



February 12, 2026

Amended Fourth Round Housing Element & Fair Share Plan ("HEFSP")

The Township of Scotch Plains filed a resolution of participation in the Affordable Housing Dispute Resolution Program (the "Program") and a declaratory judgment action pursuant to N.J.S.A. 52:27D-301 et. seq. (the "Fair Housing Act" or "FHA"), entitled "In the Matter of the Application of the Township of Scotch Plains, County of Union," Docket No. UNN-L-314-25, on January 22, 2025. The Court entered an Order on April 30, 2025, setting the Township's Fourth Round fair share obligations as a Present Need of 53 units and a Prospective Need of 213 units, which no party appealed, and ordering the Township to file a Fourth Round Housing Element and Fair Share Plan ("HEFSP") by June 30, 2025. The Township Planning Board adopted its Fourth Round HEFSP on June 16, 2025, and the Township Council endorsed the Fourth Round HEFSP on June 24, 2025. The Township filed its Fourth Round HEFSP on June 18, 2025. On August 29, 2025, Fair Share Housing Center ("FSHC") filed a letter pursuant to N.J.S.A. 52:27D-304.1(f)(2)(b) regarding the Township's Fourth Round HEFSP seeking additional compliance information and documentation before the HEFSP is approved by the Program and/or the Court. The Court issued a Case Management Order on October 8, 2025, which established certain deadlines and required the Township to provide a response to FSHC along with any documentation by October 17, 2025. The Township issued a letter on October 17, 2025, which attached additional compliance documentation and provided a response to FSHC's request for certain documentation that was not provided. The Township and FSHC agreed to amicably resolve the issues set forth in FSHC's letter through a Consent Order dated December 15, 2025, which further clarifies the Township's compliance mechanisms through specific amendments to its Fourth Round HEFSP.

In accordance with the signed Consent Order filed with the Court on December 15, 2025, the Township revised the Third and Fourth crediting tables to allocate bonus credits and provide the basis for the claimed bonus credits. This amendment consisting of the Third and Fourth Round crediting charts below shall amend and supplement the Fourth Round HEFSP for the Township of Scotch Plains adopted by the Planning Board on June 16, 2025, and endorsed by the Township Council on June 24, 2025, by Resolution No. 2025-184. The statutory requirements for a Housing Element and Fair Share Plan have been satisfied within the Fourth Round HEFSP adopted by the Planning Board on June 16, 2025. This document is to serve as an amendment to the Fourth Round HEFSP adopted by the Planning Board on February 23, 2026.

Prior Round

The Township of Scotch Plains' satisfaction of its Prior Round (1987-1999) obligation of 182 units was approved via a Final Judgment of Compliance and Repose ("JOR") granted by the Court on November 30, 2020. The Township's compliance with its Prior Round obligation is detailed in the crediting chart below:

Existing and Proposed Projects and Bonus Credits Addressing the Prior Round Obligation Township of Scotch Plains, Union County, NJ							
Prior Round Obligation (1987-1999)	182						
Mechanism	Completed Affordable Units	Proposed Affordable Units	Low	Mod	VL	Bonus Credits	TOTAL AFFORDABLE UNITS AND BONUS CREDITS
Inclusionary Projects	58	-	43	11	4	27	85
Lamberts Mill Village (Block 13501, Lot 20.01)	6 (F)(R)	-	3	3	-	6 (RBC) (a)	12
2002 Lake Avenue (Block 12801, Lot 14)	22 (AR)(R)	-	18	-	4	7 (RBC) (b)	29
Donato Site (Block 4901, Lot 3)	16 (F)(S)	-	8	8	-	-	16
Center for Hope Hospice (Block 13901, Lot 9)	14 (SN)(R)	-	14	-	-	14 (RBC) (c)	28
Group Homes	6	-	-	-	6	6	12
1966 Raritan Road (Block 12502, Lot 7)	3 (GH)(R)	-	-	-	3	3 (RBC) (c)	6
1746 Martine Avenue (Block 12401, Lot 24)	3 (GH)(R)	-	-	-	3	3 (RBC) (c)	6
RCA Units (previously approved with City of Linden)	91 (RCA)	-	TBD	TBD	TBD	-	91
TOTAL AFFORDABLE UNITS	155					-	-
TOTAL BONUS CREDITS (max 25% of 182-unit Prior Round obligation = 45.5)	-					33 (RBC)	-
TOTAL PRIOR ROUND CREDITS AND UNITS	188						

