Resolution LUB 111: Resolution of the Land Use Board of the Borough of Rockaway Approving the Borough's Fourth Round Housing Element and Fair Share Plan

WHEREAS, on January 23, 2025, the Mayor and Council of the Borough of Rockaway adopted Resolution 33-25, establishing the Borough's Fourth Round Present and Prospective Need pursuant to the amended Fair Housing Act ("FHA") at N.J.S.A. 52:270-301 et seq., per P.L. 2024, c.2; and

WHEREAS, on January 24, 2025, the Borough commenced a Declaratory Judgment Action in the New Jersey Superior Court encaptioned In the Matter of the Application of the Borough of Rockaway Pursuant to <u>N.J.S.A.</u> 52:27D-304.1, *et seq.*, bearing Docket No. MRS-L-205-25; and

WHEREAS, on April 24, 2025, in the said Declaratory Judgment Action, the Superior Court of New Jersey entered an Order setting the Borough's Fourth Round Present Need Obligation at 195 affordable units, and the Borough's Fourth Round Prospective Need Obligation at 73 affordable units; and

WHEREAS, the Borough Planner prepared a Housing Element and Fair Share Plan (the HEFSP"), which has been reviewed by the members of the Land Use Board and the Borough's affordable housing attorney, and a copy of which is attached hereto as Exhibit A; and

WHEREAS, on June 3, 2025, the Land Use Board of the Borough of Rockaway conducted a public hearing upon notice duly given pursuant to <u>N.J.S.A.</u> 40:55D-13, and voted to adopt the HEFSP, and

WHEREAS, the Land Use Board has determined that the attached HEFSP is consistent with the goals and objectives of the Borough of Rockaway's current Master Plan, and that the adoption and implementation of the HEFSP are in the public interest and protect public health and safety and promote the general welfare,

NOW THEREFORE BE IT RESOLVED by the Land Use Board of the Borough of Rockaway, Morris County, New Jersey that the Land Use Board hereby adopts the Housing Element and Fair Share Plan attached hereto as Exhibit A.

CERTIFICATION

I, Colleen Reardon, Secretary of the Rockaway Borough Land Use Board, hereby certify that the foregoing resolution is a true, accurate and complete copy of a resolution duly adopted by the Borough Council of the Borough of Rockaway at a meeting held on June 3, 2025.

COLLEEN REARDON, Secretary Rockaway Borough Land Use Board

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Borough of Rockaway Morris County

Housing Element and Fair Share Plan Round Four (2025-2035)

Prepared For:



1 East Main Street Rockaway Borough, NJ 07866

Adoption Date: June 3, 2025



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Acknowledgements

Mayor Thomas Mulligan

Borough Council Melissa Burnside, Council President Thomas Slockbower Thomas Haynes James Hurley Patrick McDonald Andrew Agliata

Land Use Board Kenneth Banbor Kenneth Blair, Chairperson Joyce Freiermuth Ronald Hamman William Hopler Mark Howarth James Hurley Barbara Koch Janet Leonard Thomas Mulligan Kim Rose Robert Schaefer **Business Administrator** Patricia Reiche

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



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I. Introduction

This Housing Element and Fair Share Plan will exhibit the Borough of Rockaway's (herein the "Borough" or "Rockaway") commitment to providing affordable housing within the municipality. This document seeks to frame Rockaway's efforts based on the current best knowledge of the affordable housing framework created by the State, applicable past rules established by the Council on Affordable Housing (COAH), and the requirements of P.L.2024, c.2¹ (the "Law" or "Amended Law") which governs municipal responsibilities concerning provisions of affordable housing in the Fourth Round.

This Plan has three sections. The first section ("Introduction") includes a brief history of New Jersey Housing Policy. The second section ("Housing Element") includes a Demographic Analysis, Housing Inventory, Employment Analysis, and review of land uses and policies, as required by statute. The third section (Fair Share Plan) summarizes the Borough's affordable housing obligations for 2025-2035 and its plan for complying with these obligations.

A. History of New Jersey Affordable Housing Policy

<u>1975 – 1985 | Mount Laurel Doctrine and the Fair Housing Act</u>

In 1975 the New Jersey Supreme Court decided Southern Burlington County NAACP v. the Township of Mount Laurel, more commonly referred to as "Mount Laurel I," wherein it interpreted the New Jersey Constitution to create an affirmative obligation for developing municipalities to provide a "realistic opportunity for the construction of low- and moderateincome housing in their communities." In 1983, the New Jersey Supreme Court expanded the obligation from only developing municipalities to all municipalities in a decision commonly referred to as "Mount Laurel II." In addition, the Supreme Court required the establishment of each municipality's fair share obligation and required each municipality, through its zoning, to provide a realistic opportunity for the construction of that established fair share obligation. Subject to several prerequisites, conditions and requirements, Mount Laurel II also created the "builder's remedy" as a mechanism to enforce the doctrine in instances where a developer successfully demonstrated a municipality's zoning failed to create the requisite realistic opportunity. Under such circumstances, a plaintiff may be entitled to have its site rezoned for an inclusionary development with an affordable set aside if the site is available, developable, approvable, and suitable for the proposed project and all other requirements for a successful builder's remedy are met and all defenses defeated.

In 1985, in response to Mount Laurel II and the flood of litigation stemming from it, the Legislature adopted the Fair Housing Act ("FHA") to discourage litigation and incentivize voluntary compliance (see N.J.S.A. 52-27D-303). The FHA established, among other things, the Council on Affordable Housing ("COAH") as an administrative alternative to litigation and judicial intervention. COAH was charged with establishing various housing regions in the state,

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¹ <u>https://pub.njleg.state.nj.us/Bills/2024/PL24/2</u>.PDF

estimating regional affordable housing obligations, and adopting criteria and guidelines for the municipal determination of housing need as well as guidelines for satisfying those obligations. The FHA also linked municipal planning and zoning powers to the satisfaction of affordable housing obligations. Under the FHA, a municipal zoning ordinance is presumptively invalid if a municipality fails to adopt a housing element as part of its master plan or enacts zoning regulations that are inconsistent with their housing plan.

<u>1987 – 2004 | Establishment and Administration of First Round and Second Round COAH Rules</u>

After the adoption of the Fair Housing Act, COAH adopted procedural and substantive rules to effectuate the FHA's legislative intent in both the First Round (1987-1993) (N.J.A.C 5:91 and 5:92) and Second Round (1993-1999) (N.J.A.C. 5:93). The Second Round substantive regulations (Chapter 93) superseded the First Round substantive regulations (Chapter 92) and recalculated the First Round obligations. Under COAH's regulations, low-income households were defined as those with incomes no greater than 50 percent of the area median income (AMI), adjusted for household size, and moderate-income households were those with incomes no greater than 80 percent and no less than 50 percent of the median household income. AMI limits were calculated based upon housing regions as established by COAH.

2004 – 2010 | Third Round Litigation and Revisions

In December 2004, COAH promulgated its Third Round "Growth Share" methodology, which adjusted prior round obligations and devised a new system for projecting future municipal housing obligations. Growth Share obligations were based upon municipal growth and the Third Round was defined as the period of 1999-2014. The initial Growth Share methodology required municipalities to provide one affordable housing unit for every eight market rate units and one affordable unit for every 25 jobs created. In January 2007, the Appellate Division invalidated the Growth Share Methodology and required COAH to revise its rules, which it did in May 2008 via the Third Round substantive regulations of Chapter 97.

The FHA was subsequently amended in July 2008. This round of amendments, among other things, eliminated Regional Contribution Agreements and reduced non-residential development fees. In September 2008, Executive Order #114 was which amended the COAH rules to ensure consistency with the Highlands Regional Master Plan.

2010 – 2023 | COAH's Noncompliance and Resumption of Court Responsibility

During this period, there was inaction and increased uncertainty in the realm of affordable housing.

After taking office Governor Chris Christie signed Executive Order No. 12, establishing the Housing Opportunity Task Force and charging them with a full review of the Fair Housing Act, COAH, and COAH's regulatory structure. Ultimately, the task force recommended a model which included adjusted definitions of present and prospective need, a benchmark of 10 percent

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growth predicted by the State Planning Commission to guide obligations, and transferring of procedural responsibility from COAH to the Home Mortgage Finance Agency (HMFA).

Further complicating matters, in October 2010, the Appellate Division invalidated a substantial portion of COAH's rules. Most notably, the Court invalidated the Third Round Growth Share methodology and ordered COAH to revise its rules in accordance with the decision. In addition, the Court prohibited certification of housing plans that rely upon municipally sponsored affordable housing projects without specified funding and required COAH to create an incentive structure for inclusionary developments.

In January 2011, the legislature passed S-1 / A-3447, which was subsequently vetoed. Then, in June Governor Christie issued a reorganization plan which transferred the administration of the State's affordable housing program from COAH to the New Jersey Department of Community Affairs. Upon challenge by the Fair Share Housing Center, the Appellate Court invalidated Governor Christie's Reorganization Plan in March 2012. The Supreme Court upheld this decision in July 2013.

In September 2013, the Supreme Court confirmed the invalidation of the previously adopted Third Round regulations, upholding that the methodology used for projecting housing needs in these rules was unconstitutional. In that ruling, the court established a February 2014 deadline for development and adoption of new COAH rules, which was eventually extended to November 2014. Significantly, no rules were adopted.

In March 2015, in the case entitled *In re: Adoption of N.J.A.C. 5:96 & 5:97, 221 N.J. 1* (2015), more commonly referred to as "Mount Laurel IV" the State Supreme Court determined that COAH was "moribund" and unable to carry out its duties as intended by the Fair Housing Act. The Court further held "that the courts may resume their role as the forum of first instance for evaluating municipal compliance with Mount Laurel obligations."

Thus, the Court designed a transitional process whereby municipalities could seek judicial approval of their HEFSPs. Those transitional procedures gave municipalities the choice whether to seek compliance voluntarily via a Declaratory Judgment (DJ) Action or to not file a DJ Action and risk being sued. During this period, and in the absence of COAH, many municipalities entered into court-mediated Settlement Agreements involving the Fair Share Housing Center.

