



Community Planning
Land Development and Design
Landscape Architecture

B U R G I S
ASSOCIATES, INC.

Principals:

Joseph Burgis PP, AICP

Edward Snieckus, Jr. PP, LLA, ASLA

David Novak, PP, AICP

2025 HOUSING ELEMENT AND FAIR SHARE PLAN

TOWNSHIP OF MONTVILLE
MORRIS COUNTY, NEW JERSEY

PREPARED FOR:

TOWNSHIP OF MONTVILLE PLANNING BOARD
BA# 4152.16

The original document was appropriately signed and sealed on May 27, 2025 in accordance with Chapter 41 of Title 13 of the State Board of Professional Planners.

Joseph H. Burgis, P.P., AICP
Professional Planner #2450

Robyn K. Welch, P.P., AICP
Professional Planner #5971

May 27, 2025
ADOPTED: June 12, 2025

MEMBERS OF THE TOWNSHIP OF MONTVILLE PLANNING BOARD

Gary Lewis, Chairman
Arthur Maggio, Vice-Chairman
Adam Adrignolo
Tim Braden
Lawrence Kornreich, Ph.D.
Russell Lipari
Richard Conklin, Committeeman
Matthew Kayne, Mayor
Nicholas Agnoli
Pane Repic
Larry Hines

Planning Board Secretary

Jane Mowles, Secretary
Christina Clipperton, Recording Secretary

Planning Board Attorney

Michael Carroll, Esq.

Township Planning Consultant

Joseph Burgis, PP, AICP
Robyn Welch, PP, AICP
Burgis Associates, Inc.

Township Attorney

Fred Semrau, Esq.
Jonathan Testa, Esq.
Dorsey & Semrau

Township Administrator

June Hercek, QPA, CRP

MEMBERS OF THE TOWNSHIP COMMITTEE

Matthew Kayne, Mayor
June Witty, Deputy Mayor
Frank Cooney
Richard Conklin
Richard Cook

TABLE OF CONTENTS

EXECUTIVE SUMMARY.....	1
SECTION I: INTRODUCTION	7
SECTION 2: HOUSING ELEMENT	13
SECTION 3: FAIR SHARE OBLIGATION	31
SECTION 4: FAIR SHARE PLAN.....	38
APPENDICES	64

LIST OF TABLES

TABLE 1: AFFORDABLE HOUSING OBLIGATIONS SUMMARY.....	1
TABLE 2: PLAN COMPONENTS SATISFYING FIRST & SECOND ROUND OBLIGATION.....	2
TABLE 3: REVISED PLAN COMPONENTS SATISFYING THIRD ROUND RDP	3
TABLE 4: THIRD ROUND UNMET NEED COMPONENTS.....	3
TABLE 5: PLAN COMPONENTS SATISFYING FOURTH ROUND RDP	5
TABLE 6: FOURTH ROUND UNMET NEED COMPONENTS.....	5
TABLE 7: 2024 AFFORDABLE HOUSING REGION 2 INCOME LIMITS BY HOUSEHOLD SIZE.....	8
TABLE 8: DWELLING UNITS (1970-2023).....	19
TABLE 9: HOUSING UNITS BY TENURE AND OCCUPANCY STATUS (2010 AND 2023).....	19
TABLE 10: UNITS IN STRUCTURE (2010 AND 2023).....	20
TABLE 11: NUMBER OF BEDROOMS IN HOUSING UNITS (2010 AND 2023).....	20
TABLE 12: YEAR STRUCTURE BUILT (2023).....	21
TABLE 13: OCCUPANTS PER ROOM (2010 AND 2023).....	21
TABLE 14: EQUIPMENT AND PLUMBING FACILITIES (2010 AND 2023).....	22
TABLE 15: GROSS RENT OF SPECIFIED RENTER-OCCUPIED UNITS (2010 AND 2023).....	22
TABLE 16: VALUE OF SPECIFIED OWNER-OCCUPIED HOUSING UNITS (2010 AND 2023).....	23
TABLE 17: NUMBER OF RESIDENTIAL BUILDING PERMITS ISSUED FOR NEW CONSTRUCTION (2014-2023).....	24
TABLE 18: POPULATION GROWTH (1940-2023).....	25
TABLE 19: AGE CHARACTERISTICS (2010 AND 2023).....	26
TABLE 20: AVERAGE HOUSEHOLD SIZE (1980-2023).....	26
TABLE 21: HOUSEHOLD INCOME DISTRIBUTION (2010 AND 2023).....	27
TABLE 22: EMPLOYMENT STATUS - POPULATION 16 & OVER (2010 AND 2023).....	27
TABLE 23: EMPLOYED RESIDENTS AGE 16 AND OVER, BY OCCUPATION (2010 AND 2023).....	28
TABLE 24: EMPLOYED RESIDENTS AGE 16 AND OVER, BY INDUSTRY (2010 AND 202).....	28
TABLE 25: AVERAGE COVERED EMPLOYMENT TRENDS (2014-2023).....	29
TABLE 26: NON-RESIDENTIAL SPACE AUTHORIZED BY BUILDING PERMITS (2014-2023).....	30
TABLE 27: SUMMARY OF FAIR SHARE OBLIGATION.....	32
TABLE 28: AFFORDABLE HOUSING OBLIGATIONS SUMMARY.....	38
TABLE 29: PLAN COMPONENTS SATISFYING FIRST & SECOND ROUND OBLIGATION.....	39
TABLE 30: PLAN COMPONENTS SATISFYING THIRD ROUND RDP (PER 2019 HE&FSP).....	40
TABLE 31: REVISED PLAN COMPONENTS SATISFYING THIRD ROUND RDP.....	41
TABLE 32: PLAN COMPONENTS SATISFYING FOURTH ROUND RDP.....	42

EXECUTIVE SUMMARY

The following **2025 Housing Element and Fair Share Plan (HE&FSP)** of the Master Plan has been prepared for the Township of Montville, Morris County, New Jersey.

This plan is designed to outline the manner in which the Township will address its affordable housing obligations. As discussed in greater detail herein, these obligations were derived from a variety of different sources including the Council on Affordable Housing (COAH), prior Court-approved Judgments of Compliance and Repose and settlement agreements with Fair Share Housing Center (FSHC), and most recently from Fourth Round obligation calculations provided by the Department of Community Affairs (DCA) as modified by a trial court order.

These obligations are summarized as follows:

Table 1: Affordable Housing Obligations Summary

Category	Obligation
Present Need (Rehabilitation) Obligation	9
First & Second Round Obligation (1987-1999)	261
Third Round Obligation (1999-2025)	850
Fourth Round Obligation (2025-2035)	364

First & Second Round Obligation

The Township of Montville has prepared a number of Housing Elements and Fair Share Plans over the years to address its affordable housing obligations. As a result of the Mount Laurel II decision in 1983, a suit was filed by the Morris County Fair Housing Council against various Morris County municipalities, including Montville Township. On November 15, 1985, Montville received a Judgment of Compliance and Repose from Superior Court Judge Stephen Skillman for a 530-unit new construction obligation. Pursuant to this judgment, the Township established zoning to fulfill its affordable housing obligation.

COAH subsequently adopted a “fair share” methodology to determine the State’s low and moderate income housing needs in 1986. Their First Round housing-need numbers for Montville, covering the period 1987 to 1993, called for the provision of 370 units of new construction. The Township chose to continue under its Judgment of Compliance and Repose rather than go back to court to seek a downward adjustment.

Then, in 1994, COAH issued new housing-need numbers for the combined First and Second Round period between 1987 and 1999. Montville was assigned a new construction obligation of 261 units and subsequently received substantive certification of its Second Round HE&FSP on June 3, 1998. The Township addressed this First and Second Round obligation through the components identified in Table 2 below, all of which have been completed.

Table 2: Plan Components Satisfying First & Second Round Obligation

Plan Component	Units	Bonus	Total	Status
Longview Estates (age-restricted)	26	-	26	Completed
Rachel Gardens (rentals)	104	66	170	Completed
Hunting Hills	14	-	14	Completed
Jade Mountain	12	-	12	Completed
Montville Chase	39	-	39	Completed
Totals:	195	66	261	

Third Round Obligation

On December 21, 2018, the Township and FSHC entered into a Settlement Agreement, which established a Third Round Obligation of 850 affordable units, inclusive of a 550-unit Third Round RDP and 300-unit Third Round Unmet Need. The Township subsequently adopted a Third Round HE&FSP on July 25, 2019 and was granted a Final Judgment of Compliance (Third Round JOR) on September 19, 2019. Montville's 2019 HE&FSP set forth various plan mechanisms to address the entirety of its Third Round RDP obligation. All but two of these plan mechanisms have now been completed and occupied, with the only exceptions being the Montville Residency and Juve Group (previously known as V&L Associates) inclusionary developments, both of which are currently under construction.

In addition, subsequent to the Township securing its Third Round JOR in 2019, the Township entered into a Settlement Agreement with RG Realty Investors, LLC, and FSHC relative to the extension of affordability controls on certain units at the Rachel Gardens inclusionary housing development. This Settlement Agreement, which was entered into on January 3, 2024, not only extended the controls on 42 affordable family rental units at Rachel Gardens, but it also allowed the Township flexibility to allocate certain Unmet Need mechanisms set forth in its 2019 HE&FSP toward either the Third Round RDP obligation or Fourth Round RDP obligation, at the Township's discretion.

As such, pursuant to the Rachel Gardens Settlement, the Township now proposes to amend its plan components addressing the Third Round RDP obligation. Specifically, it proposes to replace 6 existing special needs units from St. Albert's (now known as Signature), 11 existing family rental units from Mill Creek (now known as Modera), 3 age-restricted for-sale units under construction at Montville Residency, and 14 family for-sale units under construction at Juve (as well as 1 unit which was overcounted in the Third Round HE&FSP) with 35 completed extensions of controls permitted by the settlement to be applied to RDP instead of Unmet Need. The units proposed to be replaced will be allocated toward the Township's Fourth Round Prospective Need.

The plan components to address Montville's Third Round RDP obligation, as revised, are identified in Table 3 below. As shown, all of these plan components have been completed.

Table 3: Revised Plan Components Satisfying Third Round RDP

Plan Component	Units	Bonus	Total	Status
Surplus Credits from Prior Round	212	64	276	
Longview Estates (age-restricted)	69	-	69	Completed
Longview Estates (family)	24	-	24	Completed
Rachel Gardens (rentals)	64	64	128	Completed
Hunting Hills	8	-	8	Completed
Jade Mountain	10	-	10	Completed
Montville Chase	37	-	37	Completed
Units Built and/or Approved in Third Round	10	4	14	
Briar Hill (age-restricted)	6	-	6	Completed
Towaco Transit Village/LaSala (rental)	1	1	2	Completed
Towaco Station/Shops on Main (rentals)	3	3	6	Completed
Proposed Inclusionary Developments	88	70	158	
Avalon Bay (rentals)	52	52	104	Completed
Mill Creek/Modera (rentals)	36	18	54	Completed
Alternative Living Arrangements	25	0	25	
St. Alberts/Signature Existing Bedrooms	21	-	21	Completed
St. Alberts/Signature Converted Bedrooms	4*	-	4*	Completed
Extension of Expiring Controls (Per 2019 HEFSP)	42	0	42	
Longview Estates (age-restricted)	4	-	4	Completed
Hunting Hills	11	-	11	Completed
Jade Mountain	12	-	12	Completed
Montville Chase	15	-	15	Completed
Extension of Expiring Controls (Per RG Settlement)	35	0	35	
Hunting Hills	2	-	2	Completed
Jade Mountain	1	-	1	Completed
Montville Chase	32	-	32	Completed
Totals:	412	138	550	

*: Reduction of 1 unit reflects overcounting in 2019 HE&FSP of staff bedrooms available to be converted at St. Alberts/Signature in Third Round. This reduction will be offset by 1 additional unit proposed as part of the St. Albert's/Signature expansion, the credits for which will be assigned toward Unmet Need.

The 2019 HE&FSP also identified the plan components to address Montville's Third Round Unmet Need of 300 units. These plan components are summarized in Table 4 below.

Table 4: Third Round Unmet Need Components

Plan Component	# of Units
Expansion of St Alberts/Signature Special Needs	34
Extensions of Controls	55
Route 202 Overlay Zone	50
Stiles Lane Overlay Zone	75
Mandatory Set-Aside Ordinance	Ongoing
Development Fee Ordinance	Ongoing

Fourth Round Obligation

Governor Murphy signed the A-40/S-50 Bill into law on March 20, 2024 after the Senate and Assembly adopted it. This legislation (FHA-2) amended the Fair Housing Act (FHA or the Act) by abolishing COAH and created a new process that involved the creation of a new entity known as the Affordable Housing Dispute Resolution Program (the Program), as well as the DCA and the Administrative Office of the Courts (AOC).

FHA-2 directed the DCA to calculate the Present Need (also referred to as the Rehabilitation obligation) and the Prospective Need (also known as the new construction obligation) for Round Four based upon the standards set forth in the Act. The DCA issued its report on October 18, 2024, and, in accordance with the Act, made clear that the obligations generated by the report were advisory only and non-binding. For Montville, the DCA Report identified a Present Need of 9 and a Prospective Round Four Need of 410.

Since the DCA report is non-binding, each municipality had the opportunity to study and define why its obligations should be different based on the standards in the Act. The Township conducted such an analysis and determined that the DCA had made errors in the Land Capacity Factor calculation, which is part of the formula that determines fair share obligations. The Township adopted a binding resolution on January 21, 2025 which committed to the 9-unit Present Need obligation identified by DCA, but identified a reduced Prospective Need obligation of 321 units due to the Township's assessment of errors in DCA's report pertaining to Montville's Land Capacity Factor. Ultimately, the Township's Prospective Need obligation was established at 364 units by a trial court order issued on May 1, 2025.

The January 21, 2025 resolution further noted that the Township reserved the right to seek an adjustment of its Fourth Round Prospective Need number based upon a lack of vacant, developable and suitable land. Accordingly, the Township undertook a detailed Vacant Land Analysis to determine if there were any changed circumstances since the 2019 HE&FSP that would warrant a recalibration of Montville's RDP. At this time, the Township concludes that three properties represent a changed circumstance requiring a Fourth Round RDP obligation. Together, these three properties generate a total Fourth Round RDP obligation of 44 units.

The Township proposes to address its 44-unit Fourth Round RDP obligation via the existing units and projects under construction that were previously assigned to the Third Round RDP, plus eligible bonus credits, as summarized in Table 5 below.

