



Engineering & Design



Amended 2025 Housing Element & Fair Share Plan

Township of East Hanover

February 12, 2026

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Township of East Hanover

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Township of East Hanover

Morris County, New Jersey

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

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I. Introduction

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

Affordable housing in New Jersey has a long, convoluted history dating back to 1975, when the New Jersey Supreme Court ruled that municipalities could not use their power to zone to exclude the region's low- and moderate-income households. This landmark decision is commonly referred to as Mount Laurel I, as the defendant was the Township of Mount Laurel. In 1983, the New Jersey Supreme Court decided what is commonly referred to as Mount Laurel II, wherein the Supreme Court created a quota system for growing municipalities and invented the "Builder's Remedy" as an enforcement mechanism. In response to the court decisions, the Fair Housing Act ("FHA") was adopted in 1985, which provided an administrative process for municipal compliance. The FHA also created the Council on Affordable Housing ("COAH"), which was responsible for promulgating municipal obligations, adopting regulations, and administering the compliance process. The first round of affordable housing spanned from 1987 to 1993. This was followed by the second round from 1993 to 1999.

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

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

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

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

Then, on March 20, 2024, Governor Murphy signed legislation that dramatically modified the State's affordable housing regulations. The 75-page bill, known as A4, abolished COAH, modified the process of affordable housing compliance, amended bonus credits, and, among other changes, set forth several important deadlines. P.L. 2024, c.2 ("Amended FHA") charged the Department of Community Affairs ("DCA") with the preparation of fourth round obligations and set forth aggressive timelines for compliance. In October of 2024, DCA published a report on its calculations of regional need and municipal present (Rehabilitation Obligation) and prospective (Fourth Round Obligation) fair share obligations. The Report is entitled "Affordable Housing Obligation of 2025-2035 (Fourth Round) Methodology and Background". The DCA calculated East Hanover's present need obligation as 0 and its prospective need obligation as 315. Municipalities were required to adopt a binding resolution outlining their present and prospective fair share obligations by January 31, 2025. On January 28, 2025, the Township Council adopted Resolution No. 58-2025 accepting the DCA's calculation of the Township's present need and correcting the developable land data regarding East Hanover's prospective obligation. The modifications resulted in an adjusted Fourth Round Obligation, which was subject to any vacant land and/or durational adjustment. The Township of East Hanover also filed a Complaint for a Declaratory Relief on January 29, 2025, as part of the compliance certification process outlined in the Director of the Administrative Office of the Courts Directive #14-24.

During the 30-day challenge window, the New Jersey Builder's Association ("NJBA") challenged the Township's Fourth Round Obligation. Mediation was conducted on March 27, 2025, but a settlement could not be reached and the Township proceeded to a session. The Court later issued a decision regarding the obligation on May 13, 2025 that determined the Township's obligation to be 271.

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

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

Affordable Housing History

A summary of East Hanover's affordable housing timeline is included below:

- **1985** | A "builders remedy" lawsuit was filed against East Hanover for exclusionary zoning practices.
- **July 17, 1986** | The "builders remedy" lawsuit against East Hanover was transferred by Judge Skillman to COAH.

¹ NJAC 5:91 (Procedural) and NJAC 5:93 (Substantive) Rules, which can be found at: [New Jersey Department of Community Affairs | Second Round Regulations](#)

²NJAC 5:96 (Procedural) and NJAC 5:97 (Substantive) Rules, which can be found at: <https://nj.gov/dca/dlps/hss/thirdroundregs.shtml>

- **September 6, 1988** | East Hanover received First Round Substantive Certification.
- **November 30, 1988** | COAH declared the Township's plan null and void after it failed to adopt the implementing ordinances. As a result, the matter was transferred back to Superior Court.
- **December 7, 1990** | Judge Skillman issued a Judgement of Compliance and Repose.
- **May 7, 1998** | East Hanover petitioned for Second Round Substantive Certification.
- **December 6, 2000** | COAH granted East Hanover Second Round Substantive Certification via Resolution #174-99 for a new construction obligation of 262. (See Appendix A.)
- **December 31, 2008** | East Hanover petitioned COAH for Third Round Substantive Certification.
- **September 1, 2009** | COAH deemed East Hanover's petition for Third Round Substantive Certification complete.
- **October 30, 2009** | Public comment ended on the Township's petition. COAH did not deny or approve the petition.
- **April 2014** | The Township Governing Body extended the affordability controls on 73 of the 74 for-sale affordable units in the Hanover Park (previously referred to as Hanover Estates) development pursuant to Resolution #71-2014.
- **July 7, 2015** | East Hanover filed a Declaratory Judgment Action seeking to comply with its constitutional mandate to provide affordable housing in accordance with the March 10, 2015 New Jersey Supreme Court Order.
- **March 7, 2016** | East Hanover adopts Resolution 60-2016 extending the controls on all 74 affordable units at Hanover Park.
- **June 3, 2019** | Governing Body executes Settlement Agreement with Fair Share Housing Center ("FSHC") (see Appendix B.)
- **January 19, 2021** | Final Order of Judgment of Compliance and Repose issued by Judge Gaus (see Appendix C).
- **January 28, 2025** | Township Council Resolution No. 58-2025 Committing to Fourth Round Obligation (see Appendix D).
- **January 29, 2025** | Township of East Hanover filed Complaint for Declaratory Relief (see Appendix E) regarding Fourth Round Obligation.
- **May 13, 2025** | Decision and Order Fixing Municipal Obligations issued by Judge Allen (see Appendix F).
- **June 24, 2025** | Land Use Planning Board adopted 2025 Housing Element & Fair Share Plan ("2025 HEFSP").
- **July 7, 2025** | Township Council endorsed 2025 HEFSP.

- **August 25, 2025** | Mondelez Global, LLC filed a challenge to the 2025 HEFSP.
- **August 28, 2025** | Fifty Route 10 West, LLC filed a challenge to the 2025 HEFSP.
- **August 29, 2025** | FSHC filed a challenge to the 2025 HEFSP.
- **September 2, 2025** | 130 Ferry LLC filed a challenge to the 2025 HEFSP.
- **December 29, 2025** | Township Council adopted Resolution No. 206-2025 entitled “A Resolution Authorizing the Execution of a Mediation Agreement with 130 Ferry LLC in Connection with the Township’s Fourth Round Affordable Housing Obligations”.
- **December 29, 2025** | Township Council adopted Resolution No. 207-2025 entitled “A Resolution Authorizing the execution of a Mediation Agreement with Fifty Route 10 West, LLC in Connection with the Township’s Fourth Round Affordable Housing Obligations”.
- **December 29, 2025** | Township Council adopted Resolution No. 208-2025 entitled “A Resolution Authorizing the execution of a Mediation Agreement with Mondelez Global, LLC in Connection with the Township’s Fourth Round Affordable Housing Obligations”.

Municipal Summary

The Township of East Hanover is located in east-central Morris County and encompasses 8.1 square miles. New Jersey Route 10 traverses the southern half of the Township in an east-west direction, while Interstate 280 traverses the northern part of the Township. The Township is primarily residential and commercial and industrial areas are focused along Route 10, New Murray Road, Ridgedale Avenue, Deforest Avenue, and Eagle Rock Avenue. Additionally, the Township’s “downtown” is located along Ridgedale Avenue. The Township does not have access to any NJTransit rail service. However, NJTransit operates a bus route along Route 10 and Hanover Road.

The Township is bordered by the Townships of Fairfield, Montville, and West Caldwell to the north, the Borough of Roseland and Township of Livingston to the east, the Borough of Florham Park to the south, and the Townships of Hanover and Parsippany-Troy Hills to the west. See the map on page 6.

Between 2010 and 2020, East Hanover’s population slightly declined by 52 residents from 11,157 to 11,105 residents.³ It should be noted that the 2023 American Community Survey (“ACS”), which is the most recent Survey available, estimates the Township’s population to be nearly the same as in the 2020 Census, 11,106 residents.⁴ The North Jersey Transportation Planning Authority (“NJTPA”) projects that the Township will grow to 12,668 residents by the year 2050.⁵

Affordable Housing Obligation

The Township of East Hanover has agreed to a Rehabilitation Obligation of zero units. The Township’s Prior Round Obligation (“PRO”) is 262. The Township agreed to a 786-unit Third Round Obligation (“TRO”). However, the Township received a Vacant Land Adjustment (“VLA”) during the Third Round, which determined the Realistic Development Potential (“RDP”) of East Hanover to be

³ Information sourced from <https://data.census.gov/>, accessed March 20, 2025.

⁴ Ibid.

⁵ Information sourced from NJTPA Plan 2050, Appendix E, “Demographic Forecasts”, <https://www.njtpa.org/plan2050>, accessed March 20, 2025.

138. This results in an Unmet Need of 648. Finally, East Hanover's Fourth Round Obligation ("FRO") is 271 units. East Hanover remains a land-constrained town and has conducted another VLA, which has revealed the Township has a Fourth Round RDP of 0.

However, pursuant to the Township's Mediation Agreement with FSHC, East Hanover agreed to voluntarily increase its Third Round RDP to 191 to account for the 53-affordable units built at 60-72 Eagle Rock Avenue, which correspondingly reduced the Unmet Need to 595. Additionally, the Township agreed to increase its Fourth Round RDP to 101 to account for the proposed 100 Eagle Rock and Mondelez sites, which results in an Unmet Need of 170.

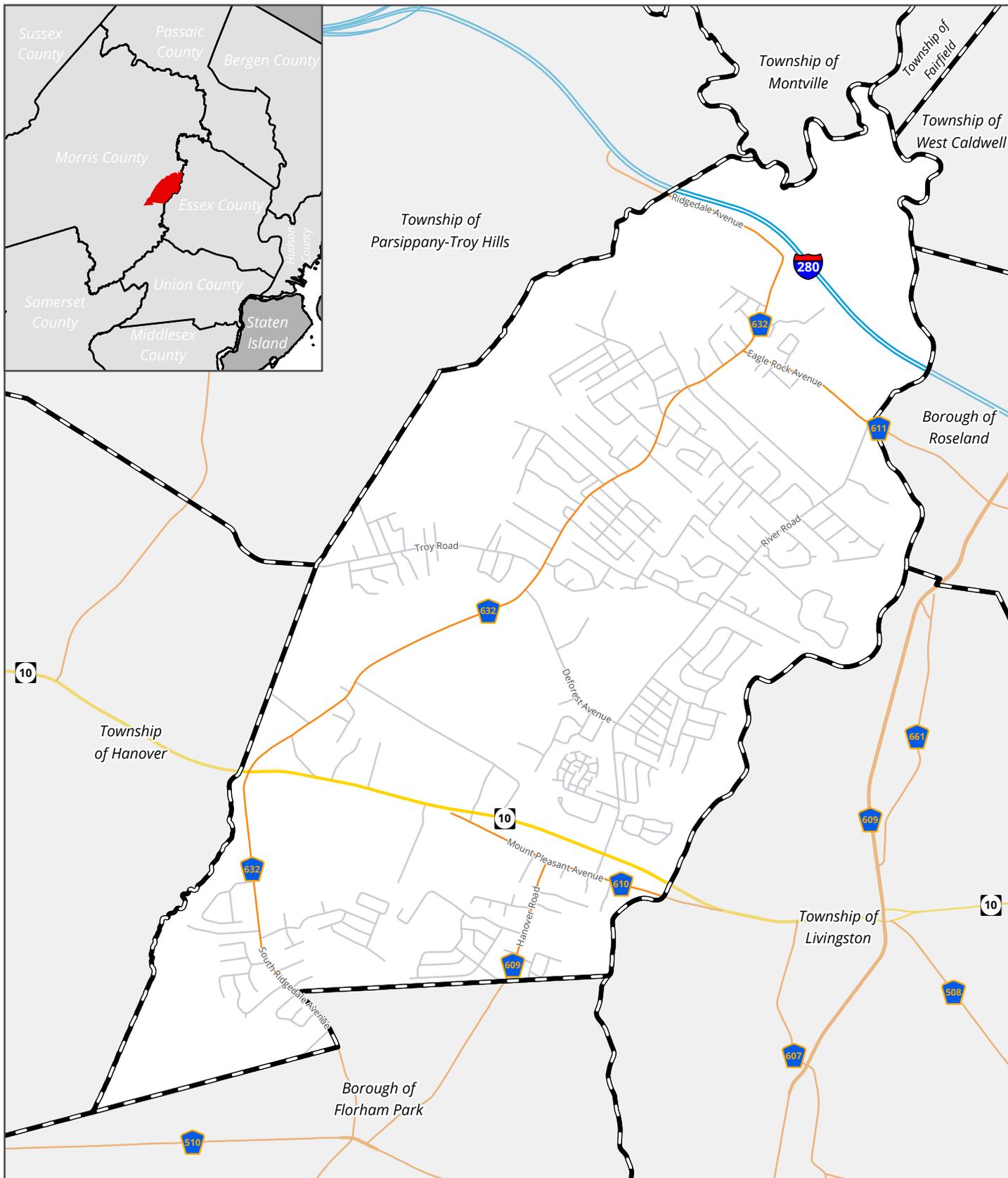
The chart below illustrates the Township's four-part obligation. See Chapter XI. for a detailed discussion of the Fourth Round VLA.

Affordable Housing Obligation

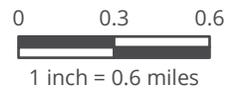
	Rehabilitation	Prior Round 1987 - 1999	Third Round 1999 - 2025	Fourth Round 2025 - 2035
Obligation	0	262	786	271
RDP	--	-	191	101
Unmet Need	--	-	595	170

Township Goal

It is the overall goal of the HEFSP, in combination with the Land Use Plan, to provide the planning context in which access to low- and moderate-income housing can be provided in accordance with the requirements of the Fair Housing Act and the laws of the State of New Jersey, while respecting the character, scale, density, and utility capacity of the Township of East Hanover.



REGIONAL LOCATION
TOWNSHIP OF EAST HANOVER
MORRIS COUNTY, NEW JERSEY



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

HOUSING ELEMENT

Township of East Hanover

II. Content of Housing Element

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

- a. An inventory of the municipality's housing stock by age, condition, purchase or rental value, occupancy characteristics and type, including the number of units affordable to low- and moderate-income households and substandard housing capable of being rehabilitated, and in conducting this inventory the municipality shall have access, on a confidential basis for the sole purpose conducting this inventory, to all necessary property tax assessment records and information in the assessor's office, including but not limited to the property record cards;
- b. A projection of the municipality's housing stock, including the probable future construction of low-and moderate-income housing for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;
- c. An analysis of the municipality's demographic characteristics, including but not necessarily limited to, household size, income level and age;
- d. An analysis of the existing and probable future employment characteristics of the municipality;
- e. A determination of the municipality's present and prospective fair share for low- and moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low- and moderate-income housing, as established pursuant to section 3 of P.L.2024, c.2 (C.52-27D-304.1);
- f. A consideration of the lands that are most appropriate for construction of low- and moderate-income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low- and moderate-income housing, including a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing;
- g. An analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of section 1 of P.L.2021, c.273 (C.52D-329.20);
- h. For a municipality located within the jurisdiction of the Highlands Water Protection and Planning Council, established pursuant to section 4 of P.L.2004, C.120 (C.13-20-4), an analysis of compliance of the housing element with the Highlands Regional Master Plan of lands in the Highlands Preservation Area, and lands in the Highlands Planning Area for Highlands-conforming municipalities. This analysis shall include consideration of the municipality's most recent Highlands Municipal Build Out Report, consideration of opportunities for redevelopment of existing developed lands into inclusionary or 100 percent affordable

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

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

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

III. East Hanover's Population Demographics

The Township of East Hanover's population rose rapidly from 2,151 people in 1950 to 9,319 in 1980, which is a 333% increase over 30 years. The Township's population continued to increase at various intervals between 1980 and 2000 to a peak of 11,393 residents. However, East Hanover has seen a slight population decline since 2000, losing 288 residents between then and the 2020 Census. See the table below for additional details.