2024 – Present | Adoption of P.L.2024, c.2 and Fourth Round Methodology Changes and Department of Community Affairs

With the impending end of the Third Round in 2025, there was a push at the State level to implement new legislation that would reorganize the affordable housing process and end the transitional and court-oriented process initiated by Mount Laurel IV. The result of this effort was A-4 / S-50, which was signed into law by Governor Phil Murphy on March 20, 2024. This legislation created a framework to be used for the Fourth Round and beyond. In summary, the Law:



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- 1. Abolishes the Council on Affordable Housing ("COAH") and transfers its duties to the DCA and the Administrative Office of the Courts ("AOC");
- 2. Enables the DCA to implement the judicial methodology provided by Judge Mary C. Jacobson, A.J.S.C. in her March 8, 2018 decision, In re Application of Municipality of Princeton (the "Princeton Case"), to calculate every municipality's affordable housing obligation for the Fourth Round;
- 3. Creates the Affordable Housing Dispute Resolution Program (the "Program") to oversee disputes and provide for mediation; and
- 4. Expands the availability of bonus credits, while eliminating the previously offered "rental bonus credit." Bonus credits are further described in this Housing Element and Fair Share Plan.
- 5. Modifies applicable data and calculations underlying the methodology for calculation of affordable housing obligations, eliminating the prior dependance of Courts and court-appointed Special Masters to deploy accepted methodologies to determine each municipality's affordable housing obligation.
- 6. Sets timeframes under which municipalities must act to preserve immunity from exclusionary zoning litigation.

Critically, the Amended Law requires that municipalities adopt a housing element and fair share plan no later than June 30, 2025 to maintain immunity from exclusionary zoning litigation.

B. Housing Plan Requirements

<u>Municipal Land Use Law ("MLUL") + Fair Housing Act ("FHA")</u>

The MLUL, through incorporation of the New Jersey FHA, requires municipalities to include a housing element in their master plans as a prerequisite to the zoning power. The principal purpose is to enumerate and provide the data, policies, and methods by which municipalities will meet housing needs, with particular attention to low- and moderate-income households.

Pursuant to Section 10 of P.L.1985, c.222 (C.52:27D-310) and as amended per Bill P.L.2024, c.2,² as amended, the required contents of the housing element shall contain at least:

a. An inventory of the municipality's housing stock by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low- and moderateincome households and substandard housing capable of being rehabilitated, and in conducting this inventory the municipality shall have access, on a confidential basis for the sole purpose of conducting the inventory, to all necessary property tax assessment records and information in the assessor's office, including but not limited to the property record cards;

² <u>https://pub.njleg.state.nj.us/Bills/2024/PL24/2_.PDF</u>



- b. A projection of the municipality's housing stock, including the probable future construction of lowand moderate-income housing, for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;
- **c.** An analysis of the municipality's demographic characteristics, including but not necessarily limited to, household size, income level and age;
- d. An analysis of the existing and probable future employment characteristics of the municipality;
- e. A determination of the municipality's present and prospective fair share for low- and moderateincome housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low- and moderate-income housing, as established pursuant to section 3 of P.L.2024, c.2 (C.52:27D-304.1);
- f. A consideration of the lands that are most appropriate for construction of low- and moderate-income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low- and moderate-income housing, including a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing; and
- g. An analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of section 1 of P.L.2021, c.273 (C.52:27D-329.20).
- h. For a municipality located within the jurisdiction of the Highlands Water Protection and Planning Council, established pursuant to section 4 of P.L.2004, c.120 (C.13:20-4), an analysis of compliance of the housing element with the Highlands Regional Master Plan of lands in the Highlands Preservation Area, and lands in the Highlands Planning Area for Highlands-conforming municipalities. This analysis shall include consideration of the municipality's most recent Highlands Municipal Build Out Report, consideration of opportunities for redevelopment of existing developed lands into inclusionary or 100 percent affordable housing, or both, and opportunities for 100 percent affordable housing in both the Highlands Planning Area and Highlands Preservation Area that are consistent with the Highlands regional master plan; and
- i. An analysis of consistency with the State Development and Redevelopment Plan, including water, wastewater, stormwater, and multi-modal transportation based on guidance and technical assistance from the State Planning Commission.

In addition to the statutory components of the Housing Element and Fair Share Plan detailed in 52:27D-310, <u>Administrative Directive #14-24</u>;³ which promulgated the procedures and guidelines for implementing the Affordable Housing Dispute Resolution Program; contains a

³ https://www.njcourts.gov/sites/default/files/administrative-directives/2024/12/dir 14 24.pdf



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section entitled "Required Elements of Housing Element and Fair Share Plan." In summary, the Directive requires four additional elements of the HEFSP to be included:

- 1. A site suitability analysis for any inclusionary zone and/or 100% affordable site
- 2. A concept plan for site development of any proposed inclusionary zone.
- 3. A detailed review of the credit worthiness of all existing units in the municipality
- 4. All ordinances and resolutions required to implement the plan attached as an Appendix to the HEFSP.

However, it should be noted that the requirement to adopt all implementing ordinances to effectuate the HEFSP as set forth in the Fair Housing Act is March 15, 2026. Given this discrepancy of the dates, the statutory necessity of implementing ordinances to be reviewed by the Planning Board and deemed consistent with this adopted HEFSP, and the potential for challenges to the HEFSP as adopted, such ordinance amendments will be prepared following adoption of this plan element.



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II. Housing Element: Municipal Summary

The Borough of Rockaway is roughly 2.12 square miles in area and is in Morris County. For regional and planning purposes, the Borough of Rockaway is located in Housing Region 2, a region that consists of Essex, Morris, Union and Warren counties.

In compiling the analysis for the Housing Element, this report utilizes the following data:

- 1. <u>American Community Survey ("ACS")</u>: The most up to date information is the ACS estimates, which are generated between the decennial censuses. ACS figures are based on data collected over a 5-year time period. The estimates represent the average characteristics of population and housing between 2018-2023 and DO NOT represent a single point in time. Comparisons will be made with the 2018-2023 ACS to show change over time. See URL link⁴ utilized in this HEFSP.
- 2. <u>Decennial Census</u>: Every ten years, the Census conducts detailed data collection to create an image that is as accurate as possible of the conditions throughout the country in that year. Data from the decennial census is used for comparison when equivalent ACS information is unavailable, as well as for longitudinal analysis. See URL link⁵ utilized in this HEFSP.
- 3. <u>Comprehensive Housing Affordability Strategy ("CHAS")</u>: The U.S. Department of Housing and Urban Development (HUD) utilizes both the ACS and Census to create the "CHAS" data, which demonstrates the extent of housing problems and housing needs, particularly for low income households. See URL link⁶ utilized in this HEFSP.
- 4. <u>North Jersey Transportation Planning Authority ("NJTPA")</u>: Every four years, the NJTPA updates its regional forecasts for population, households and employment as part of updating its long-range transportation plan (LRTP), the region's blueprint for transportation investment. See URL link⁷ utilized in this HEFSP.
- 5. <u>State or Other Agency Sources</u>: for select data types, State sources are used instead of the Census Bureau when equivalent Census data does not exist or the State data provides a more complete picture.

⁷https://www.njtpa.org/NJTPA/media/Documents/Planning/Plans-Guidance/Planning%20for%202050/draft%20final/E-2050-Demographic-Forecasts.pdf



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⁴<u>https://data.census.gov/table</u>

⁵<u>https://data.census.gov/table?d=DEC%20Demographic%20Profile</u>

⁶https://www.huduser.gov/portal/datasets/cp.html

A. Housing Conditions

The analysis in this section shall satisfy Part A of P.L.1985, c.222 (C.52:27D-310), which requires:

• A) "Inventory of housing stock by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low- and moderate-income households and substandard housing capable of being rehabilitated, and in conducting this inventory the municipality shall have access, on a confidential basis for the sole purpose of conducting the inventory, to all necessary property tax assessment records and information in the assessor's office, including but not limited to the property record cards"

Housing Stock by Age and Condition

According to the 2023 ACS, there are an estimated 2,732 housing units in the Borough of Rockaway. Per the ACS data, this figure represented no change from 2020.

Nearly half (49.5%) of Rockaway Borough's housing structures were built prior to 1960, suggesting that 1 out of 2 units are older than 65 years. In fact, less than 5% (4.9% of housing structures are less than 25 years since 2000.

| | | Table 1: Year Structure Built | | | | | |
|-----------------------|---|-------------------------------|--|--|--|--|--|
| | UNITS | PERCENT | | | | | |
| Total housing units | 2,732 | - | | | | | |
| Built 2020 or later | 0 | 0.0 | | | | | |
| Built 2010 to 2019 | 97 | 3.6 | | | | | |
| Built 2000 to 2009 | 35 | 1.3 | | | | | |
| Built 1990 to 1999 | 123 | 4.5 | | | | | |
| Built 1980 to 1989 | 227 | 8.3 | | | | | |
| Built 1970 to 1979 | 501 | 18.3 | | | | | |
| Built 1960 to 1969 | 394 | 14.4 | | | | | |
| Built 1950 to 1959 | 490 | 17.9 | | | | | |
| Built 1940 to 1949 | 165 | 6.0 | | | | | |
| Built 1939 or earlier | 700 | 25.6 | | | | | |
| Sou | Source: American Community Survey <u>2023</u> | | | | | | |

The table below details the condition of housing within the Borough of Rockaway based on heating fuel, plumbing facilities, kitchen facilities. These factors help determine the number of inadequate housing units within the Borough. According to the current ACS estimate, 201 housing units in the Borough of Rockaway lacked either heating fuel / plumbing or kitchen facilities, which is much greater than 2018 (22 unit estimate).



Table 2: Housing Condition

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| | 2023 | PERCENT | 2018 | PERCENT |
|---|-------|---------|-------|---------|
| Occupied Housing Units | 2,660 | - | 2,443 | - |
| Lacking heating fuel | 0 | 0 | 0 | 0 |
| Lacking complete plumbing facilities | 201 | 7.6 | 0 | 0 |
| Lacking complete kitchen facilities | 201 | 7.6 | 22 | 0.9 |
| Source: American Community Survey 2023 and 2018 | | | | |

Housing Values and Costs

Since 2018, median home values in the Borough have increased by \$86,000 (+25.16%). This change is largely due to an increase in homes values between \$500,000 and \$999,999 and a decrease in homes worth between \$200,000 and \$299,999.

| Table 3: Value for Owner-Occupied Housing Unit | | | | | | | |
|---|-----------|---------|-----------|---------|-------------------|--|--|
| | 2023 | PERCENT | 2018 | PERCENT | PERCENT CHANGE | | |
| Total Owner-Occupied Units | 1,537 | - | 1,704 | - | -9.8 | | |
| Less than \$50,000 | 44 | 2.9 | 18 | 1.1 | 1.8 | | |
| \$50,000 to \$99,999 | 0 | 0.0 | 0 | 0.0 | 0 | | |
| \$100,000 to \$149,999 | 30 | 2.0 | 18 | 1.1 | 0.9 | | |
| \$150,000 to \$199,999 | 59 | 3.8 | 32 | 1.9 | 1.9 | | |
| \$200,000 to \$299,999 | 159 | 10.3 | 440 | 25.8 | -15.5 | | |
| \$300,000 to \$499,999 | 797 | 51.9 | 1,074 | 63.0 | -11.1 | | |
| \$500,000 to \$999,999 | 421 | 27.4 | 122 | 7.2 | 20.2 | | |
| \$1,000,000 or more | 27 | 1.8 | 0 | 0.0 | 1.8 | | |
| Median (dollars) | \$427,800 | - | \$341,800 | - | 25.16 | | |
| Source: American Community Survey 2023 and 2018 | | | | | | | |

The table below shows the housing expenditures for those who own and rent in the Borough of Rockaway. The general affordability standard is that no more than 30% of gross income should be allocated for housing costs.