- (a) Per N.J.A.C. 5:93-5.15(d)1 of the Prior Round Substantive Rules, "A municipality shall receive two units (2.0) of credit for rental units available to the general public."
- (b) Per N.J.A.C. 5:93-5.15(d)2 of the Prior Round Substantive Rules, "A municipality shall receive one and one-third (1.33) units of credit for age restricted rental units. However, no more than 50 percent of the rental obligation defined in (a) and (b) shall receive a bonus for age restricted rental units unless:
- i. The rental units have been constructed prior to the effective date of this rule;
 - ii. The development has a valid preliminary or final approval from the municipality and the developer remains committed to building rental housing as of the effective date of this rule; or
 - iii. The time limit for constructing the rental units as per the conditions of substantive certification has not expired."
- (c) Per N.J.A.C. 5:93-5.8(d) of the Prior Round Substantive Rules, "Controls on affordability on alternative living arrangements shall remain in effect for at least 10 years. To be eligible for a rental bonus (pursuant to N.J.A.C. 5:93-5.15), controls on affordability shall remain in effect for at least 30 years."

(F) = Family
 (AR) = Age-Restricted
 (GH) = Group Home
 (SN) = Special Needs
 (R) = Rental
 (RCA) = Regional Contribution Agreement
 (S) = For-Sale
 (RBC) = Rental Bonus Credit

Third Round

The Township of Scotch Plains' satisfaction of its Third Round (1987-1999) obligation of 598 units was approved via a Final Judgment of Compliance and Repose ("JOR") granted by the Court on November 30, 2020. The Township prepared a vacant land adjustment ("VLA") for the Third Round, dated January 6, 2018, which established a Third Round RDP of 165 and left the Township with a remaining Unmet Need of 433. This VLA was included as an appendix in the Township's Third Round Housing Element and Fair Share Plan, which was adopted by the Township's Planning Board on October 10, 2018 and endorsed by the Township Council on October 16, 2018 by Resolution No. 2018-160. The Third Round RDP was approved by the Court via a conditional Judgment of Compliance and Repose ("JOR") Order entered on January 11, 2019, followed by a Final JOR Order entered on November 30, 2020. As revised and agreed upon in the Consent Order filed on December 15, 2025, the Township will increase its Third Round Realistic Development Potential ("RDP") to 195 units due to the provision of additional affordable units from projects which were not included in the Township's Third Round HEFSP. This amended Third Round RDP of 195 units has been satisfied by 201 units/credits, therefore generating an amended Third Round Unmet Need obligation of 397 units. The Township satisfies its Third Round obligation as follows:

