



2025 HOUSING ELEMENT AND FAIR SHARE PLAN

May 19, 2025

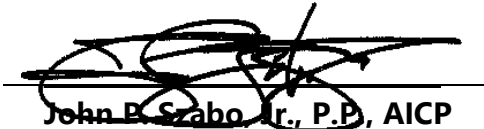
2025 HOUSING ELEMENT AND FAIR SHARE PLAN

**BOROUGH OF PEAPACK GLADSTONE
SOMERSET COUNTY, NEW JERSEY**

PREPARED FOR:

**BOROUGH OF PEAPACK GLADSTONE PLANNING BOARD
BA# 4139.10**

The original document was appropriately signed and sealed on May 19, 2025 in accordance with Chapter 41 of Title 13 of the State Board of Professional Planners.



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The Housing and Fair Share Plan was adopted by the Peapack and Gladstone Land Use Board after public hearing on June 4, 2025.

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EXECUTIVE SUMMARY

The following **2025 Housing Element and Fair Share Plan (HE&FSP) of the Master Plan** has been prepared for the Borough of Peapack Gladstone, Somerset County, New Jersey.

This plan is designed to outline the manner in which the Borough will address its affordable housing obligations for the upcoming Fourth Round. As will be discussed in greater detail in this document, these obligations were derived from a variety of different sources including the Council on Affordable Housing (COAH), prior Court-approved Judgments of Compliance and Repose, settlement agreements with Fair Share Housing Center (FSHC), and most recently from Fourth Round obligation calculations provided by the Department of Community Affairs (DCA).

In summary, the Borough's affordable housing obligation over the prior and current Fourth Round is as follows:

TABLE 1 AFFORDABLE HOUSING OBLIGATIONS SUMMARY

Category	Obligation
Present Need (Rehabilitation) Obligation	10
First & Second Round Obligation (1987-1999)	82
Third Round Obligation (1999-2025)	104
Fourth Round Obligation (2025-2035)	62

First & Second Round Obligations 1987-1999

First Round – 1987 to 1993

Pursuant to the New Jersey Fair Housing Act that created COAH, regulations were adopted that established and assigned the affordable housing obligations for all municipalities in New Jersey. The Borough was assigned an affordable housing obligation of seventy-five (75) units. In response to this obligation the Borough adopted a housing plan in 1989 that created a rehabilitation program and rezoned property along Route 206 for inclusionary development. As a result of the Borough's submittal, COAH granted the Borough First Round substantive certification on January 9, 1989.

Second Round – 1993 to 1999

Upon adoption of the Second Round rules by COAH, the Borough prepared and adopted its Second Round Plan on March 21, 1995 addressing a pre-credited need for ninety-four (94) consisting of a Present Need of ten (10) units and Prospective Need of eighty two (82) affordable housing units. The Borough determined that high density inclusionary development with a 20 percent set aside, as proposed by the First Round plan, was not consistent with the Borough's

goal of preserving its rural/Village character. The Borough, therefore, adopted a Second Round plan that provided for its fair share of affordable housing units while maintaining the character of the community as follows:

1. The Borough was determined to have a "Rehabilitation Component" need of ten (10) units. All ten (10) units were rehabilitated;
2. The "New Construction" or "Prospective Need" component of eighty-two (82) units was addressed by a Regional Contribution Agreement (RCA), permitted under the then adopted rules, with the City of Perth Amboy; construction of rental housing; and post 1980 new construction credit as follows:
 - a) Thirty-seven (37) units were transferred to the City of Perth Amboy in an RCA in the amount of \$740,000.00;
 - b) Twenty (20) affordable rental units were constructed by the Lutheran Social Ministries resulting in a total credit of thirty-eight (38) units (20 units constructed plus 18 rental bonus credits);
 - c) Nine (9) Post 1980 units constructed through the St. Luke's Village, Inc. project.

TABLE 2: PLAN COMPONENTS SATISFYING FIRST & SECOND ROUND RDP

Plan Component	Units	Bonus	Credits
Lutheran Social Ministries (family rental), 85 Main Street, Block 23, Lot 17	20	20	40
Regional Contribution Agreement with Perth Amboy	37	-	37
St. Luke's Senior Housing	9	-	9
Total	64	18	84

The Borough satisfied its entire prior round obligation which resulted in a two (2) unit credit to be applied in the upcoming Third Round. Upon adoption of the Second Round Plan in 1995, the Borough took measures to implement its Plan by adopting: i) an Affirmative Marketing Plan; ii) an ordinance amending its zoning to permit affordable rental housing; and iii) an ordinance to establish a Development Fee to create a housing trust fund. COAH subsequently granted the Borough Second Round substantive certification on January 10, 1996.

Third Round Compliance – 1999 to 2025

On October 26, 2018, the Borough and FSHC entered into a Settlement Agreement that established a Present Need Obligation of a single unit and Prospective Need of 104 affordable units including the "Gap Year". The Township subsequently adopted a Third Round HE&FSP.

Afterwards, there were two subsequent amendments to the original agreement adjusting the Borough's housing plan. The first amendment was entered into with FSHC on August 17, 2020. A subsequent amendment to the agreement with FSHC was approved on May 10, 2022. Ultimately, the Borough was granted a Final Judgment of Compliance (Third Round JOR) subsequently thereafter on June 16, 2022.

The Third Round components of the HEFSP are summarized in the following table:

TABLE 3: THIRD ROUND HOUSING ELEMENT AND FAIR SHARE COMPONENTS

Plan Component	Number of Units	Bonus	Credits
Prior Round Surplus Credits-Lutheran Ministries	2	2	4
Smith Property (special needs group home; 100% affordable Municipally sponsored housing); Block 20, Lot 1.03	8	6	14
Smith Property (family rental; 100% affordable Municipally sponsored housing); Block 20, Lot 1.03	20	18	38
Accessory Apartment Ordinance	10	-	10
SJP Properties (family rental); Block 33, Lot 13	14	-	14
Melillo Equites; Block 20, Lot 1.02	5		5
Main and Lackawanna Street Rezoning; Block 22, Lot 13 and Block 20, Lot 5 for mixed use inclusionary commercial and residential development	3	-	3
191 Main Street (special needs group home with 4 Beds; Block 22, Lot 8	4	-	4
193 Main Street 2 Affordable Rental Units; Block 22, Lot 7	2	-	2
291 Main Street (special needs group home (6 beds) w/2 affordable rental unit); Block 1, Lot12	8	-	8
1 Railroad Avenue; Block 29, Lot 18	3	-	3
Total	79	26	105

Fourth Round Obligation

Governor Murphy signed the A-40/S-50 Bill into law on March 20, 2024 upon adoption by the State Senate and Assembly. This legislation (FHA-2) amended the Fair Housing Act (FHA or the Act) by abolishing COAH and created a new process that involved the creation of an entity known as the Affordable Housing Dispute Resolution Program (the Program), which is overseen by seven retired Mount Laurel judges. The Program has taken the place of the trial courts and COAH regarding the approval process involving municipal HE&FSPs. The DCA and the Administrative Office of the Courts (AOC) are both also involved in assisting the Program with this process.

FHA-2 directed the DCA to calculate the Present Need (also referred to as the Rehabilitation

obligation) and the Prospective Need (also known as the new construction obligation) for Round Four based upon the standards set forth in the Act. The DCA issued its report on October 18, 2024, and, in accordance with the Act, made clear that the obligations generated by the report were advisory only and were non-binding. For Peapack and Gladstone, the DCA Report identified a Present Need of zero (0) units and a Prospective Round Four Need of 75.

Since the DCA report was non-binding, each municipality the legislation provided municipalities the opportunity to study and define why its obligations should be different based on the standards in the Act. This analysis, conducted by Burgis Associates on behalf of the Borough, established a prospective need of 57 units based upon the statute's assigning a 0 land capacity to municipalities designated as PA-5, Environmentally Sensitive by the State Plan which included the entire Borough. The Borough's calculation of obligation was challenged by FSHC and the New Jersey Builder's Association who sought higher obligations. Ultimately the matter was settled and the Borough adopted a binding resolution which committed to the present and prospective need obligations identified by DCA as modified by the Court settlement. The court issued an order on April 8, 2025 that officially set the Borough's Round Four Present Need at ten (10) units and Round Four Prospective Need at 62 units.

FAIR SHARE OBLIGATION

The following section provides an overview of the Borough's fair share obligation. It includes a brief overview of the methodology utilized to calculate affordable housing obligations throughout the state.

Accordingly, the remainder of this 2025 HE&FSP is divided into the following sections:

- ❖ Section 1: Introduction

The first section of the 2025 HE&FSP provides an introduction to affordable housing. It summarizes what affordable housing is, offers an overview of the history of affordable housing in the state, and explains the role of a housing element and fair share plan.

- ❖ Section 2: Housing Element

Section 2 contains the Housing Element for the Borough of Peapack Gladstone. It offers a community overview of the Borough, as well as background information regarding its population, housing, and employment characteristics. It also provides projections of the Borough's housing stock and employment.

- ❖ Section 3: Fair Share Obligation

Next, Section 3 provides an overview of the Borough's fair share obligation. It includes a brief history of the methodologies utilized to calculate affordable housing obligations throughout the state.

❖ Section 4: Fair Share Plan

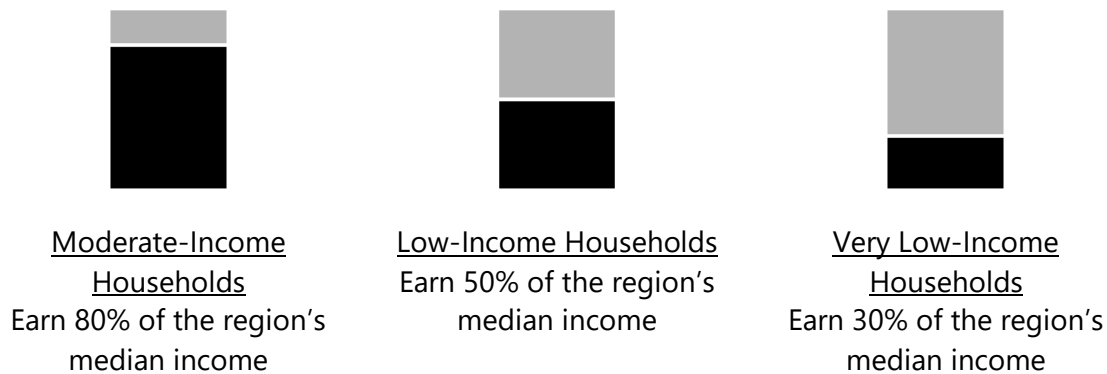
Finally, Section 4 details the manner in which the Borough has addressed its prior First, Second and Third Round obligations, how it will address its Fourth Round Prospective Need Obligation, and how same is consistent with the FHA, applicable COAH and UHAC regulations, and state planning initiatives.

SECTION I: INTRODUCTION

The following section provides an introduction to affordable housing. It summarizes what affordable housing is, offers an overview of the history of affordable housing in the state, and explains the role of a housing element and fair share plan.

A. WHAT IS AFFORDABLE HOUSING?

Affordable housing is income-restricted housing that is available for sale or for rent. Typically, affordable housing is restricted to very-low, low-, and moderate-income households. These categories are derived from median regional income limits established for the state. New Jersey is delineated into six different affordable housing regions. Peapack Gladstone is located in Region 3, which includes Hunterdon, Middlesex and Somerset counties.



Regional income limitations are updated every year, with different categories established for varying household sizes. Table 5 identifies the 2024 regional income limits by household size for Region 3. As shown, a three-person family with a total household income of no greater than \$105,264 could qualify for moderate affordable housing in the Borough's region.

TABLE 4: 2024 AFFORDABLE HOUSING REGION 3 INCOME LIMITS BY HOUSEHOLD SIZE

Income Level	2 Person	3 Person	4 Person	5 Person
Median	\$116,960	\$131,580	\$146,200	\$157,896
Moderate	\$93,568	\$105,264	\$116,960	\$126,317
Low	\$58,480	\$65,790	\$73,100	\$78,948
Very-Low	\$35,088	\$39,474	\$43,860	\$47,369

One of the most common forms of affordable housing is inclusionary development, in which a certain percentage of units within a multifamily development are reserved for affordable housing. Affordable housing can be found in a variety of other forms, including but not limited to: 100% affordable housing developments, deed-restricted accessory apartments, alternative living arrangements such as special need/supportive housing or group homes, assisted living facilities, and age-restricted housing.

B. WHAT IS THE HISTORY OF AFFORDABLE HOUSING IN NEW JERSEY?



The history of affordable housing in New Jersey can be traced back to 1975, which the Supreme Court first decided in *So. Burlington Cty. NAACP v. Borough of Mount Laurel* (known as Mount Laurel I) determined that every developing municipality throughout New Jersey had an affirmative obligation to provide for its fair share of affordable housing. In a subsequent Supreme Court decision in 1983 (known as Mount Laurel II), the Court acknowledged that the vast majority of municipalities had not addressed their constitutional obligation to provide affordable housing.

As such, the Court refined this obligation to establish that every municipality had an obligation, although those within the growth area of the State Development and Redevelopment Plan (SDRP) had a greater obligation. The Court also called for the state legislature to enact legislation that would save municipalities from the burden of having the courts determine their affordable housing needs. The result of this decision was the adoption of the Fair Housing Act in 1985, as well as the creation of the New Jersey Council on Affordable Housing (COAH), which became the state agency responsible for overseeing the manner in which New Jersey's municipalities address their low- and moderate-income housing needs.

COAH proceeded to adopt regulations for the First Round obligation, which covered the years 1987 to 1993. It also established the Second Round housing-need numbers that cumulatively covered the years 1987 through

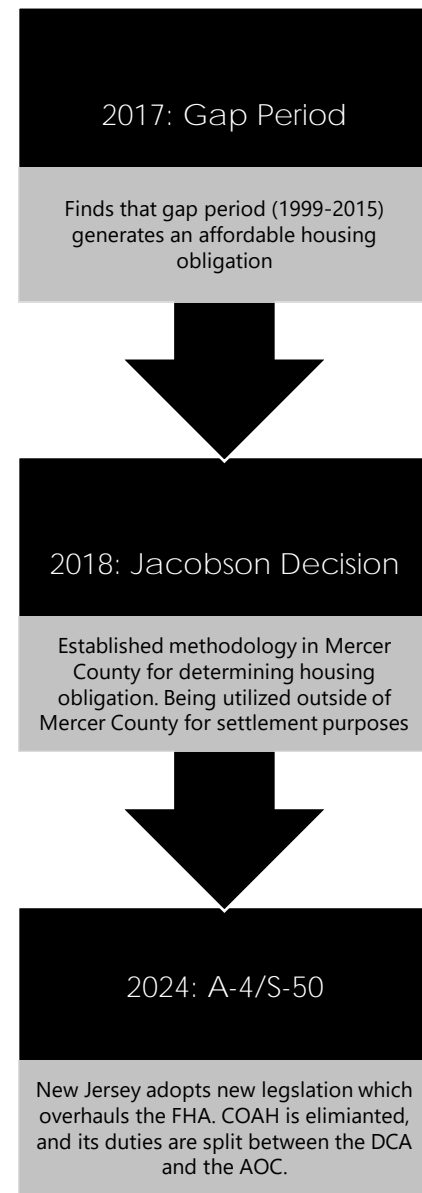
1999. Under both the First and Second Rounds, COAH utilized what is commonly referred to as the "fair share" methodology. COAH utilized a different methodology, known as "growth share," beginning with its efforts to prepare Third Round housing-need numbers. The Third Round substantive and procedural rules were first adopted in 2004.

These regulations were challenged and in January 2007, the Appellate Division invalidated various aspects of these rules and remanded considerable portions of the rules to COAH with the directive to adopt revised regulations.

In May 2008, COAH adopted revised Third Round regulations which were published and became effective on June 2, 2008. Coincident to this adoption, COAH proposed amendments to the rules they had just adopted, which subsequently went into effect in October 2008. These 2008 rules and regulations 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 Rounds One and Two. The Supreme Court affirmed this decision in September 2013, which invalidated much of the third iteration of the Third Round regulations and sustained the invalidation of growth share.