A cost burden is the ratio of housing costs to household income. For renters, housing cost is the gross rent (lease rent plus utilities). For owners, housing cost is the monthly owner costs, which may include mortgage, utilities, association fees, insurance, and real estate taxes.

In the Borough of Rockaway, about 35.4% of homeowners and renters spend more than 30% of their household income on housing costs. These figures indicate that homeowners are more cost burdened than renters (renters at 13.1%; owners at 22.3%).



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| Table 4: Housing Cost Burden Overview Exceeding 30% Gross Income | | | | | | | |
|--|-------|--------|-------|---------|--|--|--|
| RANGE | OWNER | RENTER | TOTAL | PERCENT | | | |
| Cost Burden <=30% | 1,070 | 630 | 1,700 | 64.8 | | | |
| Cost Burden >30% to <=50% | 360 | 115 | 475 | 18.1 | | | |
| Cost Burden >50% | 225 | 230 | 455 | 17.3 | | | |
| Total 1,650 975 2,625 100.0 | | | | | | | |
| Source: <u>CHAS 2017-2021 ACS</u> | | | | | | | |

Occupancy Characteristics and Type of Housing

As of 2023, most of the Borough is owner-occupied, which comprises of 57.8% of the households. A total of 42.2% of households are renters, and 2.6% of the Borough's housing units are vacant. Since 2018, the Borough has seen a shift away from owner-occupied households, decreasing ownership by 12% and increasing renter units by 12%. Also, since 2018, there is a 3% decrease in the Borough's vacancy rate.

| | Table 5: Housing Tenure and Occupancy | | | | | |
|---|---------------------------------------|---------|-------|---------|-------------------|--|
| | 2023 | PERCENT | 2018 | PERCENT | PERCENT CHANGE | |
| Total | 2,732 | - | 2,588 | - | 5.6 | |
| Owner Occupied | 1,537 | 57.8 | 1,704 | 69.8 | -12 | |
| Renter Occupied | 1,123 | 42.2 | 739 | 30.2 | 12 | |
| Vacant Units | 72 | 2.6 | 145 | 5.6 | -3 | |
| Source: American Community Survey 2023 and 2018 | | | | | | |

Housing units with more than one occupant per room are considered overcrowded. Overcrowded households in the Borough fell by 1.4% since 2018.

| Table 6: Occupants Per Room + Indaequate Units in Occupied Housing Units | | | | | | | |
|--|-------|---------|-------|---------|--|--|--|
| OCCUPANTS PER ROOM | 2023 | PERCENT | 2018 | PERCENT | | | |
| Total | 2,660 | - | 2,443 | - | | | |
| 1.00 or less | 2,630 | 98.9 | 2,382 | 97.5 | | | |
| 1.01 to 1.50 | 13 | 0.5 | 41 | 1.7 | | | |
| 1.51 or more | 17 | 0.6 | 20 | 0.8 | | | |
| Source: American Community Survey <u>2023</u> and <u>2018</u> | | | | | | | |

Table 6: Occupants Per Room + Inadequate Units in Occupied Housing Units

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| | Table 7: Housing Type and Size | | | | | |
|---|--------------------------------|---------|-------|---------|-------------------|--|
| HOUSING UNITS | 2023 | PERCENT | 2018 | PERCENT | PERCENT CHANGE | |
| Total housing units | 2,732 | - | 2,588 | - | 5.6 | |
| 1-unit, detached | 1,404 | 51.4 | 1,674 | 64.7 | -13.3 | |
| 1-unit, attached | 129 | 4.7 | 137 | 5.3 | -0.6 | |
| 2 units | 106 | 3.9 | 231 | 8.9 | -5 | |
| 3 or 4 units | 123 | 4.5 | 62 | 2.4 | 2.1 | |
| 5 to 9 units | 290 | 10.6 | 122 | 4.7 | 5.9 | |
| 10 to 19 units | 263 | 9.6 | 340 | 13.1 | -3.5 | |
| 20 or more units | 354 | 13.0 | 22 | 0.9 | 12.1 | |
| Mobile home | 63 | 2.3 | 0 | 0.0 | 2.3 | |
| Boat, RV, van, etc. | 0 | 0.0 | 0 | 0.0 | 0 | |
| Source: American Community Survey <u>2023</u> and <u>2018</u> | | | | | | |

Since 2018, the share of Borough's housing stock has decreased from 1,811 units to 1,533 units.

Since 2018, the bedroom typology of Borough's has decreased in "family" sized 3+ bedroom type from 60.5% to 50.6% in 2023.

| | Table 8: Number of Bedrooms Per Unit | | | | | | |
|--------------------|---|---------|------------|---------|-------------------|--|--|
| ROOMS | 2023 TOTAL | PERCENT | 2018 TOTAL | PERCENT | PERCENT CHANGE | | |
| Total | 2,732 | | 2,588 | | | | |
| No Bedroom | 285 | 10.4 | 135 | 5.2 | 5.2 | | |
| 1 Bedroom | 418 | 15.3 | 242 | 9.4 | 5.9 | | |
| 2 Bedrooms | 646 | 23.6 | 646 | 25.0 | -1.4 | | |
| 3 Bedrooms | 705 | 25.8 | 755 | 29.2 | -3.4 | | |
| 4 Bedrooms | 617 | 22.6 | 764 | 29.5 | -6.9 | | |
| 5 or more Bedrooms | 61 | 2.2 | 46 | 1.8 | 0.4 | | |
| So | Source: American Community Survey <u>2023</u> and <u>2018</u> | | | | | | |

Existing Low- and Moderate-Income Housing Units

The Borough of Rockaway reviewed all property tax assessment records and information in the assessor's office, including but not limited to the property record cards, to determine the number of existing low- and moderate-income housing units. Based on this review, there are 17 LMI units in Rockaway Borough (with additional LMI units under construction). Rockaway Borough is following the applicable requirements regarding unit monitoring and reporting.

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Substandard Housing

The table below utilizes data from the ACS and CHAS to analyze the "4 housing problems" in a consolidated format for consideration of overall substandard housing. The four housing problems as defined by HUD are:

- 1. Incomplete kitchen facilities;
- 2. Incomplete plumbing facilities;
- 3. Overcrowding (i.e. 1.01 or more persons per room); and
- 4. High housing costs (i.e. cost burden).

The following table shows data for indicators of substandard housing for the Borough of Rockaway.

Table 9: Substandard Housing Indicators

| | OWNER | RENTER |
|--|-------|--------|
| Household has 1 of 4 Housing Problems | 590 | 565 |
| Household has none of 4 Housing Problems OR cost burden not available, no other problems | 1,060 | 410 |
| Cost Burden not available | 0 | 0 |
| Source: <u>CHAS 2017-2021 ACS</u> | | |

B. Housing Projections

The analysis in this section shall satisfy Part B of P.L.1985, c.222 (C.52:27D-310), which requires:

 B) "A projection of the municipality's housing stock, including the probable future construction of low- and moderate-income housing, for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands."

Projection of Housing Stock

Below is a general prediction by NJTPA of the Borough of Rockaway's household population growth to 2,589 households in 2050. This 0.1% increase in households would require available units to accommodate and may be a prediction indicator of new projected housing stock.

| Table 10: Housing Unit Projection | | | | | |
|-----------------------------------|------------|----------------------------|--|--|--|
| YEAR | POPULATION | ANNUALIZED % CHANGE | | | |
| 2015 | 2,468 | | | | |
| 2050 (Predicted) | 2,589 | 0.1% | | | |
| Source: <u>U.S. Census, NJTPA</u> | | | | | |



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Zoning regulations and existing capital infrastructure may help determine where growth is expected and where new housing units are likely to be developed in the future.

The Borough of Rockaway expects new developments to bear the cost that such development puts upon the existing infrastructure, including its sewer and water systems, road infrastructure, school facilities, and emergency services. This includes the addition of capacity necessitated by the new development, as well as associated maintenance costs. New development should not be a burden on the Borough's infrastructure.

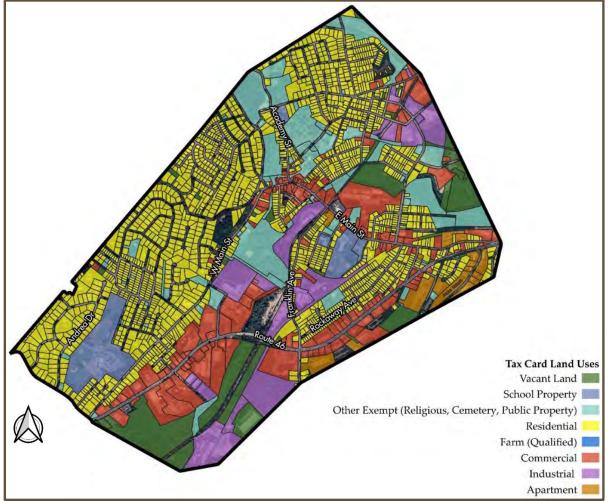


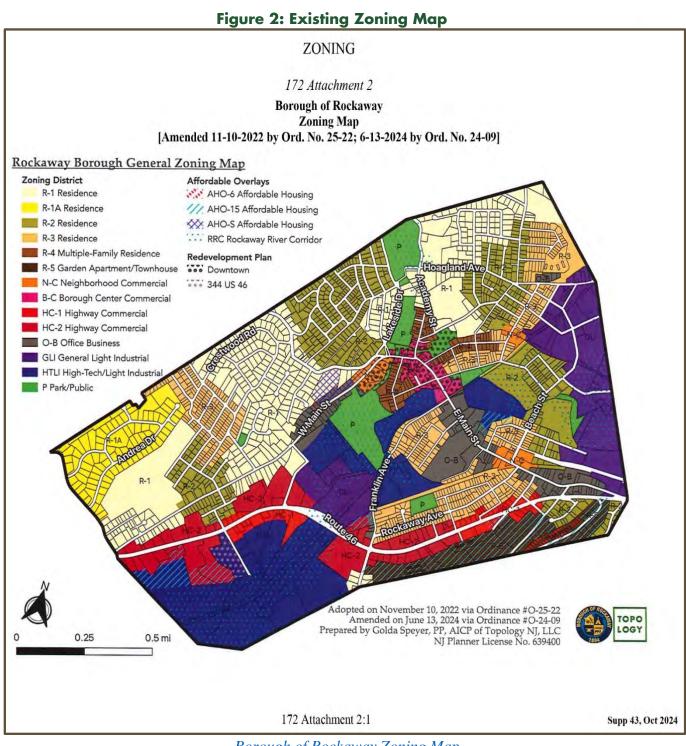
Figure 1: Existing Land Use Map

Borough of Rockaway Land Use Map⁸

⁸ Map Note: Classifications are based on assessor records. "Vacant land" as depicted on this map should not be construed to limit or supersede any conclusions made in the Vacant Land Adjustments.



