
HOUSING ELEMENT AND FAIR SHARE PLAN

BOROUGH OF HARVEY CEDARS OCEAN COUNTY, NEW JERSEY

May 12, 2025

On Behalf of and Adopted by the Borough of Harvey Cedars Land Use Board On

June 19, 2025

Endorsed by the Borough of Harvey Cedars Board of Commissioners On

June 24, 2025

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HOUSING PLAN ELEMENT

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A. Introduction

The New Jersey Municipal Land Use Law, N.J.S.A. 40:55D-1 to -136 ("MLUL") and the New Jersey Fair Housing Act, N.J.S.A. 52:27D-301 to -329 ("FHA") require every municipal Land Use Board to adopt a Housing Plan Element to its Master Plan and further require the governing body of each municipality to adopt a Fair Share Plan. More specifically, the FHA and MLUL require municipalities to adopt a Housing Element that addresses the municipal present and prospective housing needs, "with particular attention to low- and moderate-income housing."

On March 20, 2024, the New Jersey Legislature passed, and Governor Phil Murphy signed into law A4/S50, which amended the Fair Housing Act (N.J.S.A 52:27D-301 et seq.). These amendments outline the requirements and deadlines for municipalities to fulfill their fourth-round affordable housing obligations. The full methodology for calculating Present-and Prospective-Need Obligations is set forth within this law. In response, the Department of Community Affairs ("DCA") published an advisory report in October 2024 which contained both present- and prospective -need numbers for all participating municipalities from 2025 to 2035. The law also requires that the municipality adopt Present- and Prospective-Need Obligation numbers by resolution on or before January 31, 2025. The Borough of Harvey Cedars reviewed the calculations prepared by the DCA for the period from 2025 to 2035 which determined that the Borough has a present need of 0 units and a prospective need of 31 units and then on January 27, 2025, the Borough adopted Resolution 2025-017 which accepted these present- and prospective calculations. By way of the same resolution, the Borough committed to the adoption of a Housing Element and Fair Share Plan, by both the Land Use Board and the Governing Body, by June 30, 2025, which is a component of compliance with the fourth round law and also allows the municipality to retain immunity from all exclusionary zoning lawsuits, including immunity from builder's remedy lawsuits.

In accordance with the Fair Housing Act at N.J.S.A. 52:27D-310, a Housing Element shall contain at least the following:

1. An inventory of the municipality's housing stock by age, condition, purchase or rental value, occupancy characteristics, and type, including the number of units affordable to low and moderate income households and substandard housing capable of being rehabilitated, and in conducting this inventory the municipality shall have access, on a confidential basis for the sole purpose of conducting the inventory, to all necessary property tax assessment records and information in the assessor's office, including but not limited to the property record cards;
2. A projection of the municipality's housing stock, including the probable future construction of low- and moderate-income housing, for the next ten years subsequent to the adoption of the housing element, taking into account, but not necessarily limited to, construction permits issued, approvals of applications for development and probable residential development of lands;
3. An analysis of the municipality's demographic characteristics, including but not necessarily limited to, household size, income level, and age;

4. An analysis of the existing and probable future employment characteristics of the municipality;
5. A determination of the municipality's present and prospective fair share for low- and moderate-income housing and its capacity to accommodate its present and prospective housing needs, including its fair share for low and moderate-income housing;
6. A consideration of the lands that are most appropriate for construction of low- and moderate-income housing and 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;
7. A map of all sites designated by the municipality for the production of low- and moderate-income housing and a listing of each site that includes its owner, acreage, lot, and block;
8. The location and capacities and proposed water and sewer lines and facilities relevant to the designated sites;
9. Copies of necessary applications for amendments to, or consistency determinations regarding, applicable area-wide water quality management plans (including wastewater management plans).
10. A copy of the most recently adopted master plan and where required, the immediately preceding, adopted master plan;
11. For each designated site, a copy of the New Jersey Freshwater Wetlands maps where available. When such maps are not available, municipalities shall provide appropriate copies of the National Wetlands Inventory maps provided by the U.S. Fish and Wildlife Service;
12. A copy of appropriate, United States Geological Survey Topographic Quadrangles for designated sites; and
13. Any other documentation pertaining to the review of the municipal housing element as may be required by the Council.

History of Borough's Affordable Housing Obligation and Fair Share Plan

The Borough of Harvey Cedars began its participation in the affordable housing compliance process on January 27, 2025, when it adopted Resolution 2025-017, which accepted the 0-unit present need and 31-unit prospective need calculations. Then on January 30, 2025, the Borough filed a Complaint for Declaratory Judgment in Superior Court, seeking a declaration of compliance and immunity from exclusionary zoning litigation for the period from July 1, 2025, to July 1, 2035. The Borough remains presumptively immune from suit prior to July 1, 2025.

To maintain immunity, the Borough must adopt this Housing Element and Fair Share Plan in accordance with statutory requirements and submit it for review by the Fair Share Housing Center and the Affordable Housing Dispute Resolution Program. Interested parties will have until August 31, 2025, to challenge the validity of the Plan and the proposed strategies to address the obligation. The Borough will then have until December 31, 2025, to settle any challenges or explain why some or all of the requested changes from intervening parties will not be made. Additional requirements related to settlement can be found in N.J.S.A. 52:27D-301 to -329. The final compliance deadline is March 31, 2026, by which time the Borough must adopt the necessary implementing ordinances to align with this Housing Element and Fair Share Plan.

B. Inventory of Housing Stock

Age of Housing Stock

The age of a community's housing stock is considered a means of determining its overall condition and identifying housing units in need of rehabilitation, especially those units constructed 50 or more years ago. Harvey Cedars's housing stock was mostly constructed between 1960 and 1999 according to the 2023 American Community Survey (ACS). Housing Unit construction has declined since that time likely due to the lack of available land. The years between 1960 to 1979 saw the largest number of units built at 361 and three quarters of the Borough's housing stock, 75%, is over 45 years old and will continue to age. Given the age of the Borough's housing stock, more and more homes may need repairs or upgrades as time goes on.

Table 1 Age of Housing Stock		
Time of Construction	Number of Units	Percent of Units
1939 or earlier	70	5.5%
1940-1959	150	12.0%
1960-1979	361	28.8%
1980-1999	360	28.8%
2000-2009	206	16.5%
2010-2019	101	8.0%
Built 2020 or later	5	0.4%
Total	1,253	100%

Source: 2023 ACS

Condition of Housing Stock

In addition to age, other factors are taken into consideration to determine the quality and condition of a municipality's housing stock and whether units are substandard. American Community Survey (ACS) data of 2023 was used to estimate the number of substandard housing units in Harvey Cedars Borough using the following factors.