As a result, the Court directed COAH to adopt new regulations pursuant to the methodology utilized in Rounds One and Two.

Deadlocked with a 3-3 vote, COAH failed to adopt newly revised Third Round regulations in October 2014. Fair Share Housing Center, who was a party in both the 2010 and 2013 cases, responded by filing a motion in aid of litigants' rights with the New Jersey Supreme Court. The Court heard the motion in January 2015 and issued its ruling on March 20, 2015. The Court ruled that COAH was effectively dysfunctional and, consequently, returned jurisdiction



of affordable housing issues back to the courts where it had originally been prior to the creation of COAH in 1985.

This 2015 Court decision created a process in which municipalities may file a declaratory judgment action seeking a declaration that their HE&FSP is constitutionally compliant and receive temporary immunity from affordable housing builders' remedy lawsuits while preparing a new or revised HE&FSP to ensure their plan continues to affirmatively address their local housing need as may be adjusted by new housing-need numbers promulgated by the court or COAH.

Subsequently, the Supreme Court ruled on January 18, 2017 that municipalities are also responsible for obligations accruing during the so-called "gap period," the period of time between 1999 and 2015. However, the Court stated that the gap obligation should be calculated as a never-before calculated component of Present Need, which would serve to capture Gap Period households that were presently in need of affordable housing as of the date of the Present Need calculation (i.e. that were still income eligible, were not captured as part of traditional present need, were still living in New Jersey and otherwise represented a Present affordable housing need).

On March 20, 2024, Governor Murphy signed the A4/S50 Bill into law, which amended the FHA for the Fourth Round and beyond. The amendments to the FHA eliminated COAH, moved away from just allowing trial courts to approve municipal HE&FSPs, and created a new entity to approve the plans known as The Program, which consists of seven retired Mount Laurel Judges. FHA-2 also involved the DCA and the AOC in the process.

The DCA was designated by the amended FHA as the entity responsible for calculating the state's regional needs as well as each municipality's present and prospective fair share obligations pursuant to the Jacobson Decision. However, the Amended FHA makes clear that these numbers are advisory and non-binding, and that each municipality must set its own obligation number utilizing the same methodology. The Program was also tasked to handle any disputes regarding affordable housing obligations and plans, and to ultimately issue a Compliance Certification to approve a municipality's HE&FSP, which would continue immunity from all exclusionary zoning lawsuits until July 30, 2035.

C. WHAT IS A HOUSING ELEMENT AND FAIR SHARE PLAN?

A HE&FSP serves as the blueprint for how a municipality will address its fair share of affordable housing. It is designed to help a community broaden the accessibility of affordable housing.

The Municipal Land Use Law (MLUL) is the enabling legislation for municipal land use and development, planning, and zoning for the

While technically a discretionary component of a municipal master plan, a HE&FSP is nevertheless an effectively obligatory plan element. As established by N.J.S.A. 40:55D-62.a of the Municipal Land Use Law (MLUL), a municipality must have an adopted HE&FSP in order to enact its zoning ordinance. Thus, from a public policy perspective, a HE&FSP is an essential community document. Moreover, without an approved HE&FSP, a municipality may be susceptible to a builder's remedy lawsuit in which a developer could file suit to have a specific piece of property rezoned to permit housing at higher densities than a municipality would otherwise allow, provided a certain percentage of units are reserved as affordable.

The Fair Housing Act, as most recently amended pursuant to FHA-2, establishes the required components of a HE&FSP. These are summarized as follows:

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;
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;
6. A consideration of the lands that are most appropriate for construction of low- and moderate-income housing and 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. 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;

8. For a municipality located within the jurisdiction of the Highlands Water Protection and Planning Council, 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; and
9. 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.

Section 2: Housing Element

The following section provides the housing element for the Borough of Peapack Gladstone. It offers a community overview of the Borough, as well as background information regarding its population, housing, and employment characteristics. It also provides projections of the Borough's housing stock and its employment.

A. COMMUNITY OVERVIEW

The Borough of Peapack and Gladstone is a serene community located in the northernmost end of Somerset County where Somerset County borders Morris County. The Borough is approximately 5.9 square miles in area and is characterized by rolling hills, farmland, residential development and a village center along its Main Street. In many respects, the Borough is a classic representation of a very traditional rural community which forms a distinct character that is deemed desirable by most community standards.

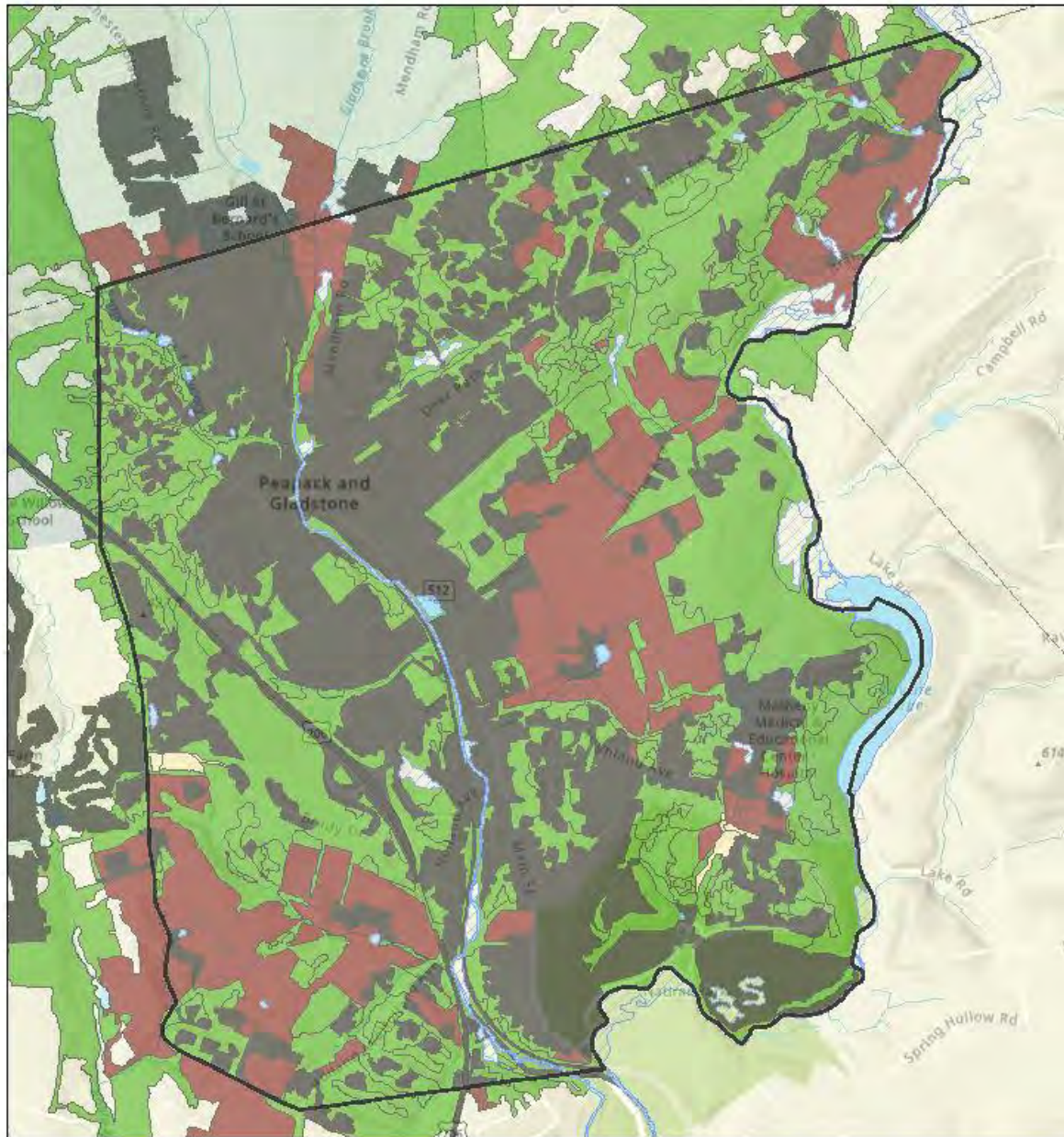
Neighboring communities include the Townships of Chester and Mendham in Morris County to the north and the Township of Bedminster and the Boroughs of Far Hills and Bernardsville in Somerset County to the west, south and east respectively.

The North Branch of the Raritan River forms a natural boundary to the east and southeast. Other water bodies within the Borough include the Peapack Brook and Raritan River. All three water bodies exert their own influences on the landscape and the environment of the community which will be discussed in more detail in subsequent sections.

The Borough has a well-connected transportation network. Major roadways include U.S. Route 206 which traverses the Borough from north to south and County Road 512, also known as Main Street which travels through the center of town. Main Street continues as County Road 671 (Old Chester Road) as it travels to the north and a left turn into Pottersville Road as the road turns westward. Mendham Road (County Road 647) connects with Main Street from the north and Holland Avenue provides an east to west connection with U.S. Route 206 and Main Street.

MAP 1: EXISTING LAND USE

Peapack-Gladstone Borough



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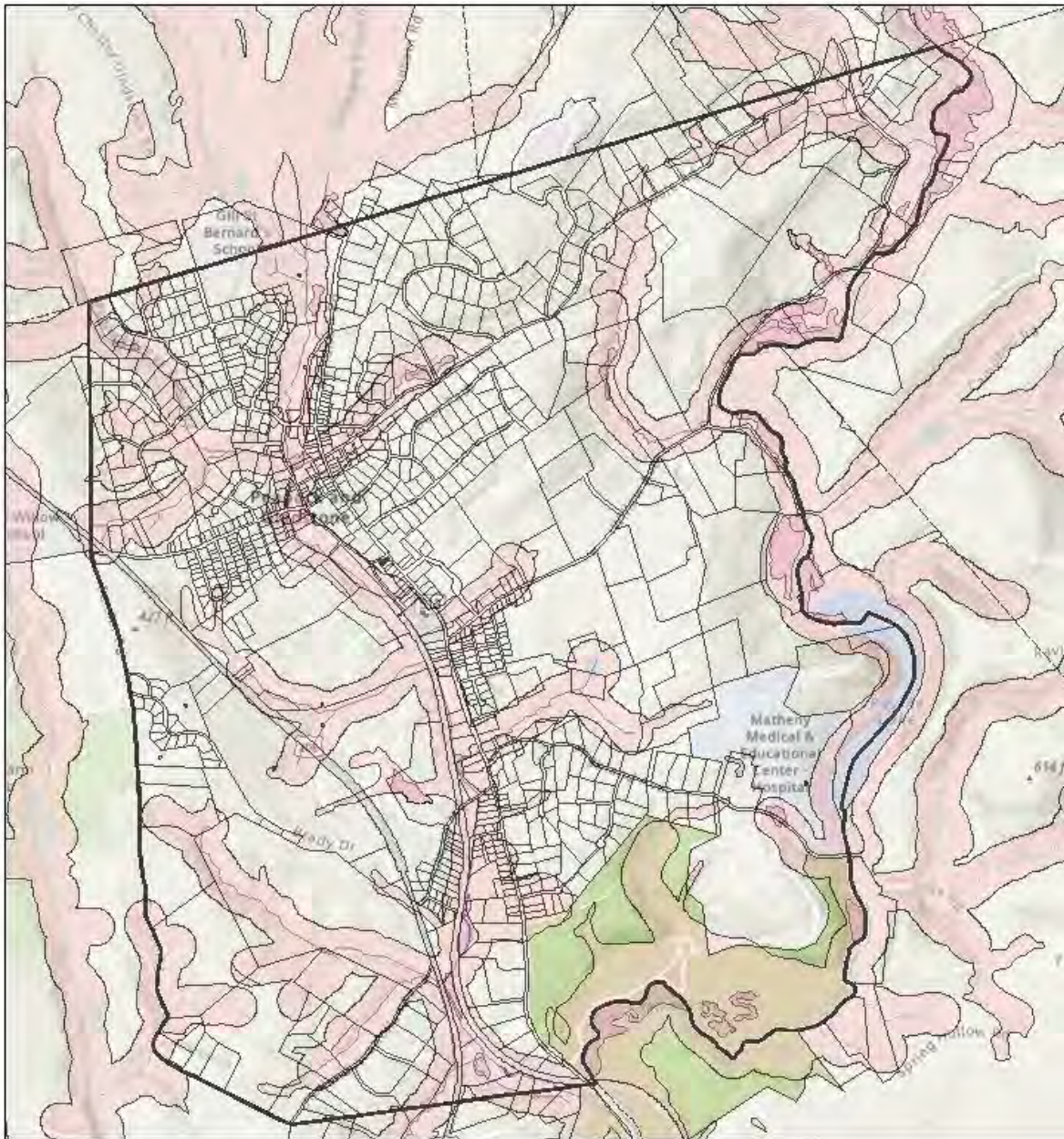
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|---------------------------------|---------------------------------------|
| Peapack-Gladstone Borough | Water |
| Land Use/Land Cover 2020 | Wetlands |
| Agriculture | Preservation and Planning Area |
| Barren Land | Highlands Planning Area |
| Forest | Highlands Preservation Area |
| Urban/Developed | Municipal Boundaries of New Jersey |

Esri, NASA, NGA, USGS, FEMA, Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community

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MAP 2: ENVIRONMENTAL CONSTRAINTS

Peapack-Gladstone Borough



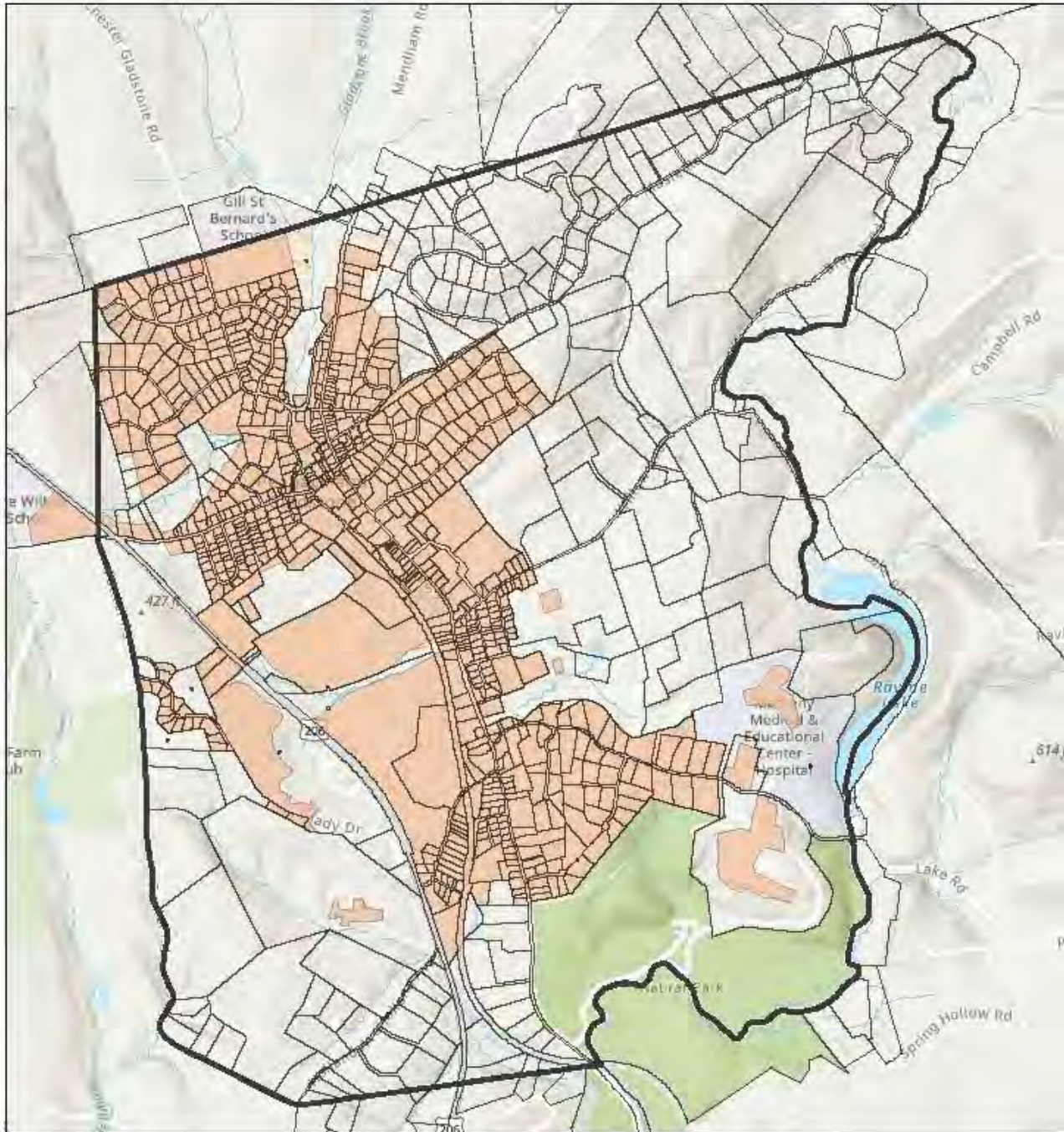
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- Peapack-Gladstone Borough
- Tax Parcels (with MOD-IV)
- Municipal Boundaries of New Jersey
- Riparian Areas
- Category 1 Waterways
- Wetlands

ESRI, NASA, NGA, USGS, FEMA. Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community.