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Borough of Rockaway Zoning Map

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C. Demographic Characteristics

The analysis in this section shall satisfy Part C of P.L.1985, c.222 (C.52:27D-310), which requires:

• C) "An analysis of the municipality's demographic characteristics, including but not necessarily limited to, household size, income level and age."

Population General

The population estimate for the Borough of Rockaway in 2023 was 6,596, which represents a constant from the 2020 Census (0.0%). Despite this trend, the NJTPA predicts the Borough of Rockaway's population to grow to 6,740 people in 2050.

| Table 11: Historic Population Growth | | | | | |
|---|--------------------------------|-----------------------------|----------|--|--|
| YEAR | POPULATION | CHANGE | % CHANGE | | |
| 1940 | 3,514 | NA | 12.2% | | |
| 1950 | 3,812 | 298 | 8.5% | | |
| 1960 | 5,413 | 1,601 | 42.0% | | |
| 1970 | 6,383 | 970 | 17.9% | | |
| 1980 | 6,852 | 469 | 7.3% | | |
| 1990 | 6,243 | -609 | -8.9% | | |
| 2000 | 6,473 | 230 | 3.7% | | |
| 2010 | 6,438 | -35 | -0.5% | | |
| 2020 | 6,598 | 160 | 2.5% | | |
| 2023 | 6,596 | -2 | 0.0% | | |
| 2050 (Predicted) | 6,740 | 144 | 2.2% | | |
| Source: NJ State Data Center, New Jersey Population Trends 1790 to 2000, US Census Bureau; NJTPA, | | | | | |
| | <u> "Appendix E - 2050 Den</u> | <u>10graphic Forecasts"</u> | | | |

Population Composition by Age

The estimated current median age in the Borough of Rockaway is 45.2, compared to 42.7 for Morris County and 40.1 for New Jersey.

| | | | Table 12: Popul | ation by Age |
|----------------|----------|---------|-----------------|--------------|
| AGE RANGE | ROCKAWAY | PERCENT | MORRIS COUNTY | PERCENT |
| Under 5 years | 266 | 4.0 | 25,471 | 5.0 |
| 5 to 9 years | 224 | 3.4 | 28,352 | 5.6 |
| 10 to 14 years | 389 | 5.9 | 31,448 | 6.2 |
| 15 to 19 years | 400 | 6.1 | 33,164 | 6.5 |
| 20 to 24 years | 293 | 4.4 | 29,593 | 5.8 |
| 25 to 34 years | 862 | 13.1 | 57,194 | 11.2 |
| 35 to 44 years | 846 | 12.8 | 65,510 | 12.8 |
| 45 to 54 years | 1,008 | 15.3 | 72,196 | 14.1 |
| 55 to 59 years | 580 | 8.8 | 39,717 | 7.8 |



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| AGE RANGE | ROCKAWAY | PERCENT | MORRIS COUNTY | PERCENT |
|--|----------|---------|---------------|---------|
| 60 to 64 years | 684 | 10.4 | 36,971 | 7.2 |
| 65 to 74 years | 715 | 10.9 | 50,990 | 10.0 |
| 75 to 84 years | 199 | 3.0 | 27,021 | 5.3 |
| 85 years and over | 123 | 1.9 | 12,748 | 2.5 |
| Median Age | 45.2 | (X) | 42.7 | (X) |
| Source: American Community Survey 2023 | | | | |

Households

According to the US Census Bureau's classification system, people either live in a household, housing unit, or in "group quarters." Two types of "households" exist: family and non-family. A "household" consists of one or more persons living and eating together separately from other persons who may be in the same building. A "family" is a household with two or more related persons living together in the same housing unit.

| | Table 13: Population by Housing Type | | | | |
|--|--------------------------------------|----------------------------|--|--|--|
| | BOROUGH OF ROCKAWAY 2019-2023 | MORRIS COUNTY 2019-2023 | | | |
| Total Households | 2,660 | 191,840 | | | |
| Average Household Size | 2.47 | 2.61 | | | |
| Source: American Community Survey <u>2019-2023</u> | | | | | |

Immigration

Foreign born residents make up 18.6% percent of the Borough of Rockaway's population, which is lower than County (19.6%) and State (23.5%) levels. Less than half of the Borough of Rockaway's foreign-born residents are not U.S. citizens, comprising 33.5% of the Borough foreign born population, a smaller share than that of Morris County (39.2%) and the State (43.1%).

| | | | | Table 14 | : Residents | <u> Place of Birth</u> |
|--|------------------------|---------|---------------|----------|-------------|------------------------|
| | BOROUGH OF ROCKAWAY | | MORRIS COUNTY | | NEW JERSEY | |
| | COUNT | PERCENT | COUNT | PERCENT | COUNT | PERCENT |
| Total | 6,589 | | 510,375 | | 9,267,014 | |
| Born in United States | 5,293 | 80.3 | 401,982 | 78.8 | 6,849,548 | 73.9 |
| Foreign Born | 1,227 | 18.6 | 100,222 | 19.6 | 2,181,755 | 23.5 |
| Naturalized Citizen | 816 | 66.5 | 60,952 | 60.8 | 1,241,100 | 56.9 |
| Not a Citizen | 411 | 33.5 | 39,270 | 39.2 | 940,655 | 43.1 |
| Source: American Community Survey 2023 | | | | | | |



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Income and Poverty Status

The median household income for the Borough of Rockaway grew from 2018 to 2023, growing 14.8% but less than the County (21.2%) and the State (22.1%).

| Table 15: Household Median Income | | | | | | | |
|---|---------------------------|-----------|----------|-------|--|--|--|
| | 2023 2018 CHANGE % CHANGE | | | | | | |
| Borough of Rockaway | \$100,028 | \$87,083 | \$12,945 | 14.8% | | | |
| Morris County | \$134,929 | \$111,316 | \$23,613 | 21.2 | | | |
| New Jersey\$99,781\$81,740\$18,04122.1 | | | | | | | |
| Source: American Community Survey 2023 and 2018 | | | | | | | |

In the Borough of Rockaway, 412 residents (6.3%) live below the poverty line, an increase from 4.7% in 2018. In this regard, the Borough had a similar trajectory to Morris County, which experienced an increase from 4.5% to 4.6% over the same period.

| | | | T | able 16: Po | verty Status |
|--|---------|---------|---------|-------------|--------------|
| BOROUGH OF ROCKAWAY | 2023 | PERCENT | 2018 | PERCENT | CHANGE |
| Total Persons | 6,589 | | 6,404 | | 185 |
| Total Below Poverty | 412 | 6.3 | 298 | 4.7 | 1.6 |
| MORRIS COUNTY | 2023 | PERCENT | 2018 | PERCENT | CHANGE |
| Total Persons | 507,823 | | 485,909 | | 21,914 |
| Total Below Poverty | 23,392 | 4.6 | 21,856 | 4.5 | 0.1 |
| Source: American Community Survey 2023 and 2018; ACS Morris County | | | | | |

D. Multigenerational Housing Continuity

The analysis in this section shall satisfy Part G of P.L.1985, c.222 (C.52:27D-310), which requires:

• G) "An analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of section 1 of P.L.2021, c.273 (C.52:27D-329.20)."

On November 8, 2021, the Senate and General Assembly of the State of New Jersey adopted C.52:27D-329.209, which establishes the "Multigenerational Family Housing Continuity Commission" for the purpose of conducting research, obtaining public input, and adopting recommendations on how to most effectively advance the goal of enhancing multigenerational

⁹ <u>https://pub.njleg.gov/Bills/2020/AL21/273 .HTM</u>



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Table 15. Developed Atesting Income

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family housing continuity, which can be defined broadly as the degree to which senior citizens are able to reside at the homes of their extended families.

In short, the bill requires a municipal housing plan element to provide an analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity, as expressed in the recommendations of the commission.

The municipality is committed to promoting intergenerational harmony through the provision of diverse housing options in a manner consistent with the regulation. As demonstrated in the above demographic and housing analysis, Rockaway Borough is diversifying its housing stock, moving away from an emphasis on single- and two-family, owner-occupied housing and instead proliferating its housing units containing 3+ unit buildings. The municipality is employing a variety of approaches to accomplish this task, such as implementing a Downtown Redevelopment Plan and adopting Senior Affordable Housing overlay zoning (AHO-S). Strategies proposed or already implemented include the creation of family housing. The municipality, in setting forth its compliance plan, is abiding by the limitations included in the statute.

E. Employment Data

The analysis in this section shall satisfy Part D of P.L.1985, c.222 (C.52:27D-310), which requires:

• C) "An analysis of the existing and probable future employment characteristics of the municipality."

Projection of Future Employment

Below is a general prediction by NJTPA of Rockaway's employment forecast, which is a growth to 5,262 in 2050.

| | Table 17: Employment Projection | | | | |
|----------------------|---------------------------------|--------|------------------------|--|--|
| YEAR | LABOR FORCE | CHANGE | ANNUALIZED % CHANGE | | |
| 2015 | 4,906 | | | | |
| 2050 (Predicted) | 5,262 | 356 | 0.2 | | |
| Source: <u>NITPA</u> | | | | | |



III. Fair Share Plan: Obligations and Compliance Plan

A. Introduction and Fourth Round Changes

As stated in the History of New Jersey Affordable Housing section of this Plan, New Jersey's Fourth Round methodology of calculating and fulfilling municipal obligations is set forth in the Law under a new system. The housing need obligations discussed herein consist of the following components: Prior Round Compliance; Present Need or "Rehabilitation Obligation;" and the "Prospective Need" Collectively, the Present ("Gap") Need and the Prospective Need are referred to as the Round 4 obligation.

The figures that are presented in the fair share obligations below have been derived from Resolution 33-25, adopted on January 23, 2025 (See Appendix A). Under the Resolution, the Borough Present Need or "Rehabilitation Obligation" is 195 credits, and the "Prospective Need" is 73 credits.

The purpose of this section of the Plan is to set forth the Borough's proposed approach to satisfying its Round 4 obligation.