- Persons per room is an index of overcrowding. If 1.01 or more people occupy one room then the unit is considered substandard.
- The adequacy of plumbing facilities is used to determine if a unit is substandard. Inadequate plumbing facilities are indicated by either a lack of exclusive use of plumbing facilities or incomplete plumbing facilities.
- The adequacy of kitchen facilities is also used to determine the quality of a unit and determine if it is substandard. Inadequate kitchen facilities are marked by shared use of a kitchen or the lack of a sink with piped water, a stove, or a refrigerator.

Using the above indicators, the table below shows the number of substandard occupied housing units in the Borough of Harvey Cedars.

Table 2 Housing Characteristics		
	Total	Percentage
Number of Persons per Room		
1.01 or more	2	.08%
Plumbing Facilities		
Occupied Units with Complete Plumbing Facilities	236	100%
Units Lacking Complete Plumbing Facilities	0	0.0%
Kitchen Equipment		
Occupied Units with Complete Kitchen Facilities	236	100%
Lacking Complete Kitchen Facilities	0	0.0%

Source: 2023 ACS

As indicated in the table above, Harvey Cedars Borough has no deficient units by lack of adequate kitchen facilities or lack of plumbing facilities and the Borough's data indicates that less than 1% of units produce overcrowding when analyzing the total occupied housing population containing 1.01 or more persons per room.

Purchase or Rental Value of Housing Stock

According to 2023 ACS 5-year estimates, the median value of housing sales in Harvey Cedars was \$1,207,500.00. A majority of the owner-occupied housing stock was valued over 1 million dollars whereas the median value of housing sales in Ocean County in 2023 was \$313,897, which is much lower than that of Harvey Cedars's. Due to the Borough being a seasonal resort town, there are only 227 homes occupied year round and of that figure, only 7 households pay rent. A majority of units paid between \$1,000 and \$2,499 for rent each month. The following tables describe value of owner-occupied and renter-occupied units in the Borough according to 2023 ACS data.

Table 3		
Value of Owner-Occupied Units		
Value (\$)	Units	Percentage
Less than 50,000	5	2.2%
50,000-99,999	0	0.0%
100,000-149,999	3	1.3%
150,000-199,999	0	0.0%
200,000 – 299,999	9	3.9%
300,000-499,999	4	1.7%
500,000-999,999	51	22.5%
1,000,000 or more	155	68.4%
TOTAL	227	100.0%

Source: 2023 ACS

Table 4	
Cost of Rent in Harvey Cedars Borough	
Contract Rent Specified	Units
Less than \$499	0
\$500 - \$999	0
\$1,000 – \$1,499	3
\$1,500 - \$1,999	2
\$2,000 - \$2,499	2
\$2,500 - \$2,999	0
\$3,000 or more	0
No rent paid ** Not included in total	6
Total	7

Source: 2023 ACS

Occupancy Characteristics and Types of Housing Units

According to the 2023 ACS 5-year estimates, the Borough of Harvey Cedars had 236 total occupied housing units, with 96.1% being owner-occupied and 3.9% being renter-occupied. As depicted in Table 5 below, 95.5% of the housing stock consists of single-family detached housing. The balance of housing within the Borough is comprised of 1-unit attached (2.5%) and multi-family units (2.4%).

Table 5		
Housing Units		
Units in Structure	Number	Percent of Total Units
1-Unit Detached	1,169	95.5%
1-Unit Attached	31	2.5%
2 Units	23	1.9%
3 or 4 Units	0	0.0%
5 to 9 Units	0	0.0%
10 to 19 Units	0	0.0%
20 Units or more	1	0.5%
Mobile Home	0	0.0%
Other	0	0.0%
Total	1,224	100.0%

Source: 2023 ACS

Units Affordable to Low- and Moderate-Income Households

Low-income households are defined as those households earning less than or equal to 50 percent of a regional median income. Moderate-income households earn more than 50 percent of regional median income, but less than 80 percent of regional median income.

In addition, the New Jersey Housing and Mortgage Financing Agency (NJHMFA) has developed a sliding scale for income limits, which defines low-and moderate-income limits based on household size. NJHMFA has determined separate incomes for households of one up to households of eight.

Similarly, housing units are to be priced to be affordable to households who could reasonably be expected to live within the housing units. For example, the current NJHMFA regulations require that an efficiency unit be affordable to a household of one, as shown below within Table 6, 2024 New Jersey Housing and Mortgage Financing Agency (NJHMFA) Income Limits for Ocean County.

Table 6 2024 NJHMFA Income Limits for Ocean County								
	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Moderate (80% of Median)	\$73,200	\$83,600	\$94,080	\$104,480	\$112,880	\$121,200	\$129,600	\$137,920
Low (50% of Median)	\$45,750	\$52,250	\$58,800	\$65,300	\$70,550	\$75,750	\$81,000	\$86,200
Very Low (30% of Median)	\$27,450	\$31,350	\$35,280	\$39,180	\$42,450	\$45,450	\$48,600	\$51,720

To be affordable, a household should not be paying more than 28 percent of its gross income on principal, interest, taxes and insurance, subsequent to a minimum down payment of 5 percent. A rental unit is affordable if the household is paying no more than 30 percent of its income on rent and utilities. The following tables display how many owners and renters are paying more than 30% of gross income on mortgages or rent.

Table 7 Monthly Owner Cost as a Percentage of Household Income in 2024 ACS		
Percentage of Income	Number	Percent of Total
Less than 20%	32	35%
20% to 29%	13	14%
30% or more	46	49%
TOTAL	91	100%

Table 8 - Gross Rent as a Percentage of Household Income in 2023 ACS		
Percentage of Income	Number	Percent of Total
Less than 15%	2	28.6%
15% to 19.9%	2	28.6%
20% to 24.9%	0	0.0%
25% to 29.9%	0	0.0%
30% to 34.9%	3	42.9%
35% or more	0	0%
TOTAL	7	100%

Source: 2023 ACS

C. Projected Housing Stock

According to New Jersey Department of Community Affairs, Harvey Cedars Borough has issued residential building permits for a total of 332 housing units during the time period from 2003-2023. Using New Jersey Department of Community Affairs demolition data for the same period, the Borough of Harvey Cedars approved 134 demolition permits. This brings the total number of housing units added between the year 2000 and 2024 to 33 units. The building and demolition permit information is depicted within Table 9 below.

Table 9 - Dwelling Units Authorized			
Year	Residential Building Permits Issued	Residential Demolitions*	Total Added
2003	18	0***	**
2004	25	0***	**
2005	17	0***	**
2006	11	0***	**
2007	7	0***	**
2008	10	0***	**
2009	14	7	7
2010	8	11	-3
2011	10	5	5
2012	7	7	0
2013	9	14	-5
2014	9	9	0
2015	21	20	1
2016	17	7	10
2017	24	2	20
2018	18	14	4
2019	15	0*	**
2020	18	0*	**
2021	12	17	-5
2022	43	16	27
2023	19	1	18
Total	332	130	79

Source: Both Building Permit and Demolition data obtained from the New Jersey Department of Community Affairs, Division of Codes and Standards website; Accessed April 2025.

