

**AMENDMENT & SUPPLEMENT
TO THE
2025 HOUSING ELEMENT AND
FAIR SHARE PLAN**

March 2026

**Hardyston Township
Sussex County, New Jersey**

Hardyston Township Joint Land Use Board

Prepared By:

Carrine Piccolo-Kaufer, AICP, PP
Township Planner

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



Introduction

The following is intended to amend and supplement the Hardyston Township Housing Element and Fair Share Plan (HEFSP) adopted by the Hardyston Township Joint Land Use Board on June 24, 2025 in order to comply with the terms of the *Mediation Agreement Before the Affordable Housing Dispute Resolution Program* executed by Fair Share Housing Center and the Township of Hardyston and filed with the Court on December 19, 2025.

In accordance with the terms of the Mediation Agreement, the Township is required to amend the HEFSP in order to strengthen the analysis relative to the durational adjustment for the 4th round obligation, incorporate an overlay zone for specific parcels within the Township's existing sewer service areas to address the Township's 4th round unmet need, and incorporate the scattered site affordable housing partnership program in order to address the nineteen (19) unit shortfall from the market to affordable compliance mechanism used to address a p the Township's 3rd round obligation.

Affordable Housing Obligation

The Township of Hardyston's affordable housing obligation consists of present need (rehabilitation), prior round (1987-1999), 3rd round and gap period (1999-2025) and 4th round (2025-2035) obligations.

The Township's Present Need or Rehabilitation Obligation is 22, the Township's combined First and Second Prior Round Obligation(1987-1999) is 18, the Township's Third Round Prospective Need Obligation (1999-2025) is 270, the Township's Fourth Round Prospective Need (2025-2035) is 647.

The following tables depict the Township's compliance mechanisms:

Present Need

Present Need (Rehab Share)		Status
Municipally Sponsored Program	22	Prospective
Total	22	

Prior Round (1987-1999)

MECHANISM	TYPE	UNITS	BONUS	TENURES	STATUS
SCARC	Supportive and Special Needs	3		Rental	Completed
Willowglen (1)	Supportive and Special Needs	3	1	Rental	Completed
Willowglen (2)	Supportive and Special Needs	4	4	Rental	Completed
SEED Corp Group Home	Supportive and Special Needs	3		Rental	Completed
Total		13	5		

Third Round & Gap Period (1999-2025)

MECHANISM	TYPE	UNITS	BONUS	TENURES	STATUS
Crystal Springs Village	Inclusionary, family	143		Rental	Site plan approved 2007; Redevelopment plan adopted 2024
Grand Cascades Lodge	Inclusionary, family	8		Rental	Developer's Agreement approved 2006
Ridgefield Commons	Inclusionary, family	24	24	Rental	16 units built and occupied, 8 affordable units to be built (expected completion 2026)
Indian Fields	Inclusionary, family	8		Rental	Site plan approved 2006
Forest Knolls	Inclusionary, family	3		Rental	Site plan approved 2008
Horse Valley	Inclusionary, family	5		Rental	Site plan approved 2011
Lam Development Crystal Springs	Inclusionary, Family	10		Rental	Under construction
Emerald Estates	Inclusionary, family	4	4	Rental	Complete
Market-to-Affordable Program		8			8 units completed
SEED Corp. Group Homes	Supportive and Special Needs	1	1		Complete
Capitol Care Group Homes	Supportive and Special Needs	4	4		Complete
Municipal Partnership Projects	Family For-Sale	19			Proposed
Total		237	33		

Fourth Round (2025-2035)

Obligation	647
Durational Adjustment	647
Overlay Zones	46
Unmet Need	601

Durational Adjustment

The Township of Hardyston has limited sewer service areas and sewer capacity to support the creation of additional inclusionary housing beyond the units planned for and allocated in prior rounds. As a result, the Township is seeking a durational adjustment in accordance with N.J.A.C 5:93-4.3 to address the entirety of the Township's 4th round obligation of 647 affordable housing units.

Sewer allocation within Hardyston Township is administered by other agencies as provided in the table below.

SCMUA Upper Walkkill Water Pollution Control Facility		
Sewage Capacity Allocation Within Hardyston Township		
SCMUA Participant	Allocation (gpd)	Committed Allocation Thru Actual Flows or Agreements
Hardyston Township MUA	452,000	450,350
Crystal Springs		335,500
Indian Field		87,500
Walkkill Valley Regional HS		17,000
Storage Solutions		350
Hardyston YMCA		10,000
Aqua - Walkkill Serwer Co.	155,000	155,000
Total	607,000	605,350

Allocation not currently committed as the result of the actual flows from existing units or treatment work approvals for planned units is subject to the terms and conditions of established developer's agreement whereby the developer has paid and continues to pay for the reservation of future capacity or existing service contracts with the Sussex County Regional Sewage Authority. Agreements with SCMUA and respective developers are included in appendix A at the end of this document.

