

TOWNSHIP OF LACEY

OCEAN COUNTY, NEW JERSEY

Housing Plan Element & Fair Share Plan

Fourth Round (2025-2035)

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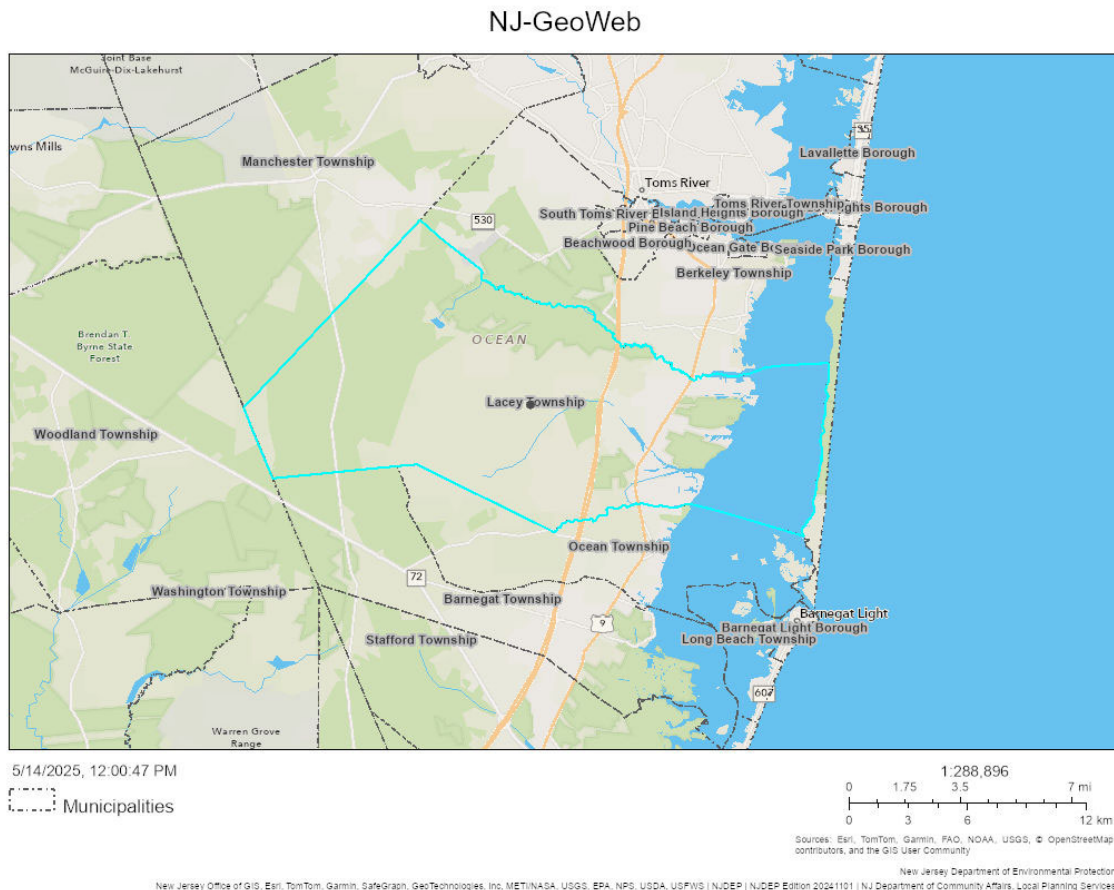
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INTRODUCTIONLOCATION AND CONTEXT

Lacey Township is 99.81 square miles in size and is located in the eastern part of Ocean County. The Township borders the Ocean County municipalities of Barnegat Township, Berkeley Township, Manchester Township and Ocean Township as well as Woodland Township in Burlington County. The Garden State Parkway serves as an informal use divider under the 1979 Pinelands Act and the subsequent Comprehensive Management Plan. To the east of the Parkway are more than 95% of Lacey's developed area and to the west of the Parkway is mostly undisturbed Pinelands forest Area.

The Township can be characterized as a developed suburban municipality and is located in State Planning Areas 2, 5 and Pinelands Management Area. The State Planning Areas include Suburban Planning Area (PA 2), Environmentally Sensitive areas (PA 5).



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AFFORDABLE HOUSING

In 1975 the New Jersey Supreme Court determined, in *So. Burlington County. NAACP v. Township of Mount Laurel* (“Mount Laurel I”) that every developing municipality in New Jersey had an affirmative obligation to provide a “realistic opportunity” for its fair share of low-and moderate-income housing. In 1983, frustrated with the lack of voluntary compliance, the Supreme Court sought to create an incentive for voluntary compliance in its “Mount Laurel II” decision. In this decision, the Court exposed municipalities that refused to comply voluntarily to the possibility of builder’s remedy relief. The Court also called for the state legislature to enact legislation that would save municipalities from the inefficiency of having the courts determine their affordable housing needs.

In 1985 the Legislature adopted the Fair Housing Act (N.J.S.A. 52:27D-301 et. seq.) (“FHA”). The FHA created the New Jersey Council on Affordable Housing (COAH) and charged COAH with the responsibility of adopting regulations by which municipalities could determine their fair share responsibilities and the means by which they could satisfy those responsibilities. The Legislature also sought to promote voluntary compliance and empowered municipalities to submit to COAH’s jurisdiction and voluntarily comply under the protections of the COAH process.

Pursuant to the FHA, COAH adopted regulations for the first housing cycle in 1986; which covered the years 1987 through 1993 (“First Round”) and for the second housing cycle in 1994; which covered the years 1993 through 1999 (“Second Round”). Under both the First and Second Rounds, COAH utilized what is commonly referred to as the “fair share” methodology. COAH utilized a different methodology, known as “growth share,” beginning with its efforts to prepare Third Round housing-need numbers.

COAH first adopted the Third-Round rules in 2004; which were to cover the years 1999 through 2014. The “growth share” approach created a nexus between the production of affordable housing and future residential and non-residential development within a municipality, based on the principle that municipalities should provide affordable housing opportunities proportionate to their market rate residential growth, and that along with employment opportunities there should be proportionate opportunities for affordable housing. Each municipality was required to project the amount of residential and nonresidential growth that would occur during the period 2004 through 2014 and prepare a plan to provide proportionate affordable housing opportunities. The regulations were challenged and in January 2007, the New Jersey Appellate Division invalidated key aspects of COAH’s third round rules and ordered COAH to propose and adopt amendments to its rules to address the deficiencies it had identified.

COAH adopted new Third Round rules in May of 2008 and subsequently adopted amendments that became effective on October 20, 2008. Changes to the Fair Housing Act were also adopted in July of 2008 (P.L. 2008 c. 46 on July 17, 2008). The COAH rules and regulations adopted in 2008 were subsequently challenged, and in an October 2010 decision the Appellate Division invalidated the “Growth Share” methodology, and also indicated that COAH should adopt regulations pursuant to the “Fair Share” methodology utilized in the First and Second Rounds. The Supreme Court affirmed this decision in September 2013, invalidating the third iteration of the Third Round regulations and sustaining the invalidation of growth share, and directing COAH to adopt new regulations pursuant to the methodology utilized in the First and Second Rounds. In October of

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2014 COAH was deadlocked and failed to adopt their newly revised Third Round regulations. Fair Share Housing Center, who was a party in the earlier cases, responded by filing a motion in aid of litigants' rights with the New Jersey Supreme Court. On March 20, 2015, the Court ruled that COAH was effectively dysfunctional, and consequently returned jurisdiction of affordable housing issues back to the trial courts as it had been prior to the creation of COAH in 1986.

Since the 2015 Mt. Laurel IV decision, municipalities have turned to the courts to seek a declaratory judgement of their housing plans to determine whether they are meeting their constitutional affordable housing obligations, and to be granted immunity from any “builder’s remedy” lawsuits. With no COAH functioning and providing guidance to municipalities to determine their municipal fair share of statewide and regional obligations, a number of independent groups produced their own reports to determine individual obligations across the state. In several court decisions in 2016 and 2018, judges in Middlesex and Mercer County developed a methodology following closely one proposed by Fair Share Housing Center to determine municipal obligations. In the 2018 decision by Judge Jacobson, it was further determined that the initial period of the Third Round which had not been addressed (1999 – 2015) known as the “gap period” is to be included in each municipality’s fair share calculations.