*Data Not Available ** Not Calculated ***Unreported Data

D. Demographic Characteristics

As depicted in Table 10 below, the population of Harvey Cedars Borough grew exponentially from 1940 to 1980, with its greatest increase of 180 residents occurring during the time period between 1960 and 1970. The U.S. Census data demonstrates that the Borough's population for the year 2010 was 337 which is a 7%% decrease from 2000 population levels. The North Jersey Transportation Planning Authority (NJTPA) conducted population projections for its jurisdiction which included Harvey Cedars Borough. The population for the Borough in 2050 is projected to decrease from 391 in 2020 to 378 by 2050.

The table below displays Harvey Cedars Borough's population characteristics and projections.

Table 10 Borough Population Characteristics 1940-2050 (Projected)			
Year	Population	Population Change	
1940	74	-	
1950	106	32	
1960	134	28	
1970	314	180	
1980	363	49	
1990	362	-1	
2000	359	-3	
2010	337	-22	
2020	391	54	
2050*	378	-13	
*Population Projections from North Jersey Transportation Planning Authority Sources: U.S. Census Bureau North Jersey Transportation Planning Authority			

As illustrated within Table 11, the age cohort breakdown of then Borough is somewhat similar to Ocean County in regard to ages of under 20 but a similar as the ages progress. Its noteworthy to add that there is approximately a 20-year average age difference in the residents of the Borough (63.9) and the residents of Ocean County (41.1). A breakdown of projected population by age for the Borough and the County is provided below:

Table 11 Projected Population Comparison by Age				
Age	Population	Harvey Cedars Borough	Population	Ocean County
Under 5	5	1.0%	48,637	7.4%
5 to 19	31	6.6%	116,257	17.6%
20 to 49	79	16.5%	48,147	7.3%
50 to 64	167	34.9%	72,953	11.1%
65 to 79	140	29.2%	135,193	20.5%
80 +	57	11.8%	86,475	13.1%
Total	479	100%	659,197	100%
Median Age		63.9		41.1

Source: 2018-2022 American Community Survey 5-year Estimates Subject Tables,

As illustrated in Table 12 below, according to the 2023 ACS the median household income in Harvey Cedars Borough was \$104,583.00 which was more than the median income for Ocean County, which was \$85,464.00. A distribution of households by income for the Borough and Ocean County is presented within Table 12, Households by Income(%) in 2023, below:

Table 12 - Households by Income (%) in 2023 ACS		
Income (\$)	Harvey Cedars Borough	Ocean County
Less than \$10,000	7.6%	3.6%
\$10,000 – \$14,999	5.9%	2.5%
\$15,000 – \$24,999	2.4%	5.7%
\$25,000 – \$34,999	3.3%	6.9%
\$35,000 – \$49,999	6.4%	9.7%
\$50,000 – \$74,999	6.4%	15.3%
\$75,000 – \$99,999	7.9%	13.4%
\$100,000 – \$149,999	13.9%	18.2%
\$150,000 – \$199,999	46.2%	11.7%
Median Household Income	\$148,333.00	\$85,464.00

As per the 2023 ACS, the average household size in Harvey Cedars is 2.02 persons per household. Out of the 236 households in the Borough, 164 or 69.4% you know percent are family households. The distribution of household types is illustrated within Table 13, Household by Types in 2023, below.

Table 13 - Households by Type in 2023 ACS		
Household Type	Number	
Total Households	236	
Family households (families)	164	
Married-couple family	154	
Female householder, no spouse present	8	
Male householder, no spouse present	2	
Nonfamily households	72	
Householder living alone	68	
Householder 65 years and over	32	

E. Employment Characteristics

The 2023 ACS reports on work activity of residents 16 years and older. A total of 190 residents were 16 years or older and employed. As indicated in Table 14, only 15.5 percent of workers are self-employed and the majority of workers (65.7%) work within the private sector.

Table 14 - Classification of Workers		
Class	Harvey Cedars Borough	Percentage of Workforce
Private Wage and Salary	65.7%	75.0%
Government Workers	18.8%	20.2%
Self Employed	15.5%	4.8%
Unpaid Family Workers	0	0%
TOTAL	190/100%	100%

An analysis of the employees (over the age of 16) by economic sector indicates that Harvey Cedars workers were involved in a broad array of economic sectors. As depicted in Table 15 below, the highest concentration of workers at 18.3 percent of the total workforce was in educational, health, and social services, which was followed by finance, insurance and real estate at 16.3 percent.

Table 15 - Workforce by Sector		
Sector	Employed	Percentage of Workforce
Agriculture, Forestry, Fisheries & Mining	0	0%
Construction	8	4.2%
Manufacturing	7	3.7%
Wholesale Trade	9	4.7%
Retail Trade	13	6.8%
Transportation, Warehousing and Utilities	0	0%
Information	4	2.1%
Finance, Insurance & Real Estate	44	23.2%
Professional, Scientific, Management, Administrative, and Waste Management Services	39	20.7%
Educational, Health and Social Services	40	21.0%
Arts, Entertainment, Recreation, Accommodation and Food Services	10	5.2%
Other Services	7	3.7%
Public Administration	9	4.7%

The workforce occupation characteristics in Harvey Cedars Borough were compared with that of Ocean County. As indicated in Table 16, the occupation characteristics of the Borough's residents compare closely with that of workers residing in the County. The Borough maintained a higher percentage in Finance, Insurance and Real Estate as well as Professional Services than that at the County level. The County, however, had a higher percentage of jobs in several industries. Both the Borough and County Occupation Characteristics are summarized within Table 16.

Table 16 - Occupation Characteristics		
Sector	Harvey Cedars Borough (Percentage)	Ocean County (Percentage)
Agriculture, Forestry, Fisheries & Mining	0%	0.35%
Construction	4.2%	6.29%
Manufacturing	3.7%	8.27%
Wholesale Trade	4.7%	2.51%
Retail Trade	6.8%	9.95%
Transportation, Warehousing and Utilities	0%	6.57%
Information	2.1%	2.58%
Finance, Insurance & Real Estate	23.2%	8.54%
Professional, Scientific, Management, Administrative, and Waste Management Services	20.7%	14.40%
Educational, Health and Social Services	21%	24.16%
Arts, Entertainment, Recreation, Accommodation and Food Services	5.2%	7.68%
Other Services	3.7%	4.42%
Public Administration	4.7%	4.27%

In addition, in order to understand what implications this employment data has for the Borough and understand what the employment field and area trends are for Harvey Cedars Borough and Ocean County, the New Jersey Department of Labor ("NJDOLE") has prepared projections, which analyze the expected increase or decrease in a particular employment sector by the year 2032. This data has been summarized and is illustrated within Table 17, below.