B. Prior Round Need Compliance "Look Back" (2015-2025)

Rockaway Borough has a history of fulfilling its affordable housing obligation. Most recently, on August 20, 2021, the Borough received a Final Judgment of Compliance and Repose ("JCR") relating to its Third Round obligation. The JCR was issued after a period of negotiation and settlement, primarily between the Borough and Fair Share Housing Center ("FSHC"). During this period of negotiation, the Borough adopted a Third Round Housing Element on July 6, 2021. Correspondingly, the Borough and FSHC entered into an amended settlement agreement on June 30, 2021. The HEFSP and settlement agreements set forth the Borough's Third Round obligation and identified the actions required by the Borough to fulfill these obligations.

As demonstrated in the tables below and supported by the issuance of the JCR, the Borough fully satisfied its obligations under the Third Round as articulated in its settlement with the FSHC. As such, no obligation is carried forward to the Fourth Round. In fact, Round Three had a surplus of credits which will carry forward to the Fourth Round.

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Table 18: Projects Cited to Satisfy Third Round Realistic Development Potential ("RDP")

See Round 3 HEFSP, Page 39-43

| ROUND 3 RDP PROJECT | LMI UNITS | CREDITS REQUIRED FOR ROUND 3 RDP | STATUS |
|------------------------------|--------------|---|--|
| PSCH Group Home | 4 | Merged for purposes of | PSCH Group Home (135 |
| | _ | collective credit "pool" by maximum cap. | Hoagland), 4 units complete and occupied |
| Allegro Group Home | 5 | 3 physical units (Group Homes Capped) | Allegro Group Home (80 Andrea), 5 units complete and occupied |
| ESW Realty, LLC | 1 | | ESW Realty (76 Franklin), 1 |
| Rockaway Commons, LLC | 4 | Managed for any age of | rental unit completed, |
| Mill Lane Realty, LLC | 3 | Merged for purposes of collective credit "pool" by maximum cap. 14 (8 physical units + 6 rental bonus credits) | pursuing occupancy. Rockaway Commons, Rental, 4 units nearly complete, CO expected in Summer 2025 Mill Lane (60 Main Street), Rental, 3 units complete |
| RPM – Senior Project | 70 | 5 (Senior Capped) | Project issued Building Permit and under construction |
| 22 Credits required per Rour | nd 3 HEFSP | · | No deficit of RDP credits |



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Table 19: Zoning Actions to Satisfy Third Round Unmet Need Requirements

See Round 3 HEFSP, Page 44-46

| ROUND 3 UNMET NEED MECHANISM | REQUIREMENT | CREDITS SUPPLIED / MADE OPPORTUNITY |
|--|---|---|
| Surplus of Senior Units at Block 73, Lots 59.01 and 65 | The Borough may apply up to 49 of the remaining credits proposed for this [RPM] development toward its unmet need. The remaining credits may be applied towards the Borough's future affordable housing obligations in accordance with then applicable rules and regulations. | Project approved by LUB via #067A and #067B and is under construction, availing the 49 remaining credits. (49 Credits in Unmet Need) |
| Rental Bonuses to Satisfy RDP | The Borough shall partially address its unmet need with 2 additional credits from the bonus credits from the family rentals in the above crediting table (8 rental credits provided, in which were capped at 6). The Borough may apply up to 2 of the remaining bonus credits proposed toward its unmet need. | LMI rental units have been approved in Round 3, availing the 2 remaining credits. (2 <i>Credits in Unmet Need</i>) |
| The Borough agrees to adopt inclusionary overlay zoning | Gallo Brothers (Block 40, Lots 34 and 35.01) – the Borough agrees to rezone this 2.65-acre property to permit 15 du/ac and require a 20% set-aside. Holstein (Block 27, Lot 7) – the Borough agrees to rezone this 5.5-acre property, of which approximately 1.3 acres are developable to permit 15 du/ac and require a 20% set-aside. Roned Realty (Block 17, Lot 8) – the Borough agrees to rezone this 3.66-acre property to permit 15 du/ac and require a 20% set-aside. Alcoa (Block 84, Lot12) – the Borough agrees to rezone this property with 2.6 unconstrained acres to permit up to 15 du/ac and require a 20% setaside. Van Duyne/ Hillside (Block 31, Lots 4, 13, 16; Block 33, Lots 2, 3) – the Borough agrees to rezone this 9.4-acre property to permit up to 15 du/ac and require a 20% set-aside. | Zoning ordinances have been adopted via O-16-18 for density up to 357 units, which equals 71 set-aside LMI units. Note: During Round Three, 15 rental credits were approved under this mechanism via LUB #100 at 100 Hillside Avenue (71 Credits in Unmet Need) |

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| ROUND 3 UNMET NEED MECHANISM | REQUIREMENT | CREDITS SUPPLIED / MADE OPPORTUNITY |
|--|--|--|
| | The Borough shall either: Authorize the Land Use Board to study these properties as a noncondemnation area in need of redevelopment or area in need of rehabilitation pursuant to the Local Housing | A Redevelopment Plan has been adopted via O- 19-22 and amended O-24- 08. |
| | and Redevelopment Law. The parties agree that since this area has not yet been studied for Redevelopment that an appropriate amount of time is necessary to allow the Borough to complete the study and, if necessary, adopt a Redevelopment Plan. The parties agree that the Borough shall have one year from the date of | Under the Round 3 mechanism, a total of ~18 acres at 15-18 DU/AC was required (equating to 270- 324 units, with a 20% set- aside of 54-65 LMI units). |
| Borough | final judgment to complete its preliminary investigation/review of this area for Redevelopment and eighteen months to adopt a Redevelopment Plan. If by the first | However, the Borough zoned <u>more</u> than the Round 3 requirement: |
| Central Commercial Zone Area Inclusionary | anniversary of the date of final judgment the Redevelopment process has not completed its preliminary investigation or if at any point the Redevelopment process is abandoned the | Subdistrict 1 (18.8 Acres) zoned up to 30 DU/A, which equates to 546 Units |
| Housing | parties agree that the Borough will adopt an Overlay Zone Ordinance to encompass the approximately 18-acre area . These parcels are currently developed with a variety of land uses. | Subdistrict 2 (6.5 Acres) zoned at 15 DU/AC, which equates to 98 Units. |
| | The overlay zone will allow for inclusionary residential development at a density of between 15 to 18 units per acre , with the final maximum permitted density to be determined at the time of ordinance preparation. Affordable | With an actual zoned density of up to 644 units, this is a 20% set-aside of 129 LMI units. |
| | housing will be required at a minimum set- aside rate of 20% whether the affordable housing units are for-sale or rental; or | In other words, the Borough Downtown Redevelopment Plan has |
| | The Borough may forego the redevelopment process and in lieu of same, may adopt an Overlay Zone and/or amend existing zoning to encompass the approximately 18-acre area, for inclusionary residential development at a density between 15 to 18 units per acre, with the | re-zoned a significant area of the Borough with a residential density "above and beyond" what the Third Round required |

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| ROUND 3 UNMET NEED MECHANISM | REQUIREMENT | CREDITS SUPPLIED / MADE OPPORTUNITY |
|-------------------------------------|--|---|
| | final maximum permitted density to be determined at the time of ordinance preparation. Affordable housing will be required at a minimum set-aside rate of 20% whether the affordable housing units are for- sale or rental. | (129 LMI zoned minus 65 LMI required). As a result, the Borough has 64 surplus credit that may carry into Fourth Round crediting plan. (129 Credits in Unmet Need) |
| Mandatory Set-Aside Ordinance | The ordinance requires all new multifamily residential developments of five (5) units or more. The set aside for developments shall be twenty percent (20%) regardless of tenure. The provisions of the ordinance shall not apply to residential expansions, additions, renovations, replacement, or any other type of residential development that does not result in a net increase in the number of dwellings of five or more, or to specific parcels or zones identified in other paragraphs of this agreement, which shall be subject to the requirements specified therein. | Zoning ordinance has been adopted via O-19-18. During Round Three, 2 rental credits were approved under this mechanism via LUB #94 at 200 E Main Street. (2 <i>Credits in Unmet Need</i>) |
| 195 Unmet Need | Credits Required per Round 3 HEFSP | 253 LMI Units Upzoned |

C. Present and Prospective Need Obligation (2025-2035)

The analysis in this section shall satisfy Part E of P.L.1985, c.222 (C.52:27D-310), which requires:

• E) "A determination of the municipality's present and prospective fair share for low- and moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low- and moderate-income housing, as established pursuant to section 3 of P.L.2024, c.2 (C.52:27D-304.1)"

Present Need (Rehabilitation Share)

The Rehabilitation Share is described as "deficient housing units occupied by low- and moderate-income households within a municipality and is a component of "present need" under N.J.A.C. 5:93-1.3. In Rockaway Borough, the rehabilitation obligation through the end of the Fourth Round (i.e. July 2035) has been determined to be 195.

Rockaway Borough plans to continue its participation in Morris County's rehabilitation program. This program offers deferred payment loans to low- and moderate-income



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homeowners living in one- to three-family homes within the Morris County Consortium, which includes Rockaway Borough.

Qualified homeowners may receive a zero-interest, 10-year deferred loan covering the cost of necessary rehabilitation work. The County Division of Housing and Community Development administers these loans through the Home Improvement Program, which markets the program, screens applicants, and manages the repair process.

The program will primarily serve owner-occupied units and address homes with lack of heat, lack of hot water, roof leaks, dangerous electrical problems, broken pipes, problems with sanitary facilities, and other housing conditions that threaten the health, safety, or well-being of the household members per COAH rules (N.J.A.C. 5:93). All rehabilitated units shall remain affordable to low- and moderate-income households for a period of at least 10 years (the control period). For owner-occupied units, the control period is enforced with a recorded lien; and for renter occupied units, the control period is enforced with a recorded deed restriction.

Prospective Need Obligation

The Borough of Rockaway has a **prospective need of 73 credits** for Round 4 (2015-2025). This obligation will be fulfilled through:

- 1. Projects that now qualify for new Round 4 bonus credits.
- 2. Zoning changes that exceeded previous settlement requirements via the Downtown Redevelopment Plan Surplus Credits from Round 3 Zoning Requirements

Of these mechanisms, the Borough has 76 surplus credits from prior Round Three projects.