In March of 2024, P.L. 2024, c.2 was signed into law establishing new procedures for determining statewide needs and municipal obligations for low and moderate income housing. This new law formally abolished COAH and established a new “Program” for resolving affordable housing disputes, as well as the authority to review and certify municipal fair share housing plans. The law required municipalities to determine their own fair share obligations by applying the methodology of the Jacobsen decision in Mercer County as it related to the Third Round, and adopt a binding resolution setting those obligation numbers. The law also provided revisions to the crediting structures for affordable units, with changes to the types of affordable units that are permitted to be granted bonus credits. The law established timelines for submission of documents to demonstrate compliance with the Fair Housing Act.

LACEY’S TOWNSHIP’S COMPLIANCE HISTORY

Lacey Township planned to meet its prior round obligation of 580 units with 258 credits through a Credits Without Controls Survey implemented in 1999; 38 rental credits for group home facilities, 72 units via the Seabreeze at Lacey, an age-restricted low- to moderate- income rental housing project, 28 units of which will be carried over to the third round, 100 units plus 81 rental bonus credits from the Community Investment Strategies Family Rental Complex (only 70 of these units received approval); and 27 credits for municipally sponsored non-age restricted low-income rental group homes. This plan included a total of 37 credits to be included towards the third round obligation.

Lacey petitioned COAH for substantive certification of its second round housing element and fair share plan on June 6, 2000. Second round interim substantive certification was valid until December 20, 2005, or one year after the effective date of the adoption of COAH’s third round methodology and rules (December 20, 2004).

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Following the adoption of the Third Round regulations, the Planning Board adopted a new Housing Element and Fair Share Plan in 2005. The plan was endorsed by the Township Committee and forwarded to COAH. The petition was received by COAH on December 29, 2008. Prior to any action by COAH, the third round regulations were challenged. COAH revised its third round rules effective June 2, 2008 and again on October 20, 2008 to address the 2007 Appellate Division decision challenging the rules.

The revised third round rules, N.J.A.C. 5:96 and 5:97, as adopted in 2008, were challenged in an appeal entitled In the Matter of the Adoption of N.J.A.C. 5:96 and 5:97 by the New Jersey Council on Affordable Housing, 416 N.J. Super. 462 (App. Div. 2010). In its October 8, 2010 decision, the Appellate Division determined, among other things, that the growth share methodology was invalid and that COAH should adopt regulations utilizing methodologies similar to the ones utilized in the first and second rounds, i.e. 1987-1999.

The Township Committee approved its Affordable Housing Spending Plan on August 9, 2012, seeking to utilize its accumulated trust fund revenues for affordability assistance in the form of special needs housing. The Plan was forwarded to COAH; however, it never received approval.

In order to meet its third round obligation, Township of Lacey signed a Settlement Agreement with Fair Share Housing Center on October 13, 2016 and the Planning Board approved the Housing Element and Fair Share Plan on March 20, 2017. This Settlement Agreement and Housing Element and Fair Share Plan was amended on August 8, 2018 and September 10, 2018 respectively. The Township was granted a final judgement of compliance and repose on November 29, 2018 certifying that Lacey's Third Round Fair Share Plan satisfied the Township's affordable housing obligations.

On January 23, 2025, pursuant to the new amendments to the Fair Housing Act, the Township adopted Resolution # 2025-080, calculating a present need obligation of 52 units, and a Fourth Round prospective obligation of 172 units.

This Housing Plan Element and Fair Share Plan has been prepared in accordance with the requirements of P.L. 2024, c. 2, to satisfy the Township's municipal obligation to provide for its fair share of the regional need for low and moderate income housing for the Fourth Round period of 2025 – 2035.

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HOUSING PLAN ELEMENT

According to the Municipal Land Use Law (MLUL) (40:55D-28.b(3)), a municipality is required to adopt a Housing Plan Element of the Master Plan, as well as a Fair Share Plan for addressing its low and moderate income housing obligations in accordance with the Fair Housing Act (FHA). Pursuant to the Fair Housing Act, Section 10 of P.L. 1985, c. 222 (C. 52:27D-310), a municipality's housing plan element shall be designed to achieve the goal of access to affordable housing to meet present and prospective housing needs, with attention to low- and moderate-income housing. This updated Housing Plan Element for Lacey Township has been prepared in a manner that is consistent with the FHA and MLUL requirements, and contains the following, as spelled out in the FHA:

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, 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; and
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).

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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 appropriate authority.

This Housing Plan Element and Fair Share Plan will address the Township's obligations to provide a realistic opportunity for the construction of low- and moderate-income housing in accordance with the Fair Housing Act, the MLUL, and all guidance provided by the Department of Community Affairs (DCA) and the Affordable Housing Dispute Resolution Program (Program).

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ANALYSIS OF DEMOGRAPHIC, HOUSING, AND EMPLOYMENT CHARACTERISTICS

As required by N.J.S.A. 52:27D-310, all housing elements must contain a discussion of the municipality's demographic, housing, and economic characteristics. The following subsections fulfill this requirement by providing a profile of the Township's demographic, housing and employment characteristics based on information from the US Census Bureau, and the New Jersey Department of Labor and Workforce Development.

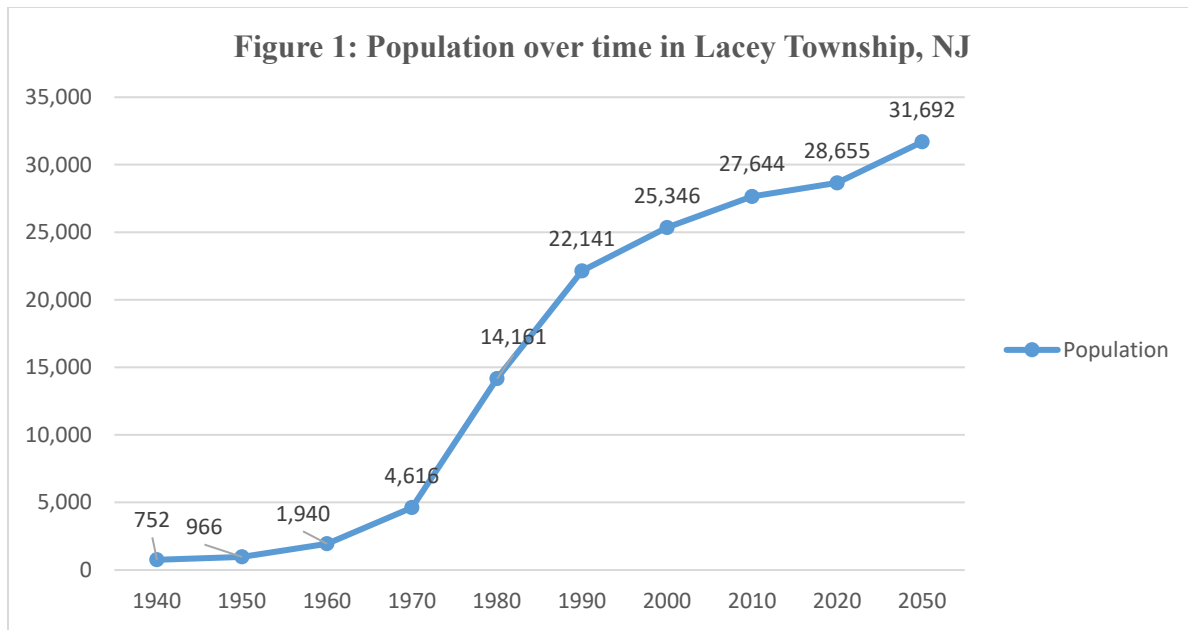
DEMOGRAPHICS**POPULATION**

The Township of Lacey has experienced steady increases in population over the past few decades. According to the 2020 U.S Census, the Township population stood at 28,665 residents, marking a 3.66% increase from the 27,644 residents recorded in 2010. In comparison, the Township's population rose a bit more sharply between 2000 and 2010, increasing 9.07 % from the 25,346 residents recorded by the 2000 Census. In comparison, Ocean County's population increased at a much greater rate during this time period, increasing 12.85 % between 2000 and 2010, and by 10.52% between 2010 and 2020. Table 1 below illustrates the population growth trends for both Lacey Township and Ocean County from 2000 through 2020.

Table 1: Population Trends, 2000 - 2010					
	2000	2010	2020	Percent Change 2000-2010	Percent Change 2010-2020
Lacey Township	25,346	27,644	28,655	9.07%	3.66%
Ocean County	510,916	576,567	637,229	12.85%	10.52%
<i>Source: US Census Bureau Decennial Census (Table DP-1)</i>					

Lacey's population growth between 1940 – 2050 (actual and estimated) is illustrated in Figure 1 below. The largest population growth (percentage and numerically) occurred between 1970 (when the Township had 4,616 residents) to 1980 when population increased by 206.78 % to 9,545 residents. It is projected that Lacey's population will continue to grow between 2020 and 2050 to an estimated 31,692 residents.