Existing and Proposed Projects and Bonus Credits Addressing the Third Round Obligation Township of Scotch Plains, Union County, NJ							
Third Round Obligation (1999-2025)		598					
Third Round RDP		195					
Mechanism	Completed Affordable Units	Proposed Affordable Units	Low	Mod	VL	Bonus Credits	TOTAL AFFORDABLE UNITS AND BONUS CREDITS
Inclusionary Projects	79	49	53	55	20	48	176
2100 Lamberts Mill (Amberg Site) (Block 13501, Lot 21.01)	-	19 (F)(R)	7	9	3	-	19
2344 North Ave (North Ave Interested Party Site) (Block 8301, Lots 5 and 7)	-	2 (F)(R)	1	1	-	-	2
725-735 Jerusalem Road (Block 6201, Lots 13 & 16.02, Van Orden ROW)	-	9 (F)(S)	3	4	2	-	9
Elite Properties Site (1770-1772, 1774-1778 and 1782 East Second Street) (Block 1201, Lots 21-23)	6 (F)(R)	-	3	2	1	-	6
1805 Front Street, LLC Site (Block 1001, Lot 59.0101)	-	9 (F)(R)	3	4	2	-	9
Benchmark Senior Living and Memory Care Facility (Block 13901, Lots 4-6)	-	10 (AL)(R)	4	3	3	-	10
Orchid Park (Parker Gardens Site) (Block 12001, Lots 4-7)	34 (F)(R)	-	14	16	4	13 (RBC) (a)	47
Glenside (Former Bowcraft Site) (Block 4802, Lots 9-12)	35 (F)(R)	-	14	16	5	35 (RBC) (a)	70
2002 Lake Avenue (Block 12801, Lot 14)	4 (AR)(R)	-	4	-	-	-	4
Group Homes	11	-	-	-	11	-	11
Homefirst	2 (GH)(R)	-	-	-	2	-	2

(Mountain Ave; units moved from 547-549 Park Avenue location) (Block 1401, Lot 13)								
524 Westfield Road (Block 2501, Lot 16)	3 (GH)(R)	-	-	-	3	-	3	
1391 Terrill Road (Block 12001, Lot 9)	3 (GH)(R)	-	-	-	3	-	3	
970 Raritan Road (Block 16001, Lot 5)	3 (GH)(R)	-	-	-	3	-	3	
RCA Units (previously approved with City of Linden)	14 (RCA)	-	TBD	TBD	TBD	-	14	
TOTAL AFFORDABLE UNITS CONTRIBUTING TOWARD RDP	153					-	-	
TOTAL BONUS CREDITS CONTRIBUTING TOWARD RDP (max 25% of 195-unit Third Round RDP = 48)	-					48 (RBC)	-	
TOTAL UNITS AND CREDITS CONTRIBUTING TOWARD RDP	201							
Third Round Unmet Need								
397								
Mechanism	Completed Affordable Units	Proposed Affordable Units	Low	Mod	VL	Bonus Credits	TOTAL AFFORDABLE UNITS AND BONUS CREDITS	
Inclusionary Overlay Zones	-	38	TBD	TBD	TBD	-	38	
Inclusionary Overlay Zone on Jerusalem Road (+/- 15.35 acres at 12 units/acre; min. 15% affordable set-aside for rental units and min. 20% set-aside minimum for for-sale units)	-	28	TBD	TBD	TBD	-	28	
Inclusionary Overlay Zone on Waldheim Avenue and Beryllium Road (Approximately 7.2 +/- acres at 9 units/acre; min. 15% affordable set-aside for rental units and min. 20% set-aside minimum for for-sale units)	-	10	TBD	TBD	TBD	-	10	
Downtown Affordable Housing Overlay Zone*	-	103	TBD	TBD	TBD	-	103	
Downtown Affordable Housing Overlay Zone – Tier 1 (Approximately 22.46 +/- acres at 20 units/acre and min. 15% affordable set-aside)	-	68	TBD	TBD	TBD	-	68	
Downtown Affordable Housing Overlay Zone – Tier 2 (Approximately 8.79 +/- acres at 15 units/acre and min. 15% affordable set-aside)	-	20	TBD	TBD	TBD	-	20	
Downtown Affordable Housing Overlay Zone – Tier 3 (Approximately 7.93 +/- acres at 12 units/acre and min. 15% affordable set-aside)	-	15	TBD	TBD	TBD	-	15	
Other Mechanisms	70	TBD	TBD	TBD	TBD	-	70	

