



# 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

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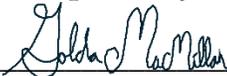
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*The original of this report was signed and sealed in accordance with N.J.S.A. 45:14A-12.*

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## I. 2026 Amendment

Content replaced by revisions or that is otherwise no longer applicable is in ~~strikethrough~~, while new / revised content is in *green italics*.

*This Housing Element and Fair Share Plan (“HEFSP”) was adopted by the Land Use Board on June 3, 2025, and subsequently submitted to the Affordable Housing Dispute Resolution Program (the “Program”) on June 4, 2025.*

*On September 2, 2025, the Fair Share Housing Center (“FSHC”) filed a challenge to the Borough’s HEFSP pursuant to N.J.S.A. 52:27D-304.1(f)(2)(b)<sup>1</sup>*

*Thereafter, the Borough and FSHC agreed to amicably resolve the issues raised in the challenge through a settlement agreement, which was submitted to the Program and referred to the Mount Laurel judge in accordance with N.J.S.A. 52:27D-304.1(f)(2)(b) and Administrative Directive #14-24. As a result of the settlement the Borough received a compliance certification for the Fourth Round. See Appendices J and K for copies of the settlement agreement and compliance certification.*

*Accordingly, this Amendment is necessary to implement the terms of the settlement agreement. The changes include:*

- 1. Revisions to the Borough’s rehabilitation manual to commit to providing rehabilitation assistance to renters.*
- 2. Revisions to the Third and Fourth Round crediting charts set forth in paragraphs three (3) and six (6) of the settlement agreement.*

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<sup>1</sup> Case Number MRS-L-000205-25

## II. 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.2<sup>2</sup> (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

#### 1975 – 1985 | Mount Laurel Doctrine and the Fair Housing Act

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 moderate-income 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

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

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, 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.

#### 1987 – 2004 | Establishment and Administration of First Round and Second Round COAH Rules

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 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:

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 dependence 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

### Municipal Land Use Law ("MLUL") + Fair Housing Act ("FHA")

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,<sup>3</sup> 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 moderate-income households and substandard housing capable of being rehabilitated, and in conducting this*

<sup>3</sup> <https://pub.njleg.state.nj.us/Bills/2024/PL24/2 .PDF>

*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;*

- b. A projection of the municipality's housing stock, including the probable future construction of low- and moderate-income housing, for the next ten years, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;*
- c. An analysis of the municipality's demographic characteristics, including but not necessarily limited to, household size, income level and age;*
- d. An analysis of the existing and probable future employment characteristics of the municipality;*
- e. A determination of the municipality's present and prospective fair share for low- and moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low- and moderate-income housing, as established pursuant to section 3 of P.L.2024, c.2 (C.52:27D-304.1);*
- f. A consideration of the lands that are most appropriate for construction of low- and moderate-income housing and of the existing structures most appropriate for conversion to, or rehabilitation for, low- and moderate-income housing, including a consideration of lands of developers who have expressed a commitment to provide low- and moderate-income housing; 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, [Administrative Directive #14-24](#),<sup>4</sup> which promulgated the procedures and guidelines for implementing the Affordable Housing Dispute Resolution Program; contains a 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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<sup>4</sup> [https://www.njcourts.gov/sites/default/files/administrative-directives/2024/12/dir\\_14\\_24.pdf](https://www.njcourts.gov/sites/default/files/administrative-directives/2024/12/dir_14_24.pdf)

### III. 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. American Community Survey (“ACS”): 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 link<sup>5</sup> utilized in this HEFSP.
2. Decennial Census: 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 link<sup>6</sup> utilized in this HEFSP.
3. Comprehensive Housing Affordability Strategy (“CHAS”): 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 link<sup>7</sup> utilized in this HEFSP.
4. North Jersey Transportation Planning Authority (“NJTPA”): 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 link<sup>8</sup> utilized in this HEFSP.
5. State or Other Agency Sources: 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.

<sup>5</sup> <https://data.census.gov/table>

<sup>6</sup> <https://data.census.gov/table?d=DEC%20Demographic%20Profile>

<sup>7</sup> <https://www.huduser.gov/portal/datasets/cp.html>

<sup>8</sup> <https://www.njtpa.org/NJTPA/media/Documents/Planning/Plans-Guidance/Planning%20for%202050/draft%20final/E-2050-Demographic-Forecasts.pdf>

## 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

*Source: American Community Survey [2023](#)*

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**

	<b>2023</b>	<b>PERCENT</b>	<b>2018</b>	<b>PERCENT</b>
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 Units**

	<b>2023</b>	<b>PERCENT</b>	<b>2018</b>	<b>PERCENT</b>	<b>PERCENT CHANGE</b>
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%).

**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: [CHAS 2017-2021 ACS](#)*

***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 + Inadequate 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 [2023](#) and [2018](#)*

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

**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 [2023](#) and [2018](#)*

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

*Source: American Community Survey [2023](#) and [2018](#)*

#### 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.

### 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: [CHAS 2017-2021 ACS](#)

## **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**

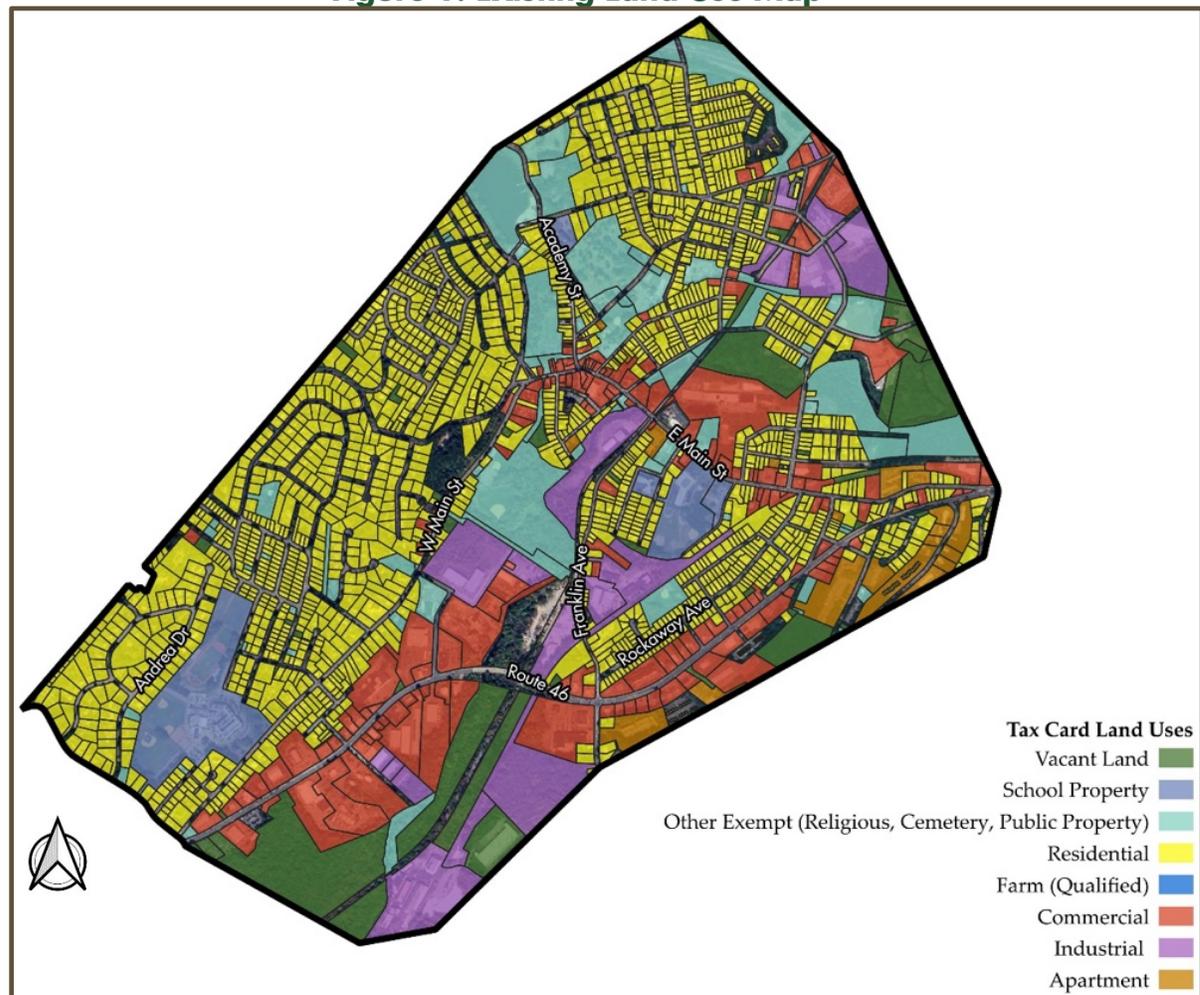
YEAR	POPULATION	ANNUALIZED % CHANGE
2015	2,468	
2050 (Predicted)	2,589	0.1%

Source: [U.S. Census, NJTPA](#)

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.

