

Housing Plan Element and Fair Share Plan

Far Hills Borough
Somerset County, New Jersey

Public Hearing: June 23, 2025

Planning Board Adoption: June 23, 2025

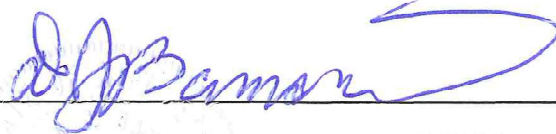
Borough Council Endorsement: June 23, 2025

*Prepared for the
Far Hills Planning Board*

in consultation with Banisch Associates, Inc.

111 Main Street, Flemington, NJ 08822

The original of this document was signed and sealed
in accordance with N.J.A.C. 13:41-1.3



June 24, 2025

David J. Banisch, PP/AICP License No. 5565

Contents

EXECUTIVE SUMMARY	1
FAR HILLS BOROUGH’S AFFORDABLE HOUSING COMPLIANCE.....	1
PRIOR ROUNDS ASSESSMENT (1987-2025).....	2
STATUTORY AFFORDABLE HOUSING REQUIREMENTS.....	3
CONSIDERATION OF LANDS & STRUCTURES FOR LOW- AND MODERATE-INCOME HOUSING	5
MULTIGENERATIONAL FAMILY CONTINUITY.....	6
STATE DEVELOPMENT AND REDEVELOPMENT PLAN (SDRP) CONSISTENCY	7
THE OBLIGATION.....	8
SATISFACTION OF THE OBLIGATION.....	9
63 PEAPACK ROAD (BLOCK 16, LOT 2 – SEE FIGURE 3).....	11
61 US ROUTE 202 (BLOCK 15, LOT 7 – SEE FIGURE 4)	13
12 PEAPACK ROAD (BLOCK 12, LOT 1 – SEE FIGURE 5)	14
EXTENSION OF EXPIRING DEED RESTRICTIONS	15
PROJECTS SATISFYING ROUND FOUR ARE CREDITWORTHY & ELIGIBLE FOR BONUS.....	16
THE REINVIGORATION OF THE ACCESSORY APARTMENT PROGRAM.....	16
FAIR SHARE PLAN COMPLIANCE PARAMETERS:.....	16
APPENDIX A - INVENTORY OF MUNICIPAL HOUSING CONDITIONS.....	20
Table A1: Units in Structure by Tenure	20
Table A2: Year Structure Built by Tenure.....	20
Table A3: Comparison of Year of Construction for Borough, County, and State.....	21
Table A4: Household Size in Occupied Housing Units by Tenure	22
Table A5: Number of Bedrooms per Unit by Tenure.....	22
Table A6: Average Household Size for Occupied Units for Borough, County, and State.....	22
Table A7: Percentage of All Units by Number of Bedrooms	23
Table A8: Housing Quality for Borough, County, and State.....	23
Table A9: Value of Residential Units	24
Table A10: Gross Rents for Specified Renter-Occupied Housing Units.....	24
Table A11: Housing Units Authorized by Building Permits for New Construction 2013-2024.....	25
Table A12: Housing Units Demolished 2013-2024.....	25
Table A13: Square Feet of Non-residential Space CO	26
Table A14: Population by Age.....	27
Table A15: Comparison of Age Distribution for Borough, County, and State (% of persons)	28
Table A16: Persons in Household.....	28
Table A17: Comparison of Persons in Household for Borough, County, and State (% of households) ...	29
Table A18: Persons 65+ by Household Type and Relationship	29
Table A19: 2023 Income for Borough, County, and State	30
Table A20: Poverty Status for Persons and Families for Borough, County, and State (% with 2023 income below poverty).....	30
Table A21: Educational Attainment for Borough, County, and State Residents (Persons 25 years and over)	30
Table A22: Means of Transportation to Work for Borough, County and State Residents (Workers 16 years old and over)	31
Table A23: Employment by Industry	32
Table A24: Labor Force and Employment (%).....	32
Table A25: Forecast for Employment and Population.....	33
APPENDICES B – F FOLLOW:	34

EXECUTIVE SUMMARY

This Housing Plan Element and Fair Share Plan (“HPE/FSP” or “Housing Plan”) has been prepared in accordance with the Municipal Land Use Law (M.L.U.L.) and the Fair Housing Act including the 2024 Amendments to the Fair Housing Act (“2024 Amendments”).