Table 5: Plan Components Satisfying Fourth Round RDP

Plan Component	Units	Bonus	Total	Status
Alternative Living Arrangements	6	6	12	
St. Alberts/Signature Existing Bedrooms	6	6	12	Completed
Inclusionary Developments	28	5	33	
Mill Creek/Modera (family rentals)	11	5	16	Completed
Montville Residency (senior for sale)	3	-	3	Under Construction
Juve Group (family for sale)	14	-	14	Under Construction
Totals:	34	11	45	
<i>Surplus for Unmet Need (Juve Group Units):</i>	<i>1</i>	<i>0</i>	<i>1</i>	

The Township proposes to address its 320-unit Fourth Round Unmet Need as identified in Table 6 below.

Table 6: Fourth Round Unmet Need Components

Plan Component	# of Units
Excess Units from Juve Group (family for sale)	1
Rachel Gardens Extensions (family rentals)	42
Longview Extensions of Controls (senior & family for sale)	115
AbleLight Group Home (special needs)	4
Montville Chase Extensions of Controls (family for sale)	26
Mandatory Set-Aside Ordinance	Ongoing
Development Fee Ordinance	Ongoing

In addition, Montville proposes to amend its Township-wide Mandatory Set-Aside Ordinance to require a minimum 20 percent affordable housing set-aside for all inclusionary developments (as opposed to the existing language, which requires minimum set-asides of 15 percent where affordable units will be for rent or 20 percent where affordable units will be for sale). This amendment will bring the Township into compliance with the Highlands Council's rules for municipalities in the Highlands Region and will capture even more affordable housing opportunities as they become available in the Fourth Round.

Accordingly, the remainder of this 2025 HE&FSP is divided into the following sections:

❖ Section 1: Introduction

The first section of the 2025 HE&FSP provides an introduction to affordable housing. It summarizes what affordable housing is, offers an overview of the history of affordable housing in the state, and explains the role of a housing element and fair share plan.

❖ Section 2: Housing Element

Section 2 contains the Housing Element for the Township of Montville. It offers a community overview of the Township, as well as background information regarding its

population, housing, and employment characteristics. It also provides projections of the Township's housing stock and employment.

❖ Section 3: Fair Share Obligation

Next, Section 3 provides an overview of the Township's fair share obligation. It includes a brief history of the methodologies utilized to calculate affordable housing obligations throughout the state.

❖ Section 4: Fair Share Plan

Finally, Section 4 details the manner in which the Township has addressed its prior First, Second and Third Round obligations, how it will address its Fourth Round Prospective Need Obligation, and how same is consistent with the FHA, applicable COAH and UHAC regulations, and state planning initiatives.

SECTION I: INTRODUCTION

The following section provides an introduction to affordable housing. It summarizes what affordable housing is, offers an overview of the history of affordable housing in the state, and explains the role of a housing element and fair share plan.

A. WHAT IS AFFORDABLE HOUSING?

Affordable housing is income-restricted housing that is available for sale or for rent. Typically, affordable housing is restricted to very-low, low-, and moderate-income households. These categories are derived from median regional income limits established for the state. New Jersey is delineated into six different affordable housing regions. Montville is located in Region 2, which includes Essex, Morris, Union and Warren counties.



Regional income limitations are updated every year, with different categories established for varying household sizes. Table 7 identifies the 2024 regional income limits by household size for Region 2. As shown, a three-person family with a total household income of no greater than \$93,180 could qualify for affordable housing in the Township's region.

Table 7: 2024 Affordable Housing Region 2 Income Limits by Household Size

Income Level	2 Person	3 Person	4 Person	5 Person
Median	\$103,533	\$116,475	\$129,416	\$139,769
Moderate	\$82,826	\$93,180	\$103,533	\$111,816
Low	\$51,766	\$58,237	\$64,708	\$69,885
Very-Low	\$31,060	\$34,942	\$38,825	\$41,931

One of the most common forms of affordable housing is inclusionary development, in which a certain percentage of units within a multifamily development are reserved for affordable housing. Affordable housing can be found in a variety of other forms, including but not limited to: 100 percent affordable housing developments, deed-restricted accessory apartments, alternative living arrangements such as special need/supportive housing or group homes, assisted living facilities, and age-restricted housing.

B. WHAT IS THE HISTORY OF AFFORDABLE HOUSING IN NEW JERSEY?



The history of affordable housing in New Jersey can be traced back to 1975, when the Supreme Court first decided in *So. Burlington Cty. NAACP v. Township of Mount Laurel* (known as Mount Laurel I) that every developing municipality throughout New Jersey had an affirmative obligation to provide for its fair share of affordable housing. In a subsequent Supreme Court decision in 1983 (known as Mount Laurel II), the Court acknowledged that the vast majority of municipalities had not addressed their constitutional obligation to provide affordable housing.

As such, the Court refined this obligation to establish that every municipality had an obligation, although those within the growth area of the State Development and Redevelopment Plan (SDRP) had a greater obligation. The Court also called for the state legislature to enact legislation that would save municipalities from the burden of having the courts determine their affordable housing needs. The result of this decision was the adoption of the Fair Housing Act in 1985, as well as the creation of the New Jersey Council on Affordable Housing (COAH), which became the state agency responsible for overseeing the manner in which New Jersey's municipalities address their low- and moderate-income housing needs.

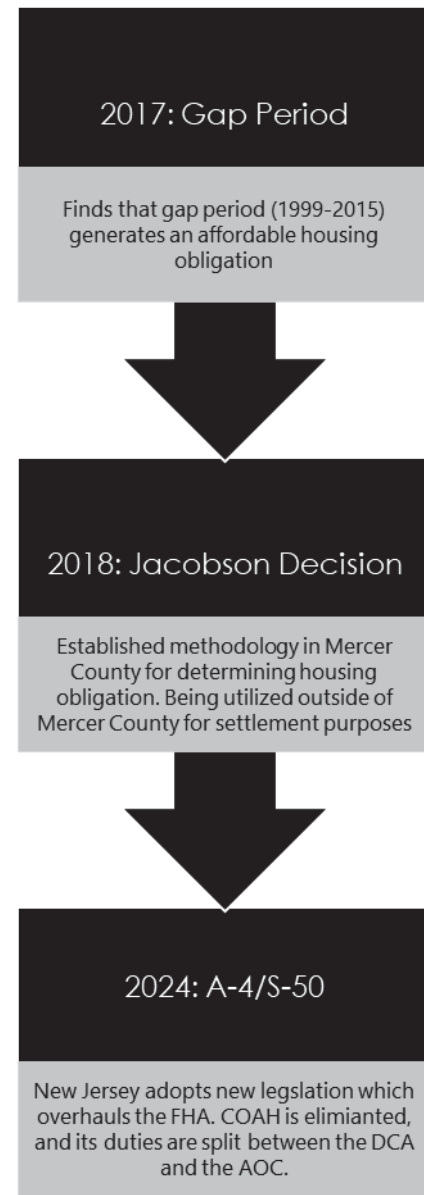
COAH proceeded to adopt regulations for the First Round obligation, which covered the years 1987 to 1993. It also established the Second Round housing-need numbers that cumulatively covered the years 1987 through 1999. Under both the First and Second Rounds, COAH utilized what is commonly referred to as the "fair share" methodology. COAH utilized a different methodology, known as "growth share," beginning with its efforts to prepare Third Round housing-need numbers. The Third Round substantive and procedural rules were first adopted in 2004.

These regulations were challenged and in January 2007, the Appellate Division invalidated various aspects of these rules and remanded considerable portions of the rules to COAH with the directive to adopt revised regulations.

In May 2008, COAH adopted revised Third Round regulations which were published and became effective on June 2, 2008. Coincident to this adoption, COAH proposed amendments to the rules they had just adopted, which subsequently went into effect in October 2008. These 2008 rules and regulations were subsequently challenged, and in an October 2010 decision, the Appellate Division invalidated the Growth Share methodology, and also indicated that COAH should adopt regulations pursuant to the Fair Share methodology utilized in Rounds One and Two. The Supreme Court affirmed this decision in September 2013, which invalidated much of the third iteration of the Third Round regulations and sustained the invalidation of growth share. As a result, the Court directed COAH to adopt new regulations pursuant to the methodology utilized in Rounds One and Two.

Deadlocked with a 3-3 vote, COAH failed to adopt newly revised Third Round regulations in October 2014. Fair Share Housing Center, who was a party in both the 2010 and 2013 cases, responded by filing a motion in aid of litigants' rights with the New Jersey Supreme Court. The Court heard the motion in January 2015 and issued its ruling on March 20, 2015. The Court ruled that COAH was effectively dysfunctional and, consequently, returned jurisdiction of affordable housing issues back to the trial courts where it had originally been prior to the creation of COAH in 1985.

This 2015 Court decision created a process in which municipalities may file a declaratory judgment action seeking a declaration that their HE&FSP is constitutionally compliant and receive temporary immunity from affordable housing builders' remedy lawsuits while preparing a new or revised HE&FSP to ensure their plan continues to affirmatively address their local housing need as may be adjusted by new housing-need numbers promulgated by the court or COAH.



Subsequently, the Supreme Court ruled on January 18, 2017 that municipalities are also responsible for obligations accruing during the so-called “gap period,” the period of time between 1999 and 2015. However, the Court stated that the gap obligation should be calculated as a never-before calculated component of Present Need, 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).

On March 20, 2024, Governor Murphy signed the A4/S50 Bill into law, which amended the Fair Housing Act for the Fourth Round and beyond. The amendments to the FHA (FHA-2) eliminated COAH and created a new entity to approve the plans known as the Affordable Housing Dispute Resolution Program (the Program), which consists of seven retired Mount Laurel Judges. FHA-2 also involved the DCA and AOC in the process.

The DCA was designated by the legislation as the entity responsible for calculating the state’s regional needs as well as each municipality’s present and prospective fair share obligations pursuant to the Jacobson Decision. However, the legislation makes clear that these numbers are advisory and non-binding, and that each municipality must set its own obligation number utilizing the same methodology. The Program was tasked to handle any disputes regarding affordable housing obligations and plans, and to ultimately issue a Compliance Certification to approve a municipality’s HE&FSP, which would continue immunity from all exclusionary zoning lawsuits until July 30, 2035.

B. WHAT IS A HOUSING ELEMENT AND FAIR SHARE PLAN?

A Housing Element and Fair Share Plan (HE&FSP) serves as the blueprint for how a municipality will address its fair share of affordable housing. It is designed to help a community broaden the accessibility of affordable housing.

While technically a discretionary component of a municipal master plan, a HE&FSP is nevertheless an effectively obligatory plan element. As established by NJSA 40:55D-62.a of the Municipal Land Use Law (MLUL), a municipality must have an adopted HE&FSP in order to enact its zoning ordinance. Thus, from a public policy perspective, a HE&FSP is an essential community document. Moreover, without a HE&FSP, a municipality may be susceptible to a builder’s remedy lawsuit in which a developer could file suit to have a specific piece of property rezoned to permit housing at higher densities than a municipality would otherwise allow, provided a certain percentage of units are reserved as affordable.

The Municipal Land Use Law (MLUL) is the enabling legislation for municipal land use and development, planning, and zoning for the State of New Jersey.

The Fair Housing Act, as most recently amended pursuant to FHA-2, establishes the required components of a HE&FSP. These are summarized as follows:

1. 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;
2. 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;
3. An analysis of the municipality's demographic characteristics, including but not necessarily limited to, household size, income level and age;
4. An analysis of the existing and probable future employment characteristics of the municipality;
5. 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;
6. A consideration of the lands that are most appropriate for construction of low- and moderate-income housing and 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;
7. 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;
8. For a municipality located within the jurisdiction of the Highlands Water Protection and Planning Council, 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; and
9. 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.

SECTION 2: HOUSING ELEMENT

The following section provides the housing element for the Township of Montville. It offers a community overview of the Township, as well as background information regarding its population, housing, and employment characteristics. It also provides projections of the Township's housing stock and its employment.

A. COMMUNITY OVERVIEW

The Township of Montville is located in the northeastern portion of Morris County, immediately adjacent to the border with Essex County. It is bounded to the north by the Borough of Kinnelon; to the west by the Township of Boonton, the Town of Boonton and the Township of Parsippany-Troy Hills; to the south by the Township of East Hanover; and to the east by the Borough of Lincoln Park and the Township of Fairfield, which is located in northwestern Essex County.

The Township occupies an area of 12,233 acres, or 19.11 square miles. It is located entirely within the Highlands Region, with 28.1 percent of its land area (3,440 acres) located in the Highlands Preservation Area and 71.9 percent of its land area (8,793 acres) located in the Highlands Planning Area.

Major regional traffic is carried through the Township on Interstate Routes 80 and 287, as well as Route 46. Routes 80 and 46 run east-west across the southern portion of the municipality. Route 287 runs north-south and traverses the northern portion of the municipality.

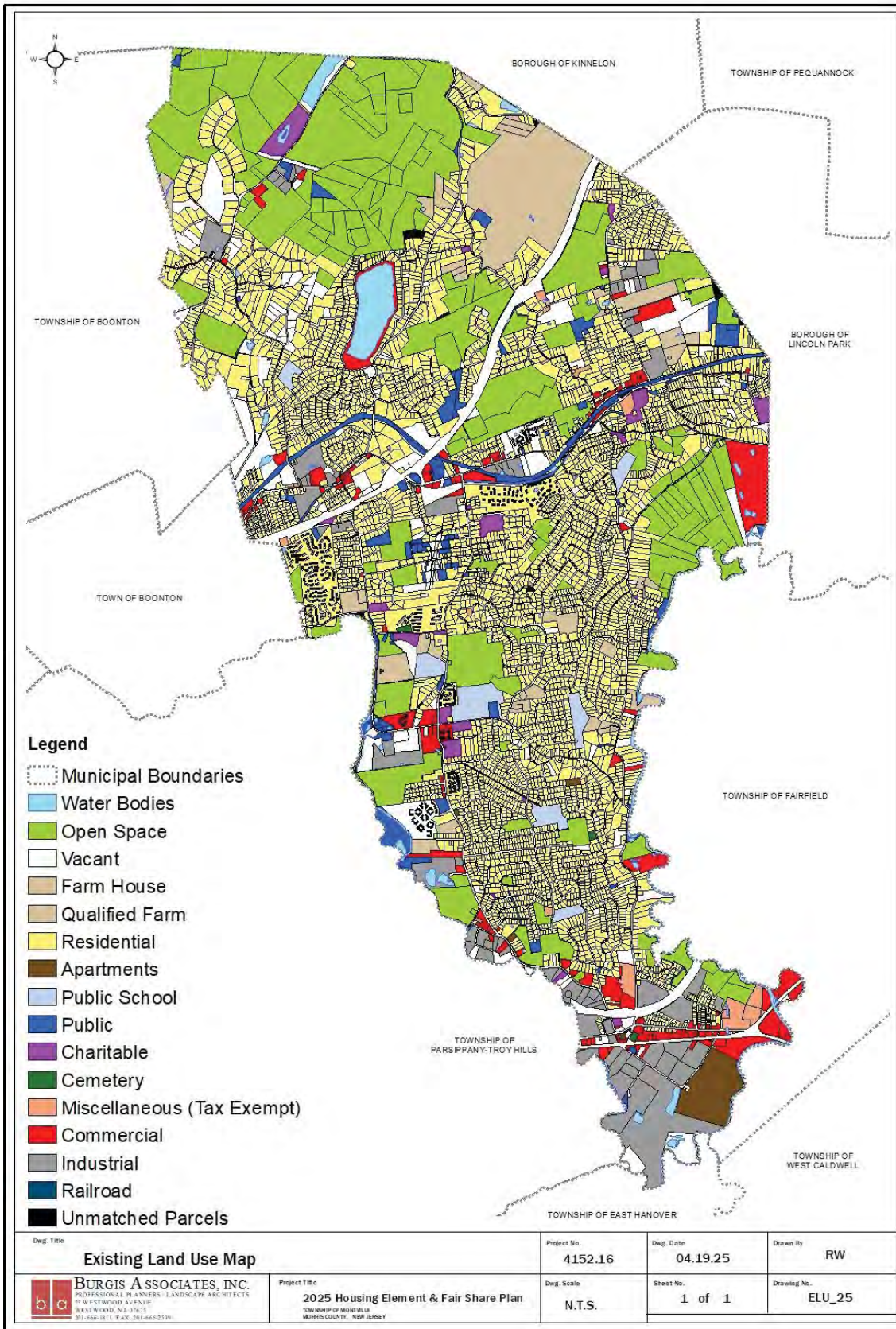
The Towaco train station on Route 202 offers New Jersey Transit train service along the Montclair-Boonton Line, which terminates to the east in Newark and Hoboken.