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MAP 3: SEWER SERVICE AREA Peapack-Gladstone Borough



6/4/2025

-  Peapack-Gladstone Borough
-  Tax Parcels (with MOD-IV)
-  Municipal Boundaries of New Jersey
-  Sewer Service Area

Esri, NASA, NOAA, USGS, FEMA, Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, OpenStreetMap contributors, and the GIS User Community

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B. INFORMATION REGARDING DATA SOURCES

The background information contained in Section 2.C entitled "Inventory of Municipal Housing Stock," Section 2.D entitled "Projection of Municipal Housing Stock," Section 2.E entitled "Demographic and Population Data," and Section 2.F entitled "Employment Characteristics and Projections" was obtained from a variety of publicly available data sources. These are summarized below:

<p>1. United States Decennial Census</p> <p>The US Census is described in Article I, Section 2 of the Constitution of the United States, which calls for an enumeration of the people every ten years for the apportionment of seats in the House of Representatives. Since the time of the first Census conducted in 1790, it has become the leading source of data about the nation's people and economy. Please note that all incomes reported in the Census are adjusted for inflation.</p>	<p>4. New Jersey Department of Community Affairs (DCA)</p> <p>The New Jersey Department of Community Affairs is a governmental agency of the State of New Jersey. Its function is to provide administrative guidance, financial support, and technical assistance to local governments, community development organizations, businesses, and individuals to improve the quality of life in New Jersey.</p>
<p>2. American Community Survey (ACS)</p> <p>The American Community Survey is a nationwide ongoing survey conducted by the US Census Bureau. The ACS gathers information previously contained only in the long form version of the decennial census, such as age, ancestry, educational attainment, income, language proficiency, migration, disability, employment, and housing characteristics. It relies upon random sampling to provide ongoing, monthly data collection. Please note that all incomes reported in the ACS are adjusted for inflation.</p>	<p>5. New Jersey Department of Labor and Workforce Development</p> <p>The New Jersey Department of Labor and Workforce Development is a governmental agency of the State of New Jersey. One of its roles is to collect labor market information regarding employment and wages throughout the state.</p>
<p>3. New Jersey Department of Health</p> <p>The New Jersey Department of Health is a governmental agency of the State of New Jersey. The department contains the Office of Vital Statistics and Registry, which gathers data regarding births, deaths, marriages, domestic partnerships, and civil unions.</p>	

C. INVENTORY OF MUNICIPAL HOUSING STOCK

This section of the Housing Element provides an inventory of the Borough's housing stock, as required by the MLUL. The inventory details housing characteristics such as age, condition, purchase/rental value, and occupancy. It also details the number of affordable units available to low- and moderate-income households and the number of substandard housing units capable of being rehabilitated.

1. Number of Dwelling Units. As shown in the table below,

TABLE 5: DWELLING UNITS (1990-2023)

Year	Dwellings	Numerical Change	% Change
1990	828	-	-
2000	871	43	5%
2010*	985	114	13%
2023*	1,018	33	3%

Sources: U.S. Census, *American Community Survey 5-Year Estimates

The Borough's housing stock has not grown significantly over the past four decades increasing only 3% in the last decade. This reflects the Borough's stability as a rural community that is not experiencing significant development pressure.

The following table provides details regarding the tenure and occupancy of the Borough's housing stock. As shown below, since 2010, the Borough's housing stock remains primarily owner occupied however, the Borough saw a 6.3% increase in renter occupied units over the past decade.

TABLE 6: HOUSING UNITS BY TENURE AND OCCUPANCY STATUS (2010 AND 2023)

Category	2010*		2023*	
	# of Units	%	# of Units	%
Owner Occupied	792	80.4%	749	73.6%
Renter Occupied	165	16.8%	235	23.1%
Vacant Units	28	2.8%	34	3.3%
Total	985	100.0%	1,018	100.0%

Source: American Community Survey 5-Year Estimates

2. Housing Characteristics. This section provides additional information on the characteristics of the Borough's housing stock, including the number of units in structure (Table 7) and the number of bedrooms per dwelling unit (Table 8). The Borough remains primarily a single family community wherein detached units account for approximately 93.8% percent of the Borough's housing stock, up from the 86.1% percent reported in 2010. The majority (62.5 percent) of dwellings in the Borough have three or four bedrooms, up from 58.1 percent in 2010.

TABLE 7: UNITS IN STRUCTURE (2010 AND 2023)

Units in Structure	2010		2023	
	No.	%	No.	%
Single Family, Detached	848	86.1%	955	93.8%
Single Family, Attached	0	0.0%	12	1.2%
2	81	8.2%	18	1.8%
3 or 4	56	5.7%	0	0.0%
5 to 9	0	0.0%	0	0.0%
10 to 19	0	0.0%	33	3.2%
20+	0	0.0%	0	0.0%
Mobile Home	0	0.0%	0	0.0%
Other	0	0.0%	0	0.0%

Source: American Community Survey 5-Year Estimates

TABLE 8: NUMBER OF BEDROOMS IN HOUSING UNITS (2010 AND 2023)

Bedrooms	2010		2023	
	Number	Percent	Number	Percent
None	30	3.0	0	0
One	79	8.0	13	1.3
Two	147	14.9	224	22
Three	251	25.5	185	18.2
Four	321	32.6	451	44.3
Five or more	157	15.90	145	14.2
Total	985	100.0	1,018	100.0

Source: American Community Survey 5-Year Estimates

3. Housing Age. Table 9 shows that one third of the Borough's housing units were built in 1939 or earlier with a majority of dwellings constructed between 1970 to 1999. Since 2010, only 24 units (2.57 percent of all housing units) have been built.

TABLE 9: YEAR STRUCTURE BUILT (2023)

Year Units Built	Number	Percent
Built 2020 or later	0	0
Built 2010 to 2019	24	2.57
Built 2000 to 2009	16	1.57
Built 1990 to 1999	163	16.01
Built 1980 to 1989	134	13.16
Built 1970 to 1979	192	18.86
Built 1960 to 1969	49	4.81
Built 1950 to 1959	52	5.10
Built 1940 to 1949	42	4.12
Built 1939 or earlier	346	33.98
Total Units	1018	100.0%

Source: American Community Survey 5-Year Estimates

4. Housing Conditions. Table 10 provides an indication of overcrowded housing units, represented by units containing more than one occupant per room which are indicators of substandard housing. The data indicates that, in both 2010 and 2023, that less than 1% of the Borough's dwelling units can be considered overcrowded.

TABLE 10: OCCUPANTS PER ROOM (2010 AND 2023)

Occupants Per Room	2010*		2023*	
	Number	%	Number	%
1.00 or less	957	100.0%	980	99.6%
1.01 to 1.50	0	0.0%	4	0.4%
1.51 or more	0	0.0%	0	0.0%
Total Occupied Units	957	100%	984	100.0%

Source: American Community Survey 5-Year Estimates

Table 11 presents additional detail regarding housing conditions, including the presence of complete plumbing and kitchen facilities and the type of heating equipment used. These statistics are also indicators of substandard housing. As shown below, no units lacked complete plumbing or heating facilities in 2023 and only 1.3%

(or 13 units) lacked complete kitchen facilities which is a very slight increase from 2020.

TABLE 11: EQUIPMENT AND PLUMBING FACILITIES (2010 AND 2023)

Facilities	2010*		2023*	
	Number	Percent	Number	Percent
Kitchen:				
With Complete Facilities	957	100.0%	971	98.7%
Lacking Complete Facilities	0	0.0%	13	1.3%
Plumbing:				
With Complete Facilities	957	100.0%	984	100.0%
Lacking Complete Facilities	0	0.0%	0	0.0%
Heating Equipment:				
Standard Heating Facilities	957	100%	984	100.0%
Other Fuel	0	0%	0	0.0%
No Fuel Used	0	0.0%	0	0.0%
Total Occupied Units	957	100	984	100

Source: American Community Survey 5-Year Estimates

5. Purchase and Rental Values. The Borough experienced a rise in housing rental and purchase prices between 2010 and 2023, as shown in the following tables. As shown below, the median gross rent for the Borough's rental housing stock increased from the majority of rents falling between \$500 to \$1,499 (67%) between 2010 and 2023, to \$1,463 in 2010 to 70% at higher levels above that in 2023.

The median value of owner-occupied units in Peapack Gladstone increased between 2010 and 2023, though perhaps not nearly as much as renter-occupied units. The median value of owner-occupied units in the Borough increased 8.7 percent between 2010 and 2023, from \$776,100 in 2010 to \$843,800 in 2023.

TABLE 12: GROSS RENT OF SPECIFIED RENTER-OCCUPIED UNITS (2010 AND 2023)

Rent	2010		2023*	
	Number	Percent	Number	Percent
Less than \$500	0	0%	0	0%
\$500 to \$999	33	20%	0	0%
\$1,000 to \$1,499	77	47%	33	22%
\$1,500 to \$1,999	55	33%	65	43%
\$2,000 to \$2,499			41	27%
\$2,500 to \$2,999			0	0%
\$3,000 or more			12	8%
No cash rent	0	X	84	X
Total Occupied units paying rent	165	100%	151	100%
Median Gross Rent	\$1,309		\$1,827	

Source: American Community Survey 5-Year Estimates

TABLE 13: VALUE OF SPECIFIED OWNER-OCCUPIED HOUSING UNITS (2010 AND 2023)

Value	2010*		2023*	
	Number	Percent	Number	Percent
Less than \$50,000	0	0.0%	33	4.4%
\$50,000 to \$99,999	0	0.0%	4	0.5%
\$100,000 to \$149,999	0	0.0%	0	0.0%
\$150,000 to \$199,999	0	0.0%	8	1.1%
\$200,000 to \$299,999	14	1.8%	0	0.0%
\$300,000 to \$499,999	149	18.8%	79	10.5%
\$500,000 to \$999,999	422	53.3%	409	54.6%
\$1,000,000 or more	207	26.1%	216	28.8%
Total Owner Occupied	792	100.0%	749	100.0%
Median Value	\$776,100		\$843,800	

Source: American Community Survey 5-Year Estimates

6. Number of Units Affordable to Low- and Moderate-Income Households. Based on the Affordable Housing Professionals of New Jersey (AHPNJ) 2024 regional income limits, the median household income for a three-person household in COAH Region 3, Peapack Gladstone's housing region comprised of Hunterdon, Middlesex and Somerset Counties is \$131,580. A three-person moderate-income household,

established at no more than 80 percent of the median income, would have an income not exceeding \$105,264. A three-person low-income household, established at no more than 50 percent of the median income, would have an income not exceeding \$65,790.

An affordable sales price for a three-person moderate-income household earning 80 percent of the median income is estimated at approximately \$421,056. An affordable sales price for a three-person low-income household earning 50 percent of the median income is estimated at approximately \$263,160. These estimates are based on the UHAC affordability controls outlined in N.J.A.C. 5:80-26.1 et seq. Approximately 6 percent of Peapack Gladstone's owner-occupied housing units are valued at less than \$300,000, and 16% below \$499,000 according to the 2023 American Community Survey.

Rental costs are generally more affordable to moderate income families than low. For renter-occupied housing, an affordable monthly rent for a three-person moderate-income household is estimated at approximately \$2,193. An affordable monthly rent for a three-person low-income household is estimated at approximately \$1,500. According to the 2023 American Community Survey, approximately 92 percent of Peapack Gladstone's rental units have a gross rent less than \$2,500, whereas only 22 percent have a gross rent less than less than \$1,500.

7. Substandard Housing Capable of Being Rehabilitated. The DCA utilized a formula for calculating the number of units in a community that are in need of rehabilitation and are not likely to experience "spontaneous rehabilitation." Peapack Gladstone's rehabilitation share has been determined by the DCA to be ten (10) units.

D. PROJECTION OF MUNICIPAL HOUSING STOCK

Applicable COAH regulations require a projection of the community's housing stock, including the probable future construction of low- and moderate-income housing, for the ten years subsequent to the adoption of the Housing Element. This projection shall be based upon an assessment of data which minimally must include the number of residential construction permits issued, approvals of applications for residential development, and probable residential development of lands. Each of these items are identified and outlined below.

1. Housing Units Constructed During the Last Ten Years. The table below provides data concerning residential building permits issued for new construction during the past ten years. During this period, a total of only 39 residential building permits were issued for new construction, all of which except 1 were issued for single-family units.

TABLE 14: NUMBER OF RESIDENTIAL BUILDING PERMITS ISSUED FOR NEW CONSTRUCTION (2014-2023)

Year Issued	One & Two Family	Multi-Family	Mixed-Use	Total
2014	3	0	0	3
2015	7	0	0	7
2016	6	0	0	6
2017	1	0	0	1
2018	0			0
2019	0			0
2020	5			5
2021	3		1	4
2022	9			9
2023	4			4
Total	38	0	1	39

Source: New Jersey Department of Community Affairs (DCA) Construction Reporter

2. Probable Residential Development of Lands. Considering the rate of residential growth experienced in Peapack Gladstone over the past decade, current economic uncertainty, and the fact that there are few developable parcels remaining in the Borough, it is anticipated that Peapack Gladstone's residential growth over the next decade will primarily be in the form of new inclusionary multi-family development as a result of affordable housing zoning adopted by the Borough. Noteworthy is the future redevelopment of the Pfizer property which is anticipated to result in the construction of 200 new senior apartments and the anticipated rezoning of Trimmer Lane for inclusionary family development of 94 units which will result in significantly increasing the dwelling count in the community in the near future.

E. DEMOGRAPHIC AND POPULATION DATA

The MLUL requires that the Housing Element of this plan provide data on the municipality's population, including population size, age and income characteristics.

1. Population Size. As seen in the table below, the Borough's population saw tremendous growth between 1940 to 1960, particularly during the 1960s. Since that period, the Borough has experienced more modest growth with a growth spurt observed 2000. However, since 2000, Peapack Gladstone has experienced steady slow down in population, with the population increasing actually decreasing from its peak in 2020 to 2023.

TABLE 15: POPULATION GROWTH (1930-2023)

Year	Population	Population Change	Percent Change
1930	1,273	-	-
1940	1,354	81	6%
1950	1,450	96	7%
1960	1,804	354	24%
1970	1,924	120	7%
1980	2,038	114	6%
1990	2,111	73	4%
2000	2,433	322	15%
2010	2,562	129	5%
2020	2,582	20	1%
2023*	2,547	-35	-1%

Sources: U.S. Census, *American Community Survey 5-Year Estimates

2. Age Characteristics. The Borough's age characteristics are represented in Table 16 below. There was a dramatic decrease in the 45-54 age cohort which experienced a 43 percent decrease between periods. The second largest population decline between 2010 and 2023 occurred in the younger age cohort from 15 to 19 years, during which time said age cohort experienced a 15 percent decrease. The Borough's largest increases occurred in the 60 to 74 age cohort, which increased by 48.4 percent between 2010 and 2023. This resulting shift caused an increase in the median age of Borough residents from 42.6 years in 2010 to 49.8 years in 2023 reflecting an aging population.