This is Far Hills Borough’s Housing Plan for the 10-year municipal affordable housing obligation for the 4th Round (2025–2035). On March 26, 2025, the Honorable William G. Mennen, J.S.C. issued an order, entitled “ORDER FIXING MUNICIPAL OBLIGATION FOR “PRESENT NEED” AND “PROSPECTIVE NEED” FOR THE FOURTH ROUND HOUSING CYCLE”, Docket SOM-L-171-25. That order fixed the Borough’s Present Need as 0 and its Round 4 Prospective Need at 41.

As detailed below, the Borough has fully satisfied its prior round obligation and round 3 obligation with one exception: the 10 unit accessory apartment program included in the Round 3 plan did not generate any affordable housing. Consequently, this Plan will address that 10-unit deficit along with the 41 unit obligation assigned for Round 4.

The Borough will address the 51 unit obligation as follows:

Units	Bonuses	Project
8	3	63 Peapack Road (Block 16, Lot 2) Municipally sponsored very low-income disabled age-restricted units
6	4	61 US Route 202 (Block 15, Lot 7) Municipally sponsored very low-income disabled veterans family rental units
2	1	12 Peapack Road (Block 12, Lot 1) Municipally sponsored market-to-affordable – transform 2 market-rate apartments to affordable family rental apartments
25	2	Sunnybranch Road (Ashington Club Road) Extension of controls (Block 6.28, Lots 1.01-1.05, 2.01-2.10, 3.01-3.10), Polo Club Block
41	10	
51		

FAR HILLS BOROUGH’S AFFORDABLE HOUSING COMPLIANCE

In accordance with N.J.S.A. 52:27D-304.1 3. f. (2) (a), “... As part of its housing element and fair share plan, the municipality shall include an assessment of the degree to which the municipality has met its fair share obligation from the prior rounds ... If a prior round obligation remains unfulfilled, ... the municipality shall address such unfulfilled prior round obligation in its housing element and fair share plan.” This section addresses this requirement in the 2024 Amendments and identifies how Far Hills has previously met all but 10 units from the prospective Need assigned to the Borough for Rounds 1 through 3. In the sections that follow, this Plan will address this 10 unit shortfall and the additional 41 obligation assigned for Round 4.

For the 3rd Round, Far Hills followed the procedures set for in the Supreme Court March 10, 2015 decision commonly referred to as Mount Laurel IV. In Mount Laurel IV, the Supreme Court declared that the Council on Affordable Housing (COAH) was “moribund” and transferred the responsibility for implementing the affordable housing laws of our State back to the trial

judges. In addition, Mount Laurel IV established a procedure whereby municipalities like Far Hills could file their plans with trial judges; seek immunity; and then amend their plans until such time as the courts were ready to approve them and enter a Judgment of Compliance and Repose. More specifically, the Supreme Court established a declaratory judgment procedure by which municipalities could file a declaratory judgment action in Superior Court and seek to comply in that lawsuit. During the declaratory judgment process, most municipalities settled with Fair Share Housing Center (FSHC) and those settlements included among other things the obligation for Round 3.

Against this backdrop, Far Hills filed a declaratory judgment with the Superior Court on July 2, 2015 in accordance with the procedures established by Mount Laurel IV. On October 18, 2018, the Borough entered into a settlement agreement with FSHC (FSHC Settlement), which identified the Borough's prior obligation as 38 and fixed its 3rd Round obligation as 76. The Settlement Agreement summarized how the Borough would satisfy its obligations through Round 3. On July 1, 2019, the Far Hills Planning Board adopted a Housing Element and Fair Share Plan and the Borough endorsed that Plan on July 8, 2019 to implement the Settlement with FSHC. The Housing Element and Fair Share Plan for Round 3 that the Court approved when it entered a Final Judgment of Compliance and Repose on November 14, 2023 details how the Borough satisfied its obligations through Round 3 and is summarized below.