Bonus Credit Analysis:

Under N.J.S.A. <u>52:27D-311k</u>, New Jersey updated the rules for bonus credits in Round 4¹⁰. The previously offered "rental bonus credits" have been eliminated. Municipalities can now earn bonus credits in the following ways:

- a. One (1) bonus credit for special needs or permanent supportive housing;
- b. One (1) bonus credit for 100% affordable housing projects for which the host municipality has contributed towards the cost of the project, subject to certain minimum contribution requirements;
- c. One (1) bonus credit for market rate units that are converted to affordable units;
- d. One-half (0.5) bonus credit for ownership units created in a partnership sponsorship with a

[•] Bonus credits may satisfy no more than 25% of the Round 4 obligation



¹⁰ Note:

[•] A municipality may claim only one type of bonus credit per affordable unit

non-profit housing developer;

- e. One-half (0.5) bonus credit for units located within a one-half mile radius (or a one- mile radius for projects located in a Garden State Growth Zone) of NJ Transit or Port Authority rail, bus, or ferry stations, including all light rail stations;
- f. One-half (0.5) bonus credit for age-restricted units, subject to certain caps;
- g. One-half (0.5) bonus credit for each three-bedroom unit in excess of the three- bedroom requirements set forth in the Uniform Housing Affordability Controls;
- h. One-half (0.5) bonus credit for housing units constructed on previously developed land that was utilized for retail, office, or commercial space; and
- i. One-half (0.5) bonus credit for units whose affordability controls are extended for a new term of affordability;

The following are bonus credits applicable in Round Four:

| PROJECT | NOTES | NEW BONUS CREDIT |
|-----------------------|--|---|
| 200 E Main Street | Two LMI unmet need units from Round 3. This project is a rehabilitation of a previous office building converted into housing. | + 1 Credit (per H above) |
| RPM (W Main St) | Seventy LMI Prospective Need units from Round 3 approved as a split 56 senior units and 13 "supportive needs" units | + 13 Credits (per A above) + 1 Credit (per F above) – 2 of the 56 Senior Units bonuses did not count in Round 3, therefore they are considered in Round 4 |
| Allegro Group Home | 5 affordable units via Prospective Need approved as "special needs" units | + 5 Credits (per A above) |
| TOTAL | 18* Credits *20 realized bonus credits. However, only 18 credits can be applied toward the Round 4 obligation due to the 25% cap on bonus credits. | |

The following is a summary of the bonus credits and surplus of Round Three unmet need applicable in Round Four:

| REQUIREMENT | STATUS |
|---|------------------|
| Third Round projects with Fourth Round "Bonus" incentive credits | +18 Credits |
| Credits beyond Third Round requirements +58 Credits | |
| Credits Toward 4 th Round Prospective Need Obligation | =76 Credits |
| DCA 4 th Round Non-Binding Prospective Need Obligation -73 Credits | |
| REMAINING CREDITS AFTER SATISFYING OBLIGATION | 3 Credit Surplus |

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Prospective Need Projects Description and Suitability Analysis

Municipalities shall designate sites that are available, suitable, developable and approvable, as defined in N.J.A.C. 5:93-1. As such, the criteria for crediting units must meet the following:

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

Based on the below, the following crediting sites can appropriately be included in the Borough's Fourth Round HEFSP.

Table 20: Projects Description and Suitability Analysis

DOWNTOWN REDEVELOPMENT PLAN

The Downtown Redevelopment Plan contains density zoning for up to 644 units, which equates to a 20% set-aside of 129 LMI units:

- Subdistrict 1 (18.8 Acres) zoned up to 30 DU/A, which equates to 546 Units
- Subdistrict 2 (6.5 Acres) zoned at 15 DU/AC, which equates to 98 Units.

These 64 LMI credits are "above and beyond" what the Third Round required (129 LMI zoned minus 65 LMI required in Round Three). As a result, the Borough has surplus credit that may carry into Fourth Round crediting plan.

| Description of Availability | The Redevelopment Area is available to any property owner seeking development. There are no known encumbrances which preclude development. To the contrary, the Redevelopment Area is in a non-condemnation area in need of redevelopment, a characteristic which would promote development. |
|-----------------------------|--|
| Description of Suitable | The Redevelopment Area is suitable. It is in the Borough's downtown core and near a variety of residential and commercial uses. It contains access to bus routes, parks, sidewalk pedestrian access, and a built-out center. |



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| Description of Developable | The Redevelopment Area is developable. It has access to infrastructure necessary to support development. |
|----------------------------|--|
| Description of Approvable | The Redevelopment Area is approvable. It has existing zoning in place to support development and is located within a built-out center. |

200 E MAIN STREET BONUS CREDITS

On June 3, 2024, the Borough approved a land use application for 200 E Main Street to convert a former commercial office building into a 12-unit residential apartment, which includes 2 low- and moderate-income (LMI) units. According to Finding #2 of Resolution LUB #094, one three-bedroom unit and one two-bedroom unit will be deed-restricted as affordable housing, in accordance with applicable laws.

These two LMI units were required under the Round Three mandatory set-aside ordinance to address unmet need. However, under the Round Four bonus credit rules, the project qualifies for 1 **bonus LMI credit** pursuant to N.J.S.A. <u>52:27D-311k</u>.6, which awards 0.5 bonus credit per unit for affordable housing built on land that was previously used for retail, office, or commercial purposes.

| Description of Availability | The site is owned by a Developer with clear title. |
|-----------------------------|--|
| Description of Suitable | The site is located on a built-out corridor located walking distance to downtown, and accessible to government and commercial resources. |
| Description of Developable | The site is under construction |
| Description of Approvable | The site has been approved for a 12-unit project by the Joint Land Use Board. |

SENIOR AND SUPPORTIVE NEEDS HOUSING (WEST MAIN STREET) BONUS CREDITS

On December 5, 2023, the Borough approved an amended land use application for 74 West Main Street (RPM). This amendment revised the original July 2021 approval for 70 age-restricted lowand moderate-income (LMI) units. The new approved mix includes: 56 senior affordable units, 13 "supportive needs" affordable units (serving all ages), and 1 caretaker unit. As part of the amendment, all affordable units will remain subject to Uniform Housing Affordability Controls (UHAC) deed restrictions.

These 70 LMI units were required to satisfy the Borough's Round Three prospective need. However, under Round Four bonus credit rules, the project qualifies for:

• 13 bonus LMI credits under N.J.S.A. <u>52:27D-311k</u>.1, which provides 1 bonus credit per unit of affordable housing for individuals with special needs or in permanent supportive housing.



| ■ 1 bonus LMI credit under N.J.S.A. <u>52:27D-311k</u> .4, which grants 0.5 bonus credit per age- |
|---|
| restricted unit (two of the 56 senior units were not counted in Round Three and are now eligible |
| under Round Four). |

| Description of Availability | The site is owned by a Developer with clear title. |
|-----------------------------|--|
| | The site is located on a built-out corridor located walking distance to downtown, and accessible to government and commercial resources. |
| Description of Developable | The site is under construction |
| Description of Approvable | The site has been approved for a 70-unit project by the Joint Land Use Board. |

ALLEGRO GROUP HOME BONUS CREDITS

Allegro Group Home ALLEGRO School was Established in 1989 as a non-profit 501(C)(3) corporation to provide quality special education for children on the autism spectrum. In addition to the School, Allegro currently maintains six group homes in Morris County for adults with autism and the ALLEGRO ETC, an adult day program in Morris Plains. Their Rockaway Borough facility has five (5) bedrooms. They rent to low-income individuals under Medicare coverage.

These five LMI units were required under the Round Three prospective need. However, under Round Four bonus credit rules, the project qualifies for **5 bonus LMI credits** pursuant to N.J.S.A. <u>52:27D-311k</u>.1, which provides 1 bonus credit per unit of affordable housing for individuals with special needs or in permanent supportive housing.

| special needs of in permanent supportive nousing. | |
|---|--|
| | The site is owned by a non-profit with clear title. Allegro |
| Description of Availability | purchased the site on March 13, 1997 and entered into a mortgage |
| | for same with the New Jersey Department of Human Services on |
| | July 16, 1997 (recorded via book 7085, page 9). |
| Description of Suitable | The site is utilized as a "single-family" house with individual |
| Description of Suitable | bedrooms located proximate to other residential houses. |
| Description of Developable | The site is an existing building connected to the Borough's water |
| Description of Developable | / sewer infrastructure. |
| | Under the Municipal Land Use Law (MLUL) group homes are |
| Description of Approvable | permitted uses in corresponding residential districts. The use is in |
| | existence. |



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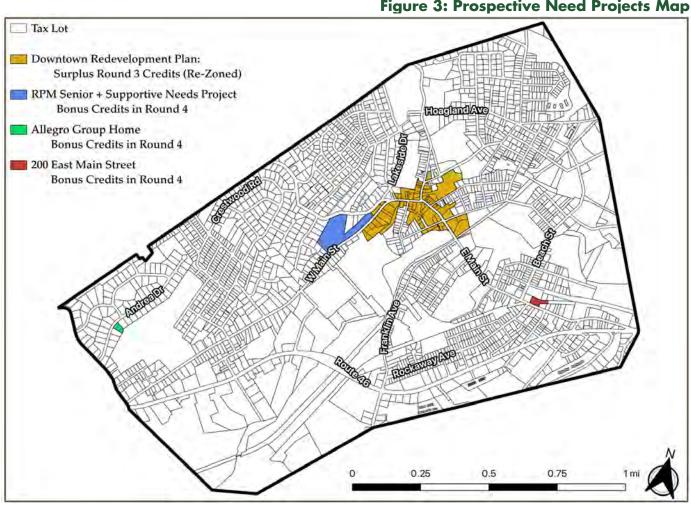


Figure 3: Prospective Need Projects Map

Land Most Appropriate for Affordable Housing

The analysis in this section shall satisfy Part F of P.L.1985, c.222 (C.52:27D-310), which requires:

F) "A consideration of the lands that are most appropriate for construction of low- and moderateincome housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low- and moderate-income housing, including a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing"

As part of this Fair Share Plan, the Borough has considered land that is appropriate for the construction of very low-, low-, and moderate-income housing. By utilizing various zoning mechanisms, the Borough has successfully met its affordable housing obligations and continues to facilitate the creation of such housing. The Borough has amended zoning regulations to establish affordable and inclusionary housing districts. Furthermore, the adoption of a mandatory set-aside ordinance guarantees that unexpected opportunities for affordable housing are utilized. The Borough considers the strategies outlined in this document to be the

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most effective approach to meeting its affordable housing needs. While it acknowledges that developers may propose additional sites in the future that could be suitable for affordable housing, no further sites are currently required to fulfill the Borough's obligations.