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Source: US Census Bureau, Decennial Census, North Jersey Transportation Planning Authority Demographic Forecasts

POPULATION COMPOSITION BY AGE

The age composition of Lacey has shifted between age cohorts since 2000, as illustrated in Table 2 below. According to the U.S. Census Bureau's Decennial Census Estimates, significant changes occurred between younger and older age groups. The number of residents 14 years old and younger decreased, as well as the 35-44 age cohort. All other age cohorts increased, with the largest increase (percentage wise) occurring in the 60-64-year-old age cohort, which increased by 177.88 %.

Table 2: Population by Age Cohort, Lacey Township, 2000 - 2020					
Population and Cohort Type	2000		2020		Percent Change 2000-2020
	Number	Percent	Number	Percent	
Total population	25,346	100%	28,655	100%	13.06%
Under 5 years	1,565	6.17%	1,287	4.49%	-17.76%
5 to 9 years	1,835	7.24%	1,495	5.22%	-18.53%
10 to 14 years	1,970	7.77%	1,659	5.79%	-15.79%
15 to 19 years	1,645	6.49%	1,702	5.94%	3.47%
20 to 24 years	1,117	4.41%	1,581	5.52%	41.54%
25 to 34 years	2,914	11.50%	3,332	11.63%	14.34%
35 to 44 years	4,237	16.72%	3,306	11.54%	-21.97%
45 to 54 years	3,729	14.71%	3,844	13.41%	3.08%
55 to 59 years	1,414	5.58%	2,396	8.36%	69.45%
60 to 64 years	1,066	4.21%	2,216	7.73%	107.88%

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Table 2: Population by Age Cohort, Lacey Township, 2000 - 2020

Population and Cohort Type	2000		2020		Percent Change 2000-2020
	Number	Percent	Number	Percent	
65 to 74 years	2,029	8.01%	3551	12.39%	75.01%
75 to 84 years	1,465	5.78%	1,716	5.99%	17.13%
85 years and over	360	1.42%	570	1.99%	58.33%

Source: US Census Bureau, Decennial Census (Table DP-1)

The age composition of Ocean County has shifted in different manner that that of the Township, as illustrated in Table 3 below. With the exception of the 34-44-year-old cohorts (which also decreased within the Township), all other cohorts increased. Similar to the Township, the largest increase (percentage wise) occurring in the 60 to 64-year-old age cohort, which increased by 86.98 %.

Table 3: Population by Age Cohort, Ocean County, 2000 - 2020

Population and Cohort Type	2000		2020		Percent Change 2000-2020
	Number	Percent	Number	Percent	
Total population	510,916	100%	637,229	100%	24.72%
Under 5 years	32,181	6.30%	44,884	7.04%	39.47%
5 to 9 years	34,396	6.73%	43,622	6.85%	26.82%
10 to 14 years	33,898	6.63%	41,909	6.58%	23.63%
15 to 19 years	28,690	5.62%	37,880	5.94%	32.03%
20 to 24 years	23,528	4.61%	35,107	5.51%	49.21%
25 to 34 years	57,098	11.18%	71,896	11.28%	25.92%
35 to 44 years	75,878	14.85%	64,640	10.14%	-14.81%
45 to 54 years	63,293	12.39%	67,819	10.64%	7.15%
55 to 59 years	25,587	5.01%	41,928	6.58%	63.86%
60 to 64 years	23,107	4.52%	43,205	6.78%	86.98%
65 to 74 years	54,304	10.63%	76,886	12.07%	41.58%
75 to 84 years	44,042	8.62%	47,329	7.43%	7.46%
85 years and over	14,914	2.92%	20,124	3.16%	34.93%

Source: US Census Bureau, Decennial Census (Table DP-1)

The median age of Lacey residents was 44.9 as of the 2020 census, which is a 15.42 % increase from the median age of 38.9 as of 2020, as indicated in Table 4 below. Ocean County's median age rose very slightly, from 41 in 2000 to 41.5 in 2020, a 1.22 % increase. The statewide median age rose 8.72 % during this same time period, from 37.7 to 39.9. Overall it appears that the broader trend of increasing median age at the Township and County level is reflective of the Baby Boomer generation continuing to age and are not being replaced by younger cohorts, while the

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relative steadiness County-wide reflects the overall population growth experienced across most age cohorts within Ocean County as a whole.

Table 4: Median Age, 2000 – 2020			
	2000	2020	Percent Change
Lacey Township	38.9	44.9	15.42%
Ocean County	41.0	41.5	1.22%
New Jersey	36.7	39.9	8.72%
<i>Source: US Census Bureau, Decennial Census (Table DP-1)</i>			

HOUSEHOLDS

Table 5 provides number of households and household sizes within Lacey Township and Ocean County. A household is defined as one or more individuals, related or not, living together in a single housing unit.

According to the 2023 ACS 5-Year estimates, there were approximately 11,232 households in Lacey. Of these, the largest percentage were households of two people at 34.44 %, followed by 1-person households at 28.16 %, 4 or more people at 23.57 %, with 13.82 % households containing 3 people.

In comparison, the County recorded 31.10 % two-person households, 26.42 % one-person households, 25.38 % four-person households, and 17.10 % three-person households.

Lacey’s average household size was 2.59 people, which is slightly less than both the County’s average of 2.65 and New Jersey’s average of 2.61, according to the ACS estimates

Table 5: Household Characteristics in Lacey, Ocean and New Jersey						
	Lacey Township		Ocean County		New Jersey	
	Number	Percent	Number	Percent	Number	Percent
Total Households	11,232	100%	241,521	100%	3,478,355	100%
1-person	2,693	23.98%	68,021	28.16%	918,897	26.42%
2-persons	3,654	32.53%	83,181	34.44%	1,081,842	31.10%
3-persons	1,810	16.11%	33,386	13.82%	594,946	17.10%
4 or more persons	3,075	27.38%	56,933	23.57%	882,670	25.38%
Average Household Size	2.59 people		2.65 people		2.61 people	
Source: US Census Bureau, ACS 5-year Estimates 2019 to 2023 (Table S2501& B25010)						

Family households are defined as two or more individuals living together in the same residence, related by blood, marriage, or adoption. Of the total 11,232 households within Lacey, a total of 8,032 (71.51 %) are family households, while 3,200 (28.49 %) are non-family households. In

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contrast, Ocean County has 66.58 % family and 33.42 % non-family households, which are lower (family) and higher (non-family) ratios as compared to the Township.

Within Lacey, approximately 79.72 % of family households consist of married couple householders. Among the remaining family households, 4.69 % are headed by a single male householder, and 15.59 % are headed by a single female householder. In comparison, Ocean County consists of 79.18 % married couples, with 6.08 % male householders and 14.74 % female householders. Further, 15.3 % of the households in Lacey are comprised of individuals aged 65 or older, totaling 1,718 households, whereas in comparison, 17.40 % of Ocean County households are headed by individuals aged 65 or older.

The average family size in Lacey is 3.07 persons, which is lower than that of Ocean County as a whole, which is 3.31 people per household.

Table 6: Household by Type, Lacey and Ocean County				
	Lacey Township		Ocean County	
	Number	Percent	Number	Percent
Total Households	11,232	100.00%	241,521	100.00%
Average Household Size	2.59 people		2.65 people	
Total Families	8,032	71.51%	160,799	66.58%
Average Family Size	3.07 people		3.31 people	
Married Couple Family	6,403	79.72%	127,318	79.18%
With own children under 18 years	2,261	35.31%	48,896	38.40%
No children under 18 years	4,142	64.69%	78,422	61.60%
Male householder, no wife present	377	4.69%	9,784	6.08%
With own children under 18 years	206	54.64%	3,965	40.53%
No own children under 18 years	171	45.36%	5,819	59.47%
Female householder, no husband present	1252	15.59%	23,697	14.74%
With own children under 18 years	220	17.57%	8,312	35.08%
No own children under 18 years	1,032	82.43%	15,385	64.92%
Nonfamily Households	3,200	28.49%	80,722	33.42%
65 years and over	1,718	15.30%	42,025	17.40%
<i>Source: US Census Bureau, American Community Survey 5-year Estimates 2019 to 2023 (Table S1101)</i>				

EXISTING HOUSING CONDITIONS

Lacey's housing stock is predominantly occupied, as indicated in Table 7. According to 2023 ACS estimates, the Township has a total of 12,691 housing units, of which 1,232 units (88.50 %) are occupied, and 1,459 (11.50 %) are vacant. Among the occupied units, the majority (9,852 or 87.71 %) are owner-occupied, while 1,380 (or 12.29 %) are renter-occupied.