TABLE 16: AGE CHARACTERISTICS (2010 AND 2023)

Age Group	2010		2023*	
	Pop	%	Pop	%
under 5	117	5%	107	4%
5-9	141	6%	93	4%
10-14	199	8%	190	7%
15-19	197	8%	166	7%
20-24	155	6%	209	8%
25-34	133	5%	119	5%
35-44	292	11%	252	10%
45-54	630	25%	356	14%
55-59	147	6%	218	9%
60--64	165	6%	303	12%
65-74	165	6%	310	12%
75-84	158	6%	168	7%
85+	63	2%	56	2%
Total	2,562	100.0%	2,547	100%
Median Age	45.7		47.3	

Source: American Community Survey 5-Year Estimates

3. Average Household Size. The average size of Peapack Gladstone households has decreased each decade since 1980, as indicated in the table below. The average household size in 2023 is down to a historic low of 2.41 persons per household.

TABLE 17: AVERAGE HOUSEHOLD SIZE (1980-2023)

Year	Total Population	Number of Households	Average Household Size
1980	2,038	698	2.66
1990	2,111	769	2.6
2000	2,433	840	2.71
2010	2,562	887	2.59
2020*	2,582	829	2.72
2023*	2,547	984	2.41

Sources: U.S. Census, *American Community Survey 5-Year Estimates

4. Household Income. The median household income for Peapack Gladstone households increased significantly by approximately 48.72 percent between 2010 and 2023, rising from \$123,875 to \$184,231. Detailed household income figures are shown in the table below.

TABLE 18 : HOUSEHOLD INCOME DISTRIBUTION (2010 AND 2023)

Income Category	2010*		2023*	
	Number	%	Number	%
less than \$10,000	8	1%	47	4.8%
\$10,000 to \$14,999	54	6%	8	0.8%
\$15,000 to \$24,999	42	4%	0	0.0%
\$25,000 to \$ 34,999	20	2%	81	8.2%
\$35,000 to \$ \$49,999	76	8%	57	5.8%
\$50,000 to \$74,999	126	13%	46	4.7%
\$75,000 to \$99,999	33	3%	77	7.8%
\$100,000 to \$149,999	245	26%	122	12.4%
\$150,000 to \$199,000	180	19%	87	8.8%
\$200,000 or more	173	18%	459	46.6%
Total households	957	100%	984	100.0%
Median Income (Household)	\$123,875		\$184,231	

Source: American Community Survey 5-Year Estimates

F. EMPLOYMENT CHARACTERISTICS AND PROJECTIONS

The MLUL requires that a Housing Element include data on employment levels in the community. The following tables present information on the Borough's employment characteristics.

1. Employment Status. Table 19 provides information on Peapack Gladstone's employment status for the segment of the population 16 and over. Approximately 62.7 percent of the Borough's population 16 and over was in the labor force in 2023, down from 71 percent in 2010. During the same period between 2010 and 2023, the percentage of the Borough's labor force that was unemployed increased from 5.0

percent in 2010 to 7.4 percent in 2023.

TABLE 19: EMPLOYMENT STATUS - POPULATION 16 & OVER (2010 AND 2023)

Employment Status	2010*		2023*	
	Number	%	Number	%
In labor force	1,320	71.0%	1,285	62.7%
Civilian labor force	1,318	70.9%	1,285	62.7%
Employed	1,252	67.3%	1,190	58.0%
Unemployed	66	3.6%	95	4.6%
% of civilian labor force	-	5.0%	--	7.4%
Armed Forces	2	0.1%	0	0.0%
Not in labor force	539	29.0%	765	37.3%
Total Population 16 and Over	1,859	100.0%	2,050	100.0%

Source: American Community Survey 5-Year Estimates

2. Employment Characteristics of Employed Residents. The following two tables detail information on the employment characteristics of Peapack Gladstone residents. Table 20 details employment by occupation and Table 21 details employment by industry. While the majority of residents in the Borough are employed in management, professional and related occupations, and the service industry, the Borough experienced declines in all other occupations. The largest change between 2010 and 2023 were in sales and office occupations, which shrank by 12.5 percent. Also, while the largest percentage of residents are employed in the Finance, insurance, real estate, and rental and leasing social services industry, the largest growth by industry between 2010 and 2023 was in professional, scientific, management, administrative, and waste management services which grew by 21 percent followed by education which increased by 17 percent. All other industries shrank by comparison.

TABLE 20: EMPLOYED RESIDENTS AGE 16 AND OVER, BY OCCUPATION (2010 AND 2023)

Occupation	2010		2023*	
	Number	Percent	Number	Percent
Management, business, science, and arts occupations	598	50.3%	755	59.5%
Service occupations	85	7.1%	130	10.3%
Sales and office occupations	336	28.2%	294	23.2%
Natural resources, construction, and maintenance occupations	110	9.2%	71	5.6%
Production, transportation, and material moving occupations	61	5.1%	18	1.4%
Total	1,190	100.0%	1,268	100.0%

Source: American Community Survey 5-Year Estimates

3. Employment Projections. A projection of the Borough's probable future employment characteristics is based on an assessment of historic employment trends, the number of non-residential construction permits issued, and probable non-residential development of lands. Each of these items are identified and outlined below.
 - a. Historic Employment Trends. As shown in the table below, employment in Peapack Gladstone has experienced its largest gains in 2015 and 2021. The remaining years saw fluctuating changes both up and down during the years with the aforementioned growth. Since 2022, however, Peapack Gladstone lost 1.1 percent of employment over the previous year.

TABLE 21: EMPLOYED RESIDENTS AGE 16 AND OVER, BY INDUSTRY (2010 AND 2023)

Industry	2010*		2023*	
	Number	Percent	Number	Percent
Agriculture, forestry, fishing and hunting, and mining	0	0.0%	45	3.5%
Construction	116	9.7%	114	9.0%
Manufacturing	81	6.8%	75	5.9%
Wholesale trade	21	1.8%	80	6.3%
Retail trade	155	13.0%	77	6.1%
Transportation and warehousing, and utilities	25	2.1%	1	0.1%
Information	49	4.1%	80	6.3%
Finance, insurance, real estate, and rental and leasing	220	18.5%	174	13.7%
Professional, scientific, management, administrative, and waste management services	177	14.9%	274	21.6%
Educational, health and social services	199	16.7%	216	17.0%
Arts, entertainment, recreation, accommodation and food services	63	5.3%	70	5.5%
Other services (except public administration)	45	3.8%	55	4.3%
Public administration	39	3.3%	7	0.6%
Total	1,190	100.0%	1,268	100.0%

Source: American Community Survey 5-Year Estimates

TABLE 22: AVERAGE COVERED EMPLOYMENT TRENDS (2014-2023)

Year	Number of Jobs	Change in Number of Jobs	Percent Change
2014	2,666	-	-
2015	2,822	156	5.8
2016	2,806	-16	-0.5
2017	2,903	97	3.4
2018	2,861	-42	-1.4
2019	2,878	17	0.6
2020	2,773	-105	-3.6
2021	2,894	121	4.3
2022	2,960	66	2.2
2023	2,925	-35	-1.1

Sources: New Jersey Department of Labor and Workforce Development

- b. Non-Residential Square Footage Constructed During the Last Ten Years. The table below provides data concerning the amount of non-residential square footage authorized by building permits in Peapack Gladstone between 2014 and 2023. During this period, building permits were issued for 82,899 square feet of non-residential space, the majority of which (approximately 71.8 percent or 59,557 square feet) was for assembly use followed by retail at approximately 15 percent or 12,500 square feet. On average, the Borough issued building permits for approximately 8,289 square feet of non-residential space per year over the past decade.

TABLE 23: NON-RESIDENTIAL SPACE AUTHORIZED BY BUILDING PERMITS (2014-2023)

Year Issued	Office	Retail	A2 & A3 Assembly	Education	Total
2014	0	0	0	0	0
2015	0	0	0	0	0
2016	0	12,500	13,001	0	25,501
2017	0	0	13,001	0	13,001
2018	0	0	0	0	0
2019	0	0	0	0	0
2020	0	0	0	0	0
2021	0	0	0	0	0
2022	0	0	13,001	0	13,001
2023	1993	0	0	0	1,993
Total	10,842	12,500	59,557	0	82,899

Source: New Jersey Department of Community Affairs (DCA) Construction Reporter

- c. Probable Non-Residential Development of Lands. The Borough experienced an average of only 8,829 square feet of new non-residential space per year over the past decade. The Borough anticipates a similar pace of non-residential growth to occur over the next ten-year period with an increase expected by the construction of noncommercial space anticipated as a result of the Pfizer redevelopment.
- d. Probable Future Employment Characteristics. As detailed in Tables 21 and 22 above, employment in Peapack Gladstone is not expected to experience significant job growth over the next decade with the exception of the jobs that will be created as a result of the Pfizer redevelopment. This is not surprising given the rural residential character of the community.

SECTION 3: FAIR SHARE OBLIGATION

The following section provides an overview of the Borough's fair share obligation. It includes a brief overview of the methodology utilized to calculate affordable housing obligations throughout the state.

SUMMARY OF FAIR SHARE OBLIGATION

On March 20, 2024, Governor Murphy signed the A4/S50 Bill into law, which amended the FHA for the Fourth Round and beyond. The amendments to the FHA eliminated COAH, moved away from just allowing trial courts to approve municipal HE&FSPs, and created a new entity to approve the plans known as The Program, which consists of seven retired Mount Laurel Judges. FHA-2 also involved the DCA and the AOC in the process.

The Amended FHA now designates the DCA as the entity responsible for calculating the state's regional needs. Specifically, N.J.S.A. 52:27D-304.2 establishes the methodology to be utilized by the DCA to determine the state's regional prospective needs of low- and moderate-income housing for the ten-year period spanning from July 1, 2025 to June 30, 2035. In summary, the projected household change for this period is estimated by establishing the household change experienced in each region between the most recent federal decennial census and the second-most recent decennial census. This household change, if positive, is then to be divided by 2.5 to estimate the number of low- and moderate-income homes needed to address low- and moderate-income household change in the region for the next ten years. This methodology resulted in a statewide prospective need of 84,698 low- and moderate-income units.

Furthermore, the DCA is also the entity responsible for calculating each municipality's present and prospective fair share obligations. However, FHA-2 makes clear that these calculations are advisory and non-binding, and that each municipality may set its own obligation number utilizing the same methodology.

On January 21, 2025, the Borough of Peapack Gladstone adopted Resolution #40-25, which established its affordable housing obligations for the Fourth Round. A copy of this resolution is located in Appendix A of this plan. As noted in that resolution, the Borough accepted DCA's Present Need calculation of ten (10) units however, based upon the Borough's planning area designation by the State Development and Redevelopment Plan (SDRP) as a PA-5, Environmentally Sensitive municipality, the Land Capacity Factor of 0 was applied to the NJDCA land capacity calculation which reduced the Borough's obligation from 75 to 57 units. A subsequent challenge by the Fair Share Housing Center that was joined by the NJ Builder's Association, was filed with the Program and by settlement, the prospective need was established by the Program as 62 units. This was set up and affirmed by the Court on April 8, 2025.

TABLE 24: SUMMARY OF FAIR SHARE OBLIGATION

Affordable Obligation	Units
Present Need (Rehabilitation)	10
Prospective Need	62

SECTION 4: FAIR SHARE PLAN

The following Fair Share Plan outlines the components and mechanisms the Borough will utilize to address its affordable housing obligations.

A. PLAN SUMMARY

The Fair Share Plan identifies the manner in which the Borough's fair share affordable housing obligations – inclusive of a Present Need (Rehabilitation) obligation of 10 units, a First and Second Round obligation of 85 units, a Third Round obligation of 104 and a Fourth Round obligation of 62 – are to be addressed. These obligations are summarized as follows:

TABLE 25: AFFORDABLE HOUSING OBLIGATIONS SUMMARY

Category	Obligation
Present Need (Rehabilitation) Obligation	10
First & Second Round Obligation (1987-1999)	82
Third Round Obligation (1999-2025)	104
Fourth Round Obligation (2025-2035)	62
Total	258

As detailed herein, the Housing Element and Fair Share Plan can accommodate the entirety of the community's Fourth Round affordable housing obligation through 2035 in a manner that affirmatively addresses affordable housing need, while at the same time addressing planning concerns and maintaining the overall character of the community.

B. PLAN COMPONENTS

This section of the plan details the projects, mechanisms and funding sources which will be used to meet the Borough's affordable housing obligations, as discussed above. The Plan Components Map included at the end of Section 4.C. of this plan illustrates the location of all developments identified herein.

1. Present Need (Rehabilitation) Obligation

Peapack Gladstone has a Present Need obligation of ten (10) units. The Borough established a housing rehabilitation program under the Third Round cycle and will continue its program into the Fourth Round.

2. First and Second Round RDP

As discussed in Section 3 of this plan, Peapack Gladstone's First and Second Round RDP obligation is 82 units. The Borough has addressed the entirety of this obligation and therefore, does not have a prior round obligation. The Prior Round Plan resulted in 84 credits generating two (2) additional credits that were subsequently credited to the Third Round obligation as detailed in the following table:

TABLE 26: PLAN COMPONENTS SATISFYING FIRST & SECOND ROUND RDP

Plan Component	Units	Bonus	Credits
Lutheran Social Ministries (family rental), 85 Main Street, Block 23, Lot 17	20	20	40
Regional Contribution Agreement with Perth Amboy	37	-	37
St. Luke's Senior Housing	9	-	9
Total	64	18	84

3. Third Round RDP

As discussed in Section 3 of this plan, Peapack and Gladstone's Third Round RDP obligation was settled at 104 units. The Borough's Third Round HE&FSP, which was prepared pursuant to the 2022 Settlement Agreement with FSHC and granted a Third Round JOR, identified various plan mechanisms to address the entirety of its Third Round obligation through a combination of 2 prior round credits, zoning amendments and bonus credits thereby satisfying the entirety of its Third Round Obligation as detailed below:

TABLE 27: PLAN COMPONENTS SATISFYING THIRD ROUND RDP (PER 2018 PLAN AS AMENDED)

Plan Component	Number of Units	Bonus	Credits
Prior Round Surplus Credits-Lutheran Ministries	2	2	4
Smith Property (special needs group home; 100% affordable Municipally sponsored housing); Block 20, Lot 1.03	8	6	14
Smith Property (family rental; 100% affordable Municipally sponsored housing); Block 20, Lot 1.03	20	18	38
Accessory Apartment Ordinance	10	-	10
SJP Properties (family rental); Block 33, Lot 13	14	-	14
Melillo Equites; Block 20, Lot 1.02	5		5
Main and Lackawanna Street Rezoning: Block 22, Lot 13 and Block 20, Lot 5 for mixed use inclusionary commercial and residential development	3	-	3
191 Main Street (special needs group home with 4 Beds: Block 22, Lot 8	4	-	4
193 Main Street 2 Affordable Rental Units: Block 22, Lot 7	2	-	2
291 Main Street (special needs group home (6 beds) w/2 affordable rental unit); Block 1, Lot12	8	-	8
1 Railroad Avenue; Block 29, Lot 18	3	-	3

	Total	79	26	105
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4. Fourth Round RDP

Peapack and Gladstone has a Fourth Round Prospective need obligation of 62 units. The Borough proposes to satisfy the entirety of its obligation as follows:

- a. *Pfizer Senior Campus.* In response to the imminent closure of the Pfizer campus, the Borough adopted Ordinance 23-3.9.3 rezoning the property from the Office Research Laboratory (ORL) to a new Senior Living Campus Zone (SLC). The rezoning anticipates the construction of 200 senior units, an assisted living facility 120 units, an extended stay hotel and limited ancillary commercial uses to serve the campus residents. The SLC zone will also be amended to permit adult special needs housing which is also included in the proposed development.
- b. *Trimmer Lane Rezoning.* The Borough proposes to rezone two properties on Trimmer Lane for family inclusionary zoning to accommodate 24 affordable units. The Borough will also amend its Mandatory Set-Aside Ordinance established in the Third Round to increase the mandatory affordable housing set aside for this property from 20 to 25% thereby requiring a greater affordable housing obligation on future development.
- c. *Surplus Credit.* The Borough will utilize 1 unit of surplus credit from the Third Round.
- d. *Development Fee Ordinance:* Lastly, the Borough will continue to impose development fees on new development, as set forth in the Borough's adopted development fee ordinance. As stated therein, residential development fees of 1.5 percent of the equalized assessed value shall be collected on all residential development involving new buildings or when an existing building undergoes a change to a more intense use, is demolished and replaced, or is expanded, if the expansion is not otherwise exempt from the development fee requirement. In addition, non-residential development fees of 2.5 percent of the equalized assessed value shall be collected on all non-residential development, with the exception of those types of developments specifically exempted pursuant to the Statewide Non-Residential Development Fee Act. The funds generated by the collection of development fees will be applied towards affordable housing programs as set forth in the Borough's Spending Plan.