Mandatory Obligation Subsets

Below is a table reviewing additional obligation requirement thresholds.

| MANDATORY OBLIGATIONS | CITATION | # REQUIRED OF ACTUAL UNITS* | PROPOSED |
|--|------------------------|--------------------------------|--|
| Very Low-Income Units (13% Minimum) Shall count towards the minimum 50 percent of the housing units required to be made available for occupancy by low-income households to address a municipality's prospective need obligation. | <u>52:27D-329.1</u> | 8 (Rounded Up) | New Projects will comply with UHAC, AHO and |
| Family VLI Units (50% Minimum of VLI Units) | <u>52:27D-329.1</u> | 4 | Requirements for LMI requirements |
| Low-Income Units (50% Minimum) Conversely, the maximum of Moderate- Income Units shall not exceed 50%. | <u>52:27D-329.1</u> | 28 (Rounded Up) | |
| Family Units (50% Minimum) | <u>52:27D-311</u> .1 | 28 (Rounded Up) | 64 Units in |
| Rental Units (25% Minimum) | <u>52:27D-311</u> .1 | 14 (Rounded Up) | Downtown |
| Family Rental Units (50% Minimum of Rental Units) | <u>52:27D-311</u> .k.5 | 28 (Rounded Up) | Redevelopment Plan to comply with overall family, rental requirements |
| Age-restricted units (30% Maximum) | <u>52:27D-302</u> .q | 16 (Rounded Down) | No physical Round 4 |
| Transitional Housing (10% Maximum of Total Credits) | <u>52:27D-311</u> .e | 6 (Rounded Down) | units at time of HEFSP adoption. New projects under Redevelopment Plan will comply with maximum thresholds |
| Age-Restricted Housing Bonus Credit (10% Maximum of Age-Restricted Units) | <u>52:27D-311</u> .k.4 | 6 (Rounded Down) | 1 Senior Bonus Credit at RPM |

*Except where otherwise noted, actual units do not count bonus credits. In other words, actual units are the Prospective Need Credits of 73 minus bonus credits of 18 = 55 units.

Note 1: Maximum bonus credits shall not exceed 25% of Prospective Need per 52:27D-311.k.

Note 2: Targets based on required units and will be enforced throughout the Fourth Round as part of site plan review and approval.



Financial Contribution Considerations

The Borough has made substantial progress toward fulfilling its municipal housing obligation through a significant contribution from the Affordable Housing Trust Fund and the issuance of bonds to support a 100% affordable housing project located at West Main Street (Block 73, Lot 65). This contribution, approved via Ordinance 24-27¹¹, will support housing for 71 affordable residential units, including one caretaker unit. In accordance with COAH regulations permitting the use of development fee revenues for such purposes, the Borough has allocated funding to assist income-qualified households, demonstrating a clear and actionable investment in the provision of affordable housing stock. Accordingly, these financial commitments should be considered toward satisfying the Borough's obligation.

D. Other Housing Zoning Considerations

In light of the Borough of <u>Rockaway's 2018 Master Plan</u> and the 2021 Housing Element and Fair Share Plan, it may be appropriate for the Borough to revise housing policies in its land use ordinances to ensure alignment with the adopted Third Round Settlement Agreement and to promote rational, consistent zoning in multi-family and mixed-use zones. The following considerations are recommended:

Repeal or Amend the Accessory Housing Unit Ordinance (Article XI)¹²

Article XI, which established regulations for Accessory Dwelling Units (ADUs), was originally adopted to comply with the Borough's 2017 Settlement Agreement with Fair Share Housing Center (FSHC) and Avalon Bay. That agreement has since been nullified and replaced by the current Third Round Settlement Agreement, which does not require the inclusion of ADUs in the municipal ordinance. As a result, the existing Accessory Housing Unit Ordinance was enacted based on a now-obsolete legal requirement and no longer serves a necessary compliance function.

The State of New Jersey is currently considering reforming accessory dwelling units and related municipal land use regulations via <u>Bill A2792/4370/2489</u>.¹³ These bills address the development and regulation of ADUs within the state. The legislation aims to define ADUs and mandate municipalities to adopt one of two model land use ordinances prescribed by the Commissioner of Community Affairs to regulate ADUs. The legislation would also prohibit municipalities from imposing additional standards beyond those set forth in the state legislation, ensuring uniformity in ADU regulations across New Jersey.

Given the obsolescence of the original intent of adopting the Borough's ADU ordinance (which is heavily regulated by deed restrictions, COAH regulations, and requires reporting to the Borough's Affordable Housing Liaison), the Borough may wish to remove the ordinance and/or

¹¹ <u>https://ecode360.com/RO1087/laws/LF2229176.pdf</u>

¹² <u>https://ecode360.com/33640056</u>

¹³ <u>https://www.njleg.state.nj.us/bill-search/2024/A2792</u>

amend policy in the future that is better aligned with local objectives, rather than maintaining an outdated framework.

Inclusion of Four-Family Dwellings as a Permitted Use in the R-4 and R-5 Zones

The R-4 and R-5 zoning districts currently permit two-, three-family dwellings and garden apartments as principal uses. However, four-family dwellings are notably absent from the list of permitted uses per § <u>172-50</u>, despite permitting apartments (which may be 5+ units).

Requiring use variances for four-family dwellings in zones already permitting lower and higher densities creates inconsistency in the zoning code. It is recommended that four-family dwellings be added as permitted uses in both R-4 and R-5 zones to eliminate this gap and ensure coherent zoning standards.

Allowance for Mixed-Use Residential Uses in the Neighborhood Commercial (NC) Zone

The <u>NC zone</u> was recommended in the 2018 Master Plan. However, the only change implemented was a non-substantive nomenclature name update, with no adjustments made to the permitted uses (as none were recommended in the Master Plan).

Per the ordinance, the NC zone is intended "to provide for a broad range of commercial uses for local needs," excluding highway-scale commercial activity due to lot sizes and infrastructure limitations. In practice, these zones exist only in limited, small-scale commercial pockets at key intersections within the Borough.

To encourage mixed-use development consistent with smart growth principles and to activate underutilized space, it is recommended that mixed-use residential be permitted. This could be established as a conditional use to allow for municipal oversight, including conditions of on-site parking and residential use limited to upper floors or restricted ground floor area (e.g. square footage cap or frontage limit).

Allowance for Mixed-Use Residential Uses in the Office Business (OB) Zone

The <u>OB zone</u> permits either single-family residential use or office use as separate, principal uses. Allowing mixed-use occupancy (single-family in conjunction with an office use) would provide greater flexibility in adaptive reuse of existing properties and contribute to land use efficiency. This change would support context-sensitive redevelopment and infill opportunities, particularly in areas with existing infrastructure and building stock suitable for dual-purpose use.

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IV. Appendices

- A. Regulatory Resolution (Adopting Obligation Number) and Court Order Fixing Municipal Obligation
- B. Zoning Amendments (Downtown Redevelopment Plan)
- C. Affordable Housing Ordinance
- D. Development Fee Ordinance
- E. Affirmative Marketing Plan
- F. Spending Plan
- G. Resolution of intent to fund cost of municipality's municipally sponsored affordable housing development as well as its rehabilitation program
- H. Copies of resolutions appointing Administrative Agent(s) and ordinance creating the position of and appointing the Municipal Affordable Housing Liaison



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A) Regulatory Resolution (Adopting Obligation Number) and Court Order Fixing Municipal Obligation

RESOLUTION 33-25: COMMITTING THE BOROUGH OF ROCKAWAY TO COMPLY WITH AFFORDABLE HOUSING OBLIGATIONS

WHEREAS, on March 20, 2024, Governor Philip D. Murphy signed into law an Amendment to the Fair Housing Act (N.J.S.A. 52:27D-301 et seq.) (hereinafter "Amended FHA"); and

WHEREAS, the Amended FHA requires the Department of Community Affairs ("DCA") to produce non-binding estimates of need on or before October 20, 2024; and

WHEREAS, the DCA issued a report on October 18, 2024 ("DCA Report") wherein it reported its estimate of the obligation for all municipalities based upon its interpretation of the standards in the Amended FHA; and

WHEREAS, the DCA Report calculates the Borough of Rockaway Round 4 (2025-2035) obligations as follows: a Present Need or Rehabilitation Obligation of 195 and a Prospective Need or New Construction Obligation for Round 4 of 73; and

WHEREAS, the Amended FHA provides that the DCA Report is non-binding, thereby inviting municipalities to demonstrate that the Amended FHA would support a lower fair share calculation; and

WHEREAS, substantial activity has occurred surrounding the Amended FHA and is ongoing since the Amended FHA was signed into law that warrants the Borough of Rockaway explicitly reserving certain rights to avoid any claim that it has waived them; and

WHEREAS, for example, the Borough of Rockaway notes that the New Jersey Institute of Local Government Attorneys ("NJILGA") has expressed its support for legislation (hereinafter the "NJILGA Legislation") which, if adopted would reduce the Borough of Rockaway Round 4 prospective Need from 73 to 13 and which further provides that municipalities would have "90 days from receipt of revised fair share obligations from the [DCA] to provide amended Housing Element and Fair Share Plans addressing the new number; and

WHEREAS, the Borough of Rockaway supports the NJILGA Legislation and would have the right to reduce its Round 4 obligation in the event that the Legislature enacts the NJILGA Legislation; and

WHEREAS, the Amended FHA specifically provides that "[a]ll parties shall be entitled to rely upon regulations on municipal credits, adjustments, and compliance mechanisms adopted by COAH unless those regulations are contradicted by statute, including P.L. 2024, c.2, or binding court decisions" (N.J.S.A. 52:27D-311 (m)); and

WHEREAS, COAH regulations authorize the award of a durational adjustment and vacant land adjustment; and

WHEREAS, based on the foregoing, the Borough of Rockaway commits to a fair share of 195 units present need and 73 units prospective need subject to a durational adjustment and vacant land adjustment; and



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WHEREAS, the Borough of Rockaway reserves the right to comply with the NJILGA Legislation if the Legislature enacts it; and

WHEREAS, the Borough of Rockaway also reserves all rights to adjust its position in the event of any rulings in Borough of Montvale, et al. v. State of New Jersey, et al., Docket No. MER-L-1778-24 (hereinafter the "Montvale Case") or any other such action that alters the deadlines and/or requirements of the Amended FHA; and

WHEREAS, in the event that a third-party challenge the calculations provided for in this Resolution, the Borough of Rockaway reserves the right to take such position as it deems appropriate in response thereto including that its Round 4 Present or Prospective Need Obligations should be lower than described herein; and

WHEREAS, in light of the above, the Mayor and Council of the Borough of Rockaway finds that it is in the best interest of the Borough of Rockaway to declare its commitment to the obligations reported by the DCA on October 18, 2024 subject to the reservations set forth herein; and

WHEREAS, in addition to the above, the Acting Administrative Director issued Directive #14-24, dated December 13, 2024, and made the directive available later in the week that followed; and

WHEREAS, pursuant to Directive #14-24, a municipality seeking a certification of compliance with the FHA shall file an action in the form of a declaratory judgment complaint in the county in which the municipality is located within 48 hours after adoption of the municipal resolution of fair share obligations, or by February 3, 2025, whichever is sooner; and

WHEREAS, the Borough of Rockaway seeks a certification of compliance with the FHA and, therefore, directs its affordable housing Counsel to file a declaratory relief action in the Superior Court of New Jersey, Morris County within 48 hours of the adoption of this resolution.