Population Growth

Year	Population	Change	Percent
1940	1,579	--	--
1950	2,151	572	36.2%
1960	4,379	2,228	103.6%
1970	7,734	3,355	76.6%
1980	9,319	1,585	20.5%
1990	9,926	607	6.5%
2000	11,393	1,467	14.8%
2010	11,157	-236	-2.1%
2020	11,105	-52	-0.5%

Source: 2010 & 2020 Census Table P1; New Jersey Population Trends, 1790 to 2000, <https://www.nj.gov/labor/labormarketinformation/assets/PDFs/census/2kpub/njsdcp3.pdf>

The NJTPA projects that the Township's population will grow to 12,668 residents by 2050 from their baseline 2015 population of 11,250. This represents an increase of 1,418 residents, or an average increase of approximately 41 residents annually over 35 years. However, as noted above, the Township's estimated population according to the 2023 ACS is 11,106, which is 1,562 less than projected by the NJTPA. This translates to an average annual increase of approximately 58 residents over the next 27 years.

Population Projection

Year	Population	Change	Percent
2015	11,250	---	---
2020	11,105	-145	-1.3%
2050	12,668	1,563	14.1%

Source: NJTPA Plan 2050, Appendix E, 2050 Demographic Forecasts, <https://www.njtpa.org/plan2050>; 2020 Census Table P1

Age Distribution of Population

The 2023 ACS estimates nearly one quarter of East Hanover's population was 65 years or older compared to only 19.4% of the population being 19 years or younger. The largest age cohort was estimated to be those aged 35 to 39 years, which comprised 8% (889) of the Township's population. Residents aged 60 to 64 years comprised the second-largest age cohort at 7.6% (846) of the population, followed by those aged 55 to 59 years at 7.6% (843) of the population. The median age

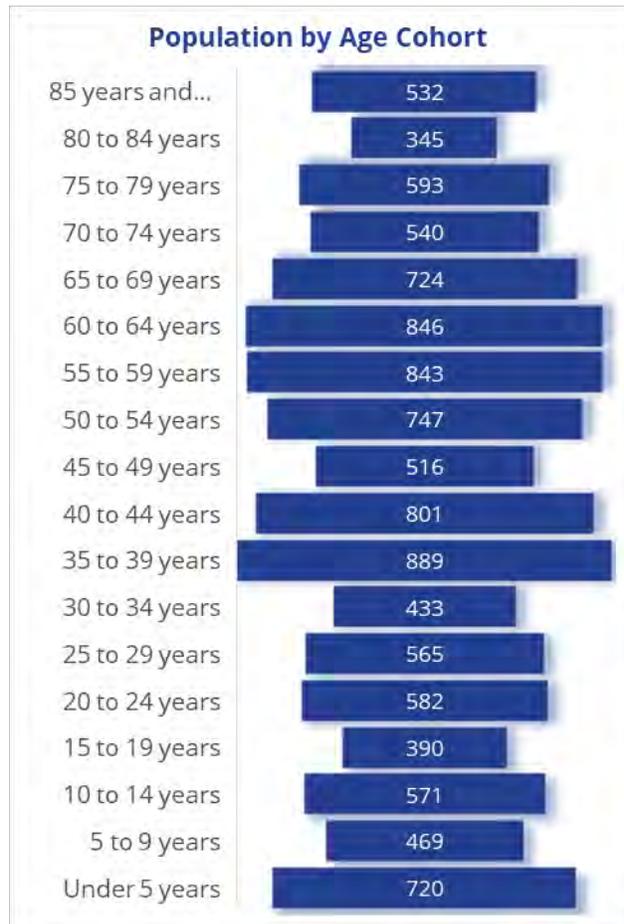
was estimated at 46.9 years in the 2023 ACS. See the table and chart below for further details.

Population by Age Cohort

Age	Total	Percent
85 years and over	532	4.8%
80 to 84 years	345	3.1%
75 to 79 years	593	5.3%
70 to 74 years	540	4.9%
65 to 69 years	724	6.5%
60 to 64 years	846	7.6%
55 to 59 years	843	7.6%
50 to 54 years	747	6.7%
45 to 49 years	516	4.6%
40 to 44 years	801	7.2%
35 to 39 years	889	8.0%
30 to 34 years	433	3.9%
25 to 29 years	565	5.1%
20 to 24 years	582	5.2%
15 to 19 years	390	3.5%
10 to 14 years	571	5.1%
5 to 9 years	469	4.2%
Under 5 years	720	6.5%
Total	11,106	100%

Source: 2023 ACS Table S0101

Population by Age Cohort



Household Size & Type

According to the 2023 ACS, East Hanover had 4,045 households. A majority were married-couple households, which comprised 70% of all households (2,831). Of those, 1,052 had children under 18 years old. Female householders with no spouse present comprised 18.6% of all households, while male householders with no spouse present comprised only 8.9%. Of all households with no spouse present, 38 had children under the age of 18 (0.9%), while 645 were living alone (18.4%). See the table on the following page for complete details.

Household Type

Type	Number	Percent
Married-couple	2,831	70.0%
with children under 18	1,052	26.0%
Cohabiting couple	102	2.5%
with children under 18	0	0.0%
Male householder, no spouse	361	8.9%
with children under 18	21	0.5%
living alone	261	6.5%
Female householder, no spouse	751	18.6%
with children under 18	17	0.4%
living alone	484	12.0%
Total	4,045	100%

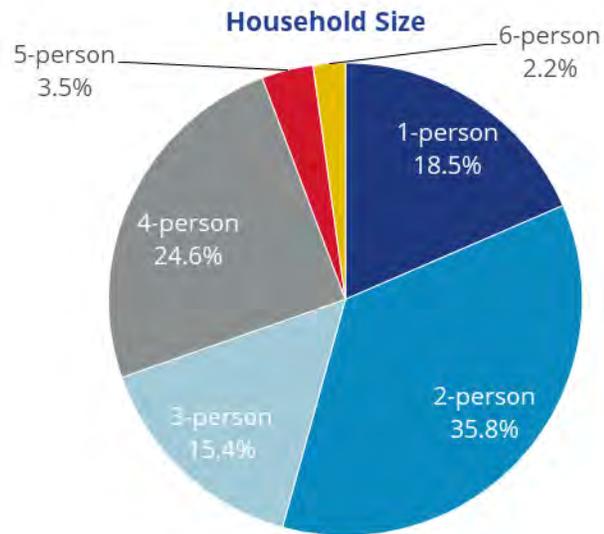
Source: 2023 ACS Table DP02

The most common household size in East Hanover was estimated to be two-person households, which comprised 35.6% of households in 2023. Four-person households comprised the second-largest number of households at 24.5%. Finally, one-person households comprised 18.4% of the 4,045 households in East Hanover. It should be noted that 20 households contained seven or more people. The table and pie chart below graphically illustrate the household size composition in East Hanover. Finally, the 2023 ACS estimated the average household size at 2.74 persons, which is slightly less than reported in the 2010 Census (2.86 persons).

Household Size

Size	Total	Percent
1-person	745	18.4%
2-person	1,440	35.6%
3-person	618	15.3%
4-person	992	24.5%
5-person	142	3.5%
6-person	88	2.2%
7+ person	20	0.5%
Total	4,045	100%

Source: 2023 ACS Table B11016



Income & Poverty Status

The 2023 ACS estimated the median household income for the Township of East Hanover to be \$144,792, which is nearly \$10,000 more than Morris County's and over \$43,700 more than the State's. Similarly, the median family income for the Township was estimated at \$173,088, which is \$4,657 above the County's and over \$49,000 greater than the State's. Finally, East Hanover's per

capita income was estimated at \$68,909, which is just under the County's by \$317 but nearly \$16,000 more than the State's.

The ACS also provides data on poverty rates of individuals and families. East Hanover's poverty rate for individuals was estimated at just 2.2%, which less than the County's by 2.9% and the State's by 7.6%. Similarly, the Township's poverty rate for families was estimated at 1.7%, which is half of Morris County's and a quarter of the State's. The table and bar chart below provide a comparison between income and poverty characteristics.

Income and Poverty Characteristics

Income Type	East Hanover Township	Morris County	New Jersey
Median Household Income	\$144,792	\$134,929	\$101,050
Median Family Income	\$173,088	\$168,431	\$123,892
Per Capita Income	\$68,909	\$69,226	\$53,118
Poverty Status (Percent of People)	2.2%	5.1%	9.8%
Poverty Status (Percent of Families)	1.7%	3.4%	7.0%

Source: 2023 ACS Table DP03



According to the 2023 ACS, 36.2% of households in East Hanover (1,463) earn over \$200,000 annually. Households earning \$100,000 or more annually were estimated to include 3,016 households or 74.6% of all households in East Hanover. Only 63.5% of households in Morris County and only 50.5% of households in New Jersey earned at least \$100,000 annually. It should be noted that 12.8% of households in East Hanover earned less than \$50,000. See the table on the following page for additional details.

Household Income

Income Range	East Hanover Township		Morris County		New Jersey	
	Total	Percent	Total	Percent	Total	Percent
Less than \$10,000	101	2.5%	5,289	2.8%	140,262	4.0%
\$10,000 to \$14,999	30	0.7%	2,711	1.4%	99,362	2.9%
\$15,000 to \$24,999	109	2.7%	5,398	2.8%	175,402	5.0%
\$25,000 to \$34,999	125	3.1%	7,383	3.8%	184,753	5.3%
\$35,000 to \$49,999	151	3.7%	10,491	5.5%	276,601	8.0%
\$50,000 to \$74,999	274	6.8%	19,409	10.1%	448,192	12.9%
\$75,000 to \$99,999	239	5.9%	19,283	10.1%	397,939	11.4%
\$100,000 to \$149,999	1,068	26.4%	35,184	18.3%	627,526	18.0%
\$150,000 to \$199,999	485	12.0%	26,911	14.0%	407,723	11.7%
\$200,000 or more	1,463	36.2%	59,781	31.2%	720,595	20.7%
Total	4,045	100%	191,840	100%	3,478,355	100%

Source: 2023 ACS Table DP03

IV. East Hanover's Housing Demographics

Housing Type

The 2023 ACS estimated the Township's housing stock at 4,162 units. Single-family, detached dwellings comprised a majority of the housing stock with 3,393 units or 81.5% of all dwellings. There were an estimated 474 attached single-family dwellings (e.g. townhomes). Additionally, 217 units, or 5.2% of all housing units, were estimated to be multi-family dwelling units in structures containing five or more units. See the table below for details. Of the estimated 4,162 units in 2023, 80 or 1.9% of the housing stock was affordable in 2023.

Housing Units in Structure

Structure	Number of Units	Percent
1-unit, detached	3,393	81.5%
1-unit, attached	474	11.4%
2 units	8	0.2%
3 or 4 units	70	1.7%
5 to 9 units	161	3.9%
10 to 19 units	56	1.3%
20 or more units	0	0.0%
Mobile Home	0	0.0%
Other (boat, RV, van, etc.)	0	0.0%
Total	4,162	100%

Source: 2023 ACS Table DP04

Occupancy Status

Of the 4,162 residential units, 4,045 units, or 97.2% of the housing stock, was occupied. This includes 3,820 owner-occupied units and 225 rental units. The 117 vacant units included 50 units listed for sale and 47 units used seasonally. The remaining 20 units are classified as "other" vacant. See the table on the following page for details.

The 2023 ACS estimated the average household size in East Hanover was 2.74 persons, while the average family size was 3.16 persons. Comparing tenure, the average owner-occupied household was 2.79 persons, while the average renter-occupied household was 1.95 persons.

Occupancy Status

Status	Units	Percent
Occupied Total	4,045	97.2%
<i>Owner Occupied</i>	3,820	94.4%
<i>Renter Occupied</i>	225	5.6%
Vacant Total	117	2.8%
<i>For rent</i>	0	0.0%
<i>Rented, not occupied</i>	0	0.0%
<i>For Sale</i>	50	42.7%
<i>Sold, not occupied</i>	0	0.0%
<i>Seasonal</i>	47	40.2%
<i>For migrant workers</i>	0	0.0%
<i>Other</i>	20	17.1%
Total	4,162	100%

Source: 2023 ACS Tables DP04 & B25004

Value & Rent of Housing Stock

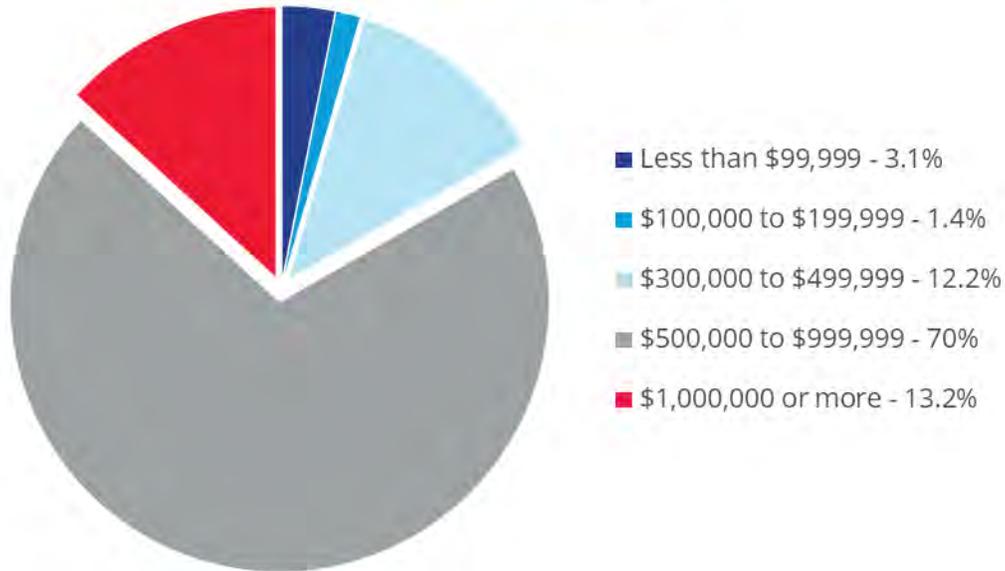
The 2023 ACS provided estimates for owner-occupied housing units in East Hanover. According to the data, a vast majority of homes in the Township were worth between \$500,000 and \$999,999 (70%). Homes worth more than \$1 million comprised 13.2% of the owner-occupied housing units, while 12.2% of homes were estimated to be worth between \$300,000 to \$499,999. It should be noted that 119 homes were valued less than \$99,999 (3.1%). These values likely correlate to the condominiums that exist within the community. The median home value estimated in the 2023 ACS was \$668,500. See the table below and chart on the following page for details.

Value of Owner Occupied Units

Value	Number of Units	Percent
Less than \$99,999	119	3.1%
\$100,000 to \$199,999	54	1.4%
\$200,000 to \$299,999	0	0.0%
\$300,000 to \$499,999	467	12.2%
\$500,000 to \$999,999	2,675	70.0%
\$1,000,000 or more	505	13.2%
Total	3,820	100%
Median Value	\$668,500	

Source: 2023 ACS Table DP04

Value of Owner Occupied Units



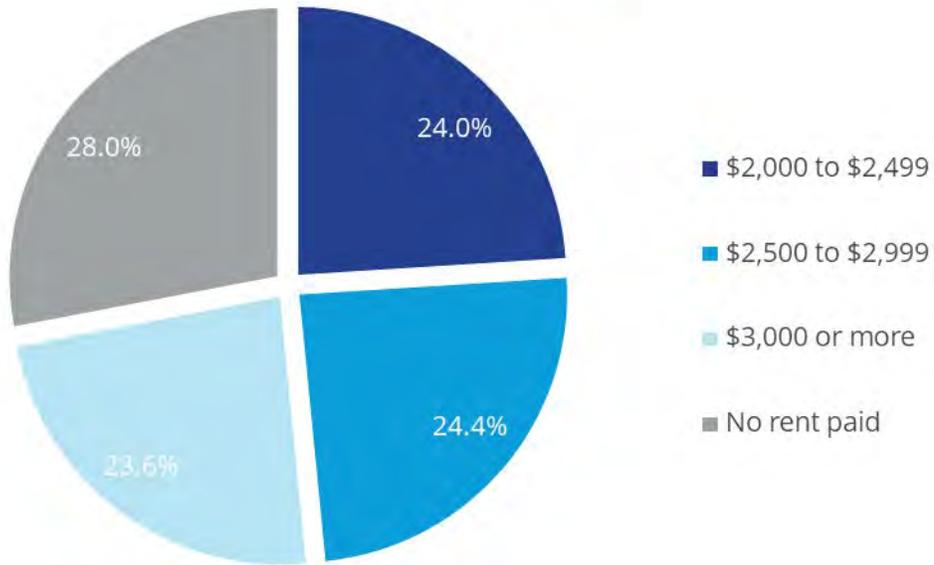
The median rent in the Township was estimated at \$2,745 per the 2023 ACS. Looking at the rent ranges, none of the Township’s rental units cost less than \$2,000 per month. 55 units fell between \$2,500 and \$2,999, while 54 cost between \$2,000 and \$2,499 per month. Additionally, 53 units cost \$3,000 or more. Interestingly, 63 rental units reported no rent paid, which was the highest number estimated. See the table below and chart on the following page for more information.