Table 17 Ocean County Projected Employment				
Industry	2022 Base Year Employment	2032 Projected Employment	Numeric Change	Outlook
Architecture and Engineering	1,833	1,966	7.25%	Stable
Arts, Design, Media and Sports	2,572	2,792	8.55%	Stable
Buildings and Ground Maintenance	6,418	6,943	8.18%	Growing
Financial Operations	9,582	10,283	7.32%	Growing
Community and Social Services	4,186	4,876	16.48%	Growing
Computer and Mathematical	4,468	5,267	17.88%	Growing
Construction	8,802	9,054	2.86%	Stable
Education	17,375	19,291	11.03%	Growing
Farming, Fishing and Forestry	139	143	2.88%	Stable
Food Preparation and Serving	16,463	17,404	5.72%	Stable
Healthcare Practitioners	14,148	15,749	11.32%	Stable
Healthcare Support	12,117	14,540	20.0%	Growing
Installation, Maintenance and Repair	7,151	7,678	7.37%	Stable
Legal	1,243	1,348	8.45%	Stable
Life, Physical and Social Science	1,571	1,748	11.27%	Stable
Management	13,126	14,451	10.09%	Stable
Office and Administrative	24,647	24,035	-2.48%	Declining
Personal Care and Service	9,190	10,466	13.88%	Growing
Production	5,525	5,696	3.10%	Stable
Protective Service	5,440	5,666	4.15%	Stable
Sales and Related Occupations	19,928	19,522	-2.04%	Declining
Transportation	15,697	17,035	8.54%	Growing
Total (All Industries)	201,621	215,953	7.11%	Growing
Source: New Jersey Department of Labor and Workforce Development, 2022				

It is projected that in 2032 employment will increase in almost all of the occupations and overall the economy will grow by 14,332 jobs. Education and Health Care Support are anticipated to realize the largest growth increase during the 2022-2032 time period.

FAIR SHARE PLAN

A. Fair Share Obligation Summary

This Housing Element and Fair Share Plan complies with all applicable requirements of the Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.) and the Fair Housing Act (P.L.1985, c.222; C.52:27D-301 et seq.). It outlines how Harvey Cedars will meet its fair share of the region's affordable housing needs, qualifying the Borough for protection from exclusionary zoning litigation from July 1, 2025, through July 1, 2035. As required, this Plan provides a comprehensive Fair Share Plan that addresses the Borough's cumulative affordable housing obligation from 1987 through 2025. It also covers the Fourth Round Obligation, which includes both Present Need—defined as the number of currently occupied, substandard housing units by low- and moderate-income (LMI) households—and Prospective Need, a projection of affordable housing demand expected from 2025 to 2035 based on anticipated development and growth.

The Plan outlines strategies and implementation measures to meet these obligations. Present Need for the Fourth Round was calculated using three indicators: housing units lacking complete kitchen facilities, units lacking complete plumbing, and units classified as overcrowded. Additionally, the Affordable Housing Law defines "deficient housing units" as those that are over 50 years old and either overcrowded, lacking complete plumbing, or lacking complete kitchen facilities.

Harvey Cedars Borough has not previously sought affirmative immunity from exclusionary zoning litigation, therefore, the fair share obligation is broken down into a Prior Round Obligation and the Fourth Round Obligation which consists of the Present Need Obligation and the Prospective Need Obligation. On January 27, 2025, the Borough adopted Resolution 2025-017 which accepted the Department of Community Affairs calculations for the period from 2025 to 2035 and determined a Present Need of 0 and a Prospective Need of 31 units. The Borough then filed a Declaratory Judgment pursuant to N.J.S.A. 52:27D-304.1 et seq. to seek a certification of compliance from the Superior Court of New Jersey through its Affordable Housing Dispute Resolution Program ("Program") and adopt a Housing Element and Fair Share Plan that includes the constitutional obligation to create realistic opportunities for low and moderate-income households.

Harvey Cedars' affordable housing obligations are summarized within Table 18 below.

Table 18	
Cumulative 1987-2035 Affordable Housing Obligation	
Type of Obligation	Units
Prior Round Obligation (1987 – 1999)	37
Third Round GAP Present Need (2015)	23
Third Round Present Need (<i>Rehab</i>) (2015-2025)	1
Third Round Prospective Need (<i>New Construction</i>) (2015-2025)	15
Fourth Round Present Need (<i>Rehab</i>) (2025-2035)	0
Fourth Round Prospective Need (<i>New Construction</i>) (2025-2035)	31
Cumulative 1987- 2035 Obligation	107
Realistic Development Potential	0

The following sections outline how the Borough will comply with its Fair Share Obligation. Several appendices are noted in the subsequent sections. Any proposed ordinance or resolution attached hereto as an appendix may be subject to change in accordance with an approved Housing Plan Element and Fair Share Plan, a Court Order, or otherwise as required by law.

Vacant Land Adjustment

As stated in Harvey Cedars Borough Resolution 2025-017 and the filed Declaratory Judgment, the Borough shall have the right to prepare a Vacant Land Analysis (VLA) and a Realistic Development Potential (RDP) as part of its Fourth Round Fair Share Plan. Prior COAH rules at N.J.A.C. 5:93-4.2 et seq. provide a framework for determining the amount of land available and guidelines for calculating the development capacity of vacant properties to determine the RDP for any built-out communities. The Borough Harvey Cedars is pursuing a Vacant Land Adjustment as no developable land exists within the municipality and will instead rely upon Affordable Housing Overlay Zone for satisfaction of its affordable housing obligation.

The Vacant Land Adjustment (VLA), prepared in accordance with Fourth Round rules and detailed in Appendix A, determined that the Borough has a Realistic Development Potential (RDP) of zero (0) units. The updated VLA includes an analysis of vacant parcels, incorporating an existing land use map, a map of vacant parcels, and a full inventory, as required by N.J.A.C. 5:93-4.2. Based on this analysis, the Borough's RDP remains at 0 units. As a result, the Borough's total affordable housing obligation from 1987 through 2035 includes the Prior Round obligation (1987–1999) of 37 units, the Third Round Gap Present Need of 23 units, the Third Round Present Need of 1, the Third Round Prospective Need of 15 units, and the Fourth Round Prospective Obligation of 31 units—resulting in a cumulative obligation of 107 units.

B. Prior Round Obligations including 3rd Round

Harvey Cedars Borough has a Cumulative Prior Round Obligation of 76 units. As noted previously, the Borough prepared a Vacant Land Adjustment which established the Borough's RDP to zero. Regardless, the Borough will be required to address its Prior Round Obligation as well as its Fourth Round Prospective Need of 31 units for a total of 107 units.

C. Rehabilitation Share

Harvey Cedars Borough has a Fourth Round Present Need Rehabilitation Share of zero units therefore no financial assistance will be needed for units in need of rehabilitation and no Affordable Housing Trust Fund will be established.