PRIOR ROUNDS ASSESSMENT (1987-2025)

The Court approved FSHC Settlement and Round 3 Housing Element and Fair Share Plan included the following key terms:

Prior Round (1987-1999) obligation of 38 units was to be satisfied with the following units:

Units	Project
8	Polo Club for sale family units (Sunnybranch Road)
6	Dumont Road Age-restricted apartments (25 Dumont Road)
5	8-10 Peapack Road (Hotz) family rental apartments
5	Inclusionary family rental apartments (Melillo, now Pulte, 220 Route 202)
4	Inclusionary age-restricted rental apartments (Melillo, now Pulte, 220 Route 202)
10	Bonus
<hr/> 38	

- Units completed in the table above: 8-units Polo Club, 6-units 25 Dumont Road, 5-units 8-10 Peapack (Hotz apartments).
- Units under construction in the table above: Inclusionary: 4-units age-restricted & 5-units family rental (220 Route 202, Melillo, now Pulte)

The Round Three Settlement that the Court approved noted that all applicable compliance parameters had been successfully met in the table above.

Round Three (1999-2025) obligation of 76 units was to be satisfied with the following units:

Units	Project
17	Polo Club for sale family units (Sunnybranch Road)

Units	Project
8	Matheny Group Homes (Peapack Road, two 4-bedroom units)
2	46 Peapack Road (Hotz) family rental apartments
20	Inclusionary family rental apartments (Melillo, now Pulte, 220 Route 202)
10	Accessory Apartments
19	Bonus
<hr/> 76	

- Units Completed: Polo Club (Sunnybranch Road), Matheny (Peapack Road), 46 Peapack Road (Hotz)
- Units under construction in the table above: Inclusionary family rental units (220 Route 202, Melillo, now Pulte)
- Units not completed: Accessory Apartments

The Round Three Settlement noted that all applicable compliance parameters had been successfully met by the units identified in the table above.

Far Hills has a 10-unit unfulfilled Prospective Need Obligation from Its Round 3 Plan

STATUTORY AFFORDABLE HOUSING REQUIREMENTS

This HPE/FSP has been prepared in accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-28b(3)) and 2024 FHA Amendments to address the Borough's 10 unit deficit from Round Three and its 41 prospective need for Round Four. The M.L.U.L. (N.J.S.A. 40:55D-28.b(3) and the FHA (N.J.S.A. 52:27D-310) identify the components of a municipality's housing element in the Master Plan.

N.J.S.A. 40:55D-28.b(3) of the MLUL provides as follows: (3) A housing plan element pursuant to section 10 of P.L.1985, c.222 (C.52:27D-310), including, but not limited to, residential standards and proposals for the construction and improvement of housing. N.J.S.A 52:27D-310 of FHA II provides as follows: "A municipal housing element shall be designed to achieve the goal of access to affordable housing to meet present and prospective housing needs, with particular attention to low- and moderate-income housing, and shall contain at least:

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

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

This Plan addresses each of these required components of a Housing Element. Through sections “a.” – “d”, the Legislature sought the data provided in Appendix A. Section “h.” above pertains to municipalities in the NJ Highlands Region. Far Hills is designated “Planning Area” in the Highlands Water Protection and Planning Act (HWPPA) but has not conformed to the Highlands Regional Master Plan. Therefore, this Housing Element does not address Section “h”. In the section of the Housing Element below, this Plan will address “f.” concerning among other things “lands of developers who have expressed a commitment to provide low- and moderate-income housing”; “g.” concerning the recommendations of the Multigenerational Family Housing Continuity Commission and “i,” concerning the consistency of this plan with the State Development and Redevelopment Plan. After addressing these three provisions, this Plan will address the main questions in any affordable housing plan; namely, (1) what is the obligation; and (2) how is the municipality going to address the obligation.