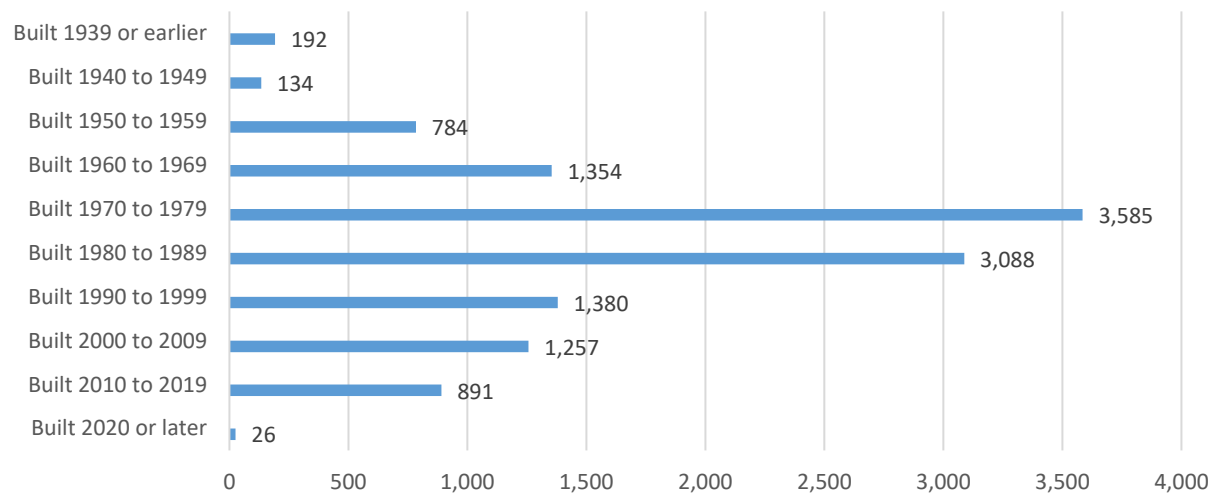
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Table 7: Housing Units in Lacey Township

	Number	Percent
Total Housing Units	12,691	100.00%
Occupied Housing Units	11,232	88.50%
Owner Occupied	9,852	87.71%
Renter Occupied	1,380	12.29%
Vacant Housing Units	1,459	11.50%
For rent	0	0.00%
Rented, not occupied	37	2.54%
For sale only	24	1.64%
Sold, not occupied	1,106	75.81%
For seasonal, recreational, or occasional use	0	0.00%
For migrant workers	292	20.01%
Other vacant	0	0.00%

Source: US Census Bureau, ACS 5-year Estimates 2019 to 2023 (Tables DP04 and B25004)

As indicated in Figure 2 below, 3,585 housing units (28.25 % of existing housing stock) within Lacey was built between 1990-1999, which represents the largest amount of housing stock within the Township.

Figure 2: Age of Housing Stock, Lacey Township

	Built 2020 or later	Built 2010 to 2019	Built 2000 to 2009	Built 1990 to 1999	Built 1980 to 1989	Built 1970 to 1979	Built 1960 to 1969	Built 1950 to 1959	Built 1940 to 1949	Built 1939 or earlier
■ %	0.20%	7.02%	9.90%	10.87%	24.33%	28.25%	10.67%	6.18%	1.06%	1.51%
■ Number	26	891	1,257	1,380	3,088	3,585	1,354	784	134	192

Source: US Census Bureau, ACS 5-year Estimates 2019 to 2023 (Tables DP04)

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Housing Type and Size

Lacey's housing stock is predominantly comprised of one-unit detached homes, making up an estimated 96.30 % of the Township's total housing units as indicated in Table 8 below. The next highest housing type is those consisting of 20 or more units and 1-family attached homes, which make up 1.56 and 1.72 %, respectively, of all housing units within the Township. Nearly half (49.71 %) of Lacey's housing inventory is made up of 3-bedroom homes, followed by 4-bedroom homes at 23.32 %.

Table 8: Housing Units by Type: Lacey Township

	Number	Percent
Total Housing Units	12,691	100.00%
1-unit detached	12,222	96.30%
1-unit, attached	161	1.27%
2 units	29	0.23%
3 or 4 units	25	0.20%
5 to 9 units	48	0.38%
10 to 19 units	8	0.06%
20 or more units	198	1.56%
Mobile home	0	0.00%
Boat, RV, Van etc.	0	0.00%
Bedrooms		
No bedroom	82	0.65%
1 bedroom	320	2.52%
2 bedrooms	2,466	19.43%
3 bedrooms	6,309	49.71%
4 bedrooms	2,960	23.32%
5 or more bedrooms	554	4.37%

Source: US Census Bureau, ACS 5-year Estimates 2019 to 2023 (Tables DP04)

Housing Values and Contract Rents

According to the ACS 5-Year Estimates, housing units between \$ 300,000 - \$ 499,999 are a plurality within the Township (40.07 %) and Ocean County (36.68 %). Table 9 provides a detailed breakdown of home values for owner-occupied units within the Township and the County. Approximately 4.62 % and 0.58 % of housing units within Lacey were valued at less than \$ 50,000 and between \$50,000 - \$99,999, respectively, as compared to the County's 3.47 % and 3.93 %. The median value of an owner-occupied home in Lacey was \$ 367,300, which is marginally more than the County's median, which was \$ 366,600.

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Table 9: Value of Owner-Occupied Housing Units, 2019 -2023				
	Lacey Township		Ocean County	
	Number	Percent	Number	Percent
Total	9,852	100.00%	193,630	100.00%
Less than \$50,000	455	4.62%	6,722	3.47%
\$50,000 to \$99,999	57	0.58%	7,606	3.93%
\$100,000 to \$149,999	79	0.80%	6,557	3.39%
\$150,000 to \$199,999	445	4.52%	10,614	5.48%
\$200,000 to \$299,999	2148	21.80%	38,410	19.84%
\$300,000 to \$499,999	3,948	40.07%	71,026	36.68%
\$500,000 to \$999,999	2,593	26.32%	43,985	22.72%
\$1,000,000 and greater	127	1.29%	8,710	4.50%
Median Value	\$367,300		\$366,600	
Source: US Census Bureau, ACS 5-year Estimates 2019 to 2023 (Tables DP04)				

A plurality of rental prices in Lacey (44.11 %) are between \$2,000 to \$ 2,499. Table 10 provides a detailed breakdown of gross rent paid within the Township and Ocean County. According to the ACS 5-Year Estimates, the median gross rent in Lacey was \$ 2,020, which is higher than the County median of \$1,702.00. Lacey had 36 units (2.77 % of all units) with rents under \$500 per month, while ACS estimates indicate the 4.26 % of County units had rents below this threshold. Additionally, an estimated 81 Lacey units did not require cash rent payments, compared to 3,010 such units across the County.

Table 10: Gross Rent Paid, 2019 - 2023				
	Lacey Township		Ocean County	
	Number	Percent	Number	Percent
Total	1,299	100.00%	44,881	100.00%
Less than \$500	36	2.77%	1,911	4.26%
\$500 to \$999	72	5.54%	3,137	6.99%
\$1,000 to \$1,499	229	17.63%	11,324	25.23%
\$1,500 to \$1,999	290	22.32%	15,025	33.48%
\$2,000 to \$2,499	573	44.11%	8,562	19.08%
\$2,500 to \$2,999	43	3.31%	2,654	5.91%
\$3,000 or more	56	4.31%	2,268	5.05%
No rent paid	81		3,010	
Median Contract Rent	\$2,020		\$1,702	
Source: US Census Bureau, ACS 5-year Estimates 2019 to 2023 (Tables DP04)				

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Housing Conditions

Overcrowding is minimal in Lacey, with approximately 0.22 % (22 units) of owner-occupied units and 28 (2.03 %) of renter-occupied units exceeding one person per room. As outlined in Table 11 below, 126 units (1.12 % of all units) within the Township lack complete plumbing facilities, and 149 units (1.33 % of total units) lack kitchen facilities. Housing deficiencies are often key factors in assessing overall housing conditions and determining municipal rehabilitation needs.