Cost of Rentals

Cost	Number of Units	Percent
Less than \$1,000	0	0.0%
\$1,000 to \$1,499	0	0.0%
\$1,500 to \$1,999	0	0.0%
\$2,000 to \$2,499	54	24.0%
\$2,500 to \$2,999	55	24.4%
\$3,000 or more	53	23.6%
No rent paid	63	28.0%
Total	225	100%
Median (in dollars)	\$2,745	

Source: 2023 ACS Table DP04

Cost of Rentals



Condition and Age of Housing Stock

The Census does not classify housing units as standard or substandard, but it can provide an estimate of the substandard housing units that are occupied by low- and moderate-income households. All of the Census indicators available at the municipal level indicate a sound housing stock within East Hanover. According to the 2023 ACS, none of the Township’s occupied dwelling units lack complete plumbing facilities, complete kitchen facilities, or adequate heat.

Condition of Housing Stock

Condition	Number of Units	Percent
Lack of complete plumbing	0	0.00%
Lack of complete kitchen	0	0.00%
Lack of telephone service	0	0.00%
Lack of adequate heat	0	0.00%
Total Occupied Housing Units	4,045	0.00%

Source: 2023 ACS Table DP04

Housing with 1.01 or more persons per room (excluding bathrooms and kitchens) is an index of overcrowding as defined by the U.S. Department of Housing and Urban Development.⁶ According to the 2023 ACS, 49 units (1.2%) of the Township’s 4,045 occupied units contained 1.51 or more persons per room.

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

Occupants Per Room

Occupants	Number of Units	Percent
1.00 or less	3,996	98.8%
1.01 to 1.50	0	0.0%
1.51 or more	49	1.2%
Total	4,045	100%

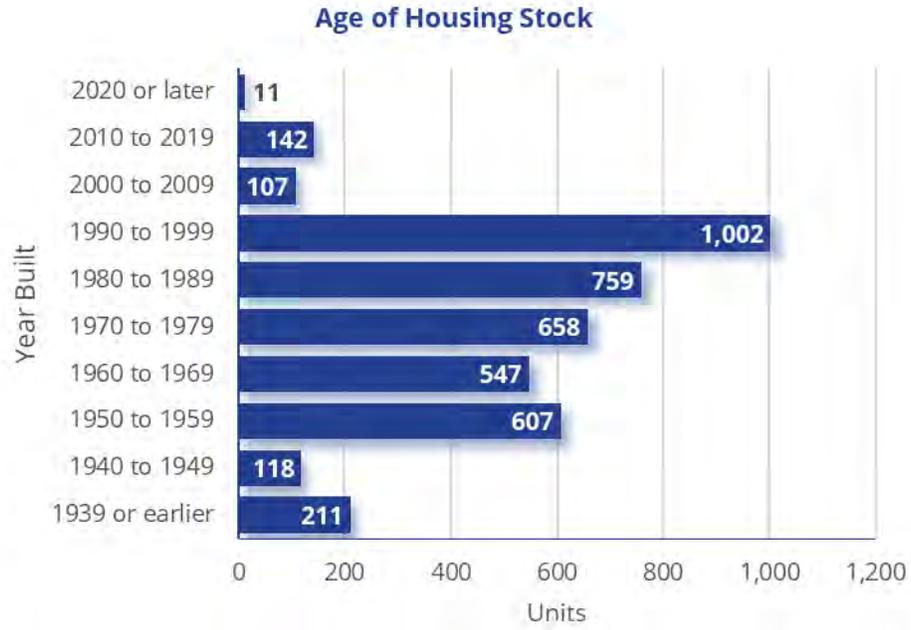
Source: 2023 ACS Table DP04

The table below and bar graph on the following page provide the 2023 ACS estimates for the age of housing units in East Hanover. An estimated 1,483 units, or 35.6%, of the Township's housing stock were constructed prior to 1970. During the 1990s, 1,002 homes were constructed in East Hanover, which was the most in a single decade according to the 2023 ACS. The 1980s saw the second largest number of units constructed with 759 units (18.2%). See the table below and chart on the following page for more details. The Township's Rehabilitation Obligation is zero units, which reflects the Township's "younger" housing stock and good condition of the older homes.

Age of Housing Stock

Year Built	Number of Units	Percent
1939 or earlier	211	5.1%
1940 to 1949	118	2.8%
1950 to 1959	607	14.6%
1960 to 1969	547	13.1%
1970 to 1979	658	15.8%
1980 to 1989	759	18.2%
1990 to 1999	1,002	24.1%
2000 to 2009	107	2.6%
2010 to 2019	142	3.4%
2020 or later	11	0.3%
Total	4,162	100%

Source: 2023 ACS Table DP04



V. East Hanover's Employment Demographics

The 2023 ACS estimated that East Hanover had 6,164 residents over the age of 16 in the workforce. Of those, 5,905 (95.8%) were employed, which translates to a 4.2% unemployment rate. A majority of workers were private wage and salary worker (70.5%). However, 21% were workers employed by the government and 4.3% were self-employed. See the table below for details.

Class of Workers

Class	Workers	Percent
Private wage and salary workers	4,345	70.5%
Government workers	1,294	21.0%
Self-employed workers	266	4.3%
Unpaid family workers	0	0.0%
Total employed residents	5,905	95.8%
Total unemployed residents	259	4.2%
Total residents in workforce	6,164	100%

Source: 2023 ACS Table DP03

Occupational Characteristics

The 2023 ACS estimated 3,684 workers were employed in management, business, science, and arts fields, which represents 62.4% of the Township's employed residents. Sales and office workers totaled 17.5% of employed residents, while 9.2% were employed in service positions. See the table below for details.

Occupation of Employed Population

Occupation	Workers	Percent
Management, business, science, & arts	3,684	62.4%
Service	544	9.2%
Sales & office	1,035	17.5%
Natural resources, construction, & maintenance	335	5.7%
Production, transportation, & material moving	307	5.2%
Total	5,905	100%

Source: 2023 ACS Table DP03

Employment Projections

NJTPA's Plan 2050 estimates that the number of available jobs in East Hanover will increase from 18,397 reported in 2015 to 19,462 in 2050. This represents an increase of 1,065 jobs, or an average annual increase of 30.4 jobs annually. However, as detailed in the following section, the New Jersey Department of Labor and Workforce Development estimated a total of 15,036 jobs in East Hanover in 2023, which is 4,426 less than projected by NJTPA. Utilizing this number, roughly 164 new jobs would need to be created within the Township each year for the next 27 years.

Employment Projection

Year	Jobs	Change	Percent
2015	18,397	---	---
2050	19,462	1,065	5.8%

Source: NJTPA Plan 2050, Appendix E, 2050 Demographic Forecasts, <https://www.njtpa.org/plan2050>

In-Place Employment By Industry

New Jersey's Department of Labor and Workforce Development ("NJDLWD") is the entity that reports on employment and wages within the State of New Jersey through the Quarterly Census of Employment and Wages ("QCEW"). The latest Municipal Report was completed in 2023. According to the data, there were 8,563 private sector jobs within East Hanover, which were provided by an average of 598 employers. It should be noted that the Municipal Report redacted data from multiple private-sector industries for not meeting publication standards (agriculture, utilities, information, professional/technical, etc.). The "Private Sector Total" row in the table on the following page provides the totals for the reported data only. However, the 2023 QCEW document reported that the Township had an average of 14,349 private-sector jobs provided by 692 employers, including the redacted data. Additionally, the QCEW data reflects employment within the Township, regardless of where the employee lives.

Based on the 2023 QCEW data provided, the retail trade industry had the greatest number of workers with an average of 1,917 jobs (20.7%), which were provided by 83 employers (second-most). The accommodations/food industry employed the 1,152 workers (second-most), or 12.5%, and had the third highest number of employers (82). The manufacturing industry had 1,118 workers (third-most), with only 31 employers (eighth-most). The construction industry had the largest number of employers but employed the sixth-most workers in the Township with an average of 554 jobs (6%) provided by 86 employers (14.2%). In the public sector, the 2023 QCEW Municipal Report indicated that there were two federal government employers, which provided just 24 jobs. There was an average of 663 jobs provided by seven local government employers. This included four local government education employers providing an average of 456 jobs. See the table on the following page for data on each industry sector.

Private and Public Sector Employment (2023)

Industry	Establishments		Employees		Annual Wages
	Total	Percent	Total	Percent	
Agriculture	-	-	-	-	-
Utilities	-	-	-	-	-
Construction	86	14.2%	554	6.0%	\$77,816
Manufacturing	31	5.1%	1,118	12.1%	\$97,154
Wholesale Trade	54	8.9%	921	10.0%	\$135,968
Retail Trade	83	13.7%	1,917	20.7%	\$45,921
Transportation/Warehousing	10	1.6%	337	3.6%	\$57,446
Information	-	-	-	-	-
Finance/Insurance	19	3.1%	104	1.1%	\$113,912
Real Estate	17	2.8%	259	2.8%	\$75,572
Professional/Technical	-	-	-	-	-
Management	-	-	-	-	-
Admin/Waste Remediation	66	10.9%	967	10.5%	\$45,615
Education	9	1.5%	110	1.2%	\$30,652
Health/Social	63	10.4%	419	4.5%	\$47,554
Arts/Entertainment	11	1.8%	323	3.5%	\$21,855
Accommodations/Food	82	13.5%	1,152	12.5%	\$32,681
Other Services	52	8.6%	368	4.0%	\$37,899
Unclassifieds	15	2.5%	14	0.2%	\$73,284
Private Sector Total	598	98.5%	8,563	92.6%	\$150,024
Federal Government	2	0.3%	24	0.3%	\$80,191
Local Government	7	1.2%	663	7.2%	\$73,504
Local Government Education	4	0.7%	456	4.9%	\$76,100
Public Sector Total	9	1.5%	687	7.4%	\$76,598

Source: The table values above are sourced from the NJDLWD's QCEW 2023 Municipal Report. It is noted that this Report has redacted multiple private sector industries for not meeting the publication standard. Therefore, the Private Sector Totals row has been calculated by this office using the published numbers.

Travel Time to Work

The 2023 ACS collected data regarding employed resident's commute time. The most common commute time was between 15 and 19 minutes, which was made by 768 workers (15.8%). A commute between 20 and 24 minutes was the second-most common commute with 728 workers (14.9%). Rounding off the top three was a commute of 10 to 14 minutes, which was reported by 719 workers (14.8%). The mean travel time was estimated at 24.8 minutes. It should be noted that 377 workers (7.7%) reported a commute of more than one hour. Additionally, 789 workers, or 13.9% of the Township's employed residents, reported working from home. See the table on the following page for additional details.

Commute Time

Travel Time (minutes)	Workers	Percent
Less than 5	94	1.9%
5 to 9	514	10.6%
10 to 14	719	14.8%
15 to 19	768	15.8%
20 to 24	728	14.9%
25 to 29	332	6.8%
30 to 34	604	12.4%
35 to 39	135	2.8%
40 to 44	193	4.0%
45 to 59	406	8.3%
60 to 89	299	6.1%
90 or more	78	1.6%
Total	4,870	100.0%

Source: 2023 ACS Table B08303

VI. Projection of Housing Stock

As per the MLUL, specifically NJSA 52:27D-310, a housing element must contain a projection of the municipality's housing stock, including the probable future construction of low- and moderate-income housing for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands.

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

As shown in the table below, there were 124 certificates of occupancy issued over this 12-year period. However, it should be noted that although 73 certificates of occupancy and two demolition permits are noted to have been issued in 2024, the Monthly Summary Reports for 2024 indicate that the DCA only received reports for March and December. Therefore, these number may not be accurate. Excluding 2024, most certificates of occupancy were issued in 2020 or earlier, including 13 certificates issued in 2016. During the same time, a total of 12 demolition permits were issued, which equates to a net development of 112 residential units. However, excluding the data from 2024, 51 certificates of occupancy and ten demolition permits were issued between 2013 and 2023 for a net development of 41 units.

Historic Trend of Residential Certificates of Occupancy & Demolition Permits (2013-2024)

	'13	'14	'15	'16	'17	'18	'19	'20	'21	'22	'23	'24	Total
COs Issued	1	7	6	13	5	7	3	6	1	1	1	73	124
Demolitions	3	1	1	1	0	0	2	1	1	0	0	2	12
Net Development	-2	6	5	12	5	7	1	5	0	1	1	71	112

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

Projecting into the future, the Township presently has 8 single-family homes that have been approved, with building permits issued. Additionally, 256 rental units are under construction at 60-72 Eagle Rock Avenue and are anticipated to be CO'd in 2025. The remaining 107 rental units in Buildings 2 and 4 of the KRE development received their CO in the spring of 2025. The remaining 173 units within the townhouse portion of the KRE development, now known as Lennar, are anticipated to be completed between 2025 and 2027. Finally, the Nike / BNE site has yet to receive an approval, but is anticipated to contain 295 units. Three other future projects have the potential to produce 486. Projected development was based on historic development patterns as shown in the previous table. The Township anticipates issuing 1,349 new COs between now and the end of the Fourth Round in 2035. The majority of the anticipated COs come from inclusionary multi-family developments. See Chapter XII. for a discussion of each inclusionary development.

Projection of Residential Development

	'25	'26	'27	'28	'29	'30	'31	'32	'33	'34	'35	Total
Projected Development	0	1	2	3	1	2	3	1	2	3	2	20
Approved Development with Permits Issued and Under Construction												419
1 Willow Place		1										1
1A Ivy Court	1											1
9 Windsor Way	1											1
37 Harvest Avenue		1										1
42 Cleveland Avenue	1											1
48 Grant Avenue		1										1
50 Cedar Street		1										1
60-72 Eagle Rock Avenue (Kushner)	256											256
646 Ridgedale Avenue		1										1
KRE Buildings 2 & 4	107											107
Lennar	48											48
Approved Development, No Building Permits Issued												129
15 Knollwood Drive				2								2
155 Troy Road			2									2
Lennar	10	58	57									125
Future Projects												781
Nike / BNE				147	148							295
50 Route 10 West					27							27
100 Eagle Rock										67	67	134
Mondelez							100	100	125			325
Total	414	6	2	150	149	2	3	1	2	3	2	1,349

Of the 1,349 new residences projected to be built between now and 2035, 278 are anticipated to be reserved for low- and moderate-income households. See the table on the following page for further details.