Montville is primarily characterized by residential neighborhoods consisting mainly of detached single-family dwellings, although several multi-family residential developments are located throughout the community. The Township's commercial areas are concentrated around Route 46/Bloomfield Avenue and Interstate 80 in the southern portion, and along Route 202 in the northern portion. Industrial uses are primarily located along the west side of Changebridge Road and in the vicinity of Route 46 and Interstate 80. The Township's existing land uses are illustrated on the accompanying Existing Land Use Map.

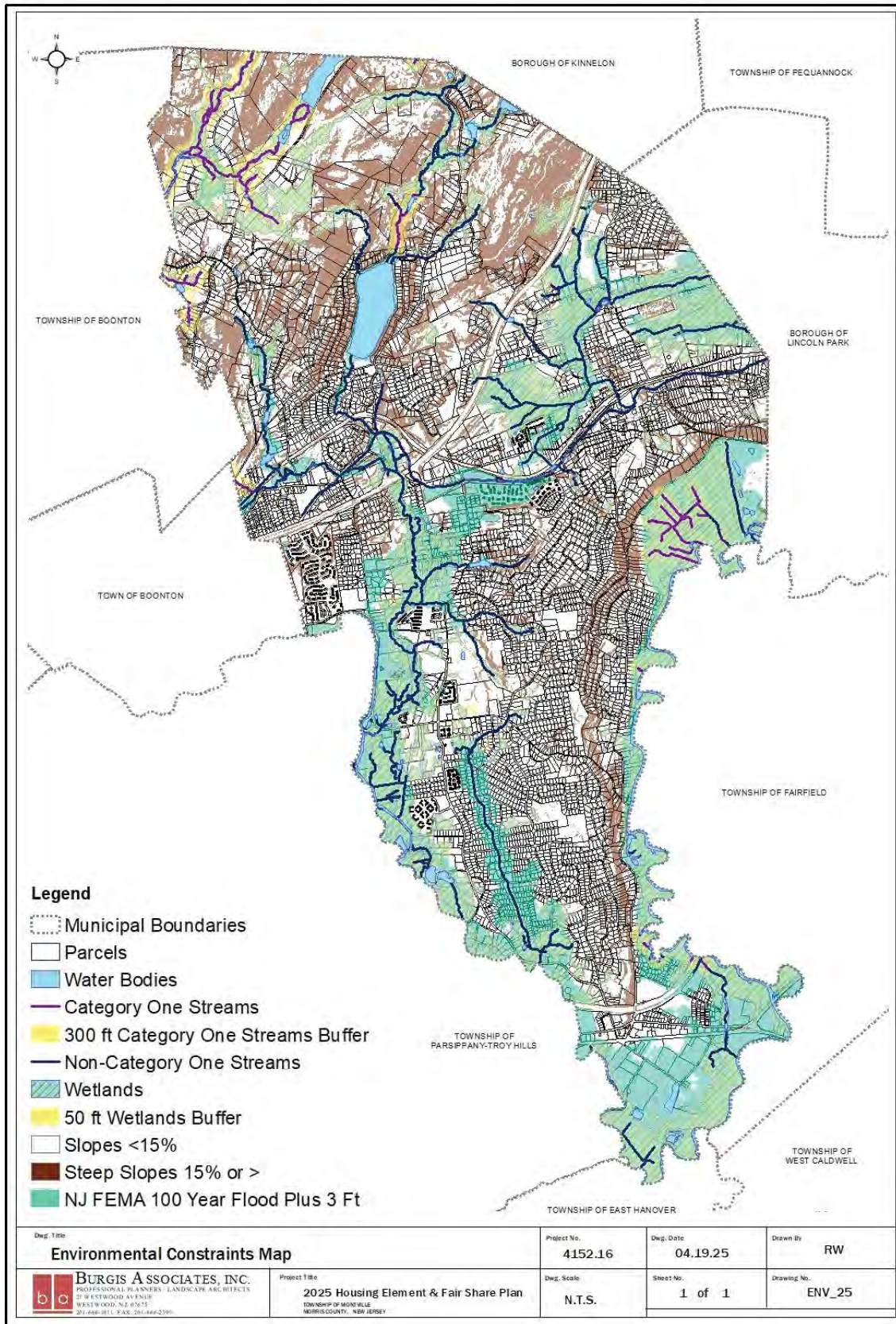
Environmentally constrained areas within the Township are identified on the accompanying Environmental Constraints Map. As shown, Montville has extensive areas of wetlands, floodplains and flood hazards areas, Category One and non-Category One streams, as well as steep slopes (defined as slopes greater than 15 percent).

The accompanying Sewer Service Area Map illustrates the areas within Montville Township that are within the Sewer Service Area. This map also identifies the portion of the Township that is within the Highlands Preservation Area. As shown, the majority of the Township that is within the Highlands Planning Area (i.e., outside of the Preservation Area) is within the Sewer Service Area.

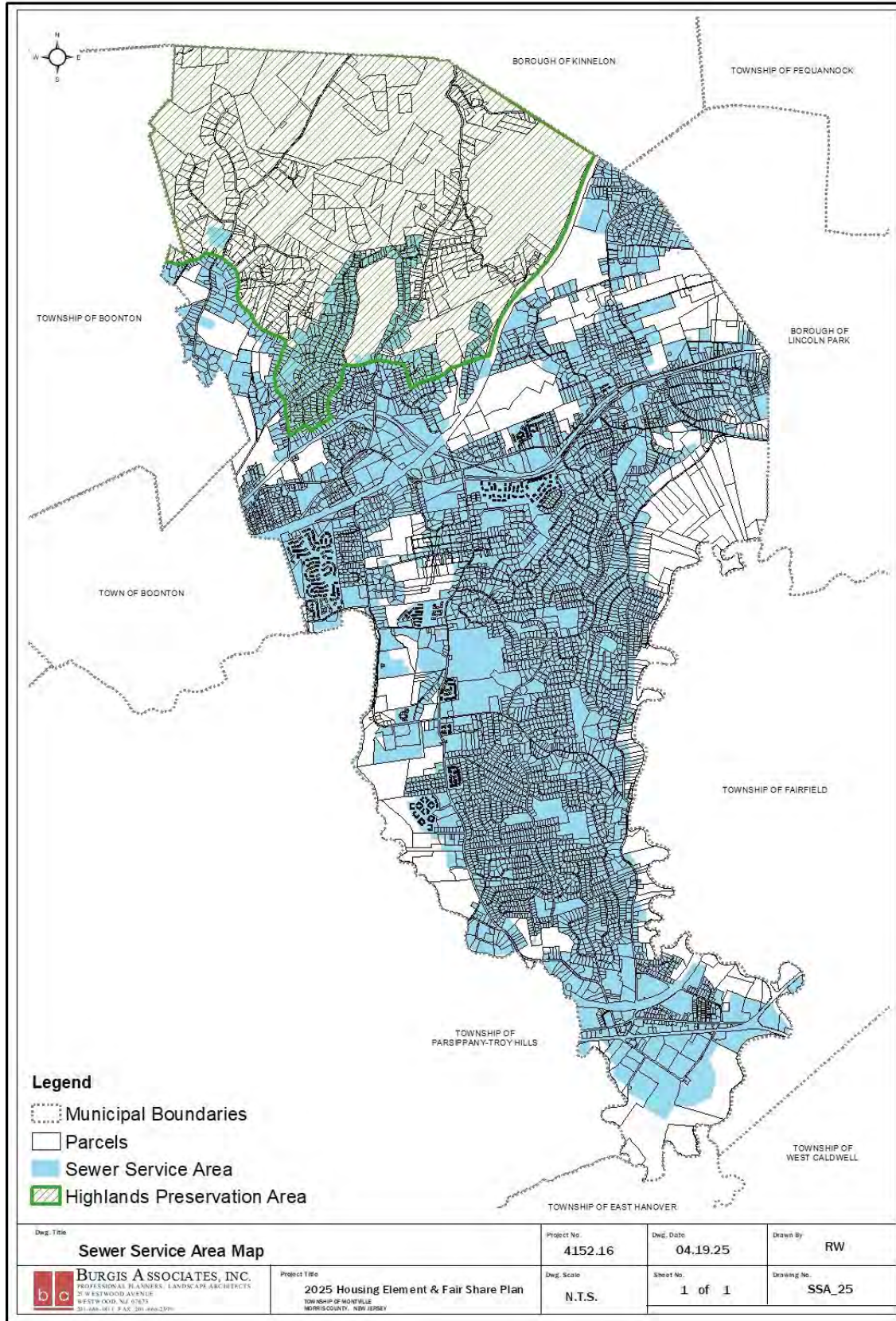
Map 1: Existing Land Use



Map 2: Environmental Constraints



Map 3: Sewer Service Area



B. INFORMATION REGARDING DATA SOURCES

The background information contained in Section 2.C entitled "Inventory of Municipal Housing Stock," Section 2.D entitled "Projection of Municipal Housing Stock," Section 2.E entitled "Demographic and Population Data," and Section 2.F entitled "Employment Characteristics and Projections" was obtained from a variety of publicly available data sources. These are summarized below:

<p>1. United States Decennial Census</p> <p>The US Census is described in Article I, Section 2 of the Constitution of the United States, which calls for an enumeration of the people every ten years for the apportionment of seats in the House of Representatives. Since the time of the first Census conducted in 1790, it has become the leading source of data about the nation's people and economy. Please note that all incomes reported in the Census are adjusted for inflation.</p>	<p>4. New Jersey Department of Community Affairs (DCA)</p> <p>The New Jersey Department of Community Affairs is a governmental agency of the State of New Jersey. Its function is to provide administrative guidance, financial support, and technical assistance to local governments, community development organizations, businesses, and individuals to improve the quality of life in New Jersey.</p>
<p>2. American Community Survey (ACS)</p> <p>The American Community Survey is a nationwide ongoing survey conducted by the US Census Bureau. The ACS gathers information previously contained only in the long form version of the decennial census, such as age, ancestry, educational attainment, income, language proficiency, migration, disability, employment, and housing characteristics. It relies upon random sampling to provide ongoing, monthly data collection. Please note that all incomes reported in the ACS are adjusted for inflation.</p>	<p>5. New Jersey Department of Labor and Workforce Development</p> <p>The New Jersey Department of Labor and Workforce Development is a governmental agency of the State of New Jersey. One of its roles is to collect labor market information regarding employment and wages throughout the state.</p>
<p>3. New Jersey Department of Health</p> <p>The New Jersey Department of Health is a governmental agency of the State of New Jersey. The department contains the Office of Vital Statistics and Registry, which gathers data regarding births, deaths, marriages, domestic partnerships, and civil unions.</p>	

C. INVENTORY OF MUNICIPAL HOUSING STOCK

This section of the Housing Element provides an inventory of the Township's housing stock, as required by the MLUL. The inventory details housing characteristics such as age, condition, purchase/rental value, and occupancy. It also details the number of affordable units available to low- and moderate-income households and the number of substandard housing units capable of being rehabilitated.

1. Number of Dwelling Units. As shown in the accompanying table, the Township's housing stock grew significantly between 1990 and 2000. Whereas there were 5,126 dwellings in 1990, there were 7,541 dwellings in 2000, representing a 47 percent increase. However, the rate of growth has slowed considerably in subsequent decades. Estimates for 2010 and 2020 suggest that Montville's housing stock grew by only 4 percent between 2000 and 2010 and by only 3 percent between 2010 and 2020.

Table 8: Dwelling Units (1990 to 2023)

Year	Total Dwelling Units	Numerical Change	Percentage Change
1990	5,126	--	--
2000	7,541	2,415	47%
2010*	7,862	321	4%
2020*	8,130	268	3%
2023*	8,272	142	2%

Sources: U.S. Census; *American Community Survey 5-Year Estimates.

The following table provides additional detail regarding the tenure and occupancy of the Township's housing stock. As shown below, 87 percent of the Township's housing stock was estimated to be owner-occupied in 2023, up from 83 percent in 2010. The number of vacant units has decreased nearly 60 percent since 2010, from 421 units (5.4 percent of all units) in 2010 to 170 units (2.1 percent of all units) in 2023.

Table 9: Housing Units by Tenure and Occupancy Status (2010 and 2023)

Category	2010		2023	
	Number	Percent	Number	Percent
Owner-Occupied Units	6,542	83.2%	7,205	87.1%
Renter-Occupied Units	899	11.4%	897	10.8%
Vacant Units	421	5.4%	170	2.1%
Total Units	7,862	100.0%	8,272	100.0%

Source: American Community Survey 5-Year Estimates.

2. Housing Characteristics. The following tables provide additional information on the characteristics of the Township's housing stock, including data on the number of units in the structure and the number of bedrooms. As shown below, the housing stock is predominantly characterized by single-family detached units, which represent two-thirds of all dwelling units. Single-family attached units (townhouses) represent the second most predominant housing type, at 18 percent. Fifty (50) percent of all units contain four or more bedrooms.

Table 10: Units in Structure (2010 and 2023)

Units in Structure	2010		2023	
	Number	Percent	Number	Percent
One Unit Detached	5,503	70.0%	5,622	68.0%
One Unit Attached	1,197	15.2%	1,498	18.1%
2 Units	91	1.2%	94	1.1%
3 to 4 Units	144	1.8%	56	0.7%
5 to 9 Units	230	2.9%	161	1.9%
10 to 19 Units	368	4.7%	301	3.6%
20 or More Units	329	4.2%	526	6.4%
Mobile Home	-	0.0%	14	0.2%
Other	-	0.0%	-	0.0%
Total	7,862	100.0%	8,272	100.0%

Source: American Community Survey 5-Year Estimates.