Table 11: Housing Deficiency Characteristics, Lacey Township 2023**Housing Units with 1.01 or More Persons Per Room**

	Count	Percent
Owner-Occupied	22	0.22%
Renter-Occupied	28	2.03%
Plumbing Facilities		
Total Occupied Housing Units	11,232	100.00%
Lacking complete plumbing facilities	126	1.12%
Kitchen Equipment		
Total Occupied Housing Units	11,232	100%
Lacking complete kitchen facilities	149	1.33%
<i>Source: US Census Bureau, ACS 5-year Estimates 2019 to 2023 (Tables B25014, S2504)</i>		

Housing Stock

Lacey issued building permits for 1,070 new residential units between January 2013 and December 2023 as indicated in Table 12 below, which is based upon data provided by the NJ Department of Consumer Affairs. A total of 247 residential demolition permits were issued during this time period. Subtracting the demolition permits from the construction permits reveals a net increase of 823 residential units over the same timeframe.

Of the 1,070 permits, 1,022 were for 1 & 2 family homes and 48 were for multi-family units. Amount of building permits used was fairly consistent during this time period, averaging 93 permits per year, with a range of 67 issued in 2022 to 137 issued in 2017. In general this data indicates that Township has seen steady slow growth in housing stock during this time period.

Table 12: Building Permits and Demolition Permits Issued 2013 - 2023

Year	1&2 Family	Multi Family	Mixed Use	Total Construction	New Total Residential Demolitions	Net Units Added
2013	95	0	0	95	62	33
2014	92	0	0	92	44	48
2015	70	0	0	70	28	42
2016	93	48	0	141	21	120

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Table 12: Building Permits and Demolition Permits Issued 2013 - 2023

Year	1&2 Family	Multi Family	Mixed Use	Total Construction	New Total Residential Demolitions	Net Units Added
2017	137	0	0	137	16	121
2018	108	0	0	108	16	92
2019	120	0	0	120	9	111
2020	95	0	0	95	13	82
2021	71	0	0	71	13	58
2022	67	0	0	67	14	53
2023	74	0	0	74	11	63
Total	1,022	48	0	1070	247	823

Source: NJ DCA, Construction Reporter 2013 to 2023

EMPLOYMENT DATA

ACS estimates provide data on the work activity of residents aged 16 and older. Lacey's working-age population was 24,919, with approximately 15,774 residents in the labor force as indicated in Table 13 below. Approximately 36.70 % of the Township's City's working-age residents were not participating in the labor force at the time of the 5-year ACS estimates, which is lower than the County's 41.03 % non-participation rate. 63.30 % of Lacey's labor force (15,774 people) were classified within the civilian labor force cohort, with 14,895 being employed, and no residents were reported as being a member of the armed forces. Lacey's 3.53 % unemployment rate is higher than County rate of 3.24 %.

Table 13: Employment Status, 2023

	Lacey Township		Ocean County	
	Number	Percent	Number	Percent
Population 16 years and over	24,919	100.00%	502,187	100.00%
In labor force	15,774	63.30%	296,116	58.97%
Civilian Labor Force	15,774	63.30%	295,499	58.84%
Employed	14,895	59.77%	279,228	55.60%
Unemployed	879	3.53%	16,271	3.24%
Armed Forces	0	0.00%	617	0.12%
Not in Labor Force	9,145	36.70%	206,071	41.03%

Source: US Census Bureau, ACS 5-year Estimates 2019-2023 (Table DP03)

Worker Classification

Approximately 72.80 % of Lacey's workers were employed in private wage and salary positions, while 4.09 % were self-employed as indicated in Table 14 below. Government employees made up 23.02 % of the workforce, with unpaid family workers representing 0.09 %.

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Table 14: Classification of Workers, Lacey Township, 2023

	Number	Percent
Total	14,895	100.00%
Private Wage and Salary Worker	10,843	72.80%
Government Worker	3,429	23.02%
Self-Employed Worker	609	4.09%
Unpaid Family Worker	14	0.09%
<i>Source: US Census Bureau, ACS 5-year Estimates 2019-2023 (Table DP03)</i>		

Workforce by Sector

An analysis of employed individuals over the age of 16 by economic sector reveals while there is a diverse range of industries in which Lacey's working-age population is engaged, three (3) sectors comprise over half (51.86 %) of the overall total: educational services, healthcare, and social assistance (29.26 %), retail trade (13.55 %) and Construction (9.04 %).

Table 15: Workforce by Sector, Lacey Township, 2023

Industry	Number	Percent
Civilian employed population 16 years and over	14,895	100.00%
Agriculture, forestry, fishing and hunting and mining	80	0.54%
Construction	1,346	9.04%
Manufacturing	646	4.34%
Wholesale trade	336	2.26%
Retail trade	2,019	13.55%
Transportation and warehousing, and utilities	865	5.81%
Information	225	1.51%
Finance and insurance, and real estate and rental and leasing	667	4.48%
Professional, scientific, and management, and administration and waste management services	1,558	10.46%
Educational services, health care and social assistance	4,359	29.26%
Arts, entertainment, and recreation, and accommodation and food services	832	5.59%
Other services, except public administration	931	6.25%
Public administration	1,031	6.92%
<i>Source: US Census Bureau, ACS 5-year Estimates 2019-2023 (Table DP03)</i>		

Occupations by Type

Table 16 presents a breakdown of occupations by type within the Lacey's employed civilian labor force. The largest segment is engaged in management, business, science, and arts occupations (41.46 %), followed by sales and office occupations (21.90 %), service occupations (15.33 %), and natural resources, construction, and maintenance occupations (11.78 %). The sector with the smallest share is production, transportation, and material moving occupations (9.53 %).

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Table 16: Occupations by Type, Lacey Township, 2023

	Number	Percent
Employed Civilian population 16 years and over	14,895	100.00%
Management, business, science, and arts occupations	6,175	41.46%
Service occupations	2,284	15.33%
Sales and office occupations	3,262	21.90%
Natural resources, construction, and maintenance occupations	1,754	11.78%
Production, transportation, and material moving occupations	1,420	9.53%
<i>Source: US Census Bureau, ACS 5-year Estimates 2019-2023 (Table DP03)</i>		

Commuting to Work

As shown in Table 17 below, the vast majority of residents (76.70 %) commute to work alone by private vehicle, which is similar to the County's rate of 76.47 %. Those who carpool represent 7.85 % of the workforce, followed by those who rely on public transportation (excluding taxicabs) and those who walked (0.73 % each) and by those who commute by other means (0.62 %). The percentage of Lacey's workforce who walked to work is less than the County rate of 1.32 %. In addition, 13.38 % of the Township's workforce worked from home.

Table 17: Means of Commute, Lacey Township, 2023

	Lacey Township		Ocean County	
	Number	Percent	Number	Percent
Workers 16 years and over	14,339	100.00%	271,882	100.00%
Car, truck, van - Drove Alone	10,998	76.70%	207,910	76.47%
Car, truck, van - Carpooled	1,125	7.85%	21,641	7.96%
Public transportation (excluding taxicab)	105	0.73%	3,128	1.15%
Walked	104	0.73%	3,589	1.32%
Other means	89	0.62%	4,192	1.54%
Worked from home	1,918	13.38%	31,422	11.56%
<i>Source: US Census Bureau, ACS 5-year Estimates 2019-2023 (Table DP03)</i>				

As indicated in Table 18 below, 45.84 % of residents have a commute of more than 30 minutes, which is higher than the County's rate of 42.30 %. In contrast, 32.27 % of Township residents have a commute of less than 20 minutes, slightly less than the County rate of 39.09 %.

Township mean travel time to work is 32.7 and 30.70 minutes, respectively, for the Township and Countywide workforces.