C. DEVELOPMENT SITES

Each of the Borough's existing affordable housing sites identified in Section B. is discussed in more detail below. The Plan Components Map included at the end of this subsection illustrates the location of all developments identified in this plan.

Aerial 1: Pfizer Senior Campus



1. Pfizer Senior Campus. The property is centrally located within the Borough of Peapack and Gladstone with street address of 100 Route 206 for the corporate headquarters. The campus consists of five parcels further identified by Borough Tax Assessment records as Block 20, Lots 7, 8, 9, 9.01, 10 and 15.

The property contains 148-acres and is developed with ten (10) buildings totaling 550,000 square feet and two (2) two story parking garages. The property also includes an extensive solar array located on lot 9 designed to provide power to the campus. Main access to the existing campus is provided directly from US Route 206 with a secondary emergency access located off Holland Avenue. In 2024, the Borough adopted an ordinance creating the Pfizer Senior Campus Zone in order to repurpose the campus as to provide inclusionary development opportunities since Pfizer has ceased operations on the property. The Pfizer

Senior Campus Zone (SCL) permits 200 senior housing units which will generate 13 senior units and 6 bonus credits. The SCL zone also permits senior adult special needs housing that is capped at a maximum of 15 beds which will provide 9 units and 9 bonus credits towards the obligation. Since FHA-2 regulations only permits credit for non-age restricted beds, the SCL zone will be amended to allow adult special housing. After applying the maximum credits permitted under current regulations it is anticipated that the Pfizer Senior Campus will provide a total of 37 units including bonus credits.

Aerial 2: Trimmer Lane



2. Trimmer Lane. The Trimmer Lane site is comprised of two separate parcels identified as Block 31, Lot 1 and Block 31, Lot 6 that combined, occupy a lot area of 7.67 acres. The site is presently developed with a Sunoco gasoline station, a construction yard and three single family residences. The site is constrained by the riparian buffer impacting the southern portion of the tract however, the property provides acreage sufficient to support inclusionary residential development. The site will be zoned to permit the construction of 94 units that will produce the required 24 affordable family units.

D. Plan Components

TABLE 28: PLAN COMPONENTS SATISFYING FOURTH ROUND OBLIGATION

Plan Component	Number of Units	Bonus	Credits
Prior Third Round Surplus Credits	1	-	1
Pfizer Senior Campus – Senior Units	13	2*	15
Pfizer Senior Campus – Special Needs Adult Housing	9	9**	18
Trimmer Lane Family Inclusionary Development	24	4***	28
Total	47	15	62

*Senior Credit capped at 10% of total credits.

**2:1 Credit for Adult Special Needs.

***05:1 Credit for development within 1 mile of transit.

It should be noted that the proposed plan generates excess affordable units however, these cannot be credited due to the regulatory caps of the Act. These units, however, can be applied to the next round pursuant to the regulations at that time.

E. OTHER PROVISIONS

The following additional requirements are noted:

1. Fourth Round Bonuses. Fourth Round bonuses will be applied in accordance with N.J.A.C. 52:27d-311.k.
2. Very-Low Income and Low-Income Units. At least 50 percent of the units addressing the Fourth Round Prospective Need obligation shall be affordable to very low-income and low-income households with the remainder affordable to moderate-income households. A minimum of 13 percent of the affordable units will be made available to very low-income households, defined as households earning 30 percent or less of the regional median income by household size.
3. Rental Component. At least 25 percent of the Fourth Round Prospective Need obligation shall be met through rental units, including at least half in rental units available to families.
4. Families. At least half of the actual units created to address the Fourth Round Prospective Need obligation must be available to families.
5. Age-Restricted Cap. No more than 30 percent of all units developed or planned to meet the Fourth Round Prospective Need obligation shall be met with age-restricted units.

F. REJECTED DEVELOPMENT SITES

Given the sensitive environmental features of the Borough that limit development opportunities, the Borough has limited land resources for development. Consequently, the Borough seeks to redevelop existing developed sites and has identified such sites that in totality, provide a realistic opportunity for development that will satisfy the Borough's entire prospective need obligation.

G. CONSISTENCY WITH STATE PLANNING INITIATIVES

As noted in Section 1 of this plan, a HE&FSP must also include:

- ❖ 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; and
- ❖ 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.

Accordingly, the following subsection analyzes the consistency of this HE&FSP to the above referenced state planning initiatives.

1. Multigenerational Family Housing Continuity Commission

The Multigenerational Family Housing Continuity Commission was established by the State of New Jersey in 2021. As noted in N.J.S.A. 52:27D-329.20, one of the primary duties of the Commission is to "prepare and adopt recommendations on how State government, local government, community organizations, private entities, and community members may most effectively advance the goal of enabling senior citizens to reside at the homes of their extended families, thereby preserving and enhancing multigenerational family continuity, through the modification of State and local laws and policies in the areas of housing, land use planning, parking and streetscape planning, and other relevant areas."

As of the date of this HE&FSP, the Multigenerational Family Housing Continuity Commission has not yet adopted any recommendations.

2. State Development and Redevelopment Plan

As established by N.J.S.A. 52:18A-200(f), the purpose of the State Development and Redevelopment Plan (SDRP) is to “coordinate planning activities and establish Statewide planning objectives in the following areas: land use, housing, economic development, transportation, natural resource conservation, agriculture and farmland retention, recreation, urban and suburban redevelopment, historic preservation, public facilities and services, and intergovernmental coordination.”

As such, the SDRP establishes a number of goals and strategies related to a number of different topics, including the development of affordable housing, the preservation of open space and promoting smart growth principles.

As indicated by the SDRP’s Policy Map, the entirety of Peapack Gladstone Borough is located in the PA-5 Environmentally Sensitive Planning Area, wherein development and redevelopment is recognized as severely limited due to the presence of heavily regulated environmental features. The intent of this Planning Area is to promote a balance of conservation and limited growth where environmental constraints affect development and preservation is encouraged in large contiguous tracts.

Accordingly, this HE&FSP is consistent with the intents of the PA-5. Specifically, it is designed to encourage redevelopment and growth in addressing its affordable housing obligation by repurposing existing developed sites while preserving critical environmental features.

H. CREDITING DOCUMENTATION AND ONGOING COMPLIANCE

The Borough of Peapack and Gladstone is following the applicable requirements regarding unit monitoring and reporting. Specifically, the Township completed the statutorily required updates to its housing project status report by the DCA deadline of February 15, 2025. These updates are included in the State’s new Affordable Housing Monitoring System and should be considered to fulfill the Borough’s obligation to specify the creditworthiness of all existing affordable units. Further, all crediting documentation submitted to and approved by the Court as part of the Township’s Third Round Housing Element and Fair Share Plan remains on file with and accessible from the Court. All other crediting documentation, for plan components that were not part of the Township’s Third Round HE&FSP, is included in the appendices of this plan.

Appendices

- A Adopted Spending Plan
- B Ordinance No. 1142-2024 Establishing the Senior Living Campus Zone
- C Draft Ordinance Amending the Senior Living Campus, SLC Zone
- D Draft Ordinance Establishing the Affordable Housing 2, AH-2 Zone

A Adopted Spending Plan

May 25, 2025
Borough of Peapack and Gladstone
Affordable Housing Trust Fund Spending Plan (Amended)

INTRODUCTION

The Borough of Peapack and Gladstone (hereinafter the "Borough"), Somerset County, has prepared a Housing Element and Fair Share Plan that addresses its regional fair share of the affordable housing need in accordance with the Municipal Land Use Law (N.J.S.A. 40:55D-1 et seq.), the Fair Housing Act (FHA) (N.J.S.A. 52:27D-301) and regulations as enumerated within N.J.A.C. 5:91-1 et seq. and N.J.A.C. 5:93-1 et seq. A Development Fee Ordinance creating a dedicated revenue source for affordable housing and establishing the Borough of Peapack and Gladstone affordable housing trust fund was first adopted by the Borough in May 2002 and was most recently updated on November 20, 2018 via the adoption of an updated Affordable Housing Ordinance which incorporated a Development Fee per Ordinance No. 1064-2018.

As of April 30, 2025, the Borough of Peapack and Gladstone has a balance of \$1,315,986 in its Affordable Housing Trust fund. All development fees, payments in lieu of constructing affordable units on site, funds from the sale of units with extinguished controls, and interest generated by the fees are deposited in a separate interest-bearing affordable housing trust fund account for the purposes of affordable housing. These funds shall be spent in accordance with N.J.A.C. 5:93-8.16 as described in the sections that follow.

1. REVENUES FOR CERTIFICATION PERIOD

It is anticipated that during the period of 2025 to 2035, which is the end of the Fourth Round, the Borough will add an additional \$660,626 to its Affordable Housing Trust Fund. This is detailed below.

- (a) Development fees: The Borough anticipates that \$570,250 in development fees will be generated between June 30, 2025 and June 30, 2035 (during the Fourth Round Period) based upon an average collection rate of \$57,025 per year over the past ten years.
- (b) Payment in lieu (PIL): The Borough of Peapack and Gladstone does not currently anticipate the contribution of any payments in lieu of toward the municipal Affordable Housing Trust Fund during the Fourth Round period.
- (c) Other Funds: The Borough of Peapack and Gladstone does not currently anticipate the contribution of any other funds toward the municipal Affordable Housing Trust Fund during the Fourth Round period.

- (d) Projected interest: Since 2005, the Borough of Peapack and Gladstone has collected an average of \$5,641 per year in interest for its Affordable Housing Trust Fund. It is anticipated that this annual average will continue during the Fourth Round. As such, it is estimated that the Borough will collect approximately \$56,410 in total interest to the end of the Fourth Round.

SOURCE OF FUNDS	
	6/30/25 – 6/30/2035
(a) Development fees:	\$570,250
(b) Payments in Lieu of Construction	0
(c) Other Funds	0
(d) Interest	\$56,410
Total	\$626,660

In sum, the Borough of Peapack and Gladstone projects a total of \$626,660 in revenue to be collected between June 30, 2025 and June 30, 2035. This projected amount, when added to Peapack and Gladstone's current trust fund balance of \$1,315,986, results in a total anticipated trust fund balance of \$1,942,646 available to fund and administer the Borough's affordable housing plan through the Fourth Round. All interest earned on the account shall be used only for the purposes of affordable housing.

2. ADMINISTRATIVE MECHANISM TO COLLECT AND DISTRIBUTE FUNDS

The following procedural sequence for the collection and distribution of development fee revenues shall be followed by the Borough:

- (a) Collection of development fee revenues: Collection of development fee revenues shall be consistent with Peapack and Gladstone's development fee ordinance for both residential and non-residential developments in accordance with applicable of P.L.2008, c.46, sections 8 (C. 52:27D-329.2) and 32-38 (C. 40:55D-8.1 through 8.8), and as may be amended.
- (b) Distribution of development fee revenues: A request for the expenditure of development fee revenues will be submitted to the Chief Financial Officer (CFO) of Peapack and Gladstone. Requests for expenditure of funds may come from administrative agencies, developers, contractors, or other entities engaged in the development or rehabilitation of affordable housing in Peapack and Gladstone. The CFO will review the request in the context of the Borough's Spending Plan, and, if deemed a valid utilization of development fee funds, will submit a report and request for approval to Peapack and Gladstone's governing body. If approved by the governing body, the funds will be distributed by the CFO.

3. DESCRIPTION OF ANTICIPATED USE OF AFFORDABLE HOUSING FUNDS

- (a) Rehabilitation. The Borough has a rehabilitation obligation of 11 units. In order to address its rehabilitation obligation, the Borough will participate in the Somerset County Home Improvement Program (BCHIP) – or hire a separate entity – and will utilize funds from the Borough's affordable housing trust fund to help fund these programs. The Borough will commit a total of \$20,000 towards its rehabilitation requirement.

COAH's rules require municipalities to set aside sufficient funds to address one-third of their rehabilitation obligation within one year of approval of their plan. For Peapack and Gladstone, this equates to 4 rehab units in the first year. In addition, municipalities are required to set aside sufficient funds to address one-sixth of their rehabilitation obligation each subsequent year of the substantive certification period. The remaining obligation will be addressed with at least 1 unit being rehabilitated per year until fully satisfied.

- (b) Accessory Apartment Program. The Borough will allocate \$25,000 per accessory apartment to implement the Accessory Apartment Program not to exceed 10 units for a total of \$250,000.

- (c) Affordability Assistance. Pursuant to N.J.A.C. 5:93-8.16(c), the Borough will commit to spend at least 30% of the revenues collected from development fees towards affordability assistance to low- and moderate-income households. As shown in the table below, the Borough projects that approximately \$582,793 will be available from the affordable housing trust fund for this purpose through 2035, one-third of which will need to be dedicated toward affordability assistance for very-low-income households. The Borough's affordability assistance program may include down payment assistance, special condominium fees and assessment assistance, emergency repair assistance, emergency/hardship mortgage payment assistance, and rental assistance.

Actual development fees + interest through 2025		\$ 1,315,986
Development fees projected	+	\$ 570,250
Interest projected 6/30/25-6/30/2035	+	\$ 56,410
Less rehab & housing activity expenditures through 12/31/22	-	\$ 0
Less rehab & housing activity expenditures 2023-6/30/2025	-	\$ 0
Total	=	\$ 1,942,646
30 percent requirement	x 0.30 =	\$ 582,793
Less affordability assistance expenditures through 2022	-	0
PROJECTED MINIMUM Affordability Assistance Requirement 6/30/25-6/30/2035	=	\$ 582,793
PROJECTED MINIMUM Very Low-Income Affordability Assistance Requirement 6/30/25-6/30/2035	÷ 3 =	\$ 194,264

- (d) Administrative Expenses. Per N.J.A.C. 5:93-8.16(e), no more than 20% of the revenues collected from development fees shall be expended on administration. The Borough projects that a maximum of \$388,529 of housing trust funds will be permitted to be used for administrative purposes through 2035. Projected administrative expenditures, subject to the 20% cap, include the salaries and benefits for municipal employees and consultant fees necessary to develop or implement the following:

1. An updated Housing Element and Fair Share Plan.
2. A rehabilitation program.
3. An affirmative marketing program.
4. An affordability assistance program.
5. Other affordable housing activities that do not involve litigation.

Actual development fees + interest through 2025		\$ 1,315,986
Development fees projected June 30, 2025-June 30, 2035	+	\$ 570,250
Interest projected	+	\$ 56,410
Less RCA expenditures through 12/31/17	-	0
Total	=	\$ 1,942,646
20 percent requirement	x 0.20 =	\$ 388,529
Less administrative expenditures through 12/31/17	-	\$ 0
PROJECTED MAXIMUM Administrative Expenses Requirement 6/30/2025-6/30/2025	=	\$ 388,529

4. EXPENDITURE SCHEDULE

The Borough of Peapack and Gladstone intends to use affordable housing trust fund revenues for the creation and/or rehabilitation of housing units, an accessory apartment program, affordable housing assistance and administrative costs according to the following schedule.

PROJECTS/PROGRAMS	Number of Units Projected			
		6/30/2025-6/30/26	6/30/2026 - 6/30/2035	Total
Rehabilitation	11	\$ 80,000	\$ 140,000	\$ 220,000
Affordability Assistance		\$ 58,279	\$ 524,514	\$ 582,793
Accessory Apartments	10	\$ 25,000	\$ 225,000	\$250,000
* Administration		\$ 38,852	349,668	\$349,676
Total	31	\$103,657		\$1,441,322

In the event that a shortfall of anticipated revenues occurs, the Borough of Peapack and Gladstone will handle the shortfall of funds through bonding, which is highly unlikely to occur given the amount of money already in the Affordable Housing Trust Fund.