Table 11: Number of Bedrooms in Housing Units (2010 and 2023)

Number of Bedrooms	2010		2023	
	Number	Percent	Number	Percent
Zero	45	0.6%	31	0.4%
One	521	6.6%	503	6.1%
Two	1,350	17.2%	1,478	17.9%
Three	2,122	27.0%	2,106	25.5%
Four	2,745	34.9%	3,119	37.7%
Five or More	1,079	13.7%	1,035	12.5%
Total	7,862	100.0%	8,272	100.0%

Source: American Community Survey 5-Year Estimates.

3. Housing Age. The following table details the age of the Township's housing stock. As shown, the majority (approximately 55 percent) of the Township's housing units were constructed between 1970 and 1999. Approximately 7 percent of Montville's housing stock was built in 2000 or later.

Table 12: Year Structure Built

Year Units Built	Number	Percent
2020 or later	11	0.1%
2010 to 2019	131	1.6%
2000 to 2009	422	5.1%
1990 to 1999	1,794	21.7%
1980 to 1989	1,613	19.5%
1970 to 1979	1,111	13.4%
1960 to 1969	1,451	17.5%
1950 to 1959	893	10.8%
1940 to 1949	341	4.1%
1939 or earlier	505	6.1%
Total	8,272	100.0%

Source: American Community Survey 5-Year Estimates.

4. Housing Conditions. An inventory of the Township's housing conditions is presented in the following tables. Table 13 identifies the extent of overcrowding in the Township, defined as housing units with more than one occupant per room. The data indicates that the percent of all occupied housing units considered overcrowded remained static between 2010 and 2023 (at 0.9 percent), but whereas 0.4 percent of occupied units in 2010 housed 1.51 occupants or more per room, there were no occupied units housing 1.51 occupants or more per room in 2023.

Table 13: Occupants Per Room (2010 and 2023)

Occupants Per Room	2010		2023	
	Number	Percent	Number	Percent
1.00 or less	7,374	99.1%	8,031	99.1%
1.01 to 1.50	34	0.5%	71	0.9%
1.51 or more	33	0.4%	0	0.0%
Total	7,441	100.0%	8,102	100.0%

Source: American Community Survey 5-Year Estimates.

Table 14 below presents other key characteristics of housing conditions, including the presence of complete plumbing and kitchen facilities and the type of heating equipment used. As shown, the percentage of occupied housing units lacking complete kitchen and plumbing facilities decreased between 2010 and 2023, from 0.2 percent of all occupied units in 2000 to zero (0) occupied units in 2016. However, the percentage of occupied housing units without standard heating increased between 2010 and 2023, from 0.7 percent of all occupied units in 2010 to 2.9 percent of all occupied units in 2023.

Table 14: Equipment and Plumbing Facilities (2010 and 2023)

Facilities	2010		2023	
	Number	Percent	Number	Percent
<u>Kitchen:</u>				
With Complete Facilities	7,428	99.8%	8,102	100.0%
Lacking Complete Facilities	13	0.2%	0	0.0%
<u>Plumbing:</u>				
With Complete Facilities	7,424	99.8%	8,102	100.0%
Lacking Complete Facilities	17	0.2%	0	0.0%
<u>Heating Equipment:</u>				
Standard Heating Facilities	7,389	99.3%	7,864	97.1%
Other Fuel	43	0.6%	220	2.7%
No Fuel Used	9	0.1%	18	0.2%
Total	7,441	100.0%	8,102	100.0%

Source: American Community Survey 5-Year Estimates.

5. Purchase and Rental Values. Table 15 shows that whereas 74 percent of Montville's rental housing stock had monthly rents of \$1,500 or more in 2010, 88 percent of Montville's rental units had monthly rents of \$1,500 or more by 2023. The Township's median monthly rent in 2023 was \$2,390, representing a 39 percent increase over the Township's median monthly rent in 2000.

Table 15: Gross Rent of Renter-Occupied Housing Units (2010 and 2023)

Rent	2010		2023	
	Number	Percent	Number	Percent
Less than \$500	0	0.0%	0	0.0%
\$500 to \$999	61	7.2%	0	0.0%
\$1,000 to \$1,499	162	19.1%	98	12.2%
\$1,500 to \$1,999	623	73.6%	34	4.2%
\$2,000 to \$2,499			344	42.9%
\$2,500 to \$2,999			260	32.5%
\$3,000 or More			65	8.1%
No Cash Rent	53	X	96	X
Total Occupied Units Paying Rent	846	100.0%	801	100.0%
Median Gross Rent	\$1,722		\$2,390	

Source: American Community Survey 5-Year Estimates.

Table 16 below shows that whereas 70 percent of Montville's owner-occupied units had a value of \$500,000 or more in 2010, 80 percent of Montville's owner-occupied units had a value of \$500,000 or more in 2023. The Township's median housing value of \$668,600 in 2023 was approximately 4.5 percent higher than the Township's median value in 2010.

Table 16: Value of Owner-Occupied Housing Units (2010 and 2023)

Value	2010		2023	
	Number	Percent	Number	Percent
Less than \$50,000	79	1.2%	12	0.2%
\$50,000 to \$99,999	224	3.4%	155	2.2%
\$100,000 to \$149,999	10	0.2%	85	1.2%
\$150,000 to \$199,999	116	1.8%	48	0.7%
\$200,000 to \$299,999	231	3.5%	143	2.0%
\$300,000 to \$499,999	1,323	20.2%	998	13.9%
\$500,000 to \$999,999	3,580	54.7%	4,786	66.4%
\$1,000,000 or more	979	15.0%	978	13.6%
Total	6,542	100.0%	7,205	100.0%
Median Value	\$639,800		\$668,600	

Source: American Community Survey 5-Year Estimates.

6. Number of Units Affordable to Low- and Moderate-Income Households. Based on the Affordable Housing Professionals of New Jersey (AHPNJ) 2024 regional income limits, the median household income for a three-person household in COAH Region 2, Montville's housing region comprised of Essex, Morris, Union and Warren counties, is \$116,475. A three-person moderate-income household, established at no more than 80 percent of the median income, would have an income not exceeding \$93,180. A three-person low-income household, established at no more than 50 percent of the median income, would have an income not exceeding \$58,237.

An affordable sales price for a three-person moderate-income household earning 80 percent of the median income is estimated at approximately \$255,000. An affordable sales price for a three-person low-income household earning 50 percent of the median income is estimated at approximately \$155,000. These estimates are based on the UHAC affordability controls outlined in N.J.A.C. 5:80-26.1 et seq. Approximately 6.3 percent of Montville's owner-occupied housing units are valued at less than \$300,000, 4.3 percent are valued at less than \$200,000, and 3.6 percent are valued at less than \$150,000, according to the 2023 American Community Survey.

For renter-occupied housing, an affordable monthly rent for a three-person moderate-income household is estimated at approximately \$2,300. An affordable monthly rent for a three-person low-income household is estimated at approximately \$1,500. According to the 2023 American Community Survey, approximately 59.3 percent of Montville's rental units have a gross rent less than \$2,500, 16.4 percent have a gross rent less than \$2,000, and 12.2 percent have a gross rent less than \$1,500.

7. Substandard Housing Capable of Being Rehabilitated. The DCA utilized a formula for calculating the number of units in a community that are in need of rehabilitation and are not likely to experience “spontaneous rehabilitation.” Montville’s rehabilitation share has been determined by the DCA to be 9 units. The Township’s rehabilitation share is further explored in Section 3, Fair Share Obligation, of this plan.

D. PROJECTION OF MUNICIPAL HOUSING STOCK

The COAH regulations require a projection of the community’s housing stock, including the probable future construction of low- and moderate-income housing, for the ten years subsequent to the adoption of the Housing Element. This projection shall be based upon an assessment of data which minimally must include the number of residential construction permits issued, approvals of applications for residential development, and probable residential development of lands. Each of these items are identified and outlined below.

1. Housing Units Constructed During the Last Ten Years. The table below provides data concerning residential building permits issued for new construction during the past ten years. During this period, a total of 819 residential building permits were issued for new construction, 82 percent of which were for new multi-family units in 2021 and 2022. A total of 34 residential demolition permits were issued during this period. Therefore, the Township of Montville experienced a net growth of 785 new units over the last ten years.

Table 17: Number of Residential Building Permits Issued For New Construction (2014 to 2023)

Year Issued	Permits				Demos	Net Growth
	1 & 2 Family	Multi-Family	Mixed-Use	Total		
2014	14	0	1	15	4	11
2015	8	0	6	14	5	9
2016	12	0	0	12	2	10
2017	10	0	0	10	1	9
2018	12	0	0	12	5	7
2019	29	0	0	29	5	24
2020	9	0	0	9	1	8
2021	25	323	0	348	6	342
2022	11	349	0	360	1	359
2023	10	0	0	10	4	6
Total	140	672	7	819	34	785

Source: New Jersey Department of Community Affairs (DCA) Construction Reporter.

2. Probable Residential Development of Lands. Considering the rate of residential growth experienced in Montville over the past decade, current economic uncertainty, and the fact that there are a limited amount of developable parcels remaining in the Township, it is

anticipated that Montville's residential growth over the next decade will continue to primarily be in the form of new inclusionary multi-family development, but likely at a more modest rate than the Township experienced during the past decade.

E. DEMOGRAPHIC AND POPULATION DATA

The MLUL requires that the Housing Element of this plan provide data on the municipality's population, including population size, age and income characteristics.

1. Population Size. As seen in the table below, the Township experienced growth in nearly every decade since 1920, with the most growth occurring in the 1920s, 1950s and 1960s. The decade between 2010 and 2010 is the only period in which the Township lost population. The 2023 population estimate of 22,421 people, however, suggests that Montville grew by 5 percent between 2020 and 2023 alone.

Table 18: Population Growth (1920 to 2023)

Year	Population	Population Change	Percent Change
1920	1,515	--	--
1930	2,467	952	63%
1940	3,207	740	30%
1950	4,159	952	30%
1960	6,772	2,613	63%
1970	11,846	5,074	75%
1980	14,290	2,444	21%
1990	15,600	1,310	9%
2000	20,839	5,239	34%
2010*	21,468	629	3%
2020*	21,253	-215	-1%
2023*	22,421	1,168	5%

Sources: U.S. Census, *American Community Survey 5-Year Estimates

2. Age Characteristics. The Township's age characteristics, which are outlined in the table below, indicate an aging community. As shown, the number of residents age 65 and over increased 71 percent between 2010 and 2025, whereas the number of children age 5 to 14 experienced a 25 percent loss during this period. Overall, Montville's median age increased from 42.2 years in 2010 to 45.3 years in 2023.

Table 19: Age Characteristics (2010 and 2023)

Age	2010		2023	
	Number	Percent	Number	Percent
Under 5 years	1,061	4.9%	964	4.3%
5 to 9 years	1,896	8.8%	1,246	5.6%
10 to 14 years	1,775	8.3%	1,514	6.8%
15 to 19 years	1,499	7.0%	1,222	5.5%
20 to 24 years	970	4.5%	1,224	5.5%
25 to 34 years	1,161	5.4%	2,070	9.2%
35 to 44 years	3,591	16.7%	2,908	13.0%
45 to 54 years	3,639	17.0%	2,902	12.9%
55 to 59 years	1,594	7.4%	1,936	8.6%
60 to 64 years	1,480	6.9%	1,654	7.4%
65 to 74 years	1,489	6.9%	2,805	12.5%
75 to 84 years	1,049	4.9%	1,209	5.4%
85 years and over	264	1.2%	767	3.4%
Total	21,468	100.0%	22,421	100%
Median Age	42.2		45.3	

Source: American Community Survey 5-Year Estimates.

3. Average Household Size. The average household size for the Township declined steadily in the years between 1970 and 2000. However, the average household size has fluctuated up and down since 2000. The estimate for 2023 suggests the current average household size in Montville is 2.75 people.

Table 20: Average Household Size (1970 to 2023)

Year	Average Household Size
1970	3.89
1980	3.56
1990	3.19
2000	2.82
2010*	2.87
2020*	2.68
2023*	2.75

Sources: U.S. Census, *American Community Survey 5-Year Estimates

4. Household Income. Detailed household income figures are shown in the table below. As shown, between 2010 and 2023, the proportion of households earning annual incomes of \$200,000 increased by two-thirds. During this period, the Township's median household income increased by approximately 43 percent, from \$119,493 in 2010 to \$170,472 in 2023.

Table 21: Household Income (2010 and 2023)

Income Category	2010		2023	
	Number	Percent	Number	Percent
Less than \$10,000	144	1.9%	174	2.1%
\$10,000 to \$14,999	180	2.4%	85	1.0%
\$15,000 to \$24,999	227	3.1%	148	1.8%
\$25,000 to \$34,999	363	4.9%	375	4.6%
\$35,000 to \$49,999	699	9.4%	324	4.0%
\$50,000 to \$74,999	797	10.7%	502	6.2%
\$75,000 to \$99,999	643	8.6%	488	6.0%
\$100,000 to \$149,999	1,274	17.1%	1,330	16.4%
\$150,000 to \$199,999	1,237	16.6%	1,282	15.8%
\$200,000 or more	1,877	25.2%	3,394	41.9%
Total Households	7,441	100.0%	8,102	100.0%
Median Income (Household)	\$119,493		\$170,472	

Source: American Community Survey 5-Year Estimates.

F. EMPLOYMENT CHARACTERISTICS AND PROJECTIONS

The MLUL requires that a Housing Element include data on employment levels in the community. The following tables present information on the Township's employment characteristics.

1. Employment Status. Table 22 provides information on the employment status of Township residents age 16 and over. As shown, the unemployment rate for Montville's civilian labor force decreased slightly between 2010 and 2023, from 4.0 percent in 2010 to 3.7 percent in 2023. The percentage of Montville's population 16 and over in the labor force also decreased during this period, from 34.1 percent in 2010 to 33.4 percent in 2023.

Table 22: Employment Status, Population 16 and Over (2010 and 2023)

Employment Status	2010		2023	
	Number	Percent	Number	Percent
In labor force	10,852	65.9%	12,243	66.6%
Civilian labor force	10,852	65.9%	12,243	66.6%
Employed	10,423	63.3%	11,790	64.2%
Unemployed	429	2.6%	453	2.5%
% of civilian labor force	--	4.0%	--	3.7%
Armed Forces	0	0.0%	0	0.0%
Not in labor force	5,607	34.1%	6,128	33.4%
Total Population 16 and Over	16,459	100.0%	18,371	100.0%

Source: American Community Survey 5-Year Estimates.