Table 18: Travel Time to Work, 2023

	Lacey Township		Ocean County	
	Number	Percent	Number	Percent
Less than 10 minutes	1,942	15.63%	29,788	12.39%

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Table 18: Travel Time to Work, 2023				
	Lacey Township		Ocean County	
10 to 19 minutes	2,066	16.63%	64,200	26.70%
20 to 29 minutes	2,719	21.89%	44,761	18.61%
30 to 44 minutes	2,742	22.08%	44,155	18.36%
45 to 59 minutes	837	6.74%	21,155	8.80%
60 to 89 minutes	1,446	11.64%	23,748	9.88%
90 or more minutes	669	5.39%	12,653	5.26%
Mean travel time to work (minutes)	32.7		30.7	
Source: US Census Bureau, ACS 5-year Estimates 2019-2023 (Table DP03, B08303)				

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FAIR SHARE PLAN

Affordable Housing regulations define a “Fair Share Plan” as follows:

"Fair share plan" means the plan or proposal that is in a form which may readily be adopted, with accompanying ordinances and resolutions, pursuant to subsection f. of section 3 of P.L., by which a municipality proposes to satisfy its obligation to create a realistic opportunity to meet its fair share of low- and moderate-income housing needs of its region and which details the affirmative measures the municipality proposes to undertake to achieve its fair share of low- and moderate-income housing, as provided in the municipal housing element, and addresses the development regulations necessary to implement the housing element, including, but not limited to, inclusionary requirements and development fees, and the elimination of unnecessary housing cost-generating features from the municipal land use ordinances and regulations."

This Housing Element and Fair Share Plan satisfies all the applicable requirements set forth within the Municipal Land Use Law, the Fair Housing Act, and all applicable prior rules and regulations established by COAH as applicable.

The Fair Share Plan for Lacey Township is broken up into four sections: Present Need or Rehabilitation Obligation, the Prior Round/ First and Second Round (1987-1999), Prospective Need Obligation for the Third Round (1999-2025) and the Prospective Need Obligation for the Fourth Round (2025-2035).

The Township’s Fair Share Plan specifically describes the completed and proposed mechanisms to address the Prior Round obligations, present need (Rehabilitation) obligation, and prospective need (Fourth Round) obligation. Lacey Township’s present and prospective need numbers for the Fourth Round (2025 to 2035) have been determined to be 172 units for the Fourth Round period running from 2025 through 2035, in addition to the Rehabilitation (present need) obligation of 52 units.

FAIR SHARE OBLIGATION

The Township has the following cumulative affordable housing obligations:

1987-2035 Fair Share Obligation	
Obligation Type	Units
Rehabilitation Obligation (Present Need)	52
Prior Round Substantive Certification (1987-1999)	580
Third Round Obligation 1999-2025	581
Fourth Round Obligation (2025-2035)	172

Lacey Township – Housing Plan Element and Fair Share Plan

Income Levels

Lacey Township is in COAH’s Region 4, which includes Monmouth, Mercer, and Ocean Counties. Moderate-income households are those earning between 50% and 80% of the regional median income. Low-income households are those with annual incomes that are between 30% and 50% of the regional median income. Very-low income households are a subset of “low income” households, and are defined as households earning 30% or less of the regional median income.

2025 Income Limits for Region 4								
Household Income Levels	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5-Person Household	6-Person Household	7-Person Household	8+-Person Household
Moderate	\$75,440	\$86,160	\$96,960	\$107,680	\$116,320	\$124,960	\$133,600	\$142,160
Low	\$47,150	\$53,850	\$60,600	\$67,300	\$72,700	78,100	\$83,500	\$88,850
Very Low	\$28,290	\$32,310	\$36,360	\$40,380	\$43,620	\$46,860	\$50,100	\$53,310
Source: 2025 Income Limits prepared by Affordable Housing Professionals of New Jersey								

Vacant Land and Realistic Development Potential Analysis

If there is lack of sufficient land to meet the new construction obligation a municipality is entitled to rely on COAH regulations to adjust the new construction obligation downward pursuant to N.J.S.A. 52:27D-311(m). The adjusted number is known as the realistic development potential (RDP). The RDP represents the portion of the new construction affordable housing obligation that can theoretically be addressed with inclusionary development on lots identified as suitable for development. The unmet need is calculated as the difference between total obligation and the RDP.

The Township demonstrated the relative lack of vacant and developable land during its third round compliance. Township identified all vacant parcels within the Township listed each parcel on the vacant land inventory table in accordance with N.J.A.C. 5:93-4.2(b). Township for its third round, conducted the analysis and determined the RDP of 112 units for its third round.

For its Fourth Round and in accordance with N.J.S.A. 52:27D-311 (m), Township conducted an updated vacant land analysis. The inventory reviewed December 2024 MODIV data records for Vacant, Public and Farmland assessed properties were evaluated. Pursuant to N.J.S.A.C. 5:93-4.2(C), environmentally sensitive areas, small isolated lots having insufficient acreage to generate affordable housing set-aside, landlocked parcels with limited or no access, agricultural land with restricted development rights through covenants, properties identified on ROSI and other such constrained areas were excluded. Further, Township in evaluating the presumptive density, the Township evaluated the existing and evolving land use patterns in the area, the Township’s underlying zoning ranges from 6 dwelling units per acre to 8 dwelling units per acre. Each project and site has unique attributes that have been considered in overall land use picture. A detailed vacant land analysis is provided in the appendices of this plan.

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REHABILITATION OBLIGATION

The Township has a rehabilitation obligation of 52 units. Lacey Township has had a strong history of participation in the Ocean County Housing Improvement Program as well as monitoring rehabilitation through the municipal Home Improvement Program. Township of Lacey applies for the Community Block Development Grant (CDBG) to repair major systems of existing dwellings that owned and or occupied by low and moderate income households. Since 2000, Ocean County has rehabilitated 27 units within the Township of Lacey

In addition, Township of Lacey through their municipal program with funding received from CDBG have rehabilitated approximately 16 additional units.

Township of Lacey continues to successfully participate and run these programs in order to rehabilitate deficient units. Township's intention is to do the same in future. In addition, Township shall also ensure sufficient funds remain for implementation of this program.

PRIOR ROUND OBLIGATIONS (1987-1999)

The Township had a cumulative obligation of 580 units in order to satisfy its Prior Round (1987 – 1999) obligations.

In accordance with previous COAH rules found at N.J.A.C. 5:93, the Township must meet the following minimum and maximum requirements in addressing its prior Obligation

Round I/II Obligation Requirements and Caps	Permitted Required	or Provided
Minimum Number of Rentals (5:93-5.15)	94	241
Maximum Number of Age-Restricted Units (5:93-5.14)	94	72
Maximum Rental Bonus Credits	81	81

The Township satisfied, its prior round obligation through the following projects:

Rounds I/II Compliance Mechanism Summary	Affordable Units	Potential Bonus Credits	Total Credits
For Sale	258	0	258
<i>Family For-Sale</i>	258	0	258
Credits Without Controls	258	0	258
Age-Restricted For-Sale	0	0	0
Rentals	242	81	323
<i>Family Rental</i>	132	69	201
Walters Phase I	14	14	28
Walters Phase II	48	48	96
Walters Phase III	70	7	77
<i>Age Restricted Rental</i>	72	2	74

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Seabreeze at Lacey	72	2	74
<i>Supportive Special Needs Housing</i>	38	10	48
Ocean Mental Health: 916 Pensacola Road	2	0	2
Community Options: 204 Nautilus Blvd	2	0	2
Ocean Housing Development 771 Maple Road	3	3	6
Assoc. for Multiple Impaired Blind 1965 Sweetwood Dr.	4	0	4
Assoc. for Multiple Impaired Blind 15 Emerald Court	9	0	9
Community Options: 1529 Sommerell Ave	4	0	4
Outlook America: 645 Deerhead Lake Dr.	5	0	5
Ocean Mental Health Services: 240 Oak Lane	3	3	6
Community Options Inc. 802 Orlando	2	0	2
Community Options Inc. 458 Barnegat Dr.	4	4	8
Totals	500	81	581

PRIOR ROUND COMPLIANCE MECHANISMS

With the total obligation of 581 units, the Township was previously certified to have satisfied that obligation through the following mechanisms:

Credits without Controls

Credits without Controls – 258 Credits

Township of Lacey conducted the necessary survey and prepared the required documentation pursuant to N.J.A.C. 5:93-3.2, for the purposes of identifying affordable units eligible for crediting that were constructed between April 1, 1980 and December 15, 1986. COAH verified a total of 258 units that met this criteria.

Age Restricted Rental Credits

Seabreeze at Lacey – 74 Credits (72 Credits + 2 Bonus Credits)

Block 1901.23 Lot 28

Status – Completed

Seabreeze at Lacey is a low-moderate income age restricted rental housing project that includes 100 units. The project was completed in 2011. Affordability controls have been established for the affordable rental units for 30 years.