D. Fourth Round Prospective Need Obligation

The Borough has no Fourth Round Present Need Obligation and a Prospective Need obligation of 31 units for the period spanning 2025 to 2035. To address this, the Borough has conducted a Fourth Round Vacant Land Adjustment, modifying its Fourth Round Prospective Need of 31 to an RDP of 0 and an Unmet Need of 5. In accordance with the FHA as amended by P.L. 2024, c.2, the Borough intends to fulfill at least 25% of its Prior Round and Fourth Round Unmet Need—calculated as 27 units $\{(0.25)(107) = 26.75$, rounded to 27—through an Affordable Housing Overlay Zone within the Business District. This inclusionary zoning strategy, authorized by N.J.S.A. 52:27D-311, will comprehensively meet the Borough's Fourth Round Prospective Need and fully satisfy its Prior Round obligations.

Credit and Bonus Credit Limitations

Pursuant to the requirements of N.J.S.A. 52:27D-311.11(K), the Borough of Harvey Cedars shall benefit from, at minimum, the following credits and bonus credits against its affordable housing obligation:

Low and Moderate Income

The Borough shall be able to receive one credit against its affordable housing obligation for each unit of low or moderate income housing and shall not receive bonus credit for any particular type of low or moderate income housing unless authority to obtain bonus credit is provided pursuant to the Fair Housing Act. Also, the Borough shall not receive more than one type of bonus credit for any unit and shall not be permitted to satisfy more than 25% of its Prospective Need Obligation in the fourth round or any subsequent round through the use of bonus credits.

Age-Restricted

The Borough shall be able to receive one -unit of credit and one-half bonus credit for a unit of age restricted housing, provided that a bonus credit for age restricted housing shall not be applied to more than 10% of the units of age restricted housing constructed in compliance with the uniform housing affordability controls promulgated by the New Jersey Housing and Mortgage Finance Agency in a municipality that count towards the municipalities affordable housing obligation for any single 10- year round of affordable housing obligations.

Special Needs/Supportive Housing

The Borough shall be able to receive one unit of credit and one bonus credit for each unit of low or moderate income housing for individuals with special needs or permanent supportive housing

Redevelopment

The Borough shall be able to receive one unit of credit and one half bonus credit for a unit of low or moderate income housing constructed on land that is or was previously developed and utilized for retail, office, or commercial space.

Additional credits and bonus credit options are described within N.J.S.A. 52:27D-311.11(K).

Inclusionary Zoning Development and Mechanism Description

Mechanism to Address Fourth Round Prospective Need

Pursuant to N.J.S.A. 52:27D-311, the Borough of Harvey Cedars may provide for its fair share of low and moderate income housing by any means of any technique or combination of techniques which provide a realistic opportunity for the provision of the fair share. As such, the Borough intends to utilize overlay zoning to address its Fourth Round and Prior Round obligations to the maximum extent practicable.

Affordable Housing Overlay Zone

The Borough has drafted and intends to adopt an ordinance to implement an Affordable Housing Overlay Zone which will allow affordable housing developments to occur without the need for rezoning and provide an opportunity to develop affordable housing to meet prospective housing needs, with particular attention to low- and moderate-income housing, in conformance with the requirements of the Fair Housing Act. The overlay zone will encompass the entire General Business District within the Borough where the maximum density allowed on all parcels in the Overlay Zone that creates five or more units shall be eighteen (18) units per acre with a minimum required set aside of 15 percent for rentals and 20 percent for for-sale developments. Permitted and conditional uses within the designated overlay zone shall include all permitted and conditional uses in the underlying zoning district in which the overlay zone is located and allow for affordable housing development within the provisions of this section. The overlay zone includes proper bulk and density requirements for affordable housing projects and will regulate affordable units. A draft of the ordinance language and a map of the overlay zone can be found in Appendix B.

Summary:

As detailed above, it's the intention of the Borough to satisfy its Fourth Round and Prior Round Obligations through creation of an Affordable Housing Overlay Zone within the General Business District. As a result, the Borough of Harvey Cedars is in constitutional compliance with its fair share requirements as it adequately provides for low- and moderate-income affordable housing for the 1987-2035 period.

Appendix A
Vacant Land Assessment
Analysis Report

Vacant Land Assessment

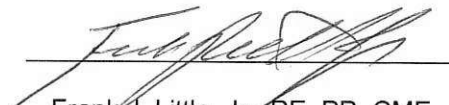
PREPARED FOR :

**Borough of Harvey Cedars
Ocean County, New Jersey 08008**

May 12, 2025

Prepared by:

Owen, Little & Associates, Inc.
443 Atlantic City Boulevard
Beachwood, NJ 08722
732-244-1090



Frank J. Little, Jr., PE, PP, CME

Borough of Harvey Cedars
Vacant Land Assessment

EXECUTIVE SUMMARY

The New Jersey Fair Housing Act, at N.J.S.A 52:27D-307(c)(2), provides for an adjustment to the present and prospective fair share obligation of a municipality based on available vacant and developable land, infrastructure considerations, or historic factors.

This report inventories the vacant land in Harvey Cedars that may be used to determine the Borough's Realistic Development Potential (RDP) to provide its fair share of low- and moderate-income housing. This report follows the procedure for conducting a Vacant Land Analysis (VLA) as detailed in N.S.J.A. 5:97-5.2.

This 2024 analysis identifies no properties that contribute to the Borough's RDP. All vacant land within the Borough is environmentally constrained by the 100-year floodplain as mapped by FEMA and as confirmed during Superstorm Sandy on October 29, 2012, approximately 75% of the community is susceptible to storm surge inundation from a Category 1 hurricane and approximately 90% of the community will be submerged under floodwaters by the impacts of a Category 2 hurricane. A 2016 Local Coastal Vulnerability Assessment completed for the Borough generated these anticipated impacts as well as those for a Category 3 hurricane which would be catastrophic to the Borough bayside properties as well as a significant amount of the Borough's infrastructure. Access to any remaining infrastructure would likely be impossible .

As such, the Borough's total RDP is zero (0) units.

VACANT LAND ANALYSIS

The analysis began by mapping all of the various land use categories within the Borough using the most recently available MODIV Tax Assessment data (2022). While the procedure detailed in N.S.J.A. 5:97-5.2 requires that single-family, two-to four-family, and other multi-family land uses be mapped as separate categories, the data provided by MODIV does not precisely break down into these categories. Rather, any land categorized as Residential (2) is considered to be one to four family uses, while any land categorized as Apartments (4C) is considered to be other multi-family uses.