Projection of Affordable Units

	'25	'26	'27	'28	'29	'30	'31	'32	'33	'34	'35	Total
Approved Development with Permits Issued and Under Construction												128
60-72 Eagle Rock Avenue (Kushner)	53											53
KRE Buildings 2 & 4	13											13
Lennar	32	15	15									62
Future Projects												150
Nike / BNE				30	29							59
50 Route 10 West					6							6
100 Eagle Rock										13	13	26
Mondelez							18	18	23			59
Total	98	15	15	30	29	0	0	0	0	0	0	278

VII. Capacity for Fair Share

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

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

Land Capacity

East Hanover's capacity to accommodate its present and prospective affordable housing need is determined by three components - available land, water capacity, and sewer availability and capacity. Note that land development is limited by environmental features, parcel size, easements (conservation, sewer, water, etc.), and municipal regulations. In total, 3,032.97 acres of East Hanover, or 58.52% of the Township's 5,182.78 acres, are encumbered by at least one environmentally sensitive area. Environmental constraints within the Township of East Hanover include:

- Waterbodies – 102.5 acres (1.98% of the Township's area), which includes 36.71 acres of the Passaic River, 27.14 acres of the Whippany River, 8.08 acres of the Rockaway River, and 3.32 acres of Black Brook
- 150-foot Riparian buffer – 972.28 acres (18.76% of the Township's area)
- Wetlands – 1,424.56 acres (27.49% of the Township's area)
- 50-ft Wetlands Buffer (excluding wetlands area) – 12.07 acres (0.23% of the Township's area)
- 150-foot Wetlands Buffer (excluding wetlands area) – 732.67 acres (14.14% of the Township's area)
- FEMA Special Flood Hazard Area Zone AE – 1,841.87 acres (35.54% of the Township's area), including 837.51 acres within the Floodway
- Slopes greater than 15% - 227.33 acres (4.39% of the Township's area)
- State Threatened species habitat (Landscape Rank 3) – 287.19 acres (5.54% of the Township's area)
- State Endangered species habitat (Landscape Rank 4) – 746.51 acres (14.40% of the Township's area)
- Federal Listed species habitat (Landscape Rank 5) – 1,114.78 acres (21.51% of the Township's area)
- Vernal Habitat – 935.07 acres (18.04% of the Township's area)

- Potential Vernal Habitat – 315.68 acres (6.09% of the Township’s area)

Additionally, the Township has conducted a VLA analysis that indicates zero additional affordable units can be realistically constructed on the lands that are vacant and developable within the Township. However, as noted in Chapter I., the Township increased its Fourth Round RDP to 101, which modified the Unmet Need of 170, as a result of the Mediation Agreement with FSHC.

Utility Capacity

East Hanover is served by the East Hanover Water Utility for water supply and for the Township’s sewerage, through an agreement with The Township of Parsippany, sends its sewerage to Parsippany-Troy Hills Wastewater Treatment Plant for treatment.⁷ For water, East Hanover utilizes its wells and its agreement with New Jersey American Water to provide water service throughout the community. The Township’s well water is not sufficient to meet peak demand in the months June through September based on NJDEP’s water formula. Therefore, East Hanover is forced to purchase water from New Jersey American Water at four times the cost of East Hanover’s water. The forced purchase exceeds the water utility’s budget and thus, the water utility is operating in a deficit. For sewerage, East Hanover has a total of nine sewer pump stations that sends sewerage to the Parsippany-Troy Hills Wastewater Treatment Plant for treatment.

It should be noted that NJSA 52:27D-311n. states that “P.L.2024, c.2 (C.52:27D-304.1 et al.) shall not be construed to require a municipality to fund infrastructure improvements for affordable housing projects beyond any commitments made in a fair share plan and housing element that has been provided with compliance certification. A municipality may fund infrastructure improvements for affordable housing projects, through the adoption of a developer’s agreement with the applicant providing financial assistance, beyond any commitments made in a fair share plan and housing element that has been provided with compliance certification”.

Appropriate Locations for Affordable Housing

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

1. Nike site – known as Block 96, Lots 47.02 and 50 on the Township’s tax maps. (A subdivision application modified the lot numbers to 47.03 and 50.01.) The site is vacant and encompasses roughly 18.9 acres.
2. KRE/Lennar site – Known as Block 42, Lots 37.001 through 37.268, located at the intersection of Deforest Avenue and River Road. The site previously contained an office building, but has been transformed over the past four+/- years into a multi-family residential development. The site is adjacent to the Mondelez site.
3. Eagle Rock Avenue – Four properties along Eagle Rock Avenue, Block 1.01, Lots 53, 53.01, 54, and 54.01. Three of the four parcels are developed with office buildings, while Lot 54 is vacant except for two stormwater basins. These four parcels total 50.7 acres.
4. Columbia Turnpike – Known as Block 127, Lot 1.01 on the Township’s tax maps. The site is developed with an industrial use and comprises 57 acres.

⁷ Email from Jeffrey Betz, Township Engineer, on June 2, 2025.

5. B-1 and B-2 Districts – Certain properties within the B-1 District along Ridgedale Avenue and Eagle Rock Avenue and the B-2 District along Eagle Rock Avenue are large enough to accommodate multi-family residential development. On December 12, 2019, the Mayor and Council adopted Ordinance No. 16-2019, which permits inclusionary mixed-use development above the first floor of buildings as a conditional use in the B-1 and B-2 Business Zones. Required conditions include frontage along Ridgedale Avenue or Eagle Rock Avenue, a minimum lot size of 30,000 square feet, a maximum density of 15 units per acre, a maximum building height of three stories and 38 feet, and an affordable housing set-aside of 15% for rental units and 20% for units offered for sale.
6. Mondelez – Known as Block 42, Lot 37.02, located at the intersection of River Road and McKinley Avenue. The site is currently developed with an office building that is home to Mondelez International. The site is adjacent to the KRE/Lennar site.
7. Route 10 and Littell Road – Properties along Route 10 and Littell Road have been identified for mixed-use inclusionary development. These parcels are identified as Block 129, Lots 1, 2, 4, 5, 7, 7.01, 8.02, and 9.01.

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

Potential Affordable Housing Developers

The KRE/Lennar site is under construction for multi-family development. 60-72 Eagle Rock is currently under construction with multi-family development. Additionally, BNE has been awarded the RFP to build an age-restricted inclusionary development on the Nike site.

Four letters have been submitted by property owners within East Hanover as of June 11, 2025, which are summarized below. All sites were considered as required by law and despite that consideration, the Township elected to comply in the manner described in this HEFSP.

1. 30 Ridgedale Avenue (Block 130.01, Lot 2.01). A letter was submitted seeking to redevelop the 0.5-acre parcel with 60 units. The proposal noted that underground parking may be necessary. The affordable units described in the letter fail to meet the required bedroom distribution. The property owner seeks a density of 120 units to the acre, which far exceeds the highest permitted density within the Township. It is unclear how many stories are proposed. Moreover, no concept plan was submitted.

Furthermore, as shown on the map on page 33, the Whippany River is located at the rear of the site, which has an associated 150-foot Riparian buffer encompassing over 99% of the property. The site is approximately 156 feet deep at its narrowest point, including the Whippany River. Additionally, a 150-foot wetlands buffer encompasses the rear two-thirds of the site, while the rear third of the site is within FEMA's Special Flood Hazard Zone AE and floodway. Finally, slopes greater than 15% are located along the bank of the Whippany River at the rear of the site and in the location of the existing building.

The proposed density is unacceptable as it far exceeds the highest density permitted within East Hanover. Furthermore, it is unclear if said density and associated parking could even be

located on the site. The property is encumbered by several environmental constraints, the most concerning of which is the Special Flood Hazard Area. Additionally, the affordable units described in the letter fail to meet the required bedroom distribution. For all these reasons, and more, East Hanover declines to include the subject site in this document as a realistic mechanism that could generate affordable housing units. It must be noted that the Township has unilateral discretion over how it complies with its affordable housing obligation, so long as it meets the relevant legal standards and, therefore, the Township's rationale for exclusion is immaterial.

2. 34 Ridgedale Avenue (Block 130.01, Lot 3). A letter was submitted seeking to redevelop the "approximately 2 acre" parcel with 120 units. The proposal noted that underground parking may be necessary. The affordable units described in the letter fail to meet the required bedroom distribution. The property owner seeks a density of 60 units to the acre, which far exceeds the highest permitted density within the Township. It is unclear how many stories are proposed. Moreover, no concept plan was submitted.

At its narrowest point, the site is approximately 97 feet deep including the Whippany River, which encompasses the rear of the property. The 150-foot Riparian buffer from the river encompasses the entire site. Additionally, all but the southwest corner of the building and the area in front of the building are within a 150-foot wetlands buffer. The rear of the site and eastern half of the property is also within FEMA's Special Flood Hazard Area Zone AE floodway. Slopes greater than 15% are shown along the bank of the Whippany River, along Ridgedale Avenue, in the location of the existing building, and in front of the existing building. See the map on page 33 for the environmental constraints affecting the site.

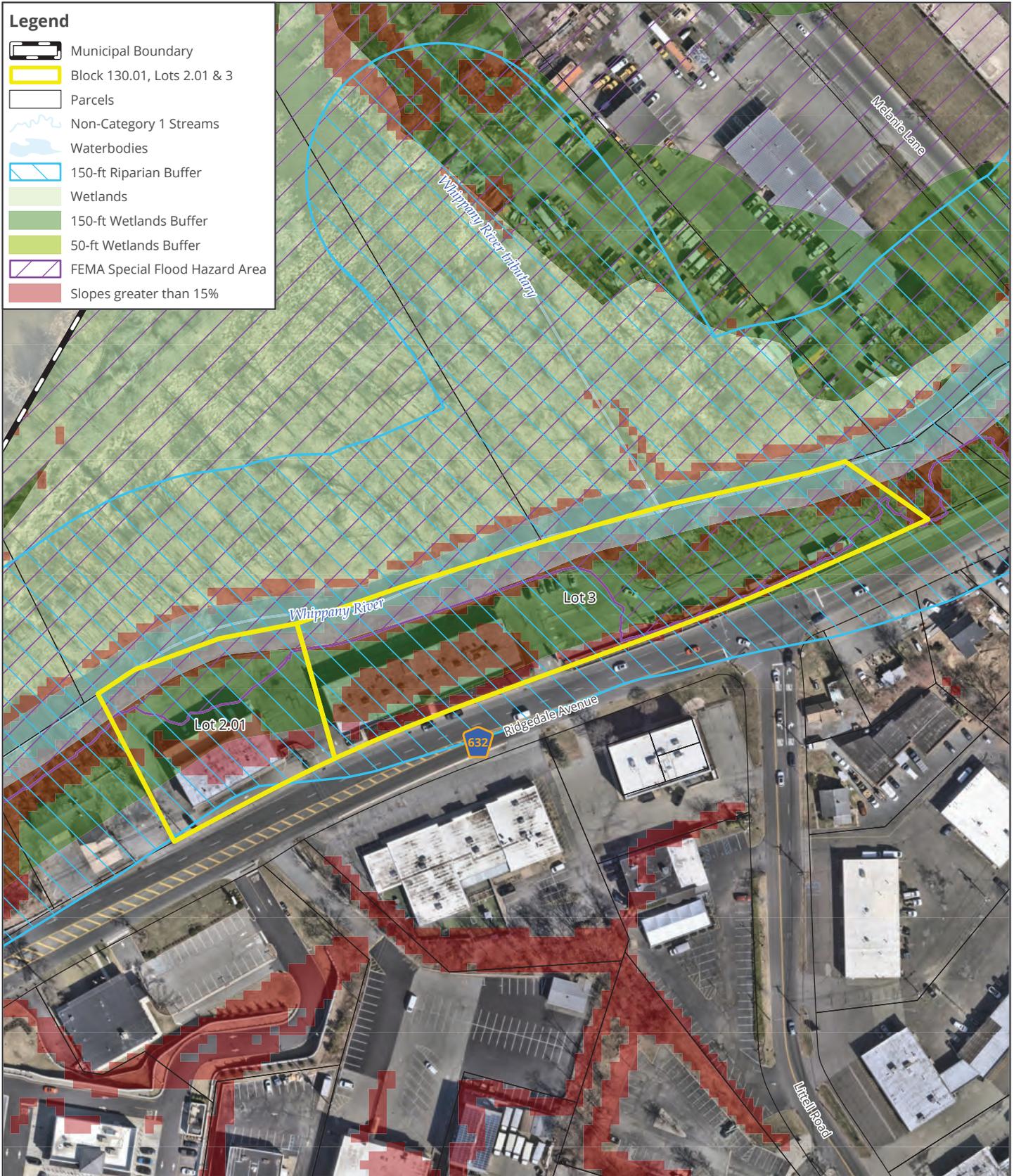
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3. 50 Route 10 West (Block 129, Lot 4). A letter was submitted seeking to add a multi-family building to the existing site, which currently contains a two-story commercial structure. The property owner applied for a use variance to construct a 25-unit multi-family building on the site and was denied in 2023. The letter requests to construct a 27-unit building with 6 affordable units. A concept plan was included with the submission.
4. Mondelez (Block 42, Lot 37.02). A letter dated June 6, 2025, after the HEFSP was substantially written, was submitted by Thomas J. Malman, Esq. The site is home to Mondelez's North American regional office and research facility. The letter indicates that Mondelez expects to continue its operation "for the time being" but anticipates relocating over the next several years. No specific timeline is provided. Based on the ambiguity of the letter, it is unclear if Mondelez will vacate the site during the Fourth Round period. The letter requests inclusion in the HEFSP and attaches a concept plan with 420 units.

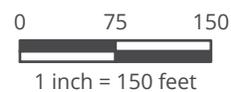
Anticipated Development Patterns

Anticipated land use patterns within the Township of East Hanover will most likely follow the established zoning map except for the areas cited in the following paragraph. East Hanover has six single-family residential zones, a townhouse zone, five affordable housing zones, two affordable housing overlay zones, four business zones, two industrial zones, three professional and business office zones, a research laboratory and office zone, and a special economic development zone. Additionally, there are two zones for public and cemetery properties, two overlay zones for airport safety, and one redevelopment area. Additionally, the B-1 Zone along Ridgedale Avenue and the B-1 and B-2 Zones along Eagle Rock Avenue conditionally permit mixed-use inclusionary development. See the Zoning Map page 34 for details.

Three areas on the Zoning Map will require modification following the adoption of zoning ordinances. The first area is the Mondelez site (Block 42, Lot 37.02), which the Township will rezone to permit a maximum of 325 age-restricted units. The second site is the 130 Ferry property (Block 1.01, Lot 54.01), which will be overlay zoned to permit inclusionary development. The third site is the Route 10/Littell Road area (Block 129, Lots 1, 2, 4, 5, 7, 7.01, 8.02, and 9.01), which will be overlay zoned to permit mixed-use inclusionary development.