CONSIDERATION OF LANDS & STRUCTURES FOR LOW- AND MODERATE-INCOME HOUSING

This section of the Housing Plan addresses that section of the FHA (N.J.S.A. 52:27D-310 (f.) that calls for:

“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.”

The Borough received two proposals on behalf of Toll Brothers and two involving Luciano Bruni, a developer with a hard-earned reputation of delivering affordable housing in an efficient manner. The first Toll proposal is dated March 10, 2025 for 186 units of which 38 would be affordable and the second proposal, dated May 8, 2024 is for a 25.7-acre parcel. As to this site, Toll proposes a 60-unit project of which 12 would be affordable or a 79-unit project of which 16 would be affordable. In stark contrast, Luciano Bruni, through one of his companies proposes an 8-unit project on 63 Peapack Road (Block 16, Lot 2) of which all the units are affordable. In addition, the Borough is working with Mr. Luciano on a 6-unit project by the train station (Block 15, Lot 7) in which all the units are affordable.

Before addressing the proposals, it bears emphasis that the Legislature promised the 440 municipalities that filed declaratory judgment actions pursuant to Fair Housing Act II that they would secure immunity if they filed declaratory relief actions along with a resolution committing to a fair share in January and that they would keep immunity if they filed HEFSPs by June 30, 2025. By conferring immunity in the first instance and then setting forth how to keep immunity, the Legislature empowered all these municipalities to decide how they would comply. Therefore, a municipality has every right to consider a proposal and do no more than say it chooses to comply in another way to comply with the Legislation. The Legislation requires nothing more.

Notwithstanding the foregoing, the Borough has good reasons for the decisions it has made and that are embodied in this plan. The inefficiencies of traditional inclusionary zoning where it takes four market units just to net just one affordable unit have made traditional inclusionary zoning an unattractive compliance technique. Indeed, over four decades ago, Judge Serpentelli, one of three judges appointed by the Supreme Court to implement Mount Laurel II, noted the problem with traditional inclusionary zoning and the ability of municipalities to comply in a more efficient manner to avoid the problem:

Most municipalities which have been heard to complain about their *Mount Laurel* obligation insist that it is not the principle to which they object but rather the method of its implementation. The three devices discussed above are designed to help the municipalities deal with the practicality of implementing their fair share both in terms of providing the greatest latitude in planning their response to their constitutional obligation and minimizing its impact on their towns. The use of these and other reasonable approaches could remove or substantially ameliorate the most

frequently voiced objection to *Mount Laurel* compliance--the overbuilding which allegedly results from satisfaction of the responsibility through the 20% mandatory set-aside. A municipality need not satisfy its responsibility by zoning for the construction of four marketplace units for every one lower price unit to be built. Many other avenues are available.

J.W. Field vs Franklin, 204 N.J. Super. 445, 458 (Law Div January 3, 1985)

Traditional inclusionary zoning is as inefficient today as when Judge Serpentelli wrote these words four decades ago as demonstrated by Toll's proposals where it takes four units to generate just one affordable unit. However, now as then, "[a] municipality need not satisfy its responsibility by zoning for the construction of four marketplace units for every one lower price unit to be built. Many other avenues are available."

This plan reflects the Borough's desire to avoid the inefficiencies of traditional inclusionary zoning and to comply in a more efficient way. That is one reason why the Borough has considered and rejected the inefficient proposals of Toll with the inefficiencies of the four to one and the acceptance of the proposals of Luciano Bruni that have no inefficiencies because all the units are affordable. This principle also explains why the Borough is exercising its right to extend deed restrictions to comply.

Although no explanation is required or needed, other principled reasons support the Borough's rejection of the Toll proposals after considering them. Both sites proposed by Toll Bros., Inc. are located in the non-sewer service area of the Borough. The sites are not depicted as being situated within an existing or future sewer service area on any local, County or State sewer service area map. Development of both sites would require an extension of a sewer line beyond the limits of the only existing sewer service area in the Borough that has centralized wastewater collection infrastructure. Sewer collection infrastructure is limited to the area of the Borough commonly referred to as the Village (Figure 1) and includes the adjacent Polo Club high-density condominium development on Sunnybranch Road and four single-family residential dwellings adjacent to the Polo Club on Sunnybranch Road. In contrast, the sites the Borough has included in its plan are located within the existing sewer service area.