NOW, THEREFORE, BE IT RESOLVED, on this 23rd day of January, 2025 by the Mayor and Council of the Borough of Rockaway, Morris County, State of New Jersey, as follows:

- 1) All of the Whereas Clauses set forth above are incorporated into the operative clauses of this resolution.
- 2) The Mayor and Council of the Borough of Rockaway hereby commits to the DCA Round 4 Present Need Obligation of 195 units and the Round 4 Prospective Need Obligation of 73 units described in this Resolution, subject to all reservations of rights, which specifically include:
 - a. The right to a durational adjustment in accordance with COAH regulations;
 - b. The right to comply with the NJILGA Legislation if the Legislature enacts it;
 - c. The right to adjust its obligation in the event of any future legislation, including but not limited to the NJILGA Legislation, that adjusts the obligations the DCA reported on October 18, 2024;
 - d. The right to adjust its obligations based upon any ruling in the Montvale Case or other litigation; and
 - e. The right to adjust its obligations in the event of a third-party challenge to the obligations and the Borough's response thereto.



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- Counsel to file a declaratory judgment complaint in Morris County within 48 hours after adoption of this resolution attaching this resolution. 4) The Mayor and Council of the Borough of Rockaway authorizes its Affordable Housing Counsel to file this resolution with the Program or any other such entity as may be determined to be appropriate. 5) This resolution shall take effect immediately, according to law. DATE: January 23, 2025 BOROUGH OF ROCKAWAY ATTEST: Kimberly Cuspilich, Borough Clerk BY: Thomas Mulligan, Mayor CERTIFICATION I, Kimberly Cuspilich, Borough Clerk of the Borough of Rockaway, in the County of Morris, do hereby certify that the foregoing is a true and correct copy of a resolution duly adopted by the Mayor and Council at a meeting held on January 23, 2025. Kimberly Cupler Kimberly Cuspilich, RMC **Borough Clerk**

3) The Mayor and Council of the Borough of Rockaway hereby directs its Affordable Housing



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| PREPARED BY THE COURT | |
|--|--|
| IN THE MATTER OF THE DECLARATORY JUDGMENT ACTION OF THE BOROUGH OF ROCKAWAY, MORRIS COUNTY PURSUANT TO P.L. 2024, CHAPTER 2 | SUPERIOR COURT OF NEW JERSEY LAW DIVISION - CIVIL PART MORRIS COUNTY DOCKET NO. MRS-L-205-25 FILED Civil Action APR 7 A 2020 Lamme M. Alem, J. S.C. ORDER FIXING MUNICIPAL OBLIGATIONS FOR "PRESENT NEED" AND "PROSPECTIVE NEED" FOR THE FOURTH ROUND HOUSING CYCLE |
| THIS MATTER, having come be | feet the Court on its own motion, and sponte, on the |
| Complaint for Declaratory Judgment filed or | a January 24, 2025 ("DJ Complaint") by the Petitioner, |
| BOROUGH OF ROCKAWAY ("Pesilor | er" or "Municipality"), pursuant to NJSA 52:27D- |
| 304.2, -304.3, and -304.1(f)(1)(c) of the N | ww Jersey Fair Resaing Act, N.LS.A. 52:27D-301, et |
| reg (collectively, the "FHA"), and in acce | nlance with Section II.A of Administrative Directive |
| #14-24 ("Directive #14-24") of the Affi | ordable Housing Dispute Resolution Program (the |
| "Program"), seeking a certification of comp | fiance with the FHA; |
| AND IT APPEARING, that on Oct | ober 18, 2024, pursuant to the FIIA (as amended), the |
| New Jensey Department of Community A | fairs ("DCA") issued its report entitled Affordable |
| Housing Obligations for 2025-2035 (Four | th Round),1 therein setting forth the present need and |
| prospective need obligations of all Nave Jer | sey municipalities for the Fourth Round bousing cycle |
| (the "DCA's Fourth Roand Report"), | |
| * See https://si.gos/dca/dps/pdf?coethRoandt | Ter epidebild Anti- |
| And sufficient for our subschedule second second | Terminal Description 21 Let |

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AND IT APPEARING that, pursuant to the DCA's Fourth Round Report, the present need obligation of the Petitioner has been calculated and reported as <u>195</u> affordable units, and its prospective need obligation of the Petitioner has been calculated and reported as <u>73</u> affordable units, and which calculations have been deemed presumptively valid for purposes of the FHA;

AND THE COURT, having determined that no interested party has filed a challenge to the Petitioner's DJ Complaint by way of an Answer thereto as provided for and in accordance with Section II.B of Directive #14-24 of the Program;

AND THE COURT, having found and determined, therefore, that the present need and prospective need affordable housing obligations of the Petitioner for the Fourth Round housing cycle as calculated and reported in the DCA's Fourth Round Report have been committed to by the Petitioner and are uncontested, and for good cause having otherwise been shown:

IT IS, THEREFORE, on this 24TH day of APRIL 2025 ORDERED AND ADJUDGED as follows:

 That the present need obligation of the Municipality, be, and hereby is fixed as <u>195</u> affordable units for the Fourth Round housing cycle.

 That the prospective need obligation of the Municipality, be, and hereby is fixed as 73 affordable units for the Fourth Round Housing cycle; and

3. That the Petitioner is hereby authorized to proceed with preparation and adoption of its proposed Housing Element and Fair Share Plan for the Fourth Round, incorporating therein the present need and prospective need allocations aforesaid (and which plan shall include the elements set forth in the "Addendum" attached to Directive #14-24), by or before June 30, 2025, as provided for and in accordance with Section III.A of Directive #14-24, and without further delay.

| on the Petitioner and Petit | ioner's counsel. |
|-----------------------------|--|
| | SO ORDERED: |
| | Mally |
| | HON. JANINE M. ALLEN, J.S.C. Designated Mt. Laurel Judge – Morris/Sussex Vicinage |
| | |

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B) Zoning Amendment (Downtown Redevelopment Plan)

See full Downtown Redevelopment Plan Ordinance #24-08 (June 13, 2024) online at:

https://www.rockawayborough.org/boardsandcommittees/lub/DowntownRockawayRedeve lopmentPlan-updated06-13-24.pdf

Below are relevant sections regarding affordable housing requirements, subdistrict mapping, and zoning density parameters:

- Page 32: "6.11 Affordability. All projects within the Redevelopment Area shall comply with the Borough's affordable housing requirements pursuant to Borough Code Chapter 88, Affordable Housing."
- Page 16: "6.2 Subdistricts General"

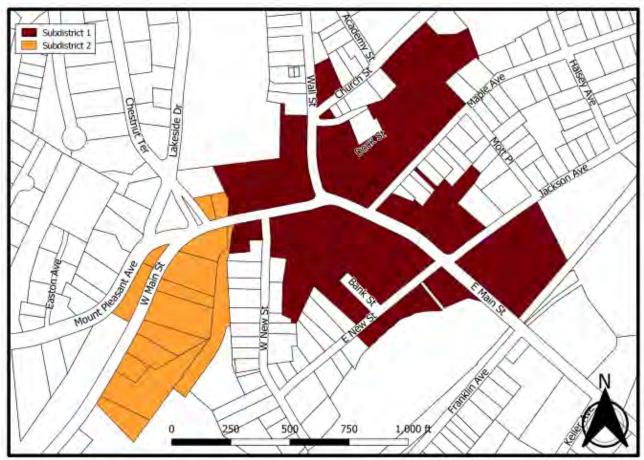


Figure 5: Redevelopment Area Subdistricts.

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Pages 17-19: "6.3 Subdistrict One – Borough Center I [...] Permitted Principal Uses [...] Multifamily Residential [A] partment on upper floors [...]

Area, Bulk and Density Requirements

Subdistrict I provides three "Lot Types" based on the lot area of the subject property. Such lot types are "definitional," and a property is subject to the regulations for the Lot Type that corresponds to the property's area.

| Lot Type | Small | Medium | Large |
|---|---|--------------------|--------------------|
| Lot Area | 5,000-9,999 SF | 10,000-19,999 SF | 20,000+ SF |
| Lot Width (Min.) | 50 FT | 80 FT | 100 FT |
| Lot Depth (Min.) | | 100 FT | |
| Front Setback | 0 FT | | 20 FT |
| Side Setback – Each Side* | 0 FT (Maximum) 15-25 FT if setback is provided | | 15-25 FT |
| Rear Setback (Min.) | 20 FT | | 20 FT |
| Building Coverage (Max.) | 85% | | |
| Impervious Coverage (Max.) | | 90%** | |
| Building Height (Max.) | 3 Stories / 40 FT | 3 Stories / 40 FT | 3.5 Stories / 48 F |
| Residential Density (Max.)*** | 20 DU/AC | 25 DU/AC | 30 DU/AC |
| Accessory Structures | See Bo | orough Code § 172 | 2-11**** |
| windows are existing on adjacer **Impervious coverage maximu the following building design ele Rain garden(s) or bioswa Low-flow plumbing fixtu Rainwater harvesting sys | m shall not apply if ments: ale(s) res stem | the building conta | |
| Thermoplastic Polyolefin Stormwater detention sy ***In cases where maximum dee be increased up to two units so table pursuant to Section 6.6. | ystem nsity is capped at or | ne unit, the maxim | |

 Pages 20-22: "6.4 Subdistrict Two – Borough Center II [...] Permitted Principal Uses [...] Multifamily Residential 1. Apartment [...] 4. Townhome"

| Lot Area (Min.) | 15,000 SF |
|---|---|
| Lot Width (Min.) | 60 FT |
| Lot Depth (Min.) | 50 FT |
| Front Setback (Min.) | 20 FT |
| Side Setback – Each Side (Min.) | IS FT |
| Rear Setback (Min.) | 20 FT |
| Distance between Principal Buildings or Townhouse Rows (Min.) | IS FT |
| Townhouse Unit Width (Min.) | 20 FT |
| Building Coverage (Min.) | 50% |
| mpervious Coverage (Max.) | 75% |
| Building Height (Max.) | 3 Stories / 36 FT* |
| Residential Density (Max.)** | IS DU/AC |
| Units per Building (Max.) | 6 units as part of a Townhouse / attached row in one principal building |
| Lot Area (Min.) | See Borough Code § 172-11*** |
| may be increased up to two units so lon ratio table pursuant to Section 6.6. | capped at one unit, the maximum density of as the proposed use(s) meet the parking ground floor shall be set back at least 30 |

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