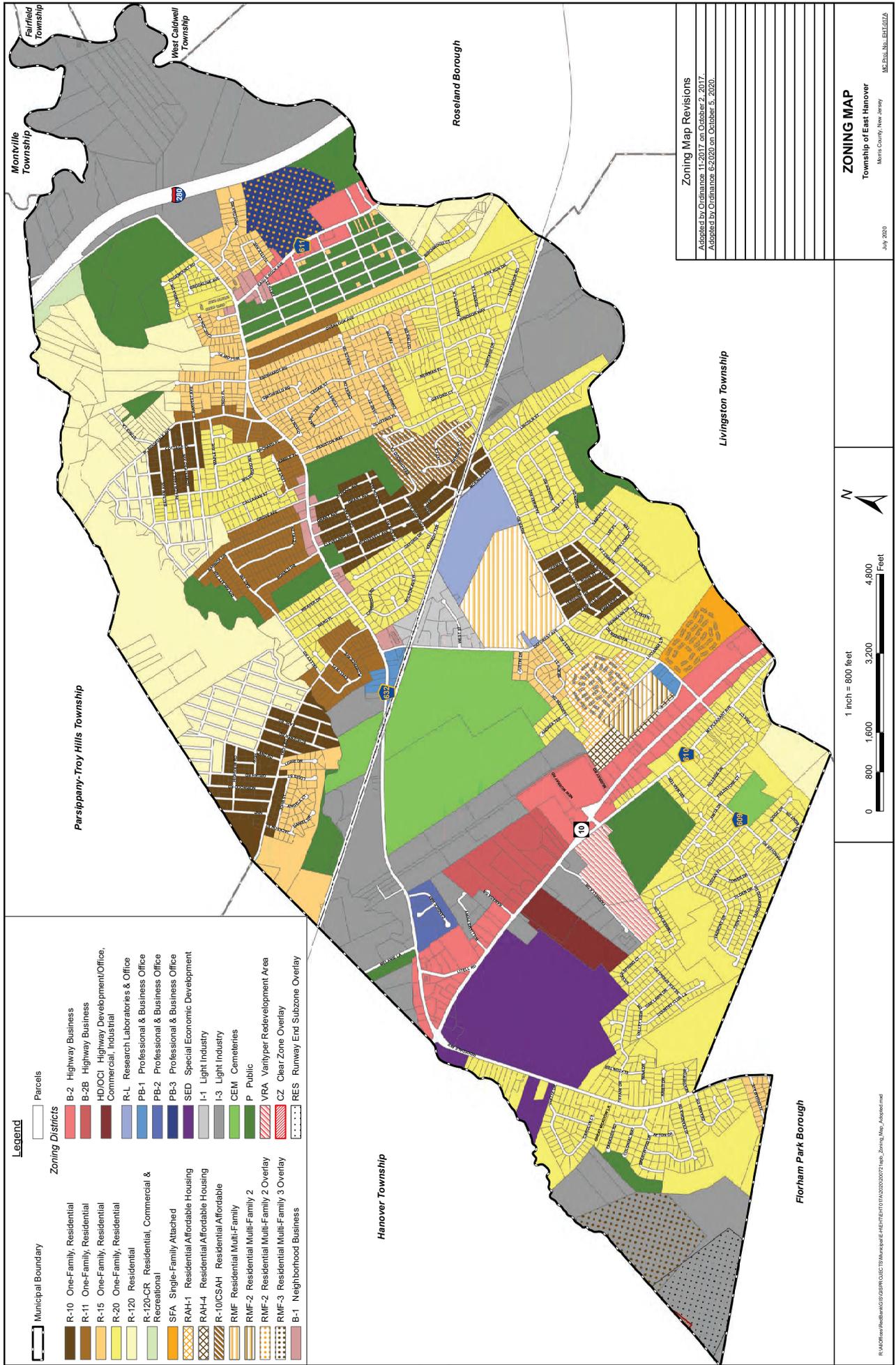


ENVIRONMENTAL CONSTRAINTS
BLOCK 130.01, LOTS 2.01 & 3
 TOWNSHIP OF EAST HANOVER
 MORRIS COUNTY, NEW JERSEY



This map was developed using GIS digital data from FEMA, NJDEP, NJDOT, NJGIN, but this secondary product has not been verified and is not state-authorized. Aerial image sourced from NearMap, dated March 19, 2025.

May 27, 2025
EHT017A



Legend

- Municipal Boundary
- Parcels
- Zoning Districts**
 - R-10 One-Family, Residential
 - R-11 One-Family, Residential
 - R-15 One-Family, Residential
 - R-20 One-Family, Residential
 - R-120 Residential
 - R-120-CR Residential, Commercial & Recreational
 - SFA Single-Family Attached
 - RAH-1 Residential Affordable Housing
 - RAH-4 Residential Affordable Housing
 - RMF Residential Multi-Family
 - RMF-2 Residential Multi-Family 2
 - RMF-3 Residential Multi-Family 3 Overlay
 - B-1 Neighborhood Business
- Zoning Districts**
 - B-2 Highway Business
 - B-2B Highway Business
 - HD/OCI Highway Development/Office, Commercial, Industrial
 - R-L Research Laboratories & Office
 - PB-1 Professional & Business Office
 - PB-2 Professional & Business Office
 - PB-3 Professional & Business Office
 - SED Special Economic Development
 - I-1 Light Industry
 - I-3 Light Industry
 - CEM Cemeteries
 - P Public
 - VRA Vary/Type Redevelopment Area
 - CZ Clear Zone Overlay
 - RES Runway End Subzone Overlay

Zoning Map Revisions
 Adopted by Ordinance 11-2017 on October 2, 2017.
 Adopted by Ordinance 6-2020 on October 5, 2020.



ZONING MAP
 Township of East Hanover
 Morris County, New Jersey

July 2020

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MC:\GIS\Map_2020.mxd

VIII. Multigenerational Family Continuity Evaluation

P.L. 2024, c.2 amended various aspects of the Fair Housing Act. These amendments modified the mandatory components of a municipality's housing element. NJSA 52:27D-310g. has been added, which states, "An analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of section 1 of P.L.2021, c. 273 (C.52:27D-329.20)".

P.L. 2021, c.273 took effect on November 8, 2021. The law established the Multigenerational Family Housing Continuity Commission, which consists of a body of nine members. The duties of the Commission include the preparation and adoption of recommendations on how State government, local government, community organizations, private entities, and community members may most effectively advance the goal of enabling senior citizens to reside at the homes of their extended families, thereby preserving and enhancing multigenerational family continuity, through the modification of State and local laws and policies in the areas of housing, land use planning, parking and streetscape planning, and other relevant areas. The Law requires the Commission to report annually to the Governor on its activities, findings, and recommendations, if any, for State and local government. The Department of Community Affairs ("DCA") is required to provide staff services as may be needed for the Commission to carry out its responsibilities, including assembly of necessary information and statistics, and preparation of draft reports, analyses, and recommendations.

The State of New Jersey's website was reviewed on January 9, 2026. A search of the website revealed no webpage for the Multigenerational Family Housing Continuity Commission. As DCA is required to provide staff and research for the Commission, DCA's website was reviewed on January 9, 2026. DCA's website is silent regarding the Commission, its annual required reports, studies, and/or recommendations. Without recommendations from the Commission, East Hanover is unable to conduct an analysis of its ordinances and other local factors. Despite the absence of recommendations, it should be noted that there is nothing in East Hanover's zoning ordinance that prohibits senior citizens from residing at the home of their extended families.

IX. State Development & Redevelopment Plan Consistency

P.L. 2024, c.2 amended the Fair Housing Act to include a new requirement for housing elements. NJSA 52:27D-310i. reads, "An analysis of consistency with the State Development and Redevelopment Plan, including water, wastewater, stormwater, and multi-modal transportation based on guidance and technical assistance from the State Planning Commission."

The Draft State Development and Redevelopment Plan was approved by the State Planning Commission ("SPC") on December 4, 2024 and was released on December 6, 2024. The Office of Planning Advocacy ("OPA") conducted public hearings in each of New Jersey's 21 Counties between February 12, 2025 and April 16, 2025. East Hanover provided comments on the Draft Plan to the State and County on March 6, 2025. The New Jersey State Development and Redevelopment Plan was adopted on December 17, 2025. Due to the State-mandated December 31, 2025 and March 15, 2026 affordable housing deadlines, the Township has not yet reviewed the document for consistency.

Finally, it should be noted that East Hanover has not received guidance concerning water, wastewater, stormwater, or multi-modal transportation from the State Planning Commission during the past year.

FAIR SHARE PLAN

Township of East Hanover

X. Fair Share Plan

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

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

Content of Fair Share Plan

The Fair Share Plan contains the following information:

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

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

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

Regional Income Limits

Dwelling units are affordable to low- and moderate-income households if the maximum sales price or rental cost is within their ability to pay such costs, based on a specific formula. A moderate-income household is one with a gross household income equal to or more than 50%, but less than 80%, of the median gross regional household income. A low-income household is one with a gross household income equal to 50% or less of the median gross regional household income. Very-low-income households are those with a gross household income equal to 30% or less of the median gross household income. East Hanover is located in Region 2, which contains Essex, Morris, Union, and Warren Counties.

Using the Affordable Housing Professionals of New Jersey’s chart on the regional income limits for Housing Region 2 in 2025, a four-person moderate income household is capped at \$108,240. Two-person moderate income households are capped at \$86,640, while two-person households could make up to \$54,150 to be considered a low-income household. The table below provides the median, moderate-, low-, and very-low-income limits for one-, two-, three-, and four-person households in Region 2.

2025 Regional Income Limits

Income	Household Size			
	1 Person	2 Person	3 Person	4 Person
Median	\$94,800	\$108,300	\$121,800	\$135,300
Moderate	\$75,840	\$86,640	\$97,440	\$108,240
Low	\$47,400	\$54,150	\$60,900	\$67,650
Very-Low	\$28,440	\$32,490	\$36,540	\$40,590

Source: https://www.nj.gov/dca/hmfa/about/regulations/docs/UHAC_Income%20Limits.pdf

Affordable Requirements

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

Affordable Housing Obligation

	Rehabilitation	Prior Round 1987 - 1999	Third Round 1999 - 2025	Fourth Round 2025 - 2035
Obligation	0	262	786	271
RDP	--	-	191	101
Unmet Need	--	-	595	170

As discussed in Chapter XI., East Hanover has conducted a Vacant Land Analysis and determined the RDP to be 0, which means the Unmet Need for the Fourth Round is 271. However, as noted in Chapter I., the Township agreed to increase its Fourth Round RDP to 101, which reduced its Unmet Need to 170, as a result of its Mediation Agreement with FSHC.

XI. East Hanover's Affordable Housing Obligation

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

Four-Part Obligation

Rehabilitation

East Hanover accepted DCA's rehabilitation obligation of 0 for the Fourth Round.

Prior Round (1987-1999)

The Township of East Hanover was granted Second Round Substantive Certification in 2000. The municipality had a new construction obligation of 262 units. The November 15, 2000 Compliance Report included the rental and age-restricted formulas. These formulas provide the minimum and maximum requirements regarding the development of rentals and age-restricted units for the PRO. The rental and age-restricted formulas below are taken from the Compliance Report.

Minimum rental obligation:

$$= 25\% (\text{precredited need} - \text{prior cycle credits} - \text{rehabilitation obligation})$$

$$= 25\% (266-0-4) = 65.5 = 66$$

It should be noted that NJAC 5:93-5.15(d)3 limits the number of rental bonuses to the minimum required rental obligation. Therefore, East Hanover may receive a maximum of 66 rental bonuses for the PRO.

Maximum age-restricted:

$$= 25\% (\text{precredited need} - \text{prior cycle credits} - \text{rehabilitation credits} - \text{Regional Contribution Agreements})$$

$$= 25\% (266-0-4-65) = 49.25 = 49$$

Third Round (1999-2025)

East Hanover has settled with FSHC and accepted a Third Round Obligation of 786. The Township completed a VLA which, after multiple mediation meetings, has resulted in an RDP of 138. However, the Township's Mediation Agreement with FSHC modified the RDP to 191, which leaves 595 as the Unmet Need. The Prior Round Rules provide the minimum and maximum formulas for municipalities seeking a VLA.

Minimum rental obligation:

$$= 25\%(\text{RDP})$$

$$= 25\%(191) = 47.75 \sim 48$$

It should be noted that NJAC 5:93-5.15(d)3 limits the number of rental bonuses to the minimum required rental obligation. Therefore, East Hanover may receive a maximum of 48 rental bonuses for the TRO.

Maximum age-restricted:

$$= 25\%(RDP + \text{rehabilitation obligation} - \text{rehabilitation credits})$$

$$= 25\%(191 + 18 - 0) = 52.25 \sim 52$$

Fourth Round (2025-2035)

As indicated in the Decision and Order Fixing Municipal Obligations for “Present Need” and “Prospective Need” for the Fourth Round Cycle, the Township’s Fourth Round Obligation is 271.

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

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

Vacant Land Adjustment Analysis

P.L. 2024, C.2, referred to as the Amended Fair Housing Act, specifically permits vacant land adjustments under NJSA 52:27D-310.1. Furthermore, NJSA 52:27D311m. states that all parties are entitled to “rely upon regulations on municipal credits, adjustments, and compliance mechanisms adopted by the Council on Affordable Housing unless those regulations are contradicted by statute, including but not limited to, P.L. 2024, c.2”. Therefore, under the Prior Round Rules (5:93-4.1), municipalities are permitted to seek adjustments. The Rules indicate that there may be instances where a municipality can exhaust an entire resource (land, water, or sewer) and still not be able to provide a realistic opportunity for affordable housing. NJSA 52:27D-310.1 lists the permissible vacant land exclusions.

Colliers Engineering & Design, the Township’s Planner, prepared a VLA analysis to determine the Township’s RDP in 2025, as per the requirements of NJSA 52:27-310.1 (see Appendix G for a copy of the VLA results). Utilizing ArcGIS Pro, a Geographic Information Systems (“GIS”) tool, an initial map illustrating the environmental features present in the Township was prepared to identify areas that are environmentally constrained. The following environmental features were reviewed:

- New Jersey Department of Environmental Protection (“NJDEP”) waterbodies of the 2020 National Hydrography Dataset and Surface Water Quality Classification (SWQC).
 - A 300-foot buffer was applied to all Category One (“C1”) waters. (There are no C1 waters in East Hanover.)
 - A 150-foot riparian buffer was applied to (1) any trout production waters and tributaries, (2) any trout maintenance waters and upstream tributaries within one mile, or (3) any waters and tributaries within one mile that flow through a present or documented habitat for threatened or endangered species.
 - A 50-foot riparian buffer was applied to all other waters.

- NJDEP wetlands
 - A 150-foot wetlands buffer was applied to wetlands of exceptional resource value, which include wetlands that (1) discharge into an FW-1 or FW-2 trout production waters and/or tributary or (2) are a present or documented habitat for threatened or endangered species.
 - A 50-foot wetlands buffer was applied to wetlands of intermediate resource value, which are wetlands that are not defined as exceptional or ordinary.
 - No wetlands buffer was applied to wetlands of ordinary resource value, which includes wetlands that are (1) isolated and less than 5,000 square feet and has lawn, maintained landscaping, impervious surfaces, active railroad rights-of-way, and/or roads covering 50% of the area within 50 feet of the wetlands, (2) a drainage ditch, (3) a swale, or (4) a man-made detention facility.
- Steep slopes greater than 15% were sourced from New Jersey Geographic Information Network's ("NJGIN") 10-foot resolution LiDAR derived Digital Elevation Model ("DEM"), slope dataset.
- FEMA Special Flood Hazard Area ("SFHA") Zones A, AE, and AH from Morris County's Preliminary Flood Insurance Rate Map, dated September 28, 2023.

Next, an exhaustive analysis of all vacant properties in the Township was conducted utilizing 2024 MOD-IV tax data from the Morris County Assessment Records search and parcels from NJGIN. Vacant properties included parcels with a property classification of Class 1 ("Vacant"), Class 3B ("Qualified Farmland"), and Class 15C ("Public Property") that is not developed and/or not preserved open space. For example, a Class 15C property that contains a public facility, such as a library, or is preserved open space listed on the Township's Recreation and Open Space Inventory, would not be considered vacant, while a wooded lot owned by the Township without any sort of restriction is considered vacant land.

The various land use categories within the Township are illustrated on the map entitled "Existing 2024 Land Use". This map also illustrates the aggregate area of environmental constraints within the Township.

The environmentally constrained areas were then removed from the parcels, which resulted in each parcel's vacant and developable area. For example, if Lot A contained 35 acres, but 20 acres were encumbered by wetlands and a 300-foot C1 stream buffer, then Lot A has 15 vacant and developable acres.

Next, each vacant property was reviewed to confirm its vacant status. This included the following:

- Recent aerial imagery from NearMap to confirm no development exists. For example, a Class 1 property with a building under construction and roof visible was not considered vacant.
- Recently issued Certificates of Occupancy.
- Recently issued building permits.

Once each lot's unconstrained area and vacancy status was determined, properties were identified that could be developed with at least five housing units at the minimum presumptive density of eight dwelling units per acre (lots with at least 0.625 acres). Additionally, properties that could be developed with between one and five housing units at the minimum presumptive density (between 0.125 and 0.625 acres) were identified as potential infill development. Properties that could not be developed with at least one housing unit (less than 0.125 acres) were identified as either environmentally constrained or undersized. This analysis also accounted for adjacent properties under common ownership that could be combined. For example, if Lot A is 0.1 acres and Lot B is 0.1 acres and both are under common ownership, their combined acreage would be 0.2 acres. This modifies their developable status from undersized to potential infill development. Similarly, commonly owned Lot C with 0.5 acres and Lot D with 0.4 acres are combined for a total of 0.9 acres. This modifies their developable status from potential infill development to potential development and would generate an RDP.