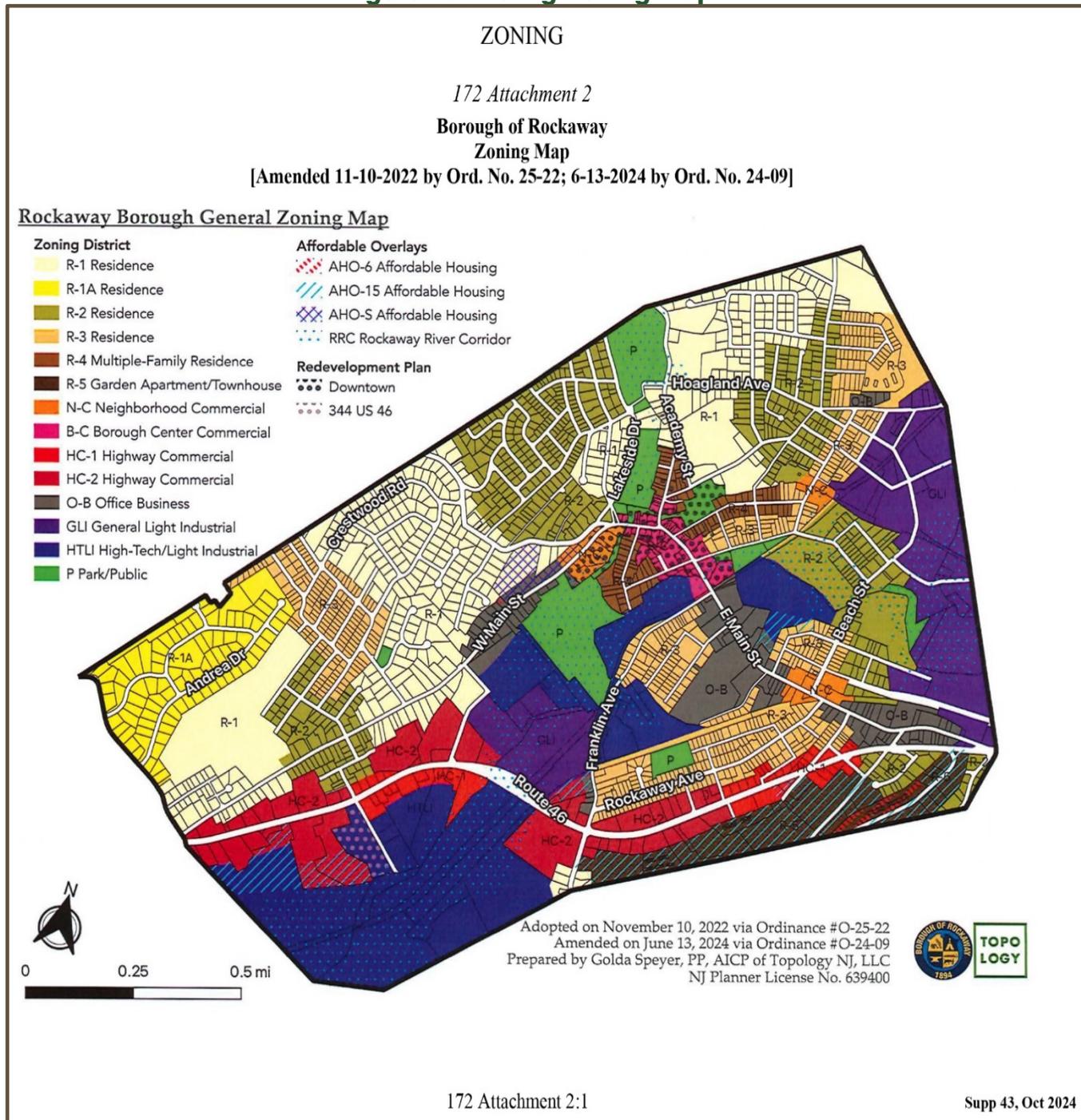
**Figure 1: Existing Land Use Map**



*Borough of Rockaway Land Use Map<sup>9</sup>*

<sup>9</sup> 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.

**Figure 2: Existing Zoning Map**



[Borough of Rockaway Zoning Map](#)

### 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, "Appendix E - 2050 Demographic Forecasts"](#)

#### 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: Population 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

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 [2019-2023](#)*

### 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 Place of Birth**

	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](#)*

### 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
<b>Borough of Rockaway</b>	\$100,028	\$87,083	\$12,945	14.8%
<b>Morris County</b>	\$134,929	\$111,316	\$23,613	21.2
<b>New Jersey</b>	\$99,781	\$81,740	\$18,041	22.1

*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.

**Table 16: Poverty Status**

<b>BOROUGH OF ROCKAWAY</b>	2023	PERCENT	2018	PERCENT	CHANGE
Total Persons	6,589		6,404		185
Total Below Poverty	412	6.3	298	4.7	1.6
<b>MORRIS COUNTY</b>	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-329.2010, 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

<sup>10</sup> <https://pub.njleg.gov/Bills/2020/AL21/273 .HTM>

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: [NJTPA](#)*

## IV. 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.

**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	<i>Merged for purposes of collective credit "pool" by maximum cap.</i>  3 physical units (Group Homes Capped)	<ul style="list-style-type: none"> <li>▪ PSCH Group Home (135 Hoagland), 4 units complete and occupied</li> <li>▪ Allegro Group Home (80 Andrea), 5 units complete and occupied</li> </ul>
Allegro Group Home	5		
ESW Realty, LLC	1	<i>Merged for purposes of collective credit "pool" by maximum cap.</i>  14 (8 physical units + 6 rental bonus credits)	<ul style="list-style-type: none"> <li>▪ ESW Realty (76 Franklin), 1 rental unit completed, pursuing occupancy</li> <li>▪ Rockaway Commons, Rental, 4 units nearly complete, <del>CO</del> expected in Summer 2025</li> <li>▪ Mill Lane (60 Main Street), Rental, 3 units completed</li> </ul>
Rockaway Commons, LLC	4		
Mill Lane Realty, LLC	3		
RPM – Senior Project	70	5 (Senior Capped)	Project issued Building Permit and under construction
<b>22 Credits required per Round 3 HEFSP</b>			<b>No deficit of RDP credits</b>

**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. <i>(49 Credits in Unmet Need)</i>
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. <i>(2 Credits in Unmet Need)</i>
The Borough agrees to adopt inclusionary overlay zoning	<ul style="list-style-type: none"> <li>▪ 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.</li> <li>▪ 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.</li> <li>▪ 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.</li> <li>▪ 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.</li> <li>▪ 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.</li> </ul>	<p>Zoning ordinances have been adopted via O-16-18 for density up to 357 units, which equals 71 set-aside LMI units.</p> <p>Note: During Round Three, 15 rental credits were approved under this mechanism via LUB #100 at 100 Hillside Avenue</p> <p><i>(71 Credits in Unmet Need)</i></p>