Family Rental Credits - 201 Credits (132 credits + 69 bonus credits)

Walters Project I, II and III

Walters Group developed a three phase 100% affordable multifamily housing project in Township of Lacey. Phase I is located at Block 1837 Lot 8.05 is developed with 70 units,

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Phase II is located at Block 1837.01 Lots 8.07 is developed with 48 units. Phase III- located at Lot 8.03 in Block 1837.01, Lots 1-48 in Block 1852, and Lots 1-48 in Block 1853 is to be developed with 70 units. A total of 132 credits are applied to this round and the 56 are applied to the third round.

Special or Supportive Housing Credits

- Ocean Mental Health –2 Credits
916 Pensacola Road
Block 159 Lot 13
Status - Completed
This group home consists of 2 bedrooms within one dwelling. As a supportive needs facility for individuals with cerebral palsy, the Township is eligible for 2 credits through this project.
- Community Options, Inc. –2 Credits
204 Nautilus Blvd
Block 436 Lot 35
Status - Completed
This group home consists of 2 bedrooms within one dwelling. As a supportive needs facility for individuals with developmental disabilities, the Township is eligible for 2 credits through this project.
- Ocean Mental Health Services – 3 Credits
771 Maple Road
Block 766.01 Lot 13
Status – Completed
This group home consists of 3 bedrooms within one dwelling. As a supportive needs facility for persons with developmental disabilities, the Township is eligible for 3 credits through this project.
- Assoc. for Multiple Impaired Blind – 4 credits
1965 Sweetwood Dr
Block 1337 Lot 9
Status – Completed
The Township is able to address a portion of its Prior Round obligation through a 4 bedroom group home. This facility is a group home for the visually impaired/developmentally disabled.
- Assoc. for Multiple Impaired Blind - 9credits
15 Emerald Court
Block 1636 Lot 3.09
Status – Completed
This facility is another group home consist of 10 bedrooms. The Township can claim 9 credits for supportive needs housing through this facility. One credit (1) remains.
- Community Options – 4 credits

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1529 Sommerell Ave

Block 1243 Lot 21

Status – Completed

This group home consists of 5 bedroom. This group home provides services for adults with developmental disabilities. Only 4 credits were applied for one (1) credit remains.

- Outlook America:
645 Deerhead Lake Dr.
Block 1497 Lot 1
Status – Completed
This group home consists of 5 bedrooms within a single dwelling unit. The Township is eligible for 5 credits of supportive needs housing from this project.
- Ocean Mental Health Services – 3 Credits
240 Oak Lane
Status – Completed
This group home consists of 3 bedrooms within a single dwelling. The Township is eligible for 3 credits of supportive needs housing through this project.
- Community Options – 2 Credits
802 Orlando
Status - Completed
This group homes has 2 bedrooms within a single dwelling. The Township is eligible to claim 2 supportive needs housing credits from this group home.
- Community Options – 4 Credits
458 Lake Barnegat Dr.
Status- Completed
This group home has 4 bedrooms within a single dwelling. The Township is eligible to claim 4 supportive needs housing credits from this group home.

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THIRD ROUND OBLIGATION

The Township has a Third Round (1999 – 2025) Obligation of 581 affordable units. This was arrived through a settlement agreement between Township of Lacey and Fair Share Housing Center dated October 18, 2016. Township further conducted a vacant land analysis based on the fact that Township of Lacey is constrained with Pinelands regulations, CAFRA regulations and wetland constraints. The Township determined Realistic Development Potential of 112 units.

- **Age-Restricted Units:** A maximum of 25% of credits claimed may be age-restricted, or senior housing units.
 - $25\% \times 112 = 28$
 - A maximum of 28 units may be age-restricted senior housing units.
- **Family Units:** A minimum of 50% of credits to satisfy the Third Round shall be for units available to families (non-age restricted or non-special needs housing)
 - $50\% \times 112 = 56$
 - A minimum of 56 units must be family units.
- **Rental Units:** A minimum of 25% of credits claimed by the Township must be rental units.
 - $25\% \times 112 = 28$
 - A minimum of 28 units must be rental units.
- **Income Distribution:** At least 50 percent of the units addressing the Third Round obligation shall be affordable to very-low-income and low-income households. At least 13% of all units shall be affordable to very-low-income households.
 - $50\% \times 112 = 56$
 - $13\% \times 56 = 7$
 - 56 units must be available to low income households, inclusive of 7 units available to very-low income households.
- **Bonus Credits:** The Township may claim bonus credits for rental units, up to two credits for each family rental unit, and 1.33 credits for any age restricted rental unit. The maximum number of rental bonus credits shall be equal to the rental obligation.

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- $25\% \times 112 = 28$ potential bonus credits

THIRD ROUND COMPLIANCE MECHANISMS

The Township shall satisfy its 112 unit Third Round (1999-2025) prospective need obligation through the following mechanisms:

Prior Round Surplus Credits (Family Rental)

- Walters Phase I – 56 credits

Walters Group developed a three phase 100% affordable multifamily housing project in Township of Lacey. Phase I is located at Block 1837 Lot 8.05 is developed with 70 units, Phase II is located at Block 1837.01 Lots 8.07 is developed with 48 units. Phase III- located at Lot 8.03 in Block 1837.01, Lots 1-48 in Block 1852, and Lots 1-48 in Block 1853 is to be developed with 70 units. A total of 56 credits are applied to the third round along with 28 bonus credits.

Prior Round Surplus Credits

- 1 credit

Prior Round Surplus Credits (Age Restricted Rental)

- Seabreeze at Lacey – 28 Credits

Block 1901.23 Lot 28

Status – Completed

Seabreeze at Lacey is a low-moderate income age restricted rental housing project that includes 100 units. The project was completed in 2011. 72 units were applied for prior round and 28 units are applied to the third round. Affordability controls have been established for the affordable rental units for 30 years.

Third Round Obligation Requirements and Caps	Permitted or Required	Provided
Minimum Number of Rentals (5:93-5.15)	28	56
Maximum Number of Age-Restricted Units (5:93-5.14)	28	28
Maximum Rental Bonus Credits	28	28
Maximum Age-Restricted Rental Bonus Credits	14	0

Third Round Compliance Mechanism Summary	Affordable Units	Bonus Credits	Total Credits
Surplus	-	-	1
Surplus credits from prior round	-	-	1
Rentals	84	28	112
Family Rental	56	28	98
Walters Phase I	56	28	98
Age Restricted Rental	28	0	14

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Seabreeze at Lacey	28	0	14
Totals	85	28	113
Surplus Credits to be Applied to Future Rounds	-	-	1

UNMET NEED

For the Third round unmet need of 469 units, Township of Lacey adopted the Multifamily Inclusionary One and Two District Overlays (MFIZ-I and MFIZ-II) requiring an affordable housing set-aside in any multi-family development of five (5) or more units. The set-aside would be 15% for rental development and 20% for for-sale development. The overlay zone will cover all properties with frontage on US-9 and Lacey Road east of the Garden State Parkway. These corridors are currently developed with mostly commercial uses and have good access to employment and shopping via bus transit. The Ordinance can be found in Appendices. While several developments have not resulted, Township is determined to continue this overlay zone as a mechanism to meet its unmet need. The Zone is located along the major corridor in the Township. To date, the following development has been approved.

Name of Development	Block and Lot	Type of Approval	Market Rate Units	Affordable Units	Status
Covered Bridge Sports Plex Corporation	Block 314 Lots 22, 25 & 26 (MFZ-II)	Preliminary and Final Site Plan	62	16	Built

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FOURTH ROUND OBLIGATIONS

The Township has a Fourth Round (2025 – 2035) Obligation of 82 affordable units.

The following minimum and maximum requirements must be met when addressing the Fourth Round Obligation:

- **Age-Restricted Units:** A maximum of 30% of credits claimed by the may be age-restricted, or senior housing units exclusive of bonus credits
 - $30\% \times 82-21 = 18$
 - A maximum of 18 units may be age-restricted senior housing units.
- **Family Units:** A minimum of 50% of credits to satisfy the Fourth shall be for units available to families (non-age restricted or non-special needs housing), exclusive of bonus
 - $50\% \times 82-21 = 18$
 - A minimum of 18 units must be family units.
- **Rental Units:** A minimum of 25% of credits claimed by the Township must be rental units, with at least half of those rental units being available to families.
 - $25\% \times 82-21 = 15$
 - A minimum of 15 units must be rental units
 - A minimum of 8 units must be family rental units.
- **Bonus Credits:** The Township may claim bonus credits for rental units at the following ratios, with a maximum of 25% of the obligation being satisfied through bonus credits:
 - A maximum of 21 bonus credits can be applied to the Fourth Round obligation.