2. Employment Characteristics of Employed Residents. The following two tables detail information on the employment characteristics of employed Montville residents. Table 23 details occupation characteristics, while Table 24 details industry characteristics.

Table 23: Employed Residents Age 16 and Over, By Occupation (2010 and 2023)

Occupation	2010		2023	
	Number	Percent	Number	Percent
Management, business, science, and arts	6,195	59.4%	7940	67.3%
Service	992	9.5%	888	7.5%
Sales and office	2,323	22.3%	1901	16.1%
Natural resources, construction and maintenance	405	3.9%	393	3.3%
Production, transportation and material moving	508	4.9%	668	5.7%
Total	10,423	100.0%	11,790	100.0%

Source: American Community Survey 5-Year Estimates.

Table 24: Employed Residents Age 16 and Over, By Industry (2010 and 2023)

Industry	2010		2023	
	Number	Percent	Number	Percent
Agriculture, forestry, fishing, hunting and mining	10	0.1%	0	0.0%
Construction	626	6.0%	524	4.4%
Manufacturing	1,295	12.4%	1,274	10.8%
Wholesale trade	636	6.1%	515	4.4%
Retail trade	761	7.3%	749	6.4%
Transportation, warehousing and utilities	418	4.0%	406	3.4%
Information	513	4.9%	226	1.9%
Finance, insurance, real estate and rental and leasing	1,461	14.0%	1,518	12.9%
Professional, scientific, management, administrative and waste management services	1,697	16.3%	2,930	24.9%
Educational, health and social services	1,862	17.9%	2,545	21.6%
Arts, entertainment, recreation, accommodation and food services	448	4.3%	493	4.2%
Other services (except public administration)	509	4.9%	284	2.4%
Public administration	187	1.8%	326	2.8%
Total	10,423	100.0%	11,790	100.0%

Source: American Community Survey 5-Year Estimates.

3. Employment Projections. A projection of the Township's probable future employment characteristics is based on an assessment of historic employment trends, the number of non-residential construction permits issued, and probable non-residential development of lands. Each of these items are identified and outlined below.
- a. Historic Employment Trends. The table below provides data on Montville's average annual employment over the past ten years. As shown, the Township's employment dropped slightly in 2019 and then sharply in 2020 due to the global pandemic. However, in 2021 and 2022, Montville's average employment grew by approximately 6 percent each year, exceeding pre-pandemic levels of employment.

Table 25: Average Covered Employment Trends (2014 to 2023)

Year	Number of Jobs	Change in Number of Jobs	Percent Change (%)
2014	9,636	--	--
2015	9,988	352	3.5%
2016	10,236	248	2.4%
2017	10,327	91	0.9%
2018	10,322	-5	0.0%
2019	10,277	-45	-0.4%
2020	9,913	-364	-3.7%
2021	10,486	573	5.5%
2022	11,169	683	6.1%
2023	11,203	34	0.3%

Source: New Jersey Department of Labor and Workforce Development.

- b. Non-Residential Square Footage Constructed During the Last Ten Years. The table below provides data concerning the amount of non-residential square footage authorized by building permits over the past decade. During this period, building permits were issued for nearly 170,000 square feet of non-residential space. This is comprised of institutional (21 percent), office (20 percent), retail (17 percent), A-2 Assembly (food and drink) (15 percent) industrial (14 percent), A-3 Assembly (worship, recreation or amusement) (10 percent), and storage (2 percent). Overall, the Township issued permits for approximately 17,000 square feet of non-residential space per year, on average, during the past decade.

Table 26: Non-Residential Space Authorized by Building Permits (sq. ft.) (2014 to 2023)

Year Issued	Office	Retail	A-2	A-3	Institu- tional	Indus- trial	Storage	Total
2014	4,000	0	0	0	0	0	0	4,000
2015	2	15,971	0	585	0	0	0	16,558
2016	1	0	0	8,326	36,003	0	0	44,330
2017	48	0	24,652	3,083	0	13,436	2,858	44,077
2018	0	13,371	3	4,801	1	0	0	18,176
2019	14,751	2	2	4	0	0	0	14,759
2020	0	0	0	0	0	0	0	0
2021	9,508	0	1,176	0	0	0	0	10,684
2022	5,992	0	0	0	0	0	0	5,992
2023	0	0	0	0	0	10,350	0	10,350
Total	34,302	29,344	25,833	16,799	36,004	23,786	2,858	168,926

Source: New Jersey Department of Community Affairs (DCA) Construction Reporter.

- c. Probable Non-Residential Development of Lands. The Township experienced an average of approximately 17,000 square feet of new non-residential space per year over the past decade. The Township anticipates a similar pace of non-residential growth to occur over the next ten-year period.
- d. Probable Future Employment Characteristics. As detailed in Table 25 above, the Township added a large number of new jobs in 2021 and 2023 after significant losses in 2019 and 2020. Overall, the number of jobs in Montville Township increased 19.1 percent between 2014 and 2023. It is anticipated that Montville may experience a similar rate of employment growth over the next decade.

SECTION 3: FAIR SHARE OBLIGATION

The following section provides an overview of the Township's fair share obligation. It includes a brief overview of the methodology utilized to calculate affordable housing obligations throughout the state.

A. SUMMARY OF FAIR SHARE OBLIGATION

On March 20, 2024, Governor Murphy signed the A4/S50 Bill into law, which amended the Fair Housing Act (FHA-2) for the Fourth Round and beyond.

FHA-2 now designates the Department of Community Affairs (DCA) as the entity responsible for calculating the state's regional needs. Specifically, NJSA 52:27D-304.2 establishes the methodology to be utilized by the DCA to determine the state's regional prospective needs of low- and moderate-income housing for the ten-year period spanning from July 1, 2025 to June 30, 2035. In summary, the projected household change for this period is estimated by establishing the household change experienced in each region between the most recent federal decennial census and the second-most recent decennial census. This household change, if positive, is then to be divided by 2.5 to estimate the number of low- and moderate-income homes needed to address low- and moderate-income household change in the region for the next ten years. According to the DCA, this methodology resulted in a statewide prospective need of 84,698 low- and moderate-income units.

Furthermore, the DCA is also the entity responsible for calculating each municipality's present and prospective fair share obligations. However, FHA-2 makes clear that these calculations are advisory and non-binding, and that each municipality may set its own obligation number utilizing the same methodology.

On January 21, 2025, the Township of Montville adopted Resolution No. 2025-78, which established its affordable housing obligations for the Fourth Round. A copy of this resolution is included in Appendix A of this plan. As noted in that resolution, the Township accepted DCA's Present Need calculation of 9 units, but did not accept DCA's Prospective Need calculation of 447 units, opting instead to conduct its own analysis of Montville's Land Capacity Factor. The results of that analysis found that DCA arrived at the Township's Land Capacity Factor based, in part, on incorrect assumptions and erroneous data and that – based on an accurate calculation of the Township's vacant, developable land – the Township's Prospective Need number for the Fourth Round should be 321 units. Ultimately, the Township's Prospective Need obligation was established at 364 units by a trial court order issued on May 1, 2025. A copy of the trial court order is included in Appendix B of this plan.

In addition, Resolution No. 2025-78 also noted that the Township reserves the right to conduct a Vacant Land Adjustment (VLA) analysis to determine its realistic development potential (RDP). This is discussed in greater detail herein below.

Table 27: Summary of Fair Share Obligation

Affordable Obligation	Units
Present Need (Rehabilitation)	9
Prospective Need	364

B. REALISTIC DEVELOPMENT POTENTIAL

The Township of Montville is a fully developed community and is therefore entitled to adjust its Prospective Need obligation in accordance with a procedure set forth in the FHA. Specifically, N.J.S.A. 52:27D-310.1 permits municipalities to perform a realistic development potential (RDP) analysis by seeking a vacant land adjustment (VLA).

An RDP analysis requires an identification of vacant sites and underutilized sites in a municipality. Municipalities are required to consider all privately- and municipally-owned vacant parcels, as well as underutilized sites such as driving ranges, farms in SDRP Planning Areas 1 and 2, nurseries, golf courses not owned by their members, and non-conforming uses.

However, municipalities are also permitted to eliminate a site or a portion of a site based on a variety of factors, including: lands dedicated for public uses other than housing since 1997; park lands or open space; vacant contiguous parcels in private ownership of a size which would accommodate fewer than five housing units; historic and architecturally important sites listed on the State Register of Historic Places or the National Register of Historic Places; preserved architectural lands; sites designated for active recreation; and environmentally sensitive lands.

1. Third Round RDP

The Township's Third Round Prospective Need obligation was adjusted by a Vacant Land Adjustment (VLA), which included an RDP analysis. As set forth in Montville's 2018 Settlement Agreement with FSHC and 2019 HE&FSP, the Township's VLA determined that it had sufficient vacant land to address an RDP of 550 units. The Township's Third Round RDP of 550 units was ultimately affirmed and accepted by the Superior Court as part of Montville's Third Round JOR. A copy of the Township's Third Round VLA is included in Appendix C of this plan.

2. Fourth Round RDP

Montville continues to lack vacant, developable land and is entitled to rely on its previous Vacant Land Adjustment which established its RDP. This is determined by COAH's rules regarding same at N.J.A.C. 5:97-5.1(c) and (d), which state that:

A vacant land adjustment that was granted as part of a (previous) round certification or judgment of compliance shall continue to be valid provided the municipality has implemented all of the terms of the substantive certification or judgment of compliance. If the municipality failed to implement the terms of the substantive certification or judgment of compliance, the Council may reevaluate the vacant land adjustment.

Further, a municipal RDP obligation is considered "fixed" and shall not be revisited absent

a changed circumstance. FSHC vs Twp. of Cherry Hill, 173 NJ 303 (2002) is the leading case that required a possible recalibration of an RDP based upon “changed circumstances.”

As such, we undertook a detailed analysis of potential changed circumstances in the Township in order to evaluate whether any such changed circumstance would warrant a recalibration of the RDP. This analysis included a review of all development applications in Montville since 2018 and a review of all vacant lots in private and public ownership (Class 1 and Class 15), as well as all farm qualified (Class 3B) properties within Planning Areas 1 and 2 in the Township.

At this time, we have determined that three sites represent a changed circumstance requiring a Fourth Round RDP obligation. These three sites are as follows:

❖ *Diversified Properties, LLC*



The Diversified Properties, LLC, (Diversified) site encompasses an area of 28.756 acres and is comprised of seven parcels identified by Township tax records as Block 59 Lots 13, 15, 17, 18, 19, 20 and 22. The parcels are in disparate ownership, but Diversified is the contract purchaser of all seven parcels. In September 2023, Diversified was granted preliminary and final site plan approval, as well as 'd'(1), 'd'(6) and 'c' variance relief, by the Montville Township Zoning Board of Adjustment to construct a 266-unit age-restricted (55+) inclusionary development on the premises.

Although the approval is currently in litigation, the Township nevertheless takes the conservative position that this is a changed circumstance warranting additional RDP obligation. The Township assigns this site a Fourth Round RDP of 18.91 units, which is the difference between the 53.2 total units of RDP generated by this site (based on 266 approved units multiplied by a 20 percent affordable housing set-aside) less the 34.29 units of RDP already assigned to four of the seven parcels (Lots 13, 17, 18 and 19) in the Third Round RDP.

❖ *JMC Investments, LLC*



The JMC Investments, LLC, (JMC) site encompasses an area of 8.077 acres and is comprised of two parcels identified by Township tax records as Block 131.2 Lots 6 and 7. The parcels are both owned by the Roman Catholic Diocese of Paterson, but JMC is the contract purchaser of both parcels. In August 2021, Monarch Communities, LLC, (to whom JMC was contracted to sell the property) was denied preliminary and final site plan approval, as well as 'd'(1) and 'c' variance relief, by the Montville Township Zoning Board of Adjustment to construct a 165-unit senior housing facility consisting of 81 congregate apartment units for independent and semi-independent seniors, 58 assisted living units and 26 memory care units. Monarch and JMC appealed the decision, which was reversed by the trial court and remanded back to the Board for reconsideration. The Board conducted a remand hearing and issued a resolution imposing conditions for approval in accordance with the trial court's remand order on March 1, 2023. Subsequently, the Board appealed the trial court's order overturning its initial 2021 resolution

denying Monarch's application. On February 3, 2024, the Appellate Division issued a decision affirming the trial court.

Considering this changed circumstance, the Township assigns the JMC/Monarch site a Fourth Round RDP of 20.784 units. This is based on a 20 percent affordable housing set-aside applied to the 81 congregate apartment units, consistent with COAH Round 2 rules, and a 10 percent affordable housing set-aside applied to the 84 assisted living and memory care units, consistent with N.J.S.A. 26:2H-12.16 requiring 10 percent of all assisted living beds to be reserved for Medicaid-eligible residents, for a total of 24.6 units. Subtracted from these 24.6 units are the 3.816 units of RDP already assigned to Lot 6 in the Third Round RDP, for a total Fourth Round RDP of 20.784.

❖ *337 & 339 Main Rd Montville, LLC*



The 337 & 339 Main Rd Montville, LLC, site encompasses an area of 1.935 acres and is comprised of two parcels identified by Township tax records as Block 59.2 Lots 21 and 21.01. Both parcels were recently purchased by 337 & 339 Main Rd Montville, LLC. Lot 21 is developed with a two-story commercial building formerly occupied by a jeweler, whereas Lot 21.01 is developed with a two-story office building. The easterly portion of the site is constrained by a variable-width PSE&G right-of-way easement, and the remains of the former Morris Canal are located along the rear of the site. Based on ongoing litigation between the Township and the new property owner, the Township is aware that the owner seeks to redevelop

the site. Although multi-family development is not permitted on this property, the Township nevertheless takes the conservative position that this is a changed circumstance warranting an RDP obligation. For the purposes of determining RDP, the Township has assigned a presumptive density of 10 units per acre and a 20 percent set-aside to this property, resulting in a Fourth Round RDP obligation of 3.87 units.

Based on the above changed circumstances, which generate 18.91 units, 20.784 units, and 3.87 units, respectively, for the purposes of calculating Fourth Round RDP, we find that Montville has a total Fourth Round RDP obligation of 44 units (43.564 units rounded up). The Township's proposal to satisfy this obligation is set forth in the following Section 4, Fair Share Plan.

SECTION 4: FAIR SHARE PLAN

The following Fair Share Plan outlines the components and mechanisms the Township will utilize to address its affordable housing obligations.

A. PLAN SUMMARY

The Fair Share Plan identifies the manner in which the Township's fair share affordable housing obligations are to be addressed. These obligations are summarized as follows:

Table 28: Affordable Housing Obligations Summary

Category	Obligation	RDP	Unmet Need
Present Need (Rehabilitation) Obligation	9	--	--
First & Second Round Obligation (1987-1999)	261	--	--
Third Round Obligation (1999-2025)	850	550	300
Fourth Round Obligation (2025-2035)	364	44	320

As detailed herein, the Housing Element and Fair Share Plan can accommodate the entirety of the community's affordable housing obligation through 2035 in a manner that affirmatively addresses affordable housing need, while at the same time addressing planning concerns and maintaining the overall character of the community.