ROUND 3 UNMET NEED MECHANISM	REQUIREMENT	CREDITS SUPPLIED / MADE OPPORTUNITY
<p>Borough Central Commercial Zone Area Inclusionary Housing</p>	<p>The Borough shall either:</p> <ul style="list-style-type: none"> <li>▪ 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 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 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 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 parties agree that the Borough will adopt an Overlay Zone Ordinance to encompass the <b>approximately 18-acre area</b>. These parcels are currently developed with a variety of land uses. The overlay zone will allow for inclusionary residential development at a <b>density of between 15 to 18 units per acre</b>, with the 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; or</li> <li>▪ 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</li> </ul>	<p>A Redevelopment Plan has been adopted via O-19-22 and amended O-24-08.</p> <p>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).</p> <p>However, the Borough zoned <u>more</u> than the Round 3 requirement:</p> <ul style="list-style-type: none"> <li>▪ Subdistrict 1 (18.8 Acres) zoned up to 30 DU/A, which equates to 546 Units</li> <li>▪ Subdistrict 2 (6.5 Acres) zoned at 15 DU/AC, which equates to 98 Units.</li> </ul> <p>With an actual zoned density of up to 644 units, this is a 20% set-aside of 129 LMI units.</p> <p>In other words, the Borough <a href="#">Downtown Redevelopment Plan</a> has re-zoned a significant area of the Borough with a residential density “above and beyond” what the Third Round required (129 LMI zoned minus 65</p>

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.	LMI required). As a result, the Borough has 64 surplus credit that may carry into Fourth Round crediting plan.  <i>(129 Credits in Unmet Need)</i>
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.  <i>(2 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

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.

*A Rehabilitation Manual is required as a result of the Borough's Fair Share Housing settlement and as part of this Amendment. This Rehabilitation Manual was drafted by the Borough's Administrative Agent and will be adopted by Resolution prior to the March 15, 2026 deadline. In addition, a Borough Spending Plan has been prepared utilizing Affordable Housing Trust Fund revenues. The Spending Plan allocates program funds for the rehabilitation of affordable housing units within the Borough. Pursuant to regulations, Affordable Housing Trust Fund monies may be allocated to:*

*"A rehabilitation program whose purpose is to renovate deficient housing units that are occupied by low- and moderate-income households, in accordance with the New Jersey State Housing Code, N.J.A.C. 5:28, or the requirements of the Rehabilitation Subcode, N.J.A.C. 5:23-6, as applicable. Any recaptured funds from a rehabilitation program shall be deposited into a municipality's affordable housing trust fund and subject to the provisions thereof."*

*The Borough's adopted Spending Plan is attached as Appendix F.*

#### 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.~~ *RPM Project surplus from Round Three (15 credits).*
2. Zoning changes that exceeded previous settlement requirements via the Downtown Redevelopment Plan Surplus Credits from Round Three Zoning Requirements *(58 credits).*

Of these mechanisms, the Borough has ~~76 surplus~~ 73 credits from prior Round Three projects.

*This amended plan has been revised to remove the prior adopted “Bonus Credit Analysis” section, which is no longer applicable for Round Four crediting plan.*

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**

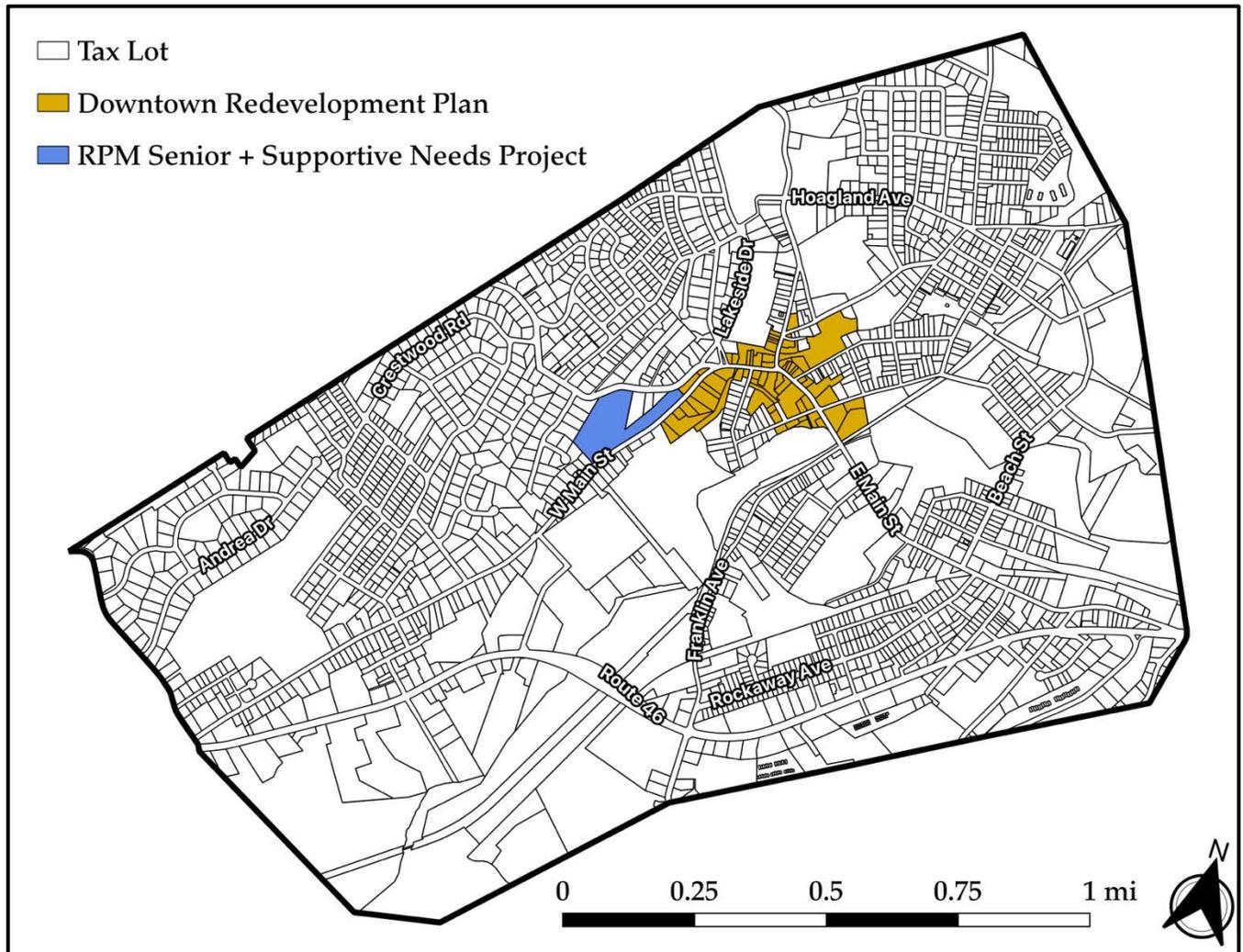
*This amended plan has been revised to remove the prior adopted analysis of bonus credit information below, which is no longer applicable for Round Four crediting plan.*

DOWNTOWN REDEVELOPMENT PLAN	
<p>The Downtown Redevelopment Plan contains density zoning for up to 644 units, which equates to a 20% set-aside of 129 LMI units:</p> <ul style="list-style-type: none"> <li>▪ Subdistrict 1 (18.8 Acres) zoned up to 30 DU/A, which equates to 546 Units</li> <li>▪ Subdistrict 2 (6.5 Acres) zoned at 15 DU/AC, which equates to 98 Units.</li> </ul> <p>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.</p>	
<p>Description of Availability</p>	<p>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</p>

	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.
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.
<b>SENIOR AND SUPPORTIVE NEEDS HOUSING (WEST MAIN STREET)</b>	
<p>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 low- and 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.</p> <p>These 70 LMI units were required to satisfy the Borough's Round Three prospective need. <i>15 units have been applied to satisfy Round Four need.</i></p>	
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 70-unit project by the Joint Land Use Board.