In the event of excess funds, or in the event that the amount spent on administration is less than projected, any remaining funds above the amount necessary to satisfy the municipal affordable housing obligation will be dedicated toward its rehabilitation program and/or affordability assistance program and/or additional affordable housing activity.

SUMMARY

The Borough of Peapack and Gladstone intends to spend affordable housing trust fund revenues pursuant to N.J.A.C. 5:93-8.16 and consistent with the housing programs outlined in the Borough's Fourth Round Housing Element and Fair Share Plan.

The Borough of Peapack and Gladstone has a balance of \$1,315,986 as of April 30, 2025 and anticipates an additional \$660,626 in revenues through to June 30, 2035 for a total of \$1,942,646 . During the period of the Borough's Fourth Round plan duration through 2035, the Borough will agree to fund \$220,000 towards rehabilitation of 11 housing units, a minimum of \$582,793 towards an affordability assistance program, \$250,000 for an accessory apartment program, and a maximum not to exceed \$ 389,529 towards administrative costs.

Any shortfall of funds will be offset by an alternative funding source to be identified by the Borough. In the unlikely event that no alternative funding is available, the Borough of Peapack and Gladstone will bond to provide the necessary funding. The municipality will dedicate any excess funds or remaining balance toward its rehabilitation program and/or affordability assistance program and/or additional affordable housing activity necessary to address its affordable housing obligation.

SPENDING PLAN SUMMARY		
Balance as of April 30, 2025		\$ 1,315,986
PROJECTED REVENUE 6/30/2025-6/30/2035		
Development fees	+	\$570,250
Payments in lieu of construction	+	\$ 0
Other funds	+	\$ 0
Interest	+	\$56,410
SUBTOTAL REVENUE	=	\$626,660
TOTAL REVENUE	=	\$ 1,942,646
EXPENDITURES		
Funds used for Rehabilitation	-	\$ 220,000
Affordability Assistance	-	\$582,793
Accessory Apartment Program	-	\$ 250,000
Administration	-	\$ 388,529
TOTAL PROJECTED EXPENDITURES	=	\$ 1,441,322
REMAINING BALANCE	=	\$ 501,324
Excess Funds or Remaining Balance Reserved for Additional Rehabilitation Expenditures and/or Affordability Assistance	=	\$ 501,324

B Ordinance No. 1142-2024 Establishing the Senior Living Campus Zone

**BOROUGH OF PEAPACK AND GLADSTONE
SOMERSET COUNTY, NEW JERSEY**

ORDINANCE NO. 1142-2024

**AN ORDINANCE TO AMEND CHAPTER XXIII, "LAND DEVELOPMENT ORDINANCE" OF THE
REVISED GENERAL ORDINANCES OF THE BOROUGH OF PEAPACK AND GLADSTONE CREATING
THE SENIOR LIVING CAMPUS ZONE**

WHEREAS, Pfizer Inc., has long maintained a research and office campus within the Borough located at 100 Route US-206. This facility sits on 148 acres, employs over 1,200 persons and pays over \$1.5 million annually in local taxes representing 9% of the Borough's tax revenue; and

WHEREAS, in October of 2023 Pfizer announced it would be closing this facility permanently along with other facilities due to slumping pharmaceutical sales; and

WHEREAS, the loss of the Pfizer office and laboratory research facility requires that the campus be repurposed to address the void left by Pfizer's closure; and

WHEREAS, the Borough believes that the campus is well suited to be repurposed to include, among other things as described herein, to a senior housing campus with multifamily units and townhomes limited to 55 and over, assisted living facility, an on-site extended stay hotel, medical arts facility and commercial space, including restaurants and retail for the benefit of residents and visitors, various site amenities, including property reserved for open space and trails, and other ancillary and incidental uses; and

WHEREAS, in consideration of the above and in accordance with the requirements of N.J.S.A. 40:55D-1 et. seq., the Borough Land Use Board adopted, on March 6, 2024, a Master Plan Land Use Element Amendment prepared by Burgis Associates entitled "Master Plan Land Use Element Amendment-Pfizer Campus Development" dated February 22, 2024.

NOW THEREFORE BE IT ORDAINED by the Governing Body of the Borough of Peapack and Gladstone, Somerset County, New Jersey that it does hereby amend and supplement the Zoning Ordinance of the Borough as follows:

Note: deletions of existing ordinance requirements are indicated by ~~strikeout~~ where new sections are indicated by ***bold italics***.

SECTION 1. Article IV §23-38.1 Establishment of Zones is hereby amended and supplemented as follows:

SLC Senior Living Campus Zone

SECTION 2. Article IV §23-38.2 Zoning Map is hereby amended and supplemented as follows:

Block 20, Lots 7, 8, 9, 9.01, 10 and 15 are hereby rezoned from ORL, to SLC.

SECTION 3. Article IV, Zoning is hereby amended to add §23-39.3, Senior Living Campus Zone:

§23-39.3 Senior Living Campus Zone (New Section)

a. Purpose. The purpose of this zoning district is to permit the adaptive reuse of the former Pfizer Campus, previously occupied by the Pfizer Pharmaceutical Corporation as an office, research and laboratory facility, into a campus that will provide senior housing (in the form of multifamily units and townhome units, senior assisted living facilities, medical arts buildings, extended stay hotel, commercial uses and other principal uses and accessory uses as described herein within the SLC Zone. Given the scope of the SLC Zone, it is intended that development of the SLC Zone (and approvals granted pursuant to this ordinance) will occur in multiple phases.

b. Principal permitted uses.

- 1. Senior Multifamily Residential Development (including rental apartments, for-sale condominiums, and townhomes) constructed solely for senior occupants hereby defined as those adults that are 55 years of age or older subject to occupancy limitations as set forth in this ordinance. Nothing herein is intended to restrict the ownership of any residential unit by virtue of the age of any one or more unit owner, but rather the intent is to restrict the occupancy of residential units by virtue of the age of the occupants of such units, consistent with applicable statutory and case law, including, but not limited to, the Federal Fair Housing Act (FHA) and the NJ Law Against Discrimination (NJ LAD). Residential development at the site may also include special needs housing (as permitted and defined under the Uniform Housing Affordability Controls) and/or a group home subject to the same age restrictions set forth in this Section.***
- 2. Senior assisted living or continuum care facilities, including but not limited to acute care facilities, memory care facilities, independent living facilities.***

3. ***Medical Arts Building limited to small-scale general or specialty practices herein defined as a medical or dental practice offering medical or dental services on an outpatient basis. Each such practice shall include a total of no more than the full-time equivalent of three principal health care providers and two other medical or dental professionals, exclusive of administrative or clerical staff, providing services on the premises. A medical or dental office may also contain associated in-house ancillary services such as in-house diagnostic testing facilities, medical counseling services, and similar services which are customarily included in connection with such principal uses.***
4. ***Extended Stay Hotel, including conference center, conference rooms, restaurants and/or banquet halls, and retail uses which are customarily included in connection with a Hotel. Any such restaurant or banquet hall shall be permitted to include space to service patrons consuming alcoholic beverages, to the extent such facility is or will be in possession of a liquor license. Agreements for occupancy at an Extended Stay Hotel shall be limited to a maximum term of nine (9) months pursuant to a license agreement. No lease agreement will be permitted. There shall be no minimum term for occupancy.***
5. ***Commercial uses, including a market, convenience store, small restaurant or other businesses that directly support the residential community. The foregoing shall include a Pub, Café, private dining or brasserie. An outdoor dining area associated with a food service use shall be permitted provided it is in an enclosed space (i.e., surrounded by a small fence, landscaping boxes, or similar enclosures customarily used for outdoor dining) and appropriately screened. The total square footage of commercial uses shall be limited to 12,500 square feet; it being understood that the square footage associated with other principal uses and/or accessory uses permitted hereunder shall not count toward such square footage maximum cap. By way of example, and not of limitation, the foregoing uses shall not be included within the 12,500 square foot limit: clubhouses, assisted living facilities or similar uses, extended stay hotels, restaurants, conference centers or banquet facilities included in an extended stay hotel, solar arrays, or other accessory uses incidental to a principal use as noted below.***
6. ***Solar array limited to its present footprint and location on Block20, Lot 9 with the expressed purpose of providing electric energy to the SLC and other areas within the Borough.***

7. ***Multiple permitted uses shall be permitted on a single lot and may occupy a single building or can be developed as separate structures within the SLC Zone.***

c. Prohibited uses. Any use not specifically permitted herein is prohibited.

d. Accessory Uses. Any use which is ordinarily subordinate and customarily incidental to the principal permitted uses including but not limited to residential amenities, including clubhouses, pools, gyms, fitness facilities, spas, lounges, rooftop decks, walking trails, tennis courts, pickleball courts, bocce courts, recreational facilities, community rooms, outdoor barbecues and eating areas, decks, patios and similar site improvements. Without limiting the generality of the foregoing, accessory uses shall also include:

1. ***Roof-top mounted structures for heating, cooling, ventilation, hot water, elevators, or generation of electricity through renewable energy sources;***
2. ***Dining facilities associated with the hotel and conference facilities and/or assisted living facilities;***
3. ***Retail uses associated with the hotel and conference facilities;***
4. ***Courtyard***
5. ***Club Room venue and fitness center for classes & activities***
6. ***Medical care center, on-site physicians, & medication administration***
7. ***Hair salon***
8. ***Wellness consultants and lifestyle curators***
9. ***Emergency response technology***
10. ***Library and lounge(s)***
11. ***Housekeeping, concierge, and daily living assistance***
12. ***Resident transportation***
13. ***Pet friendly facilities such as dog runs and dog washes***
14. ***Indoor heated pool or Outdoor Pools and associated storage areas.***
15. ***Rooftop decks or gardens***
16. ***Movie theater room***
17. ***Sanctuary/Meditation center***
18. ***Art studio***
19. ***Parking areas***
20. ***Signs as permitted by ordinance***
21. ***Storage areas for residential occupants in the SLC Zone***
22. ***Mechanical areas***
23. ***Detention Basins, infiltration basins, swales, we ponds, and constructed***

- stormwater wetlands that handle stormwater management; * and*
- 24. Other site improvements which are customary and incidental to the principal uses permitted herein.**

e. Low and Moderate-Income Housing Requirements.

- 1. There shall be a mandatory set aside of 20% of residential units as applied to the residential portion of the SLC regardless of whether for rental or for sale. Of the 20% mandatory set aside set forth above, not more than fifteen (15) of such units may be satisfied by the development of special needs age restricted beds (which shall have the meaning set forth in the Uniform Housing Affordability Controls (UHAC) regulations. It being understood that such beds shall be credited against any other affordable housing unit requirement applicable to the SLC Zone's residential portion on a one to one basis, as permitted by UHAC.***
 - 2. Notwithstanding the foregoing, the set aside applicable to an assisted living facility shall be subject to only a 10% affordable housing set aside as required by N.J.A.C. 5-93-5.16a***
 - 3. Residential development, as permitted by this section, shall comply with all provisions of Chapter XXIII, Article IX titled "Affordable Housing."***
 - 4. The required set aside may be satisfied by the inclusion of multi-story residential buildings, garden style apartments, ~~group homes~~ or any other use permitted hereunder.***
- f. Area and setback requirements shall be as follows, which shall be applied on the basis of the larger of (1) the existing lots as of the adoption of this ordinance, or (2) lots created subsequent to the date hereof as a result of lot consolidations, without regard to any future subdivision affecting the property within the SLC Zone. For the avoidance of doubt, future subdivisions of the Property are permitted without regard to the minimum lot area or other bulk requirements set forth herein. Any application for preliminary and/or final site plan approval submitted under this ordinance which either (i) also includes a subdivision, or (ii) succeeds a previously approved subdivision, shall include the boundary lines of the lots in existence as of the date of adoption of this ordinance for purposes of determining whether the***

proposed site plan complies with the bulk requirements set forth herein.

- 1. Minimum tract area for development application (acres): 50***
- 2. Minimum setbacks from boundaries of the SLC Zone, applicable regardless of whether same constitutes a front yard, rear yard, side yard or otherwise (feet):***
 - (a) Abutting an industrial zone (as of the date of adoption of this ordinance): 50 feet***
 - (b) All other yards: 100 feet***
- 3. Impervious Coverage Limitation. 50%***
- 4. Building Height. Building height shall be regulated as follows:***
 - (a) "Building height" shall mean the vertical distance from average finished grade of the building or structure to the level of the highest point of the building (or in the case of a pitched or gable roof, the mid-point between the eave and ridge of such roof), but not including Rooftop Appurtenances.***
 - (b) "Rooftop Appurtenances" means the visible, functional or ornamental objects accessory to and part of a building's roof-top, including, but not limited to, chimneys, parapets or other ornamental features, elevator equipment, mechanical utility equipment, and any associated screening or enclosures.***
 - (c) "Story" means that portion of a building included between the surface of any floor and the surface of the floor next above it, or if there is no floor above it, then the space between the floor and the ceiling next above it; provided that (1) any Story that is at least 45% below finished grade, measured according to the portion of its floor-to-ceiling height that is below finished grade shall not be considered a Story, and (2) attics, inaccessible space, or space not otherwise intended for human occupancy, shall not be considered a Story as well as ground level or subterranean space utilized solely for parking, ingress and egress, shall not be considered a story.***

(d) Maximum number stories and building height:

- i. Residential: 3 Stories/ 45 feet**
- ii. Extended Stay Hotel/Commercial: 3 Stories/45 feet**
- iii. Assisted Living: 3 Stories/ 45 feet**

(e) Height Exception.

- i. Existing buildings within the SLC Zone that are repurposed to uses as permitted by this section may maintain existing building heights but may not be expanded in height. The addition of parapets or other ornamental features, elevator equipment, mechanical utility equipment, and any associated screening or enclosures or rooftop decks shall not be considered an expansion of existing building height subject to the requirements pursuant to subsection f.4.ii.**
- ii. The height limit shall not apply to roof-mounted heating, air-conditioning units or mechanical, electrical, and plumbing equipment, except such equipment shall not exceed a maximum height of 10 feet and shall not occupy more than 25% of the roof area. and be screened by a wall, cover or by other means, and such screening shall be in keeping with the architectural motif of the building.**

g. Supplemental Regulations.**1. Maximum number of residential units. The maximum number of allowable residential units shall not exceed the following:**

- (a) Residential senior housing development: 200 total units.**
- (b) Assisted Living Units and/or Hotel Units: Total number in combination of units shall not exceed 230 total units (which may be allocated among the foregoing uses in the discretion of applicants). Notwithstanding the total number of units set forth above, in no event shall the SLC Zone include more than 195 assisted living units, or 130 Hotel Units.**

2. Occupancy limitations.

- (a) The occupancy of any residential unit shall be limited either, by deed if for sale or by lease if rental, to occupancy by adults where at least one adult is age 55 or older, and no one in the household is less than 19 years of age.**
- (b) Any change in occupancy of a residential unit shall create a new tenancy and the age restriction set forth in subsection g.2(a) above shall be incorporated into any title or lease associated with the unit.**

3. Parking.

- (a) Residential Parking: In accordance with Residential Site Improvement Standards (RSIS).**
- (b) Assisted Living Facility: In accordance with Residential Site Improvement Standards (RSIS).**
- (c) Nonresidential:**
 - i. Restaurant: 1 space per 4 seats**
 - ii. Conference Center: 1 space per 400 square feet**
 - iii. Medical arts building: 1 space per 200 square feet**
 - iv. Convenience Store 1 space per 250 square feet**
 - v. Extended Stay Hotel: 1 space per unit plus 1 parking space per employee on a maximum shift.**
- (d) Except as otherwise set forth herein, Parking and circulation shall comply with Land Development, Article V, Site Plan and Subdivision Standards enumerated in §23-46.12 as applicable. Parking spaces measuring 9'x18' shall be permitted and satisfy the requirements hereunder.**
- (e) Electric Vehicle Supply/Service Equipment. Electric Vehicle Supply/Service Equipment (EVSE) shall be incorporated in any development within the SLC Zone pursuant to New Jersey P.L. 2021, c.171. Same shall be for the exclusive use of residents and other users of the principal uses, and not the general public.**

- 4. Buffer Requirements. A natural vegetated buffer equal to the distance of the applicable setback requirement as set forth herein, shall be required to be maintained at all times along the perimeter of the SLC Zone, other than areas located within the public right-of-way or other easement areas, (i.e., the**

perimeter of the aggregate plot of land comprising the SLC Zone, and not individual lots within the SLC Zone). The buffer may include naturally occurring vegetation, as well as hedges, row trees, berms or similar landscaping installed by developer.