Based on the results of the VLA analysis, zero properties in the Township of East Hanover were identified to be vacant, contain at least 0.625 acres of unconstrained land, and have access to sewer and water infrastructure. Therefore, the Township's RDP was determined to be zero based on the results of this VLA. See Appendix G for details.

However, as previously discussed, the Township agreed to increase its Fourth Round RDP to 101 to account for the 100 Eagle Rock and Mondelez sites. The 101 is generated by the two sites as follows:

- Mondelez 46.188 acres x 9 units per acre⁸ = 415 x 20% = 83
- 100 Eagle Rock 8.91 acres x 10 units per acre = 89 x 20% = 18

Unmet Need

The RDP has been calculated to be 0 based on the VLA analysis results; therefore, the Unmet Need is the result of subtracting the RDP (0) from the FRO (271). This results in an Unmet Need of 271. However, the Fourth Round RDP, as agreed to in the Township's Mediation Agreement with FSHC, is 101, which results in an Unmet Need of 170.

⁸ This is the same density that was used to calculate the RDP assigned to the KRE site in the Third Round. Said density is solely for the purpose of calculating RDP.

XII. Mechanisms & Credits

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

Existing Mechanisms & Credits

East Hanover has a total of 192 credits of inclusionary units, 73 credits from extended controls, 65 Regional Contribution Agreement (“RCA”) credits, ten alternative living arrangement bedrooms, four assisted living credits, and 119 bonuses that exist on the ground today.

Rehabilitation Mechanisms & Credits

East Hanover does not have a Rehabilitation Obligation.

Prior Round Mechanisms & Credits

East Hanover has a total of 274 existing credits, including 65 RCA credits, 143 credits, and 66 bonuses. All seven of the strategies listed below were included in the 2019 FSHC Settlement Agreement and the 2021 Final Order of Judgment of Compliance and Repose.

Hanover Estates / Hanover Park

Originally called Hanover Estates, this inclusionary development is now referred to as Hanover Park. Located on Block 96, Lots 29, 47, and 49 is this 42-acre tract off of Nike Drive. The development contains 370 units, of which, 74 are affordable for-sale units. The development was constructed in the 1990’s. The affordable units received their Certificates of Occupancy between 1994 and 1996. The units are 95/5 units. A 20-year deed restriction was placed on the affordable units, which contained the option for the Township to extend the controls. Housing Affordability Services was the Administrative Agent until the fall of 2019. They were replaced by Piazza and Associates. See Appendix H for the 1992 Master Deed and one of the Affordable Housing Agreements and Repayment Mortgage with deed restrictions.

However, prior to 2001 the affordable unit located at 22 Millie Lane went into foreclosure. The unit was later sold in 2001 to a new owner with no affordable deed restriction. The same, non-qualified homeowner had been living in the unit since the purchase in 2001. The Township was never notified of the foreclosure or that the deed restriction had somehow been vacated. Therefore, the creditable number of units was reduced to 73.

Pursuant to NJAC 5:93-5-6 (inclusionary development), Hanover Estates is eligible for **73 credits**.

RCA with Newark

During the First Round, East Hanover transferred 65 units to Newark as part of an RCA. COAH approved the transfer on October 3, 1990, and the transfer was effective on December 7, 1990.⁹ According to the COAH Tracking and Monitoring (“CTM”) system, the transfer was completed. East Hanover transferred \$1.3 million to Newark for 65 units. According to the 2000 Compliance Report, all money was transferred to the City of Newark. Pursuant to NJAC 5:93-5.7 (RCAs), this mechanism is eligible for **65 credits**.

⁹ CTM System, RCA/Partnership Detail, accessed October 9, 2019.

Universal Institute – 229 River Road

Universal Institute owns two facilities in East Hanover. The first is located on River Road on Block 112, Lot 16. The home houses five very-low-income individuals. The group home is licensed by the Department of Human Services, which issued the initial license in 2002. The home is eligible for credit pursuant to NJAC 5:93-5.8 (alternative living arrangements) and for rental bonus credits pursuant to NJAC 5:93-5.15(d). See Appendix I for the group home's current license and Housing Survey.

Based on the above, this home is eligible for **5 credits** and **5 bonuses**.

Universal Institute – 54 Christine Drive

The second facility owned by Universal Institute is located on Christine Drive (Block 40.03, Lot 12). The home houses five very-low-income individuals. The group home is licensed by the Department of Human Services, which issued the initial license in 2004. The home is eligible for credit pursuant to NJAC 5:93-5.8 (alternative living arrangements) and for rental bonus credits pursuant to NJAC 5:93-5.15(d). See Appendix J for the group home's latest license.

Based on the above, this home is eligible for **5 credits** and **5 bonuses**.

1 South Ridgedale Avenue

The East Hanover Land Use Planning Board approved Sycamore Propco East Hanover, LLC to convert an existing office building into a senior living facility at 1 South Ridgedale Avenue on Block 128, Lots 1 and 1.01 via Resolution 9-2018 on February 27, 2018. The facility contains 86 beds dedicated to extended long-term care (rehabilitation) and 39 beds for assisted living/memory care residents. The Resolution required the developer to deed restrict four of the 39 assisted living/memory care units for a minimum of 30 years. The affordable rental units will be age-restricted. The facility received its CO on January 13, 2020. The deed restriction was initially recorded on April 25, 2019. However, due to the COVID-19 pandemic, the State took over the facility and used it for COVID patients. After the temporary use ceased, an Amended Deed Restriction was recorded on January 20, 2022, which has a 30-year term (see Appendix K).

Pursuant to NJAC 5:93-5.16 (assisted living residence), 1 South Ridgedale Avenue is eligible for **4 credits**.

KRE

The 2019 FSHC Settlement Agreement identified the KRE site as an inclusionary mechanism. The overall KRE tract is located at the intersection of Deforest Avenue and River Road. When the 2020 Housing Element & Fair Share Plan was adopted, the site was identified as Block 42, Lots 37, 38, and 41 by the Tax Map, which comprised approximately 75 acres.

On March 28, 2018, KRE filed a Notice of Motion to Intervene in the Township's Judgment of Compliance and was subsequently granted intervention by Order dated April 13, 2018. Multiple mediation sessions were held between East Hanover, KRE, FSHC, and others, until a final Settlement Agreement was executed between the Township and KRE on July 29, 2019. Per the terms of the Settlement Agreement, KRE would construct a 548-unit housing development with a 17.5% affordable housing set-aside, which translated to 96 total affordable units. Of the 96 total units, 50

were required to be family rentals. See Appendix L for a copy of the Settlement Agreement with KRE.

Since 2019, KRE has subdivided the site and sold a portion of it to Lennar. This section discusses Block 42, Lot 37.00, the portion of the original KRE tract of which KRE maintains ownership.

The Township adopted Ordinance 11-2019 on August 5, 2019, which created the Residential Multi-Family Zone on Lots 37, 38, and 41 of Block 42. A copy of the ordinance can be viewed at <https://ecode360.com/13436939#13436939>. The Residential Multi-Family Zone permits duplex dwellings, multi-family dwellings, and townhouse dwellings at a density of 7.4 units per acre, up to 548 units. The Zone also requires a 17.5% affordable housing set-aside.

On June 22, 2021, the Land Use Planning Board approved KRE's Preliminary and Final Site Plan, Minor Subdivision, and Preliminary and Final Subdivision application to develop Lots 37, 38, and 41 with an inclusionary multi-family housing development containing 239 multi-family units in five buildings, 247 townhouse units in 62 buildings, and 62 stacked townhouse units in four buildings, totaling 548 units. The multi-family unit portion of the approval contained 34 affordable units (KRE), while the 62 stacked townhouse units within the approved townhome side of the overall tract are affordable (Lennar). The Board's approval was memorialized via Resolution No. 19-2021 on August 17, 2021. The approved subdivision created Lots 37.001 through 37.268 of Block 42. KRE owns Lot 37.001, which totals 27.588 acres and contains the 239-unit multi-family portion of the development. Site improvements include a clubhouse and amenity area for residents, off-street parking areas, etc. KRE sold Lots 37.002 through 37.268, which contains the townhouse and stacked townhouse portion of the development to Lennar.

KRE's inclusionary development includes five residential buildings and a clubhouse. A total of 239 units were issued building permits and constructed. Of this total, 34 are affordable units. The affordable units were CO'd in 2024 and 2025. The affordable units are family rental units. The bedroom breakdown is 6 one-bedroom units, 21 two-bedroom units, and 7 three-bedroom units. A 30-year deed restriction was recorded on June 20, 2024 (see Appendix M). Five units are very-low-income, 13 are low-income, and 16 are moderate-income.



Photo 1 – KRE Development

Pursuant to NJAC 5:93-5-6 (inclusionary development), KRE is eligible for **34 credits** and **34 bonuses** pursuant to NJAC 5:93-5.15(d)3. It should be noted that the Township was unable to claim rental bonuses in the Third Round for this mechanism as it did not have a commitment from the developer that the units would be family rental. Now that the units are built and credit-worthy, they are eligible for rental bonuses.

Lennar

The Lennar site is part of the overall KRE tract that was identified in the 2019 FSHC Settlement Agreement. As noted above, the Land Use Planning Board granted KRE's application to construct a 548-unit inclusionary multi-family development. Subsequently, KRE sold a portion of the approved development to Lennar to construct the 247 townhomes and 62 stacked townhouse affordable units. The stacked townhouse units are contained in Building 23 on Lot 37.073 (0.354 acres), Building 32 on Lot 37.162 (0.367 acres), Building 44 on Lot 37.230 (0.383 acres), and Building 47 on Lot 37.238 (0.456 acres). The development is accessed from River Road. Building 44 and 47, which contain 15 and 17 affordable units respectively received a temporary CO in 2024 and residents have moved into the building. The buildings have a total of 6 one-bedroom units, 19 two-bedroom units, and 7 three-bedroom units. The affordable units are non-restricted and rental. A 30-year deed restriction was recorded on December 3, 2024 (see Appendix N). The units meet the income distribution requirements.

Pursuant to NJAC 5:93-5-6 (inclusionary development), Lennar is eligible for 32 credits for the units CO'd to date. However, only 22 are allocated to the Prior Round Obligation. Therefore, this mechanism contributes **22 credits** and **22 bonuses** pursuant to NJAC 5:93-5.15(d)3.



Photo 2 - Lennar Affordable Building

Third Round RDP Mechanisms & Credits

Two mechanisms have been completed, which are allocated to the TRO RDP. These strategies were listed in the 2019 FSHC Settlement Agreement and approved by the 2021 Final Order of Judgment of Compliance and Repose. In addition, the Township has generated surplus credits from the Prior Round, which can be carried forward to the Third Round RDP.

Prior Round Surplus Credits

East Hanover has produced **12 surplus credits** to date with the completed mechanisms.

Hanover Estates / Hanover Park

As noted above, Hanover Estates (now known as Hanover Park) contains 74 for-sale affordable units, which were built between 1994 and 1996. The units originally had 20-year controls, with the option for the Township to extend the controls. On April 14, 2014 the Township Council adopted Resolution #71-2014; electing to extend the controls for another 30 years on 73 of the 74 units to ensure there is an adequate supply of affordable housing in the Township.¹⁰ The controls are extended until April 14, 2044 and until the Township elects to release the units from said restriction.

A Declaration of Restrictive Covenant, Extension of Existing Affordability Controls on Deed-Restricted Properties was recorded with the Morris County Clerk on May 29, 2014. The Declaration states “This declaration is intended to make clear in the chain of title for all of the named units in the Hanover Park Condominium Association, Inc. that the deed restrictions on the units have been extended, and the units are subject to extended affordability controls limiting the sale, use and re-sale of the units”. Then on March 7, 2016, the Township Council adopted Resolution #60-2016, as a result of reconfirming the affordable controls of the 74th unit. This deed restriction extends the controls on all 74 units. However, as noted above, one of the units is no longer creditworthy.

This mechanism is eligible for crediting pursuant to NJAC 5:97-6.14 (extension of expiring controls). See Appendix O for the 2014 and 2016 Resolutions.

Based on the above, Hanover Estates is eligible for **73 credits** via extensions of controls for the Township to apply towards addressing its Round 3 RDP – in addition to the credits applied to the Prior Round Obligation.

60-72 Eagle Rock Avenue

60-72 Eagle Rock Avenue is identified as Block 1.01, Lot 53.02 and encompasses 26.5 acres. In 2021, E Han, LLC applied for Preliminary and Final Site Plan approval to redevelop the site into a 265-unit inclusionary multi-family development in four buildings including 53 affordable units. The Board approved the application on March 8, 2022 and memorialized Resolution No. 10-2022 on April 26, 2022. The affordable units are family rentals. The bedroom breakdown and income distribution meet the rule requirements and are included in the deed restriction.

A 30-year deed restriction was recorded on June 15, 2023. However, the administrative agent discovered an error with the income levels of two units and an amended deed restriction was recorded on March 8, 2024 (see Appendix P).

All four buildings were issued a CO in 2025.

¹⁰ As of April 14, 2014, the Township believed one of the affordable units had lost its affordable controls.



Photo 3 – 60-72 Eagle Rock

Based on the above information, 60-72 Eagle Rock Avenue is eligible for **53 credits** pursuant to NJAC 5:93-5.15 (inclusionary development) and **48 bonus credits** pursuant to NJAC 5:93-5.15(d)3.

Third Round Unmet Need Mechanisms & Credits

The Township does not have any existing Third Round Unmet Need credits.

Fourth Round RDP Mechanisms & Credits

There is one completed mechanism to address the Township's Fourth Round RDP.

Lennar

As noted above, 32 of Lennar's affordable units have been issued a temporary CO and residents have moved in. Of the 32 credits, 22 are allocated to the Prior Round Obligation. This leaves ten completed credits. Therefore, Lennar is eligible for **10 credits** pursuant to NJAC 5:93-5-6 (inclusionary development). Additionally, pursuant to NJSA 52:27D-311k.(6), the 10 units are eligible for one half bonus per unit as the site was a former office building that is being redeveloped to an inclusionary housing development. Therefore, the inclusionary development is eligible for **5 bonus credits**.

Summary of Existing Mechanisms & Credits

East Hanover has a total of 356 credits and 119 bonuses that can be applied to its various obligations. See the table on the following page for details.

Existing Mechanisms & Credits

Mechanism	Credit Type	Tenure	Age-Restricted	Credit	Bonus	Total
<i>Prior Round Credits</i>						
Hanover Estates / Hanover Park	Inclusionary	Sale	No	73		73
RCA to Newark	RCA	-	-	65		65
Universal Institute - 229 River Road	Alternative Living Arrangement	Rental	No	5	5	10
Universal Institute - 54 Christine Drive	Alternative Living Arrangement	Rental	No	5	5	10
1 South Ridgedale Avenue	Assisted Living Residence	Rental	Yes	4		4
KRE	Inclusionary	Rental	No	34	34	68
Lennar	Inclusionary	Rental	No	22	22	44
Total				208	66	274
<i>Third Round RDP Credits</i>						
Surplus Prior Round Credits (Existing)				12		12
Hanover Estates / Hanover Park	Extension of Controls	Sale	No	73		73
60-72 Eagle Rock Avenue	Inclusionary	Rental	No	53	48	101
Total				138	48	186
<i>Fourth Round RDP Credits</i>						
Lennar	Inclusionary	Rental	No	10	5	15
Total				10	5	15

Proposed Mechanisms & Credits

Rehabilitation Mechanisms & Credits

East Hanover does not have a Rehabilitation Obligation, and consequently, no rehabilitation mechanisms are proposed.

Prior Round Mechanisms & Credits

One mechanism is proposed for the Prior Round Obligation. This strategy was included in the 2019 FSHC Settlement Agreement and the 2021 Final Order of Judgment of Compliance and Repose.