**Figure 3: Prospective Need Projects Map**

*This amended plan has been revised to remove the prior adopted mapping of bonus credit information below, which is no longer applicable for Round Four crediting plan.*



### 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 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"*

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 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)  <i>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.</i>	<a href="#">52:27D-329.1</a>	8 (Rounded Up)	New Projects will comply with UHAC, AHO and Requirements for LMI requirements
Family VLI Units (50% Minimum of VLI Units)	<a href="#">52:27D-329.1</a>	4	
Low-Income Units (50% Minimum)  <i>Conversely, the maximum of Moderate-Income Units shall not exceed 50%.</i>	<a href="#">52:27D-329.1</a>	28 (Rounded Up)	
Family Units (50% Minimum)	<a href="#">52:27D-311.l</a>	28 (Rounded Up)	64 Units in Downtown Redevelopment Plan to comply with overall family, rental requirements
Rental Units (25% Minimum)	<a href="#">52:27D-311.l</a>	14 (Rounded Up)	
Family Rental Units (50% Minimum of Rental Units)	<a href="#">52:27D-311.k.5</a>	28 (Rounded Up)	No physical Round 4 units at time of HEFSP adoption. New projects under Redevelopment Plan will comply with maximum thresholds. <i>15 Units through RPM (transitional and age-restricted housing project). New projects</i>
Age-restricted units (30% Maximum)	<a href="#">52:27D-302.q</a>	16 (Rounded Down)	
Transitional Housing (10% Maximum of Total Credits)	<a href="#">52:27D-311.e</a>	6 (Rounded Down)	

			<i>will comply with maximum thresholds</i>
Age-Restricted Housing Bonus Credit (10% Maximum of Age-Restricted Units)	<a href="#">52:27D-311.k.4</a>	6 (Rounded Down)	<del>1 Senior Bonus Credit at RPM</del> <i>N/A</i>
<p><i>*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.</i></p> <p><i>Note 1: Maximum bonus credits shall not exceed 25% of Prospective Need per 52:27D-311.k.</i></p> <p><i>Note 2: Targets based on required units and will be enforced throughout the Fourth Round as part of site plan review and approval.</i></p>			

### 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 24-27<sup>11</sup>, 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.

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

## D. Other Housing Zoning Considerations

In light of the Borough of [Rockaway's 2018 Master Plan](#) 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:

*As of this Amendment, all the following has been adopted.*

*Repeal or Amend the Accessory Housing Unit Ordinance (Article XI)*<sup>12</sup>

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 [Bill A2792/4370/2489](#).<sup>13</sup> 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 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 § [172-50](#), 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

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

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

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 [NC zone](#) 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 [OB zone](#) 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.

## V. Appendices

- A. Regulatory Resolution (Adopting Obligation Number) and Court Order Fixing Municipal Obligation
- B. Zoning Amendments (Downtown Redevelopment Plan)
- C. Affordable Housing *and Developer Fee Ordinance (Amended for New UHAC Standards)*  
~~Development Fee Ordinance~~ *Former Appendix D (Developer Fee Ordinance) merged into Appendix C*
- D. Affirmative Marketing Plan
- E. Spending Plan
- F. Resolution of intent to fund cost of municipality's municipally sponsored affordable housing development as well as its rehabilitation program
- G. Copies of resolutions appointing Administrative Agent(s) and ordinance creating the position of and appointing the Municipal Affordable Housing Liaison
- H. *Rehabilitation Manual*
- I. *Program Settlement*

## 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

**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 23<sup>rd</sup> 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.

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

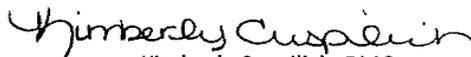
BOROUGH OF ROCKAWAY

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 Cuspilich, RMC  
Borough Clerk

MRS-L-000205-25 04/24/2025 Pg 1 of 3 Trans ID: LCV20251223114

**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 24 2025

Janine M. Allen, J.S.C.

**ORDER FIXING MUNICIPAL  
OBLIGATIONS FOR “PRESENT NEED”  
AND “PROSPECTIVE NEED” FOR THE  
FOURTH ROUND HOUSING CYCLE**

**THIS MATTER**, having come before the Court on its own motion, *sua sponte*, on the Complaint for Declaratory Judgment filed on January 24, 2025 (“DJ Complaint”) by the Petitioner, **BOROUGH OF ROCKAWAY** (“Petitioner” or “Municipality”), pursuant to N.J.S.A. 52:27D-304.2, -304.3, and -304.1(f)(1)(c) of the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301, et seq. (collectively, the “FHA”), and in accordance with Section II.A of Administrative Directive #14-24 (“Directive #14-24”) of the Affordable Housing Dispute Resolution Program (the “Program”), seeking a certification of compliance with the FHA;

**AND IT APPEARING**, that on October 18, 2024, pursuant to the FHA (as amended), the New Jersey Department of Community Affairs (“DCA”) issued its report entitled *Affordable Housing Obligations for 2025-2035 (Fourth Round)*,<sup>1</sup> therein setting forth the present need and prospective need obligations of all New Jersey municipalities for the Fourth Round housing cycle (the “DCA’s Fourth Round Report”);

<sup>1</sup> See [https://nj.gov/dca/dlps/pdf/FourthRoundCalculation\\_Methodology.pdf](https://nj.gov/dca/dlps/pdf/FourthRoundCalculation_Methodology.pdf)

**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 **195** affordable units, and its **prospective need** obligation of the Petitioner has been calculated and reported as **73** 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 24<sup>TH</sup> day of **APRIL 2025 ORDERED AND ADJUDGED** as follows:

1. That the present need obligation of the Municipality, be, and hereby is fixed as **195** affordable units for the Fourth Round housing cycle.
2. 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.

**IT IS FURTHER ORDERED**, that a copy of this Order shall be deemed served on the Petitioner and Petitioner's counsel.

SO ORDERED:

  
 \_\_\_\_\_  
**HON. JANINE M. ALLEN, J.S.C.**  
*Designated Mt. Laurel Judge – Morris/Sussex Vicinage*

(X) Uncontested.

## B) Zoning Amendment (Downtown Redevelopment Plan)

See full Downtown Redevelopment Plan Ordinance #24-08 (June 13, 2024) #25-21 (September 11, 2025) online at:

<https://www.rockawayborough.org/boardsandcommittees/lub/Downtown-Rockaway-Redevelopment-Plan-updated-09112025.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”

