number of existing experienced affordable housing administrative agents including CGP&H, CIS, and AHA. The Township will require developers of the proposed inclusionary projects, as well as any future projects not specified here, to retain the Township's experienced Administrative Agent or secure Township approval of a different experienced affordable housing Administrative Agent. To conduct all Administrative Agent duties, including affirmative marketing and monitoring of affordable units, the Township has entered into an agreement with CGP&H, an experienced affordable housing administrator, for the administration of future affordable units in the Township. (See Appendix W for the CGP&H agreement.)

Cost Generation

Ocean Township's Land Development Ordinance has been reviewed to eliminate unnecessary cost-generating standards; it provides for expediting the review of development applications containing affordable housing. Such expediting may consist of, but is not limited to, scheduling of pre-application conferences and special monthly public hearings. Development applications containing affordable housing will be reviewed for consistency with the Land Development Ordinance, Residential Site Improvement Standards (N.J.A.C. 5:21-1 et seq.) and the mandate of the FHA regarding unnecessary cost-generating

¹⁷ <https://njhrc.gov>



features. Ocean Township will comply with COAH's requirements for unnecessary cost-generating requirements, N.J.A.C. 5:93-10.1, procedures for development applications containing affordable housing, N.J.A.C. 5:93-10.4, and requirements for special studies and escrow accounts where an application contains affordable housing, N.J.A.C. 5:93-10.3.

Monitoring

In accordance with the requirements of N.J.S.A. 52:27D-329.2 and -329.4 as amended by P.L. 2024 c.2, by February 15 of each year of the Fourth Round, the Township will provide a detailed accounting through DCA's new Affordable Housing Monitoring System ("AHMS") of all affordable units constructed and construction starts during the prior calendar year, and of all residential and non-residential development fees collected, interest earned, and other income collected and deposited into the Township's affordable housing trust fund during the prior calendar year. The Township will also provide a detailed accounting in AHMS of all expenditures of affordable housing trust funds during the prior calendar year, including purposes and amounts, and documentation of the balance remaining in the affordable housing trust fund as of December 31 of that year.

The Township or any other interested party may file an action through the Program seeking a realistic opportunity review at the midpoint of the Fourth Round and shall provide for notice to the public, including a realistic opportunity review of any inclusionary development site in this HEFSP that has not received preliminary site plan approval prior to the midpoint of the 10-year round. If such an action is initiated by the Township, the Township may propose one or more alternative sites with an accompanying development plan or plans that provide a realistic opportunity for the same number of affordable units and are otherwise in compliance with the FHA and the Mount Laurel doctrine.