The current vacant land analysis then identified and examined lots belonging to 4 types of property classes: vacant land (1), public property (15C), Church & Charitable Property (15D), Commercial (4A). Properties classified as Other Exempt Property (15F), Regular Farmland (3A) and Qualified Farmland (3B) were not examined as part of this analysis since the Borough does not have any property of these classifications. Any parcels which were assigned a null value as their property classification were also analyzed to ensure any land which is potentially vacant was not excluded from the analysis. The

Borough of Harvey Cedars
Vacant Land Assessment

most recently available MODIV Tax Assessment data (2022) was attached to the most recently available parcel base (2022) using a Geographic Information System (GIS) program.

First, the properties classified as either 1, 15C, 15D, 4A, or null were analyzed for limitations to development. Pursuant to N.J.S.A. 5:97-5.2, environmentally constrained lands may be removed from consideration. Environmentally constrained lands include those lands located in wetlands, in the special flood hazard area (the FEMA 100-year floodplain), or in the 300-foot buffer around Category 1 waterways. Each property was evaluated to determine any environmental constraints. The portion of each property not impacted by environmental constraints was calculated to determine the net developable acreage for the site. The analysis found that all parcels are constrained by FEMA's 100-year floodplain.

Second, parcels may be removed if they are permanently preserved as open space through the New Jersey Green Acres program, deed restriction, or conservation easement. Parcels may also be removed if they are listed on the Historic or State Inventory of Historic Places. As such, the vacant parcels which met these criteria were removed.

Third, any properties classified as 1, 15C, 15D, 4A, or null which had an entry in the MODIV Building Description Field or had a number greater than zero in the Improvement Value field were removed from the analysis since these parcels have improvements and are not vacant. Finally, parcels are determined to have an inadequate lot size if they cannot be developed with at least 5 units. Per the procedure outlined in the N.J.S.A., a parcel that is 1 acre is presumed to have a development capacity of 6 units per acre. Per this standard any parcel with an area of less than 0.8333 acres would be considered inadequate for development since it would not be able to accommodate a minimum of 5 units.

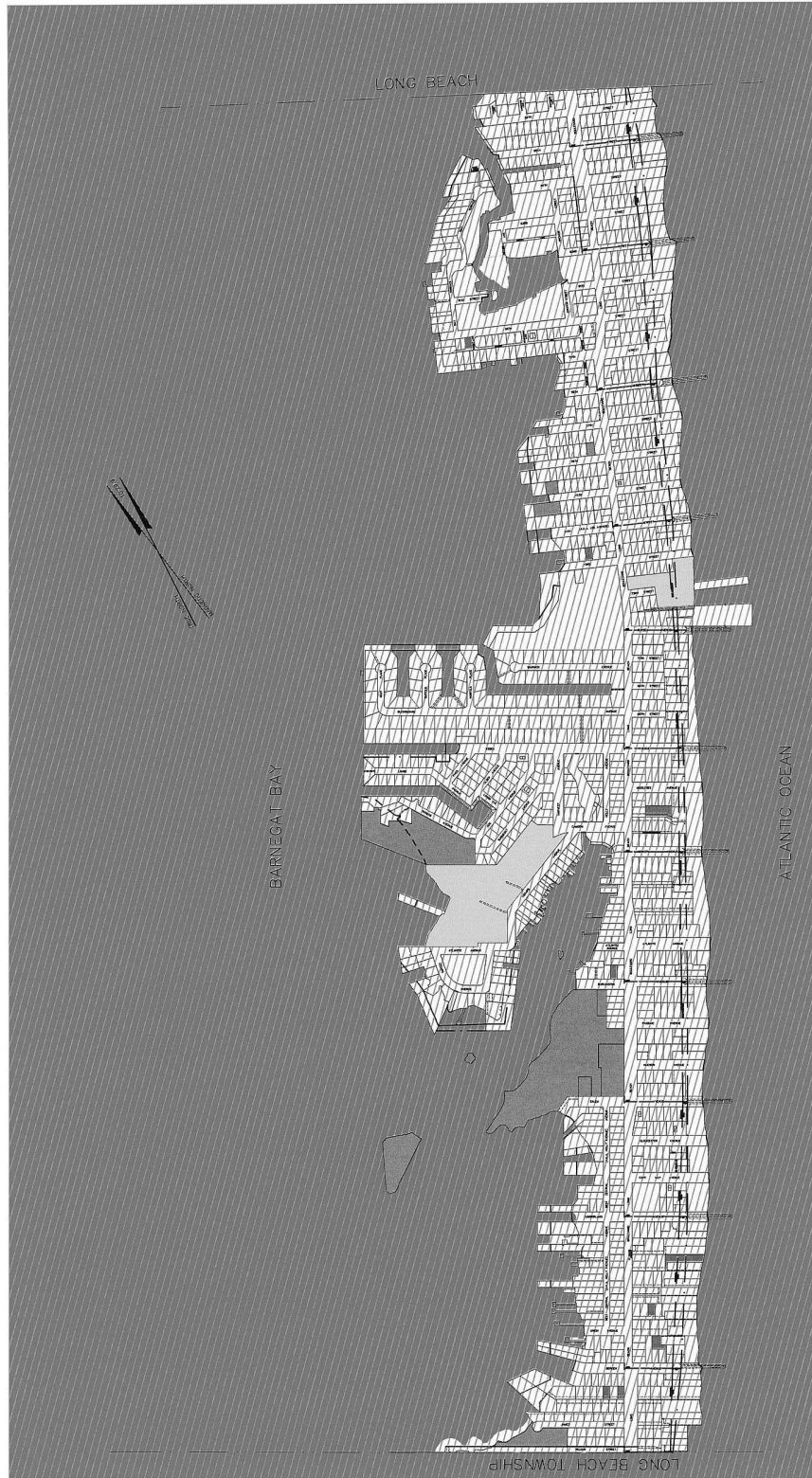
Although required by N.J.S.A. 5:97-5.2, ownership data was not considered as part of this analysis as ownership data was not readily available. Daniel's Law restricts access to ownership data. Heyer, Gruel, and Associates submitted an Open Public Records Act (OPRA) request to Ocean County to receive this data, but received a response that the County would not make this data available.

VACANT LAND ANALYSIS FINDINGS AND CONCLUSION

After excluding all environmentally constrained and undersized parcels in the Borough, there is no vacant land within Harvey Cedars which was determined to be developable. As such, the Borough's total Realistic Development Potential is zero (0) units.