B. PLAN COMPONENTS

This section of the plan details the projects, mechanisms and funding sources which will be used to meet the Township's affordable housing obligations, as discussed above.

1. Present Need (Rehabilitation) Obligation

Montville has a Present Need (Rehabilitation) obligation for the Fourth Round of 9 units. The Township will address this obligation by continuing to contract with Community Grants, Planning & Housing (CGP&H) to administer Montville's municipal Home Improvement Program, which is available to both owners and renters. In addition, the Township will continue to participate in the Morris County Housing Rehabilitation Program, which is established through an interlocal agreement and utilizes Community Development Block Grant (CDBG) funds. The Township will utilize funds from the Township's affordable housing trust fund to fund this program. The Township will commit an average of \$24,500 per unit, which will require a total contribution of approximately \$220,500.

Pursuant to COAH's rules that allow municipalities to utilize money collected from development fees for this purpose, the Township shall set aside the \$220,500 from its affordable housing trust fund account to be made available to income-qualified households to participate in the program. As of April 10, 2025, that account contains a balance of \$1,777,971, thus demonstrating the availability of funds for this purpose. A copy of the Township's Fourth Round Spending Plan is included in Appendix D of this plan.

2. First and Second Round Obligation

Montville's First and Second Round obligation is 261 units. As detailed in the Executive Summary to this plan, the Township built and received COAH credit for 407 units as part of its First Round Judgment of Compliance, well in excess of its 261-unit Prior Round obligation. Therefore, the Township has addressed the entirety of this obligation with a combination of existing inclusionary developments and rental bonus credits permitted in accordance with COAH's Round 2 rules. These components are identified in the table below, with more detail on each development provided in Section 4.C.

Table 29: Plan Components Satisfying First & Second Round Obligation

Plan Component	Units	Bonus	Total	Status
Longview Estates (age-restricted)	26	-	26	Completed
Rachel Gardens (rentals)	104	66	170	Completed
Hunting Hills	14	-	14	Completed
Jade Mountain	12	-	12	Completed
Montville Chase	39	-	39	Completed
Totals:	195	66	261	

3. Third Round RDP

As discussed in Section 3 of this plan, Montville's Third Round RDP obligation is 550 units. The Township's Third Round HE&FSP, which was prepared pursuant to a 2018 Settlement Agreement with FSHC and granted a Third Round JOR in 2019, identified various plan mechanisms to address the entirety of its Third Round RDP obligation, including a combination of 219 credits from existing affordable housing units, 119 credits from proposed inclusionary developments, 32 credits from alternative living arrangements, 42 credits from extensions of controls, and 138 rental bonus credits permitted in accordance with COAH's Round 2 rules. These components are identified in Table 30 below.

As shown, all but two of these plan components have now been completed and occupied, with the only exceptions being the Montville Residency and Juve Group (previously known as V&L Associates) inclusionary developments, both of which are currently under construction.

Table 30: Plan Components Satisfying Third Round RDP (Per 2019 HE&FSP)

Plan Component	Units	Bonus	Total	Status
Surplus Credits from Prior Round	212	64	276	
Longview Estates (age-restricted)	69	-	69	Completed
Longview Estates (family)	24	-	24	Completed
Rachel Gardens (rentals)	64	64	128	Completed
Hunting Hills	8	-	8	Completed
Jade Mountain	10	-	10	Completed
Montville Chase	37	-	37	Completed
Units Built and/or Approved in Third Round	13	4	17	
Briar Hill (age-restricted)	6	-	6	Completed
Towaco Transit Village/LaSala (rental)	1	1	2	Completed
Montville Residency (age-restricted)	3	-	3	Under Construction
Towaco Station/Shops on Main (rentals)	3	3	6	Completed
Proposed Inclusionary Developments	113	70	183	
Avalon Bay (rentals)	52	52	104	Completed
V&L Associates/Juve Group	14	-	14	Under Construction
Mill Creek/Modera (rentals)	47	18	65	Completed
Alternative Living Arrangements	32	0	32	
St. Alberts/Signature Existing Bedrooms	27	-	27	Completed
St. Alberts/Signature Converted Bdrms	5	-	5	Completed
Extension of Expiring Controls	42	0	42	
Longview Estates (age-restricted)	4	-	4	Completed
Hunting Hills	11	-	11	Completed
Jade Mountain	12	-	12	Completed
Montville Chase	15	-	15	Completed
Totals:	412	138	550	

Subsequent to the Township securing its Third Round JOR in 2019, the Township entered into a Settlement Agreement with RG Realty Investors, LLC, and FSHC relative to the extension of affordability controls on certain units at the Rachel Gardens inclusionary housing development. This Settlement Agreement, which was entered into on January 3, 2024 and is included in Appendix E of this plan, not only extended the controls on 42 affordable family rental units at Rachel Gardens, but also allowed the Township flexibility to allocate certain Unmet Need mechanisms set forth in its 2019 HE&FSP toward either the Third Round RDP obligation or Fourth Round RDP obligation, at the Township's discretion.

As such, pursuant to the Rachel Gardens Settlement, the Township now proposes to amend its plan components addressing the Third Round RDP obligation. Specifically, it proposes to replace 6 existing special needs units from St. Albert's (now known as Signature), 11 existing family rental units from Mill Creek (now known as Modera), 3 age-restricted for-sale units under construction at Montville Residency, and 14 family for-sale units under construction at Juve (as well as 1 unit which was overcounted in the Third Round HE&FSP) with 35 completed extensions of controls permitted by the settlement to

be applied to RDP instead of Unmet Need. The units proposed to be replaced will be allocated instead toward the Township's Fourth Round Prospective Need.

Notably, these amendments will not generate any additional RDP obligation over and above the 550 units of Third Round RDP agreed to as part of settlement. In addition, the proposed plan components, as revised, will continue to meet the requirements set forth in the FSHC Settlement Agreement and COAH's Round 2 rules related to minimum family units, minimum rental (including family rental) units, maximum age-restricted units and maximum bonus credits.

The amended components to address Montville's Third Round RDP are identified in the table below, with more detail on each development provided in Section 4.C.

Table 31: Revised Plan Components Satisfying Third Round RDP

Plan Component	Units	Bonus	Total	Status
Surplus Credits from Prior Round	212	64	276	
Longview Estates (age-restricted)	69	-	69	Completed
Longview Estates (family)	24	-	24	Completed
Rachel Gardens (rentals)	64	64	128	Completed
Hunting Hills	8	-	8	Completed
Jade Mountain	10	-	10	Completed
Montville Chase	37	-	37	Completed
Units Built and/or Approved in Third Round	10	4	14	
Briar Hill (age-restricted)	6	-	6	Completed
Towaco Transit Village/LaSala (rental)	1	1	2	Completed
Towaco Station/Shops on Main (rentals)	3	3	6	Completed
Proposed Inclusionary Developments	88	70	158	
Avalon Bay (rentals)	52	52	104	Completed
Mill Creek/Modera (rentals)	36	18	54	Completed
Alternative Living Arrangements	25	0	25	
St. Alberts/Signature Existing Bedrooms	21	-	21	Completed
St. Alberts/Signature Converted Bedrooms	4*	-	4*	Completed
Extension of Expiring Controls (Per 2019 HEFSP)	42	0	42	
Longview Estates (age-restricted)	4	-	4	Completed
Hunting Hills	11	-	11	Completed
Jade Mountain	12	-	12	Completed
Montville Chase	15	-	15	Completed
Extension of Expiring Controls (Per RG Settlement)	35	0	35	
Hunting Hills	2	-	2	Completed
Jade Mountain	1	-	1	Completed
Montville Chase	32	-	32	Completed
Totals:	412	138	550	

*: Reduction of 1 unit reflects overcounting in 2019 HE&FSP of staff bedrooms available to be converted at St. Alberts/Signature in Third Round. This reduction will be offset by 1 additional unit proposed as part of the St. Albert's/Signature expansion, the credits for which will be assigned toward Unmet Need.

4. Fourth Round RDP

As established in Section 3 of this plan, Montville has a Fourth Round RDP obligation of 44 units. The Township will satisfy the entirety of this 44-unit Fourth Round RDP obligation with the existing units and projects under construction that were previously assigned to the Third Round RDP, plus bonus credits permitted in accordance with FHA-2. These plan components are summarized in Table 32 below. As shown, the components comprise a total of 45 credits toward the Fourth Round RDP obligation, leaving 1 excess credit to be applied toward Unmet Need.

Table 32: Plan Components Satisfying Fourth Round RDP

Plan Component	Units	Bonus	Total	Status
Alternative Living Arrangements	6	6	12	
St. Alberts/Signature Existing Bedrooms	6	6*	12	Completed
Inclusionary Developments	28	5	33	
Mill Creek/Modera (family rentals)	11	5**	16	Completed
Montville Residency (senior for sale)	3	-	3	Under Construction
Juve Group (family for sale)	14	-	14	Under Construction
Totals:	34	11	45	
Surplus for Unmet Need (Juve Group Units):	1	0	1	

* Based on 1.0 bonus credit for each unit special needs/supportive housing unit, per FHA-2.

** 0.5 bonus credit per unit constructed on land previously utilized for office, per FHA-2 (up to 25% bonus cap).

We note that FHA-2 includes language which requires VLA municipalities to satisfy at least 25 percent of their Fourth Round RDP obligation through realistic zoning. Specifically, amended Section 1 of P.L.1995, c.231 (C.52:27D-310.1) of FHA-2 states:

Any municipality that receives an adjustment of its prospective need obligations for the fourth round or subsequent rounds based on a lack of vacant land shall as part of the process of adopting and implementing its housing element and fair share plan identify sufficient parcels likely to redevelop during the current round of obligations to address at least 25 percent of the prospective need obligation that has been adjusted, and adopt realistic zoning that allows for such adjusted obligation, or demonstrate why the municipality is unable to do so.

For the Fourth Round, Montville's "prospective need obligation that has been adjusted" (i.e., its RDP obligation) is 44 units. As such, the Township has a realistic zoning obligation of 11 units, as 25 percent of 44 is 11. As identified in Table 32 above, the Township's 44-unit Fourth Round RDP will be satisfied with 13 of the units currently under construction in accordance with the TH/MFD (Inclusionary Townhouse/Multifamily Dwelling) Zone on the Juve Group site, which will be completed and occupied in the Fourth Round. The requirement to satisfy 25 percent of the RDP with realistic zoning is therefore also satisfied with these 13 units (which represent 30 percent of the RDP).

C. DEVELOPMENT SITES

Each of the Township's existing affordable housing sites identified in Section B. is discussed in more detail below. The Plan Components Map included at the end of this plan illustrates the location of all developments identified herein.

1. Longview Estates. The Longview Estates inclusionary development was created as part of Montville's First and Second Round plan for affordable housing compliance. It is located along Conklin Drive, adjacent to the municipal border with the Town of Boonton. The 105-acre property is identified by municipal tax records as Block 52.02 Lot 10.01. The development, which was completed between 1992 and 1998, contains a total of 576 townhouse and apartment units, including 119 affordable units. The affordable units consist of 24 family for-sale units and 95 senior for-sale units.

As detailed in Section B. above, the Township assigns credit for 26 of the affordable senior units to Montville's First and Second Round obligation, and assigns credit for the remaining 93 affordable units (69 senior and 24 family) to Montville's Third Round RDP obligation. In addition, the Township assigns additional credit toward the Third Round RDP obligation for completed extensions of controls on 4 of the affordable senior units, and (as discussed further in Section D. below) toward the Fourth Round Unmet Need for completed extensions of controls on 40 of the affordable senior units and 3 of the affordable family units, as well as for extensions expected to be completed during the Fourth Round on the remaining 72 affordable units (51 senior and 21 family).

Aerial 1: Longview Estates



2. Rachel Gardens. The Rachel Gardens inclusionary development was created as part of Montville's First and Second Round plan for affordable housing compliance. It is located at 63 Chapin Road, adjacent to the municipal border with the Township of Fairfield. The 98-acre property is identified by municipal tax records as Block 184 Lot 4. The development, which was completed between 1991 and 1999, contains a total of 764 rental apartment units. This includes 168 affordable family rental units, the 30-year affordability controls on which have already expired for some units and have already been extended pursuant to settlement agreement for others.

As detailed in Section B. above, the Township assigns credit for 104 of the affordable units to Montville's First and Second Round obligation, and assigns credit for the remaining 64 affordable units to Montville's Third Round RDP obligation. These units are eligible for 2:1 rental bonus credits pursuant to COAH's Round 2 rules and, therefore, the Township also assigns 66 rental bonus credits toward the First and Second Round obligation (which is the maximum permitted per N.J.A.C. 5:93-5.15.d), and 64 rental bonus credits toward the Third Round RDP obligation. In addition, the Township assigns additional credit toward the Fourth Round Unmet Need for completed extensions of controls on 42 of the affordable units, as discussed further in Section D. below.

Aerial 2: Rachel Gardens



3. Hunting Hills. The Hunting Hills inclusionary development was created as part of Montville's First and Second Round plan for affordable housing compliance. It is located along Route 202 at Heritage Court and encompasses an area of 12.5 acres. The property is identified by municipal tax records as Block 39.09 Lot 66. The development, which was completed between 1991 and 1993, contains a total of 100 townhouse units, including 22 affordable family for-sale units.

As detailed in Section B. above, the Township assigns credit for 14 of the affordable units to Montville's First and Second Round obligation, and assigns credit for the remaining 8 affordable units to Montville's Third Round RDP obligation. In addition, the Township assigns additional credit toward the Third Round RDP obligation for completed extensions of controls on 13 of the affordable units, and (as discussed further in Section D. below) toward the Third Round Unmet Need for extensions of controls expected to be completed during the Fourth Round on the 9 remaining affordable units.

Aerial 3: Hunting Hills



4. Jade Mountain. The Jade Mountain inclusionary development was created as part of Montville's First and Second Round plan for affordable housing compliance. It is located along Route 202 at Washington Court, immediately adjacent to the Hunting Hills inclusionary development. The 13-acre property is identified by municipal tax records as Block 39.10 Lot 64.01. The development, which was completed between 1992 and 1993, contains a total of 100 townhouse units, including 22 affordable family for-sale units.

As detailed in Section B. above, the Township assigns credit for 12 of the affordable units to Montville's First and Second Round obligation, and assigns credit for the remaining 10 affordable units to Montville's Third Round RDP obligation. In addition, the Township assigns additional credit toward the Third Round RDP obligation for completed extensions of controls on 13 of the affordable units, and (as discussed further in Section D. below) toward the Third Round Unmet Need for extensions of controls that have been completed or are expected to be completed during the Fourth Round on the 9 remaining affordable units.