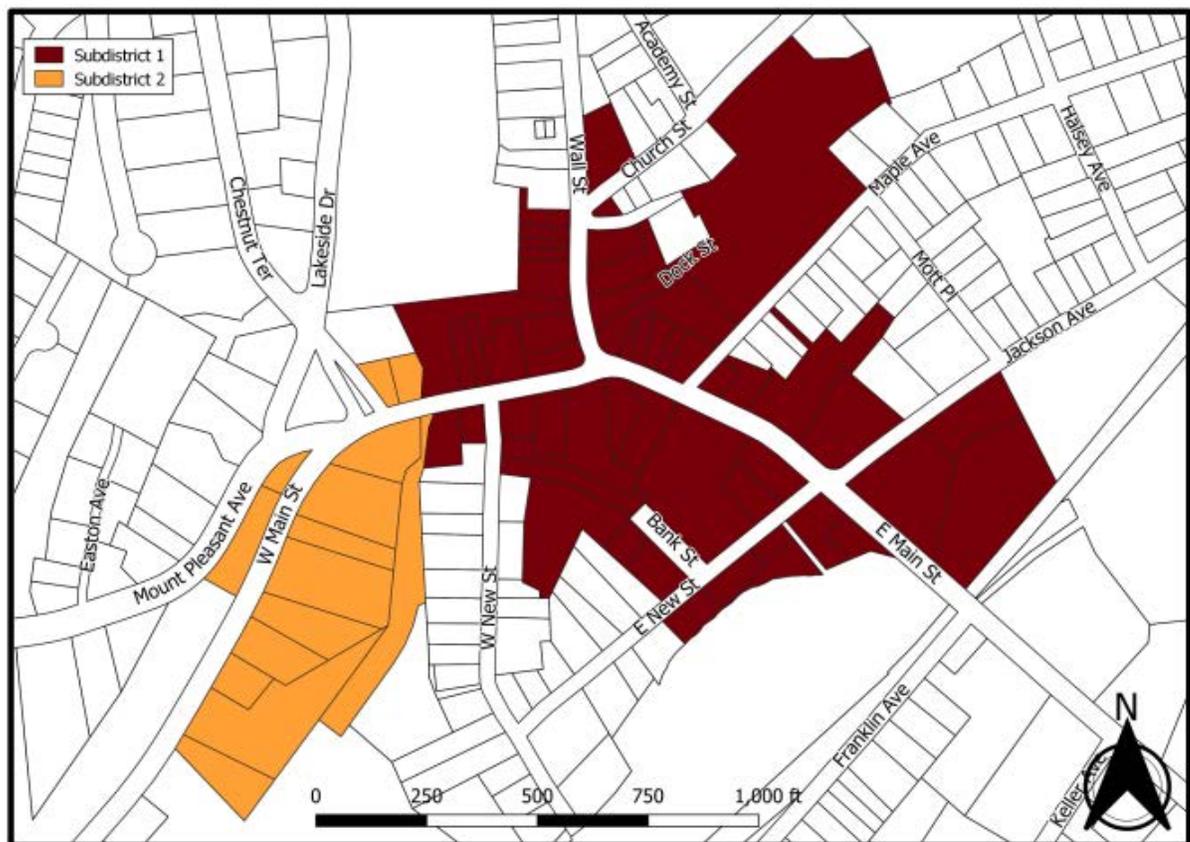


Figure 5: Redevelopment Area Subdistricts.

- 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
A. Lot Area	5,000-9,999 SF	10,000-19,999 SF	20,000+ SF
B. Lot Width (Min.)	50 FT	80 FT	100 FT
Lot Depth (Min.)	100 FT		
C. Front Setback	0 FT		20 FT
E. Side Setback – Each Side*	0 FT (Maximum) 15-25 FT if setback is provided		15-25 FT
F. Rear Setback (Min.)	20 FT		20 FT
G. Building Coverage (Max.)	85%		
H. Impervious Coverage (Max.)	90%**		
I. Building Height (Max.)	3 Stories / 40 FT	3 Stories / 40 FT	3.5 Stories / 48 FT
J. Residential Density (Max.)***	20 DU/AC	25 DU/AC	30 DU/AC
K. Accessory Structures	See Borough Code § 172-11****		

\* Setback shall be required if windows are proposed along the side façade or if windows are existing on adjacent property within 5 feet of property line.  
 \*\*Impervious coverage maximum shall not apply if the building contains at least 3 of the following building design elements:  
 • Rain garden(s) or bioswale(s)  
 • Low-flow plumbing fixtures  
 • Rainwater harvesting system  
 • Thermoplastic Polyolefin (TPO) or green roof  
 • Stormwater detention system  
 \*\*\*In cases where maximum density is capped at one unit, the maximum density may be increased up to two units so long as the proposed use(s) meet the parking ratio table pursuant to Section 6.6.  
 \*\*\*\*In addition, Accessory Uses on the ground floor shall be set back at least 30 feet from any street-facing façade, except for ground floor lobbies.

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

**Area, Bulk and Density Requirements**

A. Lot Area (Min.)	15,000 SF
B. Lot Width (Min.)	60 FT
Lot Depth (Min.)	50 FT
C. Front Setback (Min.)	20 FT
D. Side Setback – Each Side (Min.)	15 FT
E. Rear Setback (Min.)	20 FT
Distance between Principal Buildings or Townhouse Rows (Min.)	15 FT
Townhouse Unit Width (Min.)	20 FT
F. Building Coverage (Min.)	50%
G. Impervious Coverage (Max.)	75%
H. Building Height (Max.)	3 Stories / 36 FT*
I. Residential Density (Max.)**	15 DU/AC
Units per Building (Max.)	6 units as part of a Townhouse / attached row in one principal building
J. Lot Area (Min.)	See Borough Code § 172-11***

\*As measured from grade at West Main Street.  
 \*\*In cases where maximum density is capped at one unit, the maximum density may be increased up to two units so long as the proposed use(s) meet the parking ratio table pursuant to Section 6.6.  
 \*\*\*In addition, Accessory Uses on the ground floor shall be set back at least 30 feet from any street-facing façade, except for ground floor lobbies.

## C) Affordable Housing and Developer Fee Ordinance

### ORDINANCE NO. 26-05

**ORDINANCE OF THE BOROUGH OF ROCKAWAY MAYOR AND COUNCIL AMENDING CHAPTER 88 (AFFORDABLE HOUSING) AND REPEALING SECTION 169-64 (DEVELOPMENT FEES FOR AFFORDABLE HOUSING) OF THE BOROUGH OF ROCKAWAY TO ADDRESS THE REQUIREMENTS OF THE FAIR HOUSING ACT AND THE UNIFORM HOUSING AFFORDABILITY CONTROLS (UHAC) AND TO COMPLY WITH THE BOROUGH'S ROUND FOUR AFFORDABLE HOUSING OBLIGATIONS**

**WHEREAS**, the Municipal Land Use Law ("MLUL"), N.J.S.A. 40:55D-1 et seq., authorizes municipalities to adopt and amend zoning ordinances to promote the public health, safety, morals, and general welfare; and

**WHEREAS**, pursuant to the Fair Housing Act, N.J.S.A. 52:27D-301 et seq., and the MLUL, the Rockaway Borough Land Use Board adopted a Housing Element and Fair Share Plan ("HEFSP") on June 3, 2025, to address the Borough's Fourth Round constitutional obligation to provide a realistic opportunity for the development of housing affordable to low- and moderate-income families and individuals; and

**WHEREAS**, Fair Share Housing Center ("FSHC") filed a challenge pursuant to N.J.S.A. 52:27D-304.1(f)(2)(b) regarding the 4th Round HEFSP; and

**WHEREAS**, the Borough and FSHC have agreed to amicably resolve the issues set forth in FSHC's challenge through a settlement agreement pursuant to N.J.S.A. 52:27D-304.1(f)(2)(b) and Administrative Directive #14-24; and

**WHEREAS**, this Ordinance is adopted in furtherance of, and in direct response to, the settlement agreement to amend Affordable Housing Ordinance to comply with the Uniform Housing Affordability Controls (as amended), and other applicable affordable housing standards.

**NOW, THEREFORE, BE IT ORDAINED** by the Council of the Rockaway Borough, in the County of Morris and the State of New Jersey, as follows:

#### Section I

Chapter 88 of the Rockaway Borough Code is amended by repealing Chapter 88 (Affordable Housing) in its entirety, and replacing it with the Ordinance set forth at Appendix A.

#### Section II

The provisions of Section 169-64 of the Rockaway Borough Code are superseded and replaced by the ordinance attached hereto at Appendix A, and specifically Section 88-23 thereof. As such, Section 169-64 is hereby repealed.

#### Section III

1. This Ordinance may be renumbered for codification purposes.
2. All Ordinances of the Borough of Rockaway which are inconsistent with the provisions of this Ordinance are hereby repealed to the extent of such inconsistency.
3. If any section, subsection, sentence, clause or phrase of this Ordinance is, for any reason, held to be unconstitutional or invalid, such decision shall not affect the remaining portions of this Ordinance.
4. This Ordinance shall take effect as provided by law.