Borough of Harvey Cedars
Vacant Land Assessment

Block	Lot	Address	Property Class	Zoning	Site Planning Area	Total Acres	Site Comments
1	1	5302 Long Beach Blvd	15C	R-A		3.4	Vacant - Insufficient Lot Size
1	12	5310A Long Beach Blvd	1	R-A		0.12	Vacant - Insufficient Lot Size
1	14	5310C Long Beach Blvd	1	R-A		0.12	Vacant - Insufficient Lot Size
6	9	9B E Bergen Ave	1	R-A			Vacant - Access by easement
6	18.01	5411C Long Beach Blvd	1	R-A		0.12	Vacant - Insufficient Lot Size
6	31	5419D Long Beach Blvd	1	R-A			Beach
11	1	1 W Salem Ave	15C	P		9.02	Park
11	1.01	3 W Salem Ave	15C	P		0.35	Borough Yard
11	1.02	W Salem Ave	15C	P		1.7	Borough Yard
11	1.03	W Burlington Ave	15C	P		0.33	Park
12	5.01	1 W Burlington Ave	1	R-A		0.14	Vacant - Insufficient Lot Size
13	1	Harvest Cove	15C	P		0.04	Island - Underwater
17	1	Harvest Cove	15C	R-A		0.09	Island - Underwater
18	1	Barnegat Bay	15C	R-A		1.84	Island - Underwater
26	1	12-26 Cedars Ave	15D	R-A		12.14	Park - Addtl Lots 1.03
30	35.01	Thomas Ave	15C	R-A			Bay Access
30	109	Lange Ave	1	R-A		0.01	Bay Access
30.01	1.01	Barnegat Ave	15C	R-A		2.00	Marsh
39	17	6405B Long Beach Blvd	1	R-A			Yard
44	4	7201 Long Beach Blvd	15D	R-AA		1.88	Beach
45	5	7 W 73rd St	1	R-A		0.12	Vacant - Insufficient Lot Size
46	13	S/S 75th St	15C	R-A		0.46	Bay Access
47	1	N/S 75th St	15C	R-A		0.46	Bay Access
48	8	3 W 76th St	15C	R-A		0.14	Parking Lot
58	19	64 W 80th St	1	R-A		0.10	Vacant - Insufficient Lot Size
65	1	5 W 80th St	4A	GB		0.12	Parking Lot - Addtl Lots 2



Appendix B
Affordable Housing Overlay Zone District
Draft Ordinance

ORDINANCE 2025- XX**AN ORDINANCE OF THE BOROUGH OF HARVEY CEDARS, OCEAN COUNTY TO AMEND CHAPTER 215 (ZONING) OF THE MUNICIPAL CODE TO ESTABLISH AN AFFORDABLE HOUSING OVERLAY ZONING ORDINANCE IN THE BOROUGH OF HARVEY CEDARS**

BE IT ORDAINED, by the Borough Council of Harvey Cedars, in the County of Ocean and State of New Jersey, as follows:

SECTION 1. Purpose. The purpose of this ordinance is to establish an Affordable Housing Overlay Zoning district over specific areas of the Borough. This ordinance will permit residential affordable housing developments on tax lots included in the overlay zone. These specific areas, which consist of the existing General Business District within the Borough, is a portion of the Borough that can realistically accommodate affordable housing development and lies primarily along the west side of Long Beach Boulevard between 77th Street and 81st Street.

The Affordable Housing Overlay Zone will regulate said developments through bulk and design standards. However, the Borough's underlying zoning will still be in effect. The overall purpose is to permit affordable housing developments in the Borough on tax lots that have existing frontage on Long Beach Boulevard or lot sizes that may support affordable housing construction. Given the built out nature of the Borough, an effective affordable housing overlay zone will produce affordable units when suitable opportunities become available through redevelopment or other planning mechanisms. This will allow affordable housing to be approved under local ordinance and regulations without detriment to the existing Borough zoning plan and ordinance. Additionally, the overlay zone will preclude the need for rezoning on suitable and developable properties along the business corridors. This creates a realistic opportunity to provide for the development of affordable housing in accordance with the Fair Housing Act (N.J.S.A. 52-27D- 301 et al.) and the Housing Plan Element and Fair Share Plan prepared by the Borough to address its affordable housing obligation.

SECTION 2. A new section entitled "Affordable Housing Overlay Zoning Provisions" is hereby established as follows:

Affordable Housing Overlay Zoning Provisions

- a. **Purpose:** The purpose of the Affordable Housing Overlay Zone is to provide an opportunity to develop affordable housing to meet prospective housing needs, with particular attention to low- and moderate-income housing, in conformance with the requirements of the Fair Housing Act and the Housing Plan Element and Fair Share Plan of Harvey Cedars Borough. Permitted and conditional uses within the designated Overlay Zone shall include all permitted and conditional uses in the underlying zoning district in which the Overlay Zone is located and allow for affordable housing development within the provisions of this section.
- b: **Affordable Housing Overlay Zone:** Specific tax lots with frontage on Long Beach Boulevard as well as other suitable parcels within the Borough of Harvey Cedars will be included in the overlay zone and allow for affordable housing development with no affect to any existing zoning district regulations or standards. A map is attached to this ordinance that delineates the overlay zone. Additionally, a list of all tax lots to be included in the Affordable Housing Overlay Zone is provided as attachment 1.

c. Definitions:

Affordable Housing Development - the division of a parcel of land into two or more parcels, the construction, reconstruction, conversion, structural alteration, relocation, or enlargement of any use or change in the use of any building or structure that provides for-sale or rental dwelling units for low & moderate income households within a residential use, structure, supportive or special needs dwelling, or residential component of a mixed-use development in accordance with the requirements of the Borough of Harvey Cedar's affordable housing ordinances and Housing Element & Fair Share Plan.

Mixed-Use Development – shall mean a structure or building that encompasses two or more different land uses, which shall be a retail or commercial component and a residential component, whereby any commercial use must be on the ground floor of said building or structure and the upper levels of the structure shall be the residential component and shall provide low and moderate income units, for-sale or rental, in accordance with the requirements of the Borough of Harvey Cedar's affordable housing ordinances and Housing Element & Fair Share Plan.

- d. Density & Required Set-Aside: The maximum density permitted for all affordable housing development in the overlay zone is 18 units per acre with a minimum required set-aside of 15 percent for rentals and 20 percent for for-sale units.

e. Principal Permitted Uses:

- a. All uses permitted within the underlying zoning district(s) in which the overlay zone is located.
- b. Multifamily development in accordance with the above overlay zone density and set-aside requirements.
- d. Supportive and special needs housing
- e. Mixed-use affordable housing development

f. Accessory Uses:

- a. Off-street parking facilities in conformance with Chapter 13-11.5 and 13-13.5 -Off-street Parking Requirements;
- b. Signs in accordance with the standards of Chapter 13-14.2 -Signs;
- c. Accessory Uses and Buildings permitted per Chapter 13-11 and 13-13;
- d. Fences, walls, and other design standards of the underlying zoning in accordance with the Borough Zoning Ordinance;
- e. Common facilities and amenities serving residents of multifamily developments including swimming pools or other on-site recreational facilities, common walkways, sitting areas and gardens, and other similar accessory uses.