Aerial 4: Jade Mountain



5. Montville Chase. The Montville Chase inclusionary development was created as part of Montville's First and Second Round plan for affordable housing compliance. It is located along the west side of Changebridge Road, immediately north of Church Lane. The 41-acre property is identified by municipal tax records as Block 76 Lot 8. The development, which was completed between 1991 and 1996, contains a total of 317 townhouse and apartment units, including 76 affordable family for-sale units.

As detailed in Section B. above, the Township assigns credit for 39 of the affordable units to Montville's First and Second Round obligation, and assigns credit for the remaining 37 affordable units to Montville's Third Round RDP obligation. In addition, the Township assigns additional credit toward the Third Round RDP obligation for completed extensions of controls on 47 of the affordable units, and (as discussed further in Section D. below) toward the Third Round Unmet Need for completed extensions of controls on 2 additional affordable units and toward the Fourth Round Unmet Need for extensions of controls that are expected to be completed during the Fourth Round on 26 other affordable units.

Aerial 5: Montville Chase



6. Briar Hill. The Briar Hill inclusionary development was approved by the Montville Board of Adjustment in 2009 during the Third Round Gap Period. It is located along Vreeland Avenue at Linda Court, adjacent to the municipal border with the Town of Boonton. The 6-acre property is identified by municipal tax records as Block 52.03 Lots 19, 21, and 22. The development, which was completed between 2014 and 2015, contains a total of 31 age-restricted single-family and duplex dwelling units, including 6 affordable senior for-sale units. As detailed in Section B. above, the Township assigns credit for all 6 of the affordable units to Montville's Third Round RDP obligation.

Aerial 6: Briar Hill



7. Towaco Transit Village. The Towaco Transit Village (formerly known as La Sala) inclusionary development was approved by the Montville Planning Board in 2009 during the Third Round Gap Period. It is located at 702 Route 202, at the corner of Route 202 and Jacksonville Road. The 1.4-acre property is identified by municipal tax records as Block 40 Lot 30.3. The development, which was completed in 2018, contains a total of 6 rental apartment units above ground floor commercial, and includes 1 affordable family rental unit. As detailed in Section B. above, the Township assigns 1 credit for the affordable unit to Montville's Third Round RDP obligation. In addition, the unit is eligible for 2:1 rental bonus credits pursuant to COAH's Round 2 rules. As such, the Township also assigns 1 rental bonus credit toward the Third Round RDP obligation.

Aerial 7: Towaco Transit Village



8. Towaco Station. The Towaco Station (also known as Shops on Main) inclusionary development was approved by the Montville Planning Board in 2018. The property is located at 652 and 662 Main Road, directly across from the Towaco Train Station. The 9-acre property is identified by municipal tax records as Block 40, Lots 48 and 49. The development, which was completed in 2020, consists of two mixed-use buildings, each containing 3 rental apartment units above ground floor retail, as well as 20 townhouse units at the rear of the site. While the townhouse units and 3 of the apartment units are market rate, the remaining 3 apartment units are affordable family rental units. As detailed in Section B. above, the Township assigns credit for all 3 of the affordable units to Montville's Third Round RDP obligation. In addition, the units are eligible for 2:1 rental bonus credits pursuant to COAH's Round 2 rules. As such, the Township also assigns 3 rental bonus credits toward the Third Round RDP obligation.

Aerial 8: Towaco Station



9. Avalon Bay. The Avalon Bay inclusionary development was created as part of Montville's Third Round plan for affordable housing compliance. The site was designated as an Area in Need of Redevelopment in 2018 and a Redevelopment Plan allowing for inclusionary housing was adopted in 2019. Site plan approval was granted by the Montville Planning Board in 2020. The 39-acre property is located at 85 Bloomfield Avenue and is identified by municipal tax records as Block 1367 Lot 34. The development, which was completed in 2024, contains a total of 349 apartment units, including 52 affordable family rental units.

As detailed in Section B. above, the Township assigns credit for all 52 of the affordable units toward Montville's Third Round RDP obligation. In addition, the units are eligible for 2:1 rental bonus credits pursuant to COAH's Round 2 rules. As such, the Township also assigns 52 rental bonus credits toward the Third Round RDP obligation.

Aerial 9: Avalon Bay



10. Mill Creek. The Mill Creek (now known as Modera) inclusionary development was created as part of Montville's Third Round plan for affordable housing compliance. The site was designated as an Area in Need of Redevelopment and a Redevelopment Plan allowing for inclusionary housing was adopted in 2019. Site plan approval was granted by the Montville Planning Board in 2020. The 13.45-acre property is located at 340 Changebridge Road and is identified by municipal tax records as Block 159 Lot 5.01. The development, which was completed in 2024, contains a total of 295 apartment units, including 47 affordable family rental units.

As detailed in Section B. above, the Township assigns credit for 36 of the affordable units to Montville's Third Round RDP obligation, and assigns credit for the remaining 11 affordable units to Montville's Fourth Round RDP obligation. The 36 units assigned to the Third Round RDP are eligible for 2:1 rental bonus credits (up to the 25 percent cap) pursuant to COAH's Round 2 rules; therefore, the Township also assigns 18 rental bonus credits toward the Third Round RDP obligation (which is the maximum permitted per N.J.A.C. 5:93-5.15.d). In addition, the 11 units assigned to the Fourth Round RDP are eligible for 0.5 bonus credit per unit (up to the 25 percent cap) for units constructed on land previously utilized for office pursuant to FHA-2; therefore, the Township also assigns 5 bonus credits (which is the maximum per the 25 percent cap) for office redevelopment toward the Fourth Round RDP obligation.

Aerial 10: Mill Creek



11. St. Albert's/Signature Residential Health Care Facility. Signature Care Homes, LLC, owns and operates a residential health care facility at 181 Pine Brook Road. The 3.3-acre property is identified by municipal tax records as Block 125.6, Lot 1. This facility (which was formerly known as St. Albert's) is licensed with the NJDCA Bureau of Rooming and Boarding House Standards. As part of the Township's 2019 HE&FSP and Third Round JOR, the Township proposed to provide funding to enable Signature to deed restrict the facility's existing 27 special needs bedrooms for low- and moderate-income residents and also to convert the 4¹ existing staff bedrooms to deed-restricted special needs bedrooms for low- and moderate-income residents, for a total of 31 deed-restricted affordable special needs bedrooms. These deed restrictions/conversions to special needs bedrooms were completed in 2022, a copy of which is included in Appendix F of this plan.

As detailed in Section B. above, the Township assigns credit for 25 of the affordable special needs bedrooms to Montville's Third Round RDP obligation, and assigns credit for the remaining 6 affordable special needs bedrooms to Montville's Fourth Round RDP obligation. In addition, the 6 bedrooms assigned to the Fourth Round RDP are eligible for 1.0 bonus credit per special needs bedroom pursuant to FHA-2; therefore, the Township also assigns 6 bonus credits toward the Fourth Round RDP obligation.

¹ Although 5 staff bedrooms are identified in the 2019 HE&FSP, it was subsequently discovered that only 4 staff bedrooms existed. This reduction will be offset by 1 additional unit proposed as part of the St. Albert's/Signature expansion, the credits for which will be assigned toward Unmet Need.

Aerial 11: St. Albert's / Signature



12. Montville Residency. The Montville Residency property is located at 17 Hook Mountain Road, and has frontage along Hook Mountain Road, Bloomfield Avenue, and Route 80. The 3.6-acre property is identified by municipal tax records as Block 160, Lot 4. The age-restricted inclusionary development was first approved by the Montville Planning Board in 2009 during the Third Round Gap Period, and received amended approvals from the Board in 2015 and 2024. The development has been under construction since 2021 and is substantially complete; however, due to the developer's untimely death in early 2025, the property is in active foreclosure. That said, affordable housing deed restrictions were recorded for the development in 2022 and remain enforceable.

Once completed, this development will contain a total of 28 age-restricted units, including 3 affordable senior units. It is anticipated that these units will be for sale, but rentals are permitted at the discretion of the developer. As detailed in Section B. above, the Township assigns credit for all 3 of the affordable units to Montville's Fourth Round RDP obligation.

Aerial 12: Montville Residency



13. Juve Group. The Juve Group (formerly known as V&L Associates) property is located at 465 Route 202. It encompasses an area of 12.9 acres and is identified by municipal tax records as Block 81 Lot 7. As part of the Township's 2019 HE&FSP and Third Round JOR, the Township rezoned the property to a new Inclusionary Townhouse/Multifamily Dwelling (TH/MFD) Zone to permit the site to be developed with a 70-unit inclusionary townhouse and multifamily development with a minimum 20 percent set-aside for affordable housing. In 2021, the Montville Planning Board granted Juve Group site plan approval, which approval was later amended in 2024. The development is now currently under construction.

Once completed, this development will contain 70 townhouse and multi-family units, including 2 affordable townhouse units and 12 affordable multi-family units. All units will be family for-sale units. As detailed in Section B. above, the Township assigns credit for 13 of the affordable units to be generated from this development toward Montville's Fourth Round RDP obligation, and (as discussed further in Section D. below) assigns credit for the 1 remaining affordable unit toward the Fourth Round Unmet Need.

Aerial 13: Juve Group



D. UNMET NEED

The difference between the Township's Prospective Need obligations and its RDP obligations is what is known as Unmet Need. Whereas the RDP obligations must be affirmatively addressed by the Township (as outlined in Subsections B.3. and B.4. above), addressing Unmet Need involves a lower standard, as the entire Unmet Need obligation does not have to be fully satisfied by 2035. Montville has an Unmet Need of 300 for Round 3 and an Unmet Need of 320 for Round 4, for a total combined Unmet Need of 620 units. The Township will address Unmet Need as set forth below and as illustrated on the Plan Components Map included at the end of this plan.

1. Third Round Unmet Need

The Township will continue to implement the plan components designed to address its 300-unit Third Round Unmet Need, as set forth in the Township's 2019 HE&FSP and Third Round JOR, until such time as the Township has provided for the entire Unmet Need. These plan components and their status are as follows:

- a. *Expansion of St. Albert's/Signature.* The Township rezoned the property at 181 Pine Brook Road (Block 125.6, Lot 1) to permit the existing special needs/supportive housing facility thereon as a permitted use and to permit the construction of an expanded facility to contain an additional 33 special needs bedrooms, for a total of 65 special needs bedrooms on the site. The 2019 HE&FSP applied 33 credits for these future additional special needs bedrooms toward the Third Round Unmet Need.

Although a site plan application for such expansion has been filed with the Planning Board, it has not yet been deemed complete or scheduled for hearing.

It is noted that although 33 new bedrooms/credits are identified in the 2019 HE&FSP, the site plan application proposes 34 new special needs bedrooms in its expanded facility. This increase offsets the fact that the number of existing bedrooms in the facility was overcounted by 1 unit in the 2019 HE&FSP. Thus, the total number of credits to be applied toward Third Round Unmet Need is actually 34, not 33.

- b. *Additional Extensions of Controls.* The 2019 HE&FSP anticipated that extensions of controls would be completed on 55 existing family for-sale units at the Hunting Hills, Jade Mountain and Montville Chase inclusionary developments, all of which were above and beyond the 42 extensions of controls that had already been completed at the time and credited toward the Third Round RDP obligation. The 2019 HE&FSP assigned 55 credits for these additional anticipated extensions of controls toward the Third Round Unmet Need. Subsequently, in 2024, the Rachel Gardens Settlement Agreement allowed for 35 of these 55 credits to be reallocated at the Township's discretion. As such, and as discussed in Subsections B.3. and B.4. above, the Township proposes to assign 35 of these 55 credits toward the Third Round RDP. The remaining 20 credits will continue to be assigned toward the Third Round Unmet Need. These 20 credits include controls that were extended on 4 units (2 at Jade Mountain and 2 at Montville Chase) in 2024 and 2025, as well as extensions of controls that are expected to be completed during the Fourth Round on 16 additional units (9 units at Hunting Hills and 7 units at Jade Mountain).
- c. *Route 202 Overlay Zone.* The Township created the Route 202 Overlay Zone on a 15.9-acre area encompassing Block 56 Lots 6.02, 10, 11, 11.01, 12, 12.01, and 13 to allow for inclusionary development with up to 50 affordable units, the credits for which would be assigned toward the Third Round Unmet Need. The Route 202 Overlay Zone established by the Township allows for densities up to 15.7 units per acre and minimum affordable housing set-asides of 20 percent. To date, preliminary and final site plan approval has been granted for the construction of 36 of the 50 possible affordable units in this Overlay Zone. That approval, granted to Sterling Montville, LLC, for development on Lots 6.02, 12, 12.01, and 13, has been extended through January 13, 2026. In addition, the Township will continue to maintain the Route 202 Overlay zoning in order to capture future affordable housing opportunities, which units will continue to be applied toward the Township's Third Round Unmet Need.
- d. *Stiles Lane Overlay Zone.* The Township created the Stiles Lane Overlay Zone on a 31-acre area encompassing Block 160.2 Lots 1, 2, 3, 4, 5, 8, 9, 10, 11, 12, 13, and 14 to allow for inclusionary development with up to 75 affordable units, the credits for which would be assigned toward the Third Round Unmet Need. The Stiles Lane Overlay

Zone established by the Township allows for densities up to 12.2 units per acre and minimum affordable housing set-asides of 20 percent. Although no dwellings have yet been created within this overlay zone to date, the Township will continue to maintain the Stiles Lane Overlay zoning in order to capture future affordable housing opportunities, which units will continue to be applied toward the Township's Third Round Unmet Need.

- e. *Mandatory Set-Aside Ordinance.* In addition, Montville created a Township-wide Mandatory Set-Aside Ordinance as part of its 2019 HE&FSP and Third Round JOR in order to ensure that any new multi-family residential development in Montville will provide its fair share of affordable units and assist with the Township's continuous efforts to address its affordable housing obligation. This ordinance, which is set forth at Section 230-129 of the Land Use Code, requires that any site that benefits from a subdivision or site plan approval, rezoning, use variance, redevelopment plan or rehabilitation plan approved by the Township that results in five or more new multifamily or single-family attached dwelling units shall provide an affordable housing set-aside at a rate of 15 percent, where affordable units will be for rent, or 20 percent, where affordable units will be for sale.

Although the Township will continue to implement its Mandatory Set-Aside Ordinance through the Fourth Round, it proposes to amend said ordinance to require a minimum 20 percent affordable housing set-aside for all qualifying developments, regardless of tenure. This amendment will bring the Township into compliance with the Highlands Council's rules for all municipalities in the Highlands Region requiring same, and will increase the yield of affordable housing units to be generated by future projects. These proposed ordinance amendments are included in Appendix G of this plan.