- (a) No disturbance or use is permitted to the buffer area with the exception of access roads, walking paths or trails and similar passive recreation uses, underground infrastructure, landscaping, hardscape (including retaining walls, fencing, ornamental walls, and the like), signs as may otherwise be permitted by this Ordinance or other Borough Ordinances, or required maintenance to the foregoing or the buffer area.***
- (b) Any disturbance to buffer areas as permitted by subsection 4.(a) above shall be restored subject to the review and approval of the Borough Land Use Board.***

5. Landscape Requirements.

- a) Landscaping shall be provided to promote a desirable visual environment, to accentuate building design, define entranceways, screen parking areas, mitigate adverse visual impacts and provide windbreaks for winter winds and summer cooling for buildings, and enhance buffer areas. The impact of any proposed landscaping plan at various time intervals shall be considered. Plants and other landscaping materials shall be selected in terms of aesthetic and functional considerations. The landscape design shall create visual diversity and contrast through variation in size, shape, texture and color. The selection of plants in terms of susceptibility to disease and insect damage, wind and ice damage, habitat (wet- site, drought, sun and shade tolerance), soil conditions, growth rate, longevity; root pattern, maintenance requirements, etc., shall be considered. Consideration shall be given to accenting site entrances and unique areas with special landscaping treatment. Flowerbed displays are encouraged.***
- b) Landscaped islands shall be at least six feet in width to accommodate***

plantings.

- c) Landscaping within sight triangles shall not exceed a mature height of 30 inches. Shade trees shall be pruned up to an 8-foot branching height above grade.***
- d) All areas that are not improved with buildings, structures and other man-made improvements are encouraged to be forested, left in their natural state, or landscaped with trees, shrubs, street furniture, sculpture or other design amenities. The foregoing shall not prohibit open space (including a forest or space left in its natural state), which is encouraged to be included in the SLC Zone.***
- e) Shade trees shall be a minimum 2.5 to 3-inch caliper with a canopy height of at least the minimum American Nursery and Landscape Association Standards for this caliper.***
- f) Ornamental Trees shall be installed at a minimum size of 6 feet in height.***
- g) Shrubs shall be planted at a minimum size of 18 to 24 inches.***
- h) All plant material shall meet the minimum latest American Nursery and Landscape Association Standards.***
- i) Irrigation shall be provided for all lawn areas in a manner appropriate for the specific plant species.***
- j) A growth guarantee of one growing season shall be provided and all dead or dying plants within that period shall be replaced by the applicant, as required, to maintain the integrity of the site plan.***
- k) Landscape Plantings. All plant materials are to be indigenous to the region herein defined as the Somerset County region but in no event shall the plant materials be comprised of less than 50 percent indigenous species. Invasive plant species shall not be permitted.***
- l) Landscaping shall be a condition of any approval and shall be maintained in perpetuity. The perpetual maintenance obligation shall not require that landscaping be replaced with identical species***

types, but shall allow for substitution with like-kind landscaping. An applicant shall be permitted to upgrade, replace, add or otherwise alter landscaping set forth in any approved plan, so long as the same is reasonably consistent with that which was approved in the site plan application. Any replacement of plant species shall comply with the requirements of subsection 5.(k) above

6. Lighting.

- a) All lighting fixtures and foot-candle standards for parking areas and recreation facilities shall be consistent with the standards outlined by the Illuminating Engineering Society of North America (IESNA).*
- b) A lighting plan prepared by a qualified professional shall be provided with site plan applications.*
- c) The intensity, shielding, direction and reflecting of lighting shall be subject to site plan approval by the Borough Engineer and Land Use Board.*
- d) All parking areas, walkways, building entrances, and driveways required for uses in this zone shall be adequately illuminated during the hours of operation that occur after sunset.*
- e) Lighting shall be shielded so as to prevent glare from adversely impacting surrounding properties.*

7. Signage.

- a) Signage shall be in accordance with Article IV, Zoning §23-40.17 and Attachment 2 of the Land Development Code, except as modified herein. Notwithstanding the lack of reference to the SLC Zone therein, all signage permitted by Attachment 2 to Chapter 23 (the "Sign Zone Specification Table") which are applicable to the uses permitted hereunder shall be permitted in the SLC Zone.*
- b) Freestanding Signage*
 - i. Electric Vehicle Charging Stations for public use shall be permitted one freestanding sign subject to compliance with*

Article IV, Zoning §23-40.17 and Attachment 2 of the Land Development Code as enumerated in this section. Notwithstanding the foregoing, the minimum setback required for such freestanding sign shall be 10 feet.

- ii. A property sign, identifying the property address, shall be permitted subject to compliance with Article IV, Zoning §23-40.17 and Attachment 2 of the Land Development Code as enumerated in this section. Notwithstanding the foregoing, the minimum setback required for such freestanding sign shall be 10 feet.**

c) Wayfinding Signage

- i. In order to promote the safe and efficient circulation of vehicles and pedestrians within the SLC Zone, development within the SLC Zone shall permit wayfinding signage throughout the tract in the discretion of applicants, subject to the reasonable approval of the Board Engineer.**

d) Permitted signs are as follows:

- i. Residential uses: Townhouses and multi-family residential uses are permitted ground identification signs and/or monument signs at entrances to a community which shall not exceed 36 square feet in area nor shall be greater than six feet above grade.**
- ii. Mixed use: For a mixed-use development, the sign requirements for each component use as provided herein shall be calculated separately**
- iii. Hospitality/lodging uses: The permitted signs for hospital/lodging uses shall be the same as for retail uses.**

e) Office uses as follows:

- i. Wall signs: Office uses are permitted one wall sign per street frontage; Permitted Wall Sign Dimensions for Office Uses. No walls signs are permitted above the roofline. Walls signs may be internally lit raised letters with concealed ballast, back-lit raised letters with concealed ballast, signage board with gooseneck**

lighting, or individual cut letters with gooseneck lighting.

- ii. Ground signs: Office uses are permitted one ground sign. The maximum sign area shall be 48 square feet. The maximum sign height shall be six feet above grade. If lighted, the sign shall be lit by direct, external light sources, internally illuminated letters/logos, or back-lit raised letters/logos. Ground signs shall be constructed so that no void is present between the sign and the ground; and***
- iii. Directory signs: Office structures having more than two tenants may have tenants' names aggregated into one directory sign located at or near the main entrance into the building and be either attached to the building or be freestanding. Directory signs shall not be more than 10 feet from the entrance to the buildings provided the resulting directory sign does not exceed two square feet per business or 32 square feet in aggregate, whichever is less.***

f) Retail Uses as follows:

- i. Retail uses are permitted one wall sign per street frontage; Wall signs shall be located between the top line of display windows or doors on the first floor, and the bottom line of the second-floor windows, roof, or cornice above, in an area that is uninterrupted by windows, architectural details, or openings. Wall signs shall not project beyond the roof or sides of the building. No sign shall project more than 15 inches from the wall of any building***
- ii. Retail window signs are permitted provided that the aggregate sign area of window signs shall not exceed 15 percent of the glazed area of the ground-floor retail window in which the sign is placed. Retail window signs shall be affixed flush with or inside the glazing, and letters and graphics may only be opaque. No portion of any retail window sign shall be located higher than 15 feet above grade.***
- iii. Temporary window signs shall be permitted to be displayed on or***

inside the glazed portion of ground-floor retail windows. No such sign shall be permitted on solid portions of facades

- iv. Retail uses are permitted one awning sign. No sign shall be placed on any portion of an awning except the valance. The sign area shall be less than 30 percent of the surface area of the valance. Such sign copy may be non-illuminated or indirectly illuminated.***

g) Temporary Signs

- i. Future development signs: In conjunction with site plan approval, a temporary sign is permitted indicating the future development of the property under construction or alteration.***
 - ii. Temporary signs announcing the future opening of a use permitted hereunder shall be permitted, provided the sign not exceed 100 square feet nor shall any portion of the sign be greater than eight feet in height or closer than 10 feet to any property line.***
 - iii. Sale or rental signs: Temporary signs shall be permitted advertising the sale or rental of the premises upon which said sign has been erected. The foregoing shall include freestanding signage, feather flags, and signs designating parking spaces for prospective future residents. Sale and rental signs shall not be permitted to be neon or flashing lighted signage.***
- 8. Refuse and recycling shall be located interior to a building or, alternatively, if located outside, the refuse area shall be appropriately screened by decorative masonry wall and/or fencing consistent with the type of building materials used within the development not to exceed six feet.***
- 9. Rooftop utilities, including mechanical, electrical, and plumbing equipment, and HVAC units, are permitted as set forth elsewhere in this ordinance, but shall be shielded from public view with appropriate screening that complements the character of the buildings architecture. Private residential balconies shall be permitted but shall not exceed a maximum depth of six (6)***

feet beyond the building façade nor encroach within a required setback. Notwithstanding the foregoing, ground level private and common courtyards shall not be subject to these requirements and may be permitted within the required setback provided the encroachment is screened or landscaped.

10. Rooftop terrace space may be used as an outdoor amenity provided such use is screened or otherwise not visible to the neighboring properties and the hours of operations are limited to the hours of 8:00 a.m. to 11:00 p.m. daily.

11. Architecture compatibility. Any proposed new construction shall incorporate architectural features that are compatible in design and color to existing campus buildings that are maintained within the complex.

12. Dedication of Open Space. Pursuant to the Master Plan Land Use Element of the Borough, any development of the SCL Zone shall require a dedication of open space to the Borough as detailed in the amendment document entitled "Master Plan Land Use Element Amendment-Pfizer Campus Development," prepared by Burgis Associates, dated February 22, 2024, and adopted by the Land Use Board on March 6, 2024.

13. Solar Array. The existing solar array situated on Block 20, Lot 9 shall be maintained and continued for the sole benefit of the development within the SLC Zone and/or other areas within the Borough. The solar array shall remain operational until such time the solar array has reached its engineered functional age and is no longer feasible to operate or, the third-party lessee responsible for operation of the solar array elects to decommission, terminate or otherwise abandon its operation in accordance with the terms of the lease, whereupon the array may be replaced with renewed solar equipment or abandoned. If abandoned, the responsible third-party lessee shall restore the site to its original undeveloped condition.

14. The SLC Zone is subject to that certain Sewer User Agreement, between the Borough of Peapack & Gladstone and Pharmacia & Upjohn Company, dated as of December 18, 1999 (the "Sewer User Agreement"). The Sewer User Agreement shall remain in full force and effect notwithstanding any change in use or other development as permitted hereunder or as may be approved in accordance with the MLUL. Without limiting the generality of the foregoing, (1) the existing capacity authorized pursuant to the Sewer User Agreement

shall continue to be authorized by the Borough, (2) in accordance with Section 201 of the Sewer User Agreement, the Borough agrees to endorse (subject to the reasonable approval of the Borough engineer) any application to the New Jersey Department of Environmental Protection for Treatment Works Approval made by an applicant within the SLC Zone, such endorsement to be provided to applicant upon submission of a preliminary or final site plan and/or subdivision approval; and (3) in the event increased capacity is approved in accordance with applicable law following the date hereof, the Borough's assessment of connection fees, user charges and surcharges shall be consistent with those permitted by applicable law and Borough ordinances then in effect.

15. Subdivisions: The subdivision of land within the SLC Zone for the purpose of financing, property management, conveyance or creation of fee simple lots for townhome units or for the separation of the apartment / condominium units from the townhome units shall be permitted hereby, notwithstanding that after any such subdivision the individual lots and improvements thereon may not comply with all requirements of this chapter, provided that the pre-subdivided lot (whether an original lot or a consolidated lot) remains in compliance with the site plan approved in accordance with the MLUL.

16. Developer's Agreement. Any approval for development within the SLC Zone shall be conditioned upon a Developer's Agreement memorializing the conditions of approval granted pursuant to the Municipal Land Use Law (MLUL) to be entered into between the Borough Governing Body and Developer which must be filed with the County Registrar.

SECTION 4. The Borough Clerk is directed to give notice at least ten (10) days prior to a hearing on the adoption of this Ordinance to the Somerset County Planning Board and to all other persons or entities entitled thereto pursuant to N.J.S.A. 40:55D-15 and 40:55D-62.1. The Borough Clerk shall execute any necessary Proofs of Service of the notices required by this section and shall keep any such proofs on file along with the Proof of Publication of the notice of the required public hearing on the proposed change.

SECTION 5. After introduction, the Borough Clerk is hereby directed to submit a copy of the within Ordinance to the Land Use Board of the Borough of Peapack for its review in accordance with N.J.S.A. 40:55D-26 and N.J.S.A. 40:55D-64. The Land Use Board, acting in its capacity as Planning Board, is directed to make and transmit to the Borough Council, within thirty-five (35) days after referral, a report including identification of any provision in the proposed Ordinance

which are inconsistent with the Master Plan and recommendations concerning any inconsistencies and any other matter as the Board deems appropriate.

SECTION 6. If any paragraph, subdivision, clause or provision of this Ordinance shall be adjudged invalid, such adjudication shall apply only to the section, paragraph, subdivision, clause or provision so adjudged and the remainder of the Ordinance shall be deemed valid and effective.

SECTION 7. All ordinances or parts of ordinances inconsistent with or in conflict with this Ordinance are hereby repealed to the extent of such inconsistency.

SECTION 8. This ordinance shall take effect immediately upon: (i) adoption; and (ii) publication in accordance with the laws of the State of New Jersey.

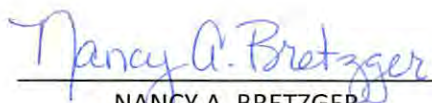
Introduced: May 14, 2024

Introduced	Seconded	Borough Council	Aye	Nay	Abstain	Absent
		Jamie Murphy	X			
	X	Eric L. Quartello	X			
		Sergio Silva	X			
		Julie Sueta	X			
X		John Sweeney	X			
		Jill Weible	X			

Adopted: September 10, 2024

Introduced	Seconded	Borough Council	Aye	Nay	Abstain	Absent
		Jamie Murphy				X
		Eric L. Quartello	X			
		Sergio Silva	X			
		Julie Sueta	X			
X		John Sweeney	X			
	X	Jill Weible	X			

Attest:


 NANCY A. BRETZGER
 BOROUGH CLERK


 MARK A. CORIGLIANO
 MAYOR

C Draft Ordinance Amending the Senior Living Campus, SLC Zone

DRAFT

**BOROUGH OF PEAPACK AND
GLADSTONE ORDINANCE No.**

**AN ORDINANCE TO AMEND CHAPTER XXIII, “LAND DEVELOPMENT ORDINANCE” OF
THE REVISED GENERAL ORDINANCES OF THE BOROUGH OF PEAPACK AND
GLADSTONE AMENDING THE SENIOR LIVING CAMPUS ZONE**

WHEREAS, Pfizer Inc., has long maintained a research and office campus within the Borough located at 100 Route US-206. This facility sits on 148 acres, employs over 1,200 persons and pays over \$1.5 million annually in local taxes representing 9% of the Borough’s tax revenue; and

WHEREAS, In October of 2023 Pfizer announced it would be closing this facility permanently along with other facilities due to slumping pharmaceutical sales; and

WHEREAS, In response to the closing of the campus the Borough adopted Ordinance No. 1142-2024 rezoning the campus from Office Research Laboratory, ORL to Senior Living Campus, SLC; and

WHEREAS, The SLC zone is a component of the Borough’s Fourth Round Fair Share Plan requiring an affordable housing set aside;

NOW THEREFORE BE IT ORDAINED by the Governing Body of the Borough of Peapack and Gladstone, Somerset County, New Jersey that it does hereby amend and supplement the Zoning Ordinance of the Borough as follows:

Note: deletions of existing ordinance requirements are indicated by ~~strikeout~~ where new sections are indicated by ***bold italics***.