- g. Area, Yard, and Building Requirements: The bulk requirements for affordable housing development shall be in conformance with the following:

Affordable Housing Overlay Bulk Requirements								
Use	Minimum Lot Area*	Minimum Lot Frontage*	Minimum Lot Width	Minimum Front Yard Setback	Minimum Side Yard Setback	Minimum Rear Yard Setback	Maximum Building Coverage	Maximum Building Height
Mixed Use Development	10,000 SF	100 FT	100 FT	25 FT	20 FT EA	20 FT	33.3 %	30 FT
Single Family Homes for supportive/special needs	5,000 SF	50 FT	50 FT	25 FT	9 FT EA	10 FT	35%	30 FT
Townhouses	10,000 SF	100 FT	100 FT	25 FT	20 FT EA	20 FT	33.3 %	30 FT
Apartments	10,000 SF	100 FT	100 FT	25 FT	20 FT EA	20 FT	33.3%	30 FT

- h. Affordable Housing Requirements: All affordable housing developments shall conform to the standards found in the Borough of Harvey Cedar's Affordable Housing Ordinance including provisions for affordability, very low income units, and UHAC standards.

SECTION 1. REPEALER

The remainder of all other sections and subsections of the aforementioned ordinance not specifically amended by this Ordinance shall remain in full force and effect.

SECTION 2. INCONSISTENT ORDINANCES

All other Ordinances or parts thereof inconsistent with the provisions of this Ordinance are hereby repealed as to such inconsistency.

SECTION 3. SEVERABILITY

If any section, paragraph, subdivision, clause, or provision of this Ordinance shall be adjudged invalid, such adjudication shall apply only to the section, paragraph, subdivision, clause, or provision so adjudged and the remainder of this Ordinance shall be deemed valid and effective.

SECTION 4. EFFECTIVE DATE

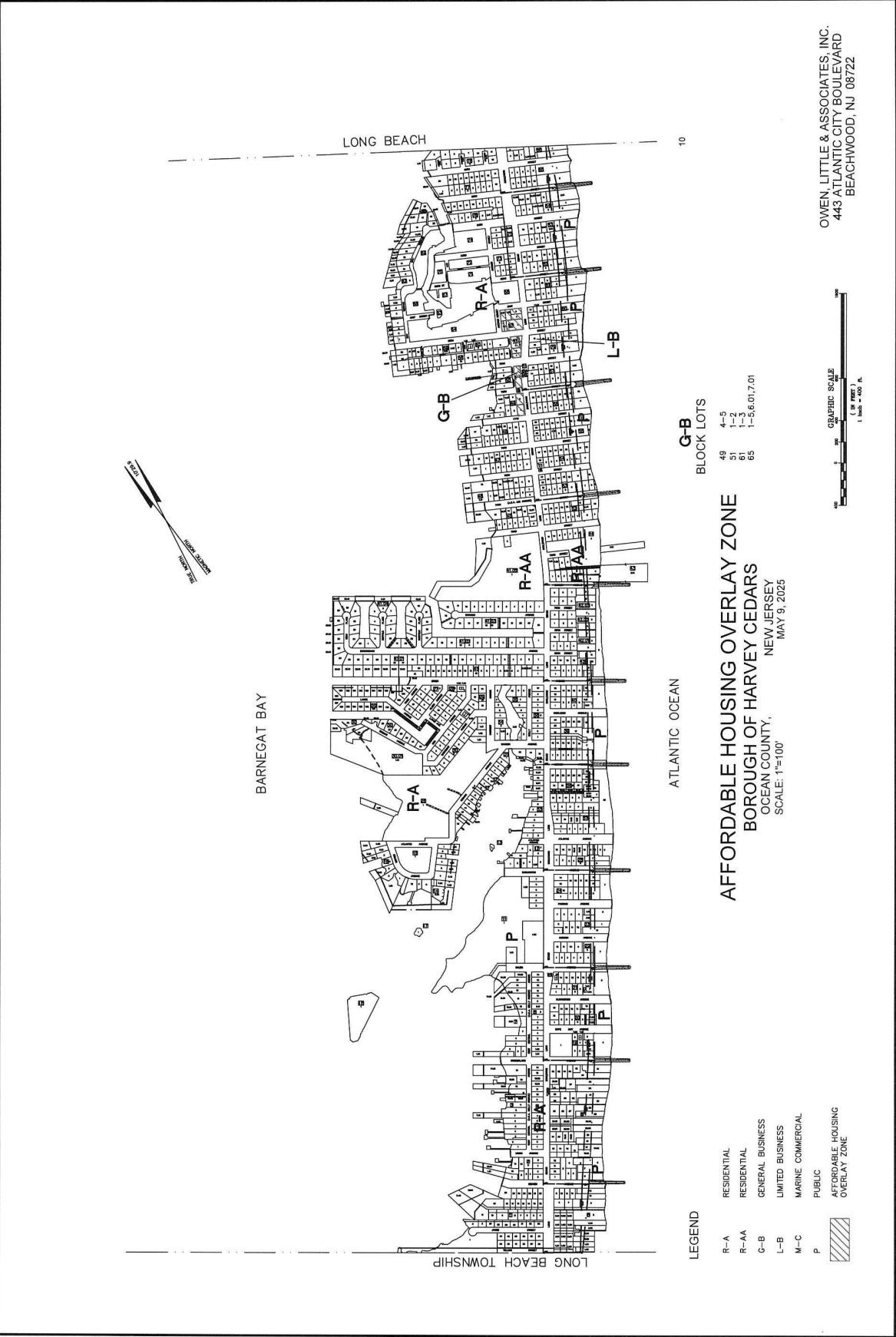
This Ordinance shall take effect upon its passage and publication according to law.

This is to certify that the foregoing Ordinance was adopted by the Borough Council at a regular meeting of the Borough of Harvey Cedars held on _____, 20__.

Christine Lisiewski, Acting Municipal Clerk

Appendix C

Affordable Housing Overlay Zone Map



Appendix D

Affordable Housing Overlay Zone

Block and Lot Information

Affordable Housing Overlay Zone Tax Lots				
Block	Lot	Lot Size	Address	Density - 18 DU/Acre
49	4	0.16 acres	7702 Long Beach Boulevard	3 Units
49	5	0.17 acres	7706 Long Beach Boulevard	3 Units
51	1	0.13 acres	7802 Long Beach Boulevard	3 Units
51	2	0.15 acres	7806 Long Beach Boulevard	3 Units
61	1	0.07 acres	7902 Long Beach Boulevard	2 Units
61	2	0.11 acres	7904 Long Beach Boulevard	2 Units
61	3	0.15 acres	7908 Long Beach Boulevard	3 Units
65	1	0.11 acres	5 W. 80th Street	2 Units
65	2	Part of B 65 L 1		
65	3	0.34 acres	8006 Long Beach Boulevard	6 Units
65	4	0.11 acres	8010 Long Beach Boulevard	2 Units
65	5	0.11 acres	8014 Long Beach Boulevard	2 Units
65	6.01	0.11 acres	6 W. 81st Street	2 Units
65	7.01	0.11 acres	8 W. 81st Street	2 Units