- f. *Development Fee Ordinance.* Lastly, as part of its 2019 HE&FSP and Third Round JOR, the Township agreed to maintain its Development Fee Ordinance, set forth at Chapter 132 of the Township Code, but increased residential development fees from 1 percent to 1.5 percent of equalized assessed value and increased non-residential development fees from 2 percent to 2.5 percent of equalized assessed value, consistent with the Statewide Non-Residential Development Fee Act. The Township will continue to implement its Development Fee Ordinance, as adopted, through the Fourth Round.

2. Fourth Round Unmet Need

Because of Montville's proactive efforts to secure affordable housing for the Fourth Round, the Township already has 90 credits that it can apply toward its Fourth Round Unmet Need, with additional units anticipated to be created over the next decade. The plan components proposed to address the Township's Fourth Round Unmet Need of 320

units are as follows:

- a. *Excess Unit from Juve Group.* As detailed in Subsections B.3. and B.4. above, the Township assigns credit for 13 of the 14 affordable family for-sale units currently under construction at the Juve Group (formerly V&L Associates) site toward Montville's Fourth Round RDP obligation. As such, the Township has 1 excess affordable unit that can be applied from the Juve project toward the Fourth Round Unmet Need. Therefore, the Township's remaining Fourth Round Unmet Need is 319 units.
- b. *Rachel Gardens Extensions of Controls.* As discussed in Subsection B.3. above, the Township secured 42 new construction credits for extensions of controls on 42 family rental units at the Rachel Gardens inclusionary development via a 2024 Settlement Agreement with RG Realty Investors, LLC, and FSHC. The extension is for an additional 30-year period commencing in 2029 and extending through at least 2059. Pursuant to the agreement, these credits are permitted to be allocated at the discretion of the Township. The Township assigns all 42 of these credits toward the Township's Fourth Round Unmet Need, further reducing such Unmet Need to 277.
- c. *Longview Estates Extensions of Controls.* Since the Township's 2019 HE&FSP and Third Round JOR, the Township has successfully extended affordability controls on 43 senior and family for-sale units at Longview Estates. Specifically, the Township has extended controls on 40 age-restricted units and 3 family units for an additional 30-year period, totaling 60 years. These extensions are over and above the 4 extensions of controls for age-restricted units at Longview that were already completed prior to 2019 and are assigned toward the Township's Third Round RDP obligation. The Township assigns the credits for the 43 extensions toward the Township's Fourth Round Unmet Need, further reducing such Unmet Need to 234. In addition, the Township further anticipates that extensions of controls will be completed during the Fourth Round on the 72 remaining affordable units in Longview Estates whose controls are set to expire during the Fourth Round, which include 51 affordable senior units and 21 family units. Credits for these extensions will also be applied toward Montville's Fourth Round Unmet Need.
- d. *AbleLight Group Home.* The Township has a group home for developmentally disabled individuals located at 12 Ward Witty Drive (Block 21.1 Lot 2). This facility is owned by and operated by AbleLight (formerly known as Bethesda Lutheran Communities, LLC), is licensed by the New Jersey Department of Human Services (DHS) and contains 4 special needs bedrooms. Although the group home has been operating at this location since 2013, it has never received affordable housing credit in any prior plan. As such, the Township assigns 4 credits for these special needs bedrooms toward the Township's Fourth Round Unmet Need, further reducing such Unmet Need to 230.

- e. *Montville Chase Extensions of Controls*: The Township further anticipates that extensions of controls will be completed during the Fourth Round on 26 additional family for-sale affordable units at Montville Chase. These extensions are over and above the 49 extensions already completed in the Third Round and credited elsewhere in this plan. It is noted that controls have already been extended for 18 of these 26 units via Ordinance 2022-27, which the Township adopted on August 23, 2022. However, the owners of these units have not yet executed an affordable housing deed restriction to reflect the extension of controls. The Township will make a request to these unit owners for their cooperation in executing the deed restrictions during the Fourth Round compliance phase or at the next resale.
- f. *Mandatory Set-Aside & Development Fee Ordinances*. Montville will continue to implement the Township-wide Mandatory Set-Aside Ordinance, as proposed to be modified, and the Development Fee Ordinance, as adopted, in order to capture additional affordable housing opportunities as they become available during the Fourth Round.

E. OTHER PROVISIONS

The following additional requirements are noted:

1. Fourth Round Bonuses. Fourth Round bonuses will be applied in accordance with N.J.A.C. 52:27d-311.k.
2. Very-Low Income and Low-Income Units. At least 50 percent of the units addressing the Fourth Round Prospective Need obligation shall be affordable to very low-income and low-income households with the remainder affordable to moderate-income households. A minimum of 13 percent of the affordable units will be made available to very low-income households, defined as households earning 30 percent or less of the regional median income by household size.
3. Rental Component. At least 25 percent of the Fourth Round Prospective Need obligation shall be met through rental units, including at least half in rental units available to families.
4. Families. At least half of the actual units created to address the Fourth Round Prospective Need obligation must be available to families.
5. Age-Restricted Cap. No more than 30 percent of all units developed or planned to meet the Fourth Round Prospective Need obligation shall be met with age-restricted units.

F. CONSISTENCY WITH STATE PLANNING INITIATIVES

As noted in Section 1 of this plan, a HE&FSP must also include:

- ❖ 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;
- ❖ For a municipality located within the jurisdiction of the Highlands Water Protection and Planning Council, 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; and
- ❖ An analysis of consistency with the State Development and Redevelopment Plan, including water, wastewater, stormwater, and multi-modal transportation based on guidance and technical assistance from the State Planning Commission.

Accordingly, the following subsection analyzes the consistency of this HE&FSP to the above referenced state planning initiatives.

1. Multigenerational Family Housing Continuity Commission

The Multigenerational Family Housing Continuity Commission was established by the State of New Jersey in 2021. As noted in N.J.S.A. 52:27D-329.20, one of the primary duties of the Commission is to “prepare and adopt 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.”

As of the date of this HE&FSP, the Multigenerational Family Housing Continuity Commission has not yet adopted any recommendations.

2. Highlands Regional Master Plan

The Township of Montville is located entirely within the Highlands Region, with 28.1 percent of its land area (3,440 acres) located in the Highlands Preservation Area and 71.9 percent of its land area (8,793 acres) located in the Highlands Planning Area. The Township submitted a Petition for Plan Conformance for the Preservation Area portion of the municipality only, which was approved by the Highlands Council on January 19, 2012.

The Highlands Regional Master Plan (RMP) establishes that one of the overarching goals of the Preservation Area is to preserve extensive and, to the maximum extent possible, contiguous areas of land in its natural state in order to ensure the continuation of the Highlands environment which contains the unique and significant natural, scenic, and other resources representative of the region. Accordingly, the Preservation Area seeks to prohibit or limit, to the maximum extent possible, construction or development which is incompatible with the preservation of this region. The Preservation Area also promotes compatible agricultural, horticultural, recreational, and cultural uses and opportunities within the framework of protecting the Highlands environment.

This HE&FSP is consistent and compatible with the Highlands RMP's goals for the Preservation Area in that all existing and future affordable housing activity in Montville is directed to the Planning Area portion of the municipality.

In addition, this plan is consistent with the Highlands RMP language regarding affordable housing, which reads as follows:

In accordance with the Fair Housing Act, all newly constructed residential development within the Highlands Region are required to reserve for occupancy by low- or moderate-income households at least 20 percent of the residential units constructed. As the 20 percent reservation requirement is found in the Fair Housing Act and not the Highlands Act, all municipalities located in the Highlands Region are responsible for the 20 percent reservation requirement, irrespective of plan conformance status. This includes development exempt from the Highlands Act.

As discussed in Subsection B.5. above, the Township proposes to amend its Township-wide Mandatory Set-Aside Ordinance to require a minimum 20 percent affordable housing set-aside for all qualifying developments, regardless of tenure. These proposed ordinance amendments are included in Appendix G of this plan.

3. State Development and Redevelopment Plan

As established by N.J.S.A. 52:18A-200(f), the purpose of the State Development and Redevelopment Plan (SDRP) is to "coordinate planning activities and establish Statewide planning objectives in the following areas: land use, housing, economic development, transportation, natural resource conservation, agriculture and farmland retention, recreation, urban and suburban redevelopment, historic preservation, public facilities and services, and intergovernmental coordination."

As such, the SDRP establishes a number of goals and strategies related to a number of different topics, including economic redevelopment. One such goal is to revitalize existing urban centers by directing growth and development to those areas. Specifically, the SDRP

seeks to revitalize the State's cities and towns by protecting, preserving, and developing the valuable human and economic assets in cities, town, and other urban areas.

As indicated by the SDRP's Policy Map, the majority of Montville Township – outside of the Highlands Preservation Area portion of the Township – is located in the PA-1 Metropolitan Planning Area, wherein development and redevelopment is intended to be directed. The intent of this Planning Area is to:

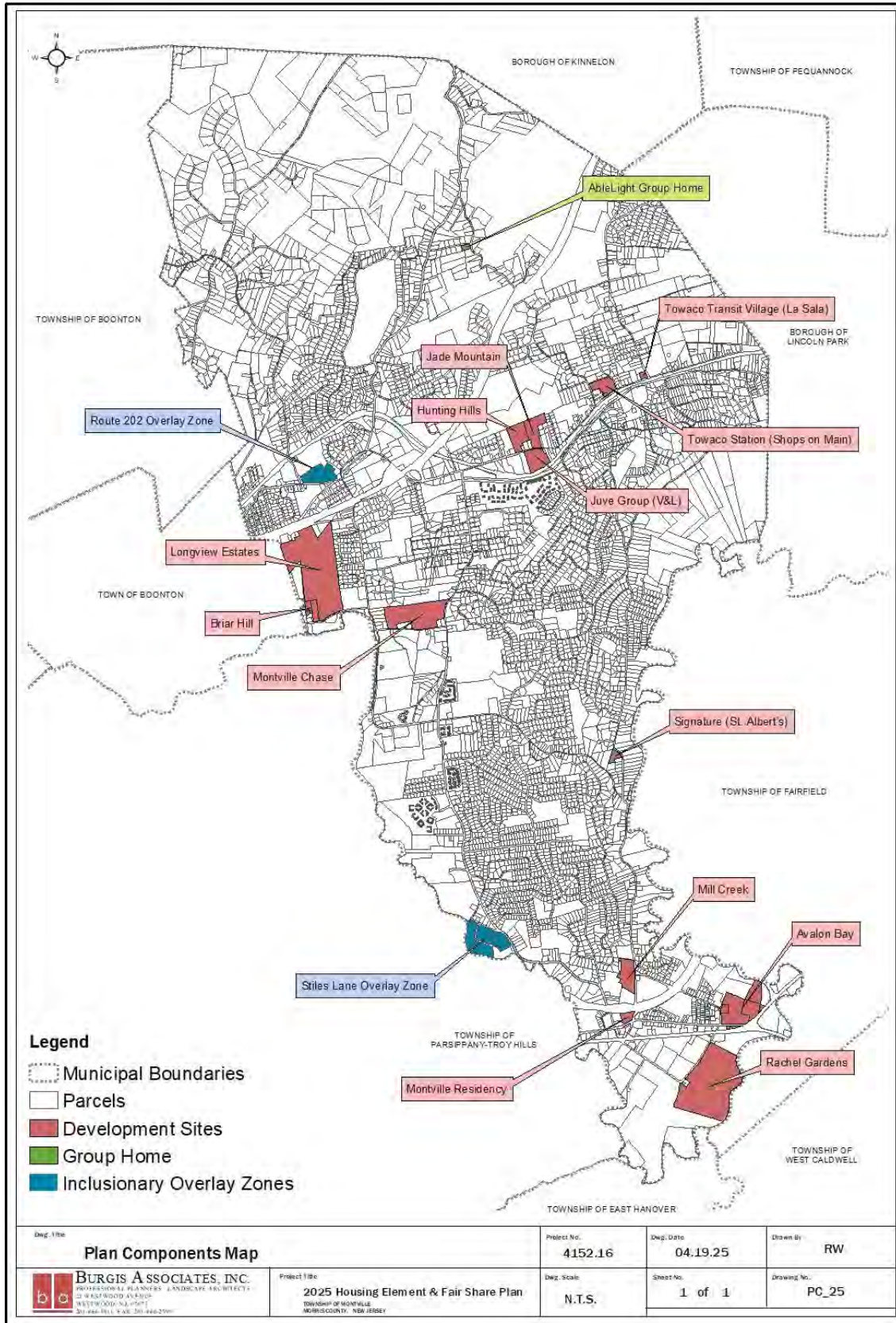
- ❖ Provide for much of the state's future redevelopment;
- ❖ Revitalize cities and towns;
- ❖ Promote growth in compact forms;
- ❖ Stabilize older suburbs;
- ❖ Redesign areas of sprawl; and
- ❖ Protect the character of existing stable communities.

Accordingly, this HE&FSP is consistent with the intents of the PA-1. Specifically, it is designed to encourage redevelopment and growth in a compact form within the portion of the municipality designated as PA-1, while also protecting the character of the existing community.

G. CREDITING DOCUMENTATION AND ONGOING COMPLIANCE

The Township of Montville is following the applicable requirements regarding unit monitoring and reporting. Specifically, the Township completed the statutorily required updates to its housing project status report by the DCA deadline of February 15, 2025. These updates are included in the State's new Affordable Housing Monitoring System and should be considered to fulfill the Township's obligation to specify the creditworthiness of all existing affordable units. Further, all crediting documentation submitted to and approved by the Court as part of the Township's Third Round Housing Element and Fair Share Plan remains on file with and accessible from the Court. All other crediting documentation, for plan components that were not part of the Township's Third Round HE&FSP, is included in the appendices of this plan.

Map 4: Plan Components Map



Appendices

- A Resolution No. 2025-78
- B May 1, 2025 Trial Court Order
- C Third Round Vacant Land Adjustment Map and Table
- D Fourth Round Spending Plan
- E January 3, 2024 Settlement Agreement with RG Realty Investors, LLC, and FSHC
- F Signature (Formerly St. Albert's) 2022 Deed Restrictions
- G Draft Amendments to Mandatory Affordable Housing Set-Aside Ordinance
- H AHMS Unit & Trust Fund Monitoring
- I For Sale/Fee Simple Units – Extensions of Controls & Round Assignments
- J AbleLight Group Home Supportive Documentation
- K Sterling Supportive Documentation
- L Existing/Adopted Affordable Housing Ordinance (Chapter 73 of Township Code)
- M Existing/Adopted Development Fees Ordinance (Chapter 132 of Township Code)
- N Existing/Adopted Mandatory Set-Aside Ordinance (Section 230-129 of Township Code)
- O Existing/Adopted Overlay District Requirements (Chapter 230, Articles XXXII & XXXIII, of Township Code)
- P Home Improvement Program Manual
- Q Affordability Assistance Manual