RCA Units (previously approved with City of Linden)	70 (RCA)	-	TBD	TBD	TBD	-	70
Mandatory Set-Aside Ordinance <i>(Required min. affordable set-aside of 15% for rental units and 20% for for-sale units for developments of 5 or more units)</i>	-	TBD	TBD	TBD	TBD	-	TBD
TOTAL AFFORDABLE UNITS CONTRIBUTING TOWARD UNMET NEED	211					-	-
TOTAL BONUS CREDITS CONTRIBUTING TOWARD UNMET NEED	-					-	-
TOTAL CREDITS AND UNITS TOWARD UNMET NEED	211						
TOTAL THIRD ROUND AFFORDABLE UNITS	364					-	-
TOTAL THIRD ROUND BONUS CREDITS	-					48 (RBC)	-
TOTAL THIRD ROUND CREDITS AND UNITS	412						
<i>(a) Per N.J.A.C. 5:93-5.15(d)1 of the Prior Round Substantive Rules, "A municipality shall receive two units (2.0) of credit for rental units available to the general public."</i>							
* See Exhibit A for map of Downtown Affordable Housing Overlay Zone and net yield calculations.							
(F) = Family (AR) = Age-Restricted (GH) = Group Home (AL) = Assisted Living (R) = Rental (RCA) = Regional Contribution Agreement (S) = For-Sale (RBC) = Rental Bonus Credit							

Fourth Round

In a Court Order filed on April 30, 2025, the Court fixed the Township of Scotch Plains' Fourth Round (2025-2035) Prospective Need obligation as 213 affordable units and authorized the Township to prepare a Fourth Round HEFSP. As per the Township's HEFSP adopted by the Planning Board on June 16, 2025, endorsed by the Township Council on June 24, 2025, and filed with the Program and Court on June 18, 2025, the Township has conducted a VLA for the Fourth Round, which concludes that the Township has a Fourth Round RDP of 99. As revised and agreed upon in the Consent Order filed on December 15, 2025, the Township adjusts its Fourth Round RDP to 72 units due to the allocation of affordable units from RDP-generating properties in the Fourth Round VLA towards the Township's Third Round RDP. This amended Fourth Round RDP of 72 units has been satisfied by 98 units/credits, therefore generating an amended Fourth Round Unmet Need obligation of 115 units. The Township satisfies its Fourth Round obligation as follows:

Existing and Proposed Projects and Bonus Credits Addressing the Fourth Round Obligation Township of Scotch Plains, Union County, NJ							
Fourth Round Obligation (2025-2035)		213					
Fourth Round RDP		72					
Mechanism	Completed Affordable Units	Proposed Affordable Units	Low	Mod	VL	Bonus Credits	TOTAL AFFORDABLE UNITS AND BONUS CREDITS
<i>Inclusionary Projects</i>	-	64	TBD	TBD	TBD	18	82