DATE: February 26, 2026

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 an ordinance introduced by the Mayor and Council at a meeting held on February 26, 2026.

**APPENDIX A****CHAPTER 88 AFFORDABLE HOUSING****§ 88-1. Introduction & Applicability****A. Introduction & Applicability**

1. This section of the Code sets forth regulations regarding the very low-, low- and moderate-income housing units in **Borough of Rockaway** consistent with the provisions outlined in P.L. 2024, Chapter 2, including the amended Fair Housing Act (“FHA”) at N.J.S.A. 52:27D-301 et seq., as well as the Department of Community Affairs, Division of Local Planning Services (“LPS”) at N.J.A.C. 5:99 et seq., statutorily upheld existing regulations of the now-defunct Council on Affordable Housing (“COAH”) at N.J.A.C. 5:93 and 5:97, the Uniform Housing Affordability Controls (“UHAC”) at N.J.A.C. 5:80-26.1 et seq., and as reflected in the adopted municipal Fourth Round Housing Element and Fair Share Plan (“HEFSP”).
2. This Ordinance is intended to ensure that very-low-, low- and moderate-income units (“affordable units”) are created with controls on affordability over time and that very-low-, low- and moderate-income households shall occupy these units pursuant to statutory requirements. This Ordinance shall apply to all inclusionary developments, individual affordable units, and 100 percent affordable housing developments except where inconsistent with applicable law. Low-Income Housing Tax Credit financed developments shall adhere to affirmative marketing and random selection procedures set forth in UHAC.
3. The Borough of Rockaway Land Use Board (Planning Board) has adopted a HEFSP pursuant to the Municipal Land Use Law at N.J.S.A. 40:55D-1, et seq. The Fair Share Plan describes the ways the municipality shall address its fair share of very-low-, low- and moderate-income housing as approved by the Superior Court and documented in the Housing Element.
4. This Ordinance implements and incorporates the relevant provisions of the HEFSP and addresses the requirements of P.L. 2024, Chapter 2, the FHA, N.J.A.C. 5:99, NJ Supreme Court upheld COAH regulations at N.J.A.C. 5:93 and 5:97, and UHAC at N.J.A.C. 5:80-26.1, as may be amended and supplemented.
5. Applicability
  - a. The provisions of this Ordinance shall apply to all affordable housing developments and affordable housing units that are proposed to be created pursuant to the municipality’s most recently adopted HEFSP.
  - b. This Ordinance shall apply to all developments that contain very-low-, low- and moderate-income housing units included in the Municipal HEFSP, including any unanticipated future developments that will provide very-low-, low- and moderate-income housing units.

- c. Projects receiving federal Low Income Housing Tax Credit financing and proposed for credit in the municipality's most recently adopted HEFSP shall comply with the affirmative fair marketing requirements of UHAC at N.J.A.C. 5:80-26.16 and the length of the affordability controls applicable to such projects shall be not less than a 30-year compliance period plus a 15-year extended-use period, for a total of not less than 45 years.

#### § 88-2. Definitions

As used herein the following terms shall have the following meanings:

“Accessory apartments” means a residential dwelling unit that provides complete independent living facilities with a private entrance for one or more persons, consisting of provisions for living, sleeping, eating, sanitation, and cooking, including a stove and refrigerator, and is located within a proposed preexisting primary dwelling, within an existing or proposed structure that is an accessory to a dwelling on the same lot, constructed in whole or part as an extension to a proposed or existing primary dwelling, or constructed as a separate detached structure on the same lot as the existing or proposed primary dwelling. Accessory apartments are also referred to as “accessory dwelling units”.

“Act” means the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301 et seq.

“Adaptable” means constructed in compliance with the technical design standards of the barrier free subcode adopted by the Commissioner of Community Affairs pursuant to the “State Uniform Construction Code Act,” P.L.1975, c. 217 (C.52:27D-119 et seq.) and in accordance with the provisions of section 5 of P.L.2005, c. 350 (C.52:27D-123.15).

“Administrative agent” means the entity approved by the Division responsible for the administration of affordable units, in accordance with N.J.A.C. 5:99-7, and UHAC at N.J.A.C. 5:80-26.15.

“Affirmative marketing” means a regional marketing strategy designed to attract buyers and/or renters of affordable units pursuant to N.J.A.C. 5:80-26.16.

“Affirmative Marketing Plan” means the municipally adopted plan of strategies from which the administrative agent will choose to implement as part of the Affirmative Marketing requirements.

“Affirmative Marketing Process” or “Program” means the actual undertaking of Affirmative Marketing activities in furtherance of each project with very low-, low-, and moderate-income units.

“Affordability assistance” means the use of funds to render housing units more affordable to low- and moderate-income households and includes, but is not limited to, down payment assistance, security deposit assistance, low interest loans, rental assistance, assistance with homeowner’s association or condominium fees and special assessments, common maintenance expenses, and assistance with emergency repairs and rehabilitation to bring deed-restricted units up to code, pursuant to N.J.A.C. 5:99-2.5.

“Affordability average” means an average of the percentage of regional median income at which restricted units in an affordable development are affordable to low- and moderate-income households.

“Affordable” means, in the case of an ownership unit, that the sales price for the unit conforms to the standards set forth at N.J.A.C. 5:80-26.7 and, in the case of a rental unit, that the rent for the unit conforms to the standards set forth at N.J.A.C. 5:80-26.13.

“Affordable housing development” means a development included in a municipality’s housing element and fair share plan, and includes, but is not limited to, an inclusionary development, a municipally sponsored affordable housing project, or a 100 percent affordable development. This includes developments with affordable units on-site, off-site, or provided as a payment in-lieu of construction only if such a payment-in-lieu option has been previously approved by the Program or Superior Court as part of the HEFSP. Payments in lieu of construction were invalidated per P.L. 2024, c.2.

“Affordable Housing Dispute Resolution Program” or “the Program” refers to the dispute resolution program established pursuant to N.J.S.A. 52:27D-313.2.

“Affordable Housing Monitoring System” or “AHMS” means the Department’s cloud-based software application, which shall be the central repository for municipalities to use for reporting detailed information regarding affordable housing developments, affordable housing unit completions, and the collection and expenditures of funds deposited into the municipal affordable housing trust fund.

“Affordable Housing Trust Fund” or “AHTF” means that non-lapsing, revolving trust fund established in DCA pursuant to N.J.S.A. 52:27D-320 and N.J.A.C. 5:43 to be the repository of all State funds appropriated for affordable housing purposes. All references to the “Neighborhood Preservation Nonlapsing Revolving Fund” and “Balanced Housing” mean the AHTF.

“Affordable unit” means a housing unit proposed or developed pursuant to the Act, including units created with municipal affordable housing trust funds.

“Age-restricted housing” means a housing unit that is designed to meet the needs of, and is exclusively for, an age-restricted segment of the population such that: 1. All the residents of the development where the unit is situated are 62 years or older; 2. At least 80 percent of the units are occupied by one person that is 55 years or older; or 3. The development has been designated by the Secretary of HUD as “housing for older persons” as defined in Section 807(b)(2) of the Fair Housing Act, 42 U.S.C. § 3607.

“Agency” means the New Jersey Housing and Mortgage Finance Agency established by P.L.1983, c. 530 (C.55:14K-1 et seq.).

“Assisted living residence” means a facility licensed by the New Jersey Department of Health to provide apartment-style housing and congregate dining and to ensure that assisted living services are available when needed for four or more adult persons unrelated to the proprietor. Apartment units must offer, at a minimum, one unfurnished room, a private bathroom, a kitchenette, and a lockable door on the unit entrance.

“Barrier-free escrow” means the holding of funds collected to adapt affordable unit entrances to be accessible in accordance with N.J.S.A. 52:27D-311a et seq. Such funds shall be held in a municipal affordable housing trust fund pursuant to N.J.A.C. 5:99-2.6.