In accordance with N.J.A.C 5:93.-4.3(c)(1), the Township is required to reserve new public water and or sewer capacity for the provision of affordable housing. Sewer capacity is regulated by the Sussex County Regional Sewer Authority and the Hardyston Township Municipal Utility Authority. Hardyston Township does not have the authority to reserve capacity. Should public water and/or sewer become available in Hardyston Township through SCMUA or the HTMUA, Hardyston Township cooperate and coordinate with prospective affordable housing developers to reserve and set aside the water and/or sewer capacity, when it becomes available, for very

low-, low-, and moderate-income housing on a priority basis until it has satisfied its fair share obligations through the developer's agreement/service contract process established by the respective agencies .

Furthermore, the Township will cooperate with appropriate parties, and act in good faith and with continuity of purpose, to assist any proposed inclusionary development, whether on the sites zoned for the Third Round or on currently unforeseen site within the Township in order to facilitate the provision of public water and sewer to those sites.

Overlay Zones

The Township Housing Element and Fair Share Plan is amended to include overlay zones on specific parcels located within the existing sewer service areas to allow for inclusionary development in the event additional capacity becomes available. The Township has identified four (4) additional parcels, totaling forty-two acres, suitable for development at a density of six (6) dwelling units per acre. These parcels are located along State Route 94 in proximity to other higher density single-family and multi-family housing developments. At the permitted density, the overlay zones would generate an additional forty-six (46) affordable units.

The parcels suitable for future development are identified in the table below.

Block	Lot	Description	DCA Parcel ID #	Acres	Density Units/Acre	Units	20% Set-aside (Rounded)	Net Additional Units
67	2.08	YMCA Front Tract	28807	14	6	84	17	17
67	16.03	Indian Field Commercial	28814	2	6	12	2	2
67.05	1	Indian Field Commercial	28824	12	6	72	14	14
67.29	1	Indian Field Phase 5		14	6	84	17	13
Total				42		252		46

The proposed overlay zones are incorporated into this amendment as appendix B.

Furthermore, as part of the Township's durational adjustment and in order to comply with the terms of the settlement agreement, the Township will seek to further amend the HEFSP, if in the future, if an appropriate party proposes an inclusionary development with a realistic plan for providing public water and sewer on currently unforeseen sites within the Township.

In addition, the Township will amend its existing affordable housing ordinance to require a mandatory twenty percent (20%) affordable housing set-aside for any new development of five (5) or more residential units. New development located within the Highlands Planning Area Existing Community Zone or an approved sewer service area shall require a 20% set-aside at a density of six (6) units per acre or greater. New development of five (5) or more residential units located in the Highlands Preservation Area, environmentally constrained Planning Areas 4 and 5, or outside of an approved sewer service area, shall require a 20% set-aside without a presumptive minimum density. A draft affordable housing ordinance is incorporated into this amendment as appendix C.

Scattered Site Municipal Partnership Program

The Township included a Market to Affordable Program as a compliance mechanism to address the 3rd round obligation. The Township completed 8 units as part of the 3rd round. Drastic changes in the housing market have hindered the feasibility of completing the remaining 19 units proposed in the Township’s 3rd round plan.

As part of the amended HEFSP, the Township is proposing a scattered site municipal partnership program. The Township has identified suitable lots owned by the Township for the development of one, two or multi-family affordable dwelling units (no larger than 4 units). The Township will authorize the transfer of ownership to approved affordable housing providers and shall allocate affordable housing trust fund monies to help subsidize the affordable units.

Block & Lot	Address	Acreage	# of Units
BI 5 Lot 2	1 Forest Trail	.344	1
BI 13 Lots 6 & 7	10-12 Greenhill Road	.421	1
BI 33 Lot 9.03	42 Deer Trail	.511	1
BI 33 Lot 9.06	48 Deer Trail	.345	1
BI 36 Lot 9.06	4 Buck Haven Trail	2.56	1
BI 79 Lots 90 & 91	57-59 W. Shore Trail	.373	1
BI 79 Lot 44	38 E. Shore Trail	.275	1
BI 16 Lot 14.03	37 Crystal Springs Road	4.9	2
BI 63 Lot 27.06	118 Wheatsworth Road	.98	2
BI 63 Lots 24.07, 24.11, 24.12, 24.13, 24.14	Wheatsworth Road	17.5	8

Crystal Springs Village Center Amended Redevelopment Plan

The Crystal Springs Village Center is an inclusionary affordable housing site that was included in the Township’s 2016 HEFSP to address a portion of the Township’s 3rd round obligation. In 2021, the site was designated as an area in need of redevelopment. The Township adopted the Route 94 Village Center Redevelopment Plan in 2024. The redevelopment designation and redevelopment plan were adopted to incentivize development of the property after traditional zoning and private capital failed to spur development of the property. A portion of the remaining sewer allocation currently under the control of the Hardyston Township Municipal Utility Authority is committed via a developer’s agreement with the current owner/developer of the lots included in the redevelopment area. This HEFSP amendment incorporates an amended redevelopment plan that allows for affordable housing to be built in both Village Center South and Village Center North. The original plan only permitted the affordable housing to be located in the Village Center South. The amended plan improves the likelihood that affordable housing will be constructed throughout the Village Center and allows for the appropriate phasing in accordance with affordable housing regulations. Once a redeveloper(s) is selected for the site, the future redeveloper’s agreement(s) shall include provisions for affordable housing and require an appropriate phasing schedule to ensure that sewer capacity remains available for affordable housing. The amended redevelopment plan is incorporated as appendix D.

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