Nike / BNE

Lots 47.02 and 50 in Block 96 are located on the corner of River Road and Nike Drive and comprise approximately 19 acres. These Township-owned lots are located along Nike Drive, to the south of the Hanover Estates (Hanover Park) inclusionary development. The site was included in the Township's HEFSP that received Substantive Certification in 2000 as a 100% affordable site. However, the site has remained undeveloped. As outlined in the 2019 FSHC Settlement Agreement, East Hanover agreed to develop the site with a minimum of 53 affordable units. However, since the execution of the Settlement Agreement, the Township discovered a crediting issue with 22 Millie Lane at Hanover Park. Therefore, the Township is increasing the Nike site from 53 affordable units

to 55 affordable units. The 2019 FSHC Settlement Agreement indicates the site may be age-restricted, inclusionary, 100% family affordable with a veterans' preference, supportive housing, assisted living, independent living or any combination of those mechanisms.

As discussed in the 2020 Housing Element & Fair Share Plan, East Hanover initially partnered with Bergen County United Way ("BCUW") to construct the development. A letter of intent was submitted by BCUW in 2019 indicating that they would build at least 53 bedrooms/ units of affordable housing. Thereafter, in 2020 the Township and BCUW entered into an Agreement of Purchase and Sale, which delineated the responsibilities of both parties. BCUW did subdivide the property into two pieces via a lot line adjustment – Block 96, Lots 47.03 and 50.01 in 2023. This subdivision was approved by the Land Use Planning Board on March 23, 2023 and memorialized on April 25, 2023 via Resolution No. 17-2023. Subsequently, a Minor Subdivision Deed was recorded on June 26, 2023 effectuating the minor subdivision approval and establishing Lot 47.03 containing 9.949 acres and Lot 50.01 containing 8.931 acres. Despite this achievement, BCUW missed all the deadlines in the Agreement of Purchase and Sale. In 2024 the Township terminated the agreement.

Meanwhile, the Township issued an RFP in 2023 for approximately half of the site that BCUW was not utilizing for the 100% affordable development (Lot 50.01). Two responses were received. Ultimately, the Township awarded the proposal to BNE Real Estate Group ("BNE"). BNE proposed 175 units of age-restricted apartments with a 20% set-aside. The Township then issued a Request for Proposals ("RFP") for the second half of the site in 2024. BNE was the only respondent to the RFP. The 2024 proposal includes 120 age-restricted units with a 20% set-aside on Lot 47.03. Therefore, the developer proposes a total of 295 age-restricted units, which would include 59 age-restricted affordable rental units. This proposal produces **more** affordable units than envisioned in the 2019 FSHC Settlement Agreement. See Appendix Q for the 2023 and 2024 resolutions awarding the bids.

On May 5, 2025 the Township Council adopted Ordinance 13-2025, which effectuates minor changes to the RMF-2 Residential Multi-Family 2 Zone to enable BNE's concept plan. These minor changes include, but are not limited to:

- The addition of pools, barbecue areas, dog runs, tennis and pickleball courts, and bocce ball as permitted accessory uses.
- Adding a minimum setback of 60 feet along Nike Drive.
- Increasing the permitted site yield from 225 units to 295 units.
- Increasing the permitted building height to four stories and 55 feet from two stories and 35 feet and specifying how building height is calculated.
- Specifying multi-family development requires a 20% affordable housing set-aside.
- Eliminating the provision that existing trees within the required buffer cannot be removed.
- Modifications to the permitted height of retaining walls.

The most recent concept plan is included below.



Since the adoption of the 2025 HEFSP, BNE has filed a preliminary and final site plan application. A Development Review Committee meeting was held in January 2026 and the applicant will be submitting revised plans to address the Board professionals' comments. A public hearing is expected to occur within the next three to four months.

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

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

The Nike/BNE site meets the Four-Prong Test of NJAC 5:93-1 as follows:

- Approvable site – Lots 47.03 and 50.01 in Block 96 were rezoned in 2020 to the RMF-2 Zone, which permits inclusionary multi-family development, assisted living and independent living facilities, alternative living arrangements, and supportive housing. East Hanover has awarded an RFP for each property to BNE to develop the site with 295 units of age-restricted inclusionary multi-family housing. Furthermore, the Township has adopted Ordinance 13-2025, which effectuates minor changes to the RMF-2 Residential Multi-Family 2 Zone to enable BNE's concept plan. A site plan application has been filed and is under review.
- Available site – The property is currently owned by the Township of East Hanover. The Township will transfer the property to BNE when certain milestones are achieved.
- Developable – The site is in public water and sewer service areas but is not currently served.
- Suitable site – The property is located to the south of Hanover Park, a 370-unit inclusionary residential development with 74 affordable units. Other adjacent uses include single-family dwellings to the northeast, commercial and office uses to the east, and vacant land to the south and west. Other commercial and industrial uses along Route 10 are located to the south beyond the adjacent vacant land. As for environmental constraints, wetlands are located to the southeast and west of the site and the associated 150-foot buffer encroaches into the site. Slopes greater than 15% are also scattered throughout the site including along Nike Drive and along the eastern property line. Overall, the 18.9-acre site is encumbered by approximately 5.5 acres of environmental features (29.1%). Both parcels have street frontage along Nike Drive. See the map on page 54 for the location of these environmental features. It should be noted that the GIS parcel data has not been updated to reflect the recorded minor subdivision via a lot line adjustment. Therefore, the original parcels, Lots 47.02 and 50, are displayed.

Based on the information above, the Nike/BNE site would be eligible for a total of 59 credits pursuant to NJAC 5:93-5.14 (age-restricted housing). However, **53 credits** are allocated to the PRO and six credits will be allocated to the TRO RDP.

Third Round RDP Mechanisms & Credits

Three proposed mechanisms are allocated to the Third Round RDP. Two strategies were included in the 2019 FSHC Settlement Agreement and the 2021 Final Order of Judgment of Compliance and Repose.

Surplus Prior Round Credits (Proposed)

As detailed above, the Township has 274 existing credits to address the 262-unit PRO. Therefore, 12 surplus credits exist on the ground today. The proposed Nike/BNE site brings the total existing and proposed PRO credits to 327, which includes 12 existing surplus credits and 53 proposed surplus credits. This plan allocates the **53 surplus credits** to the TRO RDP.

Nike / BNE

As noted above, **6 credits** of the 59 total credits from the Nike/BNE site are allocated to the Third Round RDP.



ENVIRONMENTAL CONSTRAINTS - NIKE / BNE
BLOCK 96, LOTS 47.02 & 50 (NOW LOTS 47.03 & 50.01)
 TOWNSHIP OF EAST HANOVER
 MORRIS COUNTY, NEW JERSEY



This map was developed using GIS digital data from FEMA, NJDEP, NJDOT, NJGIN, but this secondary product has not been verified and is not state-authorized. Aerial image sourced from NearMap, dated March 19, 2025.

Third Round Unmet Need Mechanisms & Credits

Six proposed mechanisms are allocated to the Third Round Unmet Need. These strategies were included in the 2019 FSHC Settlement Agreement and the 2021 Final Order of Judgment of Compliance and Repose.

Eagle Rock Avenue Overlay Zone

The Eagle Rock Avenue Overlay Zone mechanism presently consists of three properties, located along Eagle Rock Avenue.¹¹ The properties total 50.7 acres. The following properties are included in the RMF-2 Residential Multi-Family 2 Overlay Zone:

- Block 1.01, Lot 53
- Block 1.01, Lot 53.02
- Block 1.01, Lot 54.01

The properties are in the Professional and Business Office 3 (“PB-3”) District, which permits office buildings for business, professional, and administrative offices not engaged in retail or wholesale and delivery of goods nor the repairing, servicing, or received for repair or service on the premises, banks and financial institutions, and municipal facilities. Lots 53 and 54.01 are currently developed with office buildings and parking facilities. Lots 53.01 and 54 were consolidated into one parcel known as Lot 53.02. This property contains the new 265-unit inclusionary multi-family development at 60-72 Eagle Rock Avenue. The front half of Lot 53.02 contains the four multi-family buildings, while the rear half contains stormwater management facilities and recreational space for residents of the development.

The Township adopted Ordinance No. 19-2019 on December 12, 2019, which established the RMF 2 Overlay District over the properties listed above. The RMF 2 Overlay District permits inclusionary multi-family residential development at a maximum density of 10 units per acre. A 20% affordable housing set-aside is required regardless of the development’s tenure. The RMF 2 Overlay District regulations are located in Section 95-58.8 of the Township’s Land Use and Zoning Ordinance and can be viewed here: <https://ecode360.com/35154870#35154870>.

As part of the Township’s Mediation Agreement with FSHC, Lot 54.01 will be amended to a density of 16 units per acre. To achieve this, the site will receive a separate overlay zone to distinguish it from the other two properties within the RMF 2 Overlay District. However, the base density of 10 units per acre is still allocated to the Third Round Unmet Need and the increased density of 6 units per acre is allocated to the Fourth Round Unmet Need.

The Eagle Rock Avenue Overlay Zone mechanism meets the Four-Prong Test, pursuant to NJAC 5:93-1, as follows:

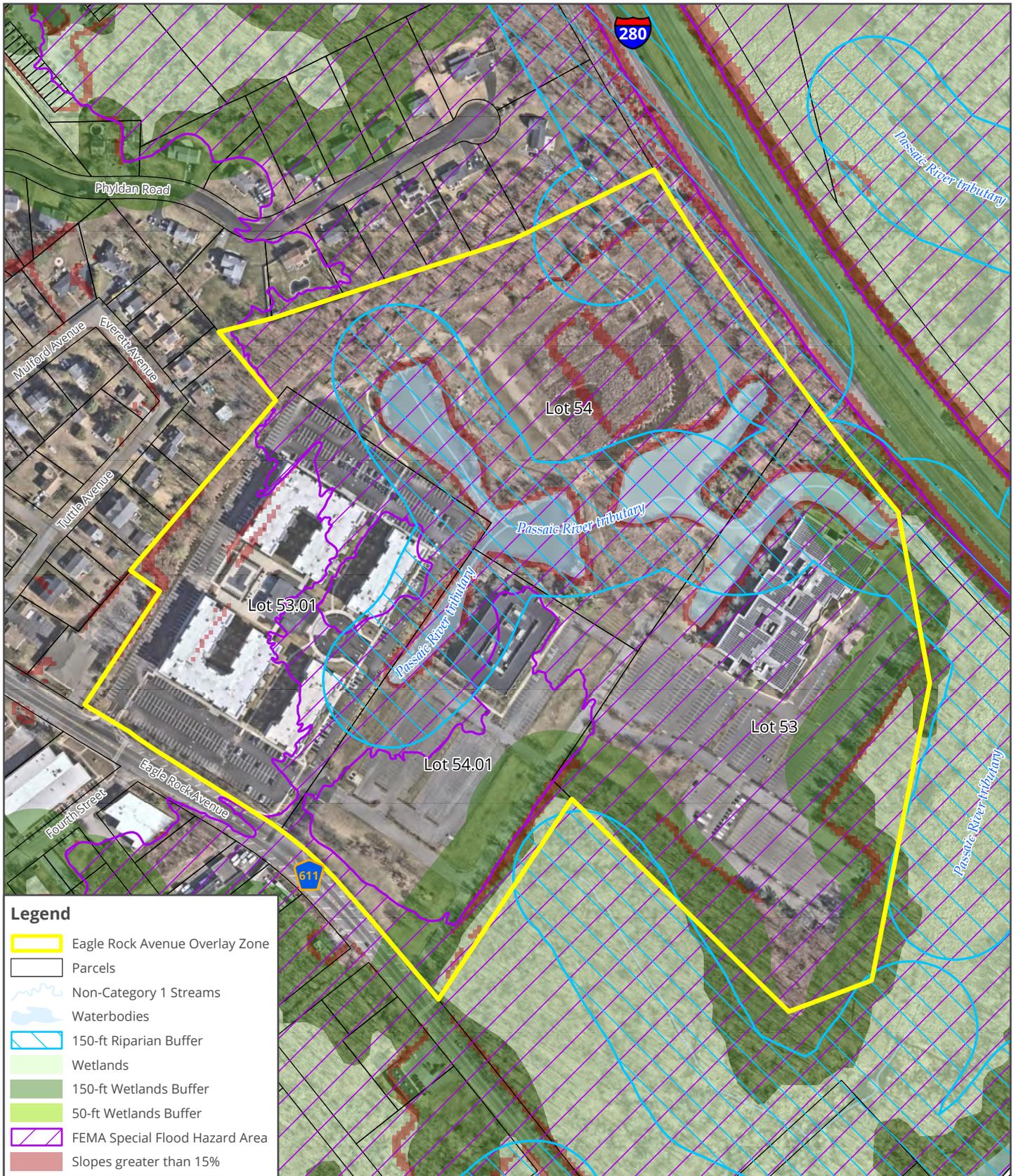
- Approvable site – The Township established the RMF 2 Overlay District over a total of four properties in 2019, which permits inclusionary development at a density of 10 units per acre. Two of the properties within the Overlay District were consolidated into one lot, which was subsequently developed with a 265-unit inclusionary multi-family development. Any owner

¹¹ It should be noted that there were four properties when the prior HEFSP was adopted, however, two lots were consolidated with the approval of 60-72 Eagle Rock.

or contract purchaser can submit an as-of-right application for multi-family development in the Overlay District.

- Available site – The lots within the Overlay are privately owned with no known title or encumbrance issues. The Township is aware of cross access easements on the properties.
- Developable site – All properties included in the Eagle Rock Avenue Overlay Zone are in water and sewer service areas.
- Suitable site – The properties are adjacent to a variety of uses. Interstate 280 is located directly north, vacant land is located to the east and southeast, commercial uses are present on Eagle Rock Avenue to the southwest, and single-family residential uses are to the west. Lots 53.02 and 54.01 have frontage along Eagle Rock Avenue, while Lot 53 does not have street frontage. However, the property is accessed through Lot 54.01. All properties are within FEMA's Special Flood Hazard Area. Additionally, wetlands to the east of the site have a 150-foot wetlands buffer that encroaches along the eastern boundaries of Lots 53 and 54.01. There are two waterbodies in the area, which a tributary of the Passaic River flows through. A 150-foot Riparian buffer is associated with the tributary. Lastly, slopes greater than 15% are scattered throughout the site but are primarily located at the edges of the existing developed areas and along the banks of the waterbodies. In total, approximately 41.2 acres of the 50.7-acre site (81.2%) is encumbered by these environmental constraints. See the map on page 57 for the location of these environmental features. It should be noted that the GIS parcel data has not been updated to reflect the consolidation of Lots 53.01 and 54 into Lot 53.02. Therefore, the original parcels, Lots 53.01 and 54, are displayed.

As demonstrated above, the Eagle Rock Avenue Overlay Zone meets the Four-Prong Test and is eligible for crediting under NJAC 5:93-5.6 (inclusionary zoning). Based on this information, the Township anticipates this mechanism to provide credits to help address the Third Round Unmet Need. As discussed in the above section, the rezoning the Township undertook in 2019 has spurred inclusionary redevelopment.



ENVIRONMENTAL CONSTRAINTS - EAGLE ROCK AVENUE OVERLAY ZONE

BLOCK 1.01, LOTS 53, 53.01, 54, AND 54.01

TOWNSHIP OF EAST HANOVER

MORRIS COUNTY, NEW JERSEY



Engineering & Design

May 27, 2025
EHT017A

This map was developed using GIS digital data from FEMA, NJDEP, NJDOT, NJGIN, but this secondary product has not been verified and is not state-authorized. Aerial image sourced from NearMap, dated March 19, 2025.