Tier 1, Phase 1 Redevelopment Plan (Block 1104, Lot 16; Block 1105, Lots 1.02 and 1.03; Block 1201, Lot 31.02; Block 1501, Lots 10 and 11; Block 1601, Lots 13 and 14)	-	53 (F)(R)	TBD	TBD	TBD	18 (BC) (α)	71
350 Forest Road (Block 1601, Lot 9.02; portion of Lot 9)	-	5 (F)(R)	TBD	TBD	TBD	-	5
Our Lady of Fatima House (Subdivision of Block 2401, Lot 1)	-	6 (AR)(R)	TBD	TBD	TBD	-	6
Other Mechanisms	16	-	8	8	-	-	16
Extensions of Controls on Donato Site (The Reserve) (Block 4901, Lot 3)	16 (F)(S)	-	8	8	-	-	16
TOTAL AFFORDABLE UNITS CONTRIBUTING TOWARD RDP	80					-	-
TOTAL BONUS CREDITS CONTRIBUTING TOWARD RDP (max 25% of 72-unit Fourth Round RDP = 188)	-					18 (BC)	-
TOTAL UNITS AND CREDITS CONTRIBUTING TOWARD RDP	98						
Fourth Round Unmet Need							
115							
Mechanism	Completed Affordable Units	Proposed Affordable Units	Low	Mod	VL	Bonus Credits	TOTAL AFFORDABLE UNITS AND BONUS CREDITS
Inclusionary Overlay Zones	-	11	TBD	TBD	TBD	-	11
B2 South Overlay Zone (Block 8201, Lots 12-18) (+/- 2.75 acres at 20 units/acre; min. 20% affordable set-aside for rental and for-sale units)	-	11 (F)(R)	TBD	TBD	TBD	-	11
Amended Downtown Affordable Housing Overlay Zone*	-	207 (NET YIELD of 104 from Third Round existing Overlay)	TBD	TBD	TBD	-	104
Downtown Affordable Housing Overlay Zone – Tier 1 (Approximately 22.46 +/- acres at 30 units/acre and min. 20% affordable set-aside)	-	135 (NET YIELD of 67 from Third Round existing Overlay)	TBD	TBD	TBD	-	67
Downtown Affordable Housing Overlay Zone – Tier 2 (Approximately 8.79 +/- acres at 22.5 units/acre and min. 20% affordable set-aside)	-	40 (NET YIELD of 20 from Third Round existing Overlay)	TBD	TBD	TBD	-	20
Downtown Affordable Housing Overlay Zone – Tier 3 (Approximately 7.93 +/- acres at 20 units/acre and min. 20% affordable set-aside)	-	32 (NET YIELD of 17 from Third Round existing Overlay)	TBD	TBD	TBD	-	17

Additional Projects	-	TBD	TBD	TBD	TBD	-	TBD
2446 Morse Avenue (Block 7802, Lots 13 & 14)	-	TBD	TBD	TBD	TBD	-	TBD
2002 Lake Avenue** (Block 12801, Lot 14) (New and/or extended deed-restricted affordable age-restricted units from RFQ/P)	-	TBD (AR)(R)	TBD	TBD	TBD	-	TBD
American Legion Redevelopment Site (237 Park Avenue; Block 1803, Lot 1)	-	TBD	TBD	TBD	TBD	-	TBD
Other Mechanisms	-	TBD	TBD	TBD	TBD	-	TBD
Extension of Expiring Controls	-	TBD	TBD	TBD	TBD	-	TBD
Amended Mandatory Set-Aside Ordinance (Required min. affordable set-aside of 20% for rental units and for-sale units for developments of 5 or more units)	-	TBD	TBD	TBD	TBD	-	TBD
TOTAL AFFORDABLE UNITS CONTRIBUTING TOWARD UNMET NEED	218 (NET YIELD of 115)					-	-
TOTAL BONUS CREDITS CONTRIBUTING TOWARD UNMET NEED	-					-	-
TOTAL CREDITS AND UNITS TOWARD UNMET NEED	115						
TOTAL FOURTH ROUND AFFORDABLE UNITS	298 (NET YIELD of 195)					-	-
TOTAL FOURTH ROUND BONUS CREDITS	-					18 (BC)	-
TOTAL FOURTH ROUND CREDITS AND UNITS	213						
<p><i>(a) Per N.J.S.A. 52:27D-311(k), "As a part of a fair share plan and housing element adopted pursuant to subsection f. of section 3 of P.L.2024, c.2 (C.52:27D-304.1), a municipality shall...(6) receive one unit of credit and one-half bonus credit for a unit of low- or moderate-income housing constructed on land that is or was previously developed and utilized for retail, office, or commercial space."</i></p> <p>*See Exhibit A for map of Downtown Affordable Housing Overlay Zone and net yield calculations. ** Project used to satisfy minimum 25% "likely to redevelop" requirement of Fourth Round Unmet Need.</p> <p>(F) = Family (AR) = Age-Restricted (R) = Rental (BC) = Bonus Credit (S) = For-Sale</p>							

EXHIBIT A