“Builder’s remedy” means court-imposed site-specific relief for a litigant who seeks to build affordable housing for which the court requires a municipality to utilize zoning techniques,

such as mandatory set-asides or density bonuses, including techniques which provide for the economic viability of a residential development by including housing that is not for low- and moderate-income households.

“Certified household” means a household that has been certified by an administrative agent as a very-low-income household, a low-income household, or a moderate-income household.

“CHOICE” means the no-longer-active Choices in Homeownership Incentives for Everyone Program, as it was authorized by the Agency.

“COAH” or the “Council” means the Council on Affordable Housing established in, but not of, DCA pursuant to the Act and that was abolished effective March 20, 2024, pursuant to section 3 at P.L. 2024, c. 2 (N.J.S.A. 52:27D-304.1).

“Commissioner” means the Commissioner of the Department of Community Affairs.

“Compliance certification” means the certification obtained by a municipality pursuant to section 3 of P.L.2024, c. 2 (C.52:27D-304.1), that protects the municipality from exclusionary zoning litigation during the current round of present and prospective need and through July 1 of the year the next round begins, which is also known as a “judgment of compliance” or “judgment of repose.” The term “compliance certification” shall include a judgment of repose granted in an action filed pursuant to section 13 of P.L.1985, c. 222 (C.52:27D-313).

“Construction” means new construction and additions, but does not include alterations, reconstruction, renovations, conversion, relocation, or repairs, as those terms are defined in the State Uniform Construction Code promulgated pursuant to the State Uniform Construction Code Act, P.L. 1975, c. 217(N.J.S.A. 52:27D-119 et seq.).

“County-level housing judge” means a judge appointed pursuant to section 5 at P.L. 2024, c. 2, to resolve disputes over the compliance of municipal fair share affordable housing obligations and municipal Fair Share plans and housing elements with the Act.

“DCA” and “Department” mean the State of New Jersey Department of Community Affairs.

“Deficient housing unit” means a housing unit with health and safety code violations that require the repair or replacement of a major system. A major system includes weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement and/or load bearing structural systems.

“Department” means the New Jersey Department of Community Affairs.

“Developer” means the legal or beneficial owner or owners of a lot or of any land proposed to be included in a proposed development, including the holder of an option or contract to purchase, or other person having an enforceable proprietary interest in such land.

“Development” means the division of a parcel of land into two or more parcels, the construction, reconstruction, conversion, structural alteration, relocation, or enlargement of any building or other structure, or of any mining, excavation, or landfill, and any use or change in the use of any building or other structure, or land or extension of use of land, for which permission may be required pursuant to the Municipal Land Use Law, N.J.S.A. 40:55D-1 et seq.

“Development fee” means money paid by a developer for the improvement of residential and non-residential property as permitted pursuant to N.J.S.A. 52:27D-329.2 and 40:55D-8.1 through 40:55D-8.7 and N.J.A.C. 5:99-3.

“Dispute Resolution Program” means the Affordable Housing Dispute Resolution Program, established pursuant to section 5 at P.L. 2024, c. 2 (N.J.S.A. 52:27D-313.2).

“Division” means the Division of Local Planning Services within the Department of Community Affairs.

“Emergent opportunity” means a circumstance that has arisen whereby affordable housing will be able to be produced through a delivery mechanism not originally contemplated by or included in a fair share plan that has been the subject of a compliance certification.

“Equalized assessed value” or “EAV” means the assessed value of a property divided by the current average ratio of assessed to true value for the municipality in which the property is situated, as determined in accordance with sections 1, 5, and 6 at P.L. 1973, c. 123 (N.J.S.A. 54:1-35a, 54:1-35b, and 54:1-35c). Estimates at the time of building permit may be obtained by the tax assessor using construction cost estimates. Final EAV shall be determined at project completion by the municipal assessor.

“Equity share amount” means the product of the price differential and the equity share, with the equity share being the whole number of years that have elapsed since the last non-exempt sale of a restricted ownership unit, divided by 100, except that the equity share may not be less than five percent and may not exceed 30 percent.

“Exit sale” means the first authorized non-exempt sale of a restricted unit following the end of the control period, which sale terminates the affordability controls on the unit.

“Exclusionary zoning litigation” means litigation challenging the fair share plan, housing element, ordinances, or resolutions that implement the fair share plan or housing element of a municipality based on alleged noncompliance with the Act or the Mount Laurel doctrine, which litigation shall include, but shall not be limited to, litigation seeking a builder’s remedy.

“Extension of expiring controls” means extending the deed restriction period on units where the controls will expire in the current round of a housing obligation, so that the total years of a deed restriction is at least 60 years.

“Fair share obligation” means the total of the present need and prospective need, including prior rounds, as determined by the Affordable Housing Dispute Resolution Program, or a court of competent jurisdiction.

“Fair share plan” means the plan or proposal, with accompanying ordinances and resolutions, by which a municipality proposes to satisfy its constitutional obligation to create a realistic opportunity to meet its fair share of low- and moderate-income housing needs of its region and which details the affirmative measures the municipality proposes to undertake to achieve its fair share of low- and moderate-income housing, as provided in the municipal housing element, and which addresses the development regulations necessary to implement the housing element, including, but not limited to, inclusionary requirements and development fees, and the elimination of unnecessary housing cost-generating features from the municipal land use ordinances and regulations.

“FHA” means the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301 et seq.

“Green Building Strategies” means the strategies that minimize the impact of development on the environment, and enhance the health, safety and well-being of residents by producing durable, low-maintenance, resource-efficient housing while making optimum use of existing infrastructure and community services.

“HMFA” or “the Agency” means the New Jersey Housing and Mortgage Finance Agency established pursuant to P.L. 1983, c. 530 (N.J.S.A. 55:14K-1 et seq.).

“Household income” means a household’s gross annual income calculated in a manner consistent with the determination of annual income pursuant to section 8 of the United States Housing Act of 1937 (Section 8), not in accordance with the determination of gross income for Federal income tax liability.

“Housing element” means the portion of a municipality’s master plan adopted in accordance with the Municipal Land Use Law (MLUL) at N.J.S.A. 40:55D-28.b(3) and the Act consisting of reports, statements proposals, maps, diagrams, and text designed to meet the municipality’s fair share of its region’s present and prospective housing needs, particularly with regard to low- and moderate-income housing, which shall include the municipal present and prospective obligation for affordable housing, determined pursuant to subsection f. at N.J.S.A. 52:27D-304.1.

“Housing region” means a geographic area established pursuant to N.J.S.A. 52:27D-304.2b.

“Inclusionary development” means a residential housing development in which a substantial percentage of the housing units are provided for a reasonable income range of low- and moderate- income households.

“Judgment of compliance” or “judgment for repose” means a determination issued by the Superior Court approving a municipality’s fair share plan to satisfy its affordable housing obligation for a particular 10-year round.

“Low-income household” means a household with a household income equal to 50 percent or less of the regional median income.

“Low-income unit” means a restricted unit that is affordable to a low-income household.

“Major system” means the primary structural, mechanical, plumbing, electrical, fire protection, or occupant service components of a building which include but are not limited to, weatherization, roofing, plumbing (including wells), heating, electricity, sanitary plumbing (including septic systems), lead paint abatement or load bearing structural systems.

“Mixed use development” means any development that includes both a non-residential development component and a residential development component, and shall include developments for which: (1) there is a common developer for both the residential development component and the non-residential development component, provided that for purposes of this definition, multiple persons and entities may be considered a common developer if there is a contractual relationship among them obligating each entity to develop at least a portion of the residential or non-residential development, or both, or otherwise to contribute resources to the development; and (2) the residential and non-residential developments are located on the same lot or adjoining lots, including, but not limited to, lots separated by a street, a river, or another geographical feature.

“Moderate-income household” means a household with a household income in excess of 50 percent but less than 80 percent of the regional median income.