MULTIGENERATIONAL FAMILY CONTINUITY

This section of the Housing Plan addresses that section of the FHA (N.J.S.A. 52:27D-310 (g.) that calls for "an analysis of the extent to which municipal ordinances and other local factors advance or detract from the goal of preserving multigenerational family continuity as expressed in the recommendations of the Multigenerational Family Housing Continuity Commission, adopted pursuant to paragraph (1) of subsection f. of section 1 of P.L.2021, c.273 (C.52:27D-329.20)." As of the date of this Housing Plan, there have been no recommendations by the Multigenerational Family Housing Continuity Commission in which to provide an analysis.

Figure 1:**Wastewater Service Areas**

Borough of Far Hills

June 2025



0 0.25 0.5
Miles

Legend**Sewer Service Areas**

- Environmental Disposal Corporation WTP
- Far Hills Country Day School
- Pulte Residential Development
- Future SSA - Somerset County WQMP



Data Sources:
Somerset County Parcels 2024
NJDEP Sewer Service Areas 2024

BANISCH
ASSOCIATES INC.
Planning and Design

STATE DEVELOPMENT AND REDEVELOPMENT PLAN (SDRP) CONSISTENCY

This section of the Housing Plan addresses that section of the FHA (N.J.S.A. 52:27D-310 (i.) concerning the consistency of this plan with the State Development Guide Plan .

The entirety of Far Hills is designated PA5 – Environmentally Sensitive Planning Area in the SDRP. The following policy orientation and technical guidance is provided for PA 5 in the SDRP.

The Environmentally Sensitive Planning Area (PA5) is designated to protect large, contiguous areas of land that contain valuable ecosystems, geological features, and critical wildlife habitats. Many of these lands remain relatively undeveloped or rural, making their preservation essential to the state's long-term environmental and economic integrity. The planning approach emphasizes accommodating growth within designated Centers while protecting the character of existing stable communities. Additionally, it calls for confining programmed sewer and public water services to Centers and revitalizing cities and towns, thereby balancing environmental protection with responsible growth management.

The Environmentally Sensitive Planning Area is highly vulnerable to damage from new development in surrounding Environs, such as landscape fragmentation and habitat destruction. Because these areas are inherently more sensitive to disturbance, development threatens to undermine the qualities that make them unique. The State Plan aims to protect critical natural resources by striking a balance between ecological preservation and responsible growth, ensuring that the location, character, and scale of development align with the land's capacity to support it sustainably. Large, undisturbed habitats should be preserved to safeguard sensitive ecosystems, while new development should be directed into designated Centers. This strategy helps preserve open space, farmland, and natural resources, while enhancing community character, providing affordable housing, and encouraging economic development. By focusing growth in Centers, the plan ensures that Environs remain available for recreational, cultural, or resource-based uses or are left untouched. Infrastructure and public services should be appropriately scaled to maintain ecological functions, with wastewater treatment facilities permitted in Centers only, except for public health emergencies. Ultimately, Centers are intended to absorb projected growth efficiently, minimize environmental impacts, and serve as receiving areas for density transfers, ensuring long-term ecological and community sustainability.

The policy objectives for the Environmentally Sensitive Planning Area are designed to guide the application of the State Plan's policies, the designation and boundary setting for Centers, and the planning efforts of local and state agencies. In terms of land use, development and redevelopment should be directed into Centers, with the establishment of Center boundaries, buffers, and greenbelts to protect natural systems and sensitive environmental features. For housing, a full range of options should be provided within Centers, at densities sufficient to meet projected growth, with particular attention to affordable, senior, special needs, and family housing that has access to essential services and amenities. The natural resource conservation objective emphasizes the protection of large, continuous tracts and corridors of recreation, forest, and other open space lands that safeguard sensitive natural resources, including endangered species habitats, water resources, wetlands, critical slopes, scenic vistas, and other environmentally significant features. Redevelopment should be encouraged in existing Centers or areas with the potential to become

Centers, with sufficient intensity to support transit, mixed-use activity, efficient infrastructure use, enhanced public safety, pedestrian accessibility, and reduced automobile dependency. This approach aims to accommodate growth that might otherwise occur in the Environs while protecting the region's environmental integrity.