SECTION 1. §23-39.3b.1 Principal Permitted Uses shall be amended to read as follows:

a. Principal permitted uses.

1. Senior Multifamily Residential Development (including rental apartments, for-sale condominiums, and townhomes) constructed solely for senior occupants hereby defined as those adults that are 55 years of age or older subject to occupancy limitations as set forth in this ordinance. Nothing herein is intended to restrict the ownership of any residential unit by virtue of the age of any one or more unit owner, but rather the intent is to restrict the occupancy of residential units by virtue of the age of the occupants of such units, consistent with applicable statutory and case law, including, but not limited to, the Federal Fair Housing Act (FHA) and the NJ Law Against Discrimination (NJ LAD). Residential development at the site may also include ***adult*** special needs housing (as permitted and defined under the Uniform Housing Affordability Controls) and/or a group home. ~~subject to the same age restrictions set forth in this Section.~~

SECTION 2. §23-39.3e Low and Moderate-Income Housing Requirements shall be amended to read as follows:

e. Low and Moderate-Income Housing Requirements.

1. There shall be a mandatory set aside of 20% of residential units as applied to the residential portion of the SLC regardless of whether for rental or for sale. Of the 20% mandatory set aside set forth above, not more than fifteen (15) of such units may be satisfied by the development of **adult** special needs ~~age-restricted beds-~~**housing** (which shall have the meaning set forth in the Uniform Housing Affordability Controls (UHAC) regulations. It being understood that such beds shall be credited against any other affordable housing unit requirement applicable to the SLC Zone's residential portion on a one to one basis¹ as permitted by UHAC.

SECTION 3. The Borough Clerk is directed to give notice at least ten (10) days prior to a hearing on the adoption of this Ordinance to the Somerset County Planning Board and to all other persons or entities entitled thereto pursuant to N.J.S.A. 40:55D-15 and 40:55D-62.1. The Borough Clerk shall execute any necessary Proofs of Service of the notices required by this section and shall keep any such proofs on file along with the Proof of Publication of the notice of the required public hearing on the proposed change.

SECTION 4. After introduction, the Borough Clerk is hereby directed to submit a copy of the within Ordinance to the Land Use Board of the Borough of Peapack for its review in accordance with N.J.S.A. 40:55D-26 and N.J.S.A. 40:55D-64. The Land Use Board, acting in its capacity as Planning Board, is directed to make and transmit to the Borough Council, within thirty-five (35) days after referral, a report including identification of any provision in the proposed Ordinance which are inconsistent with the Master Plan and recommendations concerning any inconsistencies and any other matter as the Board deems appropriate.

SECTION 5. If any paragraph, subdivision, clause or provision of this Ordinance shall be adjudged invalid, such adjudication shall apply only to the section, paragraph, subdivision, clause or provision so adjudged and the remainder of the Ordinance shall be deemed valid and effective.

SECTION 6. All ordinances or parts of ordinances inconsistent with or in conflict with this Ordinance are hereby repealed to the extent of such inconsistency.

SECTION 7. This ordinance shall take effect immediately upon: (i) adoption; and (ii) publication in accordance with the laws of the State of New Jersey.

Introduced:

Adopted:

Nancy A. Bretzger, RMC
Municipal Clerk

Mark Corigliano
Mayor

D Draft Ordinance Establishing the Affordable Housing 2, AH-2 Zone

BOROUGH OF PEAPACK AND GLADSTONE

ORDINANCE No.

AN ORDINANCE TO AMEND CHAPTER XXIII, ARTICLE IV, TITLED “LAND DEVELOPMENT ORDINANCE” OF THE REVISED GENERAL ORDINANCES OF THE BOROUGH OF PEAPACK AND GLADSTONE CREATING THE AFFORDABLE HOUSING 2, AH-2 ZONE

WHEREAS, pursuant to the New Jersey Supreme Court “Mount Laurel” decisions every municipality within the has a constitutional obligation to provide opportunities for the development of affordable housing; and

WHEREAS, the Peapack and Gladstone Borough Land Use Board has adopted a Housing Element and Fair Share Plan pursuant to the Municipal Land Use Law at N.J.S.A. 40:55D-1, et seq. (hereinafter “Fair Share Plan”) to address its constitutional obligation for the Third Round which covers the time period from July 1, 2025 to June 30, 2035; and

WHEREAS, the Fair Share Plan describes how the Borough of Peapack and Gladstone shall address its fair share of low- and moderate-income housing for the Fourth Round affordable housing cycle as documented in the Fair Share Plan itself pursuant to the New Jersey Fair Housing Act; and

WHEREAS, the Fair Share Plan was subsequently endorsed by the governing body; and

WHEREAS, the Fair Share Plan identifies certain properties to be zoned for inclusionary development pursuant to the adopted .

NOW THEREFORE BE IT ORDAINED by the Governing Body of the Borough of Peapack and Gladstone, Somerset County, New Jersey that it does hereby amend and supplement the Zoning Ordinance of the Borough as follows:

SECTION 1. Article IV §23-38.1 **Establishment of Zones** is hereby amended and supplemented with the following new zoning district:

 AH-2 Affordable Housing Zone 2

SECTION 2. Article IV §23-38.2 **Zoning Map** is hereby amended and supplemented to add the AH-2 District to include Block 31, Lots 1 and 6 comprising 7.67 acres of land.

SECTION 3. New Section 23-39.11, **AFFORDABLE HOUSING DISTRICT 2, AH-2** is hereby added as follows:

23-39.11 Affordable Housing Zone-2

- a. Purpose. The purpose of this district is to encourage the production of low and moderate-income housing in conformance with the latest procedural and substantive rules to provide for affordable housing as determined by the Courts or other applicable authority, by permitting inclusionary townhouse and multi-family development subject to the AH-2 regulations enumerated herein. This ordinance is created in fulfillment of the Borough's constitutional obligation to provide affordable housing pursuant to the New Jersey Supreme Court's Mount Laurel decisions and Fair Housing Act.
- b. Principal permitted uses.
 1. Townhouses.
 2. Market rate units or low and moderate income units within townhouse buildings, which may be designed as one-over-one apartment flats or one over one for-sale duplexes within a townhouse configuration also known as stacked townhouse units.
 3. Multifamily residential.
- c. Accessory Uses. Any use which is ordinarily subordinate and customarily incidental to the principal permitted uses allowed in the AH-2 Zone, including but not limited to decks, patios and residential amenities provided for the use and enjoyment of the residents of the development only.
- d. Maximum Density: The maximum number of permitted dwelling units shall not exceed a total of 94 housing units.
- e. Townhouse and Multi-family area, external yard and bulk requirements shall be as follows:
 1. Minimum lot area (acres): 7 acres
 2. Minimum lot width (feet) 400
 3. Minimum lot depth (feet) 140
 4. Minimum distance between buildings (feet): 15
 5. Minimum setbacks from external lot lines (feet):
 - a) Front yard: 35
 - b) Side yard: 35*
 6. Maximum number stories and building height: 4 stories/45 feet
 7. Maximum building lot coverage: 35 percent
 8. Maximum impervious lot coverage: 65 percent

*Except porches, balconies and decks may extend into a required side and rear yard by no greater than six-feet.

f. Parking.

1. Residential Site Improvement Standards (RSIS) shall apply.
2. Required off-street parking for townhouse or duplex units in combination with affordable housing units in stacked arrangements shall require at least one of the two stacked affordable units within a townhouse building to have a minimum of one garage space. One additional parking space for this affordable unit shall be provided in its associated driveway in front of the garage. The second affordable unit, lacking a garage space, shall have one driveway space, with the additional required parking for both affordable units provided per RSIS standards within 150 feet of said units. Required off-street visitor parking for low- and moderate-income units, as required by RSIS, should be located within 150 feet of the units serviced. All exterior parking shall be landscaped, screened, and lighted, where appropriate.
3. Each garage space shall be counted as 1.0 parking space. A one-car garage and driveway combination shall be counted as 2.0 parking spaces provided the driveway measures a minimum of 18 feet between the face of the garage door and the internal roadway line. (RSIS §5.21-4.14(d)). Required visitor parking spaces for market rate units shall be provided no farther than 250 feet of the unit it serves.
4. Electric Vehicle Supply/Service Equipment. Electric vehicle supply/service equipment (EVSE) shall be incorporated in any development within the SLC Zone pursuant to New Jersey P.L. 2021, c.171. Same shall be for the exclusive use of residents and other users of the principal uses, and not the general public.

g. Buffer Requirements. A natural vegetated buffer equal to the distance of the applicable setback requirement as set forth herein, shall be required to be maintained at all times along the perimeter of the AH-2 Zone, other than areas located within the public right-of-way or other easement areas. The buffer may include naturally occurring vegetation, as well as hedges, row trees, berms or similar landscaping installed by developer.

1. No disturbance or use is permitted to the buffer area with the exception of access roads, walking paths or trails and similar passive recreation uses, underground infrastructure, landscaping, hardscape (including retaining walls, fencing, ornamental walls, and the like), signs as may otherwise be permitted by this subsection or other Borough ordinances, or required maintenance to the foregoing or the buffer area.
2. Any disturbance to buffer areas as permitted by paragraph g4(a) above shall be restored subject to the review and approval of the Borough Land Use Board.

h. Site Development Requirements.

1. Landscaping.

- a) Landscaping shall be provided to promote a desirable visual environment, to accentuate building design, define entranceways, screen parking areas, mitigate adverse visual impacts and provide windbreaks for winter winds and summer cooling for buildings, *and enhance buffer areas*. The impact of any proposed landscaping plan at various time intervals shall be considered. Plants and other landscaping materials shall be selected in terms of aesthetic and functional considerations. The landscape design shall create visual diversity and contrast through variation in size, shape, texture and color. The selection of plants in terms of susceptibility to disease and insect damage, wind and ice damage, habitat (wet-site, drought, sun and shade tolerance), soil conditions, growth rate, longevity; root pattern, maintenance requirements, etc., shall be considered. Consideration shall be given to accenting site entrances and unique areas with special landscaping treatment. Flowerbed displays are encouraged.
- b) Landscaped islands shall be at least six feet in width to accommodate plantings.
- c) Landscaping within sight triangles shall not exceed a mature height of 30 inches. Shade trees shall be pruned up to an 8-foot branching height above grade.
- d) All areas that are not improved with buildings, structures and other man-made improvements shall be landscaped with trees, shrubs, ground cover, street furniture, sculpture or other design amenities.
- e) Shade trees shall be a minimum 2.5 to 3-inch caliper with a canopy height of at least the minimum American Nursery and Landscape Association Standards for this caliper.
 - (1) Ornamental Trees shall be installed at a minimum size of 6 feet in height.
 - (2) Shrubs shall be planted at a minimum size of 18 to 24 inches.
 - (3) All plant material shall meet the minimum latest American Nursery and Landscape Association Standards.
 - (4) Irrigation shall be provided for all landscape and lawn areas in a manner appropriate for the specific plant species.
 - (5) A growth guarantee of two growing seasons shall be provided and all dead or dying plants shall be replaced by the applicant, as required, to maintain the integrity of the site plan.

- f) **Landscape Plantings.** All plant materials are to be indigenous to the region herein defined as the Somerset County region but in no event shall the plant materials be comprised of less than 50% indigenous species. Invasive plant species shall not be permitted.
- g) **Landscape Plan Content.** A landscape plan shall be submitted with each major site plan or major subdivision application. In addition to the major site plan or subdivision submission requirements, the landscape plan shall include and identify the following information:
 - (1) Existing and proposed underground and above ground utilities such as site lighting, transformers, hydrants, manholes, valve boxes, etc. existing wooded areas, rock outcroppings and existing and proposed water bodies.
 - (2) Location of individual existing trees noted for preservation within the area of development and 30 feet beyond the limit of the disturbance. Trees 4 inches in diameter (measured 4 1/2 feet above the existing ground level) shall be located and identified by name and diameter unless the wooded area is shown with a specific limit line. In this case, specimen trees shall be located within thirty feet of the line. Indicate all existing vegetation to be saved or removed.
 - (3) Existing and proposed topography and location of all landscaped berms.
 - (4) Location, species and sizes of all proposed shade trees, ornamental trees, evergreen trees and shrubs and areas for lawns or any other ground cover. Different graphic symbols shall be used to show the location and spacing of shade trees, ornamental trees, evergreen trees, shrubs and ground cover. The size of the symbol must be representative of the size of the plant shown to scale.
 - (5) A plant schedule indicating botanical name, common name, size at time of planting (caliper, height and spread), quantity, root condition and any special remarks (spacing, substitutions, etc.) for all plant material proposed. Plants within the plant schedule shall be keyed to the landscape plan utilizing the first letter of the botanical plant name.
 - (6) Planting and construction details and specifications.

2. Lighting.

- a) All lighting fixtures and foot-candle standards for parking areas and recreation facilities shall be consistent with the standards outlined by the Illuminating Engineering Society of North America (IESNA).

- b) A lighting plan prepared by a qualified professional shall be provided with site plan applications.
 - c) The intensity, shielding, direction and reflecting of lighting shall be subject to site plan approval by the approving authority.
 - d) All parking areas, walkways, building entrances, and driveways required for uses in this zone shall be adequately illuminated during the hours of operation that occur after sunset.
 - e) Lighting shall be shielded so as to prevent glare from adversely impacting surrounding properties.
3. Sidewalks. Within the development, sidewalks shall be required in accordance with the RSIS standards or as deemed appropriate by the Board.
 4. Refuse and recycling. Refuse and recycling facilities shall be located interior to a building or, alternatively, if located outside, the refuse area shall be appropriately screened by decorative masonry wall and/or fencing consistent with the type of building materials used within the development not to exceed six feet.
 5. Rooftop utilities, including mechanical, electrical, and plumbing equipment, and HVAC units, are permitted as set forth elsewhere in this subsection, but shall be shielded from public view with appropriate screening that complements the character of the buildings architecture. Private residential balconies shall be permitted but shall not exceed a maximum depth of six feet beyond the building facade nor encroach within a required setback. Notwithstanding the foregoing, ground level private and common courtyards shall not be subject to these requirements and may be permitted within the required setback, provided the encroachment is screened or landscaped.
- h. Developer's Agreement. Any approval for development within the SLC Zone shall be conditioned upon a Developer's Agreement memorializing the conditions of approval granted pursuant to the Municipal Land Use Law (MLUL) to be entered into between the Borough governing body and developer which must be filed with the County Registrar.
 - i. Low and Moderate-Income (Mount Laurel) Housing Requirements. Residential development, as permitted by this section, shall comply with all provisions of Chapter XXIII, Article IX titled "Affordable Housing" and the mandatory set aside shall be at minimum 25%.

SECTION 4. The Borough Clerk is directed to give notice at least ten (10) days prior to a hearing on the adoption of this Ordinance to the Somerset County Planning Board and to all other persons or entities entitled thereto pursuant to N.J.S.A. 40:55D-15 and 40:55D-62.1. The Borough Clerk shall execute any necessary Proofs of Service of the notices required by this section, and shall keep any such proofs on file along with the Proof of Publication of the notice of the required public hearing on the proposed change.

SECTION 5. After introduction, the Borough Clerk is hereby directed to submit a copy of the within Ordinance to the Land Use Board of the Borough of Peapack for its review in accordance with N.J.S.A. 40:55D-26 and N.J.S.A. 40:55D-64. The Land Use Board, acting in its capacity as Planning Board, is directed to make and transmit to the Borough Council, within thirty-five (35) days after referral, a report

including identification of any provision in the proposed Ordinance which are inconsistent with the Master Plan and recommendations concerning any inconsistencies and any other matter as the Board deems appropriate.

SECTION 6. If any paragraph, subdivision, clause or provision of this Ordinance shall be adjudged invalid, such adjudication shall apply only to the section, paragraph, subdivision, clause or provision so adjudged and the remainder of the Ordinance shall be deemed valid and effective.

SECTION 7. All ordinances or parts of ordinances inconsistent with or in conflict with this Ordinance are hereby repealed to the extent of such inconsistency.

SECTION 8. This ordinance shall take effect immediately upon: (i) adoption; and (ii) publication in accordance with the laws of the State of New Jersey.

Introduced:

Adopted:

Nancy A. Bretzger, RMC
Municipal Clerk

Mark Corigliano
Mayor