FOURTH ROUND COMPLIANCE MECHANISMS

The Township shall satisfy its 82 unit Fourth Round (2025-2035) prospective need obligation through the following mechanisms:

Family Rental Credits

- M& T Lacey, LLC
Block 739.01 Lots 2.06, 2.07, 7.03 and 7.04
Status – Approved Preliminary and Final Site Plan

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Township of Lacey approved this inclusionary project on October 17, 2022, a mixed use development comprising of a pad site of 5,496 square feet, a 15,424 square feet retail store and a 256 residential multi-family apartment units. Of the 256 units, 27 units shall be affordable units.

- Available – Township has already granted a site plan approval.
- Suitable – location is appropriate for mixed use development
- Developable – minimal environmental constraints.
- Approvable- The site has been granted approval.

A copy of the resolution is attached in the appendices

- Lacey Pines
Block 226 Lots 15.02- 15.04
Status – Approved Site Plan

The Township has recently approved the inclusionary development to permit 68 multifamily units including 14 affordable units.

- Available – Township has already granted a site plan approval.
- Suitable – location is appropriate for multifamily development.
- Developable – minimal environmental constraints.
- Approvable- The site has been granted approval.

A copy of the resolution is attached in the appendices

Special or Supportive Needs Housing Credits

- Someone Special Needs You – 3 Credits + 3 Bonus Credits
Block 345 Lot 2 – 113 Foxwood Lane
Status - Completed
This supportive needs housing facility located at 113 Foxwood Lane contains 3 bedrooms, and the Township will claim 3 credits, and 3 bonus credits through this project.
- D& D 2010 LP – 3 Credits + 3 Bonus Credits
Block 400 Lot 1.14 – 14 Tom Gray Ct
Status – Completed
This property is developed with a three bedroom facility. The Township will claim 3 credits, and 3 bonus credits.
- Mobility Special Care Housing Inc – 3 Credits + 3 Bonus Credits
Block 1311 Lot 48 – 2167 Llewellyn Pkwy
Status – Completed

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This property is developed with a three bedroom facility. The Township will claim 3 credits, and 3 bonus credits.

- Ocean Mental Health Services, Inc. – 5 Credits + 5 Bonus Credits
Block 1466 Lot 32 – 528 Chelsea Street
Status – Completed
This property is developed with a five bedroom facility. The Township will claim 5 credits, and 5 bonus credits.
- Dreamscapes Building Vision Inc. – 4 Credits + 4 Bonus Credits
Block 1489 Lot 24 – 616 Wilbert Avenue
Status – Completed
This property is developed with a four bedroom facility. The Township will claim 4 credits, and 4 bonus credits.
- Constandaki, Constantine – 4 Credits + 4 Bonus Credits
Block 1626.05 Lot 6 – 546 Brentwood Rd
Status – Completed
This property is developed with a four bedroom facility. The Township will claim 4 credits, and 4 bonus credits.

Fourth Round Compliance Mechanism Summary	Affordable Units	Bonus Credits	Total Credits
Surplus credits from prior round	-	-	1
M & T site Plan – Family Rental	27		27
Lacey Pines – Family Rental	14		14
Supportive/Special Needs Housing	22	21	43
Totals	63	21	84
Surplus Credits to be Applied to Future Rounds	-	-	2

UNMET NEED

As per the requirements of the Amended Fair Housing Act, the Township is required to address 25% of the remaining unmet need obligation by identifying sites likely to redevelop.

As per N.J.A.C. 52:27D-310.1

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

Lacey Township – Housing Plan Element and Fair Share Plan

Township of Lacey is one of the few municipalities that has voluntarily participated in the State's Affordable Housing since 2000. Township has demonstrated its compliance by committing one of the largest 100% affordable housing development within the Township developed in phases. Further, Township of Lacey to meet its Third Round unmet need adopted an overlay zone is two of the most viable corridors with the Township along Route 9 and Lacey Road. The overlay zone requires a set aside of 20% for sale units and 15% for rental units.

Further, as demonstrated through vacant land analysis, Township's relative lack of available vacant land, its limited portion of land that lies within the designated Sewer Service Area, land to the west of the Garden State Parkway is mostly undisturbed Pinelands Forest Area and the west of the Parkway within CFRA boundaries, redevelopment in the Township of Lacey is especially challenging. With all these constraining parameters and the fact that the overlay zone exists, the Township of Lacey intends to meet its unmet need through the current overlay zone.

Lacey Township – Housing Plan Element and Fair Share Plan

CONSIDERATION OF LANDS SUITABLE FOR AFFORDABLE HOUSING

The Fair Share Plan must demonstrate site suitability for proposed new units that are not yet fully approved, as required by N.J.A.C. 5:93 -5.3. A site is considered to be suitable for development with affordable housing if it is available, developable, suitable, and approvable. As demonstrated above, the proposed development for the 4th round have an approved site plan.

HOUSING ADMINISTRATION

AFFORDABLE HOUSING ORDINANCE

Section 335-68.3 of the Township Code provides requirements for all affordable housing developments and units which is consistent with the UHAC requirements of the Fair Housing Act and the Uniform Housing Affordability Controls (UHAC).

- All new housing units will have a minimum of 50% of the units available to low income households, with at least 13% of units being available to very-low-income households. No more than 50% of housing units shall be made available to moderate income households.
- All new construction shall be adaptable in conformance with P.L.2005, c.350/N.J.S.A. 52:27D-311a and -311b.
- All affordable units shall fully comply with UHAC.
- In inclusionary developments, the affordable units shall be integrated with the market rate units.
- Construction of affordable units in inclusionary developments shall be phased in compliance with N.J.A.C. 5:93-5.6(d).
- All affordable units shall be affirmatively marketed in accordance with UHAC and applicable laws.

The Township's code will be amended to require that all affordable units shall be subject to affordability controls of at least 40 years from the initial date of occupancy for new construction.

DEVELOPMENT FEE ORDINANCE

The Township's current development fee ordinance at Section 211-12 requires that all new residential construction make a contribution equal to 1.5% of the equalized assessed value of the construction, and all new non-residential construction provides a contribution of 2.5% of the equalized assessed value of the construction, to the Township's dedicated Affordable Housing Trust Fund.

AFFORDABLE HOUSING TRUST FUND

The Township has an interest-bearing affordable housing trust fund in place, and consistent with the updated development fee ordinance discussed above, will impose development fees on all

Lacey Township – Housing Plan Element and Fair Share Plan

applicable residential and non-residential development, and said fees shall be deposited into the affordable housing trust fund.

The Township will adopt by resolution an updated Spending Plan for the affordable housing trust fund. The Spending Plan will provide an outline of how the Township intends to utilize these funds to further the goals and mechanisms established in this Plan, and in accordance with prior COAH regulations found at N.J.A.C. 5:97 et seq, and with the Fair Housing Act. This will include a summary of revenues and expenditures to date from the affordable housing trust fund, identify mechanisms to collect revenues, project anticipated future revenues and interest, as well as outline all proposed spending from the trust fund. Funds will be spent on appropriate housing activity, affordability assistance, and administrative expenses consistent with applicable prior COAH regulations. A draft of this spending plan is attached to the appendices.

In the event that funding sources identified in the Spending Plan prove to be inadequate to complete the affordable housing programs outlined in this Housing Plan, the Township shall provide sufficient funding to address any such shortfalls.

The Spending Plan will be amended as needed to respond to emerging opportunities and to adjust for unanticipated revenues or shortfalls.

The Township will address the minimum affordability assistance requirements of the Affordable Housing Trust Fund spending in accordance with an Affordability Assistance Program that it will be implemented, consistent with the Settlement Agreement and the Spending Plan outlined above.

MUNICIPAL HOUSING LIAISON

The Township will appoint a municipal staff member as the designated Municipal Affordable Housing Liaison, who will be responsible for overseeing all affordable housing regulations and corresponding with administrative agent(s), the public, and all other related affordable housing professionals. Section 127-3 of the Township code establishes the Municipal Housing Liaison's duties.

AFFORDABLE HOUSING ADMINISTRATIVE AGENT

The Township will ensure that all future projects are administered by a qualified affordable housing professional and will appoint an Administrative Agent to administer all projects that do not have their own administrative agent.

Pursuant to N.J.A.C. 5:80-26.15(f), the Township will adopt an updated Affirmative Marketing Plan to ensure that all available affordable units are marketed to the appropriate populations.