The boundaries of Far Hills' village are generally defined by the existing sewer service area, and it the village functions as a Center as described in the SDRP where water and sewer facilities should be programed. The SDRP advances a variety of policy objectives that are consistent with the objectives of Far Hill's Round Four Fair Share Plan, including redevelopment within existing centers or areas with the potential to become Centers, and to provide for housing, including a full range of options with particular attention to affordable, senior, special needs and family housing that has direct access to essential services and amenities. Far Hills' Round Four Fair Share Plan seeks to advance these objectives by providing new opportunities and to preserve existing opportunities for affordable housing in the village area where a variety of services and particularly public transportation facilities are conveniently located. The range of housing types included in the Borough's Fair Share Plan are directly aligned with the policy orientation for housing in Centers in PA5. By avoiding new development in the Environs and focusing on affordable housing choices in the village, the Fair Share Plan is also consistent with and reinforces the SDRP PA5 policy orientation to avoid fragmentation and of the environs and confining new sewer infrastructure to Centers¹.

This plan now addresses the central focus of any plan: (1) what the obligation is; and (2) how the municipality is going to address the obligation.

THE OBLIGATION

N.J.S.A. 52:27D-310 e. requires a determination of a municipality's present need and prospective fair share.

Far Hills fair share is 155. It is a cumulative fair share for all four rounds. The fair share consists of a rehab obligation of zero and a new construction obligation of 155. The new construction obligation is the product of the prospective need for Rounds 1 and 2 of 38, for Round 3 of 76 and for Round 4 of 41.

The Judgment of Repose, dated November 14, 2023, sets forth the prospective need for Rounds 1 and 2 and for Round 3. The order of Judge On March 26, 2025, the Honorable William G. Mennen, J.S.C. dated March 26, 2025 and entitled "ORDER FIXING MUNICIPAL OBLIGATION FOR "PRESENT NEED" AND "PROSPECTIVE NEED" FOR THE FOURTH ROUND HOUSING CYCLE", Docket SOM-L-171-25 identifies the Borough's Present need (also known as its rehab obligation) of 0 and its Round 4 prospective need of 41.

¹ Far Hills village is not an SDRP designated Center; however, the community development boundaries of the village with its clearly defined sewer service area and high-density zoning boundaries, and NJ Transit Rail station situated in the village, all serve to function much the same as a Center, and is thereby consistent with SDRP policies.

In sum, combined with the deficit of 10 from Round 3, the Borough has an obligation of 51, which this plan addresses.

This Round Three Fair Share Plan addresses Far Hill's Borough 41-unit Round Four Prospective Need and 10-units of unfulfilled Round Three Prospective Need.

SATISFACTION OF THE OBLIGATION

The summary set forth above details how the Borough satisfied its prior round obligation of 38 and how it satisfied all but ten of its Round 3 obligation of 76.

The following portion of this plan explains how the Borough will satisfy the 51 obligation it faces now with projects on four (4) sites within sewer service area. The four sites are identified on Figure 2, entitled "Round 4 Affordable Housing Sites," and dated June 2025. In summary, this plan proposes the following four projects to address this obligation of 51:

1. 8-unit very low-income special needs disabled age-restricted rental apartments (63 Peapack Road, Block 16, Lot 2);
2. 6-unit very low-income disabled veterans' family rental apartments (61 US Route 202, Block 15, Lot 7);
3. 2-units of existing market-rate apartments to be transformed to affordable apartments for families with children utilizing by agreement with property owner and municipal subsidy (12 Peapack Road, Block 12, Lot 1);
4. 25-units of extended controls on existing affordable for sale family units (Sunnybranch Road (Ashington Club Road)).

The 41 affordable units from these four sites, plus 10 bonuses satisfies the Borough's 51 obligation.