Columbia Turnpike Overlay Zone

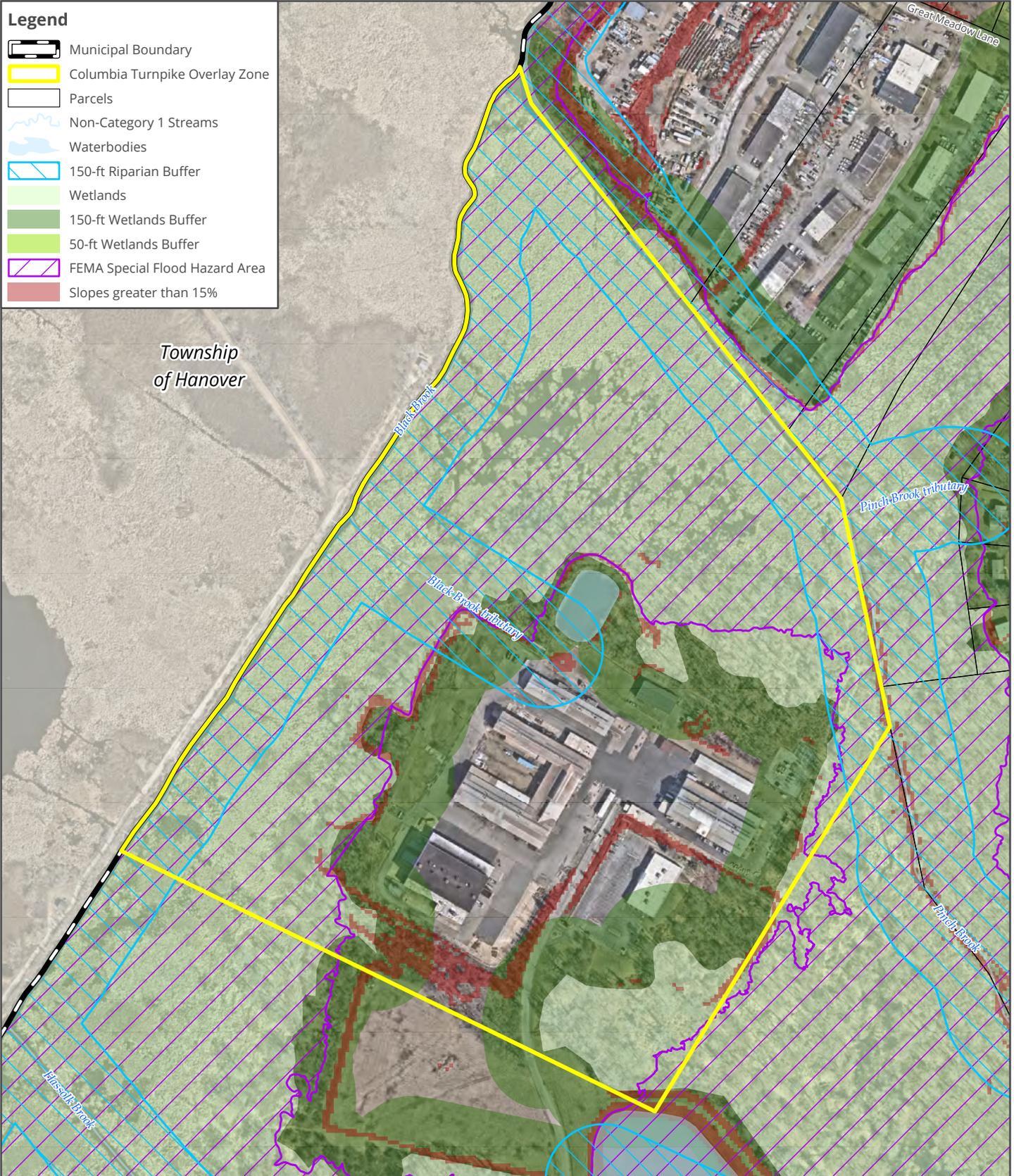
The Columbia Turnpike Overlay Zone mechanism concerns Block 127, Lot 1.01. This property is located in the southwest corner of the Township. The property does not have street frontage but there is an access road which provides the property with access to Columbia Turnpike. The property is currently within the I-3 Light Industry Zone, which permits warehouse facilities, the finishing and assembling of articles made from previously prepared or refined materials, preparation and fabrication of metals and metal products, self-storage facilities, technical training institutions, research activities, municipal uses, electronic data centers, and other industrial-style uses.

The Township established the RMF 3 Residential Multi-Family 3 Overlay District over the property on December 12, 2019 via Ordinance No. 19-2019. The RMF 3 Overlay District permits inclusionary multi-family residential development at a density of 15 dwelling units per acre. A 20% affordable housing set-aside is required regardless of unit tenure. The RMF 3 Overlay District regulations are located in Section 95-53.9 of the Township's Land Use and Zoning Ordinance and can be viewed here: <https://ecode360.com/35154870#35155128>.

The Columbia Turnpike Overlay Zone mechanism meets the Four-Prong Test, pursuant to NJAC 5:93-1, as follows:

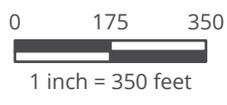
- Approvable site – The Township adopted the RMF 3 Overlay District over Lot 1.01 in Block 127 in 2019, which permits inclusionary residential development at a density of 15 units per acre. Any owner or contract purchaser can submit an as-of-right application for inclusionary development.
- Available site – The site is privately owned with no known title or encumbrance issues.
- Developable site – The property is located in water and sewer service areas.
- Suitable site – The property is located in the southwest corner of the Township, adjacent to industrial uses to the north, vacant land to the northeast, east, and south, and the Morristown Airport to the west. The property does not have direct street access. However, there is an access road which connects the property to the Columbia Turnpike to the south. Lot 1.01 is encumbered by wetlands and an associated 150-foot wetlands buffer. The Black Brook and a tributary are located along the western boundary of the site while the Pinch Brook flows along the northern and eastern property lines. A 150-foot Riparian buffer is applicable to these streams. Additionally, the site is within FEMA's Special Flood Hazard Area and slopes greater than 15% are located in the south-central portion of the property. Approximately 53.9 acres of the 63.1-acre site (85.4%) is encumbered by environmental constraints. See the map on page 59 for the location of these environmental features.

Based on the information above, the Columbia Turnpike Overlay Zone mechanism is eligible for crediting pursuant to 5:93-5.6 (inclusionary zoning) and could yield credits to address the Third Round Unmet Need.



ENVIRONMENTAL CONSTRAINTS - COLUMBIA TURNPIKE OVERLAY ZONE

BLOCK 127, LOT 1.01
TOWNSHIP OF EAST HANOVER
MORRIS COUNTY, NEW JERSEY



This map was developed using GIS digital data from FEMA, NJDEP, NJDOT, NJGIN, but this secondary product has not been verified and is not state-authorized. Aerial image sourced from NearMap, dated March 19, 2025.

Ridgedale Avenue B-1 Zone

There are five areas within the Township zoned B-1, Neighborhood Business Zone. Three of these areas are located along Ridgedale Avenue as shown on the map on page 61. As part of the Township's Settlement Agreement with FSHC, East Hanover adopted Ordinance No. 16-2019 on December 12, 2019, which established multi-family mixed-use development as a conditional use in the B-1 Zone. Required conditions include having direct frontage on Ridgedale Avenue or Eagle Rock Avenue, a minimum lot size of 30,000 square feet, a maximum density of 15 units per acre, and a maximum building height of three stories and 38 feet. Additionally, a 15% affordable housing set-aside is required for units that are for rent and a 20% set-aside is required for units offered for sale. Section 95-54E.(2) contains all the required conditions and can be viewed here: <https://ecode360.com/35180192#35180192>.

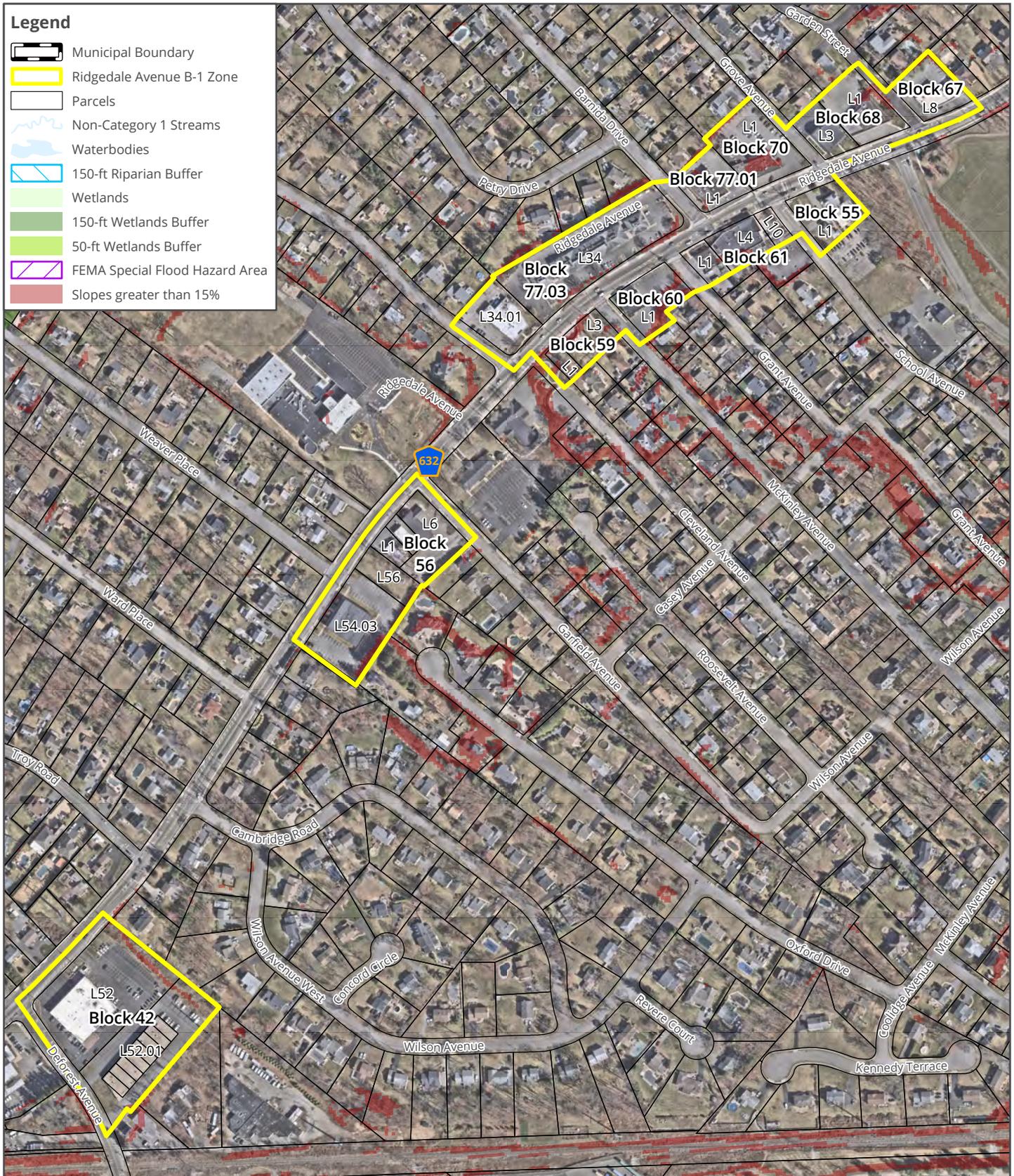
Pursuant to NJAC 5:93-1, the Ridgedale Avenue B-1 Zone conditional use meets the Four-Prong Test as follows:

- Approvable site – In 2019, the Township adopted Ordinance No. 16-2019, which permitted inclusionary multi-family mixed-used development at a density of 15 units per acre on properties over 30,000 square feet in the B-1 Zone along Ridgedale Avenue. Any owner or contract purchaser can submit an as-of-right application.
- Available site – There are 21 parcels in the B-1 Zone along Ridgedale Avenue which are privately owned with no known title or encumbrance issues.
- Developable site – All properties in the specified B-1 Zone are located in water and sewer service areas.
- Suitable site – The 21 privately held properties in the B-1 Zone along Ridgedale Avenue are adjacent to a variety of uses, including single-family homes, schools, government buildings, commercial, etc. The 21 properties are generally free of environmental constraints. However, some properties have small areas with slopes 15% or greater. The 15.3-acre area is encumbered by only 0.9 acres of steep slopes (5.8%). See the map on page 61 for details.

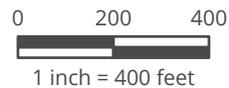
Based on the information above, the Ridgedale Avenue B-1 Zone conditional use mechanism would be eligible for crediting pursuant to 5:93-5.6 (inclusionary zoning). This mechanism could provide additional affordable housing credits to help address the Township's Third Round Unmet Need.

Eagle Rock Avenue B-1 and B-2 Zones

Inclusionary multi-family mixed-use development was established as a permitted conditional use in the B-1 Zone located along Eagle Rock Avenue, between Ridgedale Avenue and Fifth Street, and the B-2, Highway Business Zone located along Eagle Rock Avenue via Ordinance No. 16-2019 adopted on December 12, 2019. As previously stated for the Ridgedale Avenue B-1 Zone mechanism, inclusionary multi-family residential development above commercial uses is conditionally permitted on lots fronting Eagle Rock Avenue that have at least 30,000 square feet. A maximum density of 15 units per acre is permitted and the maximum building height is 38 feet and 3 stories. Furthermore, a 15% affordable housing set-aside is required for units that are for rent and a 20% set-aside is required for units offered for sale. The required conditions for the B-1 Zone are found in Section 95-54E.(2), which is linked above, while the required conditions for the B-2 Zone are located in Section 95-55D.(1), which can be viewed here: <https://ecode360.com/35180211#35180211>.



ENVIRONMENTAL CONSTRAINTS - RIDGEDALE AVENUE B-1 ZONE
VARIOUS BLOCKS & LOTS
 TOWNSHIP OF EAST HANOVER
 MORRIS COUNTY, NEW JERSEY



This map was developed using GIS digital data from FEMA, NJDEP, NJDOT, NJGIN, but this secondary product has not been verified and is not state-authorized. Aerial image sourced from NearMap, dated March 19, 2025.

Pursuant to NJAC 5:93-1, the Eagle Rock Avenue B-1 and B-2 Zones conditional use mechanism meets the Four-Prong Test as follows:

- Approvable site - The Township adopted an ordinance in 2019 to establish inclusionary multi-family mixed-use development in the B-1 and B-2 Zones along Eagle Rock Avenue. Required conditions include being located along Eagle Rock Avenue, a minimum lot size of 30,000 square feet, a maximum density of 15 units per acre, and a maximum building height of three stories and 38 feet. Any owner or contract purchaser can submit an as-of-right application.
- Available site – There are 23 privately-owned parcels and one State-owned property, and four municipally-owned parcels in the B-1 and B-2 Zones along Eagle Rock Avenue. There are no known title or encumbrance issues on the privately held lots.
- Developable site – All properties in the specified Zones are located in water and sewer service areas.
- Suitable site – The properties are surrounded by a variety of uses, including single-family dwellings, commercial uses, vacant land, and the Township's Lurker Park. As for environmental constraints, the B-1 Zone is generally free of environmental constraints, except for some small areas of slopes greater than 15%. However, the B-2 Zone is encumbered by wetlands and associated 150-foot buffers, streams and associated 150-foot riparian areas, and slopes greater than 15%. Additionally, portions of the B-2 Zone are within FEMA's Special Flood Hazard Area. A majority of these constraints in the B-2 Zone are located southeast of Fourth Street. In total, there are approximately 21.7 acres of environmental constraints in the 33.9-acre area of the B-1 and B-2 Zones. See the map on the next page for details.

The proposed conditional use in the B-1 and B-2 Zones along Eagle Rock Avenue mechanism is eligible for crediting pursuant to 5:93-5.6 (inclusionary zoning). This mechanism could yield affordable housing credits to help address the Township's Third Round Unmet Need.

Township-Wide Set-Aside

Pursuant to the Settlement Agreement with FSHC, executed on June 3, 2019, the Township adopted a Township-Wide Set-Aside Ordinance requiring a mandatory affordable housing set-aside for all new residential developments of five or more units. The required affordable housing set-aside is a minimum of 20%, regardless of tenure. The Township-Wide Set-Aside Ordinance does not include residential expansions, additions, renovations, replacement, or any other type of development that does not result in a net increase of five or more residential units. East Hanover's Township-Wide Set-Aside Ordinance is located in Section 95-125G, which can be viewed here:

<https://ecode360.com/35180375#35180375>.

Based on the information above, this mechanism may yield affordable housing credits, which would be credited towards the TRO Unmet Need.