“Moderate-income unit” means a restricted unit that is affordable to a moderate-income household.

“MONI” means the no-longer-active Market Oriented Neighborhood Investment Program, as it was authorized by the Agency.

“Municipal housing liaison” or “MHL” means an appointed municipal employee who is, pursuant to N.J.A.C. 5:99-6, responsible for oversight and/or administration of the affordable units created within the municipality.

“Municipal affordable housing trust fund” means a separate, interest-bearing account held by a municipality for the deposit of development fees, payments in lieu of constructing affordable units on sites zoned for affordable housing previously approved prior to March 20, 2024 (per P.L. 2024, c.2), barrier-free escrow funds, recapture funds, proceeds from the sale of affordable units, rental income, repayments from affordable housing program loans, enforcement fines, unexpended RCA funds remaining from a completed RCA project, application fees, and any other funds collected by the municipality in connection with its affordable housing programs, which shall be used to address municipal low- and moderate-income housing obligations within the time frames established by the Legislature and this chapter.

“Municipal development fee ordinance” means an ordinance adopted by the governing body of a municipality that authorizes the collection of development fees.

“New construction” means the creation of a new housing unit under regulation by a code enforcement official regardless of the means by which the unit is created. Newly constructed units are evidenced by the issuance of a certificate of occupancy and may include new residences created through additions and alterations, adaptive reuse, subdivision, or conversion of existing space, and moving a structure from one location to another.

“New Jersey Affordable Housing Trust Fund” means an account established pursuant to N.J.S.A. 52:27D-320.

“New Jersey Housing Resource Center” or “Housing Resource Center” means the online affordable housing listing portal, or its successor, overseen by the Agency pursuant to N.J.S.A. 52:27D-321.3 et seq.

“95/5 restriction” means a deed restriction governing a restricted ownership unit that is part of a housing element that received substantive certification from COAH pursuant to N.J.A.C. 5:93, as it was in effect at the time of the receipt of substantive certification, before October 1, 2001, or any other deed restriction governing a restricted ownership unit with a seller repayment option requiring 95 percent of the price differential to be paid to the municipality or an instrument of the municipality at the closing of a sale at market price.

“Non-exempt sale” means any sale or transfer of ownership of a restricted unit to one’s self or to another individual other than the transfer of ownership between spouses or civil union partners; the transfer of ownership between former spouses or civil union partners ordered as a result of a judicial decree of divorce or judicial separation, but not including sales to third parties; the transfer of ownership between family members as a result of inheritance; the

transfer of ownership through an executor's deed to a class A beneficiary; and the transfer of ownership by court order.

"Nonprofit" means an organization granted nonprofit status in accordance with section 501(c)(3) of the Internal Revenue Code.

"Non-residential development" means:

Any building or structure, or portion thereof, including, but not limited to, any appurtenant improvements, which is designated to a use group other than a residential use group according to the State Uniform Construction Code, N.J.A.C. 5:23, promulgated to effectuate the State uniform Construction Code Act, N.J.S.A. 52:27D-119 et seq., including any subsequent amendments or revisions thereto;

Hotels, motels, vacation timeshares, and child-care facilities; and

The entirety of all continuing care facilities within a continuing care retirement community which is subject to the Continuing Care Retirement Community Regulation and Financial Disclosure Act, N.J.S.A.52:27D-330 et seq.

"Non-residential development fee" means the fee authorized to be imposed pursuant to N.J.S.A. 40:55D-8.1 through 40:55D-8.7.

"Order for repose" means the protection a municipality has from a builder's remedy lawsuit for a period of time from the entry of a judgment of compliance by the Superior Court. A judgment of compliance often results in an order for repose.

"Payment in lieu of constructing affordable units" means the prior approval of the payment of funds to the municipality by a developer when affordable units were not produced on a site zoned for an inclusionary development. The statutory permission for payments in lieu of constructing affordable units was eliminated per P.L. 2024, c.2.

"Prospective need" means a projection of housing needs based on development and growth which is reasonably likely to occur in a region or a municipality, as the case may be, as a result of actual determination of public and private entities. Prospective need shall be determined by the methodology set forth pursuant to sections 6 and 7 of P.L.2024, c. 2 (C.52:27D-304.2 and C.52:27D-304.3) for the fourth round and all future rounds of housing obligations.

"Qualified Urban Aid Municipality" means a municipality that meets the criteria established pursuant to N.J.S.A. 52:27D-304.3.c(1).

"Person with a disability" means a person with a physical disability, infirmity, malformation, or disfigurement which is caused by bodily injury, birth defect, aging, or illness including epilepsy and other seizure disorders, and which shall include, but not be limited to, any degree of paralysis, amputation, lack of physical coordination, blindness or visual impairment, deafness or hearing impairment, the inability to speak or a speech impairment, or physical reliance on a service animal, wheelchair, or other remedial appliance or device.

"Price differential" means the difference between the controlled sale price of a restricted unit and the contract price at the exit sale of the unit, determined as of the date of a proposed contract of sale for the unit. If there is no proposed contract of sale, the price differential is the difference between the controlled sale price of a restricted unit and the appraised value of the unit as if it were not subject to UHAC, determined as of the date of the appraisal. If the

controlled sale price exceeds the contract price or, in the absence of a contract price, the appraised value, the price differential is zero dollars.

“Prior round unit” means a housing unit that addresses a municipality’s fair share obligation from a round prior to the fourth round of affordable housing obligations, including any unit that: (1) received substantive certification from COAH; (2) is part of a third-round settlement agreement or judgment of compliance approved by a court of competent jurisdiction, inclusive of units created pursuant to a zoning designation adopted as part of the settlement agreement or judgment of compliance to create a realistic opportunity for development; (3) is subject to a grant agreement or other contract with either the State or a political subdivision thereof entered into prior to July 1, 2025, pursuant to either item (1) or (2) above; or (4) otherwise addresses a municipality’s fair share obligation from a round prior to the fourth round of affordable housing obligations. A unit created after the enactment of P.L. 2024, c. 2 (N.J.S.A. 52:27D-304.1) on March 20, 2024, is not a prior round unit unless: (1) it is created pursuant to a prior round development plan or zoning designation that received COAH or court approval on or before the cutoff date of June 30, 2025, or the date that the municipality adopts the implementing ordinances and resolutions for the fourth round of affordable housing obligations, whichever occurs sooner; and (2) its siting and creation are consistent with the form of the prior round development plan or zoning designation in effect as of the cutoff date, without any amendment or variance.

“Random selection process” means a lottery process by which currently income-eligible applicant-households are selected, at random, for placement in affordable housing units such that no preference is given to one applicant over another, except in the case of a veterans’ preference where such an agreement exists; for purposes of matching household income and size with an appropriately priced and sized affordable unit; or another purpose allowed pursuant to N.J.A.C. 5:80-26.7(k)3. This definition excludes any practices that would allow affordable housing units to be leased or sold on a first-come, first-served basis.

“RCA administrator” means an appointed municipal employee who is responsible for oversight and/or administration of affordable units and associated revenues and expenditures within the municipality that were funded through regional contribution agreements.

“RCA project plan” means a past application, submitted by a receiving municipality in an RCA, delineating the manner in which the receiving municipality intended to create or rehabilitate low- and moderate-income housing.

“Receiving municipality” means, for the purposes of an RCA, a municipality that contractually agreed to assume a portion of another municipality’s fair share obligation.

“Reconstruction” means any project where the extent and nature of the work is such that the work area cannot be occupied while the work is in progress and where a new certificate of occupancy is required before the work area can be reoccupied, pursuant to the Rehabilitation Subcode of the uniform Construction Code, N.J.A.C. 5:23-6. Reconstruction shall not include projects comprised only of floor finish replacement, painting or wallpapering, or the replacement of equipment or furnishings. Asbestos hazard abatement and lead hazard abatement projects shall not be classified as reconstruction solely because occupancy of the work area is not permitted.