As to the 10 bonuses, the 2024 FHA Amendments maintain a 25% cap on bonuses that may be received for certain types of affordable units and the law changed the type of units eligible for bonuses, as summarized below:

1 Unit + **1 Bonus credit**

- a. Each unit of permanent supportive housing
- b. Each unit in 100% affordable housing project when the municipality contributes real property or no less than 3% of the project cost
- c. Each unit created by transforming an existing rental ownership unit from market-rate to an affordable housing unit (with demonstration of municipal commitment, and agreement signed by property owner or the unit is owned by the municipality
- d. Each ownership unit created in partnership sponsorship with a non-profit housing developer
- e. Each unit created within a one-half mile of transit (closest point of outer perimeter of station (including parking) to the closest point of the housing project property)
- f. Each age-restricted unit for up to 10% of the units of age-restricted housing unit constructed
- g. Each 3-bedroom unit above the minimum number required by bedroom distribution regulation (i.e. each 3-bedroom more than

1 Unit + **½ bonus credit**

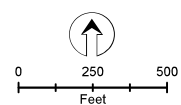
**Figure 2: Round 4
Affordable Housing Sites**
Borough of Far Hills
June 2025

12 Peapack Road
2 Rental Apartments
Families with Children

63 Peapack Road
8 rental units
disabled age-restricted

Polo Club
25 Units
Extensions of Control

Block 15, Lot 7
6 family rental for
Disabled Veterans



Data Sources:
Somerset County Parcels 2024

BANISCH
ASSOCIATES INC.
Planning and Design



- 20% per project for projects satisfying the minimum 50% family housing requirement.
- h. Each unit constructed on land previously developed and utilized for retail, office or commercial space
 - i. Each unit of extended affordability control when the municipality contributes to the cost of the extended control
 - j. Each unit of very low-income housing for families above the 13% required in the Fair Share Plan

All affordable housing project sites identified in Figure 2 are within ½ mile of transit (the Far Hills railroad station). Therefore all units in Far Hills Round Four Fair Share Plan are entitled to ½ bonus credit. 14 units of special needs and supportive housing are entitled to a 1:1 bonus credit. Extended controls are entitled to ½ bonus credit – the Plan includes 25 units that will received extended controls. 2 units are entitled to a 1:1 credit for transforming market-rate apartments to affordable apartments and/or because the Borough is contributing at least 3 percent of the project costs through a \$300,000 contribution. In fact, all units in the plan are entitled to more than one type of bonus; however, under the 25% bonus cap, the Borough may only apply 10 bonuses toward meeting the 41 Round Four and 10 unit Round Three deficit, and no unit in the plan will receive more than one type of bonus credit.

The 2024 FHA Amendments seek to advance certain policy objectives by incentivizing production of certain types of affordable housing units. Far Hills Borough's Fair Share Plan advances not only the Borough's objectives of achieving affordable housing production in the efficient way it chooses, but also the policy preferences expressed by the Legislature through the bonus structure detailed above.

The table below lists sites, the type of affordable housing units and project description and identifies how the Borough achieves the goal of providing the 51 units of prospective need the Borough has identified as the Round Four obligations, including 10 units of Round Three unfulfilled need. Also identified are the affordable housing bonuses (eligible and claimed) for each affordable housing project in the Fair Share Plan:

Site	Units / Project	Description / Type	Eligible bonuses	Units	Bonuses claimed	Units and bonuses
63 Peapack Road; Block 16, Lot 2	8 rental apartments, municipally-sponsored special needs supportive housing rental	Special Needs Supportive Housing Disabled Age-restricted rental apartments (NHTF) (VL-I)	8 (1:1) Spec. Needs; 8 (1:1) municipally sponsored; 4 (within ½ mile of transit);	8	3	12
61 US Route 202 Block 15, Lot 7	6 rental apartments municipally-sponsored special needs	Disabled Veteran's Family Rental apartments (NHTF)	6 (1:1) Spec. Needs; 6 (1:1) municipally sponsored; 3 (within ½ mile of transit);	6	4	9